

MEDIA TIMES LIMITED

MEDIA TIMES LIMITED

**CONDENSED INTERIM HALF YEARLY
FINANCIAL INFORMATION
(Un-Audited)**

31 DECEMBER 2016

VISION

To be a dynamic and liberal media company with the aim to inform and entertain our target market, keeping in view the truth and authenticity element.

MISSION

As a leading & diversified media company, our mission is to set new standards of customer satisfaction by gaining the higher market share and at the same time fulfilling our obligations towards our employees, vendors, investors and most important our readers and viewers.

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COMPANY INFORMATION

Board of Directors	Aamna Taseer (Chairman) Shehryar Ali Taseer (CEO) Shahbaz Ali Taseer Shehribano Taseer Rema Husain Qureshi Ayesha Tammy Haq Kanwar Latafat Ali Khan	Non-Executive Executive Non-Executive Executive Non-Executive Non-Executive Independent
Chief Financial Officer	Shahan Ibrar	
Audit Committee	Shahbaz Ali Taseer (Chairman) Rema Husain Qureshi Kanwar Latafat Ali Khan	
Human Resource and Remuneration (HR&R) Committee	Aamna Taseer (Chairman) Shehryar Ali Taseer Shahbaz Ali Taseer	
Company Secretary	Tariq Majeed	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel	
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited NIB Bank	
Limited		
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor State Life Building No.3, Dr. Zia-ud-Din Ahmed Road Karachi ☎ (021) 111-000-322	
Head Office	3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cannt. Lahore, Pakistan. ☎ (042) 36623005/6/8 Fax: (042) 36623121-36623122	
Registered & Main Project Office	41-N, Industrial Area, Gulberg-II, Lahore ☎ (042) 35878614-9 Fax: (042) 35878620, 35878626	

DIRECTORS' REVIEW

The Directors of **Media Times Limited** ("MTL" or "the Company") have pleasure in submitting their Report together with the un-audited financial statements of the company for the half year ended December 31, 2016 duly reviewed by external auditors, who have issued a review report, which is annexed to the financial statements.

Financial Highlights

The loss before tax for the six months of the current financial year was Rs 36.23 million compared to Rs 81.91 million in the corresponding period of previous year. The gross profit as percentage of sales was 12% as compared to gross loss percentage of sales of 5% in the corresponding period. During the period besides increase in revenue; reduction in cost of production resulted in gross profit.

Detailed results of the Company for the half year ended December 31, 2016 are disclosed in the financial statements accompanying this report; however highlights for the period are as follows:

Profit and Loss Account	Half year Ended December 31	
	2016	2015
	(Rs. in Millions)	
Turnover	200.04	194.93
Gross Profit/(loss)	24.59	(9.53)
Loss before Taxation	(36.23)	(81.91)
Taxation	(2.00)	(1.95)
Loss after Taxation	(38.23)	(83.86)

Future Outlook

Management of Media Times is fully committed to achieving excellence in all fields of its operations and maintaining the high standards of quality that Media Times is known for, both in terms of its products as well as its operational practices.

Earnings per Share

Earnings/ (Loss) per share for the half year ended December 31, 2016 is Rs (0.21) as compared to (0.47) for previous year's corresponding period.

Acknowledgements

The Management would like to place on record its appreciation for the support of board of director's regulatory authorities, shareholders, customers, financial institutions, suppliers and dedication & hardwork of the staff and Workers.

For and on behalf of the Board of Directors

Lahore
25 February 2017

Shehryar Ali Taseer
Chief Executive Officer

ڈائریکٹرز کی رپورٹ

میڈیا ٹائمز لمیٹڈ (MTL "یا" کمپنی) 31 دسمبر 2016ء کو اختتام پذیر نصف سال کے لئے بیرونی آڈیٹرز سے مناسب جائزے کے بعد غیر پڑتال شدہ مالی سٹیٹمنٹ پیش کرنے پر فخر محسوس کرتی ہے۔ جاری کردہ جائزہ رپورٹ مالی سٹیٹمنٹ کے ساتھ منسلک ہے۔

