



**SEPTEMBER 30, 2020**

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1ST QUARTERLY REPORT  
(UN-AUDITED)

**HUM NETWORK LIMITED**



## HUM NETWORK LIMITED



**MASALA**  
TV FOOD MAGAZINE

**HumMart**



## Company Information

### Board of Directors

Chairman  
Directors

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

Chief Executive Officer  
Chief Financial Officer  
Company Secretary  
Head of Internal Audit

### AUDIT COMMITTEE

Chairman  
Members

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

### HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairman  
Members

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

### AUDITORS

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

### INTERNAL AUDITORS

### LEGAL ADVISOR

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

### BANKERS

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

### REGISTERED & HEAD OFFICE

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

### REGISTRAR/TRANSFER AGENT

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

### WEBSITE

www.humnetwork.tv

### PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

## HUM NETWORK LIMITED

## Director's Report

The Board of Directors of HUM Network Limited (HNL) takes pleasure in presenting the review report on the financial and operational performance of the Company for the three months period ended September 30, 2020.

### Financial Performance:

Despite the COVID-19 pandemic, the Company performed well and recorded a gross profit of Rs. 303 million for the period ended September 30, 2020 as compared to gross loss of Rs. 31 million for the period ended September 30, 2019. The Company's profit after tax was Rs. 479 million, due to increase in revenue and gain on sale of non-current asset held for sale, as compared to loss after tax of Rs. 301 million for the period ended September 30, 2019. The above performance resulted in earnings per share for the period ended September 30, 2020 of Re. 0.51 as compared to loss per share of Re. 0.32.

### Operational Performance:

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

HUM TV is famous for its intense and amazing prime time dramas, soaps and serials that highlight sensitive issues and are considered as a medium of message for the society. During the period under review, HUM TV aired dramas like "Qurbatein", "Tera Ghum Aur Hum", "Zebaaish" which were highly appreciated by the audiences.

During the COVID-19 pandemic, HUM News performed its responsibility by providing timely news to its audience and increasing awareness about the pandemic amongst the masses.

HUM Masala, being an integral part of every household, has added to its content a series of new cooking and informative shows introducing many different recipes, cooking experts, professional chefs and health consultants which have been overwhelmed by the food mavens.

Consolidated results are as follows:

	<b>Rupees</b>
Revenue – net	1,113,151,769
Gross Profit	352,892,699
Profit for the period – before taxation	433,806,572
Profit per share	0.47

Further, we would like to inform that as per the Order of the Honorable High Court of Sindh dated 15 July 2021 communicated through the PSX dated 16 July 2021 regarding the holding of the 16th Annual General Meeting of the Company, all the relevant compliances have been duly made as directed by the Court in the aforementioned order. However, the judgment of the Court is still awaited.

### Future Outlook

We have taken difficult decisions to deal with the COVID-19 crisis, but this has enabled us to continue to invest in and successfully execute our strategies. We have implemented new strategies during these crisis to drive more efficiencies and effectiveness. We monitored our performance very carefully and the risks associated with COVID-19 and were extremely focused on tightly managing our costs and cash.

Delivering quality content has positioned us to better respond to the changing viewers' habits and to take advantage of the continued strong demand for quality content internationally.

By investing in our products and services, we will deliver our content in ways that work for all our stakeholders, now and in the future, which means continuing to provide premium quality broadcasting in order to satisfy stakeholders' demand for greater flexibility in future

### Acknowledgement

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

September 23, 2021  
Karachi

  
**DURAID QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

## ڈائریکٹرز رپورٹ

انجیو، ایم نیٹ ورک لینڈ (انجی این ایل) کے بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۰ء کی اختتامی مدت کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

کورونا وبا کے باوجود کمپنی نے اچھی کارکردگی کا مظاہرہ کیا اور ۳۰ ستمبر ۲۰۲۰ء کی اختتامی مدت کیلئے ۳۰۳ ملین روپے کے مجموعی منافع حاصل کیا جس کا موازنہ گذشتہ ۳۰ ستمبر ۲۰۱۹ء کی اختتامی مدت کے مجموعی خسارہ مبلغ ۳۰۳ ملین روپے سے کیا جاسکتا ہے۔ کمپنی کا بعد از ٹیکس منافع مبلغ ۱۴۷ ملین روپے رہا جس کا موازنہ ۳۰ ستمبر ۲۰۱۹ء کی اختتامی مدت کے ۳۰۳ ملین روپے سے کیا جاسکتا ہے، جو کہ مدنی میں اضافہ اور فروخت کیلئے رکھے گئے غیر موجودہ افادہ جات کی فروخت پر تھا۔ مذکورہ بالا کارکردگی کے نتیجے میں ۳۰ ستمبر ۲۰۲۰ء کو فی حصص آمدنی مبلغ ۳۲۔۰ روپے رہی۔

