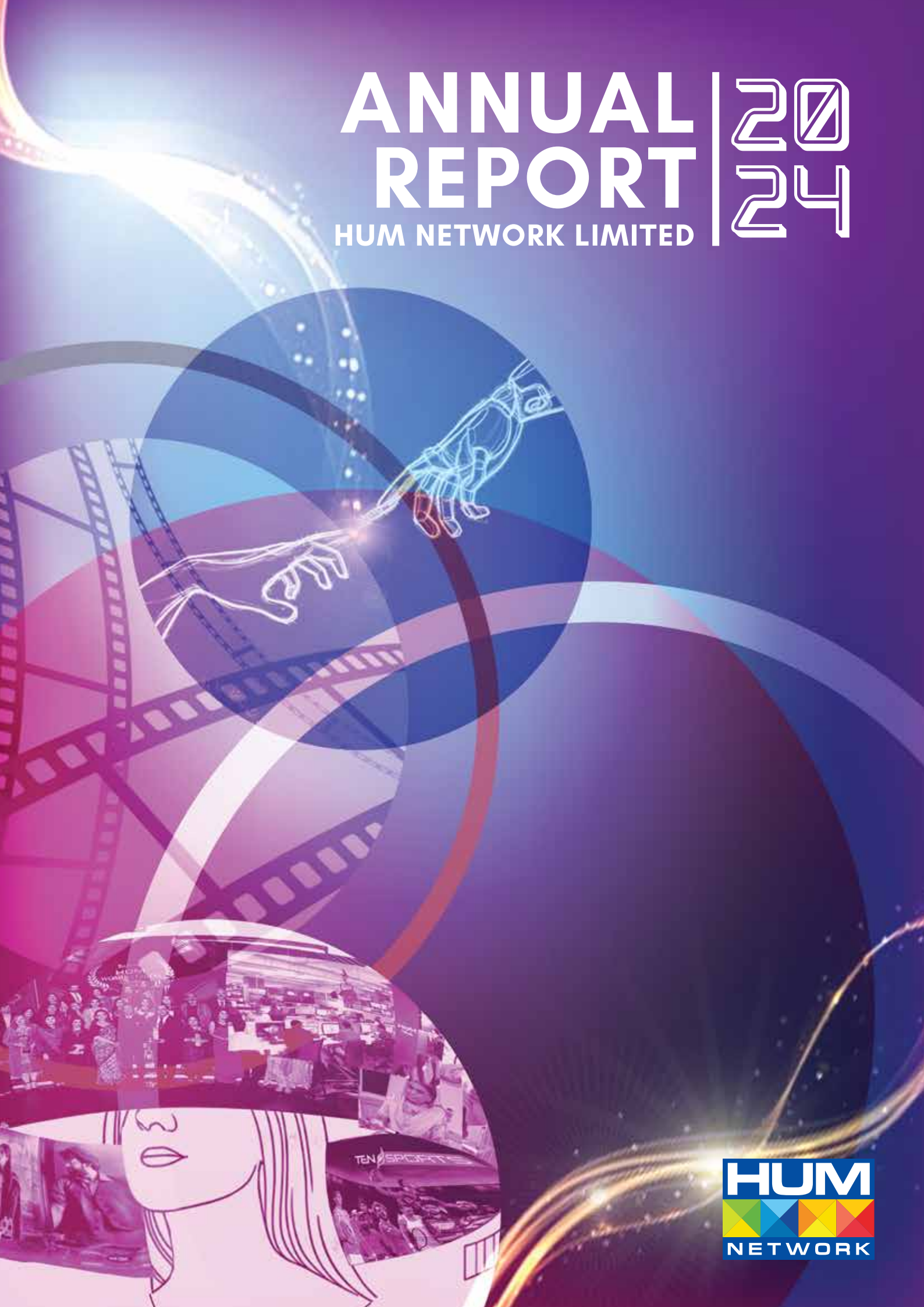


ANNUAL REPORT

HUM NETWORK LIMITED

20
24





MOST FOLLOWED
TV CHANNEL ON
**FACEBOOK
& INSTA**



44

Million
SUBSCRIBERS

HU
NETV

The image features a dark blue background with a lighter blue arc on the left side. The text 'JMW' is prominently displayed in a large, bold, purple font. Below it, the word 'WORK' is written in a smaller, bold, purple font.

JMW
WORK

CORPORATE INFORMATION

| | |
|---------------------|----|
| Vision and Mission | 06 |
| Values | 07 |
| CEO's Message | 08 |
| Company Information | 09 |

SHAREHOLDER INFORMATION

| | |
|--|----|
| Notice of 20th Annual General Meeting (Eng) | 10 |
| Notice of 20th Annual General Meeting (Urdu) | 14 |
| Pattern of Shareholding | 19 |
| Additional Information | 23 |
| Corporate Calendar | 24 |
| Gender pay gap statement | 24 |

FINANCIAL HIGHLIGHTS

| | |
|------------------------|----|
| Six Years at a Glance | 25 |
| Graphical Presentation | 26 |

CORPORATE GOVERNANCE

| | |
|--|----|
| Review Report to the Members on Statement of Compliance with CCG | 29 |
| Statement of Compliance with CCG | 30 |
| Chairman's Review Report (Eng) | 33 |
| Chairman's Review Report (Urdu) | 34 |
| Directors' Report to the Members (English) | 35 |
| Directors' Report to the Members (Urdu) | 42 |
| Report of Directors on the Consolidated Financial Statements (English) | 51 |

| | |
|---|----|
| Report of Directors on the Consolidated Financial Statements (Urdu) | 52 |
| Code of Conduct | 53 |
| Whistle-Blowing Policy | 58 |

FINANCIAL STATEMENTS

| | |
|--|-----|
| Unconsolidated Financial Statements | 61 |
| Auditors' Report to the Members | |
| on Unconsolidated Financial Statements | 62 |
| Unconsolidated Statement of Financial Position | 66 |
| Unconsolidated Statement of Profit or Loss | 67 |
| Unconsolidated Statement of Comprehensive Income | 68 |
| Unconsolidated Statement of Changes in Equity | 69 |
| Unconsolidated Statement of Cash Flows | 70 |
| Notes to the Unconsolidated Financial Statements | 71 |
| Consolidated Financial Statements | 103 |
| Auditors' Report to the Members | |
| on Consolidated Financial Statements | 104 |
| Consolidated Statement of Financial Position | 109 |
| Consolidated Statement of Profit or Loss | 110 |
| Consolidated Statement of Comprehensive Income | 111 |
| Consolidated Statement of Changes in Equity | 112 |
| Consolidated Statement of Cash Flows | 113 |
| Notes to the Consolidated Financial Statements | 114 |

OTHER INFORMATION

| | |
|-----------------------------------|--|
| Investors' Education (Jama Punji) | |
| Proxy Form (English) | |
| Proxy Form (Urdu) | |



MISSION

To enable the organization of outstanding content on subjects of interest and relevance to a range of audiences while using the best professional practices and ensuring long term continuity.



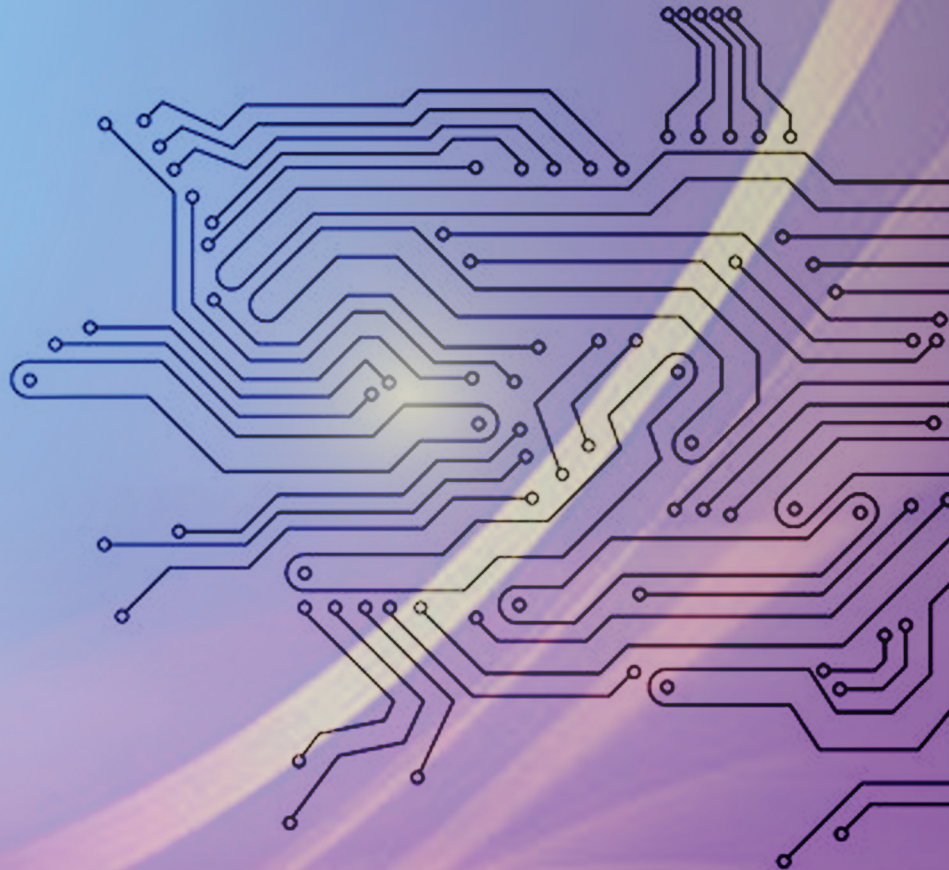
VISION

Inspired by the finest cultural, corporate and creative values to present content which entertains and enriches audiences.



VALUES

1. Integrity & Honesty
2. Respect for All
3. Commitment/Dedication/Ownership
4. Accountability & Objectivity
5. Team Work
6. Discipline
7. Safety/Health & Hygiene



A portrait of Mr. Duraid Qureshi, Chief Executive Officer of HUM Network Limited. He is a middle-aged man with dark hair, smiling, wearing a dark suit jacket over a light blue shirt. The background of the portrait is a gradient of purple and blue with abstract circular patterns.

CEO'S MESSAGE

Valued Stakeholders,

As we close the financial year 2024, I take this opportunity to reflect on a year filled with both challenges and significant achievements. This has been a year where the resilience of HUM Network Limited (HNL) has truly shone through, and I am pleased to share our strong performance amidst turbulent economic landscape in Pakistan.

The past year has been marked by economic challenges due to the unstable political and financial landscape of Pakistan. However, there is a sense of optimism as we anticipate an economic recovery in the coming months. Despite these challenges, HNL has proven its ability to adapt and thrive, achieving remarkable consolidated 63.1% growth in revenues and 54% increase in net profits. This achievement is a testament to the success of our business strategies and the hard work of our talented team.

The world is rapidly moving towards digital platforms, and we recognize this as both a challenge and an immense opportunity. Digital media continues to grow at an unprecedented pace, and we are actively positioning HNL to be at the forefront of this shift. We are focused on further expanding our digital offerings, ensuring that we maintain a strong presence on all key social platforms, meet the evolving needs of our audiences, all while continuously exploring new avenues for content distribution and audience engagement.

Among our notable accomplishments this year is the remarkable performance of our sports channel, Ten Sports. Ten Sports has been actively pursuing new business opportunities, notably securing exclusive media rights for multitudes of prestigious sporting events including ICC Men's T20 tournament, the Champions Trophy 2025 and PCB bi-lateral series. Our team has also expanded into sports productions, underscoring our commitment to revolutionizing sports entertainment in Pakistan.

Moreover, I am deeply proud of HNL's philanthropic contribution in actively supporting the education of underprivileged children. Through partnerships with local government schools, we have renovated facilities and introduced modern academic systems, providing a brighter future for many students. These efforts reflect our dedication to making a lasting impact on the communities we serve.

As we look ahead to the next 12 months, I am confident that HUM Network Limited will continue to deliver outstanding results by embracing digital transformation, enhancing our content offerings, and staying committed to our social responsibilities.

Lastly, I would like to extend my heartfelt gratitude to each and every one of you for your unyielding support and partnership on this extraordinary journey.

Sincerely,

Mr. Duraid Qureshi
Chief Executive Officer
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
Chief Financial Officer
Company Secretary
Head of Internal Audit

Mr. Duraid Qureshi
Mr. Muhammad Abbas Hussain
Mr. Mohsin Naeem
Mr. Muhammad Naeem Tahir

AUDIT COMMITTEE

Chairman
Members

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

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairman
Members

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

AUDITORS

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

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
NSRP Microfinance Bank
First Women Bank
Silicon Valley Bank
Standard Chartered 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

Notice Of The 20th Annual General Meeting

Notice is hereby given that the 20th Annual General Meeting of HUM Network Limited will be held on Monday, October 28, 2024 at 3:00 p.m. at Ground Floor, BRR Tower, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi as well as through video conference facility to transact the following businesses: -

Ordinary Business:

- 1- To confirm the minutes of the 19th Annual General Meeting held on October 19, 2023.
- 2- To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' reports thereon for the year ended June 30, 2024 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Report thereon for the year ended June 30, 2024.

The Annual Report of the Company for the year ended June 30, 2024 has been placed on the Company's website, which can be assessed from the below link and QR code:
http://www.humnetwork.tv/Annual_Financial_Reports.html



- 3- To appoint Auditors of the Company for the financial year ending June 30, 2025 and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed the name of retiring auditors M/s. EY Ford Rhodes, Chartered Accountants, for their appointment as external auditors for the year ending June 30, 2025.

Any Other Business:

- 4- To transact any other business with the permission of the chair.

By Order of the Board
Sd/-

Mohsin Naeem
Company Secretary

Dated: October 7, 2024
Place: Karachi

Notes:

1. Notice of Book Closure:

The Share Transfer Books of the Company will remain closed from October 21, 2024 to October 28, 2024 (both days inclusive). Transfer received in order by our Share Registrar, M/s. F.D. Registrar Services (SMC-Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000 at the close of business on October 21, 2024 will be considered in time for any entitlement, as recommended by the Board of Directors and for the purpose of attending the AGM.

2. Participation in AGM Through Electronic Means

- i) The Company has made arrangement to provide video-link facility to members who wish to participation in the AGM through electronic means.
- ii) To attend the AGM through video-link, Members are requested to register their following particulars by sending an email at Mohsin.naeem@hum.tv with subject '**Video-Link Registration for HUM AGM scheduled on October 28, 2024**', along with valid copy of CNIC (both sides) or passport as may be applicable.

| Name of Member (s) | Folio / CDC Account Number/ CDC Participant ID | Number of Shares Held | CNIC/ Passport Number | Cell/Mobile Number | Email ID |
|--------------------|--|-----------------------|-----------------------|--------------------|----------|
| | | | | | |

- iii) The Video link and login credentials will be shared with the Members whose emails, containing all the required particulars as mentioned, are received at the given email address before the close of business hours i.e., 05:00 p.m. on October 26, 2024.
- iv) For any queries, the Members may please contact at the aforesaid email.

3. Appointment of Proxies and Attending AGM:

- i) A member eligible to attend, speak and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
- ii) A blank instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours or can be downloaded from the Company's website.
- iii) A duly completed instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarized certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 working day hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.
- iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted with proxy form.
- v) The owners of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport (in case of foreign nationals) for identification purpose at the time of attending the meeting.
- vi) CDC account holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

A. For Attending the Meeting:

- (i) In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC), or original passport at the time of attending the meeting.
- (ii) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) the time of the meeting.

B. For Appointing Proxies:

- (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account, and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iv) The proxy shall produce his original CNIC or original passport at the time of meeting.
- (v) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

- v) In case of attending meeting by proxy through electronic means i.e., video-link facility, Cell Number and Email Id of proxy, shall be provided on the duly signed proxy form.

4. Video-Conferencing Facility for attending AGM

If members holding ten percent of the total paid up capital, are resident in any other city, the company shall provide the facility of video-conferencing to such members for attending annual general meeting of the company, if so, required by such members in writing to the company at least seven days (7) before the date of the meeting.

The Company will intimate members regarding venue of conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

Consent for Video-Conferencing Facility

I/We, _____ of _____, being a member of Hum Network Limited, holder of _____ ordinary share (s) as per Register Folio/CDC Account No _____ hereby opt for video conference facility at _____, for participation at the Annual General Meeting to be held on October 28, 2024 or any adjournment thereof

Signature of member(s)

Date: _____

5. Change in Members Addresses:

Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s. F.D. Registrar Services (SMC-Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000.

6. Annual Report 2024 and Notice of AGM

The Annual Report 2024 along with notice of AGM is being sent to the members who have provided their email addresses. In case of remaining shareholders, whose email addresses are not available, a printed copy of notice of AGM containing QR enabled code and web link to access and download Annual Report 2024, is being dispatched on their registered addresses

The Company will provide a hard copy of the Annual Report to any member, within 7 days after the receipt of request by Company under Section 235 of the Companies Act, 2017.

7. E-Dividend Mandate (Mandatory)

Under section 242 of Companies Act, 2017(Act), every listed company is required to pay dividend if any to their members compulsorily through electronic mode by directly crediting the same in their bank account provided by them. In terms of SRO No. 1145(I)/2017 dated 06 November 2017, it is mandatory for shareholders to provide their bank account details to receive their cash dividend directly into their bank accounts, failing which the company shall be bound to withhold dividend of those members who do not provide their bank details.

All members are required to provide to the Company's Share Registrar, particulars relating to name, folio number, bank account number (24-digit IBAN), title of account, complete mailing address of the bank. CDC account holders should submit their request directly to their broker (participant)/CDC. A Form is available at the Registered Office of the Company and the same are also placed on the Company's website.

8. Unclaimed Dividend / Shares

Pursuant to Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the company, which remain unclaimed or unpaid for a period of three years from the date it became due and payable shall vest with the Federal Government after compliance of procedures prescribed under the Companies Act, 2017.

All valued members of the Company, who by any reason, could not claim their dividend/shares, if any, are requested to contact Company's Share Registrar, to file their claims with Company's Share Registrar for any unclaimed dividend or shares outstanding in their name.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

9. Conversion of physical shares into book-entry form

Pursuant to Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017.

The shareholders having physical shares are encouraged to convert their physical shares into book-entry form by depositing shares into Central Depository Company Pakistan Limited by opening CDC sub-account with any broker or investor accounts directly with CDC.

10. Deduction of Income Tax Under Section 150 of the Income Tax Ordinance, 2001

For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 are as follows:

| | |
|--|-----|
| a. Rate of tax deduction for filer of income tax returns | 15% |
| b. Rate of tax deduction for non-filer of income tax returns | 30% |

In case of joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing to the Company / Share Registrar. If no notification is received, each joint holder shall be assumed to have an equal number of shares.

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.

11. Exemption From Deduction of Income Tax /Zakat

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax withholding exemption certificate or necessary documentary evidence for this purpose. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat. CDC account holders are requested to submit their declaration for non-deduction of zakat to the relevant member stock exchange or to CDC if maintaining CDC investor account.

۲۰ ویں سالانہ جنرل میٹنگ کا نوٹس

ہم نیٹ ورک لمیٹڈ کی ۲۰ ویں سالانہ جنرل میٹنگ کا انعقاد بروز پیر ۲۸ اکتوبر ۲۰۲۳ء کو بوقت ۳:۰۰ بجے شام بمقام گراؤنڈ فلور، بی آر ٹاؤر، حسن علی اسٹریٹ، آئی آئی چندریگر روڈ، کراچی پر ہوگا جس میں ویڈیو کانفرنس کی سہولت کے ذریعے درج ذیل معاملات پر بات چیت ہوگی:

عارضی کاروبار:

۱۔ ۱۹ اکتوبر ۲۰۲۳ء کو منعقدہ ۱۹ ویں سالانہ جنرل میٹنگ کی روداد کی تصدیق کرنا۔

۲۔ سالانہ آڈٹ شدہ کمپنی کے مالیاتی حسابات مع ڈائریکٹرز اور آڈیٹرز رپورٹ کی وصولی اور منظوری کرنا جو کہ ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کے لئے ہے اس کے علاوہ کمپنی کے مالیاتی حسابات آڈٹ شدہ اور ۳۰ جون ۲۰۲۳ء کے لئے آڈیٹرز کی رپورٹ شامل ہے۔

۳۰ جون ۲۰۲۳ء کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ پر دستیاب کر دی گئی ہے جسے نیچے دیئے گئے لنک اور کیو آر کوڈ کے ذریعے دیکھا جاسکتا ہے۔

http://www.humnetwork.tv/Annual_Financial_Reports.html



۳۔ ۳۰ جون ۲۰۲۵ء کو ختم ہونے والے مالیاتی سال کے لئے کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کی تنخواہ کا تعین کرنا، کمپنی کی آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز میسرز ای وائی فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس کی ۳۰ جون ۲۰۲۵ء کو ختم ہونے والے مالیاتی سال کے لئے بطور ایکسٹرنل آڈیٹرز دوبارہ تقرری کے لئے نام تجویز کیا ہے۔

دیگر کاروبار:

دیگر امور بہ اجازت چیئرمین انجام دینا۔

بحکم بورڈ

محسن نعیم

کمپنی سیکریٹری

کراچی مورخہ: ۷ اکتوبر ۲۰۲۳ء

نوٹس:

۱۔ کھاتوں کی کلوزنگ کا نوٹس:

کمپنی کے شیئر ٹرانسفر بکس ۲۱ اکتوبر ۲۰۲۳ء سے ۲۸ اکتوبر ۲۰۲۳ء (دونوں دن استثنیٰ بند رہے گی یہ ٹرانسفر ہمارے شیئر رجسٹر، میسرز ایف ڈی رجسٹر اسرومز (پرائیویٹ) لمیٹڈ، ۷، ایس منزل، صائمہ ٹریڈ ٹاور، آئی آئی چندریگر روڈ، کراچی ۷۴۰۰۰ میں ۲۱ اکتوبر ۲۰۲۳ء کو کاروباری وقت ختم ہونے تک وصول ہونے پر میٹنگ میں شرکت کے لئے موثر ہوگا۔

۲۔ سالانہ جنرل میٹنگ میں شرکت کیلئے میٹنگ اور ویڈیو لنک کے انتظام کا مقام:

(۱) کمپنی نے ان ممبران کو ویڈیو لنک کی سہولت فراہم کرنے کا انتظام کیا ہے جو الیکٹرانک ذرائع سے سالانہ جنرل میٹنگ میں شرکت کرنا چاہتے ہیں۔

(۲) ویڈیولنک کے ذریعے غیر معمولی جزل میٹنگ میں شرکت کیلئے ممبران سے گزارش کی جاتی ہے کہ وہ ”ہم اے جی ایم ۱۲۸ اکتوبر ۲۰۲۴ء کیلئے ویڈیولنک رجسٹریشن“ کے عنوان کے ساتھ mohsin.naeem@hum.tv پر ای میل بھیج کر اپنی مندرجہ ذیل تفصیلات درج کرائیں۔

| ممبر کا نام | فونی/سی ڈی سی اکاؤنٹ نمبر/سی ڈی سی شراکتی آئی ڈی | حاصل شہر کی تعداد | شناختی کارڈ/ پاسپورٹ نمبر | سیل/موبائل فون نمبر | ای میل آئی ڈی |
|-------------|--|-------------------|---------------------------|---------------------|---------------|
| | | | | | |

(۳) ویڈیولنک اور لاگ ان کی سہولت ان ممبران کے ساتھ شیئر کی جائیں گی جن کے ای میلز مطلوبہ تمام تفصیلات پر مشتمل ہوں گی ۲۶ اکتوبر ۲۰۲۴ء کو کاروباری اوقات کار کے اختتام سے قبل شام ۵:۰۰ بجے تک دیئے گئے ای میل ایڈریس پر موصول ہوں گی۔

(۴) کسی بھی معلومات کیلئے ممبران مذکورہ بالا ای میل پر رابطہ کر سکتے ہیں۔

۳۔ پراسیز کا تقرر اور میٹنگ میں حاضری:

- (۱) میٹنگ میں شرکت کرنے اور ووٹ ڈالنے کا اہل ممبر کسی دوسرے ممبر کو اپنے پراسیز کے طور پر تقرر کر سکتا ہے اور وہ اس کی جانب سے ووٹ ڈال سکتا/سکتی ہے۔
- (۲) اراکین کو بھیجے گئے نوٹس کے ساتھ میٹنگ کیلئے پراسیز کا ایک خالی نمونہ فراہم کیا جا رہا ہے۔ پراسیز کے نمونے کی مزید کاپیاں عام دفتری اوقات میں کمپنی کے رجسٹرار آفس سے حاصل کی جاسکتی ہیں یا کمپنی کی ویب سائٹ سے ڈاؤن لوڈ کی جاسکتی ہیں۔
- (۳) پراسیز کا مناسب طریقے سے مکمل شدہ نمونہ اور پاور آف اٹارنی یا دیگر اتھارٹی (اگر کوئی ہو)، جس کے تحت اس پر دستخط ہوں یا اس طرح کی پاور یا اتھارٹی کی ایک نوٹرائزڈ تصدیق شدہ کاپی میٹنگ سے پہلے ۲۸ گھنٹوں سے کم وقت میں اوقات کار کے دوران رجسٹرار آفس میں جمع کرانا ہوگی۔ ممبر اور پراسیز کے فعال شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراسیز فارم کے ساتھ پیش کی جائیں گی۔
- (۴) کارپوریٹ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی بمعہ دستخط کے نمونے والے پراسیز فارم کے ساتھ جمع کرائی جائے گی۔
- (۵) فزیکل شیئرز اور وہ شیئرز جو کہ سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) یا ان کے پراسیز کے لئے ضروری ہے کہ وہ اپنے اصل شناختی کارڈ یا پاسپورٹ (غیر ملکی ہونے کی صورت میں) میٹنگ میں شرکت کے وقت شناخت کی غرض سے پیش کرنا ہوگا۔
- (۶) سی ڈی سی اکاؤنٹ ہولڈرز کو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ سرکل نمبر، مورخہ ۲۶ جنوری ۲۰۰۰ء کی درج ذیل ہدایات پر مزید عمل کرنا ہوگا۔

| (۱۷) | میٹنگ میں حاضری کیلئے: | (ب) | پراسسز کی تقرری کیلئے: |
|------|--|-----|---|
| (۱) | افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، وہ میٹنگ میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرائے گا۔ | (۱) | افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں، اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، مندرجہ بالا ضروریات کے مطابق پراسس فارم جمع کرائیں۔ |
| (۲) | کارپوریٹ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع دستخط نمونہ (جب تک کہ اس کی جانب سے فراہم نہ کیا گیا ہو) میٹنگ کے وقت پیش کیا جائے گا۔ | (۲) | پراسس فارم پر دو گواہان کی جانب سے دستخط ہونگے جن کے نام، پتے اور شناختی کارڈ نمبرز کا فارم پر ذکر کیا جائے گا۔ |
| (۳) | اثارنی مع دستخط نمونہ (جب تک کہ اس کی جانب سے فراہم نہ کیا گیا ہو) میٹنگ کے وقت پیش کیا جائے گا۔ | (۳) | پراسس کی جانب سے نامزد کردہ افراد کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراسس فارم کے ساتھ پیش کی جائیں گی۔ |
| (۴) | | (۴) | پراسس میٹنگ کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔ |
| (۵) | | (۵) | کارپوریٹ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی کے ساتھ دستخط نمونہ (جب تک کہ اس کی جانب سے فراہم نہ کیا گیا ہو) پراسس فارم کے ساتھ کمپنی میں جمع کروایا جائے گا۔ |

(۶) پراسی کی جانب سے الیکٹرانک ذرائع سے میٹنگ میں شرکت کی صورت میں، ویڈیولنک کی سہولت، سیل نمبر اور پراسی کا ای میل آئی ڈی، صحیح طریقے سے دستخط شدہ پراسی فارم پر فراہم کیا جائے گا۔

۴۔ سالانہ جنرل میٹنگ میں شرکت کیلئے ویڈیو کانفرنس کی سہولت:

اگر ممبران پیڈ اپ کیپٹل کے دس فیصد کے حامل ہیں، اور کسی دوسرے شہر میں رہائش پذیر ہیں تو کمپنی ایسے ممبران کو کمپنی کی سالانہ جنرل میٹنگ کی تاریخ سے کم از کم ۷ دن قبل ویڈیو کانفرنس کے ذریعے اجلاس میں شرکت کیلئے رضامندی دے گی۔

کمپنی عام میٹنگ کی تاریخ سے کم از کم ۵ دن پہلے کانفرنس کی سہولت کے مقام کے بارے میں ممبران کو آگاہ کرے گی اور اس کے ساتھ ساتھ انہیں ایسی سہولت تک رسائی کے قابل بنانے کیلئے ضروری معلومات کی بھی ضرورت ہوگی۔

ویڈیو کانفرنس کی سہولت کیلئے رضامندی

میں/ ہم۔۔۔۔۔ بطور ممبر ہم نیٹ ورک کمیٹی، رجسٹر اوفیو ای سی ڈی سی اکاؤنٹ نمبر۔۔۔۔۔ کے مطابق حامل

۔۔۔۔۔ عارضی شیئرز، ۱۹ اکتوبر ۲۰۲۳ء کو۔۔۔۔۔ پر منعقد ہونے والی غیر معمولی جنرل میٹنگ میں شرکت کرنے کیلئے ویڈیو کانفرنس کی سہولت پر بغیر کسی تردد کے اپنی رضامندی کا اظہار کرتے ہیں۔

تاریخ: _____

ممبر کے دستخط: _____

۵۔ ممبران کے پتوں میں تبدیلی:

ممبران سے درخواست ہے کہ پتے میں کسی بھی تبدیلی کی صورت میں فوری طور پر شیئر رجسٹرار میسرز ایف ڈی رجسٹرار سروسز (ایس ایم سی۔ پرائیویٹ) لمیٹڈ، ۷ فلور، صائمہ ٹریڈ ٹاور۔ اے، آئی آئی چندریگر روڈ کراچی۔ ۷۴۰۰۰ کو اطلاع دی جائے۔

۶۔ سالانہ رپورٹ ۲۰۲۳ء اور سالانہ جنرل میٹنگ کا نوٹس:

سالانہ رپورٹ ۲۰۲۳ء اور اے جی ایم کے نوٹس ان ممبران کو ارسال کئے جا رہے ہیں جنہوں نے اپنی ای میل ایڈریس فراہم کی ہیں۔ باقی شیئر ہولڈرز، جن کے ای میل ایڈریس دستیاب نہیں ہیں، ان کے لیے اے جی ایم کے نوٹس کی طباعت شدہ کاپی، جس میں کیو آر کوڈ اور ویب لنک موجود ہے تاکہ سالانہ رپورٹ ۲۰۲۳ء تک رسائی اور ڈاؤن لوڈ کیا جاسکے، ان کے رجسٹرڈ پتے پر ارسال کی جا رہی ہے۔

کمپنی سیکشن ۲۳۵ کے تحت کمپنیز ایکٹ ۲۰۱۷ء کے مطابق کسی بھی ممبر کی جانب سے کمپنی کو موصول ہونے والی درخواست کے 7 دن کے اندر کسی بھی ممبر کو سالانہ رپورٹ کی ایک طبع شدہ کاپی فراہم کرے گی۔

۷۔ ای ڈویڈنڈ مینڈیٹ (لازمی):

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۴۲ کے تحت لسٹ میں شامل ہر کمپنی کے لئے ضروری ہے کہ وہ ڈویڈنڈ کی ادائیگی الیکٹرانک موڈ کے ذریعے سے براہ راست ممبر کے موجودہ بینک اکاؤنٹ میں رقم کریڈٹ کرے۔ ایس آر او نمبر ۲۰۱۷/۱۱۴۵(۱) مورخہ ۶ نومبر ۲۰۱۷ء کے تحت یہ شیئر ہولڈرز کے لئے ضروری ہے کہ وہ اپنے بینک اکاؤنٹ کی تفصیلات فراہم کرے تاکہ ان کے کیش ڈویڈنڈ کی رقم براہ راست ان کے بینک اکاؤنٹس میں جمع ہو جائے۔ بصورت کمپنی کو اس بات کا اختیار ہے کہ ایسے ممبران جنہوں نے اپنے بینک کی تفصیلات فراہم نہیں کی ہیں ان کے ڈویڈنڈ کو روک دے۔

تمام ممبران کیلئے ضروری ہے کہ وہ کمپنی کے شیئر رجسٹرار کو تمام تفصیلات یعنی نام، فوئیو نمبر، بینک اکاؤنٹ نمبر (۲۴ ہندسوں کا آئی بی اے این)، اکاؤنٹ کا ٹائٹل اور بینک کا مکمل میٹنگ ایڈریس فراہم کریں۔ سی ڈی سی اکاؤنٹ ہولڈرز اپنی درخواست براہ راست بروکر (شرکت کنندہ) / سی ڈی سی کے پاس جمع کروائیں جس کا فارم کمپنی کے رجسٹرڈ آفس میں دستیاب ہے اس کے علاوہ کمپنی کی ویب سائٹ پر بھی موجود ہے۔

۸۔ غیر کلیم کردہ ڈویڈنڈ/شیئرز:

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۴۴ کے تحت کوئی بھی شیئر جس کا اجراء یا ڈویڈنڈ کا اعلان کمپنی نے کیا ہو وہ واجب الادا تاریخ سے تین سال کی مدت کیلئے غیر کلیم کردہ یا عدم ادائیگی تصور کیا جائے گا اور اس کی ادائیگی کمپنیز ایکٹ ۲۰۱۷ء کے تحت طریقہ کار پر عملدرآمد کے بعد وفاقی حکومت کے تحت کی جائے گی۔

کمپنی کے تمام محترم ممبران جو کسی بھی وجہ سے اپنے ڈویڈنڈ/شیئرز کا کلیم نہیں کر سکے ہیں ان سے درخواست ہے کہ وہ کمپنی کے شیئر رجسٹرار سے رابطہ کریں اور اپنے غیر کلیم کردہ ڈویڈنڈ یا ان کے نام پر واجب الادا شیئرز کے کلیم داخل کریں۔

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۴۴ کے جواب میں تمام تر طریقہ کار کو مکمل کرنے کے بعد ایسے تمام واجب الادا ڈویڈنڈ جو کہ گزشتہ تین سال یا اس سے زائد عرصہ تک وصول نہ کئے ہوں ایسی تمام رقوم ڈویڈنڈ کے عدم کلیم کی صورت میں وفاقی حکومت کو جمع کرادے گی اور شیئرز کی صورت میں ایس ای سی پی کے حوالے کر دیا جائے گا۔

۹۔ فزیکل شیئرز کی بک انٹری فارم میں تبدیلی:

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۷۲ کے تحت ہر موجودہ کمپنی کو اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ اس طریقے سے جس کی وضاحت کی گئی ہو اور کمیشن کی طرف سے مطلع کردہ تاریخ سے کمپنیز ایکٹ ۲۰۱۷ء کے آغاز سے چار سال کی مدت کے اندر تبدیل کرنا ہوگا۔

فزیکل شیئرز کے حامل شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کر کے سینٹرل ڈیپازٹری کمپنی پاکستان لمیٹڈ میں شیئرز جمع کروا کر براہ راست سی ڈی سی کے ساتھ کسی بھی بروکر یا سرمایہ کار اکاؤنٹس کے ساتھ سی ڈی سی سب اکاؤنٹ کھولیں۔

۱۰۔ نقد ڈیویڈنڈ پر انکم ٹیکس ود ہولڈنگ کے لیے ”فائلر“ سسٹمز کی تصدیق:

نقد ڈیویڈنڈ کے لیے، انکم ٹیکس آرڈیننس ۲۰۰۱ء کے سیکشن ۱۵۰ کے تحت، انکم ٹیکس کی کٹوتی کی شرح حسب ذیل ہیں:

| | |
|---------|---|
| ۱۵ فیصد | (اے) انکم ٹیکس ریٹرن فائلر کیلئے ٹیکس کٹوتی کی شرح |
| ۳۰ فیصد | (بی) انکم ٹیکس ریٹرنز کے نان فائلرز کیلئے ٹیکس کٹوتی کی شرح |

جوائنٹ اکاؤنٹ کی صورت میں، ہر شیئر ہولڈر کو فردی طور پر یا تو فائلر یا نان فائلر سمجھا جائے گا اور ہر مشترکہ ہولڈر کے شیئرز ہولڈنگ کی بنیاد پر ٹیکس کی کٹوتی کی جائے گی جیسا کہ شیئر ہولڈر کمپنی/شیئر رجسٹرار کو تحریری طور پر مطلع کرے گا۔ اگر کوئی اطلاع موصول نہیں ہوتی ہے تو، ہر جوائنٹ ہولڈر کے پاس شیئر کی مساوی تعداد تصور کی جائے گی۔

فیڈرل بورڈ آف ریونیو (ایف بی آر) کی طرف سے وقتاً فوقتاً جاری کردہ ایکٹیو ٹیکس دہندگان کی فہرست (اے ٹی ایل) کے مطابق سی این آئی سی نمبر/این ٹی این کی تفصیل اب لازمی ہے اور ٹیکس کی حیثیت کو جانچنے کے لیے ضروری ہے۔

۱۱۔ انکم ٹیکس/زکوٰۃ کی کٹوتی سے استثنیٰ:

جو ممبران انکم ٹیکس کی کٹوتی سے استثنیٰ کے خواہش مند ہیں یا کم شرح پر کٹوتی کے اہل ہیں ان سے درخواست کی جاتی ہے کہ وہ اس مقصد کے لیے ایک درست ٹیکس ود ہولڈنگ استثنیٰ کا سٹمپ کیٹ یا ضروری دستاویزی ثبوت جمع کرائیں۔ زکوٰۃ کی کٹوتی نہ کرانے کے خواہشمند ممبران سے بھی درخواست ہے کہ وہ زکوٰۃ کی کٹوتی نہ کرنے کے لیے ایک درست ڈکلیئریشن جمع کرائیں۔ سی ڈی سی اکاؤنٹ ہولڈرز سے درخواست ہے کہ وہ زکوٰۃ کی کٹوتی نہ کرانے کیلئے اپنی ڈکلیئریشن متعلقہ ممبر اسٹاک ایکسچینج یا سی ڈی سی کو جمع کرائیں اگر وہ سی ڈی سی سرمایہ کار اکاؤنٹ کو برقرار رکھتے ہیں۔

