



GRAYS LEASING LIMITED

**Condensed Interim
Financial Statements
for the half year ended
31 December 2025
(Un-Audited)**

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Khawar Anwar Khawaja Mr. Muhammad Tahir Butt Mr. Khurram Anwar Khawaja Mr. Muhammad Ashraf Butt Mr. Omer Khawar Khawaja Mr. Muhammad Arshad Mrs. Nuzhat Khawar Khawaja	Chairman Chief Executive
AUDIT COMMITTEE	Mr. Muhammad Arshad Mr. Khurram Anwar Khawaja Mr. Omer Khawar Khawaja	Chairman
AUDITORS	HLB Ijaz Tabussum & Company Chartered Accountants Office # 1, 3rd floor Madina heights 87-E maulana Shoukat Ali Road, Lahore st@hlbitc.com, matabussum@yahoo.com 03214428314 - 15	
COMPANY SECRETARY	Muhammad Adil Munir	
CHIEF FINANCIAL OFFICER	Muhammad Faisal Azam	
HEAD OF INTERNAL AUDIT	Saeed Ahmad Shaheen	
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Omer Khawar Khawaja Mr. Muhammad Tahir Butt Mr. Khurram Anwar Khawaja	Chairman
LEGAL ADVISOR	Lexicon Law Firm	
REGISTERED AND HEAD OFFICE	701-A, 7th Floor, City Towers 6-K, Main Boulevard, Gulberg - II, Lahore Tel: (042) 35770381 - 2 Fax: (042) 35770389 E-mail: info@graysleasing.com Website: www.graysleasing.com	
BANKERS	Meezan Bank Limited The Bank of Punjab Askari Bank Limited National Bank of Pakistan Habib Bank Limited State Bank of Pakistan Bank Al-Habib Limited	
SHARE REGISTRAR	CorpToc Associates (Pvt) Ltd. 503-E, Johar Town, Lahore.	

DIRECTORS' REPORT

We are pleased to present the condensed interim financial information for the period ended 31 December 2025, together with report of the Board of Directors of the company and review report by the statutory auditors of the company.

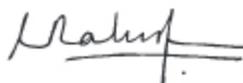
During the period ended 31 December 2025, the company transacted business worth Rupees 19.477 million as compared to Rupees 49.414 million on 31 December 2024. During the period ended 31 December 2025, the company earned profit before and loss after tax of Rupees 0.658 million and Rupees 0.580 million respectively as compared to profit before and after tax of Rupees 4.016 million and Rupees 4.039 million during the corresponding period of 2024. Net investment stands at Rupees 423.821 million as on 31 December 2025 as compared to Rupees 442.616 million as on June 30, 2025. During the period ended 31 December 2025, there is net reversal in provision of Rupees 0.047 million against potential lease losses, resultantly the equity of the company comes to Rupees 76.004 million.

During the current period the KIBOR rate has gone down slightly while the values of vehicles have become stable at some extent as a result of which the demand of financing in SME sector has gone up, but the leasing sector is unable to cater the needs of the potential customers due to non-availability of the funds from commercial banks. In this situation, the company has emphasized on the recoveries from bad portfolio to generate funds and support from holding entities in the form of credit facilities for disbursement of new leases.

Since Grays Leasing Limited (GLL) is a non-deposit taking organization therefore credit rating of Company is not mandatory.

At the end, we would like to thank our clients who provided us the opportunity to serve them. We also extend lot of appreciation to the company employees at all levels for their efforts.

