

Public Announcement of Offer to Purchase Shares of Trust Securities and Brokerage Limited

THIS IS A PUBLIC OFFER BY SIKANDER MAHMOOD, AHMAD KAMAL, AND JUNAID SHEHZAD AHMED TOGETHER HEREINAFTER REFERRED TO AS THE ("ACQUIRERS") TO ACQUIRE UPTO 1,297,625 (12.976%) ORDINARY SHARES OF TRUST SECURITIES AND BROKERAGE LIMITED ("TSBL") ("TARGET COMPANY") AT AN OFFER PRICE OF PKR 5.75 PER SHARE PURSUANT TO THE SECURITIES ACT, 2015 ("ACT") AND THE LISTED COMPANIES (SUBSTANTIAL ACQUISITION OF VOTING SHARES AND TAKE-OVERS) REGULATIONS 2008 ("REGULATIONS").

The Acquirers entered into a Share Purchase Agreement ("SPA 1") dated February 01, 2017 with Emirates Global Investments Limited the ("Seller 1") for the purchase of 3,777,375 ordinary shares of the Target Company at a price of PKR 5.75 per ordinary share. Furthermore, the Acquirers also entered into another Share Purchase Agreement ("SPA 2") dated February 01, 2017 with Emirates Investments Group LLC the ("Seller 2") for the purchase of 3,627,375 ordinary shares of the Target Company at a price of PKR 5.75 per ordinary share. Thus, pursuant to the Securities Act, 2015 (the "Act") read with Listed Companies (Substantial Acquisition of Voting Shares and Take-over) Regulations, 2008 (the "Regulations") the Acquirers are offering to acquire by way of a public offer, Ordinary Shares having a par value of PKR 10 each in the Target Company from shareholders on the terms summarized below (the "Public Offer")

Offer Price	Rupees 5.75 per ordinary share
Acceptance Period	Seven (7) days starting from August 31, 2017 to September 06, 2017 during business hours from 9:00 am to 5.00 pm (the "Closing Date").
Offer Letter	The offer letter in accordance with this public announcement will be sent to ordinary shareholders (other than the Seller who has already entered into SPA with the Acquirers) whose names appear on the share register of the Target Company on closure of share transfer register on August 19, 2017 .
Number of voting shares to be acquired under the Public Offer	Up to 1,297,625 ordinary shares representing 12.976% of the present total issued ordinary share capital of the Target Company.
Minimum number of Shares acceptable to the Acquirer	No minimum limit fixed.
Number of Shares already held by the Acquirer	None.
Number of Shares being acquired pursuant to any agreement with shareholders	7,404,750 Ordinary Shares representing 74.0475% of the present total issued ordinary share capital of the Target Company pursuant to agreements with the Seller 1 and Seller 2.
Manager to the Offer	Arif Habib Limited, 2 nd floor, Arif Habib Centre, MT Khan Road, Karachi, Pakistan. Tel: (021) 3243 3542