Pattern Of Shareholding

As At June 30, 2024

| Number Of Shareholders | From | Shareholding Slab | To | Total Shares Held |
|------------------------|--------|-------------------|--------|-------------------|
| 753 | 1 | - | 100 | 27,897 |
| 631 | 101 | - | 500 | 198,234 |
| 606 | 501 | - | 1000 | 459,132 |
| 1357 | 1001 | - | 5000 | 3,456,004 |
| 446 | 5001 | - | 10000 | 3,431,719 |
| 253 | 10001 | - | 15000 | 3,086,435 |
| 119 | 15001 | - | 20000 | 2,190,222 |
| 113 | 20001 | - | 25000 | 2,660,888 |
| 82 | 25001 | - | 30000 | 2,328,510 |
| 28 | 30001 | - | 35000 | 917,391 |
| 34 | 35001 | - | 40000 | 1,296,921 |
| 30 | 40001 | - | 45000 | 1,269,603 |
| 67 | 45001 | - | 50000 | 3,283,132 |
| 16 | 50001 | - | 55000 | 849,463 |
| 29 | 55001 | - | 60000 | 1,721,700 |
| 6 | 60001 | - | 65000 | 369,475 |
| 13 | 65001 | - | 70000 | 890,534 |
| 8 | 70001 | - | 75000 | 584,014 |
| 16 | 75001 | - | 80000 | 1,260,873 |
| 7 | 80001 | - | 85000 | 581,131 |
| 8 | 85001 | - | 90000 | 712,393 |
| 9 | 90001 | - | 95000 | 845,100 |
| 35 | 95001 | - | 100000 | 3,485,400 |
| 7 | 100001 | - | 105000 | 708,229 |
| 4 | 105001 | - | 110000 | 431,500 |
| 7 | 110001 | - | 115000 | 789,900 |
| 19 | 115001 | - | 120000 | 2,255,500 |
| 4 | 120001 | - | 125000 | 492,100 |
| 4 | 125001 | - | 130000 | 512,700 |
| 4 | 130001 | - | 135000 | 530,340 |
| 7 | 135001 | - | 140000 | 966,989 |
| 6 | 145001 | - | 150000 | 896,000 |
| 2 | 150001 | - | 155000 | 306,500 |
| 1 | 155001 | - | 160000 | 160,000 |
| 2 | 160001 | - | 165000 | 330,000 |
| 2 | 165001 | - | 170000 | 332,300 |
| 2 | 170001 | - | 175000 | 345,500 |
| 2 | 175001 | - | 180000 | 360,000 |
| 1 | 180001 | - | 185000 | 180,375 |
| 1 | 185001 | - | 190000 | 188,000 |
| 15 | 195001 | - | 200000 | 3,000,000 |
| 2 | 200001 | - | 205000 | 402,177 |
| 1 | 205001 | - | 210000 | 210,000 |
| 1 | 210001 | - | 215000 | 214,825 |

| Number Of Shareholders | Shareholding Slab | | | Total Shares Held |
|------------------------|-------------------|---|--------|-------------------|
| | From | | To | |
| 1 | 215001 | - | 220000 | 220,000 |
| 1 | 220001 | - | 225000 | 225,000 |
| 5 | 225001 | - | 230000 | 1,137,200 |
| 5 | 235001 | - | 240000 | 1,193,200 |
| 3 | 240001 | - | 245000 | 728,400 |
| 5 | 245001 | - | 250000 | 1,247,600 |
| 1 | 250001 | - | 255000 | 255,000 |
| 1 | 265001 | - | 270000 | 266,500 |
| 1 | 270001 | - | 275000 | 273,000 |
| 1 | 285001 | - | 290000 | 290,000 |
| 3 | 290001 | - | 295000 | 879,600 |
| 8 | 295001 | - | 300000 | 2,400,000 |
| 3 | 300001 | - | 305000 | 903,700 |
| 2 | 310001 | - | 315000 | 624,400 |
| 1 | 315001 | - | 320000 | 320,000 |
| 1 | 320001 | - | 325000 | 325,000 |
| 1 | 325001 | - | 330000 | 330,000 |
| 2 | 330001 | - | 335000 | 668,600 |
| 1 | 335001 | - | 340000 | 340,000 |
| 1 | 340001 | - | 345000 | 340,200 |
| 2 | 345001 | - | 350000 | 698,000 |
| 3 | 355001 | - | 360000 | 1,080,000 |
| 1 | 365001 | - | 370000 | 365,753 |
| 1 | 380001 | - | 385000 | 380,600 |
| 1 | 385001 | - | 390000 | 390,000 |
| 1 | 390001 | - | 395000 | 394,967 |
| 6 | 395001 | - | 400000 | 2,397,000 |
| 1 | 415001 | - | 420000 | 420,000 |
| 2 | 425001 | - | 430000 | 856,500 |
| 2 | 430001 | - | 435000 | 867,000 |
| 1 | 435001 | - | 440000 | 440,000 |
| 1 | 440001 | - | 445000 | 441,548 |
| 1 | 445001 | - | 450000 | 446,000 |
| 1 | 465001 | - | 470000 | 465,500 |
| 1 | 470001 | - | 475000 | 475,000 |
| 1 | 480001 | - | 485000 | 483,500 |
| 1 | 485001 | - | 490000 | 486,500 |
| 2 | 495001 | - | 500000 | 998,500 |
| 1 | 505001 | - | 510000 | 508,607 |
| 1 | 520001 | - | 525000 | 524,560 |
| 1 | 550001 | - | 555000 | 551,394 |
| 1 | 560001 | - | 565000 | 564,223 |
| 1 | 565001 | - | 570000 | 566,000 |
| 1 | 570001 | - | 575000 | 572,000 |

| Number Of Shareholders | Shareholding Slab | | | Total Shares Held |
|------------------------|-------------------|---|---------|-------------------|
| | From | | To | |
| 1 | 585001 | - | 590000 | 590,000 |
| 4 | 595001 | - | 600000 | 2,393,375 |
| 1 | 600001 | - | 605000 | 604,000 |
| 1 | 610001 | - | 615000 | 612,000 |
| 1 | 625001 | - | 630000 | 629,880 |
| 1 | 655001 | - | 660000 | 660,000 |
| 1 | 670001 | - | 675000 | 72,600 |
| 1 | 680001 | - | 685000 | 680,100 |
| 1 | 730001 | - | 735000 | 731,250 |
| 3 | 745001 | - | 750000 | 2,247,500 |
| 1 | 750001 | - | 755000 | 750,500 |
| 1 | 765001 | - | 770000 | 770,000 |
| 1 | 800001 | - | 805000 | 800,400 |
| 1 | 825001 | - | 830000 | 828,500 |
| 1 | 830001 | - | 835000 | 830,500 |
| 1 | 835001 | - | 840000 | 840,000 |
| 1 | 850001 | - | 855000 | 852,000 |
| 1 | 855001 | - | 860000 | 856,000 |
| 1 | 890001 | - | 895000 | 893,200 |
| 1 | 895001 | - | 900000 | 900,000 |
| 1 | 935001 | - | 940000 | 936,375 |
| 4 | 995001 | - | 1000000 | 4,000,000 |
| 1 | 1005001 | - | 1010000 | 1,010,000 |
| 1 | 1045001 | - | 1050000 | 1,049,000 |
| 1 | 1075001 | - | 1080000 | 1,080,000 |
| 1 | 1095001 | - | 1100000 | 1,100,000 |
| 1 | 1120001 | - | 1125000 | 1,120,254 |
| 1 | 1140001 | - | 1145000 | 1,143,277 |
| 1 | 1180001 | - | 1185000 | 1,182,400 |
| 1 | 1220001 | - | 1225000 | 1,220,472 |
| 2 | 1495001 | - | 1500000 | 3,000,000 |
| 1 | 1610001 | - | 1615000 | 1,613,200 |
| 1 | 1745001 | - | 1750000 | 1,750,000 |
| 1 | 1805001 | - | 1810000 | 1,806,000 |
| 1 | 1915001 | - | 1920000 | 1,920,000 |
| 1 | 1980001 | - | 1985000 | 1,984,500 |
| 1 | 2055001 | - | 2060000 | 2,059,800 |
| 1 | 2085001 | - | 2090000 | 2,087,503 |
| 1 | 2210001 | - | 2215000 | 2,215,000 |
| 1 | 2395001 | - | 2400000 | 2,397,000 |
| 1 | 2515001 | - | 2520000 | 2,520,000 |
| 1 | 3335001 | - | 3340000 | 3,336,000 |
| 1 | 3380001 | - | 3385000 | 3,383,937 |
| 1 | 3455001 | - | 3460000 | 3,460,000 |

| Number Of Shareholders | Shareholding Slab | | Total Shares Held |
|------------------------|-------------------|-----------|----------------------|
| | From | To | |
| 1 | 3585001 | 3590000 | 3,587,754 |
| 1 | 3600001 | 3605000 | 3,601,800 |
| 1 | 4445001 | 4450000 | 4,448,500 |
| 1 | 6365001 | 6370000 | 6,367,200 |
| 1 | 6545001 | 6550000 | 6,550,000 |
| 1 | 8810001 | 8815000 | 8,810,772 |
| 1 | 9440001 | 9445000 | 9,443,500 |
| 1 | 12430001 | 12435000 | 12,430,400 |
| 1 | 13720001 | 13725000 | 13,723,000 |
| 1 | 13925001 | 13930000 | 13,926,000 |
| 1 | 14775001 | 14780000 | 14,780,000 |
| 1 | 17125001 | 17130000 | 17,129,715 |
| 1 | 20575001 | 20580000 | 20,575,820 |
| 1 | 23155001 | 23160000 | 23,160,000 |
| 1 | 29060001 | 29065000 | 9,063,000 |
| 1 | 38360001 | 38365000 | 38,363,400 |
| 1 | 55500001 | 55505000 | 55,501,826 |
| 1 | 58515001 | 58520000 | 58,518,744 |
| 1 | 112995001 | 113000000 | 113,000,000 |
| 1 | 243095001 | 243100000 | 243,096,000 |
| 1 | 294545001 | 294550000 | 294,546,388 |
| 4916 | | | 1,134,000,000 |

Additional Information

As of June 30, 2024

| Shareholders' Category | Shareholders | Shares Held | Percentage |
|---|--------------|-------------|------------|
| Directors, heir Spouse(s) and Minor Children | | | |
| Duraid Qureshi | 3 | 537,642,400 | 47.41 |
| Sultana Siddiqui | 2 | 20,575,832 | 1.81 |
| Mazhar Ul Haq Siddiqui | 1 | 12 | 0.00 |
| Mehtab Akbar Rashdi | 1 | 12 | 0.00 |
| Asif Yasin Malik | 1 | 12 | 0.00 |
| Mrs. Khush Bakht Shujaat | 1 | 12 | 0.00 |
| Sohail Ansar | 1 | 1,200 | 0.00 |
| Shunaid Qureshi | 2 | 61,038,744 | 5.38 |
| Muhammad Ayub | 1 | 12,000 | 0.00 |

Associated Companies, Undertakings and related parties

- - -

Executives

- - -

Public Sector Companies and Corporations

- - -

**Banks, Development Finance Institutions, Non-Banking
Finance Companies, Insurance, Takaful,
Modaraba and Pension Funds**

4 153,469,400 13.53

Mutual Funds

6 41,642,235 3.67

General Public

| | | | |
|------------|------|-------------|-------|
| a. Local | 4826 | 203,787,564 | 17.97 |
| b. Foreign | 7 | 229,754 | 0.02 |

Foreign Companies

2 1,188,400 0.10

Others

58 114,412,423 10.09

| | | | |
|---------------|-------------|----------------------|---------------|
| Totals | 4916 | 1,134,000,000 | 100.00 |
|---------------|-------------|----------------------|---------------|

| Shareholders holding 10% or more voting interest | Share Held | Percentage |
|--|-------------|------------|
| Mr. Duraid Qureshi | 537,642,400 | 47.41 |

Corporate Calendar

| MEETINGS | DATE |
|---|----------------|
| Human Resource and Remuneration Committee Meeting to consider and discuss employees and remuneration matters for the financial year 2023-24 | Sept 25, 2023 |
| Audit Committee Meeting to consider and approve the annual audited accounts of the Company for the year ended June 30, 2023 | Sept 25, 2023 |
| Board of Directors Meeting to consider the annual audited accounts of the Company for the year ended June 30, 2023 | Sept 25, 2023 |
| 19th Annual General Meeting to consider accounts of the Company for the year ended June 30, 2023 | Oct 19, 2023 |
| Corporate Briefing session for the year 2023 | Oct 19, 2023 |
| Audit Committee Meeting to consider accounts of the Company for the Quarter ended September 30, 2023 | Oct 27, 2023 |
| Board of Directors Meeting to consider accounts of the Company for the Quarter ended September 30, 2023 | Oct 27, 2023 |
| Human Resource and Remuneration Committee Meeting to consider and discuss employees and remuneration matters | Feb 29, 2024 |
| Audit Committee Meeting to consider accounts of the Company for the half year ended December 31, 2023 | Feb 29, 2024 |
| Board of Directors Meeting to consider accounts of the Company for the half year ended December 31, 2023 | Feb 29, 2024 |
| Audit Committee Meeting to consider accounts of the Company for the Quarter ended March 31, 2024 | April 29, 2024 |
| Board of Directors Meeting to consider accounts of the Company for the Quarter ended March 31, 2024 | April 29, 2024 |

Gender Pay Gap Statement Under Circular 10 Of 2024

Following is gender pay gap calculated for the year ended June 30, 2024

- i. Mean Gender Pay Gap = 11.36%
- ii. Median Gender Pay Gap = 12.32%



Duraid Qureshi
Chief Executive Officer
September 30, 2024

Six Years At A Glance

Key Financial Data

OPERATING DATA

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue-Net | 3,979,099,138 | 3,679,468,088 | 4,327,326,066 | 6,018,969,888 | 6,825,586,346 | 8,307,666,130 |
| Cost of production | (3,495,240,846) | (2,756,142,547) | (2,766,997,559) | (3,454,551,987) | (3,540,102,628) | (4,004,008,656) |
| Transmission Cost | (193,223,194) | (139,069,102) | (90,436,188) | (100,165,940) | (126,696,002) | (121,164,257) |
| Gross profit | 290,635,098 | 784,256,439 | 1,469,892,319 | 2,464,251,961 | 3,158,787,716 | 4,182,493,217 |

PROFIT AFTER TAXATION

| | | | | | | |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| (Loss)/Profit before taxation | (454,725,557) | (136,120,065) | 1,107,143,492 | 1,514,839,878 | 2,439,816,835 | 2,927,073,108 |
| Taxation | (81,157,536) | 22,881,574 | (92,746,807) | (150,934,865) | (290,578,261) | (316,481,351) |
| Profit after taxation | (535,883,093) | (113,238,491) | 1,014,396,685 | 1,363,905,013 | 2,149,238,574 | 2,610,591,757 |

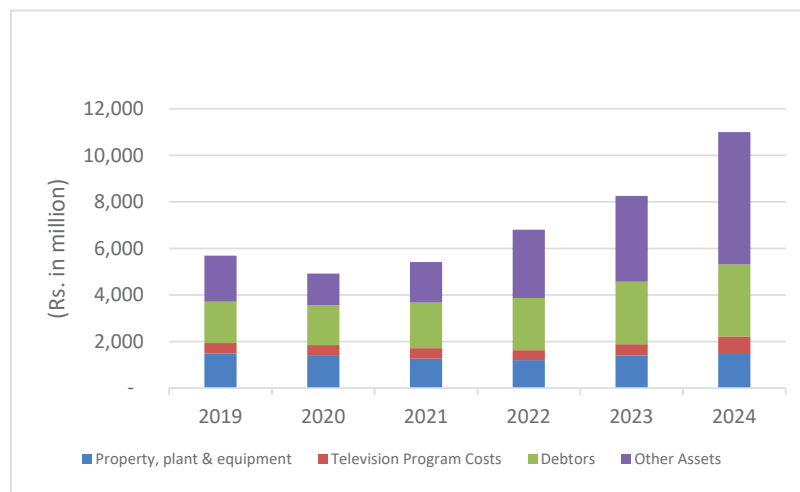
Financial Ratios

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|---------|----------|-------|-------|-------|-------|
| Current Ratios | 2.25 | 2.85 | 3.40 | 3.11 | 6.43 | 8.36 |
| Quick ratio | 2.24 | 2.83 | 3.38 | 3.10 | 6.41 | 8.33 |
| Debt/ Equity Ratio | 0.53 | 0.44 | 0.18 | 0.09 | 0.02 | 0.02 |
| Cash Available per share- Rs. | 0.13 | 0.12 | 0.31 | 0.74 | 0.39 | 0.66 |
| Return on equity - % | (16.97) | (3.71) | 24.96 | 26.76 | 29.66 | 26.49 |
| Share Price per share - Rs. | 3.17 | 12.55 | 8.02 | 7.12 | 5.84 | 10.26 |
| Break-up value per share - Rs. | 2.78 | 2.69 | 3.58 | 4.49 | 6.39 | 8.69 |
| Gross Profit / (Loss) to Sales - % | 7.30 | 21.31 | 33.97 | 40.94 | 46.28 | 50.34 |
| Cost of Production To Sales- % | 87.84 | 74.91 | 63.94 | 57.39 | 51.87 | 48.20 |
| Administrative Expenses to Sales - % | 2.54 | 12.91 | 11.80 | 9.70 | 12.97 | 11.92 |
| Net profit / (Loss) to Sales - % | (13.47) | (3.08) | 23.44 | 22.66 | 31.49 | 31.42 |
| Interest Cover - number of times | (2.27) | 0.43 | 12.03 | 21.65 | 53.97 | 83.13 |
| Debtors Turnover (number of days) | 161 | 173 | 155 | 127 | 132 | 127 |
| Price earning ratio | 6.71) | (125.68) | 8.97 | 5.92 | 3.08 | 4.46 |
| Turn Over to Total Asset Ratio | 0.71 | 0.77 | 0.82 | 0.91 | 0.84 | 0.77 |
| Earnings/(Loss) per share | (0.47) | (0.10) | 0.89 | 1.20 | 1.90 | 2.30 |

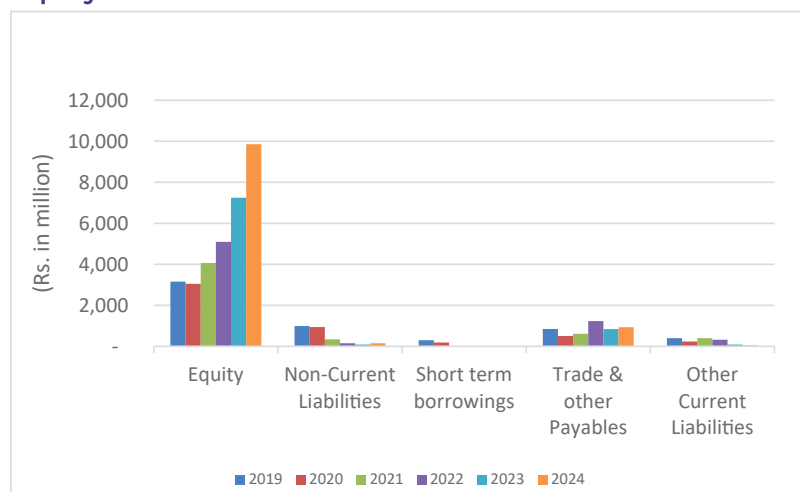
Graphical Presentation

Analysis of Statement of Financial Position and Profit & Loss Account

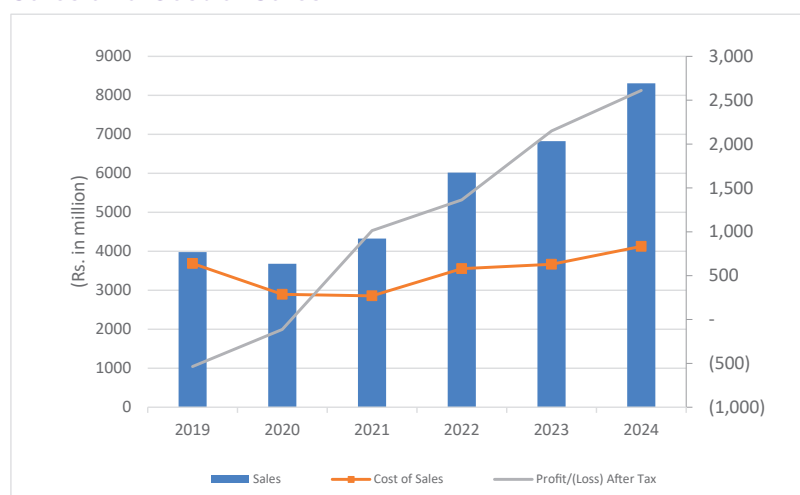
Assets



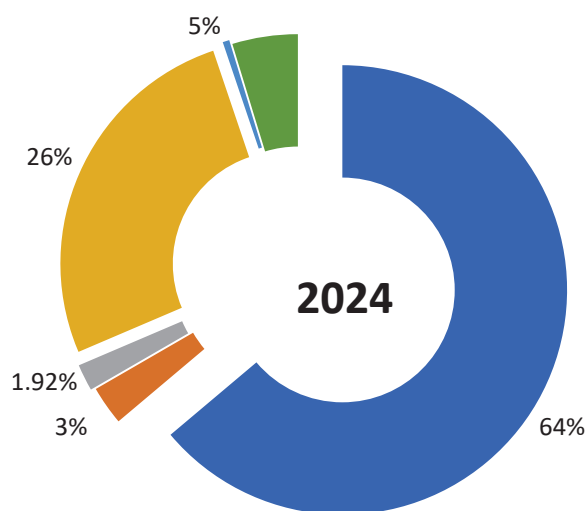
Equity & Liabilities



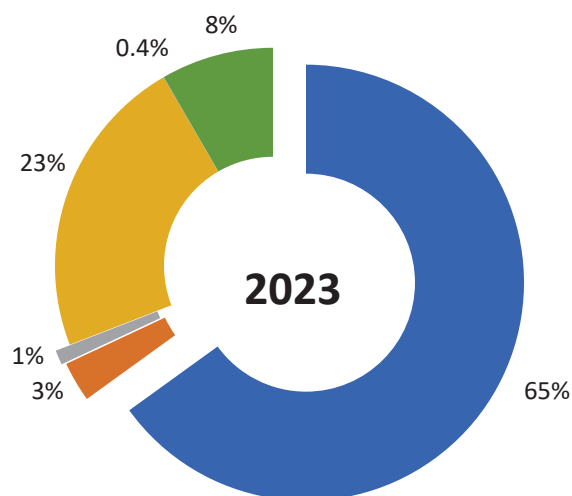
Sales and Cost of Sales



Break-up of Revenue Streams

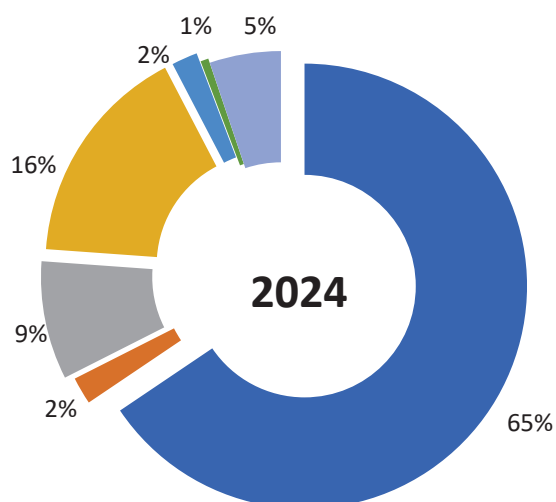


- Advertisement revenue - net
- Production revenue - net
- Digital revenue - net
- Subscription income - net
- Other Income

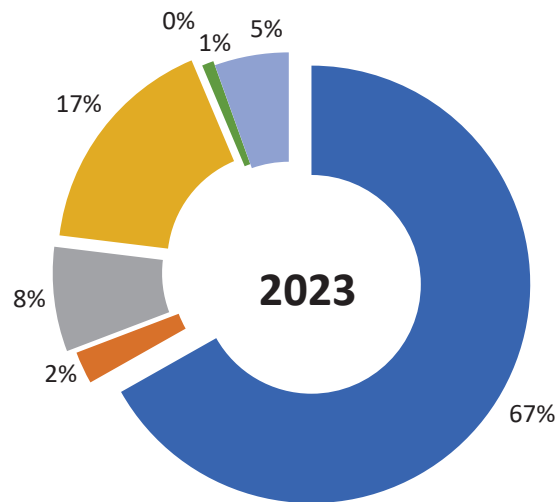


- Advertisement revenue - net
- Production revenue - net
- Digital revenue - net
- Subscription income - net
- Film distribution revenue - net
- Other Income

Cost and expense break-up

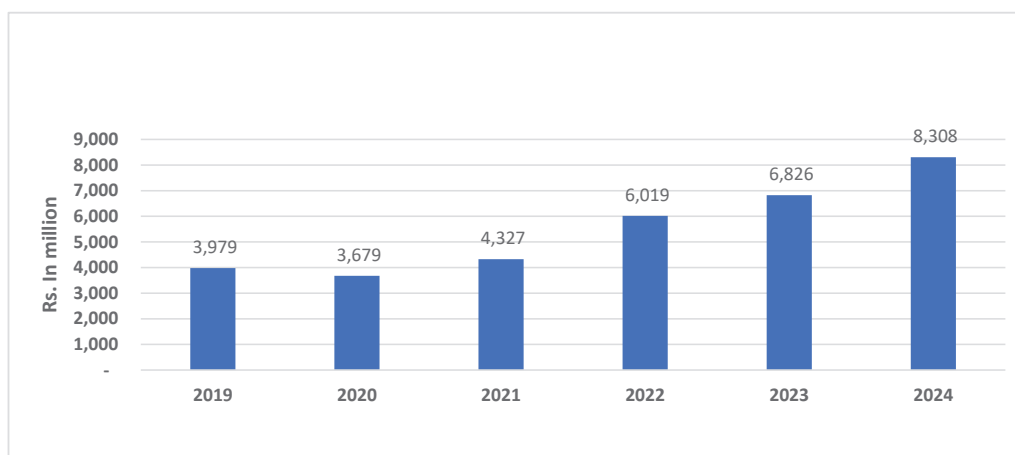


- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation

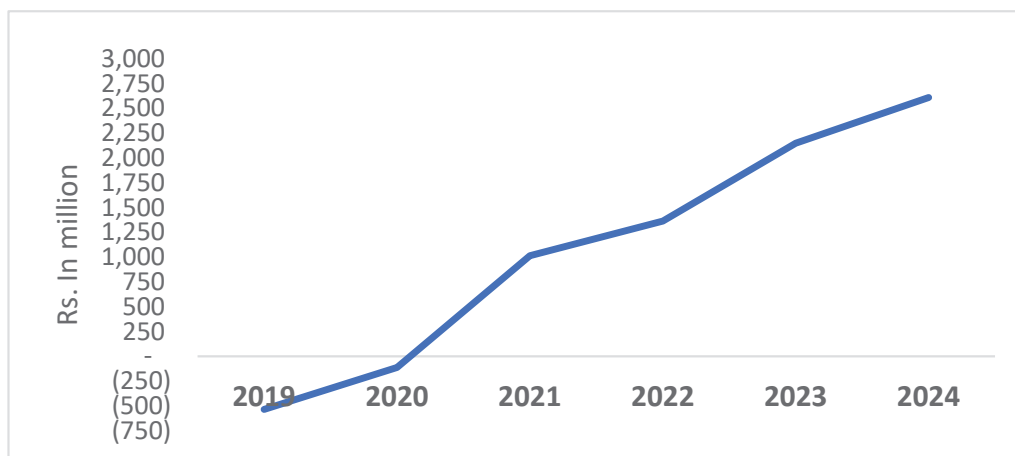


- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation

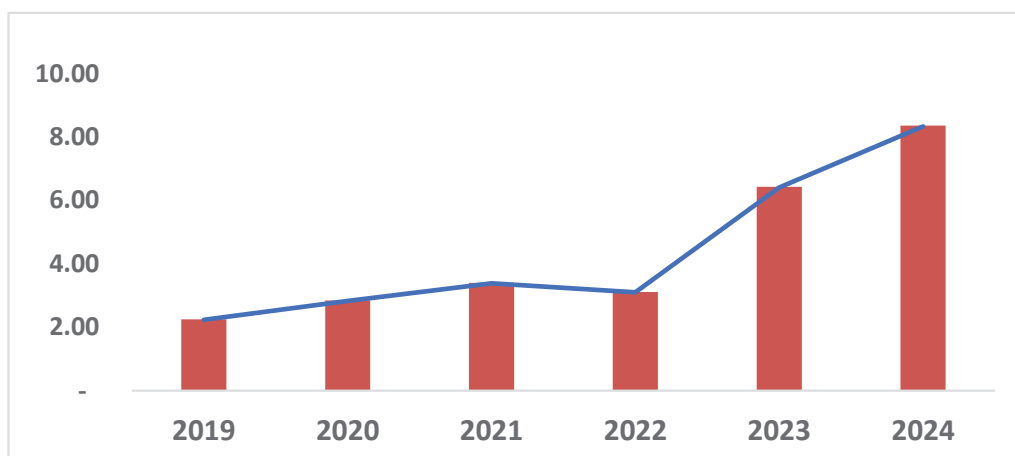
Net Revenue



Profit After Tax



Current Ratio





Building a better
working world

Independent Auditor's Review Report

To the members of HUM Network Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **HUM Network Limited** (the Company) for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

EY Ford Rhodes
Chartered Accountants
Place: Karachi
Date: October 07, 2024
UDIN Number: CR202410191G3YNdXZ8Q

Statement Of Compliance With The Listed Companies (Code Of Corporate Governance) Regulations, 2019 (“The Regulations”)

HUM Network Limited (“the Company”)

for the year ended June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total of number of directors are 09 as per the following:

| | |
|---------------|------------------|
| Male | Six (6) |
| Female | Three (3) |

2. The composition of the board is as follows (also refer note 19):

| Category | Name |
|-------------------------|---|
| Independent directors | Mr. Sohail Ansar Mr. Muhammad Ayub Younus Adhi |
| Non-executive directors | Mr. Mazhar ul Haq Siddiqui Mr. Shunaid Qureshi Mrs. Mahtab Akbar Rashdi Lt. Gen.(R) Asif Yasin Malik Ms. Khush Bakht Shujat |
| Executive directors | Ms. Sultana Siddiqui Mr. Duraid Qureshi |
| Female directors | Ms. Sultana Siddiqui Mrs. Mahtab Akbar Rashdi Ms. Khush Bakht Shujat |

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations;
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
9. The Company is compliant with the requirements of Directors' Training Program provided in these Regulations. All the Directors except one have either attended the required training in prior years or stand exempted, as per criteria mentioned in the Code;
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

| | |
|---|---|
| <ol style="list-style-type: none"> a. Audit Committee Mr. Sohail Ansar – Chairman (Independent) Mr. Shunaid Qureshi (Non-Executive) Mrs. Mahtab Akbar Rashdi (Non-Executive) Lt. Gen. (R) Asif Yasin Malik (Non-Executive) | <ol style="list-style-type: none"> b. Human Resource and Remuneration Committee Mr. Sohail Ansar – Chairman (Independent) Ms. Sultana Siddiqui (Executive) Mrs. Mahtab Akbar Rashdi (Non-Executive) |
|---|---|
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of the meetings of the committees were as follows:
 - a. Audit Committee – four [4] meetings during the financial year ended June 30, 2024.
 - b. Human Resource and Remuneration Committee – two [2] meetings during the financial year ended June 30, 2024.
15. The Board has set up an effective internal audit function with the support of an outsourced internal audit function to M/s. KPMG Taseer Hadi & Co. Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
18. We confirm that all requirements of regulations including 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. The term of Board expired on August 22, 2020 and fresh election was scheduled for August 2020. Since the number of eligible candidates were equal to the number of directors fixed for election, the Company made the

announcement on August 13, 2020 under section 159(4) of the Companies Act, 2017. The aforesaid election of directors was questioned by the ineligible candidates. Consequently, the elected directors also filed a counter suit. The Honorable Sindh High Court through Order dated: 21.08.2020 has directed the Company that the elections scheduled to be held on August 22, 2020 would be postponed and rescheduled subject to the final decision by the learned single Judge of CMA No. 6787 of 2020 in Suit No. 968/2020. Hence, the same Board continues to operate till date.



DURAIQ QURESHI
Chief Executive

Date: October 04, 2024
Place: Karachi



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

CHAIRMAN'S REVIEW REPORT

I am pleased to present the annual review as the Chairman of the Board of Directors of HUM Network Limited for the year ended June 30, 2024.

Amidst a challenging economic environment characterized by high inflation and political instability, the Company remains steadfast in its pursuit of sustainable growth. By strategically implementing cost optimization measures and embracing new digital media age, the Company has demonstrated resilience and achieved positive financial performance. The management's unwavering confidence in Pakistan's economic recovery and its commitment to industry leadership are key drivers of the Company's continued success.

The Board of directors comprise of a rich mix of experience and expertise in the field of entertainment industry, finance and compliance. BOD members are well aware of their responsibilities while ensuring adequate policies and measures are in place which are in line with the vision of HNL.

Furthermore, the BOD has ensured that the financial disclosures are accurate and truly represent the affairs of the company. This accountability is enforced by the International Financial Reporting Standard (IFRS), Companies Act, 2017, Listing Regulations and others relevant laws and regulations. We have designed our corporate governance structure to ensure maximum compliance with legal and regulatory framework and meeting the information needs of our stakeholders. The Board has fulfilled all of their mandatory responsibilities including providing strategic direction to the management and ensuring compliance with all legal and regulatory requirements by the management of the Company.

The Board is constituted of Audit Committee and Human Resource and Remuneration Committee. These committees provided valuable input and assistance to the Board. The Audit Committee particularly focused on detailed review of financial statements and effectiveness of internal controls. Further, an annual evaluation of the Board of Director's overall performance is conducted to ensure compliance with the requirement of the Code of Corporate Governance and the Companies Act, 2017. On the basis of the feedback received through this mechanism overall role of the Board has been found to be effective.

I would like to appreciate and thank my fellow board members, shareholders, all our employees, lenders and loyal viewers for their continued efforts and support.



Mr. Mazhar-ul-Haq Siddiqui

Chairman of the Board

Date: September 30, 2024

چیرمین کی جائزہ رپورٹ

مجھے ہم نیٹ ورک لمیٹڈ کے بورڈ آف ڈائریکٹرز کے چیرمین کے طور پر ۳۰ جون ۲۰۲۲ء کو ختم ہونے والے سال کے لیے سالانہ جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

بلند افراط زر اور سیاسی عدم استحکام جیسے مشکل معاشی حالات کے باوجود کمپنی پائیدار ترقی کے حصول میں ثابت قدم رہی ہے۔ کمپنی نے اخراجات کو کم کرنے کی حکمت عملی اپناتے ہوئے اور نئی ڈیجیٹل میڈیا ایپ کو اپناتے ہوئے چلک کا مظاہرہ کیا اور مثبت مالی نتائج حاصل کئے۔ پاکستان کی اقتصادی بحالی پر انتظامیہ کا غیر متزلزل اعتماد اور صنعت میں قیادت کے عزم نے کمپنی کی مسلسل کامیابی میں اہم کردار ادا کیا ہے۔

بورڈ آف ڈائریکٹرز انٹرنیشنل انڈسٹری، فنانس اور تعمیل کے شعبے میں تجربہ کار اور مہارت کے بھرپور مرکب پر مشتمل ہے۔ بورڈ آف ڈائریکٹرز ممبران اپنی ذمہ داریوں سے بخوبی واقف ہیں جبکہ اس بات کو یقینی بناتے ہوئے کہ مناسب پالیسیاں اور اقدامات موجود ہیں جو ایچ این ایل کے وژن کے مطابق ہیں۔

مزید برآں، بورڈ آف ڈائریکٹرز کے ممبران اس بات کو یقینی بناتے ہیں کہ مالیاتی انکشافات درست ہیں اور کمپنی کے معاملات کی صحیح معنوں میں نمائندگی کرتے ہیں۔ یہ احتساب بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈ (آئی ایف آر ایس) کمپنیز ایکٹ ۲۰۱۷ء فہرست سازی کے ضوابط اور دیگر متعلقہ قوانین اور ضوابط کے ذریعے نافذ کیا جاتا ہے۔ بورڈ نے اپنی تمام اہم ذمہ داریوں کو پورا کیا ہے جس میں انتظامیہ کو حکمت عملی فراہم کرنا اور کمپنی کی انتظامیہ کی جانب سے تمام قانونی اور ریگولیٹری تقاضوں کی تعمیل کو یقینی بنانا شامل ہے۔

بورڈ نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریٹنیشن کمیٹی تشکیل دی ہے۔ ان کمیٹیوں نے بورڈ کو قیمتی ان پٹ اور تعاون فراہم کیا ہے۔ آڈٹ کمیٹی نے خاص طور پر مالی بیانات کے تفصیلی جائزے اور انٹرنل کنٹرول کی تاثیر پر توجہ مرکوز کی۔ مزید برآں، بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی کا سالانہ جائزہ کوڈ آف کارپوریٹ گورننس اور کمپنیز ایکٹ ۲۰۱۷ء کے تقاضوں کے مطابق لیا جاتا ہے۔ اس طریقہ کار کے ذریعے موصول ہونے والے تاثرات کی بنیاد پر بورڈ کا مجموعی کردار موثر پایا گیا ہے۔

میں اس موقع پر طویل مدت کے لیے انتظامیہ کی حکمت عملی کی بھی تعریف کرنا چاہوں گا کہ جو کہ واضح اور مناسب ہے اور تمام اسٹیک ہولڈرز بشمول ہمارے قابل قدر کلائنٹس، سپلائرز، بینکوں اور شیئرز ہولڈرز کے مسلسل تعاون پر ان کا شکریہ ادا کرتا ہوں۔

بورڈ کی جانب سے



جناب مظہر الحق صدیقی

چیرمین آف بورڈ

کراچی مورخہ: ۳۰ ستمبر ۲۰۲۲ء

Directors' Report

The Directors of Hum Network Limited (HNL) are pleased to present the Annual Report together with the Company's audited financial statement for the year ended 30 June 2024.

Financial Performance

The financial performance of your Company for the year ended June 30, 2024 is summarized below:

| HUM NETWORK LIMITED | | | | |
|-------------------------|-------------------------------------|-----------------|-----------------------------------|-----------------|
| Particulars | Unconsolidated Financial Statements | | Consolidated Financial Statements | |
| | 2024 | 2023 | 2024 | 2023 |
| Revenue from operations | 8,307,666,130 | 6,825,586,346 | 12,348,461,990 | 7,567,863,940 |
| Other income | 410,619,105 | 629,191,219 | 379,185,966 | 488,815,703 |
| Total Income | 8,718,285,235 | 7,454,777,565 | 12,727,647,956 | 8,056,679,643 |
| Total expenses | (5,791,212,127) | (5,014,960,730) | (9,389,165,093) | (5,842,197,693) |
| Profit before tax | 2,927,073,108 | 2,439,816,835 | 3,338,482,863 | 2,214,481,950 |
| Taxation | (316,481,351) | (290,578,261) | (388,436,138) | (296,715,144) |
| Profit after tax | 2,610,591,757 | 2,149,238,574 | 2,950,046,725 | 1,917,766,806 |
| EPS | 2.30 | 1.90 | 2.60 | 1.72 |

HUM Network Limited maintains its reputation for being one of the fastest growing Companies in Pakistan. With an impressive 22% growth in revenues and a 21.5% increase in net profits as compared to last year, we are reaping the rewards of our long-term vision and relentless pursuit of excellence.

Our strategic investments across all business segments, particularly towards digital media, and sports entertainment have strengthened our foundation and fueled this expansion. We remain committed on this accelerated path of growth by leveraging innovative opportunities and maintaining a forward-thinking approach to market dynamics, ensuring we capitalize on both current and future prospects.

Principal Activities

As a pioneer in Pakistan's media landscape, HNL has been captivating audiences for two decades with our diverse and engaging content. Our flagship brands, HUM TV and HUM NEWS have become synonymous with quality content, touching the lives of millions. Together with the addition of Ten Sports, our portfolio of HUM TV, HUM News, HUM Sitaray, and HUM Masala, along with our international channels, represents our focus to bring all segments of entertainment including sports under one roof.

Beyond our stellar satellite channels, HNL's commitment to excellence extends to our dynamic business divisions, encompassing Films and Digital Media to create a comprehensive and engaging media experience.

Operational Performance

Guided by strategic decisions of the Board, we have achieved substantial growth across multiple dimensions, marked by a significant rise in operational revenues, viewership, and Television Rating Points (TRPs).

Hum TV

HUM TV is a leading entertainment channel in Pakistan, amassing a substantial following not only domestically but also among the worldwide South Asian community. HNL is dedicated to providing diverse content that resonates with our viewers' varied interests across various regions, while also enriching the media entertainment scene through its latest programming offerings.

Our storytelling deeply resonated with audiences, drawing them into captivating narratives that explore the daily struggles of ordinary people, while also delving into significant societal issues, including the complex dynamics of politics and love. By shedding light on these themes, we continue to engage and inspire, creating content that is both thought-provoking and relatable to our viewers.

This year we continued to offer viewers with the best of Pakistani dramas. Amongst the most notables, "Fairy Tales - season 2", "Ishq Murshid", "Jafaa", "Rah-e-Junoon" and urdu-dubbed rendition of Turkish drama "Sultan Salahuddin Ayyubi" along with Ramzan special series "Very filmy" were all highly appreciated by the audiences due to their unique and engaging storyline with awe-inspiring performances.

Hum News

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

We commend our team at HUM News for their exemplary coverage of the recent election, delivering timely and accurate reporting of polling numbers to the nation. Their commitment to transparency and precision ensured that viewers were kept fully informed throughout the electoral process.

Our seasoned journalists bring a wealth of experience and expertise to the screen, offering viewers a fresh perspective on current events and in-depth analysis of pressing issues.

Hum Sitaray

The channel is positioned as a hybrid channel offering both narrative as well as format-based entertainment shows. The content mix consists of Dramas, Soap operas, fashion lifestyle shows, Celebrity talk shows and international contents.

Hum Masala

This year marks the 17th anniversary of HUM Masala, a celebration of the collaborative efforts of chefs, staff, and loyal viewers, solidifying its place as the most beloved 24-hour culinary channel in countless households. Over the past year, the channel introduced new cooking and informative shows, along with fresh recipes, professional chefs, and health consultants, making it a favorite among millions worldwide.

The annual Masala Family Festivals in Lahore and Karachi added to the excitement, featuring live cooking demonstrations, musical performances, dance and singing competitions, and opportunities for fans to meet celebrity chefs. The 17th anniversary celebrations were further enriched by the presence of renowned personalities alongside the talented chefs, making it a memorable milestone for HUM Masala.

Ten Sports

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.

In its very first year under our acquisition, Ten Sports has set a new benchmark for excellence by securing the coveted broadcasting rights to one of the world's most prestigious sporting events, the ICC Men's T20 tournament along with Champions Trophy 2025 to be held in Pakistan. This monumental achievement, alongside the broadcasting rights to several other major cricketing events including Asia Cup 2023, underscores our commitment to delivering unparalleled sports coverage to our audience. Traditionally, during the year Ten Sports has also ventured into sports productions. This is just the beginning of our journey to revolutionize sports entertainment.

Digital Media Division

The HUM Network's Digital Media division has diligently upheld our formidable presence across all key social media platforms including Facebook, Instagram, Twitter, and Youtube, a testament to the company's highly targeted and effective Social Media Strategy.

To further expand our digital reach in MENA region, we have re-launched the hit Urdu drama 'Parizaad' in Arabic dub on HUM Arabia for our Arabic-speaking audience. This initiative aims to bridge cultural gaps and strengthen our connection with viewers in the region.

Direct sales (local web advertisers) have been another business avenue that has continued to grow significantly this year as we have open opportunities for digital sponsorship.

Hum Films

In the vibrant world of HUM Films, where the magic of storytelling unfolds on the grand canvas of the silver screen, our primary mission is to whisk you away into a captivating realm of narratives.

During the year HUM Films showcased multiple blockbusters, including Eid release "Daghabaaz Dil" an unexpected love story with comedic trails whereas "Nayab," an inspiring story of following dreams.

Through our films, we aim to inspire, entertain, and challenge audiences, inviting them to embark on unforgettable cinematic journeys.

Bridal Couture Week (BCW)

In December 2023, the highly anticipated 21st edition of Bridal Couture Week (BCW) illuminated Lahore with a display of the newest bridal fashions and trends from renowned designers. Over the years, BCW has evolved into Pakistan's most prestigious fashion affair, captivating the attention of the country's leading bridal wear designers, as well as celebrities from the film and television industries.

Hum Style Awards

During the month of May 2024, Hum Style Awards 2024 took center stage at Expo Center, Karachi, honoring the efforts of stylists and fashion icons in the field of media and the fashion industry. The ceremony left the audience in awe with masterclass production, high-quality visuals and dazzling performances.

Hum Women Leaders Awards

In February 2024, the Jinnah Convention Center in Islamabad proudly hosted the fifth Hum Women Leaders Awards. This esteemed event celebrated the remarkable achievements of women leaders who have made significant contributions across various fields, including diplomacy, social work, education, healthcare, human rights, journalism, and women's rights.

The ceremony was graced by the presence of President Dr. Arif Alvi, along with distinguished guests and notable figures from Pakistan's entertainment industry, highlighting the importance of recognizing and honoring the impactful work of these extraordinary women.

Human Resource Management

The Network views its human resource as the most valuable asset and pays special attention towards developing an atmosphere which fosters growth, high performance, adherence to organizational values and business ethics.

Core Values

HUM Network Limited is continuously striving to provide an enabling corporate and social work environment to its employees as this helps them to work in complete harmony in a healthy and professional way.

For this very purpose the HUM Network Family has developed the following core values.

1. Integrity & Honesty
2. Respect for All
3. Commitment/Dedication/ Ownership
4. Accountability & Objectivity
5. Team Work
6. Discipline
7. Safety/Health & Hygiene

We adhere to the above core values in all the initiatives that we undertake as this helps in promoting a culture of fairness, objectivity and teamwork.

The External Environment

Our company thrives within a dynamic and fiercely competitive landscape, where innovation, constant change, and the allocation of resources vary significantly among players in each business segment.

The landscape of the advertising industry is constantly evolving, presenting greater challenges as advertisers seek ever more innovative means to enhance their return on investment. Under current environment of financial pinch, the majority of multinational companies have diligently streamlined their advertising budgets. However, our network is uniquely poised to not only navigate this intensifying competitive arena

Risk Management

Our company boasts a reliable Risk Management framework designed not only to identify and assess potential risks but also to recognize advancement opportunities. This comprehensive system is meticulously crafted to enhance transparency, safeguard our business objectives, and fortify our competitive edge.

In the ever-evolving landscape of our industry, we recognize the significance of addressing not only internal but also external and regulatory risks. Our risk framework plays a pivotal role in quantifying our exposure and potential impact at a company-wide level. This approach ensures that we are well-prepared to navigate the challenges and capitalize on the opportunities that come our way.

Industry Risk

Entertainment industry is highly competitive with ever changing audience demands and trends creating an environment of stiff competition with domestic as well as international players all competing for the audience time.

With increasing availability of affordable internet plans, smart phones and laptops, digital media sector has ballooned to new heights piquing the interest of many new entrants in the industry along with ever increasing migration of media sponsors to digital media from television. In response to rapid growth in digital sphere, the Company has developed a digital media strategy to make most of this opportunity.

