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SEPTEMBER 30, 2022
1ST QUARTERLY REPORT
(UN-AUDITED)

HUM NETWORK LIMITED



Company Information

BOARD OF DIRECTORS

Chairman

Mr. Mazhar-ul-Haq Siddiqui

Directors

Ms. Sultana Siddiqui
Mrs. Mahtab Akbar Rashdi
Mr. Shunaid Qureshi
Lt. Gen. (R) Asif Yasin Malik
Mr. Sohail Ansar
Mrs. Khush Bakht Shujat
Mr. Muhammad Ayub Younus Adhi

Chief Executive Officer

Mr. Duraid Qureshi

Chief Financial Officer

Mr. Muhammad Abbas Hussain

Company Secretary

Mr. Mohsin Naeem

Head of Internal Audit

Mr. Kamran Shamshad Ahmed

AUDIT COMMITTEE

Chairman

Mr. Sohail Ansar

Members

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

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairperson

Mr. Sohail Ansar

Members

Ms. Sultana Siddiqui
Mrs. Mahtab Akbar Rashdi

AUDITORS

M/s. EY Ford Rhodes
Chartered Accountants
7th Floor Progressive Plaza,
Beaumont Road, Karachi

INTERNAL AUDITORS

M/s. KPMG Taseer Hadi & Company
Chartered Accountants
1st Floor, Sheikh Sultan Trust Building
No.2, Beaumont Road, Karachi

LEGAL ADVISOR

M/s. Ijaz Ahmed & Associates
No.7, 11th 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 (SMC-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

Directors' 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 three months period ended September 30, 2022.

Financial Performance:

HUM NETWORK LIMITED				
Particulars	Unconsolidated Financial Statements		Consolidated Financial Statements	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Total Income	1,386,759,418	1,240,319,865	1,552,990,261	1,324,154,873
Total expenses	(1,039,952,526)	(883,729,085)	(1,144,705,688)	(1,000,878,582)
Profit before tax	346,806,892	356,590,780	408,284,573	323,276,291
Taxation	(42,030,822)	(105,968,790)	(43,428,211)	(106,479,089)
Profit after tax	304,776,070	250,621,990	364,856,362	216,797,202

Our net revenues increased by 9.4% as compared to the same period last year, continuing the trend of overall growth. The nature of our business gives us this unique opportunity to venture into new avenues and we further strengthened our ability to navigate temporary setbacks created by external factors. This year we continued with the Company's vision of investing in quality content which translated into viewership growth and increase in popularity.

The Company's earnings per share is Rs. 0.32 for the first three [3] months period ended September 30, 2022 as compared to Rs. 0.27 for the same period last year.

Operational Performance:

HNL is one of the leading media networks of Pakistan and has predominantly been an entertainment provider for more than 17 years now. HUM is already Pakistan's most admired media brand, and our content reaches millions of people through our domestic and international bouquet of channels and multiple distribution platforms worldwide including films, digital, print media and live events.

During the period under review, HUM TV premiered dramas like "Bakhtawar", the journey of a young headstrong girl trying to escape her troubled home, facing difficulties and pain to create a better tomorrow for herself and "Kaala Doriya", a romantic comedy, which have been highly appreciated by the audiences, being amongst the most popular dramas on YouTube. These multi-starrer projects are definitely our potential blockbusters. The audience responds positively with our content as the stories keep them hooked to their screens with engaging storylines and awe-inspiring performances.

The blockbuster drama of the year 'Sang-e-Mah' came to an end with its last episode airing in July 2022. Sang-e-Mah concluded the story of love and revenge in its finale with a lasting impression on the viewers as they carry more than just a story with them.

HNL hosted one of the most awaited and glamorous awards ceremony, "8th Hum Awards", in Toronto, Canada in September 2022. The night was full of glitz and glamour, extravagant performances and star-studded attendees. These award shows help us represent a soft image of Pakistan to the world.

HUM News in these polarized times has maintained its news reporting as independent and fact based. The channel is not only striving to give hope to our society but also revamping the Pakistan news industry by objective reporting methods.

The board is committed to Corporate Social Responsibility (CSR) and integration of sound social practices in Company's day-to-day business activities. Our country suffered one of the worst devastations caused by floods during this extended monsoon season. Along with the tragic loss of human life which is reported to be over a thousand, the floods have swept away livestock, crops and infrastructure worth billions. The HUM Network initiated flood relief campaign 'HUMDard' in association with Momina & Duraid Foundation where we conducted a telethon on September 4, 2022 live from Karachi and Islamabad to raise funds and relief goods for the flood affected. The management and the employees of HNL also donated their one-day salaries for the relief efforts.

Future Outlook:

After successfully navigating through the COVID-19 pandemic, the Board is still cognizant of the fact that the coming years are going to be challenging. With uncertainty even after securing of bailout package from International Monetary Fund (IMF), other factors which include massive human and financial losses by devastating flood, high inflation, rising energy prices and volatility in the exchange rate, political turmoil we anticipate Pakistan's economy will remain precarious which could result in margin erosion in future.

