

systems

# Investor Briefing







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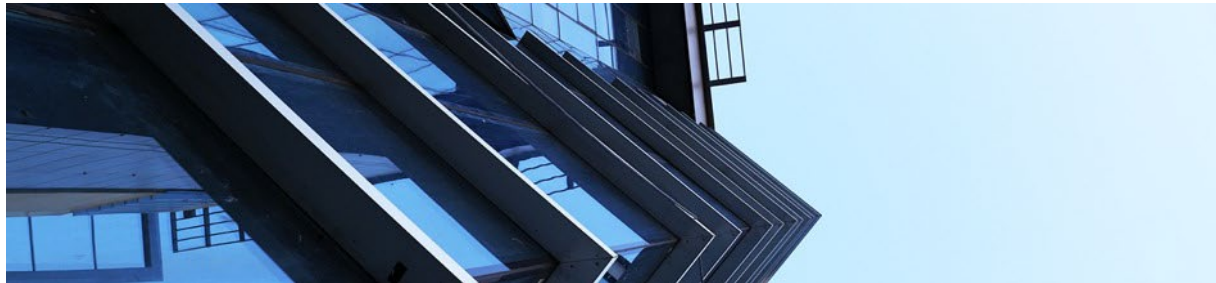
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# Value Proposition, Strategy and Market







**Founded in 1977**, we have continually reinvented ourselves by quickly acquiring expertise in new technologies to stay ahead of the curve. This has made us the most valuable company for digital transformation, IT and BPO & Contact Center services in Pakistan, and among our top-tier global clientele that includes **Fortune 500** and **Forbes Global 1000** companies.

**43+**  
Years

**3000+**  
Employees

**85%**  
Net Revenue from Software Exports

**400+**  
Satisfied Clients Worldwide

**3**  
Continents

## Our Mission

As a top-tier employer, Systems Limited promotes employee ownership, leadership, professional fulfilment, and job satisfaction. We deliver profitability and business success to our global clients through precise execution and technical excellence.

## Our Vision

Systems Limited aspires to enhance the productivity and growth of organizations around the world with a comprehensive range of digital solutions and services.



## Our Expertise

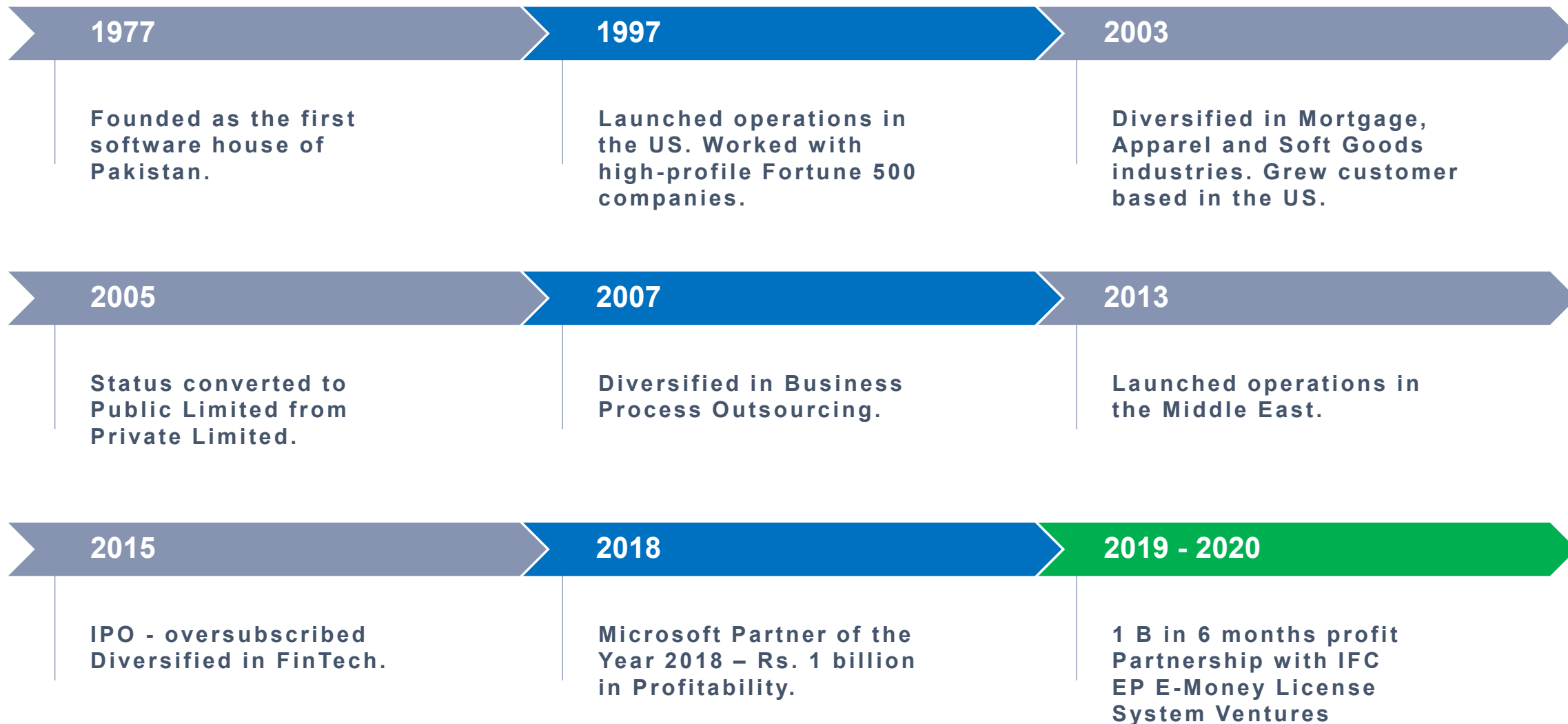
We use our agile and cost-efficient onsite-offsite hybrid delivery and support model to provide a complete range of technology-driven services, including consulting and managed support

## Why us?

- Strong global footprint
- Proven track record of total client satisfaction
- Innovative hybrid on-site and off-site project delivery model
- In-depth cross-industry domain expertise to deliver superior results
- Precise delivery of products and services as and when promised



# Systems Limited's Journey Through Time



# Services Portfolio

The decisiveness and clarity with which the Systems Limited team operates isn't limited to a single area of expertise.

For every Industry vertical we serve or technology we provide, we consistently deliver business value in few key aspects:



## Consulting

We help you create a clear digital strategy that optimizes your path to comprehensive, technology-led business success.



## Implementation

Our expertise spans all major technologies and business functions, empowering us to deliver comprehensive business solutions.



## Managed Services

Our global Managed Services teams secure your digital investment with 24x7 monitoring, maintenance, and end-to-end support.



## BPO & Contact Centre

Our trained and experienced teams of BPO & Contact Center professionals deliver an instant boost to your workforce with on-time, high-quality results.



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# Our Global Expertise and Certifications

Digital Transformation Services + Enterprise Automation Services + Data & AI Services + Strategic Partnerships



## Cloud & Infra Services



## Business Solutions



## Data and AI



## Digital Commerce



## Enterprise Integration



## Intelligent Automation



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# Global Presence/ Alliances

**3000+**  
Employees

**\$150m+**  
Market Capitalization

**400+**  
Clients Served  
Globally

**43+**  
Years

- **Global systems integrator**
- **Industry solutions backed by thought leadership and technical innovation**



