

**20
23**



**MARCH 31, 2023
3RD 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
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

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 [3rd] third quarter ended March 31, 2023.

Financial Performance:

Particulars	Unconsolidated Financial Statements		Consolidated Financial Statements	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----			
Net Revenue	5,002,095,505	4,318,639,311	5,489,056,653	4,680,784,694
Other Income	505,576,220	17,828,186	427,123,431	-
Total expenses	(3,661,554,486)	(3,151,645,334)	(4,301,391,694)	(3,484,694,257)
Profit before tax	1,846,117,239	1,184,822,163	1,614,788,390	1,196,090,437
Taxation	(169,978,587)	(147,560,453)	(170,053,794)	(148,352,286)
Profit after tax	1,676,138,652	1,037,261,710	1,444,734,596	1,047,738,151
EPS (revised)	1.48	0.91	1.29	0.93

During the period our net revenues and profit after tax have increased by 15.3% and 61.6% respectively as compared to the same period last year poising a position of strength within our industry.

Operational Performance:

HNL, as the largest content creator in Pakistan's entertainment industry, has successfully carved out a prominent position by delivering premium content through our various broadcasting channels and digital platforms, catering to both local and global audiences. Our commitment to quality, risk-taking, and innovation has made us a favorite among viewers and critics alike, and we take immense pride influencing the industry to where it is today.

During the period, HUM TV aired dramas like "Yunhi" and "Pyari Mona" along with Ramzan special series "Fairy tale" and "Chand Tara" which became instant hits. These light hearted romcoms were highly appreciated by the audiences due to their unique storylines and engaging performances.

In the month of February 2023, the fourth edition of the Hum Women Leaders Awards took place at the prestigious Jinnah Convention Center, Islamabad honoring both national and international female trailblazers for their exceptional accomplishments in various domains, such as diplomacy, social work, education, healthcare, human rights, journalism, and women's rights. The ceremony was graced by President Dr. Arif Alvi, notable dignitaries and top figures from Pakistan's entertainment industry.

The Masala Family Festival was organized in January 2023 in Karachi providing a platform to the foodies to enjoy live cooking demonstration, Food court and kids' arena along with a unique chance to meet their favorite celebrity chefs.

In this era of extreme polarization, HUM News has upheld its commitment to unbiased and factual reporting, distinguishing itself as an independent news channel. Not only is the network working to inspire hope in our society, but it is also reshaping the landscape of Pakistani journalism through its objective reporting practices.

Future Outlook:

Political instability and economic turmoil continue to ravage the economic growth in Pakistan. In addition, declining exports, a balance of payments crisis and sinking exchange rate has discouraged foreign investment while making it difficult for local businesses to operate. It is important for the government to take steps to address these issues and create a more stable and predictable economic environment for businesses and investors.

Additionally, the significant increase in fuel prices, inflation and taxes has led to higher production and operational expenses, affecting profitability. Given these circumstances, the management of the Company is concentrating on diversifying income streams, reducing costs, improving efficiency, and intensifying sales efforts.

We are extremely proud of HUM Network's revered reputation as a top-tier entertainment provider in the industry achieved through many years of hard work and dedication. We remain fully committed in delivering a premium entertainment experience for both our viewers and stakeholders.

HUM News has achieved a prominent position among Pakistan's top news channels, thanks to its fair reporting and wider distribution across the country, maintaining a steady increase in its average viewership rating.

It is our steadfast commitment to continue to invest in products and services that not only meet but also surpass your expectations.

During the period HNL has concluded the signing of Share Purchase Agreement (SPA) with Tower Sports (Private) Limited and Sphere Ventures (Private) Limited. The management of HNL is thrilled with the potential for growth that these new opportunities present.

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

April 27, 2023
Karachi.



DURAIID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman

ڈائریکٹرز رپورٹ

ہم ورک ہولڈنگ (انٹرنیشنل) لمیٹڈ کے بورڈ آف ڈائریکٹرز ۳۱ مارچ ۲۰۲۳ء کی تیسری سہ ماہی اختتامی مدت کیلئے کھینچی کی مالیاتی اور عملی کارکردگی کا جائزہ پیش کر رہے ہیں۔

مالیاتی کارکردگی:

تفصیلات	تیسری مجموعی مالیاتی کوٹھارے		مجموعی مالیاتی کوٹھارے	
	۳۱ مارچ ۲۰۲۳ء	۳۱ مارچ ۲۰۲۲ء	۳۱ مارچ ۲۰۲۳ء	۳۱ مارچ ۲۰۲۲ء
خاص آمدنی	۵۰,۰۰۲,۰۹۵,۵۰۵	۴,۳۱۸,۶۳۹,۳۱۱	۵۰,۰۸۹,۰۵۲,۶۵۳	۴,۲۸۰,۷۸۲,۶۹۴
دیگر آمدنی	۵۰۵,۵۷۶,۲۲۰	۱۷,۸۲۸,۱۸۶	۳۲۷,۱۲۳,۳۳۱	-
کل اخراجات	(۳,۶۶۱,۵۵۲,۳۸۶)	(۳,۱۵۱,۶۳۵,۳۳۳)	(۳,۲۰۱,۶۳۱,۶۹۳)	(۳,۲۸۲,۶۹۲,۳۵۷)
تعمیراتی اخراجات	۱,۸۳۶,۱۱۷,۴۳۹	۱,۱۸۲,۸۲۲,۱۲۳	۱,۶۱۳,۷۸۸,۳۹۰	۱,۱۹۶,۰۹۰,۳۳۷
تعمیراتی اخراجات	(۱۶۹,۹۷۸,۷۵۷)	(۱۳۷,۵۶۰,۳۵۳)	(۱۷۰,۰۴۳,۶۹۳)	(۱۳۸,۳۵۲,۲۸۶)
ایڈجسٹڈ منافع	۱,۶۷۷,۱۳۸,۵۵۲	۱,۰۰۴,۷۶۱,۷۷۰	۱,۳۳۳,۷۳۳,۹۶۶	۱,۰۰۵,۷۳۸,۱۵۱
فی شخص آمدنی (پروازڈ)	۱.۳۸	۰.۹۱	۱.۲۹	۰.۹۳

