

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM HALF YEARLY  
FINANCIAL INFORMATION  
(UN-AUDITED)**

**31 DECEMBER 2017**

# **MEDIA TIMES LIMITED**

# **MEDIA TIMES LIMITED**

## **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.

# MEDIA TIMES LIMITED

# MEDIA TIMES LIMITED

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# MEDIA TIMES LIMITED

# MEDIA TIMES LIMITED

## Company Information

Board of Directors	Aamna Taseer Shehryar Ali Taseer Shahbaz Ali Taseer Shehrbano Taseer Rema Husain Qureshi Ayesha Tammy Haq Mohammad Mikail Khan	(Chairman) (CEO)	Non-Executive Executive Non-Executive Executive Non-Executive Non-Executive Independent
Chief Financial Officer	Waheed Asghar		
Audit Committee	Mohammad Mikail Khan Ayesha Tammy Haq Rema Husain Qureshi	(Chairman) (Member) (Member)	
Human Resource and Remuneration (HR&R) Committee	Mohammad Mikail Khan Shehryar Ali Taseer Shahbaz Ali Taseer	(Chairman) (Member) (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		

# MEDIA TIMES LIMITED

## DIRECTORS' REPORT

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, 2017 duly reviewed by external auditors, who have issued a review report, which is annexed to the financial statements.

### Financial Highlights

The loss after tax for the six months of the current financial year was Rs 46.7 million compared to Rs 38.2 million in the corresponding period of previous year. The Gross profit as percentage of sales was 16% as compared to Gross profit percentage of sales of 12% in the corresponding period. During the period reduction in cost of production resulted in increase in Gross profit.

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

#### Half year Ended December 31

<b>Profit and Loss Account</b>	<b>2017</b>	<b>2016</b>
	<b>(Rs. in Millions)</b>	
Turnover	187.00	200.04
Gross Profit/(loss)	29.66	24.59
Loss before Taxation	(43.99)	(36.23)
Taxation	(2.7)	(2.00)
Loss after Taxation	(46.77)	(38.23)

### Restructuring with Faysal Bank Ltd

The company has successfully entered into a restructuring agreement with Faysal Bank Limited to pay off a running finance facility of PKR 50 million over a period of six years.

### Future Outlook

The Management of the Company is fully committed to achieving excellence in all fields of its operations and maintaining the high standards of quality that the Company 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, 2017 is Rs (0.26) as compared to (0.21) for previous year's corresponding period.

### Increase in Authorized Share Capital

The Board of Directors of the Company has also approved the increase in authorized share capital by Rs. 600 Million i.e. from Rs. 2,100,000,000 to 2,700,000,000 divided into 270,000,000 ordinary Shares of Rs. 10/- each which shall be approved by the Shareholders of the Company in the upcoming General Meeting.

### Composition of Board

<b>Total number of Directors</b>	<b>07</b>
a) Male:	03
b) Female:	04



# MEDIA TIMES LIMITED

## Composition:

Independent Directors	01
Other Non-Executive Directors	04
Executive Directors	02

## Committee of the board

Audit Committee	Mr. Mohammad Mikail Khan (Chairman) Miss Ayesha Tammy Haq (Member) Miss Rema Hussain Qureshi (Member)
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Human Resource and Remuneration (HR&R) Committee	Mr. Mohammad Mikail Khan (Chairman) Mr. Shehryar Ali Taseer (Member) Mr. Shahbaz Ali Taseer (Member)
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The composition of the Board of Directors and sub committees shall be changed in due course of time as per deadlines provided in new code of Corporate Governance.

