



**SEPTEMBER 30, 2021
1ST QUARTERLY REPORT
(UN-AUDITED)**

HUM NETWORK LIMITED



Company Information

Board of Directors

Chairman

Directors

Mr Mazhar-ul-Haq Siddiqui
Ms. Sultana Siddiqui
Mrs. Mahtab Akbar Rashdi
Mr. Shunaid Qureshi
Lt. Gen. (R) Asif Yasin Malik
Mr. Sohail Ansar
Ms. Nabigha Nasser Masood
Mr. Muhammad Ayub Younus Adhi
Mr. Duraid Qureshi
Mr. Muhammad Abbas Hussain
Mr. Mohsin Naeem
Mr. Kamran Shamshad Ahmed

Chief Executive Officer

Chief Financial Officer

Company Secretary

Head of Internal Audit

AUDIT COMMITTEE

Chairman

Members

Mr. Sohail Ansar
Mr. Shunaid Qureshi
Mrs. Mahtab Akbar Rashdi
Lt. Gen. (R) Asif Yasin Malik

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairman

Members

Mr. Sohail Ansar
Ms. Sultana Siddiqui
Mrs. Mahtab Akbar Rashdi

AUDITORS

M/s. EY Ford Rhodes
Chartered Accountants
7th Floor Progressive Plaza,
Beaumont Road, Karachi
M/s. KPMG Taseer Hadi & Company
Chartered Accountants
1st Floor, Sheikh Sultan Trust Building
No.2, Beaumont Road, Karachi

INTERNAL AUDITORS

LEGAL ADVISOR

M/s. Ijaz Ahmed & Associates
No.7, 11 th Zamzama Street Phase-V
D.H.A. Karachi.

BANKERS

Bank Alfalah Limited
Faysal Bank Limited
National Bank of Pakistan
The Bank of Punjab
Allied Bank Limited
United Bank Limited
Askari Bank Limited
Habib Metropolitan Bank
MCB Bank Limited
Boston Private Bank & Trust
Barclays Bank PLC
Dubai Islamic Bank
Wells Fargo Bank

REGISTERED & HEAD OFFICE

Hum TV, Plot No. 10/11, Hassan Ali Street,
Off. I.I Chundrigar Road, Karachi -74000 UAN: 111 -486-111

REGISTRAR/TRANSFER AGENT

M/s. F.D. Registrar Services (Pvt.) Ltd.
17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road Karachi-74000

WEBSITE

www.humnetwork.tv

PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

HUM NETWORK LIMITED

Director's Report

The Board of Directors of HUM Network Limited (HNL) takes pleasure in presenting the review on the financial and operational performance of the Company for the three months period ended September 30, 2021.

Financial Performance:

During the period, our net revenues increased by 34% as compared to last year. The gross profit of the Company increased by Rs. 308 million compared to same period last year resulting in gross profit margin of 50%. The Company reported a profit after tax of Rs. 251 million resulting in earnings per share of Re. 0.27 for the period ended September 30, 2021.

Operational Performance:

Since its inception, HUM TV has been a pioneer in its league, choosing new talent and bold subjects to breaking stereotypes and introducing plays with a strong social message.

HUM TV is famous for its intense and amazing prime time dramas, soaps and serials that highlight sensitive issues and are considered as a medium of message for the society. During the period under review, HUM TV aired dramas like "Qissa Meherbano Ka", "Parizaad", "Laapata", "Hum Kahan Ke Sachay Thay" which highly appreciated by the audiences and were also the most viewed dramas on YouTube. These multi-starrer projects are definitely potential blockbusters.

After the success of blockbuster drama "Ehd-e-Wafa", the Inter-Services Public Relations (ISPR) and HUM TV once again teamed up to bring Pakistan's greatest military reality show, "60 Hours to Glory", to the country. The Military Reality Show was a unique production, which showcased the rigours of Pakistan Army's training regime, portraying "Why We are the Best". Following the intense competition of PATS-21, the events was shot in real-time, with no enactment at all. The viewers remained engaged in a roller-coaster production comprising 25 sensational episodes. The show was designed to stimulate the entertainment industry to produce an innovative stream of thrilling and adventurous content.

HUM News is following the precedent that was set by the flagship channel – HUM Entertainment by focusing mainly on the most neglected issues of society such as women empowerment, youth and minorities affairs. HUM News is thus paying special attention to the data-based-journalistic stories. HUM News is not only striving to give hope to our society but also revamping the Pakistan news industry by objective reporting methods.

The 5th Hum Style Awards took place in July 2021 in Lahore, celebrating the best of fashion and style from television, film, music, sports and fashion fraternity. It was a night of glitz and glamour as stars walked on the red carpet, dressed to their nines, after a long hiatus.

HUM Masala is South Asia's first and Pakistan's only 24-hour cooking channel and its immense popularity is not only limited to the South Asia but it is also broadcasted in the UK and other countries around the globe. HUM Masala has added to its content a series of new cooking and informative shows introducing many different recipes, cooking experts, professional chefs and health consultants which have been overwhelmed by the food mavens.

Consolidated results are as follows:

	<u>Rupees</u>
Revenue – net	1,302,666,334
Gross Profit	653,859,083
Profit for the period – before taxation	323,276,291
Profit per share	0.24

Future Outlook

Our business and financial strategies, and the operational decision are designed to move HNL from strength to strength, and to ensure that its independence is preserved in a sustainable way. As an enterprise we are well placed to deliver much better growth forward backed by our well-defined business strategies, excellent infrastructure and robust board are confident about what we need to do to ensure that we emerge as an even more resilient, digital and future focused media and entertainment business.