Decrease in advertisement revenue due to economy's slowdown and increase in cost of production and other expenses due to steep inflation and various factors will have an impact on profitability. Moreover, it appears that the government will sustain higher tax rates, which will also impact the bottom line. In this context, the Company will continue its focus towards curtailing costs, while driving forward with enhanced efficiencies, increased throughput and aggressive sales efforts during this challenging time. 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.

Management of HNL is fully committed to continue to invest in our products and services, to provide premium entertainment experience for our viewers and stakeholders. As an enterprise we are well placed to deliver a much better growth, backed by our well-defined business strategies, excellent infrastructure and a robust board, we 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.

The Board of Directors would like to acknowledge the contributions of all stakeholders of the Company for their continuous support.

October 26, 2022
Karachi.


DURAIQ QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman

ڈائریکٹر زر پورٹ

ہم نیٹ ورک لمیٹڈ (ایچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۲ء کی سہ ماہی اختتامی مدت کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

بیمہ حیثیت ورک کیلینڈر			
تفصیلات		غیر مجموعی ایلیاتی گروٹھارے	
کل آمدنی	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء
۱,۳۸,۶۰۵,۹۰۳,۸۱۸		۱,۳۸,۶۰۵,۹۰۳,۸۱۸	۱,۳۳,۱۵۳,۸۷۳,۴۲۱
کل اخراجات	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء
(۱۰,۳۹,۹۵۲,۵۲۶)		(۸۸۳,۷۴۹,۰۸۵)	(۱,۱۱۳,۷۵۰,۹۸۸)
نیل انریکس منافع	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء
۳۳,۹۰۰,۹۰۳,۸۹۴		۳۵,۰۵۹,۷۸۰	۳۸,۰۴۸,۸۸۵
نیل انریکس منافع	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء	۳۰ ستمبر ۲۰۲۳ء
(۳۳,۳۳۸,۸۲۴)		(۱۵,۹۱۸,۷۸۰)	(۲۳,۳۳۸,۸۲۴)
۳۳,۹۰۰,۹۰۳,۸۹۴		۳۵,۰۵۹,۷۸۰	۳۸,۰۴۸,۸۸۵
۳۳,۹۰۰,۹۰۳,۸۹۴		۳۵,۰۵۹,۷۸۰	۳۸,۰۴۸,۸۸۵

دوران سال، مجموعی ترقی کے رجحان کو جاری رکھتے ہوئے ہماری خالص آمدنی میں ۹۰ فیصد اضافہ ہوا جس کا موازنہ گذشتہ سال کی اسی مدت سے کیا جاسکتا ہے۔ ہمارے کاروباری کمپنیت ہمیں نئی راہیں تلاش کرنے کا منفرد موقع فراہم کرتی ہے اور ہم نے یہ روئی خواہش کے باعث پیدا ہونے والی صورتحال کو نیو گیٹھ کرنے کی اپنی صلاحیت کو مزید مضبوط کیا ہے۔ اس سال ہم نے معیاری کنٹینٹ میں سرمایہ کاری کے کمپنیت کے نظریہ کو جاری رکھا جس سے ناظرین کی تعداد اور مقبولیت میں اضافہ ہوا۔

۳۰ ستمبر ۲۰۲۲ء کی سہ ماہی مدت میں کمپنی کی فی حصص آمدنی مبلغ ۲۳۔ روپے رہی جس کا موازنہ گزشتہ سال کی اسی مدت کی فی حصص آمدنی مبلغ ۲۷۔ روپے سے کیا جاسکتا ہے۔

عملی کارکردگی:

انجین ایل پاکستان کے معروف میڈیا نمائندہ دیکس میں سے ایک ہے اور اسے سال سے زائد عرصے سے تقریر، فراہم کر رہا ہے۔ ہم سٹیج کی پاکستان کا سب سے زیادہ پسند کیا جانے والا میڈیا پرائز ہے، اور ہمارا کنونٹینس ہمارے ملکی اور بین الاقوامی تنظیم اور دنیا بھر میں ایک سے زیادہ ڈسٹری بیوشن پوائنٹ فارمضوں، ڈیجیٹل، پرنٹ میڈیا اور لائیو ایوشن کے ذریعے انھوں لوگوں تک پہنچتا ہے۔

دوران جائزہ مدت اہمی دئی گئی۔ "بقاؤ" جیسے دراموں کا ہیرو بن گیا، جو ایک نوجوان لڑکی کا ستر ہے جو اپنے پریشان حال گھر سے فرار ہونے کی کوشش کر رہی ہے، اپنے ایک بہترین مل کے لیے شکار اور درکار کا سامنا کر رہی ہے، اس کے علاوہ "لاڈلا روپا"، ایک وادیوں کا مائی، جیسے ہیو یو بہترین بہترین ترین دراموں میں سے ایک ہونے کے ساتھ ناظرین کی توجہ سے بے حد صدمہ کیا گیا ہے۔ یہ ملٹی اسٹارز پر چلیں گے اور ہمارے ہمارے تھمکے ہمارے ایک ہمسر ہیں۔ جیسے ہیو کیونگ کا بیٹا یا اس نہیں کھلے گا اور حیرت انگیز گھبراہٹ زدہ رہنمائی کریں گے۔

