HUM NETWORK

SEPTEMBER 30, 2021
1ST QUARTERLY REPORT
(UN-AUDITED)

HUM NETWORK LIMITED

Company Information

Board of Directors

Chairman	Mr Mazhar-ul-Haq Siddiqui
Directors	Ms. Sultana Siddiqui
	Mrs. Mahtab Akbar Rashdi
	Mr. Shunaid Qureshi
	Lt. Gen. (R) Asif Yasin Malik
	Mr. Sohail Ansar
	Ms. Nabigha Nasser Masood
	Mr. Muhammad Ayub Younus Adhi
Chief Executive Officer	Mr. Duraid Qureshi
Chief Financial Officer	Mr. Muhammad Abbas Hussain
Company Secretary	Mr. Mohsin Naeem
Head of Internal Audit	Mr. Kamran Shamshad Ahmed
AUDIT COMMITTEE	
Chairman	Mr. Sohail Ansar
Members	Mr. Shunaid Qureshi
	Mrs. Mahtab Akbar Rashdi
	Lt. Gen. (R) Asif Yasin Malik
HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE	
Chairman	Mr. Sohail Ansar
Members	Ms. Sultana Siddiqui
	Mrs. Mahtab Akbar Rashdi
AUDITORS	M/s. EY Ford Rhodes Chartered Accountants 7th Floor Progressive Plaza, Beaumont Road, Karachi
INTERNAL AUDITORS	M/s. KPMG Taseer Hadi & Company Chartered Accountants 1st Floor, Sheikh Sultan Trust Building No.2, Beaumont Road, Karachi
LEGAL ADVISOR	M/s. Ijaz Ahmed & Associates No.7, 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 Metropoliton 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

Director's Report

The Board of Directors of HUM Network Limited (HNL) takes pleasure in presenting the review on the financial and operational performance of the Company for the three months period ended September 30, 2021.

Financial Performance:

During the period, our net revenues increased by 34% as compared to last year. The gross profit of the Company increased by Rs. 308 million compared to same period last year resulting in gross profit margin of 50%. The Company reported a profit after tax of Rs. 251 million resulting in earnings per share of Re. 0.27 for the period ended September 30, 2021.

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 "Qissa Meherbano Ka", "Parizaad", "Laapata", "Hum Kahan Ke Sachay Thay" which highly appreciated by the audiences and were also the most viewed dramas on YouTube. These multi-starrer projects are definitely potential blockbusters.

After the success of blockbuster drama "Ehd-e-Wafa", the Inter-Services Public Relations (ISPR) and HUM TV once again teamed up to bring Pakistan's greatest military reality show, "60 Hours to Glory", to the country. The Military Reality Show was a unique production, which showcased the rigours of Pakistan Army's training regime, portraying 'Why We are the Best'. Following the intense competition of PATS-21, the events was shot in real-time, with no enactment at all. The viewers remained engaged in a roller-coaster production comprising 25 sensational episodes. The show was designed to stimulate the entertainment industry to produce an innovative stream of thrilling and adventurous content.

HUM News is following the precedent that was set by the flagship channel – HUM Entertainment by focusing mainly on the most neglected issues of society such as women empowerment, youth and minorities affairs. HUM News is thus paying special attention to the data-based-journalistic stories. HUM News is not only striving to give hope to our society but also revamping the Pakistan news industry by objective reporting methods.

The 5th Hum Style Awards took place in July 2021 in Lahore, celebrating the best of fashion and style from television, film, music, sports and fashion fraternity. It was a night of glitz and glamour as stars walked on the red carpet, dressed to their nines, after a long hiatus.

HUM Masala is South Asia's first and Pakistan's only 24-hour cooking channel and its immense popularity is not only limited to the South Asia but it is also broadcasted in the UK and other countries around the globe. HUM Masala 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:

	Rupees
Revenue – net	1,302,666,334
Gross Profit	653,859,083
Profit for the period – before taxation	323,276,291
Profit per share	0.24

Future Outlook

Our business and financial strategies, and the operational decision are designed to move HNL from strength to strength, and to ensure that its independence is preserved in a sustainable way. As an enterprise we are well placed to deliver much better growth forward backed by our well-defined business strategies, excellent infrastructure and robust board are confident about what we need to do to ensure that we emerge as an even more resilient, digital and future focused media and entertainment business.

To further enhance market share, the HNL has a planned content lineup of new shows across network channels by means of content differentiation and breaking the existing norms of the genre, we are confident that we would be able to challenge the existing players both in all genres of entertainment and news.

Pakistan has a prospective digital market and the consumer shift towards digital services is exhibited through the rampant expansion of digitized households. HNL is well positioned to take advantage of aforesaid market trends having partnerships with all major international VOD platforms.

Anticipating the changes taking place in this digital era, HNL ventured into the e-commerce market through HUM Mart. This year the management is changing the existing business model of the Company to make it profitable with increase in number of transactions and users base.

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.

November 26, 2021
Karachi.

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

ڈائریکٹرز رپورٹ

ایچ یو ایم نیٹ ورک لمیٹڈ (ایچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۱ء کی اختتامی مدت کیلیے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

دوران مدت، ہماری خالص آمدنی میں گزشتہ سال کے مقابلے میں ۳۴ فیصد اضافہ ہوا۔ کمپنی کے مجموعی منافع میں گزشتہ سال کی اسی مدت کے مقابلے میں ۳۰۸ ملین روپے کا اضافہ ہوا جس کے نتیجے میں مجموعی منافع کا مارجن ۵۰ فیصد رہا۔ کمپنی نے بعد از ٹیکس منافع مبلغ ۲۵۱ ملین روپے حاصل کیا جس کے نتیجے میں ۳۰ ستمبر ۲۰۲۱ء کو ختم ہونے والی مدت کے لیے فی شیئر آمدنی ۰.۲۷ روپے رہی۔

عملی کارکردگی:

اپنے آغاز سے ہی ہم ٹی وی اس لیگ میں اہم کردار ادا کر رہا ہے، اور نئے ٹیلنٹ کے ساتھ ساتھ دقیانوسی خیالات کو ختم کرنے کیلیے 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۔ زیر جائزہ مدت کے دوران، ہم ٹی وی نے "قصہ مہر بانو کا"، "پری زاد"، "لاپتہ"، "ہم کہاں کے سچے تھے" جیسے ڈرامے نشر کیے جنہیں ناظرین نے بے حد سراہا اور یہ یوٹیوب پر سب سے زیادہ دیکھے جانے والے ڈرامے بھی تھے۔ یہ ملکی اسٹار ایرپ ڈیجیٹلس یقینی طور پر ممکنہ بلاک بسٹر ہیں۔

بلاک بسٹر ڈرامہ "عہد وفا" کی کامیابی کے بعد، انٹر سروسز پبلک ریلیشنز (آئی ایس پی آر) اور ہم ٹی وی نے ایک بار پھر مل کر پاکستان کا سب سے بڑا ملٹری ریلیٹی شو "۶۰ آور ٹو گلوری" پیش کیا۔ ملٹری رئیلٹی شو ایک منفرد پروڈکشن تھا، جس میں پاکستان آرمی کے تربیتی نظام کی نخیتوں کو دکھایا گیا، جس میں "ہم بہترین کیوں ہیں" کی تصویر کشی کی گئی۔ ۲۱ پی اے ٹی ایس کے شدید مقابلے کے بعد، واقعات کو حقیقی وقت میں شوٹ کیا گیا، جس میں کوئی قانون سازی نہیں تھی۔

ناظرین ۴۵ سنسنی خیز اقساط پر مشتمل ریلٹی کو سٹر پروڈکشن میں مصروف رہے۔ شو کو تفریحی صنعت کی حوصلہ افزائی کے لیے مرتب کیا گیا تھا تاکہ سنسنی خیز اور مہم جوئی سے بھرپور مواد کا ایک جدید سلسلہ تیار کیا جا سکے۔

ہم نیوز اس نظیر کی پیروی کر رہا ہے جو فلیگ شپ چینل ہم انٹرٹینمنٹ نے بنیادی طور پر خواتین کو بااختیار بنانے، نوجوانوں اور اقلیتوں کے امور جیسے معاشرے کے سب سے زیادہ نظر انداز کیے جانے والے مسائل پر توجہ مرکوز کرتے ہوئے قائم کیا تھا۔ ہم نیوز اس طرح ڈیناپتی صحافتی کہانیوں پر خصوصی توجہ دے رہا ہے۔ ہم نیوز نہ صرف ہمارے معاشرے کو امید دلانے کے لیے کوشاں ہے بلکہ معروضی رپورٹنگ کے طریقوں سے پاکستان کی خبروں کی صنعت کو بھی بہتر بنا رہا ہے۔

۵ واں ہم سٹائل ایوارڈز جولائی ۲۰۲۱ء کو لاہور میں منعقد ہوا، جس میں ٹیلی ویژن فلم، موسیقی، کھیل اور فیشن انڈسٹری کے بہترین فیشن اور اسٹائل کا جشن منایا گیا۔ یہ چمک اور گلیمر کی رات تھی جب ستاروں نے طویل وقفے کے بعد ریڈ کارپٹ پر کیٹ ریمپ زیب تن کر کے چہل قدمی کی۔

ہم مصالحہ جنوبی ایشیا کا پہلا اور پاکستان کا واحد ۲۴ گھنٹے کھانا پکانے والا چینل ہے اور اس کی بے پناہ مقبولیت صرف جنوبی ایشیا تک ہی محدود نہیں ہے بلکہ اسے برطانیہ اور دنیا کے دیگر ممالک میں بھی نشر کیا جاتا ہے۔ ہم مصالحہ نے اپنے مواد میں کھانا پکانے کے نئے اور معلوماتی شوز کی ایک سیریز کا اضافہ کیا ہے جس میں بہت سی مختلف ترکیبیں، کھانا پکانے کے ماہرین، پیشہ ور شیف اور ہیلتھ کنسلٹنٹس کو متعارف کرایا گیا ہے۔

دوران مدت جائزہ کے تحت متعلقہ نتائج درج ذیل ہیں:

	روپے
صافی آمدنی	۱،۳۰۲،۶۶۶،۳۳۴
کل منافع	۶۵۳،۸۵۹،۰۸۳
دوران مدت بعد از ٹیکس منافع	۳۲۳،۲۷۶،۲۹۱
فی شیئر منافع	۰.۲۷

مستقبل کا نظریہ:

ہماری کاروباری اور مالی حکمت عملی، اور آپریشنل فیصلے ایچ این ایل کو مضبوط کرنے اور اس بات کو یقینی بنانے کے لیے مرتب کیے گئے ہیں کہ اس کی آزادی کو مستحکم طریقے سے محفوظ رکھا جائے۔ ایک انٹرپرائز کے طور پر ہم اپنی متعین کاروباری حکمت عملیوں، بہترین انفراسٹرکچر اور مضبوط بورڈ پر اعتماد کے ساتھ اس بات کو یقینی بنانے کے لیے ہمیں کیا کرنے کی ضرورت ہے کہ اور زیادہ لچکدار، ڈیجیٹل اور مستقبل پر مرکوز میڈیا اور تفریحی کاروبار کے طور پر ابھریں، ہم آگے بھی بہتر ترقی فراہم کرنے کے لیے تیار ہیں۔

مارکیٹ شیئر کو مزید بڑھانے کے لیے، ایچ این ایل کے پاس مواد کی تفریق اور صنف کے موجودہ اصولوں کو توڑ کر پورے نیٹ ورک تھیٹر پر نئے شوز کا ایک بہترین منصوبہ ہے، ہمیں یقین ہے کہ ہم تفریحی اور خبروں کی تمام صنفوں میں موجودہ حریفوں کو چیلنج کرنے میں کامیاب ہوں گے۔

پاکستان کے پاس ایک متوقع ڈیجیٹل مارکیٹ ہے اور ڈیجیٹل سروسز کی طرف صارفین کی تبدیلی کا مظاہرہ ڈیجیٹائزڈ گھرانوں کی بے پناہ توسیع کے ذریعے ہوتا ہے۔ ایچ این ایل تمام بڑے بین الاقوامی وی او ڈی پلیٹ فارمز کے ساتھ شراکت داری کے ساتھ مذکورہ مارکیٹ کے رجحانات سے فائدہ اٹھانے کے لیے اچھی پوزیشن میں ہے۔

اس ڈیجیٹل دور میں ہونے والی تبدیلیوں کا اندازہ لگاتے ہوئے، ایچ این ایل نے ہم مارٹ کے ذریعے ای کامرس مارکیٹ میں قدم رکھا۔ اس سال انتظامیہ کمپنی کے موجودہ کاروباری ماڈل کو تبدیل کر رہی ہے تاکہ لین دین کی تعداد اور صارفین کی تعداد میں اضافہ کے ساتھ اسے منافع بخش بنایا جا سکے۔

اظہار تشکر:

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

کراچی، ۲۶ نومبر ۲۰۲۱ء

مظہر الحق صدیقی
چیئرمین

وریدہ قریشی
چیف ایگزیکٹیو

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		---------- Rupees	----------
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**1,234,879,668**	1,263,816,621
Intangible assets		**17,400,536**	20,007,542
Long term investments	5	**188,898,481**	188,898,481
Long term deposits		**31,828,265**	31,120,555
Television program costs		**472,400,100**	352,064,012
Deferred tax asset		**131,324,384**	121,432,046
		2,076,731,434	1,977,339,257
CURRENT ASSETS			
Inventories		**22,039,380**	16,660,901
Current portion of television program costs		**102,985,249**	100,385,799
Trade debts	6	**2,153,822,230**	1,956,785,375
Short term investments		**667,872,388**	502,415,157
Advances		**118,274,125**	129,006,777
Deposits and prepayments		**16,582,218**	21,102,013
Other receivables		**149,724,893**	144,616,512
Taxation – net		**120,079,629**	211,788,308
Cash and bank balances		**322,012,346**	355,827,585
		3,673,392,458	3,438,588,427
TOTAL ASSETS		**5,750,123,892**	5,415,927,684
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2020: 1,500,000,000) Ordinary shares of Re.1/- each		**1,500,000,000**	1,500,000,000
Issued, subscribed and paid-up capital		**945,000,000**	945,000,000
Unappropriated profit		**3,369,092,783**	3,118,470,793
		4,314,092,783	4,063,470,793
NON-CURRENT LIABILITIES			
Long term lease liabilities		**90,878,934**	92,051,392
Long term financing		**210,164,418**	248,521,449
Deferred income - government grant		**493,379**	560,658
		301,536,731	341,133,499
CURRENT LIABILITIES			
Trade and other payables	7	**770,180,324**	581,944,377
Advance from customers		**24,024,947**	28,593,206
Accrued markup		**388,102**	8,092,693
Unclaimed dividend		**5,948,490**	5,948,490
Unpaid dividend		**205,159**	205,159
Current portion of deferred income - government grant		**2,971,275**	4,495,607
Current portion of long term financing		**303,017,734**	352,479,000
Current portion of long term lease liabilities		**27,758,347**	29,564,860
		1,134,494,378	1,011,323,392
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		**5,750,123,892**	5,415,927,684

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 PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Note	September 30, 2021	September 30, 2020
		---------- Rupees	----------
Revenue	9	**1,217,646,404**	911,517,375
Cost of production	10	**(584,617,217)**	(581,762,017)
Transmission cost		**(22,355,607)**	(26,907,401)
		(606,972,824)	(608,669,418)
Gross profit		**610,673,580**	302,847,957
Distribution costs		**(64,605,774)**	(43,404,864)
Administrative expenses		**(164,758,751)**	(240,781,960)
Other income		**22,673,461**	2,221,169
Other Charges		**(31,997,995)**	-
Gain on sale of non-current asset held for sale		**-**	476,832,913
Finance costs		**(15,393,741)**	(21,746,118)
Profit before taxation		**356,590,780**	475,969,097
Taxation			
-current		**(115,861,128)**	(13,129,333)
-deferred		**9,892,338**	16,620,675
		(105,968,790)	3,491,342
Profit for the period		**250,621,990**	479,460,439
Profit per share – basic and diluted		**0.27**	0.51

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, 2021 (UN-AUDITED)

	Quarter-ended	
	September 30, 2021	September 30, 2020
	---------- Rupees ----------	
Profit for the period	**250,621,990**	479,460,439
Other comprehensive income	**-**	-
Total comprehensive income for the period	**250,621,990**	479,460,439

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, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	---------- (Rupees) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**356,590,780**	475,969,098
Adjustments for:		
Depreciation on operating fixed assets	**44,402,950**	57,442,743
Amortization	**2,607,007**	3,363,549
Finance costs	**15,393,741**	21,746,118
Unrealised exchange gain/(loss)	**(12,532,200)**	(2,617,462)
Profit on bank accounts	**(4,178,605)**	(3,865,295)
Gain on disposal of operating fixed assets	**(701,945)**	(2,893,165)
Gain on disposal of non-current asset held for sale	**-**	(476,832,913)
Loss on redemption / sale of investments	**-**	12,426,115
Dividend Income	**(944,483)**	-
Unrealised loss on revaluation of investments	**31,997,995**	701,649
	76,044,459	(390,528,661)
Operating profit before working capital changes	**432,635,239**	85,440,437
(Increase)/decrease in current assets		
Inventories	**(5,378,479)**	(708,154)
Television program costs	**(2,599,450)**	5,000,000
Trade debts	**(184,504,655)**	(3,512,968)
Advances	**10,732,652**	(420,761,856)
Deposits and prepayments	**4,519,795**	10,056,311
Other receivables	**(5,108,381)**	(16,994,821)
	(182,338,518)	(426,921,488)
Increase/(decrease) in current liabilities		
Trade and other payables	**183,667,688**	(40,407,628)
Cash used in operations	**433,964,409**	(381,888,678)
Taxes paid	**(24,152,449)**	(10,283,111)
Finance costs paid	**(23,098,332)**	(21,766,691)
Profit received on deposit accounts	**4,178,605**	3,865,295
Long-term deposits	**(707,710)**	90,256
Television program costs	**(120,336,088)**	(3,321,000)
Net cash used in operating activities	**269,848,435**	(413,303,929)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment & intangible assets	**(16,108,895)**	(8,284,717)
Short term investments - net	**(197,455,226)**	190,589,265
Proceeds from sale of non-current asset held for sale	**-**	493,340,000
Dividend Income received	**944,483**	-
Proceeds from disposal of operating fixed assets	**1,344,880**	7,689,650
Net cash generated from investing activities	**(211,274,758)**	683,334,198
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	**(2,979,008)**	(5,060,973)
Long term financing – net	**(89,409,908)**	(243,311,815)
Net cash used in financing activities	**(92,388,916)**	(248,372,788)
Net (decrease) / increase in cash and cash equivalents	**(33,815,239)**	21,657,480
Cash and cash equivalents at the beginning of the period	**355,827,585**	(47,437,781)
Cash and cash equivalents at the end of the period	**322,012,346**	(25,780,301)
Cash and cash equivalents		
Cash and bank balances	**322,012,346**	68,983,464
Short-term running finance	**-**	(94,763,765)
	322,012,346	(25,780,301)

