MEDIA TIMES LIMITED

CONDENSED INTERIM HALF YEARLY FINANCIAL INFORMATION (UN-AUDITED)

31 DECEMBER 2018

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.

CONTENTS

MEDIA TIMES LIMITED

Company Information

Board of Directors	Aamna Taseer	(Chairman)	Non-Executive
	Shehryar Ali Taseer	(CEO)	Executive
	Shahbaz Ali Taseer		Non-Executive
	Shehrbano Taseer		Executive
	Rema Husain Qureshi		Non-Executive
	Ayesha Tammy Haq		Non-Executive
	Mohammad Mikail Khan		Independent
Chief Financial Officer	Waheed Asghar		
Audit Committee	Mohammad Mikail Khan	(Chairman)	
	Ayesha Tammy Haq	(Member)	
	Rema Husain Qureshi	(Member)	
Human Resource and Remuneration (HR&R) Committee	Mohammad Mikail Khan	(Chairman)	
	Shehryar Ali Taseer	(Member)	
	Shahbaz Ali Taseer	(Member)	
Company Secretary	Shahzad Jawahar		
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants		
Legal Advisers	Muhammad Akbar Haroon		
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited		
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited 1st Floor, 40-C, Block-6, P.E.C.H.S Karachi-75400 Tel:(021) 111-000-322		
Head Office	3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan Tel:(042) 36623005/6/8 Fax: (042) 36623121, 36623122		
Registered & Main Project Office	41-N, Industrial Area, Gulberg-II, Lahore Tel: (042) 38102921-3, 25 Fax: (042) 35710473		

DIRECTORS' REVIEW

The Directors of **Media Times Limited** ("MTL" or "the Company") have pleasure in submitting their Review Report together with the un- audited financial statements of the Company for the half year ended December 31, 2018 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 130 million compared to Rs 43.9 million in the corresponding period of previous year. The company revenue dropped to Rs 95.4 million from Rs 184.8 million reason being the overall dip in Media market due to ongoing Government policies however advertisements have been restored partially now and company is expecting to gain its pace again.

Detailed results of the Company for the period are disclosed in the financial statements accompanying this report; however highlights for the period are as follows:

	Half year Ended December 31	
	2018	**2017**
Profit and Loss Account	**(Rs. in Millions)**	
Turnover	95	185
Cost of production	(130)	(157)
Gross Profit/(loss)	(34)	27
Administrative and selling expenses	(82)	(101)
Other income	6	42
Loss before Taxation	(130)	(44)
Taxation	(2)	(3)
Loss after Taxation	(132)	(47)

Earnings per Share

Earnings/ (Loss) per share for the half year ended December 31, 2018 is Rs (0.74)as compared to (0.26) for previous year's corresponding period.

Future Outlook

Management of the Company is fully committed on achieving excellence in all fields of its operations and maintaining the high standards of quality, both in terms of its products as well as its operational practices.

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 &hard work of the staff and Workers.

For and on behalf of the Board of Directors

Lahore: 26 February 2019 **Director** **CEO/Director**

MEDIA TIMES LIMITED

ڈائریکٹرز کا جائزہ

میڈیا ٹائمز لمیٹڈ (''MTL'' یا ''کمپنی'') کے ڈائریکٹرز 31 دسمبر 2018ء کو اختتام پذیر نصف سال کے لئے بیرونی آڈیٹرز کی جانب سے نظرثانی شدہ کمپنی کی غیر پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ جائزہ رپورٹ پیش کرنے میں مسرت کا اظہار کرتے ہیں۔ ڈائریکٹرز کی جاری کردہ جائزہ رپورٹ مالیاتی اسٹیٹمنٹس کے ساتھ منسلک ہیں۔

مالیات کے اہم نکات

گذشتہ سال کی اسی مدت میں 43.9 ملین روپے خسارہ بمعہ ٹیکس کے مقابلہ میں رواں مالی سال کے دوران خسارہ علاوہ ٹیکس 130 ملین روپے ریکارڈ ہوا۔ موجودہ حکومت کی پالیسیوں کی وجہ سے میڈیا کے شعبہ میں مجموعی زوال کی وجہ سے کمپنی کا ریوینیو 184.8 ملین روپے سے 95.4 ملین روپے کم ہوا۔ تاہم اشتہارات کو جزوی طور پر بحال کر دیا گیا ہے اور کمپنی اپنی رفتار حاصل کرنے کے لئے پر امید ہے۔

