



INVEST & FINANCE SECURITIES LIMITED

TREC Holder: Pakistan Stock Exchange Limited
Corporate Member: Pakistan Mercantile Exchange Limited

January 25, 2017

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

Subject: Material Information

Dear Sir

In accordance with Section 96 of Securities Act 2015 and Clause 5.19.13 (c) of Code of Corporate Governance contained in the Rule Book of Pakistan Stock Exchange, we hereby convey the following information:

The Company has received a certified copy of the order dated January 23, 2017 passed by the Competition Commission of Pakistan (CCP) on the subject "**PRE-MERGER APPLICATION OF 51% SHARES OF INVEST AND FINANCE SECURITIES LIMITED BY EFG HERMES FRONTIER HOLDINGS LLC**" submitted by EFG Hermes Frontier Holdings LLC with the CCP. Copy of the Order which is self-explanatory is enclosed herewith.

Your Sincerely,

Shahid Kamal
Company Secretary

Cc:

The Executive Director (Monitoring & Enforcement)
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Blue Area, Islamabad

Registered Office: Office No. 904, 9th Floor, Emerald Tower, Plot No. G-19, Block-5, Clifton, Karachi, Pakistan.
Tel: (+92 21) 35141100-04; Fax: (+92 21) 35141109

Lahore Branch: Room No. 319, 3rd Floor, Siddiq Trade Centre, 72 Main Boulevard, Gulberg, Lahore, Pakistan.
Tel: (+92 42) 35787732-6; Fax: (+92 42) 35787737

www.investfinance.com.pk



INVEST & FINANCE SECURITIES LIMITED

TREC Holder: Pakistan Stock Exchange Limited
Corporate Member: Pakistan Mercantile Exchange Limited

DISCLOSURE FORM IN TERMS OF SECTION 96 OF THE SECURITIES ACT, 2015

Name of Company	Invest and Finance Securities Limited
Date of Report	January 25, 2017
Date of earlier event Reported	----
Exact Name of Company as specified in its Memorandum	Invest and Finance Securities Limited
Registered Address of the Company	Office # 904, 9 th Floor, Emerald Tower, Plot No. G-19 Block-5, Clifton, Karachi.
Contact Information	Chief Executive Officer / Company Secretary Tel: (+92 21) 35141100-04 Fax: (+92 21) 35141109

Disclosure of inside information by Listed Company in terms of Section 96

The Company has received a certified copy of the order dated January 23, 2017 passed by the Competition Commission of Pakistan (CCP) on the subject "**PRE-MERGER APPLICATION OF 51% SHARES OF INVEST AND FINANCE SECURITIES LIMITED BY EFG HERMES FRONTIER HOLDINGS LLC**" submitted by EFG Hermes Frontier Holdings LLC with the CCP. Copy of the Order which is self-explanatory is enclosed herewith.

Signature

Pursuant to the requirement of the Securities Act, 2105, the Company has dully caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorized.

Shahid Kamal
Company Secretary

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F. No: 850/Merger/CCP/2016/1234
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

7th Floor, ISE Towers,
55 – B, Jinnah Avenue,
Islamabad
Tel: +92-51-9100289
Fax: +92-51-9100297
Email: ujaved@cc.gov.pk

January 23, 2017

Mr. Ali Akber Vasi
Partner
HaidermotaBNR & Co.
D-79, Block 5, Clifton
Karachi
Ph: 021-111 520 000

SUBJECT: PRE-MERGER APPLICATION U/S 11 OF THE COMPETITION ACT, 2010 – ACQUISITION OF 51% SHARES OF INVEST AND FINANCE SECURITIES LIMITED BY EFG HERMES FRONTIER HOLDINGS LLC

Dear Sir,

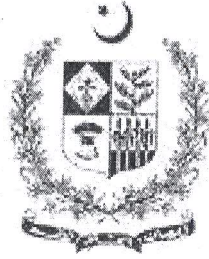
I have been directed to send to you the enclosed certified copy of the order dated January 23, 2017 passed by the Competition Commission of Pakistan, for your information.

Sincerely,

o/c

Syed Umair Javed
Registrar

23/1/17
ISSUED



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

IN THE MATTER OF

FIRST PHASE REVIEW

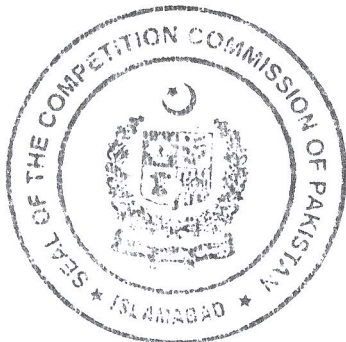
**ACQUISITION OF 51% SHARES OF INVEST AND FINANCE
SECURITIES LIMITED BY EFG HERMES FRONTIER
HOLDINGS LLC.**

CASE: 850/Merger-CCP/16

Commission

Ms. Vadiyya Khalil
Chairperson

Mr. Ikram Ul Haque Qureshi
Member



Attested To Be True Copy

Syed Umair Javed

Registrar

Competition Commission of Pakistan
Government of Pakistan
Islamabad.

