



**Security Leasing
Corporation Limited**

Ref: GS05/0635
September 07, 2021

Mr. Hafiz Maqsood Munshi - Manager,
Companies & Securities Compliance - RAD.
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Proposed delisting of M/S Security Leasing Corporation Limited.

Dear Sir,

This is with reference to your letter ref. PSX/Gen-1546 dated August 9, 2021 regarding proposed delisting of the Company.

SLCL was one of the leading leasing companies of Pakistan until 2008 when the entire leasing sector suffered a huge setback. As a result the lines of credit available to SLCL from banks which propelled the company's entire operations, were suddenly choked and the process of recovery of leases from the lessees also became much slower day by day. In spite of all these difficulties SLCL continued to service its debt obligations to the creditors on time until 2011 when because of the difficult evolving situation it was left with no option but to enter into restructuring arrangements with them. The total outstanding debt of the company as of 2008 amounted to Rs. 2.35 billion which after hard work it was able to repay substantially and bring down its total indebtedness to Rs. 744 million as of 30th June 2015. Since then the company has been further successful in reaching realistic settlement with the creditors based on 10% cash down payment in line with company's cash inflow and brought down further its outstanding debt to Rs. 383.17 million only, in the recent past after prolonged discussions, the company has reached settlement with the major creditors which now enables it to pay only 10% cash down payment. Furthermore the company is in negotiation with the other creditors for settlement of their dues on similar basis.

It is of importance to mention here that two high net worth parties have already expressed their serious interest in taking over the company and injecting new capital in it once the outstanding of Company have been cleared by it. Unfortunately due to coronavirus (COVID-19) pandemic all activities have been suspended as such we are unable to materialize all mentioned deals.

In view of the position explained above we request you again not to take any action against the company and give it extension of further six months to complete the various processes and implement the plan outlined above.

Yours faithfully,

Muhammad Farooq
Company Secretary