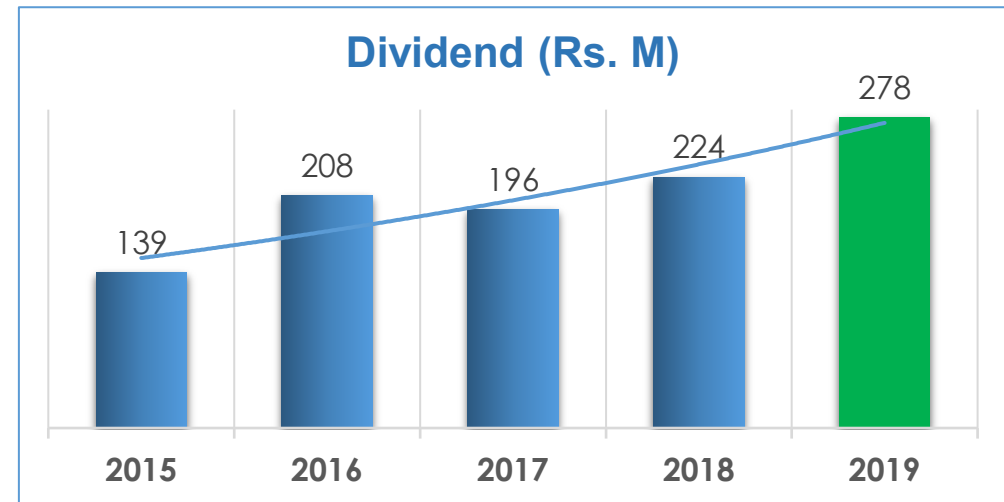
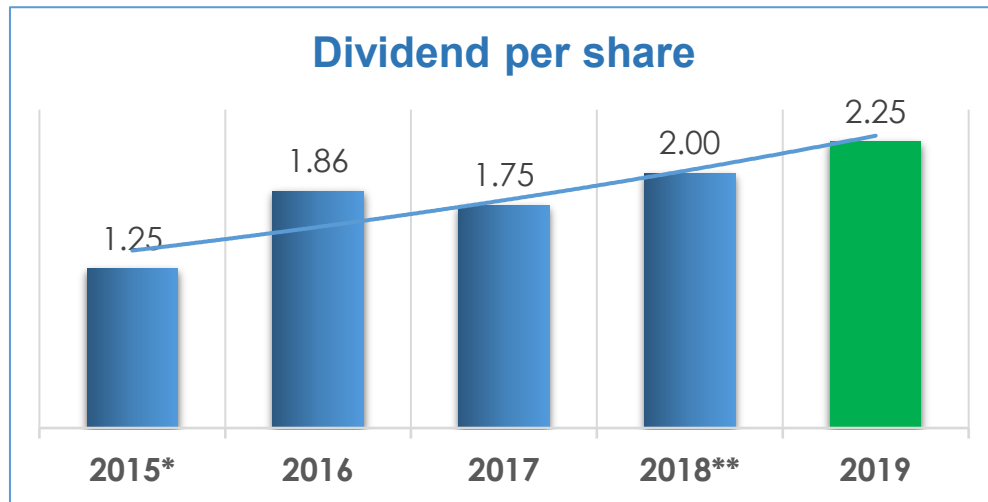


# Key Financial Highlights



# Dividend Trend

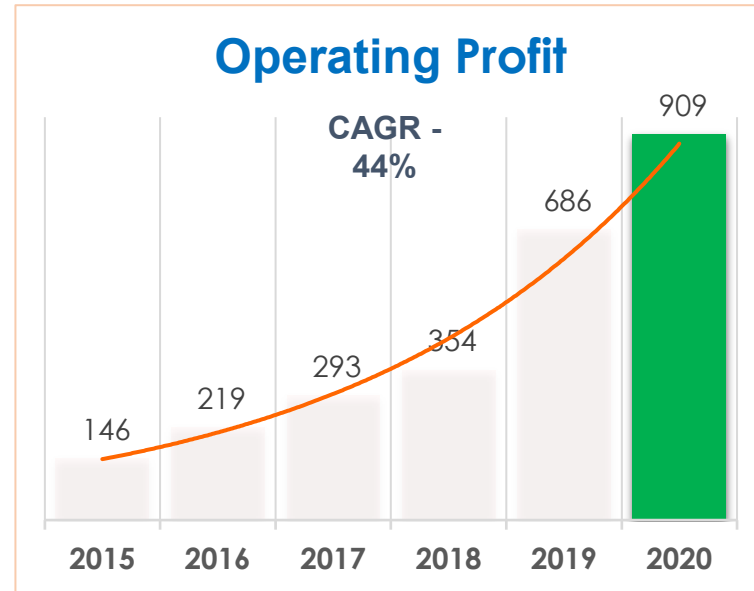
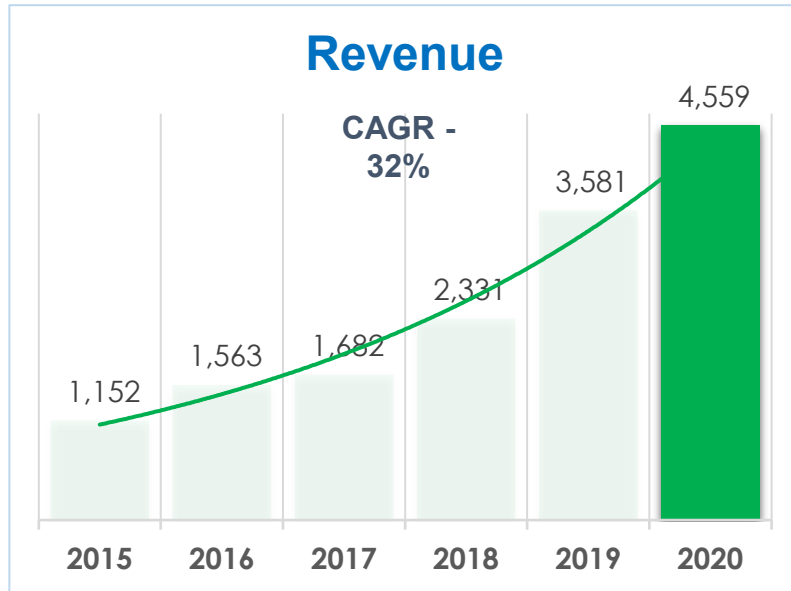
Company has a practice of a minimum dividend pay out of **20%**. Historically Company has been consistent in distribution of dividends.



\* 10% bonus issue was made in 2015

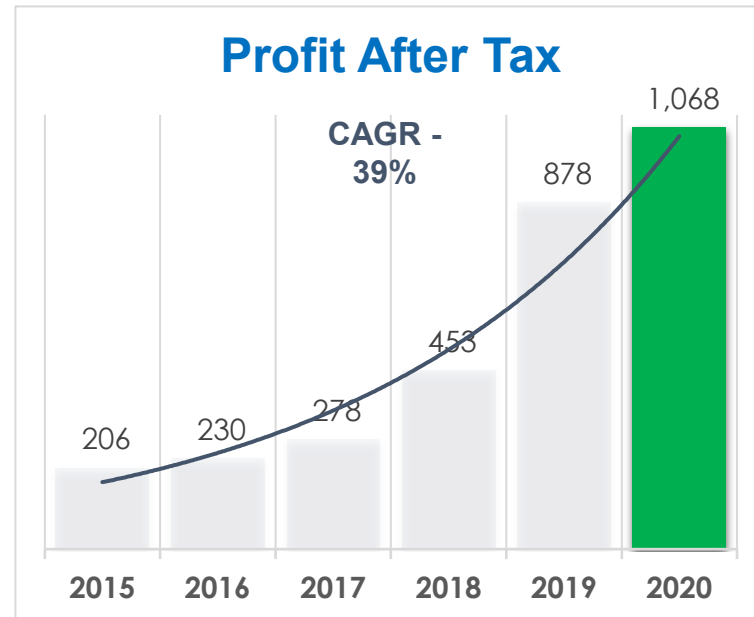
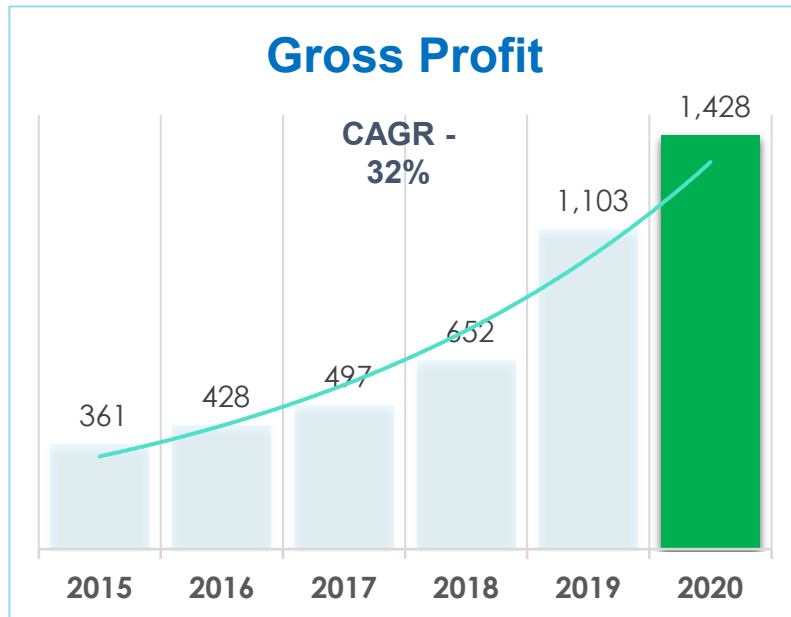
\*\* 10% bonus issue was made in 2018





