

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

ASSETS :	Notes	Half-Year ended 30 June, 2013 <u>Taka</u>	Year ended 31st December, 2012 <u>Taka</u>
Non-Current Assets		105,606,789	110,185,666
Property, Plant and Equipment(at cost less accumulated depreciation)	4	61,805,487	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		91,543,169	88,509,174
Inventories-At cost		9,524,500	-
Advance, Deposit & Prepayments	5	39,203,150	54,204,492
Trade Receivables	6	35,783,829	29,850,334
Investment in Titas Gas		103,985	103,985
Cash and Cash Equivalents		6,927,705	4,350,363
Total Assets		<u>197,149,958</u>	<u>198,694,840</u>
EQUITY AND LIABILITIES:			
Shareholders' Equity		192,794,900	194,245,908
Share Capital		175,207,370	175,207,370
Retained Earnings		17,587,530	19,038,538
Current Liabilities & Provisions		4,355,058	4,448,932
Liability for Expenses		4,337,266	4,415,715
Advance and Deposit from Customer		15,000	15,000
Provision for Income Tax		2,792	18,217
Total Equity and Liabilities		<u>197,149,958</u>	<u>198,694,840</u>

Mirza Aminul Islam Beg
Chief Executive Officer

Md. Mohibul Islam
Chief Financial Officer

INTECH ONLINE LIMITED
Statement of Comprehensive Income (Un-audited)
For the half year ended 30 June 2013

	Notes	Half-Year ended 30 June, 2013 <u>Taka</u>	Half-Year ended 30 June, 2012 <u>Taka</u>	01 Apr 2013 to 30 June, 2013 <u>Taka</u>	01 Apr 2012 to 30 June, 2012 <u>Taka</u>
Revenue from Operations	7	10,725,619	15,860,631	3,857,488	11,231,690
Expenses of Operations	8	(2,056,220)	(2,428,582)	(986,936)	(1,321,338)
Gross Profit		8,669,399	13,432,049	2,870,552	9,910,352
		(10,128,474)	(6,296,815)	(5,101,698)	(3,617,987)
Administrative Expenses		2,092,138	2,576,040	1,161,467	1,716,829
Marketing Expenses		451,930	360,785	147,490	220,165
Financial Expenses		5,530	2,974	3,304	2,485
Depreciation		7,578,876	3,357,016	3,789,437	1,678,508
Operating Profit		(1,459,075)	7,135,234	(2,231,146)	6,292,365
Other Income		10,582	8,961	7,582	5,961
Interest/Dividend Income		10,582	8,961	7,582	5,961
Net Profit/Loss before Income Tax		(1,448,493)	7,144,195	(2,223,564)	6,298,326
Income Tax		2,515	645,099	700	644,499
Net profit/Loss after Tax		(1,451,008)	6,499,096	(2,224,264)	5,653,827
Earning Per Share	9	-0.08	0.37	-0.13	0.32

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INTECH ONLINE LIMITED
Statement of Cash Flows (Un -audited)
For the half year ended 30 June, 2013

	Half-Year ended 30 June, 2013 <u>Taka</u>	Half-Year ended 30 June, 2012 <u>Taka</u>
1 Cash Flow from Operating Activities:	(9,427,587)	20,470,758
Collection from Customers & Others	4,820,828	26,358,234
Payment for Expenses	(14,248,415)	(5,887,476)
2 Cash Flow from Investing Activities:	12,000,000	(9,042,992)
Investment	(3,000,000)	(9,000,000)
Advance	15,000,000	(42,992)
3 Cash Flow from Financing Activities:	4,929	8,961
Non Operating Income	4,929	8,961
4 Increase/Decrease in Cash and Cash Equivalents (SL. 1+2+3)	<u>2,577,342</u>	<u>11,436,727</u>
5 Cash and Cash Equivalents at the beginning of the year	4,350,363	7,773,482
6 Cash and Cash Equivalents at the end of the year (SL. 4+5)	<u><u>6,927,705</u></u>	<u><u>19,210,209</u></u>