1. THE ACQUIRERS

Name and Addresses	<ol style="list-style-type: none"> 1. Sikander Mahmood Address: 845/6, Z Block, Defence Lahore 2. Ahmad Kamal
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	<p>Address: 63/1, Street 14, Khayaban-e-Badban, DHA Phase 7, Karachi</p> <p>3. Junaid Shehzad Ahmed Address: 135/1, 6th Street off Khayaban-e-Bukhari, DHA Phase 6, Karachi</p>
CNIC numbers of the Acquirers	<p>1. Sikander Mahmood CNIC: 904070-111077-9</p> <p>2. Ahmad Kamal CNIC: 42201-0470492-3</p> <p>3. Junaid Shehzad Ahmed CNIC: 42101-9673841-1</p>
If there is more than one Acquirer, their relationship	Mr. Sikander Mahmood, Mr. Ahmad Kamal and Mr. Junaid Shehzad Ahmed are business associates
Total number of voting shares of the Target Company already held by the Acquirers, including any shares purchased through an agreement and relevant details of any such agreement including the share price agreed	The Acquirers do not hold any shares of the Target Company at present. However, the Acquirer shall, pursuant to the Share Purchase Agreements ("SPA 1" & "SPA 2") dated February 01, 2017 acquire 7,404,750 ordinary shares of the Target Company, representing 74.0475% of the present total issued shares of the Target Company at a price of PKR 5.75 per ordinary share
The Manager to the Offer	<p>Arif Habib Limited 2nd floor, Arif Habib Centre, MT Khan Road, Karachi, Pakistan. Tel: +92 21 3243 3542</p>
Principal areas of business of the acquirers and relevant experience	<p>Sikander Mehmood Sikander Mehmood has held a number of top tier positions in Pakistan for the past twenty years. Since 2010, he is the Vice Chairman and CEO of Arabian Sea Enterprises Limited, owner of Movenpick Hotel Karachi. Sikander is well versed in management policy, financial planning and compliance. He is responsible for entire management and operations of the Movenpick Hotel in Pakistan including its affiliated company Arabian Gulf Enterprises Private Limited to achieve the maximum degree of profitability and investor's satisfaction while reporting directly to multiple board of directors in Kuwait.</p> <p>He has also served as the Chairman of Pakistan Hotel Association from 2010 to 2013 where he was majorly responsible for devising strategies, focused to develop a bilateral relationship with the Ministry of Tourism, Excise & Taxation and various others government departments.</p> <p>His longest reigning tenure was at Yemen Commercial Bank. He served the company from 1993 to 2005 for more than a decade as the General Manager and the CEO of the Bank.</p>

	<p>Ahmed Kamal Ahmed Kamal is an MBA from Institute of Business Administration (IBA, Karachi). Also having a Certified Director diploma and Post Graduate Diploma in Systems Analysis and Design. Gained extensive knowledge of all current economic, social and regulatory issues.</p> <p>He has gained business experiences starting career from Atlas Honda Limited in 1984 as System Analyst for establishment of Computer Department. However, he entered the commercial and financial market and joined the most prestigious DFIs of its time and served for 10 years. After that served in a leasing company as a General Manager. By virtue of professional experience elevated to the position of Chief Executive in a stock brokerage house having membership with Pakistan Stock Exchange.</p> <p>Junaid Shehzad Ahmed Junaid Shehzad Ahmed is a seasoned global professional and an entrepreneur by choice. Junaid has exceptional academic credentials. He did his bachelors in Mechanical Engineering from the United States of America. He holds a dual discipline Master's degree in Management Science and Operational Research from the United Kingdom.</p> <p>His career initiated in the realm of Finance and Strategy at British Petroleum's Headquarters located in London. Since 2009, he has been phenomenally involved with various Agro Businesses in Middle East and Pakistan.</p>
<p>Details of any bank overdrafts or loans, or other similar indebtedness, mortgages, charges or other material contingent liabilities of the Acquirers.</p>	<p>Not applicable. The Acquirers do not have any such loans or material contingent liabilities.</p>
<p>Details if acquirers are directors on the board of of any listed company(s)</p>	<p>None of the Acquirers is a director on the board of any listed company</p>
<p>Details of any agreement or arrangement between the Acquirers and the directors of the Target Company about any benefit which will be given to any director of the Target Company as compensation for loss of office or otherwise in connection with the acquisition</p>	<p>The Acquirers have not entered into any agreement or arrangement with the Directors of the Target Company about any benefit which will be given to any director of the Target Company as compensation for loss of office or otherwise in connection with the acquisition.</p>