سال کا پاک بسر ڈرامہ ”سنگ ماہ“ جولائی ۲۰۲۲ء میں نشر ہونے والی اپنی آخری قسط کے ساتھ اختتام کو پہنچا۔ سنگ ماہ نے اپنے اختتام میں محبت اور انتقام کی کہانی کا اختتام کیا جس نے ناظرین

ایچ این ایل نے ستمبر ۲۰۲۲ء میں یورٹو، کینیڈا میں سب سے زیادہ منفرد اور دلکش ایوارڈز کی تقریب، "8 ویں ہم ایوارڈز" کی میزبانی کی۔ راستہ گلفز اور گلیمز، غیر معمولی پرفارمنس اور ستاروں سے بھری ہوئی تھی۔ یہ ایوارڈ شوں میں دنیا کے سامنے پاکستان کا ایک سو فٹ ایچ جی کرشن کرنے میں مدد دیتے ہیں۔

ہم نیوز نے ان پورٹرز کو اوقات کا مشاں اپنی خبروں کی پوربٹگ کو آزاد اور حقائق پر مبنی کے طور پر برقرار رکھا ہے۔ ہم نیوز نہ صرف ہمارے معاشرے کو امید دلانے کے لیے کوشاں ہے بلکہ پاکستان نیوز ایجنڈے کی کوسمیری پوربٹگ کے طریقوں کے بنی شکل دے رہا ہے۔

[illegible]

مستقبل کی حکمت عملی اور چیلنجز:

آپ کی سنجیدگی کو دیکھ کر ۱۹۰۷ء کی پانڈیوں، سست، معاشی صورتحال، کیش فلو اور ناظرین کی عادات میں تبدیلی کے ذریعے نہ صرف کاروباری پریشکرا کا انتظام کر کے کوویڈ - ۱۹ وبا کی مرض میں کامیابی کے ساتھ آج کے بڑے بلکمر ہو گئے ہیں، ناظرین اور بیورو نیز وہ ان کو ٹینٹس کو بڑھانے کے لیے سخت عملوں کو بھی نافذ کیا۔

معاشی سست روی کے باعث اشتہاری آمدنی میں کمی اور فراخ اندازی کی وجہ سے پیدوار کی لاگت اور دیگر اخراجات میں اضافہ اور مختلف عوامل میں منافع پر آشاندہا ہوں گے۔ مزید برآں، ایسا گھٹا ہے کہ حکومت ٹیکس کی بلند شرح کو برقرار رکھے گی، جس کا اثر غلجی سطح پر بھی پڑے گا۔ اس تناظر میں، کمپنی اس مشکل وقت میں بہتر کارکردگی، فروخت کی جارہا نہ کوکھشوں کے ساتھ آگے بڑھتے ہوئے لاگت کو کم کرنے کی طرف اپنی توجہ جاری رکھے گی۔

مستوازن پر ہلچک / پروگرام اور پاکستان بھر میں بہتر تقسیم کے ساتھ، خود کی ناظرین کی دوجہ بندی میں اوسطاً اضافہ ہوا ہے اور اب اسے ملک کے سرفہرست نیوز چینلز میں شمار کیا جاتا ہے۔

ایضاً اہل کی انتظامیہ ہمارے ناظرین اور اسکے ماہر لڑکے پر عظیم تفریحی تجربہ فراہم کرنے کے لیے ہماری پروڈکٹس اور خدمات میں سرمایہ کاری جاری رکھنے کے لیے پوری طرح پرعزم ہے۔ اس کا ایک بہترین نمونہ بطور پیرم بہتر پرفیو ہے۔ اپنی زمین کا کاروباری حکمت عملیوں کی مدد سے آگے بڑھنے اور اپنے کاروبار کے معیار کے لیے بہترین پیر پوزیشن میں اور بورڈ اس بات پر یقین رکھنے کے لیے اس کی زیادہ تر پوزیشنیں ملے گا اور مارور سٹیلٹیلٹ لوکر کے لیے اس کی ضرورت ہے۔

اعلیٰ رتشر:

بورڈ آف ایگریکلچرل کمپنی کے تمام اسٹیک ہولڈرز کے ان کی مستقل سپورٹ پر مخلصانہ خراج تحسین پیش کرتے ہیں۔