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 CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	----------Rupees----------		
Balance as at July 01, 2020 – (Audited)	**945,000,000**	**2,104,074,108**	**3,049,074,108**
Profit for the period	-	479,460,439	479,460,439
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	479,460,439	479,460,439
Balance as at September 30, 2020	**945,000,000**	**2,583,534,547**	**3,528,534,547**
Balance as at July 01, 2021 – (Audited)	**945,000,000**	**3,118,470,793**	**4,063,470,793**
Profit for the period	-	250,621,990	250,621,990
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	250,621,990	250,621,990
Balance as at September 30, 2021	**945,000,000**	**3,369,092,783**	**4,314,092,783**

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

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (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, 2021.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

		Note	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
			---------- Rupees ----------	
4.	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	4.1	**1,040,599,223**	1,067,367,531
	Capital work-in-progress		**87,420,469**	87,420,469
	Right of use assets		**106,859,976**	109,028,621
			1,234,879,668	1,263,816,621
4.1	**Operating fixed assets**			
	Opening balance – at book value		**1,067,367,531**	1,236,181,824
	Transfers from right of use assets		**(5,144,357)**	5,890,547
	Additions during the period / year – at cost	4.1.1	**16,108,895**	39,042,979
			1,078,332,070	1,281,115,350
	Less:			
	Disposals / transfers during the period / year – at book value		**(642,936)**	(28,232,297)
	Depreciation charged during the period / year		**(37,089,911)**	(185,515,521)
			(37,732,847)	(213,747,818)
	Closing balance – at book value		**1,040,599,223**	1,067,367,531
4.1.1	**Details of additions are as follows:**			
	Owned Assets:			
	Leasehold improvements		**-**	8,146,761
	Furniture and fittings		**4,515,708**	-
	Motor vehicles		**-**	8,306,622
	Audio visual equipment		**3,997,957**	8,309,492
	Uplinking equipment		**-**	1,822,496
	Office equipment		**6,723,910**	2,853,141
	Computers		**871,320**	9,604,467
			16,108,895	39,042,979
5.	**LONG TERM INVESTMENTS – unquoted subsidiaries**			
		Holding		
	HUM TV, Inc. – USA			
	10,000 Common stock of $ 0.01 each	100%	**8,603**	8,603
	Advance for future issue of shares		**18,716,750**	18,716,750
			18,725,353	18,725,353
	HUM Network UK Ltd.			
	553,677 Ordinary shares of 1 GBP	100%	**95,923,751**	95,923,751
	Skyline Publications (Private) Ltd.			
	3,999,997 Ordinary shares of Rs.10 each	100%	**39,999,970**	39,999,970
	Provision for impairment		**(39,999,970)**	(39,999,970)
			-	-
	HUM Network FZ LLC – UAE			
	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
			74,249,337	74,249,337
	HUMM Co. (Private) Limited			
	4 Ordinary shares of Rs. 10 each	100%	**40**	40
	HUM Mart. (Private) Limited			
	14,000,000 ordinary shares of Rs.10 each	70%	**140,000,000**	140,000,000
	Provision for impairment		**(140,000,000)**	(140,000,000)
			-	-
			188,898,481	188,898,481
6.	**TRADE DEBTS**			
	Considered good		**2,153,822,230**	1,956,785,375
	Considered doubtful		**60,853,832**	60,853,832
			2,214,676,062	2,017,639,207
	Less: Provision for doubtful debts		**(60,853,832)**	(60,853,832)
			2,153,822,230	1,956,785,375
7.	**TRADE AND OTHER PAYABLES**			
	Creditors		**288,555,304**	217,409,409
	Accrued liabilities		**424,345,205**	294,418,693
	Due to related party – HUM Network FZ LLC		**-**	36,225,396
	Withholding tax payable		**27,585,325**	15,161,701
	Payable to provident fund		**11,055,360**	1,563,648
	Other liabilities		**18,639,130**	17,165,530
			770,180,324	581,944,377

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (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, 2021.

8 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2021 amounted to Rs.205,350,000 (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2021 amounted to Rs. 39,460,000 (June 2021: Rs. 71,736,000/-).

	Quarter-ended	
	September 30, 2021 (Un-audited)	September 30, 2020 (Un-audited)
	---------- Rupees ----------	
9 REVENUE – net		
Advertisement revenue	**928,136,570**	763,150,799
Production revenue	**53,214,099**	800,000
Digital sales revenue	**19,720,387**	6,206,363
Subscription income	**216,575,348**	141,360,213
	1,217,646,404	**911,517,375**
9.1 Revenue is net off the following items:		
Sales tax	**140,475,394**	105,131,687
Discount to customers	**120,556,392**	58,483,361
	261,031,786	163,615,048
10. COST OF PRODUCTION		
Cost of outsourced programs	**338,531,501**	310,477,273
Cost of in-house programs	**82,939,755**	7,087,316
Inventories consumed	**338,000**	1,741,080
Salaries and benefits	**169,879,797**	159,173,375
Depreciation	**32,388,530**	44,661,864
Amortisation	**2,286,528**	2,475,965
Traveling and conveyance	**12,490,858**	8,464,008
Utilities	**3,972,968**	8,151,473
Rent, rates and taxes	**24,998**	297,568
Insurance	**6,918,246**	6,026,188
Repair and maintenance	**15,675,535**	7,564,011
Fee and subscription	**36,885,202**	18,107,086
Communication expense	**3,585,601**	4,378,607
Consultancy	**1,283,559**	1,166,871
Printing and stationery	**351,676**	310,332
	707,552,754	580,083,017
In production television programs - opening	**22,282,250**	38,743,250
In production television programs - closing	**(25,537,250)**	(37,061,250)
	704,297,754	581,765,017
Released / unreleased programs - opening	**430,167,561**	427,380,500
Released / unreleased programs - closing	**(549,848,099)**	(427,383,500)
	584,617,217	581,762,017

