



# **SECURITY INVESTMENT BANK LIMITED (SIBL)**

## **CORPORATE BRIEFING SESSION**

For the year ended DECEMBER 31,2021

On 20<sup>th</sup> May 2022

Through Video Link

At 10:30 A.M

## **AGENDA**

1. VISION AND MISSION
2. HISTORY AND PROFILE
3. COMPANY PROFILE
4. CHAIRMAN'S REVIEW REPORT
5. CORE BUSINESS ACTIVITIES
6. ABOUT THE ECONOMY & COMPANY  
FINANCIAL RESULT.
7. FINANCIAL PERFORMANCE
8. STAKEHOLDER ENAGAGEMENT,  
INVESTOR RELATION
9. FUTURE OUTLOOK
10. PATTERN OF SHAREHOLDING

## **VISION**

Aiming for continued growth, we will further develop our strengths to seize new opportunities and maintain our steadfast commitment

## **MISSION**

- Meet the challenges of highly competitive market with our expertise, creativity and services.
- Develop & maintain strong client relationship.
- Continuously enhance our contribution towards industrial development of the country.
- Determine to strengthen our long-term earnings & will endure return on shareholders' equity.



## **HISTORY AND PROFILE**

Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 on May 23, 1991 and started its commercial operation on December 31, 1991.

SIB is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the Companies Ordinance, 1984 (Now Companies Act, 2017) and the Non-Banking Finance Companies ( Establishment and Regulation ) Rules, 2003.

# **COMPANY PROFILE**

## **BOARD OF DIRECTORS**

Haji Jan Muhammad  
Mr. Muhammad Mehboob  
Mr. Muhammad Shoaib  
Mrs. Samreen Shoaib  
Mr. Shaikh Abdullah  
Mr. Karim Muhammad Munir  
Mr. Faisal Zahid

## **PRESIDENT & CEO**

Mr. Zafar M. Sheikh

## **AUDIT COMMITTEE**

Mr. Shaikh Abdullah (CHAIRMAN)  
Haji Jan Muhammad  
Mr. Karim Muhammad Munir  
Mr. Faisal Zahid

## **HUMAN RESOURCE AND REMUNERATION COMMITTEE**

Mr. Faisal Zahid (CHAIRMAN)  
Mr. Zafar M. Sheikh  
Mr. Muhammad Mehboob

## **RISK MANAGEMENT COMMITTEE**

Mr. Karim Muhammad Munir (CHAIRMAN)  
Mr. Muhammad Mehboob  
Mr. Muhammad Shoaib  
Mr. Zafar M. Sheikh  
Mr. Faisal Zahid

## **Chief Financial Officer**

Mr. Shakeel Ahmed

## **INTERNAL AUDITOR**

Ms. Sumaira Maham Mishal

## **CHAIRMAN'S REVIEW REPORT**

I am pleased to present you, the 30th Annual Report for the year ended December 31, 2021.

The administration and adequacy of the Board is fundamentally the Chairman's obligation. The Board of Executives ("the Board") of Security Investment Bank ("SIB") has performed their obligations persevering in maintaining the finest intrigued of shareholders' of the Company and has overseen the issues of the Company in a viable and effective way, which comes about in a productive year for SIB and conveyed benefits to our shareholders, in spite of investment banking sector is under pressure and weak economic outlook prevail during the financial year 2021.

The Board has constituted effective Audit, Human Resource & Remuneration and Risk Management Committees and approved their respective terms of references, assigned adequate resources so that the Committees perform their responsibilities diligently.

All significant issues throughout the year was presented before the Board or its Committees to strengthen and formalize the corporate decision-making, particularly all related party's transactions executed by the Company were approved by the Board.

The Board received agendas and supporting written material in sufficient time prior to the board and its committee meetings. The Board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions.

The Board has exercised its power assigned to the Board in accordance with the relevant laws and regulations applicable and the Board has always prioritized the Compliance with all the applicable laws and regulations.

I would like to acknowledge thank to our shareholders, my fellow directors, stakeholders and our staff for their hard work and commitment. I am also grateful to the regulators for their cooperation and support. We look forward to future success in the Company's endeavors.