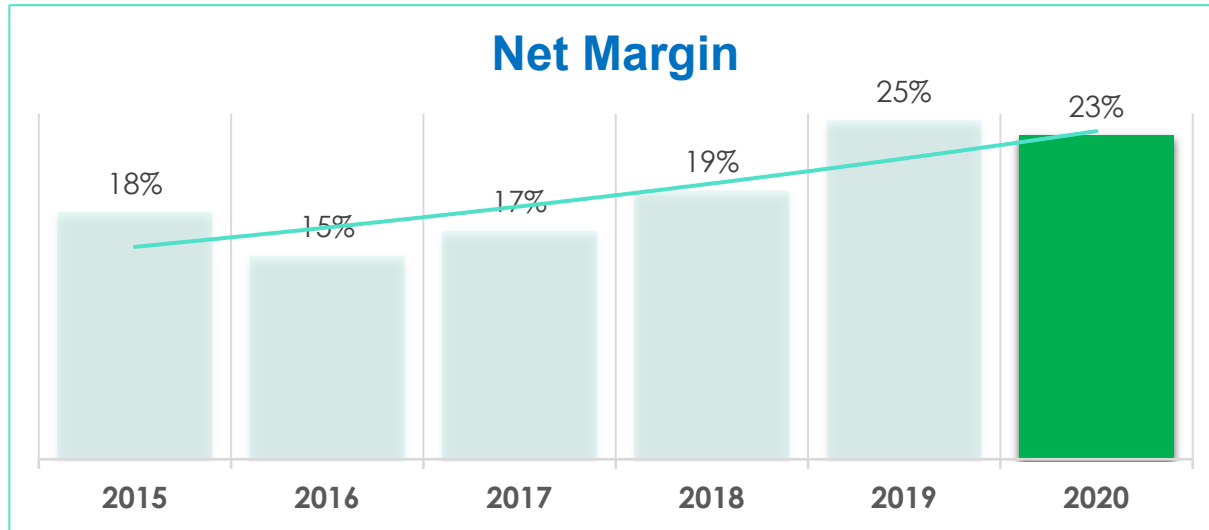
Revenues grew by **27%** from Rs. 3,581m to Rs. 4,559m. Growth in revenue is contributed by the Company and its subsidiaries by adding new logos into the sales mix and retaining existing profitable businesses.

Gross profit and operating profit increased by **30%** and **33%** respectively. Exchange gain for the half year 2020 amounted to Rs. 168m as compared to Rs. 268m during the same period last year on a consolidated basis.

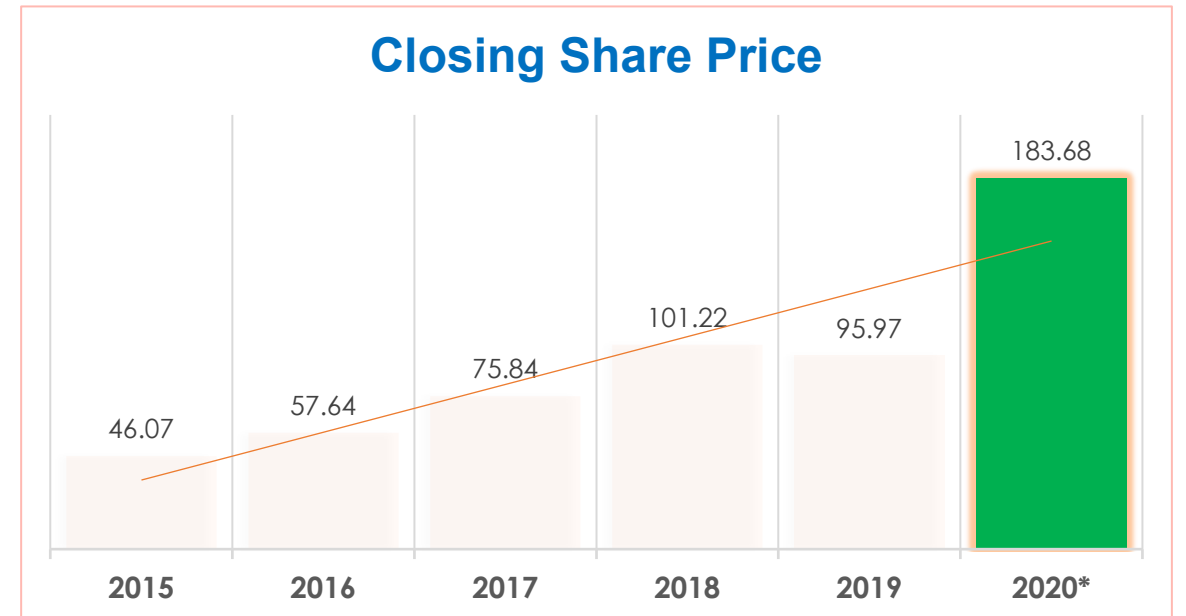
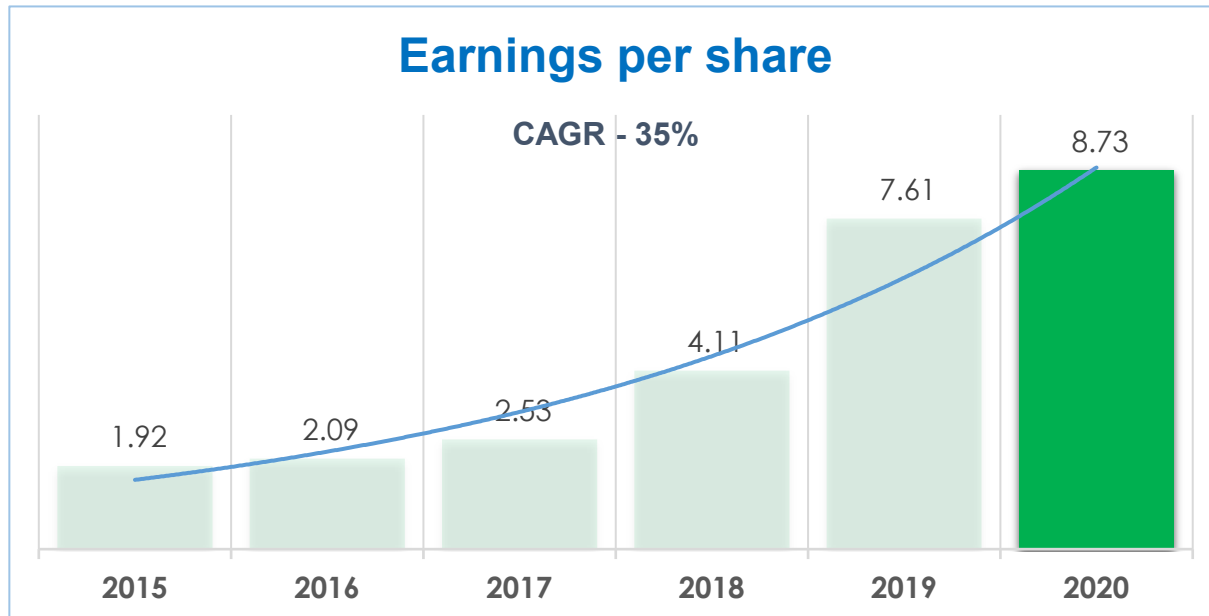
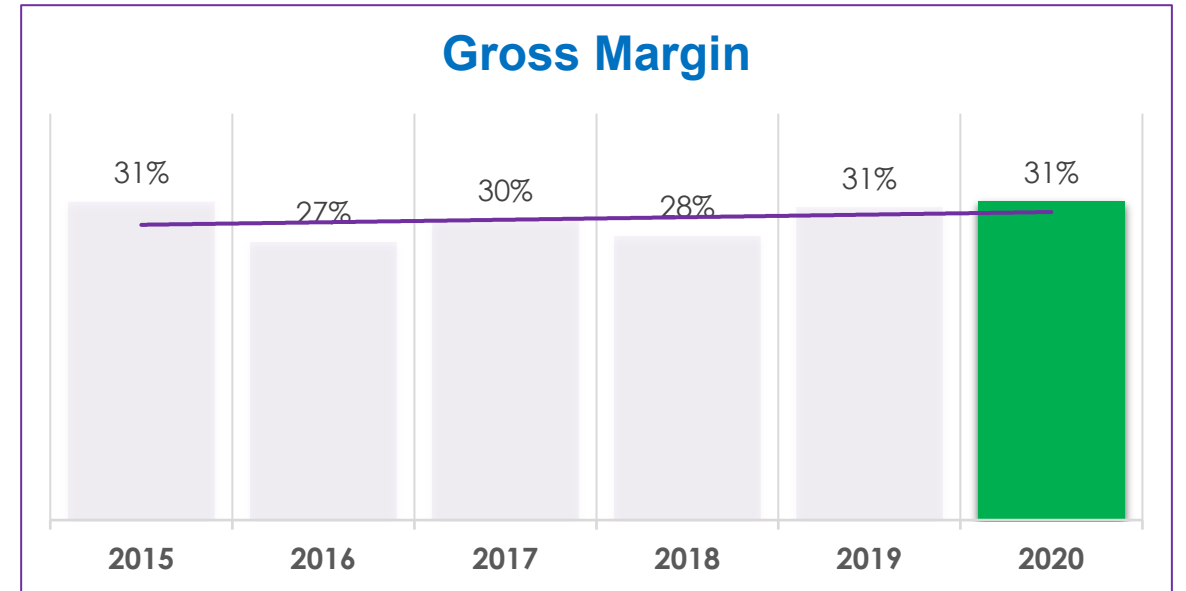


