

**20/22**



**DECEMBER 31, 2022  
HALF YEARLY REPORT  
(UN-AUDITED)**

## HUM NETWORK LIMITED





## Company Information

### BOARD OF DIRECTORS

Chairman

Mr. Mazhar-ul-Haq Siddiqui

Directors

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

Chief Executive Officer

Mr. Duraid Qureshi

Chief Financial Officer

Mr. Muhammad Abbas Hussain

Company Secretary

Mr. Mohsin Naeem

Head of Internal Audit

Mr. Kamran Shamshad Ahmed

### AUDIT COMMITTEE

Chairman

Mr. Sohail Ansar

Members

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

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

Chairperson

Mr. Sohail Ansar

Members

Ms. Sultana Siddiqui  
Mrs. Mahtab Akbar Rashdi

### AUDITORS

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

### INTERNAL AUDITORS

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

### LEGAL ADVISOR

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

### BANKERS

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

### REGISTERED & HEAD OFFICE

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

### REGISTRAR/TRANSFER AGENT

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

### WEBSITE

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

### PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

## HUM NETWORK LIMITED

## Directors' Report

The Directors of HUM Network Limited (HNL) are pleased to present the review report on the financial statements for the half year ended December 31, 2022.

### Financial Performance:

HUM NETWORK LIMITED				
Particulars	Unconsolidated Financial Statements		Consolidated Financial Statements	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Total Revenue	3,292,498,061	2,737,808,620	3,768,853,614	3,003,412,100
Total expenses	(2,372,623,680)	(1,955,797,858)	(2,652,467,658)	(2,189,555,455)
Profit before tax	1,052,606,268	782,010,762	1,116,385,956	813,856,645
Taxation	(118,128,003)	(115,900,598)	(118,203,210)	(118,376,130)
Profit after tax	<b>934,478,265</b>	<b>666,110,164</b>	<b>998,182,746</b>	<b>695,480,515</b>
EPS (revised)	<b>0.82</b>	<b>0.59</b>	<b>0.88</b>	<b>0.61</b>

Our net revenues and profit after tax have increased by 20.3% and 40.28% respectively as compared to the same period last year, continuing the upward trend of overall growth leading to further strengthening of the HNL's position in the industry in these testing times.

### Operational Performance:

HNL is one of the most recognized names in the entertainment industry of Pakistan providing top quality content to both local and international audiences through our multiple broadcasting channels and various digital media platforms. Being the largest content producer of the entertainment industry, HNL has along the way reinvented the art of Pakistani television entertainment with its new shows.

During the period under review, HUM TV aired dramas like "Agar", joining the popularity of other HUM TV dramas including "Kaala Doriya" and "Tinkay ka Sahara" which were highly appreciated by the audiences due to their engaging storylines and awe-inspiring performances.

The 8th Hum Awards were held on 24 September 2022 to celebrate the excellence in music, fashion, and Hum Television Dramas in 2021. The ceremony took place in Canada and was televised on Hum TV in December 2022.

As CSR, a portion of the revenue of tickets of the awards was donated to the victims of 2022 Pakistan floods. HUM TV also dominated the television categories winning 7 out of 11 TV awards at the 21st Lux Style Awards held in November 2022.

Hum Masala completed 16 years of unmatched excellence this year, bearing testament to the collective efforts of chefs, staff and viewers for making it the most appreciated food channel in every household. Pakistan's much awaited Masala Family Festival was organized in December 2022 in Lahore which included musical performances, live cooking demonstration, dance and singing competitions and a chance to meet celebrity chefs.

The eagerly awaited 20th bridal Couture Week (BCW) dazzled Lahore in December 2022 showcasing the latest bridal ensembles and trends by the most celebrated and famous designers. Over the years BCW has become the highest profile fashion event in Pakistan peaking interests of Pakistan's top bridal wear designers, celebrities, film and television stars. 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.

### Future Outlook:

The current economic turmoil coupled with political instability and rupee deterioration have adversely impacted the masses and businesses.

The significant rise in interest rates has decelerated the economic activities. Further, a steep rise in fuel prices and inflation has increased the production and other operational costs impacting profitability. Moreover, it is evident that the government will maintain the higher tax rates, with possible imposition of additional taxes impacting the bottom-line profits of the Company. In this context, the Company will rigorously focus on curtailing costs, while driving forward with enhanced efficiencies and aggressive sales efforts during these challenging times.

We take immense pride of HUM Network's premium brand name in the entertainment industry which has been achieved through 18 years of hard work and dedication and are fully committed to provide premium entertainment experience for our viewers and stakeholders.

With balanced reporting and improved distribution across Pakistan, the average viewership rating of HUM News continues to grow and is now rated amongst the top news channels of the country.

The management of HNL has always been seeking lucrative opportunities to enhance the portfolio of the network with inclusion of businesses and brand names to explore new avenues and achieve robust results. Under the same ideology, HNL is in the process of signing of the Share Purchase Agreements for the acquisition of companies, Tower Sports (Private) Limited, a Company which currently holds the landing rights Licenses of **Ten Sports** and **Ten Sports 2** and Sphere Ventures (Private) Limited, a company which deals in digital kids' content.

As an enterprise we will continue to drive our agenda of growth with sustainability through relevant innovations, building brand equities and exploration of emerging opportunities.

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

February 28, 2023  
Karachi.

  
**DURAIID QURESHI**  
Chief Executive

  
**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman

## ڈائریکٹرز رپورٹ

ہم ہیٹ ورکنگ ہالڈنگ (انچ این ایل) کے بورڈ آف ڈائریکٹرز ۳۱ دسمبر ۲۰۲۲ء کی اختتامی ششماہی کیلئے کمپنی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔  
 مالیاتی کارکردگی:

تفصیلات	ہم ہیٹ ورکنگ لیمنڈ		غیر مجموعی مالیاتی گوشوارے		مجموعی مالیاتی گوشوارے	
	دسمبر ۲۰۲۲ء	دسمبر ۲۰۲۱ء	دسمبر ۲۰۲۲ء	دسمبر ۲۰۲۱ء	دسمبر ۲۰۲۲ء	دسمبر ۲۰۲۱ء
کل آمدنی	۳,۲۲۸,۳۹۸.۰۶۱	۴,۷۳۷,۸۰۸.۶۳۰	۳,۷۳۷,۸۰۸.۶۳۰	۳,۷۳۷,۸۰۸.۶۳۰	۳,۰۰۳,۳۲۱.۱۰۰	۳,۰۰۳,۳۲۱.۱۰۰
کل اخراجات	(۲,۳۷۷,۲۲۳,۶۸۰)	(۱,۹۵۵,۷۷۷,۸۵۸)	(۱,۹۵۵,۷۷۷,۸۵۸)	(۱,۹۵۵,۷۷۷,۸۵۸)	(۲,۱۹۱,۵۵۵,۳۵۵)	(۲,۱۹۱,۵۵۵,۳۵۵)
قبل از ٹیکس منافع	۸۵۱,۱۷۴,۷۱۷.۳۸۱	۱,۷۸۲,۰۳۰,۷۷۲	۷۸۲,۰۳۰,۷۷۲	۷۸۲,۰۳۰,۷۷۲	۸۱۱,۷۶۵,۷۶۵	۸۱۱,۷۶۵,۷۶۵
ٹیکسیشن	(۱۱۸,۱۲۸,۰۰۳)	(۱۱۸,۲۰۳,۲۱۰)	(۱۱۵,۹۰۰,۵۹۸)	(۱۱۵,۹۰۰,۵۹۸)	(۱۱۸,۳۷۷,۱۳۰)	(۱۱۸,۳۷۷,۱۳۰)
بعد از ٹیکس منافع	۷۳۳,۰۴۶,۷۱۴	۱,۶۶۳,۸۲۷,۵۶۲	۶۶۳,۱۳۰,۱۷۴	۶۶۳,۱۳۰,۱۷۴	۶۹۳,۳۸۸,۶۳۵	۶۹۳,۳۸۸,۶۳۵
فی شخص آمدنی	-۸۲	-۸۸	-۵۹	-۸۸	-۶۱	-۶۱