2. DETAILS OF THE PUBLIC OFFER

<p>Names, dates and editions of newspapers where the public announcement was published</p>	<p>The public announcement of intention to acquire 7,404,750 (74.0475%) ordinary shares was published on January 25, 2017 in</p>
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	Karachi, Lahore and Islamabad editions of Business recorder & Nawa-i-Waqt. Later, revision to public announcement of intention was published on June 24, 2017 in Karachi, Lahore and Islamabad editions of Business recorder & Nawa-i-Waqt.
The number and percentage of shares proposed to be acquired by the Acquirer from the shareholders through agreement, if any, the offer price per share and the mode of payment of consideration for the shares to be acquired	Acquirers have entered into SPA 1 and SPA 2 with the Sellers for the purchase of 7,404,750 Ordinary Shares representing 74.0475% of the total issued ordinary share capital of the Target Company at a price of PKR 5.75 per ordinary share.
Reasons for acquiring shares or control of the Target Company	Acquirers are an experienced team of people. Their thrust would be to establish a major presence in Karachi (the hub of all business activity) where at the moment TSBL has no presence. TSBL has at the moment a negligible business activity and with the Acquirers knowledge, experience and contacts, within the industry and the potential customer base available, it would be easy to tap the existing and the potential client base and convert these clients into a permanent business income for the house
Details regarding the future plan for the Target Company, including whether after acquisition the Target Company would continue as a listed company or not	The Target Company would continue as listed company. Only the shareholder of the Target Company will change. The company would be expanded in terms of staff, infrastructure, technology etc.
In case of any conditional offer, the minimum level of acceptance (number and percentage of shares)	The Public Offer is not conditional on a minimum level of acceptance.
In case there is any agreement with the present management, promoters or existing shareholders of the Target Company, an overview of the important features of the agreement(s) including acquisition price per share, number and percentage of shares to be acquired under the agreement(s), name of the seller(s), complete addresses of sellers, names of parties to the agreement(s), date of agreement(s), manner of payment of consideration, additional important information, if any	The Acquirers have entered into share purchase agreement dated February 01, 2017 ("SPA 1") with Emirates Global Investments Limited the ("Seller 1") for the purchase of 3,777,375 ordinary shares of the Target Company at a price of PKR 5.75 per ordinary share. Furthermore, the Acquirers also entered into another share purchase agreement ("SPA 2") with Emirates Investments Group LLC the ("Seller 2") for the purchase of 3,627,375 ordinary shares of the Target Company at a price of PKR 5.75 per ordinary share.
Number of shares already held by the Acquirer along with the date(s) of acquisition. Also state whether it was purchased through open market or acquired through a negotiated deal	The Acquirers do not currently hold any shares of the Target Company.
Minimum level of acceptance, if any	No minimum level is fixed

3. OFFER PRICE AND FINANCIAL ARRANGEMENTS

3.1 Justification for the offer price

Number of shares to be acquired through the Public Offer	Up to 1,297,625 (12.976%) ordinary shares of the Target Company
Form of consideration for the shares to be acquired through the Public Offer	Shares will be acquired against cash payment by means of bank draft / pay order in PKR

Total amount of consideration to be paid for the shares to be tendered during the Public Offer	Up to PKR 7,461,344
Whether the shares of the Target Company are frequently traded or infrequently traded in the light of criteria prescribed in Regulation 13 of these Regulations	The shares of the Target Company are infrequently traded on the Pakistan Stock Exchange Limited
Justification for the offer price for the shares of the Target Company, in the light of criteria contained in Regulation 13 of these Regulations	<p>In relation to the offer price to be offered to the public under Regulation 13, since the shares of the Target Company are <u>infrequently traded</u>, the criteria for determining the price the price of shares to be offered to the public is the highest amongst prices stated under Regulation 13(2). These prices are:</p> <ol style="list-style-type: none"> 1.The negotiated weighted average price under the SPA for acquisition of voting shares of the Target Company: <u>PKR 5.75 per share</u> 2. the highest price paid by the Acquires or person acting in concert with the Acquirer for acquiring the voting shares of the Target Company during six months prior to date of public announcement of offer: <u>N/A</u> 3.Price per share calculated on the basis of net assets valued, not earlier than six months before the date of such valuation, by a valuer whose name appears on the list of SBP approved list of valuers: <u>PKR 3.02 per share</u> <p>Based on the above, the Public Offer is being made at <u>PKR 5.75 per share</u>, the highest among the above.</p>

