3rd Quarter Report 2021 JL Bhaban (5th floor), House # 1, Road # 1 Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh Connecting Progress E-mail: office@bdcom.com; Web: www.bdcom.com Un-Audited Statement of Profit or Loss and Other Comprehensive Income (3rd Quarter) **Un-Audited Statement of Financial Position (3rd Quarter)** As at March 31, 2021 For the period from July 01, 2020 to March 31, 2021 Amount in Taka 31.03.2021 30.06.2020 Notes ISP SDP IPTSP March 2021 March 2020 to March 2021 to March 2020 ASSETS: 148,220,429 432,966,013 Cost of Sales & Services (205.866.661) (74.807.253) Property, Plant and Equipment (9,952,213) (11,401,458) (227,220,332) (228,781,380) (76,211,746) Right of use of asset Long Term Deposit & Prepayment 40.818.64 26,119,611 26,498,186 Gross Profit : A 218,075,683 16,705,235 261,279,104 244,923,782 88,269,912 54,049,130 Administrative and Marketing Expenses B. Current Assets 740,838,99 (1,731,104 689,033,450 (665,128 (36,188.066) (36,758.553 (12 547 174) Depreciation (33.791.834 (12.788.499) Inventories 18,107,215 21.23 Financial Charges (4,239,657) (139,625) (16,318) (4,395,600) (3,246,874) (1,528,873) (1,401,143) Advances, Deposits & Prepayments 40.822.268 27.996.826 45.81 Total Expenses : B (14,817,259) (13,709,262) (231,822,930) (211,181,396) Trade Receivables 175,092,904 194,083,980 (9.78)Operating Profit: A-B 14,779,274 1,887,976 12,788,924 29,456,174 33,742,386 16,000,855 14,985,753 Other Receivables 32,301,212 16,780,333 92.49 Non-Operating Income Net unrealized Gain/(Loss) on Sales of 22.055.850 313.765 2.213 22.371.828 24.547.645 6.776.113 8.152.723 4,395,531 10 1.269.889 1.269.889 (7,579,713) (591,859) (591,842) Investment in FDR 326,856,958 329,051,793 (0.67 Cash and Cash Equivalents 83,674,246 Net Profit Before WPP & WF 38,105,013 2,201,741 12,791,137 53,097,891 TOTAL ASSETS (A+B) 1,189,059,423 1,121,999,463 Contribution to WPP & WF @ 5% (1,814,524) (104,845) (609,102) (2,414,777) SHAREHOLDERS' EQUITY AND LIABILITIES: Net Profit before Tax 50,569,420 36,290,489 2,096,896 12,182,035 48,295,541 21,128,675 21,472,985 C. Shareholders' Equity: 824,633,564 **812,257,437** 517,791,380 Share Capital Share Premium Income Tax Expense (8.162.964) (55,611) (2,690,148) (10.908.723) (11,214.761) (4,864,229) (4.616.217) 11 Deferred Tax (Expenses)/Income (1,395,000) (1,395,000) (932,180) (243,885) (188,390) Tax Holiday Reserve 21.555.878 21,555,878 Net Profit After Tax 16.668.378 38,265,697 16,020,561 Retained Earnings 139,892,736 12 153,406,179 (8.81) Retained Earnings Carried Forward 26,732,525 38,265,697 36,148,600 16,020,561 16,668,378 2,041,285 9,491,887 D. Non- Current Liabilities 64,880,074 46,666,244 Long Term Bank Loan 13 7,171,97 Basic Earnings Per Share Lease Liability 40,585,433 24,058,054 68.70 17,122,667 15,727,667 Un-Audited Statement of Changes in Equity (3rd Quarter) E. Current Liabilities: 299,545,785 263,075,782 For the period from July 01, 2020 to March 31, 2021 Trade Payables 15 164,136,517 161,642,854 1.54 Other Payables 16 56,928,518 49,810,563 14.29 **Amount in Taka** Γax Holiday 17 18 **Particulars** Share Capital Earnings 49,418,575 33,468,913 47.66 Premium Total Reserve TOTAL EQUITY & LIABILITIES (C+D+E) 1,189,059,423 1,121,999,463 Net Assets Value (NAV) Per Share Balance as on 01.07.2020 517,791,380 812,257,437 Un-Audited Statement of Cash Flows (3rd Quarter) Net Profit after tax for the period 38,265,697 38,265,697 For the period from July 01, 2020 to March 31, 2021 Cash Dividend (5%) (25,889,570) (25,889,570)Stock Dividend (5%) 25,889,570 (25,889,570) July 2020 to July 2019 to March 2021 March 2020 Growth % Balance as on 31.03.2021 543,680,950 21.555.878 824.633.564 A. Cash flows from operating activities:

