

INTECH ONLINE LIMITED
Statement of Financial Position (Un-audited)
As of September 30, 2013

ASSETS :	Notes	As of September 30, 2013 Taka	As of December 31, 2012 Taka
Non-Current Assets		101,817,353	110,185,666
Property, Plant and Equipment(at cost less accumulated depreciation)	4	58,016,051	69,384,364
Deferred Tax Asset		1,301,302	1,301,302
Investment in InTech Resort Limited		42,500,000	39,500,000
Current Assets		97,245,086	88,509,174
Inventories-At cost	5	8,924,500	-
Advance, Deposit & Prepayments		38,904,816	54,204,492
Trade Receivables	6	42,287,983	29,850,334
Short-Term Investment	7	82,405	103,985
Cash and Cash Equivalents		7,045,382	4,350,363
Total Assets		199,062,439	198,694,840
EQUITY AND LIABILITIES:			
Shareholders' Equity		194,802,514	194,245,908
Share Capital		175,207,370	175,207,370
Retained Earnings		19,595,144	19,038,538
Current Liabilities & Provisions		4,259,925	4,448,932
Liability for Expenses		4,242,133	4,415,715
Advance and Deposit from Customer		15,000	15,000
Provision for Income Tax		2,792	18,217
Total Equity and Liabilities		199,062,439	198,694,840

Mirza Aminul Islam Beg
Chief Executive Officer

Md. Mohibul Islam
Chief Financial Officer

INTECH ONLINE LIMITED
Statement of Comprehensive Income (Un-audited)
As of September 30, 2013

	Notes	January 1 to September 30, 2013 <u>Taka</u>	January 1 to September 30, 2012 <u>Taka</u>	July 1 2013 to September 30, 2013 <u>Taka</u>	July 1 2012 to September 30, 2012 <u>Taka</u>
Revenue from Operations	8	18,668,952	28,124,724	7,943,333	12,264,093
Expenses of Operations	9	(2,913,576)	(3,580,721)	(857,357)	(1,152,139)
Gross Profit		15,755,376	24,544,003	7,085,976	11,111,954
		(15,185,257)	(11,313,364)	(5,056,783)	(5,016,549)
Administrative Expense	10	3,175,804	3,742,820	1,083,666	1,166,780
Marketing Expenses		635,408	473,085	183,478	112,300
Financial Expenses		5,732	3,723	202	749
Depreciation		11,368,313	7,093,736	3,789,437	3,736,720
Operating Profit		570,119	13,230,639	2,029,193	6,095,405
Other Income		(10,998)	8,961	(21,580)	-
Interest & Dividend Income		10,582	8,961	-	-
Loss on Short-term Investment		(21,580)	-	(21,580)	-
Net Profit before Income Tax		559,121	13,239,600	2,007,613	6,095,405
Income Tax		(2,515)	(645,525)	-	-
Net profit after Tax		556,606	12,594,075	2,007,613	6,095,405
Earning Per Share	11	0.03	0.72	0.10	0.35

Mirza Aminul Islam Beg
Chief Executive Officer

Md. Mohibul Islam Md. Mohibul Islam
Chief Financial Officer Chief Financial Officer

INTECH ONLINE LIMITED
Statement of Changes in Equity (Un-audited)
As of September 30, 2013

	January 1 to September 30, 2013 <u>Taka</u>	January 1 to September 30, 2012 <u>Taka</u>
Net Profit for the Period (After Tax)	556,606	12,594,075
Retained Earning as at January 01	19,038,538	16,894,960
Less: Bonus Share Issued	17,520,730	15,927,943
	1,517,808	967,017
Bonus Share Disbursement	17,520,730	15,927,943
Share Capital as at January 01	175,207,370	159,279,430
Total Shareholder Equity	<u>194,802,514</u>	<u>188,768,465</u>

Mirza Aminul Islam Beg
Chief Executive Officer

Md. Mohibul Islam
Chief Financial Officer

INTECH ONLINE LIMITED
Statement of Cash Flows (Un -audited)
For the nine month ended 30 September, 2013

	January 1 to September 30, 2013 <u>Taka</u>	January 1 to September 30, 2012 <u>Taka</u>
1 Cash Flow from Operating Activities:	(9,290,814)	28,735,048
Collection from Customers & Others	6,563,028	38,815,086
Increase in Inventory	(8,924,500)	-
Payment for Expenses	(6,929,342)	(10,080,038)
2 Cash Flow from Investing Activities:	11,975,251	(18,045,872)
Investment	(3,000,000)	(18,000,000)
Advance	14,975,251	(45,872)
3 Cash Flow from Financing Activities:	10,582	8,961
Non Operating Income	10,582	8,961
4 Increase/Decrease in Cash and Cash Equivalents (SL. 1+2+3)	<u>2,695,019</u>	<u>10,698,137</u>
5 Cash and Cash Equivalents at the beginning of the period	4,350,363	7,773,482
6 Cash and Cash Equivalents at the end of the period (SL. 4+5)	<u><u>7,045,382</u></u>	<u><u>18,471,619</u></u>

Mirza Aminul Islam Beg
Chief Executive Officer

Md. Mohibul Islam
Chief Financial Officer

InTech Online Limited

Notes to the condensed interim financial information
As at and for the quarter ended 30 September 2013

1. Reporting entity:

1.1 Company profile

InTech Online Limited (hereinafter referred to as the "Company") was incorporated in Bangladesh, as a Public Limited Company under the Companies Act, 1994 vide Registration No. C-39560 (1528)/2000 of the Registrar of Joint Stock Companies on February 2, 2000.

The shares of the Company are listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

1.2 Nature of business

The principal activity of the Company is to provide Internet connectivity services through broadband and dial-up services to corporate entities and individual clients. It is also involved in providing ancillary services to software companies and data transcription companies by providing high volume data transfer channels.

Other activities of the Company include providing information technology consulting services to corporate houses, network design and implementation on turnkey basis, and software development for local and international markets. The Company is also engaged in web development and hosting.

It is also the objective of the Company to become the premier solutions provider in Bangladesh in the fields of E-Commerce through utilizing its potential and skills in developing database solutions through the internet; and also provide data centre service, training on Web and Software, intranet and network solution etc. along with carrying on the business of and being the source provider of optical fiber, computer and computer accessories manufacturers and distributors. With the approval of the shareholders at the last AGM, the Company has also started investment in the hospitality industry.

2. Basis of preparation:

These condensed interim financial information have been prepared in accordance with International Accounting Standard/Bangladesh Accounting Standard (IAS/BAS) 34: Interim Financial Reporting and relevant guidelines issued by the Securities and Exchange Commission, Bangladesh and should be read in conjunction with the financial statements as at and for the year ended 31 December 2012, the year for which the last full annual financial statements were prepared.

3. Accounting policies:

The same accounting policies and methods of computation have been followed in this condensed financial information as were applied in the preparation of the financial statements for the year ended 31 December 2012.

	Amount (Tk.) September 30, 2013	Amount (Tk.) December 31, 2012
4.00 Property, Plant and Equipment, net of accumulated depreciation: Tk. 58,016,051		
This consists of:		
Opening Balance (at cost less accumulated depreciation)	69,384,364	80,425,692
Add: Addition during the period	-	-
	<u>69,384,364</u>	<u>80,425,692</u>
Less: Depreciation during the period	(11,368,313)	(11,041,328)
Closing Balance	<u>58,016,051</u>	<u>69,384,364</u>

5.00 Inventories: Tk.8,924,500

This consists of:

Computer & Computer Accessories	8,924,500	-
Total	<u>8,924,500</u>	<u>-</u>

5.01 The inventories are valued at the lower of cost and net realizable value, cost being determined under FIFO method.

5.02 The basis of valuation is consistent with the preceding year.

6.00 Trade Receivables: Tk. 42,287,983

Composition of the above balance is as under:

Internet Service	1,201,238	1,047,429
Software Sales and Maintenance	38,545,911	26,482,571
Sale of Computer, Modem, Cable and other equipments	2,540,834	2,320,334
Total	<u>42,287,983</u>	<u>29,850,334</u>

The entire receivables are considered good and typically unsecured

No amount was due from directors, chief executive, executives, associated companies, controlled firms, related parties and subsidiary companies.

7.00 Short-Term Investment: Tk.82,405

Name of The Company

Titasgas 1000 shares @ Tk. 103.98 each	103,985	103,985
Provision for loss due to decrease in market value as at 30.09.13	(21,580)	-
	<u>82,405</u>	<u>103,985</u>

As per the requirements of BAS 39, the short-term investment has been measured at fair value, based on closing price at the DSE as on September 30, 2013.

8.00 Revenue From Operation: Tk. 18,668,952

This consists of:

	Amount (Tk.) September,30 2013	Amount (Tk.) September,30 2012
Internet Service	1,500,776	1,391,214
Software	17,168,176	26,733,510
Total	18,668,952	28,124,724

The revenue from Software has significantly increased during this quarter as a result of reorganisation of the software development team, and renewed efforts for revenue increase.

9.00 Expenses of Operations: Tk. 2,913,576

This consists of:

Fuel Expenses-Generator	116,820	108,900
Link Charge	397,000	1,214,400
Rent for System Room	135,000	135,000
Salary	1,167,740	1,238,500
IP Charge	107,080	113,189
LAN Accessories	503,562	392,073
Optical Fiber Network Accessories	30,000	49,715
Optical Fiber Network Rent	327,454	265,944
Internet Exchange Connection Fee	76,000	63,000
Web Page Design & Hosting	4,000	-
Fee	48,920	-
Total	2,913,576	3,580,721

10.00 Marketing Expenses: Tk. 635,408

Salary	635,408	473,085
Total	635,408	473,085

11.00 Earnings Per Share (EPS): Tk. 0.03

The computation of Basic EPS is given below:

Earning attributable to the Ordinary Shareholders (Net profit after tax)	556,606	12,594,075
Number of Ordinary Shares outstanding during the period	19,272,810	17,520,737
EPS	0.03	0.72
Restated EPS	0.03	0.65

12. Other Notes:

- 12.1** There are no items in the financial statements which are unusual because of their nature, size or incidence, and there are no material effects of the nature and amount of changes in estimates.
- 12.2** There have been no repurchases and repayments of debt and equity securities. However, the Company issued 10% bonus shares as Dividend on July 24, 2013. Apart from this, the Company did not pay any other dividend.
- 12.3** The Company has no separate business or geographical segments. Also, there was no changes in the composition of the entity during the interim period.
- 12.4** There are no material events subsequent to the end of the interim period. Also, there are no contingent liabilities and contingent assets.
- 12.5** There was no effect of seasonality or cyclicity on the interim operations.