



21 October 2026

Ms. Fatima Azmat
Manager, Listed Companies Compliance
Regulatory Affairs Division
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi

Dear Sir

Subject: **UNUSUAL MOVEMENT IN VOLUME OF THE CERTIFICATES OF SINDH MODARABA ("SINDM")**

This refers to your letter No. PSX/Gen-1245, dated October 19, 2026 and our letter no. dated 07 September 2026. In compliance with your directive, we are pleased to provide the following clarification regarding the captioned subject.

We hereby submit that Modaraba has not observed, nor is it aware of, any recent undisclosed material developments that could cause unusual trading activity. In this context, approximately 95% of the total certificates are held by the Modaraba Management Company and are classified as non-free float/frozen. The remaining 5% certificate holding is distributed among the general public/individual investors, making the active trading float relatively immaterial.

However, we would like to highlight that Modaraba had timely and transparently disseminated price-sensitive material information on 02 December 2025, 15 January 2026, 24 September 2026, 29 September 2026, 14 October 2026, and 19th October 2026 via the PUCARS-Beta online portal. Those disclosures/disseminations pertained to the equity injection from the Government of Sindh (Rs. 1 billion received in FY-26 and Rs. 1 billion to be received during this financial year), which fundamentally strengthened Modaraba's financial position, annual & quarterly financial results, and the transmission of annual and quarterly reports of June & September 2026. We assess that the market price continued to increase due to this material development, which may influenced the trading volume and market price of the certificates.

We reaffirm our commitment to ensuring full compliance with all applicable PSX regulations and assure you that Modaraba will continue to disclose any price-sensitive information to the exchange promptly.

Yours faithfully,

M. Adnan Shakeel
Company Secretary

Ishfaq Ahmed
Head of Legal, Compliance & SAM