INFORMATION SERVICES NETWORK LIMITED

TMC Building (4th Floor), 52, New Eskaton Road, Dhaka-1000.

BALANCE SHEET (UNAUDITED)

AS AT 31st December, 2018

PARTICULARS	31st Dec. 2018	30th Jun. 2018
NET ASSETS:		
Non-Current Assets	**81,279,034**	**82,331,492**
Tangible Fixed Assets	79,655,885	80,258,317
Intangible Asset	1,521,149	1,738,456
Investment (at cost)	102,000	102,000
Deferred Expenditure	-	232,719
Current Assets	**132,972,494**	**131,862,482**
Accounts Receivable	102,361,861	101,591,576
Accrued Loan Interest	809,544	809,544
Loans, Advances and Deposits	25,253,117	25,479,673
Cash and Cash Equivalents	4,547,972	3,981,689
Total Assets:	**214,251,528**	**214,193,974**
FINANCED BY:		
Shareholders Equity	**139,203,728**	**137,164,890**
Share Capital	109,200,035	109,200,035
Retained Earnings-As per Profit and Loss Account	(1,181,335)	(3,709,199)
General Reserve	2,000,000	2,000,000
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Revaluation Surplus	27,185,028	27,674,054
Non-Current Liabilities.	**26,725,206**	**28,172,036**
Long Term Loan	26,027,771	27,512,401
Deferred Tax Liabilities	697,435	659,635
Current Liabilities & Provisions	**48,322,594**	**48,857,048**
Accrued Expenses	4,546,972	3,537,259
Liabilities for other Finance	3,290,152	3,910,848
Short Term Loan	38,071,368	39,153,291
Provision for Income Tax	2,414,102	2,255,650
Total Liabilities	**75,047,800**	**77,029,084**
Total Equity & Liabilities:	**214,251,528**	**214,193,974**

CASH FLOW STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED 31ST DECEMBER, 2018

PARTICULARS	Amount (in Tk.) Jul. – Dec. 2018-19	Jul. – Dec. 2017-18
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover and other Income	45,127,661	43,281,625
Payment for Cost and Expenses	(33,897,238)	(37,093,465)
Interest paid	(3,645,112)	-
Total Cash Flow from Operating Activities	**7,585,311**	**6,188,160**
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(5,030,258)	(2,116,950)
Share Issue Expenses	-	-
Share Investment	-	-
Vehicle Sales	890,000	-
Total Cash Flow from Investing Activities	**(4,140,258)**	**(2,116,950)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend Paid	(728,621)	-
Term Loan	(2,484,630)	(3,116,345)
Security money internet	107,925	-
Advance & Deposits	226,556	(94,582)
Total Cash Flow from Financing Activities	**(2878770)**	**(3,210,927)**
Net Cash Inflow/ (Outflows) for the year (A+B+C)	566,283	860,283
Opening Cash and Bank Balance	3,981,689	1,258,736
Closing Cash and Bank Balance **Total Tk.**	**4,547,972**	**2,119,019**

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE HALF YEAR ENDED 31ST DECEMBER, 2018

PARTICULARS	At 31st Dec. 2018	At 31st Dec. 2017
Share Capital	109,200,035	109,200,035
General Reserve	2,000,000	2,000,000
Revaluation Surplus	27185028	51220360
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Retained Earnings	(1,181,335)	(10,751,365)
Shareholders' Equity at 31st Dec 2017	**139,203,728**	**153,669,030**

PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE HALF YEAR ENDED 31ST DECEMBER-2018

