



**Security Leasing
Corporation Limited**

Ref: GS05/648
April 05, 2022

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,

We write this with reference to your letter ref. PSX/Gen-485 dated March 09, 2022 received. We would draw your attention to the steps taken by the management for revival of the company.

The following are the major elements of company's restructuring plan that will result in the turnaround of the company.

- The company has engaged a chartered Accountant as a management consultant to guide the company for development of business plan for revival of the company.
- The company has engaged a legal advisor, having wide experience of Company's related matters, for assisting the company in recovery of outstanding amount from borrowers.
- The company is in the process of negotiations for settlement of outstanding liabilities with financial institutions. The following are the summary of status with various financial institutions:
 - a. The management is in the process of finalizing settlement with Soneri Bank Limited in respect of their outstanding of Rs. 16 million on the basis of cash payment of Rs. 5 million
 - b. Preliminary discussions with the Bank of Khyber are also underway to reach settlement with them in respect of their outstanding amount of Rs. 97 million.

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- c. The management is currently in negotiation with 51% holders of Sukuk-II for settlement of their outstanding of Rs. 231 million.
- The company has appointed valuator for valuation of its properties and the valuation comes to Rs.200 million that will have a positive impact on the equity of the company.
 - The company has plan to sell off some of the properties to inject funds in the company's operations and settlement of outstanding liabilities.
 - Company has reduced its admin expenses that will result in saving per annum.

On the basis of above steps the company will generate sufficient profits and will become the profitable entity in future. Accordingly the deferred tax assets will be realized in future periods against these profits.

As a result of above restructuring plans the company will generate income in future periods. The management is taking serious steps aggressively to turn the company into profitable entity and we are hopeful that the company will resume leasing operations.

Yours faithfully,

Muhammad Farooq
Company Secretary