

**Secure Logistics – Trax Group Limited**  
**Directors' Report for the year ended December 31, 2025**

The Board of Directors (“BoD”) of Secure Logistics - Trax Group Limited (“Company” or “SLG-Trax”) is pleased to present its report, together with the audited financial statements of the Company for the year ended December 31, 2025.

**Economic Review**

During the year 2025, Pakistan's economy continued to navigate a complex macroeconomic environment, marked by a focus on stabilization and gradual recovery. Key economic indicators showed signs of improvement, with inflation moderating to an average of 4.5% during the year, compared to 23.4% in 2024. This easing of inflationary pressures allowed the State Bank of Pakistan to maintain an accommodative monetary policy stance, with the policy rate adjusted to 10.5% by the end of the year.

Other economic indicators also showed marked improvement. The total FX reserves crossed US\$ 14.5 billion providing better sovereign liquidity and crisis response capacity; backed by sustained exports and strong inward remittances enabling the Current Account deficit for the year to settle at US\$ 2.1 billion as against a deficit of US\$ 2.1 billion in 2025. In addition, the large scale manufacturing and agriculture continued with year-on-year growth of more than 9% and 9.3% respectively leading to a GDP growth of 3.1% in the period January to December 2025 versus 2.50% in 2024.

During the period under review, the country completed two successful reviews with IMF leading to the release of as many tranches equaling US\$ 2.1 billion. Continued engagement with international financial partners, including the IMF, helped maintain fiscal discipline and policy continuity, which are critical for long-term economic stability and investor confidence. It led to a confidence surge in with Ipsos economic survey reporting that 86% Pakistanis believed the economic policies to be on the right track.

**Geo-political Developments in Post Reporting Period**

Subsequent to the reporting period, the outbreak of conflict involving Iran, Israel and the United States in February 2026 has affected the regional Middle East as well as the global political and economic situation adversely. The conflict has introduced heightened volatility in global energy and financial markets, particularly due to disruptions in key shipping routes such as the Strait of Hormuz, which handles 20% of the world’s oil supply. Higher fuel costs, possible disruptions in supply chains and uncertainties surrounding remittances from Gulf economies may exert additional pressure on Pakistan’s external account and inflation outlook in the near term.

**Strategic Development During the Year**

The year under review has been a landmark and transformative period for SLG-Trax, marked by the merger of Trax Online (Pvt) Ltd (“Trax Online”), an E-Commerce entity, through a Scheme of

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Plot No 105, Sector 7-A, Mehran Town,  
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Amalgamation approved by the Islamabad High Court on May 5, 2025 whereby SLG acquired a 100% stake in Trax Online. The merger transformed SLG-Trax into a genuine 4-PL entity involved in complimentary yet synergetic Business Lines (“BL”) of long-haul and medium-haul transportation, e-commerce (last mile), and warehousing supported by in-house IOT and Security Services capabilities. With this acquisition, SLG-Trax has become the only 4PL logistics company with compliance standards aligned with PSX, SECP, and CCP, and now boasts a shareholder base that includes substantial institutional and international investors such as Saudi Bhughshan, Tri Cap Investments, and Karandaz Pakistan.

### **Other Significant Achievements in 2025**

#### **Integration & Synergy Driven Savings**

During 2025, the management’s main focus was to successfully implement the integration plan involving integration of BLs and Support Functions, savings through complimentary savings and optimal leveraging of company assets. Resultantly, SLG-Trax has transformed into a 4 PL player with the potential to be a domestic market leader and an established capacity to expand regionally.

As part of the merger, SLG *inter-alia*, offered Company owned fleet, diversified cash flow stream through distinct, yet synergetic, business lines of logistics, asset tracking and security services, an experienced team in all of its BLs, business lines, country-wide foot print of all business lines and a TIR License for regional logistic. Similarly, Trax *inter-alia*, contributed through two complimentary BLs of last-mile and warehousing, along with sub-segments, an established technology platform that was geared to expand quickly to include Fin Tech, country-wide reach of the e-commerce business and an experienced operational and commercial team across the country.

The quantifiable impact of the merger has been substantial in form of recapitalization of the Ecommerce BL, significant tax credits and synergy driven savings.