PARTICULARS	July-December-2018 (Financial Year 2018-2019) Unit-1 ISP	Unit-2 IPTSP	Total	July-Dec. 2017-2018	October-December (2nd quarter) 2018-2019	2017-2018
Operating Revenue	42,075,559	531,728	42,607,287	30,949,729	21,184,468	15,353,761
Operating Expenses	(22,544,711)	(478,308)	(23,023,019)	(18,333,532)	(12,045,909)	(9,316,151)
Gross Profit	**19,530,848**	**53,420**	**19,584,268**	**12,616,197**	**9,138,559**	**6,037,610**
Other Income	3,290,659	-	3,290,659	7,577,132	1,572,425	3,432,714
	22,821,507	**53,420**	**22,874,927**	**20,193,329**	**10,710,984**	**9,470,324**
Other Expenses	(20,639,837)	-	(20,639,837)	(21,373,240)	(9,625,763)	(8,490,128)
Administrative Expenses	(16,843,928)	-	(16,843,928)	(16,455,420)	(7,757,932)	(5,477,949)
Financial Expenses	(3,563,190)	-	(3,563,190)	(4,685,102)	(1,751,471)	(2,895,820)
Amortization of Deferred Expenditure	(232,719)	-	(232,719)	(232,718)	(116,360)	(116,359)
Net Profit/(Loss) before Tax	**2,181,670**	**53,420**	**2,235,090**	**(1,179,911)**	**1,085,221**	**980,196**
Deferred Tax Expenses	(37,800)	-	(37,800)	17,015	(20,800)	17,015
Provision for Income Tax	(158,452)	-	(158,452)	(193,685)	(88,725)	(98,486)
Net Profit/(Loss) after Tax	-	-	**2,038,838**	**(1,356,581)**	**975,697**	**898,725**
Profit / (Loss) Brought Forward	-	-	(3,709,199)	(10,708,126)	(3,709,199)	(7,674,055)
Balance Transferred to Balance Sheet	-	-	**(1,670,361)**	**(12,064,707)**	**(2,733,502)**	**(6,775,330)**
Earning Per Share (per value Tk.10/-)			**0.19**	**(0.12)**	**0.09**	**0.08**

Md. Hasan Ali
Company Secretary(cc)

Information Services Network Ltd. Dhaka

A.H.M. Al-Faruq
Independent Director

Selected Notes to the Financial Statement (Un-audited) for the 2nd Quarter ended 31st December, 2018

1. Reporting Entity

Information Services Network Limited was incorporated in Bangladesh on August 16, 1995 as a Public Limited Company under the Companies Act, 1994. The shares of this Company are listed in the stock exchange of Dhaka and Chittagong.
The main objective of the Company interalia is to carry on all its offices in and outside of Bangladesh for providing connectivity with the World's Information super highway and disseminate knowledge and information in electronic form and to develop, deliver and maintain computer based system. It has gone into commercial operation from 6th August, 1996.

2. Basis of Preparation of Financial Statements

These interim Financial statements should be read in conjunction with the Financial Statements for the year ended June 30, 2018 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. The accounting policies used are consistent with those used in the Annual Financial Statements. The Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

3.00 Fixed assets: Tk.79,655,885

The above amount is made up as follows

	31.12.2018	30.06.2018
Opening Balance at Cost	207,095,039	281,395,161
Add : Re-valuation surplus	-	-
Add : Addition during the period	5,030,258	5,477,807
Less : Adjustment during the period	789,170	79,777,929
Closing Balance at cost	**211,336,127**	**207,095,039**
Less: Accumulated depreciation	131,680,242	126,836,722
Written down value	**79,655,885**	**80,258,317**

Information Services Network Ltd. Dhaka

4.00 Intangible Assets : Tk. 1,521,149

The above amount is made up as follows

	31.12.2018	30.06.2018
Opening Balance	1,738,456	2,173,070
Add: Addition during the period	-	-
Less : Amortized during the period	217,307	434,614
	1,521,149	**1,738,456**

5.00 Investment (at cost) : Tk. 102,000

The above amount is made up as follows

	31.12.2018	30.06.2018
Investment in subsidiary	102,000	102,000
Investment in shares	-	-
	102,000	**102,000**

6.00 Deferred expenditure : Tk. Nil

The above amount is made up as follows

	31.12.2018	30.06.2018
IPTSP Project	174,735	174,735
Share Issue Expenditure	57,984	57,984
Less : Amortization	232,719	
	-	**232,719**

7.00 Accounts receivable: Tk. 102,361,861

This is arrived at as under :

	31.12.2018	30.06.2018
Opening Balance	101,591,576	103,575,480
Add: Addition during the period	890,285	49,300
	102,481,861	**103,624,780**
Less : Received during the period	**120,000**	**-**
	102,361,861	**103,624,780**
Less : Bad & Doubtful Debt	-	2,033,204
Closing Balance	**102,361,861**	**101,591,576**
Internet Bill (DSL)	28,960,814	28,096,814
Internet Bill (D/U)	16,370,245	16,477,375
Software Sales	20,602,456	20,502,596
Networking & IT Solutions	15,068,179	15,052,266
IP Phone Bill	3,728,653	3,796,292
Data Service Bill	7,295,423	7,253,131
Fax Bill	72,856	99,625
Web Hosting & Development	10,263,235	10,313,477
	102,361,861	**101,591,576**