External Risk

The advertisement revenues of the media industry are inextricably linked to the economic growth of the country. Poor macro-economic environment can adversely impact the advertising revenues of the Company, which is the largest component of our revenues.

Higher inflation rates coupled with record high monetary rates have severely increased the cost of doing business. Further our country has a regular running Current Account Deficit (CAD) which heavily impacts PAK-USD currency disparity and fluctuation. Any further disturbance in any of these factors will have a massive impact on our declining economy, thus affecting our revenues and expenses.

Regulatory Risk

Any changes in law and regulations could have a material impact on the revenues and cost of doing business for the Company.

Cash Flow and Liquidity

The Company is constantly monitoring the cash flows to ensure overall liquidity. The Company was able to manage its operating cash flows by ensuring tight credit controls and reduced indirect costs over the course of the year. The Company also managed to reap interest and foreign exchange rates gains taking advantage of hedging opportunities.

ESG Standards and Corporate Social Responsibility

The board is committed to our Corporate Social Responsibilities (CSR) and integration of sound ESG practices in Company's day-to-day business activities.

We believe that sustainable business practices are essential for creating long-term value for our stakeholders. Our environmental efforts focus on optimizing resource usage and managing waste responsibly. Socially, we prioritize employee welfare, diversity, and community engagements. Our governance framework is designed to ensure transparency, accountability, and ethical business conduct.

As part of our Corporate Social Responsibility (CSR) efforts, HUM Network has committed a generous portion of each year's annual net profits for the education of underprivileged children. The donations made are being utilized to support various schools in Karachi, adopted by Momina & Duraid Foundations to provide quality education to underprivileged children.

This is a long-term project, with renovations and academic improvements being implemented in phases. During the first phase of this project, the government schools under DMC Central have been adopted through a public-private partnership initiative. These schools, previously in a state of severe disrepair due to a lack of funding and attention, were missing essential facilities such as toilets, had damaged sewer systems, leaking roofs, no drainage, peeling paint, inadequate furniture, and outdated teaching methods.

Comprehensive renovations have been initiated to address these issues including upgrading the infrastructure, providing basic facilities, and introducing a modern academic system. To ensure quality education, qualified private teachers have been employed along with offering training in modern teaching methods to existing staff, bringing them to same competitive level as private schools.

So far, we have successfully renovated three schools, with the new academic system fully operational. Several more schools are slated for completion by the start of the next academic session, with work already underway.

As a part of our annual CSR activity, HNL collaborated with Fatimid Foundation and conducted a blood donation drive. It proved to be a great success and HUM family members participated actively in the event.

Gender Diversity and Equality

HUM Network Limited is committed to fostering a culture of gender diversity and equality. We believe that a diverse workforce is essential for driving innovation, creativity, and overall success. By providing equal opportunities and creating an inclusive environment, we aim to empower all employees and position our company for long-term growth in today's competitive global marketplace. The current board, which includes three female members, exemplifies our company's commitment to gender diversity and inclusivity.

Employee Training & Development

As part of our annual appraisal exercise, each employee is assessed and counseled on individual basis. Training sessions are arranged on the basis of needs identified which creates growth opportunities for employees and provide us with highly motivated and trained resource.

Corporate Briefing Session

HUM Network Limited successfully held its Corporate Briefing Session (CBS) for the fiscal year 2022-2023 on October 19, 2023. The session aimed to provide stakeholders with detailed insights into our company's performance and strategic direction. The Company's CEO together with CFO led the presentation, offering deeper insight to our financial results, key accomplishments, and future objectives. This event provided an important platform for two-way dialogue fostering strong investor relations.

Future Prospects & Challenges

Despite a challenging economic landscape characterized by subdued activity, tight policies, and persistent inflation, Pakistan is showing signs of stabilization and gradual recovery. While the country faces ongoing risks, including debt payments and potential currency volatility, the government's efforts to secure IMF support and ease economic restrictions are positive indicators for future growth.

In response to current market conditions, our company has implemented a comprehensive strategy to enhance financial stability and growth. This includes diversifying revenue streams, optimizing operational costs, and aggressively pursuing new sales opportunities. The successful acquisition of Ten sports has significantly expanded our market reach and contributed to our overall performance.

Ten Sports being a leading sports broadcasting channel, continues to capitalize on key business opportunities by securing major broadcasting and media rights. These include a 2-year coverage contract for ICC events and Champions Trophy 2025, a 2.5-year media rights deal with the Pakistan Cricket Board (PCB) for bi-lateral home series, a 7-year agreement for cricket Australia's television media rights, and a 3 years television media rights deal with Cricket Ireland. These will create significant impact on the bottom-line figures of the network. Further, the entity is keen on expanding its reach to other sports related prospects.

Our entertainment industry is undergoing a profound transformation driven by digital media and OTT streaming. We believe that embracing these emerging technologies is essential for future success. Our strategic focus on leveraging the potential of digital platforms aligns with the evolving demands of audiences and industry trends.

HUM Network's legacy as a leading entertainment provider is built on a foundation of excellence and innovation. We remain committed to delivering exceptional content that exceeds the expectations of our viewers and stakeholders. Our strong brand portfolio and continuous development of new content positions us for sustainable growth and increased profitability in the years to come.

Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) maintained the long-term and short-term entity ratings of Hum Network Limited at "A+" and "A1", respectively. These ratings denote a low expectation of credit risk and the network's established market position.

Board Composition & Remuneration

Composition of the Board and the names of members of Board Committees may be referred to Statement of Compliance with CCG.

Furthermore, the Board of Directors has a formal policy and transparent procedures for remuneration of its directors in accordance with Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2019.

Pattern of Shareholding

Pattern of shareholding as on June 30, 2024 is annexed with the annual report.

Meeting of the Directors

During the year, four [4] Board of Directors, four [4] Audit Committee and two [2] Human Resource & Remuneration (HR & R) Committee meetings were held.

Attendance by each Director was as follows:

| Name of Director | Board of Directors Attendance | Audit Committee Attendance | Human Resource and Remuneration |
|-------------------------------|-------------------------------|----------------------------|---------------------------------|
| Mr. Mazhar-ul-Haq Siddiqui | 4 | - | - |
| Ms. Sultana Siddiqui | 3 | - | 2 |
| Mr. Sohail Ansar | 4 | 4 | 2 |
| Mrs. Mahtab Akbar Rashdi | 2 | 2 | 1 |
| Mr. Shunaid Qureshi | 2 | 1 | - |
| Ms. Khush Bakht Shujat | 3 | - | - |
| Lt. Gen. (R) Asif Yasin Malik | 3 | 3 | - |
| Mr. Duraaid Qureshi | 3 | - | 2 |
| Muhammad Ayub Younus Adhi | 4 | - | - |

Auditors

The present auditors Messer EY Ford Rhodes Chartered Accountants shall retire and may be considered for re-appointment for the year 2024-25.

Corporate Governance And Financial Reporting Framework

- The financial statements, prepared by the management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- All transactions with related parties arising in the normal course of business are carried out at an arm's length with normal commercial terms and condition, as per HNL's related party policy. The Company has not made related party transaction other than those disclosed in the financial statements.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- Key operating and financial data for the last six years is annexed.
- The value of investments of Provident Fund operated by the Company as at June 30, 2024 (Unaudited) is Rs. 481,750,118 [June 30, 2023 - (Audited): Rs. 408,052,190].
- The system of internal control is sound in design and has been effectively implemented and monitored.

- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.
- Outstanding taxes and levies are given in the Notes to the Financial Statement.
- Trading of shares by the Chief Executive Officer, Directors, Chief Financial Officer and Company Secretary, their spouse and minor children:

| | Acquisition | Transfer |
|---------------------------------|------------------|----------|
| | Number of shares | |
| CEO | - | - |
| Director – Ms. Sultana Siddique | 19,000,000 | - |
| CFO & Company Secretary | 12,312,000 | - |
| Spouses & Minor Children | - | - |

Dividend And Appropriations

During the fiscal year ended June 30, 2024, the Company has not declared any cash dividend.

The Board is not proposing a final payout to the shareholders with a resolve to utilize this growth in revenue and operations by directing the funds available with the Company to materialize Board's plans of growth along with achieving our vision of becoming the largest media network of Pakistan.

October 04, 2024
Karachi



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

ڈائریکٹرز رپورٹ

ہم نیٹ ورک لمیٹڈ (ایچ این ایل) کے ڈائریکٹرز ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کیلئے سالانہ رپورٹ جمع کمپنی کے آڈٹ شدہ مالیاتی حسابات پیش کرتے ہیں۔

مالیاتی کارکردگی:

۳۰ جون ۲۰۲۳ء کو ختم ہونے والے سال کے لیے آپ کی کمپنی کی مالی کارکردگی کا خلاصہ درج ذیل ہے:

| ہم نیٹ ورک لمیٹڈ | | | | |
|--------------------------------|-----------------|----------------------------|-----------------|------------------------|
| تفصیلات | | غیر مجموعی مالیاتی گوشوارے | | مجموعی مالیاتی گوشوارے |
| | ۲۰۲۳ء | ۲۰۲۳ء | ۲۰۲۲ء | ۲۰۲۳ء |
| آپریشنز سے آمدنی | ۸,۳۰۷,۶۶۶,۱۳۰ | ۶,۸۲۵,۵۸۶,۳۴۶ | ۱۲,۳۳۸,۴۶۱,۹۹۰ | ۷,۵۶۷,۸۶۳,۹۴۰ |
| دیگر آمدنی | ۴۱۰,۶۱۹,۱۰۵ | ۶۲۹,۱۹۱,۲۱۹ | ۳۷۹,۱۸۵,۹۶۶ | ۴۸۸,۸۱۵,۷۰۳ |
| کل آمدنی | ۸,۷۱۸,۲۸۵,۲۳۵ | ۷,۴۵۴,۷۷۷,۵۶۵ | ۱۲,۷۱۷,۶۴۷,۹۵۶ | ۸,۰۵۶,۶۷۹,۶۴۳ |
| کل اخراجات | (۵,۷۹۱,۲۱۲,۱۲۷) | (۵,۰۱۴,۹۶۰,۷۳۰) | (۹,۳۸۹,۱۶۵,۰۹۳) | (۵,۸۲۴,۱۹۷,۶۹۳) |
| قبل از ٹیکس منافع | ۲,۹۲۷,۰۷۳,۱۰۸ | ۲,۴۴۰,۸۱۶,۸۳۵ | ۳,۳۲۸,۴۸۲,۸۶۳ | ۲,۲۳۲,۴۸۱,۹۵۰ |
| محصولات | (۳۱۶,۲۸۱,۳۵۱) | (۲۹۰,۵۷۸,۲۶۱) | (۳۸۸,۳۶,۱۳۸) | (۲۹۹,۷۱۵,۱۴۴) |
| بعد از ٹیکس منافع | ۲,۶۱۰,۷۹۱,۷۵۷ | ۲,۱۴۹,۲۳۸,۵۷۴ | ۲,۹۴۰,۱۱۶,۷۲۵ | ۱,۹۳۲,۷۶۶,۸۰۶ |
| فی حصہ آمدنی (نظر ثانی شدہ) | ۲.۳۰ | ۱.۹۰ | ۲.۶۰ | ۱.۷۲ |

ہم نیٹ ورک لمیٹڈ نے پاکستان کی تیزی سے ترقی کرنے والی کمپنیوں میں اپنی ممتاز حیثیت کو برقرار رکھا ہے۔ گزشتہ سال کے مقابلے میں آمدنی میں ۲۲ فیصد کی بجائے خالص منافع میں ۲۱.۵ فیصد اضافے کے ساتھ، ہم اپنی طویل مدتی حکمت عملی اور معیاری کارکردگی کے نتیجے میں نمایاں کامیابیاں حاصل کر رہے ہیں۔ یہ ترقی ہمارے نظریہ اور مسلسل محنت کا ثبوت ہے، جس سے کمپنی کی ساکھ اور مالیاتی اہداف میں مزید استحکام آیا ہے۔

ہماری سرمایہ کاری کی حکمت عملی نے تمام کاروباری شعبوں میں، خاص طور پر ڈیجیٹل میڈیا اور اسپورٹس انٹرٹینمنٹ کے شعبے میں، ہماری بنیاد کو مضبوط کیا ہے اور اس توسیع کو فروغ دیا ہے۔ ہم ترقی کی اس تیز رفتار راہ پر مستقل گامزن ہیں، جہاں ہم جدید مواقع سے بھرپور فائدہ اٹھاتے ہوئے اور مارکیٹ کی حرکیات کو مد نظر رکھتے ہوئے ایک دوراندیش حکمت عملی اپناتے ہیں، تاکہ موجودہ اور مستقبل کے مواقع سے مکمل فائدہ اٹھایا جاسکے۔

اہم سرگرمیاں:

پاکستان کے میڈیا منظر نامے میں ایک پیشرو کے طور پر، ایچ این ایل گزشتہ دو دہائیوں سے اپنے متنوع اور دلچسپ مواد کے ذریعے ناظرین کو مسحور کر رہا ہے۔ ہمارا پرچم بردار برانڈ، ہم ٹی وی معیاری تفریح کا مترادف بن چکا ہے اور اپنے وسیع نیٹ ورک، پلیٹ فارمز، اور عالمی رسائی کے ذریعے لاکھوں زندگیوں پر اثر انداز ہو رہا ہے۔ فلموں اور خبروں سے لے کر ڈیجیٹل میڈیا، اسپورٹس کورٹج، اور لائیف سٹائل تک، ہم ایک وسیع دنیا کی تفریح کی تجربات پیش کر رہے ہیں۔

ہمارا براڈ کاسٹنگ پورٹ فولیو ہمارے بین الاقوامی چینلز کے علاوہ ہم ٹی وی، ہم نیوز، ہم ستارے، ہم مصالحت سمیت سیٹلائٹ چینلز کی ایک صف کا حامل ہے، ہر ایک عالمی سطح پر ہمارے سامعین کے لیے اپنا دلکش کونٹینٹ پیش کرتا ہے۔ ان شاندار سیٹلائٹ چینلز کے علاوہ، ایچ این ایل اپنے مختلف کاروباری شعبوں کو خاص اہمیت دیتا ہے، جن میں فلمیں، ڈیجیٹل میڈیا، اور پرنٹ میڈیا شامل ہیں۔ اس نقطہ نظر

کا مقصد پیش کشوں کی ایک سنسنی خیز اور ہمیشہ تیار ہوتی ہوئی صف پیدا کرنا ہے۔

عملی کارکردگی:

موجودہ سال میں، نیٹ ورک نے نئے کاروباری منصوبوں میں داخل ہو کر، ابھرتے ہوئے اقتصادی منظر نامے کے لیے اپنے نقطہ نظر کو اپناتے ہوئے، اور اس کے ساتھ ساتھ آپریشنل ریونیو، ویور شپ، اور ٹیلی ویژن ریننگ پوائنٹس (ٹی آر پی) میں ترقی حاصل کر کے کامیابی سے اپنی قیادت قائم کی ہے۔

ہم ٹی وی:

ہم ٹی وی پاکستان کا ایک معروف تفریحی چینل ہے، جو نہ صرف ملک میں بلکہ دنیا بھر میں جنوبی ایشیائی کمیونٹی کے درمیان بھی ایک بڑی تعداد میں ناظرین کو اپنی طرف متوجہ کرتا ہے۔ ایچ این ایل متنوع کونٹینٹ فراہم کرنے کے لیے پرعزم ہے جو ہمارے ناظرین کی مختلف دلچسپیوں کے مطابق ہو، جبکہ اپنے تازہ ترین پروگرامنگ کے ذریعے میڈیا انٹرٹینمنٹ کی دنیا میں نئی جہتیں شامل کر رہا ہے۔

ہماری کہانیاں ناظرین کے دلوں میں گہرائی سے اثر کرتی ہیں، انہیں دلچسپ داستانوں میں محو کر دیتی ہیں جو عام لوگوں کی روزمرہ مشکلات کو اجاگر کرتی ہیں، ساتھ ہی اہم معاشرتی مسائل جیسے سیاست اور محبت کے پیچیدہ تعلقات کو بھی موضوع بناتی ہیں۔ ان موضوعات کو اجاگر کر کے، ہم ناظرین کو متوجہ اور متاثر کرتے رہتے ہیں، ایسا کونٹینٹ تخلیق کرتے ہیں جو غور و فکر کا باعث ہو اور ناظرین کے لیے قابل فہم اور قریب تر ہو۔

اس سال ہم نے ناظرین کو بہترین پاکستانی ڈرامے پیش کرنے کا سلسلہ جاری رکھا۔ سب سے نمایاں ڈراموں میں سے ”عشق مرشد“ نے ٹی آر پی چارٹس میں سب سے آگے رہتے ہوئے ہر قسط پر لاکھوں ناظرین کو متوجہ کیا اور یوٹیوب پر سیریز کے کل ناظرین کی تعداد ایک ارب سے تجاوز کر گئی۔ ”فیری ٹیلز سیزن ۲“، ”جگا“، ”راہ جنون“ اور ترک اردو ڈب شدہ ڈرامہ ”سلطان صلاح الدین ایوبی“ کے ساتھ رمضان کی خصوصی سیریز ”ویری فلمی“ کو بھی اپنی منفرد اور دلچسپ کہانیوں اور شاندار اداکاری کے باعث ناظرین نے بے حد سراہا۔

ہم نیوز:

ان حالات میں ہم نیوز نے خود کو ایک آزاد اور حقائق پر مبنی نیوز چینل کے طور پر قائم رکھا ہے۔ یہ چینل نہ صرف ہماری معاشرت کو امید فراہم کرنے کی کوشش کر رہا ہے بلکہ معروضی رپورٹنگ کے طریقوں کے ذریعے پاکستان کی نیوز انڈسٹری کو بھی نئی شکل دے رہا ہے۔

ہم، ہم نیوز کی ٹیم کو حالیہ انتخابات کی شاندار کوریج پر سہرا پہنتے ہیں، جنہوں نے قوم کو بروقت اور درست پولنگ نمبر فراہم کیے۔ ان کی شفافیت اور درستگی کے عزم نے یقینی بنایا کہ ناظرین کو انتخابی عمل کے دوران مکمل طور پر باخبر رکھا گیا۔

ہمارے تجربہ کار صحافی اپنی وسیع تجربے اور مہارت کے ساتھ اسکرین پر نظر آتے ہیں، ناظرین کو موجودہ حالات پر ایک نیاز اور امید فراہم مسائل کی گہری تجزیاتی رپورٹنگ فراہم کرتے ہیں۔

ہم ستارے:

یہ چینل ایک باہر ڈچینل کے طور پر پیش کیا گیا ہے جو کہانی پر مبنی اور فارمیٹ پر مبنی تفریحی شوز دونوں پیش کرتا ہے۔ اس کے مواد میں ڈرامے، سوپ اوپیراز، فیشن لائف اسٹائل شوز، سیلبرٹی ٹاک شوز اور بین الاقوامی مواد شامل ہیں۔

ہم مصالح:

دوران سال ہم مصالح 71 کی ویں سالگرہ منائی جا رہی ہے، جوشیو، عملے اور ناظرین کی مشترکہ کوششوں کا جشن ہے، اور اسے بے شمار گھروں میں سب سے پسندیدہ ۲۴ گھنٹے کا کونگ چینل بنانے میں مدد ملی ہے۔ گذشتہ سال چینل نے تازہ ترکیبیں، پروفیشنل شیڈ اور ہیڈ لائننگ کے ساتھ نئے کونگ اور معلوماتی شوز متعارف کروائے، جس سے یہ دنیا بھر میں لاکھوں ناظرین کا پسندیدہ چینل بن گیا ہے۔

سالانہ مصالحتی فیسیٹولز نے لاہور اور کراچی میں جوش و خروش میں مزید اضافہ کیا، جس میں لائیو کوکنگ ڈیمانسٹریشنز، میوزیکل پرفارمنسز، ڈانس اور سنگ مقابلے شامل تھے، اور مداحوں کو مشہور شیفز سے ملاقات کا موقع بھی ملا۔ ۷۰ ویں سالگرہ کی تقریبات کو مزید یادگار بنانے کے لیے معروف شخصیات بھی باصلاحیت شیفز کے ساتھ موجود تھیں، جنہوں نے ہم مصالحت کے لیے ایک یادگار سنگ میل قائم کیا۔

ٹین اسپورٹس:

ٹین اسپورٹس ہم نیٹ ورک کے پورٹ فولیو میں تازہ ترین اضافے کے طور پر شامل ہوا ہے، جو کہ کھیلوں کے شائقین کے وسیع طبقے کے لیے مختلف قسم کے اسپورٹنگ ایونٹس پیش کرتا ہے۔

ہمارے حصول کے تحت پہلے ہی سال میں، ٹین اسپورٹس نے عالمی سطح پر سب سے اہم اسپورٹنگ ایونٹس میں سے ایک، آئی سی سی میزٹی ۲۰ ٹورنامنٹ اور ۲۰۲۵ء کی چیمپئنز ٹرافی جو پاکستان میں منعقد ہوگی، کی نشریاتی حقوق حاصل کر کے شاندار کامیابی کا ایک نیا معیار قائم کیا ہے۔ یہ تاریخی کامیابی، ایشیا کپ ۲۰۲۳ء جیسے کئی دیگر بڑے کرکٹ ایونٹس کے نشریاتی حقوق کے ساتھ، ہمارے ناظرین کے لیے بے مثال اسپورٹس کوریج فراہم کرنے کے عزم کو اجاگر کرتی ہے۔ اس کے علاوہ، سال کے دوران ٹین اسپورٹس نے کھیلوں کی پیداوار کو بہتر بنانے اور کھیلوں کے تفریحی تجربے کو تبدیل کرنے کے سفر کی صرف شروعات ہے۔

ڈیجیٹل میڈیا ڈویژن:

ہم نیٹ ورک کے ڈیجیٹل میڈیا ڈویژن نے فیس بک، انسٹاگرام، ٹویٹر، اور یوٹیوب سمیت تمام اہم سوشل میڈیا پلیٹ فارمز پر ہماری مضبوط موجودگی کو برقرار رکھنے میں بھرپور محنت کی ہے، یہ کمپنی کی انتہائی توجہ مرکوز اور کامیاب سوشل میڈیا حکمت عملی کا ثبوت ہے۔

اپنی ڈیجیٹل رسائی کو بینا خطے میں مزید بڑھانے کے لیے، ہم نے عربی بولنے والے ناظرین کے لیے ہم عربیہ پر مقبول اردو ڈرامہ ”پری زاد“ کی عربی ڈبنگ دوبارہ پیش کی ہے۔ یہ اقدام ثقافتی خلا کو پُر کرنے اور خطے میں ناظرین کے ساتھ اپنے تعلق کو مضبوط کرنے کا مقصد رکھتا ہے۔

براہ راست فروخت (مقامی ویب مشنرین) ایک اور کاروباری راستہ رہا ہے جس میں اس سال نمایاں اضافہ ہوا ہے کیونکہ ہمارے پاس ڈیجیٹل اسپانسر شپ کے کھلمو کھلے مواقع ہیں۔

ہم فلمز:

ہم فلمز کے متحرک دائرے میں، جہاں کہانی سنانے کا فن سلور اسکرین کے وسیع کیوس پر ابھرتا ہے، ہمارا بنیادی مقصد آپ کو داستانوں کی ایک مسحور کن دنیا میں لے جانا ہے۔

دوران سال ہم فلمز نے متعدد بلاک بسٹرز فلمیں پیش کیں، جن میں عید پر ریلیز ہونے والی ”دعا باز دل“ شامل ہے، جو ایک غیر متوقع محبت کی کہانی ہے جس میں مزاحیہ لمحات بھی شامل ہیں، جبکہ ”نایاب“ ایک حوصلہ افزا کہانی ہے جو خوابوں کی تکمیل کے بارے میں ہے۔

ہماری فلموں کے ذریعے، ہم ناظرین کو متاثر کرنے، تفریح فراہم کرنے اور چیلنج کرنے کا ارادہ رکھتے ہیں، انہیں ناقابل فراموش سنیما کی مہموں پر نکلنے کے لیے مدعو کرتے ہیں۔

برائیل کچر ویک (بی سی ڈبلیو):

دسمبر ۲۰۲۳ء میں، متوقعہ ۲۱ ویں برائیل کچر ویک (بی سی ڈبلیو) نے لاہور کو مشہور ڈیزائنرز کی جانب سے پیش کردہ نئی شادی کی فیشن اور رجحانات کے مظاہرے سے روشن کیا۔ سالوں کے دوران، بی سی ڈبلیو پاکستان کے سب سے باوقار فیشن ایونٹ میں تبدیل ہو چکا ہے، جو ملک کے ممتاز شادی لباس کے ڈیزائنرز کے ساتھ ساتھ فلم اور ٹیلی ویژن کی دنیا کی مشہور شخصیات کی توجہ حاصل کرتا ہے۔

ایوارڈز:

ہم ٹی وی نے کراچی میں ۲۲ ویں کس اسٹائل ایوارڈز کی میزبانی کی، جو موسیقی، فیشن، اور ٹیلی ویژن ڈراموں میں عمدگی کو منانے کے لیے منعقد کیا گیا۔

ہم دو مین لیڈرز ایوارڈز:

فروری ۲۰۲۳ء میں، اسلام آباد کا نامور جناح کنونشن سینٹر ہم ویمن لیڈرز ایوارڈز کے پانچویں ایڈیشن کی رونقوں سے جگمگا اٹھا۔ اس عظیم الشان تقریب میں قومی اور بین الاقوامی سطح پر غیر معمولی خواتین کی کامیابیوں کا جشن منایا گیا، جنہوں نے سفارت کاری، سماجی کام، تعلیم، صحت کی دیکھ بھال، انسانی حقوق اور صحافت میں شاندار کارکردگی کا مظاہرہ کیا۔

یہ ایک پروقا تقریب تھی جس میں کوئی اور نہیں بلکہ خود صدر مملکت ڈاکٹر عارف علوی، پاکستان کی متحرک تفریحی صنعت سے تعلق رکھنے والے قابل ذکر شخصیات اور روشن خیالوں کی موجودگی سے لطف اندوز ہوئے۔ یہ ایک ایسی شام تھی جس نے خواتین کی حوصلہ افزائی کی اور انہیں باختیار بنایا۔

ہیومن ریسورس مینجمنٹ:

نیٹ ورک اپنے انسانی وسائل کو سب سے قیمتی اثاثہ کے طور پر دیکھتا ہے اور ایسی فضا قائم کرنے کی طرف خصوصی توجہ دیتا ہے جو ترقی، اعلیٰ کارکردگی، تنظیمی اقدار اور کاروباری اخلاقیات پر عمل پیرا ہو۔

بنیادی اقدار:

ہم نیٹ ورک لمیٹڈ اپنے ملازمین کو معاشی اور اقتصادی خدمات فراہم کرنے کیلئے مسلسل کوشاں ہے کیونکہ اس سے انہیں صحت مند اور پیشہ ورانہ طریقہ سے مکمل ہم آہنگی میں کام کرنے میں مدد ملتی ہے۔

اس مقصد کیلئے ہم نیٹ ورک فیملی نے درج ذیل بنیادی اقدار قائم کئے ہیں:-

- ۱- دیانتداری و ایمانداری
- ۲- سب کی عزت کرنا
- ۳- عہد/لگن/ملکیت
- ۴- محاسبہ اور مقاصد
- ۵- ٹیم ورک
- ۶- تہذیب
- ۷- صحت/حفاظت اور حفظان صحت

ہم تمام اقدامات میں مذکورہ بالا بنیادی اقدار پر کاربند ہیں اور ہم یہ اقرار کرتے ہیں کہ یہ انصاف، معروضیت اور ٹیم ورک کے کلچر کو فروغ دینے میں مدد کرتا ہے۔

بیرونی ماحول:

ہماری کمپنی ایک متحرک اور سخت مقابلہ جاتی ماحول میں پروان چڑھ رہی ہے، جہاں ہر کاروباری شعبے میں کھلاڑیوں کے درمیان جدت، مسلسل تبدیلی، اور وسائل کی تقسیم میں نمایاں فرق پایا جاتا ہے۔

ایڈورٹائزنگ انڈسٹری کا منظر نامہ مسلسل ترقی پذیر ہے، جس میں چیلنجز بڑھتے جا رہے ہیں کیونکہ مشاہیرین اپنے سرمایہ کاری کے منافع کو بڑھانے کے لیے مزید جدید طریقے تلاش کر رہے ہیں۔ موجودہ مالی دباؤ کے ماحول میں، بیشتر کثیر قومی کمپنیوں نے اپنی ایڈورٹائزنگ کے بجٹ کو تنجیدگی سے کم کیا ہے۔ تاہم، ہمارا نیٹ ورک اس قابل ہے کہ نہ صرف اس بڑھتے ہوئے مقابلے کے میدان میں کامیابی حاصل کرے بلکہ اپنے مارکیٹ شیئر کو بھی برقرار رکھ سکے، جو ہماری حکمت عملی کی مہارت اور موافق ہونے کی صلاحیت کا ثبوت ہے۔

خطرات کی انتظامیہ:

ہماری کمپنی اپنے قابل اعتماد رسک مینجمنٹ فریم ورک پر فخر کرتی ہے، جو نہ صرف ممکنہ خطرات کی شناخت اور ان کا جائزہ لینے کے لیے ڈیزائن کیا گیا ہے بلکہ ترقی کے مواقع کی نشاندہی کرنے کے لیے بھی بنایا گیا ہے۔ یہ جامع نظام شفافیت کو بہتر بنانے، ہمارے کاروباری اہداف کی حفاظت، اور ہمارے مسابقتی فائدہ کو مضبوط بنانے کے لیے احتیاط سے ڈیزائن کیا گیا ہے۔

ہماری انڈسٹری کے مسلسل بدلتے ہوئے منظر نامے میں، ہم نہ صرف اندرونی بلکہ بیرونی اور ریگولیٹری خطرات سے نمٹنے کی اہمیت کو تسلیم کرتے ہیں۔ ہمارا سبک فریم ورک ہماری کمپنی کی وسیع نمائش اور ممکنہ اثرات کو درست کرنے میں اہم کردار ادا کرتا ہے۔ یہ نقطہ نظر اس بات کو یقینی بناتا ہے کہ ہم چیلنجوں کو نیوگیٹ کرنے اور ہمارے راستے میں آنے والے مواقع سے فائدہ اٹھانے کے لیے اچھی طرح سے تیار ہیں۔

- انڈسٹری کا خطرہ:

انٹرنیٹ انڈسٹری سامعین کے بدلتے ہوئے مطالبات اور رجحانات کے ساتھ انتہائی مسابقتی ہے جس سے ملکی اور بین الاقوامی حریفوں کے ساتھ سخت مقابلے کا ماحول پیدا ہوتا ہے جو سامعین کے وقت کے لیے مقابلہ کرتے ہیں۔

سے انٹرنیٹ پلائز، سمارٹ فونز اور لیپ ٹاپس کی بڑھتی ہوئی دستیابی کے ساتھ، ٹیلی ویژن سے ڈیجیٹل میڈیا کی طرف میڈیا اسپانسرز کی بڑھتی ہوئی منتقلی کے ساتھ ساتھ ڈیجیٹل میڈیا سیکٹر نے انڈسٹری میں بہت سے نئے آنے والوں کی دلچسپی کو نئی بلندیوں تک پہنچا دیا ہے۔ ڈیجیٹل میدان میں تیز رفتار ترقی کے جواب میں، کمپنی نے اس موقع سے زیادہ سے زیادہ فائدہ اٹھانے کے لیے ایک ڈیجیٹل میڈیا حکمت عملی تیار کی ہے۔

- بیرونی خطرہ:

میڈیا انڈسٹری کی اشتہاری آمدنی ملک کی اقتصادی ترقی سے جڑی ہوئی ہے۔ خراب میکرو اکنامک ماحول کمپنی کی اشتہاری آمدنی پر منفی اثر ڈال سکتا ہے، جو کہ ہماری آمدنی کا سب سے بڑا حصہ ہے۔

ہمارے ملک کا موجودہ کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) ہے جو پاکستانی اور امریکی کرنسی کے تفاوت اور اتار چڑھاؤ کو بہت زیادہ متاثر کرتا ہے۔ پاکستانی اور امریکی کرنسیوں میں کسی بھی انتہائی اتار چڑھاؤ کا ہماری معیشت پر بہت زیادہ اثر پڑ سکتا ہے، اس طرح ہماری کمپنی کی آمدنی اور اخراجات متاثر ہوتے ہیں۔

- ریگولیٹری کا خطرہ:

قانون اور ضوابط میں کوئی بھی تبدیلی کمپنی کے لیے آمدنی اور کاروبار کرنے کی لاگت پر مادی اثر ڈال سکتی ہے۔

کیش فلو اور لیکویڈیٹی:

کمپنی مجموعی لیکویڈیٹی کو یقینی بنانے کے لیے کیش فلو کی مسلسل نگرانی کر رہی ہے۔ کمپنی سخت کریڈٹ کنٹرول کو یقینی بنا کر اور دوران سال بالواسطہ طور پر اخراجات کو کم کر کے اپنے آپریٹنگ کیش فلو کو منظم کرنے میں کامیاب رہی۔ کمپنی نے کسی بھی ممکنہ بچت یا معاشی استحکام کے طریقہ کار کے مواقع سے فائدہ اٹھانے کے لیے انٹریسٹ اور زرمبادلہ کے ریٹس کی نگرانی جاری رکھی۔

ای ایس جی معیارات اور سماجی ذمہ داری:

بورڈ ہماری کمپنی کی سماجی ذمہ داریوں (سی ایس آر) اور زمرہ کاروباری سرگرمیوں میں مستحکم ای ایس جی (ماحولیاتی، سماجی، اور حکومتی) طریقوں کے انضمام کے لیے پرعزم ہے۔

ہمیں یقین ہے کہ پائیدار کاروباری طریقے ہمارے اسٹیک ہولڈرز کے لیے طویل مدتی قیمت پیدا کرنے کے لیے ضروری ہیں۔ ہمارے ماحولیاتی اقدامات کا مقصد وسائل کے استعمال کو بہتر بنانا اور ذمہ داری سے فضلے کا انتظام کرنا ہے۔ سماجی طور پر، ہم ملازمین کی فلاح و بہبود، تنوع، اور کمیونٹی کے ساتھ تعلقات کو ترجیح دیتے ہیں۔ ہماری حکمرانی کا اسٹرکچر شفافیت، جوابدہی، اور اخلاقی کاروباری عمل کو یقینی بنانے کے لیے تیار کیا گیا ہے۔

ہماری سماجی ذمہ داری (سی ایس آر) کے اقدامات کے تحت، ہم نیٹ ورک نے ہر سال کے خالص منافع کا ایک بڑا حصہ معذور بچوں کی تعلیم کے لیے مختص کرنے کا عزم کیا ہے۔ دی گئیں عطیات کو کراچی کے مختلف اسکولوں کی مدد کیلئے استعمال کیا جا رہا ہے جنہیں مومنہ اور درید فاؤنڈیشن نے پسماندہ بچوں کو معیاری تعلیم فراہم کرنے کیلئے اپنایا ہے۔

یہ ایک طویل مدتی منصوبہ ہے، جس میں تجدیدات اور تعلیمی بہتریوں کو مختلف مراحل میں نافذ کیا جا رہا ہے۔ اس منصوبے کے پہلے مرحلے میں، ڈی ایم سی سینٹرل کے تحت آنے والے سرکاری اسکولوں کو عوامی، نجی شراکت داری کی پہل کے ذریعے اپنایا گیا ہے۔ یہ اسکول پہلے شدید خراب حالت میں تھے، جنہیں فنڈنگ اور توجہ کی کمی کی وجہ سے بنیادی سہولیات، جیسے کہ ٹوائلٹس، ناکارہ سیوریج سسٹمز، چھتوں میں دراڑیں، نکاسی کا نظام، رنگ کی چٹائی، نامناسب فرنیچر، اور پرانے مدریسی طریقے غائب تھے۔

ان مسائل کے حل کے لیے جامع تجدیدات کا آغاز کیا گیا ہے، جس میں بنیادی اسٹرکچر کو اپ گریڈ کرنا، بنیادی سہولیات فراہم کرنا، اور ایک جدید تعلیمی نظام متعارف کروانا شامل ہے۔ معیاری تعلیم کو یقینی بنانے کے لیے، اہل نجی اساتذہ کی خدمات حاصل کی گئی ہیں اور موجودہ عملے کو جدید تدریسی طریقوں کی تربیت فراہم کی گئی ہے، تاکہ انہیں نجی اسکولوں کے برابر مسابقتی سطح پر لایا جاسکے۔

اب تک، ہم نے تین اسکولوں کی کامیابی کے ساتھ تجدید کی ہے، جہاں نیا تعلیمی نظام مکمل طور پر فعال ہے۔ مزید کئی اسکولوں کی تکمیل کا منصوبہ ہے، جن پر کام جاری ہے اور یہ اگلے تعلیمی سیشن کے آغاز تک مکمل ہو جائیں گے۔

ہماری سالانہ سی ایس آر سرگرمی کے تحت، ایچ این ایل نے فاطمی فاؤنڈیشن کے ساتھ مل کر ایک خون کے عطیہ کی مہم کا انعقاد کیا۔ یہ مہم بڑی کامیاب ثابت ہوئی، اور ہم خاندان کے افراد نے اس ایونٹ میں فعال طور پر شرکت کی۔

جنسی تنوع اور مساوات:

ہم نیٹ ورک لمیٹڈ جنسی تنوع اور مساوات کے کلچر کو فروغ دینے کے لیے پرعزم ہے۔ ہمیں یقین ہے کہ متنوع ورک فورس جدت، تخلیقی صلاحیت، اور مجموعی کامیابی کے لیے ضروری ہے۔ ہم مساوی مواقع فراہم کر کے اور ایک جامع ماحول تخلیق کر کے، تمام ملازمین کو بااختیار بنانا چاہتے ہیں اور اپنی کمپنی کو آج کے مسابقتی عالمی مارکیٹ میں طویل مدتی ترقی کے لیے تیار کرنا چاہتے ہیں۔ موجودہ بورڈ، جس میں تین خواتین کے اراکین شامل ہیں، ہماری کمپنی کے جنسی تنوع اور شمولیت کے عزم کی عکاسی کرتا ہے۔

ملازمین کی تربیت اور ترقی:

ہماری سالانہ تشخیصی مشق کے حصے کے طور پر، ہر ملازم کا انفرادی بنیادوں پر جائزہ اور مشاورت کی جاتی ہے۔ تربیتی سیشنز کا تعین ضروریات کی بنیاد پر کیا جاتا ہے جو ملازمین کے لیے ترقی کے مواقع پیدا کرتا ہے اور ہمیں انتہائی حوصلہ افزاء اور تربیت یافتہ وسائل فراہم کرتا ہے۔

کارپوریٹ بریفنگ سیشن:

ہم نیٹ ورک لمیٹڈ نے ۱۹ اکتوبر ۲۰۲۳ء کو مالی سال ۲۰۲۲ء-۲۰۲۳ء کے لیے کامیابی کے ساتھ اپنا کارپوریٹ بریفنگ سیشن (سی بی ایس) منعقد کیا۔ اس سیشن کا مقصد اسٹیک ہولڈرز کو ہماری کمپنی کی کارکردگی اور حکمت عملی کی سمت کے بارے میں تفصیلی معلومات فراہم کرنا تھا۔ کمپنی کے سی ای او اور سی ایف او نے پیشکش کی قیادت کی، جس میں ہمارے مالی نتائج، اہم کامیابیاں، اور مستقبل کے مقاصد پر گہری بصیرت فراہم کی گئی۔ یہ ایونٹ دو طرفہ مکالمے کے لیے ایک اہم پلیٹ فارم فراہم کرتا ہے، جس سے مضبوط سرمایہ کار تعلقات کو فروغ ملتا ہے۔

دوران سال بورڈ کا اسٹیٹس:

بورڈ کی میعاد ۲۲ اگست ۲۰۲۰ء کو ختم ہوئی اور نئے انتخابات اگست ۲۰۲۰ء میں ہونے لگے۔ چونکہ اہل امیدواروں کی تعداد انتخابات کے لیے مقرر کردہ ڈائریکٹرز کی تعداد کے برابر تھی، لہذا کمپنی نے کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۱۵۹(۴) کے تحت مورخہ ۱۳ اگست ۲۰۲۰ء کو نئے انتخابات کرانے کا اعلان کیا۔ اہل امیدواروں کی جانب سے ڈائریکٹرز کے مذکورہ انتخاب پر سوال اٹھایا گیا۔ چنانچہ منتخب ڈائریکٹرز نے بھی مقدمہ دائر کیا۔ معزز سندھ ہائیکورٹ نے آرڈر مورخہ ۲۱/۸/۲۰۲۰ء کے ذریعے کمپنی کو ہدایت کی کہ مقدمہ نمبر ۲۰۲۰/۹۶۸ میں سنگل جج کے سی ایم اے نمبر ۲۰۲۰/۶۷۸ کے حتمی فیصلے کے تحت ۲۲ اگست ۲۰۲۰ء کو ہونے والے انتخابات ملتوی اور شیڈول کیے جائیں۔ عدالت کے حتمی فیصلے کا انتظار ہے۔

تاہم، ایس ای سی پی کی جانب سے وضاحت کے بعد اور مذکورہ وضاحت کو محترم ہائی کورٹ آف سندھ کے پاس ریکارڈ پر رکھنے کے بعد، کمپنی نے اپنے قانونی فرائض انجام دینے کے لیے گذشتہ بورڈ کے ساتھ کام جاری رکھا، یہاں تک کہ معزز عدالت کا حتمی فیصلہ آجائے اور ان کے جانشینوں کی تقرری ہو جائے۔

مستقبل کی حکمت عملی اور چیلنجز:

ایک مشکل اقتصادی منظر نامے کے باوجود، جس میں کمزور سرگرمی، سخت پالیسیاں، اور مسلسل مہنگائی شامل ہیں، پاکستان استحکام اور بتدریج بحالی کے آثار دکھا رہا ہے۔ اگرچہ ملک ابھی بھی جاری خطرات، بشمول قرضوں کی ادائیگی اور کمزور کرنسی کی اتار چڑھاؤ کا سامنا کر رہا ہے، لیکن حکومت کی آئی ایم ایف کی حمایت حاصل کرنے اور اقتصادی پابندیوں کو نرم کرنے کی کوششیں مستقبل کی ترقی کے لیے مثبت اشارے ہیں۔

موجودہ مارکیٹ کے حالات کے جواب میں، ہماری کمپنی نے مالی استحکام اور ترقی کو بڑھانے کے لیے ایک جامع حکمت عملی پر عمل درآمد کیا ہے۔ اس میں آمدنی کے ذرائع کو متنوع بنانا، عملیاتی اخراجات کو بہتر بنانا، اور نئے فروخت کے مواقع کا پُر جوش تعاقب کرنا شامل ہے۔ ٹین اسپورٹس کا کامیاب حصول ہمارے مارکیٹ کی رسائی کو نمایاں طور پر بڑھانے اور ہماری مجموعی کارکردگی میں اضافہ کرنے میں مددگار ثابت ہوا ہے۔