#### **Award of NBFC License and Digital Lending**

Consequent to an elaborate process, the Securities & Exchange Commission of Pakistan (“SECP”) awarded the Non-Banking Financial Company (“NBFC”) License to LogiServe (Private) Limited (“LogiServe”), a fully owned subsidiary of SLG-Trax. The license will enable LogiServe to offer a digital payment platform involving COD-backed working capital loans, invoice discounting, merchant virtual accounts, and a digital payment gateway. It will directly facilitate SLG-Trax’s E-Commerce / Logistics BL through merchant-centric digital payment portals; short-term credit against COD receivables; credit to freelancers, resellers and SMEs who have operational data but lack formal credit histories. LogiServe’s fintech offering will be seamlessly integrated with E-Commerce / Logistics operations, creating a closed-loop credit and payment ecosystem. This aligns with SLG-Trax’s vision of supporting merchants of this particular BL through innovation. The issuance of NBFC License to Logiserve was followed by an addition of FinTech category to Logiserve’s existing Special Technology Zones Authority (“STZA”) license.

Logiserve's income is part of SLG-Trax's consolidated financial results. The NBFC operation is a materially positive development and is expected to contribute substantially to the Group's consolidated bottom line in FY 2026..

### **Business Review and Financial Highlights**

During the year, the Company focused on optimizing operational efficiencies, expanding its service portfolio, and leveraging technology to enhance customer experience. Despite the merger driven and certain macro challenges, the Company a satisfactory financial performance. Notwithstanding the 35% dilution in number of issued and subscribed shares, the Company achieved an EPS of Rs2.50 on a weighted average basis as compared to Rs2.50 in 2024.

	Year Ended Dec 31	
	2025	2024 (Restated)
	-----Rupees-----	
Revenue	2,937,966,491	2,518,354,795
Profit before income taxes and levy	512,933,908	610,247,150
Levy and income taxes	350,975,188	6,543,682
Profit for the period after taxation	863,909,096	616,790,832
Profit attributable to the equity shareholders of the Holding Company	856,418,174	611,688,289
Profit attributable to non-controlling interest	7,490,922	5,102,544
Earnings per share – basic and diluted	2.50	2.50

The Company achieved a revenue of Rs. 2,938 million, reflecting a growth of 17% over the previous year. The Gross Profit margin stood at 36%, compared to 43% last year. Furthermore, as a result of synergy driven savings and and operational efficiencies, for the year, the Company achieved a Profit after Taxation of Rs. 863.90 million.

### **Future Outlook**

As a result of successful integration and consolidation, SLG-Trax is geared to achieve the full potential of its merger in FY 2026. Notwithstanding the global uncertainties and macro economic pressures, we are cautiously optimistic and believe that Pakistan's E-Commerce and Logistics sectors holds significant growth potential.

SLG-Trax's main focus will be on enhancing its technology infrastructure; successfully implementing its Digital payment (NBFC) initiative; expanding country-wide geographical coverage of its E-Commerce BL from 165 cities/towns to 200 by end 2026; adding the courier segment to its E-Commerce vertical; offering regional (multi-market) logistic solutions covering Central Asia; expanding the Company owned Last-Mile fleet and expanding the Warehousing BL. All in all, the Company's endeavour will be to scale up its existing BLs beside adding new and

### **Governance Framework**

The Board of Directors is committed to maintaining the highest standards of corporate governance, transparency, and ethical conduct. Our governance framework is designed to protect stakeholders' interests and ensure the Company's long-term sustainability. We continue to align our practices with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

### **Composition of the Board**

The BoD is fully presently comprises of nine members, including a female director and three Independent Directors.

## **Board Meetings**

Four meetings of the BoD were held during the year to review the Company's performance and consider matters of strategic importance.

## **Board Committees**

The BoD has established the following committees in compliance with the Code of Corporate Governance:

### **1. Audit Committee:**

It comprises of three Non-Executive Directors, including an Independent Director as its Chairman. The Committee reviews the financial reporting process, internal controls, and audit findings. Four meetings were held during the year.

