

20 | Annual 23 | Report

HUM NETWORK LIMITED



Predominant
Winner

WITH

7

OUT OF 11 TV AWARDS
AT THE



MOST FOLLOWED TV CHANNEL ON
FACEBOOK & INSTAGRAM



30 MILLION+
Subscribers
ON YouTube



BRINGING YOU THE BEST FROM THE WORLD OF ENTERTAINMENT!!



HUM TV IS NOW AVAILABLE IN BANGLADESH ON AKASH DIGITAL TV



HLU
NETV

The logo consists of the letters 'HLU' stacked above 'NETV'. The letters are a bold, sans-serif font in a purple color. The background features a light gray grid pattern on the left and bottom, and a cluster of gray squares of various sizes in the top right corner.

JJM WORK

Table of Content

CORPORATE INFORMATION

Vision and Mission	06
CEO's Message	08
Company Information	09

SHAREHOLDER INFORMATION

Notice of 19th Annual General Meeting(Eng)	10
Notice of 19th Annual General Meeting(Urdu)	16
Pattern of Shareholding	24
Additional Information	28
Corporate Calendar	29

FINANCIAL HIGHLIGHTS

Six Years at a Glance	30
Graphical Presentation	31

CORPORATE GOVERNANCE

Review Report to the Members on Statement of Compliance with CCG	35
Statement of Compliance with CCG	36
Chairman's Review Report (Eng)	38
Chairman's Review Report (Urdu)	39
Directors' Report to the Members (English)	40
Directors' Report to the Members (Urdu)	47
Report of Directors on the Consolidated Financial Statements (English)	55

Report of Directors on the Consolidated Financial Statements (Urdu)	56
Code of Ethics & Business Practices	57
Whistle-Blowing Policy	62
FINANCIAL STATEMENTS	
Unconsolidated Financial Statements	65
Auditors' Report to the Members on Unconsolidated Financial Statements	66
Unconsolidated Statement of Financial Position	70
Unconsolidated Statement of Profit or Loss Account	71
Unconsolidated Statement of Comprehensive Income	72
Unconsolidated Statement of Changes in Equity	73
Unconsolidated Statement of Cash Flows	74
Notes to the Unconsolidated Financial Statements	75
Consolidated Financial Statements	107
Auditors' Report to the Members on Consolidated Financial Statements	108
Consolidated Statement of Financial Position	112
Consolidated Statement of Profit or Loss Account	113
Consolidated Statement of Comprehensive Income	114
Consolidated Statement of Changes in Equity	115
Consolidated Statement of Cash Flows	116
Notes to the Consolidated Financial Statements	117
OTHER INFORMATION	
Investors' Education (Jama Punji)	150
Proxy Form (English)	
Proxy Form (Urdu)	

Vision

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



Mission

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





Duraid Qureshi

CEO'S Message

Dear Shareholders,

Financial year 2023 marks the year we celebrate our resilience and achievements amidst challenging circumstances. Despite the turbulent economic and political landscape that has gripped Pakistan in recent times, I am humbled to share encouraging results of your company's performance. We have witnessed an impressive growth in gross profits by 28 percent, while achieving record breaking 58 percent increase in net profits from last year reflecting the trust our business partners have placed in our brand and the dedication of our workforce.

In 2023, HUM TV not only maintained its position as one of Pakistan's top TV entertainment channels but also rose to become one of the leading News Channels in a short span of time since the launch of HUM News. We are committed to perfecting our content to cater to the everchanging consumer preferences with significant efforts directed towards key foreign markets of Europe and Middle East with an aim to further strengthen our linear viewership share.

The global entertainment industry is undisputedly being shaped by the rise of digital media and over-the-top (OTT) streaming services. In anticipation of this upward trend, we aspire to cater to the unique content preferences of diverse audience segments, positioning ourselves as the premier choice for the digital audience.

HUM Network Limited has recently completed the acquisition of a prominent sports channel, Ten Sports marking a significant milestone in our strategic growth. This strategic move enables us to expand our entertainment network portfolio, creating a well-rounded and comprehensive offering for our valued audience. This acquisition aligns perfectly with our vision to become a one-stop destination for unparalleled entertainment content, reaffirming our commitment to delivering top-notch programming and fostering a deeper connection with our ever-expanding audience base.

Moreover, to honor the hard work and commitment of our employees, we have introduced various employee medical and retirement initiatives which were widely appreciated within and outside alike. In addition to our commitment towards the employees of HNL, we also honor our social responsibilities to create meaningful impact within the communities we serve. During the year we have made generous donations towards improving public education and wellbeing of our fellow Pakistanis.

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

Mr. Duraid Qureshi
Chief Executive Officer

Company Information

BOARD OF DIRECTORS

Chairman

Mr. Mazhar-ul-Haq Siddiqui

Directors

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

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

Mr. Duraid Qureshi
Mr. Muhammad Abbas Hussain
Mr. Mohsin Naeem
Mr. Kamran Shamshad Ahmed

AUDIT COMMITTEE

Chairman
Members

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

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairperson
Members

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

AUDITORS

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

INTERNAL AUDITORS

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

LEGAL ADVISOR

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

BANKERS

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

REGISTERED & HEAD OFFICE

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

REGISTRAR/TRANSFER AGENT

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

WEBSITE

www.humnetwork.tv

PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

Notice Of The 19th Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting of HUM Network Limited will be held on Thursday, October 19, 2023 at 3:00 p.m. at Ground Floor, BRR Tower, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi as well as through video conference facility to transact the following businesses: -

Ordinary Business:

- 1- To confirm the minutes of the 18th Annual General Meeting held on October 25, 2022.
- 2- To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' reports thereon for the year ended June 30, 2023 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Report thereon for the year ended June 30, 2023.
- 3- To appoint Auditors of the Company for the financial year ending June 30, 2024 and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed the name of retiring auditors M/s. EY Ford Rhodes, Chartered Accountants, for their appointment as external auditors for the year ending June 30, 2024.

Special Business:

- 4- To consider and, if thought fit, to pass with or without modification(s), the following resolutions to enable the Company to circulate the Annual Audited Financial Statements, to the members of the Company through QR enabled code and weblink, as required by the Securities and Exchange Commission of Pakistan ("SECP") vide its Notification S.R.O. 389 (1)/2023 dated March 21, 2023, instead of circulating the same through CD/DVD/USB.

RESOLVED THAT, the Company be and is hereby authorized to circulate its Annual Audited Financial Statements and reports, to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(1)/2023 dated March 21, 2023, issued by the SECP.

FURTHER RESOLVED THAT, the Company be and is hereby authorized to discontinue the circulation of annual financial statements through CD/DVD.

FURTHER RESOLVED THAT, the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things, take or cause to be taken all necessary action to comply with all legal formalities and requirements and file necessary documents, as may be necessary or incidental for the purpose of implementing this resolution.

Any Other Business:

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

Statement under Section 134(3) of the Companies Act, 2017 in respect of special business contained in Agenda Item Number 4 is annexed to the notice being sent to the members.

Dated: September 28, 2023

Place: Karachi

By Order of the Board

Sd/-

Mohsin Naeem

Company Secretary

Notes:

1. Notice of Book Closure:

The Share Transfer Books of the Company will remain closed from October 12, 2023 to October 19, 2023 (both days inclusive). Transfer received in order by our Share Registrar, M/s. F.D. Registrar Services (Pvt) Limited, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000 at the close of business on October 11, 2023 will be considered in time for any entitlement, as recommended by the Board of Directors and for the purpose of attending the AGM.

2. Participation in AGM through electronic means

- i) The Company has made arrangement to provide video-link facility to members who wish to participation in the AGM through electronic means.
- ii) To attend the AGM through video-link, Members are requested to register their following particulars by sending an email at Mohsin.naeem@hum.tv with subject '**Video-Link Registration for HUM AGM scheduled on October 19, 2023**', along with valid copy of CNIC (both sides) or passport as may be applicable.

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

- iii) The Video link and login credentials will be shared with the Members whose emails, containing all the required particulars as mentioned, are received at the given email address before the close of business hours i.e., 05:00 p.m. on October 11, 2023.
- iv) For any queries, the Members may please contact at the aforesaid email.

3. Appointment of Proxies and Attending AGM:

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

A. For Attending the Meeting:

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

B. For Appointing Proxies:

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

4. Video-Conferencing Facility for attending AGM

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

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

Consent for Video-Conferencing Facility

I/We, _____ of _____, being a member of Hum Network Limited, holder of _____ ordinary share (s) as per Register Folio/GDC Account No _____ hereby opt for video conference facility at _____, for participation at the Annual General Meeting to be held on October 19, 2023 or any adjournment thereof

Signature of member(s)

Date: _____

5. Change in Members Addresses:

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

6. Submission of Copies of Valid CNICs/NTN:

Members are requested to submit a copy of their valid CNICs/NTN Certificates along with the folio numbers to the Company's Share Registrar, if not already provided, otherwise payment of dividend would be withheld in terms of section 243 of the Companies Act, 2017 ('the Act') and clause 6 of the Companies (Distribution of Dividends) Regulations, 2017 (the Regulations").

7. Availability of Financial Statements and Reports on the Website:

The Annual Report of the Company for the year ended June 30, 2023 has been placed on the Company's website at the below link: http://www.humnetwork.tv/Annual_Financial_Reports.html

8. Circulation of Annual Report 2023 and Notice of AGM

The Annual Report 2023 and notice of AGM is being circulated to members through CDs/DVDs.

In pursuance of SRO No. 389(I)/2023 dated March 21, 2023, in future members will access and download the audited financial statements together with the reports through QR enabled code and the weblink shared through notice of the meeting.

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

9. E-Dividend Mandate (Mandatory)

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

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

10. Unclaimed Dividend / Shares

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

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

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

11. Conversion of physical shares into book-entry form

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

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

12. Confirmation of "Filer" Status for Income Tax Withholding on cash dividend

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

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

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

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

13. Exemption from deduction of income tax / zakat

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

14. E-voting and Postal Ballot

Pursuant to amendments in the Companies (Postal Ballot) Regulations, 2018, notified vide SRO 2192(I)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business in the AGM, in accordance with the provisions the aforesaid regulations.

A. Procedure for e-voting

1. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 11, 2023
2. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
3. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
4. E-Voting lines will start from October 16, 2023, 09:00 a.m. and shall close on October 18, 2023 at 5:00 P.M.
5. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

B. Procedure for voting through postal ballot

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address at HUM TV, Plot No. 10/11, Hassan Ali Street, Off. I.I Chundrigar Road, Karachi – 74000 or e-mail at Mohsin.naeem@hum.tv no later than one day before the AGM on October 18, 2023, during working hours. The signature on the ballot paper shall match the signature on CNIC. The postal ballot is annexed with notice and also placed on the Company's website, <https://www.humnetwork.tv/> Shareholder may also use the ballot paper published in the newspapers.

STATEMENT OF MATERIAL FACTS PERTAINING TO SPECIAL BUSINESS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

AGENDA NO. 4

CIRCULATION OF ANNUAL REPORTS THROUGH QR ENABLED CODE AND WEBLINK

The Securities and Exchange Commission of Pakistan vide SRO No. 389(I)/2023 dated March 21, 2023, has allowed listed companies to circulate their Annual Audited Financial Statements and reports (Annual Reports) to members under section 223(6) of the Companies Act, 2017 (the Act) through QR enabled code and weblink subject to approval of the members in general meeting and compliance with other requirements regarding circulation of notice of general meeting at the registered address of all members, transmission of Annual Reports by email to all those members who have provided their email addresses and provision of a hard copy of the Annual Report within one week of receiving any demand from a member on the standard request form available on the company's website.

The approval is hereby sought from members by way of an ordinary resolution to authorize the company for the circulation of Annual Audited Financial Statements and Reports electronically through QR enabled code and web link.

The directors of the Company have no direct or indirect interest in this agenda.

POSTAL BALLOT PAPER

For poll/voting through post for the Special Business at the Annual General Meeting to be held on Thursday, October 19, 2023 at 3:00 p.m. at Ground Floor, BRR Tower, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi

Folio /CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of Shares Held	
CNIC / Passport No. (in case of foreigner) (Copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC / Passport No. (in case of foreigner) (Copy to be attached)	

Resolution for Agenda No. 4:

To consider and, if thought fit, to pass with or without modification(s), the following resolutions to enable the Company to circulate the Annual Audited Financial Statements, to the members of the Company through QR enabled code and weblink, as required by the Securities and Exchange Commission of Pakistan ("SECP") vide its Notification S.R.O. 389 (1)/2023 dated March 21, 2023, instead of circulating the same through CD/DVD/USB.

RESOLVED THAT, the Company be and is hereby authorized to circulate its Annual Audited Financial Statements and reports, to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(I)/2023 dated March 21, 2023, issued by the SECP.

FURTHER RESOLVED THAT, the Company be and is hereby authorized to discontinue the circulation of annual financial statements through CD/DVD.

FURTHER RESOLVED THAT, the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things, take or cause to be taken all necessary action to comply with all legal formalities and requirements and file necessary documents, as may be necessary or incidental for the purpose of implementing this resolution.

Instruction for Poll

1. Please indicate your Vote by ticking (✓) the relevant box.

2. In case if both the boxes are marked as (✓), your poll shall be treated as "Rejected".

I/we hereby exercise my/our vote in respect of the above resolution through ballot b conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below

Resolution	I / We assent the Resolution (FOR)	I / We assent the Resolution (AGAINST)
Resolution for Agenda No. 4		

NOTES:

- Duly filled ballot paper should be sent to the Chairman at registered office of the Company, HUM TV, Plot No. 10/11, Hassan Ali Street, Off. I.I Chundrigar Road, Karachi – 74000 or e-mail at Mohsin.naeem@hum.tv
- Copy of CNIC / Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Ballot paper should reach the Chairman within business hours by or before October 18, 2023. Any postal ballot received after this date, will not be considered for voting.
- Signature on ballot paper should match with signature on CNIC / Passport.
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
- In case of representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, Power of Attorney, Authorization Letter etc. in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In case of foreign body corporate etc. all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member. Ballot Paper form has also been placed on the website of the company at <https://www.humnetwork.tv/>

Shareholder / Proxy holder Signature / Authorized Signatory
(in case of corporate entity, please affix Company / Stamp)

Date: _____

۱۹ ویں سالانہ جنرل میٹنگ کا نوٹس

ہم نیٹ ورک لمیٹڈ کی ۱۹ ویں سالانہ جنرل میٹنگ کا انعقاد بروز جمعرات ۱۹ اکتوبر ۲۰۲۳ء کو بوقت ۳:۰۰ بجے شام بمقام گراؤنڈ فلور، بی آر آر ٹاور، حسن علی اسٹریٹ، آئی آئی چندر نگر روڈ، راکھچی پورہ، جس میں ویڈیو کانفرنس کی سہولت کے ذریعے درج ذیل معاملات پر بات چیت ہوگی:

عارضی کاروبار:

- ۱۔ ۱۲۵ اکتوبر ۲۰۲۲ء کو منظور شدہ ۱۸ ویں سالانہ جنرل میٹنگ کی رواد کی تصدیق کرنا۔
- ۲۔ سالانہ آڈٹ شدہ کمپنی کے مالیاتی حسابات: بیج ڈائریکٹرز اور آڈیٹرز رپورٹ کی وصولی اور منظوری کرنا جو کہ ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کے لئے ہے اس کے علاوہ کمپنی کے مالیاتی حسابات آڈٹ شدہ اور ۳۰ جون ۲۰۲۳ء کے لئے آڈیٹرز کی رپورٹ شامل ہے۔
- ۳۔ ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کے لئے کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کی تنخواہ کا تعین کرنا، کمپنی کی آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز میسرز ای وائی فور ڈی رھوڈز چارٹرزڈ اکاؤنٹنٹس کی ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کے لئے بطور ایکسٹرنل آڈیٹرز دوبارہ تقرری کے لئے نام تجویز کیا ہے۔

خصوصی کاروبار:

- ۴۔ کمپنی کو اپنے سالانہ آڈٹ شدہ مالیاتی گوشوارے اپنے ممبران کو کیو آر کوڈ اور ویب لنک کا استعمال کرتے ہوئے فراہم کرنے کی اجازت دینا جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے ایس آر او نمبر ۲۰۲۳/۱(۳۸۹) مورسہ ۲۱ مارچ ۲۰۲۳ء کے تحت اجازت دی ہے، غور کرنا اور اگر مناسب سمجھا جائے تو ترمیم یا بغیر ترمیم درج ذیل قراردادوں کے طور پر منظور کرنا۔

”مطے پایا ہے کہ کمپنی کو یہ اختیار حاصل ہے کہ وہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے ایس آر او نمبر ۲۰۲۳/۱(۳۸۹) مورسہ ۲۱ مارچ ۲۰۲۳ء کے تحت کمپنی کے ممبران کو بذریعہ QR نفع کوڈ اور ویب لنک اپنے سالانہ مالیاتی گوشوارے فراہم کر سکتی ہے۔“
مزید مطے کیا گیا کہ کمپنی سی ڈی، ڈی وی ڈی کے ذریعے سالانہ مالیاتی گوشواروں کی فراہمی کو بند کرنے کی اجازت ہوگی۔

مزید مطے پایا کہ کمپنی کے چیف ایگزیکٹو، چیف فنانشل آفیسر، یا کمپنی سیکرٹری انفرادی طور پر تمام ضروری اقدامات، اعمال اور امور کو انجام دینے اور تمام قانونی تقاضوں کی تعمیل کے لیے اور اس قرارداد کو عملی جامہ پہنانے کے مقصد کے لیے ضروری دستاویزات، جیسا کہ ضروری یا اتفاقی ہو، فائل کرنا تمام مطلوبہ اقدامات اٹھانے یا شروع کرنے کے لیے مجاز ہیں۔

دیگر کاروبار:

- ۵۔ دیگر امور یہ اجازت چیئر مین انجام دینا۔

کمپنی ایکٹ ۲۰۱۷ء کے سیکشن (۳) ۱۳۳ کے تحت خصوصی قرارداد سے متعلق بیان کمپنی کے ممبران کو اور سال کے گئے نوٹس کے ساتھ منسلک ہے۔

بجلم بورڈ
محسن
کمپنی سیکرٹری

راکھچی مورسہ: ۲۸ ستمبر ۲۰۲۳ء

نوٹس:

۱۔ کھاتوں کی کلوزنگ کا نوٹس:

کمپنی کے شیئر ٹرانسفر بکس ۱۲ اکتوبر ۲۰۲۳ء سے ۱۹ اکتوبر ۲۰۲۳ء (دونوں دن استثناء) بند رہے گی یہ ٹرانسفر ہمارے شیئر رجسٹرار، میٹرسز ایف ڈی رجسٹرار سروسز (پرائیویٹ) لمیٹڈ، ۷ ادیس منزل، صائمہ ٹریڈ ناوارا سے آئی آئی چندر نگر روڈ، کراچی ۷۴۰۰۰ میں ۱۱ اکتوبر ۲۰۲۳ء کو کاروباری وقت ختم ہونے تک وصول ہونے پر مینٹگ میں شرکت کے لئے موثر ہوگا۔

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

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

(۲) ویڈیو لنک کے ذریعے غیر معمولی جنرل مینٹگ میں شرکت کیلئے ممبران سے گزارش کی جاتی ہے کہ وہ ”ہم اے جی ایم ۱۱۹ اکتوبر ۲۰۲۳ء کیلئے ویڈیو لنک رجسٹریشن“ کے عنوان کے ساتھ mohsin.naeem@hum.tv پر ای میل بھیج کر اپنی مندرجہ ذیل تفصیلات درج کرائیں۔

ممبر کا نام	فولیڈ ای ڈی سی اکاؤنٹ نمبر ای ڈی سی شراکتی آئی ڈی	حالیہ شیئرز کی تعداد	شناختی کارڈ / پاسپورٹ نمبر	سیل / موبائل فون نمبر	ای میل آئی ڈی

(۳) ویڈیو لنک اور لاگ ان کی سہولت ان ممبران کے ساتھ شیئرز کی جائیں گی جن کے ای میلز مطلوبہ تمام تفصیلات پر مشتمل ہوں گی اور مورخہ ۱۱ اکتوبر ۲۰۲۳ء کو کاروباری اوقات کار کے اختتام سے قبل شام ۵:۰۰ بجے تک دیے گئے ای میل ایڈریس پر موصول ہوگی۔

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

۳۔ پراکسیز کا تقرر اور مینٹگ میں حاضری:

(۱) مینٹگ میں شرکت کرنے اور ووٹ ڈالنے کا اہل ممبر کسی دوسرے ممبر کو اپنے پراکسی کے طور پر تقرر کر سکتا ہے اور وہ اس کی جانب سے ووٹ ڈال سکتا/سکتی ہے۔

(۲) اراکین کو بھیجے گئے نوٹس کے ساتھ مینٹگ کیلئے پراکسی کا ایک خالی نمونہ فراہم کیا جا رہا ہے۔ پراکسی کے نمونے کی مزید کاپیاں عام دفتری اوقات میں کمپنی کے رجسٹرار جنس سے حاصل کی جاسکتی ہیں یا کمپنی کی ویب سائٹ سے ڈاؤن لوڈ کی جاسکتی ہیں۔

(۳) پراکسی کا مناسب طریقے سے مکمل شدہ نمونہ اور پاور آف اٹارنی یا دیگر اتھارٹی (اگر کوئی ہو) جس کے تحت اس پر دستخط ہوں یا اس طرح کی پاور یا اتھارٹی کی ایک نوٹرائزڈ تصدیق شدہ کاپی مینٹگ سے پہلے ۲۸ گھنٹوں سے کم وقت میں اوقات کار کے دوران رجسٹرار جنس میں جمع کروانا ہوگی۔ ممبر اور پراکسی کے فعال شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔

(۴) کارپورٹ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد پاور آف اٹارنی یا دیگر دستخط کے نمونے والے پراکسی فارم کے ساتھ جمع کروائی جائے گی۔

(۵) فزیکل شیئرز اور وہ شیئرز جو کہ سینٹرل ڈپازٹری کمیٹی آف پاکستان لمیٹڈ (سی ڈی سی) یا ان کے پراکسیز کے لئے ضروری ہے کہ وہ اپنے اصل شناختی کارڈ یا پاسپورٹ (غیر ملکی ہونے کی صورت میں) مینٹگ میں شرکت کے وقت شناخت کی غرض سے پیش کرنا ہوگا۔

(۶) سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ گزٹ نمبر ۱۹ مورخہ ۲۶ جنوری ۲۰۰۰ء کی درج ذیل ہدایات پر مزید عمل کرنا ہوگا۔

(اے) میٹنگ میں حاضری کیلئے:

- (۱) افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، وہ میٹنگ میں شرکت کے وقت اپنا اصل کپیڈ فرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرائے گا۔
- (۲) کارپوریٹ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بعد دہشتہ نمونہ (جب تک کہ اس کی جانب سے فراہم نہ کیا گیا ہو) میٹنگ کے وقت پیش کیا جائے گا۔

(ب) پراسیڈر کی تقرری کیلئے:

- (۱) افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں، اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، مندرجہ بالا ضروریات کے مطابق پراسیڈر کی فارم جمع کروائیں۔
- (۲) پراسیڈر کی فارم پر دو گواہان کی جانب سے دستخط ہونگے جن کے نام، پتے اور شناختی کارڈ نمبرز کا فارم پر ذکر کیا جائے گا۔
- (۳) پراسیڈر کی جانب سے حاضر کردہ افراد کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراسیڈر کی فارم کے ساتھ پیش کی جائیں گی۔
- (۴) پراسیڈر کی فارم کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔
- (۵) کارپوریٹ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی کے ساتھ دہشتہ نمونہ (جب تک کہ اس کی جانب سے فراہم نہ کیا گیا ہو) پراسیڈر کی فارم کے ساتھ کاپی میں جمع کروایا جائے گا۔
- (۶) پراسیڈر کی جانب سے ایکٹریٹک ڈرائیج سے میٹنگ میں شرکت کی صورت میں، ویڈیو لنک کی سہولت، سیل نمبر اور پراسیڈر کی کاپی میل آئی ڈی، صحیح طریقے سے دستخط شدہ پراسیڈر کی فارم پر فراہم کیا جائے گا۔

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

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

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

ویڈیو کانفرنس کی سہولت کیلئے رضامندی

میں/ہم..... بطور ممبر ہم نیٹ ورک لمیٹڈ، رجسٹرڈ ایسی ڈی سی اکاؤنٹ نمبر..... کے مطابق حامل
 تاریخ..... عارضی شیڈول ۱۹ اکتوبر ۲۰۲۳ء کو..... پر منعقد ہونے والی غیر معمولی جنرل میٹنگ میں شرکت کرنے کیلئے ویڈیو کانفرنس کی سہولت پر بغیر کسی تردد کے اپنی رضامندی کا اظہار کرتے ہیں۔

تاریخ:.....

ممبر کے دستخط:.....

۵۔ ممبران کے چوں میں تبدیلی:

ممبران سے درخواست ہے کہ ان کے بتوں میں کسی بھی تبدیلی کی صورت میں فوری طور پر شیڈول رجسٹرڈ ایسی ڈی سی رجسٹرڈ ممبر (ایس ایم سی) پرائیویٹ لمیٹڈ، ۷ فلور، صاعہ ٹریڈ ٹاور، آئی آئی چندر نگر روڈ کراچی۔ ۷۴۰۰۰ کو اطلاع دی جائے۔

۶۔ فعال شناختی کارڈز/ این ٹی این کی کارپیاں داخل کرنا:

ممبران سے درخواست ہے کہ وہ اپنے فعال شناختی کارڈز/ این ٹی این سرٹیفکیٹ ہمہ ذیلیو نمبرز کمپنی کے شیئر رجسٹرار کے پاس جمع کروائیں، اگر انہوں نے پہلے فراہم نہیں کئے ہیں۔ بصورت دیگر کمپنیز ایکٹ ۲۰۱۷ء (ایکٹ) کے سیکشن ۲۳۳ اوکٹینیز (ڈسٹری بیوٹن آف ڈیویڈنڈز) ریگولیشنز ۲۰۱۷ء (ریگولیشنز) کی شق ۶ کے تحت ڈیویڈنڈ کی ادائیگی روک دی جائے گی۔

۷۔ مالیاتی حسابات اور ویب سائٹ پر رپورٹس کی دستیابی:

۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالیاتی سال کے لئے کمپنی کی سالانہ رپورٹ کمپنی کے درج ذیل ویب سائٹ پر دی گئی ہے:

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

۸۔ سالانہ رپورٹ ۲۰۲۳ء اور سالانہ عام اجلاس کے نوٹس کی الیکٹرانک سرکولیشن:

سالانہ رپورٹ ۲۰۲۳ء اور سالانہ عام اجلاس کا نوٹس الیکٹرانک ذریعے سے ممبران کو ای میل کے ذریعے ان تمام شیئرز ہولڈرز کو ارسال کیا جا رہا ہے۔

ایس آر او نمبر ۲۰۲۳/۱(۱) مورچہ ۲۱ مارچ ۲۰۲۳ء کی تعمیل میں، ممبران مستثنیل میں کیوا آر فعال کوڈ اور میٹنگ نوٹس کے ذریعے شیئرز کیے گئے ویب لنک کے ذریعے رپورٹس کے ساتھ آڈٹ شدہ مالیاتی گوشواروں تک رسائی اور ڈاؤن لوڈ کریں گے۔

کمپنی کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۳۵ کے تحت کمپنی کی جانب سے درخواست کی وصولی کے بعد وہ دنوں کے اندر کسی بھی ممبر کو سالانہ رپورٹ کی بارڈر کاپی فراہم کی جائے گی۔

۹۔ ای ڈیویڈنڈ مینڈیٹ (لازمی):

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۳۲ کے تحت لسٹ میں شامل ہر کمپنی کے لئے ضروری ہے کہ وہ ڈیویڈنڈ کی ادائیگی الیکٹرانک موڈ کے ذریعے سے براہ راست ممبر کے موجود بینک اکاؤنٹ میں رقم کر پٹ کرے۔ ایس آر او نمبر ۲۰۱۷/۱(۱) مورچہ ۶ نومبر ۲۰۱۷ء کے تحت یہ شیئرز ہولڈرز کے لئے ضروری ہے کہ وہ اپنے بینک اکاؤنٹ کی تفصیلات فراہم کرے تاکہ ان کے کیش ڈیویڈنڈ کی رقم براہ راست ان کے بینک اکاؤنٹس میں جمع ہو جائے۔ بصورت کمپنی کو اس بات کا اختیار ہے کہ ایسے ممبران جنہوں نے اپنے بینک کی تفصیلات فراہم نہیں کی ہیں ان کے ڈیویڈنڈ کو روک دے۔

تمام ممبران کیلئے ضروری ہے کہ وہ کمپنی کے شیئر رجسٹرار کو تمام تفصیلات یعنی نام، ذیلیو نمبر، بینک اکاؤنٹ نمبر (۲۳ ہندسوں کا آئی بی اے این)، اکاؤنٹ کا ناسل اور بینک کا مکمل میٹنگ ایڈریس فراہم کریں۔ سی ڈی سی اکاؤنٹ ہولڈرز اپنی درخواست براہ راست بروکر (شرکت کنندہ) / سی ڈی سی کے پاس جمع کروائیں جس کا فارم کمپنی کے رجسٹرار آفس میں دستیاب ہے اس کے علاوہ کمپنی کی ویب سائٹ پر بھی موجود ہے۔

۱۰۔ غیر کلیم کردہ ڈیویڈنڈ/ شیئرز:

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۳۳ کے تحت کوئی بھی شیئر جس کا اجراء یا ڈیویڈنڈ کا اعلان کمپنی نے کیا ہو وہ واجب الادا تاریخ سے تین سال کی مدت کیلئے غیر کلیم کردہ یا عدم ادائیگی تصور کیا جائے گا اور اس کی ادائیگی کمپنیز ایکٹ ۲۰۱۷ء کے تحت ملحقہ کار پر عملدرآمد کے بعد وفاقی حکومت کے تحت کی جائے گی۔

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

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۲۳ کے جواب میں تمام طریقہ کار کو مکمل کرنے کے بعد ایسے تمام واجب الادا ڈیویڈنڈ جو کہ گزشتہ تین سال یا اس سے زائد عرصہ تک وصول نہ کئے ہوں ایسی تمام رقم ڈیویڈنڈ کے عدم حکیم کی صورت میں وفاقی حکومت کو جمع کروا دی گئی اور شیئرز کی صورت میں ایس ای سی پی کے حوالے کر دیا جائے گا۔

۱۱۔ فزیکل شیئرز کی بک انٹری فارم میں تبدیلی:

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۷۷ کے تحت ہر موجودہ کمپنی کو اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ اس طریقے سے جس کی وضاحت کی گئی ہو اور کمیشن کی طرف سے مطلع کردہ تاریخ سے کمپنیز ایکٹ ۲۰۱۷ء کے آغاز سے چار سال کی مدت کے اندر تبدیل کرنا ہوگا۔

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

۱۲۔ نقد ڈیویڈنڈ پر انکم ٹیکس و وہولڈنگ کے لیے ”فائلر“ اسٹیٹس کی تصدیق:

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

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

جو انٹ اکاؤنٹ کی صورت میں، ہر شیئر ہولڈر کو فروری طور پر یا تو فائلر یا نان فائلر سمجھا جائے گا اور ہر شیئر ہولڈر کے شیئر ہولڈنگ کی بنیاد پر ٹیکس کی کٹوتی کی جائے گی جیسا کہ شیئر ہولڈر کمپنی / شیئر رجسٹر کو تحریری طور پر مطلع کرے گا۔ اگر کوئی اطلاع موصول نہیں ہوتی ہے تو ہر جو انٹ ہولڈر کے پاس شیئر کی مساوی تعداد فرض کی جائے گی۔

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

۱۳۔ انکم ٹیکس / زکوٰۃ کی کٹوتی سے استثنیٰ:

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

۱۴۔ ای ووٹنگ اور پوسٹل بیلٹ کیلئے طریقہ کار:

کمپنیز (پوسٹل بیلٹ) ریگولیشنز ۲۰۱۸ء اور اس کی ترمیم ایس آر او ۲۰۲۲/۱) ۲۱۹۲ مورچہ ۵ دسمبر ۲۰۲۲ء کے تحت مطلع کیا گیا ہے، کہ ممبران کو ذکوہہ ریگولیشنز میں بیان کردہ شرائط کے تحت سالانہ اجلاس عام میں خصوصی کاروبار کے لیے ووٹ کا حق استعمال کرنے کی اجازت ہوگی۔ کمپنی اپنے ممبران کو ووٹنگ کے لیے درج ذیل اختیارات فراہم کرے گی۔

(اے) ای ووٹنگ کا طریقہ کار:

- (1) ای ووٹنگ کی سہولت کی تفصیلات 11 اکتوبر 2023ء کو کاروبار اوقات کار کے اختتام پر کمپنی کے ان ممبروں کے ساتھ بذریعہ ای میل شیئرز کی جائیس گی جن کے پاس ان کے درست سی این آئی سی نمبرز، بیل نمبرز، اور ای میل ایڈریس کمپنی کے ممبران کے رجسٹر میں دستیاب ہوں گے۔
- (2) ممبران کو بذریعہ ای میل ویب ایڈریس، لاگ ان کی تفصیلات، اور پاس ورڈ سے مطلع کیا جائے گا۔ سی ڈی سی شیئرز رجسٹر اور سروسز لمیٹڈ (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) کے ویب پورٹل سے ایس ایم ایس کے ذریعے ممبران کو سیکورٹی کوڈز سے مطلع کیا جائے گا۔
- (3) ای ووٹنگ کے ذریعے ووٹ ڈالنے کے خواہشمند ممبران شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے کی جائے گی۔
- (3) ای ووٹنگ 19 اکتوبر 2023ء صبح 09:00 بجے شروع ہوگی اور 18 اکتوبر 2023ء کو شام 05:00 بجے بند ہوگی۔
- (5) ممبران اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار کسی ممبر کی طرف سے قرارہ 11 پر ووٹ ڈالنے کے بعد، اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

(بی) پوسٹل بیلٹ کے ذریعے ووٹنگ کا طریقہ کار:

ممبران متبادل طور پر پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا انتخاب کر سکتے ہیں۔ ممبران اس بات کو یقینی بنائیں کہ بیلٹ صحیح طور پر پُر کئے گئے اور دستخط شدہ ہوں اور کمپیوٹر اترڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپی کے ساتھ کمپنی کے رجسٹرڈ پتہ پر بھیج دیں، پلاٹ نمبر 10/10، جسٹس علی اسٹریٹ، آف آئی آئی چندر نگر روڈ، کراچی۔ 74000 سے یا ای میل Mohsin.naeem@hum.tv پر 18 اکتوبر 2023ء کو سالانہ اجلاس عام سے قبل دوران اوقات کار بذریعہ ڈاک اجلاس کے نتیجے میں کو موصول ہونے چاہئیں۔ بیلٹ صحیح پر دستخط سی این آئی سی کے دستخط سے مماثل ہونے چاہئیں۔ پوسٹل بیلٹ صحیح نوٹس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ <https://www.humnetwork.tv> پر بھی دستیاب ہیں۔ شیئرز ہولڈرز اخبارات میں شائع ہونے والے بیلٹ صحیح نوٹس استعمال کر سکتے ہیں۔

کمپنیز ایکٹ 2017ء کے سیکشن (3) 132 کے تحت خصوصی کاروبار سے متعلق مادی حقائق کا بیان:

یہ بیان خصوصی کاروبار سے متعلق مادی حقائق کا تعین کرتا ہے، جو نوٹس کے ایجنڈا نمبر 4 اور 5 میں دیا گیا ہے، جس کا مقصد سالانہ اجلاس عام میں اس کے امور کو زیر بحث لانا ہے۔

نوٹس کا ایجنڈا نمبر 4:

کیو آر فعال کوڈ اور ویب لنک کے ذریعے سالانہ رپورٹس کی فراہمی:

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے اپنے ایس آر او 2023/2023 (1) 389 مورچہ 21 مارچ 2023ء کے تحت لسٹڈ کمپنیوں کو اجازت دی ہے کہ وہ اپنے سالانہ آؤٹ شدہ مالیاتی گوشوارے کمپنی کے ممبران کو (سی ڈی / ڈی وی ڈی / یو ایس بی کے بجائے) کیو آر کوڈ اور ویب لنک کے ذریعے بھی فراہم کر سکتی ہے جو کہ سالانہ اجلاس عام میں شیئرز ہولڈرز کی منظوری سے مشروط ہوگا۔ جہاں شیئرز ہولڈرز کی طرف سے ای میل ایڈریس فراہم کیا گیا ہو وہاں کمپنی ای میل کے ذریعے ممبر کو سالانہ آؤٹ شدہ مالیاتی گوشواروں کی ترسیل کرے گی۔ ایک شیئرز ہولڈر کمپنی سے سالانہ آؤٹ شدہ مالیاتی گوشواروں کی ہارڈ کاپی فراہم کرنے کی درخواست کر سکتا ہے، اور اسے شیئرز ہولڈرز کے رجسٹرڈ ایڈریس پر باضابطہ طور پر مکمل درخواست فارم کی وصولی پر کمپنی کی ویب سائٹ پر مفت فراہم کیا جائے گا۔

یہ منظوری ایک عام قرارداد کے ذریعے ممبران سے طلب کی گئی ہے تاکہ کمپنی کو سالانہ آؤٹ شدہ مالیاتی گوشواروں اور رپورٹس کو الیکٹرانک طور پر کیو آر فعال کوڈ اور ویب لنک کے ذریعے فراہم کرنے کی اجازت دی جائے۔

کمپنی کے ڈائریکٹرز کی اس ایجنڈے میں براہ راست یا بالواسطہ کوئی دلچسپی نہیں ہے۔

بیلٹ پیپر بڈ ریپورٹ ڈاک

سالانہ اجلاس عام میں خصوصی کاروبار کیلئے بڈ ریپورٹ ڈاک رائے شماری / ووٹنگ
منصفہ بروز جمعرات، تاریخ ۱۹ اکتوبر ۲۰۲۳ء کو بوقت شام ۳:۰۰ بجے، بمقام گراؤنڈ فلور، پی آر ٹاؤر، حسن ٹی اسٹریٹ، آف آئی چنڈر رگروڈ، کراچی۔

	فولیو/سی ڈی سی اکاؤنٹ نمبر
	شیز ہولڈر/پراکسی کا نام
	رجسٹرڈ پتہ:
	حالیہ شیزز کی تعداد:
	سی این آئی سی / پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں) (کاپی منسلک کی جائے گی)
	اضافی معلومات اور متعلقہ دستاویزات (ہاڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندے کی صورت میں)
	مجاز دستخط کنندہ کا نام:
	مجاز دستخط کنندہ کا شناختی کارڈ نمبر/ پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں)۔ (کاپی منسلک کی جائے گی)۔

قرارداد برائے ایجنڈا نمبر ۴:

کمپنی کو اپنے سالانہ آڈٹ شدہ مالیاتی گوشوارے اپنے ممبران کو سی ڈی وی ڈی / ایس ای پی کی بجائے کیڈ آر کوڈ اور ویب لنک کا استعمال کرتے ہوئے فراہم کرنے کی اجازت دینا جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے ایس آر ڈی نمبر ۲۰۲۳/۱(۱) مورخہ ۲۱ مارچ ۲۰۲۳ء کے تحت اجازت دی ہے، غور کرنا اور اگر مناسب سمجھا جائے تو ترمیم یا بغیر ترمیم درج ذیل قراردادوں کے طور پر منظور کرنا۔

“ٹے پی اے کے کمپنی کو یہ اختیار حاصل ہے کہ وہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے ایس آر ڈی نمبر ۲۰۲۳/۱(۱) مورخہ ۲۱ مارچ ۲۰۲۳ء کے تحت کمپنی کے ممبران کو بڈ ریپورٹ QR فعال کوڈ اور ویب لنک اپنے سالانہ مالیاتی گوشوارے فراہم کر سکتی ہے۔“

مزید طے کیا گیا کہ کمپنی سی ڈی وی ڈی کے ذریعے سالانہ مالیاتی گوشواروں کی فراہمی کو بند کرنے کی مجاز ہوگی۔

مزید طے پایا کہ کمپنی کے چیف ایگزیکٹو، چیف فنانشل آفیسر، یا کمپنی سیکرٹری انفرادی طور پر تمام ضروری اقدامات، اعمال اور امور کو انجام دینے اور تمام قانونی تقاضوں کی تعمیل کے لیے اور اس قرارداد کو عملی جامہ پہنانے کے مقصد کے لیے ضروری دستاویزات، جیسا کہ ضروری یا اتفاق ہو، فائل کرنا تمام مطلوبہ اقدامات اٹھانے یا شروع کرنے کے لیے مجاز ہیں۔

ہدایات برائے رائے شماری:

- ۱- براہ کرم متعلقہ خانہ پر (✓) نشان لگا کر اپنے ووٹ کی نشاندہی کریں۔
- ۲- اگر دونوں خانوں کو (✓) کے بطور پر نشان زد کیا گیا ہے، تو آپ کی رائے شماری کو "مسٹرڈ" سمجھا جائے گا۔

میں/ہم یہاں مندرجہ ذیل قراردادوں کی منظوری یا منظوری کیلئے اپنا حق رائے دہی (✓) کا نشان درج ذیل دیئے گئے خانوں میں لگا کر استعمال کرتا/کرتے ہیں۔

قرارداد	میں/ہم درج ذیل کیلئے قرارداد کی منظوری دیتے ہیں	میں/ہم درج ذیل کے خلاف قرارداد کی منظوری دیتے ہیں
قرارداد برائے ایجنڈہ نمبر ۴		

نوٹس:

- ۱۔ باضابطہ طور پر مکمل نہ کردہ بیلٹ ہیپر کمپنی کو بنام چیئر مین کمپنی کے رجسٹرڈ پتہ ہم ٹی وی، پلاٹ نمبر ۱۱/ا، حسن علی اسٹریٹ، آف آئی آئی چندر نگر روڈ، کراچی۔ ۷۴۰۰۰۰ یا ای میل Mohsin.naeem@hum.tv پر بھیجنے ہو گئے۔
- ۲۔ پوسٹل بیلٹ فارم کے ساتھ سی این آئی سی یا اسپورٹ کی کاپی (غیر ملکی ہونے کی صورت میں) منسلک کرنی ہوگی۔
- ۳۔ پوسٹل بیلٹ فارم چیئر مین کو ایک دن قبل یعنی ۱۱ اکتوبر ۲۰۲۳ء تک دفتری اوقات کار میں موصول ہو جانے چاہئیں۔ اس تاریخ کے بعد موصول ہونے والے پوسٹل بیلٹ فارم وولنگ کے لئے کارآمد نہیں ہو گئے۔
- ۴۔ پوسٹل بیلٹ ہیپر پر موجود مختلف سی این آئی سی یا اسپورٹ (غیر ملکی ہونے کی صورت میں) پر موجود خطا جیسے ہونے چاہئیں۔
- ۵۔ نامکمل، غیر دستخط شدہ، غلط خراب، پھٹے ہوئے، کٹے ہوئے یا مٹا کر لکھے ہوئے بیلٹ ہیپر منسوخ کر دیے جائیں گے۔
- ۶۔ کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۱۳۸ یا ۱۳۹ کے تحت باڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندے کی صورت میں، بیلٹ ہیپر فارم کے ساتھ کسی چھاپہ شخص کے سی این آئی سی کی کاپی، بورڈ کی قرارداد، یاد آف انارنی، اجازت نامہ وغیرہ کی تصدیق شدہ کاپی کے ساتھ ہونا ضروری ہے۔ غیر ملکی باڈی کارپوریٹ وغیرہ کی صورت میں تمام دستاویزات کو کنونسل جنرل آف پاکستان سے تصدیق شدہ ہونا ضروری ہے جس کا دائرہ اختیار نمبر پر ہے۔ بیلٹ ہیپر فارم کمپنی کی ویب سائٹ <https://www.humnetwork.tv> پر بھی دستیاب ہے۔

شیئر ہولڈر/پراکسی/چھاپہ شخص کے دستخط:

(کارپوریٹ ادارے کی صورت میں، برائے مہربانی کمپنی کی مہر لگائیں)

تاریخ: -----

Pattern of Shareholding

As At June 30, 2023

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
558	10	-	100	18,298
516	101	-	500	161,339
751	501	-	1000	513,270
2067	1001	-	5000	5,004,893
798	5001	-	10000	5,700,511
522	10001	-	15000	6,367,506
216	15001	-	20000	3,855,598
193	20001	-	25000	4,464,721
137	25001	-	30000	3,865,754
40	30001	-	35000	1,303,140
86	35001	-	40000	3,188,903
64	40001	-	45000	2,692,900
76	45001	-	50000	3,675,046
41	50001	-	55000	2,158,712
78	55001	-	60000	4,647,580
14	60001	-	65000	876,007
23	65001	-	70000	1,570,730
27	70001	-	75000	1,958,442
21	75001	-	80000	1,647,768
15	80001	-	85000	1,242,500
13	85001	-	90000	1,147,800
8	90001	-	95000	743,600
30	95001	-	100000	2,971,800
7	100001	-	105000	709,200
12	105001	-	110000	1,295,600
11	110001	-	115000	1,247,300
57	115001	-	120000	6,797,598
8	120001	-	125000	974,560
7	125001	-	130000	886,600
3	130001	-	135000	395,400
8	135001	-	140000	1,104,689
6	140001	-	145000	864,500
7	145001	-	150000	1,050,000
4	150001	-	155000	608,600
6	155001	-	160000	945,600
4	160001	-	165000	651,000
2	165001	-	170000	338,000
4	170001	-	175000	698,000
10	175001	-	180000	1,790,461
3	180001	-	185000	548,600
2	185001	-	190000	375,700
1	190001	-	195000	190,740
11	195001	-	200000	2,193,000
1	205001	-	210000	205,500

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
1	215001	-	220000	217,000
2	220001	-	225000	448,560
7	225001	-	230000	1,600,400
16	235001	-	240000	3,839,400
4	240001	-	245000	969,200
4	245001	-	250000	993,200
1	250001	-	255000	255,000
2	260001	-	265000	526,000
1	265001	-	270000	270,000
3	270001	-	275000	821,700
1	275001	-	280000	280,000
1	285001	-	290000	288,000
1	290001	-	295000	291,600
7	295001	-	300000	2,095,200
2	300001	-	305000	604,200
1	305001	-	310000	309,400
6	310001	-	315000	1,870,400
2	315001	-	320000	636,800
1	320001	-	325000	325,000
6	325001	-	330000	1,642,800
2	330001	-	335000	668,600
1	335001	-	340000	340,000
2	340001	-	345000	681,594
12	355001	-	360000	4,318,200
1	365001	-	370000	366,000
1	370001	-	375000	370,500
1	380001	-	385000	385,000
1	385001	-	390000	387,200
1	390001	-	395000	391,200
3	395001	-	400000	1,195,500
2	400001	-	405000	805,800
1	410001	-	415000	410,500
2	415001	-	420000	840,000
1	420001	-	425000	425,000
2	425001	-	430000	854,000
1	430001	-	435000	432,000
2	435001	-	440000	877,200
1	460001	-	465000	464,000
2	470001	-	475000	949,067
1	475001	-	480000	480,000
2	485001	-	490000	972,000
2	490001	-	495000	983,400
5	495001	-	500000	2,496,000
1	505001	-	510000	510,000

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
1	510001	-	515000	512,000
1	515001	-	520000	516,000
3	535001	-	540000	1,614,000
1	550001	-	555000	552,600
2	555001	-	560000	1,116,600
1	570001	-	575000	572,000
1	575001	-	580000	577,200
1	590001	-	595000	593,300
6	595001	-	600000	3,600,000
1	625001	-	630000	629,880
2	630001	-	635000	1,262,800
3	640001	-	645000	1,929,200
1	655001	-	660000	660,000
2	660001	-	665000	1,325,000
1	680001	-	685000	680,100
1	705001	-	710000	710,000
1	745001	-	750000	750,000
1	755001	-	760000	759,780
1	775001	-	780000	780,000
1	780001	-	785000	782,500
1	795001	-	800000	800,000
1	825001	-	830000	828,500
1	835001	-	840000	840,000
1	850001	-	855000	852,000
3	895001	-	900000	2,700,000
1	955001	-	960000	960,000
2	995001	-	1000000	2,000,000
1	1000001	-	1005000	1,000,600
1	1015001	-	1020000	1,020,000
1	1025001	-	1030000	1,028,200
1	1045001	-	1050000	1,050,000
2	1075001	-	1080000	2,160,000
1	1130001	-	1135000	1,132,800
1	1150001	-	1155000	1,153,800
1	1195001	-	1200000	1,200,000
2	1220001	-	1225000	2,441,772
1	1355001	-	1360000	1,356,000
2	1395001	-	1400000	2,798,031
1	1795001	-	1800000	1,800,000
1	1825001	-	1830000	1,826,400
1	1915001	-	1920000	1,920,000
1	1980001	-	1985000	1,984,500
1	2245001	-	2250000	2,247,600
1	2395001	-	2400000	2,400,000

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From	-	To	
2	2430001	-	2435000	4,868,400
1	2485001	-	2490000	2,489,598
1	2515001	-	2520000	2,520,000
1	2715001	-	2720000	2,720,000
1	2995001	-	3000000	3,000,000
1	3335001	-	3340000	3,336,000
1	3600001	-	3605000	3,601,800
1	3650001	-	3655000	3,653,400
1	3900001	-	3905000	3,900,500
1	4225001	-	4230000	4,230,000
1	4315001	-	4320000	4,320,000
1	4835001	-	4840000	4,839,494
1	4995001	-	5000000	5,000,000
1	5420001	-	5425000	5,423,281
1	6365001	-	6370000	6,367,200
1	8260001	-	8265000	8,263,820
1	11045001	-	11050000	11,045,100
1	11300001	-	11305000	11,300,400
1	11600001	-	11605000	11,604,000
1	12370001	-	12375000	12,370,500
1	13070001	-	13075000	13,072,200
1	15085001	-	15090000	15,090,000
1	17275001	-	17280000	17,280,000
1	18625001	-	18630000	18,629,715
1	20060001	-	20065000	20,061,000
1	20075001	-	20080000	20,079,001
1	21655001	-	21660000	21,656,209
1	23155001	-	23160000	23,160,000
1	58515001	-	58520000	58,518,744
1	112995001	-	113000000	113,000,000
1	243095001	-	243100000	243,096,000
1	275545001	-	275550000	275,546,388
6681				1,134,000,000

Additional Information

As of June 30, 2023

Shareholders' Category	Shareholders	Shares Held	Percentage
Directors, heir Spouse(s) and Minor Children			
Duraid Qureshi	3	518,642,400	45.74
Sultana Siddiqui	2	8,263,832	0.73
Mazhar Ul Haq Siddiqui	1	12	0.00
Mehtab Akbar Rashdi	1	12	0.00
Asif Yasin Malik	1	12	0.00
Mrs. Khush Bakht Shujaat	1	12	0.00
Sohail Ansar	1	1,200	0.00
Shunaid Qureshi	2	61,038,744	5.38
Muhammad Ayub	1	12,000	0.00
Associated Companies, Undertakings and related parties	-	-	-
Executives	-	-	-
Public Sector Companies and Corporations	-	-	-
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance, Takaful, Modaraba and Pension Funds	9	136,570,850	12.04
Mutual Funds	16	65,860,607	5.81
General Public			
a. Local	6584	251,619,249	22.19
b. Foreign	5	192,000	0.02
Foreign Companies	1	6,000	0.00
Others	53	91,793,070	8.09
Totals	6681	1,134,000,000	100.00
Shareholders holding 10% or more voting interest		Share Held	Percentage
Mr. Duraid Qureshi		518,642,400	45.74

Corporate Calendar

MEETINGS	DATE
Audit Committee Meeting to consider and approve the annual audited accounts of the Company for the year ended June 30, 2022	Sep 19, 2022
Board of Directors Meeting to consider the annual audited accounts of the Company for the year ended June 30, 2022	Sep 19, 2022
18th Annual General Meeting to consider accounts of the Company for the year ended June 30, 2022	Oct 25, 2022
Audit Committee Meeting to consider accounts of the Company for the Quarter ended September 30, 2022	Oct 26, 2022
Board of Directors Meeting to consider accounts of the Company for the Quarter ended September 30, 2022	Oct 26, 2022
Human Resource and Remuneration Committee Meeting to consider and discuss employees and remuneration matters	Feb 28, 2023
Audit Committee Meeting to consider accounts of the Company for the half year ended December 31, 2022	Feb 28, 2023
Board of Directors Meeting to consider accounts of the Company for the half year ended December 31, 2022	Feb 28, 2023
Corporate Briefing session for the year 2022	Mar 01, 2023
Audit Committee Meeting to consider accounts of the Company for the Quarter ended March 31, 2023	Apr 27, 2023
Board of Directors Meeting to consider accounts of the Company for the Quarter ended March 31, 2023	Apr 27, 2023

Six Years At A Glance

Key Financial Data

OPERATING DATA

	2018	2019	2020	2021	2022	2023
Revenue-Net	4,609,478,886	3,979,099,138	3,679,468,088	4,327,326,066	6,018,969,888	6,825,586,346
Cost of production	(2,853,147,800)	(3,495,240,846)	(2,756,142,547)	(2,766,997,559)	(3,454,551,987)	(3,540,102,628)
Transmission Cost	(177,878,025)	(193,223,194)	(139,069,102)	(90,436,188)	(100,165,940)	(126,696,002)
Gross profit	1,578,453,061	290,635,098	784,256,439	1,469,892,319	2,464,251,961	3,158,787,716

PROFIT AFTER TAXATION

(Loss)/Profit before taxation	812,155,067	(454,725,557)	(136,120,065)	1,107,143,492	1,514,839,878	2,439,816,835
Taxation	(92,661,579)	(81,157,536)	22,881,574	(92,746,807)	(150,934,865)	(290,578,261)
Profit after taxation	729,493,488	(535,883,093)	(113,238,491)	1,014,396,685	1,363,905,013	2,149,238,574

Financial Ratios

	2018	2019	2020	2021	2022	2023
Current Ratios	4.68	2.25	2.85	3.40	3.11	6.43
Quick ratio	4.65	2.24	2.83	3.38	3.10	6.41
Debt/ Equity Ratio	0.31	0.53	0.44	0.18	0.09	0.02
Cash available per share- Rs. (Re-stated)*	0.15	0.13	0.12	0.31	0.74	0.39
Return on equity - %	19.75	(16.97)	(3.71)	24.96	26.76	29.66
Share Price per share - Rs.	8.09	3.17	12.55	8.02	7.12	5.84
Break-up value per share - Rs. (Re-stated)*	3.26	2.78	2.69	3.58	4.49	6.39
Gross Profit / (Loss) to Sales - %	34.24	7.30	21.31	33.97	40.94	46.28
Cost of Production To Sales - %	61.90	87.84	74.91	63.94	57.39	51.87
Administrative Expenses to Sales - %	11.50	12.54	12.91	11.80	9.70	12.97
Net profit / (Loss) to Sales - %	15.83	(13.47)	(3.08)	23.44	22.66	31.49
Interest Cover - number of times	28.38	(2.27)	0.43	12.03	21.65	53.97
Debtors Turnover (number of days)	139	161	173	155	127	132
Price earning ratio (Re-stated)*	12.58	(6.71)	(125.68)	8.97	5.92	3.08
Turn Over to Total Asset Ratio	0.86	0.71	0.77	0.82	0.91	0.84
Earnings/(Loss) per share Rs. (Re-stated)*	0.64	(0.47)	(0.10)	0.89	1.20	1.90

* Calculated using 1,134,000,000

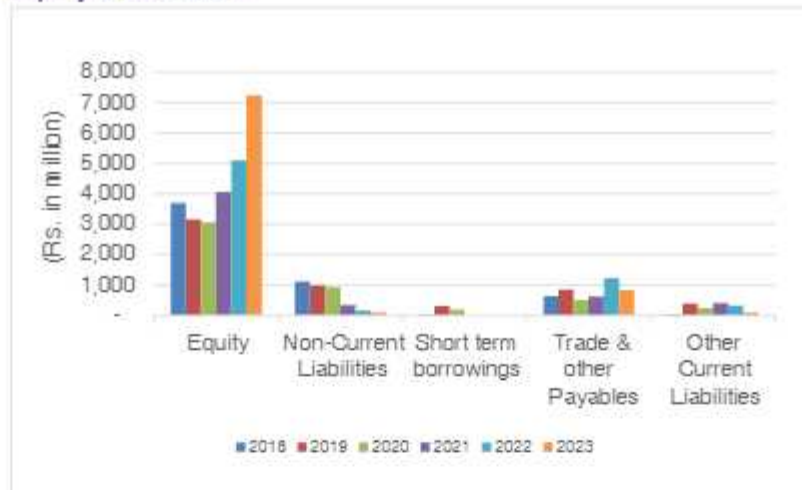
Graphical Presentation

Analysis of Statement of Financial Position and Profit & Loss Account

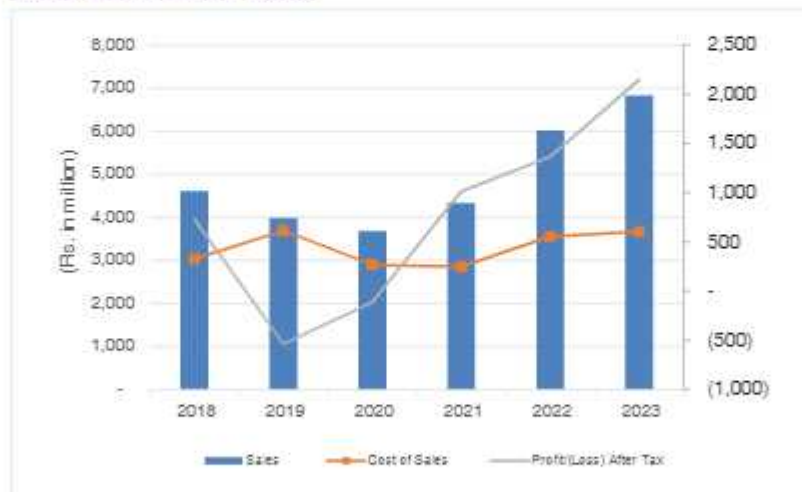
Assets



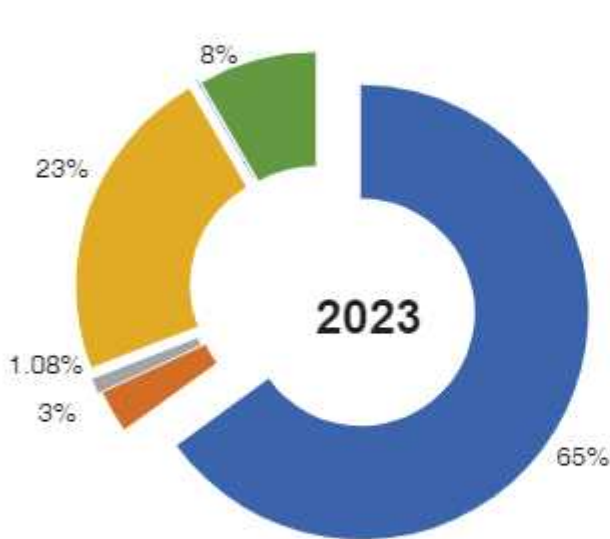
Equity & Liabilities



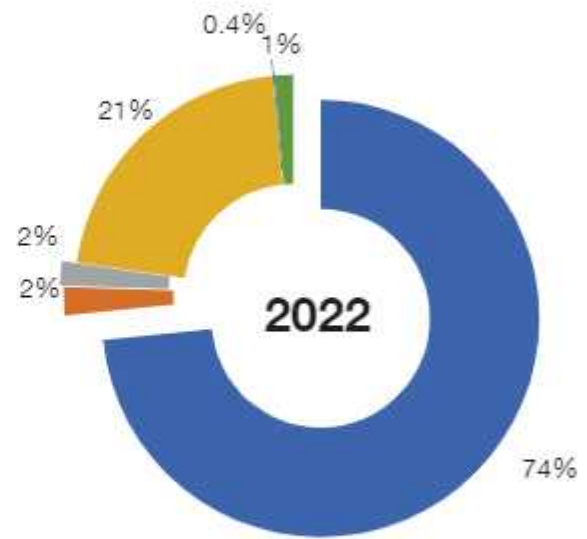
Sales and Cost of Sales



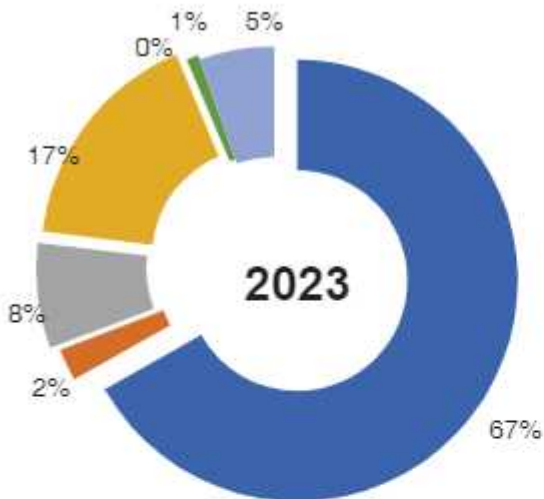
Break-up of Revenue Streams



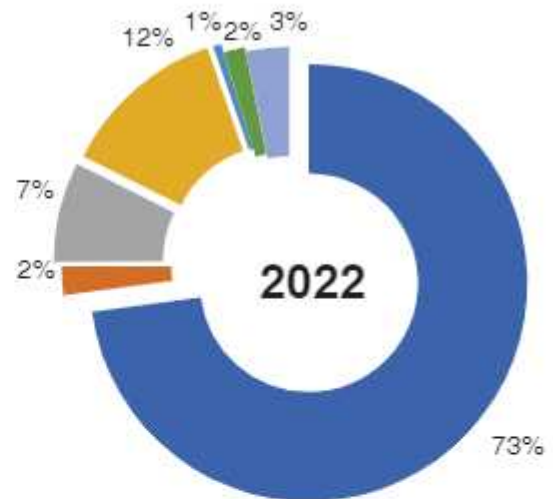
- Advertisement revenue - net
- Production revenue - net
- Digital revenue - net
- Subscription income - net
- Other Income