To further enhance market share, the HNL has a planned content lineup of new shows across network channels by means of content differentiation and breaking the existing norms of the genre, we are confident that we would be able to challenge the existing players both in all genres of entertainment and news.

Pakistan has a prospective digital market and the consumer shift towards digital services is exhibited through the rampant expansion of digitized households. HNL is well positioned to take advantage of aforesaid market trends having partnerships with all major international VOD platforms.

Anticipating the changes taking place in this digital era, HNL ventured into the e-commerce market through HUM Mart. This year the management is changing the existing business model of the Company to make it profitable with increase in number of transactions and users base.

Acknowledgement

On behalf of the management, I take this opportunity to express gratitude to our shareholders, employees, customers, business partners and other stakeholders for their trust in the Company. With the continued facilitation and support, HNL will deliver on its objectives as we move forward.

November 26, 2021
Karachi.


DURAIQ QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman

ڈائریکٹرز رپورٹ

ایچ ایم نیٹ ورک لمیٹڈ (ایچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۱ء کی اختتامی مدت کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

دوران مدت، ہماری خاص آئی میں گزشتہ سال کے مقابلے میں ۳۳ فیصد اضافہ ہوا۔ کمپنی کے مجموعی منافع میں گزشتہ سال کی اسی مدت کے مقابلے میں ۳۸ ملین روپے کا اضافہ ہوا جس کے نتیجے میں مجموعی منافع کا مارجن ۵۰ فیصد رہا۔ کمپنی نے بعد از ٹیکس منافع مبلغ ۲۵۱ ملین روپے حاصل کیا جس کے نتیجے میں ۳۰ ستمبر ۲۰۲۱ء کو ختم ہونے والی مدت کے لیے فی شیئر آمدنی ۲۷ روپے رہی۔

عملی کارکردگی:

اپنے آغاز سے ہی ہم فی وی ایگ میں اہم کردار ادا کر رہے ہیں اور نئے ٹیکنٹ کے ساتھ ساتھ دقیقہ و خیالات کو فحتم کرنے کیلئے مضبوط سماجی پیغام اور اہم موضوعات پر مشتمل ڈرامے پیش کر رہے ہیں۔

ہم فی وی ایگ بہترین اور حیرت انگیز پرائم ٹائم ڈراموں، سوسپ اور سیریلز کے لیے مشہور بنے جو حساس مسائل کو اجاگر کرتے ہیں اور معاشرے کے لیے پیغام کا ذریعہ سمجھے جاتے ہیں۔ "برجائزہ مدت کے دوران، ہم فی وی ایگ" قصہ میرا ٹوکا"، "پرچی زادہ"، "لا پٹہ"، "ہم کہاں کے بچے تھے"، جیسے ڈرامے شکر کے تئیں ناظرین نے بے حد سراہا اور یہ یوٹیوب پر سب سے زیادہ دیکھے جانے والے ڈرامے بھی تھے۔ یہی اسٹار پر ڈیجیٹل پٹری طور پر نمک پاگ سلسلہ ہیں۔

پاک بصر ڈرامے "عہد وفا" کی کامیابی کے بعد، انٹرنسوز سیکرٹریٹ، (آئی ایس ٹی آر) اور ہم فی وی ایگ ایک باہر چل کر پاکستان کا سب سے بڑا فلمی ٹیلی ویژن شو "۲۰۲۰ آڈیو ٹو گلوبل" پیش کیا۔ فلمی گلوبل کی طرح ایک منفرد پروڈکشن تھا جس میں پاکستان آرمی کے تربیتی نظام کی فیتوں کو دکھایا گیا جس میں "ہم بہترین کیوں ہیں" کی تصویر کشی کی گئی۔ ۲۱ مئی آئی ایس کے شدید مقابلے کے بعد، واقعات کو ترقی یافتہ وقت میں شوت کیا گیا، جس میں کوئی قانون سازی نہیں تھی۔

ناظرین ۲۵ مئی خیر افسانہ پر مشتمل رولر کوسٹر پروڈکشن میں مصروف رہے۔ شو کو ترقی یافتہ صنعت کی حوصلہ افزائی کے لیے مہرب کیا گیا تھا تاکہ سنی نوجوانوں کو ہم سے ہمراہ پرومووڈ کا ایک جدید سلسلہ تیار کیا جاسکے۔

ہم نیوز اسٹیمپ کی بڑی کر رہے ہیں جو فلک شپ بہم انٹرنیشنل نے بنیادی طور پر خود تئیں کو اختیار بنانے، نوجوانوں اور تلیقوں کے امور جیسے معاشرے کے سب سے زیادہ نظر انداز کیے جانے والے مسائل پر توجہ مرکوز کرتے ہوئے قائم کیا تھا۔ ہم نیوز اس طرح ڈیٹا پینٹی سماجی کانٹوں پر خصوصی توجہ دے رہے ہیں۔ ہم نیوز نہ صرف ہمارے معاشرے کو امید دلانے کے لیے کوشاں ہے بلکہ مدعوئی رپورٹنگ کے طریقوں سے پاکستان کی خبروں کی صنعت کو بھی بہتر بنانا ہے۔

