

***HALF YEARLY
FINANCIAL
STATEMENTS
31ST DECEMBER, 2022.***



HAFIZ LIMITED

Company Information

Board of Directors	: Muhammad Farooq Usmani	Chairman & Director
	: Fakhruddin Usmani	CEO & Executive Director
	: Quamruddin Usmani	Executive Director
	: Mahmood Wali Muhammad	Non-Executive Director
	: Huma Javaid	Independent Director
	: Kamran Ahmed	Independent Director
	: Muhammad Shahzad Fakir	Non-Executive Director

Board of Audit Committee

Chairman	: Kamran Ahmed
Members	: Muhammad Farooq Usmani Mahmood Wali Muhammad
Chief Financial Officer	: Muhammad Shahid Siddiqui
Company Secretary	: Ali Muhamamd Usmani
Bankers	: Habib Metropolitan Bank Ltd. : HBL Bank Limited : MIB Bank Limited : National Bank of Pakistan

Auditors	: MAZARS M.F. & Co. Chartered Accountants, Karachi.
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Shares Registrar	: F.D. Registrar Services (Pvt.) Ltd. 170-5, 17th Floor, Saima Trade Tower-A I.I. Chundrigar Road, Karachi - 74000.
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Registered Office	: 97, Alliance Building, 2 nd Floor, Moolji Street, Mereweather Tower, Karachi-74000.
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Mill at	: D-9, S.I.T.E., Karachi.
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Webside	: www.hafiztm.com
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Email	: htm1951@hotmail.com
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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, 2022. The accounts have been reviewed by the auditors of the company M/s. Mazars M.F. & Co., (Chartered Accountants).

The major victims of the economic recession in 2022 were the textile industry and its allied sectors; agriculture, import material-based industries and automobiles. Businessmen termed 2022 the worst performing year for Pakistan's economy. The country's currency dropped Rs.49.31 against the US dollar and the interest rate rose to 16%, which is the highest since 1998-1999. In addition, inflation is in the double digits while the consumer price index (CPI) is currently hovering around 25%. In the first five months of FY 2023, the average Sensitive Price Index (SPI) stands at around 28%.

Structural inflation and devaluation pose their own set of challenges for the government. We cannot afford the free floating (exchange rate) policy as we are not that big an economy. We need a bailout to strengthen our rupee which is a key factor in kicking off economic activity in the country. In the case of Pakistan, complacency, long-standing structural weaknesses and political gridlock have exacerbated the economic crisis.

The only way forward for 2023 is to cut down on non-essential imports and reliance on oil, increase energy conservation and sell strategic stakes in profitable state-owned enterprises to raise foreign exchange. greater incentives will have to be created for increased production of essential food items and productivity in the manufacturing sector.

The Board would like to thank all of their stakeholders, employees, shareholders, bankers and any others for their support and loyalty. 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, 2023.

وسط سال کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر، 2022 کو ختم ہونے والے نصف سال کے لئے اپنے ششماہی غیر آڈٹ شدہ اکاؤنٹس پیش کرنے پر خوش ہیں۔ ان اکاؤنٹس کا جائزہ کمپنی میسرز مزارز ایم ایف اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کے آڈیٹرز نے لیا ہے۔

2022 میں معاشی کساد کاسب سے بڑا شکار ٹیکسٹائل کی صنعت اور اس سے وابستہ شعبے تھے۔ زراعت، درآمدی مواد پر مبنی صنعتیں اور آٹوموبائل۔ تاجروں نے 2022 کو پاکستان کی معیشت کے لیے بدترین کارکردگی کا سال قرار دیا۔ امریکی ڈالر کے مقابلے میں ملکی کرنسی کی قدر میں 49.31 روپے کی کمی ہوئی اور شرح سود بڑھ کر 16 فیصد ہو گئی جو 1998-1999 کے بعد سے بلند ترین سطح ہے۔ اس کے علاوہ افراط زر دو ہندسوں میں ہے جبکہ کنزیومر پرائس انڈیکس (سی پی آئی) فی الحال 25 فیصد کے آس پاس منڈلار ہے۔ مالی سال 2023 کے پہلے پانچ ماہ میں اوسط حساس قیمت انڈیکس (ایس پی آئی) تقریباً 28 فیصد رہا۔