## 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  
27 February 2018

Director

Chief Executive Officer

# MEDIA TIMES LIMITED

## ڈائریکٹرز کی رپورٹ

میڈیا ٹائمز لمیٹڈ ("MTL" یا "کمپنی") کے ڈائریکٹرز 31 دسمبر 2017ء کو اختتام پذیر نصف سال کے لئے بیرونی آڈیٹرز سے مناسب جائزے کے بعد غیر پڑتال شدہ مالی سٹیٹمنٹ پیش کرنے پر فخر محسوس کرتے ہیں۔ جاری کردہ جائزہ رپورٹ مالی سٹیٹمنٹ کے ساتھ منسلک ہے۔

مالیات کے اہم نکات

گذشتہ سال کی اسی مدت میں 38.2 ملین روپے کے خسارے کے مقابلہ میں حالیہ مالی سال میں جیسے ماہ کے لئے بیع ٹیکس کے خسارہ 46.7 ملین روپے رہا۔ گذشتہ سال کی اسی مدت میں اوسط فروخت پر 12 فی صد مجموعی منافع کے مقابلہ میں حالیہ مدت کے دوران مجموعی منافع 16 فی صد رہا۔ زیر جائزہ سال کے دوران پیداواری لاگت میں کمی سے مجموعی منافع میں اضافہ ہوا۔

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 کھانا

31 دسمبر کو اختتام پذیر نصف سال	
2016	2017
(روپے ملین میں)	
200.04	187.00
24.59	29.66
(36.23)	(43.99)
(2.00)	(2.7)
(38.23)	(46.77)

ٹرن اور  
کل نفع / (نقصان)  
نقصان علاوہ ٹیکس  
ٹیکسیشن  
نقصان بیع ٹیکس

فیصل بینک لمیٹڈ کے ساتھ ری سٹرکچرنگ

کمپنی نے 50 ملین روپے کی ریٹنگ فنانس سہولت کی ادائیگی کے لئے فیصل بینک لمیٹڈ کے ساتھ جیسے سال کی مدت کا ایک ری سٹرکچرنگ معاہدہ طے کیا ہے۔

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 گامزن ہے۔

نی حصص آمدنی

گذشتہ سال کی اسی مدت میں (0.21) روپے کے مقابلہ میں 31 دسمبر 2017ء کو اختتام پذیر نصف سال کے لئے نی حصص آمدنی / (نقصان) (0.26) روپے ہے۔

قابل اجرا شیئر کپٹل میں اضافہ

کمپنی کے بورڈ آف ڈائریکٹرز نے 600 ملین روپے تک قابل اجرا شیئر کپٹل میں اضافہ کی منظوری دی ہے۔ یہ قابل اجرا شیئر کپٹل 2,100,000,000 روپے سے 2,700,000,000 روپے ہو گیا ہے۔ جو 270,000,000 عمومی حصص میں تقسیم کیا گیا ہے اور آئندہ اجلاس عام میں کمپنی کے حصص داران کی جانب سے اس کی نی حصص قیمت 10 روپے نی حصص منظور کی جائے گی۔

# MEDIA TIMES LIMITED

بورڈ کی تشکیل

07	ڈائریکٹرز کی کل تعداد:
03	(a) مرد:
04	(b) خواتین:
	ترکیب:
01	آزاد ڈائریکٹرز:
04	دیگر نان ایگزیکٹو ڈائریکٹرز:
02	ایگزیکٹو ڈائریکٹرز:

بورڈ کمیٹی کی تشکیل

آڈٹ کمیٹی:	محترم محمد میکانیکل خان (چیئرمین)
	محترمہ عائشہ بی بی (رکن)
	محترمہ مریمہ حسین قریشی (رکن)
ہیومن ریسورس اینڈ ریٹرنیشن (HR&R) کمیٹی	محترم محمد میکانیکل خان (چیئرمین)
	محترم شہر یار علی تاثیر (رکن)
	محترم شہباز علی تاثیر (رکن)

بورڈ آف ڈائریکٹرز اور ڈیلی کمیٹیوں کی ساخت کا رپورٹ گورننس کے نئے ضابطہ میں ہمہ وقت فراہم کی گئی ہدایات کے مطابق تبدیل کی جائے گی۔

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/ کے لئے

شہر یار علی تاثیر  
چیف ایگزیکٹو آفیسر

ڈائریکٹر

لاہور:  
27 فروری 2018ء



# **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 2017 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.

### **Emphasis matters**

Without qualifying our conclusion we draw attention to Note 2 to the financial statement which indicates that the Company has incurred a net loss of Rs. 46.78 million during the period ended 31 December 2017 and, as of date, the Company's current liabilities exceeded its current assets by 419.32 million. The Company's equity has been eroded and the accumulated losses exceed the share capital and share premium by Rs. 294.26 million as at 31 December 2017. 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 profit and loss account and condensed interim statement of comprehensive income for the quarter ended 31 December 2017, have not been reviewed as we are required to review only the cumulative figures for the half year ended 31 December 2017.