۵۱ مئی سنسکاپ اور ڈی جی ایچ ۲۰۲۱ کو لاہور میں منعقد ہوا، جس میں ٹیلی ویژن، فلم، موسیقی، ٹیلی ویژن انڈسٹری اور فیشن انڈسٹری کے بہترین فیشن اور اسٹائل کا جشن منایا گیا۔ یہ چمک اور گلیمر کی راستہ تھی جب ستاروں نے طویل وقفے کے بعد ریڈ کارپٹ پر کھڑے ہونے کی سب سے بڑی شہرت کی۔

ہم مصالحتوں کی ایشیا کا پہلا اور پاکستان کا واحد ۲۰۲۱ میں منعقد ہونے والا ٹیلی ویژن ہے اور اس کی بے پناہ مقبولیت صرف جونی ایڈیٹا تک ہی محدود نہیں ہے بلکہ اسے برطانیہ اور دنیا کے دیگر ممالک میں بھی شہرت پکڑا جاتا ہے۔ ہم مصالحتے اپنے مواد میں لکھا ٹاپکات کے نئے اور معلوماتی شو کی ایسیر پر کا اضافہ کیا ہے جس میں بہترین مختلف تئیں لکھا، ٹاپکات کے مابین، پیشہ ورانہ اور ذہنی تئیں کو متعارف کرایا گیا ہے۔

روپے
۱,۳۰۲,۶۶۹,۳۳۳
۶۵۳,۸۵۹,۰۸۳
۳۳۳,۳۷۶,۳۹۱
۰۰۳۳

دوران مدت جائزہ کے تحت متعلقہ نتائج درج ذیل ہیں:

سامانی آمدنی
کل منافع
دوران مدت قبل از ٹیکس منافع
فی شیئر منافع

مستقبل کا نظریہ:

ہماری کاروباری اور مالی تکت عملی اور پائیدار شکل پیش کرنے اور اس بات کو یقینی بنانے کے لیے مہرب کیے گئے ہیں اس کی آزادی کو مضبوط طریقے سے محفوظ رکھا جائے۔ ایک انٹر پرائز کے طور پر ہم اپنی تئیں کاروباری تکت عملیوں، بہترین انفراسٹرکچر اور مضبوط بورڈ پر اعتماد کے ساتھ اس بات کو یقینی بنانے کے لیے ہمیں کیا کرنے کی ضرورت ہے کہ اور زیادہ لکھدار، ڈیجیٹل اور مستقبل پر مرکوز میڈیا اور تفریحی کاروبار کے طور پر ابھریں، ہم آگے بھی بہتر ترقی فراہم کرنے کے لیے تیار ہیں۔

مارکیٹ شیئر کو مزید بڑھانے کے لیے، ایچ این ایل کے پاس مواد کی تفریق اور صرف کے موجودہ اصولوں کو ڈکٹور کے ہیڈ ورک شیئر پر نئے شو کا ایک بہترین منصوبہ ہے، ہمیں یقین ہے کہ ہم تفریحی اور تجزیاتی تمام مشنوں میں موجودہ طریقوں کو چیلنج کرنے میں کامیاب ہوں گے۔

پاکستان کے پاس ایک متنوع ڈیجیٹل مارکیٹ ہے اور ڈیجیٹل سروسز کی طرف صارفین کی تبدیلی کا مظاہرہ ڈیجیٹل ڈھراؤں کی بے پناہ ترقی کے ذریعہ ہوتا ہے۔ ایچ این ایل تمام بڑے بین الاقوامی وی او ڈی پلیٹ فارمز کے ساتھ شراکت داری کے ساتھ ڈیجیٹل مارکیٹ کے رجحانات سے فائدہ اٹھانے کے لیے اگلی پوزیشن میں ہے۔

اس ڈیجیٹل دور میں ہونے والی تبدیلیوں کا اندازہ لگاتے ہوئے، ایچ این ایل نے ہم راست کے ذریعے اسی کارس مارکیٹ میں قدم رکھا۔ اس سال انتظامیہ کمپنی کے موجودہ کاروباری ماڈل کو تبدیل کر دی ہے تاکہ کئیں دین کی تعداد اور صارفین کی تعداد میں اضافہ کے ساتھ اسے منافع بخش بنایا جاسکے۔

اگلی رفتار:

انتظامیہ کی جانب سے ہم اپنے تمام شیئر ہولڈرز، ملازمین، کسٹمرز، کاروباری شراکت داران اور دیگر اسٹیک ہولڈرز کے ان کی مستقبل چھوٹ پر خاصا خرچ تئیں پیش کرتے ہیں جو کہ انہوں نے ہر سطح پر محنت سے آپ کی کمپنی کیلئے بہترین کارکردگی حاصل کی اور امید ہے کہ مستقبل میں بھی ان کی چھوٹ حاصل رہے گی۔