Haji Jan Muhammad  
Chairman

**Karachi: March 22, 2022**

## **CORE BUSINESS ACTIVITIES**

The Company core business is providing financing facilities to its valued customers which includes:

- Corporate Financing.
- Car Financing.
- Consumer Financing including Bike Financing.
- Personal Loan Facility.
- Corporate Advisory Services.

## Financing Portfolio:

Management trying its best effort to successfully execute the business plan specifically focus to enhance our car financing portfolio. Car financing portfolio shows value addition of Rs. 29 million upto March 31, 2022 yielding average profit ratio of 14%. In addition to this some number of customers in process, hope fully would be finalize in the upcoming month. Details of Financing portfolio is as under;

<b>Financing Details As Of 31st March 2022</b>			
<b>Sr. #</b>	<b>Sector</b>	<b>No. of Financing</b>	<b>Financing Amount (million)</b>
	<b>CAR FINANCING</b>		
<b>1</b>	<b>Corporate</b>	<b>5</b>	<b>5</b>
<b>2</b>	<b>Individuals</b>	<b>16</b>	<b>25</b>
<b>3</b>	<b>Corporate Financing</b>	<b>1</b>	<b>32</b>
	<b>Total</b>	<b>22</b>	<b>62</b>



## **ABOUT THE ECONOMY & FINANCIAL RESULT**

In FY-22 (Jul-Dec-21) growth is expected to pick up further, supported by measures taken by SBP, accommodative monetary conditions and disbursements under the SBP's Temporary Economic Refinance Facility (TERF) for investment and other finance facilities, and key budgetary measures include increased development spending and reduced regulatory duties and taxes on import of raw materials and capital goods. Such measures directly expected to benefit construction and allied industries as well as export oriented industries. Agricultural growth also expected to contribute favourable to the economic going forward

CPI inflation during Jul-Nov FY2022 recorded at 9.32 % against 8.76 % during the same period last year. The food prices have increased globally due to shortage of supply of commodities and high demand after the post pandemic scenario.

## **ABOUT THE ECONOMY & FINANCIAL RESULT**

The Current Account posted a deficit of \$ 7.1 billion (5.3 % of GDP) for Jul-Nov FY2022 as against a surplus of \$ 1.9 billion (1.6 % of GDP) last year. Current account deficit widened due to constantly growing import volume of energy and non-energy commodities, along with a rising trend in the global prices of oil, COVID-19 vaccines, food and metals.

However, the government is taking all possible measures to control inflationary pressures and provide relief to the masses in order to mitigate the impact of price hike. The government's pro-growth initiatives, as well as the building of strategic reserves, particularly in the food sector, will help the domestic economy by ensuring adequate supply. Further, measures taken by the government to enhance exports and on going workers' remittances performance will definitely mitigate associated risks.

SBP, Monetary Policy Committee (Committee) reviewed its policy frequently to take appropriate action, during the first two quarters policy rate remained unchanged. In last quarter of the year 2021, the Committee had cumulatively increased 275 basis points in its policy rate keeping the view of high inflationary pressure, rising trade deficit and increased in global and domestic prices of commodities to curb inflationary pressure and ensure that growth remains sustainable.

## **ABOUT THE ECONOMY & FINANCIAL RESULT**

During the year 2021 the equity market performed positive outlook, showed slightly increased in the first two quarters but due to overall economic conditions registered persistently declined in the three quarters. The PSX-100 index showed slightly decreased 43045 points at current market segment as compared to PSX-100 index 44416 of the closing of the year 2021.

# FINANCIAL RESULT



	2021	2020	2019	2018
<b>Income</b>	-- Rupees in Million--			
Income on financing and placements	8	11	54	67
Return on securities	18	12	4	2
Gain on sale of investments	47	16	5	-
Other income	12	2	10	4
	75	41	73	73
<b>Expenditure</b>				
Administrative expenses	34	32	32	31
Financial Charges			-	8
Operating profit before taxation	41	9	41	34
Unrealized gain/(loss) on re measurement of investments classified as fair value through profit or loss	-12	80		-
Profit before taxation	29	90	51	34
Taxation	4	13	-11	-17
Net profit after tax	25	77	40	17
Earnings per share - basic and diluted	0.488	1.503	0.768	0.335