عملی کارکردگی:

اپنے آغاز سے ہی ہم نے وی ای اس لیگ میں اہم کردار ادا کر رہا ہے، اور نئے ٹیلنٹ کے ساتھ ساتھ دقیقہ و خیالات کو شغف کرنے کیلئے مضبوط سماجی پیغام اور اہم موضوعات پر مشتمل ڈرامے پیش کر رہا ہے۔

ہم ٹی وی اپنے بہترین اور حیرت انگیز پرائم ٹائم ڈراموں، سوپ اور سیریلز کے لیے مشہور ہے جو حساس مسائل کو اجاگر کرتے ہیں اور معاشرے کے لیے پیغام کا ذریعہ سمجھے جاتے ہیں۔ زیرِ جائزہ مدت کے دوران، ہم ٹی وی نے ”قریبیتیں“، ”تیرم اور ہم“، ”زیبا نش“ جیسے ڈرامے نشر کیے جنہیں سامعین نے کافی سراہا۔

کورونا وبا کے دوران، ہم تجویز نے اپنے سامعین کو بروقت خبروں سے آگاہ رکھا اور غرام میں وبائی امراض کے بارے میں آگاہی دے کر پوری طرح اپنی ذمہ داری ادا کی۔

ہم مضامین، گھر کا ایک لازمی جزو ہونے کے ناطے، اس کے مواد میں نئے کھانا پکانے اور معلوماتی خوز کی ایک سیریز شامل کی گئی ہے جس میں بہت سی مختلف ترکیبات، کھانا پکانے کے ماہرین، پیشہ ور شخص اور صحت کے مشیروں کو متعارف کرایا گیا ہے۔

دوران مدت جائزہ کے تحت متعلقہ نتائج درج ذیل ہیں:

روپے
۱,۱۳,۱۵۱,۷۶۹
۳۵۲,۸۹۲,۶۹۹
۴۳۳,۸۰۶,۵۷۲
۰۔۳۷

صافی آمدنی

کل منافع

دوران مدت قبل از ٹیکس منافع

فی شیئر منافع

ہم مزید آپ کو مطلع کرنا چاہتے ہیں کہ معزز عدالت عالیہ سندھ کے حکم مورخہ ۱۵ جولائی ۲۰۲۱ء تحت مورخہ ۱۶ جولائی ۲۰۲۱ء کو پاکستان اسٹاک ایکسچینج کے ذریعے کمپنی کے ۱۶ ویں سالانہ عام اجلاس کے انعقاد کے حوالے سے تمام متعلقہ تعینات کی گئی ہیں۔ مذکورہ بالا حکم میں تمام متعلقہ تعینات عدالت کی ہدایت کے مطابق کی گئی ہیں۔ تاہم ابھی عدالت کے فیصلے کا انتظار رہے۔

مستقبل کا جائزہ:

ہم نے کورونا وبا کے شغف کے لیے مشکل ترین فیصلے کیے ہیں، لیکن اس وبا نے ہمیں سرمایہ کاری جاری رکھنے اور اپنی حکمت عملیوں کو کامیابی سے عملی جامہ پہنانے کے قابل بنایا ہے۔ ہم نے اس افراتفری کے دوران اپنی حکمت عملی نافذ کی ہے تاکہ زیادہ افادیت اور تاحیر حاصل کی جاسکے۔ ہم نے اپنی کارکردگی اور کورونا وبا سے وابستہ خطرات پر نظر رکھی اور اپنے اخراجات اور نقد رقم کو احتیاط سے سنبھالنے پر بہت زیادہ توجہ دی۔


معیاری مواد کی فراہمی نے ہمیں دیکھنے والوں کی بدلتی عادات کا بہتر جواب دینے اور بین الاقوامی سطح پر معیاری مواد کی مسلسل مضبوط مانگ سے فائدہ اٹھانے کی پوزیشن میں رکھا ہے۔

اپنی بروڈکس اور خدمات میں سرمایہ کاری کر کے، ہم اپنے مواد اپنے تمام اسٹیک ہولڈرز تک پہنچائیں گے جو ہمارے لئے کام کرتے ہیں، جس کا مطلب ہے مستقبل میں زیادہ سے زیادہ پلک کے لیے سلیک ہولڈرز کی مانگ کو پورا کرنے کے لیے پرییم معیاری شرائط فراہم کرنا۔

اظہار تشکر:

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

کراچی ۲۳ ستمبر ۲۰۲۰ء

  
مظفر الحق صدیقی  
چیئر مین

  
ڈر. فرحت ایشیاق  
چیئر پرسون

# **UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
	Note	----- Rupees -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,310,414,871	1,365,363,429
Intangible assets		29,036,338	32,107,487
Long term investments	5	328,898,481	328,898,481
Long term deposits		24,691,723	24,781,979
Television program costs		364,058,951	360,737,951
Deferred tax asset		161,506,153	144,885,503
		<u>2,218,606,517</u>	<u>2,256,774,830</u>
<b>CURRENT ASSETS</b>			
Inventories		17,692,299	16,984,145
Current portion of television program costs		100,385,799	105,385,799
Trade debts	6	1,722,884,109	1,716,753,677
Short term investments		38,489,712	241,505,092
Advances		511,399,810	90,637,954
Deposits and prepayments		12,198,611	22,254,922
Other receivables		146,888,174	129,893,353
Taxation – net		179,910,409	182,756,633
Cash and bank balances		68,983,464	141,629,483
		<u>2,798,832,387</u>	<u>2,647,801,058</u>
Non-current asset held for sale		-	16,507,087
<b>TOTAL ASSETS</b>		<u><b>5,017,438,904</b></u>	<u><b>4,921,082,975</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
1,500,000,000 (2020: 1,500,000,000) Ordinary shares of Re.1/- each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up capital		945,000,000	945,000,000
Unappropriated profit		<u>2,583,534,548</u>	<u>2,104,074,108</u>
		<u>3,528,534,548</u>	<u>3,049,074,108</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		100,006,950	103,701,273
Long term financing		<u>442,869,927</u>	<u>837,839,369</u>
		<u>542,876,877</u>	<u>941,540,642</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	450,827,799	492,872,413
Advance from customers		15,266,088	13,629,128
Accrued markup		2,839,861	2,860,434
Short term borrowings		94,763,765	189,067,264
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of long term financing		347,969,228	196,311,600
Current portion of long term lease liabilities		<u>28,207,089</u>	<u>29,573,737</u>
		<u>946,027,479</u>	<u>930,468,225</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>5,017,438,904</b></u>	<u><b>4,921,082,975</b></u>

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



**DURAIQ QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	Note	September 30, 2020	September 30, 2019
		Rupees	
Revenue	9	911,517,375	709,228,805
Cost of production	10	(581,762,017)	(703,508,018)
Transmission cost		(26,907,401)	(36,460,566)
		(608,669,418)	(739,968,584)
<b>Gross profit/(loss)</b>		<b>302,847,957</b>	<b>(30,739,779)</b>
Distribution costs		(43,404,864)	(90,901,145)
Administrative expenses		(240,781,960)	(109,952,264)
Other income		2,221,169	25,172,788
Gain on sale of non-current asset held for sale		476,832,913	-
Finance costs		(21,746,118)	(63,122,096)
<b>Profit / (loss) before taxation</b>		<b>475,969,097</b>	<b>(269,542,496)</b>
Taxation			
-current		(13,129,333)	13,912,138
-deferred		16,620,675	(45,617,069)
		3,491,342	(31,704,931)
<b>Profit / (loss) for the period</b>		<b>479,460,439</b>	<b>(301,247,427)</b>
<b>Profit / (loss) per share – basic and diluted</b>		<b>0.51</b>	<b>(0.32)</b>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	Quarter-ended	
	September 30, 2020	September 30, 2019
	----- Rupees -----	
Profit / (loss) for the period	479,460,439	(301,247,427)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the period	<u>479,460,439</u>	<u>(301,247,427)</u>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020 ----- (Rupees)	September 30, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	475,969,098	(269,542,496)
<b>Adjustments for:</b>		
Depreciation on operating fixed assets	57,442,743	58,838,008
Amortization	3,363,549	3,720,867
Finance costs	21,746,118	63,122,096
Unrealised exchange gain/(loss)	(2,617,462)	7,984,386
Profit on bank accounts	(3,865,295)	(3,748,316)
Gain on disposal of operating fixed assets	(2,893,165)	(329,611)
Gain on disposal of non-current asset held for sale	(476,832,913)	-
Loss on redemption / sale of investments	12,426,115	-
Unrealised gain/loss on revaluation of investments	701,649	(4,937,018)
	<u>(390,528,661)</u>	<u>124,650,412</u>
<b>Operating profit / (loss) before working capital changes</b>	<b>85,440,437</b>	<b>(144,892,084)</b>
<b>(Increase)/decrease in current assets</b>		
Inventories	(708,154)	(1,013,376)
Television program costs	5,000,000	3,000,000
Trade debts	(3,512,968)	119,801,090
Advances	(420,761,856)	(91,508,131)
Deposits and prepayments	10,056,311	(1,441,801)
Other receivables	(16,994,821)	(22,823,845)
	<u>(426,921,488)</u>	<u>6,013,937</u>
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	(40,407,628)	71,435,808
<b>Cash used in operations</b>	<b>(381,888,678)</b>	<b>(67,442,339)</b>
Taxes paid	(10,283,111)	(16,387,318)
Finance costs paid	(21,766,691)	(54,259,045)
Profit received on deposit accounts	3,865,295	3,748,316
Long-term deposits	90,256	154,340
Television program costs	(3,321,000)	(11,044,000)
<b>Net cash used in operating activities</b>	<b>(413,303,929)</b>	<b>(145,230,046)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment & intangible assets	(8,284,717)	(14,074,998)
Short term investments - net	190,589,265	137,650,969
Proceeds from sale of non-current asset held for sale	493,340,000	-
Proceeds from disposal of operating fixed assets	7,689,650	4,045,840
<b>Net cash generated from investing activities</b>	<b>683,334,198</b>	<b>127,621,811</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals paid	(5,060,973)	(2,756,549)
Long term financing - net	(243,311,815)	(93,199,077)
<b>Net cash used in financing activities</b>	<b>(248,372,788)</b>	<b>(95,955,626)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>21,657,480</b>	<b>(113,563,861)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(47,437,781)</b>	<b>(147,810,391)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(25,780,301)</b>	<b>(261,374,252)</b>
<b>Cash and cash equivalents</b>		
Cash and bank balances	68,983,464	38,520,168
Short-term running finance	(94,763,765)	(299,894,420)
	<u>(25,780,301)</u>	<u>(261,374,252)</u>

