



MARCH 31, 2022  
3RD 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 report on the financial and operational performance of the Company for the nine months period ended March 31, 2022.

### Financial Performance:

The gross profit for the 3rd quarter of the FY2022 was Rs. 714 million; compared to the gross profit of Rs. 330 million in the 3rd quarter of FY2021 i.e. increase of 116%. Whereas, overall gross profit for the nine months period ended March 31, 2022 was Rs. 2,040 million as compared to Rs. 1,142 million for the same period last year.

Due to the exceptional growth in programming and digital revenues, the overall profit for the nine months period ended March 31, 2022 was Rs. 1,037 million, derived from the core operational activities as compared to Rs. 822 million for the same period last year which included a gain of Rs. 477 million on the sale of non-current asset held for sale. Further, the overall market outlook also seems promising with expected growth in future profits. The results translated into earnings per share of Rs. 1.10 for the nine months period ended March 31, 2022 compared to earnings per share of Rs. 0.87 for the nine months period ended March 31, 2021.

### Operational Performance:

HNL being an innovator has shaped the media world across broadcast, content and digital platforms. HNL celebrated the 17<sup>th</sup> Anniversary of its premier entertainment channel HUM TV in January 2022 in Islamabad. The celebratory dinner was attended by celebs, politicians and other dignitaries. Through all of its growing years, HUM TV has played a major role in empowering women, showcasing stigmas and issues that people shy away from, presenting them with sensitivity and gaining acceptability with the masses.

The start of 2022 witnessed the launch of mega projects by HUM TV 'Sang-e-Mah' and 'Badshah Begum' which were highly appreciated by the audiences and are breaking the TRPs.

The blockbuster drama of the year 'Parizaad' came to an end with its last episode aired in cinemas nationwide. Parizaad's finale left a lasting impression on netizens as they carry more than just a story with them and were gushing over the beautifully crafted end to the hit show. HUM TV thanked fans for all the love they've shown that led to 'Parizaad' trending on YouTube and Twitter ever since the final airing.

HUM News popularity is increasing and it is now amongst the most watched news channel of Pakistan. HUM News is striving to give hope to our society by revamping the Pakistan news industry by objective reporting methods. HUM News aims to articulate dreams and aspirations of the 21st century Pakistan and to raise the bar of broadcast journalism through factual, objective, balanced and fair coverage.

The third edition of HUM Women Leaders Awards brought entertainers, policymakers and activists together under one roof. For a third consecutive year, Hum TV honoured 11 iconic women for their tireless journey towards self-empowerment in a variety of fields. President Dr. Arif Alvi graced the event and lauded womenfolk and the challenges they overcome every day in their pursuit of freedom and independence.

Pakistan's biggest family festival, "Masala Family Festival" was organised in Karachi in March 2022 which included musical performances, magic and comedy segments, live cooking demonstrations, dance and singing competitions and a chance to meet with their favorite celebrity chefs.

During the period under review, the consolidated results were as follows:

	Rupees
Revenue – net	4,680,784,694
Gross Profit	2,282,419,388
Profit for the period – before taxation	1,196,090,437
Profit per share	1.12

### Future Outlook:

We have taken difficult decisions to deal with the COVID-19 crisis, but this has enabled us to continue to invest in and successfully execute our strategies. We have learnt much more during these crises including how to work more efficiently and effectively. We monitored our performance very carefully and the risks associated with COVID-19 and were extremely focused on tightly managing our costs and cash.

Delivering quality content has positioned us to better respond to the changing viewers' habits and to take advantage of the continued strong demand for quality content internationally which was highly appreciated by the viewers and resulted in increase in earnings of the Company. To further enhance market share, the HNL has a planned content lineup of new shows 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.

With balanced reporting/ programming and improved distribution across Pakistan, the average viewership rating of HUM News has enhanced and it is now rated amongst the top news channels of the country. This will translate into earnings from advertisement and also rate per minute from coming periods.

Digital revenue has increased exponentially over the last two year and Pakistan has a prospective digital market which is still untapped. The consumer likeness towards the digital medium 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.

With the lifting of COVID-19 restrictions by the government, we foresee growth in the film industry, improving cinema culture and favorable government policies, we are expected to ride the flow. In the past, HUM Films have collaborated with leading film houses for the distribution of local and foreign content in Pakistan and continue to do the same in future.

### 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.

April 25, 2022  
Karachi.

  
**DURAIQ QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

## ڈائریکٹرز رپورٹ

ہم ہیٹ ورک نیٹ ورک (ایچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۱ مارچ ۲۰۲۲ء کی نو ماہی اختتامی مدت کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

## مالیاتی کارکردگی:

مالیاتی سال ۲۰۲۲ء کی تیسری سہ ماہی کا مجموعی منافع ۱۲.۷۱۲ ملین روپے تھا، جبکہ مالیاتی سال ۲۰۲۱ء کی تیسری سہ ماہی میں منافع ۳۳.۱۱۱ ملین روپے تھا جو کہ ۱۱۹ فیصد کا اضافہ ہے۔ جبکہ ۳۱ مارچ ۲۰۲۲ء کی نو ماہی اختتامی مدت کا مجموعی منافع ۱۰۰.۰۳۰ ملین روپے ہے، بائیس کا موازنہ گذشتہ سال کی اسی مدت کے منافع ۱۰.۱۳۲ ملین روپے سے کیا جاسکتا ہے۔