**Lahore**  
**27 February 2018**

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

# MEDIA TIMES LIMITED

## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT 31 DECEMBER 2017

		(Un-Audited) 31 December 2017	(Audited) 30 June 2017
Note	Rupees		
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	6	386,224,675	415,484,200
Intangibles		1,443,100	1,576,554
Long term deposits		6,568,043	6,751,283
Deferred tax asset	7	-	-
		<b>394,235,818</b>	423,812,037
<b><u>Current assets</u></b>			
Stores and spare parts		1,181,829	1,676,030
Trade debts	8	137,537,490	132,019,073
Advances, prepayments and other receivables		9,896,163	4,934,057
Advance income tax - net		12,038,495	12,661,037
Cash and bank balances	9	483,465	2,686,663
		<b>161,137,442</b>	153,976,860
		<b>555,373,260</b>	577,788,897
<b>EQUITY AND LIABILITIES</b>			
<b><u>Share capital and reserves</u></b>			
Authorised share capital 210,000,000 (30 June 2017: 180,000,000) ordinary shares of Rs. 10 each	10	<b>2,100,000,000</b>	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		<b>(2,158,994,929)</b>	<b>(2,112,215,026)</b>
		<b>(294,261,389)</b>	<b>(247,481,486)</b>
<b><u>Non-current liabilities</u></b>			
Long term financing	11	236,745,441	194,187,697
Deferred liabilities		32,430,697	33,218,002
		<b>269,176,138</b>	227,405,699
<b><u>Current liabilities</u></b>			
Trade and other payables	12	506,035,520	473,713,616
Accrued mark-up	13	45,790,798	55,419,959
Short term borrowings		124,684	50,295,520
Current maturity of non-current liabilities		8,911,012	
Liabilities against assets subject to finance lease		19,596,497	18,435,589
		<b>580,458,511</b>	597,864,684
		<b>555,373,260</b>	577,788,897
<b>Contingencies and commitments</b>			
	14		

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

Lahore  
27 February 2018

Chief Financial Officer

Chief Executive

Director

# MEDIA TIMES LIMITED

## CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

	Six months ended		Three months ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Rupees			
Turnover - net	<b>187,002,959</b>	200,037,809	<b>95,895,413</b>	104,548,765
Cost of production	<b>(157,347,735)</b>	(175,449,007)	<b>(76,873,885)</b>	(85,070,592)
<b>Gross profit</b>	<b>29,655,224</b>	24,588,802	<b>19,021,528</b>	19,478,173
Administrative expenses	<b>(103,298,240)</b>	(81,040,640)	<b>(54,033,728)</b>	(45,151,645)
Finance cost	<b>(12,174,775)</b>	(10,061,295)	<b>(7,506,328)</b>	(5,781,260)
Other income	<b>41,817,830</b>	30,287,784	<b>25,103,634</b>	25,177,063
<b>Loss before taxation</b>	<b>(43,999,961)</b>	(36,225,349)	<b>(17,414,894)</b>	(6,277,669)
Taxation	<b>(2,779,942)</b>	(2,000,378)	<b>(1,360,800)</b>	(1,686,709)
<b>Loss for the period</b>	<b>(46,779,903)</b>	(38,225,727)	<b>(18,775,694)</b>	(7,964,378)
<b>Loss per share - basic and diluted</b>	<b>(0.26)</b>	(0.21)	<b>(0.10)</b>	(0.04)

