

20  
23

SEPTEMBER 30, 2023  
1<sup>ST</sup> QUARTERLY REPORT  
(UN-AUDITED)

HUM NETWORK LIMITED



## 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. Mobsin 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  
NRSP Microfinance Bank  
First Women Bank  
Silicon Valley Bank  
Standard Chartered Bank

### REGISTERED & HEAD OFFICE

Hum TV, Plot No. 10/11, Hassan Ali Street,  
Off. Il 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,  
U. Chundrigar Road Karachi-74000

### WEBSITE

[www.hurnnetwork.tv](http://www.hurnnetwork.tv)

### PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

**HUM NETWORK LIMITED**

## Directors' Report

The Directors of HUM Network Limited (HNL) are pleased to present the review report on the financial statements for the [1st] first quarter ended September 30, 2023.

### Financial Performance:

Particulars	Unconsolidated Financial Statements		Consolidated Financial Statements	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	Rupees			
<b>Net Revenue</b>	<b>1,839,641,112</b>	<b>1,331,891,876</b>	<b>2,138,553,436</b>	<b>1,519,437,939</b>
<b>Other Income</b>	<b>53,745,389</b>	<b>54,867,542</b>	<b>64,456,944</b>	<b>33,552,322</b>
<b>Total expenses</b>	<b>(1,358,646,336)</b>	<b>(1,039,952,526)</b>	<b>(1,610,471,119)</b>	<b>(1,144,705,688)</b>
<b>Profit before tax</b>	<b>534,740,165</b>	<b>346,806,892</b>	<b>592,539,261</b>	<b>408,284,573</b>
<b>Taxation</b>	<b>(53,881,989)</b>	<b>(42,030,822)</b>	<b>(68,441,584)</b>	<b>(43,428,211)</b>
<b>Profit after tax</b>	<b>480,858,176</b>	<b>304,776,070</b>	<b>524,097,677</b>	<b>364,856,362</b>
<b>EPS</b>	<b>0.42</b>	<b>0.27 (Restated)</b>	<b>0.46</b>	<b>0.33 (Restated)</b>

Our net revenues and profit after tax have increased by 38% and 58% respectively as compared to the same period last year, continuing the upward trend of overall growth leading to further strengthening of the HNL's position in the industry in these testing times.

### Operational Performance:

HNL is committed to delivering top-notch entertainment and news content to its diverse audience. As one of Pakistan's premier broadcasting brands, it has garnered a significant following not only within the country but also among the global South Asian Diaspora. HNL's mission revolves around creating content that caters to a wide spectrum of interests and remains relevant to various audiences, all while upholding the highest professional standards and ensuring long-term sustainability.

During the period under review, HUM TV premiered dramas like "Nijaat", a compelling exploration of the human conscience grappling with different choices, which was highly appreciated by the audiences due to its engaging storyline and awe-inspiring performances.

As part of our digital media strategy, HUM TV launched Pakistan's first-ever Arabic-dubbed YouTube channel called "Hum Arabia" with the hit Urdu drama "Parizaad". This idea was born from the immense popularity HUM TV has gained in the Middle East and North Africa (MENA) region. The goal is to bring Arabic-speaking viewers closer to our culture, building strong cultural ties.

HUM Masala stands as South Asia's pioneering and Pakistan's sole 24-hour culinary channel, boasting widespread popularity that extends beyond the South Asian region. It has enriched its programming with an array of fresh cooking and informative shows, introducing a diverse range of recipes, culinary experts, professional chefs, and health consultants.

HUM News is committed to providing viewers with the latest and most relevant information, has recently unveiled a lineup of new shows hosted by some of the most respected and renowned anchorpersons in the industry.

Ten Sports is the latest inclusion in the HUM Network portfolio, offering a wide range of sporting events catering to a broad spectrum of sports enthusiasts. We are thrilled to connect you more closely with your beloved athletes, coaches, and sports figures, delivering unparalleled access and valuable insights into their remarkable journeys.

This Independence Day, HUM Network Limited introduced the "HUMSE PAKISTAN" campaign, which carried a heartwarming message of hope, togetherness, and solidarity in addressing the difficulties our nation confronts. This campaign is dedicated to highlighting the remarkable stories of everyday Pakistanis who have taken the initiative to bring about positive change within their communities.

### Future Outlook:

The Board has effectively guided the Company through the socio-economic challenges of recent years and are still keenly conscious of the persistent economic instability in Pakistan. Factors such as the high inflation, surging energy prices, exchange rate volatility, and political unrest have all contributed to instability of Pakistan's economy. During this challenging period, the company is committed with its efforts to reduce expenses, while simultaneously striving to improve efficiencies, boost productivity, and implement vigorous sales initiatives.

The evolving digital landscape in Pakistan holds considerable potential, evident in the widespread adoption of digital media and over-the-top (OTT) streaming services within households. As industry leaders, we fully recognize the boundless potential inherent in this transformation and are resolutely dedicated to tapping into it.

With balanced reporting and improved distribution across Pakistan, the average viewership rating of HUM News are ever increasing and it is now rated amongst the top news channels of the country. This position of strength has translated in encouraging earnings for the current period while potentially robust earnings in up-coming years.

The management of HNL continues to seek lucrative opportunities to enhance the portfolio of the network with inclusion of businesses and brand names exploring new avenues and achieving robust results. As a consequence, Ten Sports was recently added to our portfolio, growing our prospect for substantial revenue expansion. Given the growing appetite for sports content, we hold a positive outlook that this maneuver positions us to access a flourishing market.

Our business and financial strategies, along with operational choices, are meticulously formulated to propel HNL towards greater success while safeguarding its independence in a sustainable manner, especially in the face of economic challenges. We will continue to drive our agenda of growth with sustainability through relevant innovations, building brand equities and exploration of emerging opportunities.

