BDCOM ONLINE LIMITED

Statement of Financial Position (Un-Audited)
As at December 31, 2016

Particulars	Note	Amount In Taka		Growth
		31.12.2016	30.06.2016	%
Non-Current Assets		**356,832,531**	**350,555,743**	**1.79**
Goodwill		228,000	228,000	-
Property, Plant and Equipment (Inc. Land & Building) (At cost less accumulated depreciation)	04	352,491,752	346,361,884	1.77
		-		
Deffered Revenue Expenditure (Net)		-	-	
Long Term Security Deposit		4,112,779	3,965,859	3.70
Current Assets		**465,413,337**	**412,205,403**	**12.91**
Inventories - At cost	05	17,428,681	15,380,948	13.31
Advance, Deposits & Prepayments	06	19,921,262	17,242,581	15.54
Advance Income Tax & VAT		18,815,408	20,963,669	(10.25)
Bills Receivable	07	118,878,812	91,554,918	29.84
Investment In Equities (at fair market value)	12	16,878,000	6,676,500	100.00
Cash and Cash Equivalents		273,491,175	260,386,787	5.03
Total Assets		**822,245,868**	**762,761,146**	
Shareholder's Equity and Liabilities				
Shareholders' Equity:		**669,774,176**	**623,388,321**	
Share Capital :				
Ordinary Share		414,082,213	414,082,213	-
Preference Share		119,504,000	119,504,000	100.00
Tax Holiday Reserve		21,555,878	21,555,878	-
AFS Reserve		1,074,385	(15,791,315)	
Retained Earnings		113,557,700	84,037,545	35.13
Non-Current Liabilities		**8,283,552**	**4,628,890**	**78.95**
Deffered Tax Liabilities	10	8,283,552	4,628,890	78.95
Current Liabilities and Provisions		**144,188,140**	**134,743,935**	**7.01**
Accounts Payable & Other Liabilities	08	114,482,824	95,323,401	20.10
Income Tax Payable	09	5,627,369	12,191,478	(53.84)
Bank Loan (Term & Others)		24,077,947	27,229,056	(11.57)
Total Equity & Liabilities		**822,245,868**	**762,761,146**	**7.80**
Net Assets Value per Share (NAV)		**16.17**	**15.05**	

Dated : Dhaka
Jan 30, 2017

CFO | Company Secretry | Managing Director | Director | Chairman

AMARSTOCK

BDCOM ONLINE LIMITED

Profit & Loss and Appropriation Account (Un-Audited)
For the half year ended Dec 31, 2016