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

Lahore  
27 February 2018

Chief Financial Officer

Chief Executive

Director

# MEDIA TIMES LIMITED

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

	Six months ended		Three months ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	..... Rupees .....			
<b>Loss for the period</b>	<b>(46,779,903)</b>	(38,225,727)	<b>(18,775,694)</b>	(7,964,378)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(46,779,903)</b>	(38,225,727)	<b>(18,775,694)</b>	(7,964,378)

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

Lahore  
27 February 2018

Chief Financial Officer

Chief Executive

Director



# MEDIA TIMES LIMITED

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

		31 December 2017	31 December 2016
	Note	Rupees	
<b><u>Cash flows from operating activities</u></b>			
Cash generated from / (used in) operations	15	9,132,436	(13,784,918)
Taxes paid		<u>(2,157,400)</u>	<u>(1,993,832)</u>
Net cash generated from / (used in) operating activities		<b>6,975,036</b>	<b>(15,778,750)</b>
<b><u>Cash flows from investing activities</u></b>			
Fixed capital expenditure		(8,056,200)	(1,242,431)
Sale proceeds on disposal of property, plant and equipment		-	2,713,500
Net cash (used in) / generated from investing activities		<b>(8,056,200)</b>	<b>1,471,069</b>
<b><u>Cash flows from financing activities</u></b>			
Receipt of long term finances - net		-	10,819,990
Repayment of modaraba finance		(170,836)	(1,012,000)
Finance cost paid		(771,198)	(235,268)
Repayment of lease liability		(180,000)	(283,987)
Net cash (used in) / generated from financing activities		<b>(1,122,034)</b>	<b>9,288,735</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,203,198)</b>	<b>(5,018,946)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>2,686,663</b>	<b>5,430,311</b>
<b>Cash and cash equivalents at end of the period</b>		<b>483,465</b>	<b>411,365</b>

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

Lahore  
27 February 2018

Chief Financial Officer

Chief Executive

Director

# MEDIA TIMES LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY ( UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

		Capital reserves	Revenue reserve	
	Share capital	Share Premium	Unappropriated loss	Total
<b>Balance as at 1 July 2016 (Audited)</b>	1,788,510,100	76,223,440	(2,034,238,690)	(169,505,150)
<b><i>Total comprehensive income for the six months ended 31 December 2016</i></b>				
Loss for the period	-	-	(38,225,727)	(38,225,727)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	(38,225,727)	(38,225,727)
<b>Balance as at 31 December 2016 (Un-audited)</b>	<b>1,788,510,100</b>	<b>76,223,440</b>	<b>(2,072,464,417)</b>	<b>(207,730,877)</b>
<b><i>Total comprehensive income for the six months ended 30 June 2017</i></b>				
Loss for the period	-	-	(41,846,846)	(41,846,846)
Other comprehensive income for the period	-	-	2,096,237	2,096,237
Total comprehensive income	-	-	(39,750,609)	(39,750,609)
<b>Balance as at 30 June 2017 (Audited)</b>	<b>1,788,510,100</b>	<b>76,223,440</b>	<b>(2,112,215,026)</b>	<b>(247,481,486)</b>
<b><i>Total comprehensive loss for the six months ended 31 December 2017</i></b>				
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)
<b>Balance as at 31 December 2017 (Un-audited)</b>	<b>1,788,510,100</b>	<b>76,223,440</b>	<b>(2,158,994,929)</b>	<b>(294,261,389)</b>

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

Lahore  
27 February 2018

Chief Financial Officer

Chief Executive

Director

# MEDIA TIMES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

### 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. 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 "AajKaI" 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. Subsequently to the period ended 31 December 2017, the Company has outsourced its license of "Zaiqa TV" on fixed monthly rentals for the period of 20 years.