کراچی، ۲۰ نومبر ۲۰۲۱ء

منظور الحق صدیقی
چیئر مین

دریغ بخش
چیئر مین

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- Rupees -----	-----
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,234,879,668	1,263,816,621
Intangible assets		17,400,536	20,007,542
Long term investments	5	188,898,481	188,898,481
Long term deposits		31,828,265	31,120,555
Television program costs		472,400,100	352,064,012
Deferred tax asset		131,324,384	121,432,046
		<u>2,076,731,434</u>	<u>1,977,339,257</u>
CURRENT ASSETS			
Inventories		22,039,380	16,660,901
Current portion of television program costs		102,985,249	100,385,799
Trade debts	6	2,153,822,230	1,956,785,375
Short term investments		667,872,388	502,415,157
Advances		118,274,125	129,006,777
Deposits and prepayments		16,582,218	21,102,013
Other receivables		149,724,893	144,616,512
Taxation – net		120,079,629	211,788,308
Cash and bank balances		322,012,346	355,827,585
		<u>3,673,392,458</u>	<u>3,438,588,427</u>
TOTAL ASSETS		<u>5,750,123,892</u>	<u>5,415,927,684</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2020: 1,500,000,000) Ordinary shares of Re.1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital		945,000,000	945,000,000
Unappropriated profit		3,369,092,783	3,118,470,793
		<u>4,314,092,783</u>	<u>4,063,470,793</u>
NON-CURRENT LIABILITIES			
Long term lease liabilities		90,878,934	92,051,392
Long term financing		210,164,418	248,521,449
Deferred income - government grant		493,379	560,658
		<u>301,536,731</u>	<u>341,133,499</u>
CURRENT LIABILITIES			
Trade and other payables	7	770,180,324	581,944,377
Advance from customers		24,024,947	28,593,206
Accrued markup		388,102	8,092,693
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of deferred income - government grant		2,971,275	4,495,607
Current portion of long term financing		303,017,734	352,479,000
Current portion of long term lease liabilities		27,758,347	29,564,860
		<u>1,134,494,378</u>	<u>1,011,323,392</u>
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		<u>5,750,123,892</u>	<u>5,415,927,684</u>

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

		September 30, 2021	September 30, 2020
	Note	----- Rupees -----	
Revenue	9	1,217,646,404	911,517,375
Cost of production	10	(584,617,217)	(581,762,017)
Transmission cost		(22,355,607)	(26,907,401)
		(606,972,824)	(608,669,418)
Gross profit		610,673,580	302,847,957
Distribution costs		(64,605,774)	(43,404,864)
Administrative expenses		(164,758,751)	(240,781,960)
Other income		22,673,461	2,221,169
Other Charges		(31,997,995)	-
Gain on sale of non-current asset held for sale		-	476,832,913
Finance costs		(15,393,741)	(21,746,118)
Profit before taxation		356,590,780	475,969,097
Taxation			
-current		(115,861,128)	(13,129,333)
-deferred		9,892,338	16,620,675
		(105,968,790)	3,491,342
Profit for the period		250,621,990	479,460,439
Profit per share – basic and diluted		0.27	0.51

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Quarter-ended	
	September 30, 2021	September 30, 2020
	----- Rupees -----	
Profit for the period	250,621,990	479,460,439
Other comprehensive income	-	-
Total comprehensive income for the period	<u>250,621,990</u>	<u>479,460,439</u>

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	356,590,780	475,969,098
Adjustments for:		
Depreciation on operating fixed assets	44,402,950	57,442,743
Amortization	2,607,007	3,363,549
Finance costs	15,393,741	21,746,118
Unrealised exchange gain/(loss)	(12,532,200)	(2,617,462)
Profit on bank accounts	(4,178,605)	(3,865,295)
Gain on disposal of operating fixed assets	(701,945)	(2,893,165)
Gain on disposal of non-current asset held for sale	-	(476,832,913)
Loss on redemption / sale of investments	-	12,426,115
Dividend Income	(944,483)	-
Unrealised loss on revaluation of investments	31,997,995	701,649
	76,044,459	(390,528,661)
Operating profit before working capital changes	432,635,239	85,440,437
(Increase)/decrease in current assets		
Inventories	(5,378,479)	(708,154)
Television program costs	(2,599,450)	5,000,000
Trade debts	(184,504,655)	(3,512,968)
Advances	10,732,652	(420,761,856)
Deposits and prepayments	4,519,795	10,056,311
Other receivables	(5,108,381)	(16,994,821)
	(182,338,518)	(426,921,488)
Increase/(decrease) in current liabilities		
Trade and other payables	183,667,688	(40,407,628)
Cash used in operations	433,964,409	(381,888,678)
Taxes paid	(24,152,449)	(10,283,111)
Finance costs paid	(23,098,332)	(21,766,691)
Profit received on deposit accounts	4,178,605	3,865,295
Long-term deposits	(707,710)	90,256
Television program costs	(120,336,088)	(3,321,000)
Net cash used in operating activities	269,848,435	(413,303,929)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment & intangible assets	(16,108,895)	(8,284,717)
Short term investments - net	(197,455,226)	190,589,265
Proceeds from sale of non-current asset held for sale	-	493,340,000
Dividend Income received	944,483	-
Proceeds from disposal of operating fixed assets	1,344,880	7,689,650
Net cash generated from investing activities	(211,274,758)	683,334,198
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(2,979,008)	(5,060,973)
Long term financing - net	(89,409,908)	(243,311,815)
Net cash used in financing activities	(92,388,916)	(248,372,788)
Net (decrease) / increase in cash and cash equivalents	(33,815,239)	21,657,480
Cash and cash equivalents at the beginning of the period	355,827,585	(47,437,781)
Cash and cash equivalents at the end of the period	322,012,346	(25,780,301)
Cash and cash equivalents		
Cash and bank balances	322,012,346	68,983,464
Short-term running finance	-	(94,763,765)
	322,012,346	(25,780,301)