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

October 27, 2023  
Karachi

  
**DURAID QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

## ڈائریکٹرز رپورٹ

ہم نیٹ ورک لمیٹڈ (ایچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۳ء کی اختتامی سرمایہ کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

### مالیاتی کارکردگی:

ہم فیٹ ورک لمیٹڈ

بہار، بیحد وک لینڈ			
تفصیلات	تقریر ۲۰۲۲ء	تقریر ۲۰۲۳ء	جمہوریاتی کوٹھارے
خاص آمدنی	۱,۸۳۹,۶۲۱,۱۱۳	۱,۳۴۱,۸۹۱,۸۵۶	۲,۱۳۸,۵۵۳,۳۳۶
دیکر آمدنی	۵۳,۷۵۵,۳۱۸	۵۸,۱۶۷,۵۲۲	۶۸,۳۵۶,۸۳۳
کل اخراجات	(۱,۳۵۸,۱۳۶,۳۳۶)	(۱,۰۳۹,۹۵۶,۵۴۶)	(۱,۱۱۳,۷۰۵,۲۸۸)
کل ریگس منافع	۵۳۳,۷۵۵,۱۶۵	۳۳۶,۸۰۶,۸۸۲	۹۹۶,۵۳۹,۶۶۱
تفکیکیشن	(۵۳,۸۸۱,۹۸۹)	(۳۶,۰۸۳,۸۳۳)	(۶۸,۳۵۶,۸۳۳)
بہار ریگس منافع	۸۸۰,۸۵۸,۱۷۶	۳۰۲,۷۲۳,۰۴۹	۹۲۸,۱۸۲,۸۲۸
فیصلہ بندی	۰.۳۲	۰.۲۷	۰.۳۳

دوران سہ ماہی ہماری خالص آمدنی اور بعد از ٹیکس منافع میں ۳۸ فیصد اور ۵۸ فیصد بالترتیب اضافہ ہوا ہے۔ ترقی کا یہ جاری رجحان انڈسٹری میں خاص طور پر اس مشکل وقت میں ایچ این ایل کی ساکھ کو بہتر بنارہا ہے۔

### عملی کارکردگی:

ایچ این ایل کے سابق صدر مبین علی مصطفیٰ انقرضی اور جنرل کا کینیت فراہم کرنے کے لیے عزم ہے۔ پاکستان کے معروف براڈ کاسٹنگ براڈ کاسٹر مبین ایک ہونے کے باوجود اس نے صرف ملک کے اندر بلکہ دنیا میں بھی کافی شہرت حاصل کی ہے۔ ایچ این ایل کا کاشن ایسے کینیت کی تجارتی مرکز ہے جو دنیا کے ہر گوشہ میں بے پناہ اور سراسیمہ کیلئے میڈیا ہو۔ یہاں ہتھیاری پیشہ وارانہ معیارات کو برقرار رکھنے ہوئے اور طویل مدتی پائیداری کو یقینی بنانے ہوئے حاصل کیا جاتا ہے۔

دورانِ جائزہ دے، ہم نے ”فحاشا“ جیسے ڈراموں کا آغاز کیا، جس نے انسانی ضمیر کی ایک کھلی جھٹکا کی کیفیت پیش کی، اس ڈرامے کو اس کی دلچسپ کہانی اور شاندار پرفارمنس کی بدولت ناظرین کی جانب سے کافی پذیرائی ملی۔

جہاں وینچیلز میں ایسٹیکس علی کے ایک حصہ کے طور پر، ہم نے دے دی پاکستان کا پیٹھارہ فی ڈیڈ شدہ یوٹیوب چینل "مہم جیت" کے خلاف کہا جس میں مقبول اور دو امام "مہم" نے "ڈاڈ" پیش کیا گیا ہے۔ یہ تصویر مشرق وسطیٰ اور ایشیائی افریقہ (جینا) کہیں جس میں ہم نے دے دی کو حاصل ہونے والی کافی کے متعلق ہے متنازع تھا۔ اس کا مقصد صرف زبان و بولنے والے نظریں کو ہمارے ثقافت کے جوڑنا ہے اور شیخوہ باطنی رشتوں کو فراموش کرنا ہے۔

ہم صالہ، جنوی الیٹرا اور پاکستان میں پہلا اور واحد ۲۳ کھٹے کھانا پکانے کے پھیلنے کے طور پر جانا جاتا ہے۔ اسے صرف جنوبی ایشیائی خطے بلکہ اس سے باہر بھی مقایسے کے لیے حاصل ہے۔ جینین نے مختلف قسم کے سٹے کو کھانا اور معلوماتی شوز متعارف کروا کر اپنی ہر وگر آہنگ میں اضافہ کیا ہے، جس میں مختلف قسم کی ریسیپر، کھانا بنانے کے ماہرین، چیف اور ڈیٹا سائنسٹس شامل ہیں۔

ہم نیوز اپنے ناظرین کو تازہ ترین اور مناسب معلومات فراہم کرنے کے لیے وقف ہے۔ اس نے حال ہی میں نئے شو کی ایک سیریز متعارف کروائی ہے جس کی میزبانی انڈسٹری کے کچھ معزز اور معروف ہنگر شخصیات کرتے ہیں۔

تین اسی طرح ہم نہایت وک پرست جو یوں سب سے نیا اضافہ ہے، جو کھیلوں کے شائقین کی ایک وسیع رشتہ کی خدمت کے لیے مختلف کھیلوں کے ایسٹس فراہم کر رہا ہے۔ ہم آپ کو آپ کے پسندیدہ دھکلاڑیوں، بوچر، اور کھیلوں کی شخصیات کے قریب لانے کے لیے رجوش ہیں، جو ان کے قابل یقین سٹریمنس میں بے مثل رسائی اور توجہ بے حد سے پیش کرتے ہیں۔

