

# CORPORATE BRIEFING

(Tuesday, 17<sup>th</sup> January, 2023)

Company  
Profile

Governance

Operations

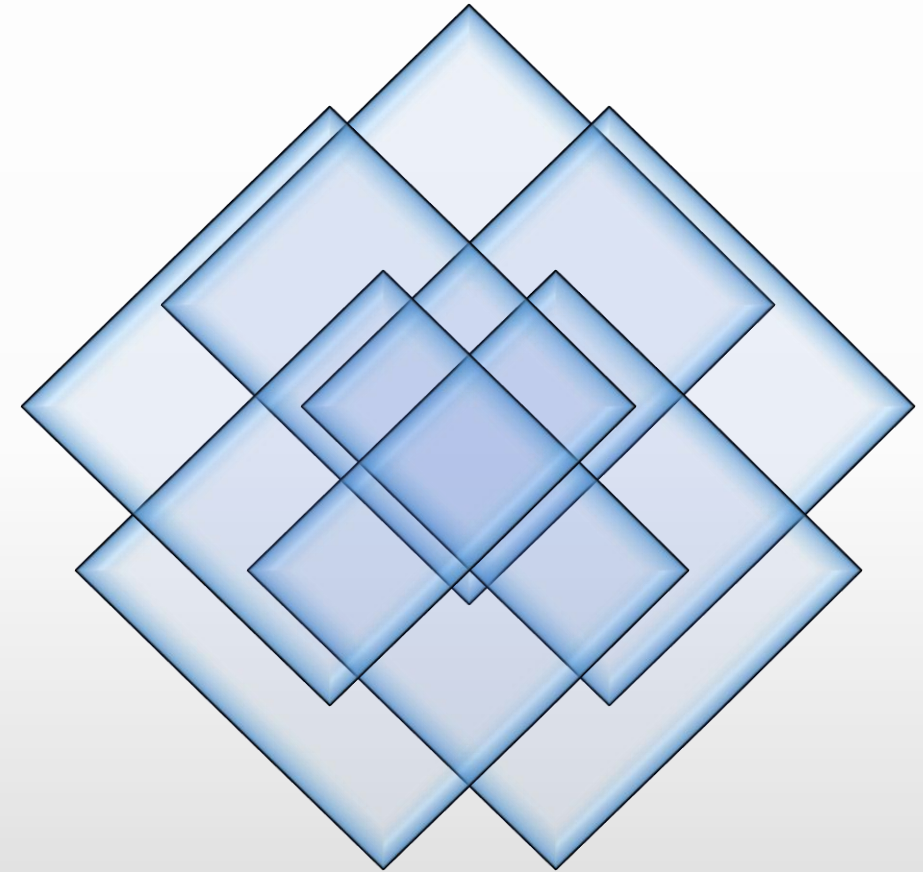
Financial  
Performance

Future  
Prospects

# Company Profile

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- Date Of Incorporation:**  
27 December 1994
- Date Of Commencement Of Business:**  
16 September 1996
- Type Of Entity:**  
Deposit Taking Leasing Company (NBFC)
- Nature of Products:**
  - Conventional Lease Finance / Auto Loan/ Islamic Finance
- Source of Fund**  
Equity, CoIs, Banks borrowings
- Registered Office:**  
Karachi, Sindh, Pakistan
- Branch Office:**  
Lahore, Punjab, Pakistan



➔ **Legal Advisors**

M/S Mohsin Tayebally & Co.  
M/S Rasheed Razvi & Associates  
M/S Siddiqui & Raza  
M/S Mansoob Ali Qureshi & Co.  
M/S Imtiaz & Azhar Legal Consultants

➔ **Tax Advisors:**

Mukhtar Law Associates

➔ **Shariah Advisor:**

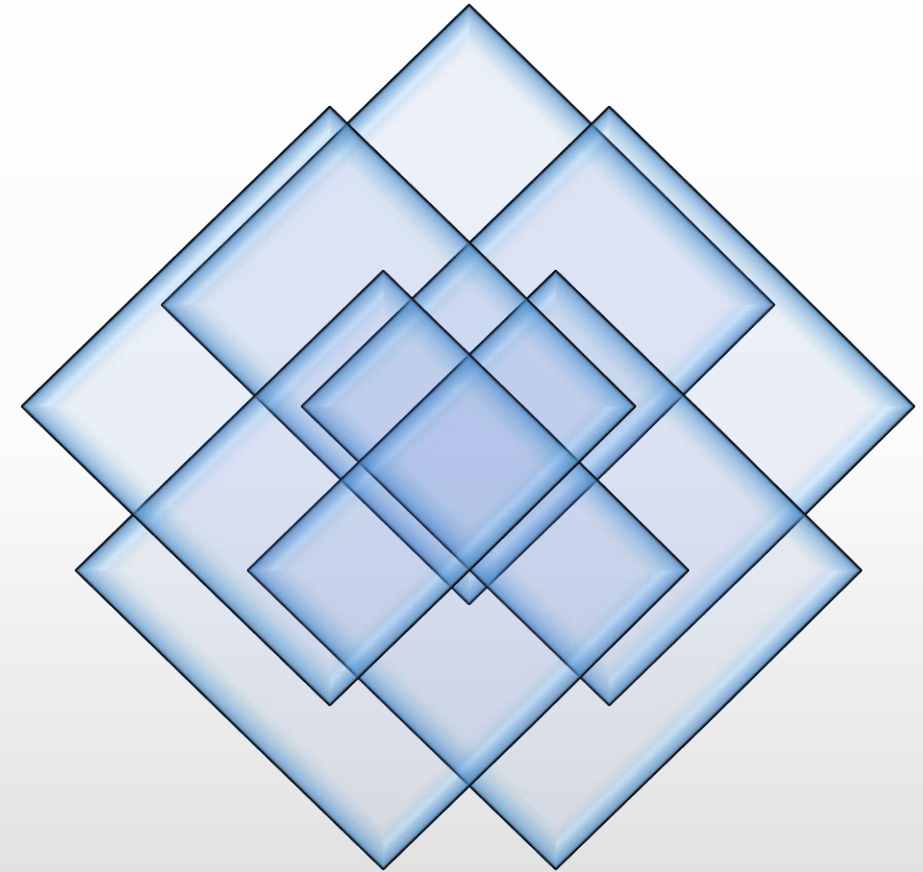
M/S Alhamd Shariah Advisory Services (Private)  
Limited

➔ **Registrar / Share Transfer Office:**

M/S THK Associates (Pvt) Ltd.