Net profit for the period increased by **22%** from 878m to Rs. 1,068m which translates into **47%** along with exchange gain adjustment in both years. Basic and diluted earnings per share both increased by 15% over the same period last year.

It is pertinent to mention that increase in profits for the period is primarily driven by topline growth, led by the North American Segment. This growth has been achieved without a proportional growth in headcount by optimization and efficient utilization of existing resource. Moreover, rigorous controls over direct and indirect costs directly contributed to improvement in net profits.

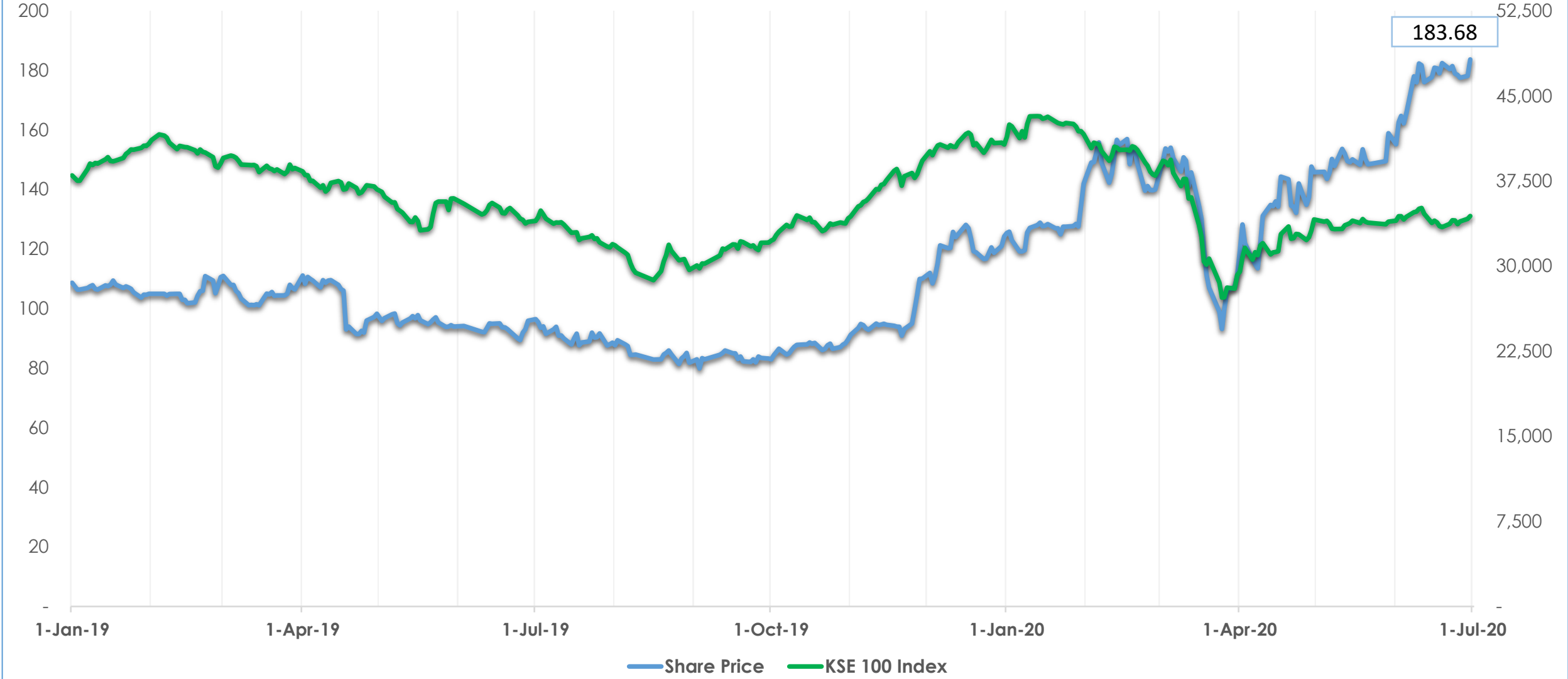


\*Net margin for HY 2020 excl. FX gain is 20% as compared to 17% for same period last year

