

SECURITY INVESTMENT BANK LIMITED (SIBL)

CORPORATE BRIEFING SESSION

For the year ended DECEMBER 31,2025

On 19 May 2026 (Tuesday)

Through Video Link

At 11:30 A.M

Analyst briefing

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AGENDA

1. VISION AND MISSION
2. ABOUT THE COMPANY
3. COMPANY PROFILE
4. CHAIRMAN'S REVIEW REPORT
5. CORE BUSINESS ACTIVITIES
6. ABOUT THE ECONOMY
7. FINANCIAL POSITION
8. FUTURE OUTLOOK
9. 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 ensure return on shareholders' equity.

ABOUT THE COMPANY

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 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I)/2015 dated October 15, 2015 and Non Banking Finance Companies and National Entities Regulations 2008 as amended through SRO 1160(I)/2015 dated November 25, 2015 (previously this was covered under SRO 585(I)/87 dated July 13, 1987, issued by the Ministry of Finance). The license is valid until May 29, 2028.

COMPANY PROFILE



BOARD OF DIRECTORS

Haji Jan Muhammad (Chairman)
Mr. Muhammad Mehboob
Mrs. Zillay Huma Khan
Mr. Ghazzanfar Ahasan
Mr. Saleem Jessani
Syed Zafar Hasan Reza
Mr. Muhammad Bilal Chaudhry

PRESIDENT & CEO

Mr. Zafar M Sheikh

AUDIT COMMITTEE

Syed Zafar Hasan Reza (Chairman)
Mr. Saleem Jessani
Mr. Muhammad Mehboob
Mr. Muhammad Bilal Chaudhry

AUDITORS

Muniff Ziauddin & Co.
Chartered Accountant

SHARIAH ADVISOR

Mufti Ghaffar Ahmed

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Bilal Chaudhry (Chairman)
Mr Zafar M Sheikh
Mr Muhammad Mehboob
Syed Zafar Hasan Reza

RISK MANAGEMENT COMMITTEE

Mr. Ghazzanfar Ahasan (Chairman)
Mr Muhammad Mehboob
Syed Zafar Hasan Reza
Mr. Zafar M Sheikh

CHIEF FINANCIAL OFFICER

Mr. Shakeel Ahmed

LEGAL ADVISORS

Mr. Muhammad Altaf
(Advocate of High Court)

INTERNAL AUDITOR

Mr. Muhammad Naveed Jamal

CHAIRMAN'S REVIEW REPORT

I am pleased to present this review report to the stakeholders of Security Investment Bank Limited (“Company” / “SIB”) highlighting the Company's overall performance, our Board of Directors (the “Board”) and the effectiveness of the role played by the Board in achieving the Company's objectives. The annual report of the Company for the year ended December 31, 2025 contains the financial and other information and disclosures as required under the applicable law.

During the year, the Board and its Committees convened regularly to ensure thorough oversight of key matters. The Board's active engagement with the management, coupled with its strategic oversight and sound capital allocation have driven better decision-making, optimized resource utilization, and strengthened financial discipline. These efforts have been instrumental in aligning the business strategies with our commitment to sustainable growth and value creation.

We are committed to maintaining a strong internal control system to ensure effective operations, reliable financial reporting, and full compliance with laws and regulations. Following a thorough evaluation, including input from the audit committee, the Board is satisfied with the system's robustness and remains committed to its continuous improvement to safeguard the stakeholder interests. Further, the Board has maintained its focus on sustainability risks and opportunities, placing a strong emphasis on environmental, social, and governance (ESG) principles.

The Board will maintain its vital role in shaping the Company's direction, fostering its achievements and efficiency, and guiding the management to conduct operations in alignment with Board-approved strategies while adhering to the tenets of sound corporate governance.

On behalf of SIB, I extend my gratitude to the management team, our dedicated employees, our regulator and our valued shareholders and others, for their trust, support, and unwavering commitment to the Company

We look forward to future success in the Company's endeavours.

