

**HALF YEARLY
FINANCIAL
STATEMENTS
31ST DECEMBER 2021**



HAFIZ LIMITED

HAFIZ LIMITED

COMPANY INFORMATON

Board of Directors	:	<i>Muhammad Farooq Usmani</i>	<i>Chairman</i>
	:	<i>Fakhruddin Usmani</i>	<i>CEO & Executive Director</i>
	:	<i>Quamruddin Osmani</i>	<i>Executive Director</i>
	:	<i>Huma Javaid</i>	<i>Independent Director</i>
	:	<i>Kamran Ahmed</i>	<i>Independent Director</i>
	:	<i>Mahmood Wali Muhammad</i>	<i>Non-Executive Director</i>
	:	<i>Muhammad Shazad Fakir</i>	<i>Non-Executive Director</i>

Board of Audit Committee

Chairman : *Mahmood Wali Muhammad*

Members : *Muhammad Farooq Usmani*
Muhammad Shazad Fakir

Board of Human Resource Committee

Chairman : *Huma Javaid*

Members : *Fakhruddin Usmani*
Quamruddin Osmani

Chief Financial Officer : *Muhammad Shahid Siddiqui*

Company Secretary : *Ali Muhammad Usmani*

Bankers : *Habib Metropolitan Bank Ltd.*
HBL Bank Limited
MIB-MCB Islamic Bank Limited
National Bank of Pakistan

Auditors : *MAZARS M.F. & Co.*
Chartered Accountants,
Karachi.

Shares Registrar : *F.D. Registrar Service (SMC-Pvt) Ltd.*
170-5, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road, Karachi-74000

Registered Office : *97, Alliance Building, 2nd Floor,*
Moolji Street, Mereweather Tower,
Karachi-74000.

Mill at : *D-9, S.I.T.E., Karachi.*

Website : *www.hafiztm.com*
htm1951@hotmail.com

MID YEAR REVIEW

The Directors of your company are pleased to present their Half Yearly un-audited Accounts for the half year ended December 31, 2021. The accounts have been reviewed by the auditors of the company M/s. Mazars M.F. & Co., (Chartered Accountants).

The Omicron wave continues to subside globally. Based on vaccination, previous infection, and the current wave of Omicron, we estimate that 57% of the population is immune to Omicron. In our reference scenario, which does not include the emergence of a new variant, we expect transmission, cases, hospitalizations, and deaths to reach low levels in the coming months. Given seasonality, transmission should stay low throughout the summer unless a new, more transmissible variant with immune escape emerges.

We expect countries to continue to relax mandates; these steps should not lead to an increase in transmission given we believe that the declines in cases are likely due to the exhaustion of susceptible individuals in the population. The majority of the Omicron wave has dissipated in Pakistan. Infections and reported cases have significantly decreased in the last month.

Stock market analysts predict the benchmark KSE-100 index will generate an overall return of 25% in 2022 on the back of sustainable economic growth. Analysts also expect the Pakistani stock market to regain its previous status of best performing market, which it had achieved in 2016-17, and give higher returns next year. In the textile segment, it projected continuous growth in export orders amid government incentives for export-oriented sectors and expected margins to remain upbeat.

The Board would like to thank all of their stakeholders, employees, shareholders, bankers and any others for their support and loyalty. Such support is required to not only meet normal commercial challenges but also those posed by security issues and tough economic conditions.

We continue to pray to Allah for the success of your Company and for the benefit of all stakeholders, and the country in general.