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	-----Rupees-----		
Balance as at July 01, 2020 – (Audited)	945,000,000	2,104,074,108	3,049,074,108
Profit for the period	-	479,460,439	479,460,439
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	479,460,439	479,460,439
Balance as at September 30, 2020	945,000,000	2,583,534,547	3,528,534,547
Balance as at July 01, 2021 – (Audited)	945,000,000	3,118,470,793	4,063,470,793
Profit for the period	-	250,621,990	250,621,990
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	250,621,990	250,621,990
Balance as at September 30, 2021	945,000,000	3,369,092,783	4,314,092,783

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)****1 THE COMPANY AND ITS OPERATIONS**

- 1.1 Hum Network Limited (the Company) was incorporated in Pakistan on February 25, 2004 as a public limited company under the repealed Companies Ordinance, 1984. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
- 1.2 The Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programs with respect to information, entertainment, news, education, health, food, music and society.
- 1.3 These financial statements are separate financial statements of the Company in which investment in a subsidiary is accounted for on the basis of direct equity interest and is not consolidated.

2 BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2021.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- Rupees -----	
4. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	4.1	1,040,599,223	1,067,367,531
Capital work-in-progress		87,420,469	87,420,469
Right of use assets		106,859,976	109,028,621
		<u>1,234,879,668</u>	<u>1,263,816,621</u>
4.1 Operating fixed assets			
Opening balance – at book value		1,067,367,531	1,236,181,824
Transfers from right of use assets		(5,144,357)	5,890,547
Additions during the period / year – at cost	4.1.1	16,108,895	39,042,979
		<u>1,078,332,070</u>	<u>1,281,115,350</u>
Less:			
Disposals / transfers during the period / year – at book value		(642,936)	(28,232,297)
Depreciation charged during the period / year		(37,089,911)	(185,515,521)
		<u>(37,732,847)</u>	<u>(213,747,818)</u>
Closing balance – at book value		<u>1,040,599,223</u>	<u>1,067,367,531</u>
4.1.1 Details of additions are as follows:			
<u>Owned Assets:</u>			
Leasehold improvements		-	8,146,761
Furniture and fittings		4,515,708	-
Motor vehicles		-	8,306,622
Audio visual equipment		3,997,957	8,309,492
Uplinking equipment		-	1,822,496
Office equipment		6,723,910	2,853,141
Computers		871,320	9,604,467
		<u>16,108,895</u>	<u>39,042,979</u>
5. LONG TERM INVESTMENTS – unquoted subsidiaries	Holding		
HUM TV, Inc. – USA			
10,000 Common stock of \$ 0.01 each	100%	8,603	8,603
Advance for future issue of shares		<u>18,716,750</u>	<u>18,716,750</u>
		<u>18,725,353</u>	<u>18,725,353</u>
HUM Network UK Ltd.			
553,677 Ordinary shares of 1 GBP	100%	95,923,751	95,923,751
Skyline Publications (Private) Ltd.			
3,999,997 Ordinary shares of Rs.10 each	100%	39,999,970	39,999,970
Provision for impairment		<u>(39,999,970)</u>	<u>(39,999,970)</u>
		-	-
HUM Network FZ LLC – UAE			
2,400 Ordinary shares of AED 1000 each	100%	69,802,371	69,802,371
Advance for future issue of shares		<u>4,446,966</u>	<u>4,446,966</u>
		<u>74,249,337</u>	<u>74,249,337</u>
HUMM Co. (Private) Limited			
4 Ordinary shares of Rs. 10 each	100%	40	40
HUM Mart. (Private) Limited			
14,000,000 ordinary shares of Rs.10 each	70%	140,000,000	140,000,000
Provision for impairment		<u>(140,000,000)</u>	<u>(140,000,000)</u>
		-	-
		<u>188,898,481</u>	<u>188,898,481</u>
6. TRADE DEBTS			
Considered good		2,153,822,230	1,956,785,375
Considered doubtful		60,853,832	60,853,832
		<u>2,214,676,062</u>	<u>2,017,639,207</u>
Less: Provision for doubtful debts		<u>(60,853,832)</u>	<u>(60,853,832)</u>
		<u>2,153,822,230</u>	<u>1,956,785,375</u>
7. TRADE AND OTHER PAYABLES			
Creditors		288,555,304	217,409,409
Accrued liabilities		424,345,205	294,418,693
Due to related party – HUM Network FZ LLC		-	36,225,396
Withholding tax payable		27,585,325	15,161,701
Payable to provident fund		11,055,360	1,563,648
Other liabilities		18,639,130	17,165,530
		<u>770,180,324</u>	<u>581,944,377</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2021.

8 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2021 amounted to Rs.205,350,000 (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2021 amounted to Rs. 39,460,000 (June 2021: Rs. 71,736,000/-).