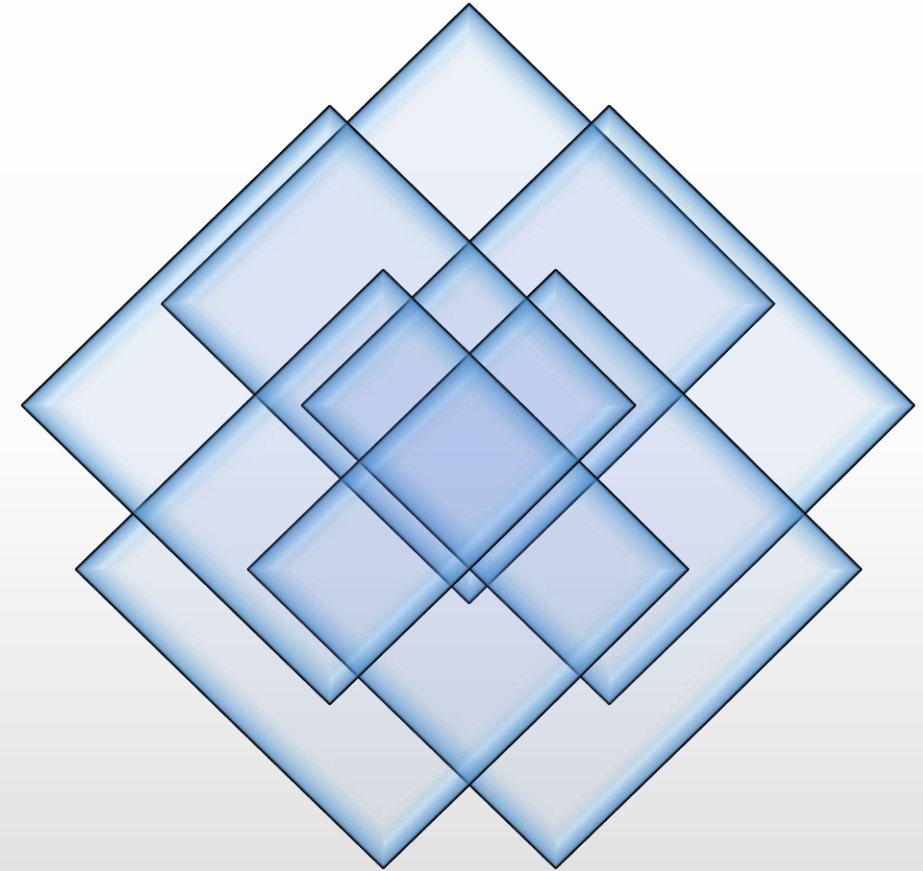
➔ **Auditors:**

M/S BDO Ebrahim & Co. (w.e.f FY 2022)



## Bankers:

- Bank Al-Habib Limited
- Allied Bank Limited
- Silk Bank Limited
- Al-Baraka Bank (Pakistan) Limited
- Askari Bank Limited
- Bank Al-Falah Limited
- Habib Bank Limited
- JS Bank Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- National Bank of Pakistan
- Soneri Bank Limited
- The Bank of Punjab