ایس آف آزادی، یہ بہت دم وک لیٹنے کے ”ہم پاکستان“ ”ہم کام آگاز“ کا زمانہ جس نے ہماری قوم کو درجہ چیلنجر سے نمٹنے کے لیے امید اور اتحاد اور یکجہتی کا ایک چھو چھوٹے ایسا کام دیا۔ یہ ہم عام پاکستانیوں کی متاثرہ کن کہا تھو کہ کھانے کے لیے وقف ہے جو ان کی یہ فیصیحیں مثبت تبدیلی لانے کے لیے مرکز عمل رہے۔

مستقبل کی حکمت عملی اور چیلنجز:

پورے نے حالیہ برسوں کے سماجی و اقتصادی تحلیلوں سے کامیابی کے ساتھ کچھ نئی چیزیں سمجھائی ہیں۔ ہندوستان میں جاری معاشی بحران سمیت پاکستان سے بخوبی آگاہ ہے۔ ہندوستان پر امریکا کو اتانی کڑی پالیسی جو کبھی بھی شرح مبادلہ میں اضافہ نہ چڑھا، اور آسیائی ممالک جی 7 میں بھی شامل ہے پاکستان کی معیشت کو غیر متحکم کرنے میں اپنا کردار ادا کر رہا ہے۔ اس مشکل دور میں کچھ اخراجات میں کمی کیلئے پرعزم ہے جبکہ ایک وقت کارکردگی میں اضافے، پیداواری صلاحیت میں اضافے، اور مضبوطی یافتہ دولت کے اقدامات کو نافذ کرنے کے لیے کام کر رہی ہے۔

پاکستان میں بدلے ہوئے جینٹیل مظنن سے نمایاں صلاحیت رکھتا ہے، جیسا کہ گھر انوں میں جینٹیل میڈ اور اوروری ٹاپ (او بی ٹی) سٹرینگ سرسرو کوچ بینے پر چاٹتے دیکھا گیا ہے۔ انڈسٹری کے رہنما کے طور پر، ہم اس تبدیلی میں احمد واد کا تاکہ پوری طرح سے شایع کرتے ہیں اور اس کی حمایت کیوں نہ کرنا کا لانے کے لیے ہر عزم ہیں۔

پاکستان بھر میں متوازن اور پرامن رنگ اور بہتر تعلیم کی بدولت، ہم بنو نے اپنی ناظرین کی اس وسطیٰ جذبہ بندی میں مسلسل اضافہ دیکھا ہے۔ اب اس کا شمار ملک کے سرگرم ترین تہذیبی و تہذیبیوں میں ہوتا ہے۔ اس مضبوط پوزیشن کے نتیجے میں موجودہ مدت کے مدتیہ حاصل ہوئی ہے اور آئے والے سالوں میں اس سے بھی زیادہ بہتر آمدنی کی توقع ہے۔

ایچ ای وی کی انتظامیہ سے کامدار اور رابطہ کار کے ناموں کو شل کر کے، دہی راہیں تلاش کر کے، اور بہتر نتائج حاصل کر کے نیت دکر کے پورٹ فولیو کو وقت دینے اور مواقع بخش موقع تلاش کرنے کے لیے عزم ہے۔ نتیجے کے طور پر، بین الاقوامی شل کو کھال میں ہیں ہمارے پورٹ فولیو میں شل کیا گیا ہے۔ جس سے ہماری آمدنی میں اضافہ کی سلاخیت میں نمایاں اضافہ ہوا ہے۔ کیلیوں کو کینیڈا کی برساتی ہوئی طلب کے

ساتھ، ہمارے پاس ایک مثبت نقطہ نظر ہے کہ یہ اقدام میں ایک فروغ پزیر مارکیٹ میں داخل ہونے کی پوزیشن میں رہتا ہے۔

انچ ایل ایل کو کامیابی کی جانب گامزن کرنے کیلئے ہماری کاروباری اور مالی حکمت عملیوں کے ساتھ ساتھ ہمارے آپریٹنگ فیصلوں کو خطا طرہ سے تیار کیا گیا ہے اور خاص طور پر معاشی چیلنجز کے درمیان اس کی طویل

مدنی پاسیدار

اپہار تشکر:

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

کراچی، ۱۷ اکتوبر ۲۰۲۳ء

مظہر الحق صدیقی  
چیرمین

دریغ قریشی  
چیف ایگزیکٹو

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	----- Rupees -----	-----
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,411,651,334	1,402,053,549
Intangible assets		2,016,483	2,966,208
Long term investments	5	348,898,481	338,898,481
Long term deposits		30,327,428	30,327,428
Television program costs		401,065,098	397,617,518
Deferred tax asset		130,034,796	131,016,868
		<u>2,323,993,620</u>	<u>2,302,880,052</u>
<b>CURRENT ASSETS</b>			
Inventories		20,038,496	16,715,587
Current portion of television program costs		81,538,365	85,829,858
Trade debts	6	2,859,672,848	2,688,381,940
Short term investments		561,987,181	589,143,291
Advances		244,571,825	154,575,629
Deposits and prepayments		52,436,080	28,904,298
Other receivables	7	2,167,505,160	1,742,173,997
Taxation – net		173,073,378	202,602,801
Cash and bank balances		419,080,110	447,796,769
		<u>6,579,903,443</u>	<u>5,956,124,170</u>
<b>TOTAL ASSETS</b>		<u><b>8,903,897,063</b></u>	<u><b>8,259,004,222</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
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		1,134,000,000	1,134,000,000
Unappropriated profit		<u>6,592,722,557</u>	<u>6,111,864,380</u>
		<u>7,726,722,557</u>	<u>7,245,864,380</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		54,147,486	55,234,536
Long term financing		<u>15,625,000</u>	<u>31,250,000</u>
		<u>69,772,486</u>	<u>86,484,536</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	992,294,561	814,018,597
Advance from customers		30,466,788	26,724,620
Accrued markup		218,805	218,809
Unclaimed dividend		6,153,603	6,153,603
Unpaid dividend		1,374,738	1,374,738
Current portion of long term financing		62,500,000	15,664,939
Current portion of long term lease liabilities		14,393,525	62,500,000
		<u>1,107,402,020</u>	<u>926,655,306</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	9	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,903,897,063</b></u>	<u><b>8,259,004,222</b></u>