	Quarter-ended	
	September 30, 2021 (Un-audited)	September 30, 2020 (Un-audited)
	----- Rupees -----	
Advertisement revenue	928,136,570	763,150,799
Production revenue	53,214,099	800,000
Digital sales revenue	19,720,387	6,206,363
Subscription income	216,575,348	141,360,213
	1,217,646,404	911,517,375

9 REVENUE – net

Advertisement revenue	928,136,570	763,150,799
Production revenue	53,214,099	800,000
Digital sales revenue	19,720,387	6,206,363
Subscription income	216,575,348	141,360,213
	1,217,646,404	911,517,375

9.1 Revenue is net off the following items:

Sales tax	140,475,394	105,131,687
Discount to customers	120,556,392	58,483,361
	261,031,786	163,615,048

10. COST OF PRODUCTION

Cost of outsourced programs	338,531,501	310,477,273
Cost of in-house programs	82,939,755	7,087,316
Inventories consumed	338,000	1,741,080
Salaries and benefits	169,879,797	159,173,375
Depreciation	32,388,530	44,661,864
Amortisation	2,286,528	2,475,965
Traveling and conveyance	12,490,858	8,464,008
Utilities	3,972,968	8,151,473
Rent, rates and taxes	24,998	297,568
Insurance	6,918,246	6,026,188
Repair and maintenance	15,675,535	7,564,011
Fee and subscription	36,885,202	18,107,086
Communication expense	3,585,601	4,378,607
Consultancy	1,283,559	1,166,871
Printing and stationery	351,676	310,332
	707,552,754	580,083,017
In production television programs		
- opening	22,282,250	38,743,250
In production television programs		
- closing	(25,537,250)	(37,061,250)
	704,297,754	581,765,017
Released / unreleased programs		
- opening	430,167,561	427,380,500
Released / unreleased programs		
- closing	(549,848,099)	(427,383,500)
	584,617,217	581,762,017

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

11. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:

Nature of transaction	Quarter-ended	
	September 30, 2021 (Un-audited)	September 30, 2020 (Un-audited)
	----- Rupees -----	
Associated companies:		
Purchases of Television programs rights	279,421,920	260,906,360
Subsidiary Company:		
Management Fee	-	1,242,000
Subscription Income	12,404,600	12,427,538
Others		
Key Management personnel	82,155,396	141,891,690
Contribution to Fund	9,348,702	9,226,833

12. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The company's activities expose it to a variety of financial risks. These unconsolidated 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 financial statements for the year ended June 30, 2021. There have been no change in any risk management policies since the year end.

13. FAIR VALUE OF ASSETS

There were no transfers amongst level of fair value analysis of financial assets during the period.

14. GENERAL

14.1 Amounts have been rounded off to the nearest rupee.

14.2 Corresponding figures have been reclassified / rearranged wherever necessary for better presentation.

15. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on November 26, 2021 by the Board of Directors.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

		September 30, 2021	June 30, 2021
	Note	Rupees	Rupees
		(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,243,035,106	1,272,025,049
Intangible assets		75,112,542	74,994,373
Long term deposits		31,837,947	31,443,434
Television program costs		472,400,100	352,064,012
Deferred tax asset		145,806,371	134,673,585
		1,968,192,066	1,865,200,453
CURRENT ASSETS			
Inventories		22,039,380	16,660,901
Current portion of television program costs		102,985,249	100,385,799
Trade debts	5	2,394,374,837	2,231,476,846
Short term investments		667,872,388	502,415,157
Advances		119,215,688	129,283,397
Trade deposits and short-term prepayments		43,946,075	23,582,975
Other receivables		152,335,047	111,845,411
Taxation – net		115,498,492	210,879,875
Cash and bank balances		419,226,720	437,693,527
		4,037,493,876	3,764,223,888
TOTAL ASSETS		6,005,685,942	5,629,424,341
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,500,000,000	1,500,000,000
1,500,000,000 (2019: 1,500,000,000) Ordinary shares of Re.1/- each		945,000,000	945,000,000
Issued, subscribed and paid-up capital		3,351,842,807	3,098,190,358
Revenue Reserves		4,296,842,807	4,043,190,358
Attributable to owners of the Holding Company		(37,969,733)	(32,505,864)
Non-controlling interest		4,258,873,074	4,010,684,494
NON-CURRENT LIABILITIES			
Long term lease liabilities		90,878,934	92,051,392
Long term financing		231,089,418	269,229,311
Deferred income – government grant		493,379	560,658
Staff retirement benefits		38,134,155	33,255,893
		360,595,886	395,097,254
CURRENT LIABILITIES			
Trade and other payables		1,041,364,352	819,952,291
Accrued mark-up		2,626,625	9,907,299
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of long term lease liabilities		27,758,347	29,564,860
Current portion of deferred income – government grant		2,971,275	4,495,607
Current portion of long term financing		305,342,734	353,568,887
		1,386,216,982	1,223,642,593
CONTINGENCIES AND COMMITMENTS	6	6,005,685,942	5,629,424,341
TOTAL EQUITY AND LIABILITIES		6,005,685,942	5,629,424,341

The annexed notes from 1 to 12 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)**

		September 30, 2021	September 30, 2020
	Note	----- Rupees -----	-----
Revenue - Net	7	1,302,666,334	1,113,151,769
Cost of production	8	(588,773,689)	(688,077,042)
Transmission cost		(60,033,562)	(72,182,028)
		<u>(648,807,251)</u>	<u>(760,259,070)</u>
Gross profit		653,859,083	352,892,699
Distribution costs		(77,783,765)	(67,020,515)
Administrative expenses		(211,884,854)	(307,473,797)
Other income		21,488,539	519,816
Other expenses		(46,376,667)	-
Gain on sale of non-current asset held for sale		-	476,832,913
Finance costs		(16,026,045)	(21,944,544)
Profit before taxation		323,276,291	433,806,572
Taxation		(106,479,089)	2,211,808
Profit after taxation		216,797,202	436,018,380
Attributable to:			
Owners of Holding Company		222,261,071	448,124,832
Non-Controlling Interests		(5,463,869)	(12,106,452)
		<u>216,797,202</u>	<u>436,018,380</u>
Profit per share – basic and diluted		0.24	0.47

The annexed notes from 1 to 12 form an integral part of these consolidated financial statements.


