



# Corporate Briefing Session

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August 7<sup>th</sup>, 2024

[www.slg.com.pk](http://www.slg.com.pk)



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# The Group



# The Group

## Overview



- Secure Logistics Group (“**SLG**”, or the “**Company**”), previously named as Asia Capital Partners (Pvt.) Ltd. (“**ACPL**”), was incorporated in 2013. Over the years, the Company has evolved through organic growth, multiple acquisitions and restructurings to emerge as an integrated logistics, asset tracking and security service provider
- SLG operates in horizontally synergetic business lines of Logistics, Asset Tracking and Security Services. Backed by substantial Company owned assets, country-wide infrastructure and in-house Asset Tracking & Security Services, SLG has evolved into an integrated Logistics service provider.
- SLG has three subsidiary Cos and two brands:



# The Group

## History and Time Line

- Since 2009, under the existing management, the Company and its Subsidiaries have had an operational history of over 13 years

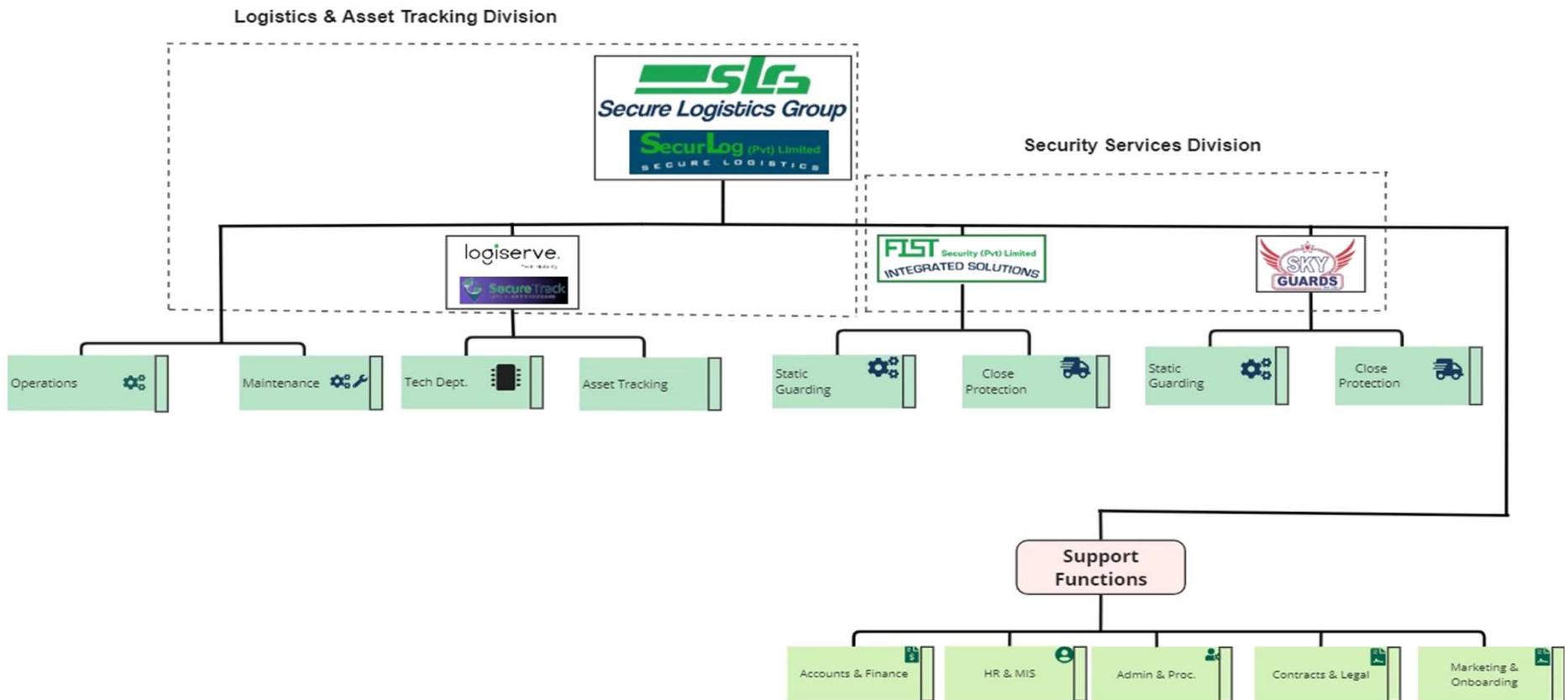
### Key Milestones



# The Group Organogram



- The SLG's organization structure is as follows:



# The Group Country-wide Footprint

The country-wide footprint includes the Head Office, three Regional Offices and a Marshaling Yard located in strategic locations to assist in seamless operation of all Business Lines

## Corporate Office

10th Floor, New State Life Tower, Blue Area Islamabad



## Central Office

House # E-153/4 Ghazni lane #1 Super town Defense



## Regional Office North

Plot 16, Near IDC Islamabad, I-11/3 Islamabad



## Central & Marshaling Yard

26.5 KM Multan Road, Lahore



## Regional Office South

House # Z-525,  
Dar ul Aman C H Society,  
Off National Stadium  
Karachi



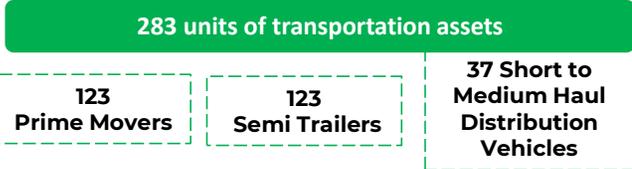
## **Businesses Lines**



# Business Lines

## Logistics - Traditional

The Logistic Business Line is based on the company owned fleet of



SecurLog's spectrum of services currently include the following:

- Long Haul Transportation**
- ❖ Bulk & Containerized cargos over long distances Project
  - ❖ Specific Logistics

- Distribution Vehicles**
- ❖ Containerized cargos over short and medium distance
  - ❖ Project Specific Logistics

### Competitive Advantage

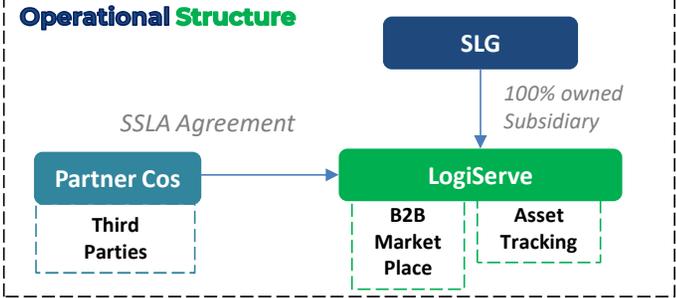
- ❖ Country-wide Infrastructure
- ❖ Experienced Team
- ❖ Tracking Ability
- ❖ Holistic Logistics Solutions

Transitioning



## Logistics - Tech Enabled

Using IPO Proceeds, SLG is going to accelerate its transformation of Traditional Logistics Segment. SLG through its B2B Marketplace App provides tech-based logistic services using in-house and Third Party fleets integrated with other technology modules



### Competitive Advantage

- ❖ First established domestic logistics company to pivot towards a forward-looking Tech-enabled logistics operation
- ❖ Enhancement in efficiency through the real-time tracking of transportation assets
- ❖ Asset Light Model with the flexibility of company owned fleet
- ❖ Group's effective tax rate is expected to decrease to 12% from 29%

## Business Lines (Cont'd)

### Asset Tracking

The Asset Tracking business serves individuals directly and through banks, insurance, leasing companies and corporates

Secure Track's spectrum of services currently includes the following:

#### Spectrum of Services



#### Competitive Advantage

- ❖ Company-owned dedicated 24/7 CMC manned by trained manpower
- ❖ International standard hardware & proprietary software with packaged solutions
- ❖ Customized MIS for each client

### Security Services

FIST Security and Sky Guard are a licensed providers of security services and offers one-stop solutions to its clients

FSL Spectrum of Services covers the following:

#### Spectrum of Services

##### Fixed Installations

- ⊕ Fully integrated static guarding service utilizing physical guarding complimented by mechanical and electronic technologies.