ساختی افراط زر اور بے قدری حکومت کے لئے اپنے چیلنجز کا ایک مجموعہ ہے۔ ہم فری فلوشنگ (ایکسچینج ریٹ) پالیسی کے متحمل نہیں ہو سکتے کیونکہ ہم اتنی بڑی معیشت نہیں ہیں۔ ہمیں اپنے روپے کو مضبوط کرنے کے لئے بیل آؤٹ کی ضرورت ہے جو ملک میں معاشی سرگرمیوں کو شروع کرنے میں ایک اہم عنصر ہے۔ جہاں تک پاکستان کا تعلق ہے تو لاپرواہی، دیرینہ ڈھانچہ جاتی کمزوریوں اور سیاسی بحران نے معاشی بحران کو مزید بڑھا دیا ہے۔

2023 کے لئے آگے بڑھنے کا واحد راستہ غیر ضروری درآمدات اور تیل پر انحصار کو کم کرنا، توانائی کے تحفظ میں اضافہ کرنا اور غیر ملکی زر مبادلہ جمع کرنے کے لئے منافع بخش سرکاری ملکیت کے کاروباری اداروں میں اسٹریٹجک حصص فروخت کرنا ہے۔ ضروری اشیائے خورد و نوش کی پیداوار میں اضافے اور مینوفیکچرنگ سیکٹر میں پیداواری صلاحیت بڑھانے کے لئے زیادہ سے زیادہ مراعات پیدا کرنا ہوں گی۔

بورڈ اپنے تمام اسٹیک ہولڈرز، ملازمین، شیئرز ہولڈرز، بینکرز اور کسی بھی دوسرے شخص کی حمایت اور وفاداری کے لئے ان کا شکریہ ادا کرنا چاہتا 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۔

بورڈ کے لئے اور اس کی طرف سے



محمد فاروق عثمانی

چیئرمین



فخر الدین عثمانی

سی ای او

کراچی:

24 فروری 23

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, 2022 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.

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 Muhammad Saqlain Siddiqui.

Mazars M.F & Co.
Chartered Accountants

Place: Karachi

Date: 24th February, 2023.

**CONDENSED INTERIM STATEMENT OF FINANCIAL
POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2022**

	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
ASSETS			
----- Rupees -----			
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,749,139	7,203,960
Investment property	6	530,308,367	522,463,352
Long term investments		1	1
		537,057,507	529,667,313
CURRENT ASSETS			
Short term investments	7	10,535,592	12,211,510
Trade deposits and advances		615,315	736,922
Taxation - net		5,144,840	4,256,637
Bank balances - current account		7,754,324	7,515,858
		24,050,071	24,720,927
Net assets in Bangladesh		1	1
TOTAL ASSETS		561,107,579	554,388,241
EQUITY AND LIABILITIES			
Authorized Capital:			
2,000,000 (June 30, 2022: 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, 2022: 1,200,000) Ordinary Shares of Rs. 10/- each		12,000,000	12,000,000
Reserves		525,642,328	524,353,934
		537,642,328	536,353,934
NON-CURRENT LIABILITY			
Deferred liability - Gratuity		798,589	750,250
CURRENT LIABILITIES			
Trade and other payables	8	17,992,489	13,004,743
Unclaimed dividend		4,674,173	4,279,314
		22,666,662	17,284,057
CONTINGENCIES AND COMMITMENTS			
	9		
TOTAL EQUITY AND LIABILITIES		561,107,579	554,388,241

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

 Karachi 24 th February, 2023.	 Fakhruddin Usmani CEO	 Quamruddin Osmani Director
CFO		