گزشتہ سال کی اسی مدت کے مقابلے میں، ہماری خامی آمدنی اور بعد از ٹیکس منافع میں ۳-۲ فیصد اور ۲۸-۳۰ فیصد کا اضافہ ہوا، مجموعی شرح نمو کے بڑھتے ہوئے رجحان کے باعث ان دونوں اوقات میں انڈسٹری میں انچ این ایل کی پوزیشن مزید مضبوط ہوئی ہے۔

عملی کارکردگی:  
 انچ این ایل پاکستان کی انٹرنیٹ انڈسٹری میں سب سے معروف ہیٹ ورکس میں سے ایک ہے جو ہمارے متعدد بڑے کلائنٹس اور مختلف ڈیجیٹل میڈیا پلٹ فارمز کے ذریعے مقامی اور بین الاقوامی سامعین کو ایلی میڈیاری کمیونٹیز فراہم کرتا ہے۔ انٹرنیٹ انڈسٹری کا سب سے بڑا کمیونٹیز پروڈیوسر ہونے کے علاوہ، انچ این ایل نے اپنے نئے شوز کے ساتھ پاکستانی ٹیبل میڈیا انڈسٹری کے نئی جان بخشی ہے۔

ذریعہ جائزہ مدت کے دوران، ہم نے وی پی این "انگرس" جیسے ڈرائے فیکٹری، جو "کلاڈ اور بی" اور "ٹیکھے کا سہارا" سمیت دیگر کمزری وی ڈی ڈراموں کی مقبولیت میں شامل ہونے جنہیں ان کی دلچسپ کہانوں اور تازگیز پرفارمنس کی وجہ سے سامعین نے بے حد سراہا۔

اوریجن ۲۲ جنوری ۲۰۲۳ کو سال ۲۰۲۲ء کے موثر پیش قدمیوں اور ٹیلیمینٹ ڈراموں میں شامداد کارکردگی کا جشن منانے کے لیے B وی میں ہم ایوارڈ کا اہتمام کیا گیا۔ یہ تقریب کیا بین الاقوامی معتقد ہوئی اور اسے دسمبر ۲۰۲۳ء میں ہم نے وی پرفیکٹ کیا۔

ایوارڈ ایس آر ایوارڈز کے ٹیکسوں کی آمدنی کا ایک حصہ پاکستان میں ۲۰۲۲ء کے سٹیبل معیار میں حاصل کیا گیا۔

ہم نے وی ڈی ڈراموں ۲۰۲۲ء میں منصف ہونے والے ۱۲ ویں گیس اسٹائل ایوارڈز میں ۱۱ میں سے ۷ ویں ایوارڈز جیت کر ٹیبل میڈیا پلٹ پروڈیوسر کی برتری حاصل کی۔

ہم معاشرے میں سالانہ اپنی کامیابی کے ساتھ ساتھ ۱۶ سال تک کی عمر کے بچوں میں سے زیادہ قابل تعریف ہے اور اسے فوٹو ٹیکسٹل بنانے کے لیے مخلص، انصاف اور ناظرین کی ایجابی کوششوں کا ثبوت ہے۔ دسمبر ۲۰۲۲ء میں لاہور میں پاکستان کے صحافتی فیڈبیک ایسوسی ایشن کا اہتمام کیا گیا جس میں بیڈ ٹیکسٹل پرفارمنس، لائیک ٹو ٹک کا مظاہرہ، وی ڈی ڈراموں اور گانے کے ساتھ ایڈیٹوریل مضمون کے مواقع شامل تھے۔

دسمبر ۲۰۲۲ء میں ۲۰ ویں برازیل پوچھ ویک (ٹی وی ڈی ویڈیو) کا سہ ماہی سے منظر پر کیا گیا جس نے مشہور شخصیات اور مشہور ڈیزائنرز کے نئے برازیل پوچھ اور برازیل کے جہڑوں اور اینڈز کی نمائندگی کر کے دوران ٹی وی ڈی ویڈیو پاکستان میں سب سے زیادہ پوزیشن پیش کیا ہے جو پاکستان کے ٹاپ برازیل وی ڈی ڈراموں اور ڈیزائنرز کے ساتھ ایڈیٹوریل مضمون اور ٹیکسٹل فلم اور ٹیکسٹل فلم کے ساتھ ساتھ دنیا کی دیگر ٹیکسٹل فلموں کا حامل ہے۔

ہم لیڈز نے ان ایوارڈز اوقات میں اپنی ترقیوں کی رنگ دکھانے اور زیادہ تر مقابلی پٹی کے طور پر برقرار رکھا ہے۔ ہم لیڈز صرف ہمارے معاشرے کو امید دلانے کے لیے کوشاں ہے بلکہ پاکستان ڈیزائنرز کو معروضی رہنمائی کے طور پر بھی رہنمائی دے رہا ہے۔

مستقبل کی حکمت عملی:  
 موجودہ معاشی چیلنجز کے ساتھ ساتھ سماجی عدم استحکام اور عدم شمولیت کے مسائل اور دیگر پارکوری طرح متاثر کیا ہے۔

شرح سود میں نمایاں اضافے کے باعث معاشی سرگرمیاں نامید ہوئی ہیں۔ مزید برآں، ڈیولپمنٹ میں اضافے اور افراط زر نے پیسے اور ادوار گھڑا کر پیشہ اخراجات میں اضافہ کیا ہے جو منافع کو کم کر رہا ہے۔ واضح ہے کہ حکومت کی پالیسیوں کے تحت شرح کو برقرار رکھنے کی ممکنہ اضافی ٹیکسز کے خلاف سے کمپنی کے مالیاتی منافع پر اثر پڑے گا۔ اس تناظر میں، کمپنی اس مشکل وقت میں بہتر کارکردگی کو یقین دہانی کے ساتھ ساتھ آگے بڑھنے والے لاکھ کھربوں کے پروجیکٹوں کو مکمل کرنے پر توجہ دے گا۔

ہمیں انٹرنیٹ انڈسٹری میں ہم ہیٹ ورک کے پروجیکٹس کے نام پر پھر سے ہر سال ۱۸ سال کی مدت اور گن سے حاصل کیا گیا ہے اور ہم اپنے ناظرین اور اسٹیک ہولڈرز کے لیے پرجیم انٹرنیٹ تجربہ فراہم کرنے کے لیے اپنی طرح پرجیم ہیں۔

موازنہ اور ورکنگ ہالڈنگ میں بحریں بھڑ بھڑی ہیں کے ساتھ، ہم لیڈز کے ناظرین کی اوسط دہانہ بندی میں مسلسل اضافہ ہو رہا ہے اور اب اس تک کے سرفہرست نیڈو ٹیکسٹل میں شمار کیا جاتا ہے۔

انچ این ایل کی انتظامیہ ہمیشہ سے مواقع تلاش کرنے اور بہتر نتائج حاصل کرنے کیلئے کاروبار اور براڈ کی شمولیت کے ساتھ ہیٹ ورک کے پورٹ فولیو کو بڑھانے کے لیے منافع بخش مواقع کی تلاش میں رہتی ہے۔ ایچ این ایل میں ٹیکسٹل کے حصول کے لیے مخلص کی خریداری کے معاہدوں پر دستخط کرنے سے کمپنی میں، ایک کمپنی ناچار سپورٹس (پرائیوٹ) لیمنڈ، جس کے پاس فی الحال ٹیکسٹل ایڈیٹوریل اور ٹیکسٹل (پرائیوٹ) ایڈیٹوریل (پرائیوٹ) کے لیے لیمنڈ ٹیکسٹل کے لیے کمپنی کے ڈیولپمنٹ کے لیے کام کر رہی ہیں۔

ایک سالہ پوزیشن کے طور پر ہم مختلف ایڈیٹوریل تجربہ اور ٹیکسٹل تلاش کے مواقع کی تلاش کے ذریعے استحکام کے ساتھ ترقی کرتے ہوئے اپنے ایجنڈے کو آگے بڑھانے میں رہیں گے۔

بورڈ آف ڈائریکٹرز کی تمام اہلیتوں کو ہولڈرز کی مسلسل حمایت اور تعاون پر ان کے شکر گزار ہیں۔

مظہر الحق صدیقی  
 چیئر مین

درید پٹیل  
 چیف ایگزیکٹو

کرچی، ۳۰ فروری ۲۰۲۳ء



## INDEPENDENT AUDITORS' REVIEW REPORT

To the members of HUM Network Limited

### REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

#### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of HUM Network Limited (the company) as at 31 December 2022, the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, and unconsolidated condensed interim statement of changes in equity and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three-months period ended 31 December 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2022.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Mr. Omer Chughtai.