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

  
**DURAIQ QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

  
**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	Rupees		
<b>Balance as at July 01, 2019 – (Audited)</b>	<b>945,000,000</b>	<b>2,212,120,835</b>	<b>3,157,120,835</b>
Loss for the period	-	(301,247,427)	(301,247,427)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(301,247,427)	(301,247,427)
<b>Balance as at September 30, 2019</b>	<b>945,000,000</b>	<b>1,910,873,408</b>	<b>2,855,873,408</b>
<b>Balance as at July 01, 2020 – (Audited)</b>	<b>945,000,000</b>	<b>2,104,074,108</b>	<b>3,049,074,108</b>
Profit for the period	-	479,460,440	479,460,440
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	479,460,440	479,460,440
<b>Balance as at September 30, 2020</b>	<b>945,000,000</b>	<b>2,583,534,548</b>	<b>3,528,534,548</b>

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



**DURAIQ QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)****1 THE COMPANY AND ITS OPERATIONS**

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

**2 BASIS OF PREPARATION**

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

**3 ACCOUNTING POLICES**

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2020.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

		September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
		----- Rupees -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	4.1	1,172,544,017	1,219,674,736
Capital work-in-progress		15,933,877	15,933,877
Right of use assets		121,936,977	129,754,816
		<u>1,310,414,871</u>	<u>1,365,363,429</u>
<b>4.1 Operating fixed assets</b>			
Opening balance – at book value		1,219,674,736	1,389,830,442
Transfers from right of use assets		727,372	43,489,295
Additions during the period / year – at cost	4.1.1	7,992,317	83,033,078
		<u>1,228,394,425</u>	<u>1,516,352,815</u>
Less:			
Disposals / transfers during the period / year – at book value		(4,650,678)	(56,703,829)
Depreciation charged during the period / year		(51,199,730)	(239,974,250)
		<u>(55,850,408)</u>	<u>(296,678,079)</u>
Closing balance – at book value		<u>1,172,544,017</u>	<u>1,219,674,736</u>
<b>4.1.1 Details of additions are as follows:</b>			
<b><u>Owned Assets:</u></b>			
Leasehold Land		-	-
Building on leasehold land		-	61,289,200
Leasehold improvements		840,161	3,823,116
Motor vehicles		71,000	50,667
Audio visual equipment		441,400	10,665,802
Office equipment		114,806	1,015,779
Computers		6,524,950	6,188,514
		<u>7,992,317</u>	<u>83,033,078</u>
<b>5. LONG TERM INVESTMENTS – unquoted subsidiaries</b>	<b>Holding</b>		
<b>HUM TV, Inc. – USA</b>			
10,000 Common stock of \$ 0.01 each	100%	8,603	8,603
Advance for future issue of shares		18,716,750	18,716,750
		<u>18,725,353</u>	<u>18,725,353</u>
<b>HUM Network UK Ltd.</b>			
553,677 Ordinary shares of 1 GBP	100%	95,923,751	95,923,751
<b>Skyline Publications (Private) Ltd.</b>			
3,999,997 Ordinary shares of Rs.10 each	100%	39,999,970	39,999,970
Provision for impairment		(39,999,970)	(39,999,970)
		<u>-</u>	<u>-</u>
<b>HUM Network FZ LLC – UAE</b>			
2,400 Ordinary shares of AED 1000 each	100%	69,802,371	69,802,371
Advance for future issue of shares		4,446,966	4,446,966
		<u>74,249,337</u>	<u>74,249,337</u>
<b>HUMM Co. (Private) Limited</b>			
4 Ordinary shares of Rs. 10 each	100%	40	40
<b>HUM Mart. (Private) Limited</b>			
14,000,000 ordinary shares of Rs.10 each	70%	140,000,000	140,000,000
		<u>328,898,481</u>	<u>328,898,481</u>
<b>6. TRADE DEBTS</b>			
Considered good		1,722,884,109	1,716,753,677
Considered doubtful		47,026,912	47,026,912
		<u>1,769,911,021</u>	<u>1,763,780,589</u>
Less: Provision for doubtful debts		(47,026,912)	(47,026,912)
		<u>1,722,884,109</u>	<u>1,716,753,677</u>
<b>7. TRADE AND OTHER PAYABLES</b>			
Creditors		110,584,323	309,271,132
Accrued liabilities		230,996,966	77,654,739
Due to related party – HUM Network FZ LLC		35,964,851	46,791,822
Withholding tax payable		57,803,985	42,230,593
Payable to provident fund		1,212,718	1,273,701
Other liabilities		14,264,956	15,650,426
		<u>450,827,799</u>	<u>492,872,413</u>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2020.

