January 05, 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi

PUCARS / Courier

Material Information –Declaration of Right Shares

Dear Sir,

In accordance with the requirements of applicable provisions of the Securities Act, 2015And PSX rule Book, we are pleased to inform you that the board of directors of **Trust Securities and Brokerage Limited** (the "Company") in their meeting held on**Friday,January 5, 2018** at 11:00 am at office 608, Business and Finance Centre Karachi, inorder to fund the company for operational purposes and enhance the business activity of the Company and meet compliance regarding free float requirement through notice of PSX/N-7889 dated 27-12-2017.

The Board of Directors of theCompany hereby recommends to issue 200% Right Shares by offering 20,000,000 Right Shares to the existing ordinary shareholdersof the Company at a price of Rs.10/- per share,in proportion of 200 Right Shares for every 100 Ordinary Shares held. The Right Shares shall rank pari passu with the existing shares in all respect.

In this respect the share transfer books of the company will be closed from **January 20, 2018 to January 26, 2018** (both days inclusive) to determine the entitlement of Right Shares. Physical transfer / CDS Transaction IDs received at the Company's Shares Registrar, M/S Hameed Majeed Associates (Pvt) Ltd. H.M. House, 7-Bank Square, The Mall, Lahore, at the Close of business on January 19, 2018will be treated in time for thePurposeof entitlement of Right Shares to the transferees.

We also enclose herewith the following information / documents:-

a) Financial plan including purpose, benefits and use of funds for Right Issue Along with risk factors associated with the Issue **(Annexure "A").**

b) Financial projections for five years duly approved by the Board of Directors (Annexure "B").

c) Certified true copy of the Board Resolutions dated January 05, 2018**(Annexure "C").**

d) Draft copy of Notice for right issue and book closure to the shareholders prior to its being insertion in newspaper **(Annexure "D").** This will also suffice the requirement of section 96 & 131 of the securities act 2015.

You may please inform the TRE Certificate holders of the exchange accordingly.

We trust that the information provided above suffice you requirements, However, we shall be glad to provide any further information should you so require.

Yours faithfully,

ForTrust Securities and Brokerage Limited.

Trust Securities & Brokerage Ltd

UMRA DARAZ
Company Secretary

CC: **The Director/HOD**
Surveillance, Supervision and Enforcement,
Securities & Exchange Commission of Pakistan,
NIC Building, 63-Jinnah Avenue,
Blue Area,
Islamabad

Annexure "A"

FINANCIAL PLAN INCLUDING PURPOSE, BENEFITS AND USE OF THE FUNDS FROM RIGHT ISSUE ALONGWITH RISK FACTORS ASSOCIATED WITH THEM

After a successful acquisition, the current management intends to implement the proposed business plan in its entirety, including but is not limited to; capital injection in the company, improving the structure of the company through greater level of compliance, reaching out to the stakeholders and global outreach. Pursuing a right issue is completely aligned with the formulated business strategy and it is one of the steps in turning around the company. Through the right issue, the current acquirers intend to increase the working capital efficiency of the company. This right issue is the first part of the three part business strategy proposed in the pre-acquisition period to the Securities Exchange Commission of Pakistan.

Therefore, it is being proposed to issue 200 right shares on 100 Ordinary shares of the company at PKR 10/- each.

BENEFIT TO THE COMPANY & USE OF FUNDS

The funds from 200% Right Shares will contribute in increasing the working capital efficiency of the firm. Maintaining a higher level of compliance and reaching out to a global market including the participants in China and the MENA region.

FINANCIAL PLAN

FUNDS REQUIREMENT	**PKR in '000**
Estimated Requirement of Capital Injection	200,000
MEANS OF FINANCING	
200% Right Issue i.e. issue of 20,000,000 ordinary right shares of PKR 10/- each.	200,000
Total Financing	**200,000**

RISK FACTORS

Following risks are associated with right issue, which are not considered material due to the reasons mentioned against them.

INVESTMENT RISK

Right Issue of the Company is being made at PKR 10/- per share (inclusive of discount at the current market price per share) which is less than the current share price in the market.

OTHER RISK

There are no operational risk associated with the investment but there are market risk associated with the brokerage industry. In case, of a market meltdown; the business of the company can face a temporarily halt. This scenario is not likely to happen in the foreseeable future due to a rigid regulatory framework implemented by the regulators requiring strict compliance to the policies.

TRUST SECURITIES & BROKERAGE LIMITED

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Annexure "B"

FIVE YEARSFINANCIAL PROJECTIONS

YEAR	2018	2019	2020	2021	2022
Revenue - net	150,000,000	157,500,000	165,375,000	173,643,750	182,325,938
Profits after taxation	60,000,000	63,000,000	66,150,000	69,457,500	72,930,375
EPS (Rupees)	2.40	2.52	2.65	2.78	2.92
Paid up Share Capital	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000

Financial projections mentioned above are the outcome of how the Board assesses on the basis of current business environment and macro-economic conditions of the country. However, the Company and / or its Directors cannot accept any liability for any investment decision by any person on the basis of the above projections.