مظہر الحق صدیقی
چیرمین

درید قریشی
چف ایگزیکٹو

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

		September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	Rupees	Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,184,567,723	1,205,184,777
Intangible assets		7,903,904	10,102,023
Long term investments	5	188,898,481	188,898,481
Long term deposits and prepayments		31,536,864	31,967,331
Television program costs		297,890,292	335,343,019
Deferred tax asset		186,920,700	188,969,133
		<u>1,897,717,964</u>	<u>1,960,464,764</u>
CURRENT ASSETS			
Inventories		16,703,134	16,627,261
Current portion of television program costs		85,829,858	90,347,219
Trade debts	6	2,262,533,994	2,239,728,745
Short term investments		953,904,403	1,127,212,684
Advances	7	715,838,953	108,662,128
Trade deposits and short term prepayments		17,844,307	25,160,453
Other receivables	8	402,784,560	166,202,807
Taxation – net		216,477,005	236,500,979
Cash and bank balances		221,305,471	833,498,560
		<u>4,893,221,685</u>	<u>4,843,940,836</u>
TOTAL ASSETS		<u>6,790,939,649</u>	<u>6,804,405,600</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2022: 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>4,456,401,875</u>	<u>4,151,625,806</u>
		<u>5,401,401,875</u>	<u>5,096,625,806</u>
NON-CURRENT LIABILITIES			
Long term lease liabilities		70,846,850	72,676,898
Long term financing		<u>33,337,023</u>	<u>78,125,021</u>
		<u>104,183,873</u>	<u>150,801,919</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,007,093,714	1,217,983,143
Advance from customers		2,477,470	14,579,805
Accrued markup		1,598,998	4,296,850
Unclaimed dividend		740,472	6,153,631
Unpaid dividend		7,480,535	2,299,787
Current portion of deferred income - government grant		78,305	478,147
Current portion of long term financing		250,591,852	294,813,943
Current portion of long term lease liabilities		<u>15,292,555</u>	<u>16,372,569</u>
		<u>1,285,353,901</u>	<u>1,556,977,875</u>
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		<u>6,790,939,649</u>	<u>6,804,405,600</u>

The annexed notes from 1 to 18 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, 2022 (UN-AUDITED)

		September 30, 2022	September 30, 2021
	Note	----- Rupees -----	
Revenue	11	1,331,891,876	1,217,646,404
Cost of production	12	(752,944,724)	(619,477,698)
Transmission cost		(31,429,735)	(22,355,607)
		(784,374,459)	(641,833,306)
Gross profit		547,517,417	575,813,098
Distribution costs		(85,945,084)	(64,605,774)
Administrative expenses		(153,732,984)	(129,898,269)
Other income/(expense)		54,867,542	(9,324,533)
Finance costs		(15,899,999)	(15,393,741)
Profit before taxation		346,806,892	356,590,780
Taxation			
-current		(39,982,389)	(115,861,128)
-deferred		(2,048,433)	9,892,338
		(42,030,822)	(105,968,790)
Profit for the period		304,776,070	250,621,990
Earnings per share – basic and diluted (Re.)		0.32	0.27

The annexed notes from 1 to 18 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, 2022 (UN-AUDITED)

	Quarter-ended	
	September 30, 2022	September 30, 2021
	----- Rupees -----	
Profit for the period	304,776,070	250,621,990
Other comprehensive income	-	-
Total comprehensive income for the period	<u>304,776,070</u>	<u>250,621,990</u>

The annexed notes from 1 to 18 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, 2022 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	-----Rupees-----		
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
Balance as at July 01, 2022 – (Audited)	945,000,000	4,151,625,806	5,096,625,806
Profit for the period	-	304,776,069	304,776,069
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	304,776,069	304,776,069
Balance as at September 30, 2022	945,000,000	4,456,401,875	5,401,401,875

The annexed notes from 1 to 18 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, 2022 (UN-AUDITED)

	September 30, 2022	September 30, 2021
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	346,806,892	356,590,780
Adjustments for:		
Depreciation on operating fixed assets	28,635,030	44,402,950
Amortization	2,198,121	2,607,007
Finance costs	15,899,999	15,393,741
Unrealised exchange gain/(loss)	(5,569,009)	(12,532,200)
Profit on bank accounts	(18,331,546)	(4,178,605)
Gain on disposal of operating fixed assets	(196,168)	(701,945)
Gain on redemption / sale of investments	(1,630,753)	-
Dividend Income	(12,158,787)	(944,483)
Unrealised (gain)/ loss on revaluation of investments	(17,838,460)	31,997,995
	(8,991,573)	76,044,459
Operating profit before working capital changes	337,815,319	432,635,239
(Increase)/decrease in current assets		
Inventories	(75,873)	(5,378,479)
Television program costs	4,517,361	(2,599,450)
Trade debts	(17,236,240)	(184,504,655)
Advances	(607,176,825)	10,732,652
Deposits and prepayments	7,316,146	4,519,795
Other receivables	(236,581,753)	(5,108,381)
	(849,237,184)	(182,338,518)
Increase/(decrease) in current liabilities		
Trade and other payables	(222,991,764)	183,667,688
Cash used in operations	(734,413,629)	433,964,409
Taxes paid	(19,958,415)	(24,152,449)
Finance costs paid	(18,597,851)	(23,098,332)
Profit received on deposit accounts	18,331,546	4,178,605
Long-term deposits	430,467	(707,710)
Television program costs	37,452,727	(120,336,088)
Net cash used in operating activities	(716,755,155)	269,848,435
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment & intangible assets	(6,270,979)	(16,108,895)
Short term investments - net	192,777,493	(197,455,226)
Dividend Income received	12,158,787	944,483
Proceeds from disposal of operating fixed assets	196,168	1,344,880
Net cash generated from investing activities	198,861,469	(211,274,758)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(4,657,065)	(2,979,008)
Dividend paid	(232,411)	-
Long term financing – net	(89,409,928)	(89,409,908)
Net cash used in financing activities	(94,299,404)	(92,388,916)
Net (decrease) / increase in cash and cash equivalents	(612,193,090)	(33,815,239)
Cash and cash equivalents at the beginning of the period	833,498,560	355,827,585
Cash and cash equivalents at the end of the period	221,305,470	322,012,346