### 8.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2020 amounted to Rs.176,150,000 (June 2020: Rs. 155,579,500/-). Commitment for purchase of television programs with other than related parties as at September 30, 2020 amounted to Rs. 13,950,000 (June 2020: Rs. 84,222,500/-).

Quarter-ended	
September 30, 2020 (Un-audited)	September 30, 2019 (Un-audited)
----- Rupees -----	
763,150,799	583,185,234
800,000	11,188,599
6,206,363	958,900
141,360,213	106,194,194
-	7,701,878
<b>911,517,375</b>	<b>709,228,805</b>

## 9 REVENUE – net

Advertisement revenue	763,150,799	583,185,234
Production revenue	800,000	11,188,599
Digital sales revenue	6,206,363	958,900
Subscription income	141,360,213	106,194,194
Film distribution revenue	-	7,701,878
	<b>911,517,375</b>	<b>709,228,805</b>

### 9.1 Revenue is net off the following items:

Sales tax	105,131,687	83,226,206
Discount to customers	58,483,361	54,399,694
	<b>163,615,048</b>	<b>137,625,900</b>

## 10. COST OF PRODUCTION

Cost of outsourced programs	310,477,273	409,313,057
Cost of in-house programs	7,087,316	20,879,694
Inventories consumed	1,741,080	-
Salaries and benefits	159,173,375	185,492,097
Depreciation	44,661,864	46,297,747
Amortisation	2,475,965	2,750,483
Traveling and conveyance	8,464,008	10,678,684
Utilities	8,151,473	4,252,520
Rent, rates and taxes	297,568	4,600,976
Insurance	6,026,188	6,063,596
Repair and maintenance	7,564,011	5,415,805
Fee and subscription	18,107,086	11,191,854
Communication expense	4,378,607	3,531,157
Consultancy	1,166,871	793,228
Printing and stationery	310,332	291,120
	<b>580,083,017</b>	<b>711,552,018</b>
In production television programs		
- opening	38,743,250	54,213,916
In production television programs		
- closing	<b>(37,061,250)</b>	<b>(62,257,916)</b>
	<b>581,765,017</b>	<b>703,508,018</b>
Released / unreleased programs		
- opening	427,380,500	386,400,500
Released / unreleased programs		
- closing	<b>(427,383,500)</b>	<b>(386,400,500)</b>
	<b>581,762,017</b>	<b>703,508,018</b>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

### 11. TRANSACTIONS WITH RELATED PARTIES

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

Nature of transaction	Quarter-ended	
	September 30, 2020 (Un-audited)	September 30, 2019 (Un-audited)
	----- Rupees -----	
<b>Associated companies:</b>		
Purchases of Television programs	260,906,360	333,939,514
<b>Subsidiary Company:</b>		
Management Fee	1,242,000	1,170,750
Subscription Income	12,427,538	11,744,000
<b>Others</b>		
Key Management personnel	141,891,690	27,671,570
Contribution to Fund	9,226,833	11,122,975

### 12. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2020. There have been no change in any risk management policies since the year end.