### 2 Significant issue

The Company has incurred a net loss of Rs. 46.78 million during the six months period ended 31 December 2017 and, as of date, the Company's current liabilities exceeded its current assets by Rs. 419.32 million. The Company's equity has eroded and the accumulated losses exceed the share capital and share premium by Rs. 294.26 million at 31 December 2017. 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 outsourced its license of "Zaiqa TV" on fixed monthly rentals for the period of 20 years which is effective from subsequent to the period end. 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. Further, the management of the Company is investing a lot of efforts and resources over digital wing of each product that will result in one of the main revenue stream. 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 2017 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 condensed interim financial information of the Company for the six months ended 31 December 2017 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.

On May 2017, the Companies Act, 2017 was enacted which replaced and repealed the Companies Ordinance, 1984. However, the Securities and Exchange Commission of Pakistan (SECP) vide its Circular No. 23 of 2017 dated 04 October 2017 and ICAP vide its clarificatory Circular No. 17 dated 06 October 2017, has advised all companies whose financial year and interim period close on or before 31 December 2017, shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

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 2017. Comparative balance sheet numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2017, 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 2016.

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3.4 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.

## 4 Estimates and judgments

4.1 The preparation of condensed interim financial information requires management to make 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 2017.

## 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 same as those applied in the preparation of the financial statements for the year ended 30 June 2017 except that pursuant to the requirements of IAS 7 "Statement of cash flows" a disclosure of reconciliation of movements of liabilities to cash flows arising from financing activities has been given in note 18 to this condensed interim financial information. This change does not have any impact on the figures reported in this condensed interim financial information.

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 :

<b>Standard or Interpretation</b>	<b>Effective date (accounting periods beginning on or after)</b>
IFRS 2 - Share-based Payments	01 January 2018
IAS 40 - Investment Property	01 January 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2018

<b>Standard or Interpretation</b>	<b>Effective date (accounting periods beginning on or after)</b>
IFRIC 22 - Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
IFRS 15 - Revenue from Contract with customer	01 July 2018
IFRS 9 - Financial Instruments	01 July 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IFRS 11 - Joint ventures	01 January 2019
IAS - 12 Income Taxes	01 January 2019
IAS - 23 Borrowing cost	01 January 2019

In addition, the Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular No. 23 of 2017 dated 04 October 2017 has clarified that the companies whose financial year, including quarterly and other interim period, closes on or before 31 December 2017, shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

The Companies Act, 2017 applicable for financial year ending on or after 1 July 2017 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of fixed assets to bring it in line with the requirements of IAS 16 – Property, plant and equipment. However, this change has no impact on this condensed interim financial information.

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	Note	(Un-audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
<b>6 Property, plant and equipment</b>			
Opening book value		415,484,200	503,680,965
Additions during the period / year	6.1	8,056,200	3,481,831
Disposals during the period / year	6.1	-	(4,910,500)
Depreciation for the period / year		(37,315,725)	(86,768,096)
Closing book value		386,224,675	415,484,200

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)		Year ended (Audited)	
	31 December 2017		30 June 2017	
	(Additions)	(Disposals)	(Additions)	(Disposals)
Rupees				
Plant and machinery	45,500	-	163,000	-
Office equipment	1,139,000	-	824,989	-
Computers	181,700	-	534,642	-
Furniture and fittings	-	-	59,200	-
Vehicles	6,690,000	-	1,900,000	(4,910,500)
	8,056,200	-	3,481,831	(4,910,500)

		(Un-audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
<b>7 Deferred taxation</b>			
Deferred tax liability / (asset) comprises temporary differences relating to:			
Accelerated tax depreciation allowances		60,044,809	67,592,278
Unused tax losses		(60,044,809)	(67,592,278)
		-	-

7.1 The Company has unused tax losses (including both business and depreciation losses) amounting to Rs. 1,215.2 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.