دوران مدت ہماری خاص آمدنی اور ایڈجسٹڈ منافع میں بائربریٹ ۱۵.۳ فیصد اور ۶۱.۲ فیصد اضافہ ہوا جو کہ تیس سال کی اسی مدت کے مقابلے میں ہماری انٹرنسٹی میں سٹیبل پوزیشن میں ہے۔

عملی کارکردگی:

انٹرنیشنل، پاکستان کی انٹرٹینمنٹ انڈسٹری میں سب سے بڑے کونٹینٹ کرئیئر کے طور پر، مقامی اور عالمی سامعین کے لیے ہمارے مختلف براؤڈ کاسٹنگ چینلوں اور ڈیجیٹل پلیٹ فارمز کے ذریعے پرمیئم کونٹینٹ کی فراہمی کے ذریعے کامیابی کے ساتھ ایک نمایاں مقام حاصل کر چکا ہے۔ معیار، امتیازات، اور جدت طرازی کے لیے ہماری وابستگی نے ہمیں ناظرین اور ناقدین کے درمیان کیساں طور پر پسندیدہ بنا دیا ہے، اور ہم انٹرنسٹی کو اس مقام پر متاثر کرنے پر بہت فخر محسوس کرتے ہیں جہاں یہ آج ہے۔

دوران عرصہ، ہم ٹی وی نے "ٹی وی" اور "میجاری سونا" بشمول رمضان کی خصوصی سیریز "میری ٹیلی" اور "چاندنارا" جیسے ڈرامے نشر کیے جنہوں نے کافی مقبولیت حاصل کی۔ دل کو چھو لینے والے ان روم کام کرائوں کی منفرد کہانیاں اور گمشدہ فراموش کے باعث سامعین نے بے حد پسند کیا۔

فروری ۲۰۲۳ء کے مہینے میں ممتاز جنتان کونٹینٹ سٹریمر اسلام آباد میں دو ویکن لیڈرز اور ڈاکو پوٹھالا پینشن منسٹھ ہوا، جس میں قومی اور بین الاقوامی ٹریبل بلرز خواجہ امین کھٹک شہید جانت جیسا کہ سفارت کاری، سماجی کام، تعلیم صحت کی دیکھ بھال، انسانی حقوق، صحافت، اور خواجہ امین کے حقوق میں ان کی فیئر مومولی کا مایاویں کے لیے اعزاز سے نوازا گیا۔ تقریب میں صدر مملکت ڈاکٹر عارف علوی، ماقبل ڈاکٹر معززین اور پاکستان کی انٹرٹینمنٹ انڈسٹری کی سرگرم شخصیات نے شرکت کی۔

جنوری ۲۰۲۳ء میں کراچی میں مصالحتی فیڈبیل کا انعقاد کیا گیا جس میں کھانے کے شوقین حضرات کو لایا گیا تاکہ پانچ کے مظاہرے، فوڈ کورٹ اور بچوں کو لطف اندوز ہونے کے لیے ایک پلیٹ فارم فراہم کیا گیا تھا اور اس سلسلے میں ان کے پسندیدہ شہور مطبخ سے ملنے کا ایک منفرد موقع تھا۔

پورا تیسریں کے اس دور میں، ہم نیوز سے خود کو ایک آزاد نیوز چینل کے طور پر فیئر جانداران اور حقائق پر مبنی رپورٹنگ کے اپنے عزم کو برقرار رکھا ہے۔ یہ عزم ورک نہ صرف ہمارے معاشرے میں امید پیدا کرنے کے لیے کام کر رہا ہے بلکہ اپنے معروضی رپورٹنگ کے طریقوں کے ذریعے پاکستانی صحافت کے مظہرے کو بھی نئی شکل دے رہا ہے۔

مستقبل کی حکمت عملی:

سیا عدم استحکام اور معاشی بحالی پاکستان کی معاش ترقی کو توجہ دے رہی ہے۔ اس کے علاوہ گرتی ہوئی برآمدات، ادائیگیوں کے توازن کے بحران اور ڈیوٹی ہوئی شرح مبادلہ نے فیرنگل سرے کی چوڑی (پرائیویٹ) کو حاصل کرنے کی ہے جبکہ مقامی کاروبار کے لیے کام کرنا مشکل بنا دیا ہے۔ حکومت کے لیے ضروری ہے کہ وہ ان مسائل کو حل کرنے کے لیے اقدامات کرے اور کاروباری اداروں اور سرمایہ کاروں کے لیے ایک زیادہ مستحکم اور پیش قدمی اقتصادی ماحول پیدا کرے۔

مزید برآں، ٹی وی کی قیمتوں، میڈیا کی اور ڈیسٹری بیوٹیشن میں نمایاں اضافہ، پیو اور اور پینٹل اخراجات میں اضافے کا باعث بنا، جس سے منافع متاثر ہوا۔ ان حالات کے پیش نظر، کھینچی کی انتظامیہ مدنی کے سلسلے کو متروک بنانے، اخراجات کو کم کرنے، کارکردگی کو بہتر بنانے اور آمدنی کی کوششوں کو تیز کرنے پر توجہ مرکوز کر رہی ہے۔

ہمیں انٹرنسٹی میں اعلیٰ درجے کے تفریحی فراہم کنندہ کے طور پر ہم نہ صرف ورک کی قابل قدر رسا کہ ہے بلکہ ہمارے مقررہ سالوں کی محنت اور لگن سے حاصل کی گئی ہے۔ ہم اپنے ناظرین اور ایک بولڈ ورڈوں کو ایک بہتر بینرز کی ترقی پر فراہم کرنے کے لیے پوری طرح تیار ہیں۔

ہم نیوز نے اپنی مضامین رپورٹنگ اور ملک بھر میں وسیع رشتہ بندی کی بدولت اپنے ناظرین کی وسیع دائرہ بندی میں مسلسل اضافہ کو برقرار رکھتے ہوئے پاکستان کے سرفہرست نیوز چینلوں میں ایک نمایاں مقام حاصل کیا ہے۔