3.2 Financial arrangements

Disclosure about the security arrangement made in pursuance of Section 19 of the Act	The Acquirers have Provided to the Manager to the Offer, as per clause 19(2)(a) of the Regulations cash equivalent to the full amount of Public Offer
Disclosure about the adequate and firm financial resources to fulfill the obligations under the Public Offer	The Acquirers have made adequate financial arrangements for fulfillment of its obligations under the Public Offer to the satisfaction of the Manager to the Offer
A statement by the Manager to the Offer that the manager to the offer is satisfied about the ability of the Acquirer to implement the Public Offer in accordance with the requirements of the Act and these Regulations	Arif Habib Limited, appointed as the Manager to the Offer, confirms that the Acquirers are sufficiently capable of implementing the Public Offer in accordance with the requirements of the Act and the Regulations and has been issued a certificate to this effect.

4. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

<p>Detailed procedure for acceptance of offer by shareholder of the Target Company</p>	<ol style="list-style-type: none"> 1. In order to accept the Public Offer, the shareholders are required to send the letter of acceptance (attached to the Offer Letter), duly completed and signed, along with the requisite documents (as set out below) to the Manager to the Offer at its registered address i.e. 2nd Floor, Arif Habib Centre, 23, M.T. Khan Road, Karachi, on or before 5:00 pm on September 06, 2017. Please ensure that while the letter of acceptance, all the required information is provided, including the number of shares to be tendered. 2. In the event that the letter of acceptance and the requisite documents are delivered within the stipulated time, the Manager to the Offer will issue confirmation of the receipt of documents (Provisional Receipt). 3. Receipt by the Manager to the Offer by the closing date of the duly completed and signed letter of acceptance along with the required documents will constitute acceptance of the Public Offer. 4. Completed acceptance forms once submitted cannot be revoked by shareholders selling in the Public Offer. 5. Copies of the acceptance form shall also be available at the offices of Manager to the Offer
<p>CDC Shares</p>	<p>CDC account holders shall follow the procedure set forth above, as applicable. Additionally, the CDC account holders must transfer these shares to the CDC account of the Manager to the Offer in accordance with the following details and to provide the CDC transfer slip to the Manager to the Offer, with respect to transfer of shares:</p> <p>CDC Account Details:</p> <p>CDC Account Title: Manager to the Offer - Trust Securities & Brokerage Ltd CDC Participant ID: 06452 CDC Account No: 45766</p> <p>Transaction Reason Code: UIN # 904070-111077-9</p> <ul style="list-style-type: none"> - For Intra Account – [A021] - For Inter Account – [P015]
<p>Physical Shares</p>	<p>Shareholders with physical share certificate(s) are requested to provide the physical share certificate(s) along with duly verified transferred deed(s).</p>
<p>Acceptance by the Acquirer: The acceptance by the Acquirer of the shares tendered by the selling shareholders and payment of the offer price is subject to the following conditions:</p> <ul style="list-style-type: none"> - The Securities and Exchange Commission of Pakistan or any other competent authority having no objections to any of the provisions of the Public Offer. - The payment for shares does not contravene any section of the Foreign Exchange Regulation Act, 1947 and the Foreign Exchange Manual of the State Bank of Pakistan. 	

- The letter of acceptance being duly completed and signed along with the required documents and submitted to the Manager to the Offer on or before the closing date.
- The tendered shares being verified by the Target Company.
- The Acquirer not withdrawing the Public Offer in accordance with the provisions of the Act.

Payment of the offer price: Upon receipt of duly filled acceptance form along with the requisite documents, the Manager to the Offer will send written acceptances of the tender along with the Pakistani rupee cheque in favor of the shareholder as payment for such shares the selling shareholder within 30 (thirty) days of the closing date. No interest, mark-up, surcharge or other increment will be payable for any cause or reason on the aggregate price for the shares purchased by the Acquirer from any selling shareholder for any cause or reason.

REQUIRED DOCUMENTS

The Letter of Acceptance must be accompanied by the following documents: Letter of acceptance furnished by the shareholder(s) without the requisite documents may be rejected by the manager as being incomplete and invalid.