FOR AND ON BEHALF OF THE BOARD



Muhammad Farooq Usmani
Chairman



Fakhruddin Usmani
CEO

Karachi:
24th February, 2022

وسط سال کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2021 کو ختم ہونے والے نصف سال کے لئے اپنے نصف سالانہ غیر آڈٹ شدہ اکاؤنٹس پیش کرتے ہوئے خوش ہیں۔ ان اکاؤنٹس کا جائزہ کمپنی میسرز مزارزاہم ایف کمپنی (چارٹرڈ اکاؤنٹنٹس) کے آڈیٹرز نے لیا ہے۔

اومانیکرون لہر عالمی سطح پر کم ہو رہی ہے۔ ویکسینیشن، سائبر انفیکشن اور اومانیکرون کی موجودہ لہر کی بنیاد پر ہمارا اندازہ ہے کہ 57 فیصد آبادی اومانیکرون سے محفوظ ہے۔ ہمارے حوالہ منظر نامے میں، جس میں ایک نئی شکل کا ظہور شامل نہیں ہے، ہم توقع کرتے ہیں کہ آنے والے مہینوں میں ٹرانسمیشن، کیسز، اسپتالوں میں داخل ہونے اور اموات کم سطح تک پہنچ جائیں گی۔ موسمیّت کو دیکھتے ہوئے، ٹرانسمیشن کو پورے موسم گرما میں کم رہنا چاہئے جب تک کہ مدافعتی فرار کے ساتھ ایک نیا، زیادہ قابل قبول قسم سامنے نہ آئے۔


ہم توقع کرتے ہیں کہ ممالک مینڈیٹ میں نرمی جاری رکھیں گے، ان اقدامات سے ٹرانسمیشن میں اضافہ نہیں ہونا چاہئے کیونکہ ہم سمجھتے ہیں کہ آبادی میں حساس افراد کی تھکاوٹ کی وجہ سے معاملات میں کمی کا امکان ہے۔ اومانیکرون لہر کی اکثریت پاکستان میں ختم ہو چکی ہے۔ پچھلے مہینے میں انفیکشن اور رپورٹ کردہ کیسز میں نمایاں کمی آئی ہے۔

اسٹاک مارکیٹ کے تجزیہ کاروں نے پیش گوئی کی ہے کہ شیخ مارک کے ایس ای 100 انڈیکس پائیدار معاشی ترقی کی وجہ سے 2022 میں مجموعی طور پر 25 فیصد کا منافع پیدا کرے گا۔ تجزیہ کاروں کو یہ بھی توقع ہے کہ پاکستانی اسٹاک مارکیٹ بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ کی اپنی سابقہ حیثیت دوبارہ حاصل کر لے گی جو اس نے 2016-17 میں حاصل کی تھی اور اگلے سال زیادہ منافع دے گی۔ ٹیکسٹائل سیکٹر میں اس نے برآمدی شعبوں کے لئے حکومتی مراعات کے درمیان برآمدی آرڈرز میں مسلسل اضافے کا امکان ظاہر کیا ہے اور توقع ہے کہ مارجن حوصلہ افزا رہے گا۔

بورڈ اپنے تمام اسٹیک ہولڈرز، ملازمین، شیئرز ہولڈرز، بینکاروں اور کسی بھی دوسرے کا ان کی حمایت اور وفاداری پر شکریہ ادا کرنا چاہتا ہے۔ اس طرح کی حمایت نہ صرف عام تجارتی چیلنجوں بلکہ سلامتی کے مسائل اور سخت معاشی حالات سے پیدا ہونے والے چیلنجوں سے نمٹنے کے لئے بھی درکار ہے۔

ہم آپ کی کمپنی کی کامیابی اور تمام اسٹیک ہولڈرز اور عمومی طور پر ملک کے فائدے کے لئے اللہ سے دعا کرتے رہتے ہیں۔

منجانب اور برائے بورڈ


فخر الدین عثمانی
چیف ایگزیکٹو آفیسر


محمد فاروق عثمانی
چیئرمین

کراچی: 24 فروری 2022.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Hafiz Limited Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim balance sheet of Hafiz Limited (the "Company") as at December 31, 2021 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figure of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial statements is 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 Urooj Nesar.

Mazars M.F & Co.
Chartered Accountants

Place: Karachi
Date: 24th February, 2022.