ٹین اسپورٹس، جو ایک نمایاں کھیلوں کا نشریاتی چینل ہے، اہم کاروباری مواقع سے فائدہ اٹھانے کے لیے بڑے نشریاتی اور میڈیا حقوق حاصل کرنے پر کام کر رہا ہے۔ ان میں آئی سی سی ایونٹس اور چیمپئنز ٹرافی ۲۰۲۵ء کے لیے ۲ سالہ کوآرڈینیشن معاہدہ، پاکستان کرکٹ بورڈ (پی سی بی) کے ساتھ دو طرفہ گھریلو سیریز کے لیے ڈھائی سالہ میڈیا حقوق کا معاہدہ، کرکٹ آسٹریلیا کے ٹیلی ویژن میڈیا حقوق کے لیے ۷ سالہ معاہدہ، اور کرکٹ آئرلینڈ کے ساتھ ۳ سالہ ٹیلی ویژن میڈیا حقوق کا معاہدہ شامل ہیں۔ یہ نیٹ ورک کے چلنیی سطح کے اعداد و شمار پر اہم اثر ڈالیں گے۔ مزید برآں، یہ ادارہ دیگر کھیلوں سے متعلق مواقع میں اپنی رسائی کو بڑھانے کے لیے پُر عزم ہے۔

ہماری انٹرنیٹ منسٹر ایک گہرے تحول سے گزر رہی ہے جو ڈیجیٹل میڈیا اور اوٹ ٹی اسٹریمنگ کی بدولت ہے۔ ہمیں یقین ہے کہ ان ابھرتی ہوئی ٹیکنالوجیز کو اپنانا مستقبل کی کامیابی کے لیے ضروری ہے۔ ہماری حکمت عملی کے نقطہ نظر کے تحت، ڈیجیٹل پلیٹ فارمز کی صلاحیت سے بھرپور استفادہ کرنا ناظرین کی ترقی پذیر ضروریات اور انڈسٹری کے رجحانات کے ساتھ ہم آہنگ ہے۔

پاکستان میں ڈیجیٹل میڈیا کی اہم ترقی کو مد نظر رکھتے ہوئے، ہم ٹی وی نے عربی بولنے والی مارکیٹ میں اپنی رسائی کو حکمت عملی کے طور پر بڑھایا ہے۔ حال ہی میں ”ہم عربیہ“، پاکستان کے پہلے عربی ڈب شدہ یوٹیوب چینل کا آغاز ہماری عالمی ناظرین کے ساتھ رابطہ قائم کرنے اور دلچسپ مواد کے ذریعے ثقافتی تبادلے کو فروغ دینے کے عزم کی عکاسی کرتا ہے۔

ہم نیٹ ورک کا ورثہ ایک ممتاز تفریحی فراہم کنندہ کے طور پر عمدگی اور جدت کی بنیاد پر قائم ہے۔ ہم اپنے ناظرین اور اسٹیک ہولڈرز کی توقعات سے بڑھ کر بہترین کونٹینٹ فراہم کرنے کے لیے پُر عزم ہیں۔ ہمارے مضبوط برانڈ پورٹ فولیو اور نئے کونٹینٹ کی مسلسل ترقی ہمیں آنے والے سالوں میں پائیدار ترقی اور بڑھتی ہوئی منافع کے لیے تیار کرتا ہے۔

کریڈٹ کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پیکرا) نے طویل مدتی اور مختصر مدتی ریٹنگ برائے ایچ این ایل اے+ اور اے ون مرتب کی ہے، یہ درجہ بندیاں کریڈٹ کے خطرے کی کم توقع اور مارکیٹ میں نیٹ ورک کی مضبوط پوزیشن کو ظاہر کرتی ہیں۔

بورڈ کی تشکیل اور معاوضے:

بورڈ کی تشکیل اور بورڈ ممبروں کے ممبران کے نام سی جی کے ساتھ تفصیل کے بیان میں دیئے جاسکتے ہیں۔

مزید برآں، بورڈ آف ڈائریکٹرز کے پاس کمپنیز ایکٹ ۲۰۱۷ء اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ء کے مطابق اپنے ڈائریکٹرز کے معاوضے کے لیے باقاعدہ پالیسی اور شفاف طریقہ کار موجود ہے۔

شیر ہولڈنگ کا پیٹرن:

۳۰ جون ۲۰۲۴ء تک شیر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹرز کی میٹنگ:

دوران سال بورڈ آف ڈائریکٹرز کی چار (۴)، آڈٹ کمیٹی کی چار (۴) اور ہیومن ریسورس اور ریمپوزیشن کمیٹی کی دو (۲) میٹنگ منعقد نہیں ہوئیں۔

ہر ڈائریکٹر کی شرکت درج ذیل ہے:

| ڈائریکٹر کے نام | بورڈ آف ڈائریکٹرز کی شرکت | آڈٹ کمیٹی کی شرکت | ہیومن ریسورس اور ریمپوزیشن |
|-------------------------------------|---------------------------|-------------------|----------------------------|
| جناب مظہر الحق صدیقی | ۴ | | |
| مس سلطانہ صدیقی | ۳ | | ۲ |
| جناب سہیل انصر | ۴ | ۴ | ۲ |
| مسز مہتاب اکبر راشدی | ۲ | ۲ | ۱ |
| جناب شنید قریشی | ۲ | ۱ | |
| محترمہ خوش بخت سجاعت | ۳ | | |
| لیفٹنٹ جنرل (ریٹائرڈ) آصف یاسین ملک | ۳ | ۳ | |
| جناب درید قریشی | ۳ | | ۲ |
| محمد ایوب یونس آدھی | ۴ | | |

آڈیٹرز:

موجودہ آڈیٹر میسرز ای وائی فور ڈھوڈر چارٹرڈ اکاؤنٹینٹس جو کہ ریٹائر ہوئے ہیں ممکن ہے کہ اس سال ۲۰۲۳-۲۰۲۵ء کے لئے ان کا دوبارہ تقرر کیا جائے۔

نظم و ضبط اور مالیاتی رپورٹنگ کا فریم ورک:

- ☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- ☆ کمپنی کے کھاتے مناسب طریقہ سے رکھے جا رہے ہیں۔
- ☆ تمام کاروباری سرگرمیوں میں متعلقہ فریقوں کے ساتھ ہونے والی تمام لین دین ایجن این ایل کی متعلقہ فریق پالیسی کے مطابق، عام تجارتی شرائط و ضوابط کے ساتھ ایک دوسرے کے قریب کی قیمتوں پر کی جاتی ہیں۔ کمپنی نے مالیاتی بیانات میں ظاہر کردہ لین دین کے علاوہ کوئی اور متعلقہ فریق لین دین نہیں کیا ہے۔
- ☆ مناسب اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ اکاؤنٹنگ کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔
- ☆ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔
- ☆ گذشتہ چھ سال کے لیے اہم آپرینٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- ☆ کمپنی کی جانب سے آپریٹ کئے جانے والے پروویڈنٹ فنڈ کی سرمایہ کاری کی قیمت ۳۰ جون ۲۰۲۳ء (غیر آڈٹ شدہ) کے مطابق مبلغ ۱۱۸،۷۵۰،۳۸۱ روپے ہے جو کہ ۳۰ جون ۲۰۲۳ء (آڈٹ شدہ) کو مبلغ ۱۹۰،۵۲۴،۰۰۸ روپے تھی۔
- ☆ انٹرنل کنٹرول کے نظام مضبوط ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ☆ آنے والے سالوں میں کمپنی کی کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- ☆ نظم و نسق کے حوالے سے کمپنی میں کارپوریٹ گورننس کو مکمل طور پر نافذ کیا ہے جو کہ لسٹنگ ریگولیشن میں درج ہے اور اس سے کوئی انحراف نہیں کیا گیا ہے۔
- ☆ ٹرانسفر پرائسنگ کے بہترین طریقہ کار سے کوئی انحراف نہیں کیا گیا ہے۔
- ☆ واجب الادا ڈسکیسز اور لیویز مالیاتی بیانات کے نوٹس میں دی گئی ہیں۔
- ☆ چیف ایگزیکٹو آفیسر، ڈائریکٹرز، چیف فنانشل آفیسر اور کمپنی سیکریٹری، ان کی بیگمات اور بچوں کی شیئرز میں تجارت درج ذیل ہے:

| ٹرانسفر | حصول | |
|---------|------------|--------------------------------|
| | ۱۹,۰۰۰,۰۰۰ | چیف ایگزیکٹو آفیسر۔ درید قریشی |
| | ۱۲,۳۱۲,۰۰۰ | ڈائریکٹر۔ محترمہ سلطانہ صدیقی |
| | | سی ایف او کمپنی سیکریٹری |
| | | بیگمات اور بچے |

ڈویڈنٹ اور مناسبت:

۳۰ جون ۲۰۲۲ء کو ختم ہونے والے مالی سال کے دوران، کمپنی نے کسی بھی کیش ڈیویڈنڈ کا اعلان نہیں کیا۔

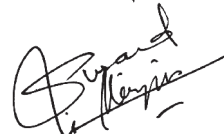
بورڈ سب سے بڑا انٹرٹینمنٹ آرگنائزیشن بننے کے اپنے نظریہ کو حاصل کرنے کے ساتھ ساتھ بورڈ کی ترقی کے منصوبوں کو عملی جامہ پہنانے کیلئے کمپنی کے پاس دستیاب فنڈز کو مد نظر رکھتے ہوئے شیئر ہولڈرز کی حتمی ادائیگی کی تجویز نہیں دے رہا تا کہ اس ترقی کو آمدنی اور آپریشنز میں استعمال کیا جاسکے۔

بورڈ آف ڈائریکٹرز کی جانب سے

کراچی؛ مورخہ ۳ اکتوبر ۲۰۲۲ء



مظہر الحق صدیقی
چیئر مین و ڈائریکٹر



درید قریشی
چیف ایگزیکٹو آفیسر

Report Of The Directors On Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to submit the Annual Consolidated Financial Statements along with the Auditor's Report thereon for the year ended June 30, 2024.

The consolidated financial statements comprise of group companies consisting of;

| Company | Region | Relationship | Shareholding % |
|--|----------------|---------------------|----------------|
| Skyline Publications (Private) Limited | Pakistan | Subsidiary | 100% |
| HUM TV Inc. | USA | Subsidiary | 100% |
| HUM Network FZ LLC | Dubai | Subsidiary | 100% |
| HUM Network UK Limited | United Kingdom | Subsidiary | 100% |
| HUMM Co. (Private) Limited | Pakistan | Subsidiary | 100% |
| HUM Mart (Private) Limited | Pakistan | Subsidiary | 70% |
| Tower Sports (Private) Limited | Pakistan | Subsidiary | 100% |
| Sphere Ventures (Private) Limited | Pakistan | Subsidiary | 100% |
| TS3 FZ LLC | Dubai | Indirect Subsidiary | 100% |

For the financial year ended June 30, 2024 the group recorded revenue of Rs. 12,348 million (June 30, 2023: Rs. 7,568 million) and profit after tax of Rs. 2,950 million (June 30, 2023: Rs. 1,918 million). The results translate into earnings per share of Rs. 2.60 (FY 2023 – restated: Rs. 1.72).

The Directors' Report on HUM Network Limited for the year ended June 30, 2024 has been separately presented in the annual report.

October 04, 2024
Karachi



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

مجموعی مالیاتی گوشواروں پر ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں مالیاتی سال ۳۰ جون ۲۰۲۳ء کے لئے سالانہ مجموعی مالیاتی گوشوارے جمع آڈیٹرز رپورٹ پیش کر رہا ہوں۔

گروپ درج ذیل پر مشتمل ہے:

| کمپنی | خطہ | رشتہ | شیر ہولڈنگ فیصد |
|--|----------------|---------------------|-----------------|
| اسکائے لائن ہیلیکپٹرز (پرائیویٹ) لمیٹڈ | پاکستان | ذیلی ادارہ | ۱۰۰ فیصد |
| ہم ٹی وی انکارپوریشن | یو۔ ایس۔ اے | ذیلی ادارہ | ۱۰۰ فیصد |
| ہم نیٹ ورک ایف زیڈ، ایل ایل سی | دبی | ذیلی ادارہ | ۱۰۰ فیصد |
| ہم نیٹ ورک یو کے لمیٹڈ | یونائیٹڈ کنگڈم | ذیلی ادارہ | ۱۰۰ فیصد |
| ہم کمپنی (پرائیویٹ) لمیٹڈ | پاکستان | ذیلی ادارہ | ۱۰۰ فیصد |
| ہم مارٹ (پرائیویٹ) لمیٹڈ | پاکستان | ذیلی ادارہ | ۷۰ فیصد |
| ٹاور اسپورٹس (پرائیویٹ) لمیٹڈ | پاکستان | ذیلی ادارہ | ۱۰۰ فیصد |
| اسفیر وچترز (پرائیویٹ) لمیٹڈ | پاکستان | ذیلی ادارہ | ۱۰۰ فیصد |
| ٹی ایس ۳، ایف زیڈ، ایل ایل سی | دبی | بالواسطہ ذیلی ادارہ | کوئی نہیں |

مالیاتی سال ۳۰ جون ۲۰۲۳ء میں گروپ نے مبلغ ۱۲،۳۳۸ ملین روپے منافع (۳۰ جون ۲۰۲۳ء: ۵،۶۱۸ ملین روپے) اور بعد از ٹیکس مبلغ ۲۹۵۰ ملین روپے (۳۰ جون ۲۰۲۳ء: ۱،۹۱۸ ملین روپے) منافع حاصل کیا۔ یہ نتائج آمدنی ۲.۶۰ روپے فی شیر (مالیاتی سال ۲۰۲۳ء: ۱.۷۲ روپے) کے تحت ترتیب دیئے گئے ہیں۔

ہم نیٹ ورک لمیٹڈ پر مالیاتی سال ۳۰ جون ۲۰۲۳ء کی ڈائریکٹر رپورٹ سالانہ رپورٹ میں علیحدہ سے پیش کی گئی ہے۔

مورخہ ۳ اکتوبر ۲۰۲۳ء

کراچی



مظہر الحق صدیقی
چیرمین و ڈائریکٹر



دریڈتربشی
چیف ایگزیکٹو آفیسر

Code of ethics & business practices

1. Introduction

- 1.1 The provisions of this Code as set forth are mandatory, and full compliance is expected under all circumstances. The Code affirms the Company's commitment to uphold high moral and ethical standards and specifies the basic norms of behavior for those who are involved in representing the Company i.e. every director or every employee or other person(s) associated or working with the Company (hereinafter collectively referred to as "Members or We or Us or Our").
- 1.2 Failure to comply with the Code can result in consequences for both the individual and the Company. The Company can impose appropriate discipline which may include discharge for violations of the Code. Furthermore, conduct that violates the Code may also violate federal or provincial law and could subject both the Company and the individual to prosecutions and legal sanctions.
- 1.3 All members are responsible for complying with the Code. Any director or employee who becomes aware of a violation or possible violation of the Code must report that information immediately to his/her superior or a senior officer of the Company or the audit committee of the Board of Directors. It is a violation of the Code to discriminate or retaliate against any person for reporting such information.

2. Build Trust and Credibility

- 2.1 The success of our business is dependent on the trust and confidence we earn from our employees, directors and shareholders. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching Company goals solely through honorable conduct. It is easy to say what we must do, but the proof is in our actions. Ultimately, we will be judged on what we do.

3. Compliance with the Law

- 3.1 Company's commitment to integrity begins with complying with laws, rules and regulations where we do business. Further, each of us must have an understanding of the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or Company policy or in case of any other ambiguity, we should seek the advice from the HR Department/HR & R Committee/ Company's Legal Counsel/ Audit Committee as the case may be. We are responsible for preventing violations of law and for reporting to the appropriate person(s) if we see possible violations.
- 3.2 Many of the Company's activities are subject to complex and changing laws. Ignorance of the law is not a defense. Accordingly, Members must diligently ensure that they are aware of, and that their conduct cannot be interpreted as being in contravention of laws governing the affairs of the Company.

4. Confidential and Proprietary Information

- 4.1 Integral to the Company's business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, customers and other business partners. Confidential and proprietary information includes such things as pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.
- 4.2 Certain records, reports, papers, processes, plans and methods of the Company or to which the Company has been permitted access are considered to be secret and confidential by the Company or the party who has permitted access thereto, and employees and Directors are prohibited from revealing information concerning such matters without proper authorization.
- 4.3 Directors, individuals, clients, agencies, investors and the public should have information about the Company as is necessary for them adequately to judge the Company and its activities. The Company believes that full and complete reporting to governmental agencies and the provision of information to the public as required constitutes a responsible and workable approach to disclosure. However, the Company except as required by law, will not disclose information important to its competitive effectiveness or which might violate the private rights of individuals, enterprises or institutions. Employee and Directors are therefore prohibited from discussing or disclosing any secret or confidential information about the Company or in the possession of the Company unless such disclosure has been authorized by the Board of Directors and /or as required by the law.

- 4.4 All member shall comply with Company's policies and procedures relating to the retention and orderly destruction of the Company's documents.
- 4.5 It is important that we respect the proprietary rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

5. Use of Company Resources/Property

- 5.1 The employees and directors will always maintain in good condition Company property/resources, which may be entrusted to them for official use during the course of employment and shall return all such property to the Company prior to relinquishment of her/his charge, failing which the cost of the same will be recovered by the Company.
- 5.2 Company resources, including but not limited to the materials, assets (moveable or immovable), intellectual property, equipment, electronic devices, telephones, fax machines, emails, WhatsApp, mobile/cell phones, mobile sims, computers, laptops, internet connections/devices, social media accounts, digital platforms, data and information etc. ("Company Property") are provided for company business use only and no personal use is permissible.
- 5.3 All employees and those who represent the Company are trusted to behave responsibly and use good judgment to conserve company resources and properties. Head of the departments (HOD) are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.
- 5.4 No employee shall be allowed or permitted to use Company Property in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-requested support to nonprofit organizations. Company will not solicit contributions nor distribute non-work-related materials.
- 5.5 In order to protect the interests of the Company and/or other employees or associated person or undertakings, the Company reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or Company's intranet. Company will not tolerate the use of Company Property or other resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate in any manner whatsoever.

6. Create a Culture of Open and Honest Communication

- 6.1 At the Company everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Head of departments have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.
- 6.2 Employees are encouraged, in the first instance, to address such issues with their managers/superior, as most problems can be resolved swiftly at this stage. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager/HOD, HR does operate with an open-door policy.

7. Gifts and Entertainment

- 7.1 Members shall not on behalf of the Company, furnish directly or indirectly, expensive gifts or provide excessive entertainment or benefits to other persons.
- 7.2 Members whose duties permit them to do so, may furnish modest gifts, favors and entertainment to persons other than public officials, provided all of the following criteria are met:
- (a) The gifts are not in form of cash, bonds or other negotiable securities and are of limited value so as not to be capable of being interpreted as a bribe, payoff or other improper payment;
 - (b) they are made as a matter of general and accepted business practice and does not constitute unfair business inducements that would violate law, regulation or policies of the Company;
 - (c) they do not contravene any laws and are made in accordance with generally accepted ethical practices; and
 - (d) if subsequently disclosed to the public, their provision would not in any way embarrass the Company or the recipients or reflect negatively on Company's reputation

For example, reasonable expenses of the entertainment of current or prospective business associates or customers are permissible by employees whose duties embrace the providing of such entertainment, provided prior approval from the CEO are obtained and proper accounting is made.

- 7.3 Members who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect the Company's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a vendor when Company is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain Company business.

8. Public Officials

- 8.1 All dealings between employees or directors of the Company and public officials should be transparent.
- 8.2 Even the appearance of impropriety in dealing with public officials is improper and unacceptable. Any participation directly or indirectly, in any bribes, kickbacks, illegal gratuities indirect contributions or similar payments is expressly forbidden, whether or not they might further the business interest of the Company. Maintenance of a high standard of integrity is of the utmost importance to the Company.
- 8.3 Since the furnishing, on behalf of the Company, of even an inexpensive gift or a modest entertainment or benefit to a public official may be open to the interpretation that it was furnished illegally to secure the use of his/her influence as public official, no such gift, entertainment or benefit may be furnished by an employee or director.

9. Political Contributions

- 9.1 The use of the Company's funds, goods or services as contributions to political parties, candidates or campaigns is specifically forbidden.
- 9.2 Contributions include money or anything having value, such as loans, services, entertainment, trips and the use of the Company's facilities or assets.

10. Personal Gain

- 10.1 Directors or employees shall not use their status to obtain personal gain from those doing or seeking to do business with the Company.
- 10.2 Except as hereinafter provided, employees and directors should neither seek nor accept gifts, payments, services, fees, special valuable privileges, pleasure or vacation trips or accommodations or loans from any persons (except, in the case of loans, from persons in the business of lending and then only on conventional terms) or from any organization or group that does or is seeking to do business with the Company or any of its affiliates, or from a competitor of the Company or any of its affiliates. However, employees and directors may accept modest gifts, favors or entertainment up to the maximum limits prescribed by the Board of Directors of the Company from time to time provided that doing so is consistent with the tests relating to the furnishing of gifts set forth in section-7.

11. Conflicts of Interest

- 11.1 Members should avoid situations in which their personal interest's conflict or might conflict with their responsibilities towards the Company. All such conflicts must be fully disclosed to the employee's superior or in the case of directors, to the audit committee of the Board of directors.
- 11.2 Members should seek to avoid acquiring any interest or participation in any activities that would tend to:
- Deprive the Company of the time or attention required to perform their duties properly; or
 - Create an obligation or distraction which would affect their judgment or ability to act solely in the Company's best interest.
- 11.3 All members are required to disclose in writing to their supervisors or to the Audit Committee of the Board of Directors all business, commercial or financial interests or activities where such interests or activities might reasonably be regarded as creating an actual or potential conflict with their duties to the Company. Every employee of the Company who is charged with executive, managerial or supervisory responsibility and every Director is required to see that actions taken and decision made within his/her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of the Company.

- 11.4 If personal financial benefit is improperly gained by an employee or director, directly or indirectly, or through a spouse or child or a relative sharing the same residence as the employee or director, as a result of his / her employment or position with the Company or by the use or misuse of the Company's property or of information that is confidential to the Company's business, then the employee or director must account to the Company for any benefit received. Member must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstance demand that it be examined. Not only actual conflicts of interest but the very appearance of conflict should be avoided.
- 11.5 Determining whether a conflict of interest exists is not always easy to do. Member with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department/ Company's Legal Counsel/Audit Committee.

12. Inside Information

- 12.1 Members shall not use for their own financial gain or disclose for the use of others, inside information obtained as a result of their position within the Company.
- 12.2 Members may find themselves in violation of the applicable securities laws if they misuse information not generally known to the public and either trade or induce others to trade in the stock of the Company or in the stock of another Company. Specific confidential information would include but not limited to financial information, information concerning acquisitions or dispositions of properties and proposed acquisition or mergers with other companies.
- 12.3 Confidential, price-sensitive information may only be acted on or passed on if the transfer of information is necessary for legitimate business reasons ("Need to Know-Principal") or unless it is required by the law. Anyone who has such information may not recommend or initiate transactions with respect to any securities or other financial instruments the price of which may be affected by such information. The Company must be informed immediately if a member has reason to believe information is being or has been shared that violates insider trading regulations.

13. Client Information and Advice

- 13.1 Members must not seek to mislead the market or clients in any manner. When working with a client, appropriate care shall be taken that the client receives information which is necessary for a reasonable decision by the client. This includes information and advice given. Members shall not provide advice and/or recommendations regarding any service in which they are not appropriately authorized.

14. Authorization and Recording of Transactions and safekeeping of Assets

- 14.1 The Company's books and records must reflect, in an accurate, fair and timely manner, the transactions and disposition of assets of the Company. Member responsible for the Company's books and records must ensure that this occurs.
- 14.2 All transactions must be authorized and executed in accordance with the instructions of management and the Board of Directors. They must be recorded so as to permit the accurate preparation of financial statements in conformity with generally accepted accounting principles and other generally accepted laws applicable to such statements and to maintain accountability for assets.
- 14.3 Access to assets is permitted only in accordance with the authorization of management.
- 14.4 The use of Company funds or assets for any unlawful or improper purpose is strictly prohibited and those responsible for the accounting and record keeping functions are expected to be vigilant in ensuring enforcement of this prohibition. The recorded accountability for assets will be compared with the existing assets at reasonable intervals and appropriate action will be taken with respect to any differences.
- 14.5 We must not improperly influence, manipulate or mislead any authorized audit, nor interfere with any auditor engaged to perform an internal independent audit of Company books, records, processes or internal controls.
- 14.6 Safeguarding the company's assets is the responsibility of all members. Theft, carelessness, and waste have a direct impact on the company's profitability. Assets should be used efficiently and maintain such assets with care and respect, while guarding against waste and abuse. Look for opportunities to improve performance

while reducing costs. The use of company time, materials, assets, or facilities for purposes unrelated to the company's business, or the removal or borrowing of company property, is prohibited

15. Discrimination-Free Work Environment

- 15.1 The policy of the Company is to provide a working environment free of discrimination and harassment in which individuals are accorded equality of employment opportunity based upon merit and ability.
- 15.2 Discriminatory practices based on race, sex, color, national or ethnic origin, religion, marital status, family status, age or disability will not be tolerated. Members are entitled to freedom from sexual and all other forms of personal harassment in the work place.
- 15.3 It is not a discriminatory practice to make a distinction between persons based on bona fide occupational requirements. Since bona fide occupational requirements are narrowly defined, such distinctions should not be undertaken without first obtaining express authorization.

16 Competition and Trade Practice Standards

- 16.1 The Company shall compete vigorously and creatively in its business activities, but its efforts in the marketplace shall be conducted in a fair and ethical manner in strict compliance with applicable competition and trade practice laws and regulations.
- 16.2 Under no circumstances shall any employee or Director of the Company be a party to any collusion or concerted effort of any type involving any competitor vendor, supplier, customer or other party, which is in restraint of trade or violation of laws and regulations designed to foster competition. Because laws relating to competition are complex, employees and Directors should refer matters about what they are in doubt to their superior or should seek the advice of the HR Department/ Company's Legal Counsel/ Audit Committee/ HR&R Committee as the case may be.

17 Accountability

- 17.2 Each of us is responsible for knowing and adhering to the values and standards set forth in the Code and for raising questions if we are uncertain about Company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the HR department/Legal Counsel/Audit Committee/HR&R Committee.
- 17.2 Company takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

18. Standards of Conduct

- 18.1 Although the various matters dealt with in this Code do not cover the full spectrum of employee or Director activities, they are indicative of the Company's commitment to the behavior expected from employees and Directors in all circumstances.

Whistle-Blowing Policy

1. Purpose

To encourage employees to disclose any malpractice or misconduct of which they become aware and to provide protection for employees who report allegations of such malpractice or misconduct. The main purpose of this whistle blowing policy is to give all employees an opportunity to disclose matters they feel need to be reported in the interest of fair-play and larger benefit of the organization; high standard of corporate governance; compliance with legal requirements and protection of the Company's interest.

2. Policy

The whistle blowing policy is designed to encourage employees to report alleged malpractice or misconduct, to ensure that all allegations are thoroughly investigated and suitable action taken where necessary. Any whistle-blowing employee is protected against adverse employment actions (discharge, demotion, suspension, harassment, or other forms of discrimination) for raising allegations of business misconduct. An employee is protected even if the allegations prove to be incorrect or unsubstantiated as long as there is no evidence of willful misreporting. Employees who participate or assist in an investigation will also be protected.

3. Requirement of policy

This document thus sets out a formal whistle-blowing policy, consisting of safe and effective procedures for misconduct disclosure or reporting so that appropriate remedial action can be taken. A written, formal policy is also a means of preventing and deterring misconduct that might be contemplated but has not yet taken place. It is also a transparent method of addressing issues relating to whistle blowing, such as answering standard questions, giving assurances, providing information and offering explanations.

4. On what should one blow the whistle

What is reportable misconduct?

Any serious concerns you may have about any aspect of the operations of the Hum Network Limited (the Company) and those who work in the Company can be reported under this policy. This may be a conduct that:

- Is against the governing rules, procedures, and policies, or established standards of practice of the Company. amounts to improper, unethical, or unlawful conduct;
- Amounts to waste of company's resources; makes you feel uncomfortable in terms of your experience with the standards you believe; or
- Amounts to an attempt to cover up any of these types of actions. Conduct becomes reportable when it happens or when it is reasonably likely to occur. Harm to the Company or to its integrity may occur when any of this conduct is unchecked or unaddressed. Importantly, in determining whether to report conduct, harm is not only measured in terms of monetary loss to the organization, or damage to a particular program or initiative, but the harm may also be done to the integrity and reputation of the Company itself, or its survival and/or growth.

Reportable conduct falls into the following categories:

4.1 Illegal or unlawful conduct

Conduct may be illegal or unlawful in terms of the Rules and Regulations of the Company and other applicable laws. We all have legal responsibilities, obligations or duties. Criminal offences - such as theft, fraud, corruption (for example, bribery), or money laundering - are in breach of legal duties and therefore constitute reportable misconduct.

4.2 Un-procedural conduct

Conduct may be un-procedural since it violates clearly communicated procedures (in the form of policies, regulations, or rules) governing the operations of the Specific rules and processes, together with other best practice procedures, guide accounting practices and controls, financial reporting, auditing matters, the transfer of funds to recipients, approved recipient accounts, and the like. Such procedures are important for good governance

and breaching them may expose the application of funds to risk of loss or real loss.

4.3 Unethical conduct

Conduct may be unethical since it undermines universal, core ethical values, such as integrity, respect, honesty, responsibility, accountability, fairness. For example one could exert undue pressure on a person in position of power in order to gain an advantage. That would be unfair to others and as such unethical, although neither unlawful nor un-procedural. But not all unethical conduct is reportable. For example, some kinds of conduct may be disrespectful and therefore undesirable, without harming any serious interests other than personal feelings. This would not be reportable misconduct.

4.4 Wasteful conduct

Conduct constituting a gross waste of resources is a reportable category in its own right since responsible stewardship of resources is as crucial to the success of the Company as all employees have an obligation to ensure that all resources are used prudently and efficiently. If resources are spent in a wasteful manner, and in breach of the public trust under which they are provided, and an employee knows about this then this would be reportable under the whistle-blowing mechanism.

5. Whistle-blower protection

HNL shall take all necessary actions to safeguard the interests of the whistle-blower. Where an individual makes a report under this policy in good faith, reasonably believed to be true, there will be no retaliation (please read detail below) against the reporter should the disclosure turn out to be misguided. Retaliation means any direct or indirect detrimental action recommended, threatened or taken because an individual reported conduct described in Section 4 of this policy. When established, retaliation is by itself misconduct which may be pursued under the appropriate mechanisms - for example, through disciplinary action initiated through mechanisms of HR Policy or more broadly and as appropriate, through other mechanisms of the company's rules. Reporting under this policy, however, in no way immunizes or shields a whistle-blower against action following from his or her own misconduct, which includes willfully making allegations through the whistle-blowing mechanism that the individual knows to be false or makes with an intent to misinform.

6. Whistle-blowing procedures

HNL encourages all its employees to act responsibly at all times and protect themselves and the company against any illegal or immoral acts (see section 4) by immediately reporting any such actions to the Designated Person.

Designated Persons (DPs)

- Company secretary, and
- Head of Internal Audit

Shall be the "Designated Persons" (DPs), and all information shall be directly conveyed to the DPs by the whistle-blower.

Access to the Designated Person

The whistle-blower shall have direct access to the Designated Persons at all times. This right of the whistle-blower shall be upheld under all circumstances and respected by the management of the Company.

Medium of Reporting

Reports to the Designated Persons can be made by: Official email address of the Designated Persons.

Follow up Procedure

The DPs will initiate an investigation and take any consequent action as deemed appropriate and will record the same for information of the Board of Directors, keeping at all times, the confidentiality of the Whistle Blower's identity.

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UNCONSOLIDATED FINANCIAL STATEMENTS



Building a better
working world

INDEPENDENT AUDITOR'S REPORT To the members of HUM Network Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of HUM Network Limited (the Company), which comprise the unconsolidated statement of financial position as at 30 June 2024, and the unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the profit, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

| Key audit matters | How the matter was addressed in our audit |
|---|--|
| 1. Net realizable value of television program costs | |
| <p>As at the year end, the balance of television program costs amounted to Rs. 750,497,506 (30 June 2023: 483,447,376) which represents unamortized cost of completed television programs and television programs in production.</p> <p>As per the accounting policy of the Company, television program costs are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis.</p> <p>Allocation of television program costs over several accounting periods involves estimation of future revenues by the management. We have identified this area as key audit matter due to the significance of the estimation and the amount of audit efforts in relation to this area.</p> <p>Refer notes 3.3, 8 and 22 to the unconsolidated financial statements.</p> | <p>Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Company.</p> <p>In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including:</p> <ul style="list-style-type: none"> • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; • rates used by the Company and its fluctuation based on the trend analysis; and • we also considered subsequent events which may have an impact on unamortized cost. <p>We also evaluated whether adequate disclosures have been made in the accompanying unconsolidated financial statements in accordance with the applicable financial reporting standards.</p> |
| 2. Revenue recognition | |
| <p>Refer note 3.12 and 21 to the accompanying unconsolidated financial statements)</p> <p>The Company earns revenue from a variety of sources among the different business areas of which 95% pertains to revenue from advertisements and subscriptions.</p> <p>As reported in the explanatory notes, revenues from advertisement are recognized at the time of the appearance of the advertisement and subscription income is recognized in the month in which service is rendered.</p> <p>We concluded that this area constitutes a key audit matter for the Company considering the significance of the amount, it being a key performance indicator and also the increase of 15% and 36% in advertisement and subscription income as compared to the prior year respectively.</p> | <p>We obtained an understanding of the Company's processes in place for revenue recognition and tested key controls over each significant revenue stream.</p> <p>We inspected a sample of contracts to check that revenue recognition was in accordance with the contract terms and the Company's revenue recognition policies.</p> <p>We performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognised in the appropriate accounting period.</p> <p>We assessed the adequacy of the Company's disclosures in accordance with the applicable financial reporting standards.</p> |

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the unconsolidated Statement of Financial Position, the unconsolidated Statement of Profit or Loss, the unconsolidated Statement of Comprehensive Income, the unconsolidated Statement of Changes in Equity and the unconsolidated Statement of Cash Flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.



EY Ford Rhodes
Chartered Accountant
Place: Karachi
Date: October 07, 2024
UDIN Number: AR202410191Itd3phI9S

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|----------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | 4 | 1,464,494,655 | 1,402,053,549 |
| Intangible assets | 5 | 742,503 | 2,966,208 |
| Long term investments | 6 | 348,898,481 | 338,898,481 |
| Long term deposits and prepayments | 7 | 89,263,593 | 30,327,428 |
| Television program costs | 8 | 668,959,141 | 397,617,518 |
| Deferred tax asset | 9 | 145,021,922 | 131,016,868 |
| | | 2,717,380,295 | 2,302,880,052 |
| CURRENT ASSETS | | | |
| Inventories | | 24,505,623 | 16,715,587 |
| Current portion of television program costs | 8 | 81,538,365 | 85,829,858 |
| Trade debts | 10 | 3,100,150,777 | 2,688,381,940 |
| Short term investments | 11 | 1,062,444,008 | 589,143,291 |
| Advances | 12 | 270,208,840 | 154,575,629 |
| Trade deposits and short term prepayments | 13 | 69,923,418 | 28,904,298 |
| Other receivables | 14 | 2,880,377,368 | 1,742,173,997 |
| Taxation - net | | 41,863,203 | 202,602,801 |
| Cash and bank balances | 15 | 748,140,168 | 447,796,769 |
| | | 8,279,151,770 | 5,956,124,170 |
| TOTAL ASSETS | | 10,996,532,065 | 8,259,004,222 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorised capital 1,500,000,000 (2023: 1,500,000,000) Ordinary shares of Rs.1/- each | | 1,500,000,000 | 1,500,000,000 |
| Issued, subscribed and paid-up capital | 16 | 1,134,000,000 | 1,134,000,000 |
| Unappropriated profit | | 8,722,456,137 | 6,111,864,380 |
| | | 9,856,456,137 | 7,245,864,380 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 17 | 149,492,417 | 55,234,536 |
| Long term financing | 18 | - | 31,250,000 |
| | | 149,492,417 | 86,484,536 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 19 | 920,247,077 | 814,018,597 |
| Contract liability | | 15,280,135 | 26,724,620 |
| Accrued mark-up | | 109,056 | 218,809 |
| Unclaimed dividend | | 6,066,896 | 6,153,603 |
| Unpaid dividend | | 740,472 | 1,374,738 |
| Current portion of lease liabilities | 17 | 16,889,875 | 15,664,939 |
| Current portion of long term financing | 18 | 31,250,000 | 62,500,000 |
| | | 990,583,511 | 926,655,306 |
| CONTINGENCIES AND COMMITMENTS | 20 | | |
| TOTAL EQUITY AND LIABILITIES | | 10,996,532,065 | 8,259,004,222 |

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

| | | 2024 | 2023 (Restated) |
|---|------|----------------------|----------------------|
| | Note | ----- Rupees ----- | ----- |
| Revenue | 21 | 8,307,666,130 | 6,825,586,346 |
| Cost of production | 22 | (4,004,008,656) | (3,540,102,628) |
| Transmission cost | | (121,164,257) | (126,696,002) |
| | | (4,125,172,913) | (3,666,798,630) |
| Gross profit | | 4,182,493,217 | 3,158,787,716 |
| Distribution costs | 23 | (525,217,080) | (409,427,716) |
| Administrative expenses | 24 | (990,120,091) | (885,354,383) |
| Other income | 25 | 410,619,105 | 629,191,219 |
| Other expenses/charges | 26 | (115,060,720) | (7,320,895) |
| Operating profit | | 2,962,714,431 | 2,485,875,941 |
| Finance costs | 27 | (35,641,323) | (46,059,106) |
| Profit before income tax and levies | | 2,927,073,108 | 2,439,816,835 |
| Levies - final tax | 28 | (54,105,424) | (37,290,204) |
| Profit before income tax | | 2,872,967,684 | 2,402,526,631 |
| Income tax | 29 | (262,375,927) | (253,288,057) |
| Profit for the year | | 2,610,591,757 | 2,149,238,574 |
| Earnings per share – basic and diluted (Rupee) | 30 | 2.30 | 1.90 |

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Director



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 ----- Rupees ----- | 2023 ----- |
|---|----------------------------|----------------------|
| Profit for the year | 2,610,591,757 | 2,149,238,574 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>2,610,591,757</u> | <u>2,149,238,574</u> |

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Director



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

| | Issued, subscribed and paid-up capital | Unappropriated profit | Total |
|---|---|--------------------------|----------------------|
| | -----Rupees----- | | |
| Balance as at June 30, 2022 | 945,000,000 | 4,151,625,806 | 5,096,625,806 |
| Profit for the year | - | 2,149,238,574 | 2,149,238,574 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | - | 2,149,238,574 | 2,149,238,574 |
| Issue of bonus shares @ 20% | 189,000,000 | (189,000,000) | - |
| Balance as at June 30, 2023 | 1,134,000,000 | 6,111,864,380 | 7,245,864,380 |
| Profit for the year | - | 2,610,591,757 | 2,610,591,757 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | - | 2,610,591,757 | 2,610,591,757 |
| Balance as at June 30, 2024 | 1,134,000,000 | 8,722,456,137 | 9,856,456,137 |

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Director



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 |
|---|-----------|----------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 31 | 1,275,756,822 | 3,029,002 |
| Income tax and levies paid | | (169,746,807) | (198,727,818) |
| Finance costs paid | | (19,877,575) | (39,141,385) |
| Long term deposits - net | 7 | (58,936,165) | 1,639,903 |
| Television program costs | 8 | (271,341,623) | (62,274,499) |
| Net cash generated from / (used in) operating activities | | 755,854,652 | (295,474,797) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Addition to property and equipment | 4.1 & 4.6 | (96,498,863) | (314,570,888) |
| Short term investments - net | | (434,795,054) | 558,408,963 |
| Long term investment made | | (10,000,000) | (150,000,000) |
| Profit received on deposit accounts | 25 | 81,308,456 | 56,453,532 |
| Dividend received | 25 | 93,399,999 | 58,931,534 |
| Proceeds from disposal of operating fixed assets | 4.4 | 7,531,113 | 4,922,839 |
| Net cash (used in) / generated from investing activities | | (359,054,349) | 214,145,980 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividend paid | | (720,973) | (925,077) |
| Lease rentals paid | | (33,235,932) | (24,258,933) |
| Long term financing – net | | (62,500,000) | (279,188,964) |
| Net cash used in financing activities | | (96,456,905) | (304,372,974) |
| Net increase / (decrease) in cash and cash equivalents | | 300,343,399 | (385,701,791) |
| Cash and cash equivalents at the beginning of the year | | 447,796,769 | 833,498,560 |
| Cash and cash equivalents at the end of the year | | 748,140,168 | 447,796,769 |

The annexed notes from 1 to 39 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 HUM Network Limited (the Company) was incorporated in Pakistan as a public limited company on 25 February 2004 under the repealed Companies Ordinance, 1984 (the Ordinance) now Companies Act, 2017. The shares of the Company are quoted on Pakistan Stock Exchange.

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

1.3 Geographical location and address of business units

| | |
|-------------------------|--|
| Registered office | Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. |
| City office – Karachi | Alfalah Court, I.I Chundrigar Road |
| City office – Karachi | B.R.R Tower, Hassan Ali Street, Off. I.I. Chundrigar Road |
| City office – Islamabad | 2A, I&T centre, sector G-6/1 |
| City office – Islamabad | Plot 2C, Shakeel Express Building No. 2, Khayaban e Suharwardy, Aabpara, Islamabad |
| City office – Lahore | House # 58, R-24, Masson Road |
| City office – Peshawar | Plot No. 7-A, 29 The Mall, Peshawar Cantonment |
| City office – Quetta | Plot No. 4-A, Ground Floor, "Aiwan e Mashriq" Hall Road Model Town, Quetta |

1.4 These are separate financial statements of the Company in which investments in subsidiaries are stated at cost less impairment, if any.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017 (the Act); and
- Provisions of and directives issued under the Act

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting convention

2.2.1 These unconsolidated financial statements have been prepared under the historical cost convention except otherwise specifically stated.

2.2.2 These unconsolidated financial statements are presented In Pak Rupees which is the Company's functional and presentation currency.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

2.3 New standards and amendments to approved accounting standards

2.3.1 Adoption of amendments to approved accounting standards effective during the year

Amendments to approved accounting standards

IAS 8 Definition of Accounting Estimates (Amendments)

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. □

IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies (Amendments)

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences i.e. leases and decommissioning liabilities.

IAS 12 International Tax Reform—Pillar Two Model Rules (Amendments)

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.

The above amendments to the approved accounting standards had no material impact on these financial statements.