8.00 Advances, deposits and prepayments: Tk.25,253,117

This is made up as follows :

	31.12.2018	30.06.2018
Loan to subsidiary company	1,635,343	1,635,343
Loan to Mr. Mujibul Huq	2,500,000	2,500,000
Other Advance and Prepayments	8,902,774	9,129,330
Other Receivables(Mrs. Zakia Huq)	12,215,000	12,215,000
	25,253,117	**25,479,673**

Information Services Network Ltd. Dhaka

9.00 Accrued expenses: Tk. 4,546,972

This is made up as under:

	31.12.2018	30.06.2018
Opening Balance	3,537,259	6,537,372
Add: Addition during the period	4,228,247	801,689
	7,765,506	**7,339,061**
Less : Paid/adjustment during the period	3,218,534	3,801,802
Closing Balance	**4,546,972**	**3,537,259**

10.00 Liabilities for other finance: Tk.3,290,152

The above amount is made up as follows:

	31.12.2018	30.06.2018
Security money (Internet)	561,401	453,476
Security money (Fax)	448,847	448,847
Dividend Payable	2,059,904	2,788,525
Security money received	220,000	220,000
	3,290,152	**3,910,848**

11.00 Short Term Loan : Tk.38,071,368

The above amount is made up as follows:

	31.12.2018	30.06.2018
CC(Hypo.)-FBL	20,742,259	20,824,182
Loan from Others parties	8,750,000	8,750,000
Loan from Managing Director	4,579,109	4,579,109
HRC Shipping	2,500,000	2,500,000
Loan from Directors(GP Project)	1,500,000	2,500,000
	38,071,368	**39,153,291**

12.00 Operating revenue: Tk.42,607,287

This is made up following

	31.12.2018	31.12.2017
Internet bill (D/U)	107,150	84,640
Internet bill (DSL/UUCP A/C)	24,550,415	20,058,022
Data Service bill	1,610,096	1,138,749
IP Phone Bill	531,728	2,549,552
	26,799,389	**23,830,963**
Less : VAT	1,349,966	3,108,386
Net sales after VAT	**25,449,423**	**20,722,577**
Sales of software	16,373,676	6,245,999
Networking and IT solutions	784,188	3,981,153
Total	**42,607,287**	**30,949,729**

Information Services Network Ltd. Dhaka

13.00 Operating expenses: TK.23,023,019

This consists of as follows :

	31.12.2018	31.12.2017
Bandwidth charge	7,482,582	5,687,545
Data Connectivity Exp.	4,586,099	3,735,265
Telephone line rental	18,064	4,858
Call carrying charge	478,308	1,326,851
Salary & Allowance	6,862,447	4,075,437
Depreciation	3,595,519	3,503,576
	23,023,019	**18,333,532**

14.00 Other income: TK.3,290,659

This consists of as follows :

	31.12.2018	31.12.2017
Connectivity	218,066	338,416
Web Hosting & Development	614,199	3,217,340
Re-installation & Servicing	211,324	431,801
Domain Registration	213,967	103,595
Miscellaneous	44,571	17,000
Email Forward	854,398	769,380
Hardware sale	690,793	1,618,665
Investment Income	-	360,560
Office rent (Revenue)	180,416	430,153
Spam wall Income	21,000	21,000
VPN Charge	137,595	190,770
Insurance Claim	-	78,400
IP Service Bill	3,500	-
Dividend received	-	52
Gain from disposal of vehicle	100,830	-
	3,290,659	**7,577,132**

SL.	Particulars	31.12.18 (Taka)	31.12.17 (Taka)
1.00	Earnings Per Share (EPS)	0.19	(0.12)
2.00	Net Operating Cash Flow (NOCFPS)	0.69	0.57
3.00	Net Assets Value (NAV)	12.75	14.07

Information Services Network Ltd. Dhaka

Md. Hasan Ali
Company Secretary(cc)

A.H.M. Al-Faruq
Independent Director