ہمارا عزم ہے کہ ہم ان مصنوعات اور خدمات میں سرمایہ کاری جاری رکھیں جو نہ صرف آپ کی توقعات سے پورا کرتے ہیں بلکہ ان سے بھی تجاوز کرتے ہیں۔ دوران مدت انٹرنیشنل میں نیا ادارہ سروس (پرائیویٹ) کیلئے اور ایڈیٹرز پبلسٹی (پرائیویٹ) کیلئے کے ساتھ شہر پر چیز ایک بیکر (انس پی اس) کے پختہ کیے ہیں۔ انٹرنیشنل کی انتظامیہ ترقی کی اس صلاحیت جس میں نئے مواقع موجود ہیں سے پر ہوش ہے۔

بورڈ آف ڈائریکٹرز کھینچی کے تمام اسٹیٹک ہولڈرز کے ان کی مستقل سپورٹ پر شکریہ ادا کرتے ہیں۔


مظہر اہل حق صدیقی
چیئر مین


دریغ کریم
چیئر مین

کراچی، ۲۰ اپریل ۲۰۲۳ء

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		----- Rupees -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,200,103,370	1,205,184,777
Intangible assets		3,985,711	10,102,023
Long term investments	6	188,898,481	188,898,481
Long term deposits and prepayments		31,129,968	31,967,331
Television program costs	7	354,687,118	335,343,019
Deferred tax asset		174,293,559	188,969,133
		<u>1,953,098,207</u>	<u>1,960,464,764</u>
CURRENT ASSETS			
Inventories		17,272,090	16,627,261
Current portion of television program costs	7	85,829,858	90,347,219
Trade debts	8	2,772,373,435	2,239,728,745
Short term investments		819,217,377	1,127,212,684
Advances	9	174,607,381	108,662,128
Deposits and prepayments		38,572,831	25,160,453
Other receivables	10	1,298,333,889	166,202,807
Taxation – net		213,823,340	236,500,979
Cash and bank balances		315,136,536	833,498,560
		<u>5,735,166,737</u>	<u>4,843,940,836</u>
TOTAL ASSETS		<u>7,688,264,944</u>	<u>6,804,405,600</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Re.1/- each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up capital		1,134,000,000	945,000,000
Unappropriated profit		5,638,764,458	4,151,625,806
		<u>6,772,764,458</u>	<u>5,096,625,806</u>
NON-CURRENT LIABILITIES			
Long term lease liabilities		65,421,806	72,676,898
Long term financing		46,875,000	78,125,021
		<u>112,296,806</u>	<u>150,801,919</u>
CURRENT LIABILITIES			
Trade and other payables	11	719,250,108	1,217,983,143
Advance from customers		516,873	14,579,805
Accrued markup		1,062,815	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		12,757,647	16,372,569
Current portion of long term financing		62,087,274	294,813,943
		<u>803,203,680</u>	<u>1,556,977,875</u>
CONTINGENCIES AND COMMITMENTS	12		
TOTAL EQUITY AND LIABILITIES		<u>7,688,264,944</u>	<u>6,804,405,600</u>

The annexed notes from 1 to 20 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 NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

	Note	Nine months ended		Quarter-ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue	13	5,002,095,505	4,318,639,311	1,709,597,444	1,580,830,691
Cost of production	14	(2,640,080,919)	(2,339,177,724)	(904,215,499)	(887,307,793)
Transmission cost		(88,623,558)	(72,735,512)	(33,698,602)	(25,380,898)
		(2,728,704,477)	(2,411,913,236)	(937,914,101)	(912,688,691)
Gross profit		2,273,391,028	1,906,726,075	771,683,343	668,142,000
Distribution costs		(318,380,197)	(261,337,532)	(117,329,151)	(118,981,580)
Administrative expenses		(576,037,730)	(423,025,061)	(223,355,215)	(145,511,491)
Other income/expenses	15	505,576,220	17,828,186	372,844,333	20,786,125
Finance costs		(38,432,082)	(55,369,505)	(10,332,338)	(21,623,654)
Profit before taxation		1,846,117,239	1,184,822,163	793,510,972	402,811,400
Taxation					
-current		(151,750,199)	(185,158,284)	(39,272,314)	(45,398,228)
-prior		(3,552,814)	1,477,602	-	-
-deferred		(14,675,574)	36,120,229	(12,578,270)	13,744,373
		(169,978,587)	(147,560,453)	(51,850,584)	(31,653,855)
Profit for the period		1,676,138,652	1,037,261,710	741,660,388	371,157,545
Earnings per share – basic and diluted		1.48	(Restated) 0.91	0.65	(Restated) 0.33

The annexed notes from 1 to 20 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 NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

	Nine months ended		Quarter-ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----			
Profit for the period	1,676,138,652	1,037,261,710	741,660,388	371,157,545
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,676,138,652</u>	<u>1,037,261,710</u>	<u>741,660,388</u>	<u>371,157,545</u>