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (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:

	Quarter-ended	
	September 30, 2021 (Un-audited)	September 30, 2020 (Un-audited)
	---------- Rupees ----------	
Nature of transaction		
Associated companies:		
Purchases of Television programs rights	**279,421,920**	260,906,360
Subsidiary Company:		
Management Fee	**-**	1,242,000
Subscription Income	**12,404,600**	12,427,538
Others		
Key Management personnel	**82,155,396**	141,891,690
Contribution to Fund	**9,348,702**	9,226,833

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, 2021. 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 November 26, 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

HUM NETWORK LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021	June 30, 2021
		---------- Rupees	----------
ASSETS		(Un-audited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	4	**1,243,035,106**	1,272,025,049
Intangible assets		**75,112,542**	74,994,373
Long term deposits		**31,837,947**	31,443,434
Television program costs		**472,400,100**	352,064,012
Deferred tax asset		**145,806,371**	134,673,585
		1,968,192,066	1,865,200,453
CURRENT ASSETS			
Inventories		**22,039,380**	16,660,901
Current portion of television program costs		**102,985,249**	100,385,799
Trade debts	5	**2,394,374,837**	2,231,476,846
Short term investments		**667,872,388**	502,415,157
Advances		**119,215,688**	129,283,397
Trade deposits and short-term prepayments		**43,946,075**	23,582,975
Other receivables		**152,335,047**	111,845,411
Taxation – net		**115,498,492**	210,879,875
Cash and bank balances		**419,226,720**	437,693,527
		4,037,493,876	3,764,223,888
TOTAL ASSETS		**6,005,685,942**	5,629,424,341
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2019: 1,500,000,000) Ordinary shares of Re.1/- each		**1,500,000,000**	1,500,000,000
Issued, subscribed and paid-up capital		**945,000,000**	945,000,000
Revenue Reserves		**3,351,842,807**	3,098,190,358
Attributable to owners of the Holding Company		4,296,842,807	4,043,190,358
Non-controlling interest		**(37,969,733)**	(32,505,864)
		4,258,873,074	4,010,684,494
NON-CURRENT LIABILITIES			
Long term lease liabilities		**90,878,934**	92,051,392
Long term financing		**231,089,418**	269,229,311
Deferred income - government grant		**493,379**	560,658
Staff retirement benefits		**38,134,155**	33,255,893
		360,595,886	395,097,254
CURRENT LIABILITIES			
Trade and other payables		**1,041,364,352**	819,952,291
Accrued mark-up		**2,626,625**	9,907,299
Unclaimed dividend		**5,948,490**	5,948,490
Unpaid dividend		**205,159**	205,159
Current portion of long term lease liabilities		**27,758,347**	29,564,860
Current portion of deferred income - government grant		**2,971,275**	4,495,607
Current portion of long term financing		**305,342,734**	353,568,887
		1,386,216,982	1,223,642,593
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		**6,005,685,942**	5,629,424,341

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

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Note	September 30, 2021	September 30, 2020
		---------- Rupees	----------
Revenue - Net	7	**1,302,666,334**	1,113,151,769
Cost of production	8	**(588,773,689)**	(688,077,042)
Transmission cost		**(60,033,562)**	(72,182,028)
		(648,807,251)	(760,259,070)
Gross profit		**653,859,083**	352,892,699
Distribution costs		**(77,783,765)**	(67,020,515)
Administrative expenses		**(211,884,854)**	(307,473,797)
Other income		**21,488,539**	519,816
Other expenses		**(46,376,667)**	-
Gain on sale of non-current asset held for sale		**-**	476,832,913
Finance costs		**(16,026,045)**	(21,944,544)
Profit before taxation		**323,276,291**	433,806,572
Taxation		**(106,479,089)**	2,211,808
Profit after taxation		216,797,202	436,018,380
Attributable to:			
Owners of Holding Company		**222,261,071**	448,124,832
Non-Controlling Interests		**(5,463,869)**	(12,106,452)
		216,797,202	436,018,380
Profit per share – basic and diluted		**0.24**	0.47