##### Close Protection Team

- ⊕ Comprises of dedicated teams consisting of trained professionals. The team's composition is specific to each client's requirement.



##### Security Equipment

- ⊕ Installation and operational support covering a range of security equipment. It includes B6 vehicles, complete range of electronic surveillance and detection equipment and mechanical barriers for outer parameters.

#### Competitive Advantage

- ❖ Country-wide footprint with regional and sub-regional offices
- ❖ Well Equipped personnel with Licensed Weapons, telecommunication Equipment & operational vehicles
- ❖ In-house tracking services supported by 24/7 Control
- ❖ Project-Specific SOPs

## Shareholding & BoD



# Shareholding, BOD & Management

## Ownership & Shareholders

### ▪ Sponsor Shareholders

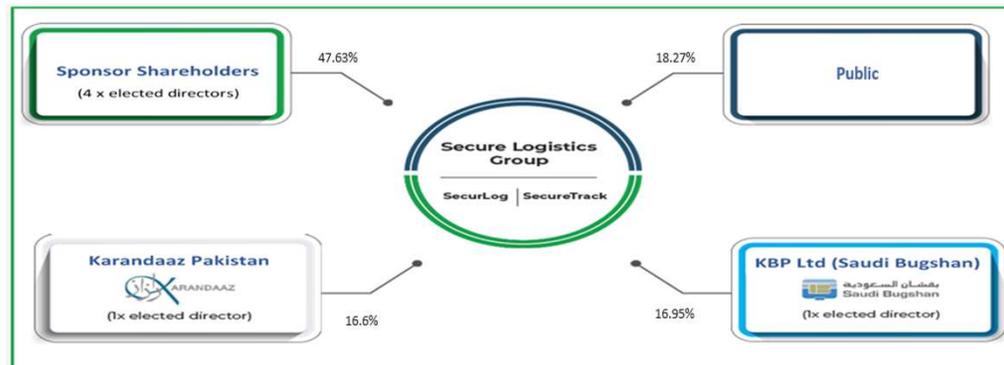
The Sponsor Shareholders, representing majority ownership have three representatives, namely; Mr. Pervaiz Khan, Mr. Gulraiz Khan, and Ms. Afshan Nasir. Out of these Directors, two Directors also hold Executive positions. Pervaiz Khan is the Executive Director and is responsible for all Support Functions. Gulraiz Khan performs the duties of CEO of SLG and its Subsidiary Companies

### ▪ Karandaaz Pakistan

Karandaaz Pakistan (“**KP**”), a Section 42 company established in August 2014, promotes access to financing for businesses through a commercially directed investment platform, and financial inclusion for individuals by employing technology-enabled solutions. It is sponsored by DIFID of the UK Government and the Bill & Melinda Gates Foundation

### ▪ Saudi Bugshan Group

Saudi Bugshan Group (“**SBG**”) is the holding company of one of the largest conglomerates in the Middle East and North Africa region and has its headquarters in Jeddah, Saudi Arabia. Building upon a more than 90-year-old family trading history, SBG was established in 2000 and operates in real estate, automotive, perfumes, cosmetics, education and healthcare



# Shareholding, BOD & Management

## Ownership & Shareholders (Cont'd)



Shareholder	Post-IPO	
	# of Shares	% holding
<b>Sponsor Group (original)</b>		
Mr. Pervaiz Afzal Khan	48,258,216	17.64%
Mr. Gulraiz Afzal Khan	21,303,922	7.79%
Mr. Javed Afzal Khan	1	0.00%
<b>Sub Total</b>	<b>69,562,139</b>	<b>25.42%</b>
<b>Family Members</b>		
Mrs. Afshan Nasir	8,456,573	3.09%
Ms. Mahnoor Afzal Khan	33,750,582	12.33%
Mr. Saad Afzal Khan	18,562,818	6.78%
<b>Sub Total</b>	<b>60,769,973</b>	<b>22.2%</b>
<b>Other Shareholders (before IPO)</b>		
Umair Ahsan	1,500,000	0.55%
Karandaaz Pakistan	45,413,830	16.60%
KBP Limited	46,393,239	16.95%
<b>Sub Total</b>	<b>93,307,069</b>	<b>34.1%</b>
<b>IPO Shares</b>	<b>50,000,000</b>	<b>18.27%</b>
<b>Grand Total</b>	<b>273,639,181</b>	<b>100.00%</b>