Receipts from sales, services & others Statement of Changes in Equity (Un-Audited) Bank Interest-STD & Others For the period from July 01, 2019 to March 31, 2020 (23,283,824) Payment of Income Tax (19,572,088 18.96 Cash payment to suppliers & others Amount in Taka Retained Net cash provided by/(used in) operating activities (7.24) Particulars Share Capita AFS Reserve Premium B. Cash flows from investing activities: Earnings Acquisition of Property, plant & equip FDR Interest received 9,171,931 (26.25 21.555.878 152,664,831 778,162,472 Balance as on 01.07.2019 488,482,430 119,504,000 (4.044.667) Investment in Marketable Securities 1,282,933 Investment in Fixed Deposit Receipt (FDR) 2,194,835 (8,193,860 (126.79 Net Profit after tax for the period 36,148,600 36,148,600 Long Term Security Deposit Net cash provided by/(used in) inv 85,600 (11.74) Adjustment with un-realised loss 4,044,667 4.044.667 C. Cash flows from financing activities: on sale of security Cash Dividend (29.308.950) (29,308,950) Cash Dividend (6%) Long Term Loar 29 308 950 Stock Dividend (6%) (29,308,950) Short Term Loa Net cash provided by/(used in) financing activities (6,928,375) (24,894,892) (72.17)517,791,380 789,046,789 Balance as on 31.03.2020 21,555,878 Effect of exchange rate changes in cash and cash equiv (117.00) (117.00)Dated: Dhaka; April 29, 2021 17,530,871 66,143,375 72,971 23,924.44 Sd/-Sd/-83,674,246 CFO Company Secretary Director **Managing Director** Chairman **Selected Explanatory Notes:** This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements. 1.00 Reporting Entity: BDCOM ONLINE LTD. was incorporated in Bangladesh on 12 February 1997 as a Private Limited Company vide certificate of incorporation No:C-32328 (1449/97) dated 12 February 1997 by the Registrar of Joint Stock Companies & Firms and was converted into a Public Limited Company on 10 February 2002. The shares of the company are traded with the Dhaka Stock Exchange Ltd.and Chittagong Stock Exchange Ltd. 2.00 Nature of Business: The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh, which includes Web Page Software Design & Hosting, Leased Port Internet Access, Total Network Solutions and Nationwide Data Services. In addition, the Company is conducting Customized Software Development, Broadband Internet, Vehicle Tracking Services (VTS), Business Process Outsourcing, IP Telephony Services (IPTSP), IPPBX Solutions, Hosted Conference Bridge, Short Code Parking, Fiber Optic, Machinery and Hardware Sales. 3.00 Basis of Preparation of Financial statements: The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh. 4.00 Property Plant and Equipment: The break up of the amount is as follows: Unit-1 Unit-2 Unit-3 Amount in Taka 01.07.2020 to Particulars 01.07.2019 to Taka Taka Taka 31.03.2021 <u>30.6.2020</u> A) Cost: 786,033,615 Opening Balance 51,128,556 32,046,217 869,208,388 828,305,434 Addition during the period 35,723,327 603,719 36,327,046 40,902,954 Less: Adjustment during the period Closing Balance 869,208,388 821,756,942 51,128,556 32,649,936 905,535,434 B) Accumulated Depreciation: Opening Balance 18,568,407 452,240,283 45,602,426 516,411,116 466,519,199 33,791,834 36,188,066 49,891,917 Add: Charged during the period 665,128 1,731,104 Less: Adjustment during the period 46,267,554 **Closing Balance** 486,032,117 20,299,511 552,599,182 516,411,116 WDV 31/03/2021(A-B) 335,724,825 4,861,002 12,350,425 352,936,252 333,793,332 WDV 30/06/2020(A-B) 5,526,130 13,477,810 352,797,272 5.00 Long term deposit & prepayment: Amount in Taka 31.03.2021 30.06.2020 The break up of the amount is as follows: **Particulars** BTCL for telephone line 5,000 5,000 Security against bandwidth (BTCL & others) 142,065 142,065 Security against E1 & others (BTCL) 35,084 35,084 Prepayment to BEZA 51,202,981 51,202,981 Others deposit 3,080,400 2,664,000 **Total Taka** 54,465,530 54,049,130 6.00 Inventories: The break up of the amount