مالیات کے اہم نکات

گذشتہ سال کی اسی مدت میں 81.91 ملین روپے کے خسارے کے مقابلہ میں حالیہ مالی سال میں جیسے ہی ماہ کے لئے بغیر ٹیکس کے خسارہ 36.23 ملین روپے رہا۔ اسی مدت میں فروخت پر کل نقصان کی 5 فی صد اوسط کے مقابلہ میں فروخت پر کل منافع کی اوسط 12 فی صد رہی۔ اس مدت کے دوران آمدنی میں اضافہ کے باوجود پیداواری لاگت میں کمی کے نتیجے میں منافع حاصل کیا گیا۔

اس رپورٹ کے ہمراہ نصف سال کے دوران کمپنی کے تفصیلی نتائج مالی تفصیلات میں درج ہیں۔ تاہم اس مدت کی خصوصیات درج ذیل ہیں۔

نفع اور نقصان کا کھاتہ	31 دسمبر کو اختتام پذیر نصف سال	
	2015	2016
	(روپے ملین میں)	
ٹرن اوور	194.93	200.04
کل نفع / (نقصان)	(9.53)	24.59
نقصان علاوہ ٹیکس	(81.91)	(36.23)
ٹیکسیشن	(1.95)	(2.00)
نقصان جمع ٹیکس	(83.86)	(38.23)

مستقبل کا نقطہ نظر

میڈیا ٹائمز لمیٹڈ کی انتظامیہ اپنے تمام شعبہ جات اپنے دائرہ کار اور کام کرنے کی نوعیت دونوں میں بہتری اور اعلیٰ معیار جس کے لئے میڈیا ٹائمز جانا جاتا ہے حاصل کرنے کے لئے کامزن ہے۔

فی حصص آمدنی

گذشتہ سال کی اسی مدت میں (0.47) روپے کے مقابلہ میں 31 دسمبر 2016ء کو اختتام پذیر نصف سال کے لئے فی حصص آمدنی / (نقصان) (0.21) روپے ہے۔

اعتراف

انتظامیہ بورڈ آف ڈائریکٹرز، ریگولیٹری اتھارٹی، حصص داران، گاہکوں، مالی اداروں، سپلائرز، عملہ اور کارکنان کے جذبہ اور محنت کی خاطر خواہ کوششوں اور ہمدردیوں کو قدر کی نگاہ سے دیکھتی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

شہریار علی تاسیر
چیف ایگزیکٹو آفیسر

لاہور: 25 فروری 2017ء

MEDIA TIMES LIMITED

Auditor's Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Media Times Limited** ("the Company") as at 31 December 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six month period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

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

Conclusion

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

Other matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended 31 December 2016, have not been reviewed as we are required to review only the cumulative figures for the half year ended 31 December 2016.

Lahore
25 February 2017

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

MEDIA TIMES LIMITED

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 31 DECEMBER 2016**

		(Un-audited) 31 December 2016	(Audited) 30 June 2016
		----- Rupees -----	
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	6	450,979,411	503,680,965
Intangibles		1,709,906	1,843,362
Long term deposits		6,436,283	6,436,283
Deferred tax asset	7	-	-
		459,125,600	511,960,610
<u>Current assets</u>			
Stores and spare parts		2,008,625	1,470,039
Trade debts	8	146,834,428	120,393,758
Advances, prepayments and other receivables		34,495,431	28,755,269
Advance income tax - net		14,424,901	14,431,447
Cash and bank balances	9	411,365	5,430,311
		198,174,750	170,480,824
		657,300,350	682,441,434
EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Authorised share capital 180,000,000 ordinary shares of Rs. 10 each		1,800,000,000	1,800,000,000
Issued, subscribed and paid up capital	10	1,788,510,100	1,788,510,100
Share premium reserve		76,223,440	76,223,440
Accumulated loss		(2,072,464,417)	(2,034,238,690)
		(207,730,877)	(169,505,150)
<u>Non-current liabilities</u>			
Long term financing - unsecured	11	194,187,697	183,367,707
Deferred liabilities		30,320,390	28,712,974
		224,508,087	212,080,681
<u>Current liabilities</u>			
Trade and other payables	12	487,234,343	495,107,146
Accrued mark-up	13	85,687,665	77,191,603
Short term borrowings		50,295,520	51,307,520
Liabilities against assets subject to finance lease		17,305,612	16,259,634
		640,523,140	639,865,903
		657,300,350	682,441,434
Contingencies and Commitments			
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The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.			