} Family Total  
47.62%

## Shareholding, BOD & Management Ownership & Shareholders (Cont'd)



Shareholder	# of Shares	% of Sub Total
Institutional Investors	18,994,354	37.99%
Large Individual Investors	9,232,569	18.47%
Individual Investors (<500,000 Shares)	21,773,077	43.55%
<b>Grand Total</b>	<b>50,000,000</b>	<b>100%</b>

# Shareholding, Management & BOD



## Board of Directors (Cont'd)

The brief profiles of the main Directors representing the shareholders are as follows:

- **Pervaiz Afzal Khan – Head of Support Functions and Executive Director**

Mr. Pervaiz Afzal Khan holds MBA and MIA from Columbia University, New York with 40+ years of diversified experience in public and private sectors: investment banking and the energy industry. He also served as CEO, of Uch Power I and II (Pvt.) Ltd. Which operates as part of a USD 2.5 Bn Uch energy complex. Mr. Khan was Country Delegate Pakistan for GDF Suez (the Group Holding Company) and a member of International Power's Asia Excom, responsible for supervising an aggregate portfolio of 5,000 M/Ws. He has been a member of several Board of Directors/Supervisory Bodies: Privatization Commission, PSO, Government Power Holdings (Pvt.) Ltd, Lahore University of Management Sciences and the Ambassador Program (for Pakistan) of Columbia Business School

- **Gulraiz Afzal Khan – Chief Executive Officer and Executive Director**

Mr. Gulraiz Afzal Khan holds a Master's degree in Strategic Studies from Command & General Staff College (CGSC), Fort Leavenworth, USA. He is also an Honor graduate and a winner of the "George S. Patton Jr." Medal. He completed his MBA from London Business School and has attended Armed Forces War Course, Islamabad. Gulraiz has over twenty-two years of military experience in Command, Staff, and Operational appointments

- **Faraz Minai – Nominee Director of KBP**

Mr. Faraz Minai is a nominated director of KBP. He holds a B.Sc. in Economics and MIS from Purdue University and an M.B.A. from London Business School. He is the Managing Partner of Andalus Holdings, an investment holding company based out of Abu Dhabi, U.A.E. Prior to co-founding Andalus Holdings, Faraz worked with Ashmore Group's private equity team focusing on healthcare investments across MENAP. Before joining Ashmore, Faraz was Head of Investments and Portfolio Management for Saudi Bugshan Holding, managing multibillion dollar portfolio of operating entities and diversified assets. Faraz has also spent 10 years with the French banking group Credit Agricole. In his last role with Credit Agricole, Faraz was head of corporate and institutional coverage for Saudi Arabia (largest market in MENA) and was a member of the bank's regional ALCO. Before moving to the Middle East in 2006, Faraz worked as a consultant with Accenture in Washington D.C. Deutsche Bank in New York

**1H FY 2024**



## Progress Since IPO



- Since the close of Initial Public Offering (“**IPO**”) transaction, the Company has consistently reported its progress by way of regular updates specifically to its investors and generally, to the market. All updates are available on the Pakistan Stock Exchange (“**PSX**”) portal and include:
  - ✓ Confirmation of pre-IPO investments – SLG letter to PSX dated April 18th, 2024;
  - ✓ Confirmation of first use of pre-IPO and IPO amounts involving debt pre-payments (deleveraging) as per the commitment made in the Prospectus – Corporate Announcement # 1 vide SLG letter dated April 23rd, 2024;
  - ✓ Upgrading of SLG’s credit rating from single A to A+ by Pakistan Credit Rating Agency (“PACRA”) – Corporate Announcement # 2 vide SLG letter dated May 14th, 2024 (along with PACRA’s Press Release);
  - ✓ Announcement/release of audited Accounts for FY ending December 31st, 2023 – May 10th, 2024, 2024
  