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

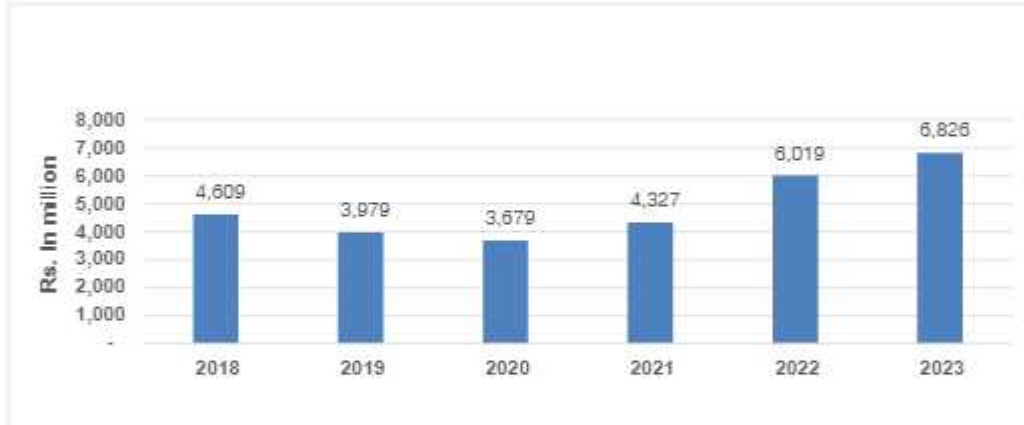


- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation

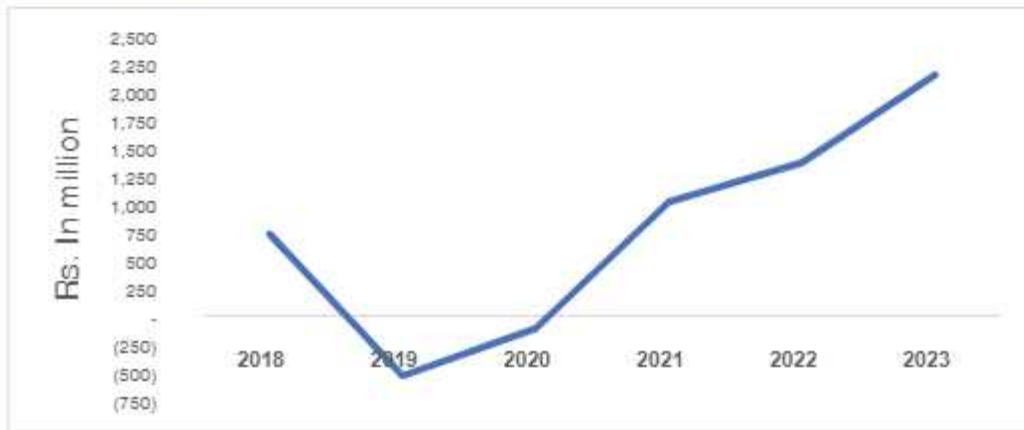


- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation

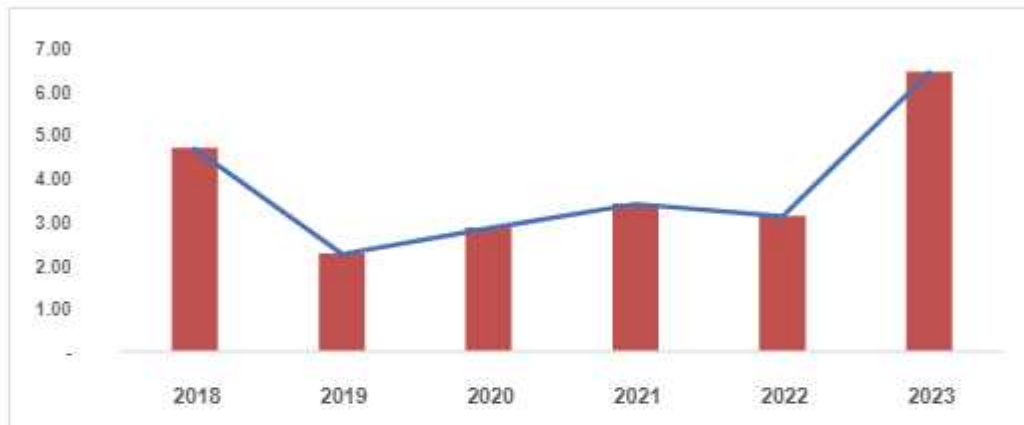
Net Revenue



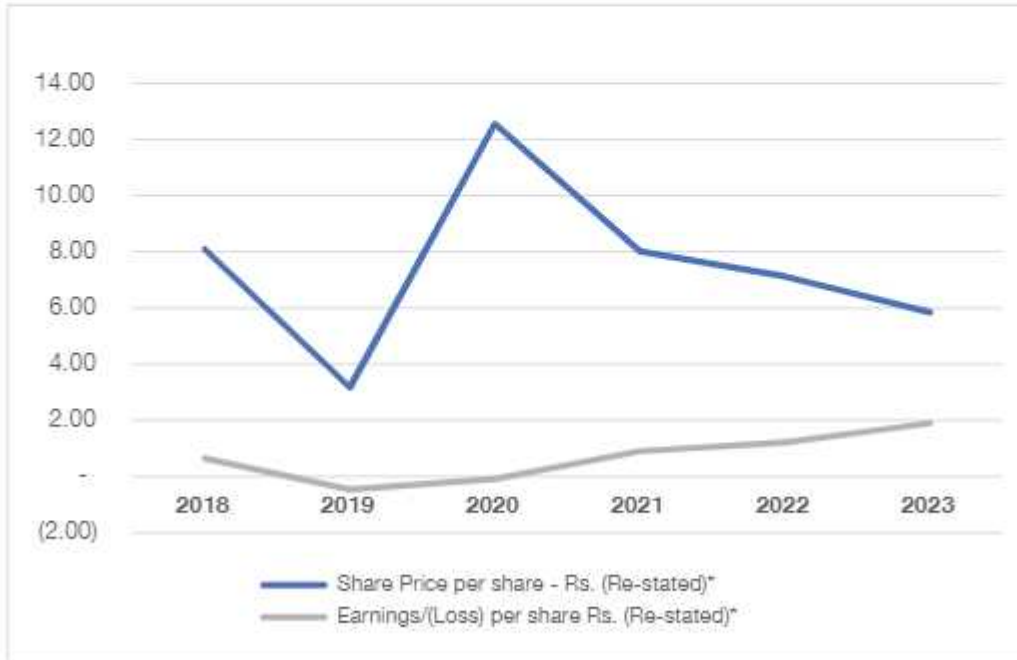
Profit After Tax



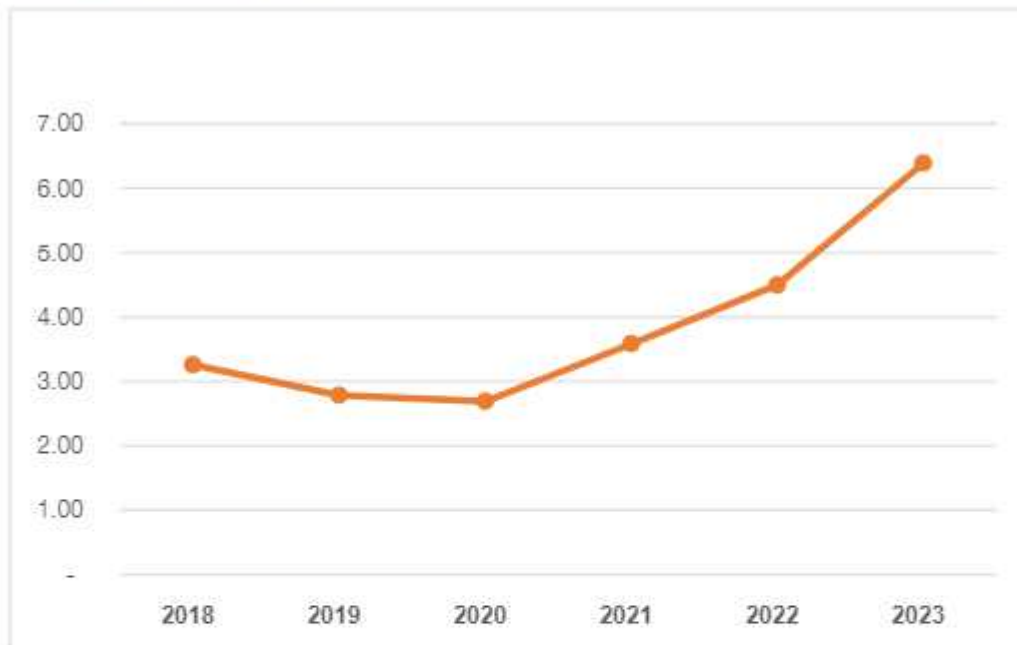
Current Ratio



EPS vs Share Price



Breakup Value Per Share





Building a better
working world

Independent Auditor's Review Report

To the members of Hum Network Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of HUM Network Limited (the Company) for the year ended 30 June 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2023.

A handwritten signature in black ink, appearing to read 'EY Ford Rhodes', is written over a light blue horizontal line.

EY Ford Rhodes
Chartered Accountants
Place: Karachi
Date: September 27, 2023
UDIN Number : CR202310120ljVAv7kqQ

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

HUM Network Limited (“the Company”)

for the year ended June 30, 2023

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

1. The total of number of directors are 09 as per the following (As at June 30,2023):

Male	Six (6)
Female	Three (3)

2. The composition of the board is as follows (As at June 30, 2023):

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

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

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

<ol style="list-style-type: none"> a. Audit Committee <ul style="list-style-type: none"> Mr. Sohail Ansar – Chairman (Independent) Mr. Shunaid Qureshi (Non-Executive) Mrs. Mahtab Akbar Rashdi (Non-Executive) Lt. Gen. (R) Asif Yasin Malik (Non-Executive) 	<ol style="list-style-type: none"> b. Human Resource and Remuneration Committee <ul style="list-style-type: none"> Mr. Sohail Ansar – Chairman (Independent) Ms. Sultana Siddiqui (Executive) Mrs. Mahtab Akbar Rashdi (Non-Executive)
---	---
 13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
 14. The frequency of the meetings of the committees were as follows:
 - a. Audit Committee – Four [4] meetings during the financial year ended June 30, 2023.
 - b. Human Resource and Remuneration Committee – Two [2] meetings during the financial year ended June 30, 2023.
 15. The Board has set up an effective internal audit function with the support of an outsourced the internal audit function to M/s. KPMG Taseer Hadi & Co. Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
 16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
 17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
 18. We confirm that all requirements of regulations including 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



DURAIQ QURESHI
Chief Executive

Date: September 25, 2023
Place: Karachi



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director



Chairman's Review Report

I am pleased to present the annual review as the Chairman of the Board of Directors of HUM Network Limited for the year ended June 30, 2023.

During the year under review, the economy sustained a subdued performance. However, HUM Network's unwavering commitment to competence and financial discipline aided us to gracefully navigate these most formidable challenges. In the face of adversity, Your Company not only experienced revenue growth but also achieved impressive profits. These remarkable accomplishments stand as a testament that the Board has performed their duties diligently while upholding the values and interest of the shareholders of the Company.

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

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

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

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

A handwritten signature in black ink, appearing to be 'Mazhar-ul-Haq Siddiqui', written over a horizontal line.

Mr. Mazhar-ul-Haq Siddiqui

Chairman of the Board

Date: September 25, 2022

چیمبرمین کی جائزہ رپورٹ

مجھے ہم نیٹ ورک لینڈ کے بورڈ آف ڈائریکٹرز کے چیمبرمین کے طور پر ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے سال کے لیے سالانہ جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

زیر جائزہ سال کے دوران، معیشت سے روٹی کا شکار رہی۔ تاہم، ہم نیٹ ورک کی قابلیت اور مالیاتی نظم و ضبط کے لیے غیر متزلزل عزم نے ہمیں ان سب سے بڑے چیلنجز کو احسن طریقے سے نیوگیٹ کرنے میں مدد فراہم کی۔ مشکلات کے باوجود، آپ کی کمپنی نے نہ صرف آمدنی میں اضافہ کیا بلکہ متاثر کن منافع بھی حاصل کیا۔ یہ نمایاں کامیابیاں اس بات کا ثبوت ہیں کہ بورڈ نے کمپنی کے شیئر ہولڈرز کی اقدار اور مفادات کو برقرار رکھنے ہوئے تندی سے اپنے فرائض سرانجام دیئے۔

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

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

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

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

بورڈ کی جانب سے



منظر الحق صدیقی

چیمبرمین آف دی بورڈ

مورخہ ۲۵ ستمبر ۲۰۲۳ء
کراچی

Directors' Report

The Directors of Hum Network Limited (HNL) are pleased to present the Annual Report together with the Company's audited financial statement for the year ended 30 June 2023.

Financial Performance

The financial performance of your Company for the year ended June 30, 2023 is summarized below:

HUM NETWORK LIMITED				
Particulars	Unconsolidated Financial Statements		Consolidated Financial Statements	
	2023	2022	2023	2022
Revenue from operations	6,825,586,346	6,018,969,888	7,567,863,940	6,544,962,442
Other income	621,870,324	84,936,683	488,815,703	24,041,652
Total Income	7,447,456,670	6,103,906,571	8,056,679,643	6,569,004,094
Total expenses	(5,007,639,835)	(4,589,066,693)	(5,842,197,693)	(5,022,044,745)
Profit before tax	2,439,816,835	1,514,839,878	2,214,481,950	1,546,959,349
Taxation	(290,578,261)	(150,934,865)	(296,715,144)	(151,853,694)
Profit after tax	2,149,238,574	1,363,905,013	1,917,766,806	1,395,105,655
EPS	1.9	1.20 (restated)	1.72	1.25 (restated)

In our unwavering pursuit of comprehensive growth and the expansion of our entertainment, news and current affairs, we remain committed to exceeding the expectations of our valued stakeholders. During the year, our net profits increased by staggering 58% from last year due to positive growth in all revenue streams especially in hum news and digital media sector revenues.

Throughout FY 2023, we made substantial investments in both our existing and novel ventures, driven by a robust diversification strategy. This strategic direction is guided by our overarching vision, one that is committed to fortifying our position in the present and harnessing the potential of future opportunities.

Principal Activities

HNL distinguishes itself as a leading media network in Pakistan, committedly providing entertainment for nearly two decades. HUM, as a brand, has earned unparalleled admiration in Pakistan's media landscape, touching the lives of millions through its diverse range of channels and extensive distribution platforms worldwide, encompassing films, news, digital media, print, and live events.

Our broadcasting portfolio boasts an array of satellite channels, including HUM TV, HUM News, HUM Sitaray, HUM Masala in addition to our international channels, each beaming its captivating content to our audience globally. Amongst the most promising additions during the year, the most notable change involves the recent inclusion of Ten Sports, a renown sports channel, further diversifying our portfolio while broadening our range of content and offerings.

Beyond these stellar satellite channels, HNL places a strong emphasis on its diverse business divisions, encompassing Films, Digital Media, and Print Media, to create an exciting and dynamic range of offerings.

The External Environment

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

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

Operational Performance

The network has managed to assert its dominance in the current year by entering into new business ventures, updated approach towards changing economic landscape all while achieving growth in operational revenues, viewership, and Television Rating Points (TRPs).

Hum TV

Over the years, HUM TV has persistently been at the forefront of the entertainment industry, crafting compelling stories brought to life by talented ensembles that seamlessly blend exceptional writing, direction, and performances. This unwavering dedication has struck a deep chord with our viewers, drawing them into captivating narratives that illuminate the daily struggles of ordinary people while shedding light on pressing societal issues of our time.

In the present year, HUM TV has once again gifted our audience a rich tapestry of Pakistani dramas, soaps, and engaging tales. Notably, several dramas have taken the TRP charts by storm, including "Meesni," "Yunhi," "Muhabbat Gumshuda Meri," "Jhok Sarkar," and "Fareb," all of which have become prime-time sensations. With finesse, we address falsehoods, religious duplicity, feudalism, and infrastructure inadequacies while shining a spotlight on stories of power, politics, and justice.

Amongst most notable addition to screen this year, the enchanting storytelling of "Fairy Tale" captured the hearts of our audience to such an extent that we had to bring the cast back for a second season. This decision is a testament to the profound impact the show has had on its devoted fan base.

Hum News

In times when misinformation is rampant, the access to truth becomes an imperative, Hum News has risen amongst the ranks of leading News channels for its steadfast dedication in providing impartial and evidence-based news. We prioritize data-driven journalism to ensure our audience stays well-informed with accurate and essential information.

Our channel, committed to providing viewers with the latest and most relevant information, has recently unveiled a lineup of new shows hosted by some of the most respected and renowned anchorpersons in the industry. These seasoned journalists bring a wealth of experience and expertise to the screen, offering viewers a fresh perspective on current events and in-depth analysis of pressing issues.

Hum Sitaray

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

Hum Masala

Over the years HUM MASALA has truly become a household favorite, captivating audiences with their cherished celebrity chefs all the while consistently presenting exciting new culinary creations. During the year, HUM Masala presented a number of new cooking and informative shows while introducing new recipes, professional chefs, health consultants that made the channel a favorite of millions globally.

The "Masala Family Festival," the biggest family event in Pakistan, took place in Karachi and Lahore, serving as the focal point for celebrating HUM MASALA's 16th anniversary as South Asia's premier 24-hour cooking channel. The festival showcased a vibrant mix of musical performances, comedy acts, live cooking demonstrations, dancing and singing competitions, and a chance for attendees to interact with their beloved celebrity chefs.

Ten Sports

Ten sports, newest addition to HUM Network portfolio, boasts a diverse lineup of events, from high-octane team competitions to individual sporting showcases, ensuring there's something for every fan. We're excited to bring you closer to your favorite athletes, coaches, and sports personalities, providing unprecedented access and insights into their journeys.

Digital Media Division

The HUM Network's Digital Media division has diligently upheld our formidable presence across all key social media platforms including Facebook, Instagram, Twitter, and Youtube, a testament to the company's highly targeted and effective Social Media Strategy. We remain appreciative of all our digital partners for sponsoring our Awards shows and Dramas serials.

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

During the year "Fairy Tale" emerged as one of the most beloved shows, prompting trends and hashtags throughout social media platforms.

Hum Films

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

During the year HUM Films showcased multiple blockbusters, including "John" a twist to crime dramas whereas hit release of Eid, "Money Back Guarantee," a riotous comedy that will have you laughing until your sides ache. Another notable blockbuster, "Teri Meri Kahaniyaan" weaved together tales of destiny, love, and the complexities of human relationships.

These movies are our way of sharing relatable and captivating stories, ones that will leave an indelible mark on your cinematic journey.

Bridal Couture Week (BCW)

HUM Bridal Couture Week, which has been held annually since 2010, is the nation's most lavish and high-profile bridal event. This season's collection enveloped fans in the world of beauty, style, and pure couture magnificence, with its delicately embroidered lehengas and painstakingly made sherwanis.

For all the fashion lovers and brides-to-be seeking inspiration, HUM Bridal Couture Week offers an unparalleled experience with glamorous lineup of celebrities walked the ramp for numerous brands.

Hum Awards

During the month of September 2022, a glittering extravaganza unfolded as the 8th Hum Awards took center stage, a vibrant celebration of excellence in music, fashion, and the captivating world of Hum Television Dramas throughout 2021-22. This star-studded event unfolded on the international stage of Canada and was broadcasted on Hum TV in December 2022, bringing the magic to screens around the world.

However, the glamour wasn't the only highlight of the evening. In a heartfelt act of corporate social responsibility (CSR), a portion of the awards' ticket revenue was devoted to aiding the victims of the devastating 2022 Pakistan floods, demonstrating that the power of art and entertainment can touch lives and make a difference.

Hum Women Leaders Awards

In February 2023, the illustrious Jinnah Convention Center in Islamabad was ablaze with the brilliance of the fourth edition of the Hum Women Leaders Awards. This grand event celebrated the achievements of extraordinary women, both on a national and international stage, who have excelled in diplomacy, social work, education, healthcare, human rights, and journalism.

The ceremony was an enchanting gathering, graced by the presence of none other than President Dr. Arif Alvi himself, along with a constellation of notable dignitaries and public figures from Pakistan. It was an evening that radiated inspiration and empowerment.

Human Resource Management

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

Core Values

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

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

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

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

Risk Management

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

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

Industry Risk

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

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

External Risk

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

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

Regulatory Risk

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

Cash Flow and Liquidity

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

Corporate Social Responsibility

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

This year, our company has taken up on itself to make a meaningful contribution in the lives of underprivileged children by taking responsibility of their education. Education is a powerful tool for breaking the cycle of poverty and providing hope for a brighter future, unfortunately, many children in our community lack access to quality education due to financial constraints. Understanding the need, HUM Network has made a generous amount of donation in addition to committing a portion of each year's annual net profits for the education of underprivileged children. The donations made shall be utilized to support 15 schools in Karachi, adopted by Momina & Duraid Foundations to provide quality education to underprivileged children.

In 2022 our country suffered one of the worst devastations caused by floods during the extended monsoon seasons. Along with the tragic loss of human life which was reported to be over a thousand, the floods had swept away livestock, crops and infrastructure worth billions. HUM Network initiated a flood relief campaign 'HUMDard' in association with Momina & Duraid Foundation where we conducted a telethon on September 4, 2022 live from Karachi and Islamabad to raise funds and relief goods for the flood affected. The management and the employees of HNL also donated their one-day salaries for the relief efforts.

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

This year on Independence Day, HUM Network Limited launched a campaign HUMSE PAKISTAN, sharing a compelling message of optimism, cooperation and unity in overcoming challenges faced by our nation. This campaign aims to showcase the inspiring narratives of ordinary Pakistanis who have proactively initiated positive transformations within their communities.

Employee Training & Development

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

Status Of The Board During The Year

The term of Board expired on August 22, 2020 and fresh election was scheduled for August 2020. Since the number of eligible candidates were equal to the number of directors fixed for election, the Company made the announcement on August 13, 2020 under section 159(4) of the Companies Act, 2017. The aforesaid election of directors was questioned by the ineligible candidates. Consequently, the elected directors also filed a Suit. The Honorable Sindh High Court through Order dated: 21.08.2020 has directed the Company that the elections scheduled to be held on August 22, 2020 would be postponed and rescheduled subject to the final decision by the learned single Judge of CMA No. 6787 of 2020 in Suit No. 968/2020. The final decision of the court is still awaited.

However, upon clarification from the SECP and after placing said clarification on record with the Honorable High Court of Sindh, the Company proceeded with the previous Board to carry out its statutory functions till the final decision of the Honourable court and appointment of their successors.

Future Prospects & Challenges

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. We hope the expected elections will create a more stable and predictable economic environment for businesses and investors.

We also view that the future of the entertainment industry undeniably hinges on the transformative power of digital media and over-the-top (OTT) streaming services. These dynamic forces are reshaping the landscape, offering a tantalizing glimpse into what lies ahead. As industry leaders, we recognize the boundless potential and are unwaveringly focused on harnessing it for several compelling reasons.

Through HUM News we have an opportunity to evolve and thrive in the digital age by embracing innovation, upholding journalistic standards, and responding to the changing needs and preferences of our audiences. As long as we continue to provide credible, diverse, and engaging content, our future prospects remain positive.

In light of these circumstances, our company's management is diligently focusing on a multifaceted strategy. This includes diversifying our income sources, optimizing cost structures, enhancing operational efficiency, and ramping up our sales endeavors. The recent acquisition of Ten sports is a step towards achieving the diversification which presents an exciting opportunity for significant revenue growth. With the ever-increasing demand for sports content, we are optimistic that this strategic move positions us to tap into a thriving market.

Our immense pride in HUM Network's esteemed status as a premier entertainment provider, built through years of unwavering dedication and hard work, fuels our commitment. We are resolutely dedicated to delivering a premium entertainment experience that delights both our cherished viewers and valued stakeholders.

Credit Rating

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

Board Composition & Remuneration

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

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

Pattern Of Shareholding

Pattern of shareholding as on June 30, 2023 is annexed with the annual report.

Meeting Of The Directors

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

Attendance by each Director was as follows:

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

Auditors

The present auditors Messer EY Ford Rhodes Chartered Accountants shall retire and may be considered for re-appointment for the year 2023-24.

Corporate Governance And Financial Reporting Framework

- The financial statements, prepared by the management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- Key operating and financial data for the last six years is annexed.
- The value of investments of Provident Fund operated by the Company as at June 30, 2023 (unaudited) is Rs. 364,956,299 [June 30, 2022 - (audited): Rs. 274,277,068].
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.
- Outstanding taxes and levies are given in the Notes to the Financial Statement.
- Trading of shares by the Chief Executive Officer, Directors, Chief Financial Officer and Company Secretary, their spouse and minor children:

	Acquisition	Transfer
CEO -	-	-
Director – Ms. Sultana Siddique	8,000,000	-
CFO & Company Secretary	-	-
Spouses & Minor Children	-	-

Dividend And Appropriations

During the fiscal year ended June 30, 2023, the Company has not declared any cash dividend however bonus shares were issued in proportion of 2 shares for every 10 shares held.

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

September 25, 2023
Karachi



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

ڈائریکٹرز رپورٹ

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

مالیاتی کارکردگی:

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

ہم نیٹ ورک لیمنڈ				
مجموعی مالیاتی گوشوارے		غیر مجموعی مالیاتی گوشوارے		تفصیلات
۲۰۲۲ء	۲۰۲۳ء	۲۰۲۲ء	۲۰۲۳ء	
۶,۰۳۳,۹۶۴,۳۳۳	۷,۵۶۷,۸۶۳,۹۳۰	۶,۰۱۸,۹۶۹,۸۸۸	۶,۸۲۵,۵۸۶,۳۳۶	آپریٹرز سے آمدنی
۳۲,۰۳۱,۶۵۲	۳۸۸,۸۱۵,۷۰۳	۸۲,۹۳۶,۶۸۳	۶۲۱,۸۷۰,۳۳۳	دیگر آمدنی
۶,۰۶۶,۰۰۰,۰۰۰	۸,۰۵۶,۶۷۹,۶۳۳	۶,۱۰۱,۹۰۶,۵۷۱	۷,۴۴۷,۴۵۶,۶۷۰	مکمل آمدنی
(۵,۰۳۲,۰۳۳,۷۳۵)	(۵,۸۳۲,۱۹۷,۶۹۳)	(۳,۵۸۹,۰۶۶,۶۹۳)	(۵,۰۰۷,۶۳۹,۸۳۵)	مکمل اخراجات
۱,۰۳۳,۹۶۹,۳۳۹	۲,۲۳۵,۴۷۱,۹۳۷	۱,۵۱۲,۸۳۹,۸۷۸	۲,۴۳۹,۸۱۶,۸۳۳	قبل از ٹیکس منافع
(۱۵۱,۸۵۳,۶۹۳)	(۲۹۶,۷۱۵,۱۳۳)	(۱۵۰,۹۳۳,۸۶۵)	(۲۹۰,۵۷۸,۲۶۱)	محصولات
۱,۳۳۹,۱۰۵,۶۵۵	۱,۹۳۸,۷۵۶,۸۰۵	۱,۳۶۳,۹۰۵,۰۱۳	۲,۱۴۹,۲۳۸,۵۷۲	بعد از ٹیکس منافع
۱.۲۵	۱.۷۲	۱.۲۰	۱.۹	فی حصص آمدنی (نظر ثانی شدہ)

ترقی اور اپنی تفریحی خبروں اور حالات حاضرہ کو وسعت دینے کی کوششوں میں ہم اپنے قابل قدر اسٹیک ہولڈرز کی توقعات پر پورا اترنے کیلئے پرعزم ہیں۔ رواں سال ہمارے خالص منافع میں گزشتہ سال کے مقابلے میں 58 فیصد کا اضافہ ہوا جس کی وجہ سے آمدنی میں خاص طور پر ہم نیٹ ورک اور ڈیجیٹل میڈیا ٹیکس کی آمدنی میں اضافہ ہوا۔

مالی سال 2023 کے دوران، ہم نے اپنی حکمت عملی کے ذریعے اپنے موجودہ اور نئے دونوں منصوبوں میں خاطر خواہ سرمایہ کاری کی۔ اس حکمت عملی کی رہنمائی ہمارے وسیع نظریہ سے ظاہر ہوتی ہے، جو کہ موجودہ وقت میں ہماری پوزیشن کو مضبوط کرنے اور مستقبل کے مواقع کے امکانات کو بروئے کار لانے کے لیے پرعزم ہے۔

اہم سرگرمیاں:

ایچ این ایل بلاشبہ پاکستان کے معروف میڈیا نیٹ ورکس میں سے ایک ہے اور دو دہائی سے زائد عرصے سے بنیادی طور پر تفریح فراہم کرنے والا رہا ہے۔ ہم، ایک برانڈ کے طور پر، دنیا بھر میں فلموں، خبروں، ڈیجیٹل میڈیا، پرنٹ اور لائیو ٹیلی ویژن پر مشتمل اپنے متنوع مجموعہ اور وسیع ڈسٹری بیوشن پلیٹ فارمز کے ذریعے لاکھوں لوگوں کی زندگیوں میں پاکستان کے میڈیا کے معجزانہ سے بے مثال پذیرائی حاصل کر چکا ہے۔

ہمارا براڈ کاسٹنگ پورٹ فولیو ہمارے بین الاقوامی میٹرو کے علاوہ ہم نی وی، ہم نیوز، ہم ستارے، ہم مصالحت سمیت سٹیلاٹ چینلوں کی ایک صف کا حامل ہے، ہر ایک عالمی سطح پر ہمارے سامعین کے لیے اپنا دلکش کونٹینٹ پیش کرتا ہے۔ رواں سال سب سے زیادہ قابل ذکر تبدیلی میں لیمن اسپورٹس، ایک مشہور اسپورٹس چینل کی شمولیت شامل ہے، جو ہمارے کونٹینٹ اور پیکجنگ کی حد کو وسیع کرتے ہوئے ہمارے پورٹ فولیو کو مزید متنوع بناتی ہے۔

ان شاندار سنگلاخت جھنڈوں کے علاوہ، ایچ این ایل اپنے مختلف کاروباری شعبوں کو خاص اہمیت دیتا ہے، جن میں فلمیں، ڈیجیٹل میڈیا، اور پرنٹ میڈیا شامل ہیں۔ اس نقطہ نظر کا مقصد پیش کشوں کی ایک سنسنی خیز اور ہمیشہ تیار ہوتی ہوئی صف پیدا کرنا ہے۔

بیرونی ماحول:

ہماری کمپنی ایک متحرک اور انتہائی مسابقتی منظر نامے میں پروان چڑھتی ہے، جہاں جدت، مسلسل تبدیلی، اور وسائل کی تقسیم ہر کاروباری طبقے کے افراد کے درمیان نمایاں طور پر مختلف ہوتی ہے۔

ایڈورٹائزنگ انڈسٹری کا منظر نامہ مسلسل تبدیل رہا ہے، جس سے بڑے چیلنجز پیدا ہو رہے ہیں کیونکہ مشاہیرین اپنا سرمایہ کاری پر واپسی کو بہتر بنانے کے لیے تیزی سے استخراجی طریقے تلاش کر رہے ہیں۔ موجودہ مالیاتی طور پر مشکل ماحول میں، زیادہ تر ملٹی نیشنل کمپنیوں نے تندی سے اپنے اشتہارات کے بجٹ میں کمی کی ہے۔ بہر حال، ہمارا نیٹ ورک نہ صرف اس بڑھتے ہوئے مسابقتی میدان میں تشریف لے جانے کے لیے بلکہ اپنے مارکیٹ شیئر کو برقرار رکھنے کے لیے غیر معمولی طور پر اچھی پوزیشن میں ہے۔ یہ ہماری اسٹریٹجک مہارت اور موافقت کا ثبوت ہے۔

عملی کارکردگی:

موجودہ سال میں نیٹ ورک نے نئے کاروباری منصوبوں میں داخل ہو کر، ابھرتے ہوئے اقتصادی منظر نامے کے لیے اپنے نقطہ نظر کو اپناتے ہوئے، اور اس کے ساتھ ساتھ آپریشنل ریویو، ویور شپ، اور نیٹ ورک ریٹنگ پوائنٹس (ٹی آر پی) میں ترقی حاصل کر کے کامیابی سے نمایاں مقام حاصل کیا۔

ہم ٹی وی:

کئی سالوں سے، ہم ٹی وی تفریحی صنعت میں مسلسل ایک رہنما رہا ہے، جو باصلاحیت کاسٹ کے ذریعے جاندار دلکش کہانیاں تخلیق کرتا ہے جو شاندار تحریر، ہدایت کاری اور پرفارمنس کو مہارت کے ساتھ یکجا کرتی ہے۔ اس غیر متزلزل لگن نے ہمارے ناظرین کے ساتھ گہرا رابطہ قائم کیا ہے، انہیں دلکش کہانیوں کی جانب راغب کیا ہے جو عام افراد کو روٹیشن روزمرہ کے چیلنجوں پر روشنی ڈالتی ہے اور ہمارے دور کے اہم معاشرتی مسائل کو حل کرتی ہے۔

دوران سال، ہم ٹی وی نے ایک بار پھر ہمارے ناظرین کو پاکستانی ڈراموں، سوپ اور دل چسپ کہانیوں کی متنوع صف پیش کی ہے۔ قابل ذکر بات یہ ہے کہ کئی ڈراموں نے ٹی آر پی چارٹ پر طوفان برپا کیا، جن میں ”ہمسنی“، ”یونہی“، ”محبت گمشدہ میری“، ”بھوک سرکار“ اور ”فریب“ شامل ہیں۔ یہ تمام پرائم ٹائم سٹیشن بن چکے ہیں۔ ہم نفاست کے ساتھ، طاقت، سیاست اور انصاف کی کہانیوں پر روشنی ڈالتے ہوئے جھوٹ، مذہبی دوغلیہ پن، جاگیر داری، اور بنیادی اسٹریکچر کی خامیوں کو دور کرتا ہے۔

اس سال ہماری اسکرین پر سب سے زیادہ قابل ذکر اضافہ ”فری ٹیل“ کی دل گرفتہ میں بسنے والی کہانی تھی جس نے ہمارے سامعین کے دلوں کو اس حد تک موہ لیا کہ ہم نے دوسرے بیزن کے لیے کاسٹ کو واپس لانے کا فیصلہ کیا۔ یہ انتخاب اس شو کے گہرے اثرات کے ثبوت کے طور پر کام کرتا ہے جو اس کے سرشار مثبت اثرات پر پڑا ہے۔

ہم نیوز:

ایک ایسے دور میں جس میں وسیع پیمانے پر غلط معلومات پھیلی ہوئی ہوں، سچائی تک رسائی انتہائی اہم ہو جاتی ہے۔ ہم نیوز غیر جانبدارانہ اور حقائق پر مبنی خبریں فراہم کرنے کے اپنے غیر متزلزل عزم کی وجہ سے نیوز جھنڈوں کے اعلیٰ درجے پر پہنچ گیا ہے۔ ہم اعداد و شمار سے چلنے والی صحافت کو اس بات کی ضمانت دیتے ہیں کہ ہمارے سامعین درست اور اہم معلومات سے باخبر رہیں۔ ہمارے چینل نے، جو ناظرین کو تازہ ترین اور مناسب معلومات فراہم کرنے کے لیے وقف ہے، نے حال ہی میں انڈسٹری کے کچھ معزز اور معروف اینکر کی میزبانی میں نئے شو کی ایک لائن اپ متعارف کرائی ہے۔ یہ تجربہ کار صحافی اسکرین پر تجربے اور مہارت کا خزانہ لاتے ہیں، جو ناظرین کو موجودہ واقعات پر ایک تازہ نقطہ نظر اور اہم مسائل کا گہرائی سے تجزیہ فراہم کرتے ہیں۔

ہم ستارے:

چینل کو ایک باہر ڈیجیٹل کے طور پر رکھا گیا ہے جو ہائیڈ کے ساتھ ساتھ فارمیٹ پر مبنی تفریحی شو پیش کرتا ہے۔ جس میں کئی ڈرامے، سوپ اوپیراز، فیشن لائف اسٹائل شو، ٹاک شو اور انٹرنیشنل پروگرام پیش کئے گئے ہیں۔

ہم مصالحو:

رواں سال ہم مصالحو حقیقی طور پر گھرانوں کے لیے ایک پسندیدہ انتخاب بن گیا ہے، جو سامعین کو اپنے پسندیدہ مشہور شخصوں کے ساتھ مصحور کر رہا ہے اور مسلسل نئی پرجوش تخلیقات کی نمائش کر رہا ہے۔ رواں سال ہم مصالحو نے نئی ترکیبیں اور پیشہ ور شخصوں کے ساتھ ساتھ ہیلتھ کنسلٹنٹس کے ساتھ ساتھ کھانا پکانے اور معلوماتی شوز کی ایک رینج متعارف کروائی، جس سے چینل کو دنیا بھر میں لاکھوں لوگوں میں پسندیدہ بنا دیا گیا۔

پاکستان کا سب سے بڑا فیملی فینٹول "مصالحو فیملی فینٹول" کراچی اور لاہور میں منعقد کیا گیا جو ہم مصالحو کی ۱۶ ویں سالگرہ کو جنوبی ایشیا کے سب سے بڑے ۲۴ گھنٹے کھانا پکانے والے چینل کے طور پر منانے کیلئے مرکزی نقطہ کے طور پر کام کرتا ہے۔ اس فینٹول میں میڈیکل پرفارمنس، جاو اور کامیڈی سیکشنس، کھانا پکانے کے لائیو مظاہرے، ڈانس اور گانے کے مقابلے اور اپنے پسندیدہ مشہور شخصوں سے ملنے کا موقع شامل تھا۔

ٹین اسپورٹس:

ہم نیٹ ورک پورٹ فولیو میں تازہ ترین اضافہ ٹین اسپورٹس ہے جو ایونٹس کی ایک متنوع رینج پیش کرتا ہے، جو کہ توانائی کی حامل ٹیم کے مقابلوں سے لے کر انفرادی کھیلوں کے شوکیس تک پہنچے ہوئے ہیں، جو ہر کھیل کے شائقین کے لیے کچھ نہ کچھ نمائندہ دیتا ہے۔ ہم آپ کو آپ کے پسندیدہ ٹیمز کی کھیلوں کی شخصیات کے قریب لانے کے لیے پرجوش ہے، جو ان کے سفر میں بے مثال رسائی اور بصیرت پیش کرتے ہیں۔

ڈیجیٹل میڈیا ڈویژن:

ہم نیٹ ورک کے ڈیجیٹل میڈیا ڈویژن نے فیس بک، انسٹاگرام، ٹویٹر اور یوٹیوب سمیت تمام بڑے سوشل میڈیا پلیٹ فارمز پر اپنی موجودگی کو مسلسل برقرار رکھا ہے۔ یہ کمپنی کی انتہائی توجہ مرکوز اور کامیاب سوشل میڈیا حکمت عملی کا ثبوت ہے۔ ہم اپنے تمام ڈیجیٹل پارٹنرز کے ہمارے ایوارڈ شووز اور ڈراما سیریز کو اسپانسر کرنے کے لیے شکر گزار ہیں۔

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

رواں سال "فیری ٹیل" سب سے پسندیدہ شوز میں سے ایک کے طور پر ابھرا، جس نے سوشل میڈیا پلیٹ فارمز پر رجحانات اور ٹیکو کو فروغ دیا۔

ہم فلمز:

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

رواں سال ہم فلمز نے کئی بلاک بسٹرز فلمیں پیش کیں، جن میں "جان" بھی شامل ہے، جس نے کرائم ڈراموں میں ایک منفرد موڈ پیش کیا، اور عید پر ریلیز ہونے والی ہٹ ریلیز "مٹی بیک گارڈی" ایک مزاحیہ کامیڈی فلم ہے جو آپ کو بے ساختہ ہنسنے پر مجبور کرے گی۔ ایک اور قابل ذکر بلاک بسٹرز "تیری میری کہانیاں" نے قسمت، محبت اور انسانی رشتوں کی پیچیدگیوں کی کہانیوں کو مہارت سے جوڑا ہے۔

یہ فلمیں متعلقہ اور کنٹیکٹ کہانیاں شیئر کرنے کا ہمارا طریقہ ہیں، جو آپ کے سینما کے سفر پر انٹرفوش چھوڑیں گی۔

برائیل کو چرویک (بی سی ڈبلیو):

ہم برائیل کو چرویک جو 2010 سے ہر سال منعقد کیا جاتا ہے، ملک کا سب سے شاندار اور اعلیٰ پروفائل برائیل ایونٹ ہے۔ اس ایونٹ کے کنکیشن نے شائقین کو خوبصورتی، انداز، اور خالص لباس کی خوبصورتی کی دنیا میں اپنے دلکش امبرائیڈری ہینگوں اور بڑی محنت سے بنائی ہوئی شیروائی کے ساتھ گھیر لیا۔

فیشن سے محبت کرنے والے تمام شائقین کے لیے حوصلہ افزائی کی تلاش میں، ہم برائیل کو چرویک ایک بے مثال تجربہ پیش کرتا ہے جس میں متعدد برانڈز کے لیے ریپ پر چلنے والی مشہور شخصیات کی گلیمز لائن اپ ہے۔

ہم اسٹائل ایوارڈز:

ستمبر ۲۰۲۲ء کے مہینے میں ۸۰ ویں ہم ایوارڈز کے دوران ایک شاندار تقریب منعقد کی گئی جس میں ۲۰۲۱-۲۰۲۲ء کے دوران موسیقی، فیشن اور ہم ٹیلی ویژن ڈراموں کے دلکش دائرے میں بہترین کارکردگی کا جشن منایا گیا۔ ستاروں سے بچے اس ایونٹ نے کینیڈا میں بین الاقوامی سطح پر اپنی جگہ بنائی اور اسے دسمبر ۲۰۲۲ء میں ہم ٹی وی پر نشر کیا گیا، جس نے اپنے جاوے سے دنیا بھر کے سامعین کو مسحور کر دیا۔

لیکن گلبر شام کا واحد مرکز نہیں تھا۔ کارپوریٹ سماجی ذمہ داری (سی ایس آر) کے دل کو چھونے والے ڈسپلے میں، ایوارڈز سے ٹکٹ کی آمدنی کا ایک حصہ ۲۰۲۲ء میں پاکستان کے سیلاب کے متاثرین کی مدد کے لیے وقف کیا گیا تھا۔ اس سے ظاہر ہوا کہ فن اور تفریح کا اثر زندگیوں پر اتنا بڑا ہوسکتا ہے اور ایک مثبت تبدیلی پیدا کرسکتا ہے۔

ہم وومین لیڈرز ایوارڈز:

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

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

ہیومن ریسورس مینجمنٹ:

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

بنیادی اقدار:

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

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

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

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

خطرات کی انتظامیہ:

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

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

انڈسٹری کا خطرہ:

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

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

بیرونی خطرہ:

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

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

ریگولیشنری خطرہ:

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

کیش فلوا اور لیکویڈیٹی:

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

کارپوریٹ معاشرتی ذمہ داری:

بورڈ کارپوریٹ سماجی ذمہ داری (سی ایس آر) اور کمپنی کی روزمرہ کی کاروباری سرگرمیوں میں بہتر سماجی طریقوں کے انضمام کے لیے پرعزم ہے۔

اس سال، ہماری کمپنی نے پسماندہ بچوں کی تعلیم کی ذمہ داری لے کر ان کی زندگیوں میں باہمی حصہ ڈالنے کا بیڑا اٹھایا ہے۔ غربت کو ختم کرنے اور روشن مستقبل کی امید فراہم کرنے کیلئے تعلیم ایک طاقتور ذریعہ ہے، بد قسمتی سے ہماری کینوٹی میں بہت سے بچے مالی مجبوریوں کی وجہ سے معیاری تعلیم تک رسائی سے محروم ہیں۔ اس ضرورت کو سمجھتے ہوئے، ہم نیٹ ورک نے ہر سال کے سالانہ خالص منافع کا ایک حصہ پسماندہ بچوں کی تعلیم میں دینے کے علاوہ عطیہ دیا ہے۔ دیے گئے عطیات کو کراچی کے ۱۱۵ اسکولوں کی مدد کے لیے استعمال کیا جائے گا، جنہیں سومن اور وید فاؤنڈیشن نے پسماندہ بچوں کو معیاری تعلیم فراہم کرنے کے لیے اپنایا ہے۔

سال ۲۰۲۳ء میں ہمارے ملک کو مومن سون کے طویل مومنوں کے دوران سیلاب کی وجہ سے ہونے والی بدترین تباہی کا سامنا کرنا پڑا۔ ایک ہزار سے زائد انسانی جانوں کے المناک نقصان کے ساتھ ساتھ سیلاب سیلاب اربوں مالیت کے مویشیوں، فصلوں اور انفراسٹرکچر کو بہالے گیا۔ ہم نیٹ ورک نے سومن اینڈ وید فاؤنڈیشن کے ساتھ مل کر سیلاب ریلیف مہم ”ہم در“ شروع کی جہاں ہم نے ۲۰ ستمبر ۲۰۲۳ء کو کراچی اور اسلام آباد سے براہ راست ایک ٹیلی فون کا انعقاد کیا تاکہ سیلاب سے متاثرہ افراد کو لیے فنڈز اور امدادی سامان اکٹھا کیا جاسکے۔ ایچ این ایل کی انتظامیہ اور ملازمین نے بھی اپنی ایک دن کی تنخواہ امدادی سرگرمیوں کے لیے عطیہ کی ہے۔

اس سال یوم آزادی پر، ہم نیٹ ورک لمیٹڈ نے ”ہم سے پاکستان“ مہم کا آغاز کیا، جس میں ہماری قوم کو درپیش چیلنجوں پر قابو پانے کے لیے امید، تعاون اور اتحاد کا ایک زبردست پیغام دیا گیا۔ اس مہم کا مقصد عام پاکستانیوں کی متاثر کن داستانوں کو ظاہر کرنا ہے جنہوں نے اپنی برادریوں میں مثبت تبدیلیوں کا آغاز کیا ہے۔

ملازمین کی تربیت اور ترقی:

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

دوران سال بورڈ کا اسٹیٹس:

بورڈ کی میعاد ۲۲ اگست ۲۰۲۰ کو ختم ہوئی اور نئے انتخابات اگست ۲۰۲۰ میں ہونے لگے۔ چونکہ اہل امیدواروں کی تعداد انتخابات کے لیے مقرر کردہ ڈائریکٹرز کی تعداد کے برابر تھی، لہذا کمپنی نے کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۱۵۹(۳) کے تحت مورچہ ۱۳ اگست ۲۰۲۰ کو نئے انتخابات کرانے کا اعلان کیا۔ اہل امیدواروں کی جانب سے ڈائریکٹرز کے مذکورہ انتخاب پر سوال اٹھایا گیا۔ چنانچہ منتخب ڈائریکٹرز نے بھی مقدمہ دائر کیا۔ معزز مندرجہ ذیل کیورٹ نے آرڈر مورچہ ۲۱/۸/۲۰۲۰ء کے ذریعے کمپنی کو ہدایت کی کہ مقدمہ نمبر ۹۶۸/۲۰۲۰ میں منگل جج کی سی ایم اے نمبر ۲۰۲۰/۶۷۸۷ء کے حتمی فیصلے کے تحت ۲۲ اگست ۲۰۲۰ کو ہونے والے انتخابات ملتوی اور شیڈول کیے جائیں۔ عدالت کے حتمی فیصلے کا انتظار ہے۔

تاہم، ایس ای سی پی کی جانب سے وضاحت کے بعد اور مذکورہ وضاحت کو محترم بانی کورٹ آف مندرجہ پاس ریکارڈ پر رکھنے کے بعد، کمپنی نے اپنے قانونی امور انجام دینے کے لیے سابقہ بورڈ کے ساتھ کارروائی کی۔

مستقبل کی حکمت عملی اور چیلنجز:

سیاسی عدم استحکام اور معاشی بدحالی پاکستان کی اقتصادی ترقی کو مسلسل متاثر کر رہی ہے۔ مزید برآں، آمدات میں کمی، ادائیگیوں کے توازن کا بحران، اور گرتی ہوئی شرح مبادلہ نے غیر ملکی سرمایہ کاری کو روکا ہے اور اسے مقامی کاروباروں کے لیے کام کرنا مشکل بنا دیا ہے۔ ہم توقع کرتے ہیں کہ آنے والے انتخابات کاروباروں اور سرمایہ کاروں کے لیے زیادہ مستحکم اور پیش قیاسی معاشی ماحول کا باعث بنیں۔ ہم یہ بھی تسلیم کرتے ہیں کہ تفریحی انڈسٹری کا مستقبل بلاشبہ ڈیجیٹل میڈیا اور اوروری ٹاپ (اوٹی ٹی) سٹریمنگ سروسز کے تہدلی کے اثر و رسوخ پر منحصر ہے۔ یہ متحرک حوالہ زمین کی ترمیم کو نئی شکل دے رہے ہیں، جو مستقبل میں ایک دلکش جھلک فراہم کر رہے ہیں۔ صنعت کے رہنما کے طور پر، ہم لامحدود مصلحتوں کو تسلیم کرتے ہیں اور مختلف مجبور و جوہات کی بناء پر اس کو بروئے کار لانے کے لیے ثابت قدم رہتے ہیں۔

ہم نیٹ ورک کے ذریعے، جدت اور صفائی دیانت کو برقرار رکھتے ہوئے اور اپنے ناظرین کی ابھرتی ہوئی ضروریات اور ترجیحات کے مطابق ڈھال کر ڈیجیٹل دور میں اپنانے اور پھیلنے پھولنے کا موقع ہے۔ جب تک ہم مستقل طور پر قابل اعتماد، متنوع اور دلکش مواد فراہم کرتے ہیں، ہمارے مستقبل کے امکانات امید افزا رہیں گے۔

ان حالات کے پیش نظر، ہماری کمپنی کی انتظامیہ تبدیلی سے کثیر جیتی حکمت عملی پر عمل پیرا ہے۔ اس حکمت عملی میں ہماری آمدنی کے ذرائع کو متنوع بنانا، ہماری لاگتی اسٹریٹجی کو ہموار کرنا، آپریشنل کارکردگی کو بہتر بنانا، اور ہماری فروخت کی کوششوں کو وسیع کرنا شامل ہے۔ ٹین اسپورٹس کا حالیہ حصول تنوع کے حصول کی جانب ایک اہم قدم ہے، جو کہ آمدنی میں خاطر خواہ اضافے کا ایک دلچسپ موقع فراہم کرے گا۔ کمپنیوں کے کوئٹنٹ کی مسلسل بروہتی ہوئی مانگ کے ساتھ، ہم پر امید ہیں کہ یہ اسٹریٹجک اقدام میں ایک فروغ پزیر مارکیٹ میں داخل ہونے کا موقع فراہم کرے گا۔

ایک اعلیٰ درجے کے تفریحی فراہم کنندہ کے طور پر ہم نیٹ ورک کے معزز مقام پر ہمارا اگرا فخر، جو کہ سالوں کی ثابت قدمی اور استحکام محنت سے بنا ہے، ہمارے عزم کو آگے بڑھا رہا ہے۔ ہم ایک بہترین تفریحی تجربہ فراہم کرنے کے لیے پرعزم ہیں جو ہمارے پسندیدہ ناظرین اور قابل قدر اسٹیک ہولڈرز دونوں کے لیے خوشی کا باعث ہے۔

کرڈیٹ کی ریٹنگ:

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

بورڈ کی تشکیل اور معاوضے:

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

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

شیئر ہولڈنگ کا پیٹرن:

۳۰ جون ۲۰۲۳ء تک شیئر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹرز کی میٹنگ:

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

ہر ڈائریکٹرز کی شرکت درج ذیل ہے:

ڈائریکٹرز کے نام	بورڈ آف ڈائریکٹرز کی شرکت	آڈٹ کمیٹی کی شرکت	ہیومن ریسورس اور ریویژن کمیٹی
جناب مظہر الحق صدیقی	۴	-	-
مس سلطانہ صدیقی	۲	-	۱
جناب سہیل انصاری	۳	۳	۲
مسز منجیا اکبر راشدی	۴	۳	۲
جناب شہین قریشی	۱	۱	-
محترمہ خوش بخت جماعت	۴	-	-
ایڈیٹ جنرل (ریٹائرڈ) آصف یاسین ملک	۴	۳	-
جناب ورید قریشی	۴	-	-
محمد ایوب یونس آدمی	۳	-	-

آڈیٹرز:

موجودہ آڈیٹرز میسرز ای وائی فور ڈی موڈرز چارٹرزڈ اکاؤنٹنٹس جو کہ ریٹائر ہوئے ہیں ممکن ہے کہ اس سال ۲۰۲۳-۲۰۲۴ء کے لئے ان کا دوبارہ تقرر کیا جائے۔

نظم و ضبط اور مالیاتی رپورٹنگ کا فریم ورک:

- ☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، کیش فلوا اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- ☆ کمپنی کے کھاتے مناسب طریقہ سے رکھے جا رہے ہیں۔
- ☆ مناسب اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ اکاؤنٹنگ کے انداز سے ماہرانہ اور نصف سالانہ فیصلوں پر مبنی ہوتے ہیں۔
- ☆ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔
- ☆ انٹرنل کنٹرول کے نظام مضبوط ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ☆ آنے والے سالوں میں کمپنی کی کاروباری تسلسل پر کوئی قابل ذکر ٹھکوک و شبہات نہیں ہیں۔

- ☆ نظم و نسق کے حوالے سے کمپنی میں کارپوریٹ گورننس کو مکمل طور پر نافذ کیا ہے جو کہ اسٹینڈرڈ ریگولیشن میں درج ہے اور اس سے کوئی انحراف نہیں کیا گیا ہے۔
- ☆ ڈیویڈنڈ اور دیگر چارجز کے اکاؤنٹ پر کوئی ادائیگی واجب الادا نہیں ہے جو کہ مالیاتی سال سے متعلق ہے۔
- ☆ ذریعہ جائزہ مدت کے دوران بورڈ آف ڈائریکٹرز کی دو میٹنگز منعقد ہوئیں۔
- ☆ چیف ایگزیکٹو آفیسر، ڈائریکٹرز، چیف فنانشل آفیسر اور کمپنی سیکریٹری، ان کی جگہات اور بچوں کی شیئرز میں تجارت درج ذیل ہے:

رُاسفہ	حصول	
		چیف ایگزیکٹو آفیسر
	Ac*****	ڈائریکٹر۔ محترمہ سلطانہ صدیقی
		سی ایف او کمپنی سیکریٹری
		جگہات اور بچے

ڈویڈنڈ اور مناسبت:

۳۰ جون ۲۰۲۳ء کو ختم ہونے والے مالی سال کے دوران، کمپنی نے کسی بھی کیش ڈیویڈنڈ کا اعلان نہیں کیا تاہم ہر ۱۰ شیئرز کے لیے ۲ شیئرز کے تناسب سے بونس شیئرز جاری کیے گئے۔

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

بورڈ آف ڈائریکٹرز کی جانب سے

سورجہ ۲۵ ستمبر ۲۰۲۳ء
کراچی



مظہر الحسن صدیقی
چیئرمین ڈائریکٹرز



وریڈر تریٹی
چیف ایگزیکٹو آفیسر

Report Of The Directors On Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to submit the Annual Consolidated Financial Statements along with the Auditor's Report thereon for the year ended June 30, 2023.

The consolidated financial statements comprise of group companies consisting of;

Company	Region	Relationship	Shareholding %
Skyline Publications (Private) Limited	Pakistan	Subsidiary	100%
HUM TV Inc.	Pakistan	Subsidiary	100%
HUM Network FZ LLC	Dubai	Subsidiary	100%
HUM Network UK Limited	United Kingdom	Subsidiary	100%
HUM Co. (Private) Limited	Pakistan	Subsidiary	100%
HUM Mart (Private) Limited	Pakistan	Subsidiary	70%
Tower Sports (Private) Limited	Pakistan	Subsidiary	100%

For the financial year ended June 30, 2023 the group recorded revenue of Rs. 7,568 million (June 30, 2022: Rs. 6,545 million) and profit after tax of Rs. 1,918 million (June 30, 2022: Rs. 1,395 million). The results translate into earnings per share of Rs. 1.72 (FY 2022 – restated: Rs. 1.25).

The Directors' Report on HUM Network Limited for the year ended June 30, 2023 has been separately presented in the annual report.

On behalf of the Board of Directors,

September 25, 2023
Karachi



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

مجموعی مالیاتی گوشواروں پر ڈائریکٹرز کی رپورٹ

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

گروپ درج ذیل پر مشتمل ہے:

کمپنی	خطہ	رشتہ	شیرت ہولڈنگ فیصد
اسکائی لائن ہینگیٹھنز (پرائیویٹ) لمیٹڈ	پاکستان	ذیلی ادارہ	۱۰۰ فیصد
ہم نی وی انکارپوریشن	پاکستان	ذیلی ادارہ	۱۰۰ فیصد
ہم نیٹ ورک ایف زیڈ ایل ایل سی	دہلی	ذیلی ادارہ	۱۰۰ فیصد
ہم نیٹ ورک پوکے لمیٹڈ	یونائیٹڈ کنگڈم	ذیلی ادارہ	۱۰۰ فیصد
ہم نیٹ (پرائیویٹ) لمیٹڈ	پاکستان	ذیلی ادارہ	۱۰۰ فیصد
ہم مارٹ (پرائیویٹ) لمیٹڈ	پاکستان	ذیلی ادارہ	۷۰ فیصد
ٹاور اسپورٹس (پرائیویٹ) لمیٹڈ	پاکستان	ذیلی ادارہ	۱۰۰ فیصد

مالیاتی سال ۲۰۲۳ء میں گروپ نے مبلغ ۱،۵۶۸ ملین روپے منافع (۳۰ جون ۲۰۲۲ء: ۶،۵۳۵ ملین روپے) اور بعد از ٹیکس مبلغ ۱،۹۱۸ ملین روپے (۳۰ جون ۲۰۲۲ء: ۱،۳۹۵ ملین روپے) منافع حاصل کیا۔ یہ نتائج آمدنی ۷۲-۱ روپے فی شیئر (مالیاتی سال ۲۰۲۲ء: ۲۵-۱ روپے) کے تحت ترتیب دیئے گئے ہیں۔

ہم نیٹ ورک لمیٹڈ پر مالیاتی سال ۲۰۲۳ء کی ڈائریکٹرز رپورٹ سالانہ رپورٹ میں ملاحظہ سے پیش کی گئی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

مورخہ ۲۵ ستمبر ۲۰۲۳ء
کراچی



مظہر الحق صدیقی
چیئر مین و ڈائریکٹر



دوید قریشی
چیف ایگزیکٹو آفیسر

Code of ethics & business practices

1. Introduction

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

2. Build Trust and Credibility

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

3. Compliance with the Law

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

4. Confidential and Proprietary Information

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

- 4.5 It is important that we respect the proprietary rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

5. Use of Company Resources/Property

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

6. Create a Culture of Open and Honest Communication

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

7. Gifts and Entertainment

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

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

- 7.3 Members who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions

that create the appearance of favoritism or that may adversely affect the Company's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a vendor when Company is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain Company business.

8. Public Officials

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

9. Political Contributions

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

10. Personal Gain

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

11. Conflicts of Interest

- 11.1 Members should avoid situations in which their personal interests conflict or might conflict with their responsibilities towards the Company. All such conflicts must be fully disclosed to the employee's superior or in the case of directors, to the audit committee of the Board of directors.
- 11.2 Members should seek to avoid acquiring any interest or participation in any activities that would tend to:
 - a. Deprive the Company of the time or attention required to perform their duties properly; or
 - b. Create an obligation or distraction which would affect their judgment or ability to act solely in the Company's best interest.
- 11.3 All members are required to disclose in writing to their supervisors or to the Audit Committee of the Board of Directors all business, commercial or financial interests or activities where such interests or activities might reasonably be regarded as creating an actual or potential conflict with their duties to the Company. Every employee of the Company who is charged with executive, managerial or supervisory responsibility and every Director is required to see that actions taken and decision made within his/her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of the Company.
- 11.4 If personal financial benefit is improperly gained by an employee or director, directly or indirectly, or through a spouse or child or a relative sharing the same residence as the employee or director, as a result of his / her employment or position with the Company or by the use or misuse of the Company's property or of information that is confidential to the Company's business, then the employee or director must account to the Company for any benefit received. Member must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstance demand that it be examined. Not only actual conflicts of interest but the very appearance of conflict should be avoided.

- 11.5 Determining whether a conflict of interest exists is not always easy to do. Member with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department/ Company's Legal Counsel/Audit Committee.

12. Inside Information

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

13. Client Information and Advice

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

14. Authorization and Recording of Transactions and safekeeping of Assets

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

15. Discrimination-Free Work Environment

- 15.1 The policy of the Company is to provide a working environment free of discrimination and harassment in which individuals are accorded equality of employment opportunity based upon merit and ability.
- 15.2 Discriminatory practices based on race, sex, color, national or ethnic origin, religion, marital status, family status, age or disability will not be tolerated. Members are entitled to freedom from sexual and all other forms of personal harassment in the work place.

- 15.3 It is not a discriminatory practice to make a distinction between persons based on bona fide occupational requirements. Since bona fide occupational requirements are narrowly defined, such distinctions should not be undertaken without first obtaining express authorization.

16 Competition and Trade Practice Standards

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

17 Accountability

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

18. Standards of Conduct

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

Whistle-Blowing Policy

1. Purpose

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

2. Policy

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

3. Requirement of policy

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

4. On what should one blow the whistle

What is reportable misconduct?

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

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

Reportable conduct falls into the following categories:

4.1 Illegal or unlawful conduct

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

4.2 Un-procedural conduct

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

4.3 Unethical conduct

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

4.4 Wasteful conduct

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

5. Whistle-blower protection

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

6. Whistle-blowing procedures

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

Designated Persons (DPs)

The

- Company secretary, and
- Head of Internal Audit

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

Access to the Designated Person

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

Medium of Reporting

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

Follow up Procedure

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

THIS PAGE IS INTENTIONALLY LEFT BLANK

UNCONSOLIDATED FINANCIAL STATEMENTS



Building a better
working world

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

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of HUM Network Limited (the Company), which comprise the unconsolidated statement of financial position as at 30 June 2023, and the unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of the profit, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key Audit Matters:

Key audit matters	How the matter was addressed in our audit
1. Net realizable value of television program costs	
<p>As of the year end, the balance of television program costs amounted to Rs. 483,447,376 (30 June 2022: 425,690,238) which represents unamortized cost of completed television programs and television programs in production.</p> <p>As per the accounting policy of the Company, television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis.</p> <p>Allocation of television program costs over several accounting periods based on estimates of revenue involve significant judgement of the management which may have a significant impact on the unconsolidated financial statements. For this reason, we have identified this area as key audit matter.</p> <p>Refer notes 3.4, 8 and 23 to the unconsolidated financial statements.</p>	<p>Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Company.</p> <p>In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including:</p> <ul style="list-style-type: none"> • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; • rates used by the Company and its fluctuation based on the trend analysis; and • we also considered subsequent events which may have an impact on unamortized cost. <p>We also evaluated whether adequate disclosures have been made in the accompanying unconsolidated financial statements in accordance with the applicable financial reporting standards.</p>
2. Revenue recognition	
<p>Refer note 3.20 and 22 to the accompanying unconsolidated financial statements)</p> <p>The Company earns revenue from a variety of sources among the different business areas of which 96% pertains to revenue from advertisements and subscriptions.</p> <p>As reported in the explanatory notes, revenues from advertisement are recognized at the time of the appearance of the advertisement and subscription income is recognized in the month in which service is rendered.</p> <p>We concluded that this area constitutes a key audit matter for the Company considering the significance of the amount, it being a key performance indicator and also the increase of 8% and 29% in advertisement and subscription income as compared to the prior year respectively.</p>	<p>We obtained an understanding of the Company's processes in place for revenue recognition and tested key controls over each significant revenue stream.</p> <p>We inspected a sample of contracts to check that revenue recognition was in accordance with the contract terms and the Company's revenue recognition policies.</p> <p>We performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognised in the appropriate accounting period.</p> <p>We assessed the adequacy of the Company's disclosures in accordance with the applicable financial reporting standards.</p>

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

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

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

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

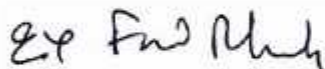
From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

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

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

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



EY Ford Rhodes
Chartered Accountant
Place: Karachi
Date: September 27, 2023
UDIN Number: AR202310120q4NU6hF9f

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022 -----
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,402,053,549	1,205,184,777
Intangible assets	5	2,966,208	10,102,023
Long-term investments	6	338,898,481	188,898,481
Long-term deposits and prepayments	7	30,327,428	31,967,331
Television program costs	8	397,617,518	335,343,019
Deferred tax asset	9	131,016,868	188,969,133
		2,302,880,052	1,960,464,764
CURRENT ASSETS			
Inventories		16,715,587	16,627,261
Current portion of television program costs	8	85,829,858	90,347,219
Trade debts	10	2,688,381,940	2,239,728,745
Short-term investments	11	589,143,291	1,127,212,684
Advances	12	154,575,629	108,662,128
Trade deposits and short-term prepayments	13	28,904,298	25,160,453
Other receivables	14	1,742,173,997	166,202,807
Taxation – net		202,602,801	236,500,979
Cash and bank balances	15	447,796,769	833,498,560
		5,956,124,170	4,843,940,836
TOTAL ASSETS		8,259,004,222	6,804,405,600
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Rs.1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital	16	1,134,000,000	945,000,000
Unappropriated profit		6,111,864,380	4,151,625,806
		7,245,864,380	5,096,625,806
NON-CURRENT LIABILITIES			
Long-term lease liabilities	17	55,234,536	72,676,898
Long-term financing	18	31,250,000	78,125,021
		86,484,536	150,801,919
CURRENT LIABILITIES			
Trade and other payables	20	814,018,597	1,217,983,143
Advance from customers		26,724,620	14,579,805
Accrued mark-up		218,809	4,296,850
Unclaimed dividend		6,153,603	6,153,631
Unpaid dividend		1,374,738	2,299,787
Current portion of deferred income - Government grant	19	-	478,147
Current portion of long-term lease liabilities	17	15,664,939	16,372,569
Current portion of long-term financing	18	62,500,000	294,813,943
		926,655,306	1,556,977,875
CONTINGENCIES AND COMMITMENTS	21		
TOTAL EQUITY AND LIABILITIES		8,259,004,222	6,804,405,600

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022 -----
Revenue	22	6,825,586,346	6,018,969,888
Cost of production	23	(3,540,102,628)	(3,454,551,987)
Transmission cost		(126,696,002)	(100,165,940)
		(3,666,798,630)	(3,554,717,927)
Gross profit		3,158,787,716	2,464,251,961
Distribution costs	24	(409,427,716)	(349,265,091)
Administrative expenses	25	(885,354,383)	(583,616,663)
Other income	26	621,870,324	84,936,683
Other expenses	27	-	(28,112,800)
Operating profit		2,485,875,941	1,588,194,090
Finance costs	28	(46,059,106)	(73,354,212)
Profit before taxation		2,439,816,835	1,514,839,878
Taxation	29	(290,578,261)	(150,934,865)
Profit for the year		2,149,238,574	1,363,905,013
Earnings per share – basic and diluted (Rupee)	30	1.90	(Restated) 1.20

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	----- Rupees -----	
Profit after taxation	2,149,238,574	1,363,905,013
Other comprehensive income	-	-
Total comprehensive income for the year	<u><u>2,149,238,574</u></u>	<u><u>1,363,905,013</u></u>

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2023

	Issued, subscribed and paid-up capital	Revenue Reserve	
		Unappropriated profit	Total
	-----Rupees-----		
Balance as at June 30, 2021	945,000,000	3,118,470,793	4,063,470,793
Profit for the year	-	1,363,905,013	1,363,905,013
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,363,905,013	1,363,905,013
Interim cash dividend for the quarter ended March 31, 2022 @ Re.0.35 per share	-	(330,750,000)	(330,750,000)
Balance as at June 30, 2022	945,000,000	4,151,625,806	5,096,625,806
Profit for the year	-	2,149,238,574	2,149,238,574
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,149,238,574	2,149,238,574
Issue of bonus shares @ 20%	189,000,000	(189,000,000)	-
Balance as at June 30, 2023	1,134,000,000	6,111,864,380	7,245,864,380

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	31	3,029,002	2,091,176,319
Taxes paid		(198,727,818)	(243,184,625)
Finance costs paid		(39,141,385)	(77,150,055)
Profit received on deposit accounts	26	56,453,532	28,038,991
Long-term deposits	7	1,639,903	(846,776)
Television program costs	8	(62,274,499)	16,720,993
Net cash (used in) generated from operating activities		(239,021,265)	1,814,754,847
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure	4.1	(314,570,888)	(90,559,873)
Short-term investments - net	11	558,408,963	(705,809,061)
Long-term investment	6	(150,000,000)	-
Dividend received	26	58,931,534	23,451,856
Proceeds from disposal of operating fixed assets	4.4	4,922,839	18,071,921
Net cash generated / (used in) from investing activities		157,692,448	(754,845,157)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(925,077)	(328,450,231)
Lease rentals paid	17	(24,258,933)	(25,726,988)
Long-term financing – net	18	(279,188,964)	(228,061,496)
Net cash used in financing activities		(304,372,974)	(582,238,715)
Net increase in cash and cash equivalents		(385,701,791)	477,670,975
Cash and cash equivalents at the beginning of the year		833,498,560	355,827,585
Cash and cash equivalents at the end of the year		447,796,769	833,498,560

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

1 THE COMPANY AND ITS OPERATIONS

- 1.1 HUM Network Limited (the Company) was incorporated in Pakistan as a public limited company on 25 February 2004 under the repealed Companies Ordinance, 1984 (the Ordinance) now Companies Act, 2017. The shares of the Company are quoted on Pakistan Stock Exchange.
- 1.2 The Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage and news. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, current affairs, education, health, food, music and society.