مالیاتی اسٹیٹمنٹس میں اس مدت کے لئے کمپنی کے تفصیلی نتائج اس رپورٹ کے ہمراہ ہیں، تاہم اس مدت کی چیدہ چیدہ خصوصیات حسب ذیل ہیں:

	31 دسمبر کو اختتام پذیر نصف سال	
	2018ء	2017ء
	(ملین روپوں میں)	
نفع ونقصان اکاؤنٹ		
ٹرن اوور	95	185
پیداواری لاگت	(130)	(157)
مجموعی نفع/ (نقصان)	(34)	27
انتظامی اور بائع اخراجات	(82)	(101)
دیگر آمدنی	6	42
خسارہ علاوہ ٹیکسیشن	(130)	(44)
ٹیکسیشن	(2)	(3)
خسارہ بمعہ ٹیکسیشن	(132)	(47)

فی حصص آمدنی

گذشتہ برس اسی مدت میں (0.26) روپے کے مقابلہ میں 31 دسمبر 2018ء کو اختتام پذیر نصف سال کے لئے آمدنی/ (خسارہ) فی حصص (0.74) روپے رہا۔

مستقبل کے امکانات

کمپنی کی انتظامیہ اپنی پروڈکٹس اور آپریشنل عمل داری کی مد میں اپنے افعال کے تمام شعبوں میں بہترین نتائج حاصل کرنے اور اعلیٰ معیار کو برقرار رکھنے کے لئے پر امید ہے۔

اعتراف

انتظامیہ بورڈ آف ڈائریکٹرز کی ریگولیٹری اتھارٹیز، شیئر ہولڈرز، صارفین، مالیاتی اداروں اور سپلائرز کی حمایت اور عملہ اور ورکرز کی سخت محنت اور جذبہ کو قدر کی نگاہ سے دیکھتی ہے۔

برائے/منجانب بورڈ آف ڈائریکٹرز

لاہور: 26 فروری 2019ء ڈائریکٹر CEO/ ڈائریکٹر

MEDIA TIMES LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the member of Media Times Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Media Times Limited** ("the Company") as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow, condensed interim statement of changes in equity and notes to the financial statements for the six month period then ended (here-in-after referred as the "interim financial statement "). 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 statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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.

Emphasis of matter

Without qualifying our conclusion we draw attention to Note 2 to the financial statements which indicates that the Company has incurred a net loss of Rs. 131.935 million during the period ended 31 December 2018 and, as of date, the Company's current liabilities exceeded its total assets by 314.87 million. The Company's equity has been eroded and the accumulated losses exceed the share capital and share premium by Rs. 610.53 million as at 31 December 2018. These conditions along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other matters

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended 31 December 2018, have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is M. Rehan Chughtai.

Lahore
Date: 26 February 2019

KPMG Taseer Hadi & Co.
Chartered Accountants

MEDIA TIMES LIMITED

Condensed Interim Statement of Financial Position

As at 31 December 2018

	Note	(Un-audited) 31 December 2018	(Audited) 30 June 2018
		------------- Rupees -------------	
ASSETS			
Non-current asset			
Property, plant and equipment	*6*	**302,814,317**	333,180,026
Intangibles		**1,176,302**	1,309,746
Long term deposits		**6,803,107**	6,539,043
Deferred taxation	*7*	**-**	-
		310,793,726	341,028,815
Current asset			
Stores and spares		**206,038**	836,213
Trade debts	*8*	**63,290,334**	99,366,051
Advances, prepayments and other receivables		**24,675,856**	16,435,316
Advance income tax - net		**5,467,746**	6,666,068
Cash and bank balances	*9*	**936,277**	710,626
		94,576,251	124,014,274
		405,369,977	465,043,089
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
210,000,000 (30 June 2018: 210,000,000) ordinary shares of Rs. 10 each		**2,100,000,000**	2,100,000,000
Issued, subscribed and paid up capital		**1,788,510,100**	1,788,510,100
Share premium reserve		**76,223,440**	76,223,440
Accumulated loss		**(2,475,265,920)**	(2,343,330,661)
		(610,532,380)	(478,597,121)
Non-current liabilities			
Long term financing	*10*	**259,987,697**	248,587,697
Deferred liabilities		**35,665,271**	31,956,709
		295,652,968	280,544,406
Current liabilities			
Trade and other payables	*11*	**513,352,796**	474,866,665
Mark-up accrued	*12*	**136,651,073**	119,313,584
Short term borrowings	*13*	**48,000,000**	48,000,000
Liabilities against assets subject to finance lease		**22,245,520**	20,915,555
		720,249,389	663,095,804
		405,369,977	465,043,089
Contingencies and commitments	*14*		