		(Un-audited) 31 December 2017	(Audited) 30 June 2017
		Rupees	
<b>8 Trade debts</b>			
<b><u>Considered good</u></b>			
Unsecured:			
Related parties		839,524	783,424
Others		136,214,186	131,235,649
Secured:			
Distribution agencies		483,780	-
		137,537,490	132,019,073
<b>Considered doubtful</b>		143,090,213	136,406,165
		280,627,703	268,425,238
Provision for doubtful trade debts		(143,090,213)	(136,406,165)
		137,537,490	132,019,073

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	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
<b>9 Cash and bank balances</b>		
Cash in hand	147,508	75,087
Cash at bank		
Local currency		
- current accounts	102,444	26,958
- deposit accounts	199,729	2,550,834
	302,173	2,577,792
Foreign currency - current account	33,784	33,784
	<u>483,465</u>	<u>2,686,663</u>

9.1 The balance in deposit accounts bear markup at the rates ranging from 3.75% to 4.5% (30 June 2017: 3.75% to 4.5%) per annum.

## 10 Share capital

### 10.1 Authorized share capital

(Un-audited) 31 December 2017 (Number of Shares)	(Audited) 30 June 2017		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
<u>210,000,000</u>	<u>180,000,000</u>	Ordinary shares of Rs. 10 each	<u>2,100,000,000</u>	<u>1,800,000,000</u>

### 10.2 Issued, subscribed and paid up capital

135,871,350	135,871,350	Ordinary shares of Rs. 10 each fully paid in cash	1,358,713,500	1,358,713,500
42,979,660	42,979,660	Ordinary shares of Rs. 10 each issued other than cash, in accordance with the scheme of merger with Total Media Limited	429,796,600	429,796,600
<u>178,851,010</u>	<u>178,851,010</u>		<u>1,788,510,100</u>	<u>1,788,510,100</u>

10.3 Ordinary shares of the Company held by associated companies as at year end are as follows:

	31 December 2017		30 June 2017	
	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

10.4 Directors hold 4,200 (2017: 4,200) ordinary shares comprising 0.002% of total paid up share capital of the Company.

10.5 The shareholders in an extra ordinary meeting held on 15 March 2017 approved the increase in authorized share capital of the Company. Accordingly, during the period, the authorized share capital of the Company has increased to Rs. 2,100,000,000.

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		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
<b>11 Long term financing</b>			
WTL (Private) Limited - unsecured (related party)	11.1	<b>194,187,697</b>	194,187,697
Faysal Bank Limited - secured	11.2	<b>51,468,756</b>	-
		<b>245,656,453</b>	194,187,697
Less: Current maturity		<b>(8,911,012)</b>	-
		<b>236,745,441</b>	194,187,697

**11.1** 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 2017: three months KIBOR plus 3% per annum) and the markup related to this loan is payable on demand.

**11.2** This 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 last year 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.

However, during the period the Company re-negotiated with Faysal Bank Limited and now this loan has been 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 are repayable in 24 unequal quarterly installments started from 31 December 2017 and the remaining overdue markup of Rs. 11 million has been waived off by Faysal Bank Limited subject to timely payments of rescheduled loan by the Company. The markup on outstanding loan of Rs. 50 million is three month KIBOR or cost of fund of Faysal Bank Limited, whichever is lower, which is payable quarterly in arrears and the overdue markup of Rs. 8 million is interest free.

Accordingly, the outstanding principal and related markup of Rs. 50 million and Rs. 8 million respectively have been recognised at fair value by using discount rate of three month KIBOR plus 3% per annum and the resulting difference of Rs. 18 million between Rs. 69 million previously recorded and discounted value has been charged to profit and loss account during the current period and included in other income.

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. The Company has also provided fresh security in the form of exclusive mortgage over nine shops located at Pace Pakistan, 96-B/I, Gulberg-II, Lahore, owned by Pace Pakistan Limited, an associated company.

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## 12 Trade and other payables

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
Trade and other payables include following unsecured balances payable to related parties:		
World Press (Pvt) Limited	5,429,634	6,556,344
First Capital Investment Limited	870,180	-
	<u>6,299,814</u>	<u>6,556,344</u>

## 13 Accrued mark-up

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
Mark-up based borrowings		
Long term finance - secured	11.2 1,060,274	19,215,663
Long term finance from a related party - unsecured	11.1 43,880,993	34,925,588
Finance lease	849,531	849,544
Islamic mode of financing:		
Modarba finance	-	429,164
	<u>45,790,798</u>	<u>55,419,959</u>

## 14 Contingencies

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 2017.