Particulars	Unit 1 ISP	Unit 2 SDP	Unit 3 IPTSP	Total 31.12.2016	Total 31.12.2015	October to Dec 31, 2016	October to Dec 31, 2015
Revenue from Sales & Services	204,170,048	28,948,855	17,283,753	250,402,656	213,293,603	125,494,526	107,350,450
Operating Expenses	(84,687,353)	(9,542,477)	(6,521,358)	(100,751,188)	(85,285,288)	(52,146,418)	(46,163,863)
Gross Profit	**119,482,695**	**19,406,378**	**10,762,395**	**149,651,468**	**128,008,315**	**73,348,108**	**61,186,587**
Administrative and Marketing Expenses	(65,062,738)	(8,700,738)	(8,243,678)	(82,007,154)	(76,209,313)	(38,322,538)	(37,189,704)
Amortization of Deferred Expenses	-	-		-	-	-	-
Depreciation on Fixed Assets	(21,271,121)	(731,092)	(763,431)	(22,765,644)	(18,878,660)	(11,705,444)	(9,788,235)
Financial Charges	(1,299,959)	(20,312)	(2,512)	(1,322,783)	(1,232,444)	(597,615)	(781,191)
Total Expenses	**(87,633,818)**	**(9,452,142)**	**(9,009,621)**	**(106,095,581)**	**(96,320,417)**	**(50,625,597)**	**(47,759,130)**
Operating Profit	**31,848,876**	**9,954,236**	**1,752,774**	**43,555,886**	**31,687,898**	**22,722,511**	**13,427,457**
Non-Operating Income	8,258,131	2,457,746	-	10,715,877	9,613,767	6,253,957	4,831,828
Net Realized Loss on Sale of Shares (Note-11)	(13,427,358)	-		(13,427,358)	-	(13,427,358)	
Net Profit before WPPWF	**26,679,649**	**12,411,982**	**1,752,774**	**40,844,405**	**41,301,665**	**15,549,110**	**18,259,285**
Cont. to workers Profit Participation & Welfare Fund @ 5% of Net Profit	(1,333,982)	(620,599)	(87,639)	(2,042,220)	**(2,065,083)**	**(777,455)**	**(912,964)**
Net Profit before Tax	**25,345,666**	**11,791,383**	**1,665,135**	**38,802,185**	**39,236,582**	**14,771,655**	**17,346,321**
Provision for Income Tax(Note-09)	(5,157,777)	(430,124)	(39,468)	(5,627,369)	(6,031,066)	(1,863,997)	(2,367,960)
Deffered Tax Expenses (Note-10)	(3,654,661)	-	-	(3,654,661)	(353,353)	(822,118)	216,929
Net Profit After Tax	**16,533,228**	**11,361,259**	**1,625,668**	**29,520,155**	**32,852,163**	**12,085,540**	**15,195,289**
Appropriations:							
Surplus Brought Forward from Last Yea	35,257,154	20,391,106	12,597,972	68,246,231	61,424,104	68,246,231	61,424,103
Current Period's Profit	16,533,228	11,361,259	1,625,668	29,520,155	32,852,163	12,085,540	15,195,289
Profit Available for Distribution	51,790,382	31,752,365	14,223,640	97,766,386	94,276,267	80,331,771	76,619,392
Sustainable Est. Profit/(Loss) on Marketable Securities (Note-12)	-	-	-	1,074,385	-	1,074,385	-
Retained Earning Carried Forward				**98,840,771**	**94,276,267**	**81,406,156**	**76,619,392**
Earning Per Share (EPS)				**0.71**	**0.79**	**0.29**	**0.40**

Dated : Dhaka
January 30, 2017

CFO | Company Secretary | Managing Director | Director | Chairman

AMARSTOCK

BDCOM ONLINE LIMITED

Cash Flow Statement (Un-Audited)
For the half year ended December 31, 2016

Particulars	Amount In Taka		Growth
	31.12.2016	31.12.2015	%
CASH FLOWS FROM OPERATING ACTIVITIES :			
Receipts from Sales and Services & Others	222,361,436	217,833,970	2.08
Purchase of Materials	(10,188,078)	(10,109,617)	0.78
Income Tax & VAT	(10,043,217)	(6,376,090)	57.51
Cash Payments to Creditors and Others	(158,726,030)	(137,789,913)	15.19
	43,404,111	**63,558,350**	-31.71
CASH FLOWS FROM INVESTING ACTIVITIES :			
Acquisition of Tangible Assets	(28,895,511)	(39,964,178)	-27.70
FDR Interest	8,754,522	9,613,767	-8.94
Profit on Marketable Security	3,438,342	-	100.00
Investment in Marketable Secuirity	(10,201,500)	-	100.00
Long Term Security Deposit	(146,920)	(294,775)	-50.16
	(27,051,067)	**(30,645,186)**	**-11.73**
CASH FLOWS FROM FINANCING ACTIVITIES :			
Cash Dividend Paid	(97,547)	-	0.00
Short Term Loan	(3,151,109)	1,086,390	-390.05
	(3,248,656)	**1,086,390**	**-399.03**
INCREASE / (DECRESED) IN CASH & CASH EQUIVALENTS :	**13,104,388**	**33,999,554**	**-61.46**
Cash & Bank Balances at Opening	260,386,787	215,167,006	21.02
Cash & Bank Balances at Closing	**273,491,175**	**249,166,560**	**9.76**
Net Operating Cash Flow Per Share	**1.05**	**1.53**	