For and on behalf of the board



Muhammad Tahir Butt
Chief Executive

Sialkot: 25 February 2026

ڈائریکٹرز رپورٹ

ہم کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2025 کو اختتام پذیر ہونے والی عبوری مالی اسٹیٹمنٹ بمعہ ڈائریکٹرز اینڈ کمپنی کے قانونی آڈیٹرز کی جائزے کی رپورٹ مسرت سے پیش کرتے ہیں۔

مرکزی کام اور مالی اعداد و شمار

زیر جائزہ 31 دسمبر 2025 کے دورانیے کے اختتام پر کمپنی نے 19.477 ملین روپے کا کاروبار کیا 31 دسمبر 2024 کے 49.414 ملین روپے کے مقابلے میں۔ 31 دسمبر 2025 کے دورانیے کے اختتام پر کمپنی نے ٹیکس سے قبل منافع اور بعد میں نقصان 0.658 ملین اور 0.58 ملین کمایا جبکہ 2024 کے دورانیے میں ٹیکس سے قبل اور بعد میں منافع 4.016 ملین اور 4.039 ملین رہا۔ حتمی سرمایہ کاری 31 دسمبر 2025 کو 423.821 ملین روپے کی 30 جون 2025 کے 442.616 ملین کے مقابلے میں۔ 31 دسمبر 2025 کے دوران ممکنہ لیزز کے نقصانات کے برعکس و سولی 0.047 ملین ہے، جس کے نتیجے میں کمپنی کی اکوٹی 76.004 ملین پر ہے۔

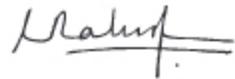
عزیز شیئر ہولڈرز ہمارے ملک میں KIBOR کی شرح میں خاطر خواہ کمی آئی ہے جبکہ گاڑیوں کی قیمت کسی حد تک مستحکم ہوئی ہے جس کے نتیجے میں ایس ایم ای شعبہ مینسرمایا کاری کی مانگ بڑھ گئی ہے لیکن لیزینگ شعبہ کمرشل بنکوں سے فنڈز کی عدم دستیابی کی وجہ سے ممکنہ گاہکوں کی ضروریات کو پورا کرنے سے قاصر ہے۔ اس صورت میں کمپنی نے فنڈز پورا کرنے کے لیے نابدندہ کلائنٹس سے وصولی پر زور دیا تاکہ اس آمدنی سے نئی لیزز میں تعاون ہو۔

کریڈٹ کی درجہ بندی

چونکہ گریزیلیننگ لمیٹڈ ایک نان ڈپازٹ والی نان بنکنگ فائینڈشیل کمپنی (NBFC) ہے اس لیے کمپنی کی کریڈٹ ریٹنگ نہیں کی گئی۔

اختتام مینہم آن کلائنٹس کے نہایت مشکور ہیں جنہوں نے ہمیں خدمت کا موقعہ دیا۔ اور ہم کمپنی کے ایمپلائیز کے بھی بہت قدر دان ہیں جنہوں نے کمپنی کیلئے اس حد تک محنت کی۔

بجانب بورڈ



محمد طاہر بٹ

چیف ایگزیکٹو

سیالکوٹ، 25 فروری 2026



INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF GRAYS LEASING LIMITED REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of GRAYS LEASING LIMITED as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2025 and 2024 have not been reviewed, and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended December 31, 2025.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Qualified Conclusion

Allowance for potential lease losses is made in these condensed interim financial statements in accordance with the criteria for classification and provisioning provided in schedule X to the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Company has adopted International Financial Reporting Standard (IFRS) 9 "Financial Instruments", therefore, provisioning against lease receivables should be made in accordance with Expected Credit loss model of IFRS 9. The company has not determined the allowance for potential lease loss under Expected Credit Loss model of IFRS 9, hence, we were unable to determine the financial impact of this matter on these condensed interim financial statements.

Based on our review, with exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as of and for the six-month ended December 31, 2025 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Mrs. Saira mudassar (FCA)

Last Condensed interim financial statements were reviewed by another auditor, who also expressed qualified conclusion as on February 26, 2025

Jalussum
HLB IJAZ TABUSSUM & CO.
Chartered Accountants
UDIN# RR202510189DbvMTUKp

hlbpakistan.com

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HLB Ijaz Tabussum & Co. Chartered Accountants is an independent member of HLB, a global advisory and accounting network.