### **2. Human Resource and Remuneration Committee:**

The Committee comprises of four Members with an Independent Director acting as its Chairman. It reviews and recommends policies on remuneration, performance evaluation, and succession planning for senior management. One meeting was held during the year.

## **THE BOARD OF DIRECTORS IS PLEASED TO REPORT THAT:**

- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable to Companies in Pakistan, have been followed in preparation of financial statements.
- The system of internal control, which is in place, is being continuously reviewed by internal audit and other such procedures. The process of review will continue and any weakness in controls will be removed.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on December 31, 2025 except for those disclosed in the financial statements.

## **Internal Controls and Risk Management**

The Company has in place a sound system of internal controls to safeguard its assets and ensure the accuracy and completeness of accounting records. The internal audit function, headed by Mr. Fawad Ahmed, reports functionally to the Audit Committee and carries out regular reviews of financial and operational controls. The Company also maintains a comprehensive risk management framework to identify, assess, and mitigate potential business risks, including market, credit, and operational risks.

## **Compliance with the Code of Corporate Governance**

The Board confirms compliance with all applicable provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019. A detailed Statement of Compliance is attached to this Annual Report.

## **Dividend**

The Management has decided not to declare dividends for the year. The Management feels that funds are required both for the repayment of debts and for reinvestment in new rental fleet.

## **Credit Rating**

The management is pleased to inform that the credit rating agency, PACRA, has maintained the Company's entity ratings at "A+" for the long term and "A1" for the short term. This reflects the rating agency's confidence in the Company's financial strength and its capacity to meet its financial obligations.

## **Information Technology**

During the year, the Company made significant strides in its digital transformation journey. We continued to enhance our IT infrastructure, focusing on [system security / data analytics / process automation]. Our upgraded [e.g., Enterprise Resource Planning (ERP) system / TMS] has provided us with better visibility into our operations, improved forecasting accuracy, and enabled more efficient decision-making. We have also invested in Power BI dashboards to provide management with real-time insights into key performance indicators particularly for Fintech Operations.

## **Microsoft Power BI**

This was started with a target kept in mind to enhance our reporting structure and drilling deep down in our datasets. Main Idea was to focus on our segment trends and operational reporting. Key Benefits of using Power BI Integrates seamlessly with existing applications: Power BI integrates easily with your existing business environment allowing us to adopt analytics and reporting capabilities. Rich personalized dashboards: The crowning feature of Power BI is the information dashboards, which can be customized to meet the exact need of any enterprise. We can easily embed the dashboards and BI reports in the applications to provide a unified user experience. Publish reports securely: The tool helps you to setup automatic data refresh and publish reports allowing all the users to avail the latest information. No specialized technical support required: Power BI provides agile inquiry and analysis without the need for specialized technical support. It supports a powerful natural language interface and the use of intuitive graphical designer tools. Extracting business intelligence rapidly and accurately: It helps in transforming our enterprise data into rich visuals, thus extracting business intelligence for enhanced decision making.

## **Corporate Social Responsibility (CSR)**

As a responsible corporate citizen, Secure Logistics is committed to contributing positively to the community. Our CSR initiatives during the year focused on:

- **Education & Scholarships:** We provided financial support / scholarships to certain deserving students from underprivileged backgrounds.
- **Health & Safety:** We supported health and safety of our large number of truck drivers and e-commerce delivery riders and continued to promote health and safety awareness among our employees and their families.

- **Employee Welfare:** We continue to provide a safe and healthy work environment and encourage participation in sports and recreational activities through our in-house facilities.

#### **Adoption of IFRS Sustainability Disclosure Standards**

The Company acknowledges the notification issued by the Securities and Exchange Commission of Pakistan regarding the phased adoption of IFRS Sustainability Disclosure Standards, including IFRS S1 and IFRS S2, which will become applicable to the Company in the upcoming reporting periods.

Given the nature of the Company's operations in transportation, courier and e-commerce logistics, management recognizes that sustainability and climate-related factors-particularly fuel consumption, fleet emissions, energy usage in warehousing and sorting facilities, and packaging practices-may have a direct impact on operational efficiency, cost structures, and long-term business resilience.