Dated : Dhaka
January 30, 2017

CFO | Company Secretry | Managing Director | Director | Chairman

AMARSTOCK

BDCOM ONLINE LIMITED

Statement of Changes in Equity (Un-Audited)
For the half year ended December 31, 2016

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	AFS Reserve	Retained Earnings	Total Equity 31.12.2016	Total Equity 31.12.2015
Balance as on 01.07.16	**414,082,213**	**21,555,878**	**119,504,000**	**(15,791,315)**	**84,037,545**	**623,388,321**	585,893,438
Net comprehensive Income after Tax	-	-			29,520,155	**29,520,155**	32,852,163
Adjustment against unrealized loss on investment in shares	-	-		15,791,315	-	**15,791,315**	-
Unrealised Profit on Investment in Shares				1,074,385		**1,074,385**	-
Balance as on 31.12.2016	**414,082,213**	**21,555,878**	**119,504,000**	**1,074,385**	**113,557,700**	**669,774,176**	**618,745,601**
Number of Ordinary Shares						**41,408,220**	
Face Value per Share						**10**	
Shareholder's Equity Per Share						**16.17**	

Dated : Dhaka
January 30, 2017

CFO | Company Secretry | Managing Director | Director | Chairman

AMAR STOCK

BDCOM ONLINE LTD.

for the half year ended Dec 31, 2016.

Selected Explanatory Notes :

This Interim Financial Report includes only those selected explanatoty notes as were deemed appropriate for better understanding of unaudited financial statements.

1.00 Status and Nature of the Company

1.01. Legal Form : BDCOM ONLINE LTD was incorporated in Bangladesh on February 12, 1997 as a Private Limited Company though issuance of certificate of incorporation no. : C-32328(1449/97) dated February 12,1997 by the Registered Joint Stock Companies and Firms and was emerged as into a Public Limited Company on February 10, 2002. The Shares of the company are traded with the Dhaka Stock Exchange and Chittagong Stock Exchange.

1.02. Nature of Business : The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh which includes Broadband Internet, Fiber optic cable and Hardware Sales Web page software design and hosting, Leased port Internet Access, Total Network Solutions and Nationwide Data Services. In addition the company is conducting customized software development, Vehicle Tracking Services (VTS), Business Process Outsourcing, IP Telephony Services (IPTSP), IPPBX Solutions, Hosted conference Bridge, Short Code Parking, Sale of Network Equipoments etc.

2.00 Significant Accounting Policies :

2.01 Basis of Preparation of Financial Statements : These Financial Statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the year ended June 30, 2016

2.02 Going Concern :

This financial statement has been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation.

2.03 Cash Flow Statement :

Cash Flow Statement is prepared in accordance with BAS 7 "Cash Flow Statement" and the cash flow from the operating activities has been presented under direct method.

2.04 Revenue Recognition :

Service income arises on services provided by the Company are recognized on an accrual basis. Service charges charged to customers on services provided by the company are credited to income at the time of effecting the transactions in accordance with BAS-18 "Revenue".

In terms of the provisions of the BAS-18 "Revenue Recognition", the interest income is recognized on accrual basis.

Other income is recognized in the financial statements on cash basis when the sum of income is actually received during the year as per BAS-18 "Revenue".

2.05 Asset and basis of their valuation

Cash and cash equivalents :

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with various Banks such as cash balances with bank as well as FDR and are used by the Company management for its short-term commitments.

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BDCOM ONLINE LTD. DHAKA DHANMONDI

AMAR STOCK

Property, Plant & Equipment :

Recognition and Measurement

Property, Plant and Equipment are capitalized at cost capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation and the capital work in progress (when arises) is stated at cost in compliance with the requirements of BAS 16: Property Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive on inward freight, duties and non-refundable taxes.

Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of comprehensive income, when is determined with reference to the net book value of the assets and net sales proceeds.

Depreciation on addition of Fixed Assets is charged when it is available for use and depreciation is charged on Fixed Assets reducing balance method.