پروگرامنگ اور ڈیجیٹل آرمی میں غیر معمولی اضافہ کے باعث ۳۱ مارچ ۲۰۲۲ء کی اختتامی مدت کیلئے مجموعی منافع ۱۰.۰۳۰ ملین روپے پر دیر پا جو کہ بنیادی آپریشنل سرگرمیوں سے حاصل کیا گیا تھا جبکہ گذشتہ سال کی اسی مدت میں ۸.۲۲۲ ملین روپے تھا جس میں بنیادی طور پر غیر موجودہ اثاثہ جات کی فروخت سے حاصل ہونے والے منافع کے مدغم ہیں۔ اس لیے کہ یہ دینی طور پر مستحکم کاروبار کی آؤٹ لک بھی منافع میں متوقع شرح نمو کے ساتھ ہرگز ہوگا۔ اس نتیجہ کو ۳۱ مارچ ۲۰۲۲ء کی نو ماہی اختتامی مدت کیلئے فی شخص آمدنی ۱۰.۱۰ روپے میں منتقل کیا گیا ہے جبکہ ۳۱ مارچ ۲۰۲۱ء کی نو ماہی اختتامی مدت کیلئے فی شخص آمدنی ۱.۰۷ روپے تھی۔

## عملی کارکردگی:

ایچ این ایل نے گلوبل نیٹ ورک پریسڈنٹ یا کی دنیا کو براڈ کاسٹ، کومینٹس اور ڈیجیٹل پلیٹ فارمز میں ڈھالا ہے۔ جنوری ۲۰۲۲ء میں ایچ این ایل نے اسلام آباد میں اپنے پریسٹر انٹرنیٹ منسٹ چئینل ہم نی وی ایس، ایم اسکر ومانی، عشا جیٹ میں مشہور و معروف شخصیات، سیاست دانوں اور دیگر محرمین نے شرکت کی۔ دوران سال ہم نی نے خواتین کو با اختیار بنانے، پدر ما داؤں اور سائل کا کھانہ کرکے اور آئین شہادت کے ساتھ پیش کرکے اور عوام میں شہادت حاصل کرنے میں اہم کردار ادا کیا۔

سال ۲۰۲۲ء کے آغاز میں ہم نی نے دی "سنگ ڈاؤر" اور "بادشاہت گیم" جیسے میچ اپ ریجنلکس کے آغاز کیا جنہیں سامعین نے بے حد سراہا اور نی رپٹی میں اضافہ ہو رہا ہے۔

سال کا یادگار سلسلہ "ہم نی رپٹی" کی زائر آخری قسط تک بھر کے سینما گھروں میں نشر ہونے کے ساتھ اسے اختتام کو پہنچانے پر ہی زاد کے قائل کے ساتھ صاف پر ایک دوسرے کا اثر قائم کیا کیونکہ یہ صرف ایک کہانی نہیں بلکہ مصروفی سے تیار کیا گیا مٹ تھا۔ ہم نی نے اپنے مداحوں کا شکر ادا کیا جس کی وجہ سے آخری قسط نشر ہونے کے بعد سے یونٹ بے یونٹ پری زائر بن کر رہا ہے۔

ہم نی کی مقبولیت میں اضافہ ہوا ہے اور بائیس پاکستان کے سب سے زیادہ دیکھے جانے والے نیوز چینلوں میں شامل ہے۔ ہم نیوز پاکستان کی نیوز انٹرنیٹری کو محرومی پر رنگ کے طریقوں سے بھرنا کر ہمارے مشاہدے کو امید دلانے کے لیے کوشاں ہے۔ ہم نیوز پاکستان ۲۱ ویں صدی کے پاکستان کے خواتین اور امتوں کو بیان کرنا اور حقائق پر مبنی، معرعی، متوازن اور منصفانہ رپورٹنگ کے ذریعے بشری حقیقت کے دائرہ کار کو بڑھا رہا ہے۔

ہم نیوز نیوز ایڈیٹوریٹ اور ڈی جیسے سے ایڈیٹریں نے انٹرنیٹ، پالیسی سازوں اور ایکٹیویسٹس کو ایک پلیٹ فارم پر جمع کیا۔ مسلسل تیسرے سال، ہم نی وی نے مختلف شعبوں میں خود کو با اختیار بنانے، ان کے انتخاب سفر کے لیے 11 مشہور خواتین کو اعزاز سے نوازا۔ جناب صدر ڈاکٹر عارف علوی نے اس تقریب میں شرکت کی اور خواتین اور ان جیٹنگ کی تعریف کی جن پر وہ آزادی کے حصول میں ہر روز پوری پائی ہیں۔

مارچ ۲۰۲۲ء میں کارکنوں میں پاکستان کا سب سے بڑا جملی فیسیول "مسالری فیسیول" منعقد کیا گیا جس میں میوزیکل پروگرامز، داد و کار کا میڈی ٹیکسٹس، کھانا پکانے کے انجیو مطا پر رقص اور گانے کے مقابلے اور اپنے پسندیدہ مشہور شیف سے ملنے کا موقع تھا شامل تھا۔

دوران مدت جائزہ کے تحت مختلف نتائج درج ذیل ہیں:

روپے	ساتھ
۳,۰۲۹,۸۹۳	۸۳,۲۹۳
۲,۴۸۲,۱۹۳	۳۸۸
۱,۱۹۰,۰۹۰	۳۳۷
۱۰۰	۱۲

## مستقبل کا نظریہ:

ہم نے گورنر ناہا، کے بحران سے ششہ کے لیے مشکل فیصلے ہیں، لیکن اس سے ہمیں اپنی تکت تبدیلوں کو کامیابی کے ساتھ سر باہر جاری رکھنے اور اس پر عمل درآمد کرنے کے قائل بنایا ہے۔ ہم نے ان بحرانوں کے دوران بہت کچھ سیکھا ہے جس میں پہلی ششہ سے کس طرح زیادہ موثر طریقے سے کام کرنا ہے۔ ہم نے اپنی کارکردگی اور کردار ناہا سے وابستہ خطرات کی بہت احتیاط سے نگرانی کی اور اپنے اخراجات اور نقدی کو مضبوطی سے سنبھالنے پر اپنی توجہ مرکوز کی۔