In preparation, the Company has initiated a structured roadmap to align with these standards. This includes identification and assessment of sustainability-related risks and opportunities, strengthening governance oversight at senior management level, and integrating ESG considerations into enterprise risk management and strategic decision-making processes. The Company is also working towards establishing systems for capturing and monitoring relevant data, including fuel efficiency metrics, carbon emissions, and resource utilization across its logistics network.

Furthermore, initiatives are being explored to optimize route planning, improve fleet efficiency, and evaluate the potential adoption of environmentally sustainable practices within last-mile delivery and packaging. Capacity-building efforts and engagement with advisors are underway to ensure readiness for high-quality, consistent disclosures in line with regulatory expectations. The Company remains committed to adopting global best practices and ensuring compliance within the prescribed timelines.

#### **Pattern of Shareholding**

The pattern of holding of shares by various categories of shareholders as at December 31, 2025, is included in this Annual Report.

#### **Auditors**

On the recommendation of the Audit Committee, the Board has approved the appointment of Messrs. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, as auditors of the Company for the year ending December 31, 2026, at a fee to be mutually agreed, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

**Acknowledgement**

The Directors wish to express their sincere gratitude to the shareholders for their continued trust and confidence. We also thank our valued customers, business partners, and the regulatory authorities, including the Securities and Exchange Commission of Pakistan (SECP) and the Pakistan Stock Exchange (PSX), for their support and guidance.

Above all, we extend our deepest appreciation to our dedicated team of employees, whose hard work, commitment, and professionalism are the cornerstone of the Company's success.

For and on behalf of the Board:



**Gulraiz A. Khan**  
Chief Executive Officer

26<sup>th</sup> March, 2026



**SECURE LOGISTICS - TRAX GROUP LIMITED**  
**Pattern of Shareholding as on December 31, 2025**

<b>Number of Shareholders</b>	<b>From</b>	<b>Shareholdings</b>	<b>To</b>	<b>Total Number of Shares Held</b>
764	1	-	100	26,207
867	101	-	500	308,310
751	501	-	1000	675,098
1648	1001	-	5000	4,884,476
586	5001	-	10000	4,783,523
241	10001	-	15000	3,129,508
161	15001	-	20000	3,011,906
133	20001	-	25000	3,142,510
71	25001	-	30000	2,052,114
66	30001	-	35000	2,212,251
46	35001	-	40000	1,765,725
36	40001	-	45000	1,565,104
61	45001	-	50000	3,001,871
19	50001	-	55000	1,005,942
22	55001	-	60000	1,278,966
5	60001	-	65000	320,400
12	65001	-	70000	827,328
15	70001	-	75000	1,116,925
7	75001	-	80000	555,578
5	80001	-	85000	416,443
3	85001	-	90000	265,640
13	90001	-	95000	1,210,684
30	95001	-	100000	2,992,043
8	100001	-	105000	815,140
1	105001	-	110000	105,015
4	110001	-	115000	449,072
4	115001	-	120000	480,000
3	120001	-	125000	371,400
1	125001	-	130000	130,000
10	130001	-	135000	1,324,370
6	135001	-	140000	831,373
3	140001	-	145000	430,270
12	145001	-	150000	1,796,500
2	150001	-	155000	302,083
1	155001	-	160000	160,000
1	165001	-	170000	168,845
3	170001	-	175000	517,101
1	175001	-	180000	177,790
1	180001	-	185000	185,000
3	185001	-	190000	568,883
1	190001	-	195000	194,000
13	195001	-	200000	2,599,500
1	200001	-	205000	200,099
1	205001	-	210000	210,000
1	210001	-	215000	210,590