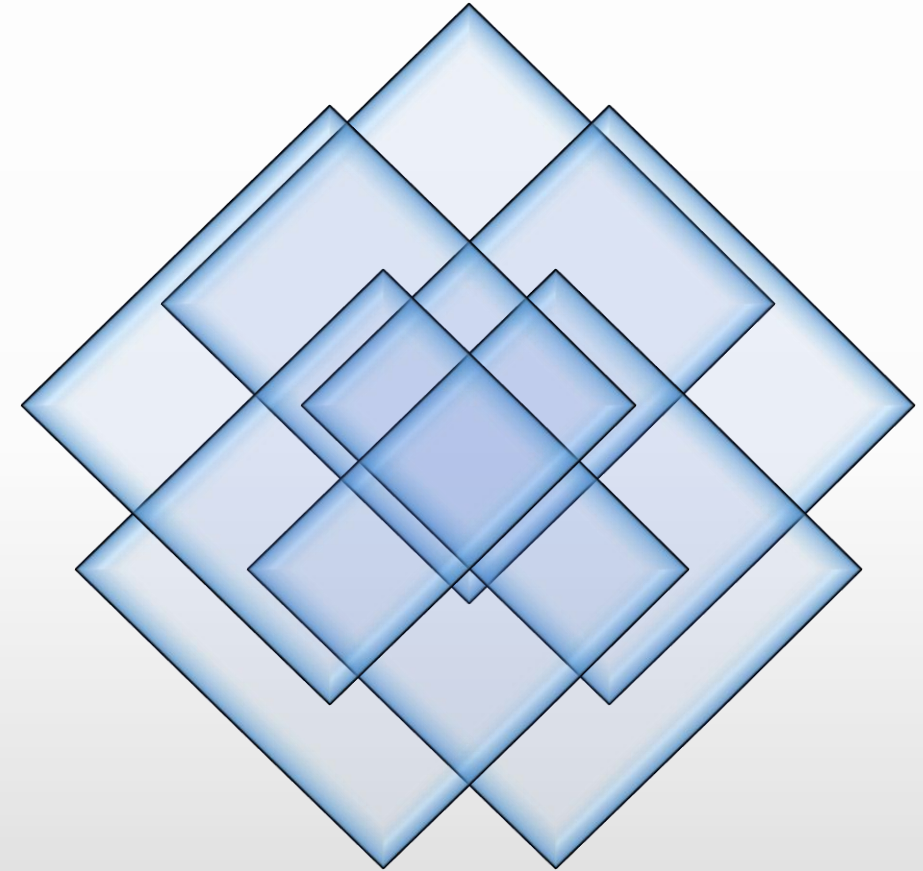


**Rating Agency: VIS Credit Rating Company Limited**

**Entity's Credit Rating:**

VIS, following a detailed analysis and evaluation of the Company's performance on May 16, 2022 has re-affirmed its Ratings for PGL as under:

- Medium to Long-term Rating: **A-**;
- Short-term Rating: **A-2**; and
- Outlook: **Stable**.



DATE	RATING TYPE	LONG TERM	SHORT TERM	OUTLOOK
05/16/2022	Entity	A-	A-2	Stable
06/30/2021	Entity	A-	A-2	Negative
06/30/2020	Entity	A-	A-2	Stable
04/15/2019	Entity	A-	A-2	Stable
01/30/2018	Entity	A-	A-2	Stable
12/30/2016	Entity	A-	A-2	Stable
11/27/2015	Entity	A-	A-2	Stable
09/25/2014	Entity	A-	A-2	Stable
04/8/2013	Entity	BBB+	A-3	Stable
07/29/2011	Entity	BBB+	A-3	Stable
03/18/2010	Entity	BBB	A-3	Positive
02/25/2009	Entity	BBB-	A-3	Stable
02/28/2008	Entity	BBB-	A-3	Stable

**Entity's Credit  
Rating History:**

The Company's  
historical Ratings  
have been as under:



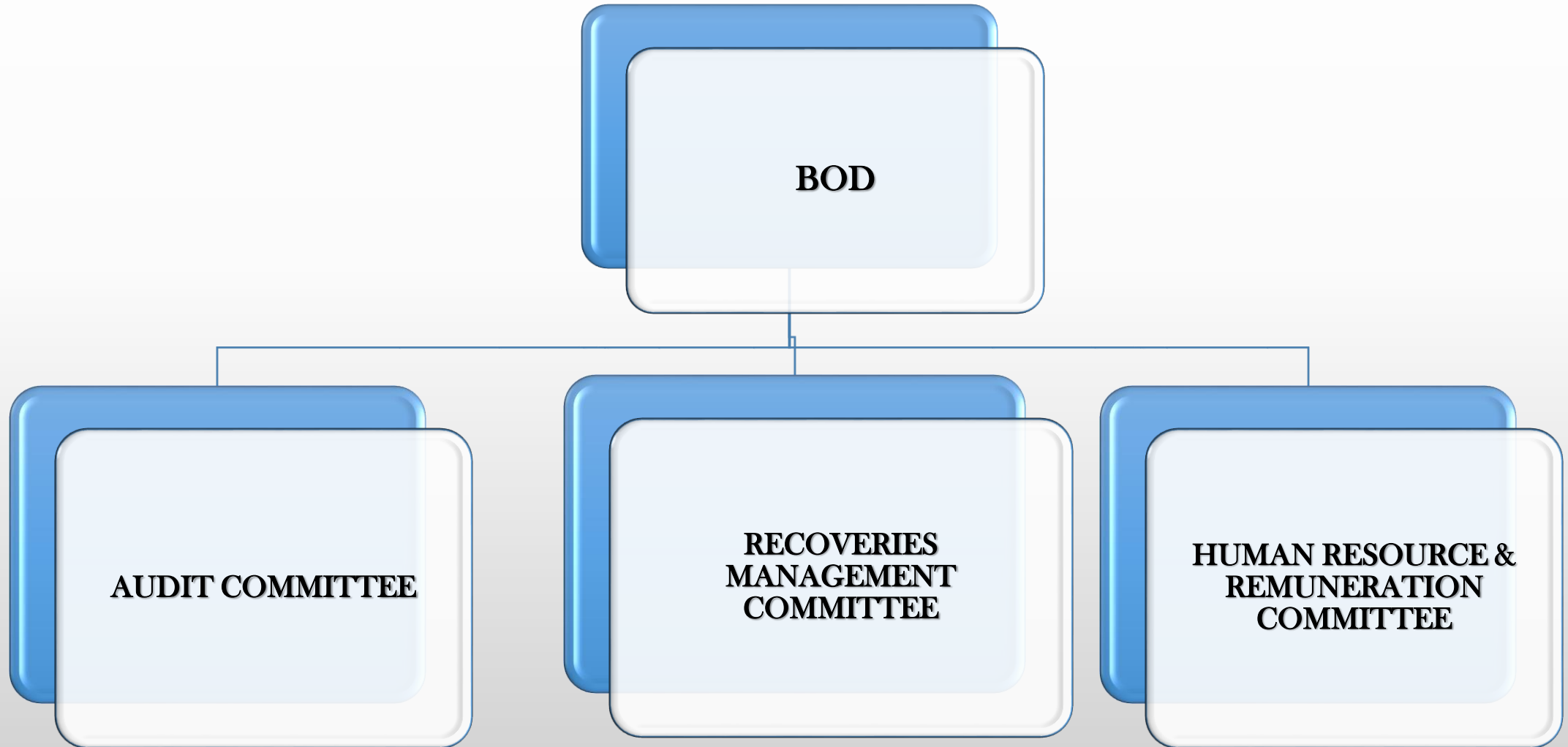


# Governance

# BOARD OF DIRECTORS

S. No.	NAME	POSITION
1.	Mr. Sohail Inam Ellahi	Chairman
2.	Brig. Naveed Nasar Khan (Retd)	Non-Executive Director
3.	Mr. Pervez Inam	Non-Executive Director
4.	Mr. Fawad Salim Malik	Non-Executive Director
5.	Mr. Ismail H. Ahmed	Independent Director
6.	Mr. Jan Ali Khan Junejo	Independent Director
7.	Mr. Naeem Ali Muhammad Munshi	Non-Executive Director
8.	Ms. Naueen Ahmed	Independent Director
9.	Mr. Mahfuz-ur-Rehman Pasha	Chief Executive Officer