معیاری مواد کی فراہمی سے ہمیں ناظرین کی باقی ہوئی عادت کا بھر جواب دینے اور بین الاقوامی سطح پر معیاری مواد کی مسلسل دستیاب ناگ سے فائدہ اٹھانے کے لیے پوزیشن دی ہے۔ نئے ناظرین سے بے حد سراہا اور اس کے نتیجہ میں کمپنی کی آمدنی میں اضافہ ہوا۔ مارکیٹ شیئر کو مزید بڑھانے کیلئے ایچ این ایل کے پاس مواد کی تعریف اور منفعت کے موجودہ اکتوتوں کو زونے کے ذریعے سے شوز کا ایک منصوبہ بند مواد کا ان آپ ہے۔ ہمیں یقین ہے کہ ہم موجودہ طریقوں کو ترمیم کے تمام شعبوں میں چیلنج کرنے میں کامیاب ہوں گے۔

پاکستان بھر میں متوازن رپورٹنگ/ پروگرامنگ بھر ڈسٹری بیوٹن کے ساتھ، ہم نیوز کے ناظرین کی اوسط درجہ بندی میں اضافہ ہوا ہے اور اب اسے ملک کے سرفہرست نیوز چینلوں میں شمار کیا جاتا ہے۔ آنے والی مدت سے اسے مثبت رات سے حاصل ہونے والی آمدنی اور فی منصفی شرح سے ٹرانسپیرٹ کیا جائیگا۔

گذشتہ دو سالوں میں ڈیجیٹل آرمی میں تیزی سے اضافہ ہوا ہے اور پاکستان کے پاس ایک تہہ جہ ڈیجیٹل مارکیٹ ہے جس کا ابھی تک استعمال نہیں کیا گیا۔ ڈیجیٹل میڈیم کی طرف صحافیوں کی مشاہدات ڈیجیٹل ڈیگرافٹوں کی بے حد شوق سے کے لیے غائب ہوئی ہے۔ ایچ این ایل تمام بڑے بین الاقوامی وی او ڈی پلیٹ فارمز کے ساتھ شراکت داری کے ذریعے مذکورہ مارکیٹ کے رجحانات سے فائدہ اٹھانے کے لیے بہتر پوزیشن میں ہے۔

حکومت کی طرف سے کوویڈ ۱۹ کی پابندیوں کو بنانے کے ساتھ، ہم قلم انٹرنیٹری میں تیزی، شہما کلچر میں بہتری اور حکومت کی سازگار پالیسیوں کی توقع کرتے ہیں، ہم متوقع فی جاتی کے بہم و حدار سے جب تک نہیں گے۔ ماضی میں، ہم غلغلے سے پاکستان میں مقامی اور فیملی مواد کی ڈسٹری بیوٹن کے لیے معروف قلم باز کے ساتھ تعاون کیا اور مستقبل میں بھی ایسا ہی کرتا رہے گا۔

## اہلکار تشکر:

انتظامیہ کی جانب سے ہم اپنے پیشہ ورانہ ملازمین، کسٹمرز، کاروباری شراکت داران اور دیگر اسٹیک ہولڈرز کے ان کی مستقل سپورٹ پر مخلصانہ شکر ادا 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 سپورٹ حاصل رہے گی۔

کرچی، ۲۵ اپریل ۲۰۲۲ء

منظر الحق صدیقی  
چیئر مین

دیر پور  
چیئر مین

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
	Note	----- Rupees -----	-----
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	1,195,070,574	1,263,816,621
Intangible assets		12,428,959	20,007,542
Long term investments	6	188,898,481	188,898,481
Long term deposits		32,828,265	31,120,555
Television program costs	7	381,048,464	352,064,012
Deferred tax asset		157,552,275	121,432,046
		<u>1,967,827,018</u>	<u>1,977,339,257</u>
<b>CURRENT ASSETS</b>			
Inventories		17,107,546	16,660,901
Current portion of television program costs		113,283,774	100,385,799
Trade debts	8	2,416,779,847	1,956,785,375
Short term investments		604,367,903	502,415,157
Advances		468,136,422	129,006,777
Deposits and prepayments		55,223,972	21,102,013
Other receivables	11	160,842,555	144,616,512
Taxation – net		102,299,469	211,788,308
Cash and bank balances		553,843,003	355,827,585
		<u>4,491,884,491</u>	<u>3,438,588,427</u>
<b>TOTAL ASSETS</b>		<u><b>6,459,711,509</b></u>	<u><b>5,415,927,684</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
1,500,000,000 (2021: 1,500,000,000) Ordinary shares of Re.1/- each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up capital		945,000,000	945,000,000
Unappropriated profit		<u>4,155,732,503</u>	<u>3,118,470,793</u>
		<u>5,100,732,503</u>	<u>4,063,470,793</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		57,323,278	92,051,392
Long term financing		133,266,685	248,521,449
Deferred income - government grant			560,658
		<u>190,589,963</u>	<u>341,133,499</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	631,381,577	581,944,377
Advance from customers		92,583,332	28,593,206
Accrued markup		5,545,285	8,092,693
Short term borrowings		69,028,013	—
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of long term financing		338,129,031	352,479,000
Current portion of long term lease liabilities		24,380,782	29,564,860
Current portion of deferred income - government grant		1,187,374	4,495,607
		<u>1,168,389,043</u>	<u>1,011,323,392</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>6,459,711,509</b></u>	<u><b>5,415,927,684</b></u>