The annexed notes from 1 to 18 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 QUARTER ENDED SEPTEMBER 30, 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.
- 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 POLICES

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, 2022.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

		September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- Rupees -----	
4. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	4.1	1,004,973,618	1,019,504,819
Capital work-in-progress		106,914,620	106,914,620
Right of use assets		72,679,484	78,765,338
		<u>1,184,567,723</u>	<u>1,205,184,777</u>
4.1 Operating fixed assets			
Opening balance – at book value		1,019,504,819	1,067,367,531
Transfers from right of use assets		890,226	10,458,880
Additions during the period / year – at cost	4.1.1	<u>6,270,940</u>	<u>90,559,873</u>
		1,026,665,985	1,168,386,284
Less:			
Disposals / transfers during the period / year – at book value		-	(12,401,909)
Depreciation charged during the period / year		<u>(21,692,367)</u>	<u>(136,479,556)</u>
		(21,692,367)	(148,881,465)
Closing balance – at book value		<u>1,004,973,618</u>	<u>1,019,504,819</u>
4.1.1 Details of additions are as follows:			
<u>Owned Assets:</u>			
Furniture and fittings		513,648	9,089,180
Motor vehicles		-	41,673,349
Audio visual equipment		1,960,850	16,940,518
Office equipment		369,283	8,611,621
Computers		<u>3,427,159</u>	<u>14,245,205</u>
		<u>6,270,940</u>	<u>90,559,873</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>
		18,725,353	18,725,353
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%	<u>39,999,970</u>	<u>39,999,970</u>
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%	<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>
		74,249,337	74,249,337
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%	<u>140,000,000</u>	<u>140,000,000</u>
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 - unsecured			
Considered good		2,351,500,626	2,328,695,377
Less: Allowance for ECL		<u>(88,966,632)</u>	<u>(88,966,632)</u>
		<u>2,262,533,994</u>	<u>2,239,728,745</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

7 ADVANCES

Includes advance given to M.D Productions (Private) Limited, a related party amounting to Rs. 359,164,054/- (June 30, 2022: Rs.nil/-) against purchase of television program rights.

8 OTHER RECEIVABLES

Includes balances receivable from related parties as follows:

	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- Rupees -----	
HUM TV, Inc	43,659,628	38,943,913
Skyline Publication Productions (Private) Limited	59,334,409	58,651,683
HUM Network FZLLC	229,651,540	-
Hum Mart (Private) Limited	1,320,991	1,320,991
	<u>333,966,568</u>	<u>98,916,587</u>
Provision for Impairment	(57,605,219)	(57,605,219)
	<u>276,361,349</u>	<u>41,311,368</u>

9 TRADE AND OTHER PAYABLES

Creditors	498,909,296	838,147,526
Accrued liabilities	422,293,036	292,720,290
Due to related party – HUM Network FZ LLC	-	27,215,492
Withholding tax payable	47,912,144	22,224,940
Payable to provident fund	1,033,100	1,031,524
Other liabilities	36,946,138	36,643,371
	<u>1,007,093,714</u>	<u>1,217,983,143</u>

10 CONTINGENCIES AND COMMITMENTS

10.1 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, 2022.

10.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2022 amounted to Rs.363,959,000 (June 2022: Rs. 204,378,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2022 amounted to Rs. 75,201,000 (June 2022: Rs. 48,902,000/-).