- In addition, SLG held its first presentation to analyst on May 21st, 2024

## Milestone Achieved in May & June



- During the remaining May and June 2024, the Company completed its second major committed milestone of upgrading/refurbishment of its entire commercial vehicle fleet to make it hundred percent road worthy for domestic and regional operations – see next heading, “Q3 and Q4 Priorities”
- The latest status of Usage of pre-IPO and IPO funds is provided in the attached updated “Implementation Status of Projects/ Commitments under Clause 16 of Public Offering/Regulations, 2017” dated June 30th, 2024
- As a result of the debt payments and upgrading/refurbishment of the commercial fleet, 96 % of the pre-IPO and IPO proceeds have been utilized upto June 30th, 2024

# Usage of Funds Update



## IPO

Ruppees in Millions

S. No	Item	Commitment	Actual Spent	Remaining	Start Date	End Date	Current Status	Remarks
1	Repayment of Senior Debt	418	418	-	March-24	April-24	Completed	Multiple Banks
2	Repayment/ Conversion (Sub Debt)	40	40	-	March-24	April-24	Completed	Sponsor Loan II
3	Distribution Vehicles	30	-	30	March-24	May-24	-	Allocated to fleet upgradation
4	Regional Transportation Infrastructure	5		5	March-24	May-24	Pending	
5	Software	9		9	March-24	May-24	Pending	
6	Hardware	16		16	March-24	May-24	Pending	
7	Fleet Upgradation and Refurbishment (Tire, Spares & Misc)	32	62	(30)	March-24	April-24	Completed	
8	Semi – Trailers for TIR	20	20	-	March-24	December-24	Completed	
9	Marketing & Onboarding	5		5	March-24	December-24	Pending	
10	HR Capacity Building	25	15	10	March-24	December-24	Ongoing	
<b>Total</b>		<b>600</b>	<b>555</b>	<b>45</b>				

## Pre IPO

11	Repayment of Sub Debt (non-cash tranche)	237	237	-	March-24	April-24	Completed	Karandaaz Pakistan (non-cash tranche)
12	Repayment of Sub Debt (cash tranche)	248	248	-	March-24	April-24	Completed	KBP Limited
13	Repayment of Sub Debt (cash tranche)	100	100	-	March-24	April-24	Completed	Sponsor Shareholders
<b>Total</b>		<b>585</b>	<b>585</b>	<b>-</b>				

<b>Grand Total</b>	<b>1,185</b>	<b>1,140</b>	<b>45</b>
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## Notes:

- Item 1, 2, 11, 12 and 13: Debt payment of Rs 1,043 equal to 88% of total Pre-IPO and IPO Proceeds
- A total of 96% of total proceeds have been utilized