**SECURE LOGISTICS - TRAX GROUP LIMITED**  
**Pattern of Shareholding as on December 31, 2025**

Number of Shareholders	Shareholdings			Total Number of Shares Held
	From		To	
1	215001	-	220000	220,000
1	225001	-	230000	229,259
3	230001	-	235000	702,270
6	245001	-	250000	1,497,500
2	255001	-	260000	517,800
1	265001	-	270000	266,595
3	270001	-	275000	817,085
1	290001	-	295000	295,000
5	295001	-	300000	1,500,000
1	305001	-	310000	306,904
1	315001	-	320000	316,439
1	345001	-	350000	347,811
1	350001	-	355000	352,662
1	385001	-	390000	385,928
5	395001	-	400000	2,000,000
1	420001	-	425000	425,000
1	445001	-	450000	449,400
1	480001	-	485000	483,000
5	495001	-	500000	2,497,550
1	505001	-	510000	510,000
1	530001	-	535000	533,000
1	555001	-	560000	560,000
1	565001	-	570000	570,000
1	575001	-	580000	580,000
1	695001	-	700000	700,000
1	705001	-	710000	710,000
1	790001	-	795000	795,000
2	795001	-	800000	1,600,000
1	945001	-	950000	950,000
1	1075001	-	1080000	1,080,000
1	1110001	-	1115000	1,113,000
1	1305001	-	1310000	1,306,582
1	1760001	-	1765000	1,761,368
1	2135001	-	2140000	2,136,263
1	4110001	-	4115000	4,111,667
1	5995001	-	6000000	6,000,000
1	8455001	-	8460000	8,456,573
1	9070001	-	9075000	9,073,985
1	12995001	-	13000000	13,000,000
1	21300001	-	21305000	21,303,922
1	46390001	-	46395000	46,393,239
1	50255001	-	50260000	50,258,214
1	60765001	-	60770000	60,766,190
1	116920001	-	116925000	116,921,307
<b>5710</b>				<b>417,576,096</b>



**SECURE LOGISTICS - TRAX GROUP LIMITED**  
**Categories of Shareholders as at December 31, 2025**

Shareholder's Category	Number of Shareholders	Number of Shareholders	Number of Shares	%
<b>Directors, Chief Executive Officer their Spouse(s) &amp; Minor Children.</b>			<b>153,784,899</b>	<b>36.83</b>
Pervaiz A. Khan			50,258,214	
Gulraiz A. Khan			21,303,922	
Afshan Nasir			8,456,573	
Saad Afzal Khan			13,000,000	
Mahnoor Afzal Khan			60,766,190	
Asad Abdulla			-	
Faizan Siddiqui			-	
Suleman Soorani			-	
Faraz Minai			-	
Shahbaz Haider Agha			-	
<b>Executives</b>			-	-
<b>Associated Companies, Undertakings &amp; Related Parties.</b>		<b>2</b>	<b>163,314,546</b>	<b>39.11</b>
KBP LIMITED			46,393,239	
TRAX GLOBAL PTE. LTD.			116,921,307	
<b>NIT</b>	-	-	-	-
<b>Banks Development Financial Institutions and Non Banking Financial Institutions</b>		-	-	-
<b>Insurance Companies</b>		-	-	-
<b>Modaraba and Mutual Fund</b>		<b>5</b>	<b>11,046,667</b>	<b>2.65</b>
<b>General Public</b>		<b>5676</b>	<b>71,894,155</b>	<b>17.22</b>
Local		-	71,894,055	
Foreign		-	100	
<b>Others</b>		<b>28</b>	<b>17,535,829</b>	<b>4.20</b>
<b>Joint Stock Companies</b>			<b>15,754,461</b>	
Other(s)			1,781,368	
	-	<b>5710</b>	<b>417,576,096</b>	<b>100.00</b>
<b>Shareholders holding 10% or more Voting Rights</b>			<b>Holding</b>	<b>%</b>
TRAX GLOBAL PTE. LTD.			116,921,307	28.00
MAHNOOR AFZAL KHAN			60,766,190	14.55
PERVAIZ AFZAL KHAN			50,258,214	12.04
KBP LIMITED			46,393,239	11.11
<b>Shareholders holding 5% or more Voting Rights</b>			<b>Holding</b>	<b>%</b>
TRAX GLOBAL PTE. LTD.			116,921,307	28.00
MAHNOOR AFZAL KHAN			60,766,190	14.55
PERVAIZ AFZAL KHAN			50,258,214	12.04
KBP LIMITED			46,393,239	11.11
GULRAIZ AFZAL KHAN			21,303,922	5.10