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

		Quarter-ended	
		September 30, 2022 (Un-audited)	September 30, 2021 (Un-audited)
		----- Rupees -----	
11	REVENUE – net		
	Advertisement revenue	991,878,649	928,136,570
	Production revenue	13,104,183	53,214,099
	Digital sales revenue	11,689,939	19,720,387
	Subscription income	315,219,105	216,575,348
		<u>1,331,891,876</u>	<u>1,217,646,404</u>
11.1	Revenue is net off the following items:		
	Sales tax	136,537,870	140,475,394
	Discount to customers	<u>126,112,573</u>	<u>120,556,392</u>
		<u>262,650,443</u>	<u>261,031,786</u>
12	COST OF PRODUCTION		
	Cost of outsourced programs	371,289,656	338,531,501
	Cost of in-house programs	18,542,553	82,939,755
	Inventories consumed	877,760	338,000
	Salaries and benefits	236,105,873	192,837,778
	Technical advisory fees	11,902,500	11,902,501
	Depreciation	15,144,935	32,388,530
	Amortisation	1,971,942	2,286,528
	Traveling and conveyance	32,363,433	12,490,858
	Utilities	3,297,713	3,972,968
	Rent, rates and taxes	33,509	24,998
	Insurance	7,178,418	6,918,246
	Repair and maintenance	3,761,304	15,675,535
	Fee and subscription	2,185,083	36,885,202
	Communication expense	4,786,150	3,585,601
	Consultancy	1,188,586	1,283,559
	Printing and stationery	345,221	351,676
		<u>710,974,636</u>	<u>742,413,236</u>
	In production television programs		
	- opening	35,460,250	22,282,250
	In production television programs		
	- closing	<u>(35,685,250)</u>	<u>(25,537,250)</u>
		<u>710,749,636</u>	<u>739,158,236</u>
	Released / unreleased programs		
	- opening	390,229,988	430,167,561
	Released / unreleased programs		
	- closing	<u>(348,034,900)</u>	<u>(549,848,099)</u>
		<u>752,944,724</u>	<u>619,477,698</u>
13	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 UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

	Quarter-ended	
	September 30, 2022 (Un-audited)	September 30, 2021 (Un-audited)
	----- Rupees -----	
Nature of transaction		
Associated companies:		
Purchases of Television programs rights	341,556,920	279,421,920
Subsidiary Company:		
Management Fee	1,350,000	-
Subscription Income	15,290,139	12,404,600
Others		
Key Management personnel	119,239,940	82,155,396
Contribution to Fund	9,449,878	9,348,702

14 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, 2022. There have been no change in any risk management policies since the year end.

15 FAIR VALUE OF ASSETS

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

16 SUBSEQUENT EVENT

The Board of Directors in their meeting held on October 26, 2022 has recommended Bonus Shares in the proportion of 2 ordinary shares for every 10 ordinary shares i.e. 20% held for the quarter ended September 30, 2022.

17 GENERAL

17.1 Amounts have been rounded off to the nearest rupee.

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

18 DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on October 26, 2022 by the Board of Directors.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

		September 30, 2022	June 30, 2022
	Note	----- Rupees ----- (Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,193,073,627	1,213,806,080
Intangible assets		65,375,575	68,700,604
Long term deposits and prepayments		31,993,846	32,382,764
Television program costs		297,890,292	335,343,019
Deferred tax asset		205,151,806	206,123,723
		<u>1,793,485,146</u>	<u>1,856,356,190</u>
CURRENT ASSETS			
Inventories		16,703,134	16,627,261
Current portion of television program costs		85,829,858	90,347,219
Trade debts	5	2,542,145,157	2,499,313,014
Short term investments		953,904,403	1,127,212,684
Advances	6	934,638,744	116,367,406
Trade deposits and short-term prepayments		88,455,565	54,878,938
Other receivables		197,290,964	211,773,875
Taxation – net		212,437,906	232,393,146
Cash and bank balances		420,671,135	925,578,242
		<u>5,452,076,866</u>	<u>5,274,491,785</u>
TOTAL ASSETS		<u>7,245,562,012</u>	<u>7,130,847,975</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2022: 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		<u>945,000,000</u>	<u>945,000,000</u>
Revenue Reserves		<u>4,685,752,588</u>	<u>4,296,372,452</u>
Attributable to owners of the Holding Company		<u>5,630,752,588</u>	<u>5,241,372,452</u>
Non-controlling interest		<u>(62,159,629)</u>	<u>(53,578,718)</u>
		<u>5,568,592,959</u>	<u>5,187,793,734</u>
NON-CURRENT LIABILITIES			
Long term lease liabilities		70,846,850	72,676,898
Long term financing		56,655,104	101,461,145
Staff retirement benefits		<u>54,740,851</u>	<u>48,070,804</u>
		<u>182,242,805</u>	<u>222,208,847</u>
CURRENT LIABILITIES			
Trade and other payables		1,113,723,128	1,307,502,946
Advance from customers		103,333,621	86,356,790
Accrued mark-up		3,413,603	6,111,455
Unclaimed dividend		5,921,220	6,153,631
Unpaid dividend		2,299,787	2,299,787
Current portion of long term lease liabilities		15,292,555	16,372,569
Current portion of deferred income - government grant		78,305	478,147
Current portion of long term financing		<u>250,664,029</u>	<u>295,570,069</u>
		<u>1,494,726,248</u>	<u>1,720,845,394</u>
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		<u>7,245,562,012</u>	<u>7,130,847,975</u>

The annexed notes from 1 to 15 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, 2022 (UN-AUDITED)