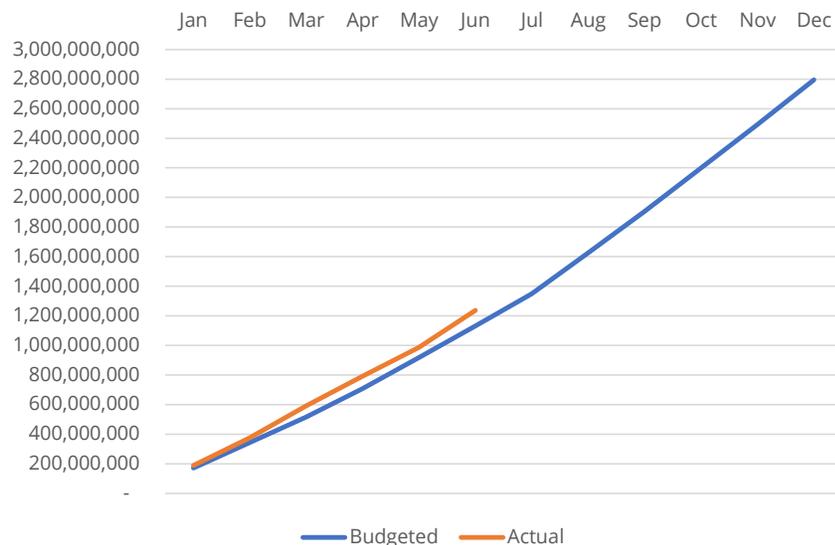
# 1H 2024 Financials



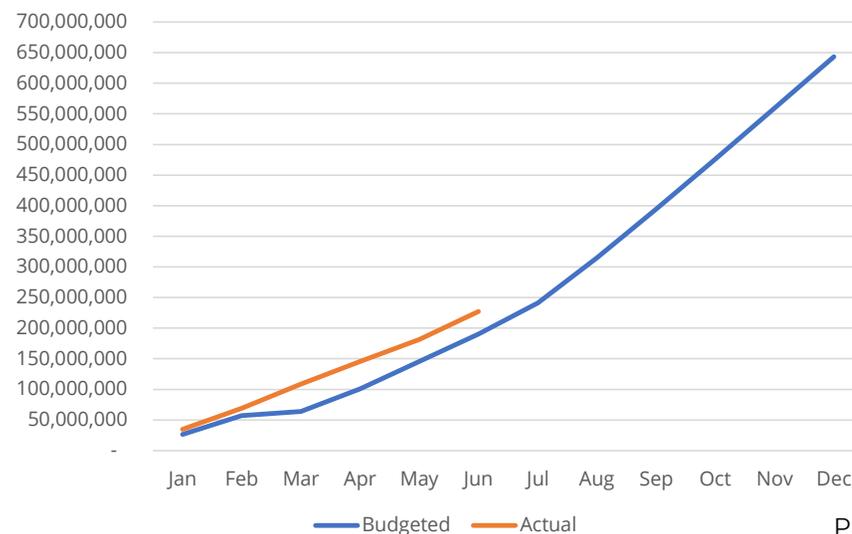
- Notwithstanding the minor delays in the initiation of Tech Pivot and Regional Transportation, the Company has exceeded the budgeted six monthly forecasted financial results, as shown in the financial model (and Information Memorandum) by approximately 19% due to better than expected results in its existing Business Lines and sub-segments

Description	Budgeted	Actual	% Increase
Revenue	1,130,405,198	1,237,537,663	9%
Net Profit	190,346,261	227,378,279	19%

Revenue (Cumulative) - Budgeted vs Actual



Net Profit (Cumulative) - Budgeted vs Actual



## 1H 2024 Financials (Cont'd)



- The financial results up to June 30th, 2024 covers the positive impact of deleveraging through savings in Interest Expense for a period of approximately two months. Similarly, the six monthly results for the period ending June 30th, 2024 takes into account the impact of fleet upgradation/refurbishment for a period of approximately six weeks only →
- As a result of the positive impact of these two major items during the remaining financial year along with the under execution other major initiatives listed above, the Company is confident to achieve the forecasted annual results

**Full Year FY 2024**

## Q3 & Q4 2024 Priorities



- In addition to the organic growth involving the three Business Lines (Logistics, Security Services and Asset Tracking), the Company is also pursuing the remaining major initiatives communicated in Prospectus and the Information Memorandum, as follows:

### **Tech Pivot & Partner Companies Fleets**

The Phase I soft launch of upgraded Asset Tracking software and B2B Market App is scheduled to take place during the second half of September/early October 2024