HAFIZ LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2021

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
ASSETS	Note	----- Rupees -----	
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,179,649	6,453,319
Investment property	6	507,396,100	498,541,808
Long term investments		1	1
		513,575,750	504,995,128
CURRENT ASSETS			
Short term investments	7	14,868,490	24,424,070
Trade deposits and advances		2,072,834	1,477,872
Taxation - net		2,579,596	2,097,176
Bank balances - current account		3,682,004	5,989,752
		23,202,925	33,988,870
Net assets in Bangladesh		1	1
TOTAL ASSETS		536,778,676	538,983,999
EQUITY AND LIABILITIES			
Authorized Capital:			
2,000,000 (June 30, 2021: 2,000,000)			
Ordinary Shares of Rs. 10/- each		20,000,000	20,000,000
Issued, subscribed and paid up capital:			
1,200,000 (June 30, 2021: 1,200,000)			
Ordinary Shares of Rs. 10/- each		12,000,000	12,000,000
Reserves		509,531,533	514,934,109
		521,531,533	526,934,109
NON-CURRENT LIABILITY			
Deferred liability - Gratuity		374,175	360,473
CURRENT LIABILITIES			
Trade and other payables	8	10,593,655	7,807,830
Unclaimed dividend		4,279,314	3,881,587
		14,872,969	11,689,417
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		536,778,676	538,983,999

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

Karachi
24th Feb., 2022.


Muhammad Shahid Siddiqui
CFO


Fakhruddin Usmani
CEO


Quamruddin Osmani
Director

HAFIZ LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

Note	For the quarter ended		For the half year ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	----- Rupees -----			
Rental income	5,962,870	5,473,191	12,247,102	9,818,831
Administrative expenses	10 2,794,824	1,621,639	5,348,980	3,474,130
Financial charges	11,414	10,566	11,762	11,367
	2,806,238	1,632,205	5,360,742	3,485,497
Other operating (expenses) / income	11 (1,645,835)	1,470,690	(7,262,534)	3,048,835
(Loss) / profit before taxation	1,510,797	5,311,676	(376,174)	9,382,169
Taxation	12 (1,386,905)	(1,076,740)	(2,626,402)	(1,928,926)
Net (Loss) / profit after taxation	123,892	4,234,936	(3,002,576)	7,453,243
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	123,892	4,234,936	(3,002,576)	7,453,243
Earnings per share - Basic and diluted	0.10	3.53	(2.50)	6.21

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

Karachi
24th Feb., 2022.


Muhammad Shahid Siddiqui
CFO


Fakhruddin Usmani
CEO


Qamruddin Osmani
Director

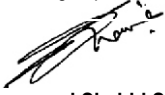
HAFIZ LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	December 31, 2021	December 31, 2020
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(376,174)	9,382,169
Adjustments for:		
Depreciation	455,690	330,281
Unrealized loss on short term investments - quoted shares	8,013,308	-
Realized loss on short term investments - quoted shares	76,263	-
Dividend income	(291,600)	-
Liabilities no longer payable written back	(535,436)	-
Provision for gratuity	13,702	4,873
Financial charges	11,762	11,367
	7,743,688	346,521
Operating profit before working capital changes	7,367,514	9,728,690
(Increase) / decrease in current assets		
Trade deposits and advances	(594,962)	-
	(594,962)	-
Increase / (decrease) in current liabilities		
Trade and other payable	2,785,825	(229,741)
	2,785,825	(229,741)
Cash generated from operations	9,558,377	9,498,949
Payment for:		
Taxes	(2,312,933)	(1,182,669)
Financial charges	(11,762)	(11,367)
Net cash generated from operating activities	7,233,682	8,304,913
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(182,020)	(2,211,100)
Purchase of short term investment - quoted shares	(2,355,791)	(5,799,585)
Proceeds from sale of short term investment - quoted shares	3,561,347	-
Addition to investment property	(8,854,292)	-
Dividend received	291,600	-
Net cash used in investing activities	(7,539,156)	(8,010,685)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,002,273)	(1,951,625)
Net cash used in financing activities	(2,002,273)	(1,951,625)
Net increase in bank balances	(2,307,748)	(1,657,397)
Bank balances at beginning of the period	5,989,752	7,647,149
Bank balances at end of the period	3,682,004	5,989,752

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

Karachi
24th Feb., 2022.