### 13. FAIR VALUE OF ASSETS

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

### 14. GENERAL

14.1 Amounts have been rounded off to the nearest rupee.

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

### 15. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on September 23, 2021 by the Board of Directors.



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**CONDENSED INTERIM  
CONSOLIDATED  
FINANCIAL STATEMENTS**



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020

		September 30, 2020	June 30, 2020
	Note	Rupees (Un-audited)	Rupees (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,342,839,213	1,399,715,699
Intangible assets		107,949,641	110,838,386
Long term investments		-	73,387,086
Long term deposits		26,939,605	27,032,386
Television program costs		364,058,951	360,737,951
Deferred tax asset		173,407,142	161,689,721
		<b>2,015,194,552</b>	<b>2,133,401,229</b>
<b>CURRENT ASSETS</b>			
Inventories		39,671,910	44,130,860
Current portion of television program costs		100,385,799	105,385,799
Trade debts	5	1,942,919,981	2,089,810,853
Short term investments		38,489,712	241,505,092
Advances		518,582,092	106,122,200
Trade deposits and short-term prepayments		92,110,138	42,495,903
Other receivables		176,514,700	110,529,571
Taxation – net		181,715,406	180,574,832
Cash and bank balances		152,914,721	268,697,823
		<b>3,243,304,461</b>	<b>3,189,252,933</b>
Non-current asset held for sale		-	16,507,087
		<b>5,258,499,013</b>	<b>5,339,161,249</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		1,500,000,000	1,500,000,000
1,500,000,000 (2019: 1,500,000,000) Ordinary shares of Re.1/- each		945,000,000	945,000,000
Issued, subscribed and paid-up capital		2,536,921,271	2,096,403,506
Revenue Reserves		3,481,921,271	3,041,403,506
Attributable to owners of the Holding Company		(11,042,168)	1,064,284
Non-controlling interest		3,470,879,103	3,042,467,790
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		100,006,950	104,833,723
Long term financing		442,869,927	837,839,369
Staff retirement benefits		29,693,025	28,453,198
		<b>572,569,902</b>	<b>971,126,290</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		719,845,043	895,681,562
Accrued mark-up		3,189,576	3,210,149
Short term borrowings		102,983,765	189,067,264
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of long term lease liabilities		34,908,747	35,142,945
Current portion of long term financing		347,969,228	196,311,600
		<b>1,215,050,008</b>	<b>1,325,567,169</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>5,258,499,013</b>	<b>5,339,161,249</b>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

## CONDENSED INTERIM CONSOLIDATED PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

		September 30, 2020	September 30, 2019
	Note	Rupees	
Revenue - Net	7	1,113,151,769	904,804,334
Cost of production	8	(688,077,042)	(773,859,183)
Transmission cost		(72,182,028)	(130,885,601)
<b>Gross profit</b>		<b>(760,259,070)</b>	<b>(904,744,784)</b>
Distribution costs		(67,020,515)	(114,381,664)
Administrative expenses		(307,473,797)	(167,053,291)
Other income		519,816	24,289,379
Other expenses		-	(115,221)
Gain on sale of non-current asset held for sale		476,832,913	-
Finance costs		(21,944,544)	(63,380,613)
Share of net profit of associate		-	1,155,744
<b>Profit / (loss) before taxation</b>		<b>433,806,572</b>	<b>(319,426,116)</b>
Taxation		2,211,808	(32,611,218)
<b>Profit / (loss) after taxation</b>		<b>436,018,380</b>	<b>(352,037,334)</b>
<b>Attributable to:</b>			
Owners of Holding Company		448,124,832	(341,537,410)
Non-Controlling Interests		(12,106,452)	(10,499,924)
		<b>436,018,380</b>	<b>(352,037,334)</b>
<b>Profit / (loss) per share – basic and diluted</b>		<b>0.47</b>	<b>(0.36)</b>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020	September 30, 2019
	----- Rupees -----	
Profit / (loss) for the period	436,018,380	(352,037,334)
Other comprehensive income	(7,607,067)	(18,314,309)
Total comprehensive income / (loss) for the period	<u>428,411,313</u>	<u>(370,351,643)</u>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Foreign exchange translation reserve	Revenue Reserves		Non- controlling interest	Total
			Unappropriated profit	Sub-total		
Balance as at July 01, 2019 (Audited)	945,000,000	151,839,386	2,124,619,601	2,276,458,987	55,144,321	3,276,603,308
Loss attributable to non-controlling interests for the year	-	-	-	-	(10,499,924)	(10,499,924)
	-	-	-	-	(10,499,924)	(10,499,924)
Loss for the year	-	-	(341,537,410)	(341,537,410)	-	(341,537,410)
Other comprehensive income	-	(18,314,309)	-	(18,314,309)	-	(18,314,309)
Total comprehensive income /	-	(18,314,309)	(341,537,410)	(359,851,719)	-	(359,851,719)
	-	(18,314,309)	(341,537,410)	(359,851,719)	-	(359,851,719)
Balance as at September 30, 2019	945,000,000	133,525,077	1,783,082,191	1,916,607,268	44,644,397	2,906,251,665
Balance as at July 01, 2020 (Audited)	945,000,000	159,680,622	1,936,722,884	2,096,403,506	1,064,284	3,042,467,790
Profit/(Loss) for the year	-	-	448,124,832	448,124,832	(12,106,452)	436,018,380
Other comprehensive income	-	(7,607,067)	-	(7,607,067)	-	(7,607,067)
Total comprehensive income / (loss) for the year	-	(7,607,067)	448,124,832	440,517,765	(12,106,452)	428,411,313
	-	(7,607,067)	448,124,832	440,517,765	(12,106,452)	428,411,313
Balance as at September 30, 2020	945,000,000	152,073,555	2,384,847,716	2,536,921,271	(11,042,168)	3,470,879,103
	945,000,000	152,073,555	2,384,847,716	2,536,921,271	(11,042,168)	3,470,879,103