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

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	---------- Rupees	----------
Profit for the period	**216,797,202**	436,018,380
Other comprehensive income	**31,391,378**	(7,607,067)
Total comprehensive income for the period	**248,188,580**	428,411,313

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

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserves			Non-controlling interest	Total
		Foreign exchange translation reserve	Unappropriated profit	Sub-total		
Balance as at July 01, 2020 (Audited)	945,000,000	159,680,622	1,936,722,884	2,096,403,506	1,064,284	3,042,467,790
Profit for the year	-	-	448,124,832	448,124,832	**(12,106,452)**	436,018,380
Other comprehensive Loss	-	(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**
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**
Balance as at July 01, 2021 (Audited)	**945,000,000**	**166,704,530**	**2,931,485,828**	**3,098,190,358**	**-32,505,864**	**4,010,684,494**
Profit/(Loss) for the year	-	-	222,261,071	222,261,071	(5,463,869)	216,797,202
Other comprehensive income	-	31,391,378	-	31,391,378	-	31,391,378
Total comprehensive income / (loss) for the year	-	31,391,378	222,261,071	253,652,449	(5,463,869)	248,188,580
Balance as at Septemeber 30, 2021	**945,000,000**	**198,095,908**	**3,153,746,899**	**3,351,842,807**	**(37,969,733)**	**4,258,873,074**

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

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	September 30, 2021	September 30, 2020
	---------- Rupees ----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	**323,276,291**	433,806,572
Adjustment for:		
Depreiation	**44,820,680**	59,930,209
Amortization	**3,581,017**	3,181,143
Finance costs	**16,026,045**	21,944,544
Profit received on deposit accounts	**(4,278,752)**	(3,928,800)
Loss/(gain) on disposal of property, plant and equipment	**(709,125)**	(2,191,516)
Gain on disposal of non-current asset held for sale	**-**	(476,832,913)
Unrealized Loss/(gain) on Revaluation of Investments	**31,997,995**	(2,617,462)
Exchange difference on translation of foreign currency	**31,391,378**	(7,607,067)
Provision for doubtful debts	**(4,918,771)**	(22,399,997)
Dividend income	**(944,483)**	-
Gain/(loss) on redemption / sale of investments	**-**	12,426,115
Exchange Loss/(Gain)	**(12,532,200)**	-
	104,433,784	(418,095,743)
Operating Profit before working capital changes	**427,710,075**	15,710,829
(Increase)/decrease in current assets		
Inventories	**(5,378,479)**	4,458,950
Television program costs	**(2,599,450)**	5,000,000
Trade debts	**(145,447,021)**	171,908,372
Advances,deposits and prepayments	**(10,295,391)**	(462,074,127)
Other receivables	**(40,489,636)**	(65,985,129)
	(204,209,977)	(346,691,935)
Increase in current liabilities		
Trade and other payables	**221,412,061**	(175,836,519)
CASH GENERATED FROM OPERATIONS	**444,912,159**	(506,817,625)
Taxes paid	**(22,230,492)**	(10,646,188)
Finance cost paid	**(23,306,719)**	(21,965,117)
Profit received on bank accounts	**4,278,752**	3,928,800
Long-term deposits	**(394,513)**	92,781
Television program costs	**(120,336,088)**	(3,321,000)
Employees end of Service	**4,878,262**	1,239,827
Net cash (used in) / generated from operating activities	**287,801,362**	(537,488,523)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	**(20,165,678)**	(8,844,293)
Short term investments - net	**(197,455,226)**	190,589,265
Long term Investment	**-**	73,387,086
Dividend received	**944,483**	-
Proceeds from disposal of operating fixed assets	**1,344,880**	7,689,650
Proceeds from sale of non-current asset held for sale	**-**	493,340,000
Net cash (used in) / generated from investing activities	**(215,331,540)**	756,161,708
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	**(87,957,657)**	(243,311,815)
Liabilities against assets subject to finance lease	**(2,978,971)**	(5,060,973)
Net cash (used in) / generated from financing activities	**(90,936,628)**	(248,372,788)
Net increase / (decrease) in cash and cash equivalents	**(18,466,807)**	(29,699,603)
Cash and cash equivalents at the beginning of the period	**437,693,527**	79,630,559
Cash and cash equivalents at the end of the period	**419,226,720**	49,930,956
Cash and cash equivalents		
Cash and bank balances	**419,226,720**	152,914,721
Short-term running finance	**-**	(102,983,765)
	419,226,720	49,930,956

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

DURAID QURESHI
Chief Executive

MAZHAR-UL-HAQ SIDDIQUI
Chairman

MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (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

	2021	2020
	Percentage of holding	
HUM TV, Inc.	**100%**	100%
HUM Network UK Limited	**100%**	100%
Sky Line Publications (Private) Limited	**100%**	100%
HUM Network FZ LLC	**100%**	100%
HUMM Co. (Private) Limited	**100%**	100%
HUM Mart (Private) Limited	**70%**	70%

1.3 Nature of operations of subsidiaries

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

Skyline Publication (Private) Limited (SPL) is engaged in the publications of books and magzines.