Muhammad Shahid Siddiqui
CFO


Fakhruddin Usmani
CEO


Quamruddin Osmani
Director

HAFIZ LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Share Capital	Unappropriated Profit	Interest free loan from Directors	Fair value reserve for investment property	Unrealized gain / (loss) on remeasurement of FVOCI investments	Total Reserves	Total Equity
----- Rupees -----							
Balance as at July 01, 2020	12,000,000	55,951,915	56,634,905	371,752,394	(342,401)	483,996,813	495,996,813
Total comprehensive income for the period	-	7,453,243	-	-	1,662,879	9,116,122	9,116,122
Final dividend for the year ended June 30, 2020 @ Rs.2/- per share i.e. 20%.	-	(2,400,000)	-	-	-	(2,400,000)	(2,400,000)
Balance as at December 31, 2020	<u>12,000,000</u>	<u>61,005,158</u>	<u>56,634,905</u>	<u>371,752,394</u>	<u>1,320,478</u>	<u>490,712,935</u>	<u>502,712,935</u>
Balance as at July 01, 2021	12,000,000	86,889,211	56,634,905	371,752,394	(342,401)	514,934,109	526,934,109
Total comprehensive income for the period	-	(3,002,576)	-	-	-	(3,002,576)	(3,002,576)
Final dividend for the year ended June 30, 2021 @ Rs. 2/- per share i.e. 20%	-	(2,400,000)	-	-	-	(2,400,000)	(2,400,000)
Balance as at December 31, 2021	<u>12,000,000</u>	<u>81,486,635</u>	<u>56,634,905</u>	<u>371,752,394</u>	<u>(342,401)</u>	<u>509,531,533</u>	<u>521,531,533</u>

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

Karachi
24th Feb., 2022.


Muhammad Shahid Siddiqui
CFO


Fakhruddin Usmani
CEO


Quamruddin Osmani
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1 STATUS AND NATURE OF BUSINESS

Hafiz Limited ("the Company") is a Public Limited Company incorporated in 1951 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi. Previously the principal activity of the Company was to deal in spinning of textile fibers and now the principal activity of the Company is to earn rentals on investment properties.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standards (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified by the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION

3.1 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. These condensed interim financial statements are unaudited, however have been subject to limited scope review by the auditors, and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

3.2 The figures of the condensed interim statement of profit or loss and comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2021 and December 31, 2020.

3.3 Accounting estimates and judgments

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

During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the annual audited financial statements of the Company for the year ended June 30, 2021.

3.4 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency.

4 SIGNIFICANT ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these half yearly condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2021 except as disclosed below:

New/Revised standards, amendments, interpretation and improvements

The Company has adopted the following amendments to International Financial Reporting Standards IFRSs and Framework for financial reporting which became effective for the current period:

Standards, amendments and interpretation

IFRS 9/IAS 39/IFRS 7/IFRS 16/IFRS 4 - Interest Rate Benchmark Reform Phase 2 (Amendments); and IFRS 16 - Covid-19 Related Rent Concessions beyond June 30, 2021 (Amendments)

The adoption of above amendments did not have any material impact on the condensed interim financial statements of the Company.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