For Individual Applicants: An attested copy of Computerized National Identity Card, original shares certificates and duly executed transfer deeds along with the duly completed and signed authorization to split share(s) certificates letter for (physical shares only), Copy of CDC transferred slip submitted with CDC investor account services (for CDC share only).

For Corporate Applicants: Memorandum and Articles of Association, a certified copy of certificate of incorporation (and for public companies, certificate of commencement of business), certified copies of Computerized National Identity Card of signatories, a certified copy of board resolution authorizing persons to sell the shares with specimen signatures of such authorized persons, original share certificates and duly executed transfer deeds along with the duly completed and signed authorization to split share certificate(s) letter (for physical shares only), Copy of CDC transfer slips submitted with CDC investor account services (for CDC shares only).

5. STATEMENTS BY THE ACQUIRERS

Applicable Law	The Public Offer shall be governed by the provisions of Part IX of the Securities Act, 2015 and Take-over Regulations, 2008. Shareholders should not construe the content of this offer letter as legal, tax or financial advice and should consult with their own advisors as to the matters described in this offer.
Statement by the Acquirers for assuming responsibility for the information contained in this document.	The Acquirers assume responsibility for the information contained in this document.
A statement by the Acquirers to the fact that Acquirer including persons in concert, if any, will be severally and jointly responsible for ensuring compliance with the Act and the Regulations.	The Acquirers are not acting in concert with any other person (other than the Acquirers) and assume responsibility for ensuring compliance with the Acquirers and the Regulations.
A statement by the Acquirers that the Public Offer is being made to all shareholders who have voting shares of the Target Company and (except the persons who are party to SPA) whose names appear in the register of shareholders as on the date of book closure.	The Acquirers confirms that this Public Offer is being made to all shareholders who have voting shares of the Target Company (except the Sellers, i.e. persons who are party to share purchase agreements) and whose names appears in the register of shareholders as on the date of book closure.

Disclosure as to whether relevant provisions of the Act and the Regulations have been complied with	The Acquirers confirm that all relevant provisions of the Act and the Regulations have been complied with.
A statement that all statutory approvals for the Public Offer have been obtained	The Acquirers confirm that all statutory requirements for the Public Offer as required under the Act and the Regulations have been complied with.
A statement to the fact that no director(s) of the Acquirers is also director(s) on the board of Directors of the Target Company	The Acquirers confirms that no Acquirer / director(s) of the Acquirers is also director(s) on the board of Directors of the Target Company.
A statement by the Acquirers as to whether or not any voting shares acquired in pursuance to the Public Offer shall be transferred to another person and if that is the case the names of such person shall be disclosed	The Acquirers confirms that the acquired shares are not intended to be transferred to any other person upon acquisition
<p>ENQUIRIES ALL QUERIES AND CORRESPONDENCE RELATING TO THE OFFER SHOULD BE ADDRESSED TO THE MANAGER TO THE OFFER AT THE ADDRESS PROVIDED ABOVE. The foregoing information and copies of the acceptance letter shall also be available at website: www.arifhabibltd.com</p>	

6. DISCLAIMER

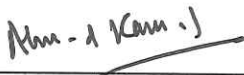
IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DOCUMENT OF PUBLIC OFFER WITH THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY THE COMMISSION. THIS DOCUMENT HAS BEEN SUBMITTED TO THE COMMISSION FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE LAW/REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TRUST SECURITIES AND BROKERAGE LIMITED. TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S) OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DOCUMENT. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DOCUMENT. THE MANAGER TO THE OFFER, ARIF HABIB LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. FOR THIS PURPOSE, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED: **July 05, 2017** TO THE COMMISSION IN ACCORDANCE WITH THE PART IX OF THE SECURITIES ACT, 2015 (THE "ACT")

Acquirer 1



Sikander Mahmood

Acquirer 2


Ahmad Kamal

Acquirer 3


Junaid Shehzad Ahmed