Place:

Lahore

Date:

February 25, 2026

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	NOTE	UN-AUDITED	AUDITED
		31 DECEMBER 2025	30 JUNE 2025
		Rupees	Rupees
ASSETS			
Current assets			
Cash and bank balances		6,670,523	6,781,218
Advances and prepayments		1,349,522	628,272
Sales tax recoverable		667,527	574,775
Current maturity of net investment in lease finance	4	153,065,245	160,997,093
Taxation		450,410	82,465
		162,203,227	169,063,823
Non-current assets			
Net investment in lease finance	4	136,884,992	147,702,187
Long term security deposit		2,500	2,500
Fixed assets	5	448,133	570,704
		137,335,625	148,275,391
TOTAL ASSETS		299,538,852	317,339,214
LIABILITIES			
Current liabilities			
Loan from related party	6	24,000,000	39,000,000
Accrued and other liabilities		5,417,669	5,774,295
Current maturity of non-current liabilities		134,172,687	103,564,399
Unclaimed dividend		777,785	777,785
Taxation		1,238,084	-
		165,606,225	149,116,479
Non-current liabilities			
Deposits on lease contracts	4	55,928,930	89,388,888
Deferred income tax	7	-	-
Employees' retirement benefit		2,000,117	2,250,417
		57,929,047	91,639,305
TOTAL LIABILITIES		223,535,272	240,755,784
NET ASSETS		76,003,580	76,583,430
REPRESENTED BY:			
Authorized share capital			
35,000,000 (30 June 2025: 35,000,000) ordinary shares of Rupees 10 each		350,000,000	350,000,000
Issued, subscribed and paid-up share capital			
21,500,000 (30 June 2025: 21,500,000) ordinary shares of Rupees 10 each		215,000,000	215,000,000
Statutory reserve		59,256,615	59,256,615
Accumulated loss		(198,253,035)	(197,673,185)
Shareholders' equity		76,003,580	76,583,430
CONTINGENCIES AND COMMITMENTS	8	76,003,580	76,583,430

The annexed notes form an integral part of these condensed interim financial statements.


MUHAMMAD TAHIR BUTT
 CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
 DIRECTOR


MUHAMMAD FAISAL AZAM
 CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2025

NOTE	HALF YEAR ENDED		QUARTER ENDED		
	31 DECEMBER	31 DECEMBER	31 DECEMBER	31 DECEMBER	
	2025	2024	2025	2024	
	Rupees	Rupees	Rupees	Rupees	
REVENUE					
Income from lease operations	9	10,729,024	12,038,945	5,670,460	5,755,921
Other income		799,144	1,181,454	296,357	501,448
		11,528,168	13,220,399	5,966,817	6,257,369
EXPENDITURES					
Administrative and other operating expenses		(10,813,312)	(9,184,714)	(6,889,611)	(5,087,755)
Financial and other charges		(103,283)	(30,011)	(96,630)	(28,898)
Reversal of allowance for potential lease losses - net ¹		46,661	10,491	46,661	10,491
		(10,869,934)	(9,204,234)	(6,939,580)	(5,106,162)
PROFIT BEFORE TAXATION		658,234	4,016,165	(972,763)	1,151,207
Taxation		(1,238,084)	22,948	(948,271)	509,991
PROFIT / (LOSS) AFTER TAXATION		(579,850)	4,039,113	(1,921,034)	1,661,198
Earnings / (loss) per share - basic and diluted		(0.027)	0.188	(0.089)	0.077

The annexed notes form an integral part of these condensed interim financial statements.