ORDER

I Background

- 1 On 4th November, 2016, EFG Hermes Frontier Holdings LLC ("EFG Hermes Frontier") (the "Applicant"), submitted a pre-merger application (the "Application") to the Competition Commission of Pakistan ("Commission"), for the intended acquisition of 51% shares of Invest and Finance Securities Limited ("IFSL") (the "Target") by EFG Hermes Frontier (the "Acquirer"), along with the applicable processing fee and necessary information in accordance with the Competition (Merger Control) Regulations, 2007 (the "Merger Regulations").

II Merger Parties

Acquirer

- 2 EFG Hermes Frontier has been recently incorporated on 8th August 2016 in Dubai. It is a fully owned subsidiary of EFG Hermes Holding Company. The parent company of the Acquirer is an Egyptian Joint Stock Company which acts as a multinational investment bank with operations focusing on investment banking, securities brokerage, research, asset management, private equity leasing and micro finance.
- 3 EFG Hermes Frontier is a recently incorporated undertaking, therefore its Turnover is nil. However, the value of the Total Assets of its parent company i.e. EFG Hermes Holdings as on 31st December 2015 was EGP 88,400 million [PKR 481,780 million (@1EGP=PKR5.45)] and its Turnover was EGP 2,595 million [PKR14,142 million (@1EGP=PKR5.45)] for the above mentioned period.

Target

- 4 IFSL was incorporated as a public limited company in 2008 with its shares quoted on the Pakistan Stock Exchange Limited. It is involved in financial brokerage, corporate finance and financial research. It is a Trading Right Entitlement (TRE) Certificate Holder of the Pakistan Stock Exchange, corporate Member of Pakistan Mercantile Exchange Limited and is registered with/accredited by Financial Markets Association of Pakistan as a service provider/distributor.
- 5 The value of the Total Assets of the Target for the year ended June 30th 2016 was PKR 275.783 million, while the Turnover for the same period remained at PKR 80.117million.

III Transaction

- 6 In the proposed transaction the Acquirer will acquire 51% shares in the Target either from purchase of shares from individuals who are Sellers in the instant case or by subscription of new shares of the Target and acquisition from Public through Tender Offer. The transaction value of the proposed acquisition is PKR 153.119 million.

7 The transaction meets the notification thresholds prescribed in Regulation 4(2) (a) (b) (c) & (d) of the Merger Regulations, with the Acquirer's assets valuing more than PKR 800 million and combined assets being more than PKR 1 billion and Turnover of



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the Acquirer being more than PKR 500 million and combined turnover being more than PKR 1 billion. The transaction value exceeds PKR 100 million and the percentage of shares to be acquired also exceeds 10% of the total shareholding of the Target.

IV Relevant Market:

8 Since the major product of the Target is financial brokerage, the product market in this case is defined as "Financial brokerage". Brokerage firms, also known as broker-dealers are licensed by the Securities and Exchange Commission of Pakistan (SECP) to buy and sell securities for clients and for their own accounts. Brokerage firms frequently maintain financial research departments to provide financial advisory services to their clients. They may also provide a range of other financial products and services including asset management and financial planning. Brokerage firms come in all sizes from small firms to large firms.

9 The relevant geographic market is Pakistan.

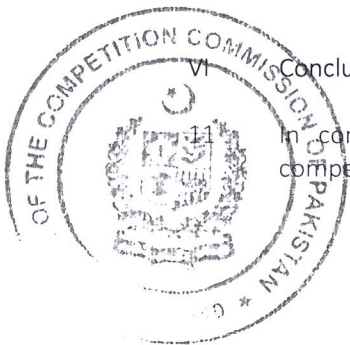
V Findings of the Phase I investigation on the competition assessment

10 The competition assessment in Phase I have resulted in the following findings:

- The proposed transaction involves the acquisition of 51% shares of the Target (IFSL) by the Acquirer (EFG Hermes Frontier). The Acquirer is a subsidiary of EFG Hermes Holdings Limited which is a multinational investment bank with expertise in financial brokerage. However, the Acquirer or its group companies do not have presence in the Pakistani market.
- The Target has a market share of 1.6% in terms of operating revenue for the brokerage firm, while the Acquirer is not a participant of the relevant product and geographic market thus having nil market share. Post merger there will be no change in the competitive dynamics of the relevant product market.
- The relevant product and geographic market is a highly competitive and regulated market with a large number of market participants. The execution of the proposed transaction will be a mode of entry for an established International firm in the Pakistani capital market.
- The proposed transaction will not hamper competition in the relevant product market.
- The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("the Act").

VI Conclusion

In conclusion, there is no evidence that suggests a substantial lessening of competition by creating or strengthening of a dominant position in the relevant



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Competition Commission of Pakistan
Government of Pakistan
Islamabad.

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market. The proposed transaction is hereby authorized under Section 31(1) (d) (i) of the Act.

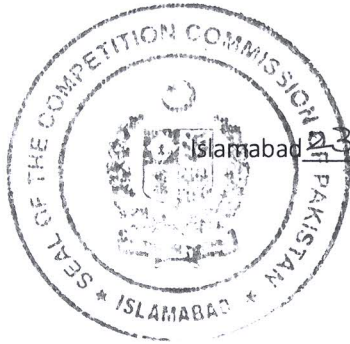
12 It is so ordered.

Vadiyya Khalil

Vadiyya Khalil
(Chairperson)

Ikram UI Haque Qureshi

Ikram UI Haque Qureshi
(Member)



Islamabad, 23rd January, 2017

Attested To Be True Copy

Syed Umar Javed 23/1/17
Syed Umar Javed

Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad.