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COMPANY INFORMATION

Board of Directors

Mr Aezaz Hussain Chairman

Non-executive

Mr Asif Peer

CEO and Managing Director

Executive

Mr Arshad Masood

Non-executive

Director

Mr. Shabbar Zaidi Director

Independent

Mr. Omar Saeed Director

Independent

Mr Asif Inoma Director

Independent

Ms Romana Abdullah Director

Independent

Audit Committee

Mr. Shabbar Zaidi Chairman

Mr. Asif Jooma Memher

Ms Romana Abdullah Memher

Human Resource & **Compensation Committee**

Mr Asif Jooma Chairman

Mr. Omar Saeed Member

Ms Romana Abdullah Member

Mr. Arshad Masood Director

Chief Financial Officer

Ms Roohi Khan

Company Secretary

Mr. Saad Hasan Aslam

External Auditors

Ernst & Young Ford Rhodes Chartered Accountants Lahore

Internal Auditors

Uzair Hammad Faisal & Co.

Legal Advisors

Hassan & Hassan Advocates Ahmed & Pansota

Tax Advisors

Zulfigar Ahmad & Co. . Chartered Accountants

Banks

Habib Metropolitan Bank Limited United Bank Limited Standard Chartered Bank (Pak Limited) MCB Bank Limited Faysal Bank Limited Bank Alfalah Limited Bank Islami Limited

Share Registrar

THK Associates (Private) Limited Plot no 32-C, Jami Commercial, Street 2 DHA Phase VII. Karachi. T: +92 (21) 111 000 332 F: +92 (21) 35310187

Registered Address

Systems Limited E-1. Sehipal Near DHA Phase -VIII (Ex.-Air Avenue), Lahore Cantt T: +92 42 111-797-836 F: +92 42 3 636 8857

SYSTEMS LIMITED AND TECHVISTA SECURE A SPOT AMONG THE TOP 1% GLOBAL MICROSOFT PARTNERS; BAG THE MICROSOFT BUSINESS APPLICATIONS 2021/2022 INNER CIRCLE AWARD

On a yearly basis, Microsoft acknowledges its partners that have achieved excellence by offering disruptive, agile and robust technology solutions which are based on the powerful Microsoft Dynamics 365 and Azure capabilities.

Systems Limited and Techvista are honored to be inducted into this elite cohort of Microsoft's most strategic Business Applications partners, alongside other leading names in the global IT arena. As members of the coveted Inner Circle, Systems Limited and Techvista are invited to the Inner Circle Summit next year. The companies will also have the opportunity to engage in monthly interactions with Business Application executives and benefit from the Executive Sponsor program.



It is an incredible success to have made it to the 1% of global Technology Partner for the Microsoft Business Applications.

Aezaz Hussain

Upon the acknowledgment of this honor, Mr. Aezaz Hussain, Founder & Chairman of Systems Limited, said, "We're truly honored to receive this recognition by Microsoft. Not only has it elevated our stature as the leading technology company out of Pakistan, but also further solidified our commitment to continue to innovate and play our part in empowering businesses and society to effectively navigate this new era of change."

Expressing his immense gratitude for this achievement, **Asif Peer, CEO & Managing Director at Systems Limited** said, "The exclusivity of the membership is a result of our relentless hard work and commitment towards business excellence. This strategic platform upholds the sanctity of the business community, thriving to achieve technological brilliance for our joint customers. This achievement would not have been possible without the collective efforts of our team, stakeholders, partners, clients, and Microsoft for recognizing our potential."

Commenting on this ground-breaking achievement, **Khurram Majeed, General Manager of Techvista** said, "This is real success of Techvista, that in such a short span of time, they were able to get into the elite club of Microsoft Business Applications 2021/2022 Partners. This Inner Circle membership is built on continuous efforts and our deep-rooted relationship with Microsoft. This relationship, deep technology insights, and our empathy for our customers have helped us in empowering success for our customers and partners. I would like to dedicate this great achievement to our customers for their unyielding trust in us, dedicated employees, and reliable business partners at Microsoft."

The **Systems Group of Companies** has maintained a solid track record of providing industry-specific Microsoft-based solutions and services to digitally transform businesses all across the globe. This prestigious recognition speaks volumes about the effort the Group invests to unlock unparalleled value from the entire Microsoft technology ecosystem. This new partnership will help us realize our vision of digital-led empowerment for businesses across all sectors and industries.

DIRECTOR'S REPORT

On behalf of the Board of Directors we are pleased to present the Standalone and Consolidated Financial Statements for the six months ended 30th June 2021.

FINANCIAL RESULTS

Unconsolidated:

During period under review, standalone revenue grew by 47% over same period last year from Rs. 3,388.59 million to Rs. 4,992.56 million. Gross profit and operating profit increased by 53% and 61% respectively, delivering a leveraged operating performance for the company. However, as a consequence of currency fluctuations, net profit for the period has been diluted by an exchange loss of Rs 32.59 million with the net increase of 31% achieved from 1,029.35 million to Rs. 1,349.60 million. Basic and diluted earnings per share both increased by 30% in line with profit for the period.

The increase in revenue has been contributed by all regions. Cost optimization and efficient working capital management translated into higher operating profits.

Key Financial Highlights - Unconsolidated						
Particulars	June-21 (unaudited) June-20 (unaudited)	Change			
	Rs.	Rs.	%			
Revenue	4,992,569,613	3,388,593,868	47%			
Gross Profit	1,768,117,233	1,158,233,418	53%			
Operating profit	1,322,380,598	819,158,438	61%			
Profit for the period	1,349,600,262	1,029,356,666	31%			
Earnings per share (basic)	9.83	7.55	30%			
Earnings per share (diluted)	9.72	7.50	30%			

Other Income - Unconsolidated					
Particulars	June-21 (unaudited)	June-20 (unaudited)			
	Rs.	Rs.			
Other Income	126,679,308	82,380,877			
Exchange Gain / (Loss)	(32,592,781)	169,798,056			
	94,086,527	252,178,933			

Consolidated:

During the six months for the period ended 30th June 2021, consolidated revenue grew by 44% from Rs. 4,559.37 million to Rs. 6,458.07 million. Gross profit and operating profit increased by 57% and 74% respectively. Net profit for the period increased by 42% from 1,067.66 million to Rs. 1,514.70 million with Rs. 41.67 million in exchange loss. Basic and diluted earnings per share increased by 43% and 42% respectively, in line with profit for the period.

Key Financial Highlights - Consolidated						
Particulars J	June-21 (unaudited) June-20 (υ					
	Rs.	Rs.	%			
Revenue	6,548,070,790	4,559,370,645	44%			
Gross Profit	2,244,488,960	1,428,370,576	57%			
Operating profit	1,532,439,617	879,947,380	74%			
Profit for the period	1,514,702,776	1,067,663,846	42%			
Earnings per share (basic)	11.34	7.92	43%			
Earnings per share (diluted)	11.21	7.87	42%			

	Other Income - Consolidated	
Particulars	June-21 (unaudited)	June-20 (unaudited)
	Rs.	Rs.
Other Income	116,708,600	67,603,991
Exchange Gain / (Loss)	(41,670,694)	168,129,097
	75,037,906	235,733,088

Performance by Segment (Standalone):

The segment analysis shows robust growth across all four segments, with the North American and European Regions leading the trend. Export sales of the Company are roughly 80% of total sales, with the Company's target being to further increase the exports component in coming years. Diversification into new regions and new markets will support this objective.

, ,	·····									
	North America		Eur	ope	Middl	e East	Pakis	itan	To	otal
	Un-au	dited	Un-a	udited	Un-audited		Un-audited		Un-audited	
	Six Montl	ns Ended	Six Mont	hs Ended	Six Mont	hs Ended	Six Months Ended		Six Months Ended	
	30 J	une	30	June	30.	June	30 June		30 June	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
					(R	ipees)				
Revenue from contracts with customers - net	2,828,930,612	1,901,489,749	488,806,166	446,304,271	638,723,437	302,064,113	1,036,109,398	738,735,735	4,992,569,613	3,388,593,868
Cost of revenue	(1,719,834,781)	(1,111,716,776)	(306,213,395)	(262,573,237)	(399,313,821)	(243,321,075)	(799,090,383)	(612,749,362)	(3,224,452,380)	(2,230,360,450)
Gross profit	1,109,095,831	789,772,973	182,592,771	183,731,034	239,409,616	58,743,038	237,019,015	125,986,373	1,768,117,233	1,158,233,418
Distribution expenses	(8,494,499)	(7,006,601)	(1,467,750)	(1,644,540)	(4,576,635)	(3,501,136)	(62,620,042)	(46,153,535)	(77,158,926)	(58,305,812)
Administrative expenses	(253,366,755)	(170,762,335)	(43,778,816)	(40,080,132)	(52,791,938)	(28,007,633)	(35,092,944)	(25,037,543)	(385,030,453)	(263,887,643)
	(261,861,254)	(177,768,936)	(45,246,566)	(41,724,672)	(57,368,573)	(31,508,769)	(97,712,986)	(71,191,078)	(462,189,379)	(322,193,455)
Profit before taxation and										
Unallocated income and expenses	847,234,577	612,004,037	137,346,205	142,006,362	182,041,043	27,234,269	139,306,029	54,795,295	1,305,927,854	836,039,963
Unallocated income and expenses:										
Other operating expenses									16,452,744	(16,881,525)
Other income									94,086,527	252,178,933
Finance costs									(35,783,430)	(20,875,977)
									74,755,841	214,421,431
Profit before taxation									1,380,683,695	1,050,461,394
Taxation									(31,083,433)	(21,104,728)
Profit for the period									1,349,600,262	1,029,356,666

Key Financial Ratios:

There has been positive movement in the Company's key financial ratios. All profitability ratios are showing a positive trend for both the standalone and consolidated financials. The high current and quick ratio is reflective of strong liquidity position of the Company, which can be directly linked with improved debtor management.

Ratio Description		ndalone s ended 30 June		onsolidated ths ended 30 June
	2021	2020	2021	2020
Gross Profit Margin (%)	35%	34%	34%	31%
EBITDA Margin (%)	31%	38%	27%	29%
Pre-tax Margin (%)	28%	31%	24%	24%
Operating Profit Margin (%)	26%	24%	23%	19%
Net Profit Margin (%)	27%	30%	23%	23%
Assets turnover (%)	42%	34%	60%	40%
Equity multiplier (%)	112%	136%	146%	144%
Return on Equity (%)	13%	14%	20%	13%
Current ratio	2.78	3.49	2.78	3.06
Quick Ratio	2.42	3.09	2.32	2.66
Debtor Turnover (Days)	104	158	90	119
Debt to Equity (Ratio)	26:74	17:83	26:74	20:80
Interest Cover (Times)	43	62	36	55

FUTURE OUTLOOK

- Robust demand and opportunity continue to be in the digital space globally in line with company's strategic
 expansion in the areas of Digital and Business transformation (largely Digital Commerce, Enterprise Resource
 Planning (ERP), Customer Relationship Management (CRM)) along with Cloud and Data. The Company is
 continuing to heavily invest and expand in these core competencies.
- The Company started a new business unit, Digital Infrastructure Services (DIS), earlier this year to address the
 heavy demand in Infrastructure, Cloud and Security Services. Along with domestic customers, the Company has
 successfully added logos globally as well and sees an opportunity of growth in this segment.
- Earlier this year, the Company had entered into a partnership agreement with SAP, in view of the opportunities in
 the domestic, Middle East and other markets. The Company has signed customers for SAP projects locally. The
 Company is targeting to expand in the domestic market in the first phase. Subsequently these offerings will be
 taken to the regional markets.

- The company continues to see growth in all three international regions as well as the domestic market. As offshoring has become more acceptable, this has increased an overall demand in the IT industry and IT exports from Pakistan have grown by over 47% in last 12 months and the industry is targeting the same growth for the next fiscal year. In line with this, the Company's exports also grew by 49% as compared to last year. The company is expecting a further increase in exports business as it establishes presence in Saudi Arabia and Qatar to expand further in the Middle East.
- In the North American market, the company's investment in business solutions and products continues to
 add new clients. With the company's service offerings for defined industry verticals, the company sees
 lifetime value from the customers and the new customer acquisitions are expected to result in growth and
 expansion in this region.
- The Company continues to see more opportunity in Europe for skilled offshore resources.
- With the allocation of higher IT budget by the Government this year, the Government has approved many
 digital initiatives. This opens more opportunities for the company in the domestic market in public sector.
- As part of M&A strategy, the Company has invested \$3m in Retailistan (Pvt) Limited (RPL), a start-up focused on digitization of retail supply chain in Pakistan. This investment is aimed at enhancing the presence in the digital retail landscape in the country and it complements EP Systems. Combined, these will provide the Company an access to potential synergies in technologies and access to digital mapping of the retail universe. Retailistan Subsidiary Jugnu has a huge opportunity as the B2B supply chain is a hot space now. The Company is actively exploring other startups and M&A opportunities.
- To meet the increasing demand, the Company has added about 500 individuals to its resource pool in this quarter which includes 200 fresh graduates as well, who will undergo strenuous training for the next four to six months. The Company is also investing heavily in training programs to train tier 2 and tier 3 resources.
- OneLoad is now one of the most recognized ecommerce platforms for provision of digital services with 40,000 plus retailers across Pakistan. The company has embarked on building eight regional sales hubs around the country to effectively target new retail signups and scale up its distribution reach. The Company has seen exponential growth in financial services mainly cash-ins in the Q2 of 2021, other use cases like cash-out are being integrated with partners and are expected to augment the growth of financial services of the Company going forward. Further teams are engaged on the various aspects of Pilot readiness for its new e-wallet business under the State Bank of Pakistan's Electronic Money Institution (EMI) Regulations. This will open new avenues for the company.

ACKNOWLEDGEMENT

The Board takes this opportunity to thank the Company's valued customers, bankers and other stakeholders for their corporation and support. The Board greatly appreciates the hard work and dedication of all the employees of the Company.

On behalf of the Board

. Asif Peer

Chief Executive Officer Date: 25 August2021

Lahore

- متا می بشرق وظی اورد گیر ماریشوں میں مواقع کود کچھ ہوئے کمپنی نے اس سال کے شروع میں SAP کے ساتھ شرا کت داری کا معاہدہ کیا ۔ کپنی نے مقا می طور پر SAP منصوبوں کیلئے سٹمرز کوسائن کیا ہے۔ پہلے مرطعے کے کپنی کا ہدف مقا می ماریٹ میں توسیع ہے۔ اس کے بعدان پیشکشوں کو ملا قائی ماریشوں میں لے جایا جائے گا۔
- - کمپنی پورپی مارکیٹ میں ہنرمندآ ف شوروسائل کیلئے مسلسل نے مواقع دیکھ رہی ہے۔
 - تحومت کی جانب سے اس سال زیادہ آئی ٹی بجیٹ خش کرنے کے ساتھ ، محومت نے گئی ڈیجیٹش اقدامات کی منظوری دے دی ہے۔اس سے کمپنی کومتنا می ماریٹ میں پبلک سیکٹر کے اندر مزید مواقع ملیں گے۔
- ایم اینڈ اے حمت عملی کے ایک بڑو کے طور پر بہتی نے خاص طور پر پاکستان میں ریڈیل سپائی چین کی ڈیجیلا نزیشن کیلئے ایک سے شارٹ اپ روٹیلے تا دی ہے۔
 کی ہے۔ اس مربا ریکا دی کا مقصد ملک میں ڈیجیٹیل ریٹیل کے شیعے میں اپنی موجود گی و بر هانا ہے اور میدا کی پاسسٹری شکیل کرتی ہے۔ اس سے میٹی کو مجموع طور پر پینا اوچیز میں مکامہ ہم بھی اور شیل کی ڈیا کے ڈیجیٹل کے میں اپ برای گیم مالی میں اپ روٹی ہیل کی میں اپ روٹی ہیل کی میں اپ روٹی ہیل کی میں اپ برای گیم آئی ہے۔ کیٹی افعال انداز میں دیگر سارٹ اپس اور ایم اینڈ اے کے مواقع ڈھوٹھر رہی ہے۔
 - برهتی ہوئی ما گے کو پورا کرنے کیلئے محفیٰ نے اس سمائی میں نقرید 1500 فراد کوا پنے ریسورں پا ک میں شال کیا ہے جن میں 200 نے گر بجویٹس بھی شال میں بہنمیں اگلے چارہے چھاہ تک کڑی تربیت دی جائے۔
 گی کمپنی تربی پی دگراموں میں بھی بھاری سرماید کاری کر رہی ہے تا کہ درجید 21 در درجید 3 کے ریسور مرکز تربیت دی جائے۔
- قانوڈ پورے پاکتان بیر 40,000 نے ایر میٹیل غدات کی فراہمی کیلے سب نے اورہ وہا نامانا کا کامری پایٹ فارم ہے کیفی نے نے دیٹیل سائن اپس کو موثر طریقے ہے ہونہ بنانے اورا پی و شرکی بیٹن نے 1902 کی دوسری سہائی شد مات فاس طور پر کشن انزیس تیزی ہے اصافہ و یکھا ہے، دیگر استعمال کے مسلمان بیر سی آؤٹ شراکت واروں کے ساتھ میل نے آئی ایم آئی کی مالیاتی خدات کی برجوتری میں اضافہ بوگا سٹیٹ بیٹ آف پاکستان کے الیکٹروک ٹی انسٹی ٹیوٹن (ای ایم آئی)
 قوائین کے تحت اس کے بھاری والٹ کار دیار کیلیے پاکلٹ کی تیار سے بیلووں کیلے میں بیلووں کیلے میں۔ اس کے بیٹی کیلیے تی را بین کھلیں گی۔

اعتراف

بورڈاس موقع پر کمپنی کے قابل قدر کشمرز ،بینکرز اور دیگر متعلقین کے تعاون اور معاونت کیلیے شکرگز ارہے ۔ بورڈ کیلیے کمپنی کے تمام ملاز مین کی محنت اورککن بڑی قابل تعریف ہے۔

حسب الحكم بورڈ

96 TH:

آصف پیر چیفا بگزیکیوآفیسر مورخه: 25اگستا 202ء

سیکمنٹ کی کارکردگی ۔ آزادانہ

سیگھنٹ کا تجزیہ چاروں سیگھنٹس میں زبردست نموکوطا ہرکرتا ہے،جس میں ثنالی امریکہ اور ایور پی علاقے سب ہے آ گےرہے۔کمپنی کیا بکسپورٹ سیزنکل فروخت کا لگ جگ۔%80 ہے، کمپنی کاہدف ہے کہ آنے والے برسوں میں ہرآ مارات کے خسن میں مزیدا ضافہ کیا جائے۔ نے خطوں اور نئی ماریکٹول میں تنوع اس مقصد کے حصول میں معاون ہوگا۔

		کل میز	اکتان		، وَعَظَى			پري 	امریک		*رو <u>ر ليلين</u> شي
	<i>ڪ شد</i> و	عيراؤه	فيرآ ذك شده	•	اے شدہ	ميراة	ٹ شدو	عيراة	ۇڭ شدە	عيرا	
	موے6ماہ	30 جون كوشتم	ي كوفتم ہوئے6ماو		م ہوئے 6ماہ	30 جون كوشنا	وختم ہوئے6ماہ	30 بون	ن کوختم ہوئے6ماہ		
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
	3,388,593,868	4,992,569,613	738,735,735	1,036,109,398	302,064,113	638,723,437	446,304,271	488,806,166	1,901,489,749	2,828,930,612	فروفت
_	(2,230,360,450)	(3,224,452,380)	(612,749,362)	(799,090,383)	(243,321,075)	(399,313,821)	(262,573,237)	(306,213,395)	(1,111,716,776)	(1,719,834,781)	فروشت كي لأكت
	1,158,233,418	1,768,117,233	125,986,373	237,019,015	58,743,038	239,409,616	183,731,034	182,592,771	789,772,973	1,109,095,831	مجوق مناخع
	(58,305,812)	(77,158,926)	(46,153,535)	(62,620,042)	(3,501,136)	(4,576,635)	(1,644,540)	(1,467,750)	(7,006,601)	(8,494,499)	ۇسىئرى يوشن كےاخراجات
L	(263,887,643)	(385,030,453)	(25,037,543)	(35,092,944)	(28,007,633)	(52,791,938)	(40,080,132)	(43,778,816)	(170,762,335)	(253,366,755)	انتظامی افراجات
	(322,193,455)	(462,189,379)	(71,191,078)	(97,712,986)	(31,508,769)	(57,368,573)	(41,724,672)	(45,246,566)	(177,768,936)	(261,861,254)	نَكِس ہے قبل نُفع / (نقصان)اور
	836,039,963	1,305,927,854	54,795,295	139,306,029	27,234,269	182,041,043	142,006,362	137,346,205	612,004,037	847,234,577	فيرخض آمدنى ادراخراجات
											غير مخصّ آمد ني اوراخراجات:
Г	(16,881,525)	16.452.744									و گھرآ پریٹنگ افراجات و گھرآ مدتی (زرمهادلہ کے فائد و کے علاوہ)
	252,178,933	94,086,527									
	(20,875,977)	(35,783,430)									فنانس كى لا گت
-	1.050.461.394	74,755,841 1,380,683,695									تكن يتل من فع
	(21,104,728)	(31,083,433)									- رائيل الرائيل
	1,029,356,666	1,349,600,262									فکس ہے قبل منافع لاگونگس اس موصد کیلیامنافع
				,		,		,	,		

اہم مالیاتی تناسب

کمپنی کے ہم الیاتی تناب میں شبت پیشرفت ہوئی ہے۔ تمام کلیدی منفعت کے تناسب آزادانہ اور منظم ہالیات میں شبت رجمان دکھار ہے ہیں۔اعلی موجودہ اور فوری تناسب کمپنی کی مضبوط رقیقی حالت کی ایماس کی کاس کررہ ہے جس کا براہ راست تعلق قرض داروں کے بہتنظم ذیت کے ساتھ ہے۔

انه				تناسب کی تفصیل
مٰ ہوئے تین ماہ کیلئے	30 جون كوخنا	وختم ہوئے تین ماہ کیلئے	30 جون ا	
2020	2021	2020	2021	
31%	34%	34%	35%	مجموعی منافع کامارجن(%)
29%	27%	38%	31%	EBITDA رجن(%)
24%	24%	31%	28%	قبل از تیکس مار جن (%)
19%	23%	24%	26%	آپریٹنگ مارجن(%)
23%	23%	30%	27%	خالص منافع کامار ^ج ن (%)
40%	60%	34%	42%	ا ثا ثوں کا کاروبار(%)
144%	146%	136%	112%	ا يکويڻ پرهنرب(%)
13%	20%	14%	13%	ا يكو بڻي پرريثران(%) موجوده تناسب
3.06	2.78	3.49	2.78	موجوده تناسب
2.66	2.32	3.09	2.42	فوری تناسب
119	90	158	104	قرض داروں کا کاروبار (مہینے)
20:80	26:74	17:83	26:74	قرض:ا یکویٹی(تناسب)
55	36	62	43	انٹرسٹ کور(ٹا پیز)

منتقبل كاخاكه

- و تیجینل اور بزنس (اسفورمیشن (بزے پیانے پر دیجینل کا مرس مانئر پر ائزر یسورس پانگ (ای آرپی) ، سٹمر بیلیشن شپ پینجنٹ (ی آرایم)) کے ملاوہ کلاوڈ اور ڈیٹا کے شعبوں میں سمپنی اپنی توسیعی حکست عمل کے مطابق عالمی سٹم کے دیجینل سپیس میں مسلسل زبر دست طلب کا مشاہدہ کررہ ہی ہے۔ مینی بزے فعال انداز میں ان نیاد کی قابلیتوں کی وسعت پر بھاری سرماییکاری کررہ ہی ہے۔
- کپنی نے اس سال کے تاز پرایک نیابرنس بینٹ، ڈیمیٹیل انفراسٹر کچر سرومز (ڈی آئی ایس) شروع کیا ہے، تا کدانفراسٹر کچر کا وُڈاور سکیو رٹی سرومز میں بھاری طلب کو پورا کیا جا سکے۔ متامی صارفین کے ساتھ ساتھ،
 کپنی نے عالمی شخر پر مجمی کو گوزگوشٹا کیا ہے اور اس سکیدے میں ترق کے مواقع د کیوری ہے۔

ڈائر یکٹرز کی جائزہ ربورٹ- 30 جون2021ء

بورڈ آف ڈائر یکٹرز کے ایماء پرہمیں 30 جون 202ء کوئتم ہوئے چھاہ کیلئے آزاد انداور یکجامالیاتی گوشوارے پیش کرنے بیخوشی ہے۔

مالى نتائج

غيرمنظم

زیرِ عبار کو مدت کے دوران آزادانہ آ مدنی پھیلے سال ای عرصہ کے مقابلے میں 147% اشافہ کے ساتھ 85.38% دلیس روپے ہے بڑھ کے 65.40% ملین روپے ہوگئی۔ مجودی منافع 10 آپریٹنگ منافع میں بالترجیب 153% ور 16 اضافہ جوابہ جس کے کپنی کیلئے لیور بچٹا آپریٹنگ پرفارمنس فراہم ہوئی۔ تاہم ، کرنی کے آثار پڑھاؤکٹ بیٹے میں ،اس مدت کا خالص منافع 25.59 ملین روپے کے پیچینج خسارہ کی وجہ ہے کم ہوالکین 31 کا خالص اضافہ کے ساتھ ہے 35۔400 ملین روپے ہے بڑھ کر 1,349،60 ملین روپے ہے ہو تھر 1,349،60 ملین روپے کے بڑھ کی دونوں میں 130% اضافہ ہوا۔ آمد ٹی میں اضافہ تین احملوں نے کیا ہے، آپریٹنگ منافع میں اضافہ لاگٹ میں اصلاح اور مورثر ورکٹگ کیپٹل میٹجنٹ کی ہدولت ہوا۔

			غيرمنظم
سال بدسال	<i>جو</i> ك 2020	جون 2021	تفصيلات
47%	3,388,593,868	4,992,569,613	آمدنی
53%	1,158,233,418	1,768,117,233	مجموعى منافع
61%	819,158,438	1,322,380,598	فیکس ہے پہلے منافع
31%	1,029,356,666	1,349,600,262	ٹیکس کے بعد منافع
30%	7.55	9.83	ىمائى فى شيئر (بنيادى)
30%	7.50	9.72	ىمائى فىشيئر (رقيق)

		غير منظم غير منظم
<i>جون</i> 2020	جون 2021	ويكرآ مدني
		تفصيلات
82,380,877	126,679,308	, گيرآ مه ني
169,798,056	(32,592,781)	دیگرآمدنی زرمبادلدکافائیده/(نقصان)
252,178,933	94,086,527	

منظم

30 جُرانا 202 کُوشم ہو کچھ ماہ کے دوران منظم آمد نی 444اضا فہ کے ساتھ 4,559.37 ملین روپے ہے بڑھ کر 6,458.07 ملین روپے ہوگئی۔ مجمو قی سانغ اور آپریٹنگ منافع میں بالترتیب 1,514.70 ملین روپے ہوگئی۔ مجمو قی سانغ 1,514.70 ملین روپے ہوگیا۔ اس عرصہ کے دوران منافع 142 کی شرح کے ساتھ 1,067.66 ملین روپے ہے بڑھ کر 1,514.70 ملین روپے ہوگیا۔ اس عرصہ کے دوران منافع اورآپریٹنگ منافع کے مطابق فی شیر نیادی اور دیکن آمدنی میں بالترتیب 143 اور 244 اضافہ ہوا۔

			منظم
سال بيسال	جون 2020	جون 202 1	تفصيلات
44%	24,559,370,645	6,548,070,790	آمدنی
57%	1,428,370,576	2,244,488,960	مجهوعي منافع
74%	879,947,380	1,532,439,617	ٹیکس سے پہلے منافع
42%	1,067,663,846	1,514,702,776	ٹیکس کے بعد منافع
43%	7.92	11.34	كمائی فی شیئر (بنیادی)
42%	7.87	11.21	كمائى فىشيئر (رقيق)

منظم			
ويكرآ مدنى	جون 2021	جون 2020	
تفصيلات			
دیگرآ مدنی	116,708,600	67,603,991	
دیگرآ مدنی زرمیادلدگافا کده/(نقصان)	(41,670,694)	168,129,097	
	75,037,906	235,733,088	



REVIEW REPORT TO THE MEMBERS

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Systems Limited as at 30 June 2021 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of unconsolidated condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 30 June 2021 and 2020 have not been reviewed as we are required to review only the cumulative figures for the six months period ended 30 June 2021.

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 interim financial statements 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the 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 Sajjad Hussain Gill.

Chartered Accountants August 26, 2021

Lahore



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

as at 30 June 2021 (Unaudited)

		Un-audited	Audited
		30 June	31 December
		2021	2020
ASSETS	Note	Rupees	Rupees
		-	
Non-current assets	6	1 7 2 1 0 1 5 7 5 4	1507.050.242
Property and equipment	ь	1,721,815,754	1,507,959,243
Intangibles	7	44,632,588 272,073,147	21,345,888 272,073,147
Long term investments Long term deposits	,	39,987,068	36,127,162
Long term receivable		322,681,511	30,127,102
Right-of-use assets		211,077,026	204,396,352
Right-of-use assets		2,612,267,094	2.041.901.792
		2,012,207,034	2,041,301,732
Current assets			
Contract assets		775,544,024	533,940,810
Trade debts	8	2,099,580,341	2,438,437,498
Loans, advances and other receivable		408,136,195	205,366,771
Trade deposits and short term prepayments		258,048,134	187,928,945
Interest accrued		7,276,021	38,450,000
Short term investments	9	3,358,597,405	2,644,845,556
Tax refunds due from the Government		182,917,725	166,007,954
Cash and bank balances	10	2,210,639,323	1,577,759,692
		9,300,739,168	7,792,737,226
TOTAL ASSETS		11,913,006,262	9,834,639,018
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (2020: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
200,000,000 (2020, 200,000,000) dramary shares of NS. 10 caer		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	11	1,380,396,620	1,246,060,140
Capital reserves			
Share premium		714,505,168	614,907,470
Employee compensation reserve		90,958,543	84,747,028
Revenue reserve - Un-appropriated profit		6,096,765,066	5,307,971,413
		8,282,625,397	7,253,686,051
Non-current liabilities			
Long term loan		25,244,367	98,013,227
Long term advances		69,914,376	53,857,626
Lease liabilities		193,021,853	189,409,537
Deferred grant		330,265	8,338,896
2 6		288,510,861	349,619,286
Current liabilities			
Trade and other payables		941,942,393	722,653,295
Unclaimed dividend		9,472,602	7,617,635
Short term borrowings	12	2,050,000,000	1,250,000,000
Contract liabilities		169,198,538	88,669,355
Mark-up accrued on short term borrowings		12,431,680	9,804,346
Current portion of lease liabilities		45,446,413	37,983,731
Current portion of long term loan		* *	l l
		101,258,149	100,754,617
Current portion of deferred grant		4,512,125	3,095,996
		4,512,125 7,608,104	3,095,996 10,754,706
Current portion of deferred grant Current portion of long term advances		4,512,125 7,608,104 3,341,870,004	3,095,996 10,754,706 2,231,333,681
Current portion of deferred grant	14	4,512,125 7,608,104	3,095,996 10,754,706

The annexed notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM PROFIT OR LOSS

for the six months period ended 30 June 2021 (Unaudited)

		Six Mont	hs Ended	Three Mor	ths Ended
	Note	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with	15	4 002 550 512	2 200 502 050	2 500 577 070	1764 400 067
customers - net	15	4,992,569,613	3,388,593,868	2,689,577,078	1,764,499,867
Cost of revenue	16	(3,224,452,380)	(2,230,360,450)	(1,752,182,694)	(1,122,557,463)
Gross profit		1,768,117,233	1,158,233,418	937,394,384	641,942,404
Administrative expenses	17	(385,030,453)	(263,887,643)	(209,748,807)	(115,834,432)
Distribution expenses	18	(77,158,926)	(58,305,812)	(44,218,462)	(21,171,174)
Other operating expenses	19	16,452,744	(16,881,525)	(19,186,094)	(2,451,983)
		(445,736,635)	(339,074,980)	(273,153,363)	(139,457,589)
Operating profit		1,322,380,598	819,158,438	664,241,021	502,484,815
Other income	20	94,086,527	252,178,933	194,029,061	41,977,049
Finance costs		(35,783,430)	(20,875,977)	(20,582,754)	(11,493,017)
Profit before taxation		1,380,683,695	1,050,461,394	837,687,328	532,968,847
Taxation		(31,083,433)	(21,104,728)	(13,290,909)	(12,094,031)
Profit for the period		1,349,600,262	1,029,356,666	824,396,419	520,874,816
			(Restated)		(Restated)
Earnings per share:					
Basic earnings per share	21	9.83	7.55	6.00	3.81
Diluted earnings per share	21	9.72	7.50	5.95	3.79

The annexed notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

CHAIRMAN

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the six months period ended 30 June 2021 (Unaudited)

	Six Mont	hs Ended	Three Mon	ths Ended
	30 June	30 June	30 June	30 June
	2021	2020	2021	2020
	Rupees	Rupees	Rupees	Rupees
Profit for the period	1,349,600,262	1,029,356,666	824,396,419	520,874,816
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,349,600,262	1,029,356,666	824,396,419	520,874,816

The annexed notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months period ended 30 June 2021 (Unaudited)

	Issued,	Capital reserves	eserves	Revenue reserve	
	subscribed and paid-up share capital	Share premium	Employee compensation reserve	Un-appropriated profit	Total
			Runees		
Balance as at 01 January 2020	1,235,202,990	512,149,734	78,970,025	3,390,143,582	5,216,466,331
Profit for the period				1,029,356,666	1,029,356,666
Other comprehensive income					
Total comprehensive income				1,029,356,666	1,029,356,666
Exercise of share options	9,951,690	111,340,142	(52,485,311)		68,806,521
Share based payments			59,651,541		59,651,541
Forfeited share options			(3,017,856)	1,833,713	(1,184,143)
Final dividend for the year ended 31 December 2019					
at the rate of Rs.2.25 per share				(277,920,824)	(277,920,824)
Balance as at 30 June 2020	1,245,154,680	623,489,876	83,118,399	4,143,413,137	6,095,176,092
Balance as at 01 January 2021	1,246,060,140	614,907,470	84,747,028	5,307,971,413	7,253,686,051
Profit for the period	•	,	•	1,349,600,262	1,349,600,262
Other comprehensive income	•	•	•	•	•
Total comprehensive income				1,349,600,262	1,349,600,262
Exercise of Share Options	9,712,790	869'263'668	(38,097,048)		71,213,440
Share based payments			44,308,563		44,308,563
10% Bonus shares issued	124,623,690	•	•	(124,623,690)	•
Final dividend for the year ended 31st December 2020					
at the rate of Rs.3.5 per share	•	•	•	(436,182,919)	(436,182,919)
Balance as at 30 June 2021	1,380,396,620	714,505,168	90,958,543	6,096,765,066	8,282,625,397

The annexed notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM CASH FLOW STATEMENT

for the six months period ended 30 June 2021 (Unaudited)

		Six Mont	hs Ended
		30 June	30 June
	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		Rupees	Rupees
Net cash flows from operations	23	1,323,450,811	706,125,020
Finance costs paid		(20,862,360)	(11,224,574)
Taxes paid		(53,017,334)	(19,757,159)
		(73,879,694)	(30,981,733)
Net cash flows from operating activities		1,249,571,117	675,143,287
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(360,743,596)	(128,040,192)
Development expenditure		(30,377,355)	(3,695,011)
Proceeds from the disposal of property and equipment		24,828,643	5,075,199
Short term investments - net		(713,751,849)	(1,127,000,000)
Increase in long term investment		-	(100,000)
Increase in advance against purchase of land		-	(27,228,420)
Profit received on short term investment		123,703,600	61,564,879
Profit received on bank deposits		14,721,209	15,231,555
Net cash flows from investing activities		(941,619,348)	(1,204,191,990)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) / increase in long term loan		(78,857,830)	210,000,000
Proceeds from exercise of share options		71,213,440	68,806,526
Increase in short term borrowing		800,000,000	100,000,000
Dividend paid		(434,327,952)	(271,089,037)
Payment of principal portion of lease liabilities		(34,354,900)	(23,152,500)
Increase in long term advances		12,910,148	12,092,118
Net cash flows from financing activities		336,582,906	96,657,107
Net increase / (decrease) in cash and cash equivalents		644,534,675	(432,391,596)
Net foreign exchange difference		(11,655,044)	22,607,062
Cash and cash equivalents at beginning of the period		1,577,759,692	1,095,555,314
Cash and cash equivalents at closing of the period		2,210,639,323	685,770,780

The annexed notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the six months period ended 30 June 2021 (Unaudited)

1. THE COMPANY AND ITS OPERATIONS

1.1 Systems Limited ("the Company") is a public limited Company incorporated in Pakistan under the Companies Act, 2017 ("the Act") and is listed on the Pakistan Stock Exchange. The Company is principally engaged in the business of software development, trading of software and business process outsourcing services. The registered office of the Company is situated at E-1, Sehipal Road, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt.

2. STATEMENT OF COMPLIANCE

- 2.1 These unconsolidated 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 Act; and
 - Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ from the IAS, the provisions of and directives issued under the Act have been followed

3. BASIS OF PREPARATION

- 3.1 These unconsolidated 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 Company's annual financial statements for the year ended 31 December 2020.
- 3.2 These unconsolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Company in which investments in the subsidiary companies namely E-Processing Systems (Private) Limited, TechVista Systems FZ LLC, SUS JV (Private) Limited and Systems Ventures (Private) Limited have been accounted for at cost less accumulated impairment losses, if any.
- **3.3** These unconsolidated condensed interim financial statements have been prepared under the historical cost convention and are presented in Pak rupee, which is also the functional currency of the Company. The figures have been rounded off to the nearest rupees, unless otherwise stated.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended 31 December 2020.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended 31 December 2020.

		Note	Un-audited 30 June	Audited 31 December
6.	PROPERTY AND EQUIPMENT	Note	2021 (Run	2020 nees)
0.	Operating fixed assets	(6.1)	1,681,431,080	1,507,212,971
	Capital work in progress	(6.2)	40,384,674 1,721,815,754	746,272 1,507,959,243
			1,721,013,734	1,207,225,242
6.1	OPERATING FIXED ASSETS - OWNED			
	Opening balance - net book value		1,507,212,971	1,392,619,772
	Additions during the period / year - cost	(6.1.1)	321,105,194	341,404,904
	Less:		1,828,318,165	1,734,024,676
	Disposals during the period / year	(6.1.2)	(15,701,393)	(13,992,901)
	Depreciation during the period / year		(131,185,692)	(212,818,804)
	Net book value at the end of the period / year		1,681,431,080	1,507,212,971
6.1.1	Additions during the period/year-cost			
	Land - freehold		-	48,760,578
	Building		9,746,917	6,841,345
	Computer equipment and installations Other equipment and installations		203,423,071	107,336,746
	Machinery		2,736,301 5,490,057	16,360,054 44,113,920
	Furniture and fittings		5,896,126	18,802,046
	Vehicles		89,187,990	72,958,264
	Office equipment		448,268	1,660,795
	Leasehold building improvements		4,176,464 321,105,194	24,571,156 341,404,904
612	Disposals during the period / year		Accumulated	341,404,304
0.1.2	30 June 2021:	Cost	Depreciation (Rupees)	Net book value
	Computer equipment and installations	535.133	(233,823)	301,310
	Other equipment and installations	99,421	(99,421)	-
	Furniture and fittings	427,730	(343,945)	83,785
	Vehicles	25,757,562	(10,441,264)	15,316,298
		26,819,846		
		20,010,010	(11,118,453)	15,701,393
	31 December 2020:			
	Computer and equipment	13,745,539	(12,996,155)	749,384
	Computer and equipment Other equipment and installations	13,745,539 44,300 57,675 22,846,025	(12,996,155) (44,300) (18,845) (9,641,338)	749,384 - 38,830 13,204,687
	Computer and equipment Other equipment and installations Furniture and fittings	13,745,539 44,300 57,675	(12,996,155) (44,300) (18,845)	749,384 - 38,830
	Computer and equipment Other equipment and installations Furniture and fittings	13,745,539 44,300 57,675 22,846,025	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited	749,384 - 38,830 13,204,687 13,992,901 Audited
	Computer and equipment Other equipment and installations Furniture and fittings	13,745,539 44,300 57,675 22,846,025 36,693,539	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December
6.2	Computer and equipment Other equipment and installations Furniture and fittings Vehicles	13,745,539 44,300 57,675 22,846,025	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020
6.2	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS	13,745,539 44,300 57,675 22,846,025 36,693,539	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020
6.2	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year	13,745,539 44,300 57,675 22,846,025 36,693,539	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup	749,384
6.2	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS	13,745,539 44,300 57,675 22,846,025 36,693,539	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020
6.2	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year	13,745,539 44,300 57,675 22,846,025 36,693,539	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 	749,384 38,830 13,204,687 13,992,901 Audited 31 December 2020 24,025,244 13,251,015
	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year	13,745,539 44,300 57,675 22,846,025 36,693,539 Note	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272)	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020 (ees) 24,025,244 13,251,015 (36,529,987)
	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year	13,745,539 44,300 57,675 22,846,025 36,693,539 Note	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272)	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020 (ees) 24,025,244 13,251,015 (36,529,987)
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offi	13,745,539 44,300 57,675 22,846,025 36,693,539 Note	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272)	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020 (ees) 24,025,244 13,251,015 (36,529,987)
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offit LONG TERM INVESTMENTS	13,745,539 44,300 57,675 22,846,025 36,693,539 Note	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272)	749,384 - 38,830 13,204,687 13,992,901 Audited 31 December 2020 (ees) 24,025,244 13,251,015 (36,529,987)
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offi LONG TERM INVESTMENTS Investment in Subsidiaries - at cost - unquoted: E - Processing Systems (Private) Limited 179,507 (2020: 179,507) fully paid	13,745,539 44,300 57,675 22,846,025 36,693,539 Note	(12,996,155) (44,300) (18,845) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272) 40,384,674	749,384 38,830 13,204,687 13,992,901 Audited 31 December 2020 24,025,244 13,251,015 (36,529,987) 746,272
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offi LONG TERM INVESTMENTS Investment in Subsidiaries - at cost - unquoted: E - Processing Systems (Private) Limited 179,507 (2020: 179,507) fully paid ordinary shares of Rs. 10/- each Tech Vista Systems FZ-LLC	13,745,539 44,300 57,675 22,846,025 36,693,539 Note (6.2.1)	(12,996,155) (44,300) (18,843) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272) 40,384,674	749,384
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offi LONG TERM INVESTMENTS Investment in Subsidiaries - at cost - unquoted: E - Processing Systems (Private) Limited 179,507 (2020: 179,507) fully paid ordinary shares of Rs. 10/- each Tech Vista Systems FZ-LLC 50 (2020: 50) fully paid ordinary shares of AED 1000/- each SUS-JV (Private) Limited 9,499 (2020: 9,499) fully paid ordinary shares of Rs. 10/- each Systems Venture (Private) Limited	13,745,539 44,300 57,675 22,846,025 36,693,539 Note (6.2.1)	(12,996,155) (44,300) (18,843) (9,641,338) (22,700,638) Un-audited 30 June 2021 (Rup 746,272 40,384,674 (746,272) 40,384,674	749,384 38,830 13,204,687 13,992,901 Audited 31 December 2020 24,025,244 13,251,015 (36,529,987) 746,272 270,500,227
6.2.1	Computer and equipment Other equipment and installations Furniture and fittings Vehicles CAPITAL WORK IN PROGRESS Balance at the beginning of the period / year Additions during the period / year Transfer to operating fixed assets during the period / year Balance at the end of the period / year This represent the civil and construction work carried out in Multan offi LONG TERM INVESTMENTS Investment in Subsidiaries - at cost - unquoted: E - Processing Systems (Private) Limited 179,507 (2020: 179,507) fully paid ordinary shares of Rs. 10/- each Tech Vista Systems FZ-LLC 50 (2020: 50) fully paid ordinary shares of AED 1000/- each SUS-JV (Private) Limited 9,499 (2020: 9,499) fully paid ordinary shares of Rs. 10/- each	13,745,539 44,300 57,675 22,846,025 36,693,539 Note (6.2.1) ce.	(12,996,155) (44,300) (18,843) (9,641,338) (22,700,638) Un-audited 30 June 2021(Rup 746,272 40,384,674 (746,272) 40,384,674 270,500,227 1,377,950 94,990	749,384

- 7.1 This represents 44.60% (31 December 2020: 44.60%) share in Company's subsidiary E-Processing Systems (Private) Limited, a company engaged in the business of purchase and sale of airtime and related services in Pakistan. As per the management assessment, the control over the entity lies with the Company.
- 7.2 This represents 100% (31 December 2020: 100%) share in Company's subsidiary, TechVista Systems FZ- LLC, a company set up in Dubai Technology and Media Free Zone Authority engaged in providing a host of services including enterprise application integration and software development and has been registered as a limited liability company on 03 April 2013.
- 7.3 This represents 94.99% (31 December 2020: 94.99%) share in Company's subsidiary, SUS JV (Private) Limited, a company set up in Pakistan for the Balochistan Land Revenue Management Information System project. The project is related to digitization of land records and development of a web-based management information system.
- 7.4 This represents 99.98% (31 December 2020: 99.98%) share in Company's subsidiary, Systems Ventures (Private) Limited, a company set up in Pakistan to invest in new ventures, start-ups and incubate new ideas.

			Un-audited	Audited
			30 June	31 December
		Note	2021	2020
8.	TRADE DEBTS - unsecured		(Rup	ees)
			-	
	Export	(8.1)	1,441,072,852	2,080,448,006
	Local		853,999,955	589,763,256
	Less: Allowance for expected credit losses		2,295,072,807 (195,492,466)	2,670,211,262 (231,773,764)
	ecas. Attowance for expected credit tosses		2,099,580,341	2,438,437,498
01	These include receivables from the following related parties:			
0.1	Visionet Systems Incorporation - USA		921,432,808	1,100,980,956
	TechVista Systems FZ - LLC - UAE		429,182,082	762,502,394
	Visionet Deutschland GMBH - Germany		5,525,115	18,539,554
	TechVista Pty Limited - Australia		8,026,995	8,434,440
	TechVista Information Technology - Qatar		28,357,200	116,804,309
			1,392,524,200	2,007,261,653
			Un-audited	Audited
			30 June	31 December
		Note	2021	2020
9.	SHORT TERM INVESTMENTS		(Rup	ees)
	Fair value through profit or loss			
	- Mutual fund units	(9.1)	2,483,597,405	559,845,556
	Amortized Cost			
	Amortized Cost - Term deposits receipts (TDRs)	(9.2)	875,000,000	2,085,000,000
		(9.2)	875,000,000 3,358,597,405	2,085,000,000 2,644,845,556
9.1		(9.2)		
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows:	(9.2)	3,358,597,405	2,644,845,556
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund	(9.2)	3,358,597,405	2,644,845,556 51,952,710
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund	(9.2)	3,358,597,405 105,984,295 77,744,744	2,644,845,556 51,952,710 51,291,201
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549	51,952,710 51,291,201 51,444,992
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722	51,952,710 51,291,201 51,444,992 52,449,350
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Islamic Fund Meezan Rozana Amdani Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan NBP Islamic Stock Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503 87,159,812 50,616,658	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan NBP Islamic Stock Fund NBP Islamic Income Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503 87,159,812 50,616,658 50,709,507	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan NBP Islamic Stock Fund NBP Islamic Income Fund ABL Islamic Stock Fund ABL Islamic Cash Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503 87,159,812 50,616,658 50,709,507 50,008,070	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808
9.1	- Term deposits receipts (TDRs) The details of investments in mutual funds are as follows: UBL Al-Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund Meezan Rozana Amdani Fund HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan NBP Islamic Stock Fund NBP Islamic Income Fund ABL Islamic Income Fund ABL Islamic Stock Fund	(9.2)	3,358,597,405 105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503 87,159,812 50,616,658 50,709,507	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808

			Un-audited	Audited
			30 June	31 December
		Note	2021	2020
9.2	The details of investments in TDRs are as follow:		(Rup	ees)
	Faysal Bank Limited		-	400,000,000
	Habib Metropolitan Bank Limited		850,000,000	1,660,000,000
	Habib Bank Limited		25,000,000	25,000,000
		(9.2.1)	875,000,000	2,085,000,000

9.2.1 This represents TDRs carrying markup at rates ranging from 6% to 12.75% (31 December 2020: 6% to 12.75%) per annum.

10. CASH AND BANK BALANCES

Cash in hand	709,577	917,983
Cash at bank:		
Local currency:		
Current accounts	681,614,796	508,414,734
Saving accounts (10.1)	1,288,350,999	395,180,848
	1,969,965,795	903,595,582
Foreign currency - current accounts	239,963,951	673,246,127
	2,210,639,323	1,577,759,692

10.1 These carry interest rate of 4.10% to 5.5% (31 December 2020: 3.10% to 11.50%) per annum.

11. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2021 2020 2021 No of Shares (Rupees) - Ordinary shares of Rs. 10/- each fully paid in cash 114,355,939 113,384,660 1,143,559,390 1,13	December 2020 33,846,600
Ordinary shares of Rs. 10/- each fully paid in cash 114,355,939 113,384,660 1,143,559,390 1,13	
Ordinary shares of Rs. 10/- each fully paid in cash 114,355,939 113,384,660 1,143,559,390 1,13	
paid in cash 114,355,939 113,384,660 1,143,559,390 1,13	33,846,600
Outline	
	112,213,540
138,039,662 124,606,014 1,380,396,620 1,2	246,060,140
	Audited
11.1 Reconciliation of issued, subscribed 2021 2020 2021	2020
and paid-up share capital: (No of Shares) (Rupees) -	
Balance as at 1st January 124,606,014 123,520,299 1,246,060,140 1,23	35,202,990
Stock options exercised 971,279 1,085,715 9,712,790	10,857,150
Bonus shares issued 12,462,369 - 124,623,690	-
Balance as at 30 June / 31 December 138,039,662 124,606,014 1,380,396,620 1,2	46,060,140
Un-audited /	Audited
	December
Note <u>2021</u>	2020
12. SHORT TERM BORROWINGS (Rupees) -	,
MCB Bank Limited (12.1) 650,000,000 55	50,000,000
Habib Metropolitan Bank Limited (12.2) 1,400,000,000 70	00,000,000
2,050,000,000 1,25	50,000,000

- This represents export re-finance (ERF) availed against aggregate sanctioned limit of Rs. 800 (31 December 2020: Rs. 800) million. The rate of mark up is SBP rate plus 0.5% (31 December 2020: SBP rate plus 0.5%) per annum. These borrowings are secured against Rs. 97.5 million cash margin, 1st pari passu of Rs. 1,327.66 million over the current assets and Rs. 1,066.67 million hypothecation and equitable mortgage charge over property and equipment.
- 12.2 This represents export re-finance (ERF) availed against aggregate sanctioned limit of Rs. 1,400 (31 December 2020: Rs. 700) million. The rate of mark up is SBP rate plus 0.5% (31 December 2020: SBP rate plus 1%). These borrowings are secured against Rs. 2,150 million pari passu hypothecation charge over current assets and Rs. 305.99 million equitable mortgage over 153.59 marla of the Company's land.

13. OPERATING SEGMENT INFORMATION

Geographical segments

For management purposes, the company is organized into business units based on their geographical areas and has four reportable operating segments as follows: North America

Europe

Middle East

Pakistan

No other operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its operating segments separately for the purpose of performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the unconsolidated condensed interim financial statements.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

	North A	North America	Eur	Europe	Middi	Middle East	Pakistan	tan	Ţ	Total
	Un-ar	Un-audited	Un-ar	Un-audited	Un-at	Un-audited	Un-audited	lited	- Nn-a	Un-audited
	Six Mont	Six Months Ended	Six Mont	Six Months Ended	Six Mont	Six Months Ended	Six Months Ended	s Ended	Six Mon	Six Months Ended
	30,	30 June	30.	30 June	30.	30 June	30 June	ıne	30	30 June
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
					(Rupees)	nbees)				
Revenue from contracts with customers - net	2,828,930,612	1,901,489,749	488,806,166	446,304,271	638,723,437	302,064,113	1,036,109,398	738,735,735	4,992,569,613	3,388,593,868
Cost of revenue	(1,719,834,781)	(1,111,716,776)	(306,213,395)	(262,573,237)	(399,313,821)	(243,321,075)	(799,090,383)	(612,749,362)	(3,224,452,380)	(2,230,360,450)
Gross profit	1,109,095,831	789,772,973	182,592,771	183,731,034	239,409,616	58,743,038	237,019,015	125,986,373	1,768,117,233	1,158,233,418
						,				
Distribution expenses	(8,494,499)	(7,006,601)	(1,467,750)	(1,644,540)	(4,576,635)	(3,501,136)	(62,620,042)	(46,153,535)	(77,158,926)	(58,305,812)
Administrative expenses	(253,366,755)	(170,762,335)	(43,778,816)	(40,080,132)	(52,791,938)	(28,007,633)	(35,092,944)	(25,037,543)	(385,030,453)	(263,887,643)
	(261,861,254)	(177,768,936)	(45,246,566)	(41,724,672)	(57,368,573)	(31,508,769)	(97,712,986)	(71,191,078)	(462,189,379)	(322,193,455)
Profit before taxation and										
Unallocated income and expenses	847,234,577	612,004,037	137,346,205	142,006,362	182,041,043	27,234,269	139,306,029	54,795,295	1,305,927,854	836,039,963

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Other operating expenses Other income

Finance costs

Profit before taxation Profit for the period Taxation

(16,881,525)	252,178,933		214,421,431		
16,452,744	94,086,527	(35,783,430	74,755,841	1,380,683,695	
	6	E)		1,38	

13.1 Allocation of assets and liabilities

	North/	North America	Europe	adc	Middle East	East	Pakistan	stan	Total	tal
	Un-andited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Segment operating assets					(Rupees)	(Sa				
Property and equipment	•	ı	٠	٠	,		1,721,815,754	1,507,959,243	1,721,815,754	1,507,959,243
Intangibles		•		•		•	44,632,588	21,345,888	44,632,588	21,345,888
Right-of-use assets		•		•		•	211,077,026	204,396,352	211,077,026	204,396,352
Long term investments		•		•		•	272,073,147	272,073,147	272,073,147	272,073,147
Long term receivable		•		•	322,681,511	•		•	322,681,511	•
Long term deposits	•	•	•	•		•	39,987,068	36,127,162	39,987,068	36,127,162
Contract assets		•	173,483,632	192,018,321	271,119,594	177,720,960	330,940,798	164,201,529	775,544,024	533,940,810
Trade debts	926,503,760	1,100,980,956	13,954,919	20,255,836	480,619,054	875,614,023	678,502,608	441,586,683	2,099,580,341	2,438,437,498
Loans and advances	•	•		•			408,136,195	205,366,771	408,136,195	205,366,771
Trade deposits and short										
term prepayments	•	•	•	,			258,048,134	187,928,945	258,048,134	187,928,945
Interest accrued	•	•		•			7,276,021	38,450,000	7,276,021	38,450,000
Short term investments	•	•		•			3,358,597,405	2,644,845,556	3,358,597,405	2,644,845,556
Tax refunds due from government	•	•		•			182,917,725	166,007,954	182,917,725	166,007,954
Cash and bank balances	•	•		•			2,210,639,323	1,577,759,692	2,210,639,323	1,577,759,692
Total operating assets	926,503,760	1,100,980,956	187,438,551	212,274,157	1,074,420,159	1,053,334,983	9,724,643,792	7,468,048,922	11,913,006,262	9,834,639,018
Segment operating liabilities										
Long-term loan	•	1	٠	٠	•		25,244,367	98,013,227	25,244,367	98,013,227
Deferred grant	•	•		•		•	330,265	8,338,896	330,265	8,338,896
Long term advances	•	'		•		,	69,914,376	53,857,626	69,914,376	53,857,626
Lease liabilities	•	•		•			193,021,853	189,409,537	193,021,853	189,409,537
Trade and other payables	•	•		•			951,414,995	730,270,930	951,414,995	730,270,930
Contract liabilities	•	•		'			169,198,538	88,669,355	169,198,538	88,669,355
Mark-up accrued on short term										
borrowings	•	•	•	,			12,431,680	9,804,346	12,431,680	9,804,346
Short term borrowings	•	•		•			2,050,000,000	1,250,000,000	2,050,000,000	1,250,000,000
Current portion of long-term loan	•	•		•			101,258,149	100,754,617	101,258,149	100,754,617
Current portion of deferred grant	•	•		•			4,512,125	3,095,996	4,512,125	3,095,996
Current portion of lease liabilities	•	•		'			45,446,413	37,983,731	45,446,413	37,983,731
Current portion of long term advances	•	•		•		•	7,608,104	10,754,706	7,608,104	10,754,706
Total operating liabilities	•		•				3,630,380,865	2,580,952,967	3,630,380,865	2,580,952,967

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There is no significant change in the contingencies since the date of preceding published annual financial statements.

14.2 Commitments:

Guarantees issued by the financial institutions on behalf of the Company amount to Rs. 258.56 million (31 December 2020: Rs. 201.90 million). This includes guarantees of Rs 2.72 million (31 December 2020: Rs. 2.72 million) given on behalf of Joint Operation.

Un-audited

15. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

15.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Six Months Ended 30 June 2021 Export
Type of goods or services: Rupees
Outsourcing services 716,848,203 68,480,749 785,328,952 Software trading 17,157,033 249,645,357 266,802,390 Software implementation 3,222,453,662 791,395,339 4,013,849,001 Less: Sales tax - (73,410,730) (73,410,730) Total revenue from contracts with customers 3,956,458,898 1,036,110,715 4,992,569,613 Un-audited
Software trading Software implementation Less: Sales tax - (73,410,730) (73,410,730) Total revenue from contracts with customers Type of goods or services: Outsourcing servic
Software implementation Less: Sales tax - (73,410,730) (73,410,730) Total revenue from contracts with customers 3,956,458,898 1,036,110,715 4,992,569,613 Un-audited Six Months Ended 30 June 2020 Export Local Total Type of goods or services: (Rupees)
Less: Sales tax - (73,410,730) (73,410,730) Total revenue from contracts with customers 3,956,458,898 1,036,110,715 4,992,569,613 Un-audited Six Months Ended 30 June 2020 Export Local Total Type of goods or services: (Rupees)
Un-audited
Un-audited Six Months Ended 30 June 2020
Six Months Ended 30 June 2020 Export
Type of goods or services: Export Local Total Outsourcing services 605,223,898 97,911,655 703,135,553 Software trading 23,929,715 261,850,876 285,780,591 Software implementation 2,020,704,520 448,522,106 2,469,226,626 Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868
Type of goods or services: (Rupees) Outsourcing services 605,223,898 97,911,655 703,135,553 Software trading 23,929,715 261,850,876 285,780,591 Software implementation 2,020,704,520 448,522,106 2,469,226,626 Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868
Outsourcing services 605,223,898 97,911,655 703,135,553 Software trading 23,929,715 261,850,876 285,780,591 Software implementation 2,020,704,520 448,522,106 2,469,226,626 Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868
Software trading 23,929,715 261,850,876 285,780,591 Software implementation 2,020,704,520 448,522,106 2,469,226,626 Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868
Software implementation 2,020,704,520 448,522,106 2,469,226,626 Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868 Un-audited
Less: Sales tax - (69,548,902) (69,548,902) Total revenue from contracts with customers 2,649,858,133 738,735,735 3,388,593,868 Un-audited
Un-audited
Export Local Total
Type of goods or services: (Rupees)
Outsourcing services 334,175,134 38,256,047 372,431,181
Software trading 8,728,326 191,406,863 200,135,189
Software implementation 1,716,864,705 447,295,775 2,164,160,480 Less: Sales tax - (47.149,772) (47.149,772
(infriedrich (infriedrich
Total revenue from contracts with customers 2,059,768,165 629,808,913 2,689,577,078
Un-audited
Three Months Ended 30 June 2020
Export Local Total
Type of goods or services:(Rupees)
Type of goods or services:
Type of goods or services: (Rupees)
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615)
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited
Type of goods or services: Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021
Type of goods or services: Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total
Type of goods or services: Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total (Rupees)
Type of goods or services: Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total (Rupees)
Type of goods or services: Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2∪21 Export Local Total CRupees
Type of goods or services: Outsourcing services Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total (Rupees) 15.12 Timing of revenue recognition Goods and services transferred at a point in time 500ds and services transferred over time 3,939,301,865 802,981,679 4,742,283,544 Total revenue from contracts with customers 3,956,458,898 1,036,109,402 4,992,568,300
Type of goods or services: (Rupees) Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Export Local Total Export Local Total Goods and services transferred at a point in time 17,157,033 233,127,723 250,284,756 Goods and services transferred over time 3,939,301,865 802,981,679 4,742,283,544
Type of goods or services: Outsourcing services Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total Timing of revenue recognition Goods and services transferred at a point in time Goods and services transferred over time 3,939,301,865 802,981,679 4,742,283,544 Total revenue from contracts with customers 3,956,458,898 1,036,109,402 4,992,568,300 Un-audited Six Months Ended 30 June 2020 Export Local Total
Type of goods or services: Outsourcing services Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total Export Rupees) 15.12 Timing of revenue recognition Goods and services transferred at a point in time 3,939,301,865 802,981,679 4,742,283,544 Total revenue from contracts with customers 3,956,458,898 1,036,109,402 4,992,568,300 Export Local Total Timing of revenue recognition (Rupees) Un-audited Six Months Ended 30 June 2020 Export Local Total Timing of revenue recognition (Rupees)
Type of goods or services: Outsourcing services Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021
Type of goods or services: Outsourcing services Outsourcing services 324,977,281 56,253,020 381,230,301 Software trading 12,040,441 91,443,243 103,483,684 Software implementation 1,008,815,646 303,623,851 1,312,439,497 Less: Sales tax - (32,653,615) (32,653,615) Total revenue from contracts with customers 1,345,833,368 418,666,499 1,764,499,867 Un-audited Six Months Ended 30 June 2021 Export Local Total Export Local Total Goods and services transferred at a point in time 3,939,301,865 802,981,679 4,742,283,544 Total revenue from contracts with customers 3,956,458,898 1,036,109,402 4,992,568,300 Export Local Total Timing of revenue recognition Given the contracts with customers 3,956,458,898 1,036,109,402 4,992,568,300 Export Local Total Timing of revenue recognition Given the contracts with customers 1,242,243,244 Find the contracts with

	_		udited hs Ended	Un-au Three Mon	
	_	30 June 2021	30 June 2020	30 June 2021	30 June 2020
16. COST OF REVENUE	Note		(Rupees)		
Salaries, allowances and amenities		2,613,942,549	1,663,652,716	1,389,629,455	860,060,694
Purchase of software		232,694,003	229,296,298	175,278,562	90,687,601
Technical consultancy		77,273,984	41,113,016	25,928,031	33,103,516
Printing and stationery		440,200	935,842	313,819	122,992
Computer supplies		10,297,873	7,197,206	5,087,899	3,882,880
Rent, rates and taxes		2,477,862	1,335,710	1,432,581	1,086,350
Electricity, gas and water		26,179,360	20,521,403	15,475,328	10,472,626
Traveling and conveyance		24,249,261	83,403,808	9,686,781	27,706,729
Repair and maintenance		2,440,844	4,499,205	1,430,137	1,931,497
Postage, telephone and telegrams		36,661,043	35,214,727	19,119,602	18,190,551
Vehicle running and maintenance		19,600,291	11,451,871	11,189,523	4,992,464
Fee and subscriptions		33,851,547	22,746,612	17,825,514	15,197,400
Insurance		3,847,087	1,750,653	2,042,130	881,258
Depreciation		112,087,934	81,517,873	62,268,736	43,981,984
Amortization		6,100,964	9,804,165	3,770,375	5,892,076
Depreciation of right-of-use asset		22,307,578 3,224,452,380	15,919,345 2,230,360,450	11,704,221 1,752,182,694	4,366,845 1,122,557,463
47 A DAMINISTO A TIME SWEETINGS		3,224,432,300	2,230,300,430	1,752,102,094	1,122,557,405
17. ADMINISTRATIVE EXPENSES		245 170 005	100 777 004	122.000.002	01.036.014
Salaries, allowances and amenities		245,178,905	188,737,884	132,908,903	81,036,014
Printing and stationery		3,479,991	1,169,193	2,076,115	665,035
Computer supplies Rent, rates and taxes		9,041,602 7,694,500	7,077,861 5,720,691	3,537,405 3,664,378	2,030,166 1,954,782
Electricity, gas and water		6,283,459	3,439,341	3,552,354	1,710,533
Traveling and conveyance		4,751,781	4,639,882	2,063,816	1,889,718
Repair and maintenance		21,199,691	9,144,387	16,466,935	4,582,027
Postage, telephone and telegrams		8,575,638	6,831,869	5,312,862	3,096,869
Vehicle running and maintenance		4,612,513	3,588,971	2,953,243	1,440,857
Legal and professional		9,671,508	2,181,291	3,604,661	1,602,043
Auditors' remuneration		1,757,817	1,320,000	1,017,250	660,000
Entertainment		201,266	1,603,603	(425,941)	605,006
Donations		13,360,050	1,403,600	5,460,050	1,001,200
Fee and subscriptions		25,824,400	8,528,580	13,670,475	4,875,509
Insurance		1,229,409	2,325,741	692,729	1,128,309
Hiring cost		418,123	161,832	340,624	42,833
Newspapers, books and periodicals		70,345	96,200	26,940	-
Depreciation		15,501,804	11,945,214	8,955,607	6,239,329
Amortization		929,267	1,675,925	573,465	697,096
Others		1,261,311	803,848	715,785	-
Depreciation of right-of-use asset		3,987,073	1,491,730	2,581,151	577,106
18. DISTRIBUTION EXPENSES		385,030,453	263,887,643	209,748,807	115,834,432
		66 OOF 450	40.254.074	20.012.662	10 700 10 4
Salaries, allowances and amenities		66,085,450	49,254,974 327,520	38,012,663	18,388,104
Printing and stationery Computer supplies		30,480 108,837	74,486	- 47,649	5,300 29,562
Electricity, gas and water		297,342	692,961	156.837	273,262
Traveling and conveyance		1,528,245	2,906,692	668,045	522,653
Repair and maintenance		295,412	57,917	72,888	9,596
Postage, telephone and telegrams		362,093	403,920	199,157	159,926
		-	•	-	
Vehicle running and maintenance		975,902	655,663	688,606	284,452
Insurance Fee and subscriptions		210,234 2,850,128	239,683 407,437	105,301 1,599,523	128,684 327,091
Shows, seminars and advertising		3,142,066	1,866,456	1,918,589	450,000
Depreciation		1,048,223	1,074,022	611,585	483,937
Amortization		60,424	147,895	39,011	57,178
Depreciation of right-of-use asset		164,090	196,186	98,608	51,429
		77,158,926	58,305,812	44,218,462	21,171,174
10 OTHER OPERATING SYSTEMS	(10.1)	(ac 450.7.4.1)	15 001 505	10 100 00 :	
19. OTHER OPERATING EXPENSES	(19.1)	(16,452,744)	16,881,525	19,186,094	2,451,983