The annexed notes from 1 to 21 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 NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	Note	Nine months ended		Quarter-ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue	15	4,318,639,311	3,059,738,245	1,580,830,691	955,787,607
Cost of production	16	(2,206,139,426)	(1,848,465,918)	(841,550,002)	(604,091,467)
Transmission cost		(72,735,512)	(69,284,582)	(25,380,898)	(21,337,431)
		<u>(2,278,874,938)</u>	<u>(1,917,750,500)</u>	<u>(866,930,900)</u>	<u>(625,428,898)</u>
<b>Gross profit</b>		<b>2,039,764,373</b>	<b>1,141,987,745</b>	<b>713,899,791</b>	<b>330,358,709</b>
Distribution costs		(261,337,532)	(184,116,657)	(118,981,580)	(54,015,948)
Administrative expenses		(556,063,359)	(525,055,389)	(191,269,282)	(129,858,821)
Other income		17,828,186	72,006,472	20,786,125	41,020,971
Gain on sale of non-current asset held for sale		-	476,832,913	-	-
Finance costs		(55,369,505)	(78,808,335)	(21,623,654)	(26,214,231)
<b>Profit before taxation</b>		<b>1,184,822,163</b>	<b>902,846,749</b>	<b>402,811,400</b>	<b>161,290,679</b>
Taxation					
-current		(185,158,284)	(50,663,886)	(45,398,228)	(16,420,946)
-prior		1,477,602	-	-	-
-deferred		36,120,229	(30,382,897)	13,744,373	(14,872,259)
		<u>(147,560,453)</u>	<u>(81,046,783)</u>	<u>(31,653,855)</u>	<u>(31,293,205)</u>
<b>Profit for the period</b>		<b>1,037,261,710</b>	<b>821,799,966</b>	<b>371,157,545</b>	<b>129,997,474</b>
<b>Profit per share – basic and diluted</b>		<b>1.10</b>	<b>0.87</b>	<b>0.39</b>	<b>0.14</b>

The annexed notes from 1 to 21 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 NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	Nine months ended		Quarter-ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	----- Rupees -----			
Profit for the period	1,037,261,710	821,799,966	371,157,545	129,997,474
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,037,261,710</u>	<u>821,799,966</u>	<u>371,157,545</u>	<u>129,997,474</u>

The annexed notes from 1 to 21 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 NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	March 31, 2022	March 31, 2020
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,184,822,163	902,846,749
Adjustments for:		
Depreciation on operating fixed assets	108,601,428	147,610,983
Depreciation on right of use assets	20,194,757	17,724,167
Amortization	7,578,583	9,732,639
Finance costs	55,369,505	78,808,335
Unrealised exchange gain	(18,572,455)	8,820,183
Profit on bank accounts	(18,419,271)	(11,718,707)
Gain on disposal of operating fixed assets	(4,507,826)	(4,565,005)
Gain on disposal of non-current asset held for sale	-	(476,832,913)
Loss on redemption / sale of investments	9,475,346	12,426,115
Unrealised (gain)/loss on revaluation of investments	62,099,124	(40,429,633)
	221,819,191	(258,423,834)
Operating profit before working capital changes	1,406,641,354	644,422,915
(Increase)/decrease in current assets		
Inventories	(446,646)	(17,835,216)
Television program costs	(12,897,975)	5,000,000
Trade debts	(441,422,017)	(268,090,908)
Advances Deposits & Prepayments	(373,251,603)	(315,397,761)
Other receivables	(16,226,039)	(23,258,624)
	(844,244,279)	(619,582,509)
Increase/(decrease) in current liabilities		
Trade and other payables	113,427,326	53,444,015
Cash used in operations	675,824,401	78,284,421
Taxes paid	(74,191,822)	(41,938,035)
Finance costs paid	(57,916,913)	(76,827,673)
Profit received on deposit accounts	18,419,271	11,718,707
Long-term deposits	(1,707,710)	250,256
Television program costs	(28,984,452)	10,841,590
Net cash used in operating activities	531,442,775	(17,670,734)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangibles	(78,530,819)	(27,129,807)
Short term investments - net	(173,527,248)	(162,652,270)
Proceeds from sale of non-current asset held for sale	-	493,340,000
Proceeds from disposal of operating fixed assets	16,335,995	16,269,745
Net cash generated from investing activities	(235,722,073)	319,827,668
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals paid	(33,259,680)	(15,990,284)
Long term financing - net	(133,473,616)	(338,684,350)
Net cash used in financing activities	(166,733,297)	(354,674,634)
Net (decrease) in cash and cash equivalents	128,987,405	(52,517,699)
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	484,814,990	(99,955,480)
<b>Cash and cash equivalents</b>		
Cash and bank balances	553,843,003	291,614,506
Short-term running finance	(69,028,013)	(391,569,986)
	484,814,990	(99,955,480)

The annexed notes from 1 to 21 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

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	-----Rupees-----		
<b>Balance as at July 01, 2020 – (Audited)</b>	<b>945,000,000</b>	<b>2,104,074,108</b>	<b>3,049,074,108</b>
Profit for the period	-	821,799,966	821,799,966
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	821,799,966	821,799,966
<b>Balance as at March 31, 2021</b>	<b><u>945,000,000</u></b>	<b><u>2,925,874,074</u></b>	<b><u>3,870,874,074</u></b>
<b>Balance as at July 01, 2021 – (Audited)</b>	<b>945,000,000</b>	<b>3,118,470,793</b>	<b>4,063,470,793</b>
Profit for the period	-	1,037,261,710	1,037,261,710
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	1,037,261,710	1,037,261,710
<b>Balance as at March 31, 2022</b>	<b><u>945,000,000</u></b>	<b><u>4,155,732,503</u></b>	<b><u>5,100,732,503</u></b>

The annexed notes from 1 to 21 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

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (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.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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

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

- 2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2020. These unconsolidated 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.
- 2.3 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.
- 2.4 These unconsolidated condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency.

### 3 ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Company's annual audited financial statements 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 3 - Definition of a Business (Amendments);
- IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments); and
- IAS 1 / IAS 8 - Definition of Material (Amendments).

The adoption of the 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 01 January 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.



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

### 4 ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of this unconsolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by management in the preparation of these unconsolidated condensed interim financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended 30 June 2021, except as disclosed otherwise.