2.3.2 Standards and amendments to approved accounting standards that are not yet effective

The following standards and amendments to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| Standards / Amendments | | Effective date (annual periods beginning on or after) |
|------------------------|--|---|
| IAS 1 | Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1 | January 01, 2024 |
| IAS 7 and IFRS 7 | Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 | January 01, 2024 |
| Standards / Amendments | | Effective date (annual periods beginning on or after) |
| IFRS 16 | Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| IAS 21 | Lack of exchangeability - Amendments to IAS 21 | January 01, 2025 |
| IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 | January 01, 2026 |
| IFRS 17 | Insurance Contracts | January 01, 2026 |
| IFRS 18 | Presentation and Disclosure in Financial Statements | January 01, 2027 |
| IFRS 19 | Subsidiaries without Public Accountability: Disclosures | January 01, 2027 |
| IFRS 10 / IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalised |

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

| Standard | | IASB effective date (annual periods beginning on or after) |
|----------|--|--|
| IFRS 1 | First-time Adoption of International Financial Reporting Standards | January 01, 2004 |

The Company expects that above standards and amendments to the approved accounting standards will not have any material impact on the Company's financial statements in the period of initial application.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the unconsolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgment, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures. Uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The judgments, estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Judgments, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

In the process of applying the accounting policies, management has made the following judgments, estimates and assumptions which are significant to the unconsolidated financial statements:

Property and equipment and intangible assets (note 4 & 5)

The Company reviews appropriateness of the rate of depreciation / amortisation, useful life and residual value used in the calculation of depreciation / amortisation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment and intangible assets, with corresponding effects on the depreciation / amortisation charge and impairment.

Investment in subsidiaries (note 6)

The Company determines at each reporting date, whether there is any objective evidence that the investments are impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount and its carrying value and recognize the same in the unconsolidated statement of profit or loss.

Television program costs (note 8)

Television program costs represent unamortised cost of completed television programs and television programs in production. In order to determine the amount to be charged to statement of profit or loss, the management estimates future revenues from each program. Estimates of future revenues can change significantly due to a variety of factors, including advertising rates and the level of market acceptance of the production in different geographical locations. Accordingly, revenue estimates are reviewed periodically and amortisation is adjusted, if necessary. Such adjustments could have a material effect on results of operations in future periods.

Taxation (note 9 & 29)

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past.

Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of financial assets (note 3.4.3)

The Company uses a provision matrix to calculate expected credit loss for trade debts and other receivables. The provision rates are based on days past due for Company's various customer that have similar loss patterns.

Contingencies (note 20)

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

Leases - Estimating the incremental borrowing rate (note 17)

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

Leases - Determination of the lease term for lease contracts with extension and termination options (note 17)

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination option. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Company in the preparation of these unconsolidated financial statements are as follows:

3.1 Property and equipment

3.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is calculated so as to write off the depreciable amount of the assets over their expected useful lives at the rates specified in note 4.1 to these unconsolidated financial statements. The depreciation charge for the year is calculated on a straight line basis after taking into account the residual value, if any. The residual values and useful lives are reviewed and adjusted, if appropriate, at each statement of financial position date.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Company.

Depreciation on additions is charged from the month the asset is available for use. No depreciation is charged in the month of disposal.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss in the year the asset is derecognized.

3.1.2 Right of use assets

The Company recognises a right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of lease term or useful life, except for the leases in which ownership of the underlying assets transfer to the lessee by the end of the lease term or cost of right of use assets reflects that the lessee will exercise a purchase option, the Company depreciate those right of use asset over the useful life of the underlying asset.

3.1.3 Capital work in progress

These are stated at cost less accumulated impairment and consist of expenditures incurred and advances made in respect of specific assets during the construction period. These are transferred to specific assets as and when assets are available for use.

3.2 Investments in subsidiaries

Investment in subsidiary is initially recognised at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Such impairment losses or reversal of impairment losses are recognised in the statement of profit or loss. These are classified as 'long term investment' in the unconsolidated financial statements.

3.3 Television program costs

Television program costs represent unamortised cost of completed television programs and television programs in production. These costs include direct production costs, cost of inventory consumed, and production overheads and are stated at the lower of cost, less accumulated amortisation and net realizable value (NRV). NRV is estimated by the management on the basis of future revenue generation capacity of the program. Acquired television program licenses and rights are recorded when the license period begins and the program is available for use.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues less cost expensed in prior years on an individual program basis.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

3.4.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets held for trading or those designated FVTPL on initial recognition. Financial assets with cashflows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model.

Financial assets at FVPL are carried in the unconsolidated statement of financial position at fair value with net changes in fair value recognised in unconsolidated statement of profit or loss.

Dividends on listed equity investments and mutual funds are also recognised as other income in profit or loss when the right of payment has been established.

3.4.3 Impairment of financial assets

For trade debts, the Company applies a simplified approach in calculating expected credit loss. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.4.4 Financial liabilities at amortised cost

After initial recognition, borrowings and payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

3.4.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.5 Contract liability

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability are recognised as revenue when the Company fulfils its performance obligation mentioned in the contract.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.6 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3.7 Taxation

3.7.1 Current

Provision for current tax is based on the taxable income in accordance with the Income Tax Ordinance, 2001.

3.7.2 Deferred

Deferred tax is recognised using the balance sheet liability method, on all major temporary differences arising at the statement of financial position date between tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

3.7.3 Levies - final taxes

Pursuant to the release of circular 7/2024 by the Institute of Chartered Accountants of Pakistan, the company has elected to change the method of accounting for minimum taxes and final taxes.

The Company designates the amount calculated on taxable income using the enacted tax as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense.

As computation of final taxes under provisions of ITO, 2001 is not based on taxable income, therefore, final taxes fall under levy within the scope of IFRIC 21 / IAS 37 and not income tax in the statement of profit or loss.

The Company reclassified the levies that fall under the scope of IFRIC 21 / IAS 37 from income taxes in the unconsolidated statement of profit or loss retrospectively. There is no change to the profit for the year reported in the prior period due to this reclassification. The three column impact, in the context of restatement in the Company's unconsolidated financial statements, is not material.

3.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

i) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Company uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

ii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.9 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.10 Revenue recognition

Advertising revenue is recognized at a point in time when the related advertisement or commercial appears before public i.e. aired.

Production revenue is recognised at a point in time when production work appears before public.

Digital revenue is advertising revenues from digital properties which are recognized on the basis of number of impressions on the advertisement aired on website.

Subscription income arises from the monthly billing to subscribers for services provided by the Company and from digital avenues based on number of views. Revenue is recognised in the month the service is rendered.

Film Distribution Revenue is recognized at a point in time upon receipt of related sales reports from cinemas.

Credit limits in contract with customers ranges from 2 to 90 days.

3.11 Other income

Profit on bank deposits is accounted for on effective interest method.

Dividend income is recognized when it is declared and right to receive is established.

Interest / mark-up income is recognized on accrual basis.

Other revenues are accounted for on an accrual basis.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.12 Staff retirement benefits

Defined contribution plan

The Company operates a funded and approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 8.33% of the basic salary.

3.13 Foreign currency transactions and translations

Foreign currency transactions are translated into Pakistani Rupees using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees using the exchange rate at the statement of financial position date. Non-monetary assets and liabilities are translated using exchange rate that existed when the values were determined. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to unconsolidated statement of profit or loss currently.

3.14 Contingencies

Contingencies are disclosed when the Company has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.16 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3.17 Segment Reporting

Segment reporting is based on the reporting operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the senior management of the Company to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4 PROPERTY AND EQUIPMENT

| | Note | 2024 ----- Rupees ----- | 2023 |
|--------------------------|------|----------------------------|----------------------|
| Operating fixed assets | 4.1 | 1,109,447,150 | 1,149,193,211 |
| Right of use assets | 4.5 | 139,838,734 | 51,984,192 |
| Capital work-in-progress | 4.6 | 215,208,771 | 200,876,146 |
| | | <u>1,464,494,655</u> | <u>1,402,053,549</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.1 Operating fixed assets

| | Cost | | | Accumulated depreciation | | | Book value | Depreciation |
|------------------------------|---------------|----------------|---------------|--------------------------|---------------------|---------------|---------------|--------------|
| | Additions / | | | Charge / transfers | | | as at | Rate |
| | As at | Transfers from | As at | As at | from ROUA** / | As at | | |
| | July 01, | ROUA** / | June 30, | July 01, | (disposals) for the | June 30, | June 30, | % |
| | 2 0 2 3 | (Disposals) / | 2 0 2 4 | 2 0 2 3 | year | 2 0 2 4 | 2 0 2 4 | per annum |
| | | | | Rupees | | | | |
| Owned | | | | | | | | |
| Leasehold land * | 794,147,376 | - | 794,147,376 | 94,363,174 | 16,237,866 | 110,601,040 | 683,546,336 | 2.04 - 2.13 |
| Building on leasehold land * | 109,890,511 | - | 109,890,511 | 74,391,351 | 7,606,963 | 81,998,314 | 27,892,197 | 10 |
| Leasehold improvements | 190,489,515 | - | 190,489,515 | 188,777,494 | 1,712,020 | 190,489,514 | 1 | 33 |
| Furniture and fittings | 55,268,854 | 4,808,101 | 60,076,955 | 31,688,187 | 4,590,762 | 36,278,949 | 23,798,006 | 10 |
| Vehicles | 262,738,219 | 10,722,190 | 276,526,545 | 75,194,585 | 37,043,557 | 114,248,580 | 162,277,965 | 25-33 |
| | | 13,234,424 ** | | | 9,158,646 ** | | - | |
| | | (10,168,288) | | | (7,148,208) | | - | |
| Audio visual equipment | 604,375,718 | 24,910,638 | 626,436,580 | 488,921,247 | 15,221,102 | 501,548,468 | 124,888,112 | 25 |
| | | (2,849,776) | | | (2,593,881) | | | |
| Uplinking equipment | 71,656,759 | - | 70,047,726 | 54,754,973 | 2,533,637 | 55,840,480 | 14,207,246 | 10 |
| | | (1,609,033) | | | (1,448,130) | | | |
| Office equipment | 128,271,493 | 10,489,204 | 136,686,047 | 100,944,906 | 12,934,016 | 112,008,110 | 24,677,937 | 15 |
| | | (2,074,650) | | | (1,870,812) | | | |
| Computers | 230,397,367 | 31,236,105 | 259,791,337 | 189,006,684 | 23,747,359 | 211,631,987 | 48,159,350 | 33 |
| | | (1,842,135) | | | (1,122,056) | | | |
| June 30, 2024 | 2,447,235,812 | 82,166,238 | 2,524,092,592 | 1,298,042,601 | 121,627,282 | 1,414,645,442 | 1,109,447,150 | |
| | | 13,234,424 ** | | | 9,158,646 ** | | | |
| | | (18,543,882) | | | (14,183,087) | | | |
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* Includes assets under common ownership under diminishing musharaka arrangement.

** Represents transfers from right of use assets to owned assets. (Refer note 4.5)

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.2 Particular of immovable assets in the name of the Company are as follows:

| Location | Addresses | Total Area |
|-----------|---|----------------|
| Karachi | Plot No. 10/11 Hassan Ali street, off I.I. Chundrigar road. | 2,070 sq yards |
| Islamabad | Plot No.2A, I&T centre sector G-6/1. | 30,610 sq.ft |
| Islamabad | 6-7 km, Kashmir Highway, adjacent to Sector H-17. | 303 sq yards |

4.3 Depreciation for the year on operating fixed assets has been allocated as follows:

| | Note | 2024 Rupees | 2023 |
|-------------------------|------|--------------------|-------------------|
| Cost of production | 22 | 52,159,658 | 41,617,894 |
| Distribution costs | 23 | 11,024,675 | 8,213,258 |
| Administrative expenses | 24 | 58,442,949 | 38,447,326 |
| | | <u>121,627,282</u> | <u>88,278,478</u> |

4.4 The details of operating fixed assets disposed / written off, during the year are as follows:

| Description | Cost | Accumulated depreciation | Net book value | Sale proceeds | Gain | Modes of Disposal | Particulars of Buyer |
|--|-------------------|--------------------------|------------------|------------------|------------------|-----------------------|----------------------|
| Rupees | | | | | | | |
| Vehicles | | | | | | | |
| | 7,075,811 | 5,020,239 | 2,055,572 | 2,122,743 | 67,171 | As per Company policy | Nasir Theherany |
| | 2,707,000 | 1,789,449 | 917,551 | 1,729,651 | 812,100 | As per company policy | Manan Zafar |
| Items having book value of less than Rs. 500,000 | 8,761,071 | 7,373,399 | 1,387,672 | 3,678,719 | 2,291,047 | Negotiation | Various |
| 2024 | <u>18,543,882</u> | <u>14,183,087</u> | <u>4,360,795</u> | <u>7,531,113</u> | <u>3,170,318</u> | | |
| 2023 | <u>13,782,226</u> | <u>9,795,484</u> | <u>3,986,742</u> | <u>4,922,839</u> | <u>936,097</u> | | |

4.5 Right of use assets

| | Note | 2024 Rupees | 2023 |
|---|---------------|--------------------|-------------------|
| Opening net book value | | 51,984,192 | 78,765,338 |
| Additions in lease liabilities | | 97,526,882 | 1,638,463 |
| Changes due to modification | | - | (6,262,102) |
| Changes due to reassessment | | 15,318,366 | - |
| Transfer to operating fixed assets - net book value | | (4,075,778) | (1,607,432) |
| Depreciation charge for the year | 4.5.2 & 4.5.3 | (20,914,928) | (20,550,075) |
| Closing net book value | 4.5.1 | <u>139,838,734</u> | <u>51,984,192</u> |
| As at June 30, 2024 | | | |
| Cost | | 231,944,944 | 153,666,550 |
| Accumulated depreciation | | (92,106,210) | (101,682,358) |
| Net book value | | <u>139,838,734</u> | <u>51,984,192</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.5.1 Breakup of net book value of right of use assets by class of underlying asset is as follows:

| | 2024 | 2023 |
|-------------------|--------------------|-------------------|
| | Rupees | Rupees |
| Land and building | 135,781,758 | 41,343,324 |
| Vehicles | 4,056,976 | 10,640,868 |
| | <u>139,838,734</u> | <u>51,984,192</u> |

4.5.2 The right of use assets are depreciated on straight line basis over the lease term. Depreciation charge for the year on such assets has been allocated as follows:

| | Note | 2024 | 2023 |
|-------------------------|------|-------------------|-------------------|
| | | Rupees | Rupees |
| Cost of production | 22 | 18,339,073 | 15,605,265 |
| Distribution costs | 23 | - | 883,609 |
| Administrative expenses | 24 | 2,575,855 | 4,061,201 |
| | | <u>20,914,928</u> | <u>20,550,075</u> |

4.5.3 Breakup of depreciation of right of use assets by class of underlying asset is as follows:

| | | |
|-------------------|-------------------|-------------------|
| Land and building | 18,406,807 | 16,540,141 |
| Vehicles | 2,508,121 | 4,009,934 |
| | <u>20,914,928</u> | <u>20,550,075</u> |

4.6 Capital work-in-progress

| | | |
|------------------------|--------------------|--------------------|
| Leasehold land | 162,327,930 | 162,327,930 |
| Leasehold Improvements | 52,880,841 | 38,548,216 |
| | <u>215,208,771</u> | <u>200,876,146</u> |

4.6.1 Movement in capital work-in-progress during the year:

| | | |
|----------------------------------|--------------------|--------------------|
| Balance at beginning of the year | 200,876,146 | 106,914,620 |
| Additions during the year | 14,332,625 | 93,961,526 |
| Balance at end of the year | <u>215,208,771</u> | <u>200,876,146</u> |

5 INTANGIBLE ASSETS

| | Cost | | | Accumulated amortisation | | | Book value | Amortisation |
|--------------------|---------------------------|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------------------------|
| | As at July 01, 2023 | Additions during the year | As at June 30, 2024 | As at July 01, 2023 | Charge for the year | As at June 30, 2024 | as at June 30, 2024 | rate % per annum |
| | Rupees | | | | | | | |
| Computer softwares | 58,466,118 | - | 58,466,118 | 56,507,854 | 1,352,672 | 57,860,526 | 605,592 | 20 – 33 |
| License fee | 10,500,000 | - | 10,500,000 | 10,234,700 | 200,100 | 10,434,800 | 65,200 | 6.67 |
| Trademark | 33,883,500 | - | 33,883,500 | 33,140,856 | 670,933 | 33,811,789 | 71,711 | 20 |
| June 30, 2024 | <u>102,849,618</u> | <u>-</u> | <u>102,849,618</u> | <u>99,883,410</u> | <u>2,223,705</u> | <u>102,107,115</u> | <u>742,503</u> | |

| | Cost | | | Accumulated amortisation | | | Book value | Amortisation |
|--------------------|---------------------------|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------------------------|
| | As at July 01, 2022 | Additions during the year | As at June 30, 2023 | As at July 01, 2022 | Charge for the year | As at June 30, 2023 | as at June 30, 2023 | rate % per annum |
| | Rupees | | | | | | | |
| Computer softwares | 58,466,118 | - | 58,466,118 | 51,449,489 | 5,058,365 | 56,507,854 | 1,958,264 | 20 – 33 |
| License fee | 10,500,000 | - | 10,500,000 | 10,034,600 | 200,100 | 10,234,700 | 265,300 | 6.67 |
| Trademark | 33,883,500 | - | 33,883,500 | 31,263,506 | 1,877,350 | 33,140,856 | 742,644 | 20 |
| June 30, 2023 | <u>102,849,618</u> | <u>-</u> | <u>102,849,618</u> | <u>92,747,595</u> | <u>7,135,815</u> | <u>99,883,410</u> | <u>2,966,208</u> | |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| 5.1 Amortisation for the year has been allocated as follows: | Note | 2024 | 2023 |
|--|------|--------------------|--------------------|
| | | ----- Rupees ----- | ----- Rupees ----- |
| Cost of production | 22 | 1,915,852 | 6,271,976 |
| Administrative expenses | 24 | 307,853 | 863,839 |
| | | <u>2,223,705</u> | <u>7,135,815</u> |

6 LONG TERM INVESTMENTS – unquoted subsidiaries

| | Country of incorporation | Holding (%) / Note | 2024 | 2023 |
|---|--------------------------|--------------------|--------------------|--------------------|
| | | | ----- Rupees ----- | ----- Rupees ----- |
| HUM TV, Inc | United States of America | 100% | | |
| 10,000 Common stock at \$ 0.01 (\$ 100) | | | 8,603 | 8,603 |
| Advance for future issue of shares (\$ 200,000) | | | 18,716,750 | 18,716,750 |
| | | | <u>18,725,353</u> | <u>18,725,353</u> |
| HUM Network UK Ltd | United Kingdom | 100% | | |
| 553,677 ordinary share of 1 GBP (GBP 553,677) | | | 95,923,751 | 95,923,751 |
| Sky Line Publication (Private) Limited | Pakistan | 100% | | |
| 3,999,997 ordinary shares of Rs. 10 each | | | 39,999,970 | 39,999,970 |
| Provision for impairment | | | (39,999,970) | (39,999,970) |
| | | | - | - |
| HUM Network FZ LLC | United Arab Emirates | 100% | | |
| 2,400 ordinary shares of AED 1,000 each (AED 2,400,000) | | | 69,802,371 | 69,802,371 |
| Advance for future issue of shares (AED 175,431) | | | 4,446,966 | 4,446,966 |
| | | | <u>74,249,337</u> | <u>74,249,337</u> |
| HUMM Co. (Private) Limited | Pakistan | 100% | | |
| 4 ordinary shares of Rs. 10 each | | | 40 | 40 |
| HUM Mart (Private) Limited | Pakistan | 70% | | |
| 14,000,000 ordinary shares of Rs. 10 each | | | 140,000,000 | 140,000,000 |
| Provision for impairment | | | (140,000,000) | (140,000,000) |
| | | | - | - |
| Tower Sports (Private) Limited | Pakistan | | | |
| 20,100 ordinary shares of Rs. 7,462.99 each | | 6.1 | 150,000,000 | 150,000,000 |
| Sphere Ventures (Private) Limited | Pakistan | | | |
| 1,000,000 ordinary shares of Rs. 10 each | | 6.2 | 10,000,000 | - |
| | | | <u>348,898,481</u> | <u>338,898,481</u> |

- 6.1** The Company acquired 100% shareholding of Tower Sports (Private) Limited in the prior year, i.e. 20,100 ordinary shares having face value of Rs. 1,000 each, issued at Rs. 7,462.69 each, at a cost of Rs. 150 million. Resultantly, Tower Sports (Private) Limited became a subsidiary of the Company effective 01 May 2023. Tower Sports (Private) Limited is engaged in the business of providing specialised sports services which include but are not limited to production, sales, marketing and distribution of sports media content.
- 6.2** During the year, the Company acquired 100% shareholding of Sphere Ventures (Private) Limited (Sphere) i.e. 1,000,000 ordinary shares having face value of Rs. 10 each, issued at a cost of Rs. 10 million. Resultantly, Sphere became a subsidiary of the Company effective from 26 July 2023. Sphere is engaged in the business of production, acquisition, marketing, buying and selling of programs.

| 7 LONG TERM DEPOSITS AND PREPAYMENTS | 2024 | 2023 |
|--|--------------------|--------------------|
| | ----- Rupees ----- | ----- Rupees ----- |
| Security deposits - unsecured - considered good | | |
| - Rent | 12,661,944 | 9,096,944 |
| - Trade | 15,975,435 | 15,975,435 |
| - Others | 3,149,972 | 3,149,972 |
| | <u>31,787,351</u> | <u>28,222,351</u> |
| Prepayments | | |
| - Software development fee | 37,380,242 | 2,105,077 |
| - Membership fee | 20,096,000 | - |
| | <u>89,263,593</u> | <u>30,327,428</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | | | 2024 | 2023 | | | |
|--------|--|---|--------------------|---------------------|---------------------|----------------------------|-------------|
| | Note | | ----- Rupees ----- | ----- | | | |
| 8 | TELEVISION PROGRAM COSTS | | | | | | |
| | | Unreleased / released - net of amortisation | 683,641,711 | 432,619,726 | | | |
| | | In production | 66,855,795 | 50,827,650 | | | |
| | | | 750,497,506 | 483,447,376 | | | |
| | | Less: Current portion | (81,538,365) | (85,829,858) | | | |
| | | | 668,959,141 | 397,617,518 | | | |
| 9 | DEFERRED TAX ASSET | | | | | | |
| | | Taxable temporary differences arising in respect of: | | | | | |
| | | Unrealised gain on revaluation of investments | (3,966,706) | - | | | |
| | | Exchange gain - net | - | (2,896,908) | | | |
| | | | (3,966,706) | (2,896,908) | | | |
| | | Deductible temporary differences arising in respect of: | | | | | |
| | | Provisions | 132,434,762 | 123,957,122 | | | |
| | | Lease liabilities - net | 10,351,988 | 7,376,946 | | | |
| | | Accelerated tax depreciation and amortisation | 5,268,646 | 1,664,596 | | | |
| | | Unrealised loss on short term investments - net | - | 915,112 | | | |
| | | Exchange loss - net | 933,232 | - | | | |
| | | | 148,988,628 | 133,913,776 | | | |
| | | | 145,021,922 | 131,016,868 | | | |
| 10 | TRADE DEBTS – unsecured | | | | | | |
| | | Considered good | 3,100,150,777 | 2,688,381,940 | | | |
| | | Considered doubtful | 52,255,449 | 36,221,115 | | | |
| | | | 3,152,406,226 | 2,724,603,055 | | | |
| | | Less: Allowance for expected credit loss | (52,255,449) | (36,221,115) | | | |
| | | | 3,100,150,777 | 2,688,381,940 | | | |
| 10.1 | Allowance for expected credit loss | | | | | | |
| | | Balance at the beginning of the year | 36,221,115 | 88,966,632 | | | |
| | | Provision / (reversal) during the year | 16,034,334 | (52,745,517) | | | |
| | | Balance at the end of the year | 52,255,449 | 36,221,115 | | | |
| 10.2 | Particulars of receivables from foreign jurisdictions: | | | | | | |
| | | United Kingdom | 104,998,290 | 108,772,218 | | | |
| | | United States of America | 126,483,909 | 128,184,991 | | | |
| | | | 231,482,199 | 236,957,209 | | | |
| 10.2.1 | These receivables are covered under contractual terms and there are no defaulting parties as of June 30, 2024 and June 30, 2023. | | | | | | |
| | | | 2024 | 2023 | | | |
| | | | ----- Rupees ----- | ----- | | | |
| 10.3 | Includes amount receivable from the following related parties: | | | | | | |
| | | HUM Network UK Limited | 104,998,290 | 108,772,218 | | | |
| | | HUM TV Inc. | 126,483,909 | 128,184,991 | | | |
| | | | 231,482,199 | 236,957,209 | | | |
| 10.4 | The aging of trade debts other than related parties at the statement of financial position date was: | | | | | | |
| | | Not past due | Past due 1-30 days | Past due 31-60 days | Past due 61-90 days | Past due more than 90 days | |
| 2024 | | | | | | | |
| | | Gross receivable (Rupees) | 2,075,305,104 | 612,413,530 | 112,555,684 | 3,970,097 | 116,679,612 |
| | | Loss rate (%) | 0.63% | 3.07% | 4.42% | 13.48% | 18.00% |
| 2023 | | | | | | | |
| | | Gross receivable (Rupees) | 2,124,111,656 | 116,852,035 | 43,268,747 | 146,619,237 | 56,794,171 |
| | | Loss rate (%) | 0.48% | 2.57% | 3.62% | 12.82% | 17.93% |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 ----- | Rupees | 2023 ----- |
|--|--------------------|--------|--------------------|
| 10.5 The aging of trade debts from related parties is as follows: | | | |
| Neither past due nor impaired | - | | - |
| Past due but not impaired | | | |
| - 01 to 30 days | - | | - |
| - 31 to 60 days | - | | - |
| - Over 60 days | - | | - |
| | 231,482,199 | | 236,957,209 |
| | 231,482,199 | | 236,957,209 |
| 10.6 The maximum amount outstanding from related parties at any time during the year, calculated by reference to month end balances are as follows: | | | |
| | 2024 ----- | Rupees | 2023 ----- |
| HUM Network UK Limited | 106,915,871 | | 108,772,218 |
| HUM TV Inc. | 130,750,782 | | 128,184,991 |
| | 237,666,653 | | 236,957,209 |
| 11 SHORT TERM INVESTMENTS | | | |
| At fair value through profit or loss | | | |
| U Microfinance Bank Limited | | | |
| 2023: 8,400 TFCs having face value of Rs. 2,496 each (Fair Value: Rs. 1.0087) | - | | 21,148,158 |
| Listed securities | | | |
| Javedan Corporation Limited | | | |
| Market value: 5,000,000 shares at Rs. 35.06 / share (2023: Nil) | 175,300,000 | | - |
| Mutual Funds | | | |
| AKD Opportunity Fund | | | |
| 553,769 (2023: 542,247) units having NAV of Rs. 110.31 (2023: Rs. 88.84) per unit | 61,088,579 | | 48,170,691 |
| AKD Islamic Income Fund | | | |
| 116,510.43 (2023: 99,961) units having NAV of Rs. 51.51 (2023: Rs. 50.89) per unit | 6,001,918 | | 5,087,356 |
| AKD Golden Arrow Stock Fund | | | |
| 3,988,680 (2023: 3,900,838) units having NAV of Rs. 18.92 (2023: Rs. 12.03) per unit | 75,455,472 | | 46,931,759 |
| NBP Money Market Fund | | | |
| 3,521,414 (2023: 2,972,935) units having NAV of Rs. 10.01 (2023: Rs. 9.98) per unit | 35,243,012 | | 29,668,997 |
| UBL Liquidity Plus Fund | | | |
| 270,600.86 (2023: 228,544) units having NAV of Rs. 101.36 (2023: Rs. 101.19) per unit | 27,427,568 | | 23,125,569 |
| Faysal Islamic Cash Fund | | | |
| 1,497,517.1166 units having NAV of Rs. 100.17 per unit | 150,000,000 | | - |
| Alfalah Islamic Capital Preservation Plan 4 Class A | | | |
| 2023: 8 units having NAV of Rs. 100.52 | - | | 849 |
| Alfalah GHP Money Market Fund | | | |
| 2,068,918.63 units (2023: 1,320,747) having NAV of Rs. 98.94 (2023: Rs. 98.66) per unit | 204,703,774 | | 130,306,874 |
| MCB Pakistan Cash Management Fund | | | |
| 3,464,122.78 units (2023: 2,086,618) having NAV of Rs. 50.47 (2023: Rs. 50.38) per unit | 174,826,656 | | 105,131,135 |
| Faysal Financial Sector Opportunity Fund | | | |
| 9190.43 units having NAV of Rs. 103.60 per unit | 951,026 | | - |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Faysal Halal Amdani Fund

7252.77 units having NAV of Rs. 101.42 per unit

735,588

-

HBL Cash Fund

1,180,164.73 units (2023: 1,004,202) having NAV of Rs. 103.21 (2023: 102.16) per unit

121,805,628

102,594,119

ABL Cash Fund

2,747,352.45 units (2023: 2,316,350) having NAV of Rs. 10.24 (2023: Rs. 10.23) per unit

28,129,867

23,693,247

Askari High Yield Scheme

7,432.5 units (2023: 512,983) having NAV of Rs. 104.26 (2023: 103.87) per unit

774,920

53,284,537

1,062,444,008

589,143,291

11.1 These carry interest rates ranging from 20.32% to 21.52% (2023: 18.73% to 20.32%) per annum.

| | Note | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
|----------------------------|-------------|----------------------------|----------------------------|
| 12 ADVANCES | | | |
| - Unsecured | | | |
| Interest free advances to: | | | |
| - Producers | 12.1 & 12.2 | 186,587,669 | 98,094,079 |
| - Suppliers | | 77,568,974 | 49,164,845 |
| | | <u>264,156,643</u> | <u>147,258,924</u> |
| - Secured | | | |
| Interest free advances to: | | | |
| - Employees | | 6,052,197 | 7,316,705 |
| | | <u>270,208,840</u> | <u>154,575,629</u> |

12.1 Includes advance amounting to Nil (2023: Rs. 29,108,714) paid to M.D Productions (Private) Limited.

12.2 The aging of advances to related parties is as follows:

| | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
|-------------------------------|----------------------------|----------------------------|
| Neither past due nor impaired | - | 29,108,714 |
| Past due but not impaired | | |
| - 01 to 30 days | - | - |
| - 31 to 60 days | - | - |
| - Over 60 days | - | - |
| | <u>-</u> | <u>29,108,714</u> |

13 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

Deposits - unsecured

- Rent

1,364,500

1,364,500

Prepayments

- Insurance

35,330,112

22,596,139

- Rent

7,489,248

2,711,983

- Software development fee

9,751,367

-

- Other

15,988,191

2,231,676

68,558,918

27,539,798

69,923,418

28,904,298

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

14 OTHER RECEIVABLES

| | | | |
|------------------------------------|------|----------------------|----------------------|
| Sales tax receivable | 14.1 | 154,159,827 | 129,835,895 |
| Due from related parties | 14.2 | 2,784,531,308 | 1,659,654,904 |
| Others | | 4,994,657 | 10,288,417 |
| | | <u>2,943,685,792</u> | <u>1,799,779,216</u> |
| Allowance for expected credit loss | 14.5 | (63,308,424) | (57,605,219) |
| | | <u>2,880,377,368</u> | <u>1,742,173,997</u> |

- 14.1** As per rule 3(5) of Sindh Sales Tax Special Procedure (withholding) Rule 2014, registered persons as recipient of advertisement services shall withhold whole of sales tax applicable on the person providing advertisement services. Accordingly, the Company is unable to adjust its input tax deducted on purchases of taxable goods and services as 100% of the output tax on the Company's taxable services are being withheld by the recipient of these services. However, the Company is in correspondence with the relevant authorities through its legal advisor to resolve the matter.

2024 2023
----- Rupees -----

14.2 Due from related parties

Considered good

| | | | |
|--------------------------------|--------|----------------------|----------------------|
| Hum Network FZ LLC | 14.2.1 | 2,590,346,261 | 1,538,255,996 |
| Hum TV, Inc. | 14.2.1 | 53,111,397 | 56,339,751 |
| Tower Sports (Private) Limited | | 1,535,226 | - |
| TS3 FZ LLC | 14.2.1 | 76,230,000 | - |
| | | <u>2,721,222,884</u> | <u>1,594,595,747</u> |

Considered doubtful

| | | | |
|--|------|----------------------|----------------------|
| Skyline Publications (Private) Limited | | 63,180,424 | 65,059,157 |
| HUM Mart (Private) Limited | | 128,000 | - |
| | | <u>63,308,424</u> | <u>65,059,157</u> |
| | | 2,784,531,308 | 1,659,654,904 |
| Less: Allowance for expected credit loss | 14.5 | (63,308,424) | (57,605,219) |
| | | <u>2,721,222,884</u> | <u>1,602,049,685</u> |

- 14.2.1** These represent current account balances with wholly owned subsidiaries of the Company. These balances are denominated in their respective foreign currencies and are in the normal course of business.

14.3 The aging of receivables from related parties is as follows:

| | | |
|-------------------------------|----------------------|----------------------|
| Neither past due nor impaired | 2,557,590,963 | 1,601,003,221 |
| Past due but not impaired | | |
| - 60 to 90 days | 226,940,345 | - |
| - over 90 days | - | 58,651,683 |
| | <u>2,784,531,308</u> | <u>1,659,654,904</u> |

- 14.4** The maximum amount outstanding from related parties at any time during the year calculated by reference to month end balances are as follows:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 | 2023 |
|--|------------------------------------|----------------------|----------------------|
| | | ----- Rupees ----- | ----- |
| Hum TV, Inc. | | 54,903,084 | 56,339,751 |
| Hum Mart (Private) Limited | | 128,000 | - |
| Skyline Publications (Private) Limited | | 65,082,301 | 65,059,157 |
| Hum Network FZ LLC | | 2,605,164,196 | 1,538,255,996 |
| Tower sports (Private) Limited | | 1,535,226 | - |
| TS3 FZ LLC | | 76,230,000 | - |
| | | <u>2,803,042,807</u> | <u>1,659,654,904</u> |
| 14.5 | Allowance for expected credit loss | | |
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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

17.1 Includes lease finance facility entered into by the Company with a commercial bank for vehicles amounting to Rs. 50,000,000 (2023: Rs.115,000,000) out of which Rs. 49,394,158 (2023: Rs. 105,265,279) remain unutilized at period end. Lease rentals are payable in monthly installments and had commenced from September 2022.

| 18 | LONG TERM FINANCING - secured | Note | 2024 ----- Rupees | 2023 ----- |
|-----------|--------------------------------------|-------------|---------------------------------------|----------------------|
| | Islamic banks | | | |
| | Diminishing Musharaka | 18.1 | <u>31,250,000</u> | 93,750,000 |
| | | | <u>31,250,000</u> | 93,750,000 |
| | Less: current maturity | | <u>(31,250,000)</u> | (62,500,000) |
| | | | <u>-</u> | <u>31,250,000</u> |

18.1 Represents Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% per annum. The financing is repayable in 8 equal quarterly instalments commencing after a grace period of 12 months from the date of disbursement i.e. December 2021. Financing is secured by way of Equitable Mortgage over registered office, first hypothecation charge over plant, machinery & equipment, first pari passu charge over receivables of the company and first pari passu charge by way of constructive mortgage charge over Islamabad office.

| 19 | TRADE AND OTHER PAYABLES | Note | 2024 ----- Rupees | 2023 ----- |
|-------------|---|-------------|---------------------------------------|----------------------|
| | Creditors | 19.1 | 379,255,510 | 362,775,566 |
| | Accrued liabilities | | 446,423,700 | 388,661,167 |
| | Withholding tax payable | | 44,714,830 | 17,196,303 |
| | Others | | 49,853,037 | 45,385,561 |
| | | | <u>920,247,077</u> | <u>814,018,597</u> |
| 19.1 | Includes amount payable to the following related parties: | | | |
| | M.D Productions (Private) Limited | | 36,021,464 | - |
| | Momina and Duraid Foundation | | 68,203,097 | 56,079,481 |
| | | | <u>104,224,561</u> | <u>56,079,481</u> |

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

There are no contingencies to report in these unconsolidated financial statements except those disclosed in note 29 to these unconsolidated financial statements.

20.2 Commitments

20.2.1 Purchase of television programs commitments with M.D Productions (Private) Limited - a related party as at June 30, 2024 amounted to Rs. 308,368,667 (June 30, 2023: Rs. 258,962,000). Commitment for purchase of television programs with other than related parties as at June 30, 2024 amounted to Rs. 160,108,809 (June 30, 2023: Rs. 41,215,000).

| 21 | REVENUE – net | Note | 2024 ----- Rupees | 2023 ----- |
|-----------|---------------------------|-------------|---------------------------------------|----------------------|
| | Advertisement revenue | | 5,566,997,291 | 4,844,229,306 |
| | Production revenue | | 244,357,641 | 221,648,886 |
| | Digital revenue | | 167,425,196 | 80,643,000 |
| | Subscription revenue | | 2,286,941,831 | 1,677,339,186 |
| | Film distribution revenue | | 41,944,171 | 1,725,968 |
| | | 21.1 & 21.2 | <u>8,307,666,130</u> | <u>6,825,586,346</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

21.1 Revenue is net off the following items:

| | | |
|---------------------------|----------------------|----------------------|
| Sales tax | 840,444,340 | 722,681,112 |
| Trade and volume discount | 617,472,906 | 598,870,841 |
| | <u>1,457,917,246</u> | <u>1,321,551,953</u> |

21.2 Represents revenue from the following geographical regions:

| | | |
|---------|----------------------|----------------------|
| Asia | 6,105,672,873 | 5,172,962,977 |
| America | 2,201,993,257 | 1,652,623,369 |
| | <u>8,307,666,130</u> | <u>6,825,586,346</u> |

22 COST OF PRODUCTION

| | | | |
|---|-------------|----------------------|----------------------|
| Cost of outsourced programs | | 2,200,028,467 | 1,854,864,608 |
| Cost of in-house programs | | 365,574,243 | 311,230,418 |
| Cost of inventory consumed | | 1,091,462 | 2,000,487 |
| Salaries and benefits | 22.1 | 1,281,770,254 | 1,075,741,256 |
| Technical advisory fee | 22.2 | 54,751,500 | 54,751,500 |
| Depreciation | 4.3 & 4.5.2 | 70,498,731 | 57,223,159 |
| Travelling and conveyance | | 172,623,206 | 138,335,274 |
| Utilities | | 20,970,205 | 14,869,487 |
| Rent, rates and taxes | | 876,547 | 305,538 |
| Insurance | | 33,266,219 | 27,315,856 |
| Repair and maintenance | | 33,598,118 | 26,034,116 |
| Fee and subscription | | 7,080,344 | 4,514,981 |
| Communication | | 25,072,393 | 21,765,697 |
| Security charges | | 726,000 | 438,350 |
| Amortisation | 5.1 | 1,915,852 | 6,271,976 |
| Consultancy | | - | 1,188,586 |
| Printing and stationery | | 1,215,245 | 1,008,477 |
| | | <u>4,271,058,786</u> | <u>3,597,859,766</u> |
| In production television programs - opening | | 50,827,650 | 35,460,250 |
| In production television programs - closing | | (66,855,795) | (50,827,650) |
| | | <u>4,255,030,641</u> | <u>3,582,492,366</u> |
| Released / unreleased programs - opening | | 432,619,726 | 390,229,988 |
| Released / unreleased programs - closing | | (683,641,711) | (432,619,726) |
| | | <u>4,004,008,656</u> | <u>3,540,102,628</u> |

22.1 This includes Rs. 33,490,473 (2023: Rs. 29,765,982) in respect of staff retirement benefits.

22.2 Represents fee paid to a Director for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors of the Company.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| 23 | DISTRIBUTION COSTS | Note | 2024 ----- Rupees ----- | 2023 ----- |
|----|-----------------------------|-------------|----------------------------|--------------------|
| | Advertisement and promotion | | 260,980,311 | 179,032,049 |
| | Salaries and benefits | 23.1 | 211,036,492 | 180,243,903 |
| | Travelling and conveyance | | 30,666,581 | 28,139,827 |
| | Rent, rates and taxes | | - | 532,297 |
| | Utilities | | 3,079,048 | 2,890,633 |
| | Depreciation | 4.3 & 4.5.2 | 11,024,675 | 9,096,867 |
| | Communication | | 837,193 | 674,255 |
| | Insurance | | 4,509,124 | 3,688,871 |
| | Repair and maintenance | | 1,315,656 | 2,461,343 |
| | Fees and subscription | | 950,040 | 1,120,873 |
| | Printing and stationery | | 817,960 | 1,546,798 |
| | | | <u>525,217,080</u> | <u>409,427,716</u> |

23.1 This includes Rs. 8,527,681 (2023: Rs. 7,869,125) in respect of staff retirement benefits.

| 24 | ADMINISTRATIVE EXPENSES | Note | 2024 ----- Rupees ----- | 2023 ----- |
|----|--------------------------------------|-------------|----------------------------|--------------------|
| | Salaries and benefits | 24.1 | 546,281,058 | 475,677,349 |
| | Depreciation | 4.3 & 4.5.2 | 61,018,804 | 42,508,527 |
| | Amortisation | 5.1 | 307,853 | 863,839 |
| | Repair and maintenance | | 67,239,122 | 53,463,407 |
| | Communication | | 5,850,853 | 7,262,392 |
| | Traveling and conveyance | | 89,886,276 | 66,565,849 |
| | Fee and subscription | | 12,144,499 | 13,579,225 |
| | Utilities | | 66,841,289 | 47,703,555 |
| | Legal and professional charges | | 21,798,132 | 28,071,062 |
| | Printing, stationery and periodicals | | 9,255,301 | 11,145,315 |
| | Rent, rates and taxes | | 618,683 | 9,061,102 |
| | Insurance | | 9,978,520 | 7,457,795 |
| | Auditor's remuneration | 24.2 | 8,544,793 | 6,480,533 |
| | Security charges | | 12,806,811 | 9,284,141 |
| | Donation | 24.3 & 24.4 | 77,548,097 | 106,230,292 |
| | | | <u>990,120,091</u> | <u>885,354,383</u> |

24.1 This includes Rs. 9,186,396 (2023: Rs. 7,030,043) in respect of staff retirement benefits.

24.2 Auditor's remuneration

| | 2024 ----- Rupees ----- | 2023 ----- |
|--|----------------------------|------------------|
| Audit fee for unconsolidated financial statements | 2,328,750 | 2,025,000 |
| Audit fee for consolidated financial statements | 853,875 | 742,500 |
| Fee for half yearly review | 698,625 | 607,500 |
| Tax and other assurance services | 3,693,940 | 2,200,000 |
| Out of pocket expenses and Sindh sales tax on services | 969,603 | 905,533 |
| | <u>8,544,793</u> | <u>6,480,533</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

24.3 Donation includes the following donees to whom donations exceed 10% of total donation or Rs. 1 million:

| | 2024 ----- Rupees ----- | 2023 ----- |
|------------------------------|----------------------------|--------------------|
| SS Garden | 1,100,000 | - |
| Momina and Duraid Foundation | <u>75,223,097</u> | <u>105,655,292</u> |
| | <u>76,323,097</u> | <u>105,655,292</u> |

24.4 Recipients of donations do not include any donee in which any director or its spouse had any interest except for donation paid to Momina and Duraid Foundation. Following directors of the company are also trustees of the said trust:

- Mr. Duraid Qureshi
- Ms. Sultana Siddiqui

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|--------------------|
| 25 OTHER INCOME | | | |
| Income from financial assets | | | |
| Profit on deposit accounts | | 81,308,456 | 56,453,532 |
| Exchange gain - net | | - | 293,418,632 |
| Dividend income | | 93,399,999 | 58,931,534 |
| Interest / mark-up income | | - | 7,126,948 |
| Amortisation of government grant | | - | 478,147 |
| Unrealised gain on revaluation of investments | | 31,733,646 | - |
| Gain on redemption / sale of investments | | <u>6,772,018</u> | <u>27,660,465</u> |
| | | <u>213,214,119</u> | <u>444,069,258</u> |
| Income from non financial assets | | | |
| Gain on disposal of operating fixed assets - net | 4.4 | 3,170,318 | 936,097 |
| Reversal of expected credit loss | 10.1 | - | 52,745,517 |
| Liabilities no longer payable - written off | | 54,741,167 | 98,671,515 |
| Management fee from related party | | 76,230,000 | 7,511,340 |
| Sale of content and festival income | | 38,404,287 | 14,546,962 |
| Sundry income | | 24,859,214 | 10,710,530 |
| | | <u>197,404,986</u> | <u>185,121,961</u> |
| | | <u>410,619,105</u> | <u>629,191,219</u> |

26 OTHER EXPENSES / CHARGES

| | | | |
|---|-------------|--------------------|------------------|
| Allowance for expected credit loss | 10.1 & 14.5 | 21,737,539 | - |
| Exchange loss - net | | 93,323,181 | - |
| Unrealised loss on revaluation of investments | | - | 7,320,895 |
| | | <u>115,060,720</u> | <u>7,320,895</u> |

27 FINANCE COSTS

| | | | |
|----------------------------------|----|-------------------|-------------------|
| Mark-up on long term financing | | 16,379,996 | 34,506,149 |
| Mark-up on short term borrowings | | - | 98,402 |
| Mark-up on lease liabilities | 17 | 15,873,501 | 10,995,762 |
| Bank charges | | 3,387,826 | 458,793 |
| | | <u>35,641,323</u> | <u>46,059,106</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

28 LEVIES - FINAL TAX

28.1 This represents final taxes paid under section 5 (tax on dividend) and 154A (export of services) of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21 / IAS 37 (also see note 3.7.3).

| | 2024 | 2023 (Restated) |
|--|----------------------|--------------------|
| | ----- Rupees ----- | ----- |
| 29 INCOME TAX | | |
| Current | 288,851,435 | 191,782,978 |
| Deferred | (14,005,054) | 57,952,265 |
| Prior | (12,470,454) | 3,552,814 |
| | 262,375,927 | 253,288,057 |
| 29.1 Relationship between accounting profit and tax expense | | |
| Profit before income tax and levies | 2,927,073,108 | 2,439,816,835 |
| Tax at the applicable rate | 848,851,201 | 707,546,882 |
| Tax effects of: | | |
| Tax at reduced rate | (1,249,335) | (4,563,977) |
| Income subject to final tax regime | (618,481,923) | (445,632,559) |
| Effect of levies | (54,105,424) | (37,290,204) |
| Provision for super tax | 96,388,777 | 65,747,467 |
| Prior year tax (reversal) / charge | (12,470,454) | 3,552,814 |
| Others | 3,443,085 | (36,072,366) |
| | 262,375,927 | 253,288,057 |
| Effective % | 9% | 10% |

29.2 The return of income for the tax year 2023 has been filed by the Company which is deemed to be an assessment under the provisions of section 120 of the Income tax Ordinance, 2001.