HAFIZ LIMITED

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
		-----Rupees-----	
5	PROPERTY, PLANT AND EQUIPMENT	Note	
	Operating fixed assets	5.1	
		<u>6,179,649</u>	<u>6,453,319</u>
5.1	Movement in operating fixed assets:		
	Opening - at net book value	6,453,319	4,894,106
	Add: Additions during the period	182,020	2,585,649
	Less: Depreciation charged during the period	<u>(455,690)</u>	<u>(1,026,436)</u>
	Closing - at net book value	<u>6,179,649</u>	<u>6,453,319</u>
6	INVESTMENT PROPERTY		
	Capital work in progress	6.1	
	Investment property	<u>11,068,197</u>	<u>2,213,905</u>
		<u>496,327,903</u>	<u>496,327,903</u>
		<u>507,396,100</u>	<u>498,541,808</u>
6.1	Capital work in progress		
	Opening balance	2,213,905	-
	Add: Additions during the period	6.1.1 <u>8,854,292</u>	<u>2,213,905</u>
	Closing balance	<u>11,068,197</u>	<u>2,213,905</u>
6.1.1	Represents further payments made in respect of land in the area of K-28, Phase II, Block A, Trans Lyari Quarters, Hawksbay Road, District Maripur, Karachi.		
		(Un-audited) December 31, 2021	(Audited) June 30, 2021
		-----Rupees-----	
7	SHORT-TERM INVESTMENTS	Note	
	Quoted - at fair value through profit or loss		
	Amtex Limited		
	25,000 (2021: 25,000) ordinary shares of Rs. 10/- each	14,000	14,000
	Arif Habib Corporation Limited		
	10,000 (2021: 25,000) ordinary shares of Rs. 10/- each	400,300	1,045,305
	Aisha Steels Mill Limited		
	25,000 (2021: 15,000) ordinary shares of Rs. 10/- each	608,474	370,821
	Azgard Nine Limited		
	10,000 (2021: Nil) ordinary shares of Rs. 10/- each	125,573	-
	Cnergyco Pk Limited, Formerly Byco Petroleum Pakistan Limited		
	130,000 (2021: 130,000) ordinary shares of Rs. 10/- each	1,509,300	1,314,437
	Colony Textile Mills Limited		
	40,000 (2021: 95,500) ordinary shares of Rs. 10/- each	295,200	450,097
	Chakwal Spinning Mills Limited		
	50,000 (2021: Nil) ordinary shares of Rs. 10/- each	187,528	-
	Arif Habib Dolmen REIT Management Limited		
	Nil (2021: 20,000) ordinary shares of Rs. 10/- each	-	226,462
	Dewan Farooque Spinning Mills Limited		
	Nil (2021: 25,000) ordinary shares of Rs. 10/- each	-	79,513
	Dost Steels Limited		
	10,000 (2021: 10,000) ordinary shares of Rs. 10/- each	49,800	64,607
	Engro Powergen Qadirpur Limited		
	30,000 (2021: 30,000) ordinary shares of Rs. 10/- each	642,000	694,138
	Fauji Foods Limited		
	2,000 (2021: 10,000) ordinary shares of Rs. 10/- each	36,120	170,511
	Ghazi Fabrics International Limited		
	20,000 (2021: 20,000) ordinary shares of Rs. 10/- each	185,000	239,892
	Hira Textile Mills Limited		
	60,000 (2021: 60,000) ordinary shares of Rs. 10/- each	244,800	284,905
	AGP Limited		
	5,000 (2021: Nil) ordinary shares of Rs. 10/- each	73,262	-
	K-Electric Limited		
	425,000 (2021: 425,000) ordinary shares of Rs. 10/- each	1,776,500	1,741,005
	Lalpir Power Limited		
	20,000 (2021: 20,000) ordinary shares of Rs. 10/- each	357,200	382,024
	Maple leaf Cement Factory Limited		
	5,000 (2021: 10,000) ordinary shares of Rs. 10/- each	234,900	468,471