14.2 There are no significant commitments as at 31 December 2017.

## 15 Cash used in operations

	(Un-audited) 31 December 2017 Rupees	(Un-audited) 31 December 2016 Rupees
Loss before taxation	(43,999,961)	(36,225,349)
Adjustment for non-cash charges and other items:		
Depreciation	37,315,725	53,943,985
Amortization of intangibles	133,454	133,456
Liabilities no longer payables written back	(16,939,872)	(22,734,121)
Provision for doubtful receivables - net	6,684,048	3,538,646
Gain on disposal of property, plant and equipment	-	(2,713,500)
Retirement benefits	3,874,425	1,607,416
Income on rescheduling of loan from Faysal Bank Limited	(18,223,074)	-
Finance cost	12,174,775	10,061,295
(Loss) / profit before working capital changes	(18,980,480)	7,611,828
Effect on cash flow due to working capital changes:		
Decrease/ (increase) in stores and spares parts	494,201	(538,586)
Increase in trade debts	(12,202,465)	(29,979,316)
Increase in advance, prepayments and other receivables	(4,962,106)	(5,740,162)
Decrease in long term deposits	183,240	-
Increase in trade and other payables	44,600,046	14,861,318
	<u>28,112,916</u>	<u>(21,396,746)</u>
Net cash generated from / (cash used) in operation	9,132,436	(13,784,918)



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## 16 Transactions with related parties

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

Name of parties	Nature of relationship	Nature and description of related party transaction	31 December	31 December
			2017 (un-audited)	2016 (un-audited)
			Value of transactions made during the period	Value of transactions during the period
First Capital Securities Corporation Limited	Associate	Sale of goods / services	52,000	97,500
Pace Pakistan Limited	Associate	Sale of goods / services	1,564,796	8,780,300
		Building rent expense	6,430,764	5,846,148
Pace Baraka Properties Limited	Associate	Building rent expense	2,657,352	2,415,768
		Sale of goods / services	2,351,639	3,010,768
World Press (Private) Limited	Associate	Building rent income	1,126,710	-
First Capital Equities Limited	Associate	Sale of goods / services	31,200	126,100
WTL Services (Private) Limited	Associate	Interest on loan	8,955,405	8,496,075
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	Key management personnel	Remuneration and benefits	15,390,000	11,880,000

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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.

	Note	Fair Value (Unaudited)				
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2
<b>On-Balance sheet financial instruments</b>						
<b>31 December 2017-(Un-audited)</b>						
<b>Financial assets not measured at fair value</b>						
Long term deposits		6,568,043	-	6,568,043	-	-
Trade debts		137,537,490	-	137,537,490	-	-
Advances and other receivables		9,442,667	-	9,442,667	-	-
Cash and bank balances		483,465	-	483,465	-	-
	17.2	154,031,665	-	154,031,665	-	-
<b>Financial liabilities not measured at fair value</b>						
Long term loans - unsecured		-	245,656,453	245,656,453	-	-
Trade and other payables		-	409,346,364	409,346,364	-	-
Accrued mark-up		-	45,790,798	45,790,798	-	-
Short term borrowings		-	124,684	124,684	-	-
Liabilities against assets subject to finance lease		-	19,596,497	19,596,497	-	-
	17.2	-	720,514,796	720,514,796	-	-

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## 17.1 Fair value measurement of financial instruments