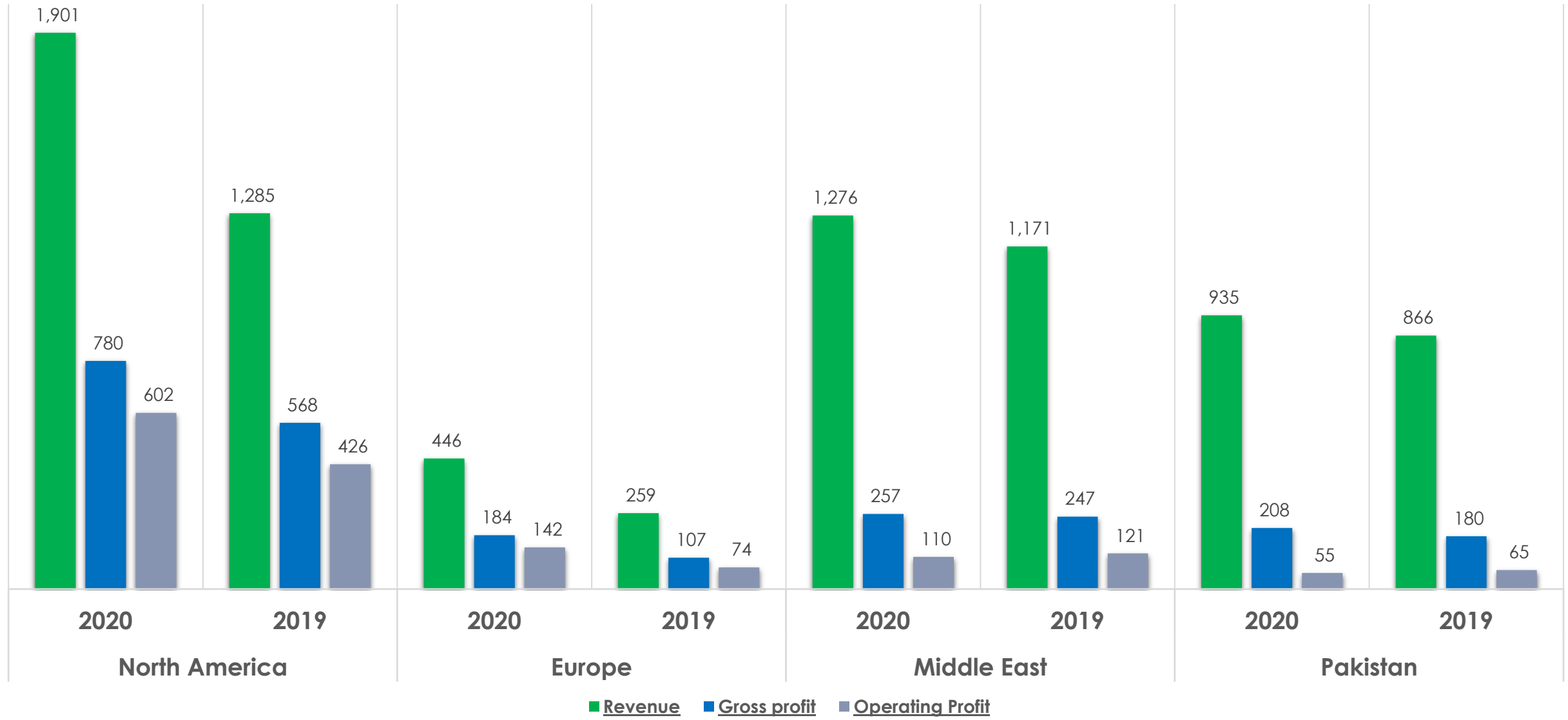




## Share Price Sensitivity Analysis

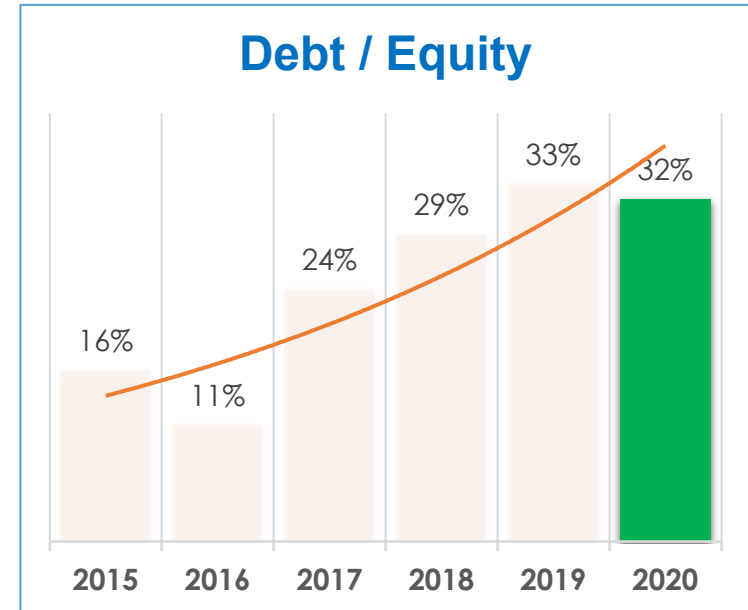
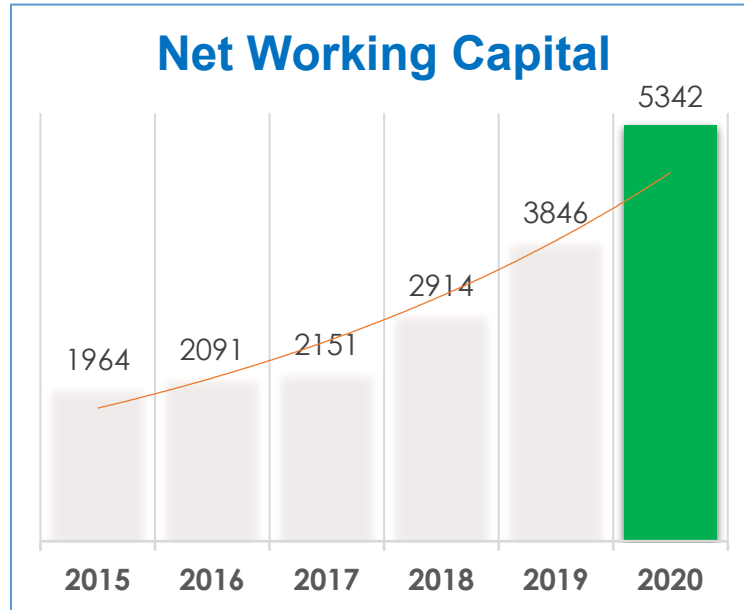
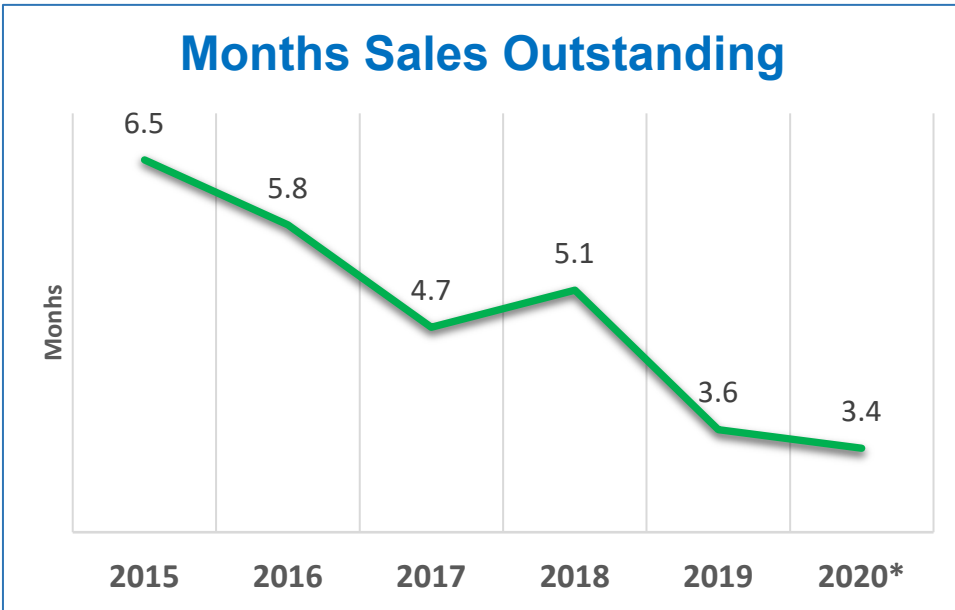
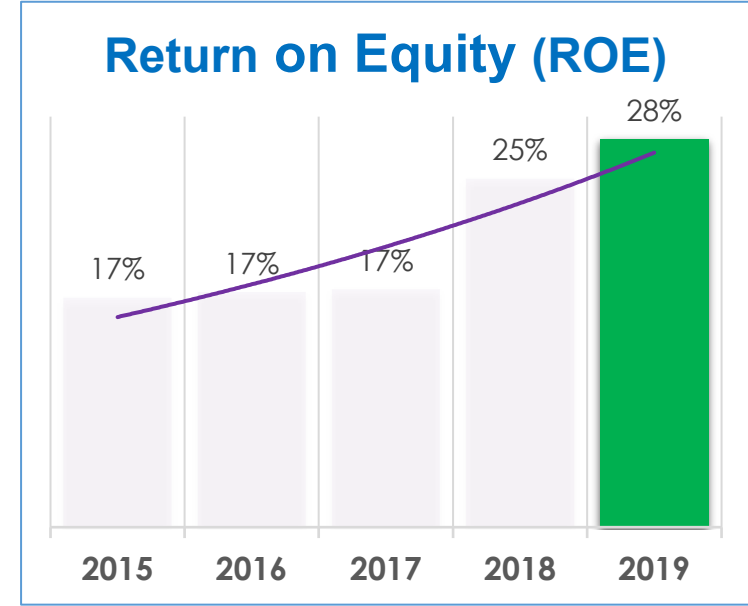
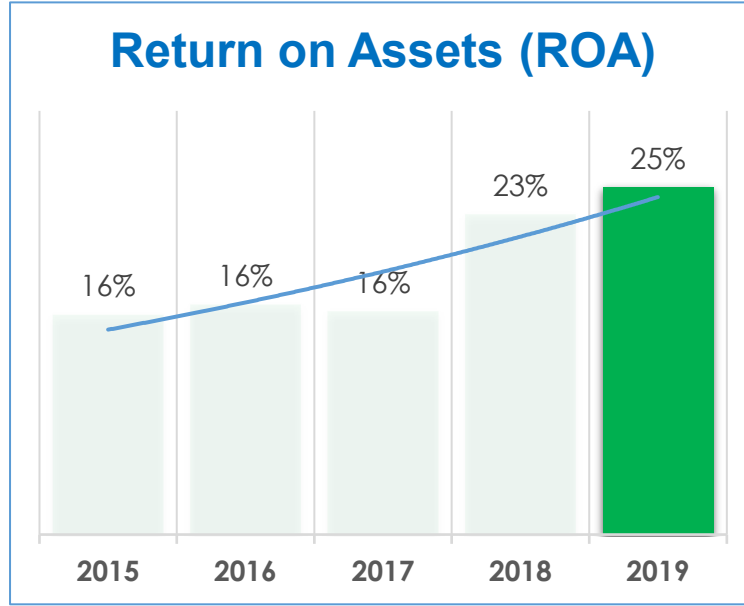