EY Ford Rhodes  
Chartered Accountants  
Place: Karachi  
Date : March 1, 2023  
UDIN: RR2022101207rjoYTLdW

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2022**

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- Rupees -----	-----
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	1,177,914,365	1,205,184,777
Intangible assets		5,811,133	10,102,023
Long term investments	6	188,898,481	188,898,481
Long term deposits and prepayments		30,484,323	31,967,331
Television program costs	7	303,336,292	335,343,019
Deferred tax asset		186,871,829	188,969,133
		<u>1,893,316,423</u>	<u>1,960,464,764</u>
<b>CURRENT ASSETS</b>			
Inventories		16,694,162	16,627,261
Current portion of television program costs	7	85,829,858	90,347,219
Trade debts	8	2,704,379,429	2,239,728,745
Short term investments	9	585,497,445	1,127,212,684
Advances	10	191,508,059	108,662,128
Deposits and prepayments		31,595,513	25,160,453
Other receivables		784,325,994	166,202,807
Taxation – net	11	219,553,188	236,500,979
Cash and bank balances		452,906,767	833,498,560
		<u>5,072,290,415</u>	<u>4,843,940,836</u>
<b>TOTAL ASSETS</b>		<u><b>6,965,606,838</b></u>	<u><b>6,804,405,600</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital			
1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Re.1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital		1,134,000,000	945,000,000
Unappropriated profit		4,897,104,071	4,151,625,806
		<u>6,031,104,071</u>	<u>5,096,625,806</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		68,561,756	72,676,898
Long term financing		62,500,000	78,125,021
		<u>131,061,756</u>	<u>150,801,919</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	648,050,008	1,217,983,143
Advance from customers		-	14,579,805
Accrued markup		1,761,178	4,296,850
Unclaimed dividend		5,229,176	6,153,631
Unpaid dividend		2,299,787	2,299,787
Current portion of deferred income - government grant		-	478,147
Current portion of long term lease liabilities		14,005,188	16,372,569
Current portion of long term financing		132,095,674	294,813,943
		<u>803,441,011</u>	<u>1,556,977,875</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	13		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>6,965,606,838</b></u>	<u><b>6,804,405,600</b></u>

The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



**DURAIID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer



## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	Note	Half-year ended		Quarter-ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		----- Rupees -----		----- Rupees -----	
Revenue	14	3,292,498,061	2,737,808,620	1,960,606,185	1,520,162,216
Cost of production	15	(1,735,865,420)	(1,451,869,932)	(982,920,696)	(832,392,235)
Transmission cost		(54,924,956)	(47,354,614)	(23,495,221)	(24,999,007)
		<u>(1,790,790,376)</u>	<u>(1,499,224,546)</u>	<u>(1,006,415,917)</u>	<u>(857,391,241)</u>
<b>Gross profit</b>		<b>1,501,707,685</b>	<b>1,238,584,074</b>	<b>954,190,268</b>	<b>662,770,975</b>
Distribution costs		(201,051,046)	(142,355,952)	(115,105,962)	(77,750,178)
Administrative expenses		(352,682,515)	(277,513,569)	(198,949,530)	(147,615,300)
Other income/expenses	16	132,731,887	(2,957,940)	77,864,345	6,366,593
Finance costs	17	(28,099,743)	(33,745,850)	(12,199,744)	(18,352,109)
<b>Profit before taxation</b>		<b>1,052,606,268</b>	<b>782,010,762</b>	<b>705,799,377</b>	<b>425,419,981</b>
Taxation	18				
-current		(112,477,885)	(139,754,056)	(72,495,496)	(23,892,928)
-prior		(3,552,814)	1,477,602	(3,552,814)	1,477,602
-deferred		(2,097,304)	22,375,856	(48,871)	12,483,518
		<u>(118,128,003)</u>	<u>(115,900,598)</u>	<u>(76,097,181)</u>	<u>(9,931,808)</u>
<b>Profit for the period</b>		<b>934,478,265</b>	<b>666,110,164</b>	<b>629,702,196</b>	<b>415,488,173</b>
<b>Earnings per share – basic and diluted</b>		<b>Rs. 0.82</b>	(Restated) Rs. 0.59	<b>Rs. 0.56</b>	(Restated) Rs. 0.37

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Half-year ended		Quarter-ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees -----			
Profit for the period	934,478,265	666,110,164	629,702,196	415,488,173
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>934,478,265</u>	<u>666,110,164</u>	<u>629,702,196</u>	<u>415,488,173</u>

The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



**DURAIID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022	December 31, 2021
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit / (loss) before taxation</b>	1,052,606,268	782,010,762
<b>Adjustments for:</b>		
Depreciation on operating fixed assets and right of use assets	52,166,775	86,704,459
Amortization	4,290,891	5,141,281
Finance costs	28,099,743	33,745,850
Unrealised exchange gain	(17,781,683)	(20,259,925)
Profit on bank accounts	(28,231,660)	(9,185,422)
Gain on disposal of operating fixed assets	(554,936)	(2,303,060)
Dividend Income	(21,627,659)	-
(Gain) / loss on redemption / sale of investments	(12,025,310)	10,768,955
Unrealised (gain)/loss on revaluation of investments	(12,652,548)	49,887,867
	<u>(8,316,387)</u>	<u>154,500,005</u>
<b>Operating profit before working capital changes</b>	<b>1,044,289,881</b>	<b>936,510,767</b>
<b>(Increase) / decrease in current assets</b>		
Inventories	(66,901)	(952,199)
Television program costs	4,517,361	(539,745)
Trade debts	(446,869,001)	(155,226,477)
Advances	(82,845,931)	(469,398,834)
Deposits and prepayments	(6,435,060)	(8,999,828)
Other receivables	(618,123,187)	(8,730,254)
	<u>(1,149,822,719)</u>	<u>(643,847,337)</u>
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	(584,512,976)	181,160,531
<b>Cash used in operations</b>	<b>(690,045,814)</b>	<b>473,823,961</b>
Taxes paid	(99,082,910)	(54,165,047)
Finance costs paid	(30,635,416)	(37,895,912)
Profit received on deposit accounts	28,231,660	9,185,422
Long-term deposits	1,483,008	(707,710)
Television program costs	32,006,727	(97,045,260)
<b>Net cash used in / generated from operating activities</b>	<b>(758,042,745)</b>	<b>293,195,454</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(24,811,126)	(33,057,713)
Short term investments - net	566,393,098	(164,441,793)
Dividend received	21,627,659	-
Proceeds from disposal of operating fixed assets	2,162,368	8,563,625
<b>Net cash generated from / (used in) investing activities</b>	<b>565,371,999</b>	<b>(188,935,881)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals paid	(8,175,158)	(8,871,403)
Dividend paid	(924,455)	-
Long term financing – net	(178,821,434)	(53,819,826)
<b>Net cash used in financing activities</b>	<b>(187,921,047)</b>	<b>(62,691,229)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(380,591,793)</b>	<b>41,568,344</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>833,498,560</b>	<b>355,827,585</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>452,906,767</b>	<b>397,395,929</b>
<b>Cash and cash equivalents</b>		
Cash and bank balances	452,906,767	466,423,797
Short-term running finance	-	(69,027,868)
	<u>452,906,767</u>	<u>397,395,929</u>

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit	Total
	-----Rupees-----		
<b>Balance as at July 01, 2021 – (Audited)</b>	<b>945,000,000</b>	<b>3,118,470,782</b>	<b>4,063,470,782</b>
Profit for the period	-	666,110,164	666,110,164
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	666,110,164	666,110,164
<b>Balance as at December 31, 2021</b>	<b>945,000,000</b>	<b>3,784,580,946</b>	<b>4,729,580,946</b>
<b>Balance as at July 01, 2022 – (Audited)</b>	<b>945,000,000</b>	<b>4,151,625,806</b>	<b>5,096,625,806</b>
Profit for the period	-	934,478,265	934,478,265
Bonus share issued during the period in the ratio of 2 ordinary shares for every 10 ordinary shares held	189,000,000	(189,000,000)	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	189,000,000	745,478,265	934,478,265
<b>Balance as at December 31, 2022</b>	<b>1,134,000,000</b>	<b>4,897,104,071</b>	<b>6,031,104,071</b>

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 1 THE COMPANY AND ITS OPERATIONS

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

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

- International Accounting Standards (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified by the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the act have been followed.

- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. These unconsolidated condensed interim financial statements are unaudited, however have been subject to limited scope review by the auditors, and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.
- 2.3** These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiaries has been accounted for at cost less accumulated impairment losses, if any.
- 2.4** These unconsolidated condensed interim financial statements is presented in Pakistani Rupees which is also the Company's functional currency.
- 2.5** The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2022 and December 31, 2021, respectively.

### 3 ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of amendments and improvements to approved accounting standards which became effective for the current period as disclosed in note 3.2 to these condensed interim financial statements.
- 3.2 Amendments to approved accounting standards adopted during the period**

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current period:

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### Improvements to accounting standards issued by the IASB (2018-2020 cycle)

IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities
IAS 41	Agriculture - Taxation in fair value measurements

The adoption of above amendments to IFRSs did not have any material impact on the Company's condensed interim financial statements.

#### 4 ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of this unconsolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates and judgements made by management in the preparation of these unconsolidated condensed interim financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended 30 June 2022, except as disclosed otherwise.

5. PROPERTY, PLANT AND EQUIPMENT	Note	December 31,	June 30,
		2022	2022
		(Un-audited)	(Audited)
		----- Rupees -----	
Operating fixed assets	5.1	1,002,665,084	1,019,504,819
Capital work-in-progress		106,914,620	106,914,620
Right of use assets		68,334,661	78,765,338
		<u>1,177,914,365</u>	<u>1,205,184,777</u>
<b>5.1 Operating fixed assets</b>			
Opening balance – at book value		1,019,504,819	1,067,367,531
Transfers from right of use assets		1,607,432	10,458,878
Additions during the period / year – at cost	5.1.1	24,811,126	90,559,873
		<u>1,045,923,377</u>	<u>1,168,386,282</u>
Less:			
Disposals / transfers during the period / year – at book value	5.1.1	(1,607,432)	(12,401,909)
Depreciation charged during the period / year		(41,650,861)	(136,479,554)
		<u>(43,258,293)</u>	<u>(148,881,463)</u>
Closing balance – at book value		<u>1,002,665,084</u>	<u>1,019,504,819</u>

#### 5.1.1 Details of additions and disposals are as follows:

	Additions (Cost)		Disposals / transfers (Net book value)	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	December 31, 2022	June 30, 2022	December 31, 2022	June 30, 2022
	----- Rupees -----			
<b>Owned Assets:</b>				
Uplinking equipment	-	-	-	1,604,750
Furniture and Fittings	4,043,402	9,089,180	-	-
Motor vehicles	8,272,000	41,673,349	-	10,410,760
Audio visual equipment	5,548,268	16,940,518	1,607,432	304,852
Office equipment	659,755	8,611,621	-	-
Computers	6,287,701	14,245,205	-	81,547
	<u>24,811,126</u>	<u>90,559,873</u>	<u>1,607,432</u>	<u>12,401,909</u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 6. LONG TERM INVESTMENTS – unquoted subsidiaries

	Country of incorporation	Holding	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- Rupees -----				
<b>HUM TV, Inc. – USA</b>	United States of America			
10,000 Common stock of \$ 0.01 each		100%	8,603	8,603
Advance for future issue of shares			<u>18,716,750</u>	<u>18,716,750</u>
			<u>18,725,353</u>	<u>18,725,353</u>
<b>HUM Network UK Limited</b>	United Kingdom			
553,677 Ordinary shares of 1 GBP		100%	95,923,751	95,923,751
<b>Skyline Publications (Private) Limited</b>	Pakistan			
3,999,997 Ordinary shares of Rs.10 each		100%	<u>39,999,970</u>	<u>39,999,970</u>
Provision for impairment			<u>(39,999,970)</u>	<u>(39,999,970)</u>
			-	-
<b>HUM Network FZ LLC – UAE</b>	United Arab Emirates			
2,400 Ordinary Shares of AED 1000 each		100%	<u>69,802,371</u>	<u>69,802,371</u>
Advance for future issue of shares			<u>4,446,966</u>	<u>4,446,966</u>
			<u>74,249,337</u>	<u>74,249,337</u>
<b>HUMM Co. (Private) Limited</b>	Pakistan			
4 ordinary shares of Rs. 10 each		100%	40	40
<b>HUM Mart (Private) Limited</b>	Pakistan			
14,000,000 ordinary shares of Rs.10 each		70%	<u>140,000,000</u>	<u>140,000,000</u>
Provision for impairment			<u>(140,000,000)</u>	<u>(140,000,000)</u>
			-	-
			<u>188,898,481</u>	<u>188,898,481</u>
<b>7. TELEVISION PROGRAM COSTS</b>				
Unreleased / released less amortization			348,034,900	390,229,988
In production			<u>41,131,250</u>	<u>35,460,250</u>
			<u>389,166,150</u>	<u>425,690,238</u>
Less: Current portion			<u>(85,829,858)</u>	<u>(90,347,219)</u>
			<u>303,336,292</u>	<u>335,343,019</u>
<b>8. TRADE DEBTS</b>				
Considered good		8.1	2,793,346,061	2,328,695,377
Less: Allowance for ECL			<u>(88,966,632)</u>	<u>(88,966,632)</u>
			<u>2,704,379,429</u>	<u>2,239,728,745</u>
<b>8.1. Includes amount receivable from related parties as follows:</b>				
Hum TV, Inc – USA			103,490,052	97,234,456
Hum Network UK Limited			<u>85,671,231</u>	<u>82,345,421</u>
			<u>189,161,283</u>	<u>179,579,877</u>
<b>9. SHORT TERM INVESTMENTS</b>				
At fair value through profit or loss		9.1	<u>585,497,445</u>	<u>1,127,212,684</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- Rupees -----	
<b>9.1 At fair value through profit or loss</b>		
<b>Term Finance Certificate</b>		
U Microfinance Bank Limited		
8,400 TFCs having face value of Rs.4,991 each (June 30, 2022: 8,400 TFCs having face value of Rs.4,991 each)	43,810,411	45,386,768
<b>Mutual Funds</b>		
AKD Opportunity Fund	52,016,362	77,938,517
542,247.1798 units (June 30, 2022: 771,787 units) having NAV of Rs. 95.9274 (June 30, 2022: Rs. 100.9845) per unit		
AKD Aggressive Income Fund		
75,470 units (June 30, 2022: 62,319 units) having NAV of Rs. 54.4518 per unit (June 30, 2022: Rs. 51.0601) per unit	4,109,504	3,153,100
AKD Golden Arrow Stock Fund		
3,900,837.7044 units (June 30, 2022: 7,369,230 units) having NAV of Rs. 12.667 (June 30, 2022: Rs. 13.4231) per unit	49,414,642	98,917,914
NBP Money Market Fund		
2,764,529.1951 units (June 30, 2022: 2,599,042 units) having NAV of Rs. 9.9542 (June 30, 2022: Rs. 9.9311) per unit	27,518,677	25,811,342
UBL Liquidity Plus Fund		
211,731.4328 units (June 30, 2022: 199,646 units) having NAV of Rs. 101.4557 (June 30, 2022: Rs. 101.0881) per unit	21,481,361	20,181,785
Faysal Cash Fund	-	202,111,633
Nil units (June 30, 2022: 2,017,449 units) having NAV of Rs. nil (June 30, 2022: Rs. 100.1818) per unit		
Alfalah GHP Money Market Fund	-	100,000,000
Nil units (June 30, 2022: 1,016,550 units) having NAV of Rs. nil (June 30, 2022: Rs. 98.3719) per unit		
Alfalah Islamic Capital Preservation Plan 4 Class A	803	-
7,7051 units (June 30, 2022: nil units) having NAV of Rs. 98.5878 (June 30, 2022: Rs. nil) per unit		
MCB Pakistan Cash Management Fund		
2,547,071.5635 units (June 30, 2022: 409,421 units) having NAV of Rs. 50.4678 (June 30, 2022: Rs. 50.4678) per unit	128,545,090	20,662,596
MCB Pakistan Cash Management Optimizer	-	100,000,000
Nil units (June 30, 2022: 987,169 units) having NAV of Rs. (June 30, 2022: Rs. 101.2998) per unit		
HLB Financial Sector Income Fund Plan I		
1,208,512.6661 units (June 30, 2022: 4,098,057 units) having NAV of Rs.101.39€ (June 30, 2022: Rs. 100.0454) per unit	122,539,196	409,991,800