29.3 During the year 2017, Deputy Commissioner Inland Revenue issued a show cause notice to the Company, for the tax year 2014, showing his intention to disallow the deduction claimed on account of agency commission on alleged non-deduction of tax on such agency commission. The Company filed a suit before the Hon'ble High Court of Sindh challenging the above showcause notice.

Based on a recent judgement of the Hon'ble Supreme Court of Pakistan, suits filed by taxpayers are not to be maintained unless 50% of the tax due is deposited by the petitioners. In compliance to the above order, the Company has deposited an amount of Rs. 24,395,012 into the Government treasury. The decision in respect of the Suit filed by the Company is still pending. The management, based on the legal advice, is confident that the ultimate outcome will be in favor of the Company and accordingly, no provision has been made in this respect in these unconsolidated financial statements.

29.4 During the year ended 30 June 2022, the Commissioner Inland Revenue (ACIR) issued show-cause notice dated 15 May 2022 whereby he had raised certain queries relating to tax year 2017. In response, the Company filed explanation along-with documentary evidence. The Commissioner Inland Revenue (CIR) being dissatisfied with the response of the Company, issued an order under Section 122(1) of the Ordinance whereby tax demand of Rs. 771,644,957 has been raised. While the Company's appeal was pending before the Commissioner Inland Revenue (Appeals) for Tax Year 2017 but the department was seeking to recover the outstanding tax. Therefore the Company filed a petition before the Honorable High Court of Sindh for issuance of a stay order. Subsequent to the year end, on 7 July 2022, the Company received a stay order on the matter and the case is pending before the Commissioner Inland Revenue (Appeals). The management, based on the legal advice, is confident that the ultimate outcome will be in favor of the Company and accordingly, no provision has been made in this respect in these unconsolidated financial statements.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | | 2024 | 2023 |
|--|---|------------------------|------------------------|
| | Note | ----- Rupees ----- | ----- |
| 30 EARNINGS PER SHARE – basic and diluted | | | |
| Profit for the year | | <u>2,610,591,757</u> | <u>2,149,238,574</u> |
| Weighted average number of ordinary shares outstanding during the year | 30.1 | <u>1,134,000,000</u> | <u>1,134,000,000</u> |
| Earnings per share (Rupee) | | <u>2.30</u> | <u>1.90</u> |
| 30.1 | There is no dilutive effect on the basic earnings per share of the Company. | | |
| | | | |
| | | 2024 | 2023 |
| | Note | ----- Rupees ----- | ----- |
| 31 CASH GENERATED FROM OPERATIONS | | | |
| Profit before income tax and levies | | 2,927,073,108 | 2,439,816,835 |
| Adjustments for: | | | |
| Depreciation | 4.3 & 4.5.2 | 142,542,210 | 108,828,553 |
| Amortisation | 5.1 | 2,223,705 | 7,135,815 |
| Finance costs | 27 | 35,641,323 | 46,059,106 |
| Exchange loss / (gain) - net | 26 & 25 | 93,323,181 | (293,418,632) |
| Profit on deposit accounts | 25 | (81,308,456) | (56,453,532) |
| Gain on disposal of operating fixed assets | 25 | (3,170,318) | (936,097) |
| Gain on redemption / sale of investments | 25 | (6,772,018) | (27,660,465) |
| Dividend income | 25 | (93,399,999) | (58,931,534) |
| Amortisation of government grant | 25 | - | (478,147) |
| Allowance for expected credit loss | 26 | 21,737,539 | - |
| Unrealised (gain) / loss on revaluation of investments | 25 & 26 | (31,733,646) | 7,320,895 |
| | | 79,083,521 | (268,534,038) |
| (Increase) / decrease in current assets | | | |
| Inventories | | (7,790,036) | (88,326) |
| Current portion of television program costs | | 4,291,493 | 4,517,361 |
| Trade debts | | (427,803,171) | (155,234,563) |
| Advances | | (115,633,211) | (45,913,501) |
| Trade deposits and short term prepayments | | (41,019,120) | (3,743,845) |
| Other receivables | | (1,237,229,757) | (1,575,971,190) |
| | | (1,825,183,802) | (1,776,434,064) |
| Increase / (decrease) in current liabilities | | | |
| Trade and other payables | | 106,228,480 | (403,964,546) |
| Contract liability | | (11,444,485) | 12,144,815 |
| | | <u>1,275,756,822</u> | <u>3,029,002</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

| | 2024 | | | | 2023 | | | |
|-------------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|--------------------------|--------------------|
| | Chief Executive | Executive Director | Non- Executive Directors | Executives | Chief Executive | Executive Director | Non- Executive Directors | Executives |
| Managerial remuneration | 42,935,390 | - | - | 280,373,660 | 42,935,390 | - | - | 307,685,725 |
| Technical advisory fee | - | 54,751,500 | - | - | - | 54,751,500 | - | - |
| Fee | - | - | 5,000,000 | - | - | - | 3,900,000 | - |
| Bonus | 202,311,606 | 202,311,606 | - | 59,715,261 | 184,398,314 | 184,398,314 | - | - |
| Retirement benefits | - | - | - | 23,737,512 | - | - | - | 18,858,646 |
| House rent | 18,544,865 | - | - | 137,508,147 | 17,133,842 | - | - | 99,164,289 |
| Utilities | 4,121,081 | - | - | 28,037,366 | 3,807,520 | - | - | 22,036,508 |
| Car allowance | 20,767,188 | - | - | 51,938,347 | 20,767,188 | 23,500,000 | - | 30,302,101 |
| Fuel and conveyance | 2,975,351 | 2,704,411 | 1,701,086 | - | 2,975,351 | 2,704,411 | 1,478,447 | - |
| | <u>291,655,481</u> | <u>259,767,517</u> | <u>6,701,086</u> | <u>581,310,293</u> | <u>272,017,605</u> | <u>265,354,225</u> | <u>5,378,447</u> | <u>478,047,269</u> |
| Number | 1 | 1 | 5 | 83 | 1 | 1 | 5 | 65 |

32.1 The chief executive and certain executives are also provided with free use of Company maintained cars in accordance with the Company's policy and reimbursement of expenses related to business travel.

33 TRANSACTIONS WITH RELATED PARTIES

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

| Relationship | Nature of transactions | 2024 | 2023 |
|----------------------|---|---------------|---------------|
| | | Rupees | Rupees |
| Subsidiaries | Expenses paid on behalf of the Company | 20,138,889 | 33,561,469 |
| | Expenses paid on behalf of the subsidiary | 8,606,951 | 29,624,132 |
| | Payment received on behalf of subsidiary | 31,471,736 | 70,993,275 |
| | Payment received on behalf of the Company | 2,097,560,765 | 1,439,683,704 |
| | Management fee | 76,230,000 | 7,511,340 |
| | Amount paid on behalf of the Company | 77,157,800 | 39,624,981 |
| | Professional or promotional services acquired | - | 3,845,000 |
| | Subscription income | 84,961,418 | 34,019,983 |
| | Purchase of television program rights | 10,511,798 | - |
| | Payments received during the year | 926,375,972 | - |
| Associated Companies | Purchases of television programs rights | 1,831,002,134 | 1,572,300,900 |
| | Payments made during the year | 1,816,927,568 | 1,993,714,343 |
| Others | Contribution to the provident fund | 51,184,000 | 44,665,150 |

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these unconsolidated financial statements.

33.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

| S.No. | Company Name | Basis of association | Aggregate % of shareholding |
|-------|--|-----------------------------|-----------------------------|
| 1 | Skyline Publications (Private) Limited | Subsidiary | 100% |
| 2 | HUM TV Inc. | Subsidiary | 100% |
| 3 | HUM Network FZ LLC | Subsidiary | 100% |
| 4 | HUM Network UK Limited | Subsidiary | 100% |
| 5 | HUMM Co. (Private) Limited | Subsidiary | 100% |
| 6 | Tower Sports (Private) Limited | Subsidiary | 100% |
| 7 | HUM Mart (Private) Limited | Subsidiary | 70% |
| 8 | TS3 FZ LLC | Indirect Subsidiary | - |
| 9 | M.D Productions (Private) Limited | Associated company (33.1.1) | - |
| 10 | Momina & Duraid Films (Private) Limited | Associated company (33.1.1) | - |
| 11 | Momina and Duraid Foundation | Associated company (33.1.1) | - |
| 12 | HUM Network Limited- Employees' Provident Fund | Retirement Fund | - |
| 13 | Ms. Sultana Siddiqui | Director | 1.81% |
| 14 | Mr. Mazhar ul Haq Siddiqui | Director | - |
| 15 | Mr. Duraid Qureshi | Director | 47.41% |
| 16 | Mr. Shunaid Qureshi | Director | 5.38% |
| 17 | Mrs. Mahtab Akbar Rashdi | Director | - |
| 18 | Lt Gen (R) Asif Yasin Malik | Director | - |
| 19 | Mr. Muhammad Ayub Younus Adhi | Director | - |
| 20 | Mr. Sohail Ansar | Director | - |
| 21 | Mr. Khush bakht Shujaat | Director | - |

33.1.1 These entities are associated companies / undertakings of the Company in accordance with the requirement of Companies Act, 2017.

33.2 Subsidiaries incorporated outside Pakistan:

| Name | Country of Incorporation |
|------------------------|--------------------------|
| HUM TV, Inc. | United States of America |
| HUM Network FZ LLC | United Arab Emirates |
| TS3 FZ LLC | United Arab Emirates |
| HUM Network UK Limited | United Kingdom |

33.3 None of the key management personnel had any arrangements with the Company other than the employment contract.

33.4 Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Act and the regulations formulated for this purpose.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|----------------------|
| 34 FINANCIAL INSTRUMENTS BY CATEGORY | | | |
| 34.1 Financial assets as per statement of financial position | | | |
| Financial assets at amortised cost | | | |
| - Security deposits | 7 | 31,787,351 | 28,222,351 |
| - Trade debts | 10 | 3,100,150,777 | 2,688,381,940 |
| - Trade deposits | 13 | 1,364,500 | 1,364,500 |
| - Other receivables | 14 | 2,726,217,541 | 1,612,338,102 |
| - Cash and bank balances | 15 | 748,140,168 | 447,796,769 |
| | | <u>6,607,660,337</u> | <u>4,778,103,662</u> |
| Financial assets at fair value through profit or loss | | | |
| - Short term investments | 11 | <u>1,062,444,008</u> | <u>589,143,291</u> |
| 34.2 Financial liabilities as per statement of financial position | | | |
| Financial liabilities at amortised cost | | | |
| - Long term financing | 18 | 31,250,000 | 93,750,000 |
| - Lease Liabilities | 17 | 166,382,292 | 70,899,475 |
| - Trade and other payables | 19 | 875,532,247 | 796,822,294 |
| - Accrued mark-up | | 109,056 | 218,809 |
| - Unclaimed dividend | | 6,066,896 | 6,153,603 |
| - Unpaid dividend | | 740,472 | 1,374,738 |
| | | <u>1,080,080,963</u> | <u>969,218,919</u> |

35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks i.e. market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's senior management oversees the management of these risks. The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of financial derivatives, financial instruments and investment of excess liquidity. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. □

The Board of Directors review and agree policies for managing each of these risks which are summarized below:

35.1 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and equity price risk.

35.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises from long term financing, finance lease obligations, short term borrowings and bank balances. The Company manages these risks through risk management strategies.

Sensitivity analysis:

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Company's profit before taxation:

| | Increase / decrease in basis points | Effect on profit before taxation Rupees |
|---------------|---|---|
| June 30, 2024 | +100 | <u>8,648,117</u> |
| | -100 | <u>(8,648,117)</u> |
| June 30, 2023 | +100 | <u>4,244,938</u> |
| | -100 | <u>(4,244,938)</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

35.3 Currency risk

Foreign currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Company's exposure to foreign currency risk is as follows:

| | ----- June 30, 2024 ----- | | | ----- June 30, 2023 ----- | | |
|--------------------------|---------------------------|---------|------------|---------------------------|---------|------------|
| | US Dollar | GBP | AED | US Dollar | GBP | AED |
| Trade debts | 454,406 | 298,689 | | 454,406 | 298,689 | - |
| Other receivables | 190,808 | - | 33,980,667 | 190,808 | - | 19,756,691 |
| Trade and other payables | - | - | - | (85,000) | - | - |
| | ----- Rupees ----- | | | ----- Rupees ----- | | |
| Closing exchange rates | 278.35 | 351.53 | 76.23 | 285.99 | 364.14 | 77.86 |

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the AED, USD and GBP exchange rates, with all other variables held constant, of the Company's profit before taxation:

| | Change in US dollar rate (%) | Effect on profit before tax --- Rupees --- | Change in GBP rate (%) | Effect on profit before tax --- Rupees --- | Change in AED rate (%) | Effect on profit before tax --- Rupees --- |
|---------------|------------------------------------|---|---------------------------|---|---------------------------|--|
| June 30, 2024 | +10 | 17,959,532 | +10 | 10,499,814 | +10 | 259,034,625 |
| | -10 | (17,959,532) | -10 | (10,499,814) | -10 | (259,034,625) |
| June 30, 2023 | +10 | 16,021,560 | +10 | 10,876,461 | +10 | 153,825,596 |
| | -10 | (16,021,560) | -10 | (10,876,461) | -10 | (153,825,596) |

35.4 Equity price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investments portfolio are submitted to the Company's senior management on a regular basis.

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 1,062,444,008 (2023: Rs. 589,143,291).

35.5 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Management of credit risk

The Company's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors and other internal guidelines.

Credit risk is managed and controlled by the management of the Company in the following manner:

- Credit rating and / or credit worthiness of the counterparty is taken into account along with the financial background so as to minimize the risk of default.
- The risk of counterparty exposure due to failed agreements causing a loss to the Company is mitigated by a periodic review of their credit ratings, financial statements, credit worthiness and market information on a regular basis.
- Cash is held with reputable banks only.

As of the unconsolidated statement of financial position date, the Company is exposed to credit risk on the following assets:

| | 2024 | 2023 |
|--------------------------|----------------------|----------------------|
| | ----- Rupees ----- | ----- Rupees ----- |
| - Security deposits | 31,787,351 | 28,222,351 |
| - Trade debts | 3,100,150,777 | 2,688,381,940 |
| - Short term investments | 1,062,444,008 | 589,143,291 |
| - Trade deposits | 1,364,500 | 1,364,500 |
| - Other receivables | 2,726,217,541 | 1,612,338,102 |
| - Bank balances | 747,226,379 | 446,913,643 |
| | <u>7,669,190,556</u> | <u>5,366,363,827</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|-------------------------------|------|----------------------------|--------------------|
| Bank balances | | | |
| AAA | | - | 2,382,575 |
| AA+ | | - | 211,048,650 |
| AA | | - | 218,474,972 |
| A | | - | 15,007,446 |
| A1+ | | 729,904,111 | - |
| A2 | | 17,321,848 | - |
| A1 | | 420 | - |
| | 15 | <u>747,226,379</u> | <u>446,913,643</u> |
| Short term investments | | | |
| Mutual funds | | | |
| AA- | | 136,544,051 | - |
| A+ | | 175,300,000 | - |
| A(f) | | 774,920 | 53,284,537 |
| A+(f) | | 951,026 | 5,087,356 |
| AA(f) | | 185,978,600 | 29,668,996 |
| AA+(f) | | 556,893,493 | 384,850,945 |
| AA-(f) | | 6,001,918 | - |
| Non-rated | | - | 95,103,299 |
| | | <u>1,062,444,008</u> | <u>567,995,133</u> |
| Term finance certificate | A | - | 21,148,158 |
| | 11 | <u>1,062,444,008</u> | <u>589,143,291</u> |

35.6 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines.

The table below summarizes the maturity profile of the Company's financial liabilities as at the following reporting dates:

| 2024 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | Total |
|--------------------------|--------------------|---------------------------|-----------------------|---------------------|----------------------|
| | ----- Rupees ----- | | | | |
| Lease Liabilities | - | 4,222,469 | 12,667,406 | 149,492,417 | 166,382,292 |
| Long term financing | - | - | 31,250,000 | - | 31,250,000 |
| Trade and other payables | 496,276,737 | 169,311,415 | 209,944,095 | - | 875,532,247 |
| Unclaimed dividend | 6,066,896 | - | - | - | 6,066,896 |
| Unpaid dividend | 740,472 | - | - | - | 740,472 |
| Accrued mark-up | 109,056 | - | - | - | 109,056 |
| | <u>503,193,161</u> | <u>173,533,884</u> | <u>253,861,501</u> | <u>149,492,417</u> | <u>1,080,080,963</u> |
| 2023 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | Total |
| | ----- Rupees ----- | | | | |
| Lease Liabilities | - | 3,781,136 | 11,883,803 | 55,234,536 | 70,899,475 |
| Long term financing | - | 15,625,000 | 46,875,000 | 31,250,000 | 93,750,000 |
| Trade and other payables | 434,046,728 | 161,954,257 | 200,821,309 | - | 796,822,294 |
| Unclaimed dividend | 6,153,603 | - | - | - | 6,153,603 |
| Unpaid dividend | 1,374,738 | - | - | - | 1,374,738 |
| Accrued mark-up | 218,809 | - | - | - | 218,809 |
| | <u>441,793,878</u> | <u>181,360,393</u> | <u>259,580,112</u> | <u>86,484,536</u> | <u>969,218,919</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

35.6.1 Changes in liabilities from financing activities

| | 1-Jul-23 | Cash Flows | New leases | Others | 30-Jun-24 |
|---------------------|--------------------|---------------|------------|------------|-------------|
| | ----- Rupees ----- | | | | |
| Long term financing | 93,750,000 | (62,500,000) | - | - | 31,250,000 |
| Lease Liabilities | 70,899,475 | (33,235,932) | 97,526,882 | 31,191,867 | 166,382,292 |
| | 1-Jul-22 | Cash Flows | New leases | Others | 30-Jun-23 |
| | ----- Rupees ----- | | | | |
| Long term financing | 372,938,964 | (279,188,964) | - | - | 93,750,000 |
| Lease Liabilities | 89,049,467 | (24,258,933) | 1,375,281 | 4,733,660 | 70,899,475 |

35.6.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the unconsolidated financial statements appropriate their fair values.

35.7 Capital risk

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development and maximize shareholders' value. The Company monitors capital using a debt equity ratio as follows:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|----------------------|
| Lease Liabilities | 17 | 149,492,417 | 55,234,536 |
| Long term financing | 18 | - | 31,250,000 |
| Accrued mark-up | | 109,056 | 218,809 |
| Current portion of long term lease liabilities | 17 | 16,889,875 | 15,664,939 |
| Current portion of long term financing | 18 | 31,250,000 | 62,500,000 |
| Total debt | | 197,741,348 | 164,868,284 |
| Share capital | 16 | 1,134,000,000 | 1,134,000,000 |
| Unappropriated profit | | 8,722,456,137 | 6,111,864,380 |
| Total equity | | 9,856,456,137 | 7,245,864,380 |
| Total debt and equity | | 10,054,197,485 | 7,410,732,664 |
| Gearing ratio | | 1.97% | 2.22% |

35.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate fair values.

The following table shows assets recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Assets measured at fair value

| | 2024 | | | | 2023 |
|------------------------|--------------------|--------------------|---------------------|----------------------|-------------|
| | Level 1 | Level 2 | Level 3 (Rupees) | Total | |
| Short term investments | <u>175,300,000</u> | <u>887,144,008</u> | <u>-</u> | <u>1,062,444,008</u> | 589,143,291 |

During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

Financial instruments which are tradable in an open market are revalued at the market prices prevailing on the statement of financial position date.

36 OPERATING SEGMENTS

For management purposes, the Company has determined following reportable operating segments on the basis of areas of operations i.e. entertainment and news.

Entertainment segment is engaged in advertisement, entertainment and media marketing.

News segments is engaged in broadcasting of news programs.

| | Entertainment | | News | | Total | |
|------------------------------------|----------------------|----------------------|---------------------|----------------------|-----------------------|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenue | | | | | | |
| Net revenue from external customer | <u>7,349,463,443</u> | <u>5,622,541,366</u> | <u>958,202,687</u> | <u>1,203,044,980</u> | <u>8,307,666,130</u> | <u>6,825,586,346</u> |
| Result | | | | | | |
| Segment profit / (loss) | <u>3,728,466,326</u> | <u>2,324,897,472</u> | <u>(71,190,189)</u> | <u>424,462,528</u> | <u>3,657,276,137</u> | <u>2,749,360,000</u> |
| Taxation | | | | | <u>(316,481,351)</u> | <u>(290,578,261)</u> |
| Unallocated income / (expenses) : | | | | | | |
| Administrative expenses | | | | | <u>(990,120,091)</u> | <u>(885,354,383)</u> |
| Other expenses / charges | | | | | <u>(115,060,720)</u> | <u>(7,320,895)</u> |
| Other income | | | | | <u>410,619,105</u> | <u>629,191,219</u> |
| Finance cost | | | | | <u>(35,641,323)</u> | <u>(46,059,106)</u> |
| Profit for the year | | | | | <u>2,610,591,757</u> | <u>2,149,238,574</u> |
| Other information | | | | | | |
| Amortisation | <u>(1,713,056)</u> | <u>(3,584,024)</u> | <u>(510,649)</u> | <u>(3,551,791)</u> | <u>(2,223,705)</u> | <u>(7,135,815)</u> |
| Depreciation | <u>(86,908,140)</u> | <u>(55,333,391)</u> | <u>(55,634,070)</u> | <u>(53,495,162)</u> | <u>(142,542,210)</u> | <u>(108,828,553)</u> |
| Segment assets | <u>586,031,236</u> | <u>565,805,921</u> | <u>879,205,922</u> | <u>839,213,836</u> | <u>1,465,237,158</u> | <u>1,405,019,757</u> |
| Unallocated Assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>9,531,294,907</u> | <u>6,853,984,465</u> |
| | <u>586,031,236</u> | <u>565,805,921</u> | <u>879,205,922</u> | <u>839,213,836</u> | <u>10,996,532,065</u> | <u>8,259,004,222</u> |
| Capital expenditure | <u>36,533,320</u> | <u>137,075,701</u> | <u>45,632,918</u> | <u>83,270,478</u> | <u>82,166,238</u> | <u>220,346,179</u> |
| Segment liabilities | <u>947,393,509</u> | <u>735,718,643</u> | <u>192,682,419</u> | <u>277,421,199</u> | <u>1,140,075,928</u> | <u>1,013,139,842</u> |

36.1 Revenue from three major customers of the Company during the year constituted 67% (2023: 57%) of the total revenue.

37 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at year end and during the year respectively are as follows:

| | 2024 | 2023 |
|---|------------|------------|
| Total number of employees | <u>756</u> | <u>721</u> |
| Average number of employees during the year | <u>743</u> | <u>696</u> |

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

38 GENERAL

38.1 Corresponding figures have been rearranged and reclassified, wherever necessary. However, other than those disclosed in these unconsolidated financial statements, there were no significant reclassifications to report.

38.2 Figures have been rounded off to the nearest Rupee.

39 DATE OF AUTHORIZATION

These financial statements have been authorised for issue on October 04th, 2024 by the Board of Directors of the Company.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Director



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

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CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT To the members of HUM Network Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **Hum Network Limited (the Holding Company) and its subsidiaries (the Group)**, which comprise the consolidated statement of financial position as at **30 June 2024**, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at **30 June 2024**, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

| Key audit matters | Key audit matter How the matter was addressed in our audit |
|--|--|
| 1.Acquisition - purchase price allocation (TWS) | |
| <p>During the year ended 30 June 2023, the Group acquired 100% shareholding in Tower Sports (Private) Limited (TWS) for Rs. 150 million. This transaction resulted in the recognition of provisional goodwill amounting to Rs. 125 million, pending allocation of the purchase price ("PPA") to the assets and liabilities acquired. In accordance with IFRS 3, the final allocation of the purchase price must be finalized within a period of twelve months following the date on which control was obtained. In the current year,</p> <p>PPA exercise has been completed which resulted in the recognition of goodwill and intangibles amounting to Rs. 107.2 million and Rs. 17.8 million respectively. The 2023 comparative information has been restated to reflect the adjustment to the provisional amounts.</p> <p>We have determined this to be a key audit matter because the accounting for PPA of this acquisition required a significant amount of management estimation. The significant management judgment and estimates involved in the PPA exercise mainly relate to the determination of the fair value of the acquired assets, particularly goodwill and intangibles acquired as a result of the acquisition.</p> | <p>We read the purchase agreement to gain an understanding of the key terms and conditions.</p> <p>We engaged our internal valuation specialist to assist us in reviewing the management's valuation methodologies and assessing the key assumptions and inputs used in measuring the fair value of intangible asset acquired.</p> <p>We assessed the competence of both internal and external specialists and the objectivity and independence of external specialists, to consider whether they were appropriately qualified to carry out the valuation.</p> <p>We assessed the valuation model, the excess earnings projections, and the key assumptions used in the calculation of the intangible asset's fair value.</p> <p>We assessed the adequacy of the disclosures in accordance with the applicable financial reporting standards</p> |
| 2.Net realizable value of television program costs | |
| <p>As at the year end, the balance of television program costs amounted to Rs. 750,497,506 (30 June 2023: 483,447,376) which represents unamortized cost of completed television programs and television programs in production.</p> <p>As per the accounting policy of the Holding Company, television program costs are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis.</p> | <p>Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Holding Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Holding Company.</p> <p>In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including:</p> <ul style="list-style-type: none"> • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; |

Following are the Key Audit Matters:

| Key audit matter | Key audit matter How the matter was addressed in our audit |
|--|--|
| <p>Allocation of television program costs over several accounting periods involves estimation of future revenues by the management. We have identified this area as key audit matter due to the significance of the estimation and the amount of audit efforts in relation to this area.</p> <p>Refer notes 3.4, 8 and 22 to the consolidated financial statements.</p> | <ul style="list-style-type: none"> rates used by the Holding Company and its fluctuation based on the trend analysis; and we also considered subsequent events which may have an impact on unamortized cost. <p>We also evaluated whether adequate disclosures have been made in the accompanying consolidated financial statements in accordance with the applicable financial reporting standards.</p> |
| 3. Revenue recognition | |
| <p>(Refer note 3.11 and 21 to the accompanying consolidated financial statements)</p> <p>The Group earns revenue from a variety of sources among the different business areas of which 95% pertains to revenue from advertisements and subscriptions.</p> <p>As reported in the explanatory notes, revenues from advertisement are recognized at the time of the appearance of the advertisement and subscription income is recognized in the month in which service is rendered.</p> <p>We concluded that this area constitutes a key audit matter for the Group considering the significance of the amount, it being a key performance indicator and also the increase of 15% and 36% in advertisement and subscription income as compared to the prior year respectively.</p> | <p>We obtained an understanding of the Group's processes in place for revenue recognition and tested key controls over each significant revenue stream.</p> <p>We inspected a sample of contracts to check that revenue recognition was in accordance with the contract terms and the Group's revenue recognition policies.</p> <p>We performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognised in the appropriate accounting period.</p> <p>We assessed the adequacy of the Group's disclosures in accordance with the applicable financial reporting standards.</p> |

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Arslan Khalid.



EY Ford Rhodes
Chartered Accountant
Place: Karachi
Date: October 07, 2024
UDIN Number: AR202410191pvs3U1biV

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- (Restated) |
|---|------|----------------------------|-----------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | 4 | 1,514,924,032 | 1,468,308,459 |
| Intangible assets | 5 | 319,247,397 | 208,193,768 |
| Long-term investment | 6 | - | 49,527,574 |
| Long-term deposits | 7 | 89,277,145 | 30,905,161 |
| Television program costs | 8 | 668,959,141 | 397,617,518 |
| Deferred tax asset | 9 | 169,109,833 | 152,607,326 |
| | | 2,761,517,548 | 2,307,159,806 |
| CURRENT ASSETS | | | |
| Inventories | | 24,506,679 | 16,715,587 |
| Current portion of television program costs | 8 | 81,538,365 | 85,829,858 |
| Trade debts | 10 | 5,272,832,500 | 3,100,542,350 |
| Short-term investments | 11 | 1,062,444,008 | 589,143,291 |
| Advances | 12 | 880,303,171 | 217,960,460 |
| Trade deposits and short-term prepayments | 13 | 99,470,526 | 87,363,141 |
| Other receivables | 14 | 235,029,859 | 220,269,938 |
| Taxation – net | | 37,569,396 | 245,616,828 |
| Cash and bank balances | 15 | 2,313,397,809 | 2,101,996,791 |
| | | 10,007,092,313 | 6,665,438,244 |
| TOTAL ASSETS | | 12,768,609,861 | 8,972,598,050 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorised capital 1,500,000,000 (2023: 1,500,000,000) Ordinary shares of Rs. 1/- each | | 1,500,000,000 | 1,500,000,000 |
| Issued, subscribed and paid-up capital | 16 | 1,134,000,000 | 1,134,000,000 |
| Revenue reserves | | 8,730,827,072 | 5,780,683,890 |
| Other reserves | | 555,396,689 | 516,888,670 |
| Attributable to owners of the Holding Company | | 10,420,223,761 | 7,431,572,560 |
| Non-controlling interest | | (88,677,922) | (88,581,465) |
| | | 10,331,545,839 | 7,342,991,095 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 17 | 149,492,417 | 55,234,536 |
| Long-term financing | 18 | 1,488,288 | 58,765,328 |
| Staff retirement benefits | | 108,013,256 | 94,199,346 |
| | | 258,993,961 | 208,199,210 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 19 | 1,466,398,357 | 1,192,647,473 |
| Contract liability | | 650,992,343 | 137,005,058 |
| Accrued mark-up | | 1,923,660 | 2,033,411 |
| Unclaimed dividend | | 6,066,896 | 6,153,603 |
| Unpaid dividend | | 740,472 | 1,374,738 |
| Current portion of lease liabilities | 17 | 16,889,875 | 15,664,939 |
| Current portion of long-term financing | 18 | 35,058,458 | 66,528,523 |
| | | 2,178,070,061 | 1,421,407,745 |
| CONTINGENCIES AND COMMITMENTS | 20 | | |
| TOTAL EQUITY AND LIABILITIES | | 12,768,609,861 | 8,972,598,050 |

The annexed notes from 1 to 39 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- (Restated) |
|---|------|----------------------------|-----------------------------|
| Revenue - net | 21 | 12,348,461,990 | 7,567,863,940 |
| Cost of production | 22 | (5,616,176,866) | (3,784,999,321) |
| Transmission cost | | (1,178,030,597) | (332,605,797) |
| | | <u>(6,794,207,463)</u> | <u>(4,117,605,118)</u> |
| Gross profit | | 5,554,254,527 | 3,450,258,822 |
| Distribution costs | 23 | (1,240,860,949) | (482,974,749) |
| Administrative expenses | 24 | (1,206,434,376) | (1,194,481,812) |
| Other income | 25 | 379,185,966 | 488,815,703 |
| Other expenses / charges | 26 | (111,416,637) | - |
| Operating profit | | 3,374,728,531 | 2,261,617,964 |
| Finance costs | 27 | (36,245,668) | (47,136,014) |
| Profit before income tax and levies | | 3,338,482,863 | 2,214,481,950 |
| Levies - final tax | 28 | (54,105,424) | (37,290,204) |
| Profit before income tax | | 3,284,377,439 | 2,177,191,746 |
| Income tax | 29 | (334,330,714) | (259,424,940) |
| Profit after taxation | | 2,950,046,725 | 1,917,766,806 |
| Attributable to: | | | |
| Owners of the Holding Company | | 2,950,143,182 | 1,952,769,553 |
| Non-controlling interest | | (96,457) | (35,002,747) |
| | | <u>2,950,046,725</u> | <u>1,917,766,806</u> |
| Earnings per share – basic and diluted (Rupee) | 30 | 2.60 | 1.72 |

The annexed notes from 1 to 39 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 ----- Rupees ----- | 2023 ----- |
|--|----------------------------|----------------------|
| Profit for the year | 2,950,046,725 | 1,917,766,806 |
| Other comprehensive income for the year | | |
| Items that may be reclassified subsequently to statement of profit or loss | | |
| Effect of translation of net investment in foreign subsidiary companies | 38,508,019 | 237,430,555 |
| Total comprehensive income for the year | 2,988,554,744 | 2,155,197,361 |
| Attributable to: | | |
| Owners of the Holding Company | 2,988,651,201 | 2,190,200,108 |
| Non-controlling interest | (96,457) | (35,002,747) |
| | 2,988,554,744 | 2,155,197,361 |

The annexed notes from 1 to 39 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Director



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

| | Issued, subscribed and paid-up capital | Other Reserves Foreign exchange translation reserve | Revenue Reserves Unappropriated profit Rupees | Non- controlling interest | Total |
|--|---|---|--|---------------------------------|-----------------------|
| Balance as at June 30, 2022 | 945,000,000 | 279,458,115 | 4,016,914,337 | (53,578,718) | 5,187,793,734 |
| Loss attributable to non-controlling interest for the year | - | - | - | (35,002,747) | (35,002,747) |
| Profit for the year | - | - | 1,952,769,553 | - | 1,952,769,553 |
| Other comprehensive income | - | 237,430,555 | - | - | 237,430,555 |
| Total comprehensive income for the year | - | 237,430,555 | 1,952,769,553 | - | 2,190,200,108 |
| Issue of bonus shares @ 20% | 189,000,000 | - | (189,000,000) | - | - |
| Balance as at June 30, 2023 | 1,134,000,000 | 516,888,670 | 5,780,683,890 | (88,581,465) | 7,342,991,095 |
| Loss attributable to non-controlling interest for the year | - | - | - | (96,457) | (96,457) |
| Profit for the year | - | - | 2,950,143,182 | - | 2,950,143,182 |
| Other comprehensive income | - | 38,508,019 | - | - | 38,508,019 |
| Total comprehensive income for the year | - | 38,508,019 | 2,950,143,182 | - | 2,988,651,201 |
| Balance as at June 30, 2024 | 1,134,000,000 | 555,396,689 | 8,730,827,072 | (88,677,922) | 10,331,545,839 |

The annexed notes from 1 to 39 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 |
|---|------|----------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 31 | 1,308,845,899 | 1,542,905,675 |
| Income tax and levies paid | | (196,083,241) | (249,585,741) |
| Finance costs paid | | (20,481,918) | (40,218,296) |
| Long-term deposits | | (58,371,984) | 1,477,603 |
| Television program costs | | (271,341,623) | (62,274,499) |
| Net cash flow generated from operating activities | | 762,567,133 | 1,192,304,742 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Additions to property and equipment | | (110,519,620) | (378,405,110) |
| Acquisition of subsidiaries | | (115,903,523) | (30,434,566) |
| Long term investment | | 49,527,574 | - |
| Short-term investments - net | 11 | (440,007,085) | 558,691,632 |
| Profit received on deposit accounts | 25 | 83,203,676 | 67,328,851 |
| Dividend received | 25 | 93,399,999 | 58,931,534 |
| Proceeds from disposal of operating fixed assets | 4.4 | 11,836,874 | 4,922,839 |
| Net cash (used in) / generated from investing activities | | (428,462,105) | 281,035,180 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Long-term financing - net | 18 | (88,747,105) | (271,737,363) |
| Dividend paid | | (720,973) | (925,077) |
| Lease rentals paid | 17 | (33,235,932) | (24,258,933) |
| Net cash used in financing activities | | (122,704,010) | (296,921,373) |
| Net increase in cash and cash equivalents | | 211,401,018 | 1,176,418,549 |
| Cash and cash equivalents at the beginning of the year | | 2,101,996,791 | 925,578,242 |
| Cash and cash equivalents at the end of the year | | 2,313,397,809 | 2,101,996,791 |

The annexed notes from 1 to 39 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

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 and news. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, current affairs, education, health, food, music and society.

The 'Group' consists of:

Holding Company

HUM Network Limited

Subsidiary Companies

| | 2024 | 2023 |
|--|------------------------------|-------------|
| | Percentage of holding | |
| HUM TV, Inc. | 100% | 100% |
| HUM Network UK Limited | 100% | 100% |
| Skyline 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% |
| TS3 FZ LLC | 100% | 0% |
| Sphere Ventures (Private) Limited | 100% | 0% |

1.3 Nature of operations of subsidiaries

HUM TV, Inc., HUM Network UK Limited 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. 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 Publications (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. A scheme of merger, by way of amalgamation, of M.D Productions (Private) Limited, a related party with and into HUMM Co. (Private) Limited was approved by the Board of Directors of the Holding Company on September 22, 2016. The petition for the scheme of arrangement has been withdrawn by the Holding Company on April 23, 2019 due to inordinate delay in the matter proceeding with the High Court.

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

In 2023, the Holding Company acquired 100% shareholding of Tower Sports (Private) Limited i.e. 20,100 ordinary shares having face value of Rs. 1,000 each, issued at Rs. 7,462.69 each at a cost of Rs. 150 million through purchase of 20,100 ordinary shares. Resultantly, Tower Sports (Private) Limited became a subsidiary of the Holding Company effective from 01 May 2023. Tower Sports (Private) Limited is engaged in the business of providing specialised sports services which include but are not limited to production, sales, marketing and distribution of sports media content.

During the current year, HUM Network FZ LLC acquired 100% shareholding of TS3 FZ LLC, i.e., 100 ordinary shares having face value of AED 1,000 each, issued at AED 17,536.73 each at a cost of AED 1,753,673 million through purchase of 100 ordinary shares. Resultantly, TS3 FZ LLC became a subsidiary of the HUM Network FZ LLC effective from 28 August 2023. TS3 FZ LLC is engaged in the business of providing sports consultancy, media and marketing consultancy and digital media services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

During the year, the Holding Company acquired 100% shareholding of Sphere Ventures (Private) Limited, i.e., 1,000,000 ordinary shares having face value of Rs. 10 each. Sphere Ventures (Private) Limited is engaged in production, acquisition, buying, selling, procuring, sponsoring, commissioning and marketing of TV programmes, events, films and entertainment programmers and software for their exhibition, distribution and dissemination on TV channels.

1.4 Geographical location and address of business units

| | |
|--|---|
| Registered office | Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. |
| City office – Karachi | B.R.R Tower, Hassan Ali Street, Off. I.I. Chundrigar Road |
| City office – Karachi | Alfalah Court, I.I Chundrigar Road |
| City office – Islamabad | 2A, I&T center, sector G-6/1 |
| City office – Islamabad | Plot 2C, Shakeel Express Building No. 2, Khayaban e Suharwardy, Aabpara |
| City office – Lahore | House # 58, R-24, Masson Road |
| City office – Peshawar | Plot No. 7-A, 29 The Mall, Peshawar Cantonment |
| City office – Quetta | Plot No. 4-A, Ground Floor, "Aiwan e Mashriq" Hall Road Model Town, Quetta |
| HUM Network UK Limited | 38-P Alum rock road, Birmingham, England. 2 Hemlet Mews, London |
| Skyline Publications (Private) Limited | Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. |
| Hum Mart (Private) Limited | Plot # SR-7, Shed # A-2, Survey 413, Sector 7 A, Korangi Industrial Area, Karachi. |
| HUM TV, Inc. | 6201 Bonhomme Road, 180N, Houston Texas. |
| Tower Sports (Private) Limited | Office Number 113-114, 1st floor, Sidco Avenue Centre, opposite YMCA Saddar, Karachi, Pakistan. |

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting Convention

2.2.1 These consolidated financial statements have been prepared on the basis of historical cost convention, except otherwise specifically stated.