2.06 Long Term Security Deposit :

These amounts were deposited with BTCL and others in connection with telephone lines, bandwidth, E1 and others.

2.07 Valuation of Inventory :

Inventories are carried at the lower of cost and net realizable value as prescribed by the BAS - 2 : Inventories. Cost is determined on weighted average cost basis. The cost of Inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

2.08 Bills Receivable

Bill Receivables are amounts due from customers for services provided in the ordinary course of business. Bill Receivables are recognised initially at fair value and subsequently measured at carrying amount less provision for impairment.

2.09 Accounts Payable :

Accounts Payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

2.10 Provision for Current & Deferred Tax :

The Company has recognized deferred tax using balance sheet method in compliance with the provisions of BAS 12 : Income Taxes. The Company's policy of recognition of deferred tax assets/liabilities is based on temporary differences (Taxable or Deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earning per shares (EPS).
A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realized.

BDCOM ONLINE LTD. DHAKA DHANMONDI

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AMARSTOCK

2.11 Earnings Per Share :

Earning per Share (EPS) is calculated in accordance with BAS-33 "Earning Per Share" which has been shown at the bottom of the Statement of Comprehensive Income.

2.12 Impairment :

In accordance with the provisions of BAS 36 "Impairment of Assets", the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been in existence till the end of the period.

2.13 Financial Instruments :

Non-derivative financial instruments comprise of accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

2.14 Borrowing Cost :

The borrowing cost are capitalized unless active development of related assets are interrupted or ceased when the active development are ceased the borrowing cost is directly charged to the Profit & Loss Account as per BAS-23 "Borrowing Cost".

2.15 Related Parties Transactions :

The party is related to the company if any party casts significant influence over the day to day affairs/matters and also holds the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per BAS-24 "Related Party Disclosure". During the year under report there are no such related party transactions that exists having influence to the company's business.

2.16 Comparatives :

Comparative data/information have been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

Previous figure has been re-arranged whenever considered necessary to ensure comparability with the current period presentation as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3.00 Comparative figures have been re-arranged whenever to facilitate comparison.

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		Amount In Taka	
		31.12.2016	30.06.2016
04.	**Property, Plant and Equipments :**		
	Opening Balance	670,042,344	578,273,148
	Add : Addition during the period	28,895,511	91,769,196
	Less : Adjustment of Assets	-	-
	Total Assets	698,937,855	670,042,344
	Less : Accumulated Depreciation	(346,446,103)	(323,680,460)
	Add : Net Adjustment In Depreciation	-	-
	Closing balances	**352,491,752**	**346,361,884**
05.	**Inventories :**		
	Broadband Equipment, Hardware & S/W	7,262,774	4,734,143
	Radio & Other Equipments	3,071,256	2,943,268
	Stock of Fiber Optic	1,479,610	1,410,610
	Stationery	253,592	21,015
	GLP & GPRS Modem and Accessories	2,127,293	2,425,758
	IP Telephony equipments and hardware	3,234,156	3,846,154
	Total	**17,428,681**	**15,380,948**
06.	**Advance, Deposits & Prepayments :**		
	Advance to employees	1,936,558	2,227,983
	Advance to suppliers & others	5,731,971	5,147,716
	Earnest money	3,035,960	2,814,806
	Material In Transit (L/C Margin)	8,426,604	5,157,756
	Prepayments	790,168	1,894,320
	Total	**19,921,262**	**17,242,581**
07.	**Bill Receivable :**		
	Internet & Data connectivity	76,111,024	59,913,516
	Hardware, AVLS & Accessories	895,477	700,406
	IP Telephone Service	11,905,998	11,295,832
	Web page, software and data transmit.	21,225,810	12,866,016
	Other Receivable (FDR Interest)	8,740,503	6,779,148
	Total	**118,878,812**	**91,554,918**
08.	**Account payable & other liabilities :**		
	Sundry Creditors	91,545,425	74,155,436
	Unpaid Dividend	1,693,630	1,791,177
	Liability for Expenses	15,828,448	1,820,281
	Other Liabilities	5,415,321	17,556,507
	Total	**114,482,824**	**95,323,401**