MUHAMMAD TAHIR BUTT
 CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
 DIRECTOR


MUHAMMAD FAISAL AZAM
 CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Note	HALF YEAR ENDED	
		31 DECEMBER 2025	31 DECEMBER 2024
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	(184,712)	3,014,103
Finance cost paid		(103,283)	(30,011)
Income tax paid		(367,945)	(6,032,522)
Gratuity paid		(500,000)	(150,000)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES		(1,155,940)	(3,198,430)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investment in lease finance - net		18,795,704	(526,673)
Fixed assets - disposed off		100,000	-
Profit on bank deposits received		1,210	805,693
NET CASH FROM / (USED IN) INVESTING ACTIVITIES		18,896,914	279,020
CASH FLOWS FROM FINANCING ACTIVITIES			
Deposits on lease contracts - net		(2,851,670)	627,417
Loan from Anwar Khawaja Industries (Private) Limited - Holding Company		6,525,000	5,500,000
Loan repaid to Anwar Khawaja Industries (Private) Limited - Holding Company		(21,525,000)	(12,000,000)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES		(17,851,670)	(5,872,583)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(110,695)	(8,791,993)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		6,781,218	11,669,152
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		6,670,523	2,877,159

The annexed notes form an integral part of these condensed interim financial statements.


MUHAMMAD TAHIR BUTT
 CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
 DIRECTOR


MUHAMMAD FAISAL AZAM
 CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	HALF YEAR ENDED		QUARTER ENDED	
	31 DECEMBER 2025	31 DECEMBER 2024	31 DECEMBER 2025	31 DECEMBER 2024
	Rupees	Rupees	Rupees	Rupees
PROFIT / (LOSS) AFTER TAXATION	(579,850)	4,039,113	(1,921,034)	1,661,198
OTHER COMPREHENSIVE INCOME :				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	(579,850)	4,039,113	(1,921,034)	1,661,198

The annexed notes form an integral part of these condensed interim financial statements.


MUHAMMAD TAHIR BUTT
 CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
 DIRECTOR


MUHAMMAD FAISAL AZAM
 CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		CAPITAL RESERVE		ACCUMULATED LOSS	SHAREHOLDERS' EQUITY
	Rupees	Rupees	STATUTORY RESERVE	Rupees		
Balance as at 30 June 2024 (Audited)	215,000,000	59,256,615	-	(203,103,612)	71,153,003	
Profit for the half year ended 31 December 2024	-	-	-	4,039,113	4,039,113	
Other comprehensive income for the half year ended 31 December 2024	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2024	-	-	-	4,039,113	4,039,113	
Balance as at 31 December 2024 (Un-Audited)	215,000,000	59,256,615	-	(199,064,499)	75,192,116	
Profit for the half year ended 30 June 2025	-	-	-	1,506,608	1,506,608	
Other comprehensive income for the half year ended 30 June 2025	-	-	-	(115,294)	(115,294)	
Total comprehensive income for the half year ended 30 June 2025	-	-	-	1,391,314	1,391,314	
Balance as at 30 June 2025 (Audited)	215,000,000	59,256,615	-	(197,673,185)	76,583,430	
Profit for the half year ended 31 December 2025	-	-	-	(579,850)	(579,850)	
Other comprehensive income for the half year ended 31 December 2025	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2025	-	-	-	(579,850)	(579,850)	
Balance as at 31 December 2025 (Un-Audited)	215,000,000	59,256,615	-	(198,253,035)	76,003,580	

The annexed notes form an integral part of these condensed interim financial statements.


MUHAMMAD TAHIR BUTT
CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
DIRECTOR


MUHAMMAD FAISAL AZAM
CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

1 LEGAL STATUS AND NATURE OF BUSINESS

Grays Leasing Limited (the Company) is a public limited Company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). The Company's shares are listed on Pakistan Stock Exchange Limited. The Company is engaged in leasing business. It has been classified as a Non-Banking Finance Company (NBFC). Its registered office is situated at 701-A, 7th Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore.

- 1.1 As on the reporting date, equity of the Company is Rupees 76,003,580. The Company as a non-deposit taking NBFi meets the minimum equity requirement of Rupees 50,000 million. During the period, the Company has sanctioned new leases of Rupees 19,477,290 and recovered Rupees 39,549,987 against gross investment in lease finance. Further, during the period, the Company earned income from lease operations of Rupees 10,729,024. Sponsors of the Company have sanctioned credit facility limit of Rupees 50,000,000 for working capital requirements. The sponsors of the Company have explicitly provided a commitment to provide the necessary support to the Company, if the need arises, to address any liquidity and minimum equity requirement to enable the Company to continue its business.