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

September 30, September 30,  
2020 2019  
----- Rupees -----

## CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (Loss) before Taxation 433,806,572 (319,426,116)

### Adjustment for:

Depreciation	59,930,209	61,270,421
Amortization	3,181,143	7,655,204
Finance costs	21,944,544	63,380,613
Profit received on deposit accounts	(3,928,800)	(4,020,446)
(Gain)/Loss on disposal of property, plant and equipment	(2,191,516)	(329,611)
Gain on disposal of non-current asset held for sale	(476,832,913)	-
Unrealized Loss/(gain) on Revaluation of Investments	(2,617,462)	(4,937,018)
Exchange difference on translation of foreign currency	(7,607,067)	(18,314,309)
Provision for doubtful debts	(22,399,997)	(294,233)
Gain/(loss) on redemption / sale of investments	12,426,115	-
Exchange Loss/(Gain)	-	7,984,386
	(418,095,743)	112,395,007

Operating Profit before working capital changes 15,710,829 (207,031,109)

### (Increase)/decrease in

#### current assets

Inventories	4,458,950	3,161,219
Television program costs	5,000,000	3,000,000
Trade debts	171,908,372	19,893,044
Advances, deposits and prepayments	(462,074,127)	(153,209,121)
Other receivables	(65,985,129)	55,128,419
	(346,691,935)	(72,026,439)

#### Increase in current liabilities

Trade and other payables (175,836,519) 147,176,409

## CASH GENERATED FROM OPERATIONS

(506,817,625) (131,881,139)

Taxes paid	(10,646,188)	(16,580,126)
Finance cost paid	(21,965,117)	(54,517,562)
Profit received on bank accounts	3,928,800	4,020,446
Long-term deposits	92,781	(9,762,586)
Television program costs	(3,321,000)	(11,044,000)
Employees end of Service	1,239,827	-
Net cash (used in) / generated from operating activities	(537,488,522)	(219,764,967)

## CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment and intangibles	(8,844,293)	(15,114,992)
Short term investments - net	190,589,265	137,650,968
Long term Investment	73,387,086	3,269,210
Proceeds from disposal of operating fixed assets	7,689,650	4,045,840
Proceeds from sale of non-current asset held for sale	493,340,000	-
Net cash (used in) / generated from investing activities	756,161,708	129,851,026

## CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing	(243,311,815)	(93,199,077)
Liabilities against assets subject to finance lease	(5,060,973)	(2,756,549)
Net cash (used in) / generated from financing activities	(248,372,788)	(95,955,626)

Net increase / (decrease) in cash and cash equivalents (29,699,602) (185,869,567)

Cash and cash equivalents at the beginning of the period 79,630,559 61,756,801

Cash and cash equivalents at the end of the period 49,930,956 (124,112,766)

### Cash and cash equivalents

Cash and bank balances	152,914,721	175,781,654
Short-term running finance	(102,983,765)	(299,894,420)
	49,930,956	(124,112,766)

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



**DURAIQ QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

## 1 THE GROUP AND ITS OPERATIONS

- 1.1 HUM Network Limited (the Holding Company) was incorporated in Pakistan as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance). The shares of the Holding Company are quoted on Pakistan Stock Exchange.
- 1.2 The Holding Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

The 'Group' consists of

### Holding Company

HUM Network Limited

### Subsidiary Companies

	2020	2019
	Percentage of holding	
HUM TV, Inc.	100%	100%
HUM Network UK Limited	100%	100%
Sky Line Publications (Private) Limited	100%	100%
HUM Network FZ LLC	100%	100%
HUMM Co. (Private) Limited	100%	100%
HUM Mart (Private) Limited	70%	70%

## 1.3 Nature of operations of subsidiaries

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

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

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

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

### 2 BASIS OF PREPARATION

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

### 3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2020.

		September 30, 2020	June 30, 2020
	Note	----- Rupees -----	
		(Un-audited)	(Audited)
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	1,197,925,540	1,246,984,186
Right of use assets		128,979,796	136,797,636
Capital work-in-progress		15,933,877	15,933,877
		<u>1,342,839,213</u>	<u>1,399,715,699</u>