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
		----- Rupees -----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	5.1	1,033,706,624	1,067,367,531
Capital work-in-progress		87,420,469	87,420,469
Right of use assets		73,943,480	109,028,621
		<u>1,195,070,574</u>	<u>1,263,816,621</u>
<b>5.1 Operating fixed assets</b>			
Opening balance – at book value		1,067,367,531	1,219,674,736
Opening balance – at book value land			16,507,087
Transfers from right of use assets		8,237,871	5,890,547
Additions during the period / year – at cost	5.1.1	78,530,819	39,042,979
		1,154,136,221	1,281,115,349
Less:			
Disposals / transfers during the period / year – at book value		(11,828,169)	(28,232,297)
Depreciation charged during the period / year		(108,601,428)	(185,515,521)
		(120,429,597)	(213,747,818)
Closing balance – at book value		<u>1,033,706,624</u>	<u>1,067,367,531</u>

#### 5.1.1 Details of additions and disposals are as follows:

	Additions (Cost)	
	(Un-audited)	(Audited)
	March 31, 2022	June 30, 2021
<b><u>Owned Assets:</u></b>		
Building on leasehold land	-	
Furniture and fittings	7,247,069	
Leasehold improvements	-	8,146,761
Motor vehicles	41,673,349	8,306,622
Audio visual equipment	13,177,604	8,309,492
Office equipment	8,218,895	2,853,141
Computers	8,213,903	9,604,467
Uplinking equipment	-	1,822,496
	<u>78,530,819</u>	<u>39,042,979</u>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
		----- Rupees -----	
<b>6. LONG TERM INVESTMENTS – unquoted subsidiaries</b>	<b>Holding</b>		
<b>HUM TV, Inc. – USA</b>			
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>
		<b>18,725,353</b>	<b>18,725,353</b>
<b>HUM Network UK Ltd.</b>			
553,677 Ordinary shares of 1 GBP	100%	95,923,751	95,923,751
<b>Skyline Publications (Private) Ltd.</b>			
3,999,997 Ordinary shares of Rs.10 each	100%	<u>39,999,970</u>	<u>39,999,970</u>
Provision for impairment		<u>(39,999,970)</u>	<u>(39,999,970)</u>
		-	-
<b>HUM Network FZ LLC – UAE</b>			
2,400 Ordinary shares of AED 1000 each	100%	<u>69,802,371</u>	<u>69,802,371</u>
Advance for future issue of shares		<u>4,446,966</u>	<u>4,446,966</u>
		<b>74,249,337</b>	<b>74,249,337</b>
<b>HUMM Co. (Private) Limited</b>			
4 Ordinary shares of Rs. 10 each	100%	40	40
<b>HUM Mart. (Private) Limited</b>			
14,000,000 ordinary shares of Rs.10 each	70%	<u>140,000,000</u>	<u>140,000,000</u>
Provision for impairment		<u>(140,000,000)</u>	<u>(140,000,000)</u>
		<b>188,898,481</b>	<b>188,898,481</b>
<b>7. TELEVISION PROGRAM COSTS</b>			
Unreleased / released less amortization		<b>463,229,988</b>	430,167,561
In production		<u>31,102,250</u>	<u>22,282,250</u>
		<b>494,332,238</b>	<b>452,449,811</b>
Less: Current portion		<u>113,283,774</u>	<u>(100,385,799)</u>
		<b>381,048,464</b>	<b>352,064,012</b>
<b>8. TRADE DEBTS</b>			
Includes amount receivable from related parties as follows:			
Hum TV, Inc – USA		<b>86,986,740</b>	73,597,309
Hum Network UK Ltd		<u>85,892,375</u>	<u>87,464,218</u>
		<b>172,879,115</b>	<b>161,061,527</b>
<b>9. ADVANCES</b>			
Includes advance given to M.D Productions (Private) Limited, a related party amounting to Rs. 389,423,517/- (June 30, 2021: Rs.null/-) for purchase of television programs.			

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

## 11. OTHER RECEIVABLES

Includes balances receivable from related parties as follows:

	March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
	----- Rupees -----	----- Rupees -----
HUM TV, Inc	37,565,122	30,052,260
HUM Mart (Private) Limited	1,320,992	1,317,185
Sky Line Publication (Private) Limited	58,063,799	59,346,535
	<u>96,949,913</u>	<u>90,715,980</u>
Provision for impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>39,344,694</u>	<u>33,110,761</u>

## 12. TRADE AND OTHER PAYABLES

Includes amounts payable to related parties amounting to Rs. 11,189,896/- (June 30, 2021: Rs 37,894,404/-).

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 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.

### 14.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at March 31, 2022 amounted to Rs.256,019,400/- (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at March 31, 2022 amounted to Rs. 46,515,500/- (June 2021: Rs. 71,736,000/-).

	Nine months ended		Quarter-ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
<b>15 REVENUE – net</b>				
Advertisement revenue	3,195,502,809	2,526,198,526	1,194,888,054	785,428,846
Production revenue	143,357,118	54,162,332	47,828,130	17,970,231
Digital sales revenue	73,939,567	25,971,458	39,599,414	4,288,625
Subscription income	905,839,817	453,405,929	298,515,093	148,099,905
	<u>4,318,639,311</u>	<u>3,059,738,245</u>	<u>1,580,830,691</u>	<u>955,787,607</u>
<b>15.1 Revenue is net off the following items:</b>				
Sales tax	480,587,376	360,193,655	183,675,927	115,134,220
Discount to customers	356,336,963	229,669,916	121,058,954	68,132,592
	<u>836,924,339</u>	<u>589,863,571</u>	<u>304,734,881</u>	<u>183,266,812</u>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