The annexed notes from 1 to 16 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, 2023 (UN-AUDITED)

		September 30, 2023	September 30, 2022
	Note	----- Rupees -----	
Revenue	10	1,839,641,112	1,331,891,876
Cost of production	11	(952,548,528)	(752,944,724)
Transmission cost		(38,756,849)	(31,429,735)
		<u>(991,305,377)</u>	<u>(784,374,459)</u>
<b>Gross profit</b>		<b>848,335,735</b>	<b>547,517,417</b>
Distribution costs		(131,802,467)	(85,945,084)
Administrative expenses		(228,420,525)	(153,732,984)
Other income/(expense)		53,745,389	54,867,542
Finance costs		(7,117,967)	(15,899,999)
<b>Profit before taxation</b>		<b>534,740,165</b>	<b>346,806,892</b>
Taxation			
-current		(52,899,917)	(39,982,389)
-deferred		(982,072)	(2,048,433)
		<u>(53,881,989)</u>	<u>(42,030,822)</u>
<b>Profit for the period</b>		<b>480,858,176</b>	<b>304,776,070</b>
			(Restated)
<b>Earnings per share – basic and diluted (Re.)</b>		<b>0.42</b>	<b>0.27</b>

The annexed notes from 1 to 16 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, 2023 (UN-AUDITED)

	Quarter-ended	
	September 30, 2023	September 30, 2022
	----- Rupees -----	
Profit for the period	480,858,176	304,776,070
Other comprehensive income	-	-
Total comprehensive income for the period	<u>480,858,176</u>	<u>304,776,070</u>

The annexed notes from 1 to 16 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, 2023 (UN-AUDITED)

	September 30, 2023	September 30, 2022
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	534,740,165	346,806,892
<b>Adjustments for:</b>		
Depreciation on operating fixed assets	30,474,827	28,635,030
Amortization	949,726	2,198,121
Finance costs	7,117,967	15,899,999
Unrealised exchange gain/(loss)	2,536,421	(5,569,009)
Profit on bank accounts	(16,326,580)	(18,331,546)
Gain on disposal of operating fixed assets	-	(196,168)
Gain on redemption / sale of investments	(2,628,113)	(1,630,753)
Dividend Income	(18,795,633)	(12,158,787)
Unrealised (gain)/ loss on revaluation of investments	(10,152,141)	(17,838,460)
	(6,823,526)	(8,991,573)
<b>Operating profit before working capital changes</b>	<b>527,916,639</b>	<b>337,815,319</b>
<b>(Increase)/decrease in current assets</b>		
Inventories	(3,322,909)	(75,873)
Television program costs	4,291,493	4,517,361
Trade debts	(173,827,329)	(17,236,240)
Advances	(89,996,196)	(607,176,825)
Deposits and prepayments	(23,531,782)	7,316,146
Other receivables	(425,331,163)	(236,581,753)
	(711,717,886)	(849,237,184)
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	182,018,131	(222,991,764)
<b>Cash used in operations</b>	<b>(1,783,116)</b>	<b>(734,413,629)</b>
Taxes paid	(23,370,496)	(19,958,415)
Finance costs paid	(7,117,967)	(18,597,851)
Profit received on deposit accounts	16,326,580	18,331,546
Long-term deposits	-	430,467
Television program costs	(3,447,580)	37,452,727
<b>Net cash used in operating activities</b>	<b>(19,392,579)</b>	<b>(716,755,155)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment & intangible assets	(40,072,615)	(6,270,979)
Short term investments - net	39,936,362	192,777,493
Long term investment	(10,000,000)	-
Dividend Income received	18,795,633	12,158,787
Proceeds from disposal of operating fixed assets	-	196,168
<b>Net cash generated from investing activities</b>	<b>8,659,380</b>	<b>198,861,469</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals paid	(2,358,463)	(4,657,065)
Dividend paid	-	(232,411)
Long term financing – net	(15,624,997)	(89,409,928)
<b>Net cash used in financing activities</b>	<b>(17,983,460)</b>	<b>(94,299,404)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(28,716,659)</b>	<b>(612,193,090)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>447,796,769</b>	<b>833,498,560</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>419,080,110</b>	<b>221,305,470</b>

The annexed notes from 1 to 16 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 QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
		Rupees	
<b>Balance as at July 01, 2022 – (Audited)</b>	<b>945,000,000</b>	<b>4,151,625,806</b>	<b>5,096,625,806</b>
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
<b>Balance as at September 30, 2022</b>	<b>945,000,000</b>	<b>4,456,401,875</b>	<b>5,401,401,875</b>
<b>Balance as at July 01, 2023 – (Audited)</b>	<b>1,134,000,000</b>	<b>6,111,864,381</b>	<b>7,245,864,381</b>
Profit for the period	-	480,858,176	480,858,176
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	480,858,176	480,858,176
<b>Balance as at September 30, 2023</b>	<b>1,134,000,000</b>	<b>6,592,722,557</b>	<b>7,726,722,557</b>

The annexed notes from 1 to 16 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, 2023 (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, 2023.