HAFIZ LIMITED

7	SHORT-TERM INVESTMENTS - (Continued)		(Un-audited) December 31, 2021	(Audited) June 30, 2021
	Quoted - at fair value through profit or loss			
	Nishat Chunian Power Limited	Note	-----Rupees-----	-
	20,000 (2021: 20,000) ordinary shares of Rs. 10/- each		300,400	363,024
	Nishat Power Limited			
	10,000 (2021: 10,000) ordinary shares of Rs. 10/- each		196,500	203,562
	Pakistan International Bulk Terminal Limited			-
	10,000 (2021: 10,000) ordinary shares of Rs. 10/- each		113,800	131,999
	Power Cement Limited			-
	490,000 (2021: 490,000) ordinary shares of Rs. 10/- each		4,708,900	4,714,424
	Pak Suzuki Motor Company Limited			
	2,000 (2021: 2,000) ordinary shares of Rs. 10/- each		710,880	723,224
	Pakistan State Oil Company Limited			
	1,000 (2021: Nil) ordinary shares of Rs. 10/- each		192,810	-
	Pakistan Stock Exchange Limited			
	2,000 (2021: 10,000) ordinary shares of Rs. 10/- each		44,620	172,511
	Pakistan Telecommunication Company Limited			
	55,000 (2021: 55,000) ordinary shares of Rs. 10/- each		651,200	625,136
	Sindh Modaraba Limited			
	34,500 (2021: 35,000) ordinary shares of Rs. 10/- each		303,600	330,670
	Telecard Limited			
	Nil (2020: 25,000) ordinary shares of Rs. 10/- each		-	351,374
	Worldcall Telecom Limited			
	2,235,000 (2021: 2,245,000) ordinary shares of Rs. 10/- each		8,835,131	4,454,904
	Zepher Textiles Limited			
	6,000 (2021: 10,500) ordinary shares of Rs. 10/- each		84,000	147,646

Changes in Fair Value

8 TRADE AND OTHER PAYABLE

Accrued liabilities	4,212,494	2,069,125
Security deposits	4,051,800	4,338,152
Advance from tenant	1,834,946	906,138
War risk insurance premium	494,415	494,415
	<u>10,593,655</u>	<u>7,807,830</u>

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There is no significant change in the status of contingencies as disclosed in note 17.1 to the annual audited financial statements of the Company for the year ended June 30, 2021.

9.2 Commitments

There were no commitments outstanding as at December 31, 2021 (June 30, 2021: Nil).

10	ADMINISTRATIVE EXPENSES	Note	(Un-audited) December 31, 2021	(Un-audited) December 31, 2020
			-----Rupees-----	
	Directors' remuneration		1,650,000	473,925
	Salaries and benefits		397,702	202,873
	Utilities		801,618	746,088
	Postage, telegram and telephone		154,942	94,747
	Printing and stationery		45,105	81,407
	Vehicle running expense		128,529	169,623
	Legal and professional		170,395	108,010
	Auditors' remuneration		355,000	130,700
	Fees and subscription		285,336	275,766
	Rent, rates and taxes		376,203	277,201
	Repairs and maintenance		168,298	288,673
	Depreciation		455,690	330,281
	Entertainment		150,037	210,406
	Advertisement		131,125	40,000
	Travelling expenses		79,000	44,430
			<u>5,348,980</u>	<u>3,474,130</u>

HAFIZ LIMITED

	Note	(Un-audited) December 31, 2021	(Un-audited) December 31, 2020
11 OTHER OPERATING EXPENSES / INCOME		-----Rupees-----	
- Dividends		291,600	79,250
- (Loss) / gain on sale of short term investments		(76,263)	1,419,714
- (Loss) / gain on revaluation of investments		(8,013,308)	1,549,871
- Liabilities no longer payable written back		535,436	-
		<u>(7,262,534)</u>	<u>3,048,835</u>
12 TAXATION			
Current		2,626,402	2,310,127
Prior		-	(381,201)
		<u>2,626,402</u>	<u>1,928,926</u>

12.1 Deferred tax asset amounting to Rs. 16.484 million (June 2021: Rs. 15.678 million) mainly arising on unused tax losses has not been recognized in these condensed interim financial statements in accordance with the Company's accounting policy.

13 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual audited unconsolidated financial statements for the year ended June 30, 2021. There have been no change in any risk management policies since the year end.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement dates. The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. The Company analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

As at December 31, 2021, all of the Company's financial instruments are carried at fair value using level 1 technique (quoted price).

14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, directors and key management personnel of the Company.