CHAIRMAN | CHIEF EXECUTIVE OFFICER | DIRECTOR | DIRECTOR

Trust Securities & Brokerage Ltd.

CORPORATE TREC HOLDER # 332 : Pakistan Stock Exchange Limited
Corporate Office: 2nd Floor, Associated House, Building # 1 & 2, 7-Kashmir Road, Lahore, (PAKISTAN)
Telephone: (92-42) 3637 3041-43 Trading: 3631 0241-44 Fax: (92-42) 3637 3040
Website: www.trustsecu.com Email: info@trustsecu.com & tsbl@brain.net.pk
Branch Office: Room # 607, 6th Floor, LSE Plaza,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore-54000 (PAKISTAN). Telephone: (92-42) 3637 4710 & 3630 0181

(Annexure "C").

ABSTRACT FROM MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON FRIDAY, JANUARY 05, 2018 AT 11:00 AM AT KARACHI.

"**Resolved** that, Pursuant to requirements of provisions of section 83 of the Companies Act 2017, approval of the board be and is hereby accorded to offer 20,000,000 Right Shares in proportion of 200 ordinary Right Shares for every 100 shares held (i.e.@200%) of Rs.**10/-** each at a price of Rs.**10/-** per share through letters of offer to the existing shareholders of the Company."

"**Resolved further** that the purpose of right issue, benefits to the Company, use of funds, risks associated with the Issue and financial projection for five years be and hereby approved."

"**Resolved further** that the Company be and hereby authorized to close its shares transfer books from **January 20, 2018 to January 26, 2018** (Both days inclusive) to determine entitlement for offering Right Shares to the existing shareholders of the Company and the Company Secretary be and is hereby authorized to announce book closure dates along with publication of notices in newspapers."

Resolved further that the Chief Executive Officer be and is hereby authorized to prepare right issue plan, make any amendment therein and get formal approval of the same from Pakistan Stock Exchange Limited.

"**Resolved further** that the Chief Executive officer or the Company Secretary be and are hereby authorized **singly** to take any and all necessary steps for issuance of letters of offer under section 83 of the Companies Act, 2017 (the "Act") and related circular along with terms and conditions therein, get Signatures under the Act and file the requisite returns/notices in the Company Registration Office and/or to the Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited, as the case may be."

Resolved further that the Chief Executive Officer and / or Company Secretary be and are hereby Authorized **singly** to approach MCB Bank Limited and any bank or banks for appointment as bankers to the right issue in order to collect the right subscription money against right shares and to open an account with MCB Bank Limited and any bank or banks so appointed and give instructions for transfer of proceeds from right subscription account to the Company's Account.

"**Resolved further** that the Chief Executive officer and / or the Company Secretary be and are hereby authorized **singly** to appoint consultants and potential underwriters, finalize terms and conditions and sign underwriting agreements and settle/finalize fees, commission, take up commission and third party expenses and/or any other expenses relating to the Right Issue."

"**Resolved further** that the Chief Executive officer and / or the Company Secretary be and are hereby authorized **singly / jointly** to take all necessary actions as required by the Central Depository Company of Pakistan Limited (the"CDC**")** including but not limited to induction of the offer for right shares and right in Central Depository System of the CDC and in this connection to sign all requisite applications, forms, documents undertakings and other papers on behalf of the company.

"**Resolved further** that the Chief Executive officer and / or Company Secretary be and are hereby **singly / jointly** authorized to allot / credit right shares and file returns as required by **SECP / Stock Exchange / CDC** along with auditor's certificate or any other authority."

"**Resolved further** that the Chief Executive Officer be and in hereby authorized to allot un-subscribed portion of the right issue if any, to the underwriters in accordance with covenants of the underwriting agreement(s)."

"**Resolved further** that fractional entitlements, if any will be consolidated in the name of the Company Secretary (Under trust) and be sold in the Stock Exchange and Proceeds thereof will be distributed to the members in accordance with their entitlements."

Trust Securities & Brokerage Ltd.

(Umar Daraz)
Company Secretary

Annexure "D"

TRUST SECURITIES & BROKERAGE LIMITED

NOTICEOF RIGHT ISSUE & BOOK CLOSURE

Members are hereby notified that the Board of Directors of Trust Securities and Brokerage Limited (the"Company") in their meeting held on January 05, 2018, have decided to issue further capital by offering 200% Ordinary Right Shares of Rs. 10/- each at a price of 10/-per share in proportion of 200 Ordinary Right Shares for every 100 ordinary Shares held.

The Share Transfer Books of the Company will remain closed from January 20, 2018 to January 26, 2018 (both days inclusive). Physical transfer / CDS Transaction IDs received at the Company's Share Registrar, M/S. Hameed Majeed Associates (Pvt.) Ltd. H.M House, 7-Bank Square, The Mall, Lahore, at the close of business on January 19, 2018, will be considered in time for entitlement of right shares.

Lahore: January 05, 2018

By Order of the Board
(Umar Daraz)
Company Secretary

Trust Securities & Brokerage Ltd.