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

		September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
		----- Rupees -----	
<b>4</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>	
	Operating fixed assets	4.1	1,145,458,910
	Capital work-in-progress		215,156,100
	Right of use assets		51,036,324
			<u>1,411,651,334</u>
			<u>1,402,053,549</u>
<b>4.1</b>	<b>Operating fixed assets</b>		
	Opening balance – at book value		1,149,193,173
	Transfers from right of use assets		-
	Additions during the period / year – at cost	4.1.1	25,792,661
			<u>1,174,985,834</u>
			1,241,458,392
	Less:		
	Disposals / transfers during the period / year – at book value		-
	Depreciation charged during the period / year		(29,526,924)
			<u>(29,526,924)</u>
			(92,265,219)
	Closing balance – at book value		<u>1,145,458,910</u>
			<u>1,149,193,173</u>
<b>4.1.1</b>	<b>Details of additions are as follows:</b>		
	<b><u>Owned Assets:</u></b>		
	Furniture and fittings		2,596,000
	Motor vehicles		-
	Audio visual equipment		12,600,816
	Office equipment		915,103
	Computers		9,680,742
			<u>25,792,661</u>
			<u>220,346,179</u>
<b>5</b>	<b>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
	Advance for future issue of shares		<u>18,716,750</u>
			18,725,353
	<b>HUM Network UK Ltd.</b>		
	553,677 Ordinary shares of 1 GBP	100%	95,923,751
	<b>Skyline Publications (Private) Ltd.</b>		
	3,999,997 Ordinary shares of Rs.10 each	100%	<u>39,999,970</u>
	Provision for impairment		(39,999,970)
			-
	<b>HUM Network FZ LLC – UAE</b>		
	2,400 Ordinary shares of AED 1000 each	100%	<u>69,802,371</u>
	Advance for future issue of shares		4,446,966
			<u>74,249,337</u>
			74,249,337
	<b>HUMM Co. (Private) Limited</b>		
	4 Ordinary shares of Rs. 10 each	100%	40
	<b>HUM Mart. (Private) Limited</b>		
	14,000,000 ordinary shares of Rs.10 each	70%	<u>140,000,000</u>
	Provision for impairment		(140,000,000)
			-
	<b>Tower Sports (Private) Limited</b>		
	20,100 ordinary shares of Rs. 7462.69 each	100%	150,000,000
	<b>Sphere Ventures (Private) Limited</b>		
		100%	<u>10,000,000</u>
			<u>348,898,481</u>
			<u>338,898,481</u>
<b>6</b>	<b>TRADE DEBTS - unsecured</b>		
	Considered good		2,895,893,963
	Less: Allowance for ECL		(36,221,115)
			<u>2,859,672,848</u>
			<u>2,688,381,940</u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

### 7 OTHER RECEIVABLES

Includes balances receivable from related parties as follows:

	September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- Rupees -----	
HUM TV. Inc	54,903,094	56,339,751
Skyline Publication Productions (Private) Limited	63,960,690	65,059,157
HUM Network FZLLC	1,961,102,236	1,538,255,996
Hum Mart (Private) Limited	128,000	-
	<u>2,080,094,020</u>	<u>1,659,654,904</u>
Provision for Impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>2,022,488,801</u>	<u>1,602,049,685</u>

### 8 TRADE AND OTHER PAYABLES

Creditors	8.1	486,208,554	362,775,566
Accrued liabilities		427,376,454	388,661,167
Withholding tax payable		29,822,679	17,196,303
Other liabilities		48,886,874	45,385,561
		<u>992,294,561</u>	<u>814,018,597</u>

- 8.1 Includes amount payable to M.D Productons (Private) Limited, a related party amounting to Rs. 64,734,966/- (June 30, 2023: Rs. nil/-) against purchase of television program rights.

### 9 CONTINGENCIES AND COMMITMENTS

#### 9.1 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, 2023.

#### 9.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2023 amounted to Rs.135,170,000 (June 2023: Rs. 258,962,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2023 amounted to Rs. 38,150,000 (June 2023: Rs. 41,215,500/-).

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

		Quarter-ended	
		September 30, 2023 (Un-audited)	September 30, 2022 (Un-audited)
		----- Rupees -----	
<b>10</b>	<b>REVENUE – net</b>		
	Advertisement revenue	1,352,989,822	991,878,649
	Production revenue	8,310,000	13,104,183
	Digital sales revenue	36,404,249	11,689,939
	Subscription income	441,937,041	315,219,105
		<u>1,839,641,112</u>	<u>1,331,891,876</u>
<b>10.1</b>	<b>Revenue is net off the following items:</b>		
	Sales tax	202,244,838	136,537,870
	Discount to customers	217,072,679	126,112,573
		<u>419,317,517</u>	<u>262,650,443</u>
<b>11</b>	<b>COST OF PRODUCTION</b>		
	Cost of outsourced programs	540,900,131	371,289,656
	Cost of in-house programs	17,492,097	18,542,553
	Inventories consumed	368,102	877,760
	Salaries and benefits	293,762,292	236,105,873
	Technical advisory fees	13,687,875	11,902,500
	Depreciation	12,842,276	15,144,935
	Amortisation	764,448	1,971,942
	Traveling and conveyance	46,155,529	32,363,433
	Utilities	5,623,357	3,297,713
	Rent, rates and taxes	242,242	33,509
	Insurance	7,116,900	7,178,418
	Repair and maintenance	6,861,633	3,761,304
	Fee and subscription	258,340	2,185,083
	Communication expense	5,255,923	4,786,150
	Consultancy	-	1,188,586
	Printing and stationery	373,470	345,221
		<u>951,704,615</u>	<u>710,974,636</u>
	In production television programs		
	- opening	50,827,650	35,460,250
	In production television programs		
	- closing	(57,644,250)	(35,685,250)
		<u>944,888,015</u>	<u>710,749,636</u>
	Released / unreleased programs		
	- opening	432,619,726	390,229,988
	Released / unreleased programs		
	- closing	(424,959,213)	(348,034,900)
		<u>952,548,528</u>	<u>752,944,724</u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