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**

MEDIA TIMES LIMITED

Condensed Interim Statement of Profit or Loss (Un-audited)

For the half year and quarter ended 31 December 2018

	Half Year Ended		Quarter Ended	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
Turnover - net	**95,414,531**	184,817,593	**13,827,330**	94,810,678
Cost of production	**(129,613,320)**	(157,347,735)	**(73,059,216)**	(76,873,885)
Gross (loss) / profit	**(34,198,789)**	27,469,858	**(59,231,886)**	17,936,793
Administrative and selling expenses	**(82,490,158)**	(101,112,874)	**(55,629,874)**	(52,948,993)
Finance cost	**(19,053,178)**	(12,174,775)	**(11,997,130)**	(7,506,328)
Other income	**5,681,931**	41,817,830	**2,341,817**	25,103,634
Loss before taxation	**(130,060,194)**	**(43,999,961)**	**(124,517,073)**	**(17,414,894)**
Taxation	**(1,875,065)**	(2,779,942)	**(3,076,394)**	(1,360,800)
Loss after taxation	**(131,935,259)**	(46,779,903)	**(127,593,467)**	(18,775,694)
Loss per share - basic and diluted	**(0.74)**	(0.26)	**(0.71)**	(0.10)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**

MEDIA TIMES LIMITED

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the half year and quarter ended 31 December 2018

	Half year ended		Quarter ended	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	- - - - - - - - - - - - - - - - - - -	**Rupees**	- - - - - - - - - - - - - - - - - - -	
Loss for the period	**(131,935,259)**	(46,779,903)	**(127,593,467)**	(18,775,694)
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income for the period	**(131,935,259)**	(46,779,903)	**(127,593,467)**	(18,775,694)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**

MEDIA TIMES LIMITED

Condensed Interim Statement of Changes in Equity (Un-audited)

For the half year ended 31 December 2018

		Capital reserves	Revenue reserve	
	Share capital	Share premium	Unappropriated loss	Total
	----- Rupees -----			
Balance as at 30 June 2017 - audited	1,788,510,100	76,223,440	(2,112,215,026)	(247,481,486)
Total comprehensive income for the half year ended 31 December 2017				
Loss for the period	-	-	(46,779,903)	(46,779,903)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	(46,779,903)	(46,779,903)
Balance as at 31 December 2017 (Un-audited)	**1,788,510,100**	**76,223,440**	**(2,158,994,929)**	**(294,261,389)**
Total comprehensive income for the half year ended 30 June 2018				
Loss for the period	-	-	(182,491,676)	(182,491,676)
Other comprehensive income for the period	-	-	(1,844,056)	(1,844,056)
Total comprehensive income	-	-	(184,335,732)	(184,335,732)
Balance as at 30 June 2018 (audited)	**1,788,510,100**	**76,223,440**	**(2,343,330,661)**	**(478,597,121)**
Total comprehensive income for the half year ended 31 December 2018				
Loss for the period	-	-	(131,935,259)	(131,935,259)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	(131,935,259)	(131,935,259)
Balance as at 31 December 2018 (Un-audited)	**1,788,510,100**	**76,223,440**	**(2,475,265,920)**	**(610,532,380)**

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**

Condensed Interim Statement of Cash Flow (Un-audited)

For the half year ended 31 December 2018

	Note	31 December 2018 Rupees	31 December 2017 Rupees
Cash (used in) / generated from operations	15	**(12,801,882)**	9,132,436
Taxes paid		**(676,743)**	(2,157,400)
Net cash (used in) / generated from operating activities		**(13,478,625)**	6,975,036
Cash flows from investing activities			
Fixed capital expenditure		**-**	(8,056,200)
Sale proceeds of property, plant and equipment		**2,690,000**	-
Net cash generated from / (used in) investing activities		**2,690,000**	(8,056,200)
Cash flows from financing activities			
Receipt of long term finances - net		**11,400,000**	-
Repayment of modaraba finance		**-**	(170,836)
Finance cost paid		**(385,724)**	(771,198)
Repayment of lease liability		**-**	(180,000)
Net cash generated from / (used in) financing activities		**11,014,276**	(1,122,034)
Net increase / (decrease) in cash and cash equivalents		**225,651**	(2,203,198)
Cash and cash equivalents at beginning of the period		**710,626**	2,686,663
Cash and cash equivalents at end of the period	9	**936,277**	483,465

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**

Notes to the Condensed Interim Financial Information (Un-audited)

For the half year ended 31 December 2018

1 Corporate and general information

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. 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. The Company is also operating satellite channels by the name of "Buisness Plus" and "Zaiqa" respectively.