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	Six months ended		Three months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	----- Rupees -----			
Turnover - net	200,037,809	194,928,653	104,548,765	96,960,808
Cost of production	(175,449,007)	(204,461,145)	(85,070,592)	(101,830,135)
Gross profit	24,588,802	(9,532,492)	19,478,173	(4,869,327)
Administrative expenses	(81,040,640)	(67,375,134)	(45,151,645)	(32,009,094)
Finance cost	(10,061,295)	(10,979,189)	(5,781,260)	(6,632,938)
Other income	30,287,784	7,230,363	25,177,063	4,268,818
Other expense	-	(1,254,783)	-	-
Loss before taxation	(36,225,349)	(81,911,235)	(6,277,669)	(39,242,541)
Taxation	(2,000,378)	(1,949,287)	(1,686,709)	(969,609)
Loss for the period	(38,225,727)	(83,860,522)	(7,964,378)	(40,212,150)
Loss per share - basic and diluted	(0.21)	(0.47)	(0.04)	(0.22)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	Six months ended		Three months ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	----- Rupees -----			
Loss for the period	(38,225,727)	(83,860,522)	(7,964,378)	(40,212,150)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(38,225,727)	(83,860,522)	(7,964,378)	(40,212,150)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	31 December 2016	31 December 2015
Note	Rupees	Rupees
<u>Cash flows from operating activities</u>		
Cash used in operations	15 (13,784,918)	(11,839,862)
Taxes paid	(1,993,832)	(1,343,745)
Net cash used in operating activities	<u>(15,778,750)</u>	<u>(13,183,607)</u>
<u>Cash flows from investing activities</u>		
Fixed capital expenditure	(1,242,431)	(1,232,907)
Sale proceeds on disposal of property, plant and equipment	2,713,500	550,000
Net cash generated from / (used in) investing activities	<u>1,471,069</u>	<u>(682,907)</u>
<u>Cash flows from financing activities</u>		
Receipt of long term finances - net	10,819,990	15,606,640
Repayment of modaraba finance	(1,012,000)	(100,088)
Repayment of lease liability	(283,987)	(800,000)
Finance cost paid	(235,268)	(2,656,965)
Net cash generated from financing activities	<u>9,288,735</u>	<u>12,049,587</u>
Net decrease in cash and cash equivalents	<u>(5,018,946)</u>	<u>(1,816,927)</u>
Cash and cash equivalents at beginning of the period	<u>5,430,311</u>	<u>2,844,312</u>
Cash and cash equivalents at end of the period	<u><u>411,365</u></u>	<u><u>1,027,385</u></u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	Share capital	Capital reserves Share premium	Revenue reserve Unappropriated loss	Total
	Rupees			
Balance as at 1 July 2015 (Audited)	1,788,510,100	76,223,440	(1,885,609,386)	(20,875,846)
<u>Total comprehensive loss for the six months ended 31 December 2015</u>				
Loss for the period	-	-	(83,860,522)	(83,860,522)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss	-	-	(83,860,522)	(83,860,522)
Balance as at 31 December 2015 (Un-audited)	<u>1,788,510,100</u>	<u>76,223,440</u>	<u>(1,969,469,908)</u>	<u>(104,736,368)</u>
<u>Total comprehensive loss for the six months ended 30 June 2016</u>				
Loss for the period	-	-	(64,768,782)	(64,768,782)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss	-	-	(64,768,782)	(64,768,782)
Balance as at 30 June 2016 (Audited)	<u>1,788,510,100</u>	<u>76,223,440</u>	<u>(2,034,238,690)</u>	<u>(169,505,150)</u>
<u>Total comprehensive loss for the six months ended 31 December 2016</u>				
Loss for the period	-	-	(38,225,727)	(38,225,727)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss	-	-	(38,225,727)	(38,225,727)
Balance as at 31 December 2016 (Un-audited)	<u><u>1,788,510,100</u></u>	<u><u>76,223,440</u></u>	<u><u>(2,072,464,417)</u></u>	<u><u>(207,730,877)</u></u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

LAHORE

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

1 Reporting entity

Media Times Limited ("the Company") was incorporated in Pakistan on 26 June 2001 as a private limited company and was converted into public limited company on 06 March 2007. The Company is listed on Pakistan Stock Exchange (formerly Karachi and Lahore Stock Exchanges). The registered office of the Company is located at 41-N, Industrial Area, Gulberg II, Lahore. The Company is primarily involved in printing and publishing daily English and Urdu news papers in the name of "Daily Times" and "AajKal" respectively and is also involved in production, promotion, advertisement, distribution and broadcasting of television programs, quality films and documentaries through satellite channels in the name of "Business Plus" and "Zaiqa" (formerly Wikkid Plus) respectively.