### 12 TRANSACTIONS WITH RELATED PARTIES

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

Nature of transaction	Quarter-ended	
	September 30, 2023 (Un-audited)	September 30, 2022 (Un-audited)
	----- Rupees -----	
<b>Associated companies:</b>		
Purchases of Television programs rights	467,765,060	341,556,920
<b>Subsidiary Company:</b>		
Management Fee	1,878,000	1,350,000
Subscription Income	21,979,630	15,290,139
<b>Others</b>		
Key Management personnel	249,529,763	119,239,940
Contribution to Fund	12,377,594	9,449,878

### 13 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, 2023. There have been no change in any risk management policies since the year end.

### 14 FAIR VALUE OF ASSETS

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

### 15 GENERAL

15.1 Amounts have been rounded off to the nearest rupee.

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

### 16 DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on October 27, 2023 by Board of Directors.



**DURAIQ QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

THIS PAGE IS INTENTIONALLY LEFT BLANK

# **CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

# **CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023 (UN-AUDITED)**

		September 30, 2023	June 30, 2023
	Note	Rupees (Un-audited)	Rupees (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,473,560,283	1,468,308,459
Intangible assets		203,312,211	208,193,768
Long term investments		29,527,574	49,527,574
Long term deposits and prepayments		31,268,003	30,905,161
Television program costs		401,065,098	397,617,518
Deferred tax asset		150,943,330	152,607,326
		<b>2,289,676,499</b>	<b>2,307,159,806</b>
<b>CURRENT ASSETS</b>			
Inventories		20,038,496	16,715,587
Current portion of television program costs		81,538,365	85,829,858
Trade debts	5	3,367,879,087	3,100,542,350
Short term investments		561,987,181	589,143,291
Advances		317,849,226	217,960,460
Trade deposits and short-term prepayments		77,268,590	87,363,141
Other receivables		217,331,968	220,269,938
Taxation – net		207,060,735	245,616,828
Cash and bank balances		2,443,617,525	2,101,996,791
		<b>7,294,571,173</b>	<b>6,665,438,244</b>
<b>TOTAL ASSETS</b>		<b>9,584,247,672</b>	<b>8,972,598,050</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Re.1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital		1,134,000,000	1,134,000,000
Revenue Reserves		6,834,623,579	6,297,572,560
Attributable to owners of the Holding Company		7,968,623,579	7,431,572,560
Non-controlling interest		(89,340,137)	(88,581,465)
		<b>7,879,283,442</b>	<b>7,342,991,095</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		54,147,486	55,234,536
Long term financing		44,021,573	58,765,328
Staff retirement benefits		96,150,118	94,199,346
		<b>194,319,177</b>	<b>208,199,210</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,296,676,177	1,192,647,473
Advance from customers		126,559,019	137,005,058
Accrued mark-up		2,033,411	2,033,411
Unclaimed dividend		6,153,603	6,153,603
Unpaid dividend		1,374,738	1,374,738
Current portion of long term lease liabilities		14,393,525	15,664,939
Current portion of long term financing		63,454,580	66,528,523
		<b>1,510,645,053</b>	<b>1,421,407,745</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>	6	<b>9,584,247,672</b>	<b>8,972,598,050</b>

The annexed notes from 1 to 13 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 CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

		September 30, 2023	September 30, 2022
		----- Rupees -----	
Revenue	7	2,138,553,436	1,519,437,939
Cost of production	8	(951,597,690)	(756,943,752)
Transmission cost		(164,520,907)	(50,832,524)
		<u>(1,116,118,597)</u>	<u>(807,776,276)</u>
<b>Gross profit</b>		<b>1,022,434,839</b>	<b>711,661,663</b>
Distribution costs		(145,048,873)	(107,380,421)
Administrative expenses		(316,702,321)	(213,321,901)
Other income/(loss)		64,456,944	33,552,322
Finance costs		(7,167,856)	(16,227,090)
Other expenses		(25,433,472)	-
<b>Profit before taxation</b>		<b>592,539,261</b>	<b>408,284,573</b>
Taxation		(68,441,584)	(43,428,211)
<b>Profit after taxation</b>		<b>524,097,677</b>	<b>364,856,362</b>
<b>Attributable to:</b>			
Owners of Holding Company		524,856,349	373,437,273
Non-Controlling Interests		(758,672)	(8,580,911)
		<u>524,097,677</u>	<u>364,856,362</u>
			(Restated)
<b>Earnings per share – basic and diluted (Re.)</b>		<b>0.46</b>	<b>0.33</b>

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

  
**DURAJD QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

  
**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

	September 30, 2023	September 30, 2022
	----- Rupees -----	
Profit for the period	524,097,677	364,856,362
Other comprehensive income	12,194,670	15,915,863
Total comprehensive income for the period	<u>536,292,347</u>	<u>380,772,225</u>

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.