2 Events and conditions related to going concern

The Company has incurred a net loss of Rs. 131.935 million during the six months period ended 31 December 2018 and, as of date, the Company’s current liabilities exceeded its total assets by Rs. 314.87 million. The Company’s equity has eroded and the accumulated losses exceed the share capital and share premium by Rs. 610.53 million at 31 December 2018. 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 has plan to relaunch "Business Plus" and "Zaiq TV" (electronic media channels) and Urdu Newspaper "Daily Aaj Kal". Further the Company is planning to launch additional products in electronic media that will mainly include Web TVs. 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 statement of financial position of the Company, as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity together with the notes forming part thereof.

3.2 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

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

Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.3 This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended 30 June 2018. Comparative statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2018, whereas comparatives of condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the six months period ended 31 December 2017.

3.4 This condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

4 Estimates and judgments

4.1 In preparing this condensed interim financial information, management has made judgments, 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 judgments 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 2018.

5 Significant accounting policies

5.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements for the year ended 30 June 2018 except for the adoption of new standards effective as of 1 July 2018 as stated below:

5.2 Changes in significant accounting policy

During the period, the Company has adopted IFRS 15 'Revenue from Contracts with Customers' from 01 July 2018 which are effective from annual periods beginning on or after 01 July 2018. There are other new amendments which are effective from 01 July 2018 but they do not have a material effect on the Company's condensed interim financial information. The details of new significant accounting policy adopted and the nature and effect of the changes to previous accounting policy are set out in note 5.2.1 below:

5.2.1 IFRS 15 'Revenue from Contracts with Customers'

The Company mainly provide advertisement services / print newspapers and contracts with customers for provision of advertisement services and sale of newspapers which generally include single performance obligation. Management has concluded that revenue from provision of advertisement services and sale of newspaper to be recognised at the point in time when control of the asset is transferred to the customer which is when advertisements are made or newspapers are dispatched. However, the adoption of IFRS 15 which has replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have an impact on the timing and amounts of revenue recognition of the Company except for reclassification of freight expense from administrative and selling expense to sales. The corresponding figures have been represented to reflect this change on adoption of IFRS 15. Accordingly, administrative and selling expense of Rs. 2.18 million have been reclassified to sales. This reclassification has no impact on the reported Earning per Share (EPS) of the corresponding period.

5.3 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)**
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
IFRS 16 - Leases	01 January 2019
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IAS 19 - Employee Benefits	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IAS 1 - Presentation of Financial Statements	01 January 2019
IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	01 January 2019
IFRS 11 - Joint ventures	01 January 2019
IAS 12 - Income Taxes	01 January 2019
IAS 23 - Borrowing cost	01 January 2019
IFRS 9 - Finnacial Instrument*	30 June 2019

* IFRS 9 replaced the provisions of IAS 39 ' Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting and was effective for annual periods beginning on or after 01 July 2018. The securities and Exchange Commission of Pakistan (SECP), vide its S.R.O. 229(I)/2019 dated 14 February 2019 has deferred the applicability of IFRS 9 (Financial Instruments) for reporting period ended on 31 December 2018. IFRS 9 will now be applicable for reporting periods / year ending on or after 30 June 2019.

		(Un-audited) 31 December 2018	(Audited) 30 June 2018
6 Property, plant and equipment	*Note*	-------------- **Rupees**	--------------
Opening book value		**333,180,026**	415,484,200
Additions during the period / year	*6.1*	**-**	8,056,200
Written down value of disposals during the period / year	*6.1*	**(2,124,400)**	(1,520,000)
Depreciation for the period / year		**(28,241,309)**	(70,538,145)
Write off during the period / year		**-**	(18,302,229)
Closing book value		**302,814,317**	333,180,026