		September 30, 2022	September 30, 2021
	Note	----- Rupees -----	-----
Revenue - Net	8	1,519,437,939	1,302,666,334
Cost of production	9	(756,943,752)	(611,731,671)
Transmission cost		(50,832,524)	(60,033,562)
		<u>(807,776,276)</u>	<u>(671,765,233)</u>
Gross profit		711,661,663	630,901,101
Distribution costs		(107,380,421)	(77,783,765)
Administrative expenses		(213,321,901)	(188,926,872)
Other income/(loss)		33,552,322	(24,888,128)
Finance costs		(16,227,090)	(16,026,045)
Profit before taxation		408,284,573	323,276,291
Taxation		(43,428,211)	(106,479,089)
Profit after taxation		364,856,362	216,797,202
Attributable to:			
Owners of Holding Company		373,437,273	222,261,071
Non-Controlling Interests		(8,580,911)	(5,463,869)
		<u>364,856,362</u>	<u>216,797,202</u>
Earnings per share - basic and diluted (Re.)		0.40	0.24

The annexed notes from 1 to 15 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 SEPTEMBER 30, 2022 (UN-AUDITED)

	September 30, 2022	September 30, 2021
	Rupees	
Profit for the period	364,856,362	216,797,202
Other comprehensive income	-	31,391,378
Total comprehensive income for the period	<u>364,856,362</u>	<u>248,188,580</u>

The annexed notes from 1 to 15 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 CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserves			Non- controlling interest	Total
		Foreign exchange translation reserve	Unappropriated profit	Sub-total		
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 for the period	-	-	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 period	-	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
Balance as at July 01, 2022 (Audited)	945,000,000	279,485,115	4,016,914,337	4,296,399,452	(53,578,718)	5,187,820,734
Profit for the period	-	-	373,437,273	389,353,136	(8,580,911)	380,772,225
Other comprehensive income	-	15,915,863	-	-	-	-
Total comprehensive income / (loss) for the period	-	15,915,863	373,437,273	389,353,136	(8,580,911)	380,772,225
Balance as at September 30, 2022	945,000,000	295,400,978	4,390,351,610	4,685,752,586	(62,159,629)	5,568,592,959

The annexed notes from 1 to 15 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, 2022 (UN-AUDITED)

September 30, September 30,
2022 2021
----- Rupees -----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before Taxation	408,284,573	323,276,291
Adjustment for:		
Depreciation	29,255,396	44,820,680
Amortization	3,310,571	3,581,017
Finance costs	16,227,090	16,026,045
Profit received on deposit accounts	(18,634,077)	(4,278,752)
Gain on disposal of property, plant and equipment	(196,168)	(709,125)
Unrealized Loss/(gain) on Revaluation of Investments	17,838,460	31,997,995
Exchange difference on translation of foreign currency	15,915,863	31,391,378
Provision for doubtful debts	1,879,223	(4,918,771)
Dividend income	(12,158,787)	(944,483)
(Gain) on redemption / sale of investments	(1,630,753)	-
Exchange Loss/(Gain)	24,303,916	(12,532,200)
	40,433,814	104,433,784
Operating Profit before working capital changes	448,718,387	427,710,075

(Increase)/decrease in current assets

Inventories	(75,873)	(5,378,479)
Television program costs	4,517,361	(2,599,450)
Trade debts	(69,015,282)	(145,447,021)
Advances, deposits and prepayments	(851,847,965)	(10,295,391)
Other receivables	14,482,911	(40,489,636)
	(901,938,848)	(204,209,977)

Increase in current liabilities

Trade and other payables	(176,802,987)	221,412,061
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CASH GENERATED FROM OPERATIONS

	(630,023,448)	444,912,159
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Taxes paid	(22,501,054)	(22,230,492)
Finance cost paid	(18,924,938)	(23,306,719)
Profit received on bank accounts	18,634,077	4,278,752
Long-term deposits	388,918	(394,512)
Television program costs	37,452,727	(120,336,088)
Employees end of Service	6,670,047	4,878,262
Net cash (used in) / generated from operating activities	(608,303,671)	287,801,362

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment and intangibles	(6,775,909)	(20,165,678)
Short term investments - net	192,777,494	(197,455,226)
Dividend received	12,158,787	944,483
Proceeds from disposal of operating fixed assets	196,168	1,344,880
Net cash (used in) / generated from investing activities	198,356,540	(215,331,541)

CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing	(90,111,923)	(87,957,657)
Liabilities against assets subject to finance lease	(4,615,642)	(2,978,971)
Dividend paid	(232,411)	-
Net cash (used in) / generated from financing activities	(94,959,976)	(90,936,628)

Net increase / (decrease) in cash and cash equivalents

	(504,907,107)	(18,466,807)
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Cash and cash equivalents at the beginning of the period	925,578,242	437,693,527
----------------------------------------------------------	--------------------	--------------------

Cash and cash equivalents at the end of the period	420,671,135	419,226,720
----------------------------------------------------	--------------------	--------------------

The annexed notes from 1 to 15 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 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 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 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 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, 2022.