**DURAIÐ QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (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, 2022 (Audited)	945,000,000	279,485,115	4,016,914,337	4,296,399,452	(53,578,718)	5,187,820,734
Profit / (loss) for the period	-	-	373,437,273	373,437,273	(8,580,911)	364,856,362
Other comprehensive income	-	15,915,863	-	15,915,863	-	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 Sep 30, 2023	1,134,000,000	295,400,978	4,390,351,610	4,685,752,588	(62,159,629)	5,568,592,959
Balance as at July 01, 2023 (Audited)	1,134,000,000	516,888,670	5,780,683,890	6,297,572,560	(88,581,465)	7,342,991,095
Profit / (loss) for the period	-	-	524,856,349	524,856,349	(758,672)	524,097,677
Other comprehensive income	-	12,194,670	-	12,194,670	-	12,194,670
Total comprehensive income / (loss) for the period	-	12,194,670	524,856,349	537,051,019	(758,672)	536,292,347
Balance as at September 30, 2023	1,134,000,000	529,083,340	6,305,540,239	6,834,623,579	(89,340,137)	7,879,283,442

The annexed notes from 1 to 13 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 CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

	September 30, 2023	September 30, 2022
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	592,539,261	408,284,573
<b>Adjustment for:</b>		
Depreciation	36,383,542	29,255,396
Amortization	1,961,384	3,310,571
Finance costs	7,167,856	16,227,090
Profit received on deposit accounts	(29,531,394)	(18,634,077)
Gain on disposal of property, plant and equipment	-	(196,168)
Unrealized Loss/(gain) on Revaluation of Investments	(10,152,141)	(17,838,460)
Exchange difference on translation of foreign currency	12,194,670	15,915,863
Provision for doubtful debts	(50,871,465)	1,879,223
Dividend income	(18,795,633)	(12,158,787)
(Gain) on redemption / sale of investments	(2,628,113)	(1,630,753)
Exchange Loss/(Gain)	5,468,588	24,303,916
	(48,802,706)	40,433,814
<b>Operating Profit before working capital changes</b>	543,736,555	448,718,387
<b>(Increase)/decrease in current assets</b>		
Inventories	(3,322,909)	(75,873)
Television program costs	4,291,493	4,517,361
Trade debts	(221,933,860)	(69,015,282)
Advances, deposits and prepayments	(89,794,215)	(851,847,965)
Other receivables	2,937,970	14,482,911
	(307,821,521)	(901,938,848)
<b>Increase in current liabilities</b>		
Trade and other payables	93,582,665	(176,802,987)
<b>CASH GENERATED FROM OPERATIONS</b>	329,497,699	(630,023,448)
Taxes paid	(28,221,496)	(22,501,054)
Finance cost paid	(7,167,856)	(18,924,938)
Profit received on bank accounts	29,531,394	18,634,077
Long-term deposits	(362,842)	388,918
Television program costs	(3,447,580)	37,452,727
Employees end of Service	1,950,772	6,670,047
<b>Net cash (used in) / generated from operating activities</b>	321,780,091	(608,303,671)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangibles	(38,715,156)	(6,775,909)
Short term investments - net	39,936,364	192,777,494
Long term investments	20,000,000	-
Dividend received	18,795,633	12,158,787
Proceeds from disposal of operating fixed assets	-	196,168
<b>Net cash (used in) / generated from investing activities</b>	40,016,841	198,356,540
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing	(17,817,735)	(90,111,923)
Liabilities against assets subject to finance lease	(2,358,463)	(4,615,642)
Dividend paid	-	(232,411)
<b>Net cash (used in) / generated from financing activities</b>	(20,176,198)	(94,959,976)
<b>Net increase / (decrease) in cash and cash equivalents</b>	341,620,734	(504,907,107)
<b>Cash and cash equivalents at the beginning of the period</b>	2,101,996,791	925,578,242
<b>Cash and cash equivalents at the end of the period</b>	2,443,617,525	420,671,135
<b>Cash and cash equivalents</b>		
Cash and bank balances	2,443,617,525	420,671,135
Short-term running finance	-	-
	2,443,617,525	420,671,135

The annexed notes from 1 to 13 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 CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (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

	2023	2022
	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%
Tower Sports (Private) Limited	100%	100%
Sphere Ventures (Private) Limited	100%	0%
TS3 FZ-LLC	100%	0%

### 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.

Tower Sports (Private) Limited is engaged in the business of providing specialized sports services which include but are not limited to production, sales, marketing and distribution of sports media content.

During the quarter, a subsidiary company, M/s. HUM Network FZ LLC acquired 100% shareholding of M/s. TS3 FZ LLC, a company established in UAE, against consideration of Rs. 130 million paid in AED equivalent dated August 28, 2023. M/s. TS3 FZ LLC is engaged in the business of sports consultancy, media / marketing consultancy and digital media services.

During the quarter, the Holding Company acquired 100% shareholding of M/s. Sphere Ventures (Private) Limited against consideration of Rs. 10 million paid in full, dated July 26, 2023. M/s. Sphere Ventures (Private) Limited is engaged in the business of kids content.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (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, 2023.