# Governance Structure



## Governance

- Approved policies in line with the applicable laws and regulations
- Internally approved SOPs for various processes
- Oversight by Board Committees

## Risk Management

- Management / minimization of credit risk

## Compliance

- Adherence to laws and regulations

## Internal Control System

- IT application controls and SOPs to mitigate the potential risks
- AML / CFT Compliance

## Information Security

- To cover gaps in the implementation of IT security policies
- Focus on future strategy and corrective measures

## Internal Audit

- Annual Internal Audit Plan
- Audit controls to:
  - mitigate potential risks
  - to ensure compliance with SOPs
  - to ensure compliance with applicable laws and regulations

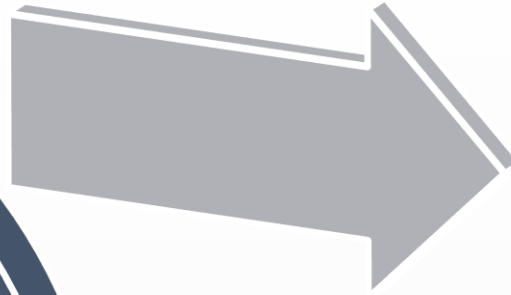


OPERATIONS

## FINANCING

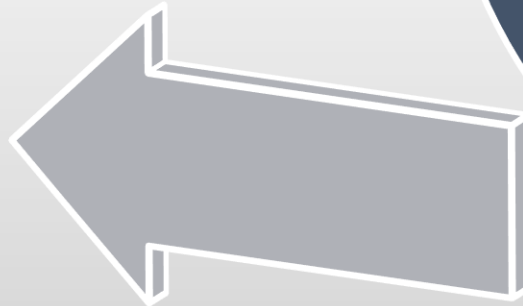
### Financing Products

- *Conventional Finance:*
  - Leasing of all Moveable Assets
  - Vehicle Finance
- *Islamic Finance:*
  - Diminishing musharakah

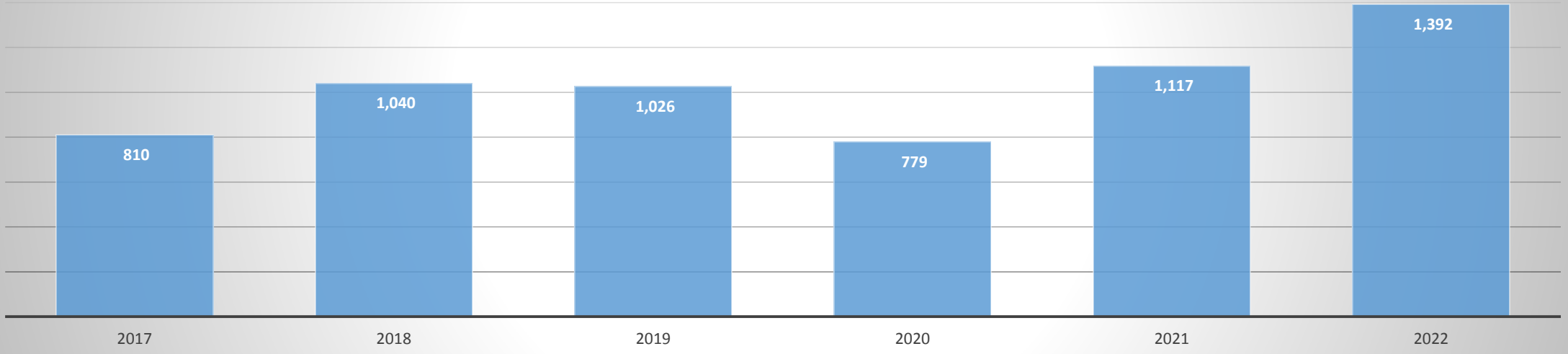


## DEPOSIT TAKING

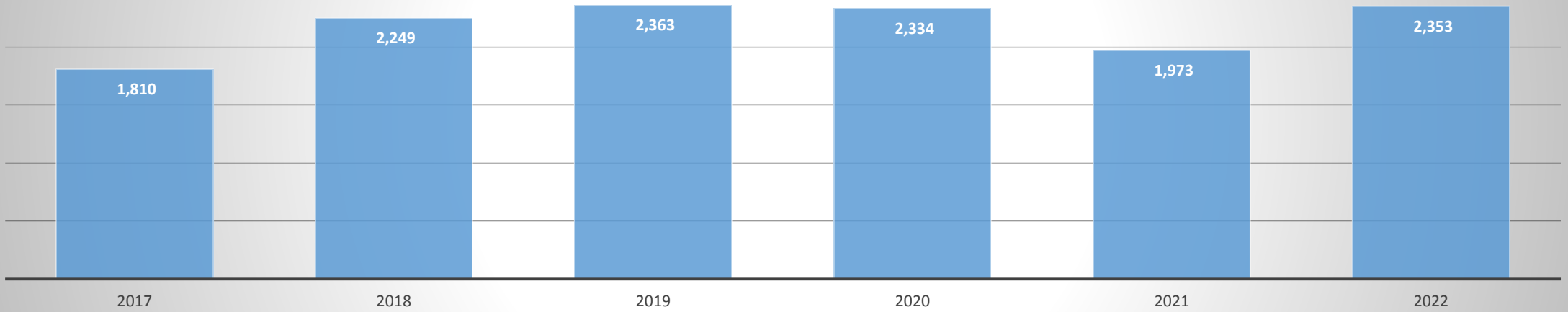
- Issue of Certificates of Investments for a period of 12 Months to 03 Years at Fixed Rates of Return