2 BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Provisions of and directives issued under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2025. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

	Un-Audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
4 NET INVESTMENT IN LEASE FINANCE		
Lease rentals receivable	293,760,354	317,141,078
Add: Guaranteed residual value of leased assets	190,101,617	192,953,287
Gross investment in lease finance	483,861,971	510,094,365
Less: Unearned finance income	(60,041,292)	(67,477,982)
Net investment in lease finance	423,820,679	442,616,383
Less: Allowance for potential lease losses (Note 4.1)	(133,870,442)	(133,917,103)
Net investment in lease finance - net off provision	289,950,237	308,699,280
Less: Current maturity shown under current assets	(153,065,245)	(160,997,093)
	<u>136,884,992</u>	<u>147,702,187</u>
4.1 Allowance for potential lease losses		
Opening balance	133,917,103	134,948,842
Add: Allowance for potential lease losses made during the period / year	-	-
Less: Reversal of allowance for potential lease losses during the period / year	(46,661)	(323,168)
Allowance for potential lease losses - net	(46,661)	(323,168)
Less: Written off against allowance for potential lease losses	-	(708,571)
Closing balance	<u>133,870,442</u>	<u>133,917,103</u>
	Un-Audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
5 FIXED ASSETS		
Owned assets (Note 5.1)	<u>448,133</u>	<u>570,704</u>
5.1 Owned assets		
Opening book value	570,704	534,699
Add: Cost of additions during the period / year (Note 5.1.1)		146,935
Less: Book value of deletions during the period / year (Note 5.1.2)	67,864	-
	502,840	681,634
Less: Depreciation charged during the period / year	(54,707)	(110,930)
Closing book value	<u>448,133</u>	<u>570,704</u>
5.1.1 Cost of additions during the period / year		
Computer equipment	-	146,935
5.1.1 Book value of deletions		
Vehicle		
Cost of vehicle	630,000	-
Less: Accumulated depreciation	562,136	-
Book value of vehicle	<u>67,864</u>	<u>-</u>

	Un-Audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
6 LOANS FROM RELATED PARTY		
Anwar Khawaja Industries (Private) Limited - holding company (Note 6.1)	24,000,000	39,000,000

6.1 This unsecured loan is obtained from Anwar Khawaja Industries (Private) Limited - holding company for working capital requirements. This form part of total credit facilities of Rupees 50 million (30 June 2025: Rupees 50 million). This loan is interest free and is repayable till 30 June 2026.

6.2 As on the reporting date, un-utilized credit facility from related party comprise of Rupees 26 million (30 June 2025: Rupees 11.000 million).

	Un-Audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
7 DEFERRED INCOME TAX		

The net deferred income tax (asset) / liability comprised of temporary differences relating to:

Taxable temporary differences on:

Accelerated tax depreciation	65,348,380	68,117,234
------------------------------	------------	------------

Deductible temporary differences on:

Un-absorbed tax depreciation	(66,965,081)	(67,274,574)
Provision for gratuity	(580,034)	(326,310)
Provision for WWF	(86,151)	(516,350)
Net deferred income tax (asset) / liability	(2,282,886)	-
Deferred tax asset not recognised	2,196,196	-
	<u>(86,690)</u>	<u>-</u>

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

Subsequent to the reporting date, 30th June 2025, the Company received orders from the Income Tax Department, issued by the Deputy Commissioner Inland Revenue (DCIR), pertaining to the assessment years from 1999 to 2003. In these orders, additions have been made in respect of the taxability of lease rentals on accrual basis instead of a receipt basis, along with certain disallowances relating to depreciation and other expenses. As a result, an aggregate tax demand of Rupees 82.301 million has been raised. The Company filed an appeal against these orders before the Commissioner Inland Revenue (Appeals) and resulantaly the the orders have been remanded back to the Income Tax Department. Based on the advice of its legal counsel, the Company expects a favorable outcome of the matters. Accordingly, no provision has been made in these financial statements.