### Revenue

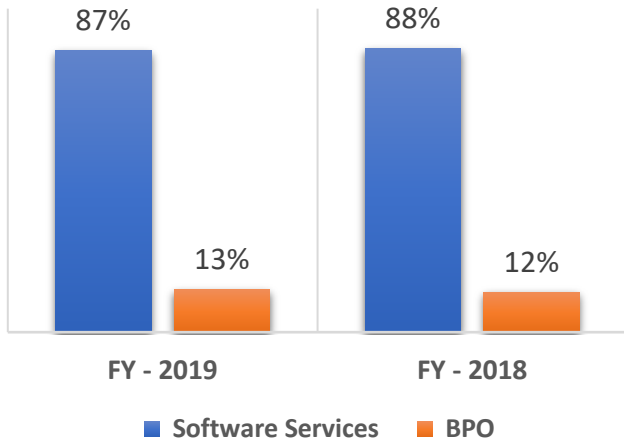




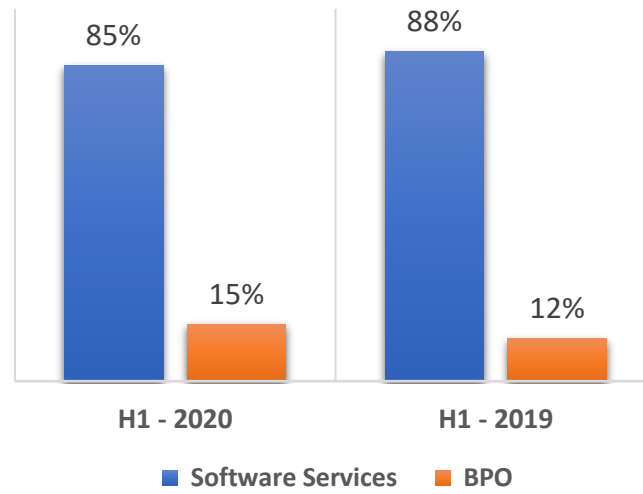
Balance Sheet (Rs. Million)	30 Jun 2020	31 Dec 2019
Property and equipment	1,655	1,619
Other non current assets	239	230
Current Assets	7,224	5,529
<b>Total Assets</b>	<b>9,118</b>	<b>7,378</b>
Current liabilities	1,882	1,683
Non current liabilities	346	167
Shareholders' equity	6,891	5,529
<b>Borrowings (Short term + Long term)</b>	<b>1,053</b>	<b>677</b>
<b>Cash and Bank balance (Incl. short term investments)</b>	<b>3,337</b>	<b>2,296</b>



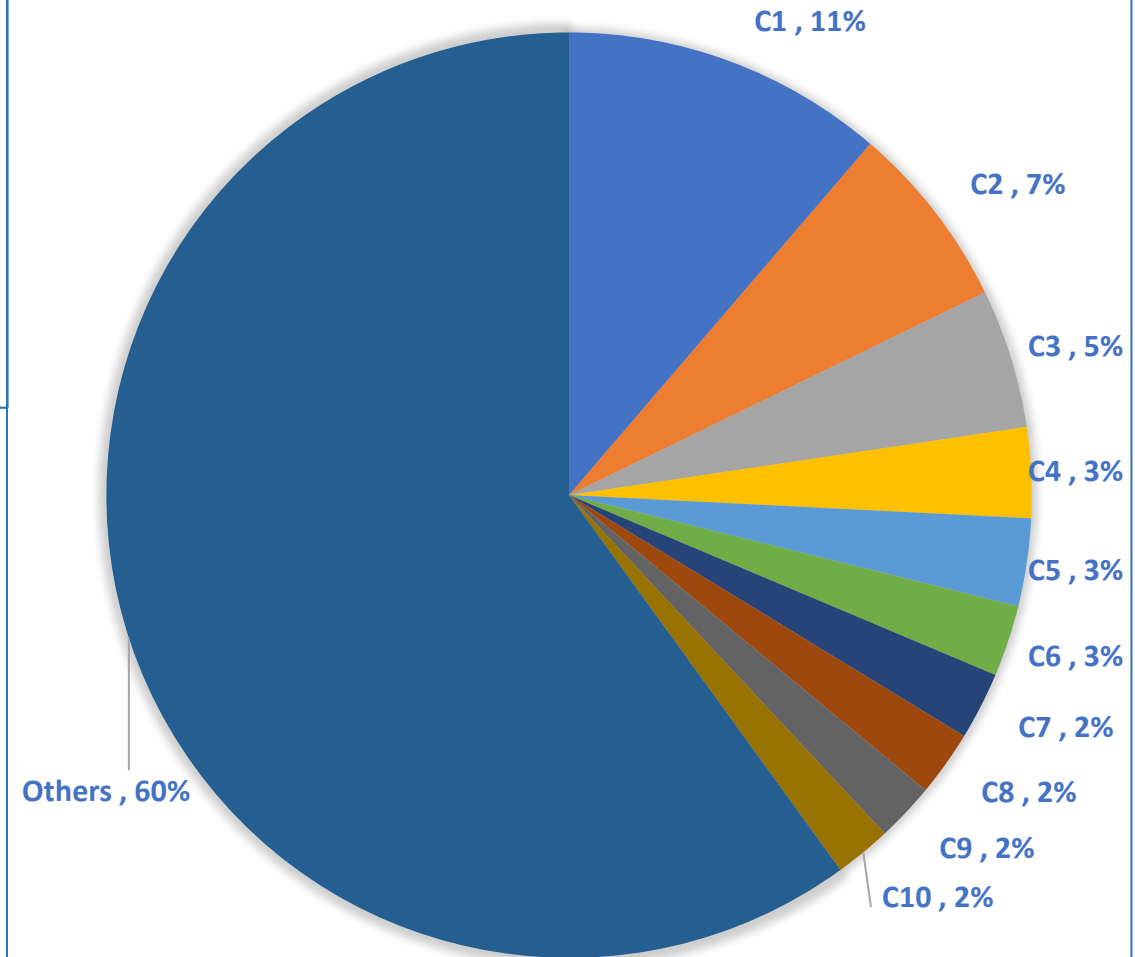
### Revenue by offerings (YOY)



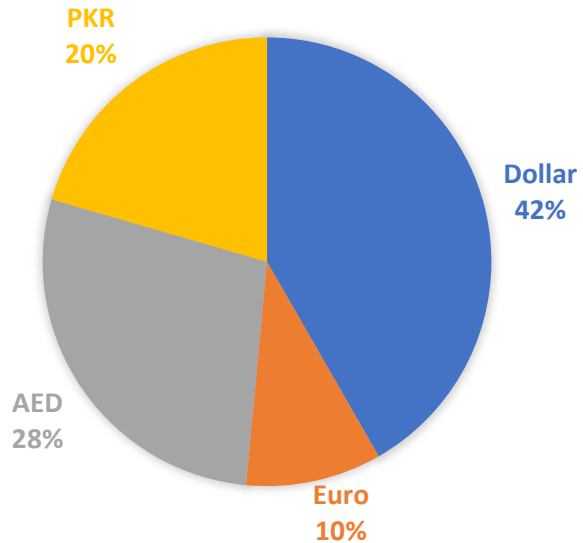
### Revenue by offerings (HY)



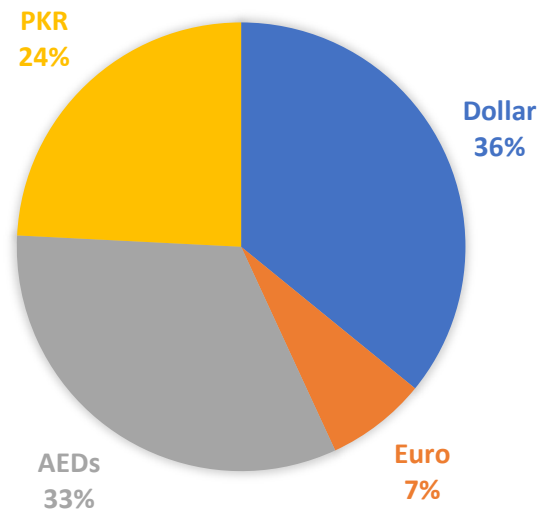
### Consolidated revenue - Top 10 customers



### Revenue - HY 2020



### Revenue - HY 2019






# Performance Drivers







**We are partners in digitally-driven business excellence for our customers.**

## Remodeled Sales Campaigns

We have remodeled our sales campaigns based on the changing post-pandemic market dynamics where three technologies are high in demand; Digital, Data, and Cloud. We are getting immensely positive traction from international markets with a healthy pipeline of future opportunities that will set us up for a great start in the coming year.