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INTECH ONLINE LIMITED
Statement of Changes in Equity (Un-audited)
For the half year ended 30 June, 2013

	Half-Year ended 30 June, 2013 <u>Taka</u>	Half-Year ended 30 June, 2012 <u>Taka</u>
Net Profit for the Period (After Tax)	(1,451,008)	6,499,096
Retained Earning as at Jan 01	19,038,538	16,894,960
Bonus Share Issued	-	15,927,943
	19,038,538	967,017
Bonus Share Disbursement	-	15,927,943
Share Capital as at Jan 01	175,207,370	159,279,430
Total Shareholder Equity	<u>192,794,900</u>	<u>182,673,486</u>

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InTech Online Limited

Selected Notes to the interim financial information (Un-audited)
As at and for the Half Year ended June 30, 2013

1.0 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.

2.0 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.

3.0 Accounting policies:

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

4.0 Property, Plant and Equipment, net of accumulated depreciation: Tk. 61,805,487

This consists of:

Opening Balance (at cost less accumulated depreciation)

Add: Addition during the period

Add: Depreciation adjustment

Less: Adjustment during the period

Less: Depreciation during the period

Closing Balance

Amount (Tk.) June, 30 2013	Amount (Tk.) December, 31 2012
69,384,364	80,425,692
-	-
69,384,364	80,425,692
-	-
69,384,364	80,425,692
-	-
69,384,364	80,425,692
7,578,876	11,041,328
61,805,487	69,384,364

5.0 Advance ,Deposit & Prepayments: Tk. 39,203,150

Advances:

Advance for Expenses

Advance to Ivory Builders for Floor purchase

Advance for Land purchase

Deposits:

Total

38,945,066	53,946,408
715,066	716,408
38,230,000	38,230,000
-	15,000,000
258,084	258,084
39,203,150	54,204,492

Advance against land purchase has been recovered from potential sellers, following the Board's decision to revoke the purchase.

6.0 Trade Receivables: Tk. 35,783,829

Composition of the above balance is as under:

Internet Service

Software Sales and Maintenance

Sale of Computer, Modem, Cable and other equipments

Total

38,989	1,047,429
33,204,006	26,482,571
2,540,834	2,320,334
35,783,829	29,850,334

The entire receivables considered good and typically unsecured

7.0 Revenue From Operation: Tk.10,725,619

This consists of:

Internet Service
Software
Total

Amount (Tk.) Jan 01-June 30 2013	Amount (Tk.) Jan 01-June 30 2012
873,916	606,658
9,851,703	15,253,973
10,725,619	15,860,631

Software revenue has decreased mainly due to the fact that Director Mr. Ashiqur Rahman MCSE, MCDDBA, who had been significantly contributing to the software revenue generation, has been unable to continue due to health reasons. Another qualified person has taken over the department, however, during the transition stage, there has been a decline in the revenue stream.

8.0 Expenses of Operations: Tk. 2,056,220

This consists of:

Fuel Expense
Link Charge
Rent for System Room
Salary
LAN Accessories
Optical Fiber Network Accessories
Optical Fiber Network Rent
Internet Exchange Connection Fee
IP Charge
Rent for POP
Web Page Design & Hosting
Total

80,100	87,760
340,000	828,000
90,000	90,000
805,540	763,000
284,204	275,955
30,000	49,715
258,794	179,963
46,000	35,000
107,082	113,189
10,500	6,000
4,000	-
2,056,220	2,428,582

9.0 Earnings Per Share (EPS): Tk.(0.08)

The computation of EPS is given below:

Earning attributable to the Ordinary Shareholders (Net profit after tax)	(1,451,008)	6,499,096
Number of Ordinary Shares outstanding during the year	17,520,737	17,520,737
Basic EPS	(0.08)	0.37
Restated EPS	(0.08)	0.37

10.0 Other Notes:

- 10.1** 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.
- 10.2** The Company has no separate business or geographical segments.
- 10.3** There are no material events subsequent to the end of the interim period. Also, there are no contingent liabilities and contingent assets.