19.1 These represent the allowance for expected credit losses against trade debts and contract assets.

20. OTHER INCOME

Income from financial assets				
	14 721 200	15 221 555	0.315.000	7 607 631
Profit on deposit accounts	14,721,209	15,231,555	9,315,080	7,697,621
Profit on short term investments	92,529,622	51,014,416	58,515,450	20,931,763
Exchange (loss) / gain	(32,592,781)	169,798,056	119,466,069	2,242,773
Interest on loan to subsidiaries	9,970,708	14,776,886	5,992,271	10,759,109
Income from non financial assets				
Gain on disposal of property and equipment	9,127,250	1,202,591	410,072	65,105
Others	330,519	155,429	330,519	280,678
	94,086,527	252,178,933	194,029,461	41,977,049

	Un-a	udited	Un-au	dited
EARNINGS PER SHARE	Six Mon	ths Ended	Three Mon	ths Ended
	30 June 2021	30 June 2020 (Restated)	30 June 2021	30 June 2020 (Restated)
Basic earnings per share:		(Rupees)	
Profit for the period	1,349,600,262	1,029,356,666	824,396,419	520,874,816
Weighted-average number of ordinary shares outstanding during the period	137,278,308	136,325,375	137,473,788	136,752,081
Basic - in Rupees	9.83	7.55	6.00	3.81
Diluted earnings per share:				
Profit for the period	1,349,600,262	1,029,356,666	824,396,419	520,874,816
Weighted-average number of Ordinary				
shares (basic)	137,278,308	136,325,375	137,473,788	136,752,081
Effect of share options	1,563,491	870,712	1,136,653	793,268
	138,841,799	137,196,087	138,610,441	137,545,349
Diluted - in Rupees	9.72	7.50	5.95	3.79

²¹¹ The weighted average number of ordinary shares of 2020 has been restated in accordance with the requirements of IAS 33 due to issuance of 12,462,369 bonus shares in 2021.

22. TRANSACTIONS WITH RELATED PARTIES

21.

Related parties comprises of associated companies, staff retirement fund, directors and key management personnel. The transactions with related parties are made under mutually agreed terms and conditions other than transactions with key management personnel which are carried under of the terms of employment. Transactions with related parties are as follows:

		•	Un-auc	lited
		Nature of	Six Month	s Ended
Related party	Relationship	transactions	30 Ju	ine
			2021	2020
			(Rupe	es)
		Disbursements against loan	(169,946,528)	(61,030,621)
E-Processing Systems (Private) Limited	Subsidiary	Receipts against loan	58,921,211	-
		Interest income	8,212,174	12,081,710
		Sales	453,132,012	292,978,284
TechVista Systems FZ - LLC - UAE	Subsidiary	Assets and Licenses Purchased	(120,264,022)	89,402,317
		Disbursements against loan	-	(21,131,588)
SUS - JV (Private) Limited	Subsidiary	Receipts against loan	23,320,520	35,000,000
		Interest Income	-	2,056,280
Systems Venture (Private) Limited	Subsidiary	Disbursements against loan	(80,020,000)	-
	•	Interest Income	1,691,923	-
		Sales	2,782,515,001	1,859,613,253
Visionet Systems Incorporation -USA	Associate	Out of pocket expenses	(7,953,600)	1,706,600
Visionet Systems - UK	Associate	Sales	330,120	-
Visionet Deutschland GMBH - Germany	Associate	Sales	444,745,121	346,662,917
TechVista Pty Limited - Australia	Subsidiary	Sales	2,872,800	2,545,824
TechVista Information Technology - Qatar	Associate	Sales	102,203,146	35,260,098
Key management personnel	Employees	Salaries and other benefits	312,792,007	166,265,376
Directors	Directors	Fee	1,750,000	1,900,000
Staff retirement funds	Staff retirement fund	Contributions	60,791,456	51,987,331

	Un-au Six Mont 30 J	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	(Rup	ees)
Profit before taxation	1,380,683,695	1,050,461,394
Adjustments for:		
Depreciation on property and equipment	131,185,692	98,268,037
Depreciation of right-of-use asset	26,455,489	18,232,542
Amortization of intangibles	7,090,655	11,696,599
Allowance for expected credit losses	(16,452,744)	16,881,525
Share based payment expense	44,308,563	56,633,684
Finance costs	35,783,430	20,875,977
Exchange loss / (gain) on translation of export debts	32,592,780	(169,798,056)
Profit on short term investments	(92,529,621)	(51,014,416)
Profit on bank deposits	(14,721,209)	(15,231,555)
Interest on loan to subsidiaries	(10,301,227)	(14,932,315)
Gain on disposal of property and equipment	(9,127,250)	(1,202,591)
	134,284,558	(29,590,569)
Profit before working capital changes	1,514,968,253	1,020,870,825
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Long term deposits	(3,859,906)	4,052,285
Long term receivable	(322,681,511)	
Contract Assets	(241,603,214)	(142,980,691)
Trade debts	334,372,164	(141,071,620)
Loans and Advances	(192,468,197)	(59,676,242)
Trade deposits and short term prepayments	(70,119,189)	(18,452,319)
	(496,359,853)	(358,128,587)
(Decrease) / increase in current liabilities:		
Trade and other payables	224,313,228	48,190,382
Contract liabilities	80,529,183	(4,807,600)
	(191,517,442)	(314,745,805)
Net cash flows from operations	1,323,450,811	706,125,020

24. FINANCIAL RISK MANAGEMENT

23.

The Company's financial risk management objective and policies are consistent with those disclosed in the preceding annual audited financial statements for the year ended 31 December 2020.

24.1 Fair values of financial assets and liabilities

The carrying values of other financial assets and financial liabilities reflected in these unconsolidated condensed interim financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

4.2 Financial instruments by categories		Un-audited 30 June 2021	
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
Assets as per statement of financial position		(Rupees)	
Long term deposits	-	39,987,068	39,987,068
Contract Assets	-	775,544,024	775,544,024
Loans, advances and other receivable	-	408,136,195	408,136,195
Trade debts	-	2,099,580,341	2,099,580,341
Security deposits	-	202,868,993	202,868,993
Interest accrued	-	7,276,021	7,276,021
Short term investments	2,483,597,405	875,000,000	3,358,597,405
Cash and bank balances	-	2,210,639,323	2,210,639,323
	2,483,597,405	6,619,031,965	9,102,629,370

	3.	Audited I December 2020	
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
Assets as per statement of financial position		(Rupees)	
Long term deposits	-	36,127,162	36,127,162
Contract assets	-	533,940,810	533,940,810
Loans and advances	-	205,366,771	205,366,771
Trade debts	-	2,438,437,498	2,438,437,498
Security deposits	-	132,575,274	132,575,274
Interest accrued	-	38,450,000	38,450,000
Short term investments	559,845,556	2,085,000,000	2,644,845,556
Cash and bank balances	-	1,577,759,692	1,577,759,692
	559,845,556	7,047,657,207	7,607,502,763
		Un-audited 30 June 2021	Audited 31 December 2020
		30 June	31 December
		30 June 2021 Financial liabilities at	31 December 2020 Financial liabilities at
Liabilities as per statement of financial position		30 June 2021 Financial liabilities at amortized cost	31 December 2020 Financial liabilities at amortized cost
Liabilities as per statement of financial position Mark-up accrued on short term borrowings		30 June 2021 Financial liabilities at amortized cost	31 December 2020 Financial liabilities at amortized cost
		30 June 2021 Financial liabilities at amortized cost Rupees	31 December 2020 Financial liabilities at amortized cost Rupees
Mark-up accrued on short term borrowings		30 June 2021 Financial liabilities at amortized cost Rupees	31 December 2020 Financial liabilities at amortized cost Rupees 9,804,346
Mark-up accrued on short term borrowings Long term loan		30 June 2021 Financial liabilities at amortized cost Rupees 12,431,680 126,502,516	31 December 2020 Financial liabilities at amortized cost Rupees 9,804,346 198,767,844
Mark-up accrued on short term borrowings Long term loan Short term borrowings		30 June 2021 Financial liabilities at amortized cost Rupees 12,431,680 126,502,516 2,050,000,000	31 December 2020 Financial liabilities at amortized cost Rupees 9,804,346 198,767,844 1,250,000,000
Mark-up accrued on short term borrowings Long term loan Short term borrowings Unclaimed dividend		30 June 2021 Financial liabilities at amortized cost Rupees 12,431,680 126,502,516 2,050,000,000 9,472,602	31 December 2020 Financial liabilities at amortized cost Rupees 9,804,346 198,767,844 1,250,000,000 7,617,635

25. Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: guoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Laval 2

Ceveti	CEVELZ	Cevers	Total
	(Rupees	5)	
2,483,597,405		-	2,483,597,405
559,845,556		-	559,845,556
	2,483,597,405	2,483,597,405 -	2,483,597,405

26. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on 25 August 2021 by the Board of Directors of the Company.

27. CORRESPONDING FIGURES

Corresponding figures have been re-arranged or re-classified where necessary for the purpose of comparison, however no significant re-classification or re-arrangements have been made in these unconsolidated condensed interim financial statements.

28. GENERAL

28.1 Figures have been rounded off to the nearest rupees, unless otherwise stated.





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CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

as at 30 June 2021 (Unaudited)

as at 30 June 2021 (Unaudited)			
		Unaudited	Audited
		30 June	31 December
		2021	2020
ASSETS	Note	Rupees	Rupees
ASSETS	Note	Nupees	Nupees
Non-current assets			
	-	1740,000,070	1 510 666 515
Property and equipment	6	1,740,988,372	1,518,666,515
Intangible		259,610,152	204,249,277
Long term deposits		48,328,893	40,133,162
Long term receivable		322,681,511	-
Right-of-use asset		211,077,026	204,396,352
O .		2,582,685,954	1,967,445,306
Current assets		_,,_,	,,
Contract assets		684,165,537	642,780,081
Trade debts	7	2,591,589,949	2,372,716,741
Loans and advances	,	102,656,546	95,913,324
Trade deposits and short term prepayments		914,879,034	438,473,348
Interest accrued		4,088,408	38,450,000
Other receivables		48,892,087	118,222,637
Short term investments	8	3,358,597,405	2,644,845,556
Tax refunds due from the Government		189,229,154	171,975,691
Cash and bank balances	9	2,973,648,401	2,985,104,566
	_	10,867,746,521	9,508,481,944
TOTAL ASSETS		13,450,432,475	11,475,927,250
TOTACASSETS		13,430,432,473	11,473,327,230
EQUITY AND LIABILITIES			
EGOTT AND CIABLETTES			
Share capital and reserves			
Authorized share capital			
200,000,000 (2020: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
200,000,000 (2020. 200,000,000) ordinary strates of N.S. 10 each		2,000,000,000	2,000,000,000
	10		1215050110
Issued, subscribed and paid up share capital	10	1,380,396,620	1,246,060,140
Capital and reserves		1,085,206,849	956,611,816
Unappropriated profits		6,622,872,311	5,626,952,295
		9,088,475,780	7,829,624,251
Non-controlling interest		104,365,226	146,389,075
3		9,192,841,006	7,976,013,326
Non-current liabilities		-,, ,	.,,
		69,914,376	E2 0E7 626
Long term advances			53,857,626
Long term loan		25,244,367	98,013,227
Lease Liability		193,021,853	189,409,537
Deferred grant		330,265	8,338,896
Provision for gratuity		60,392,686	47,599,384
-		348,903,547	397,218,670
Current liabilities			
Trade and other payables		1,307,139,915	1,186,129,984
Unclaimed Dividend		9,472,602	7,617,635
Contract Liability		175,226,732	297,554,223
•			
Mark-up accrued on short term borrowings		14,023,882	9,804,362
Short term borrowings	11	2,244,000,000	1,449,000,000
Current Portion of lease liability		45,446,413	37,983,731
Current Portion of long term loan		101,258,149	100,754,617
Current Portion of deferred grant		4,512,125	3,095,996
Current portion of long term advances		7,608,105	10,754,706
1		3,908,687,923	3,102,695,254
		5,500,501,525	3,102,033,234
TOTAL EQUITY & LIABILITIES		13,450,432,475	11,475,927,250
CONTINGENCIES AND COMMITMENTS	13		
CONTINUENCES AND COMMITTENENTS	دا		

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER) (CHIEF FINANCIAL OFFICER)

CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS

for the six months period ended 30 June 2021 (Unaudited)