DURAIQ QURESHI
 Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
 Chairman


MUHAMMAD ABBAS HUSSAIN
 Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	Rupees	
Profit for the period	216,797,202	436,018,380
Other comprehensive income	31,391,378	(7,607,067)
Total comprehensive income for the period	<u>248,188,580</u>	<u>428,411,313</u>

The annexed notes from 1 to 12 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Foreign exchange translation reserve	Revenue Reserves		Non- controlling interest	Total
			Unappropriated profit	Sub-total		
Balance as at July 01, 2020 (Audited)	945,000,000	159,680,622	1,936,722,884	2,096,403,506	1,064,284	3,042,467,790
Profit for the year	-	-	448,124,832	448,124,832	(12,106,452)	436,018,380
Other comprehensive Loss	-	(7,607,067)	-	(7,607,067)	-	(7,607,067)
Total comprehensive income / (loss) for the year	-	(7,607,067)	448,124,832	440,517,765	(12,106,452)	428,411,313
Balance as at September 30, 2020	945,000,000	152,073,555	2,384,847,716	2,536,921,271	(11,042,168)	3,470,879,103
Balance as at July 01, 2021 (Audited)	945,000,000	166,704,530	2,931,485,828	3,098,190,358	-32,505,864	4,010,684,494
Profit/(Loss) for the year	-	-	222,261,071	222,261,071	(5,463,869)	216,797,202
Other comprehensive income	-	31,391,378	-	31,391,378	-	31,391,378
Total comprehensive income / (loss) for the year	-	31,391,378	222,261,071	253,652,449	(5,463,869)	248,188,580
Balance as at September 30, 2021	945,000,000	198,095,908	3,153,746,899	3,351,842,807	(37,969,733)	4,258,873,074

The annexed notes from 1 to 12 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	323,276,291	433,806,572
Adjustment for:		
Depreciation	44,820,680	59,930,209
Amortization	3,581,017	3,181,143
Finance costs	16,026,045	21,944,544
Profit received on deposit accounts	(4,278,752)	(3,928,800)
Loss/(gain) on disposal of property, plant and equipment	(709,125)	(2,191,516)
Gain on disposal of non-current asset held for sale	-	(476,832,913)
Unrealized Loss/(gain) on Revaluation of Investments	31,997,995	(2,617,462)
Exchange difference on translation of foreign currency	31,391,378	(7,607,067)
Provision for doubtful debts	(4,918,771)	(22,399,997)
Dividend income	(944,483)	-
Gain/(loss) on redemption / sale of investments	-	12,426,115
Exchange Loss/(Gain)	(12,532,200)	-
	104,433,784	(418,095,743)
Operating Profit before working capital changes	427,710,075	15,710,829
(Increase)/decrease in current assets		
Inventories	(5,378,479)	4,458,950
Television program costs	(2,599,450)	5,000,000
Trade debts	(145,447,021)	171,908,372
Advances, deposits and prepayments	(10,295,391)	(462,074,127)
Other receivables	(40,489,636)	(65,985,129)
	(204,209,977)	(346,691,935)
Increase in current liabilities		
Trade and other payables	221,412,061	(175,836,519)
CASH GENERATED FROM OPERATIONS	444,912,159	(506,817,625)
Taxes paid	(22,230,492)	(10,646,188)
Finance cost paid	(23,306,719)	(21,965,117)
Profit received on bank accounts	4,278,752	3,928,800
Long-term deposits	(394,513)	92,781
Television program costs	(120,336,088)	(3,321,000)
Employees end of Service	4,878,262	1,239,827
Net cash (used in) / generated from operating activities	287,801,362	(537,488,523)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(20,165,678)	(8,844,293)
Short term investments - net	(197,455,226)	190,589,265
Long term Investment	-	73,387,086
Dividend received	944,483	-
Proceeds from disposal of operating fixed assets	1,344,880	7,689,650
Proceeds from sale of non-current asset held for sale	-	493,340,000
Net cash (used in) / generated from investing activities	(215,331,540)	756,161,708
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	(87,957,657)	(243,311,815)
Liabilities against assets subject to finance lease	(2,978,971)	(5,060,973)
Net cash (used in) / generated from financing activities	(90,936,628)	(248,372,788)
Net increase / (decrease) in cash and cash equivalents	(18,466,807)	(29,699,603)
Cash and cash equivalents at the beginning of the period	437,693,527	79,630,559
Cash and cash equivalents at the end of the period	419,226,720	49,930,956
Cash and cash equivalents		
Cash and bank balances	419,226,720	152,914,721
Short-term running finance	-	(102,983,765)
	419,226,720	49,930,956

The annexed notes from 1 to 12 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

1.1 HUM Network Limited (the Holding Company) was incorporated in Pakistan as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance). The shares of the Holding Company are quoted on Pakistan Stock Exchange.