**CONDENSED INTERIM STATEMENT OF PROFIT OR
LOSS ACCOUNT AND OTHER COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Note	For the quarter ended		For the half year ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
----- Rupees -----					
Rental income		9,481,600	5,962,870	16,663,974	12,247,102
Administrative expenses	10	(3,791,494)	(2,794,824)	(7,544,301)	(5,348,980)
Financial charges		(12,430)	(11,414)	(12,778)	(11,762)
		(3,803,924)	(2,806,238)	(7,557,079)	(5,360,742)
Other operating expenses	11	(1,439,525)	(1,645,835)	(1,538,424)	(7,262,534)
Profit / (loss) before taxation		4,238,151	1,510,797	7,568,471	(376,174)
Taxation	12	(1,516,642)	(1,386,905)	(2,605,077)	(2,626,402)
Net profit / (loss) after taxation		2,721,509	123,892	4,963,394	(3,002,576)
Other comprehensive income		-	-	-	-
Total comprehensive income /		2,721,509	123,892	4,963,394	(3,002,576)
Earnings per share - Basic and diluted		2.27	0.10	4.14	(2.50)

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

 Muhammad Shahid Siddiqui CFO	 Fakhruddin Usmani CEO	 Quamruddin Osmani Director
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**CONDENSED INTERIM STATEMENT OF CASH FLOWS
(UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022	December 31, 2021
----- Rupees -----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	7,568,471	(376,174)
<i>Adjustments for:</i>		
Depreciation	534,821	455,690
Unrealized loss on short term investments - quoted shares	1,956,670	8,013,308
Realized (gain) / loss on short term investments - quoted shares	(159,145)	76,263
Dividend income	(259,100)	(291,600)
Liabilities no longer payable written back	-	(535,436)
Provision for gratuity	48,339	13,702
Financial charges	(12,778)	11,762
	2,108,807	7,743,688
Operating profit before working capital changes	9,677,278	7,367,514
<i>Decrease / (increase) in current assets</i>		
Trade deposits and advances	121,607	(594,962)
	121,607	(594,962)
<i>Increase in current liabilities</i>		
Trade and other payable	3,712,746	2,785,825
	3,712,746	2,785,825
Cash generated from operations	13,511,631	9,558,377
<i>Payment for:</i>		
Taxes	(3,372,282)	(2,312,933)
Financial charges	12,778	(11,762)
Net cash generated from operating activities	10,152,127	7,233,682
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(80,000)	(182,020)
Purchase of short term investment - quoted shares	(2,375,670)	(2,355,791)
Proceeds from sale of short term investment - quoted shares	2,133,065	3,561,347
Addition to investment property	(7,845,015)	(8,854,292)
Dividend received	259,100	291,600
Net cash used in investing activities	(7,908,520)	(7,539,156)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,005,141)	(2,002,273)
Net cash used in financing activities	(2,005,141)	(2,002,273)
Net increase in bank balances	238,466	(2,307,748)
Bank balances at beginning of the period	7,515,858	5,989,752
Bank balances at end of the period	7,754,324	3,682,004

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

 Muhammad Shahid Siddiqui CFO	 Fakhruddin Usmani CEO	 Quamruddin Osmani Director
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Karachi
24th February, 2023.


**CONDENSED INTERIM STATEMENT OF CHANGES IN
EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Share Capital	Unappropriated Profit	Interest free loan from Directors	Fair value reserve for investment property	Unrealized gain / (loss) on re-measurement of FVOCI investments	Total Reserves	Total Equity
----- Rupees -----							
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
Effect of prior period error	-	(255,000)	-	-	-	(255,000)	(255,000)
Balance as at July 01, 2021 (restated)	12,000,000	86,634,211	56,634,905	371,752,394	(342,401)	514,679,109	526,679,109
Total comprehensive income for the period	-	(3,002,576)	-	-	-	(3,002,576)	(3,002,576)
Effect of prior period error	-	(510,000)	-	-	-	(510,000)	(510,000)
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 (restated)	12,000,000	80,721,635	56,634,905	371,752,394	(342,401)	508,766,533	520,766,533
Balance as at July 01, 2022	12,000,000	96,309,036	56,634,905	371,752,394	(342,401)	524,353,934	536,353,934
Effect of prior period error	-	(1,275,000)	-	-	-	(1,275,000)	(1,275,000)
Balance as at July 01, 2022 (restated)	12,000,000	95,034,036	56,634,905	371,752,394	(342,401)	523,078,934	535,078,934
Total comprehensive income for the period	-	4,963,394	-	-	-	4,963,394	4,963,394
Final dividend for the year ended June 30, 2022 @ Rs. 2/- per share i.e. 20%	-	(2,400,000)	-	-	-	(2,400,000)	(2,400,000)
Balance as at December 31, 2022	12,000,000	97,597,430	56,634,905	371,752,394	(342,401)	525,642,328	537,642,328

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

Karachi
24th February, 2023.


