

January 04, 2017

**Mr. Adnan Naseer**  
Management Executive (SSED)  
Securities Market Division  
Surveillance, Supervision and Enforcement Department  
Securities and Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue, Blue Area  
Islamabad

**Subject: Trading Price and Volume of Next Capital Limited ("NCL" or "Company")**

Dear Sir,

This refers to your letter no. SMD/SSED/NEXT/355/2016 dated December 30, 2016 on the captioned subject.

We do not have any concrete reason / information as to why the share price and volumes of NCL experienced significant increase during the period of December 19, 2016 to December 26, 2016.

However, it is our general observation that sale of 40% equity stake of Pakistan Stock Exchange ("PSX") to Chinese consortium at PKR 28/- per share may be considered as a factor which stimulated investors' sentiments for brokerage houses.

Since PSX sale is expected to generate capital gain of 72 million (assuming sale of all shares) for our Company, therefore, it is likely that PSX sale and the overall increase in the trading volumes are being considered positive for the brokerage houses among the market participants, thereby increasing their interest in our shares.

Nevertheless, the above is only our general observation of the market sentiment and we are not aware of any speculation / rumor which could be quoted as actual reasons for the price / volume volatility of our share. Moreover, the Company is also engaged in exploring new avenues for enhancing its business capacity but is not subject to any rumor / speculation in this regard, to the best of our knowledge.

Hope the above is an adequate clarification on the subject.

Regards



Muhammad Najam Ali  
Chief Executive Officer

CC The Managing Director  
Pakistan Stock Exchange Limited  
Pakistan Stock Exchange Building, Stock Exchange Road, Karachi.