## 16. COST OF PRODUCTION

	Nine months ended		Quarter-ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Cost of outsourced programs	1,172,591,049	984,353,536	442,085,449	322,280,307
Cost of in-house programs	176,759,717	78,521,061	77,644,342	41,680,986
Inventories consumed	848,780	2,383,280	450,580	169,000
Salaries and benefits	526,527,506	453,902,752	182,013,402	142,773,604
Depreciation	93,766,904	128,757,082	30,432,902	39,853,186
Amortisation	6,647,748	7,258,921	2,147,424	2,367,978
Traveling and conveyance	54,647,127	26,676,085	17,473,507	10,142,567
Utilities	10,439,081	15,918,063	2,715,217	3,302,925
Rent, rates and taxes	788,200	297,568	140,611	-
Insurance	19,622,453	17,474,404	7,026,972	5,983,473
Repair and maintenance	38,873,822	40,468,860	12,329,371	12,777,563
Fee and subscription	127,624,091	59,887,263	3,818,562	17,967,048
Communication expense	12,939,700	12,388,655	4,997,363	4,719,281
Security charges	68,000	-	-	-
Consultancy	4,642,451	3,500,613	2,075,435	1,166,871
Printing and stationery	1,235,224	836,185	496,286	382,688
	2,248,021,853	1,832,624,328	785,847,423	605,567,477
In production television programs - opening	22,282,250	38,743,250	27,587,250	22,694,250
In production television programs - closing	(31,102,250)	(21,684,750)	(31,102,250)	(21,684,750)
	2,239,201,853	1,849,682,828	782,332,423	606,576,977
Released / unreleased programs - opening	430,167,561	427,380,500	522,447,567	426,111,900
Released / unreleased programs - closing	(463,229,988)	(428,597,410)	(463,229,988)	(428,597,410)
	2,206,139,426	1,848,465,918	841,550,002	604,091,467

## 17. 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	Nine months ended		Quarter-ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
<b>Associated companies:</b>				
Purchases of Television programs	1,010,250,374	838,257,960	368,409,260	284,155,520
<b>Subsidiary Company:</b>				
Management Fee	-	3,624,000	-	1,140,000
Subscription Income	39,287,350	35,932,970	13,468,900	11,560,500
<b>Others</b>				
Key Management personnel	307,003,264	265,911,238	116,585,878	55,684,169
Contribution to Fund	27,899,152	25,887,748	9,165,153	7,996,621

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2022 (UN-AUDITED)

### 18. 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.

### 19. FAIR VALUE OF ASSETS

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

### 20. SUBSEQUENT EVENT

The Board of Directors in its meeting held on April 25, 2022 has recommended an interim cash dividend of Re.0.35/- per share @ 35% amounting to Rs. 330,750,000/-.

### 21. GENERAL

21.1 Amounts have been rounded off to the nearest rupee.

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

### 22. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on April 25, 2022 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 MARCH 31, 2022

		March 31, 2022	June 30, 2021
	Note	Rupees (Un-audited)	Rupees (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,202,445,958	1,272,025,049
Intangible assets		69,354,004	74,994,373
Long term deposits		30,837,947	31,443,434
Television program costs		381,048,464	352,064,012
Deferred tax asset		172,891,583	134,673,585
		<b>1,856,577,956</b>	<b>1,865,200,453</b>
<b>CURRENT ASSETS</b>			
Inventories		17,107,546	16,660,901
Current portion of television program costs		113,283,774	100,385,799
Trade debts	5	2,556,504,198	2,231,476,846
Short term investments		604,367,903	502,415,157
Advances		468,246,562	129,283,397
Trade deposits and short-term prepayments		81,297,417	23,582,975
Other receivables		213,134,944	111,845,411
Taxation – net		97,520,433	210,879,875
Cash and bank balances		725,191,870	437,693,527
		<b>4,876,654,647</b>	<b>3,764,223,888</b>
<b>TOTAL ASSETS</b>		<b>6,733,232,603</b>	<b>5,629,424,341</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital 1,500,000,000 (2021: 1,500,000,000) Ordinary shares of Re.1/- each		<b>1,500,000,000</b>	<b>1,500,000,000</b>
Issued, subscribed and paid-up capital		945,000,000	945,000,000
Revenue Reserves		4,206,307,872	3,098,190,358
Attributable to owners of the Holding Company		5,151,307,872	4,043,190,358
Non-controlling interest		(44,292,153)	(32,505,864)
		<b>5,107,015,719</b>	<b>4,010,684,494</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		57,323,278	92,051,392
Long term financing		156,944,329	269,229,311
Deferred income - government grant		-	560,658
Staff retirement benefits		41,123,771	33,255,893
		<b>255,391,378</b>	<b>395,097,254</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		763,980,610	683,186,088
Advance from customer		160,305,663	136,766,203
Accrued mark-up		8,230,528	9,907,299
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Short term borrowing		69,028,013	-
Current portion of long term lease liabilities		24,380,782	29,564,860
Current portion of deferred income - government grant		1,187,374	4,495,607
Current portion of long term financing		337,558,887	353,568,887
		<b>1,370,825,506</b>	<b>1,223,642,593</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,733,232,603</b>	<b>5,629,424,341</b>

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 MARCH 31, 2022 (UN-AUDITED)