The annexed notes from 1 to 20 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 NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,846,117,239	1,184,822,163
Adjustments for:		
Depreciation on operating fixed assets and right of use assets	78,377,692	128,796,185
Amortization	6,116,313	7,578,583
Finance costs	38,432,081	55,369,505
Unrealised exchange gain	(267,820,270)	(18,572,455)
Profit on bank accounts	(41,953,246)	(18,419,271)
Gain on disposal of operating fixed assets	(369,324)	(4,507,826)
Dividend income	(30,524,073)	-
Loss/(gain) on redemption / sale of investments	(14,088,062)	9,475,346
Unrealised (gain)/loss on revaluation of investments	(16,591,344)	62,099,124
	<u>(248,420,233)</u>	<u>221,819,191</u>
Operating profit before working capital changes	1,597,697,006	1,406,641,354
(Increase) / decrease in current assets		
Inventories	(644,867)	(446,646)
Television program costs	4,517,361	(12,897,975)
Trade debts	(264,824,420)	(441,422,017)
Advances, deposits and prepayments	(79,357,631)	(373,251,603)
Other receivables	(1,132,131,081)	(16,226,039)
	<u>(1,472,440,638)</u>	<u>(844,244,279)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(512,731,837)	113,427,326
	<u>(387,475,469)</u>	<u>675,824,401</u>
Cash used in operations	(132,625,376)	(74,191,822)
Taxes paid	(132,625,376)	(74,191,822)
Finance costs paid	(41,666,116)	(57,916,913)
Profit received on deposit accounts	41,953,246	18,419,271
Long-term deposits	837,364	(1,707,710)
Television program costs	(19,344,099)	(28,984,452)
	<u>(538,320,450)</u>	<u>531,442,775</u>
Net cash used in / generated from operating activities	(538,320,450)	531,442,775
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(75,008,393)	(78,530,819)
Short term investments - net	338,674,713	(173,527,248)
Dividend received	30,524,073	-
Proceeds from disposal of operating fixed assets	3,764,336	16,335,995
	<u>297,954,729</u>	<u>(235,722,073)</u>
Net cash generated from / (used in) investing activities	297,954,729	(235,722,073)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(12,617,014)	(33,259,680)
Dividend paid	(924,455)	-
Long term financing - net	(264,454,834)	(133,473,616)
	<u>(277,996,303)</u>	<u>(166,733,297)</u>
Net cash used in financing activities	(277,996,303)	(166,733,297)
Net (decrease) / increase in cash and cash equivalents	(518,362,024)	128,987,405
Cash and cash equivalents at the beginning of the period	833,498,560	355,827,585
Cash and cash equivalents at the end of the period	315,136,536	484,814,990
Cash and cash equivalents		
Cash and bank balances	315,136,536	553,843,003
Short-term running finance	-	(69,028,013)
	<u>315,136,536</u>	<u>484,814,990</u>

The annexed notes from 1 to 20 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 CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Revenue Reserve Unappropriated Profit ----- Rupees-----	Total
Balance as at July 01, 2021 – (Audited)	945,000,000	3,118,470,793	4,063,470,793
Profit for the period	-	1,037,261,710	1,037,261,710
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	1,037,261,710	1,037,261,710
Balance as at March 31, 2022	<u>945,000,000</u>	<u>4,155,732,503</u>	<u>5,100,732,503</u>
Balance as at July 01, 2022 – (Audited)	945,000,000	4,151,625,806	5,096,625,806
Profit for the period	-	1,676,138,652	1,676,138,652
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	1,487,138,652	1,676,138,652
Balance as at March 31, 2023	<u>1,134,000,000</u>	<u>5,638,764,458</u>	<u>6,772,764,458</u>

The annexed notes from 1 to 20 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 NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Hum Network Limited (the Company) was incorporated in Pakistan on February 25, 2004 as a public limited company under the repealed Companies Ordinance, 1984 (the 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 NINE MONTHS ENDED MARCH 31, 2023 (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.

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		----- Rupees -----	
5. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	5.1	1,018,736,790	1,019,504,819
Capital work-in-progress		118,175,431	106,914,620
Right of use assets		63,191,149	78,765,338
		<u>1,200,103,370</u>	<u>1,205,184,777</u>
5.1 Operating fixed assets			
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	63,801,949	90,559,873
		1,084,914,200	1,168,386,282
Less:			
Disposals / transfers during the period / year – at book value	5.1.1	(3,459,144)	(12,401,909)
Depreciation charged during the period / year		(62,718,266)	(136,479,554)
		(66,177,410)	(148,881,463)
Closing balance – at book value		<u>1,018,736,790</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)
	March 31, 2023	June 30, 2022	March 31, 2023	June 30, 2022
----- Rupees -----				
Owned Assets:				
Uplinking equipment	-	-	1,760,000	1,604,750
Furniture and Fittings	4,043,403	9,089,180	-	-
Motor vehicles	30,037,000	41,673,349	1,607,432	10,410,760
Audio visual equipment	9,357,115	16,940,518	91,712	304,852
Office equipment	5,559,624	8,611,621	-	-
Computers	14,804,807	14,245,205	-	81,547
	<u>63,801,949</u>	<u>90,559,873</u>	<u>3,459,144</u>	<u>12,401,909</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

6. LONG TERM INVESTMENTS – unquoted subsidiaries

	Country of incorporation	Holding	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
----- Rupees -----				
HUM TV, Inc. – USA	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>
HUM Network UK Limited	United Kingdom			
553,677 Ordinary shares of 1 GBP		100%	95,923,751	95,923,751
Skyline Publications (Private) Limited	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>
			-	-
HUM Network FZ LLC – UAE	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>
HUMM Co. (Private) Limited	Pakistan			
4 ordinary shares of Rs. 10 each		100%	40	40
HUM Mart (Private) Limited	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>
7. TELEVISION PROGRAM COSTS				
Unreleased / released less amortization			393,619,726	390,229,988
In production			<u>46,897,250</u>	<u>35,460,250</u>
			<u>440,516,976</u>	<u>425,690,238</u>
Less: Current portion			<u>(85,829,858)</u>	<u>(90,347,219)</u>
			<u>354,687,118</u>	<u>335,343,019</u>
8. TRADE DEBTS				
Considered good		8.1	2,861,340,067	2,328,695,377
Less: Allowance for ECL			<u>(88,966,632)</u>	<u>(88,966,632)</u>
			<u>2,772,373,435</u>	<u>2,239,728,745</u>
8.1. Includes amount receivable from related parties as follows:				
Hum TV, Inc – USA			138,488,458	97,234,456
Hum Network UK Limited			<u>110,319,474</u>	<u>82,345,421</u>
			<u>248,807,932</u>	<u>179,579,877</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- Rupees -----	
9 ADVANCES		
Includes advance given to M.D Productions (Private) Limited, a related party amounting to Rs. 13,323,746 (June 30, 2022: Rs. nil) against purchase of television programs.		
	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- Rupees -----	
10 OTHER RECEIVABLES		
Sales tax receivable	121,165,216	124,140,222
Due from related parties	1,234,222,448	98,916,587
Others	551,444	751,217
	<u>1,355,939,108</u>	<u>223,808,026</u>
Provision for impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>1,298,333,889</u>	<u>166,202,807</u>
10.1 Includes balances receivable from related parties as follows:		
HUM TV. Inc	43,265,714	38,943,913
Skyline Publication Productions (Private) Limited	61,549,286	58,651,683
Hum Network FZ - LLC	1,129,407,448	-
Hum Mart (Private) Limited	-	1,320,991
	<u>1,234,222,448</u>	<u>98,916,587</u>
Provision for impairment	<u>(57,605,219)</u>	<u>(57,605,219)</u>
	<u>1,176,617,229</u>	<u>41,311,368</u>
11 TRADE AND OTHER PAYABLES		
Includes amounts payable to related parties amounting to Rs. Nil (June 30, 2022: Rs. 392,304,729).		
12 CONTINGENCIES AND COMMITMENTS		
12.1 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.		
12.2 Commitments		
Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at March 31, 2023 amounted to Rs. 72,740,000 (June 2022: Rs. 204,378,000). Commitment for purchase of television programs with other than related parties as at March 31, 2023 amounted to Rs. Nil (June 2022: Rs. 48,902,000).		