1.3 Geographical location and address of business units

Registered office	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
City offices – Karachi	Alfalah Court, I.I Chundrigar Road
City office – Islamabad	2A, I&T center, sector G-6/1
City office – Lahore	House # 58, R-24, Masson Road
City office – Peshawar	Plot No. 7-A, 29 The Mall, Peshawar Cantonment
City office – Quetta	House # 3, Phase II, Shahbaz town
City office – Multan	Ghous-e-Azam Road, Bismillah Colony

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Accounting convention

- 2.2.1 These unconsolidated financial statements have been prepared under the historical cost convention except otherwise specifically stated.
- 2.2.2 These unconsolidated financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.3.1 Standards, interpretations and amendments applicable to these unconsolidated financial statements

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these financial statements.

Amendments to approved accounting standards

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)

The adoption of the above amendments to the accounting standards did not have any material effect on the Company's financial statements.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

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
IFRS 16	Leases: Lease incentives

The adoption of the above amendments to the approved accounting standards did not have any material effect on the Company's financial statements.

2.3.2 Amendment or Improvement

		Effective dates
IFRS 17	Insurance Contracts (Amendments)	1-Jan-2023
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	1-Jan-2023
IAS 8	Definition of Accounting Estimates (Amendments)	1-Jan-2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single	1-Jan-2023
IAS 12	International Tax Reform – Pillar Two Model Rules (Amendments)	1-Jan-2023
IAS 1	Classification of Liabilities as Current or Non-current and Non-curre	1-Jan-2024
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments)	1-Jan-2024
IAS 7 / IFRS 7	Disclosures: Supplier Finance Arrangements (Amendments)	1-Jan-2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Assoc (Amendments)	Not yet finalised

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standard		IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRSs	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

2.4 Significant accounting judgments, estimates and assumptions

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

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

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

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

Property, plant and equipment and intangible assets

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

Investment in subsidiaries

The Company value its investment in subsidiaries at cost less impairment, if any. The Company determines whether objective evidence of impairment exists for individual investments. The determination of fair value of unquoted subsidiaries involves inherent subjectivity, key assumptions (such as future cash flow forecasts, discount and growth rates and volatility), and estimation relation to valuation inputs and techniques. Any change in these assumptions and estimates may have significant impact on the fair value of investments with corresponding impact in statement of profit or loss.

Television program costs

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

Income taxes

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

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

Impairment of financial assets

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

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's financial assets exposed to credit risk is disclosed in note 35.5.

Contingencies

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

Leases- Estimating the incremental borrowing rate

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

Leases- Determination of the lease term for lease contracts with extension and termination options

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

3.1.1 Operating fixed assets

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

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

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

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

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

3.1.2 Right-of-use assets

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

3.1.3 Capital work-in-progress

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

3.2 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in statement of profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of profit or loss when the asset is derecognised.

3.3 Investments in subsidiaries

Subsidiary is a entity over which the Company has control. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Generally, there is presumption that a majority of voting rights result in control. In assessing control, potential voting rights that are currently exercisable are taken into account.

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

3.4 Television program costs

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

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

3.5 Inventories

These are valued on weighted average cost basis and are stated at the lower of cost and NRV.

3.6 Financial instruments

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

i) Financial assets

Initial recognition and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- (a) at amortised cost
- (b) at fair value through profit or loss (FVTPL); and
- (c) at fair value through other comprehensive income (FVTOCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

(a) At amortised cost

A financial asset is measured at amortised if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) At fair value through profit or loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(c) At fair value through other comprehensive income

A debt instrument is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through profit or loss

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

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

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

These assets are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses (equity instruments)

These assets are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's unconsolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

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

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. Exchange gain or losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.7 Offsetting of financial instruments

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

3.8 Advance from customers (Contract Liability)

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

3.9 Impairment of non-financial assets

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

3.10 Deposits, advances, prepayments and other receivables excluding financial assets

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.11 Current versus non-current classification

The Company presents assets and liabilities in the unconsolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.12 Taxation

Current

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

Deferred

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

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

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

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

3.13 Cash and cash equivalents

These are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances.

3.14 Share capital and reserves

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Reserves comprise of unappropriated profit.

3.15 Leases

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

3.15.1 Company as a lessee

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

i) Lease liabilities

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

ii) Determination of the lease term for lease contracts with extension and termination options

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

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

iii) Estimating the incremental borrowing rate

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

iv) Short-term leases

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

3.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently carried at amortized cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the statement of financial position date.

3.17 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. As the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

3.18 Unclaimed and unpaid dividend

Dividend declared by the Company, in the preceding three years, which remains unclaimed or unpaid as on the statement of financial position date is recognised as unpaid dividend. Dividend declared and payable prior to the preceding three years from the statement of financial position date are recognised as unclaimed dividend.

3.19 Provisions

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

3.20 Revenue recognition

Advertising revenues are recognised at a point in time when the related advertisement or commercial appears before public i.e. aired.

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

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

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

Film distribution revenue is recognised at a point in time upon receipt of related sales reports from cinemas.

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

3.21 Other income

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

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

Interest / markup income is recognised on accrual basis.

Other revenues are accounted for on an accrual basis.

3.22 Sales tax

Revenues, expenses and assets are recognised, net off amount of sales tax except:

- where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- receivables or payables that are stated with the amount of sales tax; and
- the net amount of sales tax recoverable from, or payable to, the taxation authorities is included as part of receivables or payables in the unconsolidated statement of financial position.

3.23 Expenses

Expenses are recorded when incurred based on the accrual basis of accounting. Distribution costs and administrative expenses include direct and indirect costs not specifically part of cost of production. Allocations between cost of production, distribution and administrative expenses, when required, are made on a consistent basis.

3.24 Donations

Donations are recorded as an expense when they are approved by the Board of Directors or actually paid, whichever is earlier.

3.25 Staff retirement benefits

Defined contribution plan

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

3.26 Foreign currency translations and translations

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

3.27 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are capitalized as a part of the cost of related asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3.28 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

3.29 Contingencies

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

3.30 Earnings per share

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

3.31 Segment Reporting

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

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2023 ----- Rupees -----	2022
Operating fixed assets	4.1	1,149,193,211	1,019,504,819
Right of use assets	4.5	51,984,192	78,765,338
Capital work-in-progress	4.6	200,876,146	106,914,620
		<u>1,402,053,549</u>	<u>1,205,184,777</u>

4.1 Operating fixed assets

	Cost			Accumulated depreciation			Book value as at	Depreciation Rate
	As at	Additions / Transfers from ROUA** / (disposals)	As at	As at	Charge / transfers from ROUA** / (disposals) for the year	As at		
	July 01, 2022	/ transfers	June 30, 2023	July 01, 2022		June 30, 2023		
Rupees								
Owned								
Leasehold land *	794,147,376	-	794,147,376	76,125,307	16,237,667	94,363,174	699,784,202	2.04 - 2.13
Building on leasehold land	109,890,511	-	109,890,511	66,784,366	7,696,963	74,301,351	35,490,160	10
Leasehold improvements	190,489,515	-	190,489,515	185,983,418	2,794,076	188,777,494	1,712,021	33
Furniture and fittings	49,148,817	6,397,137 (267,100)	55,268,854	27,314,940	4,502,344 (129,097)	31,688,187	23,580,667	10
Vehicles	115,891,083	147,090,350 5,358,108 (5,601,322)	262,738,219	60,391,683	15,021,074 3,750,676 (3,958,648)	75,194,585	187,543,634	25-33
Audio visual equipment	583,301,119	23,716,217 (2,641,618)	604,375,718	476,991,902	14,176,578 (2,241,233)	488,921,247	110,454,471	25
Uplinking equipment	74,856,750	- (3,200,000)	71,656,750	53,089,945	3,195,028 (1,446,000)	54,754,873	16,901,766	10
Office equipment	122,526,177	6,264,216 (610,900)	128,271,493	89,264,995	12,298,511 (618,900)	100,944,806	27,326,587	15
Computers	194,962,394	36,888,259 (1,453,286)	230,397,367	177,862,354	12,541,737 (1,397,405)	189,006,684	41,390,683	33
	2,235,313,751	220,340,179 5,358,108 (13,782,226)	2,447,235,812	1,215,808,932	88,278,478 3,750,676 (9,795,484)	1,298,042,801	1,149,193,211	
Note 4.4								
Rupees								
	Cost			Accumulated depreciation			Book value as at	Depreciation Rate
	As at	Additions / transfers from ROUA** / (disposals)	As at	As at	Charge / transfers from ROUA** / (disposals) for the year	As at		
	July 01, 2021	/ transfers	June 30, 2022	July 01, 2021		June 30, 2022		
Rupees								
Owned								
Leasehold land *	794,147,376	-	794,147,376	61,867,440	16,237,667	76,125,307	716,022,069	2.04 - 2.13
Building on leasehold land *	109,890,511	-	109,890,511	59,177,426	7,696,963	66,784,366	43,106,123	10
Leasehold improvements	190,489,515	-	190,489,515	181,156,116	4,826,300	185,983,418	4,506,097	33
Furniture and fittings	40,059,637	9,089,180	49,148,817	23,320,111	3,994,829	27,314,940	21,833,677	10
Vehicles	74,207,446	41,673,349 23,750,732 (23,740,444)	116,891,083	54,122,554	6,306,961 13,291,852 (13,329,684)	60,391,683	56,499,400	25-33
Audio visual equipment	567,243,353	16,940,518 (882,752)	583,301,119	404,829,146	72,540,656 (577,000)	476,991,902	106,309,217	25
Uplinking equipment	77,306,750	- (2,450,000)	74,856,750	50,347,400	3,687,766 (845,250)	53,089,945	21,766,814	10
Office equipment	115,444,317	8,611,621 (1,429,761)	122,526,177	79,142,255	12,552,471 (1,429,761)	80,264,995	39,361,182	15
Computers	182,259,805	14,245,205 (1,533,616)	194,962,394	170,890,680	8,423,743 (1,452,069)	177,862,354	17,100,040	33
	2,151,039,719	80,558,673 33,750,732 (30,036,523)	2,225,313,751	1,063,672,188	136,479,566 13,291,852 (17,634,664)	1,215,808,932	1,016,504,819	

* Includes asset under common ownership under Diminishing Musharaka arrangement.

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

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

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

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

	Note	2023 ----- Rupees -----	2022 -----
Cost of production	23	41,617,894	99,939,954
Distribution costs	24	8,213,258	3,085,345
Administrative expenses	25	38,447,326	33,454,257
		<u>88,278,478</u>	<u>136,479,556</u>

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

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Modes of Disposals	Particulars of Buyer
Uplinking equipment							
	3,200,000	1,440,000	1,760,000	1,200,000	(560,000)	Insurance	Adamjee Insurance
Vehicles						As per Company Policy	Mr. Irfan Younus; Employee Mr. Omer Nasir; Employee
	2,786,200	1,950,340	835,860	1,088,100	252,240		
	2,571,908	1,800,336	771,572	878,100	106,528		
Items having book value of less than Rs. 500,000						Negotiation	Various
	5,224,118	4,604,808	619,310	1,756,839	1,137,329		
2023	<u>13,782,226</u>	<u>9,795,484</u>	<u>3,986,742</u>	<u>4,922,839</u>	<u>936,097</u>		
2022	<u>30,036,573</u>	<u>17,634,664</u>	<u>12,401,909</u>	<u>18,071,921</u>	<u>5,670,012</u>		

4.5 Right of use assets

	Note	2023 ----- Rupees -----	2022 -----
Opening net book value		78,765,338	109,028,621
Additions in lease liabilities		1,638,463	13,426,784
Change due to modification		(6,262,102)	29,196,604
Termination of lease		-	(37,329,117)
Transfer to operating fixed assets- book value		(1,607,432)	(10,458,880)
Less: Depreciation charge for the year	4.5.2 & 4.5.3	(20,550,075)	(25,098,674)
Closing net book value	4.5.1	<u>51,984,192</u>	<u>78,765,338</u>
As at June 30			
Cost		153,666,550	164,772,957
Accumulated depreciation		(101,682,358)	(86,007,619)
Net book value		<u>51,984,192</u>	<u>78,765,338</u>

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

Land and building	41,343,324	64,189,159
Vehicles	10,640,868	14,576,179
	<u>51,984,192</u>	<u>78,765,338</u>

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

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
Cost of production	23	15,605,265	14,203,948
Distribution costs	24	883,609	2,464,115
Administrative expenses	25	4,061,201	8,430,611
		<u>20,550,075</u>	<u>25,098,674</u>

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

	2023 ----- Rupees -----	2022 ----- Rupees -----
Land and building	16,540,141	18,787,176
Vehicles	4,009,934	6,311,498
	<u>20,550,075</u>	<u>25,098,674</u>

4.6 Capital work-in-progress

	2023 ----- Rupees -----	2022 ----- Rupees -----
Leasehold land	162,327,930	106,914,620
Leasehold Improvements	38,548,216	-
	<u>200,876,146</u>	<u>106,914,620</u>

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

	2023 ----- Rupees -----	2022 ----- Rupees -----
Balance at beginning of the year	106,914,620	87,420,469
Additions during the year	93,961,526	19,494,151
Balance at end of the year	<u>200,876,146</u>	<u>106,914,620</u>

5 INTANGIBLE ASSETS

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

	Cost			Accumulated amortisation			Book value as at June 30, 2022	Amortisation rate % per annum
	As at July 01, 2021	Additions	As at June 30, 2022	As at July 01, 2021	For the year	As at June 30, 2022		
Computer softwares	58,466,118	-	58,466,118	45,200,680	6,248,809	51,449,489	7,016,629	20 – 33
License fee	10,500,000	-	10,500,000	9,752,274	282,326	10,034,600	465,400	6.67
Trade mark	33,883,500	-	33,883,500	27,889,122	3,374,384	31,263,506	2,619,994	20
	<u>102,849,618</u>	<u>-</u>	<u>102,849,618</u>	<u>82,842,076</u>	<u>9,905,519</u>	<u>92,747,595</u>	<u>10,102,023</u>	

5.1 Amortisation for the year has been allocated as follows:

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
Cost of production	23	6,271,976	8,745,980
Administrative expenses	25	863,839	1,159,539
		<u>7,135,815</u>	<u>9,905,519</u>

6 LONG-TERM INVESTMENTS – unquoted subsidiaries

	Country of incorporation	Holding / Note	2023	2022
			----- Rupees -----	
HUM TV, Inc	United States of America	100%		
10,000 Common stock at \$ 0.01 (\$ 100)			8,603	8,603
Advance for future issue of shares (\$ 200,000)			18,716,750	18,716,750
			18,725,353	18,725,353
HUM Network UK Ltd	United Kingdom	100%		
553,677 Ordinary Share of 1 GBP (GBP 553,677)			95,923,751	95,923,751
Sky Line Publication (Private) Limited	Pakistan	100%		
3,999,997 Ordinary Shares of Rs. 10 each			39,999,970	39,999,970
Provision for impairment		6.1	(39,999,970)	(39,999,970)
			-	-
HUM Network FZ LLC	United Arab Emirates	100%		
2,400 Ordinary Shares of AED 1000 each (AED 2,400,000)			69,802,371	69,802,371
Advance for future issue of shares (AED 175,431)			4,446,966	4,446,966
			74,249,337	74,249,337
HUMM Co. (Private) Limited	Pakistan	100%		
4 ordinary shares of Rs. 10 each			40	40
HUM Mart (Private) Limited	Pakistan	70%		
14,000,000 ordinary shares of Rs. 10 each			140,000,000	140,000,000
Provision for impairment			(140,000,000)	(140,000,000)
			-	-
Tower Sports (Private) Limited		6.2	150,000,000	-
20,100 ordinary shares of Rs. 7462.69 each				
			338,898,481	188,898,481

- 6.1** The Company owns 100% shareholding of Sky Line Publication (Private) Limited (Skyline) as at 30 June 2023 (2022: 100%). The principle business of the subsidiary is publishing a monthly English magazine and production and sales of documentary films. In the current year, Skyline earned a profit after tax amounting to Rs. 2,261,941 (2022: Rs. 2,249,511). Skyline has accumulated loss amounting to Rs. 82,852,521 (2022: Rs. 85,114,462). Since Skyline was not historically generating sufficient cashflows and profits and there was no recoverability of investment in the foreseeable future, the management decided to impair the full cost of investment in the year 2020.
- 6.2** During the year, the Company acquired 100% shareholding of Tower Sports (Private) Limited i.e. 20,100 ordinary shares having face value of Rs. 1,000 each, issued at Rs. 7,462.69 each, at a cost of Rs. 150 million. Resultantly, Tower Sports (Private) Limited became a subsidiary of the Company effective 01 May 2023. Tower Sports (Private) Limited is engaged in the business of providing specialised sports services which include but not limited to production, sales, marketing and distribution of sports media content.

7 LONG-TERM DEPOSITS AND PREPAYMENTS

	2023	2022
	----- Rupees -----	
Security deposits		
- Rent	7,177,767	7,608,234
- Trade	15,975,435	15,975,435
- Others	5,069,149	4,173,504
	28,222,351	27,757,173
Prepayments		
- Software development fee	2,105,077	4,210,158
	30,327,428	31,967,331

	Note	2023	2022
		Rupees	
8 TELEVISION PROGRAM COSTS			
Unreleased / released less amortisation In production		432,619,726 <u>50,827,650</u>	390,229,988 <u>35,460,250</u>
		483,447,376	425,690,238
Less: Current portion		<u>(85,829,858)</u>	<u>(90,347,219)</u>
		<u>397,617,518</u>	<u>335,343,019</u>
9 DEFERRED TAX ASSET			
Taxable temporary differences arising in respect of:			
Unrealised exchange gain		(2,896,908)	-
Deductible temporary differences arising in respect of:			
Provisions		123,957,122	124,773,647
Long-term lease liabilities - net		7,376,946	3,393,763
Unrealised loss on short-term investments - net		915,112	11,929,618
Accelerated tax depreciation and amortisation		1,664,596	48,872,105
		<u>133,913,776</u>	<u>188,969,133</u>
		<u>131,016,868</u>	<u>188,969,133</u>
10 TRADE DEBTS – unsecured			
Considered good		2,688,381,940	2,239,728,745
Considered doubtful		36,221,115	88,966,632
	10.4 & 10.5	2,724,603,055	2,328,695,377
Less: Allowance for ECL	10.1	<u>(36,221,115)</u>	<u>(88,966,632)</u>
		<u>2,688,381,940</u>	<u>2,239,728,745</u>
10.1 Allowance for ECL			
Balance at the beginning of the year		88,966,632	60,853,832
Provision recognised during the year		-	28,112,800
Reversal during the year		<u>(52,745,517)</u>	
Balance at the end of the year		<u>36,221,115</u>	<u>88,966,632</u>
10.2 Particulars of receivable from foreign jurisdictions:			
United Kingdom		108,772,218	82,345,421
United States of America		128,184,991	198,439,879
		<u>236,957,209</u>	<u>280,785,300</u>

These receivables are on contract basis and there are no defaulting parties as of June 30, 2023 and June 30, 2022.

	Note	2023	2022
		Rupees	
10.3	Include amount receivable from the following related parties:		
	HUM TV inc.	128,184,991	97,234,456
	HUM Network UK Limited	<u>108,772,218</u>	<u>82,345,421</u>
		<u>236,957,209</u>	<u>179,579,877</u>
10.4	The aging of trade debts from other than related parties is as follows:		
	Neither past due nor impaired	2,124,111,656	1,649,492,868
	Past due but not impaired		
	- 01 to 30 days	116,852,035	241,089,350
	- 31 to 60 days	43,268,747	98,746,187
	- Over 60 days	203,413,408	159,787,095
		<u>2,487,645,846</u>	<u>2,149,115,500</u>
10.5	The aging of trade debts from related parties is as follows:		
	Neither past due nor impaired	-	-
	Past due but not impaired		
	- 01 to 30 days	-	-
	- 31 to 60 days	-	-
	- Over 60 days	-	-
		<u>236,957,209</u>	<u>179,579,877</u>
		<u>236,957,209</u>	<u>179,579,877</u>

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

	2023	2022
Note	----- Rupees -----	-----
HUM TV Inc.	128,184,991	97,234,456
HUM Network UK Limited	108,772,218	91,011,857
	<u>236,957,209</u>	<u>188,246,313</u>
11 SHORT-TERM INVESTMENTS		
At fair value through profit or loss		
Term Finance Certificates (TFCs)		
U Microfinance Bank Limited		
8,400 TFCs having face value of Rs.2,496 each (Fair Value: 1.008669) (2022: 8,400 TFCs having face value of Rs.4,991 each, Fair Value: 1.082586)	11.1 21,148,158	45,386,768
Mutual Funds		
AKD Opportunity Fund		
542,247 units (2022: 771,787) having NAV of Rs. 88.8353 (2022: Rs. 100.9845) per unit	48,170,691	77,938,517
AKD Islamic Income Fund		
99,961 units having NAV of Rs. 50.8934 (2022: Rs. 51.0601) per unit	5,087,356	3,153,100
AKD Golden Arrow Stock Fund		
3,000,838 units (2022: 7,369,230) having NAV of Rs. 12.0312 (2022: Rs. 13.4231) per unit	46,931,759	98,917,914
NBP Money Market Fund		
2,972,935 units (2022: 2,599,042) having NAV of Rs. 9.9797 (2022: Rs. 9.9311) per unit	29,668,997	25,811,342
UBL Liquidity Plus Fund		
228,544 units (2022: 199,646) having NAV of Rs. 101.18638 (2022: Rs. 101.0881) per unit	23,125,569	20,181,785
Faysal Cash Fund		
Nil units (2022: 2,017,449) having NAV of Rs. 101.5897 (2022: Rs. 100.1818) per unit	-	202,111,633
Alfalah Islamic Capital Preservation Plan 4 Class A		
8 units (2022: Nil) having NAV of Rs. 100.5236 (2022: 99.7612) per unit	849	-
Alfalah GHP Money Market Fund		
1,320,747 units (2022: 1,016,550) having NAV of Rs. 98.6615 (2022: Rs. 98.3719) per unit	130,306,874	100,000,000
MCB Pakistan Cash Management Fund		
2,086,618 units (2022: 408,421) having NAV of Rs. 50.3835 (2022: Rs. 50.4678) per unit	105,131,135	20,662,596
MCB Pakistan Cash Management Optimizer		
Nil units (2022: 987,169) having NAV of Rs. 101.6316 (2022: Rs. 101.2998) per unit	-	100,000,000
HBL Financial Sector Income Fund Plan I		
Nil units (2022: 4,098,057) having NAV of Rs. 101.112 (2022: Rs. 100.0454) per unit	-	409,991,800
HBL Cash Fund		
1,004,202 units (2022: Nil) having NAV of Rs. 102.1648 (2022: 101.2227) per unit	102,594,119	-
ABL Cash Fund		
2,316,350 units (2022: 2,023,967) having NAV of Rs. 10.2287 (2022: Rs. 10.2015) per unit	23,693,247	20,647,500
Askari High Yield Scheme		
512,983 (2022: 23,286) having NAV of Rs. 103.872 (2022:103.4798) per unit	53,284,537	2,400,729
	<u>589,143,291</u>	<u>1,127,212,684</u>
11.1 These carry interest ranging from 18.73% to 20.32% (2022: 11% to 14.96%) per annum.		
12 ADVANCES		
- Unsecured, considered good		
Interest free advances to:		
- Producers	12.1 98,094,079	84,183,888
- Suppliers	49,164,845	19,161,090
	<u>147,258,924</u>	<u>103,344,978</u>
- Secured		
Interest free advances to:		
- Employees	7,316,705	5,317,150
	<u>154,575,629</u>	<u>108,662,128</u>
12.1 The aging of advances to related parties is as follows:		
Neither past due nor impaired	29,108,714	-
Past due but not impaired	-	-
- 01 to 30 days	-	-
- 31 to 60 days	-	-
- Over 60 days	-	-
	<u>29,108,714</u>	<u>-</u>
13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS		
Deposits		
- Rent	1,364,500	514,500
Prepayments		
- Insurance	22,596,139	16,739,046
- Rent	2,711,983	66,923
- Other	2,231,676	7,839,882
	<u>27,539,798</u>	<u>24,645,953</u>
	<u>28,904,298</u>	<u>25,160,453</u>

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
14 OTHER RECEIVABLES – considered good			
Sales tax receivable	14.1	129,835,895	124,140,222
Due from related parties	14.2	1,659,654,904	98,916,587
Others		10,288,417	751,217
		<u>1,799,779,216</u>	<u>223,808,026</u>
Provision for impairment	14.5	<u>(57,605,219)</u>	<u>(57,605,219)</u>
		<u>1,742,173,997</u>	<u>166,202,807</u>

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

	2023 ----- Rupees -----	2022 ----- Rupees -----
14.2 Due from related parties		
HUM NETWORK FZ LLC	1,538,255,996	-
HUM TV, Inc.	56,339,751	38,943,913
HUM Mart (Private) Limited	-	1,320,991
Sky Line Publications (Private) Limited	65,059,157	58,651,683
	<u>1,659,654,904</u>	<u>98,916,587</u>

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

Neither past due nor impaired	1,601,003,221	40,264,904
Past due but not impaired		
- 60 to 90 days	-	-
- over 90 days	58,651,683	58,651,683
	<u>1,659,654,904</u>	<u>98,916,587</u>

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

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
HUM TV, Inc.		56,339,751	38,943,913
HUM Mart (Private) Limited		-	1,320,991
Skyline Publications (Private) Limited		65,059,157	58,651,683
HUM NETWORK FZ LLC		1,538,255,996	-
		<u>1,659,654,904</u>	<u>98,916,587</u>

- 14.5** Provision for impairment

Balance at the beginning of the year	(57,605,219)	(57,605,219)
Provision made during the year	-	-
Balance at the end of the year	<u>(57,605,219)</u>	<u>(57,605,219)</u>

15 CASH AND BANK BALANCES

Cash in hand		883,126	561,806
Cash at banks			
- in current accounts		128,796,622	126,555,158
- in deposit accounts	15.1	318,117,021	706,381,596
		<u>446,913,643</u>	<u>832,936,754</u>
		<u>447,796,769</u>	<u>833,498,560</u>

- 15.1** These carry profit at the rates ranging from 12.5% to 19.75% per annum (2022: 5.5% to 12.85%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2023 (Number of shares)	2022		2023 ----- Rupees -----	2022 -----
		Ordinary shares of Rs. 1/- each		
500,000,000	500,000,000	Fully paid in cash	500,000,000	500,000,000
634,000,000	445,000,000	Issued as fully paid bonus shares	634,000,000	445,000,000
<u>1,134,000,000</u>	<u>945,000,000</u>		<u>1,134,000,000</u>	<u>945,000,000</u>

16.1 Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

16.2 Bonus shares issued to directors of the Company are 96,657,902 shares (2022 : Nil).

17 LONG-TERM LEASE LIABILITIES

	2023 ----- Rupees -----	2022 -----
Opening balance	89,049,467	121,616,252
Additions during the year	1,375,281	13,943,510
Change due to termination	-	(49,463,171)
Change due to modification	(6,262,102)	22,469,102
Mark up on lease liabilities	10,995,762	14,287,879
Less: Lease rentals paid	(24,258,933)	(33,804,105)
Closing balance	<u>70,899,475</u>	<u>89,049,467</u>
Less: Current portion of long-term lease liabilities	<u>(15,664,939)</u>	<u>(16,372,569)</u>
Long-term lease liabilities	<u>55,234,536</u>	<u>72,676,898</u>

17.1 Includes lease finance facility entered into by the Company with commercial banks for vehicles amounting to Rs.115,000,000 (2022: Rs.115,000,000) out of which Rs.109,752,920 (2022: Rs.105,285,279) remains unutilized at period end.

18 LONG-TERM FINANCING - secured

	Note	2023 ----- Rupees -----	2022 -----
Islamic banks			
Diminshing Musharaka - I	18.1	-	128,853,318
Diminshing Musharaka - II	18.2	-	69,975,325
Diminshing Musharaka - III	18.3	93,750,000	125,000,000
Salary Refinance Loan	18.4	-	49,110,321
		<u>93,750,000</u>	<u>372,938,964</u>
Less: current maturity		<u>(62,500,000)</u>	<u>(294,813,943)</u>
		<u>31,250,000</u>	<u>78,125,021</u>

18.1 Represents Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% (June 2022: 6 months KIBOR plus 1%) per annum. The financing has been fully repaid by 24 May 2023 in 48 equal monthly instalments commencing after a grace period of 12 months from the date of first disbursement i.e. from June 2018. The loan was secured by way of registered mortgage over the building on leasehold land.

18.2 Represents Diminishing Musharaka carrying profit at the rate of 6 months KIBOR plus 1% (June 2022: 6 months KIBOR plus 1%) per annum. The financing is repayable in 48 equal monthly instalments commencing after a grace period of 18 months from the date of first disbursement i.e. December 2017. In 2020, the Company has availed the principal deferment facility for LTFF offered by the SBP through BPRD circular no. 13 of 2020 to dampen adverse effects of the COVID-19 and to provide relief to the businesses. Financing is secured by way of Equitable Mortgage over registered office, first pari passu constructive mortgage charge over land and first hypothecation charge over plant, machinery & equipment. The loan has been fully repaid during the year.

18.3 Represents Diminishing Musharaka facility secured during the last year carrying profit at the rate of 6 months KIBOR plus 1% (June 2022: 6 months KIBOR plus 1%) per annum. The financing is repayable in 8 equal quarterly instalments commencing after a grace period of 12 months from the date of disbursement i.e. December 2021. Financing is secured by way of Equitable Mortgage over registered office, first hypothecation charge over plant, machinery & equipment, first pari passu charge over receivables of the company and first pari passu charge by way of constructive mortgage charge over Islamabad office.

18.4 Represents long-term financing of Rs. 200 million obtained from an Islamic bank in June 2020 under the refinance scheme for the payment of wages and salaries as per the State Bank of Pakistan (SBP) guidelines. The loan carries an interest rate of SBP rate + 3%. However, the loan has been recognised at its present value using the effective interest rates applicable at the drawdown dates. The loan was scheduled to be repaid in 8 equal quarterly installments, commencing from January 2021. The differential markup has been recognised as a government grant, which will be amortized as interest income over the loan period. The facility is secured by a registered equitable mortgage on land and property, with a 30% margin. The loan has been fully repaid during the year.

	2023	2022
	----- Rupees -----	-----
19 Deferred Income - Government grant		
Opening balance	478,147	5,056,265
Received during the year	-	-
Released to the statement of profit or loss	(478,147)	(4,578,118)
Closing balance	-	478,147
Less: Current portion	-	(478,147)
Non-current portion	-	-

19.1 Government grant has been recorded pursuant to a salary refinance scheme introduced by the State Bank of Pakistan (IH&SMEFD Circular Nos. 07 & 14) to provide loan to businesses at concessional rates to finance salary expense during the COVID-19 outbreak. The grant has been provided to the Company as a reimbursement of average wages and salaries' bill for the months of April, May and June 2020 subject to Company's undertaking that no employees be laid off due to cash flow limitations, for a period of three months between April 01, 2020 to June 30, 2020.

	2023	2022
	----- Rupees -----	-----
20 TRADE AND OTHER PAYABLES		
Creditors	362,775,566	838,147,526
Accrued liabilities	388,661,167	292,720,290
Due to related party - HUM Network FZ LLC	-	27,215,492
Withholding tax payable	17,196,303	22,224,940
Payable to provident fund	-	1,031,524
Others	45,385,561	36,643,371
	<u>814,018,597</u>	<u>1,217,983,143</u>

20.1 Includes amount payable to the following related parties:

M.D Production (Private) Limited	-	392,304,729
----------------------------------	---	-------------

20.2 Includes donation amounting to Rs. 56,135,292/ accrued on the basis of Board's approval which will be paid to Momina and Duraid Foundation.

20.3 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

21.1.1 For tax related matters, refer note 29 to these unconsolidated financial statements.

21.2 Commitments

- 21.2.1** Purchase of television programs commitments with M.D Production (Private) Limited - a related party as at June 30, 2023 amounted to Rs. 258,962,000 (June 30 2022: Rs. 204,378,000). Commitment for purchase of television programs with other than related parties as at June 30, 2023 amounted to Rs. 41,215,500 (June 30, 2022: Rs. 48,902,000).