2.2.2 These consolidated financial statements are presented in Pak Rupees which is the Group's functional and presentation currency.

2.3 New standards and amendments to approved accounting standards

2.3.1 Adoption of Amendements to approved accounting standards effective during the year

Amendments to approved accounting standards

IAS 8 Definition of Accounting Estimates (Amendments)

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

IAS 1 and IFRS

Practice Statement 2 Disclosure of Accounting Policies (Amendments)

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences i.e. leases and decommissioning liabilities.

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.

The above amendments to the approved accounting standards had no material impact on these financial statements.

2.3.2 Standards and amendments to approved accounting standards that are not yet effective

The following standards and amendments to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

| Standards / Amendments | | Effective date (annual periods beginning on or after) |
|------------------------|--|---|
| IAS 1 | Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1 | January 01, 2024 |
| IAS 7 and IFRS 7 | Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 | January 01, 2024 |
| IFRS 16 | Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| IAS 21 | Lack of exchangeability - Amendments to IAS 21 | January 01, 2025 |
| IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 | January 01, 2026 |
| IFRS 17 | Insurance Contracts | January 01, 2026 |
| IFRS 18 | Presentation and Disclosure in Financial Statements | January 01, 2027 |
| IFRS 19 | Subsidiaries without Public Accountability: Disclosures | January 01, 2027 |
| IFRS 10 / IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalised |

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| Standard | IASB effective date (annual periods beginning on or after) |
|---|--|
| IFRS 1 First-time Adoption of International Financial Reporting Standards | January 01, 2004 |

The Company expects that above standards and amendments to the approved accounting standards will not have any material impact on the Company's financial statements in the period of initial application.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgment, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The judgements, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources.

Judgements, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the accounting policies, management has made the following estimates and judgements which are significant to the consolidated financial statements:

Property and equipment and intangible assets (note 4 & 5)

The Group reviews appropriateness of the rate of depreciation / amortisation, useful life and residual value used in the calculation of depreciation / amortisation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment and intangible assets, with corresponding effects on the depreciation / amortisation charge and impairment.

Television program costs (note 8)

Television program costs represent unamortised cost of completed television programs and television programs in production. In order to determine the amount to be charged to consolidated statement of profit or loss, the management estimates future revenues from each program. Estimates of future revenues can change significantly due to a variety of factors, including advertising rates and the level of market acceptance of the production in different geographical locations. Accordingly, revenue estimates are reviewed periodically and amortisation is adjusted, if necessary. Such adjustments could have a material effect on results of operations in future periods.

Taxation (note 9 & 29)

In making the estimate for income tax payable by the Group, the Group takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past.

Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of financial assets (note 3.5.3)

The Group uses a provision matrix to calculate Expected Credit Loss (ECL) for trade debts and other receivables. The provision rates are based on days past due for Group's various customer that have similar loss patterns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Contingencies (note 20)

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

Leases- Estimating the incremental borrowing rate (note 17)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Leases- Determination of the lease term for lease contracts with extension and termination options (note 17)

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Group in the preparation of these financial statements are as follows:

3.1 Basis of consolidation

Subsidiary is a entity over which the Group has control. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Generally, there is presumption that a majority of voting rights result in control.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control.

Subsidiary is consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Income and expenses of a subsidiary acquired or disposed off during the year are included in profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the Subsidiary Company have been changed to conform with accounting policies of the Holding Company, where required.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such remeasurement are recognised in profit or loss.

Business combinations are accounted for using the acquisition method of accounting. Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The cost of an acquisition is measured as the cash paid and the fair value of other assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of cost of acquisition is recorded as goodwill, however, if the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends within the Group are eliminated in full.

Non-controlling interest (NCI) is that part of the net results of operations and of net assets of subsidiary attributable interest which are not owned by the Group. The Group measures NCI on proportionate basis of the net assets of subsidiary company.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit and loss, and reclassifies the Holding Company share of components previously recognised in other comprehensive income to profit or loss account or retained earnings, as appropriate.

3.2 Business combinations

3.2.1 Acquisition of Subsidiaries

International Financial Reporting Standard 3, (IFRS 3) "Business Combinations", requires that all identified assets and liabilities acquired in a business combination should be carried at fair values in the acquirer's balance sheet and any intangible assets acquired in the business combination are required to be separately recognised and carried at fair values.

During the year, the Group acquired 100% of the voting shares of "TS3 FZ LLC" a company established in the UAE, which is engaged in the business of sports consultancy, media / marketing consultancy and digital media services and "Sphere Ventures (Private) Limited" a company established in Pakistan, which is engaged in the business of production, acquisition, marketing, buying and selling of programs.

The acquisition has been accounted for by applying the acquisition method in accordance with the requirements of IFRS 3 which allows the acquirer a maximum period of one year from the date of acquisition to finalise the accounting for business combination. Identified assets acquired, liabilities assumed or incurred have to be carried at the fair value as at the acquisition date. The fair valuation exercise is in progress and will be finalised within the period of one year as allowed under IFRS 3. Any adjustment arising at the time of finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition.

Assets acquired and liabilities assumed

The provisional fair values of the identifiable assets and liabilities of TS3 FZ LLC as at the date of acquisition i.e August 28, 2023 were:

| | Amount in AED | Amount in Rs. |
|------------------------------------|----------------|-------------------|
| Assets | | |
| Advances, deposits and prepayments | 11,410 | 931,931 |
| Cash and bank balances | 398,457 | 32,544,653 |
| Total Assets | 409,867 | 33,476,584 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | | |
|--|--------------------|----------------------|
| Liabilities | | |
| Accounts payable | 150,010 | 12,252,322 |
| Total Liabilities | 150,010 | 12,252,322 |
| Identifiable net assets at provisional fair value | 259,857 | 21,224,262 |
| Purchase consideration transferred at acquisition date | 1,753,673 | 143,234,210 |
| Provisional fair value of net assets acquired | (259,857) | (21,224,262) |
| Provisional goodwill arising on acquisition | 1,493,816 | 122,009,948 |
| Cash paid on acquisition | (1,753,673) | (143,234,210) |
| Cash acquired in subsidiary | 398,457 | 32,544,653 |
| Net cash paid | (1,355,216) | (110,689,557) |

The provisional fair values of the identifiable assets and liabilities of **Sphere Ventures (Private) Limited** as at the date of acquisition i.e July 26, 2023 were:

| | |
|--|----------------------|
| | Amount in Rs. |
| Assets | |
| Advance tax | 77,430 |
| Cash and bank balances | 4,786,034 |
| Total Assets | 4,863,464 |
| Total Liabilities | - |
| Identifiable net assets at provisional fair value | 4,863,464 |
| Purchase consideration transferred at acquisition date | 10,000,000 |
| Provisional fair value of net assets acquired | 4,863,464 |
| Provisional goodwill arising on acquisition | 5,136,536 |
| Cash paid on acquisition | (10,000,000) |
| Cash acquired in subsidiary | 4,786,034 |
| Net cash paid | (5,213,966) |

Further, as noted above, the goodwill recorded in the consolidated financial statements is based on provisional figures and does not incorporate adjustments which will be recorded after completion of the fair value exercise of recorded assets and liabilities.

3.2.2 Purchase Price Allocation of subsidiary acquired in prior year.

Tower Sports (Private) Limited acquired on May 1, 2023 was carried on provisional values in the prior year's consolidated financial statement. In the current year, purchase price allocation exercise has been completed with the assistance of an independent valuer and the comparative information has been restated to reflect the adjustment to the provisional amounts which include recognition of goodwill and intangible.

Details of the fair values of the assets acquired, liabilities assumed and purchase consideration and the resultant goodwill recognised are as follows:

| | Note | Restated May 1, 2023 Amount in Rs. |
|--|---------|--|
| Identified net assets | 3.2.2.1 | 42,714,341 |
| Purchase consideration | | 150,000,000 |
| Goodwill arising on acquisition | | 107,285,659 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.2.2.1 The final fair values of identifiable assets (including intangible assets) and liabilities of **Tower Sports (Private) Limited** at the date of acquisition are as follows:

| | Provisional fair value as at May 1, 2023 (based on audited financial statements as at June 30, 2023) | Fair value adjustments recognised during the year (as per consultant's report) | Fair values as at May 1, 2023 (as per consultant's report) Restated |
|------------------------------------|--|--|---|
| ----- Amount in Rs. ----- | | | |
| Assets | | | |
| Property and equipments | 7,038,747 | - | 7,038,747 |
| Intangible assets | 1 | 17,812,760 | 17,812,761 |
| Long-term deposits | 16,160 | - | 16,160 |
| Long-term investment | 49,244,948 | - | 49,244,948 |
| Trade debts | 3,192,387 | - | 3,192,387 |
| Loans and advances | 582,717 | - | 582,717 |
| Short-term deposit and prepayments | 1,866,826 | - | 1,866,826 |
| Interest receivable | 1,398,750 | - | 1,398,750 |
| Income tax refundable-net | 42,757,564 | - | 42,757,564 |
| Cash and bank balances | 119,565,434 | - | 119,565,434 |
| Total Assets | 225,663,534 | 17,812,760 | 243,476,294 |
| Liabilities | | | |
| Advance against shares | 1,570,000 | - | 1,570,000 |
| Trade and other payables | 21,188,114 | - | 21,188,114 |
| Payable against sales - net | 178,003,839 | - | 178,003,839 |
| Total Liabilities | 200,761,953 | - | 200,761,953 |
| Fair value of net assets | 24,901,581 | 17,812,760 | 42,714,341 |

3.2.2.2 Intangible recognised on acquisition

| | |
|---|----------------------|
| | May 1, 2023 |
| | Amount in Rs. |
| Rights - Network Affiliate Agreement | 17,812,760 |

This represents an arrangement with MSM Asia which provides it with rights to its channel Tensports. The target has been entering contracts with third parties based on these channel rights. This means that the association with MSM Asia enables the target to generate significant value. The management believes that this association would continue in the future it believes that this association would continue in the future as well, and the decision of acquisition was primarily taken due to the same association.

This has been valued using Multiperiod Excess Earnings Method. This method involves discounting the resulting excess earnings, following the deduction of contributory asset charges, to determine the intangible value. The identified intangible has a indefinite useful life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.3 Property and equipment

3.3.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to consolidated statement of profit or loss using straight line method so as to write off the historical cost of the assets over their estimated useful lives. Depreciation on additions is charged from the month in which the asset is available to use and no depreciation is charged for the month in which asset was disposed of.

Maintenance and normal repairs are charged to consolidated statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised when it is probable that respective future economic benefits will flow to the Group.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated statement of profit or loss in the year the asset is derecognised.

The assets' residual values, useful lives and method of depreciation are revised, and adjusted if appropriate, at each consolidated statement of financial position date.

3.3.2 Right of use assets

The Group recognises a right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of lease term or useful life, except for the leases in which ownership of the underlying assets transfer to the lessee by the end of the lease term or cost of right of use assets reflects that the lessee will exercise a purchase option, the Group depreciate those right of use asset over the useful life of the underlying asset.

3.3.3 Capital work in progress

These are stated at cost less accumulated impairment losses and consists of expenditures incurred and advances made in respect of specific assets during the construction period. These are transferred to specific assets as and when assets are available for use.

3.4 Television program costs

Television program costs represent unamortised cost of completed television programs and television programs in production. These costs include direct production costs, cost of inventory consumed, and production overheads and are stated at the lower of cost, less accumulated amortisation and net realizable value (NRV). NRV is estimated by the management on the basis of future revenue generation capacity of the program. Acquired television program licenses and rights are recorded when the license period begins and the program is available for use.

Television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues less cost expensed in prior years on an individual program basis.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5.1 Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

3.5.2 Financial assets at fair value through profit or loss

Financial assets at FVPL include financial assets held for trading. Financial assets with cashflows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at FVPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

This category also includes listed equity investments and mutual funds which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments and mutual funds are also recognised as other income in profit or loss when the right of payment has been established.

As at the date of consolidated statement of financial position, the Group does not have any equity instrument designated at fair value through OCI.

3.5.3 Impairment of financial assets

For trade debts, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.5.4 Financial liabilities at amortised cost

After initial recognition, borrowings and payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

3.5.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Contract Liability

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability are recognised as revenue when the Group performs under the contract.

3.7 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in consolidated statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3.8 Taxation

3.8.1 Current

Provision for current tax is based on the taxable income in accordance with the applicable laws.

3.8.2 Deferred

Deferred tax is recognised using the balance sheet liability method, on all major temporary differences arising at the consolidated statement of financial position date between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The carrying amount of deferred tax asset is reviewed at each consolidated statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the consolidated statement of financial position date.

3.8.3 Levies - Final tax

Pursuant to the release of circular 7/2024 by the Institute of Chartered Accountants of Pakistan, the Group has elected to change the method of accounting for minimum taxes and final taxes.

The Group designates the amount calculated on taxable income using the enacted tax as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax is recognised as a levy falling under the scope of IFRIC 21 / IAS 37.

As computation of final taxes under provisions of ITO, 2001 is not based on taxable income, therefore, final taxes fall under levy within the scope of IFRIC 21 / IAS 37 and not income tax in the consolidated statement of profit or loss.

The Group reclassified the levies that fall under the scope of IFRIC 21 / IAS 37 in the consolidated statement of profit or loss retrospectively. Accordingly, there are no changes in the consolidated statement of financial position and profit for the year.

3.9 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

i) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Group uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

ii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.10 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each consolidated statement of financial position date and adjusted to reflect the current best estimate.

3.11 Revenue recognition

Advertisement revenue is recognised when the related advertisement or commercial appears before the public i.e., aired.

Production revenue: Production revenue is recognised when production work appears before public.

Digital revenue: Advertising revenues from digital properties are recognized on the basis of number of impressions on the advertisement aired on website.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Subscription income arises from the monthly billing to subscribers for services provided by the Group and from digital avenues based on number of views. Revenue is recognised in the month the service is rendered.

Film Distribution revenues: Revenue from film distribution is recognized at a point in time upon receipt of related sales reports from cinemas.

Sale of goods are recognized when goods are delivered to customers.

Sale of magazines: Revenue is recognised on dispatch of magazines.

Credit limits in contract with customers ranges from 2 to 90 days.

3.12 Other income

Profit on bank deposits is accounted for on effective interest method.

Dividend income is recognized when it is declared and right to receive is established.

Interest / markup income is recognized on accrual basis.

Other revenues are accounted for on an accrual basis.

3.13 Staff retirement benefits

Defined contribution plan

The Holding Company operates a funded and approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Holding Company and the employees, to the fund at the rate of 8.33% of the basic salary.

3.14 Foreign currency transactions and translations

Foreign currency transactions are translated into Pakistani Rupees using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees using the exchange rate at the consolidated statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to consolidated statement of profit or loss.

The assets and liabilities of foreign subsidiary companies are translated to Pak rupees at exchange rates prevailing at the consolidated statement of financial position date. The income and expenses of foreign subsidiary companies are translated at average rate of exchange for the year. Translation gains and losses arising on the translation of net investment in foreign subsidiary companies are taken to equity under "Foreign Exchange Translation Reserve" and on disposal are recognised in the consolidated statement of profit or loss.

3.15 Contingencies

Contingencies are disclosed when the Group has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.16 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the period.

3.17 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

3.18 Segment Reporting

Segment reporting is based on the reporting operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the senior management of the Group to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees | 2023 Rupees |
|---------------------------------|------|----------------------|----------------------|
| 4 PROPERTY AND EQUIPMENT | | | |
| Operating fixed assets | 4.1 | 1,159,876,528 | 1,215,448,121 |
| Right of use assets | 4.5 | 139,838,733 | 51,984,192 |
| Capital work in progress | 4.6 | 215,208,771 | 200,876,146 |
| | | <u>1,514,924,032</u> | <u>1,468,308,459</u> |

4.1 Operating fixed assets

| | Cost | | | Accumulated depreciation | | | Book value | Depreciation Rate |
|------------------------------|----------------------|---|----------------------|--------------------------|--|----------------------|----------------------|-------------------|
| | As at July 01, 2023 | Additions / transfers from ROUA**/ reversal of impairment***/ (disposals) | As at June 30, 2024 | As at July 01, 2023 | Charge / transfers from ROUA**/ (disposals) for the year | As at June 30, 2024 | as at June 30, 2024 | % per annum |
| | Rupees | | | | | | | |
| Leasehold land * | 794,147,376 | - | 794,147,376 | 94,363,174 | 16,237,866 | 110,601,040 | 683,546,336 | 2.04 - 2.13 |
| Building on leasehold land * | 109,890,511 | - | 109,890,511 | 74,391,352 | 7,606,963 | 81,998,315 | 27,892,196 | 10 |
| Leasehold improvements | 192,375,484 | - | 192,375,484 | 192,009,135 | 366,349 | 192,375,484 | - | 33 |
| Furniture and fittings | 65,251,341 | 4,860,584 | 70,141,420 | 36,880,648 | 8,318,243 | 45,198,891 | 24,942,529 | 10 |
| | | 29,495 *** | | | | | | |
| Vehicles | 271,250,790 | 10,722,190 | 278,259,916 | 77,805,320 | 38,037,424 | 115,355,423 | 162,904,493 | 25 - 33 |
| | | 13,234,424 ** | | | 9,158,646 ** | | | |
| Audio visual equipment | 604,744,185 | (16,947,488) | 626,805,047 | 489,042,045 | (9,645,967) | 501,669,266 | 125,135,781 | 25 |
| | | 24,910,638 | | | 15,221,102 | | | |
| Uplinking equipment | 71,656,759 | (2,849,776) | 70,047,726 | 54,759,552 | (2,593,881) | 55,845,059 | 14,202,667 | 10 |
| | | (1,609,033) | | | 2,533,637 | | | |
| Office equipment | 129,381,485 | 11,013,426 | 138,372,289 | 101,330,650 | (1,448,130) | 112,645,682 | 25,726,607 | 15 |
| | | (2,074,650) | | | 13,185,844 | | | |
| Computers | 296,016,864 | 52,028 *** | 338,854,886 | 198,684,798 | (1,870,812) | 243,328,967 | 95,525,919 | 33 |
| | | 44,680,157 | | | 45,766,225 | | | |
| | | (1,842,135) *** | | | (1,122,056) | | | |
| 2024 | 2,534,714,795 | 96,186,995 | 2,618,894,655 | 1,319,266,674 | 147,273,653 | 1,459,018,127 | 1,159,876,528 | |
| | | 13,234,424 ** | | | 9,158,646 ** | | | |
| | | (25,323,082) | | | (16,680,846) | | | |
| | | 81,523 *** | | | | | | |
| | Cost | | | Accumulated depreciation | | | Book value | Depreciation Rate |
| | As at July 01, 2022 | Additions / transfers from ROUA**/ reversal of impairment***/ (disposals) | As at June 30, 2023 | As at July 01, 2022 | Charge / transfers from ROUA**/ (disposals) for the year | As at June 30, 2023 | as at June 30, 2023 | % per annum |
| | Rupees | | | | | | | |
| Owned | | | | | | | | |
| Leasehold land * | 794,147,376 | - | 794,147,376 | 78,125,307 | 16,237,867 | 94,363,174 | 699,784,202 | 2.04 - 2.13 |
| Building on leasehold land * | 109,890,511 | - | 109,890,511 | 66,784,389 | 7,606,963 | 74,391,352 | 35,499,159 | 10 |
| Leasehold improvements | 192,375,484 | - | 192,375,484 | 189,215,059 | 2,794,076 | 192,009,135 | 366,349 | 33 |
| Furniture and fittings | 58,964,845 | 6,520,491 | 65,251,341 | 30,602,925 | 6,406,820 | 36,880,648 | 28,370,693 | 10 |
| | | (267,100) | | | (129,097) | | | |
| | | 33,105 *** | | | | | | |
| Vehicles | 119,077,534 | 152,416,470 | 271,250,790 | 63,002,418 | 15,021,074 | 77,805,320 | 193,445,470 | 25 - 33 |
| | | 5,358,108 ** | | | 3,750,676 ** | | | |
| Audio visual equipment | 583,669,586 | (5,601,322) | 604,744,185 | 477,112,700 | (3,968,848) | 489,042,045 | 115,702,140 | 25 |
| | | 23,716,217 | | | 14,170,578 | | | |
| Uplinking equipment | 74,856,759 | (2,641,618) | 71,656,759 | 53,094,524 | (2,241,233) | 54,759,552 | 16,897,207 | 10 |
| | | (3,200,000) | | | 3,105,028 | | | |
| Office equipment | 123,366,718 | 6,549,424 | 129,381,485 | 89,510,432 | (1,440,000) | 101,330,650 | 28,050,835 | 15 |
| | | (618,900) | | | 12,439,118 | | | |
| Computers | 200,007,174 | 84,243 *** | 296,016,864 | 180,782,112 | (618,900) | 198,684,798 | 97,332,066 | 33 |
| | | 96,848,415 | | | 19,300,092 | | | |
| | | (1,453,286) | | | (1,397,406) | | | |
| | | 614,561 *** | | | | | | |
| 2023 | 2,256,355,987 | 286,051,017 | 2,534,714,795 | 1,228,229,866 | 97,081,616 | 1,319,266,674 | 1,215,448,121 | |
| | | 5,358,108 ** | | | 3,750,676 ** | | | |
| | | (13,782,226) | | | (9,795,484) | | | |
| | | 731,909 *** | | | | | | |

* Includes asset under common ownership under Diminishing Musharaka arrangement.

** Includes transfers from leased to owned assets. (Refer note 4.5)

*** Represents reversal of provision for impairment against assets of subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.2 Particulars of immovable assets in the name of the Group are as follows:

| Location | Addresses | Total Area |
|-----------|---|---------------|
| Karachi | Plot No. 10/11 Hassan Ali Street, off I.I. Chundrigar road. | 2,070 sq yard |
| Islamabad | Plot No.2A, I&T Centre Sector G-6/1. | 30,610 sq. ft |
| Islamabad | 6-7 km, Kashmir Highway, adjacent to Sector H-17 | 303 sq yard |

4.3 Depreciation for the year on operating fixed assets has been allocated as follows:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|-------------------------|------|----------------------------|-------------------|
| Cost of production | 22 | 52,232,325 | 42,139,114 |
| Distribution costs | 23 | 11,024,675 | 8,213,258 |
| Administrative expenses | 24 | 84,016,653 | 46,729,244 |
| | | <u>147,273,653</u> | <u>97,081,616</u> |

4.4 The details of operating fixed assets disposed / written off during the year are as follows:

| Description | Cost | Accumulated depreciation | Net book value | Sale proceeds | Gain / (loss) | Modes of Disposal | Particulars of Buyer |
|--|-------------------|--------------------------|------------------|-------------------|------------------|---------------------|----------------------|
| Vehicles | | | | | | | |
| | 7,075,811 | 5,020,239 | 2,055,572 | 2,122,743 | 67,171 | As per Group Policy | Nasir Thehrani |
| | 2,707,000 | 1,789,449 | 917,551 | 1,729,651 | 812,100 | As per Group Policy | Manan Zafar |
| | 6,779,200 | 2,497,759 | 4,281,441 | 4,305,761 | 24,320 | As per Group Policy | Aly Rana |
| Items having book value of less than Rs. 500,000 | 8,761,071 | 7,373,399 | 1,387,672 | 3,678,719 | 2,291,047 | Various | Various |
| 2024 | <u>25,323,082</u> | <u>16,680,846</u> | <u>8,642,236</u> | <u>11,836,874</u> | <u>3,194,638</u> | | |
| 2023 | <u>13,782,226</u> | <u>9,795,484</u> | <u>3,986,742</u> | <u>4,922,839</u> | <u>936,097</u> | | |

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|---|---------------|----------------------------|----------------------|
| 4.5 Right of use assets | | | |
| Year ended June 30 | | | |
| Opening net book value | | 51,984,192 | 78,765,339 |
| Additions in lease liabilities | | 97,526,881 | 1,638,463 |
| Changes due to modification | | - | (6,262,103) |
| Changes due to remeasurement | | 15,318,366 | - |
| Transfer to operating fixed assets - net book value | | (4,075,778) | (1,607,432) |
| Depreciation charge for the year | 4.5.2 & 4.5.3 | (20,914,928) | (20,550,075) |
| Closing net book value | | <u>139,838,733</u> | <u>51,984,192</u> |
| As at June 30 | | | |
| Cost | | 231,944,944 | 153,666,550 |
| Accumulated depreciation | | <u>(92,106,211)</u> | <u>(101,682,358)</u> |
| Net book value | | <u>139,838,733</u> | <u>51,984,192</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.5.1 Breakup of net book value of right of use assets by class of underlying assets is as follows:

| | 2024 | 2023 |
|-------------------|--------------------|-------------------|
| | Rupees | Rupees |
| Land and building | 135,781,757 | 41,343,324 |
| Vehicles | 4,056,976 | 10,640,868 |
| | <u>139,838,733</u> | <u>51,984,192</u> |

4.5.2 The right of use assets are depreciated on straight line basis over the lease term. Depreciation charge for the year on such assets has been allocated as follows:

| | Note | 2024 | 2023 |
|-------------------------|------|-------------------|-------------------|
| | | Rupees | Rupees |
| Cost of production | 22 | 18,339,073 | 15,605,265 |
| Distribution costs | 23 | - | 883,609 |
| Administrative expenses | 24 | 2,575,855 | 4,061,201 |
| | | <u>20,914,928</u> | <u>20,550,075</u> |

4.5.3 Breakup of depreciation of right of use assets by class of underlying asset is as follows:

| | | |
|-------------------|-------------------|-------------------|
| Land and building | 18,406,807 | 16,540,141 |
| Vehicles | 2,508,121 | 4,009,934 |
| | <u>20,914,928</u> | <u>20,550,075</u> |

4.6 Capital work in progress

| | | |
|------------------------|--------------------|--------------------|
| Leasehold land | 162,327,930 | 162,327,930 |
| Leasehold Improvements | 52,880,841 | 38,548,216 |
| | <u>215,208,771</u> | <u>200,876,146</u> |

4.6.1 Movement in capital work in progress during the year:

| | | |
|----------------------------------|--------------------|--------------------|
| Balance at beginning of the year | 200,876,146 | 106,914,620 |
| Additions during the year | 14,332,625 | 93,961,526 |
| Balance at end of the year | <u>215,208,771</u> | <u>200,876,146</u> |

5 INTANGIBLE ASSETS

| | Cost | | | Accumulated amortisation | | | Book value | Amortisation |
|--------------------|---------------------------|-------------------------------|---------------------------|---------------------------|------------------------|---------------------------|---------------------------|--------------|
| | As at July 01, 2023 | Additions / Impact of OCI* | As at June 30, 2024 | As at July 01, 2023 | Charge for the year | As at June 30, 2024 | as at June 30, 2024 | rate % |
| | | | | | | | | per annum |
| Goodwill | 121,134,998 | 119,114,760 | 240,249,758 | 11,803,791 | - | 11,803,791 | 228,445,967 | |
| Rights | 17,812,760 | - | 17,812,760 | - | - | - | 17,812,760 | |
| Computer softwares | 79,036,067 | - | 79,036,067 | 58,838,727 | 1,352,672 | 60,191,399 | 18,844,668 | 20 – 33 |
| License fee | 52,286,498 | - | 52,286,498 | 14,529,072 | 200,100 | 14,729,172 | 37,557,326 | 6.67 |
| Trade mark | 68,040,740 | - * | 68,040,740 | 44,945,705 | 6,508,359 | 51,454,064 | 16,586,676 | 20 |
| | <u>338,311,063</u> | <u>119,114,760</u> | <u>457,425,823</u> | <u>130,117,295</u> | <u>8,061,131</u> | <u>138,178,426</u> | <u>319,247,397</u> | |
| | Cost (Restated) | | | Accumulated amortisation | | | Book value | Amortisation |
| | As at July 01, 2022 | Additions / Impact of OCI* | As at June 30, 2023 | As at July 01, 2022 | Charge for the year | As at June 30, 2023 | as at June 30, 2023 | rate % |
| | | | | | | | | per annum |
| Goodwill | 13,849,339 | 107,285,659 | 121,134,998 | 11,803,791 | - | 11,803,791 | 109,331,207 | |
| Rights | | 17,812,760 | 17,812,760 | - | - | - | 17,812,760 | |
| Computer softwares | 79,036,067 | - | 79,036,067 | 53,780,362 | 5,058,365 | 58,838,727 | 20,197,340 | 20 – 33 |
| License fee | 52,286,498 | - | 52,286,498 | 14,328,972 | 200,100 | 14,529,072 | 37,757,426 | 6.67 |
| Trade mark | 41,470,477 | 26,570,263 * | 68,040,740 | 38,028,652 | 6,917,053 | 44,945,705 | 23,095,035 | 20 |
| | <u>186,642,381</u> | <u>151,668,682</u> | <u>338,311,063</u> | <u>117,941,777</u> | <u>12,175,518</u> | <u>130,117,295</u> | <u>208,193,768</u> | |

* Represents effects of re-translation in Other Comprehensive Income (OCI)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

5.1 Amortisation for the year has been allocated as follows:

| | Note | 2024 ----- Rupees | 2023 ----- Rupees |
|-------------------------|------|-------------------------|-------------------------|
| Cost of production | 22 | 1,915,852 | 6,350,640 |
| Administrative expenses | 24 | 6,145,279 | 5,824,878 |
| | | <u>8,061,131</u> | <u>12,175,518</u> |

- 5.2 For valuation purposes of the intangibles acquired (Rights) in Tower Sports (Private) Limited, the fair value is determined based on multiperiod excess earnings method, wherein the resulting excess earnings after deduction of contributory assets charge on a projected period of 6 years, are discounted to determine the value of the intangible. The discount rate applied is 24.5% per annum.

Key assumptions used in valuation

The calculation of fair value is most sensitive to the following assumptions:

- Discount rates
- Key business assumptions

Discount rates

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target Weighted Average Return on Assets (WARA) i.e. Weighted Average Cost of Capital (WACC) + 1% of the Subsidiary Company.

Key business assumptions

These assumptions includes revenue growth in marketing and subscription services, customer churn rate and operating profit margin.

Sensitivity to changes in assumptions

Management believes that after considering the various scenarios, no reasonably possible change in any of the above key assumptions would cause the fair value of the intangible to materially vary from its existing fair value determined.

6 LONG-TERM INVESTMENT

| | Note | 2024 ----- Rupees | 2023 ----- Rupees |
|--------------------------|------|-------------------------|-------------------------|
| Pakistan investment bond | | - | 49,527,574 |

7 LONG-TERM DEPOSITS AND PREPAYMENTS

Security deposits - unsecured - considered good

| | | |
|----------|-------------------|-------------------|
| - Rent | 12,661,944 | 7,177,767 |
| - Trade | 15,975,435 | 15,975,435 |
| - Others | 3,163,524 | 5,646,882 |
| | <u>31,800,903</u> | <u>28,800,084</u> |

Prepayments

| | | |
|----------------------------|-------------------|-------------------|
| - Software development fee | 37,380,242 | 2,105,077 |
| - Membership fee | 20,096,000 | - |
| | <u>89,277,145</u> | <u>30,905,161</u> |

8 TELEVISION PROGRAM COSTS

| | | |
|---|--------------------|--------------------|
| Unreleased / released - net of amortisation | 683,641,711 | 432,619,726 |
| In production | 66,855,795 | 50,827,650 |
| | <u>750,497,506</u> | <u>483,447,376</u> |
| Less: Current portion | (81,538,365) | (85,829,858) |
| | <u>668,959,141</u> | <u>397,617,518</u> |

9 DEFERRED TAX ASSET

Taxable temporary differences arising in respect of:

| | | |
|---|--------------------|--------------------|
| Unrealized gain on short term investments - net | (3,966,706) | - |
| Unrealised exchange gain - net | - | (2,896,908) |
| | <u>(3,966,706)</u> | <u>(2,896,908)</u> |

Deductible temporary differences arising in respect of:

| | | |
|---|--------------------|--------------------|
| Provisions | 139,714,080 | 128,838,706 |
| Lease liabilities - net | 10,351,988 | 7,376,946 |
| Accelerated tax depreciation and amortisation | 4,949,327 | 1,972,220 |
| Unrealised loss on short-term investments - net | - | 414,837 |
| Unrealized exchange loss - net | 933,232 | - |
| Unabsorbed losses | 17,127,912 | 16,901,525 |
| | <u>173,076,539</u> | <u>155,504,234</u> |
| | <u>169,109,833</u> | <u>152,607,326</u> |

10 TRADE DEBTS – unsecured

| | | |
|-------------------------|----------------------|----------------------|
| Considered good | 5,272,832,500 | 3,100,542,350 |
| Considered doubtful | 82,441,121 | 47,592,291 |
| | <u>5,355,273,621</u> | <u>3,148,134,641</u> |
| Less: Allowance for ECL | (82,441,121) | (47,592,291) |
| | <u>5,272,832,500</u> | <u>3,100,542,350</u> |

10.1
10.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

10.1 Allowance for expected credit loss

| | | | |
|-----------------------------------|----|-------------------|-------------------|
| Opening balance | | 47,592,291 | 114,234,344 |
| Addition of subsidiary | | - | 3,485,486 |
| Written off | 26 | 567,842 | (28,935,065) |
| Charge for the year | 26 | 16,034,334 | 6,215,306 |
| Reversal of provision | | - | (52,745,517) |
| Impact of translation | | 18,246,654 | 5,337,737 |
| Balance as at the end of the year | | <u>82,441,121</u> | <u>47,592,291</u> |

10.2 Particulars of receivable from foreign jurisdictions:

Jurisdiction

| | | |
|--------------------------|--------------------|--------------------|
| United Arab Emirates | 437,248,214 | 359,671,228 |
| United Kingdom | 264,140,949 | 197,480,965 |
| United States of America | 96,498,682 | 86,760,665 |
| | <u>797,887,844</u> | <u>643,912,858</u> |

10.2.1 These receivables are covered under contractual terms and there are no defaulting parties as of June 30, 2024 and June 30, 2023.

10.3 The aging of trade debts at the statement of financial position date was:

| | Not past due | Past due 1-30 days | Past due 31-60 days | Past due 61-90 days | Past due more than 90 days |
|-------------------|---------------|--------------------|---------------------|---------------------|----------------------------|
| | | | Rupees | | |
| 2024 | | | | | |
| Gross receivable | 4,048,586,857 | 647,988,108 | 305,250,596 | 232,954,403 | 120,493,656 |
| Default loss rate | 0.63% | 3.07% | 4.42% | 13.48% | 18.00% |
| 2023 | | | | | |
| Gross receivable | 2,505,754,593 | 264,705,401 | 147,839,419 | 137,901,137 | 91,934,091 |
| Default loss rate | 0.48% | 2.57% | 3.62% | 12.82% | 17.93% |

| | Note | 2024 Rupees | 2023 Rupees |
|---|------|----------------|----------------|
| 11 SHORT-TERM INVESTMENTS | | | |
| At fair value through profit or loss | | | |
| U Microfinance Bank Limited | | | |
| 2023: 8,400 TFCs having face value of Rs.2,496 each (Fair Value: 1.0087) | | - | 21,148,158 |
| Mutual Funds | | | |
| Listed securities | | | |
| Javedan Corporation Limited | | | |
| Market value: 5,000,000 shares at Rs. 35.06/share (2023: Nil) | | 175,300,000 | - |
| Mutual Funds | | | |
| AKD Opportunity Fund | | | |
| 553,769 (2023: 542,247) units having NAV of Rs. 110.3141 (2023: Rs. 88.84) per unit | | 61,088,579 | 48,170,691 |
| AKD Islamic Income Fund | | | |
| 116,510.43 (2023: 99,961) units having NAV of Rs. 51.5140 (2023: Rs. 50.8934) per unit | | 6,001,918 | 5,087,356 |
| AKD Golden Arrow Stock Fund | | | |
| 3,988,680 (2023: 3,900,838) units having NAV of Rs. 18.9174 (2023: Rs. 12.0312) per unit | | 75,455,472 | 46,931,759 |
| NBP Money Market Fund | | | |
| 3,521,414 (2023: 2,972,935) units having NAV of Rs. 10.0082 (2023: Rs. 9.9797) per unit | | 35,243,012 | 29,668,997 |
| UBL Liquidity Plus Fund | | | |
| 270,600.86 (2023: 228,544) units having NAV of Rs. 101.358 (2023: Rs. 101.1864) per unit | | 27,427,568 | 23,125,569 |
| Faysal Islamic Cash Fund | | | |
| 1,497,517.1166 units having NAV of Rs. 100.1658 per unit | | 150,000,000 | - |
| Alfalah Islamic Capital Preservation Plan 4 Class A | | | |
| 2023: 8 units having NAV of Rs. 100.5236 | | - | 849 |
| Alfalah GHP Money Market Fund | | | |
| 2,068,918.63 units (2023: 1,320,747) having NAV of Rs. 98.9424 (2023: Rs. 98.6615) per unit | | 204,703,774 | 130,306,874 |
| MCB Pakistan Cash Management Fund | | | |
| 3,464,122.78 units (2023: 2,086,618) having NAV of Rs. 50.467 (2023: Rs. 50.38) per unit | | 174,826,656 | 105,131,135 |
| Faysal Financial Sector Opportunity Fund | | | |
| 9190.43 units having NAV of Rs. 103.6 per unit | | 951,026 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | | |
|--|----------------------|--------------------|
| Faysal Halal Amdani Fund 7252.77 units having NAV of Rs. 101.4217 per unit | 735,588 | - |
| HBL Cash Fund 1,180,164.73 units (2023: 1,004,202) having NAV of Rs. 103.2107 (2023: 102.1648) per unit | 121,805,628 | 102,594,119 |
| ABL Cash Fund 2,747,352.45 units (2023: 2,316,350) having NAV of Rs. 10.2389 (2023: Rs. 10.2287) per unit | 28,129,867 | 23,693,247 |
| Askari High Yield Scheme 7,432.5 units (2023: 512,983) having NAV of Rs. 104.26 (2023: 103.872) per unit | 774,920 | 53,284,537 |
| | 1,062,444,008 | 589,143,291 |

11.1 These carry interest ranging from 20.32% to 21.52% (2023: 18.73% to 20.32%) per annum.

| 12 ADVANCES | Note | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
|----------------------------|-------------|----------------------------|----------------------------|
| - Unsecured | | | |
| Interest free advances to: | | | |
| - Producers | 12.1 & 12.2 | 531,566,521 | 98,094,079 |
| - Suppliers | | 332,437,301 | 60,142,517 |
| | | 864,003,822 | 158,236,596 |
| - Secured | | | |
| Interest free advances to: | | | |
| - Employees | | 16,299,349 | 59,723,864 |
| | | 880,303,171 | 217,960,460 |

12.1 This includes advance amounting to Nil (2023: Rs. 29,108,714) paid to M.D Productions (Private) Limited.

12.2 The aging of advances to M.D Productions (Private) Limited, a related party is as follows:

| | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
|-------------------------------|----------------------------|----------------------------|
| Neither past due nor impaired | - | 29,108,714 |
| Past due but not impaired | | |
| - 01 to 30 days | - | - |
| - 31 to 60 days | - | - |
| - Over 60 days | - | - |
| | - | 29,108,714 |

| 13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS | Note | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
|--|------|----------------------------|----------------------------|
| Deposits - unsecured | | | |
| - Rent | | 1,364,500 | 357,175 |
| - Other | | - | 1,373,639 |
| | | 1,364,500 | 1,730,814 |
| Prepayments | | | |
| - Insurance | | 32,210,107 | 22,862,965 |
| - Rent | | 8,607,874 | 19,709,609 |
| - Software development fee | | 9,751,367 | - |
| - Other | | 47,536,678 | 43,059,753 |
| | | 98,106,026 | 85,632,327 |
| | | 99,470,526 | 87,363,141 |
| 14 OTHER RECEIVABLES | | | |
| Sales tax receivable | 14.1 | 160,539,158 | 129,235,857 |
| Income / mark-up accrued | | - | 3,863,036 |
| Others | | 74,490,701 | 87,171,045 |
| | | 235,029,859 | 220,269,938 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- 14.1** As per rule 3(5) of Sindh Sales Tax Special Procedure (withholding) Rule, 2014, registered persons as recipient of advertisement services shall withhold whole of sales tax applicable on the person providing advertisement services. Accordingly, the Holding company is unable to adjust its input tax deducted on purchases of taxable goods and services as 100% of the output tax on the Holding Company's taxable services are being withheld by the recipient of these services. However, Holding Company is in correspondence with the relevant authorities through its legal advisor to resolve the matter.

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|----------------------------------|------|----------------------------|----------------------|
| 15 CASH AND BANK BALANCES | | | |
| Cash in hand | | 4,622,703 | 391,193 |
| Cash at banks | | | |
| - in current accounts | | 1,445,218,021 | 1,522,252,443 |
| - in deposit accounts | 15.1 | 863,557,085 | 579,353,155 |
| | | <u>2,308,775,106</u> | <u>2,101,605,598</u> |
| | | <u>2,313,397,809</u> | <u>2,101,996,791</u> |

- 15.1** These carry profit at the rates ranging from 18.5% to 20.5% per annum (2023: 5.5% to 12.85%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

| 2024 (Number of shares) | 2023 | | 2024 ----- Rupees ----- | 2023 ----- |
|----------------------------|----------------------|-----------------------------------|----------------------------|----------------------|
| | | Ordinary shares of Rs. 1/- each | | |
| 500,000,000 | 500,000,000 | Fully paid in cash | 500,000,000 | 500,000,000 |
| 634,000,000 | 634,000,000 | Issued as fully paid bonus shares | 634,000,000 | 634,000,000 |
| <u>1,134,000,000</u> | <u>1,134,000,000</u> | | <u>1,134,000,000</u> | <u>1,134,000,000</u> |

- 16.1** Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

- 16.2** Bonus shares issued to directors of the Holding Company are Nil shares (2023: 96,657,902).