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, 2022**

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, 2022. 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, 2022 and December 31, 2021 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, 2022 and December 31, 2021.

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, 2022.

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, 2022 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.

			(Un-audited) December 31, 2022	(Audited) June 30, 2022
			-----Rupees-----	
5	PROPERTY, PLANT AND EQUIPMENT	Note		
	Operating fixed assets	5.1	6,749,139	7,203,960
5.1	Movement in operating fixed assets:			
	Opening - at net book value		7,203,960	6,453,319
	Add: Additions during the period		80,000	1,662,020
	Less: Depreciation charged during the period		(534,821)	(911,379)
	Closing - at net book value		6,179,649	7,203,960
6	INVESTMENT PROPERTY			
	Capital work in progress	6.1	22,132,260	14,287,245
	Investment property		508,176,107	508,176,107
			530,308,367	522,463,352
6.1	Capital work in progress			
	Opening balance		14,287,245	2,213,905
	Add: Additions during the period	6.1.1	7,845,015	12,073,340
	Closing balance		22,132,260	14,287,245

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.

HAFIZ LIMITED

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
7 SHORT-TERM INVESTMENTS	-----Rupees-----	
Quoted - at fair value through profit or loss		
Antex Limited		
25,000 (2022: 25,000) ordinary shares of Rs. 10/- each	0	0
Azgard Nine Limited		
10,000 (2022: 10,000) ordinary shares of Rs. 10/- each	125,568	125,568
Aisha Steels Mill Limited		
25,000 (2022: 25,000) ordinary shares of Rs. 10/- each	608,464	608,464
Cnergyico Pk Limited, Formerly Byco Petroleum Pakistan Limited		
130,000 (2022: 130,000) ordinary shares of Rs. 10/- each	1,509,300	1,509,300
The Crescent Textile Mills Limited		
10,000 (2022: Nil) ordinary shares of Rs. 10/- each	171,216	0
Colony Textile Mills Limited		
40,000 (2022: 40,000) ordinary shares of Rs. 10/- each	393,627	393,627
Chakwal Spinning Mills Limited		
50,000 (2022: 50,000) ordinary shares of Rs. 10/- each	187,520	187,520
Dost Steels Limited		
10,000 (2022: 10,000) ordinary shares of Rs. 10/- each	49,800	49,800
Fauji Foods Limited		
27,000 (2022: 2,000) ordinary shares of Rs. 10/- each	200,396	11,873
Ghazi Fabrics International Limited		
20,000 (2022: 20,000) ordinary shares of Rs. 10/- each	185,000	185,000
Ghandhara Nissan Limited		
3,000 (2022: 3,000) ordinary shares of Rs. 10/- each	226,506	226,506
Hira Textile Mills Limited		
60,000 (2022: 60,000) ordinary shares of Rs. 10/- each	244,800	244,800
AGP Limited		
5,750 (2022: 5,000) ordinary shares of Rs. 10/- each	73,259	73,259
K-Electric Limited		
770,000 (2022: 825,000) ordinary shares of Rs. 10/- each	2,293,210	2,987,310