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- Rupees -----	
Faysal MTS Fund		
2,323,7941 units (June 30, 2022: Nil units) having NAV of Rs. 109.99 (June 30, 2022: Rs. nil) per unit	255,594	-
Faysal Halal Amdani Fund		
1,028,572.2190 units (June 30, 2022: Nil units) having NAV of Rs.108.1558 (June 30, 2022: Rs. nil) per unit	111,246,051	-
ABL Cash Fund		
2,132,184.3425 units (June 30, 2022: 2,023,967 units) having NAV of Rs. 10.328 (June 30, 2022: Rs. 10.2015) per unit	22,021,413	20,647,500
Askari High Yield Scheme		
23,286.9553 units (June 30, 2022: 23,286 units) having NAV of Rs.109.0027 (June 30, 2022: Rs. 103.4798) per unit	2,538,341	2,409,729
	<u>585,497,445</u>	<u>1,127,212,684</u>

### 10. ADVANCES

Includes advance given to M.D Productions (Private) Limited, a related party amounting to Rs. 55,299,156 (June 30, 2022: Rs.nil) against purchase of television programs.

December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- Rupees -----	

### 11. OTHER RECEIVABLES

Sales tax receivable	123,871,060	124,140,222
Due from related parties	11.1 713,351,734	98,916,587
Others	4,708,419	751,217
	<u>841,931,213</u>	<u>223,808,026</u>
Provision for impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>784,325,994</u>	<u>166,202,807</u>

#### 11.1 Includes balances receivable from related parties as follows:

HUM TV. Inc	42,242,012	38,943,913
Skyline Publication Productions (Private) Limited	60,736,913	58,651,683
Hum Network FZ - LLC	609,051,817	-
Hum Mart (Private) Limited	<u>1,320,992</u>	<u>1,320,991</u>
	<u>713,351,734</u>	<u>98,916,587</u>
Provision for impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>655,746,515</u>	<u>41,311,368</u>

### 12. TRADE AND OTHER PAYABLES

Includes amounts payable to related parties amounting to Rs. Nil (June 30, 2022: Rs 392,304,729).

### 13. CONTINGENCIES AND COMMITMENTS

#### 13.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2022.

#### 13.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at December 31, 2022 amounted to Rs.156,800,000 (June 2022: Rs. 204,378,000). Commitment for purchase of television programs with other than related parties as at December 31, 2022 amounted to Rs. 20,896,500 (June 2022: Rs. 48,902,000).

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Half-year ended		Quarter-ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>14 REVENUE – net</b>				
Advertisement revenue	2,341,605,723	2,000,614,755	1,349,727,074	1,072,478,185
Production revenue	154,029,972	95,528,988	140,925,789	42,314,889
Digital sales revenue	21,891,621	34,340,153	10,201,682	14,619,766
Subscription income	774,970,745	607,324,724	459,751,640	390,749,376
	<b>3,292,498,061</b>	<b>2,737,808,620</b>	<b>1,960,606,185</b>	<b>1,520,162,216</b>

**14.1 Revenue is net off the following items:**

Sales tax	346,852,962	296,911,449	210,315,092	156,436,055
Discount to customers	329,855,705	235,278,009	203,743,132	114,721,617
	<b>676,708,667</b>	<b>532,189,458</b>	<b>414,058,224</b>	<b>271,157,672</b>

	Half-year ended		Quarter-ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	

**15. COST OF PRODUCTION**

Cost of outsourced programs	853,353,217	730,505,600	482,063,561	391,974,099
Cost of in-house programs	187,971,327	99,115,375	169,428,774	16,175,620
Inventories consumed	877,760	398,200	-	60,200
Salaries and benefits	492,151,403	407,989,612	256,045,529	215,151,833
Technical advisory fees	23,804,998	23,805,000	11,902,499	11,902,500
Depreciation	28,487,233	63,334,002	13,342,298	30,945,472
Amortisation	3,838,534	4,500,324	1,866,592	2,213,796
Traveling and conveyance	59,825,612	37,173,620	27,462,179	24,682,762
Utilities	7,460,285	7,723,864	4,162,572	3,818,896
Rent, rates and taxes	65,564	647,589	32,055	622,590
Insurance	12,804,774	12,595,481	5,626,356	5,677,235
Repair and maintenance	14,532,731	26,544,451	10,847,977	10,868,916
Fee and subscription	2,314,623	123,805,529	129,540	86,920,327
Communication expense	9,875,908	7,942,337	5,089,758	4,356,737
Security charges	226,150	68,000	149,600	-
Consultancy	1,188,586	2,567,016	-	1,283,457
Printing and stationery	562,627	738,937	217,406	387,262
	<b>1,699,341,332</b>	<b>1,549,454,937</b>	<b>988,366,696</b>	<b>807,041,702</b>
In production television programs				
- opening	35,460,250	22,282,250	35,685,250	25,537,250
In production television programs				
- closing	(41,131,250)	(27,587,250)	(41,131,250)	(27,587,250)
	<b>1,693,670,332</b>	<b>1,544,149,937</b>	<b>982,920,696</b>	<b>804,991,702</b>
Released / unreleased programs				
- opening	390,229,988	430,167,561	348,034,900	549,848,099
Released / unreleased programs				
- closing	(348,034,900)	(522,447,566)	(348,034,900)	(522,447,566)
	<b>1,735,865,420</b>	<b>1,451,869,932</b>	<b>982,920,696</b>	<b>832,392,235</b>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

December 31,      December 31,  
2022                      2021  
(Un-audited)      (Un-audited)  
----- Rupees -----