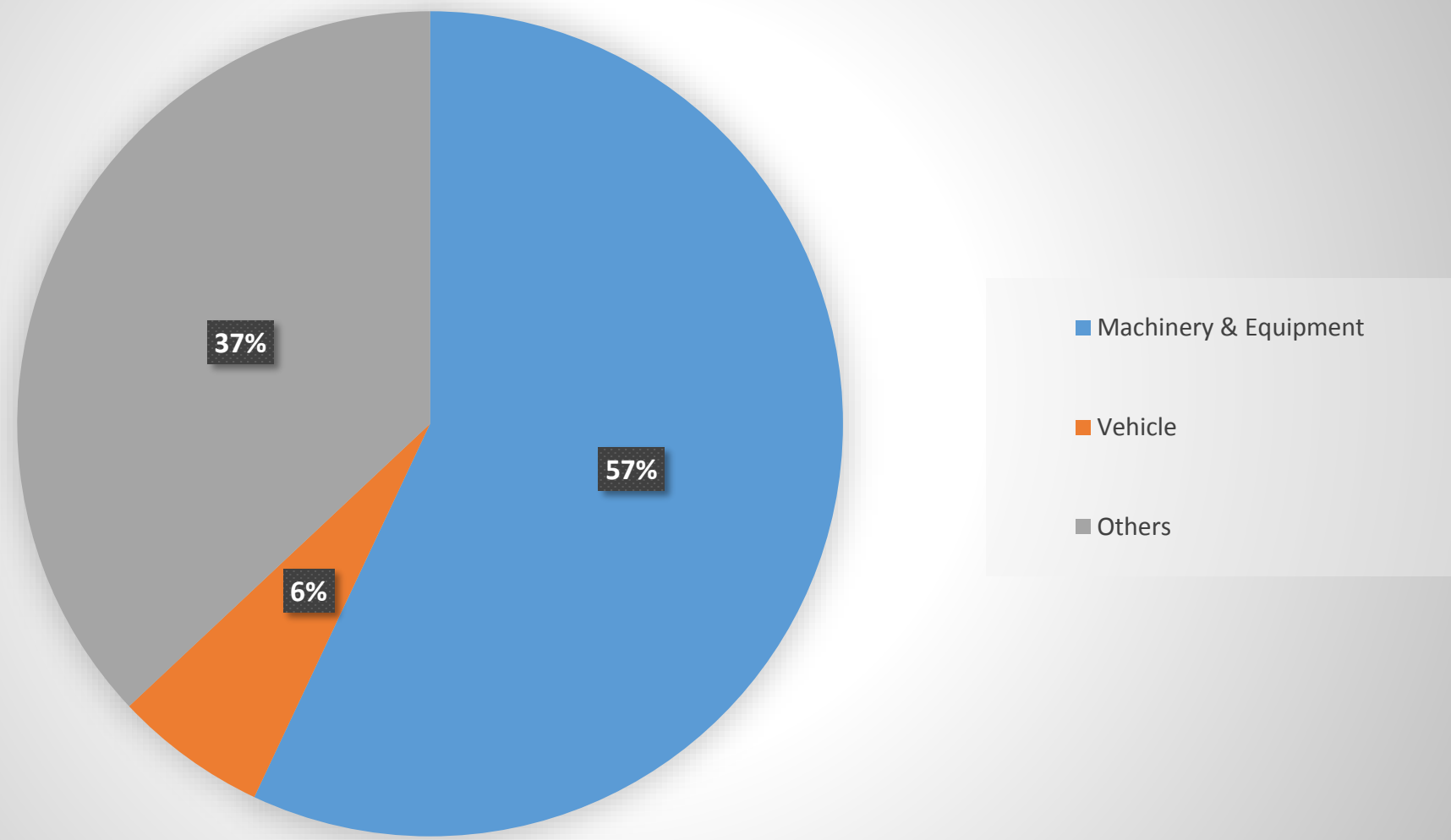
**Lease / Ijarah / Diminishing Musharaka / Auto-finance loan written (Rs. in Million)**