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

	Six months ended (Un-audited) 31 December 2018		Year ended (Audited) 30 June 2018	
	(Additions)	***(Disposals)***	*(Additions)*	*(Disposals)*
	----------------------------------	**Rupees**	----------------------------------	
Plant and machinery	**-**	**-**	45,500	-
Office equipment	**-**	**-**	1,139,000	-
Computers	**-**	**-**	181,700	-
Furniture and fittings	**-**	**-**	-	-
Vehicles	**-**	**(2,712,000)**	6,690,000	(8,620,337)
Leasehold improvements	**-**	**-**	-	-
	-	**(2,712,000)**	8,056,200	(8,620,337)

7 Deferred taxation

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

	(Un-audited) 31 December 2018	(Audited) 30 June 2018
	------------- Rupees	-------------
Accelerated tax depreciation allowances	**40,861,799**	67,592,278
Unused tax losses	**(40,861,799)**	(67,592,278)
	-	-

7.1 The Company has unused tax losses (including both business and depreciation losses) amounting to Rs. 1,237 million against which deferred tax asset has not been recorded due to uncertain taxable profits. Under the Finance Act 2017, the Company can carry forward business losses up to 6 years.

	Note	(Un-audited) 31 December 2018	(Audited) 30 June 2018
		------------- Rupees	-------------
8 Trade debts			
Considered good			
Unsecured:			
Related parties	*8.1*	**443,624**	637,124
Others		**62,846,710**	98,728,927
		63,290,334	99,366,051
Considered doubtful		**193,607,782**	165,494,871
		256,898,116	264,860,922
Provision for doubtful		**(193,607,782)**	(165,494,871)
		63,290,334	99,366,051

8.1 The balances due from related parties are as follows:

First Capital Equities Limited	**443,124**	295,524
Pace Super Mall	**500**	500
	443,624	296,024

			(Un-audited) 31 December 2018	(Audited) 30 June 2018
9	**Cash and bank balances**	*Note*	------ Rupees ------	
	Cash in hand		**34,274**	67,222
	Cash at bank			
	Local currency			
	- current accounts		**28,968**	214,629
	- deposit accounts	*9.1*	**833,019**	388,758
			861,987	603,387
	Foreign currency - current account		**40,016**	40,017
			936,277	710,626

9.1 The balance in deposit accounts bear markup at the rates ranging from 3.5% to 4.5% (30 June 2018: 3.5% to 4.5%) per annum.

			(Un-audited) 31 December 2018	(Audited) 30 June 2018
10	**Long term financing**	*Note*	------ Rupees ------	
	Long term finance - unsecured	*10.1*	**259,987,697**	248,587,697

10.1 This represents unsecrued loan obtained from WTL Services (Private) Limited, a related party. This loan is repayable in January 2022. This carries mark-up at the rate of three months KIBOR plus 3% per annum (30 June 2018: three months KIBOR plus 3% per annum), payable on demand. During the year WTL Services (Private) Limited has provided Rs 11.4 million to the Company to meet its cash flow needs.

			(Un-audited) 31 December 2018	(Audited) 30 June 2018
11	**Trade and other payable**	*Note*	------ Rupees ------	
	Creditors	*11.1*	**155,956,613**	125,596,973
	Advance from customers	*11.2*	**9,422,025**	9,403,852
	Security deposits	*11.3*	**122,500**	8,122,500
	Accrued liabilities		**193,834,346**	180,360,026
	Sales tax payable - net		**16,475,139**	17,244,755
	Gratuity due but not paid		**60,566,746**	60,566,746
	Withholding tax payable		**76,975,427**	73,571,813
			513,352,796	474,866,665

11.1 Creditors include balance amounting to Rs. 9.97 (30 June 2018: Rs. 5.15 million) and Rs. 7.3 million (30 June 2018: Nil) payable to World Press (Private) Limited (a related party) and Pace Pakistan Limited (a related party) respectively.

11.2 Advance from customers include advance, amounting to Rs. 0.870 million (30 June 2018: Rs. 0.870 million) and Rs. 0.399 million (June 2018: Nil) received from First Capital Investment Limited (a related party) and First Capital Securities Corporation (a related party) respectively.

11.3 The Company has not kept these deposits in separate bank account which is a non-compliance of section 217 of the Companies Act, 2017.