	Note	2023 ----- Rupees	2022 -----
22 REVENUE – net			
Advertisement revenue		4,844,229,306	4,480,516,784
Production revenue		221,648,886	126,691,090
Digital revenue		80,643,000	108,992,303
Subscription income		1,677,339,186	1,297,020,232
Film distribution revenue		1,725,968	5,749,479
	22.1 & 22.2	<u>6,825,586,346</u>	<u>6,018,969,888</u>
22.1 Revenue is net off the following items:			
Sales tax		722,681,112	671,884,784
Discount to customers		598,870,841	498,649,987
		<u>1,321,551,953</u>	<u>1,170,534,771</u>
22.2 Represents revenue from the following geographical regions:			
Asia		5,172,962,977	4,776,231,297
America		1,652,623,369	1,242,738,591
		<u>6,825,586,346</u>	<u>6,018,969,888</u>
23 COST OF PRODUCTION			
Cost of outsourced programs		1,854,864,608	1,717,633,741
Cost of in-house programs		311,230,418	227,538,028
Cost of inventory consumed		2,000,487	1,178,980
Salaries and benefits	23.1	1,075,741,256	851,372,089
Technical advisory fee	23.2	54,751,500	47,610,000
Depreciation	4.3 & 4.5.2	57,223,159	114,143,902
Travelling and conveyance		138,335,274	77,707,529
Utilities		14,869,487	14,312,520
Rent, rates and taxes		305,538	1,105,049
Insurance		27,315,856	26,069,116
Repair and maintenance		26,034,116	47,245,595
Fee and subscription	23.3	4,514,981	266,575,475
Communication		21,765,697	18,672,793
Security charges		438,350	180,200
Amortisation	5.1	6,271,976	8,745,980
Consultancy		1,188,586	5,886,311
Printing and stationery		1,008,477	1,815,106
		<u>3,597,859,766</u>	<u>3,427,792,414</u>
In production television programs – opening		35,460,250	22,282,250
In production television programs - closing		(50,827,650)	(35,460,250)
		<u>3,582,492,366</u>	<u>3,414,614,414</u>
Released / unreleased programs - opening		390,229,988	430,167,561
Released / unreleased programs - closing		(432,619,726)	(390,229,988)
		<u>3,540,102,628</u>	<u>3,454,551,987</u>
23.1 Includes Rs. 29,765,982 (2022: Rs. 25,213,478) in respect of staff retirement benefits.			
23.2 Represents fee paid to a Director for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors of the Company.			
23.3 Includes Rs. Nil (2022: Rs. 230,350,586) in respect of fees for managing the digital subscriptions of the Company.			

24	DISTRIBUTION COSTS	Note	2023	2022
			Rupees	
	Advertisement and promotion		179,032,049	161,676,181
	Salaries and benefits	24.1	180,243,903	154,710,507
	Traveling and conveyance		28,139,827	15,195,322
	Rent, rates and taxes		532,297	120,225
	Utilities		2,890,633	3,313,001
	Depreciation	4.3 & 4.5.2	9,096,867	5,549,460
	Communication		674,255	677,368
	Insurance		3,688,871	2,717,912
	Repair and maintenance		2,461,343	2,360,689
	Fees and subscription		1,120,873	2,585,055
	Printing and stationery		1,546,798	358,371
			<u>409,427,716</u>	<u>349,265,091</u>
24.1	This include Rs. 7,869,125 (2022: Rs. 6,462,264) in respect of staff retirement benefits.			
25	ADMINISTRATIVE EXPENSES			
	Salaries and benefits	25.1	475,677,349	343,388,335
	Depreciation	4.3 & 4.5.2	42,508,527	41,894,869
	Amortisation	5.1	863,839	1,159,539
	Repair and maintenance		53,463,407	44,104,271
	Communication		7,262,392	7,749,443
	Traveling and conveyance		66,565,849	30,057,434
	Fee and subscription		13,579,225	25,286,082
	Utilities		47,703,555	33,995,048
	Legal and professional charges		28,071,062	17,829,906
	Printing, stationery and periodicals		11,145,315	9,609,492
	Rent, rates and taxes		9,061,102	9,090,315
	Insurance		7,457,795	5,674,372
	Auditors' remuneration	25.2	6,480,533	4,974,321
	Security charges		9,284,141	8,213,236
	Donations	25.3 & 25.4	106,230,292	600,000
			<u>885,354,383</u>	<u>583,616,663</u>
25.1	Include Rs. 7,030,043 (2022: Rs. 5,712,115) in respect of staff retirement benefits.			
25.2	Auditors' remuneration			
	Audit fee		2,187,000	1,687,500
	Fee for consolidated financial statements		801,900	618,750
	Fee for half yearly review		656,100	506,250
	Tax and other assurance services		2,200,000	1,757,667
	Out of pocket expenses		635,533	404,154
			<u>6,480,533</u>	<u>4,974,321</u>
25.3	Donation to following parties exceeds 10% of the Company's total donations or Rs. 1 million, whichever is higher:			
	Dhoraji Youth Services Foundation		75,000	100,000
	Sindh Graduates Association		500,000	500,000
	Momina and Duraid Foundation		105,655,292	-
			<u>106,230,292</u>	<u>600,000</u>
25.4	Recipients of donations do not include any donee in which any director or his spouse had any interest except for donation paid to Momina and Duraid Foundation. Following directors of the Company are also trustees of the said trust:			
	- Mr. Duraid Qureshi			
	- Ms. Sultana Siddiqui			
26	OTHER INCOME		2023	2022
			Rupees	
	Income from financial assets - net			
	Profit on deposit accounts	15.1	56,453,532	28,038,991
	Exchange gain - net		293,418,632	49,373,257
	Dividend income		58,931,534	23,451,856
	Interest / markup income		7,126,948	6,568,439
	Government grant	19	478,147	4,578,119
	Unrealised loss on revaluation of investments		(7,320,895)	(49,819,679)
	Gain / (loss) on redemption / sale of investments		27,660,465	(31,191,855)
			<u>436,748,363</u>	<u>30,999,128</u>
	Income from non financial assets			
	Gain on disposal of operating fixed assets	4.4	936,097	5,670,012
	Gain on termination of right of use asset		-	12,134,055
	Reversal of ECL		52,745,517	-
	Reversal of liabilities - no longer payable		98,671,515	-
	Sale of content and festival revenue		32,768,832	36,133,488
			<u>185,121,961</u>	<u>53,837,555</u>
			<u>621,870,324</u>	<u>84,936,683</u>

	2023	2022
	----- Rupees -----	
27 OTHER EXPENSES		
Allowance for ECL	-	28,112,800
28 FINANCE COSTS		
Mark-up on long-term financing	34,506,149	49,626,966
Mark-up on short-term borrowings	98,402	8,090,625
Finance lease charges	10,995,762	14,287,879
Bank charges	458,793	1,348,742
	46,059,106	73,354,212
29 TAXATION		
Current	229,073,182	219,949,554
Deferred	57,952,265	(67,537,087)
Prior	3,552,814	(1,477,602)
	290,578,261	150,934,865
Relationship between tax expense and accounting profit		
Profit before taxation	2,439,816,835	1,514,839,878
Tax at the applicable rates	707,546,882	439,303,565
Tax effects of:		
Tax at reduced rate on dividend income	(10,607,676)	(4,221,334)
Income subject to final tax regime	(514,021,552)	(415,030,747)
Tax effect of super tax	65,747,467	26,457,707
Prior year tax charge reversal	3,552,814	(1,477,602)
Others	38,360,326	105,903,276
	290,578,261	150,934,865
Effective %	12%	10%

29.1 The Company has filed its return of income up to tax year 2022. The returns so filed are deemed to be an assessment order issued by the Taxation Authorities on the date the complete return is filed. The Company was mainly subject to minimum tax during the year ended 30 June 2021 under section 153(1)(b) of the Income Tax Ordinance 2001, therefore, relationship between income tax expense and accounting profit has not been presented.

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

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

29.3 During the year ended 30 June 2022, the Assistant Commissioner Inland Revenue (ACIR) passed an order under section 122(1) of the Ordinance for the tax year 2017 whereby tax demand of Rs.771,644,957 was raised. The company challenged the above order before the Commissioner Inland Revenue (Appeals). The CIR(A) pursuant to the above appeal has decided majority of the issues in favor of the company. Furthermore, issue of additions to fixed assets has been remanded back for verification whereas disallowance in respect of unpaid creditors and accrued liabilities, loss on disposal of fixed assets and levy of super tax under section 4B has been confirmed. The company has filed further appeal in respect of the confirmed issues before the ATIR, which is pending adjudication.

	Note	2023	2022
		----- Rupees -----	
30 EARNINGS PER SHARE – basic and diluted			
Profit for the year		<u>2,149,238,574</u>	<u>1,363,905,013</u>
Weighted average number of ordinary shares outstanding during the year	30.1	<u>1,134,000,000</u>	(Restated) <u>1,134,000,000</u>
Earnings per share (Rupee)		<u>1.90</u>	<u>1.20</u>
30.1 Weighted average number of ordinary shares			
Issued ordinary shares at the beginning of the year		945,000,000	945,000,000
Effect of bonus shares		189,000,000	189,000,000
Weighted average number of ordinary shares at the end of the year		<u>1,134,000,000</u>	<u>1,134,000,000</u>
30.2	There is no dilutive effect on the basic earnings per share of the Company.		
31 CASH GENERATED FROM OPERATIONS			
Profit before taxation		2,439,816,835	1,514,839,878
Adjustments for:			
Depreciation	23, 24 & 25	108,828,553	161,578,231
Amortisation	25	7,135,815	9,905,519
Finance costs	28	46,059,106	73,354,212
Unrealized exchange gain	26	(293,418,632)	(49,373,257)
Profit on deposit accounts	26	(56,453,532)	(28,038,991)
Gain on disposal of operating fixed assets	26	(936,097)	(5,670,012)
(Gain) / loss on redemption / sale of investments	26	(27,660,465)	31,191,855
Dividend income	26	(58,931,534)	(23,451,856)
Government grant amortized	26	(478,147)	(4,578,119)
Gain on termination of right of use asset	26	-	(12,134,055)
Provision for impairment	27	-	28,112,800
Unrealised loss on revaluation of investments	26	7,320,895	49,819,679
		(268,534,038)	230,716,006
Increase/(decrease) in current assets			
Inventories		(88,326)	33,640
Current portion of television program costs		4,517,361	10,038,580
Trade debts		(155,234,563)	(281,177,064)
Advances		(45,913,501)	20,344,649
Trade deposits and short term prepayments		(3,743,845)	(4,058,440)
Other receivables		(1,575,971,190)	(21,586,295)
		(1,776,434,064)	(276,404,930)
(Increase)/decrease in current liabilities			
Trade and other payables		(403,964,546)	636,038,766
Advance from customers		12,144,815	(14,013,401)
		<u>3,029,002</u>	<u>2,091,176,319</u>

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2023				2022			
	Chief Executive	Executive Director	Non - Executive Directors	Executives	Chief Executive	Executive Director	Non - Executive Directors	Executives
Managerial remuneration	42,035,390	-	-	307,685,725	36,903,070	-	-	238,473,580
Technical advisory fee	-	54,751,500	-	-	-	47,610,000	-	-
Fee	-	-	3,900,000	-	-	-	3,175,000	-
Bonus	184,398,314	184,398,314	-	-	104,560,249	104,560,249	-	-
Retirement benefits	-	-	-	18,858,646	-	-	-	15,106,157
House rent	17,133,842	-	-	99,164,290	15,775,403	-	-	79,062,033
Utilities	3,807,520	-	-	22,036,508	3,505,645	-	-	17,569,340
Car allowance	20,767,188	23,500,000	-	-	20,128,072	23,500,000	-	-
Fuel and conveyance	2,975,351	2,704,411	1,478,447	30,302,101	1,834,938	1,548,927	870,287	15,637,903
	272,017,605	265,354,225	5,378,447	478,047,270	182,707,377	177,219,176	4,045,287	365,939,013
Number	1	1	5	65	1	1	5	53

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

33 TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transactions	2023	2022
		----- Rupees -----	-----
Subsidiaries	Expenses paid on behalf of the Company	33,561,469	40,162,558
	Expenses paid on behalf of the subsidiary	29,624,132	42,367,834
	Payment received on behalf of subsidiary	70,993,275	55,185,231
	Payment received on behalf of the Company	1,439,683,704	953,512
	Management fee	7,511,340	5,400,000
	Amount paid on behalf of the Company	39,624,981	-
	Professional or promotional services acquired	3,845,000	3,235,000
	Subscription income	34,019,983	53,765,500
Associated Companies	Purchases of television programs rights	1,572,300,900	1,522,637,694
	Expenses paid on behalf of the associate	-	11,182,630
	Payment made during the year	1,993,714,343	1,720,819,343
Others	Contribution to the provident fund	44,665,150	37,387,857

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

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

S.No.	Company Name	Basis of association	Aggregate % of shareholding
1	Skyline Publications (Private) Limited	Subsidiary	100%
2	HUM TV Inc.	Subsidiary	100%
3	HUM Network FZ LLC	Subsidiary	100%
4	HUM Network UK Limited	Subsidiary	100%
5	HUMM Co. (Private) Limited	Subsidiary	100%
6	Tower Sports (Private) Limited	Subsidiary	100%
7	HUM Mart (Private) Limited	Subsidiary	70%
8	M.D Productions (Private) Limited	Associated company (33.1.1)	-
9	Momina & Duraid Films (Private) Limited	Associated company (33.1.1)	-
10	Momina and Duraid Foundation	Associated company (33.1.1)	-
11	HUM Network Limited- Employees' Provident Fund	Retirement Fund	-
12	Ms. Sultana Siddiqui	Director	0.73%
13	Mr. Mazhar ul Haq Siddiqui	Director	-
14	Mr. Duraid Qureshi	Director	45.74%
15	Mr. Shunaid Qureshi	Director	5.38%
16	Mrs. Mahtab Akbar Rashid	Director	-
17	Lt Gen (R) Asif Yasin Malik	Director	-
18	Mr. Muhammad Ayub Younus Adhi	Director	-
19	Mr. Sohail Ansar	Director	-
20	Ms. Khush Bakht Shujaat	Director	-

33.1.1 These entities are associated companies / undertakings of the Company under Companies Act, 2017.

33.2 Subsidiaries incorporated outside Pakistan:

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

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

	Note	2023 ----- Rupees	2022 -----
34 FINANCIAL INSTRUMENTS BY CATEGORY			
34.1 Financial assets as per statement of financial position			
Financial assets at amortised cost			
- Long-term deposits	7	28,222,351	27,757,173
- Trade debts	10	2,688,381,940	2,239,728,745
- Trade deposits	13	1,364,500	514,500
- Other receivables	14	1,612,338,102	42,062,585
- Cash and bank balances	15	447,796,769	833,498,560
		<u>4,778,103,662</u>	<u>3,143,561,563</u>
Financial assets at fair value through profit or loss			
- Short-term investments	11	589,143,291	1,127,212,684
		<u>589,143,291</u>	<u>1,127,212,684</u>
34.2 Financial liabilities as per statement of financial position			
Financial liabilities at amortised cost			
- Long-term financing	18	31,250,000	78,125,021
- Trade and other payables	20	796,822,294	1,195,758,203
- Accrued mark-up		218,809	4,296,850
- Current portion of long-term financing	18	62,500,000	294,813,943
- Unclaimed dividend		6,153,603	6,153,631
- Unpaid dividend		1,374,738	2,299,787
		<u>898,319,444</u>	<u>1,581,447,435</u>

35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

35.1 Market risk

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

35.2 Interest rate risk

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

Sensitivity analysis:

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

	Increase / decrease in basis points	Effect on profit before taxation Rupees
June 30, 2023	+100	<u>4,244,938</u>
	-100	<u>(4,244,938)</u>
June 30, 2022	+100	<u>6,652,243</u>
	-100	<u>(6,652,243)</u>

35.3 Currency risk

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

	----- June 30, 2023 -----			----- June 30, 2022 -----		
	US Dollar	GBP	AED	US Dollar	GBP	AED
Trade debts		454,406	298,689	-	972,268	333,247
Other receivables	19,756,691	190,808	-	-	190,808	-
Trade and other payables	-	(85,000)	-	(479,281)	(87,562)	-
	----- Rupees -----			----- Rupees -----		
Closing exchange rates	77.86	285.99	364.14	55.80	204.10	247.10

Sensitivity analysis:

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

	Change in AED rate (%)	Effect on profit before tax	Change in US dollar rate (%)	Effect on profit before tax	Change in GBP rate (%)	Effect on profit before tax
		--- Rupees ---		--- Rupees ---		--- Rupees ---
June 30, 2023	+10	153,825,600	+10	16,021,560	+10	10,876,461
	-10	(153,825,600)	-10	(16,021,560)	-10	(10,876,461)
June 30, 2022	+10	(2,662,406)	+10	21,951,239	+10	8,234,533
	-10	2,662,406	-10	(21,951,239)	-10	(8,234,533)

35.4 Equity price risk

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

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 585,381,954 (30 June 2022: Rs. 1,127,212,684).

35.5 Credit risk

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

Management of credit risk

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

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

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

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

	2023	2022
	----- Rupees -----	
- Long-term deposits	28,222,351	27,757,173
- Trade debts	2,688,381,940	2,239,728,745
- Short-term investments	589,143,291	1,127,212,684
- Trade deposits	1,364,500	514,500
- Other receivables	1,612,338,102	42,062,585
- Bank balances	446,913,643	832,936,754
	<u>5,366,363,827</u>	<u>4,270,212,441</u>

Quality of financial assets

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

	Note	2023 ----- Rupees -----	2022 -----
Bank balances			
AAA		2,382,575	1,112,428
AA+		211,048,650	561,515,556
AA		218,474,972	270,306,554
A		15,007,446	2,216
	15	<u>446,913,643</u>	<u>832,936,754</u>
Short-term investments			
Mutual funds			
A(f)		53,284,537	2,409,729
A+(f)		5,087,356	413,144,899
AA(f)		29,668,996	25,811,342
AA+(f)		384,850,945	261,491,882
Non-rated		95,103,299	378,968,064
		<u>567,995,133</u>	<u>1,081,825,916</u>
Term finance certificate	A	21,148,158	45,386,768
	11	<u>589,143,291</u>	<u>1,127,212,684</u>

35.6 Liquidity risk

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

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

2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Long-term lease liabilities	-	3,781,136	11,883,803	55,234,536	70,899,475
Long-term financing	-	15,625,000	46,875,000	31,250,000	93,750,000
Trade and other payables	451,243,031	161,954,257	200,821,309	-	814,018,597
Accrued mark-up	218,809	-	-	-	218,809
	<u>451,461,840</u>	<u>181,360,393</u>	<u>259,580,112</u>	<u>86,484,536</u>	<u>978,886,881</u>
2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Long-term lease liabilities	-	3,032,131	13,340,438	72,676,898	89,049,467
Long-term financing	-	88,265,377	206,548,563	78,125,024	372,938,964
Trade and other payables	251,369,738	361,458,135	605,155,270	-	1,217,983,143
Accrued mark-up	4,296,850	-	-	-	4,296,850
	<u>255,666,588</u>	<u>452,755,643</u>	<u>825,044,271</u>	<u>150,801,922</u>	<u>1,684,268,424</u>

35.6.1 Changes in liabilities from financing activities

	1-Jul-22	Cash Flows	New leases	Others	30-Jun-23
	----- Rupees -----				
Long-term financing	372,938,964	(279,188,964)	-	-	93,750,000
Long-term lease liabilities	89,049,467	(24,258,933)	1,375,281	4,733,660	70,899,475
	1-Jul-21	Cash Flows	New leases	Others	30-Jun-22
	----- Rupees -----				
Long-term financing	601,000,449	(228,061,485)	-	-	372,938,964
Long-term lease liabilities	121,616,252	(33,804,105)	13,943,510	36,756,981	89,049,467

35.6.2 Fair value of financial instruments

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

35.7 Capital risk

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

	Note	2023 ----- Rupees	2022 -----
Long-term lease liabilities	17	55,234,536	72,676,898
Long-term financing	18	31,250,000	78,125,021
Trade and other payable	20	814,018,597	1,217,983,143
Accrued markup		218,809	4,296,850
Current portion of long-term lease liabilities	17	15,664,939	16,372,569
Current portion of long-term financing	18	62,500,000	294,813,943
Total debt		978,886,881	1,684,268,424
Cash and bank balances	15	(447,796,769)	(833,498,560)
Net debt		531,090,112	850,769,864
Share capital	16	1,134,000,000	945,000,000
Unappropriated profit		6,111,864,380	4,151,625,806
Total equity		7,245,864,380	5,096,625,806
Capital		7,776,954,492	5,947,395,670
Gearing ratio		6.83%	14.30%

35.8 Fair value measurement

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

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

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

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

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

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

Assets measured at fair value

	2023			2022
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Short-term investments	-	589,143,291	-	589,143,291 1,127,212,684

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

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

36 OPERATING SEGMENTS

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

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

News segments is engaged in broadcasting of news programs.

	Entertainment		News		Total	
	2023	2022	2023	2022	2023	2022
Revenue						
Net revenue from external customer	5,622,541,366	5,417,080,742	1,203,044,980	601,889,146	6,825,586,346	6,018,969,888
Result						
Segment profit / (loss)	2,324,897,472	2,288,554,361	424,462,528	(173,567,491)	2,749,360,000	2,114,986,870
Taxation					(290,578,261)	(150,934,865)
Unallocated income / (expenses) :						
Administrative expenses					(885,354,383)	(583,616,663)
Other Expenses					-	(28,112,800)
Other income					621,870,324	84,936,683
Gain on sale of non-current asset held for sale					-	-
Finance cost					(46,059,106)	(73,354,212)
Profit / (loss) for the year					2,149,238,574	1,363,905,013
Other information						
Amortization	(3,584,024)	(4,685,183)	(3,551,791)	(5,220,336)	(7,135,815)	(9,905,519)
Depreciation	(55,333,391)	(43,217,134)	(53,495,162)	(118,361,097)	(108,828,553)	(161,578,231)
Segment assets	565,805,921	399,697,988	839,213,836	815,588,812	1,405,019,757	1,215,286,800
Unallocated Assets	-	-	-	-	6,853,984,465	5,589,118,800
	565,805,921	399,697,988	839,213,836	815,588,812	8,259,004,222	6,804,405,600
Capital expenditure	137,075,701	69,063,334	83,270,476	24,626,727	220,346,179	93,692,061
Segment liabilities	735,718,643	1,068,495,432	277,421,199	639,284,362	1,013,139,842	1,707,779,794

36.1 Revenue from three major customers of the Company during the year constituted 57% (2022: 65%) of the total revenue.

37 NUMBER OF EMPLOYEES

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

	2023	2022
	Rupees	
Total number of employees	721	676
Average number of employees during the year	696	669

38 SUBSEQUENT EVENT

On July 26, 2023, our Company acquired 100% shareholding of M/s. Sphere Ventures (Private) Limited against consideration of Rs. 10,000,000 paid in full. M/s. Sphere Ventures (Private) Limited is engaged in the business of kids content.

39 GENERAL

39.1 For better presentation, certain prior year figures have been reclassified consequent to certain changes in current period presentation. However, there are no material reclassifications to report.

39.2 Figures have been rounded off to the nearest Rupee.

40 BONUS SHARES

During the year, the board of directors in the meeting held on October 26, 2022 approved bonus dividend @ 20%.

41 DATE OF AUTHORIZATION

These financial statements have been authorised for issue on September 25, 2023 by the Board of Directors of the Company.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS



Building a better
working world

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Hum Network Limited (the Holding Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key Audit Matters:

Key audit matters	How the matter was addressed in our audit
1. Net realizable value of television program costs	
<p>As of the year end, the balance of television program costs amounted to Rs. 483,447,376 (30 June 2022: 425,690,238) which represents unamortized cost of completed television programs and television programs in production.</p> <p>As per the accounting policy of the Holding Company, television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis.</p> <p>Allocation of television program costs over several accounting periods based on estimates of revenue involve significant judgement of the management which may have a significant impact on the consolidated financial statements. For this reason, we have identified this area as key audit matter.</p> <p>Refer notes 3.7, 8 and 23 to the consolidated financial statements.</p>	<p>Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Holding Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Holding Company.</p> <p>In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including:</p> <ul style="list-style-type: none"> • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; • rates used by the Holding Company and its fluctuation based on the trend analysis; and • we also considered subsequent events which may have an impact on unamortized cost. <p>We also evaluated whether adequate disclosures have been made in the accompanying consolidated financial statements in accordance with the applicable financial reporting standards.</p>
2. Revenue recognition	
<p>(Refer note 3.23 and 22 to the accompanying consolidated financial statements)</p> <p>The Group earns revenue from a variety of sources among the different business areas of which 96% pertains to revenue from advertisements and subscriptions.</p> <p>As reported in the explanatory notes, revenues from advertisement are recognized at the time of the appearance of the advertisement and subscription income is recognized in the month in which service is rendered.</p> <p>We concluded that this area constitutes a key audit matter for the Group considering the significance of the amount, it being a key performance indicator and also the increase of 7% and 49% in advertisement and subscription income as compared to the prior year respectively.</p>	<p>We obtained an understanding of the Group's processes in place for revenue recognition and tested key controls over each significant revenue stream.</p> <p>We inspected a sample of contracts to check that revenue recognition was in accordance with the contract terms and the Group's revenue recognition policies.</p> <p>We performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognised in the appropriate accounting period.</p> <p>We assessed the adequacy of the Group's disclosures in accordance with the applicable financial reporting standards.</p>

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

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

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

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

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

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

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

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

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

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

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

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

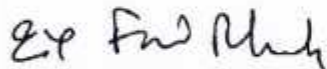
Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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



EY Ford Rhodes
Chartered Accountant
Place: Karachi
Date: September 27, 2023
UDIN Number: AR202310120lpK1JbwAd

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,468,308,459	1,213,806,080
Intangible assets	5	208,193,768	68,700,604
Long-term investment	6	49,527,574	-
Long-term deposits and prepayments	7	30,905,161	32,382,764
Television program costs	8	397,617,518	335,343,019
Deferred tax asset	9	152,607,326	206,123,723
		2,307,159,806	1,856,356,190
CURRENT ASSETS			
Inventories		16,715,587	16,627,261
Current portion of television program costs	8	85,829,858	90,347,219
Trade debts	10	3,100,542,350	2,499,313,014
Short-term investments	11	589,143,291	1,127,212,684
Advances	12	217,960,460	116,367,406
Trade deposits and short-term prepayments	13	87,363,141	54,878,938
Other receivables	14	220,269,938	211,773,875
Taxation – net		245,616,828	232,393,146
Cash and bank balances	15	2,101,996,791	925,578,242
		6,665,438,244	5,274,491,785
TOTAL ASSETS		8,972,598,050	7,130,847,975
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 1,500,000,000 (2022: 1,500,000,000) Ordinary shares of Rs. 1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital	16	1,134,000,000	945,000,000
Revenue reserves		6,297,572,560	4,296,372,452
Attributable to owners of the Holding Company		7,431,572,560	5,241,372,452
Non-controlling interest		(88,581,465)	(53,578,718)
		7,342,991,095	5,187,793,734
NON-CURRENT LIABILITIES			
Long-term lease liabilities	17	55,234,536	72,676,898
Long-term financing	18	58,765,328	101,461,145
Staff retirement benefits		94,199,346	48,070,804
		208,199,210	222,208,847
CURRENT LIABILITIES			
Trade and other payables	20	1,192,647,473	1,307,502,946
Advance from customers		137,005,058	86,356,790
Accrued mark-up		2,033,411	6,111,455
Unclaimed dividend		6,153,603	6,153,631
Unpaid dividend		1,374,738	2,299,787
Current portion of deferred income - Government grant	19	-	478,147
Current portion of long-term lease liabilities	17	15,664,939	16,372,569
Current portion of long-term financing	18	66,528,523	295,570,069
		1,421,407,745	1,720,845,394
CONTINGENCIES AND COMMITMENTS	21		
TOTAL EQUITY AND LIABILITIES		8,972,598,050	7,130,847,975

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022
Revenue	22	7,567,863,940	6,544,962,442
Cost of production	23	(3,784,999,321)	(3,462,463,856)
Transmission cost		(332,605,797)	(250,797,633)
Gross profit		3,450,258,822	2,831,700,953
Distribution costs	24	(482,974,749)	(415,772,921)
Administrative expenses	25	(1,194,481,812)	(790,332,088)
Other expenses	26	-	(28,112,800)
Other income	27	488,815,703	24,041,652
Operating profit		2,261,617,964	1,621,524,796
Finance costs	28	(47,136,014)	(74,565,447)
Profit before taxation		2,214,481,950	1,546,959,349
Taxation	29	(296,715,144)	(151,853,694)
Profit after taxation		1,917,766,806	1,395,105,655
Attributable to:			
Owners of the Holding Company		1,952,769,553	1,416,178,509
Non-controlling interests		(35,002,747)	(21,072,854)
		1,917,766,806	1,395,105,655
Earnings per share – basic and diluted (Rupee)	30	1.72	(Restated) 1.25

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2023

	2023 ----- Rupees -----	2022 -----
Profit after taxation	1,917,766,806	1,395,105,655
Other comprehensive income for the year		
Items that may be reclassified subsequently to statement of profit or loss		
Effect of translation of net investment in foreign subsidiary companies	237,430,555	112,753,585
Total comprehensive income for the year	<u>2,155,197,361</u>	<u>1,507,859,240</u>
Attributable to:		
Owners of the Holding Company	2,190,200,108	1,528,932,094
Non-controlling interests	<u>(35,002,747)</u>	<u>(21,072,854)</u>
	<u>2,155,197,361</u>	<u>1,507,859,240</u>

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



DURAIQ QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2023

	Issued, subscribed and paid-up capital	Revenue Reserves			Non- controlling interest	Total
		Foreign exchange translation reserve	Unappropriated profit	Sub-total		
Balance as at June 30, 2021	945,000,000	166,704,530	2,931,485,828	3,098,190,358	(32,505,864)	4,010,684,494
Loss attributable to non-controlling interests for the year	-	-	-	-	(21,072,854)	(21,072,854)
Profit for the year	-	-	1,416,178,509	1,416,178,509	-	1,416,178,509
Other comprehensive income	-	112,753,585	-	112,753,585	-	112,753,585
Total comprehensive income for the year	-	112,753,585	1,416,178,509	1,528,932,094	-	1,528,932,094
Interim Cash Dividend for the quarter ended March 31, 2022 @ Rs.0.35 per share	-	-	(330,750,000)	(330,750,000)	-	(330,750,000)
Balance as at June 30, 2022	945,000,000	279,458,115	4,016,914,337	4,296,372,452	(53,578,718)	5,187,793,734
Loss attributable to non-controlling interests for the year	-	-	-	-	(35,002,747)	(35,002,747)
Profit for the year	-	-	1,952,769,553	1,952,769,553	-	1,952,769,553
Other comprehensive income	-	237,430,555	-	237,430,555	-	237,430,555
Total comprehensive income for the year	-	237,430,555	1,952,769,553	2,190,200,108	-	2,190,200,108
Issue of bonus shares @ 20%	189,000,000	-	(189,000,000)	(189,000,000)	-	-
Balance as at June 30, 2023	1,134,000,000	516,888,670	5,780,683,890	6,297,572,560	(88,581,465)	7,342,991,095

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAIQ QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	31	1,542,905,675	2,085,274,482
Taxes paid		(249,585,741)	(240,904,038)
Finance costs paid		(40,218,296)	(64,073,412)
Profit received on deposit accounts	27	67,328,851	28,562,426
Long-term deposits and prepayments	7	1,477,603	1,060,670
Television program costs	8	(62,274,499)	16,720,993
Net cash flow generated in operating activities		1,259,633,593	1,826,641,121
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(378,405,110)	(86,449,802)
Acquisition of Tower Sports (Private) Limited		(30,434,566)	-
Short-term investments - net	11	558,691,632	(705,809,061)
Dividend received	27	58,931,534	23,451,856
Proceeds from disposal of operating fixed assets	4.4	4,922,839	18,071,921
Net cash generated from / (used in) investing activities		213,706,329	(750,735,086)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing - net	18	(271,737,363)	(225,766,984)
Dividend paid		(925,077)	(328,450,231)
Lease rentals paid	17	(24,258,933)	(33,804,105)
Net cash used in from financing activities		(296,921,373)	(588,021,320)
Net increase in cash and cash equivalents		1,176,418,549	487,884,715
Cash and cash equivalents at the beginning of the year		925,578,242	437,693,527
Cash and cash equivalents at the end of the year		2,101,996,791	925,578,242

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 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 and news. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, current affairs, education, health, food, music and society.

The 'Group' consists of:

Holding Company

HUM Network Limited

Subsidiary Companies

	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%
Tower Sports (Private) Limited	100%	-

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

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

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

1.4 Geographical location and address of business units

Registered office	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
City offices – Karachi	Alfalah Court, I.I Chundrigar Road
City office – Islamabad	2A, I&T center, sector G-6/1
City office – Lahore	House # 58, R-24, Masson Road
City office – Peshawar	Plot No. 7-A, 29 The Mall, Peshawar Cantonment
City office – Quetta	House # 3, Phase II, Shahbaz town
City office – Multan	Ghous-e-Azam Road, Bismillah Colony
HUM Network UK Limited	38-P Alum rock road, Birmingham, England. 2 Hemlet Mews, London
HUM News Limited	Evergreen House North Third Floor, Office Suite 311, Grafton Place, Euston London, United Kingdom.
Skyline Publication (Private) Limited	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
Hum Mart (Private) Limited	Plot # SR-7, Shed # A-2, Survey 413, Sector 7 A, Korangi Industrial Area, Karachi.
HUM TV, Inc.	6201 Bonhomme Road, 180N, Houston Texas.
Tower Sports (Private) Limited	Office Number 113-114, 1st floor, Sidco Avenue Centre, opposite YMCA Saddar, Karachi, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

2.2 Basis of measurement

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

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

2.3 Standards, interpretations and amendments applicable to these consolidated financial statements

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated financial statements.