2 Significant issue

The Company has incurred a net loss of Rs. 38.22 million during the six months period ended 31 December 2016 and, as of date, the Company's current liabilities exceeded its current assets by Rs. 442.39 million. The Company's equity has eroded and the accumulated losses exceed the share capital and share premium by Rs. 207.73 million at 31 December 2016. There is a material uncertainty related to these events which may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company is introducing Business magazine, which shall generate revenue through advertisement. Further the Company has plans to re-launch its newspaper Aajkal and its food channel "Zaiqa TV" with a new theme of entertainment channel. In addition, the Company has plans to organize "Annual Business Awards" and "Face of the Year in Fashion Industry" that will be sponsored by major advertisers of relevant category. The management of the Company is confident that the above actions and steps shall enable the Company to attract revenue streams that will result in improved liquidity. Further the Company's promoters have offered full support to the Company to meet any working capital needs.

3 Basis of preparation

- 3.1** This condensed interim financial information comprises the condensed interim balance sheet of the Company as at 31 December 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof.
- 3.2** This interim financial information of the Company for the six months ended 31 December 2016 has been presented in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 3.3** This condensed interim financial information of the Company does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended 30 June 2016.
- 3.4** Comparative balance sheet numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2016, whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the six months period ended 31 December 2015.
- 3.5** This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984.
- 3.6** This condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest rupees, except otherwise stated.

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4 Estimates and judgments

- 4.1** The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 4.2** Estimates and judgements made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the annual financial statements of the Company as at and for the year ended 30 June 2016.

5 Statement of consistency in accounting policies

- 5.1** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of annual financial statements for the year ended 30 June 2016.
- 5.2** There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below :

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IAS 12 - Income taxes	01 January 2017
IAS 7 - Statement of Cash Flows	01 January 2017
IFRS 2 - Share-based Payments	01 January 2017
IAS 40 - Investment Property	01 January 2017
IFRS 12 - Disclosure of Interest in other Entities	01 January 2017
IAS 28 - Investments in Associates and Joint Ventures	01 January 2018
IFRIC 25 - Foreign Currency Transactions and advance and Discontinued Operations	01 January 2018

(Un-audited)	(Audited)
31 December	30 June
2016	2016
----- (Rupees) -----	

6 Property, Plant and Equipment

Opening book value	503,680,965	608,174,155
Additions during the period / year	1,242,431	3,616,007
Depreciation for the period / year	(53,943,985)	(108,109,197)
Closing book value	450,979,411	503,680,965

The details of cost of property, plant and equipment that have been added and disposed-off during the period / year are as follows:

MEDIA TIMES LIMITED

	Six months ended (Un-audited)		Year ended (Audited)	
	31 December 2016		30 June 2016	
	(Additions)	(Disposals)	(Additions)	(Disposals)
	Rupees			
Plant and machinery	163,000	-	185,000	-
Office equipment	770,600	-	499,300	-
Computers	249,631	-	693,817	-
Furniture and fittings	59,200	-	129,500	-
Vehicles	-	(2,825,500)	1,500,000	(1,071,517)
Leasehold improvements	-	-	608,390	-
	1,242,431	(2,825,500)	3,616,007	(1,071,517)

7 Deferred taxation

Deferred tax (liability) / asset comprises temporary differences relating to:

	(Un-audited) 31 December 2016	(Audited) 30 June 2016
	Rupees	
Accelerated tax depreciation allowances	74,797,051	91,253,244
Unused tax losses	(74,797,051)	(91,253,244)
	-	-

7.1 The Company has unused tax losses (including both business and depreciation losses) amounting to Rs. 1,981.67 million against which deferred tax asset has not been recorded due to uncertain taxable profits. Under the Income tax Ordinance 2001, the Company can carry forward business losses up to 6 years.

8 Trade debts

Considered good

Unsecured:

Related parties	743,824	559,824
Others	137,753,311	111,220,328

Secured:

Distribution agencies	8,337,293	8,613,606
	146,834,428	120,393,758

Considered doubtful

	139,525,944	135,987,397
	286,360,372	256,381,155

Provision for doubtful trade debts

	(139,525,944)	(135,987,397)
	146,834,428	120,393,758

MEDIA TIMES LIMITED

	Note	(Un-audited) 31 December 2016	(Audited) 30 June 2016
		Rupees	
9 Cash and bank balances			
Cash in hand		56,342	101,078
Cash at bank			
Local currency			
- current accounts		183,456	3,567,033
- deposit accounts	9.1	131,380	1,722,013
		314,836	5,289,046
Foreign currency - current account		40,187	40,187
		411,365	5,430,311
9.1 The balance in deposit accounts bear markup at the rates ranging from 3.75% to 4.5% (30 June 2016: 3.75% to 4.5%) per annum.		(Un-audited) 31 December 2016	(Audited) 30 June 2016
		Rupees	
10 Issued, subscribed and paid-up capital			
135,871,350 (30 June 2016: 13,587,135) ordinary shares of Rs. 10 each fully paid in cash		1,358,713,500	1,358,713,500
42,979,660 (30 June 2016: 4,297,966) ordinary shares of Rs. 10 each issued other than cash, in accordance with the scheme of merger with TML		429,796,600	429,796,600
		1,788,510,100	1,788,510,100
10.1 Ordinary shares of the Company held by the associated undertaking at the period / year end are as follows:			

	Six months ended (Un-audited)		Year ended (Audited)	
	31-Dec-16		30-Jun-16	
	Percentage of holding	Number of shares	Percentage of holding	Number of shares
First Capital Securities Corporation Limited	25.31%	45,264,770	25.31%	45,264,770
First Capital Equities Limited	7.77%	13,893,000	7.77%	13,893,000

10.2 Directors hold 4,200 (30 June 2016: 4,200) ordinary shares comprising 0.002% of the total paid up share capital of the Company.

10.3 The directors and shareholders of the Company approved the issue of right shares at 50% discount in their meeting held on 03 October, 2013 and 30 October, 2013 respectively. The Company filed documents necessary for increase in authorized capital to Rs. 2,100,000,000 with Securities and Exchange Commission of Pakistan (SECP) on 20 July 2016. However, subsequent to the period SECP through its letter dated 4 January 2017 rejected the documents filed by the Company on ground of considerable delay in filing the required documents and advised the Company to re-hold its general meeting for increase in authorized capital, pass a

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special resolution therein and file relevant documents of Form 26 and Form 7. Accordingly Board of directors in their meeting held on 14 February 2017 has decided to re-hold a general meeting of shareholders on 15 March 2017 for obtaining special approval related to increase in authorized capital of the Company.

11 Long term financing - unsecured

This represents loan obtained from WTL Services (Private) Limited, an associated undertaking. This loan is repayable in January 2022. This is an unsecured loan and carries mark-up at the rate of three months KIBOR plus 3% per annum (30 June 2016: three months KIBOR plus 3% per annum) and the mark-up related to this loan is payable on demand.

12 Trade and other payables

Trade and other payables include following unsecured balances payable to related parties:

	(Un-audited) 31-Dec-16	(Audited) 30-Jun-16
	Rupees	Rupees
Pace (Pakistan) Limited	6,620,928	10,484,880
World Press (Pvt) Limited	6,556,344	6,556,344
First Capital Investment Limited	870,180	870,180
	<u>14,047,452</u>	<u>17,911,404</u>

	(Un-audited) 31-Dec-16	(Audited) 30-Jun-16
	Rupees	Rupees
Note		

13 Accrued mark-up

Mark-up based borrowings from conventional banks:

Long term finance	11	65,193,307	56,697,232
Running finance	13.1	19,215,663	19,215,663
Finance lease	13.2	849,531	849,544

Islamic mode of financing:

Modarba finance	13.3	429,164	429,164
		<u>85,687,665</u>	<u>77,191,603</u>

13.1 This represents overdue markup and other charges on running finance facility from Faysal Bank Limited

13.2 This represents overdue markup on finance lease facility from Orix Leasing Pakistan Limited

13.3 This represents overdue markup on modarba finance facility from First National Bank Modarba

14 Contingencies

14.1 There is no significant change in the status of contingencies as highlighted in note 21 to the Company's annual financial statements for the year ended 30 June 2016.