		September 30, 2023	Jun 30, 2023
		----- Rupees -----	
	Note	(Un-audited)	(Audited)
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	1,207,367,859	1,215,448,121
Right of use assets		51,036,324	51,984,192
Capital work-in-progress		215,156,100	200,876,146
		<u>1,473,560,283</u>	<u>1,468,308,459</u>

### 4.1 Operating fixed assets – owned and leased

Book value at the beginning of the period / year		1,215,448,121	1,028,126,121
Additions during the period / year	4.1.1	27,355,375	286,051,018
Transfer to right of use asset - at book value		-	1,607,432
		<u>1,242,803,495</u>	<u>1,315,784,571</u>
Less:			
Disposal/ transfer during the period / year - at WDV		-	(3,986,744)
Depreciation charged during the period / year		(35,435,637)	(96,349,706)
		<u>(35,435,637)</u>	<u>(100,336,450)</u>
		<u>1,207,367,859</u>	<u>1,215,448,121</u>

### 4.1.1 Additions during the period/year

#### Owned Assets:

Furniture and fixtures	2,596,000	6,777,043
Motor vehicles	-	153,828,717
Audio visual equipment	12,600,816	82,225,482
Office equipment	1,498,180	6,331,516
Computers	10,660,379	36,888,259
	<u>27,355,375</u>	<u>286,051,018</u>

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

	September 30, 2023	Jun 30, 2023
	----- Rupees -----	
	(Un-audited)	(Audited)
<b>5 TRADE DEBTS – unsecured</b>		
Considered good	3,367,879,087	3,100,542,350
Considered doubtful	47,592,291	47,592,291
	<u>3,415,471,378</u>	<u>3,148,134,641</u>
Less: Allowance for ECL	(47,592,291)	(47,592,291)
	<u>3,367,879,087</u>	<u>3,100,542,350</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, 2023.

### 6.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2023 amounted to Rs.135,170,000 (June 2023: Rs. 258,962,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2023 amounted to Rs. 38,150,000 (June 2023: Rs. 41,215,500/-).

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

	September 31, 2023 (Un-audited)	September 31, 2022 (Un-audited)
	----- Rupees -----	
<b>7 REVENUE – net</b>		
Advertisement revenue	1,606,210,844	1,197,848,712
Production revenue	8,310,000	13,104,183
Digital sales revenue	36,404,249	11,689,939
Subscription income	481,989,304	296,524,583
Film distribution revenue	5,639,039	-
Sale of goods	-	270,522
	<u>2,138,553,436</u>	<u>1,519,437,939</u>
<b>7.1 Revenue is net off the following items:</b>		
Sales tax	202,117,758	136,537,870
Discount to customers	162,772,529	102,367,672
	<u>364,890,287</u>	<u>238,905,542</u>
<b>8 COST OF PRODUCTION</b>		
Cost of outsourced programs	530,725,976	372,350,015
Cost of in-house programs	17,492,097	18,542,553
Inventories consumed	368,102	877,760
Salaries and benefits	299,287,157	237,869,483
Technical advisory fees	13,687,875	11,902,500
Depreciation	12,875,784	15,378,946
Amortisation	764,448	1,992,018
Traveling and conveyance	48,047,008	32,363,433
Utilities	5,623,357	3,297,713
Rent, rates and taxes	242,242	33,509
Insurance	7,145,161	7,202,793
Repair and maintenance	6,830,484	3,807,150
Fee and subscription	558,340	2,185,083
Communication expense	5,264,253	4,794,501
Security charges	150,000	-
Consultancy	-	1,188,586
Printing and stationery	1,691,493	1,187,621
	<u>950,753,777</u>	<u>714,973,664</u>
In production television programs		
- opening	50,827,650	35,460,250
In production television programs		
- closing	<u>(57,644,250)</u>	<u>(35,685,250)</u>
	<u>943,937,177</u>	<u>714,748,664</u>
Released / unreleased programs		
- opening	432,619,726	390,229,988
Released / unreleased programs		
- closing	<u>(424,959,213)</u>	<u>(348,034,900)</u>
	<u>951,597,690</u>	<u>756,943,752</u>

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (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:

	September 31, 2023 (Un-audited)	September 31, 2022 (Un-audited)
	----- Rupees -----	
<b>Nature of transaction</b>		
<b>Associated companies:</b>		
Purchases of Television programs rights	467,765,060	341,556,920
<b>Others</b>		
Key Management personnel	308,104,433	119,239,940
Contribution to Fund	12,377,594	9,449,878

### 10 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, 2023. There have been no change in any risk management policies since the year end.

### 11 FAIR VALUE OF ASSETS

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

### 12 GENERAL

12.1 Amounts have been rounded off to the nearest rupee.

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

### 13 DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorised for issue on October 27, 2023 by the Board of Directors of the Holding Company.

  
**DURAIQ QURESHI**  
 Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
 Chairman

  
**MUHAMMAD ABBAS HUSSAIN**  
 Chief Financial Officer

Printed Matter

(UNDER POSTAL CERTIFICATE)

If undelivered please return to:  
**HUM NETWORK LIMITED**  
HUM TV, Plot No. 10/11,  
Hassan Ali Street, Off. I.I. Chundrigar Road,  
Karachi - 74000, Pakistan.



#### HUM NETWORK LIMITED

Karachi Office  
Building No. 10/11, Hassan Ali Street,  
Off I.I. Chundrigar Road Karachi-74000.  
UAN: 111-486-111  
Fax: +92-21-32631676

Lahore Office  
House # 58, R-24  
Masson Road  
Lahore.  
Ph: +92-42-36312501-3

Islamabad Office  
Plot # 2A, I&T center, Sector G-6/1-1  
Khayaban-e-Suhrawardy  
Road Aabpara, Islamabad.  
Ph: +92-51-8777000

[www.humnetwork.tv](http://www.humnetwork.tv)  
[www.hum.tv](http://www.hum.tv)  
[www.humnnews.pk](http://www.humnnews.pk)  
[www.masalatv](http://www.masalatv)  
[www.tensportstv.com](http://www.tensportstv.com)  
[www.humpashto1.tv](http://www.humpashto1.tv)

• hum.tv/pakistan  
• humfilms  
• humnews/pakistan  
• masalatv/magazine  
• tensportspakistanofficial  
• humpashto1