Amendments to approved accounting standards

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)

The adoption of the above amendments to the accounting standards did not have any material effect on the Group's financial statements.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of consolidated financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

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
IFRS 16	Leases: Lease incentives

The adoption of the above amendments to the approved accounting standards did not have any material effect on the Group's financial statements.

Amendment or Improvement		Effective dates
IFRS 17	Insurance Contracts (Amendments)	1-Jan-2023
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	1-Jan-2023
IAS 8	Definition of Accounting Estimates (Amendments)	1-Jan-2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-2023
IAS 12	International Tax Reform – Pillar Two Model Rules (Amendments)	1-Jan-2023
IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities	1-Jan-2024
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments)	1-Jan-2024
IAS 7 / IFRS 7	Disclosures: Supplier Finance Arrangements (Amendments)	1-Jan-2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet finalised

The above standards and amendments are not expected to have any material impact on the Group's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Group's financial statements in the period of initial application.

Standard	IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRSs
IFRS 17	Insurance Contracts
	January 01, 2004
	January 01, 2023

2.4 Significant accounting judgments, estimates and assumptions

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

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

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

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

Property, plant and equipment and intangible assets

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

Television program costs

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

Income taxes

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

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

Impairment of financial assets

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's financial assets exposed to credit risk is disclosed in note 35.5.

Contingencies

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

Leases- Estimating the incremental borrowing rate

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

Leases- Determination of the lease term for lease contracts with extension and termination options

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

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

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

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

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

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

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

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

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

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

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

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

3.2 Business combinations

On 1 May 2023, the Group acquired 100% of the voting shares of Tower Sports (Private) Limited, a non-listed company engaged in the business of providing specialised sports services which include but are not limited to production, sales, marketing and distribution of sports media content.

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

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

Assets acquired and liabilities assumed

The provisional fair values of the identifiable assets and liabilities of Tower Sports (Private) Limited as at the date of acquisition were:

Amounts in PKR

	Provisional fair values recognised on acquisition
Assets	
Property and equipments	7,038,747
Intangible assets	1
Long-term deposits	16,160
Long-term investment	49,244,948
Trade debts	3,192,387
Loans and advances	582,717
Short-term deposit and prepayments	1,866,826
Interest receivable	1,398,750
Income tax refundable-net	42,757,564
Cash and bank balances	119,565,434
Total Assets	225,663,534
Liabilities	
Advance against shares	1,570,000
Trade and other payables	21,188,114
Payable against sales - net	178,003,839
	200,761,953
Total identifiable net assets at fair value	24,901,581
Purchase consideration transferred at acquisition date	150,000,000
Provisional fair value of net assets acquired	24,901,581
Goodwill arising on acquisition	125,098,419
Cash paid on acquisition	(150,000,000)
Cash acquired in subsidiary	119,565,434
Net cash acquired with the subsidiary	(30,434,566)

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

3.3 Investment in associate

Associates are all entities over which the Group has significant influence but not control, generally represented by a shareholding of 20% or more but less than 50% of the voting rights. Significant influence is the power to participate in the financial and operating policies and decision of investees. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its associates' post acquisition profits or losses is recognised in profit or loss and its share in associates' post acquisition other comprehensive income is recognised in the Group's other comprehensive income. Cumulative post acquisition movements are adjusted against the carrying value of the investments. Dividends received from associates reduce the carrying amount of the investment. When the Group's share of losses in associate equals or exceeds its interest in the associate including any other long-term unsecured receivable, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

When FVOCI investment is converted into associated company, the balance in the surplus on revaluation of related asset is transferred to un-appropriated profit. Gain on transaction between the Group and its associate are eliminated to the extent of

The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and loss, if any, is recognised in the profit or loss.

3.4 Property, plant and equipment

3.3.1 Operating fixed assets

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

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

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

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

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

3.3.2 Right-of-use assets

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

3.3.3 Capital work-in-progress

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

3.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in consolidated statement of profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in consolidated statement of profit or loss when the asset is derecognised.

3.7 Television program costs

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

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

3.8 Inventories

These are valued on weighted average cost basis and are stated at the lower of cost and NRV.

Provision is made for obsolete and slow moving stock-in-trade based on management's best estimate and is recognised in the statement of profit or loss.

3.9 Financial instruments

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

i) Financial assets

Initial recognition and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- (a) at amortised cost
- (b) at fair value through profit or loss (FVTPL); and
- (c) at fair value through other comprehensive income (FVTOCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

(a) At amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) At fair value through profit or loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(c) At fair value through other comprehensive income

A debt instruments is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments; Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through profit or loss

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

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

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

These assets are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses (equity instruments)

These assets are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

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

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. Exchange gain or losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

3.10 Offsetting of financial instruments

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

3.11 Advance from customers (Contract Liability)

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

3.12 Impairment of non-financial assets

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

3.13 Deposits, advances, prepayments and other receivables excluding financial assets

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each consolidated statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.14 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.15 Taxation

Current

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

Deferred

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

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

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

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

3.16 Cash and cash equivalents

These are carried at cost. For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and short-term running finance.

3.17 Share capital and reserves

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Reserves comprise of unappropriated profit and share exchange reserve.

3.18 Leases

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

3.18.1 Group as a lessee

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

i) Lease liabilities

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

ii) Determination of the lease term for lease contracts with extension and termination options

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

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

iii) Estimating the incremental borrowing rate

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

iv) Short-term leases

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

3.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently carried at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the consolidated statement of financial position date.

3.20 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. As the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

3.21 Unclaimed and unpaid dividend

Dividend declared by the Group, in the preceding three years, which remains unclaimed or unpaid as on the consolidated statement of financial position date is recognized as unpaid dividend. Dividend declared and payable prior to the preceding three years from the consolidated statement of financial position date are recognized as unclaimed dividend.

3.22 Provisions

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

3.23 Revenue recognition

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

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

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

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

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

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

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

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

3.24 Other income

Sale of magazine and DVD's is recognized on receipt basis.

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

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

Interest / markup income is recognized on accrual basis.

Other revenues are accounted for on an accrual basis.

3.25 Expenses

Expenses are recorded when incurred based on the accrual basis of accounting. Distribution costs and administrative expenses include direct and indirect costs not specifically part of cost of production. Allocations between cost of production, distribution and administrative expenses, when required, are made on a consistent basis.

3.26 Donation

Donations are recorded as an expense when they are approved by the Board of Directors or actually paid, whichever is earlier.

3.27 Staff retirement benefits

Defined contribution plan

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

3.28 Foreign currency translations and translations

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

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

3.29 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are capitalised as a part of the cost of related asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3.30 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the consolidated financial statements in the period in which these are approved.

3.31 Contingencies

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

3.32 Earnings per share

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

3.33 Functional and presentation currency

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

3.34 Segment Reporting

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

4 PROPERTY, PLANT AND EQUIPMENT	Note	2023		2022	
		Rupees		Rupees	
Operating fixed assets	4.1	1,215,448,121	1,028,126,121		
Right of use assets	4.5	51,984,192	78,765,339		
Capital work-in-progress	4.6	200,876,146	106,914,620		
		1,468,308,459	1,213,806,080		

4.1 Operating fixed assets

	Cost			Accumulated depreciation			Book value	Depreciation Rate
	As at July 01, 2022	Additions / transfers from ROUA** / reversal of impairment***	As at June 30, 2023	As at July 01, 2022	Charge / transfers from ROUA** / (disposals) for the year	As at June 30, 2023		
	Rupees						as at June 30, 2023	% per annum
Leasehold land *	794,147,376	-	794,147,376	78,125,307	16,237,867	94,363,174	699,784,202	2.04 - 2.13
Building on leasehold land *	109,890,511	-	109,890,511	66,784,389	7,606,963	74,391,352	35,499,159	10
Leasehold improvements	192,375,484	-	192,375,484	189,215,059	2,794,076	192,009,135	366,349	33
Furniture and fittings	58,964,845	6,520,491 (267,100) 33,105 ***	65,251,341	30,602,925	6,406,820 (120,007)	30,880,648	28,370,693	10
Vehicles	119,077,534	152,416,470 5,358,168 (5,601,322)	271,250,790	63,002,418	16,021,074 3,750,676 ** (3,968,848)	77,805,320	193,445,470	25 - 33
Audio visual equipment	583,669,586	23,716,217 (2,641,618)	604,744,185	477,112,700	14,170,578 (2,241,233)	489,042,045	115,702,140	25
Uplinking equipment	74,856,759	- (3,200,000)	71,656,759	53,094,524	3,105,028 (1,440,000)	54,750,552	16,897,207	10
Office equipment	123,386,718	6,549,423 (618,900) 84,243 ***	129,381,485	89,510,432	12,439,118 (616,900)	101,330,650	28,050,835	15
Computers	200,007,174	96,848,415 (1,453,288) 614,561 ***	296,016,864	180,782,112	19,300,092 (1,307,408)	198,684,798	97,332,066	33
	2,256,355,987	286,051,017 5,358,168 (13,782,226) 731,909 ***	2,534,714,795	1,228,229,866	97,081,616 3,750,676 ** (9,795,484)	1,319,266,674	1,215,448,121	
	Cost			Accumulated depreciation			Book value	Depreciation Rate
	As at July 01, 2021	Additions / transfers from ROUA** / (disposals) / (impairment)***	As at June 30, 2022	As at July 01, 2021	Charge / transfers from ROUA** / (disposals) for the year	As at June 30, 2022		
	Rupees						as at June 30, 2022	% per annum
Owned								
Leasehold land *	794,147,376	-	794,147,376	61,887,440	16,237,867	78,125,307	716,022,069	2.04 - 2.13
Building on leasehold land *	109,890,511	-	109,890,511	59,177,428	7,606,963	66,784,389	43,106,122	10
Leasehold improvements	192,375,484	-	192,375,484	183,060,082	6,154,967	189,215,059	3,160,425	33
Furniture and fittings	49,835,939	9,089,180 39,726 ***	58,904,845	26,356,985	4,245,940	30,602,925	28,361,929	10
Vehicles	77,393,897	41,673,349 23,750,732 (23,740,444)	119,077,534	56,733,269	6,306,961 13,291,852 ** (13,329,884)	63,002,418	58,075,116	25 - 33
Audio visual equipment	587,611,820	16,940,518 (962,752)	583,669,586	404,749,944	72,940,658 (577,900)	477,112,700	108,556,886	25
Uplinking equipment	77,306,759	- (2,450,000)	74,856,759	50,352,008	3,587,766 (845,250)	53,094,524	21,762,235	10
Office equipment	116,058,493	8,511,521 (1,429,781) 126,365 ***	123,386,718	78,266,967	12,673,236 (1,429,761)	89,510,432	33,856,286	15
Computers	184,948,733	15,429,405 (1,533,616) 1,162,652 ***	200,007,174	173,408,913	8,825,268 (1,452,069)	180,782,112	18,225,062	33
	2,159,569,012	91,744,073 23,750,732 (30,036,573) 1,328,743 ***	2,256,355,987	1,093,993,054	138,579,624 13,291,852 ** (17,634,664)	1,228,229,866	1,028,126,121	

* Includes asset under common ownership under Diminishing Musharaka arrangement.

** Includes transfers from leased to owned assets. (Refer note 4.5)

*** Represents reversal of provision for impairment against assets of subsidiary.

4.2 Particulars of immovable assets in the name of the Group are as follows:

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

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

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
Cost of production	23	42,139,114	100,988,088
Distribution costs	24	8,213,258	3,085,345
Administrative expenses	25	46,729,244	34,506,191
		<u>97,081,616</u>	<u>138,579,624</u>

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

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Modes of Disposals	Particulars of Buyer
Uplinking equipme:	3,200,000	1,440,000	1,760,000	1,200,000	(560,000)	Insurance Claim	Adamjee Insurance
Vehicles	2,786,200	1,950,340	835,860	1,088,100	252,240	As per Group's Policy	Mr. Irfan Younus; Employee
	2,571,908	1,800,336	771,572	878,100	106,528	Negotiation	Mr. Omer Nasir; Employee
Items having than Rs. 500,000	5,224,118	4,604,808	619,310	1,756,639	1,137,329	Negotiation	Various
2023	<u>13,782,226</u>	<u>9,795,484</u>	<u>3,986,742</u>	<u>4,922,839</u>	<u>936,097</u>		
2022	<u>30,036,573</u>	<u>17,634,664</u>	<u>12,401,909</u>	<u>18,071,921</u>	<u>5,670,012</u>		

4.5 Right of use assets

Year ended June 30

Opening net book value		78,765,339	109,028,622
Additions		1,638,463	13,426,784
Change due to modification during the year		(6,262,103)	29,196,604
Termination of lease		-	(37,329,117)
Transfer to operating fixed assets - book value		(1,607,432)	(10,360,614)
Less: Depreciation charge for the year	4.5.2 & 4.5.3	(20,550,075)	(25,196,940)
Closing net book value		<u>51,984,192</u>	<u>78,765,339</u>

As at June 30

Cost		153,666,550	183,987,447
Accumulated depreciation		(101,682,358)	(105,222,108)
Net book value		<u>51,984,192</u>	<u>78,765,339</u>

4.5.1 The right-of-use assets are depreciated on straight line basis over the remaining lease term.

4.5.2 Depreciation for the year on right of use assets has been allocated as follows:

	Note	2023 ----- Rupees -----	2022 -----
Cost of production	23	15,605,265	14,203,948
Distribution costs	24	883,609	2,464,115
Administrative expenses	25	4,061,201	8,528,877
		<u>20,550,075</u>	<u>25,196,940</u>

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

Land and building	16,540,141	18,787,176
Vehicles	4,009,934	6,409,764
	<u>20,550,075</u>	<u>25,196,940</u>

4.6 Capital work-in-progress

Leasehold land	162,327,930	106,914,620
Leasehold Improvements	38,548,216	-
	<u>200,876,146</u>	<u>106,914,620</u>

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

Balance at beginning of the year	106,914,620	87,420,469
Additions during the year	93,961,526	19,494,151
Balance at end of the year	<u>200,876,146</u>	<u>106,914,620</u>

5 INTANGIBLE ASSETS

	Cost			Accumulated amortisation			Book value as at June 30, 2023	Amortisation rate % per annum
	As at July 01, 2022	Additions / Impact of OCI*	As at June 30, 2023	As at July 01, 2022	Charge for the year	As at June 30, 2023		
	Goodwill	13,849,339	125,098,419	138,947,758	11,803,791	-		
Computer softwares	79,036,067	-	79,036,067	53,780,362	5,058,365	58,838,727	20,197,340	20 - 33
License fee	52,286,498	-	52,286,498	14,328,972	200,100	14,529,072	37,757,426	6.67
Trade mark	41,470,477	26,570,263 *	68,040,740	38,028,652	6,917,053	44,945,705	23,095,035	20
	<u>186,642,381</u>	<u>151,668,682</u>	<u>338,311,063</u>	<u>117,941,777</u>	<u>12,175,518</u>	<u>130,117,295</u>	<u>208,193,768</u>	

	Cost			Accumulated amortisation			Book value as at June 30, 2022	Amortisation rate % per annum
	As at July 01, 2021	Additions / Impact of OCI*	As at June 30, 2022	As at July 01, 2021	Charge for the year	As at June 30, 2022		
	Goodwill	13,849,339	-	13,849,339	11,803,791	-		
Computer softwares	79,036,067	-	79,036,067	47,531,553	6,248,809	53,780,362	25,255,705	20 - 33
License fee	52,286,498	-	52,286,498	14,046,646	282,326	14,328,972	37,957,526	6.67
Trade mark	33,883,500	7,586,977 *	41,470,477	30,679,041	7,349,611	38,028,652	3,441,825	20
	<u>179,056,404</u>	<u>7,586,977</u>	<u>186,642,381</u>	<u>104,061,031</u>	<u>13,880,746</u>	<u>117,941,777</u>	<u>68,700,604</u>	

* Represents effects of re-translation in Other Comprehensive Income (OCI)

5.1 Amortisation for the year has been allocated as follows:

		2023	2022
	Note	----- Rupees -----	-----
Cost of production	23	6,350,640	8,826,282
Administrative expenses	25	5,824,878	5,054,464
		<u>12,175,518</u>	<u>13,880,746</u>

6 LONG-TERM INVESTMENT

Pakistan investment bond	6.1	<u>49,527,574</u>	-
--------------------------	-----	-------------------	---

6.1 This represents Pakistan Investment Bonds held by Tower Sports (Private) Limited having face value of Rs. 20 million and Rs. 35 million maturing on July 12, 2023 and July 12, 2028 respectively. These carry markup at the rate of 8% - 8.75% (2022: 8% - 8.75%).

		2023	2022
	Note	----- Rupees -----	-----
7 LONG-TERM DEPOSITS AND PREPAYMENTS			
Security deposits			
- Rent		7,177,767	7,608,234
- Trade		15,975,435	15,975,435
- Others		5,646,882	4,588,937
		<u>28,800,084</u>	<u>28,172,606</u>
Prepayments			
- Software development fee		2,105,077	4,210,158
		<u>30,905,161</u>	<u>32,382,764</u>

8 TELEVISION PROGRAM COSTS

Unreleased / released less amortisation		432,619,726	390,229,988
In production		50,827,850	35,460,250
		<u>483,447,376</u>	<u>425,690,238</u>
Less: Current portion		<u>(85,829,858)</u>	<u>(90,347,219)</u>
		<u>397,617,518</u>	<u>335,343,019</u>

9 DEFERRED TAX ASSET

Taxable temporary differences arising in respect of:			
Unrealised exchange gain		(2,896,908)	-
Deductible temporary differences arising in respect of:			
Provisions		128,838,706	130,859,407
Long-term lease liabilities - net		7,376,946	3,393,763
Unabsorbed losses		16,901,525	11,159,859
Unrealised loss on short-term investments - net		414,837	11,929,618
Accelerated tax depreciation and amortisation		1,972,220	48,781,076
		<u>155,504,234</u>	<u>206,123,723</u>
		<u>152,607,326</u>	<u>206,123,723</u>

10 TRADE DEBTS – unsecured

Considered good		3,100,542,350	2,499,313,014
Considered doubtful		47,592,291	114,234,344
		<u>3,148,134,641</u>	<u>2,613,547,358</u>
Less: Allowance for ECL		<u>(47,592,291)</u>	<u>(114,234,344)</u>
		<u>3,100,542,350</u>	<u>2,499,313,014</u>

10.1 Particulars of receivable from foreign jurisdictions:

Jurisdiction			
United Arab Emirates		359,671,228	142,213,680
United Kingdom		197,480,965	190,271,693
United States of America		86,760,665	345,609,009
		<u>643,912,858</u>	<u>678,094,382</u>

These receivables are on contract basis and there are no defaulting parties as of June 30, 2023 and June 30, 2022.

	2023	2022
	Rupees	
10.2 Allowance for ECL		
Opening balance	114,234,344	78,385,137
Addition of subsidiary	3,485,486	-
Written off	(28,935,065)	-
Charge for the year	6,215,306	28,112,800
Reversal of provision	(52,745,517)	-
Impact of translation	5,337,737	7,736,407
Balance as at the end of the year	<u>47,592,291</u>	<u>114,234,344</u>
	2023	2022
	Rupees	
10.3 The aging of trade debts as at June 30 is as follows:		
Neither past due nor impaired	2,505,754,593	2,113,924,726
Past due but not impaired		
- 01 to 30 days	264,705,401	241,089,350
- 31 to 60 days	147,839,419	124,072,429
- Over 60 days	229,835,228	134,460,853
	<u>3,148,134,641</u>	<u>2,613,547,358</u>
11 SHORT-TERM INVESTMENTS		
At fair value through profit or loss		
Term Finance Certificates (TFCs)		
U Microfinance Bank Limited		
8,400 TFCs having face value of Rs.2,496 each (Fair Value: 1.008669)		
(2022: 8,400 TFCs having face value of Rs.4,991 each, Fair Value: 1.082586)	11.1	21,148,158
		45,386,768
Mutual Funds		
AKD Opportunity Fund		
542,247 units (2022: 771,787) having NAV of Rs. 88.8353 (2022: Rs. 100.9845) per unit		48,170,691
		77,938,517
AKD Islamic Income Fund		
99,961 units having NAV of Rs. 50.8934 (2022: Rs. 51.0601) per unit		5,087,356
		3,153,100
AKD Golden Arrow Stock Fund		
3,900,838 units (2022: 7,369,230) having NAV of Rs. 12.0312 (2022: Rs. 13.4231) per unit		46,931,759
		98,917,914
NBP Money Market Fund		
2,972,935 units (2022: 2,599,042) having NAV of Rs. 9.9797 (2022: Rs. 9.9311) per unit		29,668,997
		25,811,342
UBL Liquidity Plus Fund		
228,544 units (2022: 199,646) having NAV of Rs. 101.18638 (2022: Rs. 101.0881) per unit		23,125,569
		20,181,785
Faysal Cash Fund		
Nil units (2022: 2,017,449) having NAV of Rs. 101.5897 (2022: Rs. 100.1818) per unit		-
		202,111,633
Aifalah Islamic Capital Preservation Plan 4 Class A		
8 units (2022: Nil) having NAV of Rs. 100.5236 (2022: 99.7612) per unit		849
		-
Aifalah GHP Money Market Fund		
1,320,747 units (2022: 1,016,550) having NAV of Rs. 98.6615 (2022: Rs. 98.3719) per unit		130,306,874
		100,000,000
MCB Pakistan Cash Management Fund		
2,086,818 units (2022: 409,421) having NAV of Rs. 50.3835 (2022: Rs. 50.4678) per unit		105,131,135
		20,662,598
MCB Pakistan Cash Management Optimizer		
Nil units (2022: 967,169) having NAV of Rs. 101.6316 (2022: Rs. 101.2998) per unit		-
		100,000,000
HBL Financial Sector Income Fund Plan I		
Nil units (2022: 4,098,057) having NAV of Rs. 101.112 (2022: Rs. 100.0454) per unit		-
		409,991,800
HBL Cash Fund		
1,004,202 units (2022: Nil) having NAV of Rs. 102.1648 (2022: 101.2227) per unit		102,594,119
		-
ABL Cash Fund		
2,316,350 units (2022: 2,023,967) having NAV of Rs. 10.2287 (2022: Rs. 10.2015) per unit		23,693,247
		20,647,500
Askari High Yield Scheme		
512,983 (2022: 23,286) having NAV of Rs. 103.872 (2022:103.4798) per unit		53,284,537
		2,409,729
	<u>589,143,291</u>	<u>1,127,212,684</u>
11.1 These carry interest ranging from 18.73% to 20.32% (2022: 11% to 14.96%) per annum.		

12 ADVANCES

- Unsecured, considered good

Interest free advances to:

- Producers
- Suppliers

98,094,079	84,183,888
60,142,517	26,866,368
158,236,596	111,050,256

- Secured

Interest free advances to:

- Employees

59,723,864	5,317,150
217,960,460	116,367,406

12.1 The aging of advances to M.D Production (Private) Limited; a related parties is as follows:

Neither past due nor impaired

Past due but not impaired

- 01 to 30 days
- 31 to 60 days
- Over 60 days

29,108,714	-
-	-
-	-
-	-
29,108,714	-

Note 2023 2022
----- Rupees -----

13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Deposits

- Rent
- Other

357,175	514,500
1,373,639	-
1,730,814	514,500

Prepayments

- Insurance
- Rent
- Other

22,862,965	16,739,048
19,709,609	748,365
43,059,753	36,877,025
85,632,327	54,364,438
87,363,141	54,878,938

14 OTHER RECEIVABLES

Sales tax receivable

Income/ mark-up accrued

Others

14.1	129,235,857	124,140,222
	3,863,036	22,421,887
	87,171,045	65,211,766
	220,269,938	211,773,875

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

Note 2023 2022
----- Rupees -----

15 CASH AND BANK BALANCES

Cash in hand

391,193 562,018

Cash at banks

- In current accounts
- In deposit accounts

15.1	1,522,252,443	206,934,944
	579,353,155	718,081,280
	2,101,605,598	925,016,224
	2,101,996,791	925,578,242

15.1 These carry profit at the rates ranging from 12.5% to 19.75% per annum (2022: 5.5% to 12.85%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2023 (Number of shares)	2022		2023 ----- Rupees -----	2022 -----
		Ordinary shares of Rs. 1/- each		
500,000,000	500,000,000	Fully paid in cash	500,000,000	500,000,000
634,000,000	445,000,000	Issued as fully paid bonus shares	634,000,000	445,000,000
<u>1,134,000,000</u>	<u>945,000,000</u>		<u>1,134,000,000</u>	<u>945,000,000</u>

16.1 Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

16.2 Bonus shares issued to directors of the Holding Company are 96,657,902 shares (2022 : Nil).

17	LONG-TERM LEASE LIABILITIES	Note	2023 ----- Rupees -----	2022 -----
	Opening balance		89,049,467	121,616,252
	Additions during the year		1,375,281	13,943,510
	Change due to termination		-	(49,463,171)
	Change due to modification during the year		(6,262,102)	22,469,102
	Mark up on lease liabilities	28	10,995,762	14,287,879
	Less: Lease rentals paid		(24,258,933)	(33,804,105)
	Closing balance	17.1	<u>70,899,475</u>	<u>89,049,467</u>
	Less: Current portion of long-term lease liabilities		<u>(15,664,939)</u>	<u>(16,372,569)</u>
	Long-term lease liabilities		<u>55,234,536</u>	<u>72,676,898</u>

17.1 Includes lease finance facility entered into by the Holding Company with commercial banks for vehicles amounting to Rs. 115,000,000 (2022: Rs.115,000,000) out of which Rs. 109,752,920 (2022: Rs. 105,265,279) remains unutilized at year end.

18	LONG-TERM FINANCING	Note	2023 ----- Rupees -----	2022 -----
	Islamic banks - secured			
	Diminishing Musharaka - I	18.1	-	128,853,318
	Diminishing Musharaka - II	18.2	-	69,975,325
	Diminishing Musharaka - III	18.3	93,750,000	125,000,000
	Salary Refinance Loan	18.4	-	49,110,321
			<u>93,750,000</u>	<u>372,938,964</u>
	Less: current maturity		<u>(62,500,000)</u>	<u>(294,813,943)</u>
			<u>31,250,000</u>	<u>78,125,021</u>
	Conventional bank			
	Bounce back loan - unsecured	18.5	31,543,851	24,092,250
			<u>31,543,851</u>	<u>24,092,250</u>
	Less: current maturity		<u>(4,028,523)</u>	<u>(756,126)</u>
			<u>27,515,328</u>	<u>23,336,124</u>
			<u>58,765,328</u>	<u>101,461,145</u>

18.1 Represent Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% (June 2022: 6 months KIBOR plus 1%) per annum. The financing is repayable by 24 June 2023 in 48 equal monthly instalments commencing after a grace period of 12 months from the date of first disbursement i.e. from June 2018. The loan is secured by way of registered mortgage over the building on leasehold land.

- 18.2** Represent Diminishing Musharaka carrying profit at the rate of 6 months KIBOR plus 1% (June 2022: 6 months KIBOR plus 1%) per annum. The financing is repayable in 48 equal monthly instalments commencing after a grace period of 18 months from the date of first disbursement i.e. December 2017. In 2020, the Holding Company had availed the principal deferment facility for LTFF offered by the SBP through BPRD circular no. 13 of 2020 to dampen adverse effects of the COVID-19 and to provide relief to the businesses. Hence, the financing is repayable by December 2023 now. Financing is secured by way of Equitable Mortgage over registered office, first pari passu constructive mortgage charge over land and first hypothecation charge over plant, machinery & equipment.
- 18.3** Represents Diminishing Musharaka facility secured in current year carrying profit at the rate of 6 months KIBOR plus 1% per annum. The financing is repayable in 8 equal quarterly instalments commencing after a grace period of 12 months from the date of disbursement i.e. December 2021. Financing is secured by way of Equitable Mortgage over registered office, first hypothecation charge over plant, machinery & equipment, first pari passu charge over receivables of the Holding Company and first pari passu charge by way of constructive mortgage charge over Islamabad office.
- 18.4** Represents long-term financing from an Islamic bank of Rs. 200 million obtained in June 2020 under the refinance scheme for payment of wages and salaries by State Bank of Pakistan (SBP). The loan carry markup rate at the rate of SBP rate + 3% however, the loan have been recognised at the present value. The loan is repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential markup has been recognised as government grant which will be amortised to interest income over the period of loan. The facility is secured by way of registered equitable mortgage over land and property with 30% margin.
- 18.5** Represents foreign currency loan amounting to £100,000 obtained by the Group from Barclays Bank UK PLC at the rate of 2.5% per annum. The loan is repayable in 60 equal installments commencing after a grace period of 13 months from the date of disbursement. During the first 12 months, the UK government will pay interest due on this loan as Business Interruption payment. The loan is supported by the Bounce Bank Loan Scheme (BBLs) managed by the British Business Bank on behalf of the Secretary of State for Business Energy and Industrial Strategy.

19	Deferred income - Government grant	Note	2023 ----- Rupees -----	2022 -----
	Opening balance		478,147	5,056,265
	Received during the year		-	-
	Released to the statement of profit or loss	27	(478,147)	(4,578,118)
	Closing balance	19.1	-	478,147
	Current portion		-	(478,147)
	Non-current portion		-	-

- 19.1** Government grant was recorded pursuant to a salary refinance scheme introduced by the State Bank of Pakistan (IH&SMEFD Circular Nos. 07 & 14) to provide loan to businesses at concessional rates to finance salary expense during the COVID-19 outbreak. The grant had been provided to the Company as a reimbursement of average wages and salaries' bill for the months of April, May and June 2020 subject to Group's undertaking that no employees be laid off due to cash flow limitations, for a period of three months between April 01, 2020 to June 30, 2020.

20	TRADE AND OTHER PAYABLES	Note	2023 ----- Rupees -----	2022 -----
	Creditors	20.1	408,564,969	906,282,078
	Accrued liabilities	20.2	452,689,331	322,532,560
	Withholding tax payable		19,144,897	26,638,648
	Payable to provident fund		-	1,031,524
	Others	20.3	312,248,276	51,018,136
			<u>1,192,647,473</u>	<u>1,307,502,946</u>

20.1 Include amount payable to following related party:

M.D Production (Private) Limited	-	392,304,729
	<u>-</u>	<u>392,304,729</u>

20.2 Includes donation amounting to Rs. 56,135,292/ accrued on the basis of Board's approval which will be paid to Momina and Duraid Foundation.

20.3 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

21 CONTINGENCIES AND COMMITMENTS**21.1** Contingencies

21.1.1 For tax related matters, refer note 29 to these consolidated financial statements.

21.2 Commitments

21.2.1 Purchase of television programs commitments with M.D Production (Private) Limited - a related party as at June 30, 2023 amounted to Rs. 258,962,000 (June 30 2022: Rs. 204,378,000). Commitment for purchase of television programs with other than related parties as at June 30, 2023 amounted to Rs. 41,215,500 (June 30, 2022: Rs. 48,902,000).

	Note	2023 ----- Rupees -----	2022 -----
22 REVENUE – net			
Advertisement revenue		5,404,575,900	5,059,603,781
Production revenue		221,648,886	126,691,090
Digital revenue		80,643,000	108,992,303
Subscription income		1,852,244,529	1,243,254,732
Film distribution revenue		7,437,607	5,749,479
Sale of magazines		1,314,018	671,057
	22.1 & 22.2	<u>7,567,863,940</u>	<u>6,544,962,442</u>
22.1 Revenue is net off the following items:			
Sales tax		722,681,112	671,884,784
Discount to customers		598,870,841	499,258,813
		<u>1,321,551,953</u>	<u>1,171,143,597</u>
22.2 Represents revenue from the following geographical regions:			
Asia		5,200,572,987	5,503,675,765
Middle East		392,696,047	244,244,828
United Kingdom		251,910,191	238,567,556
America		1,722,684,715	558,474,293
		<u>7,567,863,940</u>	<u>6,544,962,442</u>
23 COST OF PRODUCTION			
Cost of outsourced programs		2,087,370,509	1,718,531,600
Cost of in-house programs		313,767,589	227,538,028
Cost of inventory consumed		2,000,487	1,178,980
Salaries and benefits	23.1	1,079,592,252	851,372,089
Technical advisory fee	23.2	54,751,500	47,610,000
Depreciation	4.3 & 4.5.2	57,744,379	115,192,036
Traveling and conveyance		138,773,083	77,707,529
Utilities		14,869,487	14,312,520
Rent, rates and taxes		305,538	1,105,049
Insurance		27,396,601	26,215,684
Repair and maintenance		26,373,693	49,761,913
Fee and subscription	23.3	4,914,981	266,575,476
Communication		21,791,486	18,702,150
Security charges		438,350	180,200
Amortisation	5.1	6,350,640	8,826,282
Consultancy		1,188,586	5,886,311
Printing and stationery		5,127,298	5,008,436
		<u>3,842,756,459</u>	<u>3,435,704,283</u>
In production television programs – opening		35,460,250	22,282,250
In production television programs - closing		<u>(50,827,650)</u>	<u>(35,460,250)</u>
		3,827,389,059	3,422,526,283
Released / unreleased programs - opening		390,229,988	430,167,561
Released / unreleased programs - closing		<u>(432,619,726)</u>	<u>(390,229,988)</u>
		<u>3,784,999,321</u>	<u>3,462,463,856</u>
23.1	Includes Rs. 29,765,982 (2022: Rs. 25,213,478) in respect of staff retirement benefits.		
23.2	Represents fee paid to a Director for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors of the Group.		
23.3	Includes Rs. Nil (2022: Rs. 230,350,586) in respect of fees for managing the digital subscriptions of the Group.		

