



ARTISTIC DENIM MILLS LTD.

Plot # 5-9 & 23-26, Sector 16, Korangi Industrial Area, Karachi, Pakistan.
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January 24, 2014

Mr. Muhammad Ghufraan
Deputy General Manager - Company Affairs
Stock Exchange Building, Stock Exchange Road
Karachi

**Subject: News Article Published In Business Recorder Reporting Artistic Denim Mills as Target
Company for Chinese Investors**

Dear Sir,

This is with reference to your letter dated January 21, 2014, wherein you have made a reference to a news article published in Business Recorder on January 9, 2014 (the "Article"), in which it has been reported that Chinese investors have been (allegedly) actively pursuing a number of local mills including Artistic Denim Mills Limited (the "Company").

You will note that the Article, as evident from its first few lines, is premised on the fact that it is based on rumours, speculation and hearsay. Therefore, the authenticity of the news is questionable by the author's own admission. We would like to hereby assure you and confirm that we have not received any notice in respect of any intention by any interested party to purchase the shares of our Company which would attract the provisions of the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Ordinance 2002 ("Ordinance") or the Listed Companies (Substantial Acquisition of Voting Rights and Takeovers) Regulations, 2008 ("Regulations"); further we are not aware of any potential acquirer on the basis of whose interest such speculation and rumours have surfaced, and additionally no negotiations or discussions to our knowledge are in the process or are to commence in the near future to induct people to acquire controlling interest of the Company.

The contents of the Article appear to be hypothetical and arbitrary views of the author and are not based on any factual occurrences. It is reiterated that the author himself has conceded that the Article is based on rumours and goes so far as to say that "the Pakistan textile sector is a veritable gift basket of speculations these days" and further refers to "a lot of hearsay" circulating in the market. The Article does not provide any authenticated source or evidence to support the contents thereof and is relying simply on the "speculation" and "hearsay".

Please rest assured that should any event take place which requires any action under the Ordinance or the Regulations, all requisite actions will be taken in compliance with the legal requirements, however, at this time no actions or steps have been taken which require compliance or are in any way in breach of the relevant takeover laws.

We trust the above clarifies our position in this regard. In case you require any clarification, please do not hesitate to contact us.

Yours sincerely,

Company Secretary
Artistic Denim Mills Limited