Haji Jan Muhammad
Chairman of the Board

Karachi: March 30, 2026

CORE BUSINESS ACTIVITIES

During the current reporting period, the company continued the process of converting SIBL into a Shariah-compliant entity, following the submission of its application to the regulator. The conversion plan, which was submitted previously, remains under review by the regulator. As per the plan, SIBL is expected to complete the conversion process within two years, effective from September 1, 2023. Further, management submitted an application granting extension of one year effective from September 01, 2025 to complete the conversion process.

Under the shariah guidelines company offer different business module (i.e. Morabaha / Ijarah) to its valued customers.

- Corporate Financing.
- Car Financing.
- Consumer Financing including Bike Financing.

Further, following business models under review for its execution.

- Running Musharakah
- Istisna
- Salam

Economic Overview



Pakistan's economy shown encouraging signs of recovery in FY-2025, with real GDP expanding by 2.7%. This recovery reflects the effects of strong macroeconomic management, renewed investors confidence and continued support under the IMF's Extended Fund Facility. Inflation declined sharply compared to previous financial year. On the fiscal front, the government recorded a historic primary surplus of GDP during the first two quarters of FY-2025. However, the overall fiscal deficit stood at 6.2% of GDP.

The external sector rebounded impressively; posting a current account surplus of USD 1.9 billion, this turnaround supported by record high remittances, increase in exports. Despite a widening trade deficit of USD 21.3 billion due to higher imports.

The government also initiated pension reforms, transitioning toward a contributory system to address the growing fiscal burden of unfunded pension liabilities. These reforms would enhance long-term fiscal sustainability by reducing pension related expenditures.

The outlook for Pakistan's economy in 2026 is cautiously optimistic, with several positive indicators Stable Inflation, Strong Growth, Resilient Agriculture, Robust Remittances, Strong Stock Market and potential for growth. However, the outlook is not without challenges like, inflation, rising debt, energy shortage and water scarcity continue to create pressure on the economy. This may depends on how effectively the government can manage these challenges while leveraging the positive trends.

SBP, Monetary Policy Committee (Committee) reviewed its policy frequently to take appropriate action towards supporting growth, financial stability and fiscal adjustments. The Committee keeping the view of overall economic situation and inflation declined, cutting the continuing policy rate. This shift helped lower borrowing costs and created favourable conditions for an economic revival. However, the SBP committee in its last meeting held on January 26, 2026, remain the policy rate unchanged to 10.50%.

In the context of improved macroeconomic stability, the capital market registered rising trend during the year under review. The PSX-100 index registered 174473 points at the closing of the year 2025 as compared to 115126 of the preceding year. These gains bolstered by successful IMF reviews and Fitch's credit rating upgrade to B- with a stable outlook.

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31



ASSETS	2025	2024	EQUITY & LIABILITIES	2025	2024
	(Rupees in million)			(Rupees in million)	
NON-CURRENT ASSETS			SHARE CAPITAL & RESERVES		
Property & Equipments	149	154	Authorized capital	1,000	1,000
Investment Property	26	-			
Ijarah assets-under financing arrangements	48	52			
Intangible assets	2	3	Issued, subscribed and paid up	591	591
Deferred tax	4	10	Statutory reserves	150	146
Long term financing	25	42	Surplus on revaluation of property	13	-
Long term loans and advances	5	6	Unappropriated profit	30	103
Diminishing musharaka financing	6	-		784	840
	265	267	NON-CURRENT LIABILITIES		
CURRENT ASSETS			Security deposits against Ijarah	14	13
Short term financing	-	45	Deferred income from financing	6	12
Current portion of long term financing	31	23		20	25
Short term investments	516	504	CURRENT LIABILITIES		
Current portion of loans and advances	2	3	Unclaimed dividend	29	8
Current portion of diminishing musharaka financing	2	-	Advance against property	70	33
Deposits, prepayments and other receiveables	21	5	Accrued and other liabilities	1	2
Ijarah rentals receivables	3	0.07	Current portion of deferred income from financing	7	9
Accrued profit	15	23		107	52
Tax refund due from government	25	34			
Cash and bank balances	31	13			
	646	650			
TOTAL ASSETS	911	917	TOTAL EQUITY & LIABILITIES	911	917