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

	Nine months ended		Quarter-ended	
	March 31, 2023 (Un-audited) ----- Rupees -----	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited) ----- Rupees -----	March 31, 2022 (Un-audited)
13 REVENUE – net				
Advertisement revenue	3,555,407,706	3,195,502,809	1,213,801,983	1,194,888,054
Production revenue	190,666,096	143,357,118	36,636,124	47,828,130
Digital sales revenue	42,874,074	73,939,567	20,982,453	39,599,414
Subscription income	1,212,033,511	905,839,817	437,062,766	298,515,093
Film Distribution Revenue	1,114,118	-	1,114,118	-
	<u>5,002,095,505</u>	<u>4,318,639,311</u>	<u>1,709,597,444</u>	<u>1,580,830,691</u>
13.1 Revenue is net off the following items:				
Sales tax	523,264,533	480,587,376	176,411,571	183,675,927
Discount to customers	377,107,372	356,336,963	47,251,667	121,058,954
	<u>900,371,905</u>	<u>836,924,339</u>	<u>223,663,238</u>	<u>304,734,881</u>

	Nine months ended		Quarter-ended	
	March 31, 2023 (Un-audited) ----- Rupees -----	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited) ----- Rupees -----	March 31, 2022 (Un-audited)
14 COST OF PRODUCTION				
Cost of outsourced programs	1,337,369,068	1,172,591,049	484,015,851	442,085,449
Cost of in-house programs	249,005,419	176,759,717	61,034,092	77,644,342
Inventories consumed	1,390,384	848,780	512,624	450,580
Salaries and benefits	808,671,481	623,858,304	316,520,078	215,868,693
Technical advisory fees	41,063,622	35,707,500	17,258,624	11,902,500
Depreciation	42,261,109	93,766,904	13,773,876	30,432,902
Amortisation	5,437,778	6,647,748	1,599,244	2,147,424
Traveling and conveyance	95,660,264	54,647,127	35,834,652	17,473,507
Utilities	10,440,689	10,439,081	2,980,404	2,715,217
Rent, rates and taxes	234,964	788,200	169,400	140,611
Insurance	23,420,144	19,622,453	10,615,370	7,026,972
Repair and maintenance	19,122,322	38,873,822	4,589,591	12,329,371
Fee and subscription	3,354,620	127,624,091	1,039,997	3,818,562
Communication expense	15,292,555	12,939,700	5,416,647	4,997,363
Security charges	300,950	68,000	74,800	-
Consultancy	1,188,586	4,642,451	-	2,075,435
Printing and stationery	693,702	1,235,224	131,075	496,286
	<u>2,654,907,657</u>	<u>2,381,060,151</u>	<u>955,566,325</u>	<u>831,605,214</u>
In production television programs				
- opening	35,460,250	22,282,250	41,131,250	27,587,250
In production television programs				
- closing	(46,897,250)	(31,102,250)	(46,897,250)	(31,102,250)
	<u>2,643,470,657</u>	<u>2,372,240,151</u>	<u>949,800,325</u>	<u>828,090,214</u>
Released / unreleased programs				
- opening	390,229,988	430,167,561	348,034,900	522,447,567
Released / unreleased programs				
- closing	(393,619,726)	(463,229,988)	(393,619,726)	(463,229,988)
	<u>2,640,080,919</u>	<u>2,339,177,724</u>	<u>904,215,499</u>	<u>887,307,793</u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)**

	Nine months ended		Quarter-ended	
	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	----- Rupees -----		----- Rupees -----	
15 OTHER INCOME/ EXPENSES				
Income from financial assets - net				
Profit on deposit accounts	41,953,246	18,419,271	13,721,586	9,233,849
Unrealised exchange gain	267,820,270	18,572,455	250,038,587	(1,687,470)
Dividend income	30,524,073	-	8,896,414	-
Interest / markup income	3,957,203	3,823,764	3,516,509	-
Government grant	567,252	4,354,198	-	2,119,069
Unrealised (loss) / gain on revaluation of Short-term investments	12,634,142	(56,130,328)	(18,406)	(6,604,120)
Gain/(Loss) on redemption / sale of investments	14,088,062	(9,475,346)	2,062,752	1,293,609
	371,544,248	(20,435,986)	278,217,442	4,354,937
Income from non financial assets				
Gain on disposal of operating fixed assets	369,324	4,507,826	(185,612)	2,204,766
Reversal of liabilities - no longer payable	98,671,515	-	98,671,515	-
Sundry income	34,991,133	33,756,346	(3,859,012)	14,226,422
	134,031,972	38,264,172	94,626,891	16,431,188
	505,576,220	17,828,186	372,844,333	20,786,125