8.2 Commitments

Commitment arising from lease of low value recognized on a straight-line basis as expense under the practical expedients applied by the Company with respect to IFRS 16. The amount of future payments under these leases and the period in which these payments will become due are as follows:

	Un-Audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
Not later than one year	300,000	300,000
Later than one year and not later than five years	350,000	500,000

(UN-AUDITED)

HALF YEAR ENDED		QUARTER ENDED	
31 DECEMBER 2025	31 DECEMBER 2024	31 DECEMBER 2025	31 DECEMBER 2024
Rupees	Rupees	Rupees	Rupees

9 INCOME FROM LEASE OPERATIONS

Finance lease income	10,285,462	11,776,860	4,716,613	5,513,836
Documentation charges	50,000	80,000	40,000	60,000
Additional lease rentals	393,562	182,085	284,800	182,085
	<u>10,729,024</u>	<u>12,038,945</u>	<u>5,041,413</u>	<u>5,755,921</u>

(UN-AUDITED)

HALF YEAR ENDED	
31 DECEMBER 2025	31 DECEMBER 2024
Rupees	Rupees

10. CASH GENERATED FROM OPERATIONS

Profit before taxation		658,234	4,016,165
Adjustments for non-cash charges and other items:			
Depreciation on fixed assets		54,707	52,402
Provision for gratuity		249,700	222,371
Finance cost		103,283	30,011
Gain on sale of fixed asset		(32,137)	-
Reversal of allowance for potential lease losses - net		(46,661)	(10,491)
Profit on bank deposits		(1,210)	(805,693)
Working capital changes (Note 10.1)		<u>(1,170,628)</u>	<u>(490,662)</u>
		<u>(184,712)</u>	<u>3,014,103</u>

10.1 Working capital changes**(Increase) / decrease in current assets:**

Advances and prepayments	(721,250)	3,763
Sales tax recoverable	(92,752)	(99,800)
	(814,002)	(96,037)

Decrease in current liabilities:

Accrued and other liabilities	(356,626)	(394,625)
	<u>(1,170,628)</u>	<u>(490,662)</u>

11 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of holding company, associated undertakings, other related group companies, directors of the Company, Chief Executive Officer of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties is as follows:

Un-Audited			
HALF YEAR ENDED		QUARTER ENDED	
31 December 2025	31 December 2024	31 December 2025	31 December 2024
Rupees	Rupees	Rupees	Rupees

11.1 Transactions

Holding Company

Repayment of loan	21,525,000	12,000,000	5,515,000	12,000,000
Loan received	6,525,000	5,500,000	6,525,000	5,500,000
Rent expense of office building	150,000	150,000	75,000	75,000

Other Related Parties

Director / Chief Financial Officer / Executive

Remuneration	827,784	641,760	413,892	225,000
Advance against salary	383,917	100,000	183,917	90,000
Deduction of advance against salary	187,684	150,000	187,684	150,000
Received against finance lease	248,800	556,825	124,500	276,825

Un-Audited	Audited
31 December	30 June
2025	2025
Rupees	Rupees

11.2 Period end balances

Holding Company

Loan payable	24,000,000	39,000,000
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Director / Chief Financial Officer / Executive

Advance against salary receivable	186,267	382,500
Net investment in lease finance	929,774	1,361,050
Deposit against lease contract	280,000	280,000

12 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

13 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 25, 2026.

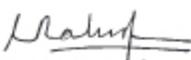
15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangements or reclassifications have been made.

16 GENERAL

Figures have been rounded off to nearest of Rupee.


MUHAMMAD TAHIR BUTT
 CHIEF EXECUTIVE OFFICER


KHURRAM ANWAR KHAWAJA
 DIRECTOR


MUHAMMAD FAISAL AZAM
 CHIEF FINANCIAL OFFICER

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