



Grays Leasing Limited

Revised

GLL/CS/PSX/2023/033
October 16, 2023

The General Manager
PSX Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: **CORPORATE BRIEFING SESSION**

Dear Sir,

This is to inform you that the Corporate Briefing Session, of Grays Leasing Limited for shareholders, investors, researchers and analysts, to brief them about the Company's financial position for the year ended June 30, 2023 and September 30, 2023 is going to be held at the registered office of company at 701-A, 7th floor, City Towers, main boulevard Gulberg-II, Lahore, as per following details:

Date: October 26, 2023
Time: 3:00 pm

For online joining:

Zoom Link Register in advance for this meeting:
<https://zoom.us/j/3300750573?pwd=Wmc0RkIOQmJ3Z05ONTZNeFJBSUFCDz09>
Meeting ID: 330 075 0573
Passcode: 930fpQ

Contact Person: Mr. Muhammad Faisal Azam

All members and analysts are cordially invited to attend this session either physically or through zoom link.

We would appreciate your assistance in communicating this information to the members of the exchange.

Best regard
For Grays Leasing Limited


Muhammad Adil Munir
Company Secretary



GRAYS LEASING LIMITED

CORPORATE BRIEFING SESSION

26TH OCTOBER 2023

Topics

Organization overview.

Vision and mission

Associated Companies

Brief operational results for current financial year 2023 and quarter ended 30-09-2023

Key operating and financial data.

Review of current year's operations.

Future outlook.

Organization overview

Grays Leasing Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017).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).

Grays Leasing Limited (GLL) was incorporated in Pakistan in August 1995 as a public limited company and commenced its commercial operations in February 1997. GLL is listed on Karachi and Lahore Stock Exchanges of Pakistan. The company has an authorized share capital of Rs. 350 million divided into 35.00 million ordinary shares of Rs. 10 each with a paid up capital of Rs. 215 million divided into 21.50 million ordinary shares of Rs. 10 each.

Grays Leasing Limited has played a major role in promoting the leasing industry in Pakistan. The main objective of the company is to undertake business of leasing and lease operations of all kinds and to provide advisory services. Its strength lies in a diversified portfolio of clients, wide range of financial products & personnel development in a diversified way.

Its Consumer Finance department caters to the needs of individuals on short to medium term basis. Lessees include public and private limited companies, partnerships, and sole proprietorships. The Company specializes in providing lease financing to small and medium size businesses. The company has its head office at Lahore and Branch offices at Karachi, Islamabad & Sialkot.

Vision and mission

VISION:

To be one of the most progressive institutions in the financial sector by providing quality service to our clientele in a superior manner, maintaining high ethical and professional standards, striving for continuous improvements and consistent growth to add value to our shareholders and our team of conscientious employees and a fair contribution to the national economy.

MISSION:

To develop a client base representing all segments of the economy; emphasis being placed on financial support to medium and small enterprises for their expansion, balancing and modernization requirements. To endeavor for a lasting relationship with clients and associates on the principles of Mutualism.

To transform the company into a dynamic, profitable and growth-oriented institution through an efficient resource mobilization and the optimum utilization thereof.

To provide healthy environment and corporate culture for good governance of the company which ensures exceptional value for clients, personnel and the investors above all.

To implement the best professional standards with due observance of moral and ethical values in all respects of corporate life which will IN-SHA-ALLAH ان شاء الله bring social and economic parity and prosperity among Nation and turn Pakistan into a Modern and Liberal Muslim Welfare state.

Associated Companies

Grays of Cambridge (Pakistan) Ltd.

Grays of Cambridge (Pakistan) Ltd. Was incorporated in Pakistan on June 2, 1964 as a private limited company in collaboration with Grays of Cambridge (International) Ltd., England. The company went in public in 1987. The public offer of shares was very well received in the market and the issue was oversubscribed by two hundred times. This was a record response by the public. The company is engaged in manufacturing and selling of sports goods including hockey sticks.

In 1994, the company also acquired another export oriented hockey manufacturing unit named "Dawn Sports (Private) Limited" as a wholly owned subsidiary which has been merged into its parent company very recently.

Grays has also established a pilot project for marking composite hockey stick for the global market. The sticks made in this setup are getting very encouraging response from customers all over the globe.

The company is principally engaged in the manufacture and export of quality sports goods, particularly, hockey sticks, bandy sticks, ice hockey and cricket balls.

The exemplary performance of the company and commendable distribution of profits to shareholders has earned for the company the Top 25 Companies Award from the Karachi Stock Exchange, eight times, out of the first ten years of operations after going public. The company has also won Corporate Excellence Awards from the Management Association of Pakistan.

Anwar Khawaja Industries (Pvt.) Ltd.

Anwar Khawaja Industries (Pvt.) Ltd. Was incorporated in Pakistan on March 21, 1964 under the Companies Act 1913 (now Companies Ordinance, 1984). The company is in the business of manufacture and export of sports goods especially, footballs. Handballs and volleyballs. The company also manufactures the world famous SELECT brand footballs.