		Nine months ended		Quarter-ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Rupees	Rupees	Rupees	Rupees
Revenue - Net	7	4,680,784,694	3,579,358,727	1,677,372,594	1,079,115,296
Cost of production	8	(2,215,850,334)	(2,098,007,077)	(847,983,525)	(647,282,004)
Transmission cost		(182,514,972)	(151,028,055)	(41,772,537)	(36,870,321)
		<u>(2,398,365,306)</u>	<u>(2,249,035,132)</u>	<u>(889,756,062)</u>	<u>(684,152,325)</u>
<b>Gross profit</b>		<b>2,282,419,388</b>	<b>1,330,323,595</b>	<b>787,616,532</b>	<b>394,962,971</b>
Distribution costs		(311,864,177)	(368,898,403)	(137,505,546)	(130,989,599)
Administrative expenses		(702,703,861)	(616,276,807)	(236,483,637)	(136,675,956)
Other income/(expenses)		(14,836,792)	76,871,636	(9,528,753)	39,333,880
Gain on sale of non-current asset held for sale		-	476,832,913	-	-
Finance costs		(56,924,121)	(79,415,054)	(21,864,803)	(26,427,598)
<b>Profit before taxation</b>		<b>1,196,090,437</b>	<b>819,437,880</b>	<b>382,233,793</b>	<b>140,203,698</b>
Taxation		(148,352,286)	(84,659,585)	(29,976,156)	(32,423,174)
<b>Profit after taxation</b>		<b>1,047,738,151</b>	<b>734,778,295</b>	<b>352,257,637</b>	<b>107,780,524</b>
<b>Attributable to:</b>					
Owners of Holding Company		1,059,524,440	759,976,737	362,890,864	114,508,398
Non-Controlling Interests		(11,786,289)	(25,198,442)	(10,633,228)	(6,727,874)
		<u>1,047,738,151</u>	<u>734,778,295</u>	<u>352,257,636</u>	<u>107,780,524</u>
<b>Profit per share – basic and diluted</b>		<b>1.12</b>	<b>0.80</b>	<b>0.38</b>	<b>0.12</b>

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 COMPREHENSIVE INCOME FOR THE QUARTER ENDED MARCH 31, 2022 (UN-AUDITED)

	March 31, 2021	March 31, 2020
	Rupees	
Profit for the period	1,047,738,151	734,778,295
Other comprehensive income	48,593,074	13,966,571
Total comprehensive income for the period	<u>1,096,331,225</u>	<u>748,744,866</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 MARCH 31, 2022 (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 period	-	-	759,976,737	759,976,737	(25,198,442)	734,778,295
Other comprehensive Income	-	13,966,571	-	13,966,571	-	13,966,571
Total comprehensive income / (loss) for the period	-	13,966,571	759,976,737	773,943,308	(25,198,442)	748,744,866
Balance as at March 31, 2021	945,000,000	173,647,193	2,696,699,621	2,870,346,814	(24,134,158)	3,791,212,656
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 period	-	-	1,059,524,440	1,059,524,440	(11,786,289)	1,047,738,151
Other comprehensive income	-	48,593,074	-	48,593,074	-	48,593,074
Total comprehensive income / (loss) for the period	-	48,593,074	1,059,524,440	1,108,117,514	(11,786,289)	1,096,331,225
Balance as at March 31, 2022	945,000,000	215,297,604	3,991,010,268	4,206,307,872	(44,292,153)	5,107,015,719

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 MARCH 31, 2022 (UN-AUDITED)

March 31, 2022 March 31, 2021  
----- Rupees -----

## CASH FLOWS FROM OPERATING ACTIVITIES

Profit before Taxation	1,196,090,437	819,437,880
<b>Adjustment for:</b>		
Depreciation	130,059,987	173,819,996
Amortization	5,640,409	15,576,404
Finance costs	56,924,121	79,415,054
Profit received on deposit accounts	(18,765,946)	(11,942,701)
Loss/(gain) on disposal of property, plant and equipment	(4,855,006)	(4,565,005)
Gain on disposal of non-current asset held for sale	-	(476,832,913)
Unrealized Loss/(gain) on Revaluation of Investments	62,099,156	(40,429,633)
Exchange difference on translation of foreign currency	48,593,074	13,966,571
Provision for doubtful debts	6,902,363	(28,691,491)
Gain/(loss) on redemption / sale of investments	9,475,346	12,426,115
Exchange Loss/(Gain)	4,601,677	(2,367,215)
	300,675,181	(269,624,816)
<b>Operating Profit before working capital changes</b>	<b>1,496,765,618</b>	<b>549,813,064</b>

## (Increase)/decrease in current assets

Inventories	(446,645)	9,244,308
Television program costs	(12,897,975)	5,000,000
Trade debts	(336,531,392)	(77,148,463)
Advances, deposits and prepayments	(396,677,607)	(356,644,599)
Other receivables	(101,289,533)	(93,607,271)
	(847,843,152)	(513,156,025)

## Increase in current liabilities

Trade and other payables	104,333,982	(143,585,642)
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## CASH GENERATED FROM OPERATIONS

	753,256,448	(106,928,602)
Taxes paid	(73,210,842)	(44,542,045)
Finance cost paid	(58,600,892)	(77,434,391)
Profit received on bank accounts	18,765,946	11,942,701
Long-term deposits	605,487	269,781
Television program costs	(28,984,452)	10,841,590
Employees end of Service	7,867,878	1,429,447
<b>Net cash (used in) / generated from operating activities</b>	<b>619,699,573</b>	<b>(204,421,520)</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment and intangibles	(78,530,856)	(27,290,799)
Short term investments - net	(174,820,858)	(89,265,181)
Proceeds from disposal of operating fixed assets	16,252,415	16,269,745
Proceeds from sale of non-current asset held for sale	-	493,340,000
<b>Net cash (used in) / generated from investing activities</b>	<b>(237,099,299)</b>	<b>393,053,766</b>

## CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing	(132,163,873)	(338,684,349)
Liabilities against assets subject to finance lease	(33,259,680)	(15,990,282)
<b>Net cash (used in) / generated from financing activities</b>	<b>(165,423,553)</b>	<b>(354,674,631)</b>

## Net increase / (decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period	218,470,330	(166,042,385)
Cash and cash equivalents at the end of the period	437,693,527	79,630,559
	656,163,857	(86,411,826)

## Cash and cash equivalents

Cash and bank balances	725,191,870	313,378,160
Short-term running finance	(69,028,013)	(399,789,996)
	656,163,857	(86,411,826)