### 16. OTHER INCOME/ EXPENSES

#### Income from financial assets - net

Profit on deposit accounts	28,231,660	9,185,422
Unrealised exchange gain / (loss)	17,781,683	20,259,925
Dividend income	21,627,659	-
Interest / markup income	440,694	3,824,764
Government grant	567,252	4,354,198
Unrealised (loss) / gain on revaluation of Short-term investments	12,652,548	(49,526,208)
Loss on redemption / sale of investments	12,025,310	(10,768,955)
	93,326,806	(22,670,854)

#### Income from non financial assets

Gain on disposal of operating fixed assets	554,936	2,303,060
Sale of content and festival revenue	38,850,145	17,409,854
	39,405,081	19,712,914
	132,731,887	(2,957,940)

### 17. FINANCE COST

Mark-up on long term loan	22,615,529	22,763,086
Mark-up on short term borrowings	98,402	2,296,272
Interest on lease liabilities	5,155,824	8,327,026
Bank charges	229,988	359,467
	28,099,743	33,745,850

### 18. TAXATION

The Finance Act, 2022 had introduced super tax on high earning persons for the tax year 2022 and onwards. The Company together with other parties challenged the retrospective application of the said levy for tax year 2022 before the Honorable High Court of Sindh who, vide order dated December 22, 2022, has decided the matter in favor of the Company being ultra vires to the Constitution of Pakistan. However, Honorable High Court of Sindh suspended the operation of this judgement for a period of 60 days. Since the decision of the High Court of Sindh can be challenged by the Federal Board of Revenue before the Supreme Court of Pakistan, the Company has not reversed the related provision of Rs. 26.89 million held in the books till the matter attains finality.

### 19. 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 period, other than those which have been disclosed elsewhere in these financial statements are as follows:

	Half-year		Quarter-ended	
	December 31, 2022 (Un-audited)	December 31, 2021 (Un-audited)	December 31, 2022 (Un-audited)	December 31, 2021 (Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>Nature of transaction</b>				
<b>Associated companies:</b>				
Purchases of Television programs	645,418,630	641,841,114	303,861,710	362,419,194
<b>Subsidiary Company:</b>				
Management fee	2,700,000	-	1,350,000	-
Subscription income	34,019,983	25,818,450	15,290,139	13,413,850
Payments made on behalf of subsidiary	9,785,442	5,124,459	20,000	1,547,654
Payment received on behalf of subsidiary	57,319,206	15,552,615	41,129,456	10,052,615
Payment received on behalf of company	660,311,793	-	285,200,256	-
Payment made on behalf of the Company	21,733,546	9,955,598	-	4,437,831
Professional services acquired	700,000	1,705,000	-	840,000
<b>Others</b>				
Key Management personnel	205,699,194	190,417,386	113,378,778	108,261,990
Contribution to Fund	21,166,165	18,733,999	11,716,287	9,385,297

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 20. 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 segment is engaged in broadcasting of news programs.

	Entertainment		News		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenue</b>						
Net sales to external customers	<b>2,654,157,406</b>	2,496,586,987	<b>638,340,655</b>	241,221,633	<b>3,292,498,061</b>	2,737,808,620
<b>Result</b>						
Segment profit / (loss)	<b>1,035,648,383</b>	1,243,270,139	<b>265,008,256</b>	(147,042,017)	<b>1,300,656,639</b>	1,096,228,122
Taxation					<b>(118,128,003)</b>	(115,900,598)
<b>Unallocated expenses:</b>						
Administrative expenses					<b>(352,682,515)</b>	(277,513,569)
Other income					<b>132,731,887</b>	(2,957,940)
Finance costs					<b>(28,099,743)</b>	(33,745,850)
<b>Profit / (loss) for the period</b>					<b>934,478,265</b>	666,110,165
<b>Other information</b>						
Amortization	<b>(1,877,124)</b>	(2,521,914)	<b>(2,413,767)</b>	(2,619,367)	<b>(4,290,891)</b>	(5,141,281)
Depreciation	<b>(12,255,222)</b>	(20,243,499)	<b>(39,911,553)</b>	(66,460,960)	<b>(52,166,775)</b>	(86,704,459)
					<b>December 31, 2022</b>	<b>June 30, 2022</b>
					<b>(Un-audited)</b>	<b>(Audited)</b>
Segment assets	<b>409,121,505</b>	399,697,988	<b>774,603,993</b>	815,588,812	<b>1,183,725,498</b>	1,215,286,800
Unallocated assets	-	-	-	-	<b>3,888,564,917</b>	5,589,118,800
	<b>409,121,505</b>	399,697,988	<b>774,603,993</b>	815,588,812	<b>5,072,290,415</b>	6,804,405,600
Capital expenditure	<b>23,470,626</b>	69,063,334	<b>1,340,500</b>	21,496,539	<b>24,811,126</b>	90,559,873
Segment liabilities	<b>591,925,682</b>	1,068,495,432	<b>342,577,085</b>	639,284,362	<b>934,502,767</b>	1,707,779,794

All non-current assets of the Company as at December 31, 2022 and 2021 are located in Pakistan.

Revenue from five major customers of the Company during the period constituted 73%.(December 31,2021: 75%-3 Customers) of the total revenue.

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

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2022. There have been no change in any risk management policies since the year end.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 21.1 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).

#### Assets measured at fair value

	December 31, 2022			Total	June 30, 2022
	Level 1	Level 2	Level 3		
	----- (Rupees) -----				
Short term investments	-	585,497,445	-	585,497,445	1,127,212,684

During the period end, 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.

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

### 22 GENERAL

22.1 Amounts have been rounded off to the nearest rupee.

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

### 23. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on February 28, 2023 by the Board of Directors.



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

# **CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2022

	Note	December 31,	June 30,
		2022	2022
		----- Rupees -----	-----
		(Un-audited)	(Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,192,374,616	1,213,806,080
Intangible assets		70,440,759	68,700,604
Long term deposits		30,494,005	32,382,764
Television program costs		303,336,292	335,343,019
Deferred tax asset		206,560,814	206,123,723
		<u>1,803,206,486</u>	<u>1,856,356,190</u>
<b>CURRENT ASSETS</b>			
Inventories		16,694,162	16,627,261
Current portion of television program costs		85,829,858	90,347,219
Trade debts	5	3,062,601,713	2,499,313,014
Short term investments		585,497,444	1,127,212,684
Advances		418,009,415	116,367,406
Trade deposits and short-term prepayments		33,273,075	54,878,938
Other receivables		158,994,445	211,773,875
Taxation – net		215,846,767	232,393,146
Cash and bank balances		1,097,208,528	925,578,242
		<u>5,673,955,407</u>	<u>5,274,491,785</u>
		<u>7,477,161,893</u>	<u>7,130,847,975</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Re.1/- each	1,500,000,000
		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up capital		1,134,000,000	945,000,000
Revenue Reserves		5,105,957,024	4,296,372,452
Attributable to owners of the Holding Company		6,239,957,024	5,241,372,452
Non-controlling interest		(55,583,608)	(53,578,718)
		<u>6,184,373,416</u>	<u>5,187,793,734</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term lease liabilities		68,561,756	72,676,898
Long term financing		87,646,693	101,461,145
Staff retirement benefits		57,736,746	48,070,804
		<u>213,945,195</u>	<u>222,208,847</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		920,800,731	1,307,502,946
Advance from customer		-	86,356,790
Accrued mark-up		3,575,748	6,111,455
Unclaimed dividend		5,229,176	6,153,631
Unpaid dividend		2,299,787	2,299,787
Current portion of long term lease liabilities		14,005,188	16,372,569
Current portion of deferred income - government grant		-	478,147
Current portion of long term financing		132,932,652	295,570,069
		<u>1,078,843,282</u>	<u>1,720,845,394</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>7,477,161,893</u>	<u>7,130,847,975</u>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Half-year ended		Quarter-ended		
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	
	----- Rupees -----		----- Rupees -----		
Revenue - Net	7	3,643,353,565	3,003,412,100	2,123,915,626	1,700,745,766
Cost of production	8	(1,752,905,264)	(1,391,671,808)	(995,961,512)	(790,995,619)
Transmission cost		(147,374,543)	(140,742,435)	(96,542,019)	(80,708,873)
		<u>(1,900,279,807)</u>	<u>(1,532,414,243)</u>	<u>(1,092,503,531)</u>	<u>(871,704,492)</u>
<b>Gross profit</b>		<b>1,743,073,758</b>	<b>1,470,997,857</b>	<b>1,031,412,095</b>	<b>829,041,274</b>
Distribution costs		(236,961,722)	(174,358,631)	(129,581,301)	(96,574,866)
Administrative expenses		(486,641,082)	(442,415,224)	(273,319,181)	(242,432,870)
Other income/(expenses)		125,500,048	(5,308,039)	91,947,726	19,580,089
Finance costs		(28,585,047)	(35,059,318)	(12,357,957)	(19,033,273)
<b>Profit / (loss) before taxation</b>		<b>1,116,385,955</b>	<b>813,856,645</b>	<b>708,101,382</b>	<b>490,580,354</b>
Taxation		(118,203,210)	(118,376,130)	(74,774,999)	(11,897,041)
<b>Profit after taxation</b>		<b>998,182,745</b>	<b>695,480,515</b>	<b>633,326,383</b>	<b>478,683,313</b>
<b>Attributable to:</b>					
Owners of Holding Company		1,000,187,635	696,633,576	626,750,362	474,372,505
Non-Controlling Interests		(2,004,890)	(1,153,061)	6,576,021	4,310,808
		<u>998,182,745</u>	<u>695,480,515</u>	<u>633,326,383</u>	<u>478,683,313</u>
<b>Profit per share – basic and diluted</b>		<b>0.88</b>	(Restated) <b>0.61</b>	<b>0.55</b>	(Restated) <b>0.42</b>