**Net Investment in Leases (Rs. in Million)**

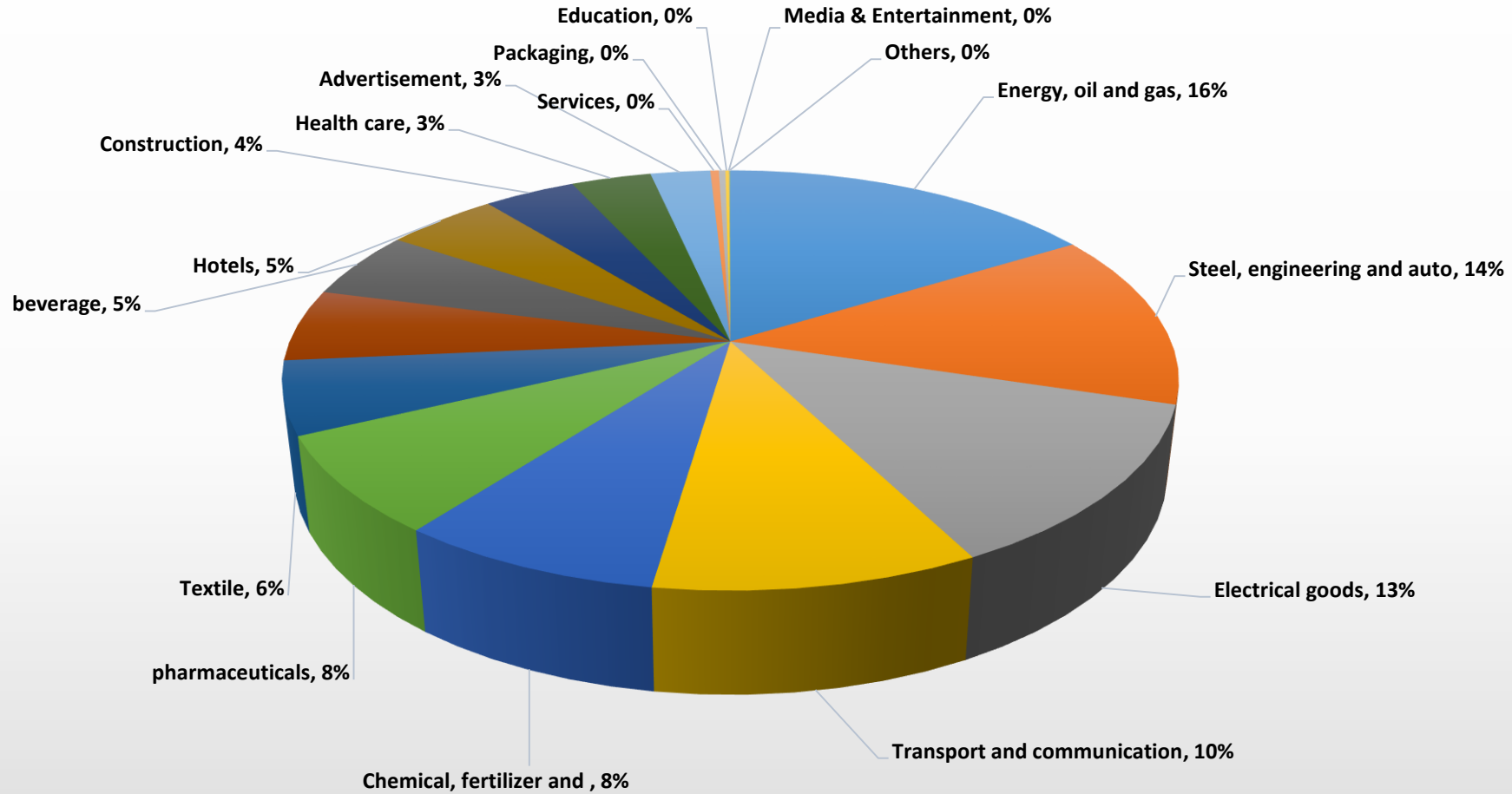


### Main Categories of Investment in Lease





## Sector-wise portfolio (FY-2022)



- Energy, oil and gas
- Steel, engineering and auto
- Electrical goods
- Transport and communication
- Chemical, fertilizer and
- pharmaceuticals
- Textile
- Food, tobacco and
- beverage
- Hotels
- Construction
- Health care
- Advertisement
- Services
- Packaging
- Education
- Media & Entertainment
- Others



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# Financial Performance

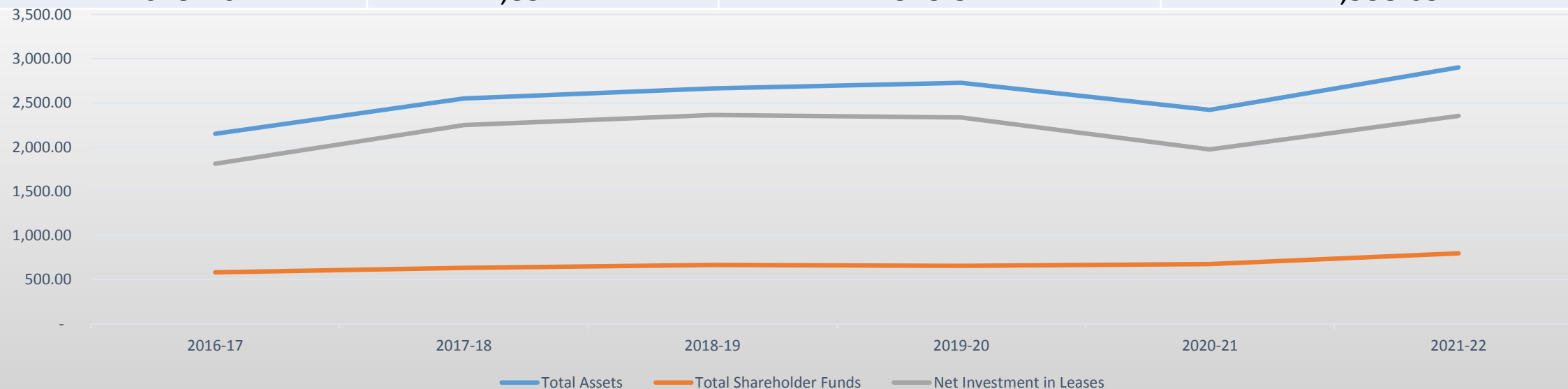
## COMPARISION OF KEY OPERATING & FINANCIAL DATA (FY 2016- FY 2020)