		(Un-audited)	(Audited)
		31 December	30 June
		2018	2018
12 Accrued mark-up	*Note*	**Rupees**	
Mark-up based borrowings			
Long term finance - unsecured	*10.1*	**69,056,919**	54,047,206
Running finance	*12.1*	**66,744,610**	64,416,834
Finance lease		**849,544**	849,544
		136,651,073	119,313,584

12.1 This represent overdue markup and other charges on running finance facility from Faysal Bank Limited (refer to note 13.1 for details)

		(Un-audited)	(Audited)
		31 December	30 June
		2018	2018
13 Short term borrowing	*Note*	**Rupees**	
Secrued			
Markup Based borrowings from conventional banks:			
Running finance	*13.1*	**48,000,000**	48,000,000

13.1 The Company obtained running finance facility, of Rs. 50 million, from Faysal Bank Limited under mark-up arrangements for working capital requirement. The said facility was expired on 28 January 2012 and the Company had not paid the principal and markup on due date. Accordingly Faysal Bank Limited filed a suit against the Company for recovery of Rs. 69.30 million at Lahore High Court which was fully recorded in annual audited financial statements for the year ended 30 June 2017. During the year 2015, the case was decided against the Company as the Lahore High Court through its order dated 20 November 2015 directed that an amount of Rs. 54.16 million along with the cost of fund as contemplated by section 3 of the Financial Institutions (Recovery of Finances) Ordinance 2001 is to be paid by the Company through sale of the hypothecated goods and assets of the Company, the attachment and auction of the other assets of the Company and any other mode which the court deems appropriate. The Company being aggrieved filed the regular first appeal dated 09 March 2016 in Honorable Lahore High Court.

However, during the previous year the Company re-negotiated with Faysal Bank Limited and the loan was rescheduled into a long term loan. As per restructuring terms and conditions, the outstanding principal of Rs. 50 million and related markup of Rs. 8 million were repayable in 24 unequal quarterly installments started from 31 December 2017 and the remaining overdue markup of Rs. 11 million already recorded by the Company was waived off by Faysal Bank Limited. The principal amount of outstanding loan of Rs. 50 million carried mark up at three month KIBOR or cost of fund of Faysal Bank Limited, whichever is lower, which was payable quartely in arrears and the overdue markup of Rs. 8 million was interest free.

As per the settlement agreement with Faysal Bank Limited, the Company was required to pay installments of principal of Rs. 50 million and accrued markup of Rs. 8 million as per the repayment schedule and provide fresh security in the form of registered exclusive mortgage over 9 shops located at Pace Pakistan, 96-B/I, Gulberg II, Lahore. However subsequent to the restructuring, the Company could not pay all due installments relating to principal and accrued markup on due dates and even within the grace period of 90 days as allowed by Faysal Bank Limited and remained unable to provide fresh security as described earlier. As per the settlement agreement, this non-compliance was considered as an event of default and as a consequence of default the Company was bound to make immediate payment of the entire outstanding amount with up to date markup along with additional amount as mentioned in the settlement agreement. Accordingly the Company has recorded the entire amount of liability to Faysal Bank Limited and classified the same as current liability.

This rescheduled loan is secured by way of exclusive charge over all present and future, current assets of Rs. 80 million and future fixed assets of Rs. 50 million, respectively.

14 Contingencies and commitments

14.1 There is no significant change in the status of contingencies as highlighted in note 20 to the Company's annual financial statements for the year ended 30 June 2018.

14.2 There are no significant commitments as at 31 December 2018.

15 Cash used in operations

	Note	**(Un-audited) 31 December 2018**	(Un-audited) 31 December 2017
Loss before taxation		**(130,060,194)**	(43,999,961)
Adjustment for non-cash charges and other items:			
Depreciation	*6*	**28,241,309**	37,315,725
Amortization of intangibles		**133,444**	133,454
Liabilities no longer payables written back		**-**	(16,939,872)
Provision for doubtful receivables - net		**28,112,911**	6,684,048
Gain on disposal of property, plant and equipment		**(565,600)**	-
Provision for retirement benefits		**3,708,562**	3,874,425
Income on rescheduling of loan from Faysal Bank Limited		**-**	(18,223,074)
Finance cost		**19,053,178**	12,174,775
(Loss) / profit before working capital changes		**(51,376,390)**	(18,980,480)
Effect on cash flow due to working capital changes:			
Decrease in stores and spares		**630,175**	494,201
Decrease / (increase) in trade debts		**7,962,806**	(12,202,465)
Increase in advance, prepayments and other receivables		**(8,240,540)**	(4,962,106)
(Increase) / decrease in long term deposits		**(264,064)**	183,240
Increase in trade and other payables		**38,486,131**	44,600,046
		38,574,508	28,112,916
Net cash (cash used in) / generated from operation		**(12,801,882)**	9,132,436