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BDCOM ONLINE LTD DHAKA DHANMONDI

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09. Provision for Income Tax :

Particulars	UNIT-I ISP	UNIT-2 SDP	UNIT-3 IPTSP	TOTAL 31.12.16
Net Profit Before WPPWF	26,679,649	12,411,982	1,752,774	40,844,405
Less : Contivution to WPPWF @ 5%	(1,333,982)	(620,599)	(87,639)	(2,042,220)
Profit Before Tax	25,345,666	11,791,383	1,665,135	38,802,184
Less : Tax Exempted Profit	4,714,558	10,070,886	1,507,265	16,292,709
Net Profit Before Tax	20,631,108	1,720,497	157,870	22,509,475
Provision for Income Tax @ 25%	**5,157,777**	**430,124**	**39,468**	**5,627,369**

**Operating Income of SDP (U-2) is Tax Exempted upto June 30, 2024 as per Sixth Sch, Part-A, Para-33 of ITO, 1984.

10 Deferred Tax (Income)/Expenses :

Particulars	Carrying Amount (Tk.)	Tax Base (Tk.)	Taxable/(Deductable) temporary defferences
As at Dec 31, 2016			
Property, Plant & Equipment (Excluding Land)	325,491,752	292,357,544	33,134,208
Net Taxable Temporary Difference			33,134,208
Applicable Tax Rate			25.00%
Deferred tax liability (a)			**8,283,552**
As at June 30, 2016			
Property, Plant & Equipment (Excluding Land)	319,361,884	300,846,323	18,515,561
Net Taxable Temporary Difference			18,515,561
Applicable Tax Rate			25.00%
Deferred tax liability (b)			**4,628,890**
Defered Tax (Income)/Expenses (a-b)			**3,654,661**

11 Net Realized Loss from Sale of Shares

Cost Value of Shares	
ICB Islami Bank Ltd.	19,966,332
The City Bank Ltd.	2,501,483
One Bank Ltd.	11,167,216
Total Cost Value of Shares	**33,635,031**
Less: Realized Value from Sale of Shares	20,207,672
Net Realized Loss from Sale of Shares	**13,427,359**

12 Sustainable Estimated Gain/(Loss) on Investment in Shares

Cost Value of Shares (LankaBanglaFinance)	15,803,615
Less : Fair Market Value on 31.12.2016	16,878,000
Unrealized Gain as on 31.12.2016	**1,074,385**

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13.00 Related Party Disclosures :

The details of Related Party Transaction during the year along with the realtionship is illustrated below in accordance with BAS 24 ;

Name of the company	Total Transaction (Tk.)	Ralationship with company	Nature of Transaction	Balance 31.12.2016 (Tk.)
Fiber @ Home Ltd., Creditors	694,314	Concern Under Common Mgt.	IIG Bandwidth	266,677
Fiber @ Home Ltd., Creditors	27,008,777	Concern Under Common Mgt.	NTTN Service	20,199,449
Norban Fashion Ltd., Debtors	-	Concern Under Common Mgt.	Internet & others	153,855
Norban Comtex Ltd., Debtors	23,625	Concern Under Common Mgt.	Internet & others	11,740
Fiber @ Home Ltd., Debtors	13,988,398	Concern Under Common Mgt.	Internet & others	360,298

14.00 Disclosure of Managerial Remuneration :

The details of total remuneration paid to the top five (05) salaried officers of the company during the period is as follows :

Name	Designation	Amount (Tk.)
Mr. S.M. Golam Raruk Alamgir	Managing Director	1,500,000
Md. Robiul Alam Chowdhury	Chief Financial Officer	1,248,000
Mr. A.K.M Kutub Uddin	ED, Admin & Company Sec	1,209,000
Mr. S.M. Kamruzzaman	Chief Technical Officer	1,198,080
Mr. Gazi Zehadul Kabir	General Manager, SI	972,000

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BDCOM ONLINE LTD. DHAKA DHANMONDI