16 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:

Nature of transaction	Nine months ended		Quarter-ended	
	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	----- Rupees -----		----- Rupees -----	
Associated companies:				
Purchases of Television programs	1,126,950,320	1,010,250,374	481,531,690	368,409,260
Subsidiary Company:				
Management fee	4,050,000	-	1,350,000	-
Subscription income	54,327,928	39,287,350	20,307,945	13,468,900
Payments made on behalf of subsidiary	11,234,557	8,038,231	1,449,115	2,913,772
Payment received on behalf of subsidiary	63,317,629	29,242,127	5,998,423	13,689,512
Payment received on behalf of company	999,185,764	851,750	338,873,971	851,750
Payment made on behalf of the Company	39,044,326	23,104,356	17,310,780	13,148,758
Professional services acquired	3,845,000	2,595,000	3,145,000	890,000
Others				
Key Management personnel	328,245,993	307,003,264	122,546,799	116,585,878
Contribution to Fund	33,354,445	27,899,152	12,188,280	9,165,153

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

17 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	
	2023	2022	2023	2022	2023	2022
Revenue						
Net sales to external cus	4,079,088,814	3,905,427,306	923,006,691	413,212,005	5,002,095,505	4,318,639,311
Result						
Segment profit / (loss)	1,596,076,314	1,947,435,661	358,934,517	(169,008,820)	1,955,010,831	1,778,426,841
Taxation					(169,978,587)	(147,560,453)
Unallocated expenses:						
Administrative expenses					(576,037,730)	(423,025,061)
Other income					505,576,220	17,828,186
Finance costs					(38,432,082)	(55,369,505)
Profit / (loss) for the period					1,676,138,652	1,170,300,008
Other information						
Amortization	(2,786,277)	(3,654,133)	(3,330,035)	(3,924,450)	(6,116,312)	(7,578,583)
Depreciation	(22,990,547)	(10,705,169)	(39,727,719)	(97,896,259)	(62,718,266)	(108,601,428)
					March 31, 2023	June 30, 2022
					(Un-audited)	(Audited)
Segment assets	443,674,433	399,697,988	760,414,648	815,588,812	1,204,089,081	1,215,286,800
Unallocated assets	-	-	-	-	4,531,077,656	5,589,118,800
	443,674,433	399,697,988	760,414,648	815,588,812	5,735,166,737	6,804,405,600
Segment liabilities	645,230,570	1,068,495,432	270,269,916	639,284,362	915,500,486	1,707,779,794

All non-current assets of the Company as at March 31, 2023 and 2022 are located in Pakistan.

Revenue from five major customers of the Company during the period constituted 72%.(March 31,2022: 74%-3 Customers) of the total revenue.

18 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 NINE MONTHS ENDED MARCH 31, 2023 (UN-AUDITED)

18.1 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

	March 31, 2023			June 30, 2022
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Short term investments	-	819,217,377	-	819,217,377
				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.

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

19 GENERAL

19.1 Amounts have been rounded off to the nearest rupee.

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

20 DATE OF AUTHORIZATION

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



DURAIQ 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 MARCH 31, 2023**

	Note	March 31,	June 30,
		2023	2022
		----- Rupees -----	-----
		(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,280,872,954	1,213,806,080
Intangible assets		87,063,450	68,700,604
Long term deposits		31,139,650	32,382,764
Television program costs		354,687,118	335,343,019
Deferred tax asset		199,007,214	206,123,723
		1,952,770,386	1,856,356,190
CURRENT ASSETS			
Inventories		17,272,128	16,627,261
Current portion of television program costs		85,829,858	90,347,219
Trade debts	5	3,277,660,707	2,499,313,014
Short term investments		819,217,377	1,127,212,684
Advances		234,769,921	116,367,406
Trade deposits and short-term prepayments		41,686,596	54,878,938
Other receivables		141,891,018	211,773,875
Taxation – net		210,378,066	232,393,146
Cash and bank balances		1,474,470,524	925,578,242
		6,303,176,195	5,274,491,785
		8,255,946,581	7,130,847,975
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,500,000,000	1,500,000,000
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
Revenue Reserves		5,756,612,837	4,296,372,452
Attributable to owners of the Holding Company		6,890,612,837	5,241,372,452
Non-controlling interest		(76,984,983)	(53,578,718)
		6,813,627,854	5,187,793,734
NON-CURRENT LIABILITIES			
Long term lease liabilities		65,421,806	72,676,898
Long term financing		72,427,377	101,461,145
Staff retirement benefits		74,201,239	48,070,804
		212,050,422	222,208,847
CURRENT LIABILITIES			
Trade and other payables		902,315,230	1,307,502,946
Advance from customer		239,779,162	86,356,790
Accrued mark-up		2,877,421	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		12,757,647	16,372,569
Current portion of deferred income - government grant		-	478,147
Current portion of long term financing		65,009,882	295,570,069
		1,230,268,305	1,720,845,394
		8,255,946,581	7,130,847,975
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES			
		8,255,946,581	7,130,847,975

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 (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2023

		Nine months ended		Quarter-ended	
		March 31,	March 31,	March 31,	March 31,
		2023	2022	2023	2022
		----- Rupees -----		----- Rupees -----	
Revenue - Net	7	5,489,056,653	4,680,784,694	1,845,703,088	1,677,372,594
Cost of production	8	(2,941,013,419)	(2,348,888,633)	(1,188,108,155)	(893,741,318)
Transmission cost		(172,598,468)	(182,514,972)	(25,223,925)	(41,772,537)
		<u>(3,113,611,887)</u>	<u>(2,531,403,605)</u>	<u>(1,213,332,080)</u>	<u>(935,513,855)</u>
Gross profit		2,375,444,766	2,149,381,089	632,371,008	741,858,739
Distribution costs		(371,837,185)	(311,864,177)	(134,875,463)	(137,505,544)
Administrative expenses		(776,580,726)	(569,665,562)	(289,939,644)	(190,725,846)
Other income/(expenses)	9	427,123,431	(14,836,792)	301,623,383	(9,528,753)
Finance costs		(39,361,896)	(56,924,121)	(10,776,849)	(21,864,803)
Profit / (loss) before taxation		1,614,788,390	1,196,090,437	498,402,435	382,233,793
Taxation		(170,053,794)	(148,352,286)	(51,850,584)	(29,976,156)
Profit after taxation		1,444,734,596	1,047,738,151	446,551,851	352,257,637
Attributable to:					
Owners of Holding Company		1,468,140,861	1,059,524,440	467,953,226	362,890,864
Non-Controlling Interests		(23,406,265)	(11,786,289)	(21,401,375)	(10,633,227)
		<u>1,444,734,596</u>	<u>1,047,738,151</u>	<u>446,551,851</u>	<u>352,257,637</u>
Profit per share – basic and diluted		1.29	(Restated) 0.93	0.41	(Restated) 0.32