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

**Earnings per share - basic and diluted (Re.)**

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer



## CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022	December 31, 2021
	Ruppes	
Profit for the period	998,182,745	695,480,515
Other comprehensive income	(1,603,063)	5,121,489
Total comprehensive income for the period	<u>996,579,682</u>	<u>700,602,004</u>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Foreign exchange translation reserve	Revenue Reserves		Non- controlling interest	Total
			Unappropriated profit	Sub-total		
<b>Balance as at July 01, 2021 (Audited)</b>	945,000,000	166,704,530	2,931,485,828	3,098,190,358	(32,505,864)	4,010,684,494
Profit for the period	-	-	696,633,576	696,633,576	(1,153,061)	695,480,515
Other comprehensive income	-	5,121,489	-	5,121,489	-	5,121,489
Total comprehensive income for the period	-	<b>5,121,489</b>	<b>696,633,576</b>	<b>701,755,065</b>	<b>(1,153,061)</b>	<b>700,602,004</b>
<b>Balance as at December 31, 2021</b>	<b>945,000,000</b>	<b>171,826,019</b>	<b>3,628,119,404</b>	<b>3,799,945,423</b>	<b>(33,658,925)</b>	<b>4,711,286,498</b>
<b>Balance as at July 01, 2022 (Audited)</b>	<b>945,000,000</b>	<b>279,458,115</b>	<b>4,016,914,337</b>	<b>4,296,372,452</b>	<b>(53,578,718)</b>	<b>5,167,793,734</b>
Profit for the period	-	-	1,000,187,635	1,000,187,635	(2,004,890)	998,182,745
Bonus share issued during the period in the ratio of 2 ordinary shares for every 10 ordinary shares held by the holding company	189,000,000	-	(189,000,000)	(189,000,000)	-	-
Other comprehensive income	-	(1,603,063)	-	(1,603,063)	-	(1,603,063)
Total comprehensive income for the period	189,000,000	(1,603,063)	811,187,635	809,584,572	(2,004,890)	996,579,682
<b>Balance as at December 31, 2022</b>	<b>1,134,000,000</b>	<b>277,855,052</b>	<b>4,828,101,972</b>	<b>5,105,957,024</b>	<b>(55,583,608)</b>	<b>6,184,373,416</b>

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

## CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022	December 31, 2021
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	1,116,385,955	813,856,645
<b>Adjustment for:</b>		
Depreciation	52,286,082	87,544,077
Amortization	-	7,096,755
Finance costs	28,585,047	35,059,318
Profit received on deposit accounts	(29,990,673)	(9,387,808)
Loss/(gain) on disposal of property, plant and equipment	(554,936)	(2,303,060)
Unrealized Loss/(gain) on Revaluation of Investments	(12,652,548)	49,887,867
Exchange difference on translation of foreign currency	(1,603,063)	5,121,489
Provision for doubtful debts	2,022,097	6,237,134
Dividend income	21,627,659	-
Gain/(loss) on redemption / sale of investments	(12,025,310)	10,768,955
Exchange Loss/(Gain)	565,728	(31,028,880)
	48,260,083	158,995,848
<b>Operating Profit before working capital changes</b>	1,164,646,038	972,852,493
<b>(Increase)/decrease in current assets</b>		
Inventories	(66,901)	(952,199)
Television program costs	4,517,361	(539,745)
Trade debts	(565,876,524)	(36,097,626)
Advances, deposits and prepayments	(280,036,146)	(503,141,403)
Other receivables	52,779,430	(99,869,765)
	(788,682,780)	(640,600,738)
<b>Increase in current liabilities</b>		
Trade and other payables	(473,059,005)	168,934,240
	(97,095,747)	501,185,995
<b>CASH GENERATED FROM OPERATIONS</b>	(97,095,747)	501,185,995
Taxes paid	(102,093,922)	(53,736,028)
Finance cost paid	(31,120,755)	(38,338,743)
Profit received on bank accounts	29,990,673	9,387,808
Long-term deposits	1,888,759	1,605,487
Television program costs	32,006,727	(97,045,260)
Employees end of Service	9,665,942	6,570,262
<b>Net cash (used in) / generated from operating activities</b>	(156,758,323)	329,629,520
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangibles	(32,455,206)	(43,412,452)
Short term investments - net	566,393,098	(164,441,795)
Dividend received	(21,627,659)	-
Proceeds from disposal of operating fixed assets	2,162,368	8,586,264
<b>Net cash (used in) / generated from investing activities</b>	514,472,601	(199,287,983)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(924,455)	-
Long term financing	(176,930,016)	(52,367,563)
Liabilities against assets subject to finance lease	(8,229,522)	(2,219,279)
<b>Net cash (used in) / generated from financing activities</b>	(186,083,993)	(54,586,842)
<b>Net increase in cash and cash equivalents</b>	171,630,286	75,754,696
<b>Cash and cash equivalents at the beginning of the period</b>	925,578,242	437,893,527
<b>Cash and cash equivalents at the end of the period</b>	1,097,208,528	513,448,223
<b>Cash and cash equivalents</b>		
Cash and bank balances	1,097,208,528	582,476,091
Short-term running finance	-	(69,027,868)
	1,097,208,528	513,448,223

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



**DURAID QURESHI**  
Chief Executive



**MAZHAR-UL-HAQ SIDDIQUI**  
Chairman



**MUHAMMAD ABBAS HUSSAIN**  
Chief Financial Officer

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 1 THE GROUP AND ITS OPERATIONS

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

The 'Group' consists of

#### Holding Company

HUM Network Limited

#### Subsidiary Companies

	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 magazines.