is as follows: **Particulars** 181,384 Accessories 1,618,150 GLP & GPRS Modem & Accessories 7,229,413 4,177,386 IP telephony hardware 2,561,035 2,744,735 Modem, Media converter & Concentrators 947,052 1,052,508 Switch, Router, Equipment & Others 6,001,590 5,774,233 77,371 19,037 Stationery 921,313 1,129,290 Stock of fiber optic Radio equipment 2,594,773 3,028,642 21,950,697 18,107,215 **Total Taka Amount in Taka** Advances, Deposits & Pre-payments: The break up of the amount is as follows: 31.03.2021 30.06.2020 **Particulars** A) Advances: 7,373,864 2,665,139 Against Salary Advance to suppliers and others 7,203,747 7,430,817 Advance Vat 7,677,990 4,967,515 Advance for Material 7,104,698 2,931,257 **Total** 29,360,299 17,994,728 B) Deposits: Security deposit / Earnest money 10,386,010 9,504,836 **Total** 10,386,010 9,504,836 1,075,959 C) Pre-payments 497,262 Total (A+B+C) 40,822,268 27,996,826 8.00 Trade Receivables: The break up of the amount is as follows: **Particulars** Internet & Data Service 126,111,001 135,051,855 IP Telephone Service 15,208,123 22,609,488 35,561,686 Web page, Software & Data Transmit 32,993,383 Hardware, Switch & Others 780,397 860,951 175,092,904 **Total Taka** 194,083,980 The sum of Accounts Receivable are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company. 9.00 Others Receivables: The break up of the amount is as follows: **UNIT-2** UNIT-3 **Amount in Taka UNIT-1 Particulars** ISP SDP **IPTSP** 31.03.2021 30.06.2020 FDR Interest Receivables 32,289,824 11,388 16,780,333 32,289,824 11,388 32,301,212 16,780,333 Total Taka 10.00 Investment In Share (At market value): The break up of the amount is as follows: **Particulars** AB Bank Limited 1,500,771 981,750 **BATASHOE IFADAUTOS** 2,541,000 2,894,760 **AGISYSL** 737,000 Saif Powertec Limited 148,824 Total Taka 4,395,531 4,408,574 11.00 Share Capital Authorized Capital: Taka 1000,000,000 1,000,000,000 1,000,000,000 100,000,000 Ordinary shares of Taka. 10 each Issued, Subscribed and Paid-up Capital: 54,368,095 Ordinary shares of Taka. 10 each 543,680,950 517,791,380 12.00 Retained Earnings The break up of the amount is as follows: **Particulars** Opening balance 153,406,179 152,664,831 38,265,697 59,359,248 Add: Net profit after tax during the period 191,671,876 212,024,079 (29,308,950)Less: Stock dividend (FY: 2019-20) @ 5% (25,889,570)(25,889,570)(29,308,950) Less: Cash dividend (FY: 2019-20) @ 5% 153,406,179 139,892,736 13.00 Long Term Loan: The break up of the amount is as follows: **Particulars** Account Numbers 4001 36400000423 A) Shahjalal Islami Bank Ltd.(Motor Vehicle) 6,515,882 7,850,049 Less: Short term (2,239,284)(2,068,898)4,276,598 Total Taka (A) 5,781,151 **Amount in Taka** 30.06.2020 31.03.2021 B) Shahjalal Islami Bank Ltd.(Motor Vehicle) 4001 36400000435 1,183,116 1,336,087 Less: Short term (266,700)(236,715)Total Taka (B) 1.099,372 916,416 C) Prime Bank Ltd.(Motor Vehicle) 2025392404 1,069,913 Less: Short term (397,334)Total Taka (C) 672,579 D) Bank asia Ltd.(Motor Vehicle) 02135001478 1,591,719 Less: Short term (285,338)Total Taka (D) 1,306,381 7,171,974 6,880,523 Total Taka (A+B+C+D) 14.00 Deferred Tax Liabilities: The break up of the amount is as follows: Taxable/(Deductib Carrying le) temporary **Particulars** Tax Base (Tk.) Amount (Tk.) differences As at March 31, 2021 Property, Plant & Equipment (Excluding Land) 325,936,252 67,982,712 257,953,540 Net Taxable Temporary Difference 67,982,712 Applicable Tax Rate 25% 16,995,678 Add: Deferred Tax Provision on Unrealized Loss on Shares 126,989 Deferred Tax Liability (A) 17,122,667 Deferred Tax Liability as at March 31, 2021 17,122,667 As at June 30, 2020 Property, Plant & Equipment (Excluding Land) 66,191,616 325,797,272 259,605,656 Net Taxable Temporary Difference 66,191,616 25% Applicable Tax Rate 16,547,904 Add: Deferred Tax Provision on Realization Loss on Shares (820,237)Deferred Tax Liability (B) 15,727,667 Unrealized (Loss)/Gain on Investment in shares during the year Deferred Tax Liability as at June 30,2020 15,727,667 Deferred Tax (Income)/Expenses (A-B) 1,395,000 15.00 Trade Payable: The break up of the amount is as follows: <u>Particulars</u> 164,136,517 161,642,854 **Sundry Creditors** Total Taka 164,136,517 161,642,854 16.00 Others Payable: The break up of the amount is as follows: **Particulars** 14,785,148 12,008,044 Liability for Expenses Liability for Other Finance 33,631,004 31,981,486 Audit Fee Payable 86,250 115,000 Unpaid Dividend 8,426,116 5,706,033 56,928,518 49,810,563 **Total Taka** 17.00 **Provision for Income Tax: Current Tax** Opening Balance 25,939,774 18,153,452 Add: Provision made during the period (Note:17.01) 10,908,723 18,153,452 29,062,175 44,093,226 Less: Adjustment for the AY-2019-20 (25,939,774) 29,062,175 18,153,452 **Closing Balance** 17.01 Current Tax: The break up of the amount is as follows: Amount in Taka UNIT-2 UNIT-3 **UNIT-1** 01.07.2020 to 01.07.2019 to **Particulars SDP IPTSP ISP** 31.03.2021 31.03.2020 Net Profit Before WPPWF 38,105,013 2,201,741 12,791,137 50,710,318 53,097,891 1,814,524 104,845 609,102 2,528,471 Less: Contribution to WPPWF @ 5% 2,414,777 Profit Before Tax 36,290,488 2,096,896 12,182,035 50,569,420 48,295,541 Less: Tax Exempted Profit (Note-(362,521)(1,959,996)(1,551,023)(3,873,540)(9,103,824)17.01.01) Net Profit Before Tax 35,927,967 136,900 10,631,012 46,695,880 39,191,716 Add: Accounting Depreciation 33,791,834 665,128 1,731,104 36,188,066 36,758,553 (35,798,053)(579,584)(1,601,524)(37,979,161)Less: Tax Depreciation (38,670,934)Add: Net unrealized Loss/(Gain) on (1,269,889)(1,269,889)7,579,713 sale of shares 32,651,859 **Taxable Profit** 222,444 10,760,592 43,634,896 44,859,048 2,690,148 Provision for Income Tax @ 25% 10,908,723 8,162,964 55,611 11,214,761 **Total provision for Income Tax** 55,611 2,690,148 10,908,723 11,214,761 8,162,964 17.01.01 Tax Exempted Profit: The break up of the amount is as follows: **Amount in Taka UNIT-1 UNIT-2** UNIT-3 **Particulars** 01.07.2020 to 01.07.2019 to **SDP IPTSP** ISP 31.03.2021 31.03.2020 4,825,402 Tax exempted revenue during the period 4,234,942 1,959,996 11,020,340 19,099,132 (3,274,379)(3,872,421)(9,995,308)Less: Expense of tax exempted profit (7,146,800)1,959,996 Tax Exempted Profit 362,521 1,551,023 3,873,540 Provision for Income Tax has been charged on Non-operating income of Unit-2, Software Development Project of BDCOM Online Ltd., As per Sixth Schedule, Part-A, Para -33 of Income Tax Ordinance, 1984 income from software development & ITES are exempted up to June 30, 2024. 18.00 Short Term Loan: **Amount in Taka** 31.03.2021 30.06.2020 The break up of the amount is as follows: **Particulars** Account Number 9,862,651 Prime Bank Ltd.-SOD 12777590042804 19,351,686 Prime Bank Ltd.-SOD 2127725016503 26,645,946 20,780,393 Prime Bank Ltd. (Motor Vehicle) 2025392404 397,334 Bank Asia Ltd.(Motor Vehicle) 02135001478 285,338 Shahjalal Islami Bank Ltd.(Motor Vehicle) 4001 36400000423 2,239,284 2,068,898 Bank Asia Ltd. (Machinery) 02135001282 266,700 236,715 Bank Asia Ltd. (Motor Vehicle) 43,063 02135001299 02135001339 232,287 Bank Asia Ltd. (Motor Vehicle) 477,193 49,418,575 Total Taka 33,468,913 19.00 Sustainable Estimated Gain/(Loss) on Marketable Securities: The break up of the amount is as follows: 01.07.2019 to 01.07.2020 to **Particulars** 31.03.2021 31.03.2020 **IFADAUTOS** 2,541,000 7,852,332 Saif Powertec Limited 244,093 AGISYSL 1,271,203 981,750 AB Bank Ltd. 3,243,316 $12,610,94\overline{4}$ Total Cost Value as at March 31, 2021 (Book Value) 3,522,750 Less:Fair market value of investment in shares as on March 31, 2021 4,395,531 4,581,824 872,781 (8,029,120)Total Estimated Profit/(Loss) on Marketable Securities Adjustment up to March 31, 2021 4,494,074 Add:Realized value from sales of shares up to March 31, 2021 397,108 Adjustment with AFS Reserve (4,044,667)Total Estimated Profit/(Loss) on Marketable Securities 1,269,889 (7,579,713)**Amount in Taka** 20.00 Earning Per Share (EPS): 01.07.2020 to 01.07.2019 to 31.03.2021 31.03.2020 The break up of the amount is as follows: **Particulars** Profit From Continuing Operation attributable to the ordinary Equity holders 38,265,697 36,148,600 Profit attributable to the ordinary equity holders 38,265,697 36,148,600 51,779,138 **Number of Shares** 54,368,095 Earning Per Share (Reported) 0.70 0.70 0.66 Earning Per Share (Adjusted) Diluted Earning Per Share: No diluted earning per share is required to be calculated for the year as there has no dilutive potential ordinary shares. 21.00 Cash flows from operating activities: Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from the operating activities are shown under indirect method as activities. Reconciliation of Cash Flows from operating activities Net profit before tax 50,569,420 48,295,541 Add/Less: Realized Loss/(gain) on sale of security instrument (1,269,889)7,579,713 (24,198,275) (22,277,144)Less: Non-operating income Less: Tax payment (23,283,824)(19,572,088)Less: Non-Cash Expense (Lease Rent) 1,828,343 36,758,553 Add: Depreciation 36,188,066 Add/(Less): Changes in working Capital: Inventory (3,843,482)(2,568,475)18,991,076 Trade receivables (15,513,867)Advance deposit prepayments (12,825,442)(29,939,027)2,748,354 2,536,540 Liability for expenses Liability for other finance 1,649,518 10,014,843 Trade payable 2,493,663 41,552,587 50,968,659 Net cash provided by/(used in) operation activities 54,946,045 22.00 Net Operation Cash Flows Per Share (NOCFPS): The break up of the amount is as follows: **Particulars** Net cash generated from operating activities 54,946,045 50,968,659 50,968,659 54,946,045 54,368,095 Number of Shares 51,779,138 **Net Operation Cash Flows Per Share (Reported)** 0.94 1.06 Net Operation Cash Flows Per Share (Adjusted) 1.01 23.00 Net Asset Value Per Share (NAVPS): Amount in Taka 30.06.2020 31.03.2021 The break up of the amount is as follows: **Particulars** 1,189,059,423 1,121,999,463 Total Assets (364,425,859) Total Liabilities (309,742,026)**Net Asset Value (NAV)** 824,633,564 812,257,437 Number of Shares 54,368,095 51,779,138 **Net Asset Value Per Share (Reported)** 15.17 15.69 Net Asset Value (NAV) 812,257,437 Number of Shares 54,368,095 Net Asset Value Per Share (Adjusted) 14.94 24.00 Related Party Disclosures: 24.01 The details of Related Party Transaction during the period along with the relationship is illustrated below in accordance with IAS 24; Total Relationship Nature of Balance Name of the company **Transaction** Remarks 31.03.2021 (Tk.) with company Transaction Amount in Taka Concern Under Fiber @ Home Ltd. 3,656,670 IIG Bandwidth 5,974,492 **Trade Creditors** Common Mgt. Concern Under NTTN Service Fiber @ Home Ltd. 5,128,156 33,560,557 Trade Creditors Common Mgt. Concern Under 187,292 Trade Debtors Norban Fashion Ltd. Internet & others 34,548 Common Mgt. Concern Under 153,565 Norban Comtex Ltd. Internet & others 473,317 Trade Debtors Common Mgt 24.02 Disclosure of Managerial Remuneration: The total amount of remuneration paid to the top five (05) salaried officers of the company during the period is as follows: March 31, 2021 Name Designation (Taka) 3,013,124 Mr.S.M Golam Faruk Alamgir Managing Director (MD) Mr.S.M Kamruzzaman Chief Technical Officer (CTO) 2,112,053 Mr.Faker Ahmed FCA Chief Financial Officer (CFO) 576,375 Mr.A.K.M Kutub Uddin ED Admin & CS 1,925,063

Mr. Gazi Zehadul Kabir

Chief Strategy Officer (CSO)

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