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 COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

	Nine months ended		Quarter-ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Profit for the period	1,444,734,596	1,047,738,151	446,551,851	352,257,637
Other comprehensive income	181,099,524	48,593,074	182,702,587	43,471,585
Total comprehensive income for the period	<u>1,625,834,120</u>	<u>1,096,331,225</u>	<u>629,254,438</u>	<u>395,729,222</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 (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

	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, 2021 (Audited)	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	-	-	1,059,524,440	1,059,524,440	(11,786,289)	1,047,738,151
Other comprehensive income	-	48,593,074	-	48,593,074	-	48,593,074
Total comprehensive income for the period	-	48,593,074	1,059,524,440	1,108,117,514	(11,786,289)	1,096,331,225
Balance as at March 31, 2022	945,000,000	215,297,604	3,991,010,268	4,206,307,872	(44,292,153)	5,107,015,719
Balance as at July 01, 2022 (Audited)	945,000,000	279,458,115	4,016,914,337	4,296,372,452	(53,578,718)	5,187,793,734
Profit for the period	-	-	1,468,140,861	1,468,140,861	(23,406,265)	1,444,734,596
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	-	181,099,524	-	181,099,524	-	181,099,524
Total comprehensive income for the period	189,000,000	181,099,524	1,279,140,861	1,460,240,385	(23,406,265)	1,625,834,120
Balance as at March 31, 2023	1,134,000,000	460,557,639	5,296,055,198	5,756,612,837	(76,984,983)	6,613,627,854

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



DURAIID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	1,614,788,390	1,196,090,437
Adjustment for:		
Depreciation	66,025,929	130,059,987
Amortization	6,090,101	5,640,409
Finance costs	39,361,896	56,924,121
Profit received on deposit accounts	(45,507,572)	(18,765,946)
Loss/(gain) on disposal of property, plant and equipment	(369,324)	(4,855,006)
Unrealized Loss/(gain) on Revaluation of Investments	(16,591,344)	62,099,156
Exchange difference on translation of foreign currency	181,099,524	48,593,074
Provision for doubtful debts	7,212,726	6,902,363
Dividend income	(30,524,073)	-
Gain/(loss) on redemption / sale of investments	(14,088,062)	9,475,346
Exchange Loss/(Gain)	(175,742,356)	4,601,677
	16,967,445	300,675,181
Operating Profit before working capital changes	1,631,755,835	1,496,765,618
(Increase)/decrease in current assets		
Inventories	(644,867)	(446,645)
Television program costs	4,517,361	(12,897,975)
Trade debts	(629,818,063)	(336,531,392)
Advances, deposits and prepayments	(105,210,173)	(396,677,607)
Other receivables	69,882,857	(101,289,533)
	(661,272,885)	(847,843,152)
Increase in current liabilities		
Trade and other payables	(251,765,344)	104,333,982
CASH GENERATED FROM OPERATIONS	718,717,606	753,256,447
Taxes paid	(140,922,205)	(73,210,842)
Finance cost paid	(42,595,930)	(58,600,892)
Profit received on bank accounts	45,507,572	18,765,946
Long-term deposits	1,243,114	605,487
Television program costs	(19,344,099)	(28,984,452)
Employees end of Service	26,130,435	7,867,878
Net cash (used in) / generated from operating activities	588,736,493	619,699,572
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(139,257,894)	(78,530,856)
Short term investments - net	338,674,713	(173,527,249)
Dividend received	30,524,073	-
Proceeds from disposal of operating fixed assets	3,828,268	16,252,415
Net cash (used in) / generated from investing activities	233,769,360	(235,805,690)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(924,455)	-
Long term financing	(260,072,102)	(132,163,872)
Liabilities against assets subject to finance lease	(12,617,014)	(33,259,680)
Net cash (used in) / generated from financing activities	(273,613,571)	(165,423,552)
Net increase in cash and cash equivalents	548,892,282	218,470,330
Cash and cash equivalents at the beginning of the period	925,578,242	437,693,527
Cash and cash equivalents at the end of the period	1,474,470,524	656,163,857
Cash and cash equivalents		
Cash and bank balances	1,474,470,524	725,191,870
Short-term running finance	-	(69,028,013)
	1,474,470,524	656,163,857

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



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

1 THE GROUP AND ITS OPERATIONS

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

The 'Group' consists of

Holding Company

HUM Network Limited

Subsidiary Companies

	2023	2022
	Percentage of holding	
HUM TV, Inc.	100%	100%
HUM Network UK Limited	100%	100%
Sky Line Publications (Private) Limited	100%	100%
HUM Network FZ LLC	100%	100%
HUMM Co. (Private) Limited	100%	100%
HUM Mart (Private) Limited	70%	70%

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 CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

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.