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31



2025 **2024**
(Rupees in million)

INCOME

Income from financing
Income from diminishing musharaka financing
Return on securities
Gain on sale of investments
Profit on deposit with banks
Other Income

	2025	2024
Income from financing	51	42
Income from diminishing musharaka financing	0.01	-
Return on securities	59	79
Gain on sale of investments	0.26	15
Profit on deposit with banks	0.59	2
Other Income	2	1

EXPENDITURES

Administrative expenses

Operating profit before taxation
Unrealized gain on remeasurement of investments

	113	139
Administrative expenses	82	56
Operating profit before taxation	31	83
Unrealized gain on remeasurement of investments	4	5

Profit before taxation

Profit before taxation	35	88
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Taxation

Taxation	- 15	- 11
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Profit after taxation

Profit after taxation	20	77
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Earning per share-basic and diluted

Earning per share-basic and diluted	0.338	1.309
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FUTURE OUTLOOK AND STRATEGY



Security Investment Bank (SIB) is focused on sustainable growth, innovation, and resilience in a rapidly evolving financial environment. Our 2026 strategy centers on three key pillars: diversification, risk-optimized returns, and Sharia-compliant excellence. By expanding high-yield consumer and corporate financing, strategically investing in Sukuk, and enhancing liquidity management, we aim to strengthen our market position and deliver long-term value to shareholders.

1. Consumer & Corporate Financing: Driving Growth & Yield

- ❖ **Total Allocation: Rs. 250 Million**
- ❖ **Rs. 150 Million in Ijarah & Murabaha-based Consumer Financing** (existing portfolio + new funds deployments) – Targeting high-yield segments to enhance profitability.
- ❖ **Rs. 100 Million in Murabaha-based Corporate Financing** – (existing portfolio + new funds deployments) Supporting business growth while maintaining competitive returns.
- ❖ **Expected Outcome:** These investments are projected to deliver average **K+3 rates** with superior yield, reinforcing our revenue streams for 2026.

FUTURE OUTLOOK AND STRATEGY



2. SUKUK Investments: Ensuring Sharia Compliance

- ❖ **Allocation: Rs.250 Million**
- ❖ While SUKUK offers relatively **lower rates and yield**, this strategic placement is essential to meet **SECP ratios**, a critical requirement for maintaining our **Sharia-compliant status**.

3. T-Bills: Maximizing Risk-Adjusted Returns

- ❖ **Allocation of remaining Capital: Rs. 150+ Million**
- ❖ Retaining a significant portion in **Treasury Bills** to ensure liquidity and capitalize on **maximum profitability** in a low-risk environment

PATTERN OF SHAREHOLDING FOR THE YEAR ENDED 31 DECEMBER 2025

CATEGORIES OF SHAREHOLDERS	%	No. of Shares	
		Dec-25	Dec-24
Associated companies, undertaking and related parties	66.32%	39,225,680	39,144,681
Investment companies and ICP	0.01%	4,289	4,289
Directors, CEO and their spoused and minor children	0.01%	5,726	8,378
Public sector companies and corporations	0.46%	272,050	258,196
Bank, DFI's NBFI's Insurance companies, Takaful, Modarabas, Charitable and other Trusts	2.79%	1,650,477	1,893,618
General public	30.42%	17,990,370	17,839,430
Total	100.00%	59,148,592	59,148,592

FREE FLOAT STATEMENT FOR THE YEAR ENDED 31 DECEMBER

CATEGORIES OF SHAREHOLDERS	AS ON DECEMBER	
	2025	2024
Total outstanding shares	59,148,592	59,148,592
Less;		
Physical shares	4,075,425	4,077,806
Government holdings	-	-
Directors, sponsors & senior management officers and their associates	37,335,098	37,336,248
Associates companies/Group companies (cross holding)	-	-
Free float shares	17,738,069	17,734,538
Percentage of free float	30%	30%

QUESTION & ANSWERS SESSION

THANK YOU



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