HUMM Co. (Private) Limited has been established with the purpose of developing and producing contents, shows and programs. Currently, it is non-operational.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

2 BASIS OF PREPARATION

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

3 ACCOUNTING POLICES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2021.

	Note	September 30, 2021	June 30, 2021
		---------- Rupees ----------	
		(Un-audited)	(Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	**1,048,754,661**	1,075,575,958
Right of use assets		**106,859,976**	109,028,622
Capital work-in-progress		**87,420,469**	87,420,469
		1,243,035,106	1,272,025,049

4.1 Operating fixed assets – owned and leased

Book value at the beginning of the period / year		**1,075,575,958**	1,246,984,186
Additions during the period / year	4.1.1	**16,473,642**	39,753,379
Transfer to right of use asset - at book value		**(5,144,357)**	15,164,322
		1,086,905,243	1,301,901,887
Less:			
Disposal/ transfer during the period / year - at WDV		**(642,940)**	(67,509,494)
Depreciation charged during the period / year		**(37,507,643)**	(158,816,435)
		(38,150,582)	(226,325,929)
		1,048,754,661	1,075,575,958

4.1.1 Additions during the period/year

Owned Assets:		
Furniture and fixtures	**4,515,708**	170,615
Leasehold improvements	**-**	8,146,761
Motor vehicles	**-**	8,306,656
Audio visual equipment	**3,997,957**	8,309,492
Office equipment	**6,723,910**	2,929,141
Uplinking equipment	**-**	1,822,496
Computers	**1,236,067**	10,068,218
	16,473,642	39,753,379

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30, 2021	June 30, 2021
	---------- Rupees ----------	
	(Un-audited)	(Audited)
5 TRADE DEBTS – unsecured		
Considered good	**2,394,374,837**	2,231,476,846
Considered doubtful	**84,620,864**	78,385,137
	2,478,995,701	2,309,861,983
Less: Provision for doubtful debts	**(84,620,864)**	(78,385,137)
	2,394,374,837	2,231,476,846

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2021.

6.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at September 30, 2021 amounted to Rs.205,350,000 (June 2021: Rs. 175,514,000/-). Commitment for purchase of television programs with other than related parties as at September 30, 2021 amounted to Rs. 39,460,000 (June 2021: Rs. 71,736,000/-).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
	---------- Rupees ----------	
7. REVENUE – net		
Advertisement revenue	**1,025,536,100**	834,201,748
Production revenue	**53,214,099**	800,000
Digital sales revenue	**19,720,387**	6,206,363
Subscription income	**204,170,748**	189,693,288
Sale of goods	**25,000**	82,250,371
	1,302,666,334	1,113,151,769
7.1 Revenue is net off the following items:		
Sales tax	**140,475,394**	105,131,687
Discount to customers	**114,524,526**	59,022,420
	254,999,920	164,154,107

	September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
	---------- Rupees ----------	
8. COST OF PRODUCTION		
Cost of outsourced programs	**338,531,501**	312,982,711
Cost of in-house programs	**82,939,755**	7,087,316
Inventories consumed	**338,000**	81,919,363
Salaries and benefits	**171,209,363**	168,000,945
Depreciation	**32,618,202**	46,721,012
Amortisation	**2,304,714**	2,521,429
Traveling and conveyance	**12,490,858**	13,423,480
Utilities	**3,972,968**	8,807,645
Rent, rates and taxes	**24,998**	3,069,568
Insurance	**6,964,653**	6,026,188
Repair and maintenance	**18,192,981**	7,994,920
Fee and subscription	**36,885,202**	18,107,086
Communication expense	**3,600,797**	7,015,908
Consultancy	**1,283,559**	1,166,871
Printing and stationery	**351,676**	1,553,602
	711,709,227	686,398,042
In production television programs - opening	**22,282,250**	38,743,250
In production television programs - closing	**(25,537,250)**	(37,061,250)
	708,454,227	688,080,042
Released / unreleased programs - opening	**430,167,561**	427,380,500
Released / unreleased programs - closing	**(549,848,099)**	(427,383,500)
	588,773,689	688,077,042

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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 31, 2021 (Un-audited)	September 31, 2020 (Un-audited)
	---------- Rupees ----------	
Nature of transaction		
Associated companies:		
Purchases of Television programs	**279,421,920**	260,906,360
Others		
Key Management personnel	**82,155,396**	160,082,765
Contribution to Fund	**9,348,702**	9,226,833

10 SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on November 26, 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 whereever necessary for better presentation.

12 DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorised for issue on November 26, 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

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HUM NETWORK LIMITED
HUM TV, Plot No. 10/11,
Hassan Ali Street, Off. I.I. Chundrigar Road,
Karachi - 74000, Pakistan.

HUM NETWORK LIMITED

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

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

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

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