		September 30, 2022	June 30, 2022
	Note	----- Rupees -----	
		(Un-audited)	(Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,013,479,523	1,028,126,121
Right of use assets		72,679,484	78,765,339
Capital work-in-progress		106,914,620	106,914,620
		<u>1,193,073,627</u>	<u>1,213,806,080</u>

4.1 Operating fixed assets – owned and leased

Book value at the beginning of the period / year		1,028,126,121	1,075,575,958
Additions during the period / year	4.1.1	6,775,909	91,744,073
Transfer to right of use asset - at book value		890,226	10,458,880
		<u>1,035,792,256</u>	<u>1,177,778,911</u>
Less:			
Disposal/ transfer during the period / year - at WDV		-	(11,073,166)
Depreciation charged during the period / year		(22,312,733)	(138,579,624)
		<u>(22,312,733)</u>	<u>(149,652,790)</u>
		<u>1,013,479,523</u>	<u>1,028,126,121</u>

4.1.1 Additions during the period/year

Owned Assets:

Furniture and fixtures	513,648	9,089,180
Motor vehicles	-	41,673,349
Audio visual equipment	1,960,850	16,940,518
Office equipment	369,283	8,611,621
Computers	3,932,128	15,429,405
	<u>6,775,909</u>	<u>91,744,073</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

	September 30, 2022	June 30, 2022
	----- Rupees -----	
	(Un-audited)	(Audited)
5 TRADE DEBTS – unsecured		
Considered good	2,658,258,724	2,613,547,358
Less: Allowance for ECL	(116,113,567)	(114,234,344)
	<u>2,542,145,157</u>	<u>2,499,313,014</u>
6 ADVANCES		
Includes advance given to M.D Productions (Private) Limited, a related party amounting to Rs. 359,164,054/- (June 30, 2022: Rs.nil/-) against purchase of television program rights.		
7 CONTINGENCIES AND COMMITMENTS		
7.1 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, 2022.		
7.2 Commitments		
Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2022 amounted to Rs.363,959,000 (June 2022: Rs. 204,378,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2022 amounted to Rs. 75,201,000 (June 2022: Rs. 48,902,000/-).		

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

	September 30, 2022 (Un-audited) ----- Rupees -----	September 30, 2021 (Un-audited)
8 REVENUE – net		
Advertisement revenue	1,197,848,712	1,025,536,100
Production revenue	13,104,183	53,214,099
Digital sales revenue	11,689,939	19,720,387
Subscription income	296,524,583	204,170,748
Sale of goods	270,522	25,000
	<u>1,519,437,939</u>	<u>1,302,666,334</u>
8.1 Revenue is net off the following items:		
Sales tax	136,537,870	140,475,394
Discount to customers	102,367,672	114,524,526
	<u>238,905,542</u>	<u>254,999,920</u>
9 COST OF PRODUCTION		
Cost of outsourced programs	372,350,015	338,531,501
Cost of in-house programs	18,542,553	82,939,755
Inventories consumed	877,760	338,000
Salaries and benefits	237,869,483	182,264,845
Technical advisory fees	11,902,500	11,902,500
Depreciation	15,378,946	32,618,202
Amortisation	1,992,018	2,304,714
Traveling and conveyance	32,363,433	12,490,858
Utilities	3,297,713	3,972,968
Rent, rates and taxes	33,509	24,999
Insurance	7,202,793	6,964,653
Repair and maintenance	3,807,150	18,192,981
Fee and subscription	2,185,083	36,885,202
Communication expense	4,794,501	3,600,797
Consultancy	1,188,586	1,283,559
Printing and stationery	1,187,621	351,676
	714,973,664	734,667,209
In production television programs		
- opening	35,460,250	22,282,250
In production television programs		
- closing	(35,685,250)	(25,537,250)
	<u>714,748,664</u>	<u>731,412,209</u>
Released / unreleased programs		
- opening	390,229,988	430,167,561
Released / unreleased programs		
- closing	(348,034,900)	(549,848,099)
	<u>756,943,752</u>	<u>611,731,671</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

10 TRANSACTIONS WITH RELATED PARTIES

	September 30, 2022 (Un-audited)	September 30, 2021 (Un-audited)
	----- Rupees -----	
Nature of transaction		
Associated companies:		
Purchases of Television programs rights	341,556,920	279,421,920
Others		
Key Management personnel	119,239,940	82,155,396
Contribution to Fund	9,449,878	9,348,702

11 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, 2022. There have been no change in any risk management policies since the year end.

12 FAIR VALUE OF ASSETS

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

13 SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on October 26, 2022 has recommended Bonus Shares in the proportion of 2 ordinary shares for every 10 ordinary shares i.e. 20% held for the quarter ended September 30, 2022.

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 condensed interim consolidated financial statements have been authorised for issue on October 26, 2022 by the Board of Directors of the Holding Company.


DURAIQ QURESHI
 Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
 Chairman


MUHAMMAD ABBAS HUSSAIN
 Chief Financial Officer

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