## R&D Investment

COVID-19 has brought tremendous financial stress for retail, banking and telecommunication sectors, among others, and companies are constantly looking to optimize costs and enhance efficiencies to survive. We are heavily investing in research and development and creating innovative solutions to cater to their needs.

## Pricing Strategy

Leveraging Pakistan's current strength as one of the most cost-effective destinations for IT services, the Company's pricing strategy will have a positive volume play for the Company. The Company is forecasting to maintain the current growth momentum in the future.

## Digital Pakistan Vision

We are fully aligned with the Government of Pakistan's Digital Pakistan vision to digitize Government departments and regulators. The projects will be managed by donor agencies and we will play our part by providing the necessary skills and scale to realize this vision.

## Human Capital Investment

We are making huge strides in strengthening our HR and talent acquisition by recruiting the brightest minds filled with a futuristic and leading vision. We have brought in more workforce diversity by hiring qualified, stay-at-home women who can contribute to the economy and society by working from home.

## Information Security

Information security practices at Systems are aligned with industry best practices. To further ensure the protection and privacy of client data, we exercise the General Data Protection Regulations (GDPR) principles of lawfulness, fairness and transparency, purpose limitation, data minimization, accuracy, storage limitation and integrity, confidentiality and accountability.





## Sustainable Choice

Historically, Systems Limited has been doubling the growth in almost every 3 years.

The Company is working to continue the same growth momentum in all segments and focus on sustainable choices will be vital and impacts will be weighed up even more precisely in the future.

Clear **market leader** in a growing dynamic Pakistan IT market and international growth potential.



## Market Opportunity

Clear market opportunity based on customers' agenda to drive digital transformation, attract businesses and improve efficiency in the new normal.

Pakistan is the most affordable IT destination and being the largest IT Services Exporter and Global System Integrator out of Pakistan, create additional opportunity for us to attract and onboard new customers. Company also has an attractive business mix consisting of longer- term continuous services and software businesses – and agile digital consulting business.

*The potential of Pakistan in Information Technology is immense and the world's best kept secret, and open for business!*



## Continued Profit Improvement, Healthy Cash Flow and Heavily Subsidized Export Refinancing Facility

Strong cash flow generation allows attractive dividend payout, and flexibility for investment opportunities.

Systems Limited has a history of investing its cash flow for the future growth. The current healthy cash flow position and availability of subsidized ERF facility provides the company with an opportunity to re-imagine and re-think everything to touch new heights.

We are looking to add new markets, new alliances, new verticals and new solutions by leveraging our global presence.

The Company is also focusing on inorganic growth through acquisition with the focus of increasing export revenue.



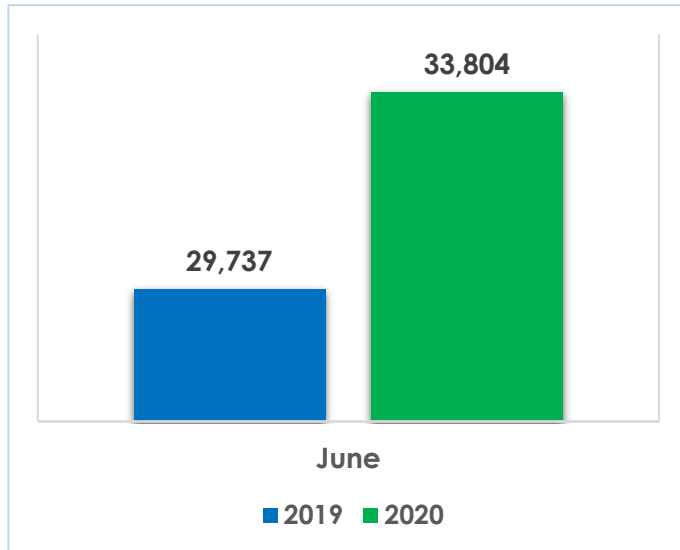
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one load HY Performance



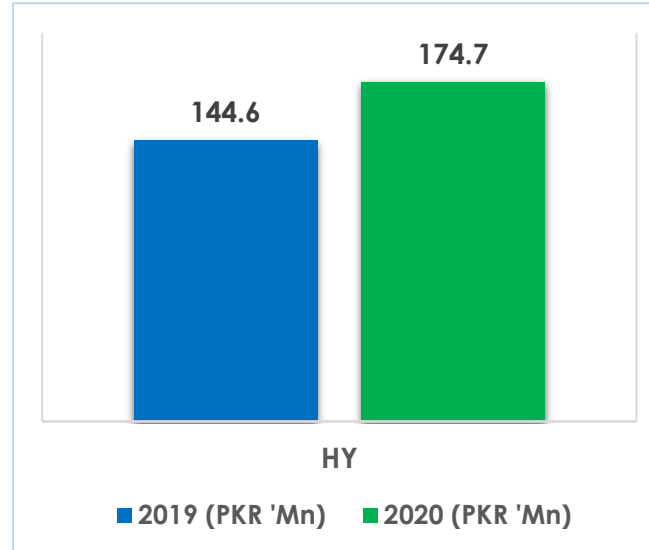
# Performance Comparison (HY)

### Active Retailers



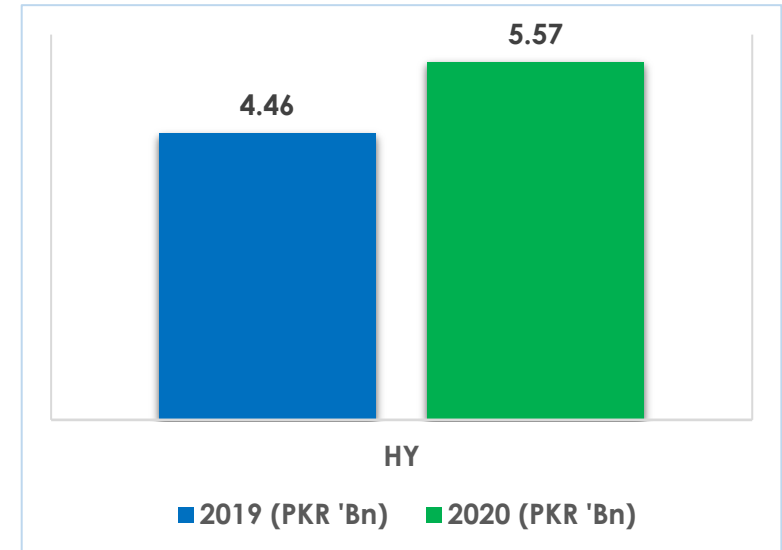
Active Retailer Base increased by 14% as compared to FY2019

### Revenue



Revenue increased by 21% as compared to 2019.

### Gross Merchandise Value



GMV increased by 25% as compared to 2019.