24 DISTRIBUTION COSTS	Note	2023	2022
		Rupees	Rupees
Advertisement and promotion		190,959,104	174,503,331
Salaries and benefits	24.1	180,243,903	154,710,507
Traveling and conveyance		28,139,827	15,195,322
Rent, rates and taxes		532,297	120,225
Utilities		2,890,633	3,313,001
Depreciation	4.3 & 4.5.2	9,096,867	5,549,460
Communication		674,255	677,368
Insurance		3,688,942	2,717,912
Repair and maintenance		2,461,343	2,360,688
Fees and subscription		1,120,873	2,585,055
Commission expense		61,619,907	53,680,681
Printing and stationery		1,546,798	359,371
		<u>482,974,749</u>	<u>415,772,921</u>

24.1 This includes Rs. 7,869,125 (2022: Rs. 6,462,264) in respect of staff retirement benefits.

25 ADMINISTRATIVE EXPENSES	Note	2023	2022
		Rupees	Rupees
Salaries and benefits	25.1	695,850,663	504,884,156
Depreciation	4.3 & 4.5.2	50,790,445	43,035,068
Amortisation	5.1	5,824,878	5,054,464
Repair and maintenance		57,443,583	45,323,409
Communication		7,381,876	7,931,276
Traveling and conveyance		74,825,501	34,793,307
Fee and subscription		20,581,887	25,532,735
Utilities		52,118,169	36,941,244
Legal and professional charges		59,051,941	31,013,462
Printing, stationery and periodicals		11,181,125	9,609,492
Rent, rates and taxes		25,122,149	21,938,661
Insurance		9,838,454	7,646,402
Auditors' remuneration	25.2	8,956,708	7,815,176
Security charges		9,284,141	8,213,236
Donation	25.3	106,230,292	600,000
		<u>1,194,481,812</u>	<u>790,332,088</u>

25.1 Includes Rs. 7,030,043 (2022: Rs. 5,712,115) in respect of staff retirement benefits.

25.2 Auditors' remuneration

Audit fee	4,641,570	4,528,355
Fee for consolidated financial statements	801,900	618,750
Fee for half yearly review	656,100	506,250
Tax and other assurance services	2,200,000	1,757,667
Out of pocket expenses	657,138	404,154
	<u>8,956,708</u>	<u>7,815,176</u>

25.3 Donation to following parties exceeds 10% of the Group's total donations or Rs. 1 million, whichever is higher:

	2023	2022
	Rupees	Rupees
Dhoraji Youth Services Foundation	75,000	100,000
Sindh Graduates Association	500,000	500,000
Momina and Duraid Foundation	105,655,292	-
	<u>106,230,292</u>	<u>600,000</u>

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

- Mr. Duraid Qureshi
- Ms. Sultana Siddiqui

	Note	2023 ----- Rupees	2022 -----
26 OTHER EXPENSE			
Provision for doubtful trade debts		-	28,112,800
27 OTHER INCOME			
Income / (loss) from financial assets - net			
Profit on bank accounts	15.1	67,328,851	28,562,426
Unrealised exchange gain / (loss)		176,577,118	(22,466,497)
Dividend income		58,931,534	23,451,856
Interest / markup income		7,904,032	6,568,439
Government grant	19	478,147	4,578,119
Unrealised loss on revaluation of investments		(7,320,853)	(49,819,679)
Gain / (Loss) on redemption / sale of investments		27,943,092	(31,191,855)
		<u>331,841,921</u>	<u>(40,317,191)</u>
Income from non financial assets			
Gain on disposal of operating fixed assets	4.4	936,097	5,670,012
Gain on termination of right of use asset		-	12,134,055
Sale of content and festival revenue		25,290,719	30,733,489
Reversal of provision for impairment against in subsidiary		1,776,832	7,842,911
Reversal of ECL - net		30,298,619	-
Reversal of liabilities - no longer payable		98,671,515	-
Others		-	7,978,376
		<u>156,973,782</u>	<u>64,358,843</u>
		<u>488,815,703</u>	<u>24,041,652</u>
28 FINANCE COSTS			
Mark-up on long-term financing		34,506,149	49,764,169
Mark-up on short-term borrowings		98,402	8,090,625
Interest on lease liabilities		10,995,762	14,287,879
Bank charges		1,535,701	2,422,774
		<u>47,136,014</u>	<u>74,565,447</u>
29 TAXATION			
Current		233,098,689	220,868,369
Deferred		60,353,085	(67,537,073)
Prior		3,263,370	(1,477,602)
		<u>296,715,144</u>	<u>151,853,694</u>
Relationship between tax expense and accounting profit			
Profit before taxation		<u>2,214,481,950</u>	<u>1,546,959,349</u>
Tax at the applicable rate		642,199,766	448,618,211
Tax effects of:			
Tax at reduced rate on dividend income		(10,607,676)	(4,221,334)
Income subject to final tax regime		(514,021,552)	(415,030,747)
Provision for super tax		65,747,467	26,457,707
Prior year tax charge reversal		3,552,814	(1,477,602)
Others		109,844,325	97,507,459
		<u>296,715,144</u>	<u>151,853,694</u>

29.1 The Holding Company has filed its return of income up to tax year 2022. The returns so filed are deemed to be an assessment order issued by the Taxation Authorities on the date the complete return is filed. The Holding Company was mainly subject to minimum tax during the year ended 30 June 2021 under section 153(1)(b) of the Income Tax Ordinance 2001, therefore, relationship between income tax expense and accounting profit has not been presented.

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

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

29.3 During the year ended 30 June 2022, the Assistant Commissioner Inland Revenue (ACIR) passed an order under section 122(1) of the Ordinance for the tax year 2017 whereby tax demand of Rs.771,644,957 was raised. The Holding Company challenged the above order before the Commissioner Inland Revenue (Appeals). The CIR(A) pursuant to the above appeal has decided majority of the issues in favor of the Holding Company. Furthermore, issue of additions to fixed assets has been remanded back for verification whereas disallowance in respect of unpaid creditors and accrued liabilities, loss on disposal of fixed assets and levy of super tax under section 4B has been confirmed. The Holding Company has filed further appeal in respect of the confirmed issues before the ATIR, which is pending adjudication.

29.4 The Group had received a notice dated October 26, 2016 for Tax Year 2014 issued u/s 122(5A) of Income Tax Ordinance, 2001 from Additional Commissioner Inland Revenue (Addl.CIR) which had required the Group to provide information/details. The Group through its AR provided all the required data/information/documents along with supporting reconciliation through various letters.

The Addl. CIR passed an order on June, 24 2020 making total additions/disallowances of Rs. 942,168,796 under various heads, which resulted into outstanding tax demand of Rs. 320,895,069.

In contrast, the Group filed an appeal before the first Appellate forum i.e. Commissioner Inland Revenue Appeal - III, Karachi who after consideration deleted the additions amounting to Rs. 2,217,579 whereas the remaining additions to be remanded back to Addl. CIR with instructions to re-examine the submission of AR and reconsider the facts of the case.

Still being aggrieved from Appellate order the Group has filed an appeal before the Honourable Appellate Tribunal Inland Revenue which is pending for hearing date.

29.5 The Group received notice under Section 221 of the Ordinance for the Tax Year 2019 by the Assistant/Deputy Commissioner Inland Revenue, requiring the Group to provide an explanation in respect of adjustment of refunds claimed without determination of refunds under section 170 of the Ordinance by passing an order under section 221(1) of the Ordinance raising a demand of Rs. 147,392. Being aggrieved from the aforesaid order, the company filed an appeal before Commissioner Inland Revenue, Appeals III, Karachi, which is pending for adjudication till date.

29.6 The Group received a notice dated 23-04-2015 from Assistant commissioner Inland Revenue (ACIR), issued u/s 161/205 read with section 153(1)(b) further read with section 182(1)(15) of the Ordinance for the Tax Year 2015 wherein ACIR has considered the retrospective application of withholding tax rates enhanced for non-filer through S.R.O. No. 136(I)/2015 dated 13-02-2015 in respect of Section 153(1)(b) of the Ordinance and asked the Group to pay short deduction of Rs. 246,144/- and intended to levy default surcharge of Rs. 35,075/- on aforesaid short deduction.

The Group through its AR's letter has contested that no statute shall be construed to have retrospective operation. No further correspondence has been received from Tax Department till date.

	2023	2022
	----- Rupees -----	
30 EARNINGS PER SHARE – basic and diluted		
Profit attributable to the owners of the Holding Company	<u>1,952,769,553</u>	<u>1,416,178,509</u>
Weighted average number of ordinary shares outstanding during the year	<u>1,134,000,000</u>	(Restated) <u>1,134,000,000</u>
Earnings per share (Rupee)	<u>1.72</u>	<u>1.25</u>
30.1 Weighted average number of ordinary shares		
Issued ordinary shares at the beginning of the year	945,000,000	945,000,000
Effect of bonus shares	189,000,000	189,000,000
Weighted average number of ordinary shares at the end of the year	<u>1,134,000,000</u>	<u>1,134,000,000</u>

30.2 There is no dilutive effect on the basic earnings per share of the Holding Company.

	Note	2023 ----- Rupees	2022 ----- Rupees
31 CASH GENERATED FROM OPERATIONS			
Profit before taxation		2,214,481,950	1,546,959,349
Adjustments for :			
Depreciation	23, 24 & 25	117,631,691	183,776,564
Amortisation	23 & 25	12,175,518	13,890,746
Provision for employee retirement benefits		46,128,542	14,814,911
Finance costs	28	47,136,014	74,565,447
Unrealised exchange (gain) / loss	27	(176,577,118)	22,466,497
Profit on deposit accounts	27	(67,328,851)	(28,562,426)
Gain on disposal of operating fixed assets	27	(936,097)	(5,670,012)
Dividend income	27	(58,931,534)	(23,451,856)
Amortisation of deferred income - government grant	19	(478,147)	(4,578,118)
(Gain) / loss on redemption / sale of investments	27	(27,943,092)	31,191,855
Unrealised loss on revaluation of investments	27	7,320,853	49,819,679
Reversal of impairment in subsidiary	27	(1,776,832)	(7,842,911)
Gain on termination of right of use asset		-	(12,134,055)
Reversal of liabilities - no longer payable	27	(98,671,515)	-
(Reversal) / charge of provision for ECL - net	27	(30,298,618)	28,112,800
		(232,549,186)	316,389,121
(Increase) / decrease in current assets			
Inventories		(88,326)	33,640
Current portion of television program costs		4,517,361	10,038,580
Trade debts		(335,347,114)	(245,589,373)
Advances		(101,593,054)	15,181,394
Trade deposits and short-term prepayments		(32,484,203)	(31,295,963)
Other receivables		(8,496,063)	(100,349,711)
		(473,491,399)	(351,981,433)
Increase / (decrease) in current liabilities			
Trade and other payables		(16,183,958)	624,316,858
Advance from customers		50,648,268	(50,409,413)
		<u>1,542,905,675</u>	<u>2,085,274,482</u>
32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES			

The aggregate amounts charged in the consolidated financial statements for remuneration, including all benefits to the Chief Executives, Directors and Executives are as follows:

	2023				2022			
	Chief Executive	Executive Director	Non-Executive Directors	Executives	Chief Executive	Executive Director	Non-Executive Directors	Executives
Managerial remuneration	151,104,889	-	-	367,084,064	114,315,720	-	-	312,890,168
Technical advisory fee	-	54,751,500	-	-	-	47,610,000	-	-
Fee	-	-	3,900,000	-	-	-	3,175,000	-
Bonus	184,398,314	184,398,314	-	-	104,560,249	104,560,249	-	-
Retirement benefits	-	-	-	18,858,646	-	-	-	15,196,157
House rent	17,133,642	-	-	99,164,290	15,775,403	-	-	79,062,033
Utilities	3,807,520	-	-	22,036,508	3,505,645	-	-	17,569,340
Car allowance	20,767,188	23,500,000	-	-	20,128,072	23,500,000	-	-
Fuel and conveyance	2,975,351	2,704,411	1,478,447	30,302,101	1,834,938	1,548,927	870,287	15,637,993
	<u>380,187,104</u>	<u>265,354,225</u>	<u>5,378,447</u>	<u>537,445,609</u>	<u>260,120,027</u>	<u>177,219,176</u>	<u>4,045,287</u>	<u>440,355,601</u>
Number	<u>1</u>	<u>1</u>	<u>5</u>	<u>65</u>	<u>1</u>	<u>1</u>	<u>5</u>	<u>62</u>

32.1 The Chief Executives, Directors and certain Executives are also provided with free use of Group maintained cars in accordance with the Group's policy and reimbursement of expenses related to business travel.

33 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise associated undertaking, retirement benefits fund and key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

Relationship	Nature of transactions	2023	2022
		----- Rupees	----- Rupees
Associates	Purchases of television program rights	1,572,300,900	1,522,637,694
	Expenses paid on behalf of the associate	-	11,182,630
	Payment made during the year	1,993,714,343	1,720,819,343
Others	Contribution to the provident fund	44,665,150	37,387,857

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

33.1 Following are the related parties with whom the Holding Company had entered into transactions or have arrangement / agreement in place:

S.No.	Company Name	Basis of association	Aggregate % of shareholding
1	M.D Productions (Private) Limited	Associated company (32.1.1)	-
2	Momina & Duraid Films (Private) Limited	Associated company (32.1.1)	-
3	Momina and Duraid Foundation	Associated company (32.1.1)	-
4	HUM Network Limited- Employees' Provident Fund	Retirement Fund	-
5	Ms. Sultana Siddiqui	Director	0.73%
6	Mr. Mazhar ul Haq Siddiqui	Director	-
7	Mr. Duraid Qureshi	Director	45.74%
8	Mr. Shunaid Qureshi	Director	5.38%
9	Mrs. Mehtab Akber Rashid	Director	-
10	LT Gen (R) Asif Yasin Malik	Director	-
11	Mr. Muhammad Avub Younus Adhi	Director	-
12	Mr. Sohail Ansar	Director	-
13	Ms. Khush bakht Shujaat	Director	-

33.1.1 These entities are associated companies / undertakings of the Group under Companies Act, 2017.

33.2 None of the key management personnel had any arrangements with the Group other than the employment contract.

	Note	2023 Rupees	2022 Rupees
34 FINANCIAL INSTRUMENTS BY CATEGORY			
34.1 Financial assets as per statement of financial position			
Financial assets at amortised cost			
- Long-term deposits	7	28,800,084	28,172,806
- Trade debts	10	3,100,542,350	2,499,313,014
- Trade deposits	13	357,175	514,500
- Other receivables	14	91,034,081	87,633,653
- Cash and bank balances	15	2,101,996,791	925,578,242
		<u>5,322,730,481</u>	<u>3,541,212,015</u>
Financial assets at fair value through profit or loss			
- Long-term investments	6	49,527,574	-
- Short-term investments	11	589,143,291	1,127,212,684
		<u>638,670,865</u>	<u>1,127,212,684</u>
34.2 Financial liabilities as per statement of financial position			
Financial liabilities at amortised cost			
- Long-term financing	18	58,765,328	101,461,145
- Trade and other payables	20	1,173,502,576	1,279,832,774
- Accrued mark-up		2,033,411	6,111,455
- Current portion of long-term financing	18	66,528,523	295,570,069
- Unclaimed dividend		6,153,603	6,153,631
- Unpaid dividend		1,374,738	2,299,757
		<u>1,308,358,179</u>	<u>1,691,428,861</u>

35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Group's senior management oversees the management of these risks. The Group's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of financial derivatives, financial instruments and investment of excess liquidity. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors review and agree policies for managing each of these risks which are summarized below:

35.1 Market risk

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

35.2 Interest rate risk

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

Sensitivity analysis:

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

	Increase / decrease in basis points	Effect on profit before taxation Rupees
June 30, 2023	+100	3,929,500
	-100	(3,929,500)
June 30, 2022	+100	6,411,320
	-100	(6,411,320)

35.3 Currency risk

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

	2023			2022		
	US Dollar	GBP	AED	US Dollar	GBP	AED
Trade debts	303,635	542,806	4,623,915	742,774	785,143	3,425,233
Deposits and prepayments	1,250	105,569	232,918	1,250	115,745	13,555
Trade and other payables	(116,040)	(88,545)	(29,149)	(107,495)	(162,689)	(139,960)

The following significant exchange rates have been applied at the reporting dates:

	Rupees			Rupees		
Closing exchange rates	285.74	363.82	77.79	204.10	247.10	55.55

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and GBP exchange rate, with all other variables held constant, of the Group's profit before taxation:

	Change in US dollar rate (%)	Effect on profit before tax	Change in GBP rate (%)	Effect on profit before tax	Change in AED rate (%)	Effect on profit before tax
		-- Rupees --		-- Rupees --		-- Rupees --
30 June 2023	+10	5,396,057	10	20,367,735	+10	37,554,554
	-10	(5,396,057)	-10	(20,367,735)	-10	(37,554,554)
30 June 2022	+10	12,991,556	10	18,240,897	+10	18,324,990
	-10	(12,991,556)	-10	(18,240,897)	-10	18,324,990

35.4 Equity price risk

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

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 638,670,865 (2022: Rs. 1,127,212,684).

35.5 Credit risk

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

The Group is mainly exposed to credit risk on trade debts and bank balances. The Group seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable.

Management of credit risk

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

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

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

- Cash is held with reputable banks only.

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

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
- Long-term deposits	7	28,800,084	28,172,606
- Trade debts	10	3,100,542,350	2,499,313,014
- Long-term investments	6	49,527,574	-
- Short-term investments	11	589,143,291	1,127,212,684
- Trade deposits	13	1,730,814	514,500
- Other receivables	14	91,034,081	87,633,653
- Bank balances	15	2,101,605,598	925,016,224
		<u>5,962,383,792</u>	<u>4,667,862,681</u>

Quality of financial assets

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

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
Trade debts			
Customers with no defaults in the past one year		3,100,542,350	2,499,313,014
Customers with some defaults in past one year		47,592,291	114,234,344
	10	<u>3,148,134,641</u>	<u>2,613,547,358</u>
Bank balances			
AAA		275,943,937	1,112,428
AA+		417,173,167	653,595,026
AA		919,037,535	270,306,554
A		489,450,959	2,216
	15	<u>2,101,605,598</u>	<u>925,016,224</u>
Short-term investments			
Mutual funds	A(f)	53,284,537	2,409,729
	A+(f)	5,087,356	413,144,899
	AA(f)	29,668,996	25,811,342
	AA+(f)	384,850,946	261,491,882
	Non-rated	95,103,298	378,968,064
		<u>567,995,133</u>	<u>1,081,825,916</u>
Term finance certificate	A	21,148,158	45,386,768
	11	<u>589,143,291</u>	<u>1,127,212,684</u>

35.6 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Group's financial liabilities as at the following reporting dates:

2023	Less than 3 months				Total
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	
	----- Rupees -----				
Long-term lease liabilities	-	3,781,136	11,883,803	55,234,536	70,899,475
Long-term financing	-	16,632,130	49,896,393	58,765,328	125,293,851
Trade and other payables	492,911,715	235,393,385	445,197,476	-	1,173,502,576
Accrued mark-up	2,033,411	-	-	-	2,033,411
	<u>494,945,126</u>	<u>255,806,651</u>	<u>506,977,672</u>	<u>113,999,864</u>	<u>1,371,729,313</u>
2022	Less than 3 months				Total
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	
	----- Rupees -----				
Long-term lease liabilities	-	5,032,131	22,623,132	61,394,204	89,049,467
Long-term financing	-	88,950,624	208,604,305	99,476,285	397,031,214
Trade and other payables	246,570,024	417,857,777	615,404,973	-	1,279,832,774
Accrued mark-up	6,111,454	-	-	-	6,111,454
	<u>252,681,478</u>	<u>511,840,532</u>	<u>846,632,410</u>	<u>160,870,489</u>	<u>1,772,024,909</u>

35.6.1 Changes in liabilities from financing activities

	01 July 2022	Cash flows	New leases	Others	30 June 2023
	Rupees				
Long-term financing	<u>397,031,214</u>	<u>(271,737,363)</u>	<u>-</u>	<u>-</u>	<u>125,293,851</u>
Long-term lease liabilities	<u>89,049,467</u>	<u>(24,258,933)</u>	<u>1,375,281</u>	<u>4,733,660</u>	<u>70,899,475</u>
	01 July 2021	Cash flows	New leases	Others	30 June 2022
	Rupees				
Long-term financing	<u>622,798,198</u>	<u>(225,766,984)</u>	<u>-</u>	<u>-</u>	<u>397,031,214</u>
Long-term lease liabilities	<u>121,616,252</u>	<u>(33,804,105)</u>	<u>13,943,510</u>	<u>(12,706,190)</u>	<u>89,049,467</u>

35.6.2 Fair value of financial instruments

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

35.7 Capital risk

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

	Note	2023	2022
		Rupees	
Long-term lease liabilities	17	55,234,536	72,676,898
Long-term financing	18	58,765,328	101,461,145
Trade and other payable	20	1,192,647,473	1,307,502,946
Accrued markup		2,033,411	6,111,455
Current portion of long-term lease liabilities	17	15,664,939	16,372,569
Current portion of long-term financing	18	66,528,523	295,570,069
Total debt		1,390,874,210	1,799,695,082
Cash and bank balances	15	(2,101,996,791)	(925,578,242)
Net debt		(711,122,581)	874,116,840
Share capital	16	1,134,000,000	945,000,000
Unappropriated profit		6,297,572,560	4,296,372,452
Total equity		7,431,572,560	5,241,372,452
Capital		6,720,449,979	6,115,489,292
Gearing ratio		-10.58%	14.29%

35.8 Fair value measurement

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

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

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

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

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

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

Assets measured at fair value

	2023				2022
	Level 1	Level 2	Level 3	Total	
	(Rupees)				
Long-term investments	-	-	49,527,574	49,527,574	-
Short-term investments	-	589,143,291	-	589,143,291	1,127,212,684

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

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

36 OPERATING SEGMENTS

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

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

News segment is engaged in broadcasting of news programs.

	Entertainment		News		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees)							
Revenue								
Net revenue from external customer	<u>6,348,280,938</u>	5,943,073,296	<u>1,203,044,980</u>	801,889,146	<u>16,538,022</u>	-	<u>7,567,863,940</u>	6,544,952,442
Result								
Segment profit / (loss)	<u>2,559,882,917</u>	2,657,588,600	<u>424,482,528</u>	(171,417,721)	<u>(17,061,372)</u>	(70,242,847)	<u>2,967,284,073</u>	2,415,928,032
Taxation							<u>(296,715,144)</u>	(151,853,694)
Unallocated income / (expenses)								
Administrative expenses							<u>(1,194,481,812)</u>	(790,332,088)
Other income							<u>488,815,703</u>	24,041,852
Other expenses							<u>-</u>	(28,112,800)
Finance cost							<u>(47,136,014)</u>	(74,565,447)
Profit for the year							<u>1,917,786,806</u>	1,395,105,655
Other information								
Amortisation	<u>(8,511,349)</u>	(8,660,410)	<u>(3,551,791)</u>	(5,220,336)	<u>(112,378)</u>	-	<u>(12,175,518)</u>	(13,880,746)
Depreciation	<u>(63,404,620)</u>	(45,415,487)	<u>(53,495,162)</u>	(118,361,097)	<u>(731,909)</u>	-	<u>(117,631,691)</u>	(163,778,564)
Segment assets	<u>830,550,023</u>	229,175,529	<u>839,213,836</u>	1,053,331,155	<u>6,738,368</u>	-	<u>1,676,502,227</u>	1,282,508,684
Unallocated Assets	<u>-</u>	-	<u>-</u>	-	<u>-</u>	-	<u>7,296,095,823</u>	5,848,341,291
	<u>830,550,023</u>	229,175,529	<u>839,213,836</u>	1,053,331,155	<u>6,738,368</u>	-	<u>8,972,598,050</u>	7,130,847,975
Segment liabilities	<u>1,006,635,192</u>	1,229,236,026	<u>295,611,949</u>	651,639,363	<u>327,359,814</u>	62,176,653	<u>1,629,606,955</u>	1,943,054,241

36.1 Revenue from three major customers of the Group during the year constituted 57% (2022: 65%) of the total revenue.

37 NUMBER OF EMPLOYEES

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

	2023	2022
	Rupees	
Total number of employees	<u>745</u>	<u>736</u>
Average number of employees during the year	<u>720</u>	<u>786</u>

38 GENERAL

38.1 Certain corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison and better presentation. However, no significant reclassifications have been made during the year.

38.2 Figures have been rounded off to the nearest Rupee.

39 SUBSEQUENT EVENTS

39.1 On August 28, 2023, M/s. HUM Network FZ LLC (a Subsidiary Company) acquired 100% shareholding of M/s. TS3 FZ LLC, a company established in UAE for Rs. 130 million paid in AED equivalent. M/s. TS3 FZ LLC is engaged in the business of sports consultancy, media / marketing consultancy and digital media services.

39.2 On July 26, 2023, the Holding Company acquired 100% shareholding of M/s. Sphere Ventures (Private) Limited against consideration of Rs. 10 million paid in full. M/s. Sphere Ventures (Private) Limited is engaged in the business of kids content.

40 BONUS SHARES

40.1 During the year, the board of directors in the meeting held on October 26, 2022 approved bonus dividend @ 20%.

41 DATE OF AUTHORIZATION

These consolidated financial statements have been authorised for issue on September 25, 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










**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamapunji application for
mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 @jamapunji_pk

*Mobile apps are also available for download for android and ios devices

FORM OF PROXY

The Company Secretary,
HUM NETWORK LIMITED
19th Annual GENERAL MEETING
Karachi

I, _____ S/o. _____, holder of CNIC No. _____ Resident of _____, being member of HUM NETWORK LIMITED, holding _____ ordinary shares as per Registered Folio / CDS Account No. _____ hereby appoint _____ resident of _____ or failing him/ her Mr./Ms. _____ of _____ (full address) who is/are also member(s) of the Company, as my / our proxy to attend, act and vote for me/ us and on my / our behalf at Annual General Meeting (AGM) of the Company to be held on Thursday, 19th day of October, 2023 at 3:00 pm at Ground Floor BRR Tower, Hasan Ali Street off I.I. Chundrigar Road Karachi and / or any Adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2023.

Signed by _____ in the presence of;

Witness:

1. Name:

Signature _____

Address: _____

CNIC or Passport No.; _____

2. Name:

Signature _____

Address: _____

CNIC or Passport No.; _____

Note:

1. The proxy form, duly completed and signed, must be received at the Registered Office of the Company, HUM Network Limited, Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi.
2. All members are entitled to attend and vote at the meeting.
3. A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
4. An Instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours.
5. An instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a not airtly certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 hours before the time of the meeting.
6. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
7. Members are requested to notify any changes in their addresses immediately.
8. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

For CDC Account Holders/Corporate Entities:

In addition to above, the following requirements have to be met:

- i) The proxy form shall be witnessed by two (2) persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- ii) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
- iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم

کمپنی سیکریٹری،
ہم نیٹ ورک لمیٹڈ
۱۹ ویں سالانہ جنرل میٹنگ،
کراچی۔

میں _____ ولد _____، شناختی کارڈ نمبر _____، ساکن _____،
بطور ممبر ہم نیٹ ورک لمیٹڈ، حامل _____ عارضی شیئرز
رجسٹرڈ فوئیو ایسی ڈی سی اکاؤنٹ نمبر _____ جناب _____، ساکن _____
کا تقرر کرتا ہوں جو کہ اس کمپنی کے ممبر بھی ہیں یہ میری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں شرکت
کر کے ووٹ دے سکتے ہیں جس کا انعقاد بروز جمعرات ۱۹ اکتوبر ۲۰۲۳ء کو شام ۳ بجے گراؤنڈ فلوری آر آر ٹاور، حسن علی اسٹریٹ آف آئی آئی چندریگر
روڈ، کراچی میں ہوگا۔

بطور گواہ میں اپنے دستخط/مہر تاریخ _____ ۲۰۲۳ء ثبت کرتا ہوں۔
میں _____ نے درج ذیل کی موجودگی میں دستخط کئے ہیں۔
گواہ:

_____ نام: ۱-	_____ نام: ۲-
_____ دستخط:	_____ دستخط:
_____ پتہ:	_____ پتہ:
_____ شناختی کارڈ/ پاسپورٹ نمبر:	_____ شناختی کارڈ/ پاسپورٹ نمبر:

- نوٹ:
- ۱- پراکسی فارم کو مکمل اور دستخط کر کے کمپنی کے رجسٹرار آفس ہم نیٹ ورک لمیٹڈ، پلاٹ نمبر ۱۱/۱، حسن علی اسٹریٹ، آف آئی آئی چندریگر روڈ، کراچی میں وصول کئے جائیں گے۔
 - ۲- تمام ممبران میٹنگ میں حاضر ہو کر ووٹ دینے کا حق رکھتے ہیں۔
 - ۳- مجاز ممبر میٹنگ میں حاضر ہو کر ووٹ دے سکتا ہے اور اپنی جانب سے میٹنگ میں شرکت کرنے اور ووٹ دینے کیلئے کسی بھی دیگر ممبر کا پراکسی کے طور پر تقرر کر سکتا ہے۔
 - ۴- پراکسی کی سادہ دستاویز میٹنگ میں قابل استعمال ہے جو کہ نوٹس کے ساتھ فراہم کی جا رہی ہے۔ پراکسی دستاویز کی مزید کاپیاں ادکات کار کے دوران کمپنی کے رجسٹرار آفس سے حاصل کی جاسکتی ہیں۔
 - ۵- مکمل کردہ پراکسی دستاویز اور پاور آف اٹارنی یا دیگر اختیارات (اگر کوئی ہوں) جس کے تحت اس پر دیکھ کر کے نوٹری سے تصدیق شدہ کاپی بابت پاور یا اتھارٹی قابل قبول ہوگی جسے میٹنگ کے وقت سے ۲۸ گھنٹے قبل رجسٹرار آفس میں داخل کیا جائے گا۔ ممبر کے شناختی کارڈ یا پاسپورٹ اور پراکسی کی کاپیاں پراکسی فارم کے ساتھ فراہم کی جائیں گی۔
 - ۶- اگر کوئی ممبر ایک سے زائد پراکسی کا تقرر کرتا ہے اور ایک سے زائد دستاویزات کمپنی میں داخل کرتا ہے تو ایسی دستاویزات کو ٹیسٹ وٹسورڈ کیا جائے گا۔
 - ۷- ممبران سے درخواست ہے کہ وہ اپنے پتے میں کسی بھی تبدیلی کی صورت میں فوری طور پر مطلع کریں۔
 - ۸- سی ڈی سی اکاؤنٹ ہولڈرز کو ہدایت کی جاتی ہے کہ وہ سرکلر ۱ میں دی گئی ہدایات پر عمل کریں جو کہ ۲۶ جنوری ۲۰۰۰ء کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان۔

سی ڈی سی اکاؤنٹ ہولڈر/ کارپوریٹ کیلئے:

ذکرہ بالا کے علاوہ درج ذیل پر بھی عمل کرنا ہوگا:

- ۱- پراکسی فارم پر ہذا اثر گواہ ہونے کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج کئے جائیں گے۔
- ۲- شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ منسلک کی جائیں گی۔
- ۳- پراکسی اصل شناختی کارڈ یا اصل پاسپورٹ کے ساتھ میٹنگ کے وقت پیش کرنا ہوگا۔
- ۴- کارپوریٹ کی موجودگی میں پورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی ہونے کے دیکھ کر ساتھ پراکسی فارم کمپنی میں جمع کرائے جائیں گے۔



HUM NETWORK LIMITED

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

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

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

www.humnetwork.tv
www.hum.tv
www.humnews.pk
www.masala.tv
www.tensports1v.com
www.humpashto1.tv

[humtvpakistan](#)
 [humfilms](#)
 [humnewspakistan](#)
 [masalainmagzine](#)
 [tensportspakistanofficial](#)
 [humpashto1](#)