16 Transactions with related parties

The related parties comprise of group companies, directors of the Company, other companies where directors have control or joint control and key management personnel. Balances are disclosed in respective notes to this condensed interim financial statement. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim financial information is as follows:

Name of parties	Nature of relationship	Nature and description of related party transaction	Notes	**31 December 2018 (un-audited)** Value of transactions made during the period	31 December 2017 (un-audited) Value of transactions made during the period
				----------Rupees----------	
First Capital Securities Corporation Limited	Other related party	Sale of goods / services		**59,800**	52,000
Pace Pakistan Limited	Other related party	Sale of goods / services		**59,800**	1,564,796
		Building rent expense		**7,073,838**	6,430,764
		Amount received from related party - net of payments		**318,800**	-
Pace Baraka Properties Limited	Other related party	Building rent expense		**-**	2,657,352
		Sale of goods / services		**-**	2,351,639
World Press (Private) Limited	Other related party	Building rent income		**-**	1,126,710
		Funds received on behalf of a related party		**4,815,000**	-
First Capital Equities Limited	Other related party	Sale of goods / services		**187,200**	31,200
WTL Services (Private) Limited	Other related party	Interest on loan		**15,009,726**	8,955,405
Shehryar Ali Taseer	Key management personnel (Chief Executive director)	Remuneration	*16.1*	**7,000,000**	7,000,000
Shehrbano Taseer	Key management personnel (Executive director)	Remuneration	*16.1*	**3,500,000**	3,500,000
Other key management personnel	Key management personnel	Remuneration and benefits	*16.1*	**9,621,924**	10,980,455

16.1 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including the Chief Financial Officer, Chief Executive Officer, Directors and Head of Departments to be its key management personnel.

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.

		Half year ended 31 December 2018 (Un-audited)					
	Note	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments							
31 December 2018-(Un-audited)							
Financial assets not measured at fair value							
Long term deposits		6,803,107	-	6,803,107	-	-	-
Trade debts		63,290,334	-	63,290,334	-	-	-
Other receivables		21,050,072	-	21,050,072	-	-	-
Cash and bank balances		936,277	-	936,277	-	-	-
	17.2	92,079,790	-	92,079,790	-	-	-
Financial liabilities not measured at fair value							
Long term loans - unsecured		-	259,987,697	259,987,697	-	-	-
Trade and other payables		-	410,480,205	410,480,205	-	-	-
Accrued mark-up		-	136,651,073	136,651,073	-	-	-
Short term borrowings		-	48,000,000	48,000,000	-	-	-
Liabilities against assets subject to finance lease		-	22,245,520	22,245,520	-	-	-
	17.2	-	877,364,495	877,364,495	-	-	-

17.1 Fair value measurement of financial instruments

	Note	30 June 2018 (Audited)					
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments							
30 June 2018 - (Audited)							
Financial assets not measured at fair value							
Long term deposits		6,539,043	-	6,539,043	-	-	-
Trade debts		99,366,051	-	99,366,051	-	-	-
Other receivables		13,095,277	-	13,095,277	-	-	-
Cash and bank balances		710,626	-	710,626	-	-	-
	17.2	119,710,997	-	119,710,997	-	-	-
Financial liabilities not measured at fair value							
Long term loans - unsecured		-	248,587,697	248,587,697	-	-	-
Trade and other payables		-	374,646,245	374,646,245	-	-	-
Accrued mark-up		-	119,313,584	119,313,584	-	-	-
Short term borrowings		-	48,000,000	48,000,000	-	-	-
Liabilities against assets subject to finance lease		-	20,915,555	20,915,555	-	-	-
	17.2	-	811,463,081	811,463,081	-	-	-

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

18 Reconciliation of movements of liabilities to cash flows arising from financing activities.

	Half year ended 31 December 2018 (Un-audited)				
	Liabilities				
	Long term finances	Liabilities against assets subject to finance lease	Accrued mark-up	Short term borrowings	Total
	Rupees				
Balance as at 01 July 2018	248,587,697	20,915,555	119,313,584	48,000,000	436,816,836
Changes from financing activities					
Receipt of long term finances - net	11,400,000	-	-	-	11,400,000
Finance cost paid	-	-	(385,724)	-	(385,724)
Total changes from financing cash flows	**11,400,000**	**-**	**(385,724)**	**-**	**11,014,276**
Other changes					
Finance cost	-	1,329,965	17,723,213	-	19,053,178
Rescheduling of running finance facility	-	-	-	-	-
Total liability related other changes	**-**	**1,329,965**	**17,723,213**	**-**	**19,053,178**
Closing as at 31 December 2018	**259,987,697**	**22,245,520**	**136,651,073**	**48,000,000**	**466,884,290**