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|-------------------|
| 17 LEASE LIABILITIES | | | |
| Opening balance | | 70,899,475 | 89,049,467 |
| Additions during the year | | 97,526,882 | 1,375,281 |
| Changes due to modification | | - | (6,262,102) |
| Changes due to reassessment | | 15,318,366 | - |
| Mark up on lease liabilities | | 15,873,501 | 10,995,762 |
| Lease rentals paid | | (33,235,932) | (24,258,933) |
| Closing balance | | <u>166,382,292</u> | <u>70,899,475</u> |
| Current portion of lease liabilities | | (16,889,875) | (15,664,939) |
| Non - current portion of lease liabilities | | <u>149,492,417</u> | <u>55,234,536</u> |

- 17.1** Includes lease finance facility entered into by the Holding Company with commercial banks for vehicles amounting to Rs. 50,000,000 (2023: Rs.115,000,000) out of which Rs.49,394,158 (2023: Rs. 109,752,920) remains unutilized at year end. Lease rentals are payable in monthly installments and had commenced from September 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| 18 | LONG-TERM FINANCING | Note | 2024 ----- Rupees ----- | 2023 ----- |
|----|--------------------------------------|------|----------------------------|---------------------|
| | Islamic banks - secured | | | |
| | Diminshing Musharaka | 18.1 | <u>31,250,000</u> | <u>93,750,000</u> |
| | | | <u>31,250,000</u> | <u>93,750,000</u> |
| | Less: current maturity | | <u>(31,250,000)</u> | <u>(62,500,000)</u> |
| | | | - | 31,250,000 |
| | Conventional bank - unsecured | | | |
| | Bounce back loan | 18.2 | <u>5,296,746</u> | <u>31,543,851</u> |
| | | | <u>5,296,746</u> | <u>31,543,851</u> |
| | Less: current maturity | | <u>(3,808,458)</u> | <u>(4,028,523)</u> |
| | | | <u>1,488,288</u> | <u>27,515,328</u> |
| | | | <u>1,488,288</u> | <u>58,765,328</u> |

18.1 Represents Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% per annum. The financing is repayable in 8 equal quarterly instalments commencing after a grace period of 12 months from the date of disbursement i.e. December 2021. Financing is secured by way of Equitable Mortgage over registered office, first hypothecation charge over plant, machinery & equipment, first pari passu charge over receivables of the Holding company and first pari passu charge by way of constructive mortgage charge over Islamabad office.

18.2 Represents foreign currency loan amounting to £100,000 obtained by the Group from Barclays Bank UK PLC at the rate of 2.5% per annum. The loan is repayable in 60 equal installments commencing after a grace period of 13 months from the date of disbursement. During the first 12 months, the UK government will pay interest due on this loan as Business Interruption payment. The loan is supported by the Bounce Bank Loan Scheme (BBLs) managed by the British Business Bank on behalf of the Secretary of State for Business Energy and Industrial Strategy.

| 19 | TRADE AND OTHER PAYABLES | Note | 2024 ----- Rupees ----- | 2023 ----- |
|----|--------------------------|------|----------------------------|----------------------|
| | Creditors | 19.1 | <u>730,068,473</u> | <u>408,564,969</u> |
| | Accrued liabilities | | <u>514,468,737</u> | <u>452,689,331</u> |
| | Withholding tax payable | | <u>44,714,830</u> | <u>19,144,897</u> |
| | Others | | <u>177,146,317</u> | <u>312,248,276</u> |
| | | | <u>1,466,398,357</u> | <u>1,192,647,473</u> |

19.1 Include amount payable to following related parties:

| | | |
|-----------------------------------|--------------------|-------------------|
| M.D Productions (Private) Limited | <u>36,021,464</u> | - |
| Momina and Duraid Foundation | <u>68,203,097</u> | <u>56,079,481</u> |
| | <u>104,224,561</u> | <u>56,079,481</u> |

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

20.1.1 For tax related matters, refer note 29 to these consolidated financial statements.

20.2 Commitments

20.2.1 Purchase of television programs commitments with M.D Productions (Private) Limited - a related party as at June 30, 2024 amounted to Rs. 308,368,667 (June 30 2023: Rs. 258,962,000). Commitment for purchase of television programs with other than related parties as at June 30, 2024 amounted to Rs. 160,108,809 (June 30, 2023: Rs. 41,215,500).

| 20.2.2 | Commitment for broadcasting contract | 2024 ----- Rupees ----- | 2023 ----- |
|--------|--------------------------------------|----------------------------|---------------|
| | | <u>1,421,470,350</u> | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|---|-------------|----------------------------|----------------------|
| 21 REVENUE – net | | | |
| Advertisement revenue | | 7,496,920,223 | 5,404,575,900 |
| Production revenue | | 2,304,846,326 | 221,648,886 |
| Digital revenue | | 167,425,196 | 80,643,000 |
| Subscription revenue | | 2,220,554,322 | 1,852,244,529 |
| Marketing Fee (Commision) - net | | 101,910,398 | - |
| Film distribution revenue | | 56,058,272 | 7,437,607 |
| Sale of magazines | | 747,253 | 1,314,018 |
| | 21.1 & 21.2 | <u>12,348,461,990</u> | <u>7,567,863,940</u> |
| 21.1 Revenue is net off the following items: | | | |
| Sales tax | | 1,055,594,813 | 722,681,112 |
| Trade and volume discount | | <u>666,561,086</u> | <u>598,870,841</u> |
| | | <u>1,722,155,899</u> | <u>1,321,551,953</u> |
| 21.2 Represents revenue from the following geographical regions: | | | |
| Asia | | 7,891,480,211 | 5,200,572,987 |
| Middle East | | 1,915,923,992 | 392,696,047 |
| United Kingdom | | 274,195,252 | 251,910,191 |
| America | | <u>2,266,862,535</u> | <u>1,722,684,715</u> |
| | | <u>12,348,461,990</u> | <u>7,567,863,940</u> |
| 22 COST OF PRODUCTION | | | |
| Cost of outsourced programs | | 3,593,516,584 | 2,087,370,509 |
| Cost of in-house programs | | 432,657,958 | 313,767,589 |
| Cost of inventory consumed | | 1,091,462 | 2,000,487 |
| Salaries and benefits | 22.1 | 1,320,998,829 | 1,079,592,252 |
| Technical advisory fee | 22.2 | 54,751,500 | 54,751,500 |
| Depreciation | 4.3 & 4.5.2 | 70,571,398 | 57,744,379 |
| Traveling and conveyance | | 242,582,626 | 138,773,083 |
| Utilities | | 20,970,205 | 14,869,487 |
| Rent, rates and taxes | | 876,547 | 305,538 |
| Insurance | | 33,439,168 | 27,396,601 |
| Repair and maintenance | | 33,670,948 | 26,373,693 |
| Fee and subscription | | 7,080,344 | 4,914,981 |
| Communication | | 64,886,177 | 21,791,486 |
| Security charges | | 726,000 | 438,350 |
| Amortisation | 5.1 | 1,915,852 | 6,350,640 |
| Consultancy | | 326,803 | 1,188,586 |
| Printing and stationery | | <u>3,164,595</u> | <u>5,127,298</u> |
| | | <u>5,883,226,996</u> | <u>3,842,756,459</u> |
| In production television programs - opening | | 50,827,650 | 35,460,250 |
| In production television programs - closing | | <u>(66,855,795)</u> | <u>(50,827,650)</u> |
| | | <u>5,867,198,851</u> | <u>3,827,389,059</u> |
| Released / unreleased programs - opening | | 432,619,726 | 390,229,988 |
| Released / unreleased programs - closing | | <u>(683,641,711)</u> | <u>(432,619,726)</u> |
| | | <u>5,616,176,866</u> | <u>3,784,999,321</u> |
| 22.1 Includes Rs. 33,490,473 (2023: Rs. 29,765,982) in respect of staff retirement benefits. | | | |
| 22.2 Represents fee paid to a Director for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors of the Group. | | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|------------------------------|-------------|----------------------------|--------------------|
| 23 DISTRIBUTION COSTS | | | |
| Advertisement and promotion | | 753,395,925 | 190,959,104 |
| Salaries and benefits | 23.1 | 415,979,504 | 180,243,903 |
| Traveling and conveyance | | 30,666,581 | 28,139,827 |
| Rent, rates and taxes | | 2,126,750 | 532,297 |
| Utilities | | 3,079,048 | 2,890,633 |
| Depreciation | 4.3 & 4.5.2 | 11,024,675 | 9,096,867 |
| Communication | | 837,193 | 674,255 |
| Insurance | | 4,509,124 | 3,688,942 |
| Repair and maintenance | | 1,315,656 | 2,461,343 |
| Fees and subscription | | 950,040 | 1,120,873 |
| Commission expense | | 16,158,493 | 61,619,907 |
| Printing and stationery | | 817,960 | 1,546,798 |
| | | <u>1,240,860,949</u> | <u>482,974,749</u> |

23.1 This includes Rs. 8,527,681 (2023: Rs. 7,869,125) in respect of staff retirement benefits.

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--------------------------------------|-------------|----------------------------|----------------------|
| 24 ADMINISTRATIVE EXPENSES | | | |
| Salaries and benefits | 24.1 | 616,014,756 | 695,850,663 |
| Depreciation | 4.3 & 4.5.2 | 86,592,508 | 50,790,445 |
| Amortisation | 5.1 | 6,145,279 | 5,824,878 |
| Repair and maintenance | | 69,782,336 | 57,443,583 |
| Communication | | 5,850,853 | 7,381,876 |
| Traveling and conveyance | | 101,297,245 | 74,825,501 |
| Fee and subscription | | 18,376,039 | 20,581,887 |
| Utilities | | 72,976,993 | 52,118,169 |
| Legal and professional charges | | 59,787,833 | 59,051,941 |
| Printing, stationery and periodicals | | 9,534,363 | 11,181,125 |
| Rent, rates and taxes | | 40,152,437 | 25,122,149 |
| Insurance | | 12,919,710 | 9,838,454 |
| Auditors' remuneration | 24.2 | 16,749,116 | 8,956,708 |
| Security charges | | 12,706,811 | 9,284,141 |
| Donation | 24.3 & 24.4 | 77,548,097 | 106,230,292 |
| | | <u>1,206,434,376</u> | <u>1,194,481,812</u> |

24.1 Includes Rs. 9,186,396 (2023: Rs. 7,030,043) in respect of staff retirement benefits.

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|------------------|
| 24.2 Auditors' remuneration | | | |
| Audit fee for unconsolidated financial statements | | 10,059,073 | 4,641,570 |
| Audit fee for consolidated financial statements | | 853,875 | 801,900 |
| Fee for half yearly review | | 698,625 | 656,100 |
| Tax and other assurance services | | 3,963,940 | 2,200,000 |
| Out of pocket expenses and Sindh sales tax on services | | 1,173,603 | 657,138 |
| | | <u>16,749,116</u> | <u>8,956,708</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

24.3 Donation includes the following donees exceeds whom donations 10% of the Group's total donations or Rs. 1 million:

| | 2024 ----- Rupees ----- | 2023 ----- |
|------------------------------|----------------------------|--------------------|
| SS Garden | 1,100,000 | - |
| Momina and Duraid Foundation | 75,223,097 | 105,655,292 |
| | <u>76,323,097</u> | <u>105,655,292</u> |

24.4 Recipients of donations do not include any donee in which any director or his spouse had any interest except for donation paid to Momina and Duraid Foundation. Following directors of the Group are also trustees of the said trust:

- Mr. Duraid Qureshi
- Ms. Sultana Siddiqui

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|--------------------|
| 25 OTHER INCOME | | | |
| Income / (loss) from financial assets - net | | | |
| Profit on deposit accounts | 14.1 | 83,203,676 | 67,328,851 |
| Exchange gain - net | | - | 176,577,118 |
| Dividend income | | 93,399,999 | 58,931,534 |
| Interest / mark-up income | | 46,298,807 | 7,904,032 |
| Amortisation of government grant | | - | 478,147 |
| Unrealised gain / (loss) on revaluation of investments | | 31,733,646 | (7,320,853) |
| Gain on redemption / sale of investments | | 1,559,986 | 27,943,092 |
| | | <u>256,196,114</u> | <u>331,841,921</u> |
| Income from non financial assets | | | |
| Gain on disposal of operating fixed assets - net | 4.4 | 3,194,638 | 936,097 |
| Reversal of provision for impairment against in subsidiary | | - | 1,776,832 |
| Reversal of expected credit loss | | - | 30,298,619 |
| Liabilities no longer payable - written off | | 54,741,167 | 98,671,515 |
| Sale of content and festival revenue | | 38,404,287 | 25,290,719 |
| Sundry Income | | 26,649,760 | - |
| | | <u>122,989,852</u> | <u>156,973,782</u> |
| | | <u>379,185,966</u> | <u>488,815,703</u> |
| 26 OTHER EXPENSES / CHARGES | | | |
| Allowance for expected credit loss | 10.1 | 16,034,334 | - |
| Exchange loss - net | | 94,814,461 | - |
| Trade debts - written off | 10.1 | 567,842 | - |
| | | <u>111,416,637</u> | <u>-</u> |
| 27 FINANCE COSTS | | | |
| Mark-up on long-term financing | | 16,379,996 | 34,506,149 |
| Mark-up on short-term borrowings | | - | 98,402 |
| Mark-up on lease liabilities | 17 | 15,873,501 | 10,995,762 |
| Bank charges | | 3,992,171 | 1,535,701 |
| | | <u>36,245,668</u> | <u>47,136,014</u> |
| 28 LEVIES - FINAL TAX | | | |

This represents final taxes paid under section 5 (tax on dividend) and 154A (export of services) of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21 / IAS 37 (also see note 3.8.3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 (Restated) ----- Rupees ----- |
|--|---|----------------------------|--|
| 29 INCOME TAX | | | |
| Current | | 360,723,408 | 195,808,485 |
| Deferred | | (15,694,535) | 60,353,085 |
| Prior | | (10,698,159) | 3,263,370 |
| | | <u>334,330,714</u> | <u>259,424,940</u> |
| 29.1 Relationship between accounting profit and tax expense | | | |
| Profit before income tax and levies | | <u>3,338,482,863</u> | <u>2,214,481,950</u> |
| Tax at the applicable rate | | <u>968,160,030</u> | <u>642,199,766</u> |
| Tax effects of: | | | |
| Tax at reduced rate | | (1,249,335) | (4,563,977) |
| Income subject to final tax regime | | (618,481,922) | (445,631,972) |
| Effect of levies | | (54,105,424) | (37,290,204) |
| Provision for super tax | | 96,388,777 | 65,747,467 |
| Prior year tax (reversal) / charge | | (12,470,454) | 3,552,814 |
| Others | | (43,910,958) | 35,411,046 |
| | | <u>334,330,714</u> | <u>259,424,940</u> |
| Effective % | | <u>10%</u> | <u>12%</u> |
| 29.2 | The return of income for the tax year 2023 has been filed by the Holding Company which is deemed to be an assessment under the provisions of section 120 of the Income tax Ordinance, 2001. | | |
| 29.3 | During the year 2017, Deputy Commissioner Inland Revenue issued a show cause notice to the Holding Company, for the tax year 2014, showing his intention to disallow the deduction claimed on account of agency commission on alleged non-deduction of tax on such agency commission. The Holding Company filed a suit before the Hon'ble High Court of Sindh challenging the above showcause notice. | | |
| | Based on a recent judgement of the Hon'ble Supreme Court of Pakistan, suits filed by taxpayers are not to be maintained unless 50% of the tax due is deposited by the petitioners. In compliance to the above order, the Holding Company has deposited an amount of Rs. 24,395,012 into the Government treasury. The decision in respect of the Suit filed by the Holding Company is still pending. The management, based on the legal advice, is confident that the ultimate outcome will be in favor of the Holding Company and accordingly, no provision has been made in this respect in these consolidated financial statements. | | |
| 29.4 | During the year ended 30 June 2022, the Commissioner Inland Revenue (ACIR) issued show-cause notice dated 15 May 2022 whereby he had raised certain queries relating to tax year 2017. In response, the Holding Company filed explanation along-with documentary evidence. The Commissioner Inland Revenue (CIR) being dissatisfied with the response of the Holding Company, issued an order under Section 122(1) of the Ordinance whereby tax demand of Rs. 771,644,957 has been raised. While the Holding Company's appeal was pending before the Commissioner Inland Revenue (Appeals) for Tax Year 2017 but the department was seeking to recover the outstanding tax. Therefore the Holding Company filed a petition before the Honorable High Court of Sindh for issuance of a stay order. Subsequent to the year end, on 7 July 2022, the Holding Company received a stay order on the matter and the case is pending before the Commissioner Inland Revenue (Appeals). The management, based on the legal advice, is confident that the ultimate outcome will be in favor of the Holding Company and accordingly, no provision has been made in this respect in these consolidated financial statements. | | |
| 29.5 | During the year ended 30 June 2017, the Tower Sports (Private) Limited received a show cause notice from additional Commissioner in Land Revenue under Section 122(5A) of the Income Tax Ordinance, 2001 in respect of tax year 2014 creating a demand of Rs. 320,895,069. The Tower Sports (Private) Limited filed an appeal before the Appellate Tribunal Inland Revenue which is pending for hearing. Based on advice from its tax advisor, the management of the Company expects a favourable outcome, hence no provision in this respect is made in the financial statements. | | |
| 30 EARNINGS PER SHARE – basic and diluted | | 2024 ----- Rupees ----- | 2023 ----- Rupees ----- |
| Profit attributable to the owners of the Holding Company | | <u>2,950,143,182</u> | <u>1,952,769,553</u> |
| Weighted average number of ordinary shares outstanding during the year | | <u>1,134,000,000</u> | <u>1,134,000,000</u> |
| Earnings per share (Rupee) | | <u>2.60</u> | <u>1.72</u> |
| 30.1 | There is no dilutive effect on the basic earnings per share of the Holding Company. | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|-------------|----------------------------|---------------|
| 31 CASH GENERATED FROM OPERATIONS | | | |
| Profit before income taxes and levies | | 3,338,482,863 | 2,214,481,950 |
| Adjustments for : | | | |
| Depreciation | 22, 23 & 24 | 168,188,581 | 117,631,691 |
| Amortisation | 22 & 24 | 8,061,131 | 12,175,518 |
| Provision for staff retirement benefits | | 13,813,910 | 46,128,542 |
| Finance costs | 27 | 36,245,668 | 47,136,014 |
| Exchange loss / (gain) - net | 26 & 25 | 94,814,461 | (176,577,118) |
| Profit on deposit accounts | 25 | (83,203,676) | (67,328,851) |
| Gain on disposal of operating fixed assets | 25 | (3,194,638) | (936,097) |
| Dividend income | 25 | (93,399,999) | (58,931,534) |
| Amortisation of government grant | | - | (478,147) |
| Gain on redemption / sale of investments | 25 | (1,559,986) | (27,943,092) |
| Unrealised (gain) / loss on revaluation of investments | 25 | (31,733,646) | 7,320,853 |
| Reversal of impairment in subsidiary | 25 | - | (1,776,832) |
| Liabilities no longer payable - written off | 25 | (54,741,167) | (98,671,515) |
| Charge / (reversal) of provision for ECL - net | 26 & 25 | 16,034,334 | (30,298,618) |
| | | 69,324,973 | (232,549,186) |
| (Increase) / decrease in current assets | | | |
| Inventories | | (7,791,092) | (88,326) |
| Current portion of television program costs | | 4,291,493 | 4,517,361 |
| Trade debts | | (2,153,917,196) | (335,347,114) |
| Advances | | (662,342,711) | (101,593,054) |
| Trade deposits and short-term prepayments | | (12,107,385) | (32,484,203) |
| Other receivables | | (109,574,382) | (8,496,063) |
| | | (2,941,441,273) | (473,491,399) |
| Increase / (decrease) in current liabilities | | | |
| Trade and other payables | | 328,492,051 | (16,183,958) |
| Contract liability | | 513,987,285 | 50,648,268 |
| | | 1,308,845,899 | 1,542,905,675 |

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the consolidated financial statements for remuneration, including all benefits to the chief executives, directors and executives are as follows:

| | 2024 | | | | 2023 | | | |
|-------------------------|-----------------|--------------------|-------------------------|-------------|-----------------|--------------------|-------------------------|-------------|
| | Chief Executive | Executive Director | Non-Executive Directors | Executives | Chief Executive | Executive Director | Non-Executive Directors | Executives |
| Managerial remuneration | 166,241,712 | - | - | 315,297,570 | 151,104,889 | - | - | 367,084,064 |
| Technical advisory fee | - | 54,751,500 | - | - | - | 54,751,500 | - | - |
| Fee | - | - | 5,000,000 | - | - | - | 3,900,000 | - |
| Bonus | 202,311,606 | 202,311,606 | - | 59,715,261 | 184,398,314 | 184,398,314 | - | - |
| Retirement benefits | - | - | - | 23,737,512 | - | - | - | 18,858,646 |
| House rent | 18,544,865 | - | - | 137,508,148 | 17,133,842 | - | - | 99,164,290 |
| Utilities | 4,121,081 | - | - | 28,037,366 | 3,807,520 | - | - | 22,036,508 |
| Car allowance | 20,767,188 | - | - | 51,935,347 | 20,767,188 | 23,500,000 | - | - |
| Fuel and conveyance | 2,975,351 | 2,704,411 | 1,701,086 | - | 2,975,351 | 2,704,411 | 1,478,447 | 30,302,101 |
| | 414,961,803 | 259,767,517 | 6,701,086 | 616,231,204 | 380,187,104 | 265,354,225 | 5,378,447 | 537,445,609 |
| Number | 1 | 1 | 5 | 96 | 1 | 1 | 5 | 65 |

32.1 The chief executives, directors and certain executives are also provided with free use of Group maintained cars in accordance with the Group's policy and reimbursement of expenses related to business travel.

33 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise associated undertaking, retirement benefits fund and key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

| Relationship | Nature of transactions | 2024 ----- Rupees ----- | 2023 ----- |
|-------------------|--|----------------------------|---------------|
| Associates | Purchases of television program rights | 1,831,002,134 | 1,572,300,900 |
| | Payment made during the year | 1,816,927,568 | 1,993,714,343 |
| Others | Contribution to the provident fund | 51,184,000 | 44,665,150 |

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Group. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

33.1 Following are the related parties with whom the Holding Company had entered into transactions or have arrangement / agreement in place:

| S.No. | Company Name | Basis of association | Aggregate % of shareholding |
|-------|---|-----------------------------|-----------------------------|
| 1 | M.D Productions (Private) Limited | Associated company (33.1.1) | - |
| 2 | Momina & Duraid Films (Private) Limited | Associated company (33.1.1) | - |
| 3 | Momina and Duraid Foundation | Associated company (33.1.1) | - |
| 4 | HUM Network Limited - Employees' Provident Fund | Retirement Fund | - |
| 5 | Ms. Sultana Siddiqui | Director | 0.73% |
| 6 | Mr. Mazhar ul Haq Siddiqui | Director | - |
| 7 | Mr. Duraid Qureshi | Director | 45.74% |
| 8 | Mr. Shunaid Qureshi | Director | 5.38% |
| 9 | Mrs. Mahtab Akbar Rashdi | Director | - |
| 10 | Lt Gen (R) Asif Yasin Malik | Director | - |
| 11 | Mr. Muhammad Ayub Younus Adhi | Director | - |
| 12 | Mr. Sohail Ansar | Director | - |
| 13 | Ms. Khush bakht Shujaat | Director | - |

33.1.1 These entities are associated companies / undertakings of the Group in accordance with the requirement of Companies Act, 2017.

33.2 None of the key management personnel had any arrangements with the Group other than the employment contract.

33.3 Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Act and the regulations formulated for this purpose.

34 FINANCIAL INSTRUMENTS BY CATEGORY

34.1 Financial assets as per consolidated statement of financial position

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|----------------------|
| Financial assets at amortised cost | | | |
| - Security deposits | 7 | 31,800,903 | 28,800,084 |
| - Trade debts | 10 | 5,272,832,500 | 3,100,542,350 |
| - Trade deposits | 13 | 1,364,500 | 1,730,814 |
| - Other receivables | 14 | 74,490,701 | 91,034,081 |
| - Long-term investments | 6 | - | 49,527,574 |
| - Cash and bank balances | 15 | 2,313,397,809 | 2,101,996,791 |
| | | <u>7,693,886,413</u> | <u>5,373,631,694</u> |
| Financial assets at fair value through profit or loss | | | |
| - Short-term investments | 11 | 1,062,444,008 | 589,143,291 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

34.2 Financial liabilities as per consolidated statement of financial position

| | Note | 2024 ----- Rupees | 2023 ----- |
|--|------|-------------------------|----------------------|
| Financial liabilities at amortised cost | | | |
| - Lease liabilities | 17 | 166,382,292 | 70,899,475 |
| - Long-term financing | 18 | 36,546,746 | 125,293,851 |
| - Trade and other payables | 19 | 1,421,683,527 | 1,173,502,576 |
| - Accrued mark-up | | 1,923,660 | 2,033,411 |
| - Unclaimed dividend | | 6,066,896 | 6,153,603 |
| - Unpaid dividend | | 740,472 | 1,374,738 |
| | | <u>1,633,343,593</u> | <u>1,379,257,654</u> |

35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks i.e. market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's senior management oversees the management of these risks. The Group's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of financial derivatives, financial instruments and investment of excess liquidity. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors review and agree policies for managing each of these risks which are summarized below:

35.1 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and equity price risk, such as equity risk.

35.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in the market interest rates. The Group's interest rate risk arises from finance lease obligations, short-term borrowings and bank balances. The Group manages these risks through risk management strategies.

Sensitivity analysis:

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before taxation:

| | Increase / decrease in basis points | Effect on profit before taxation Rupees |
|---------------|---|---|
| June 30, 2024 | +100 | 8,595,150 |
| | -100 | (8,595,150) |
| June 30, 2023 | +100 | 3,929,500 |
| | -100 | (3,929,500) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

35.3 Currency risk

Foreign currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Group's exposure to foreign currency risk is as follows:

| | ----- 2024 ----- | | | ----- 2023 ----- | | |
|--------------------------|------------------|-----------|-----------|------------------|----------|-----------|
| | US Dollar | GBP | AED | US Dollar | GBP | AED |
| Trade debts | 346,370 | 750,731 | 5,730,645 | 303,635 | 542,806 | 4,623,915 |
| Deposits and prepayments | - | 76,385 | 4,124,769 | 1,250 | 105,569 | 232,918 |
| Trade and other payables | (10,496) | (105,850) | (862,576) | (116,040) | (88,545) | (29,149) |

The following significant exchange rates have been applied at the reporting dates:

| | ----- Rupees ----- | | | ----- Rupees ----- | | |
|------------------------|--------------------|--------|-------|--------------------|--------|-------|
| Closing exchange rates | 278.60 | 351.85 | 76.30 | 285.74 | 363.82 | 77.79 |

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and GBP exchange rate, with all other variables held constant, of the Group's profit before taxation:

| | Change in US dollar rate (%) | Effect on profit before tax | Change in GBP rate (%) | Effect on profit before tax | Change in AED rate (%) | Effect on profit before tax |
|--------------|------------------------------------|-----------------------------------|---------------------------|-----------------------------------|------------------------------|-----------------------------------|
| | | -- Rupees -- | | -- Rupees -- | | -- Rupees -- |
| 30 June 2024 | +10 | 9,357,450 | 10 | 25,377,384 | +10 | 68,615,354 |
| | -10 | (9,357,450) | -10 | (25,377,384) | -10 | (68,615,354) |
| 30 June 2023 | +10 | 5,396,057 | 10 | 20,367,735 | +10 | 37,554,554 |
| | -10 | (5,396,057) | -10 | (20,367,735) | -10 | (37,554,554) |

35.4 Equity price risk

The Group's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investment portfolio are submitted to the Group's senior management on a regular basis.

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 1,062,444,008 (2023: Rs. 589,143,291).

35.5 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is mainly exposed to credit risk on trade debts and bank balances. The Group seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable.

Management of credit risk

The Group's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors and other internal guidelines.

Credit risk is managed and controlled by the management of the Group in the following manner:

- Credit rating and / or credit worthiness of the counterparty is taken into account along with the financial background so as to minimize the risk of default.
- The risk of counterparty exposure due to failed agreements causing a loss to the Group is mitigated by a periodic review of their credit ratings, financial statements, credit worthiness and market information on a regular basis.
- Cash is held with reputable banks only.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

As of the consolidated statement of financial position date, the Group is exposed to credit risk on the following assets:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--------------------------|------|----------------------------|----------------------|
| - Security deposits | 7 | 31,800,903 | 28,800,084 |
| - Trade debts | 10 | 5,272,832,500 | 3,100,542,350 |
| - Long-term investments | 6 | - | 49,527,574 |
| - Short-term investments | 11 | 1,062,444,008 | 589,143,291 |
| - Trade deposits | 13 | 1,364,500 | 1,730,814 |
| - Other receivables | 14 | 74,490,701 | 91,034,081 |
| - Bank balances | 15 | 2,308,775,106 | 2,101,605,598 |
| | | <u>8,751,707,718</u> | <u>5,962,383,792</u> |

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|-------------------------------|------|----------------------------|----------------------|
| Bank balances | | | |
| AAA | | - | 275,943,937 |
| AA+ | | - | 417,173,167 |
| AA | | 18,850,505 | 919,037,535 |
| A | | - | 489,450,959 |
| A1+ | | 2,206,813,851 | - |
| A2 | | 83,110,330 | - |
| A1 | | 420 | - |
| | 15 | <u>2,308,775,106</u> | <u>2,101,605,598</u> |
| Short-term investments | | | |
| Mutual funds | | | |
| AA- | | 136,544,051 | - |
| A+ | | 175,300,000 | - |
| A(f) | | 774,920 | 53,284,537 |
| A+(f) | | 951,026 | 5,087,356 |
| AA(f) | | 185,978,600 | 29,668,996 |
| AA+(f) | | 556,893,493 | 384,850,945 |
| AA-(f) | | 6,001,918 | - |
| Non-rated | | - | 95,103,299 |
| | | <u>1,062,444,008</u> | <u>567,995,133</u> |
| Term finance certificate | A | - | 21,148,158 |
| | 11 | <u>1,062,444,008</u> | <u>589,143,291</u> |

35.6 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Group's financial liabilities as at the following reporting dates:

| 2024 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | Total |
|--------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| | | | Rupees | | |
| Lease liabilities | - | 4,222,469 | 12,667,406 | 149,492,417 | 166,382,292 |
| Long-term financing | | | 35,058,458 | 1,488,288 | 36,546,746 |
| Trade and other payables | 691,615,054 | 319,311,415 | 410,757,058 | - | 1,421,683,527 |
| Accrued mark-up | 1,923,660 | - | - | - | 1,923,660 |
| | <u>693,538,714</u> | <u>323,533,884</u> | <u>458,482,922</u> | <u>150,980,705</u> | <u>1,626,536,225</u> |
| 2023 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | Total |
| | | | Rupees | | |
| Lease liabilities | - | 3,781,136 | 11,883,803 | 55,234,536 | 70,899,475 |
| Long-term financing | - | 16,632,130 | 49,896,393 | 58,765,328 | 125,293,851 |
| Trade and other payables | 492,911,715 | 235,393,385 | 445,197,476 | - | 1,173,502,576 |
| Accrued mark-up | 2,033,411 | - | - | - | 2,033,411 |
| | <u>494,945,126</u> | <u>255,806,651</u> | <u>506,977,672</u> | <u>113,999,864</u> | <u>1,371,729,313</u> |

35.6.1 Changes in liabilities from financing activities

| | 01 July 2023 | Cash flows | New leases | Others | 30 June 2024 |
|---------------------|--------------|---------------|------------|------------|--------------|
| | | | Rupees | | |
| Long-term financing | 125,293,851 | (88,747,105) | - | - | 36,546,746 |
| Lease liabilities | 70,899,475 | (33,235,931) | 97,526,882 | 31,191,866 | 166,382,292 |
| | 01 July 2022 | Cash flows | New leases | Others | 30 June 2023 |
| | | | Rupees | | |
| Long-term financing | 397,031,214 | (271,737,363) | - | - | 125,293,851 |
| Lease liabilities | 89,049,467 | (24,258,933) | 1,375,281 | 4,733,660 | 70,899,475 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

35.6.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements appropriate their fair values.

35.7 Capital risk

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business, sustain future development, and maximize shareholders' value. The Group monitors capital using a debt equity ratio as follows:

| | Note | 2024 ----- Rupees ----- | 2023 ----- |
|--|------|----------------------------|----------------------|
| Lease liabilities | 17 | 149,492,417 | 55,234,536 |
| Long-term financing | 18 | 1,488,288 | 58,765,328 |
| Trade and other payable | 19 | 1,466,398,357 | 1,192,647,473 |
| Accrued markup | | 1,923,660 | 2,033,411 |
| Current portion of lease liabilities | 17 | 16,889,875 | 15,664,939 |
| Current portion of long-term financing | 18 | 35,058,458 | 66,528,523 |
| Total debt | | 1,671,251,055 | 1,390,874,210 |
| Share capital | 16 | 1,134,000,000 | 1,134,000,000 |
| Reserves | | 9,286,223,761 | 6,297,572,560 |
| Total equity | | 10,420,223,761 | 7,431,572,560 |
| Total debt and equity | | 12,091,474,816 | 8,822,446,770 |
| Gearing ratio | | 13.82% | 15.77% |

35.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values.

The following table shows assets recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

| | 2024 | | | | 2023 |
|------------------------|----------------------|-------------|---------|---------------|-------------|
| | Level 1 | Level 2 | Level 3 | Total | |
| | ----- (Rupees) ----- | | | | |
| Long-term investments | - | - | - | - | 49,527,574 |
| Short-term investments | 175,300,000 | 887,144,008 | - | 1,062,444,008 | 589,143,291 |

During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

35.9 Financial instruments which are tradable in an open market are revalued at the market prices prevailing on the consolidated statement of financial position date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

36 OPERATING SEGMENTS

For management purposes, the Group has determined following reportable operating segments on the basis of areas of operations i.e. entertainment and news.

Entertainment segment is engaged in advertisement, entertainment and media marketing.

News segment is engaged in broadcasting of news programs.

| | Entertainment | | News | | Others | | Total | |
|------------------------------------|----------------------|---------------|---------------------|---------------|----------------------|--------------|------------------------|-----------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | (Rupees) | | | | | | | |
| Revenue | | | | | | | | |
| Net revenue from external customer | <u>9,614,777,344</u> | 6,348,280,938 | <u>958,202,687</u> | 1,203,044,980 | <u>1,775,481,959</u> | 16,538,022 | <u>12,348,461,990</u> | 7,567,863,940 |
| Result | | | | | | | | |
| Segment profit / (loss) | <u>4,093,968,663</u> | 2,918,219,558 | <u>(71,190,189)</u> | 66,125,887 | <u>290,615,104</u> | (17,061,372) | <u>4,313,393,578</u> | 2,967,284,073 |
| Taxation | | | | | | | <u>(334,330,714)</u> | (259,424,940) |
| Unallocated income / (expenses) : | | | | | | | | |
| Administrative expenses | | | | | | | <u>(1,206,434,376)</u> | (1,194,481,812) |
| Other income | | | | | | | <u>379,185,966</u> | 488,815,703 |
| Other expenses | | | | | | | <u>(111,416,637)</u> | - |
| Finance cost | | | | | | | <u>(36,245,668)</u> | (47,136,014) |
| Profit for the year | | | | | | | <u>3,004,152,149</u> | 1,955,057,010 |
| Other information | | | | | | | | |
| Amortisation | <u>(7,550,482)</u> | (8,511,349) | <u>(510,649)</u> | (3,551,791) | - | (112,378) | <u>(8,061,131)</u> | (12,175,518) |
| Depreciation | <u>(110,875,758)</u> | (63,404,620) | <u>(55,634,070)</u> | (53,495,162) | <u>(1,678,753)</u> | (731,909) | <u>(168,188,581)</u> | (117,631,691) |
| Segment assets | <u>949,856,282</u> | 830,550,023 | <u>879,205,922</u> | 839,213,836 | <u>5,109,225</u> | 6,738,368 | <u>1,834,171,429</u> | 1,676,502,227 |
| Unallocated Assets | - | - | - | - | - | - | <u>10,934,438,432</u> | 7,296,095,823 |
| | <u>949,856,282</u> | 830,550,023 | <u>879,205,922</u> | 839,213,836 | <u>5,109,225</u> | 6,738,368 | <u>12,768,609,861</u> | 8,972,598,050 |
| Segment liabilities | <u>583,621,336</u> | 1,006,635,192 | <u>192,682,419</u> | 295,611,949 | <u>1,660,760,267</u> | 327,359,814 | <u>2,437,064,022</u> | 1,629,606,955 |

36.1 Revenue from three major customers of the Group during the year constituted 58% (2023: 57%) of the total revenue.

37 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at year end and during the year respectively are as follows:

| | 2024 | 2023 |
|---|------------|------------|
| | Rupees | Rupees |
| Total number of employees | <u>772</u> | <u>745</u> |
| Average number of employees during the year | <u>759</u> | <u>720</u> |

38 GENERAL

38.1 Corresponding figures have been rearranged and reclassified, wherever necessary. However, other than those disclosed in these consolidated financial statements, there were no significant reclassifications to report.

38.2 Figures have been rounded off to the nearest Rupee.

39 DATE OF AUTHORIZATION

These consolidated financial statements have been authorised for issue on October 04, 2024 by the Board of Directors of the Holding Company.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Director









MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer










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FORM OF PROXY

The Company Secretary,
HUM NETWORK LIMITED
20th Annual GENERAL MEETING
Karachi

I, _____ S/o. _____, holder of CNIC No. _____ Resident of _____, being member of HUM NETWORK LIMITED, holding _____ ordinary shares as per Registered Folio / CDS Account No. _____ hereby appoint _____, resident of _____ or failing him/ her Mr./Ms. _____ of _____ (full address) who is/are also member(s) of the Company, as my / our proxy to attend, act and vote for me/ us and on my / our behalf at Annual General Meeting (AGM) of the Company to be held on Thursday, 28th day of October, 2024 at 3:00 pm at Ground Floor BRR Tower, Hasan Ali Street off I.I. Chundrigar Road Karachi and / or any Adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2024.

Signed by _____ in the presence of;

Witness:

1. Name:

Signature _____

Address: _____

CNIC or Passport No.;

2. Name:

Signature _____

Address: _____

CNIC or Passport No.;

Note:

1. The proxy form, duly completed and signed, must be received at the Registered Office of the Company, HUM Network Limited, Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi.
2. All members are entitled to attend and vote at the meeting.
3. A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
4. An instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours
5. An instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a not airily certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 hours before the time of the meeting.
6. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
7. Members are requested to notify any changes in their addresses immediately.
8. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

For CDC Account Holders/Corporate Entities:

In addition to above, the following requirements have to be met:

- i) The proxy form shall be witnessed by two (2) persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- ii) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
- iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم

کمپنی سیکریٹری،

ہم نیٹ ورک لمیٹڈ

۲۰ ویں سالانہ جنرل میٹنگ،

کراچی۔

میں _____ ولد _____، شناختی کارڈ نمبر _____، ساکن _____،

_____، بطور ممبر ہم نیٹ ورک لمیٹڈ، حامل _____ عارضی شیئرز

رجسٹرڈ فوئیو/سی ڈی سی اکاؤنٹ نمبر _____ جناب _____، ساکن _____

_____ (مکمل پتہ) کا تقرر کرتا ہوں جو کہ اس کمپنی کے ممبر بھی ہیں یہ میری جانب سے کمپنی کی سالانہ جنرل میٹنگ

میں شرکت کر کے ووٹ دے سکتے ہیں جس کا انعقاد بروز جمعرات ۲۸ اکتوبر ۲۰۲۲ء کو شام ۳ بجے گراؤنڈ فلور بی آر ٹاور، حسن علی اسٹریٹ آف آئی آئی

چندر ریگر روڈ، کراچی میں ہوگا۔

بطور گواہ میں اپنے دستخط/مہر بتاریخ _____ ۲۰۲۲ء ثبت کرتا ہوں۔

میں _____ نے درج ذیل کی موجودگی میں دستخط کئے ہیں۔

گواہ:

| | |
|---------------------------|---------------------------|
| ۱۔ نام: | ۲۔ نام: |
| دستخط: | دستخط: |
| پتہ: | پتہ: |
| شناختی کارڈ/پاسپورٹ نمبر: | شناختی کارڈ/پاسپورٹ نمبر: |

نوٹ:

- ۱۔ پراکسی فارم کو مکمل اور دستخط کر کے کمپنی کے رجسٹرڈ آفس، ہم نیٹ ورک لمیٹڈ، پلاٹ نمبر ۱۱/۱۰، حسن علی اسٹریٹ، آف آئی آئی چندر ریگر روڈ، کراچی میں وصول کئے جائیں گے۔
- ۲۔ تمام ممبران میٹنگ میں حاضر ہو کر ووٹ دینے کا حق رکھتے ہیں۔
- ۳۔ مجاز ممبر میٹنگ میں حاضر ہو کر ووٹ دے سکتا ہے اور اپنی جانب سے میٹنگ میں شرکت کرنے اور ووٹ دینے کیلئے کسی بھی دیگر ممبر کا پراکسی کے طور پر تقرر کر سکتا ہے۔
- ۴۔ پراکسی کی سادہ دستاویز میٹنگ میں قابل استعمال ہے جو کہ نوٹس کے ساتھ فراہم کی جارہی ہے۔ پراکسی دستاویز کی مزید کاپیاں اوقات کار کے دوران کمپنی کے رجسٹرڈ آفس سے حاصل کی جاسکتی ہیں۔
- ۵۔ مکمل کردہ پراکسی دستاویز اور پاور آف اٹارنی یا دیگر اختیارات (اگر کوئی ہوں) جس کے تحت اس پر دستخط کر کے نوٹری سے تصدیق شدہ کاپی بابت پاور یا اتھارٹی قابل قبول ہوگی جسے میٹنگ کے وقت سے ۴۸ گھنٹے قبل رجسٹرڈ آفس میں داخل کیا جائے گا۔ ممبر کے شناختی کارڈ یا پاسپورٹ اور پراکسی کی کاپیاں پراکسی فارم کے ساتھ فراہم کی جائیں گی۔
- ۶۔ اگر کوئی ممبر ایک سے زائد پراکسی کا تقرر کرتا ہے اور ایک سے زائد دستاویزات کمپنی میں داخل کرتا ہے تو ایسی دستاویزات کو غیر موثر تصور کیا جائے گا۔
- ۷۔ ممبران سے درخواست ہے کہ وہ اپنے پتہ میں کسی بھی تبدیلی کی صورت میں فوری طور پر مطلع کریں۔
- ۸۔ سی ڈی سی اکاؤنٹ ہولڈرز کو ہدایت کی جاتی ہے کہ وہ سرکلر ۱ میں دی گئی ہدایات پر عمل کریں جو کہ ۲۶ جنوری ۲۰۰۰ء کو سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان۔

سی ڈی سی اکاؤنٹ ہولڈر/کارپوریٹ کیلئے:

مذکورہ بالا کے علاوہ درج ذیل پر بھی عمل کرنا ہوگا:

- ۱۔ پراکسی فارم پر دو افراد گواہ ہونگے جن کے نام، پتہ اور شناختی کارڈ نمبرز فارم پر درج کئے جائیں گے۔
- ۲۔ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ منسلک کی جائیں گی۔
- ۳۔ پراکسی اصل شناختی کارڈ یا اصل پاسپورٹ کے ساتھ میٹنگ کے وقت پیش کرنا ہوگا۔
- ۴۔ کارپوریٹ کی موجودگی میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بعد نمونے کے دستخط کے ساتھ پراکسی فارم کمپنی میں جمع کرائے جائیں گے۔



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