



# Mahmood Textile Mills Ltd.

Ref.No.MTM/DS/2017/

Dated: 25<sup>th</sup> May,2017.

The Deputy General Manager(Operations),  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.  
Ph: 021-111-001-122.

Subject: FREE-FLOAT OF SHARES

Dear Sir.

Kindly refer to the correspondence resting with your letter No.PSX/Gen-3596,dated 16<sup>th</sup> May,2017 on the subject noted above.

We hereby submit the followings for your kind perusal:

- (i) That the existing "FREE FLOAT" of Mahmood Textile Mills Limited(the Company) is less than 25% of its issued capital, as pointed out vide your letter referred to above and bulk of the shares are with the sponsors, directors and in the categories which are excluded from the scheme of FREE FLOAT.
- (ii) That the company has no power to force its members to divest their shares or not keep their shares in physical form or do trading activities in the Stock Exchange.
- (iii) That the FREE FLOAT could be increased, if it was possible for the company to issue further capital to the general public other than the existing shareholders. But it is not legally possible. Further shares can be issued in the form of right shares to the existing shares only and that too proportionately. In that case the pattern of share-holding will not change and the position of FREE FLOAT will remain the same.

2. As a last resort, the Board of Directors has decided to seek expert advice so as to find a way to comply with the notification of PSX, if possible. Based on the information so collected and on receipt of advice, we will approach the Exchange in due course for further action, as may be considered appropriate under the prevailing circumstances of the company.

Thanks & regards.

Yours faithfully,  
For Mahmood Textile Mills Limited

MUHAMMAD AMIN PAL  
FCA  
COMPANY SECRETARY



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