

Directors' Report

To the shareholders for the period of 1st July 2021 to 30th June 2022

Dear Shareholders,

We, on behalf of the Board of Directors, extend a very warm welcome and good wish to all on the occasion of the 27th Annual General Meeting of **Information Services Network Limited (ISN)**, the first Internet Service Provider in Bangladesh. The board has extensively gone through the Audited Financial Statements of the company and presents the audited financial statements for the period 1st July 2021 to 30th June 2022 with the Auditors Report for your kind consideration.

BOARD

The number of members in the Board of Directors of the Company is 07 (including Three Independent Directors) which is within the limits given by the BSEC Notification.

CHAIRMAN AND MANAGING DIRECTOR

The chairman and the Managing Director of the Company are different individuals. The roles of the Chairman and the Managing Director are clearly established, set out in writing in the MoA and AoA of the company, and agreed upon by the Board to ensure transparency and better governance.

INDEPENDENT DIRECTORS:

As per the BSEC's Corporate Governance Guidelines dated 03 June 2018, (i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, (ii) Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM), and (iii) the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.

The Independent Directors have been appointed to the Board as per the said guidelines of the Bangladesh Securities and Exchange Commission (BSEC). Three distinguished Independent Directors have been performing their duties and responsibilities efficiently for the greater interest of the company. ISN LTD indeed benefiting from their voluntary services and they are determined to protect the interests of general shareholders.

COMPANY'S OPERATION

The company was run by a group of Senior Manager with the supervision of the directors of the company. The directors are giving voluntary service to revive the company. The Internet business is becoming much more competitive as usual. This makes the business unstable as the clients are switching their providers every now and then.

CORPORATE MANAGEMENT

The Board's commitment of ensuring standard of corporate management is being followed and well understood. The Board of Directors and the Management ensured maintaining compliance with all requirements of regulatory bodies.

MARKETING & BUSINESS DEVELOPMENT

ISN LTD has taken a new drive to serve the corporate clients such as Bank, Insurance, Leasing companies, Government Organization; Autonomous & Semi Autonomous

Organization & NGO's which has multiple offices. The company has decreased some non technical workforce in the last fiscal year. On the other hand new marketing personnel have been recruited and the company is planning to expand with new branches. As there is increased revenue in the last year, we are hopeful to do more investment for reliable service through redundancy and for more coverage of the network.

ADMIN & HR

Admin & HR division again continues to maintain the standard required to provide better services to its clients by employing appropriate persons. Including new bloods to the company has always been in the mind of Admin & HR. The manpower of ISN for the year, **2019-2020, 2020-2021 and 2021-22** is as follows:

Particulars	2021-2022	2020-2021	2019-2020
Number of Employees	128	124	118

FINANCE & ACCOUNTS

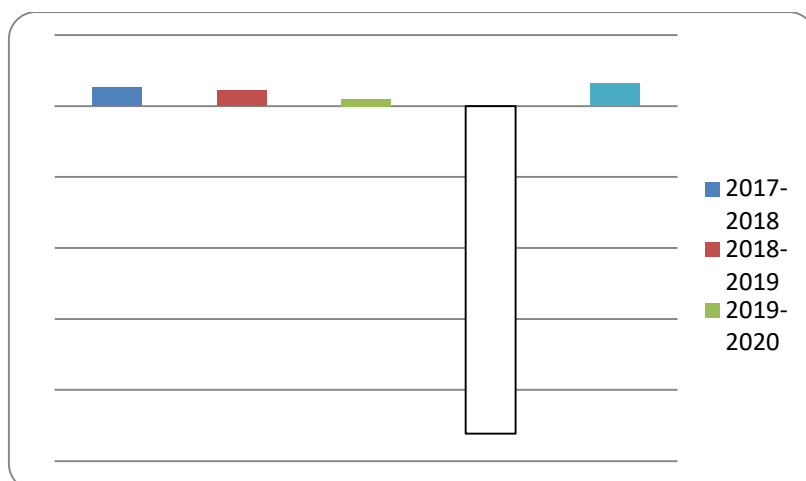
Finance department follows the International Financial Reporting Standards (IFRSs), International Standards on Auditing together with Bangladesh Financial Reporting Act (FRA), as well as the guidance of Bangladesh Securities and Exchange Commission (BSEC) and continues to comply with notifications, directives and orders. It also places on record the advice and procedures suggested by the Audit Committee that has been beneficial to be more transparent in every aspects of finance. The board also discusses the financial issues of the company in the board meetings, once in every quarter. Our latest Financial Statements and all other price sensitive information are available in our website:

<https://www.bangla.net/investors-corner>

COMPANY'S PERFORMANCE

The company performs well and incurred a **NET PROFIT AFTER TAX** of Tk. 6,425,148 for the period of 1st July 2021 to 30th June 2022.