### **Regional Transportation**

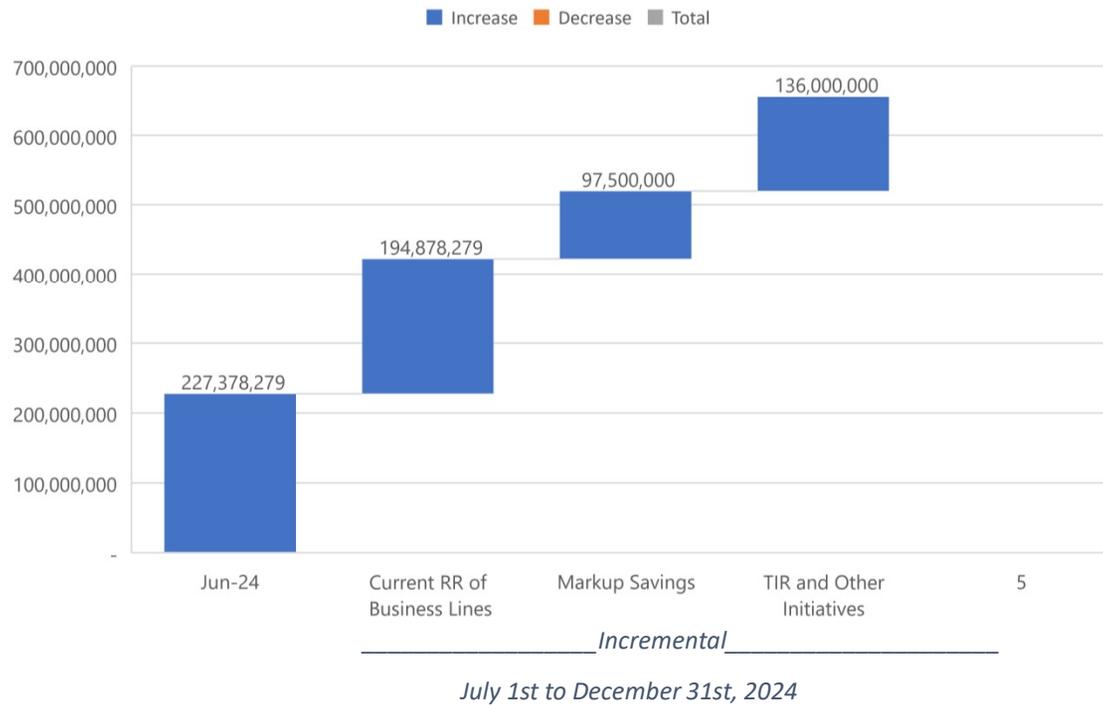
As we await the issuance of (*Transports Internationaux Routiers*) (“**TIR**”) license, a pre-requisite for the commencement of cargo services to/from Tashkent (Uzbekistan - Central Asia) and Kashghar (Sinkiang – China), the Company has entered the project execution phase. The first batch of commercial vehicles is expected to travel to Tashkent by early September, 2024

# FY 2024 Forecast



- The initiatives undertaken through pre-IPO and IPO proceeds, notably deleveraging, fleet refurbishment/upgradation, Tech Pivot, Regional outreach, etc. are all geared up to give a fresh impact to SLG's growth story as seen from forecasted Net Profit 'Waterfall'

Net Profit Projections and Contributors - 2024



**Thank You**

## FY 2024 – 1H Synopsis

Line Item	Jun 23		Jun 24	% Change
	Audited	Unaudited		
<b>Income Statement (Consolidated)</b>				
Net Revenue	1,107,571,330	1,237,537,663		12%
Gross Profit	454,985,245	605,931,836		33%
Net Profit	188,249,355	227,378,278		21%

Line Item	Jun 23		Jun 24	
	Audited	Unaudited	Audited	Unaudited
<b>Balance Sheet (Consolidated)</b>				
Total Assets	4,602,921,534		5,441,510,093	
Total Equity	2,713,754,051		4,365,305,148	
Total Liabilities	1,889,167,483		1,076,204,944	
Outstanding Shares (No.)	166,435,068		273,639,181	

Line Item	Jun 23		Jun 24	
	Audited	Unaudited	Audited	Unaudited
<b>Ratio Analysis</b>				
Gross Margin(%)	41.08%		48.96%	
Net Profit Margin (%)	17.00%		18.37%	
Earnings per Share	1.13		0.83	
Return on Equity	6.95%		5.21%	
Return on Assets	4.09%		4.18%	
Current Ratio	0.46		1.20	
Debt to Equity	53%		13%	