HAFIZ LIMITED

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	-----Rupees-----	
Lalpir Power Limited		
20,000 (2022: 20,000) ordinary shares of Rs. 10/- each	357,200	357,200
Nishat Chunian Power Limited		
3,500 (2022: 20,000) ordinary shares of Rs. 10/- each	144,624	300,400
Nishat Power Limited		
35,000 (2022: 30,000) ordinary shares of Rs. 10/- each	528,642	606,808
Pakistan International Bulk Terminal Limited		
10,000 (2022: 10,000) ordinary shares of Rs. 10/- each	113,800	113,800
Power Cement Limited		
364,000 (2022: 464,000) ordinary shares of Rs. 10/- each	3,733,755	4,775,355
Pak Suzuki Motor Company Limited		
Nil (2022: 2,000) ordinary shares of Rs. 10/- each	0	750,613
Pakistan Stock Exchange Limited		
2,000 (2022: 2,000) ordinary shares of Rs. 10/- each	13,793	13,793
Pakistan Telecommunication Company Limited		
55,000 (2022: 55,000) ordinary shares of Rs. 10/- each	651,200	651,200
Sindh Modaraba Limited		
33,000 (2022: 34,000) ordinary shares of Rs. 10/- each	292,515	299,515
Tariq Glass industries Limited		
3,125 (2022: Nil) ordinary shares of Rs. 10/- each	304,937	0
Worldcall Telecom Limited		
2,785,000 (2022: 2,285,000) ordinary shares of Rs. 10/- each	9,658,108	10,054,612
Zephyr Textiles Limited		
6,000 (2022: 6,000) ordinary shares of Rs. 10/- each	66,452	66,452
	<u>22,133,692</u>	<u>24,592,775</u>
Changes in Fair Value	(11,598,101)	(12,381,265)
	<u><u>10,535,591</u></u>	<u><u>12,211,510</u></u>

HAFIZ LIMITED

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
8 TRADE AND OTHER PAYABLE	-----Rupees-----	
Accrued liabilities	9,562,272	6,341,243
Security deposits	6,863,230	4,968,445
Advance from tenant	1,072,572	1,200,640
War risk insurance premium	494,415	494,415
	17,992,489	13,004,743

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, 2022.

9.2 Commitments

There were no commitments outstanding as at December 31, 2022 (June 30, 2022: Nil).

	Note	(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
10 ADMINISTRATIVE EXPENSES		-----Rupees-----	
Directors' remuneration		1,650,000	1,650,000
Salaries and benefits	10.1	1,038,339	397,702
Utilities		1,120,269	801,618
Postage, telegram and telephone		154,528	154,942
Printing and stationery		249,815	45,105
Vehicle running expense		413,961	128,529
Legal and professional		122,500	170,395
Auditors' remuneration		355,000	355,000
Fees and subscription		767,880	285,336
Rent, rates and taxes		396,002	376,203
Repairs and maintenance		438,963	168,298
Depreciation		534,821	455,690
Entertainment		257,723	150,037
Advertisement		44,500	131,125
Travelling expenses		-	79,000
		7,544,301	5,348,980

10.1 This includes the Company Secretary's salary provision from their appointment since 8th April, 2021 amounting to Rs. 510,000/-.

	(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
11 OTHER OPERATING EXPENSES / INCOME	-----Rupees-----	
- Dividends	259,100	291,600
- Gain / (loss) on sale of short term investments	159,145	(76,263)
- (Loss) on revaluation of investments	(1,956,670)	(8,013,308)
- Liabilities no longer payable written back	-	535,436
	(1,538,424)	(7,262,534)

12 TAXATION

Current	2,605,077	2,626,402
Prior	-	-
	2,605,077	2,626,402

12.1 Deferred tax asset amounting to Rs. 15.533 million (June 2022: Rs. 20.894 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 financial statements for the year ended June 30, 2022. 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, 2022, 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, 2022	(Un-audited) December 31, 2021
-----Rupees-----			
Chief Executive	Managerial remuneration	585,000	585,000
	Utilities	315,000	315,000
Director	Managerial remuneration	487,500	487,500
	Utilities	262,500	262,500
Retirement benefit fund			
Gratuity	Charge for the period	48,339	13,702

15 AUTHORIZATION

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in a meeting held on 24th February, 2023.

16 GENERAL

Figures have been rounded off to the nearest rupee.

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





Karachi **Muhammad Shahid Siddiqui** **Fakhruddin Usmani** **Quamruddin Osmani**
 24th February, 2023. CFO CEO Director

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-11/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 (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: Mis F.D. Registrar Services (Pvt.) Ltd. 1705, 17th Floor, Saima Trade Tower 'A' 1.1. 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 (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 shareholders 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, 2nd Floor, Moolji Street, Mereweather Tower, Karachi-74000