	Six Mont	hs Ended	Three Months Ended	
	30 June	30 June	30 June	30 June
	2021	2020	2021	2020
Note	Rupees	Rupees	Rupees	Rupees
Revenue from contract with customers - net	6,548,070,790	4,559,370,645	3,500,303,397	2,327,520,037
Cost of sales	4,303,581,830	3,131,000,069	2,321,735,797	1,548,821,011
Gross profit	2,244,488,960	1,428,370,576	1,178,567,600	778,699,026
Distribution expenses	211,290,243	105,594,843	134,622,799	25,121,025
Administrative expenses	512,889,839	413,850,583	270,628,896	195,259,938
Other operating expenses	(12,130,739)	28,977,770	3,979,032	23,839,529
	712,049,344	548,423,196	409,230,727	244,220,492
Operating profit	1,532,439,617	879,947,380	769,336,874	534,478,534
Other income 14	75,037,906	235,733,088	190,921,939	33,075,801
Finance cost	48,590,288	24,279,452	27,630,236	13,082,299
Profit before taxation	1,558,887,235	1,091,401,017	932,628,577	554,472,036
Taxation	44,184,459	23,737,171	19,795,038	13,616,466
Profit after taxation	1,514,702,776	1,067,663,846	912,833,539	540,855,570
Attributable to:				
	1556 736 635	1070 600 600	020 002 565	E 46 007 071
Equity holders of the parent	1,556,726,625	1,079,608,688 (11,944,843)	938,992,565	546,997,871 (6,142,302)
Non-controlling interest	(42,023,849)		(26,159,027)	
	1,514,702,776	1,067,663,846	912,833,538	540,855,570
Earnings per share:		Restated		Restated
Basic earnings per share 15	11.34	7.92	6.83	4.00
Diluted earnings per share	11.21	7.87	6.77	3.98

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the six months period ended 30 June 2021 (Unaudited)

	Six Month	s Ended	Three Months Ended		
	30 June	30 June	30 June	30 June	
	2021	2020	2021	2020	
	Rupees	Rupees	Rupees	Rupees	
Profit for the period	1,514,702,776	1,067,663,846	912,833,538	540,855,570	
Other comprehensive income Exchange difference on translation of foreign operations	22,785,820	35,091,194	45,714,261	3,870,931	
Total comprehensive income for the period	1,537,488,596	1,102,755,040	958,547,799	544,726,501	
Attributable to: Equity holders of the parent	1,579,512,445	1,114,699,883	984,706,826	550,868,803	
Non-controlling interest	(42,023,849)	(11,944,843)	(26,159,027)	(6,142,302)	
	1,537,488,596	1,102,755,040	958,547,799	544,726,501	

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months period ended 30 June 2021 (Unaudited)

	ssued,		Capital	Capital reserve		Revenue reserve	Total equity		
	subscribed and paid up share capital	Share capital premium	Employee compensation reserve	Gain on dilution of interest	Gain on dilution Foreign currency of interest translation reserve	Unappropriated profit	attributable to shareholders of parent company	Non- controlling interest	Total
		+ !			Rupees				
Balance as at 31st December 2019 (Audited)	1,235,202,990	512,149,734	78,970,025		49,242,756	3,674,024,548	5,549,590,053	(20,655,613)	5,528,934,440
Total comprehensive income for the period		•	٠	•		1,079,608,688	1,079,608,688	(11,944,820)	1,067,663,868
Other comprehensive income for the year				,	35,091,194		35,091,194		35,091,194
Further issuance of share capital								410,002,618	410,002,618
Final Dividend @ Rs. 2.25 per share for the year ended 31 December 2019						(277,920,824)	(277,920,824)	•	(277,920,824)
Exercise of share options	9,951,690	111,340,142	(52,485,311)	•			68,806,521	•	68,806,521
Share based payments	•	•	59,651,541	•	•	٠	59,651,541	•	59,651,541
Forfieted Share Options			(3,017,856)			1,833,713	(1,184,143)		(1,184,143)
Balance as at 30 June 2020 (Un-audited)	1,2 45, 154,680	623,489,876	83,118,399		84,333,950	4,477,546,125	6,513,643,030	377,402,185	6,891,045,215
Balance as at 31st December 2020 (Audited)	1,246,060,140	614,907,403	84,747,028	197,609,706	59,347,679	5,626,952,295	7,829,624,251	146,389,075	7,976,013,326
Final Dividend @ Rs. 3.5 per share for the year ended 31 December 2020				•		(436,182,919)	(436,182,919)		(436,182,919)
Total comprehensive income for the period						1,556,726,625	1,556,726,625	(42,023,849)	1,514,702,776
Other comprehensive income for the year					22,785,820		22,785,820		22,785,820
Exercise of Share Options	9,712,790	99,597,698	(38,097,048)				71,213,440		71,213,440
Share based payments			44,308,563				44,308,563		44,308,563
Balance as at 30 June 2021 (Un-audited)	1,380,396,620	714,505,101	90,958,543	197,609,706	82,133,499	6,622,872,311	9,088,475,780	104,365,226	9,192,841,006

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.







CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT

for the six months period ended 30 June 2021 (Unaudited)

		Six Month	s Ended
		30 June	30 June
N	lote	2021	2020
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flows from/(used in) operations	17	709,949,219	556,005,043
Finance costs paid		(44,370,768)	(27,970,434)
Gratuity paid		(14,689,909)	(5,861,026)
Taxes paid		(61,437,922)	(22,883,275)
·		(120,498,599)	(56,714,735)
Net cash flows from/(used in) operating activities		589,450,620	499,290,308
•			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(371,726,453)	(158,925,640)
Development expenditure		(66,521,768)	(24,968,638)
Proceeds from the disposal of property and equipment		24,828,643	5,075,199
(Increase) / Decrease in long term deposits		(8,195,731)	(572,817)
Disposal of short term investments - net		(713,751,849)	(1,127,000,000)
Profit received on short term investment		126,621,213	52,647,135
Profit received on bank deposits		14,721,209	15,231,555
Net cash flows used in/from investing activities		(994,024,735)	(1,238,513,206)
CASH FLOWS FROM FINANCING ACTIVITIES			
Drospada fram avareira of chara antique		71,213,440	68,806,526
Proceeds from exercise of share options Further issuance of share capital - EP		/ 1,213,440	410,002,641
Decrease in short term borrowings		795,000,000	185,662,655
Decrease in long term loan		(78,857,830)	210,267,544
Dividend paid		(434,327,952)	(271,089,038)
Increase in Lease Liability		4,394,325	4,127,489
Increase in long term advances		12,910,149	10,308,166
Net cash flows used in financing activities		370,332,132	618,085,983
rece cash nows asea in inighting activities		31,352,132	5 10,000
Net (decrease) in cash and cash equivalents		(34,241,984)	(121,136,915)
Effect of exchange translation reserve		22,785,820	35,091,194
Cash and cash equivalents at beginning of the period		2,985,104,566	1,516,152,353
Cash and cash equivalents at closing of the period		2,973,648,402	1,430,106,632

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINACIAL INFORMATION

for the six months period ended 30 June 2021 (Unaudited)

1. THE GROUP AND ITS OPERATIONS

Holding company

The Company is a public limited Company incorporated in Pakistan under the repealed Companies Ordinance 1984 (now Companies Act 2017), and is listed on the Pakistan Stock Exchange. The Company is principally engaged in the business of software development, trading of software and business process outsourcing services. The head office of the Company is situated at E-1, Sehjpal Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt.

Subsidiary Company

TechVista Systems FZ LLC, a limited liability Company incorporated in Dubai Technology and Media Free Zone Authority, is a 100% owned subsidiary of Systems Limited. The Company is engaged in the business of developing software and providing ancillary services.

TechVista Systems FZ LLC has 100% control of TechVista Systems LLC. The Company is a Limited Liability Company registered in the Emirate of Dubai under Federal Law No. 2 of 2015. The Company is licensed as a software house.

TechVista Manpower LLC (TechVista MP LLC), a Sole Establishment, duly licensed by Dubai Economic Department, under License No. 800123, is 100% controlled by TechVista Systems FZ-LLC.

TechVista Systems Pty Limited is a fully owned subsidiary of Techvista Systems FZ LLC and was incorporated in December 2014 in Australia with a paid up share capital of AUD 1.

E-Processing Systems (Private) Limited, a private limited Company registered under the repealed Companies Ordinance 1984, (now Companies Act 2017) incorporated on 06 February 2013, is a 44.60% owned subsidiary of Systems Limited. The Company is principally engaged in the business of purchase and sale of airtime and related services.

SUS JV (Private) Limited, a company set up in Pakistan for the Balochistan Land Revenue Management Information System project, is 94.99% owned subsidiary of Systems Limited. The project is related to digitization of land records and development of a web-based management information system.

Systems Ventures (Private) Limited, a private limited company, registered under Companies Act 2017, is a 99.98% owned subsidiary of Systems Limited. The Company has been set-up in Pakistan to invest in new ventures, start-ups and incubate new ideas.

2. STATEMENT OF COMPLIANCE

- 2.1 This consolidated condensed interim financial information of the Group for the period ended 30 June 2021 has been prepared in accordance with the requirements of the International Accounting Standard 34 Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.
- 2.2 This interim financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

3. BASIS OF PREPARATION

This consolidated condensed interim financial information is not audited and has been prepared in condensed form and does not include all the information as is required to be provided in full set of annual financial statements. This condensed interim consolidated financial information should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

3.1 Consolidated financial statements

This consolidated condensed interim financial information comprises the financial information of Systems Limited and its subsidiaries, here-in-after referred to as "the Group".

3.2 Basis of measurement

This consolidated condensed interim financial information has been prepared under the historical cost convention.

4. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Group for the year ended 31 December 2020.

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 31 December 2020.

		Note	Unaudited 30 June 2021	Audited 31 December 2020
6.	PROPERTY AND EQUIPMENT		(Rup	ees)
	Operating fixed assets Capital work in progress	(6.1) (6.2)	1,700,603,698 40,384,674	1,517,920,243 746,272
			1,740,988,372	1,518,666,515
6.1	Operating fixed assets:		1517 000 040	1 400 430 730
	Opening balance - net book value Additions during the period / year - cost	6.1.1	1,517,920,243 332,088,051	1,408,439,738 346,684,624
		•	1,850,008,294	1,755,124,362
	Less: Disposals during the period / year	6.1.2	15,701,393	14,867,801
	Depreciation during the period / year		133,703,202	222,336,318
	Book value at the end of the period / year		1,700,603,698	1,517,920,243
6.1.1	Additions during the period / year-cost			
	Land		_	48,760,578
	Building		9,746,917	6,841,345
	Computer equipment and installations		214,506,333	111,626,559
	Other equipment and installations Generator		2,736,301	16,360,054
	Furniture and fittings		5,490,057 5,896,126	44,113,920 19,261,360
	Vehicles		89,187,990	72,958,264
	Office equipment		448,268	1,700,467
	Leasehold Improvements		4,176,464	24,571,156
	Exchange gain / (loss)		(100,405)	490,921
			332,088,051	346,684,624
6.1.2	Disposals during the period / year	Cost	Accumulated	Written Down
	30 June 2021		Depreciation	Value
	Computer equipment and installations	535,133	233,823	301,310
	Other equipment and installations	99,421	99,421	-
	Furniture and fittings	511,515	343,945	83,785
	Vehicles	25,757,562 26,903,631	10,441,264	15,316,298
		20,903,031	11,118,453	15,701,393
	31 December 2020	15 752 412	1// 1// 000	1602 420
	Computer equipment and installations Other equipment and installations	15,752,413 44,300	14,149,993 44,300	1,602,420
	Furniture and fittings	57,675	18,845	38,830
	Vehicles	22,846,025	9,641,338	13,204,687
	Office equipment	24,244	2,380	21,864
		38,724,657	23,856,856	14,867,801
			Unaudited	Audited
			30 June	31 December
6.2	CAPITAL WORK IN PROGRESS		2021 (Rup	2020
	Palance at the beginning of the period / year			•
	Balance at the beginning of the period / year Additions during the period / year		746,272 40,384,674	24,025,244 13,251,015
	Transfer to operating fixed assets during the period / year		(746,272)	(36,529,987)
	Balance at the end of the period / year		40,384,674	746,272

			Unaudited 30 June 2021	Audited 31 December 2020
7.	TRADE DEBTS	Note	(Rupe	es)
	Considered good - unsecured			
	Export	(7.1)	1,705,284,174	1,979,840,352
	Local		1,151,963,564	677,703,491
			2,857,247,738	2,657,543,843
	Less: Allowance for expected credit losses		265,657,789	284,827,102
			2,591,589,949	2,372,716,741

7.1 This includes receivables from related parties i.e. Visionet Systems Incorporation (USA), Visionet Deutschland GMBH, and Techvista Information Technology (Qatar) amounting to Rs. 929.08 million (2020: Rs 1,109.98 million), Rs. 5.52 million (Rs. 18.54 million) and Rs. 28.35 million (2020: 116.80 million) respectively.

8. SHORT TERM INVESTMENTS

	Fair value through profit and loss - Mutual fund units	(8.1)	2,483,597,405	559,845,556
	Amortized cost - Term deposit receipts (TDRs)	(8.2)	875,000,000	2,085,000,000
			3,358,597,405	2,644,845,556
8.1	The details of investment in mutual funds are as follows: UBL Al- Ameen Asset Islamic Allocation Fund Alfalah GHP Islamic Income Fund HBL Asset Islamic Allocation Fund Lakson Islamic Tactical Fund Meezan Balanced Fund Meezan Islamic Income Fund NBP Islamic Sarmaya Izafa Fund MCB Al Hamra Islamic money market fund NBP Islamic Daily dividend Fund Meezan Islamic Fund (Mif) Meezan Rozana Amdani Fund (Mraf) HBL Islamic Money Market Fund UBL Al-Ameen Islamic Cash Plan NBP Islamic Stock Fund NBP Islamic Income Fund ABL Islamic Islamic Stock Fund		105,984,295 77,744,744 53,126,549 105,870,722 104,506,676 51,564,477 314,360,953 253,437,261 394,240,413 156,342,653 352,888,062 25,000,000 50,008,503 87,159,812 50,616,658 50,709,507	51,952,710 51,291,201 51,444,992 52,449,350 100,590,950 50,337,808 201,778,545 - - - - - - - -
	ABL Islamic Cash Fund		50,008,070	-
	Faysal Islamic Cash Fund		200,028,050	- FEO 0.4F FE6
			2,483,597,405	559,845,556
8.2	The details of investments in TDRs are as follows: Faysal Bank Limited Habib Metropolitan Bank Habib Bank Limited		- 850,000,000 25,000,000	400,000,000 1,660,000,000 25,000,000
		8.2.1	875,000,000	2,085,000,000

8.2.1 This represents TDRs carrying markup at rates ranging from 6% to 12.75% (31 December 2020: 6% to 12.75%) per annum.

