

Date

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Applicable Criteria

- Methodology | Correlation Between Long-term & Short-term Rating Scales | Apr-25
- Methodology | Rating Modifiers | Apr-25
- Methodology | Corporate Rating | Jul-25

Related Research

- Sector Study | Trucks & Buses | Sep-24

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PACRA Maintains Entity Ratings of Secure Logistics Trax Group Limited

Rating Type	Entity	
	Current (13-Oct-25)	Previous (14-Oct-24)
Action	Maintain	Maintain
Long Term	A+	A+
Short Term	A1	A1
Outlook	Stable	Stable
Rating Watch	-	-

Following upon the Initial Public Offering (IPO) in April 2024, Secure Logistics Group Limited (SLG) successfully concluded its strategic amalgamation with Trax Online (Private) Limited (Trax) through a Scheme of Amalgamation approved by the Honorable Islamabad High Court on May 5th, 2025. The merged entity has been renamed as Secure Logistics - Trax Group Limited ('SLG- Trax' or the 'Company'). This merger marks a significant milestone in the evolution of the country's logistics landscape, combining SLG's asset-heavy operations, comprising a Company-owned fleet, nationwide logistics infrastructure, and established asset tracking and security services with Trax's asset-light, technology-driven platform specializing in e-commerce logistics and warehousing. The integration has positioned SLG-Trax, as a comprehensive tech-enabled fourth-party logistics (4PL) service provider operating in four distinct yet horizontally synergetic Business Lines (BL). SLG-Trax's third-party Logistics 'BL' is also developing a TIR-certified network, facilitating secure and compliant cross-border logistics between Pakistan, Central Asia and China. As part of its business strategy, LogiServe (Private) Limited successfully obtained a Non-Banking Finance Company (NBFC) license. This fintech arm is designed to address liquidity constraints in the e-commerce segment, where merchants face delays in payment realization due to the industry's continued reliance on cash-on-delivery transactions. LogiServe will utilize the Group's logistics and transactional data to provide embedded financial services to its e-commerce and logistics' clients including invoice financing against COD receivables and short-term working capital facilities, thereby creating a seamless, closed-loop credit and digital payment ecosystem. The BOD's members represent a diversified group of qualified professionals with substantial experience in all of SLG-Trax' BLs', specifically in e-commerce and logistics. The traditional logistics industry of Pakistan is highly fragmented with a dominating unorganized segment. It has also faced challenges due to high costs, infrastructure gaps, and slow technology adoption. Despite key investments in port automation and CPEC infrastructure offering growth potential, operational and regional stability challenges remain. The digitization of SLG-Trax operations through the NBFC initiative is expected to enhance efficiencies as well as contribute to the top and bottom-lines through the lending spread. During IHCY25, the Company's top line grew by ~16%, reaching PKR 1,457mln. This growth was driven by price inflation and increased capacity utilization, resulting in improved margins across all levels. The Company's financial risk profile is considered strong, supported by comfortable coverages, healthy cash flows, and an efficient working capital cycle. The current capital structure of the Company is conservatively leveraged.

The assigned ratings are contingent upon the enhancement of the Company's business profile and the successful execution of its strategic objectives. Sustained prudent financial performance in accordance with projected forecasts, robust liquidity management, and strict adherence to financial discipline will be essential to maintain these ratings.

About the Entity

SLG-Trax is a publicly listed entity involved in the four distinct yet horizontally synergetic Business Lines (BL). The Company now offers first-to-last mile logistics, warehousing, digital tracking solutions and security services under a unified corporate structure. The Company leverages its advanced IT infrastructure to maximize operational efficiencies. The Company's shareholders represent a diversified group of qualified professionals with substantial experience in all of SLG-Trax BLs, specifically e-commerce and logistics. They have requisite backgrounds in Fin-Tech, financial management and operations. Mr. Pervaiz Khan, Executive Director, brings nearly four decades of expertise in investment banking and energy, while Mr. Gulraiz Khan, CEO, has managed the Company's operations for over ~14 years.

The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity. PACRA's comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings. PACRA opinion is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security's market price or suitability for a particular investor.