#### 4.1 Operating fixed assets – owned and leased

Book value at the beginning of the period / year		1,246,984,186	1,426,291,636
Additions during the period / year	4.1.1	8,288,825	85,590,151
Transfer to right of use asset - at book value		727,372	14,910,383
		<u>1,256,000,383</u>	<u>1,526,792,170</u>
Less:			
Disposal/ transfer during the period / year - at WDV		(4,387,646)	(58,043,845)
Depreciation charged during the period / year		(53,687,197)	(221,764,139)
		<u>(58,074,843)</u>	<u>(279,807,984)</u>
		<u>1,197,925,540</u>	<u>1,246,984,186</u>

#### 4.1.1 Additions during the period/year

##### Owned Assets:

Building on leasehold land	-	61,289,200
Furniture and fixtures	296,508	626,690
Leasehold improvements	840,161	3,823,116
Motor vehicles	71,000	50,667
Audio visual equipment	441,400	10,665,802
Office equipment	114,806	1,066,404
Computers	6,524,950	8,068,272
	<u>8,288,825</u>	<u>85,590,151</u>

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020 ----- Rupees ----- (Un-audited)	June 30, 2020 (Audited)
<b>5 TRADE DEBTS – unsecured</b>		
Considered good	1,942,919,981	2,089,810,853
Considered doubtful	67,139,637	89,539,634
	<u>2,010,059,619</u>	<u>2,179,350,487</u>
Less: Provision for doubtful debts	<u>(67,139,637)</u>	<u>(89,539,634)</u>
	<u>1,942,919,981</u>	<u>2,089,810,853</u>
<b>6 CONTINGENCIES AND COMMITMENTS</b>		
<b>6.1 Contingencies</b>		
There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2020.		
<b>6.2 Commitments</b>		
Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2020 amounted to Rs.176,150,000 (June 2020: Rs. 155,579,500/-). Commitment for purchase of television programs with other than related parties as at September 30, 2020 amounted to Rs. 13,950,000 (June 2020: Rs. 84,222,500/-).		



# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

## 7. REVENUE – net

	September 31, 2020 (Un-audited)	September 31, 2019 (Un-audited)
	----- Rupees -----	
Advertisement revenue	834,201,748	711,910,002
Production revenue	800,000	11,188,599
Digital sales revenue	6,206,363	958,900
Subscription income	189,693,288	108,287,703
Film distribution revenue	-	9,612,791
Sale of goods	82,250,371	62,846,339
	<u>1,113,151,769</u>	<u>904,804,334</u>

### 7.1 Revenue is net off the following items:

Sales tax	105,131,687	83,226,206
Discount to customers	59,022,420	54,399,694
	<u>164,154,107</u>	<u>137,625,900</u>

## 8. COST OF PRODUCTION

	September 31, 2020 (Un-audited)	September 31, 2019 (Un-audited)
	----- Rupees -----	
Cost of outsourced programs	312,982,711	411,233,741
Cost of in-house programs	7,087,316	20,879,694
Inventories consumed	81,919,363	63,539,262
Salaries and benefits	168,000,945	188,241,340
Depreciation	46,721,012	46,369,316
Amortisation	2,521,429	2,750,483
Traveling and conveyance	13,423,480	10,870,639
Utilities	8,807,645	4,260,055
Rent, rates and taxes	3,069,568	4,604,240
Insurance	6,026,188	6,120,251
Repair and maintenance	7,994,920	5,483,261
Fee and subscription	18,107,086	11,191,853
Communication expense	7,015,908	3,623,762
Consultancy	1,166,871	1,056,559
Printing and stationery	1,553,602	1,678,727
	<u>686,398,042</u>	<u>781,903,183</u>
In production television programs		
- opening	38,743,250	54,213,916
In production television programs		
- closing	<u>(37,061,250)</u>	<u>(62,257,916)</u>
	<u>688,080,042</u>	<u>773,859,183</u>
Released / unreleased programs		
- opening	427,380,500	386,400,500
Released / unreleased programs		
- closing	<u>(427,383,500)</u>	<u>(386,400,500)</u>
	<u>688,077,042</u>	<u>773,859,183</u>

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

## 9. TRANSACTIONS WITH RELATED PARTIES

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

	September 31, 2020 (Un-audited)	September 31, 2019 (Un-audited)
	----- Rupees -----	
<b>Nature of transaction</b>		
<b>Associated companies:</b>		
Purchases of Television programs	260,906,360	333,939,514
<b>Others</b>		
Key Management personnel	160,082,765	47,693,570
Contribution to Fund	9,226,833	11,122,975

## 10. SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on September 23, 2021 has recommended an interim cash dividend of Nil per share.

## 11. GENERAL

11.1 Amounts have been rounded off to the nearest rupee.

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

## 12. DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorised for issue on September 23, 2021 by the Board of Directors of the Holding Company.



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

Printed Matter

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**MASALA**  
TV FOOD MAG

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