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 2 BASIS OF PREPARATION

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

### 3 ACCOUNTING POLICES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2022.

	Note	December 31,	June 30,
		2022	2022
		----- Rupees -----	
		(Un-audited)	(Audited)
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	1,017,125,335	1,028,126,121
Right of use assets		68,334,661	78,765,339
Capital work-in-progress		106,914,620	106,914,620
		<u>1,192,374,616</u>	<u>1,213,806,080</u>

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

Book value at the beginning of the period / year		1,028,126,121	1,075,575,958
Additions during the period / year	4.1.1	31,763,797	91,744,073
Transfer to right of use asset - at book value		1,607,432	10,458,880
Transfers into right to use		-	-
		<u>1,061,497,350</u>	<u>1,177,778,911</u>
Less:			
Disposal/ transfer during the period / year - at WDV		(1,607,432)	(11,073,166)
Depreciation charged during the period / year		(42,764,583)	(138,579,624)
		<u>(44,372,015)</u>	<u>(149,652,790)</u>
		<u>1,017,125,335</u>	<u>1,028,126,121</u>

#### 4.1.1 Additions during the period/year

##### Owned Assets:

Furniture and fixtures	4,043,403	9,089,180
Motor vehicles	8,272,000	41,673,349
Audio visual equipment	5,548,268	16,940,518
Office equipment	659,755	8,611,621
Computers	13,240,371	15,429,405
	<u>31,763,797</u>	<u>91,744,073</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022 ----- Rupees ----- (Un-audited)	June 30, 2022 (Audited)
<b>5 TRADE DEBTS – unsecured</b>		
Considered good	3,062,601,713	2,499,313,014
Considered doubtful	<u>116,256,441</u>	<u>114,234,344</u>
	<b>3,178,858,154</b>	<b>2,613,547,358</b>
Less: Provision for doubtful debts	<u>(116,256,441)</u>	<u>(114,234,344)</u>
	<b><u>3,062,601,713</u></b>	<b><u>2,499,313,014</u></b>

### 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, 2022.

#### 6.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at December 31, 2022 amounted to Rs.156,800,000 (June 2022: Rs. 204,378,000/-). Commitment for purchase of television programs with other than related parties as at December 31, 2022 amounted to Rs. 20,896,500 (June 2022: Rs. 48,902,000/-).

	Half-year ended		Quarter-ended	
	December 31, 2022 (Un-audited) ----- Rupees -----	December 31, 2021 (Un-audited)	December 31, 2022 (Un-audited) ----- Rupees -----	December 31, 2021 (Un-audited)
<b>7 REVENUE – net</b>				
Advertisement revenue	2,721,225,100	2,283,286,965	1,523,376,388	1,257,750,865
Production revenue	154,029,972	87,506,662	140,925,789	34,292,563
Digital sales revenue	21,891,621	42,362,479	10,201,682	22,642,092
Subscription income	740,950,758	589,815,154	444,426,175	385,644,406
Film distribution revenue	4,732,500	-	4,732,500	-
Sale of goods	<u>523,614</u>	<u>440,840</u>	<u>253,092</u>	<u>415,840</u>
	<b><u>3,643,353,565</u></b>	<b><u>3,003,412,100</u></b>	<b><u>2,123,915,626</u></b>	<b><u>1,700,745,766</u></b>

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

Sales tax	346,852,962	296,911,449	210,315,092	156,436,055
Discount to customers	<u>329,855,705</u>	<u>224,681,193</u>	<u>227,488,033</u>	<u>110,156,667</u>
	<b><u>676,708,667</u></b>	<b><u>521,592,642</u></b>	<b><u>437,803,125</u></b>	<b><u>266,592,722</u></b>

## CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	Half Year-ended		Quarter-ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>8 COST OF PRODUCTION</b>				
Cost of outsourced programs	855,782,558	730,505,600	483,432,543	391,974,099
Cost of in-house programs	191,412,037	99,115,375	172,869,484	16,175,620
Inventories consumed	877,760	398,200	-	60,200
Salaries and benefits	501,781,343	347,182,424	263,911,860	175,973,061
Technical advisory fees	23,804,998	23,805,000	11,902,498	11,902,500
Depreciation	28,725,685	63,793,345	13,346,739	31,175,143
Amortisation	3,858,609	4,536,696	1,866,591	2,231,982
Traveling and conveyance	59,825,612	37,173,620	27,462,179	24,682,762
Utilities	7,460,285	7,791,864	4,162,572	3,818,896
Rent, rates and taxes	65,564	647,589	32,055	622,591
Insurance	12,852,120	12,688,295	5,649,327	5,723,642
Repair and maintenance	14,590,329	26,544,451	10,783,179	8,351,470
Fee and subscription	2,314,623	123,805,529	129,540	86,920,327
Communication expense	9,894,890	7,962,871	5,100,389	4,362,074
Security charges	226,150	-	226,150	-
Consultancy	1,188,586	2,567,016	-	1,283,457
Printing and stationery	1,720,027	738,938	532,406	387,262
	<b>1,716,381,176</b>	<b>1,489,256,813</b>	<b>1,001,407,512</b>	<b>765,645,086</b>
In production television programs - opening	35,460,250	22,282,250	35,685,250	25,537,250
In production television programs - closing	(41,131,250)	(27,587,250)	(41,131,250)	(27,587,250)
	<b>1,710,710,176</b>	<b>1,483,951,813</b>	<b>995,961,512</b>	<b>763,595,086</b>
Released / unreleased programs - opening	390,229,988	430,167,561	348,034,900	549,848,099
Released / unreleased programs - closing	(348,034,900)	(522,447,566)	(348,034,900)	(522,447,566)
	<b>1,752,905,264</b>	<b>1,391,671,808</b>	<b>995,961,512</b>	<b>790,995,619</b>

### 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:

Nature of transaction	Half Year-ended		Quarter-ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
<b>Associated companies:</b>				
Purchases of Television programs	645,418,630	641,841,114	303,861,710	362,419,194
<b>Others</b>				
Key Management personnel	240,250,920	230,317,386	149,625,460	148,161,990
Contribution to Fund	21,166,165	18,733,999	11,716,287	9,385,297

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

### 10 OPERATING SEGMENTS

	Entertainment		News		Others		Total	
	Dec 2022	Dec 2021	Dec 2022	Dec 2021	Dec 2022	Dec 2021	Dec 2022	Dec 2021
	(Rupees)							
Revenue								
Net revenue from external customers	3,005,012,910	2,762,190,467	638,340,655	241,221,633	-	-	3,643,353,565	3,003,412,100
<b>Result</b>								
Segment profit/ (loss)	1,484,748,468	1,467,915,172	265,008,256	(147,042,017)	(6,682,966)	(428,929)	1,743,073,758	1,320,444,226
Taxation							(118,203,210)	(118,376,130)
<b>Unallocated expenses:</b>								
Administrative expenses							(723,602,804)	(466,220,224)
Other Income							125,500,048	96,296,861
Other Expenses							-	(52,078,682)
Share of Net Profit Associates							-	-
Finance costs							(28,585,047)	(35,059,318)
Profit for the period							<u>998,182,745</u>	<u>745,006,723</u>
<b>Other Information</b>								
Amortization	(1,848,445)	(4,456,605)	(2,413,767)	(2,619,367)	(57,358)	(20,784)	(4,319,570)	(7,096,755)
Depreciation	<u>(13,056,245)</u>	<u>(36,360,468)</u>	<u>(39,911,553)</u>	<u>(66,460,950)</u>	<u>(684,372)</u>	<u>(15,277,351)</u>	<u>(53,632,170)</u>	<u>(87,544,077)</u>
	Dec 2022	June 2022	Dec 2022	June 2022	Dec 2022	June 2022	Dec 2022	June 2022
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment assets	478,973,341	229,175,529	774,603,993	1,063,331,155	9,238,041	-	1,262,815,375	1,282,506,664
Unallocated Assets	-	-	-	-	-	-	6,214,346,518	5,848,341,291
Segment liabilities	<u>626,792,322</u>	<u>1,229,238,026</u>	<u>342,577,085</u>	<u>651,639,362</u>	<u>323,419,069</u>	<u>62,176,853</u>	<u>1,292,788,476</u>	<u>1,943,054,241</u>

### 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 February 28, 2023 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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TV FOOD MAG

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