Details of transactions with related parties during the period other than those disclosed elsewhere in the financial statements are as follows:

Name of the related party and relationship with the Company	Nature of Transactions	(Un-audited) December 31, 2021	(Un-audited) December 31, 2020
		-----Rupees-----	
Chief Executive	Managerial remuneration	585,000	150,000
	Utilities	315,000	87,500
Director	Managerial remuneration	487,500	90,000
	Utilities	262,500	146,425
Retirement benefit fund			
Gratuity	Charge for the period	13,702	4,873

15 AUTHORIZATION

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in a meeting held on 24th February, 2022.

16 GENERAL

Figures have been rounded off of the nearest rupee.


Muhammad Shahid Siddiqui
CFO


Fakhruddin Usmani
CEO


Quamruddin Osmani
Director

Karachi
24th Feb., 2022.

SHAREHOLDERS IMPORTANT NOTICES

1. Submission of copies of CNIC (MANDATORY)

Pursuant to the directive of the Securities & Exchange Commission of Pakistan Circular No.EMD/D-II/Misc/2009-1342 dated April 4, 2013, CNIC numbers of shareholders are mandatorily required to be mentioned on dividend warrants. Shareholders are, therefore, requested to submit a copy of their CNIC (if not already provided) to the Company's Share Registrar, M/s.F.D. Registrar Services (SMC-Pvt.) Ltd. 1705, 17th floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000.

2. Notice for unclaimed shares / Dividends

Pursuant to the requirement of Section 244 of the Companies Act, 2017 (the "Act"), now all companies are required to surrender physical shares/dividends which remain unclaimed or unpaid for over three years, as on May 30, 2014, to the Federal Government.

As per Company's record, there are some outstanding / physical shares/ dividends in respect of your above mentioned folio/account.

You are hereby requested to immediately lodge your claim to our share Registrar: M/s F.D. Registrar Services (SMC-Pvt.) Ltd. 1705, 17th Floor, Saima Trade Tower 'A' I. I. Chundrigar Road, Karachi or our registered office:Hafiz Limited 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi, along with relevant documents in support of your claim under a duly signed letter (in accordance with specimen signature recorded with the Company):

Please note that if the Company does not receive a claim from you within the aforesaid time period, then the Company shall proceed to deposit unclaimed physical shares / dividends in its possession, with the Federal Government pursuant to the provisions of sub section (2) of section 244 of the Act.

3. E-Dividend Mandate (Mandatory)

Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form and send it duly signed along with a copy of CNIC to the Registrar of the Company **M/s .F.D. Registrar Services (SMC-Pvt.) Ltd.** 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000, in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.

HAFIZ LIMITED

97 Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi-74000.

NOTICE OF MANDATORY PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

Bank Account Details of Transfer for Cash Dividend

(Mandatory to provide)

1) Shareholder's Detail	
Name of Company	
Name of shareholder	
Folio No. /CDC Participants ID A/c No.	
CNIC No*	
Passport No (in case of foreign shareholder)**	
Land Line Phone Number	
Cell Number / Whatsapp No.	
Email Address	

2) Shareholder's Bank Detail	
Title of Bank Account	
Bank Account Number (16 Digit) IBAN	
Bank's Name	
Branch Name and Address	

1. It is stated that the above-mentioned information is correct, that I will intimate the changes in the above mentioned information to the above addresses as soon as these occur.

(Signature of shareholder)

KINDLY NOTE: COMPANY MAY WITHHOLD THE PAYMENT OF DIVIDEND OF A MEMBER WHERE THE MEMBER HAS NOT PROVIDED THE COMPLETE INFORMATION OR DOCUMENTS AS SPECIFIED.

For any query, you may please contact us Tel # 02132440371 or email us at htm1951@hotmail.com

Thanking you.

Ali Muhammad Usmani
(Company Secretary)

Note: This is a computer generated letter and does not require signature.

*Please attach attested photocopy of CNIC

**Please attach attested photocopy of the Passport

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered please return to:

HAFIZ LIMITED

97, Alliance Building, Moolji Street, Mereweather Tower, Karachi-74000