Fair Value (Unaudited)						
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>On-Balance sheet financial instruments</b>						
<b>30 June 2017 - (Audited)</b>						
<b>Financial assets not measured at fair value</b>						
Long term deposits	6,751,283	-	6,751,283	-	-	-
Trade debts	132,019,073	-	132,019,073	-	-	-
Advances and other receivables	3,008,752	-	3,008,752	-	-	-
Cash and bank balances	2,686,663	-	2,686,663	-	-	-
	<b>144,465,771</b>	<b>-</b>	<b>144,465,771</b>	<b>-</b>	<b>-</b>	<b>-</b>
17.2						
<b>Financial liabilities not measured at fair value</b>						
Long term loans - unsecured	-	194,187,697	194,187,697	-	-	-
Trade and other payables	-	385,222,251	385,222,251	-	-	-
Accrued mark-up	-	55,419,959	55,419,959	-	-	-
Short term borrowings	-	50,295,520	50,295,520	-	-	-
Liabilities against assets subject to finance lease	-	18,435,589	18,435,589	-	-	-
	<b>-</b>	<b>703,561,016</b>	<b>703,561,016</b>	<b>-</b>	<b>-</b>	<b>-</b>
17.2						

Note

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

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

	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
<b>Changes from financing activities</b>					
Payment of Modaraba Finance loan	-	-	-	(170,836)	(170,836)
Repayment of finance lease liabilities	-	(180,000)	-	-	(180,000)
Finance cost paid	-	-	(771,198)	-	(771,198)
<b>Total changes from financing cash flows</b>	-	(180,000)	(771,198)	(170,836)	(1,122,034)
Other changes					
Interest and other finance cost	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)
<b>Total liability related other changes</b>	51,468,756	1,340,908	(8,857,963)	(50,000,000)	(6,048,299)
<b>Closing as at 31 December 2017</b>	<b>245,656,453</b>	<b>19,596,497</b>	<b>45,790,798</b>	<b>124,684</b>	<b>311,168,432</b>

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## 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 2017 (Un-audited)		
	Print media	Electronic media	Total
	Rupees		
Turnover - net	127,938,718	59,064,241	187,002,959
Cost of production	(108,696,453)	(48,651,282)	(157,347,735)
Gross Profit	19,242,265	10,412,959	29,655,224
Administrative expenses	(61,017,139)	(42,281,101)	(103,298,240)
	(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)
	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	(115,760,458)	(59,688,549)	(175,449,007)
Gross profit	1,894,634	22,694,168	24,588,802
Administrative expenses	(47,518,917)	(33,521,723)	(81,040,640)
	(45,624,283)	(10,827,555)	(56,451,838)

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Finance cost	(10,061,295)
Other income	<u>30,287,784</u>
Loss before taxation	(36,225,349)
Taxation	<u>(2,000,378)</u>
Loss for the period	<u><u>(38,225,727)</u></u>

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. 55.23 million out of total print media segment revenue.

Revenue from major customers of electronic media segment represents an aggregate amount of Rs.34.89 million out of total electronic 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 2017.

19.5 All non-current assets of the Company as at 31 December 2017 and 30 June 2017 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:

	<b>As at 31 December 2017 - (Un-audited)</b>		
	<b>Print media</b>	<b>Electronic media</b>	<b>Total</b>
	<b>Rupees</b>		
Segment assets for reportable segments	<b>407,031,090</b>	<b>136,303,675</b>	<b>543,334,765</b>
Unallocated corporate assets			<b>12,038,495</b>
Total assets as per balance sheet			<u><b>555,373,260</b></u>
Segment liabilities for reportable segments	<b>317,095,417</b>	<b>134,202,167</b>	<b>451,297,584</b>
Unallocated corporate liabilities			<b>398,337,065</b>
Total liabilities as per balance sheet			<u><b>849,634,649</b></u>
	<b>As at 30 June 2017 - (Audited)</b>		
	<b>Print media</b>	<b>Electronic media</b>	<b>Total</b>
	<b>Rupees</b>		
Segment assets for reportable segments	403,941,684	161,186,176	565,127,860
Unallocated corporate assets			12,661,037
Total assets as per balance sheet			<u>577,788,897</u>
Segment liabilities for reportable segments	289,791,241	133,846,169	423,637,410
Unallocated corporate liabilities			401,632,973
Total liabilities as per balance sheet			<u>825,270,383</u>

## 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 2017.

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## **21 Date of authorization for issue**

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 27 February 2018.