	Half year ended 31 December 2017 (Un-audited)				
	Liabilities				
	Long term finances	Liabilities against assets subject to finance lease	Accrued mark-up	Short term borrowings	Total
	Rupees				
Balance as at 01 July 2017	194,187,697	18,435,589	55,419,959	50,295,520	318,338,765
Changes from financing activities					
Payment of Modaraba Finanace loan	-	-	-	(170,836)	(170,836)
Repayment of finance lease liabilities	-	(180,000)	-	-	(180,000)
Finance cost paid	-	-	(771,198)	-	(771,198)
Total changes from financing cash flows	**-**	**(180,000)**	**(771,198)**	**(170,836)**	**(1,122,034)**
Other changes					
Interest,other finance cost and addition	476,168	1,340,908	10,357,699	-	12,174,775
Rescheduling of running finance facility	50,992,588	-	(19,215,662)	(50,000,000)	(18,223,074)
Total liability related other changes	**51,468,756**	**1,340,908**	**(8,857,963)**	**(50,000,000)**	**(6,048,299)**
Closing as at 31 December 2017	245,656,453	19,596,497	45,790,798	124,684	311,168,432

19 Segment reporting

19.1 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.

19.2 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 2018 (Un-audited)		
	Print media	**Electronic media**	**Total**
		Rupees	
Turnover - net	**94,075,752**	**1,338,779**	**95,414,531**
Cost of production	**(97,335,158)**	**(32,278,162)**	**(129,613,320)**
Gross loss	**(3,259,406)**	**(30,939,383)**	**(34,198,789)**
Administrative and selling expenses	**(59,493,905)**	**(22,996,253)**	**(82,490,158)**
	(62,753,311)	**(53,935,636)**	**(116,688,947)**
Finance cost			**(19,053,178)**
Other income			**5,681,931**
Loss before taxation			**(130,060,194)**
Taxation			**(1,875,065)**
Loss for the period			**(131,935,259)**

	For the six months ended 31 December 2017 (Un-audited)		
	Print media	Electronic media	Total
	---------- Rupees ----------		
Turnover - net	125,753,352	59,064,241	184,817,593
Cost of production	(108,696,453)	(48,651,282)	(157,347,735)
Gross profit	17,056,899	10,412,959	27,469,858
Administrative and selling expenses	(58,831,773)	(42,281,101)	(101,112,874)
	(41,774,874)	(31,868,142)	(73,643,016)
Finance cost			(12,174,775)
Other income			41,817,830
Loss before taxation			(43,999,961)
Taxation			(2,779,942)
Loss for the period			(46,779,903)

19.2.1 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.

19.3 Revenue from major customers

Revenue from major customers of print media segment amounts to Rs. 32.53 million out of total print media segment revenue.

19.4 The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 4 to the annual audited financial statements for the year ended 30 June 2018.

19.5 All non-current assets of the Company as at 31 December 2018 and 30 June 2018 are located and operating in Pakistan.

19.6 Segment assets and liabilities

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

	As at 31 December 2018 - (Un-audited)		
	Print media	**Electronic media**	**Total**
	---------- **Rupees** ----------		
Segment assets for reportable segments	**340,593,908**	**59,308,323**	**399,902,231**
Unallocated corporate assets			**5,467,746**
Total assets as per balance sheet			**405,369,977**
Segment liabilities for reportable segments	**314,188,902**	**138,597,148**	**452,786,050**
Unallocated corporate liabilities			**563,116,307**
Total liabilities as per balance sheet			**1,015,902,357**

	As at 30 June 2018 - (Audited)		
	Print media	Electronic media	Total
	Rupees		
Segment assets for reportable segments	367,313,297	91,063,724	458,377,021
Unallocated corporate assets			6,666,068
Total assets as per balance sheet			465,043,089
Segment liabilities for reportable segments	289,406,102	124,893,817	414,299,919
Unallocated corporate liabilities			529,340,291
Total liabilities as per balance sheet			943,640,210

20 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 2018.

21 Date of authorization for issue

These condensed interim financial information were authorized for issue in the Board of Directors meeting held on 26 February 2019

Lahore:
26 February 2019 **Chief Executive** **Chief Financial Officer** **Director**