14.2 There are no commitments as at 31 December 2016.

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	(Un-audited) 31 December 2016	(Un-audited) 31 December 2015
15 Cash used in operations		
Loss before taxation	(36,225,349)	(81,911,235)
<i>Adjustment for non-cash charges and other items:</i>		
Depreciation	53,943,985	53,978,803
Amortization of intangibles	133,456	133,416
Provision against television programs	-	-
Liabilities no longer payables written back	(22,734,121)	(1,127,315)
Provision for doubtful receivables - net	3,538,646	(1,305,277)
Assets written off during the year	-	1,254,783
Gain on disposal of property, plant and equipment	(2,713,500)	(550,000)
Retirement benefits	1,607,416	3,828,044
Finance cost	10,061,295	10,979,189
Loss before working capital changes	7,611,828	(14,719,592)
<i>Effect on cash flow due to working capital changes:</i>		
Increase in stores and spares parts	(538,586)	(891,951)
Increase in trade debts	(29,979,316)	(21,955,844)
Increase in advance, prepayments and other receivables	(5,740,162)	(7,801,025)
(Decrease) in long term deposits	-	(180,000)
Increase in trade and other payables	14,861,318	33,708,550
	<u>(21,396,746)</u>	<u>2,879,730</u>
Net cash used in operation	<u>(13,784,918)</u>	<u>(11,839,862)</u>

16 Transactions and balances with related parties

Related parties comprises of associated companies, directors, key management personnel and other companies where directors have significant influence. Balances with related parties are disclosed elsewhere in this condensed interim financial information. Details of significant transactions with related parties are as follows:

Name of parties	Nature of relationship	Nature and description of related party transaction	31 December 2016		31 December 2015	
			Transactions during the period	Transactions during the period		
First Capital Securities Corporation Limited	Associate	Sale of services	97,500	30,800		
Pace Pakistan Limited	Associate	Sale of services Building rent expense	8,780,300 5,846,148	529,760 5,314,680		
Pace Baraka Properties Limited	Associate	Building rent Sale of services	2,415,768 3,010,768	2,196,150 2,396,134		
First Capital Investments Limited	Associate	Sale of services	-	14,000		
First Capital Equities Limited	Associate	Sale of services	126,100	30,800		
WTL Services (Private) Limited	Shareholder	Interest on loan charged by related party	8,496,075	8,452,583		
Chief Executive Officer	Director	Repayment of short term loan	500,000	-		
Non Executive Director	Director	Repayment of short term loan	512,000	-		
Key management personnel and executive employees	Related parties	Remuneration and benefits	35,609,865	36,683,518		

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17 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair Value through Income Statement	Carrying Amount (Unaudited)			Fair Value (Unaudited)		
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
-	355,023	-	355,023	-	-	-
-	30,491,197	-	30,491,197	-	-	-
-	6,436,283	-	6,436,283	-	-	-
-	146,634,428	-	146,634,428	-	-	-
-	184,116,931	-	184,116,931	-	-	-
-	-	194,187,697	194,187,697	-	-	-
-	-	347,771,660	347,771,660	-	-	-
-	-	50,295,520	50,295,520	-	-	-
-	-	85,687,665	85,687,665	-	-	-
-	-	17,305,612	17,305,612	-	-	-
-	-	695,248,154	695,248,154	-	-	-

On-Balance sheet financial instruments

31 December 2016-(Un-audited)

Financial assets not measured at fair value

Bank balances
Other receivables
Long term deposits
Trade debts - unsecured considered good

17.1

Financial liabilities not measured at fair value

Long term finances
Trade and other payables
Short term borrowing
Accrued mark up
Liabilities against assets subject to finance lease

17.1

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17.1 Fair value measurement of financial instruments

	Carrying Amount (Unaudited)		Fair Value (Unaudited)			
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
Fair Value through Income Statement						
						----- Rupees -----
On-Balance sheet financial instruments						
30 June 2016 - (Audited)						
Financial assets not measured at fair value						
Bank balances	5,329,233	-	5,329,233	-	-	-
Other receivables	25,421,567	-	25,421,567	-	-	-
Long term deposits	6,436,283	-	6,436,283	-	-	-
Trade debts - unsecured considered good	120,393,758	-	120,393,758	-	-	-
	157,580,841	-	157,580,841	-	-	-
	<i>17.1</i>					
Financial liabilities not measured at fair value						
Long term finances	-	183,367,707	183,367,707	-	-	-
Trade and other payables	-	361,292,217	361,292,217	-	-	-
Short term borrowing	-	51,307,520	51,307,520	-	-	-
Accrued mark up	-	77,191,603	77,191,603	-	-	-
Liabilities against assets subject to finance lease	-	16,259,634	16,259,634	-	-	-
	-	689,418,681	689,418,681	-	-	-
	<i>17.1</i>					