1.2 The Holding Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

The 'Group' consists of

Holding Company

HUM Network Limited

Subsidiary Companies

	2021	2020
	Percentage of holding	
HUM TV, Inc.	100%	100%
HUM Network UK Limited	100%	100%
Sky Line Publications (Private) Limited	100%	100%
HUM Network FZ LLC	100%	100%
HUMM Co. (Private) Limited	100%	100%
HUM Mart (Private) Limited	70%	70%

1.3 Nature of operations of subsidiaries

HUM TV, Inc., HUM Network UK LTD and HUM Network FZ LLC have been established with the purpose of providing entertainment programmes to the South Asian community by increasing presence in the United States of America (USA), Canada, UK and UAE respectively. HUM Network UK LTD has 100% equity in HUM News Limited, which is engaged in business of transmission of news for UK audience. The subsidiary companies will also serve as a platform for the Holding Company to explore avenues for greater distribution of the Holding Company brands in USA, Canada, UK and UAE and will establish relations with advertisers, as well as develop US-based media materials, such as dramas, documentaries and other entertainment shows and events.

Skyline Publication (Private) Limited (SPL) is engaged in the publications of books and magazines.

HUMM Co. (Private) Limited has been established with the purpose of developing and producing contents, shows and programs. Currently, it is non-operational.

HUM Mart (Private) Limited engaged in the business of online shopping for grocery, household items and consumer goods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

2 BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared under the historical cost convention except of certain investments that have been measured at fair value.

3 ACCOUNTING POLICES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2021.

		September 30, 2021	June 30, 2021
		----- Rupees -----	
Note		(Un-audited)	(Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,048,754,661	1,075,575,958
Right of use assets		106,859,976	109,028,622
Capital work-in-progress		87,420,469	87,420,469
		1,243,035,106	1,272,025,049

4.1 Operating fixed assets – owned and leased

Book value at the beginning of the period / year		1,075,575,958	1,246,984,186
Additions during the period / year	4.1.1	16,473,642	39,753,379
Transfer to right of use asset - at book value		(5,144,357)	15,164,322
		1,086,905,243	1,301,901,887
Less:			
Disposal/ transfer during the period / year - at WDV		(642,940)	(67,509,494)
Depreciation charged during the period / year		(37,507,643)	(158,816,435)
		(38,150,582)	(226,325,929)
		1,048,754,661	1,075,575,958

4.1. Additions during the period/year

Owned Assets:

Furniture and fixtures	4,515,708	170,615
Leasehold improvements	-	8,146,761
Motor vehicles	-	8,306,656
Audio visual equipment	3,997,957	8,309,492
Office equipment	6,723,910	2,929,141
Uplinking equipment	-	1,822,496
Computers	1,236,067	10,068,218
	16,473,642	39,753,379

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30, 2021	June 30, 2021
	----- Rupees -----	
	(Un-audited)	(Audited)
5 TRADE DEBTS – unsecured		
Considered good	2,394,374,837	2,231,476,846
Considered doubtful	<u>84,620,864</u>	<u>78,385,137</u>
	2,478,995,701	2,309,861,983
Less: Provision for doubtful debts	<u>(84,620,864)</u>	<u>(78,385,137)</u>
	<u>2,394,374,837</u>	<u>2,231,476,846</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2021.

6.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2021 amounted to Rs.205,350,000 (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2021 amounted to Rs. 39,460,000 (June 2021: Rs. 71,736,000/-).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
	----- Rupees -----	
7. REVENUE – net		
Advertisement revenue	1,025,536,100	834,201,748
Production revenue	53,214,099	800,000
Digital sales revenue	19,720,387	6,206,363
Subscription income	204,170,748	189,693,288
Sale of goods	25,000	82,250,371
	<u>1,302,666,334</u>	<u>1,113,151,769</u>
7.1 Revenue is net off the following items:		
Sales tax	140,475,394	105,131,687
Discount to customers	114,524,526	59,022,420
	<u>254,999,920</u>	<u>164,154,107</u>
	September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
	----- Rupees -----	
8. COST OF PRODUCTION		
Cost of outsourced programs	338,531,501	312,982,711
Cost of in-house programs	82,939,755	7,087,316
Inventories consumed	338,000	81,919,363
Salaries and benefits	171,209,363	168,000,945
Depreciation	32,618,202	46,721,012
Amortisation	2,304,714	2,521,429
Traveling and conveyance	12,490,858	13,423,480
Utilities	3,972,968	8,807,645
Rent, rates and taxes	24,998	3,069,568
Insurance	6,964,653	6,026,188
Repair and maintenance	18,192,981	7,994,920
Fee and subscription	36,885,202	18,107,086
Communication expense	3,600,797	7,015,908
Consultancy	1,283,559	1,166,871
Printing and stationery	351,676	1,553,602
	<u>711,709,227</u>	<u>686,398,042</u>
In production television programs - opening	22,282,250	38,743,250
In production television programs - closing	<u>(25,537,250)</u>	<u>(37,061,250)</u>
	<u>708,454,227</u>	<u>688,080,042</u>
Released / unreleased programs - opening	430,167,561	427,380,500
Released / unreleased programs - closing	<u>(549,848,099)</u>	<u>(427,383,500)</u>
	<u>588,773,689</u>	<u>688,077,042</u>
9. TRANSACTIONS WITH RELATED PARTIES		
Related parties of the Company comprise subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
----- Rupees -----	

Nature of transaction

Associated companies:

Purchases of Television programs	279,421,920	260,906,360
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Others

Key Management personnel	82,155,396	160,082,765
Contribution to Fund	9,348,702	9,226,833

10 SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on November 26, 2021 has recommended an interim cash dividend of Nil per share.

11 GENERAL

11.1 Amounts have been rounded off to the nearest rupee.

11.2 Corresponding figures have been reclassified / rearranged wherever necessary for better presentation.

12 DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorised for issue on November 26, 2021 by the Board of Directors of the Holding Company.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

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