Year ended 30 <sup>th</sup> June	2,022	2021	2020	2019	2018
Operational Results:					
Revenues	255,230,917	206,094,628	265,444,647	243,892,047	200,380,195
Lease Revenue	228,427,580	191,485,801	245,567,212	218,862,571	178,154,663
Profit before Taxation	167,687,787	28,015,220	21,619,234	71,185,355	80,602,379
Profit after Taxation	146,979,027	24,566,337	10,894,248	64,378,140	69,368,392
Finance Cost	69,054,807	42,062,089	114,025,954	78,012,463	47,682,251
Provision for Potential Lease Losses	(10,807,355)	3,625,701	(30,838,117)	(1,307,173)	(442,820)
Proposed Dividend %		0.00%	2.50%	7.50%	12.50%
Balance Sheet:					
Shareholders' Equity	796,707,062	675,435,528	655,727,867	664,814,384	632,104,936
Surplus on Revaluation of Assets	90,504,204	90,504,204	90,504,204	90,504,204	90,504,204
Other Reserves	487,847,306	424,678,818	405,412,115	414,443,364	382,833,609
Working Capital	28,505,715	186,123,903	381,076,282	208,524,942	10,454,214
Non-current Liabilities	1,330,132,845	1,016,256,185	1,262,394,151	1,286,555,078	986,792,933
Long-term Loans	133,333,324	95,833,329	29,166,665	49,999,996	20,833,331
Investments	55,205,847	34,002,899	64,508,233	63,465,086	62,555,748
Financial Ratios:					
Income / Expense Ratio	1.92	2.00	1.46	1.55	1.66
Earnings per Share (in Rs)	5.79	0.97	0.43	2.54	2.73
Debt / Equity Ratio	0.59	0.42	0.68	0.67	0.31
Current Ratio	1.04	1.29	1.53	1.34	1.01

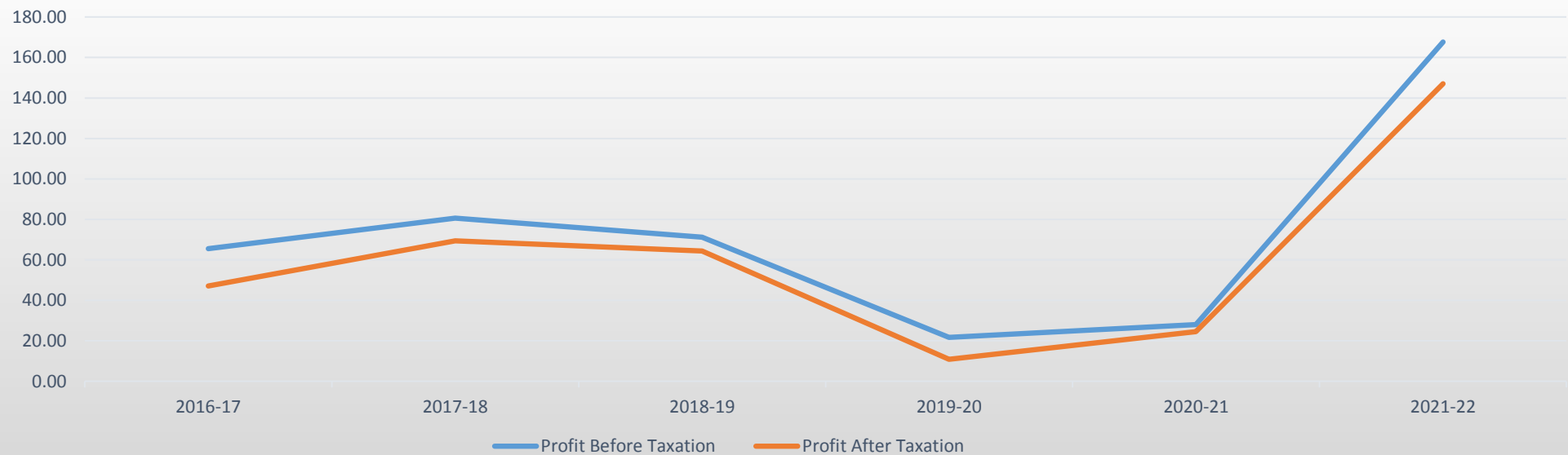
Indicator	2021-22	2020-21	2019-20	2018-19	2017-18
New Lease Written	1,392.00	1,117.00	778.86	1,025.51	1,016.32
Gross Revenue	255.23	206.09	265.44	243.89	200.38
Profit Before Tax	167.68	28.02	21.62	71.18	80.60
Profit After Tax	146.97	24.57	10.89	64.38	69.37
Net Investment in Lease Finance	2,352.93	1,973.08	2,333.69	2,363.30	2,248.60
Total Shareholders Equity	796.71	675.44	655.73	664.81	632.10
Total Assets (footing)	2,901.88	2,420.74	2,727.33	2661.79	2,548.82
Earnings per Share (Rs.)	5.79	0.97	0.43	2.54	2.73
Current Ratio	1.04	1.29	1.53	1.34	1.01
Break up Value per Share (Rs.)*	31.34	30.31	29.55	29.90	28.66
Market Value	9.68	6.30	12.00	13	11.95
P/E Ratio	1.67	6.49	27.91	5.12	4.38