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 MARCH 31, 2022 (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

	2022	2021
	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 MARCH 31, 2022 (UN-AUDITED)

### 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.

		March 31, 2022	June 30, 2021
	Note	----- Rupees ----- (Un-audited)	(Audited)
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	1,041,082,008	1,075,575,958
Right of use assets		73,943,480	109,028,622
Capital work-in-progress		87,420,469	87,420,469
		<u>1,202,445,958</u>	<u>1,272,025,049</u>

#### 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	78,530,819	39,753,379
Transfer to right of use asset - at book value		8,237,871	15,164,322
		<u>1,162,344,648</u>	<u>1,301,901,887</u>
Less:			
Disposal/ transfer during the period / year - at WDV		(11,397,410)	(67,509,494)
Depreciation charged during the period / year		(109,865,230)	(158,816,435)
		<u>(121,262,640)</u>	<u>(226,325,929)</u>
		<u>1,041,082,008</u>	<u>1,075,575,958</u>

#### 4.1.1 Additions during the period/year

##### Owned Assets:

Furniture and fixtures	7,247,069	170,615
Leasehold improvements	-	8,146,761
Motor vehicles	41,673,349	8,306,656
Audio visual equipment	13,177,604	8,309,492
Office equipment	8,218,895	2,929,141
Uplinking equipment	-	1,822,496
Computers	8,213,903	10,068,218
	<u>78,530,819</u>	<u>39,753,379</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2022 (UN-AUDITED)

	March 31, 2022	June 30, 2021
	Rupees	
	(Un-audited)	(Audited)
<b>5 TRADE DEBTS – unsecured</b>		
Considered good	2,556,504,198	2,231,476,846
Considered doubtful	85,287,500	78,385,137
	<u>2,641,791,697</u>	<u>2,309,861,983</u>
Less: Provision for doubtful debts	<u>(85,287,500)</u>	<u>(78,385,137)</u>
	<u>2,556,504,198</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 March 31, 2022 amounted to Rs.256,019,400/- (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at March 31, 2022 amounted to Rs. 46,515,500/- (June 2021: Rs. 71,736,000/-).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2022 (UN-AUDITED)

	Nine-Months ended		Quarter-ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>7 REVENUE – net</b>				
Advertisement revenue	3,613,812,839	2,943,148,586	1,330,525,874	909,875,065
Production revenue	143,357,118	54,162,332	55,850,456	17,970,231
Digital sales revenue	73,939,567	25,971,458	31,577,088	4,288,624
Subscription income	849,234,330	378,832,143	259,419,176	124,016,105
Sale of goods	440,840	177,244,208	-	22,965,270
	<u>4,680,784,694</u>	<u>3,579,358,727</u>	<u>1,677,372,594</u>	<u>1,079,115,296</u>
<b>7.1 Revenue is net off the following items:</b>				
Sales tax	480,587,376	360,193,655	183,675,927	115,134,220
Discount to customers	380,904,763	231,099,988	156,223,570	68,150,645
	<u>861,492,139</u>	<u>591,293,643</u>	<u>339,899,497</u>	<u>183,284,865</u>
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>8 COST OF PRODUCTION</b>				
Cost of outsourced programs	1,172,626,012	1,020,678,279	442,120,412	334,052,979
Cost of in-house programs	176,759,717	78,521,061	77,644,342	41,680,986
Inventories consumed	848,780	166,780,271	450,580	17,935,465
Salaries and benefits	530,487,812	476,005,329	183,305,388	148,972,258
Depreciation	94,455,918	132,383,780	30,662,573	41,371,834
Amortisation	6,702,306	7,326,019	2,165,610	2,389,612
Traveling and conveyance	54,647,127	37,035,125	17,473,507	12,256,573
Utilities	10,507,081	17,502,525	2,715,217	3,370,815
Rent, rates and taxes	788,200	8,613,568	140,611	2,772,000
Insurance	19,746,050	17,702,150	7,057,755	6,211,219
Repair and maintenance	41,390,140	40,621,940	14,845,689	12,394,751
Fee and subscription	127,624,091	59,887,263	3,818,562	17,967,048
Communication expense	12,959,202	12,443,359	4,996,331	4,748,165
Consultancy	4,642,451	3,500,613	2,075,435	1,166,871
Printing and stationery	3,547,874	3,164,205	2,808,936	1,467,438
	<u>2,257,732,761</u>	<u>2,082,165,487</u>	<u>792,280,948</u>	<u>648,758,014</u>
In production television programs				
- opening	22,282,250	38,743,250	27,587,250	22,694,250
In production television programs				
- closing	(31,102,250)	(21,684,750)	(31,102,250)	(21,684,750)
	<u>2,248,912,761</u>	<u>2,099,223,987</u>	<u>788,765,948</u>	<u>649,767,514</u>
Released / unreleased programs				
- opening	430,167,561	427,380,500	522,447,566	426,111,900
Released / unreleased programs				
- closing	(463,229,988)	(428,597,410)	(463,229,988)	(428,597,410)
	<u>2,215,850,334</u>	<u>2,098,007,077</u>	<u>847,983,525</u>	<u>647,282,004</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2022 (UN-AUDITED)

## 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:

	Nine-Months ended		Quarter-ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>Nature of transaction</b>				
<b>Associated companies:</b>				
Purchases of Television programs rights	1,010,250,374	838,257,960	368,409,260	284,155,520
<b>Others</b>				
Key Management personnel	363,624,716	318,567,268	133,607,330	72,749,399
Contribution to Fund	27,899,152	25,887,748	9,165,153	7,996,621

## 10. SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on April 25, 2022 has recommended an interim cash dividend of Re. 0.35 per share @35% amounting to Rs. 330,750,000/-.

## 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 April 25, 2022 by the Board of Directors of the Holding Company.



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



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