## **FINANCIAL PERFORMANCE**

DESCRIPTIONS/ YEAR	RS IN MILLIONS			
	DECEMBER,2021	DECEMBER,2020	DECEMBER,2019	DECEMBER,2018
<b>TOTAL ASSETS</b>	752	735	839	819
<b>EQUITY</b>	741	716	639	781
<b>FINANCING</b>	57	59	250	565
<b>INVESTMENTS</b>	447	438	333	113
<b>OPERATING PROFIT</b>	29	90	50	34
<b>NET PROFIT AFTER TAX</b>	25	77	39	17
<b>EPS</b>	0.488	1.503	0.768	0.335

## **Stakeholder Engagement, Investor relations.**

The Security Investment Bank Limited (the Company) recognizes and protects the right of the various stakeholders (internal as well as external) established under relevant laws and regulations and has put in place relevant policies and codes for their protection. The Company maintains sound collaboration relationships with its stakeholders. Summary of the rights of the various stakeholders has been discussed below:

### **Shareholders**

Access to shareholder records, enquiries concerning verification of transfer deeds, transfer of share certificates, change of address etc., are directed to the Shares Registrar. We have disclosed essential information to the shareholders and treated them equitably. Shareholders meeting along with timely and accurate reporting to our shareholders are the effective modes of engagements with our shareholders.

## **Stakeholder Engagement, Investor relations.**

### **Regulators**

The Company makes compliance with laws, rules, regulations and guidelines as directed by the Regulators. Timely, appropriately and accurately disclosures of information, as required by law, are our high priority. We have submitting periodic reports, providing and gives information as and when required.

### **Employees**

As a good employer, the Company gives equal employment opportunity, gives performance based remuneration. Having Human Resource policies and procedures, the Company maintains effective communication between the management and the staff. To secure maximum cooperation of the employees and to motivate them to give their best. Gives full attention to redressal of complaints & grievances.

## **Stakeholder Engagement, Investor relations.**

### **Community**

The Company acknowledges its social and ethical responsibility to carry out its business in order to keep it safe and protect it for the generations to come. Gives priority of the fair distribution of resources, opportunities and financial assistances. The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

### **Financial Reporting & Communication**

Communication with the users of financial statements is give high priority. Annual, half yearly and quarterly reports are distributed to the shareholders and provided to other users with in the times specified by the Regulators and also makes it available on the Company's website for the easy access for the shareholders and potential shareholders. There is also an opportunity for individual shareholder to participate at the General Meetings to ensure high level of accountability. The Company notifies information to the Regulators from time to time. This help the shareholders remain connected with the Company. The notifications mainly include Financial Results, Board of Directors meetings, shareholders meeting etc.





# **Stakeholder Engagement, Investor relations.**

## **Media & Website**

The Company disseminates information through print, electronic, social and other web media. The Company is maintaining its website providing complete information about the Company, Investors Relations, Investors Information, Governance, Policy & Procedures and contact details. This can be accessed through a link [www.sibl.com.pk](http://www.sibl.com.pk)

## **Public Information**

Financial analysts, stock brokers, interested investors and financial media desiring information about the Company and its product may contact the Chief Financial Officer and or the Company Secretary at Head Office, Karachi.

## **FUTURE OUTLOOK**

The performance of SIBL is satisfactory since its inception as the board and management always adopt prudent approach to ensure sound internal controls, risk management system and significant policies must be in place.

SIBL has been able to operate at sustainable level and it has significant potential for future growth despite of challenges and crisis that has to be faced by organization.

The management always tries to grab the opportunities to meet the new challenges for expanding its investments with BOD's and Regulators guidance.

## **PATTERN OF SHAREHOLDING**

<b>CATEGORIES OF SHAREHOLDERS</b>	<b>Shares held</b>	<b>%</b>
<b>SPONSORSHIP / DIRECTORS</b>	34,045,454	66.27 %
<b>JOINT STOCK COMPANIES/CORPORATE SECTORS</b>	1,465,726	2.84%
<b>BANKS, DFIs, Insurance Co. and others</b>	3,479,189	6.76 %
<b>INDIVIDUALS</b>	12,443,189	24.19%
<b>TOTAL</b>	<b>51,433,558</b>	<b>100.00%</b>

# **QUESTION & ANSWERS SESSION**

**THANK YOU**



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