## KEY PERFORMANCE INDICATORS FY 2016 TO FY 2022 (Rupees in Million)

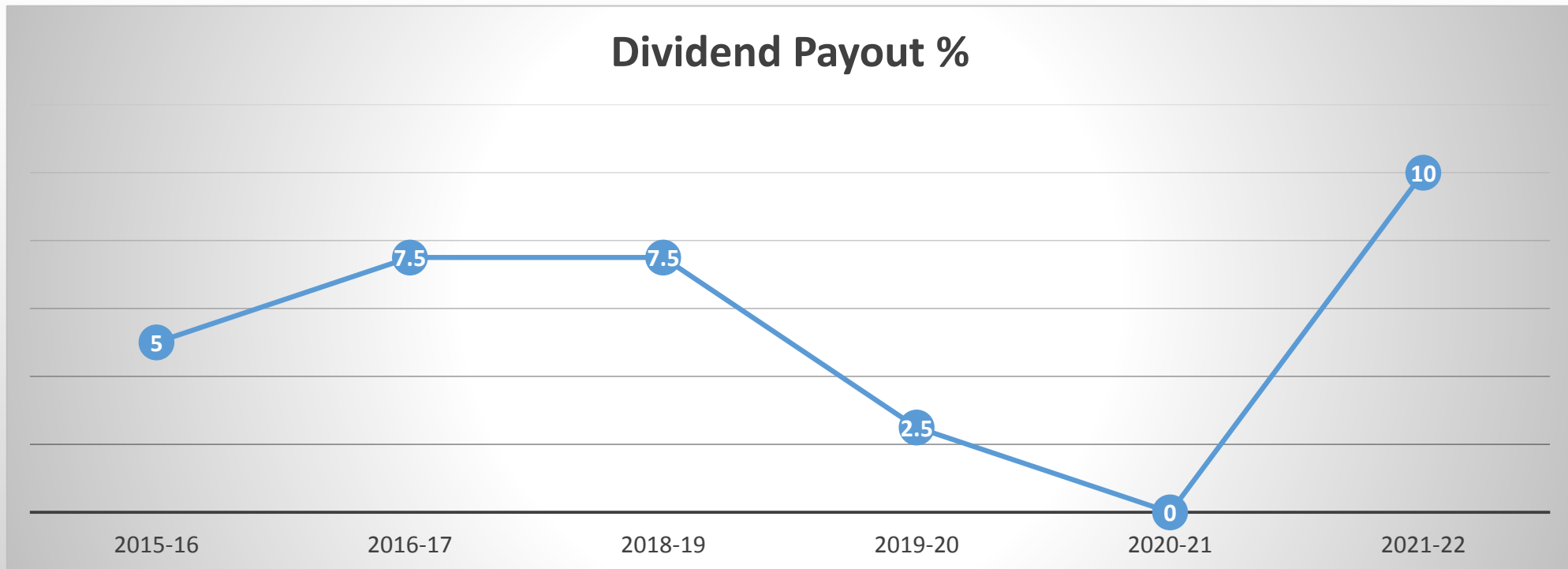
Financial Year	Total Assets	Total Shareholder Funds	Net Investment in Leases
2021-22	2,901.88	796	2,352.93
2020-21	2,420.74	675.44	1,973.07
2019-20	2,727.33	655.72	2,333.69
2018-19	2,661.79	664.81	2,363.31
2017-18	2,548.82	632.1	2,248.60
2016-17	2,151.26	581.72	1,809.76
2015-16	1,851.17	545.31	1,538.65



Financial Year	Profit Before Taxation	Profit After Taxation
2021-22	167.68	146.98
2022-21	28.02	54.57
2019-20	21.62	10.89
2018-19	71.18	64.38
2017-18	80.60	69.37



Financial Year	Dividend Payout %
2021-22	10
2020-21	0
2019-20	2.5
2018-19	7.5
2017-18	12.5



## TIME-LINE OF ACHEIVEMENTS

Date / Financial Year	Event	Date /Financial Year	Event
27 December 1994	Company Incorporated		
10 June 1996	Public Flootation of Shares	FY 2009	Paid-up Capital Increased to Rs.253.698 Million through 6 Million Right Shares issued at par value of Rs.10.0 per share
30 June 1996	Paid-up Capital Rs.50.0 Million	FY 2010	5.00 % Cash Dividend Declared
03 September 1996	Leasing License Issued		
15 September 1996	Permission to Commence Business	30-Jun-14	Total Assets cross the Rs.1.0 billion mark at Rs. 1,209.129 Million
18 September 1996	Listing on the Stock Exchanges	25-Sep-14	Credit Rating Upgraded to A-
04 November 1996	1 <sup>st</sup> Lease Written	30-Jun-15	Equity crosses the Rs.500 Million Mark
FY 1997	Paid-up Capital Increased to Rs.100 Million	FY 2016	5.00 % Cash Dividend Declared
FY 1998	10% Cash Dividend Declared	FY 2017	7.50 % Cash Dividend Declared
FY 1999	09.50% Cash Dividend Declared		
FY 2000	09% Cash Dividend Declared	30-Jun-17	Total Assets cross the Rs.2.0 billion mark at Rs. 2,151.261 Million
FY 2001	Purchased Company's own Premises at The Forum, Clifton, Karachi	Jul-17	Lahore Branch Opened
FY 2002	Paid-up Capital Increased to Rs.140 Million through Right Shares	30-Jun-18	Net Profit After Tax crosses the Rs.50.0 Million mark at Rs. 69.368 Million
FY 2003	Paid-up Capital Increased to Rs.170 Million through Right Shares	FY 2018	12.50 % Cash Dividend Declared
FY 2003	7.5% Cash Dividend Declared	FY 2019	7.50 % Cash Dividend Declared
FY 2003	Permission granted by SECP for issuing Certificates of Investments		
FY 2006	Paid-up Capital Increased to Rs.179.35 Million through Stock Dividend @5.50%	30-Jun-19	Total Assets cross the Rs.2.5 billion mark at Rs. 2,661.792 Million
FY 2007	Paid-up Capital increased to Rs.193.698 Million through Stock Dividend @8.0%	30-Jun-20	The Company crossed the milestone of having existed for 25 years.
FY 2009	Authorized Capital Increased to Rs.500 Million	30-Jun-20	2.5% Cash Dividend Declared
		30-Jun-22	10% Cash Dividend Declared



# Future Prospects



## FUTURE PLANS

- Expansion in branch network.
- Revival of Ijarah finance on receipt of a favorable decision from the Sindh High Court on the charge of sales tax on service imposed by Sindh Revenue Board.
- Improvement and consolidation of Risk Assets.

**Thank You**