17.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or repurchase over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

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18 Segment reporting

18.1 Reportable segments

The Company has the following two strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operation
Print media	It comprises of "Daily Times" and "AajKal" being the Daily English and Urdu newspapers respectively printed from Lahore, Karachi and Islamabad.
Electronic media	It comprises of "Business Plus" business news channel with cable penetration over metro cities and "Zaiqa" 24 hours dedicated food and culture channel of Pakistan.

The management reviews internal management reports of each division.

18.2 Information regarding the Company's reportable segments is presented below:

Information related to each reportable segment is set out below. Segment operating profit or loss as included in internal management reports reviewed by the Company's top management is used to measure performance because management believes that such information is the most relevant in evaluating the result of the respective segments relative to other entities that operate in the same industries.

	For the six months ended 31 December 2016 (Un-audited)		
	Print media	Electronic media	Total
	----- Rupees -----		
Turnover - net	117,655,092	82,382,717	200,037,809
Cost of production	<u>(115,760,458)</u>	<u>(59,688,549)</u>	<u>(175,449,007)</u>
Gross Profit	1,894,634	22,694,168	24,588,802
Administrative expenses	<u>(47,518,917)</u>	<u>(33,521,723)</u>	<u>(81,040,640)</u>
	<u>(45,624,283)</u>	<u>(10,827,555)</u>	<u>(56,451,838)</u>
Finance cost			(10,061,295)
Other income			30,287,784
Loss before taxation			(36,225,349)
Taxation			(2,000,378)
Loss for the period			<u>(38,225,727)</u>

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	For the six months ended 31 December 2015 (Un-audited)		
	Print media	Electronic media	Total
	----- Rupees -----		
Turnover - net	140,029,406	54,899,247	194,928,653
Cost of production	(144,461,478)	(59,999,667)	(204,461,145)
Gross loss	(4,432,072)	(5,100,420)	(9,532,492)
Administrative expenses	(40,844,514)	(26,530,620)	(67,375,134)
	(45,276,586)	(31,631,040)	(76,907,626)
Finance cost			(10,979,189)
Other income			7,230,363
Other expense			(1,254,783)
Loss before taxation			(81,911,235)
Taxation			(1,949,287)
Loss for the period			(83,860,522)

18.2.1 The revenue reported above represents revenue generated from external customers. There were no inter segment revenues during the period. All the segment operating activities, revenue, customers and segment assets are located in Pakistan.

18.3 Revenue from major customers

Revenue from major customers of print media segment amounts to Rs. 26.65 million out of total print media segment revenue.

Revenue from major customers of electronic media segment represents an aggregate amount of Rs. 50.63 million out of total electronic media segment revenue.

18.4 The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 5.

18.5 All non-current assets of the Company as at 31 December 2016 and 30 June 2016 are located and operating in Pakistan.

18.6 Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as

	As at 31 December 2016 - (Un-audited)		
	Print media	Electronic media	Total
	----- Rupees -----		
Segment assets for reportable segments	453,869,820	189,005,629	642,875,449
Unallocated corporate assets			14,424,901
Total assets as per balance sheet			657,300,350
Segment liabilities for reportable segments	351,717,491	165,837,241	517,554,732
Unallocated corporate liabilities			347,476,494
Total liabilities as per balance sheet			865,031,226

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	As at 30 June 2016 - (Audited)		
	Print media	Electronic media	Total
	----- Rupees -----		
Segment assets for reportable segments	427,388,529	240,621,458	668,009,987
Unallocated corporate assets			14,431,447
Total assets as per balance sheet			682,441,434
Segment liabilities for reportable segments	285,080,921	155,171,513	440,252,434
Unallocated corporate liabilities			411,694,150
Total liabilities as per balance sheet			851,946,584

19 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Company as at and for the year ended 30 June 2016.

20 Date of authorization for issue

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 25 February 2017.