Since inception, the company has undergone rapid and sustained business growth. Recently, the company's name was included in the Guinness Book of World Records for the manufacture of the world's largest football. This football was displayed at the opening ceremony of the Football World Cup 1994.

Anwar Khawaja Industries (Private) Limited has established a modern unit for sports wears and various textile garments, of which the entire production is exported.

The company has also entered into the field of computer software development and its related activities under the name and style of AK InfoTech (Private) Limited.

The operating results of the company for the year are as under:

Brief operational results for current year ended 30-06-2023

	Rupees
Total revenue	23,900,538
Total expenses	(16,859,236)
Profit before tax	7,041,302
Provision for taxation	
Current	
For the year	(3,261,145)
Prior year	56,887
Deferred	
For the year	2,084,125
	1,120,133
Profit after tax	5,921,169
Profit per share	0.275

The operating results of the company for the year are as under:

Brief operational results for quarter ended 30-09-2023

			30 SEPTEMBER 2023
		NOTE	Rupees
REVENUE			
Income from lease operations			5,644,128
Other income			444,457
			6,088,585
EXPENDITURE			
Administrative and other operating expenses			(3,933,704)
Financial and other charges			(4,333)
Reversal of potential lease losses		4.1	42,839
			(3,895,198)
PROFIT BEFORE TAXATION			2,193,387
Taxation			(372,876)
PROFIT AFTER TAXATION			1,820,511
Profit per share - basic and diluted			0.085

Key operating and financial data

KEY OPERATING AND FINANCIAL DATA						
	30-Jun-2018	30-Jun-2019	30-Jun-2020	30-Jun-2021	30-Jun-2022	30-Jun-2023
PROFIT AND LOSS						
	(Rupees in Thousand)					
Revenue	9,892	14,928	18,913	18,697	22,593	23,901
Financial charges	2,813	2,730	7,045	1,448	1,331	255
Provision / (Reversal)for doubtful receivables	-2,220	1,031	1,520	-886	4,226	-2,984
Profit / (Loss) before tax	-2,689	-1,194	-2,947	4,477	2,207	7,041
Profit / (Loss) after tax	-4,378	-1,858	-3,871	-1,646	-4,090	5,921
Dividend	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-
BALANCE SHEET						
Paid up share capital	215,000	215,000	215,000	215,000	215,000	215,000
Shareholders' equity	69,363	67,467	63,743	62,099	57,935	63,102
Borrowings	42,500	57,500	57,500	60,000	50,000	25,000
Net investment in finance lease	421,020	435,838	433,273	464,488	460,191	424,510
Total assets	272,086	292,494	297,544	323,491	318,848	286,101
PERFORMANCE INDICATORS						
Profit / (Loss) before tax/Gross revenue	-27%	-8%	-16%	24%	10%	29%
Profit / (Loss) after tax/Gross revenue	-44%	-12%	-20%	-9%	-18%	25%
Pre tax return on shareholders' equity	-3.9%	-1.8%	-4.6%	7.2%	3.8%	11.2%
After tax return on shareholders' equity	(0.06)	(0.03)	(0.06)	(0.03)	(0.07)	0.09
Income / expense ratio	0.67	0.99	0.93	1.24	1.40	1.20
Interest coverage ratio	(1.96)	(1.44)	(1.42)	2.09	0.66	26.61
Earning / (Loss) per share	(0.204)	(0.086)	(0.180)	(0.077)	(0.190)	0.275
Break up value per share	3.23	3.14	2.96	2.89	2.69	2.93
Lease disbursements	57,251	80,224	52,794	132,916	94,005	48,506
Number of contracts	28	26	21	35	29	10

Review of current years operations.

During the year under review, the company sanctioned new leases (excluding UFI) worth Rupees 48.506 million (2022: 94.005 million). Gross investment in finance leases as at 30 June 2023 stands at Rupees 496.559 million against Rupees 531.613 million on June 30, 2022, while the net investment stands at Rupees 424.510 million on 30 June 2023 against Rupees 460.191 million of the last year. The gross revenue from operations was Rupees 23.901 million against Rupees 22.593 million in 2022. The profit before and after tax for the current year is Rupees 7.041 million and Rupees 5.921 million as compared to profit before and loss after tax of preceding year which was Rupees 2.207 million and Rupees 4.090 million respectively. Increase in interest rate and reversal in provision (*due to recovery against non-performing loan*) during the current year contributed towards the profitability of the company. Shareholders' equity of the company is at Rupees 63.102 million.

Future outlook.

In the absence of any funding from commercial banks, the company is utilizing funding available from the Anwar Khawaja Industries (Private) Limited, the holding company and internal cash generation through recovery measures. The impact of these disbursements is not that significant on current year's financials, nevertheless, it is a step towards revival and the management is optimistic about bringing improvement in the next year's results. However significant increase in the value of vehicles will put the scope of leasing on fast track in coming days.

THANK YOU