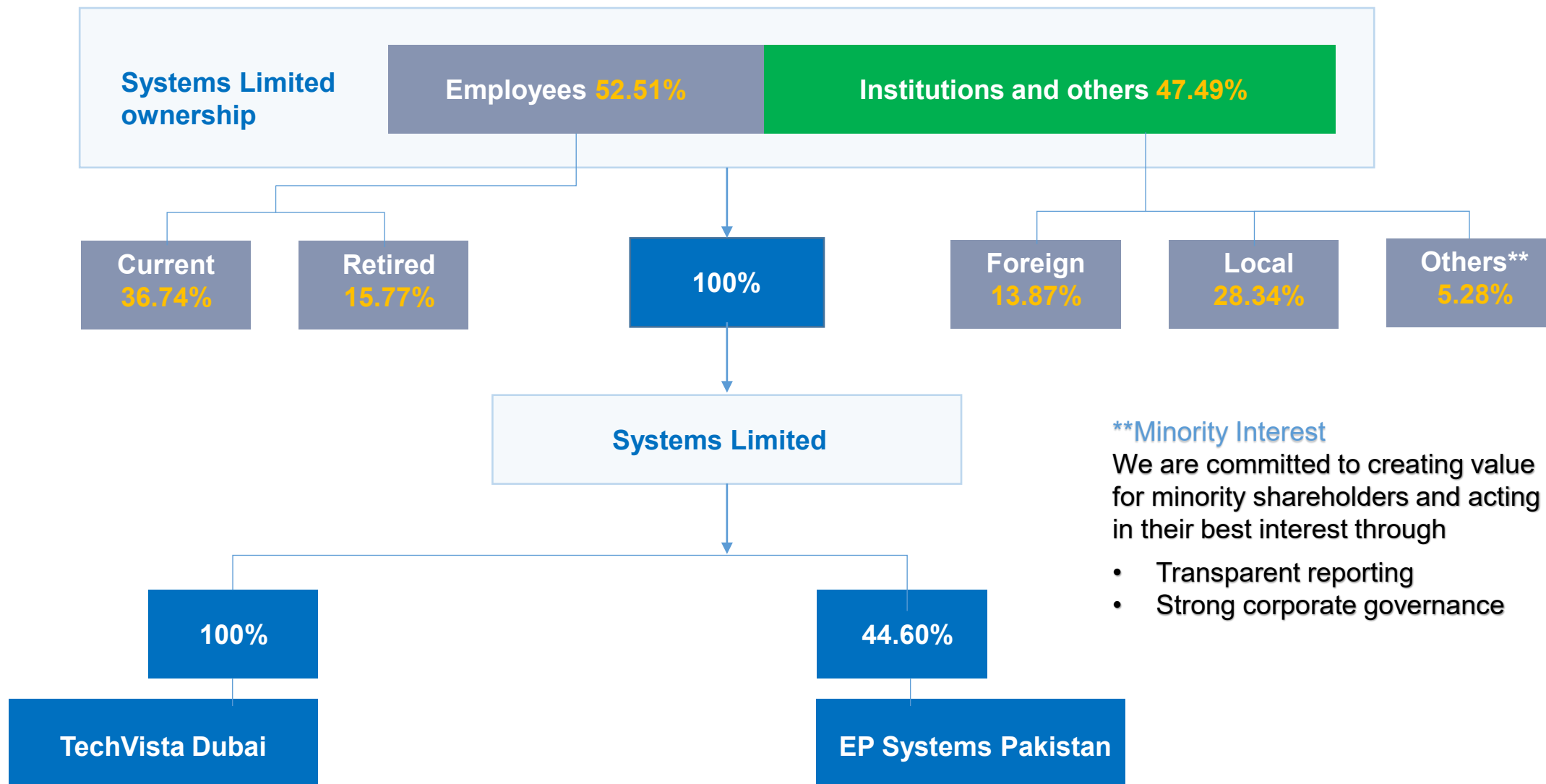


# Appendix





# Corporate / Shareholding Structure



**\*\*Minority Interest**  
 We are committed to creating value for minority shareholders and acting in their best interest through

- Transparent reporting
- Strong corporate governance

# Board Of Directors



**Mr. Aezaz Hussain**  
Chairman/Non-Executive Director

Mr. Aezaz Hussain founded Systems Limited in 1977 as the first software house in Pakistan.



**Mr. Arshad Masood**  
Non-Executive Director

Mr. Arshad Masood envisioned and executed a strategy to create a general-purpose consulting and solutions company.



**Mr. Asif Peer**  
Chief Executive Officer

Since he began his professional career at Systems Limited in 1996, Mr. Asif Peer has played a vital role in the organization's success and growth.



**Mr. Tahir Masaud**  
Independent Director

Mr. Tahir Masaud brings with him over 17 years of rich and varied experience in senior leadership positions within the general insurance sector in Pakistan and the UK.



**Mr. Ayaz Dawood**  
Independent Director

Mr. Ayaz Dawood has the distinction of being the Founder of Dawood Islamic Bank (now merged into Al-Baraka Bank Ltd) and Dawood Family Takaful.



**Mr. Asif Jooma**  
Independent Director

Mr. Asif Jooma started his career in the corporate sector with ICI Pakistan in 1983 and has over 28 years of extensive experience in senior commercial and leadership roles.



**Ms Romana Abdullah**  
Independent Director

Ms. Romana Abdullah is a seasoned entrepreneur and leads Hopscotch, a kids wear brand she co-founded in 2014. Earlier, she led the strategic planning and transformation functions at MCB and Soneri Bank.



# Leadership Team



**Mr. Asif Akram**  
Chief Operating Officer

Mr. Asif Akram is an experienced global management consultant and an information technology professional with over 20 years of experience.



**Ms. Roohi Khan**  
Chief Financial Officer

Ms. Roohi Khan is part of the Business Leadership team and responsible for the overall financial health and performance of the group.



**Mr. Khurram Majeed**  
GM TechVista Systems,  
Dubai

Mr. Khurram Majeed currently leads the IT Professional Services division for operations in the UAE.



**Mr. Zahid Janjua**  
GM International Markets

Over his 25+ years of extensive experience, Mr. Zahid Janjua has managed multi-million dollar projects, portfolios, and teams.



**Mr. Salman Wajid Mian**  
Chief Process Outsourcing  
Officer

Mr. Salman Wajid Mian has a proven track record of managing large-scale services/sales culture-transformation initiatives and process re-engineering programs.



**Mr. Rao Hamid Khan**  
GM Domestic Operations

Mr. Rao Hamid has served multinational organizations in the IT industry for over two decades.



**Ms. Toima Asghar**  
Chief Human Resource  
Officer

A true HR veteran, Ms. Toima Asghar has been leading HR functions of large organizations across different industries for nearly 2 decades.

# Sustainability/ESG/Risk Management Policy

## Environmental Impact

Systems Limited's operations do not cause any direct negative impact on the environment (in terms of emission of toxic gases, noise pollution, carbon emissions, etc.).

In addition to promoting efficient use of electricity, the Company mostly uses small-sized generators to reduce the consumption of diesel during power shortages

To promote paperless functions, all the systems are digitalized.

The Company also promotes water saving by putting a notice on all locations.

To control e-waste, the Company has devised a policy whereby old computers and laptops are distributed among the low-income employees as well as low-income individuals outside of the Company.

## UN Sustainable Development Goals

Systems Limited is fully compliant with the Ten Principles of UN Global Compact. The Company actively supports human rights and anti-corruption practices and ensures fair labor practices.

The Company is making deliberate efforts to work towards SDGs, actively taking part in events and sessions that provide a better understanding on how SDGs can be incorporated in a company's policies.

We promote the inclusion of women in all sectors and departments and grants equal opportunities to both, male and female candidates (who are selected on merit basis).

We also contribute monetarily to the running of two schools to promote free education for low income households

In addition, the Systems Limited is also devising an ESG policy and hopes to implement it in the coming year.

## Employee Turnover/Satisfaction/Occupational Safety Measures

Systems Limited's employee portal provides the Company's HR handbook highlighting a collection of the Company's aforementioned policies.

Every Systems employee is fully cognizant and aware of all labor related policies endorsed and implemented by the Company.

The Company conducts roadshows and trainings in all its offices with respect to any new policies that are being implemented by the Company. For instance, the Company recently implemented a "whistle blowing" policy for which it has been conducting road shows and trainings in each department in all its offices in Lahore, Karachi and Islamabad.



SUSTAINABLE DEVELOPMENT GOALS





A low-angle photograph of several palm trees against a clear, bright blue sky. The trees are lush green with some fronds showing signs of being wind-damaged or aged. The lighting is bright, suggesting a sunny day.

Thank You  
systems