		March 31, 2023	June 30, 2022
		----- Rupees -----	
	Note	(Un-audited)	(Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,099,506,374	1,028,126,121
Right of use assets		63,191,149	78,765,339
Capital work-in-progress		118,175,431	106,914,620
		<u>1,280,872,954</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	139,257,894	91,744,073
Transfer to right of use asset - at book value		1,607,432	10,458,880
		<u>1,168,991,447</u>	<u>1,177,778,911</u>
Less:			
Disposal/ transfer during the period / year - at WDV		(3,459,144)	(11,073,166)
Depreciation charged during the period / year		(66,025,929)	(138,579,624)
		<u>(69,485,073)</u>	<u>(149,652,790)</u>
		<u>1,099,506,374</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	30,037,000	41,673,349
Audio visual equipment	9,357,115	16,940,518
Office equipment	5,559,624	8,611,621
Computers	90,260,753	15,429,405
	<u>139,257,894</u>	<u>91,744,073</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2023

	March 31, 2023	June 30, 2022
	----- Rupees -----	----- Rupees -----
	(Un-audited)	(Audited)
5 TRADE DEBTS – unsecured		
Considered good	3,277,660,707	2,499,313,014
Considered doubtful	121,447,070	114,234,344
	<u>3,399,107,777</u>	<u>2,613,547,358</u>
Less: Provision for doubtful debts	121,447,070	(114,234,344)
	<u>3,277,660,707</u>	<u>2,499,313,014</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

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

6.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at March 31, 2023 amounted to Rs.72,740,000 (June 2022: Rs. 204,378,000/-). Commitment for purchase of television programs with other than related parties as at March 31, 2023 amounted to Rs. nil (June 2022: Rs. 48,902,000/-).

	Nine-Months ended		Quarter-ended	
	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	----- Rupees -----		----- Rupees -----	
7 REVENUE – net				
Advertisement revenue	4,116,956,630	3,613,812,839	1,395,731,530	1,330,525,874
Production revenue	190,666,096	143,357,118	36,636,124	55,850,456
Digital sales revenue	42,874,074	73,939,567	20,982,453	31,577,088
Subscription income	1,131,465,544	849,234,330	390,514,786	259,419,176
Film distribution revenue	6,570,696	-	1,838,196	-
Sale of goods	523,614	440,840	-	-
	<u>5,489,056,653</u>	<u>4,680,784,694</u>	<u>1,845,703,088</u>	<u>1,677,372,594</u>
7.1 Revenue is net off the following items:				
Sales tax	523,264,533	480,587,376	386,726,663	183,675,927
Discount to customers	377,380,634	380,904,763	275,012,962	156,223,570
	<u>900,645,167</u>	<u>861,492,139</u>	<u>661,739,625</u>	<u>339,899,497</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTH ENDED MARCH 31, 2023**

	Nine-Months ended		Quarter-ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
8 COST OF PRODUCTION	133,038,299.30			
Cost of outsourced programs	1,602,113,078	1,172,626,012	746,330,520	442,120,412
Cost of in-house programs	251,456,546	176,759,717	60,044,509	77,644,342
Inventories consumed	1,390,384	848,780	512,624	450,580
Salaries and benefits	840,100,588	627,818,611	338,319,245	217,160,679
Technical advisory fees	41,063,622	35,707,500	17,258,624	11,902,500
Depreciation	43,288,040	94,455,918	14,562,355	30,662,573
Amortisation	5,437,778	6,702,306	1,579,169	2,165,610
Traveling and conveyance	95,660,264	54,647,127	35,834,652	17,473,507
Utilities	10,440,689	10,507,081	2,980,404	2,715,217
Rent, rates and taxes	234,964	788,200	169,400	140,611
Insurance	23,467,490	19,746,050	10,615,370	7,057,755
Repair and maintenance	19,179,920	41,390,140	4,589,591	14,845,689
Fee and subscription	3,354,620	127,624,091	1,039,997	3,818,562
Communication expense	15,311,536	12,959,202	5,416,646	4,996,331
Security charges	300,950	-	74,800	-
Consultancy	1,188,586	4,642,451	-	2,075,435
Printing and stationery	1,851,102	3,547,874	131,075	2,808,936
	2,955,840,157	2,390,771,060	1,239,458,981	838,038,739
In production television programs				
- opening	35,460,250	22,282,250	41,131,250	27,587,250
In production television programs				
- closing	(46,897,250)	(31,102,250)	(46,897,250)	(31,102,250)
	2,944,403,157	2,381,951,060	1,233,692,981	834,523,739
Released / unreleased programs				
- opening	390,229,988	430,167,561	348,034,900	522,447,567
Released / unreleased programs				
- closing	(393,619,726)	(463,229,988)	(393,619,726)	(463,229,988)
	2,941,013,419	2,348,888,633	1,188,108,155	893,741,318
9 OTHER INCOME/(EXPENSES)				
Profit on deposit accounts	45,507,572	18,765,946	15,516,899	9,378,138
Unrealised exchange gain/(loss) - net	189,830,417	(14,814,378)	177,022,324	(28,167,618)
Dividend income	30,524,073	-	8,896,414	-
Interest / markup income	3,957,203	3,823,764	3,516,509	-
Government grant	567,252	4,354,198	-	2,119,069
Unrealised (loss) / gain on revaluation of Short-term investments	12,634,142	(56,130,328)	(18,406)	(6,604,120)
Gain/(Loss) on redemption / sale of investments	14,088,062	(9,475,346)	2,062,752	1,293,609
	297,108,721	(53,476,144)	206,996,492	(21,080,922)
Income from non financial assets				
Gain on disposal of operating fixed assets	369,324	4,855,006	(185,612)	2,551,946
Reversal of liabilities - no longer payable	98,671,515	-	98,671,515	-
Sale of content and festival revenue	30,973,871	33,784,346	(3,859,012)	9,900,224
	130,014,710	38,639,352	94,626,891	12,452,170
	427,123,431	(14,836,792)	301,623,383	(9,528,753)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2023

10 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:

	Nine-Months ended		Quarter-ended	
	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	----- Rupees -----		----- Rupees -----	
Nature of transaction				
Associated companies:				
Purchases of Television programs	1,126,950,320	1,010,250,374	481,531,690	368,409,260
Others				
Key Management personnel	449,462,329	363,624,716	209,211,409	133,607,330
Contribution to Fund	33,639,219	27,899,152	12,473,054	9,165,153

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 April 27, 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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