9. CASH AND BANK BALANCES

Cash in hand		709,577	917,983
Cash at bank:			
Local currency:			
Current accounts		1,139,575,697	1,211,562,880
Deposit accounts	(9.1)	1,347,896,479	766,496,179
		2,487,472,176	1,978,059,059
Foreign currency - current accounts		485,466,648	1,006,127,524
		2,973,648,401	2,985,104,566

9.1 These carry interest rate of 4.10% to 5.5% (31 December 2020: 3.10% to 11.50%) per annum.

10. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Unaudited Audited
----- (Rupees) ------

	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	No of 9	hares	R	upees
Ordinary shares of Rs. 10/-fully paid in cash	114,355,939	113,384,660	1,143,559,390	1,133,846,600
Ordinary shares of Rs. 10/- each fully paid up as bonus shares	23,683,723	11,221,354	236,837,230	112,213,540
Ordinary shares of Rs. 10/-	138,039,662	124,606,014	1,380,396,620	1,246,060,140
Reconciliation of issued, subscribed an	nd paid-up share c	apital:		
Balance as at 1st January	124,606,014	123,520,299	1,246,060,140	1,235,202,990
Stock options exercised	971,279	1,085,715	9,712,790	10,857,150
Bonus shares issued	12,462,369	-	124,623,690	
Balance as at 30 June / 31 December	138,039,662	124,606,014	1,380,396,620	1,246,060,140

11. Short Term Borrowings

10.1

MCB Bank Limited	11.1	650,000,000	550,000,000
Habib Metropolitan Bank Limited	11.2	1,400,000,000	700,000,000
National Bank of Pakistan	11.3	39,000,000	39,000,000
Meezan Bank Limited	11.4	155,000,000	160,000,000
		2,244,000,000	1,449,000,000

- This represents export re-finance (ERF) availed against aggregate sanctioned limit of Rs. 800 (31 December 2020: Rs. 800) million. The rate of mark up is SBP rate plus 0.5% (31 December 2020: SBP rate plus 0.5%) per annum. These borrowings are secured against Rs. 97.5 million cash margin, 1st pari passu of Rs. 1,327.66 million over the current assets and Rs. 1,066.67 million hypothecation and equitable mortgage charge over property and equipment of the Holding Company.
- 11.2 This represents export re-finance (ERF) availed against aggregate sanctioned limit of Rs. 1,400 (31 December 2020: Rs. 700) million. The rate of mark up is SBP rate plus 0.5% (31 December 2020: SBP rate plus 1%). These borrowings are secured against Rs. 2,150 million pari passu hypothecation charge over current assets and Rs. 305.99 million equitable mortgage over 153.59 marla of the Holding Company's land.
- 11.3 This represents running finance (RF) facility availed from National Bank of Pakistan (NBP) against aggregate sanctioned limit of Rs. 40 million. This carries mark up i-e 3-month KIBOR plus 2.5%. These borrowings are secured against exclusive first charge of Rs.134 million over current assets (including receivables) and fixed assets of the Group, cross-corporate guarantee of the Group.
- 11.4 This represents mubaraha facility availed from Meezan Bank Limited (MBL) against aggregate sanctioned limit of Rs. 200 million. This carries mark up i-e respective 1-month KIBOR. These borrowings are secured against 110% cash collateral in shape of lien over foreign currency account of Group.

12. OPERATING SEGMENT INFORMATION

Geographical segments

For management purposes, the Group is organized into business units based on their geographical areas and has four reportable operating segments as follows:

North America Europe Middle East

Pakistan

No other operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its operating segments separately for the purpose of performance assessment Segment performance is evaluated based on profit or loss.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

	North America	merica	Europe	adc .	Middle East	East	Pakistan	tan	Total	al
	Un-audited	dited	Un-audited	dited	Un-audited	dited	Un-audited	lited	Un-audited	dited
	Six months ended	s ended	Six months ended	ns ended	Six months ended	s ended	Six months ended	s ended	Six months ended	s ended
	2021	2020	2021	2020	1202	2020	1202	2020	2021	2020
					Rupees	Dees				
Revenue - net	2,828,930,612	1,901,489,749	488,806,166	446,304,271	1,967,914,359	1,276,216,576	1,262,419,653	935,360,049	6,548,070,790	4,559,370,645
Cost of sales	1,719,834,781	1,111,716,776	306,213,395	262,573,237	1,350,732,496	1,029,619,891	926,801,158	727,090,165	4,303,581,830	3,131,000,069
Gross profit	1,109,095,831	789,772,973	182,592,771	183,731,034	617,181,864	246,596,685	335,618,495	208,269,883	2,244,488,960	1,428,370,576
Distribution expenses	8,494,499	7,006,601	1,467,750	1,644,540	53,472,056	4,679,819	147,855,938	92,263,878	211,290,243	105,594,843
Administrative expenses	253,366,755	170,762,335	43,778,816	40,080,132	145,134,125	141,997,902	70,610,143	61,010,214	512,889,839	413,850,583
	261,861,254	177,768,936	45,246,566	41,724,672	198,606,182	146,677,721	218,466,081	153,274,091	724,180,083	519,445,426
Profit / (loss) before taxation and										
unallocated income and expenses	847,234,577	612,004,037	137,346,205	142,006,362	418,575,682	99,918,964	117,152,414	54,995,792	1,520,308,877	908,925,150
Other operating expenses Other income (excluding exchange gain) Exchange (loss) / gain Finance cost Profit before taxation Taxation Profit after taxation	П						П		12,130,739 116,708,600 (41,670,694) (48,590,288) 1,558,887,234 (44,184,459) 1,514,702,775	(28,977,770) 67,603,991 168,129,097 (24,279,452) 1,091,401,016 (23,737,17) 1,067,663,846

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There is no significant change in the contingencies since the date of preceding published annual financial statements.

13.2 Commitments:

Guarantees issued by the financial institutions on behalf of the Group amount to Rs. 258.56 million (2020: Rs. 251.90 million). This includes guarantees of Rs. 2.72 (2020: 2.72) million given on behalf of Joint Operation.

14. Other Income	
Income from financial assets:	
Profit on deposit accounts 14,721,209	15,231,555
Gain on short term investments 92,529,622	51,014,416
Exchange loss (41,670,694) 16	58,129,097
65,580,137 23	4,375,068
Income from non-financial assets:	
Gain on disposal of property & equipment 9,127,250	1,202,591
Others 330,519	155,429
9,457,769	1,358,020
75,037,906 23	5,733,088

	Six Montl	ns Ended	I hree Mont	ns Ended
. EARNINGS PER SHARE	30 June		30 June	
	2021 Un-audited	2020 Un-audited	2021 Un-audited	2020 Un-audited
Basic earnings per share		(Restated)		(Restated)
Profit for the period attributable to equity holder of parent	1,556,726,625	1,079,608,688	938,992,565	546,997,871
Weighted average number of ordinary shares in issue during the period	137,278,308	136,325,375	137,473,788	136,752,081
Basic - in Rupees	11.34	7.92	6.83	4.00
Diluted earnings per share				
Profit for the period attributable to equity holder of parent	1,556,726,625	1,079,608,688	938,992,565	546,997,871
Weighted-average number of ordinary shares (basic) Effect of share options	137,278,308 1,563,491 138,841,799	136,325,375 870,712 137,196,087	137,473,788 1,136,653 138,610,441	136,752,081 793,268 137,545,349
Diluted - in Rupees	11.21	7.87	6.77	3.98

16. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, staff retirement fund, directors, key management personnel and also close members of the family of all the aforementioned related parties. The holding company in normal course of business carries out transactions with related parties. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

Undertaking	Relation	Nature of transactions	Six Mont	idited :hs Ended June
			2021	2020
			Rup	oees
Visionet Systems Incorporation -	Common	Sales Reimbursement of	2,782,515,001	1,859,613,253
USA	Directorship	expenses	(7,953,600)	1,706,600

	Undertaking	Relation	Nature of transactions	Six Mo	naudited onths Ended 80 June
				2021	2020 Rupees
					tupees
	Visionet Systems - UK	Associate	Sales	330,120	-
	Visionet Deutschland GMBH - Germany	Associate	Sales	444,745,121	346,662,917
	Techvista Information Technology,	Associate	Sales		
	Qatar	Associate	Reimbursement of Expenses	102,203,146 -	170,775,822 5,780,565
	Staff retirement funds	Associate	Contribution	60,791,456	51,987,331
17.	CASH FLOWS FROM OPERATING	ACTIVITIES			
	Profit before taxation			1,558,887,235	1,091,401,017
	Adjustments of reconcile profit bef Depreciation on property and eq			133,703,202	102,949,554
	Amortization of intangible asset	•		11.160.893	14,223,664
	Allowance for expected credit lo			(12,130,739)	28,977,770
	Share based payment expense			44,308,563	56,633,685
	Finance cost			48,590,288	24,279,452
	Gratuity expense			27,483,210	36,914,639
	Exchange loss / (gain) on transla	ation of export receivables		39,569,429	(168,308,636)
	Gain on disposal of property and	l equipment		(9,127,250)	(1,202,591)
	Gain on short term investments			(92,259,621)	(65,946,731)
	Profit on bank deposits			(14,721,209)	(15,231,555)
				176,576,766	13,289,251
	Profit before working capital char	iges		1,735,464,001	1,104,690,267
	Effect on cash flow due to working	g capital changes			
	(Increase) / decrease in current ass	ets:			
	Contract assets - Net			(41,385,456)	(151,017,206)
	Trade debts			(568,993,409)	(11,694,418)
	Loans and advances			(6,743,222)	21,334,029
	Other receivables			69,330,550	4,265,045
	Trade deposits and short term p	repayments		(476,405,686) (1,024,197,223)	(322,073,938)
	(Decrease) / increase in current liab	ilities:		(1,024,137,223)	(505,001,665)
	Trade and other payables			121,009,931	(31,986,606)
	Contract Liability			(122,327,491)	(57,512,129)
	,			(1,025,514,782)	(548,685,224)
	Net cash flows from operations			709,949,219	556,005,043
	•				

18. FINANCIAL RISK MANAGEMENT

18.1 Financial risk factors

There is no change in the Group's objectives, policies, procedures for measuring and managing the financial risks including capital management risk, since the preceding annual financial year ended 31 December 2020.

18.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date. Accordingly, detailed disclosure with reference to fair value has not been given in this condensed interim financial information.

Fair value hierarchy

18.3

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly

30 June 2021

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

- There were no financial assets and liabilities measured at fair value as at 30 June 2021.
- During the six months period ended 30 June 2021, there were no transfers between Level 1 and Level 2 fair value measurements.
- There were no financial assets and liabilities measured at fair value as at 31 December 2020.

		30 June 2021	
Financial instruments by categories	Financial Assets at fair value through P&L	Financial Assets at amortized cost	Total
		(Rupees)	
Financial assets as per balance sheet			
Long term deposits		48,328,893	48,328,893
Contract assets		684,165,537	684,165,537
Trade debts		2,591,589,949	2,591,589,94
Loans and advances		102,656,546	102,656,54
Security deposits		209,346,250	209,346,250
Interest accrued		4,088,408	4,088,408
Short term investments	2,483,597,405	875,000,000	3,358,597,405
Cash and bank balances	-	2,973,648,401	2,973,648,40
	2,483,597,405	7,488,823,983	9,972,421,388
		31 December 2020	
	Financial Assets at fair	Financial Assets at	
	value through P&L	amortized cost	Total
		(Rupees)	
Circuit and a second second second			
Financial assets as per balance sheet Long term deposits		40.133.162	40.133.162
Contract assets		642.780.081	642,780,08
Trade debts		2,372,716,741	2,372,716,74
Loans and advances		95.913.324	95,913,324
Security deposits		347.689.182	347,689,182
Interest accrued		38,450,000	38,450,000
Other receivables		118,222,637	118,222,637
Short term investments	559,845,556	2,085,000,000	2,644,845,556
Cash and bank balances	-	2,985,104,566	2,985,104,566
	559,845,556	8,726,009,693	9,285,855,249
		30 June 2021	31 December 2020
		Financial I	_iabilities
		at amorti	zed cost
			1
		(Rup	ees)
Financial liabilities as per balance sheet			
Long term loan		126,502,516	198,767,844
Long term loan Lease liabilities		126,502,516 238,468,266	198,767,844 227,393,268
Long term loan Lease liabilities Markup accrued on short term borrowing		126,502,516 238,468,266 14,023,882	198,767,844 227,393,268 9,804,362
Long term loan Lease liabilities		126,502,516 238,468,266	198,767,844 227,393,268

19. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issuance on 25 August 2021 by the Board of Directors of the Group.

20. CORRESPONDING FIGURES

Corresponding figures have been re-arranged or re-classified where necessary for the purpose of comparison, however no significant re-classification or re-arrangements have been made.

21. GENERAL

21.1 Figures have been rounded off to the nearest rupee unless otherwise stated.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

NOTES		





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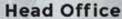
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*Mobile apps are also available for download for android and ios devices





Jama Punji is an Investor Education Initiative of Securites and Exchange Commission of Pakistan



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