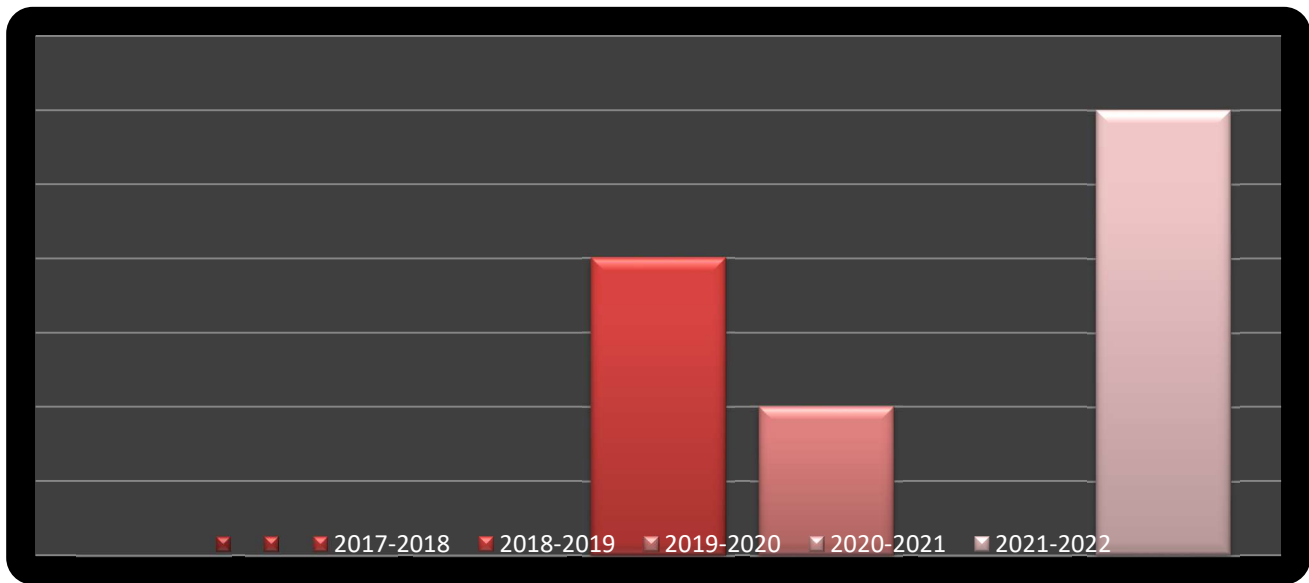
Financial Year	Net Profit After Tax (in Taka)
2017-2018	5,190,900
2018-2019	4,404,794
2019-2020	1,969,449
2020-2021	(95,888,825)
2021-2022	6,425,148



DECLARATION OF DIVIDEND

As the company incurred a net profit after tax of TK. 6,425,148 and Retained Earnings is TK. (96,230,264.00) the Board of Directors recommended 3% Cash Dividend for the period 1st July 2021 to 30th June 2022.

Year wise dividend declaration pattern from year 2017-18 to 2021-22 is provided here:



FUTURE PLAN

Following future plans has been set by the management of ISN

- Establishment of Branch offices in all the Divisional cities.
- Expansion of the network in 19 greater districts of the country except Chittagong Hill Tracts.
- Invest fresh fund for network expansion, few branch setup, capacity extension of software development wing, server up-gradation and network equipment up-gradation of the company.
- Establishment of new business of Server and network equipment solution provider.
- Establishment of new business in Security Solutions.
- Establishment of Branch office in Savar.
- To be a partner of the network establishment in Dhaka City so that connection can be extended to any location of the Dhaka City.
- Establishment of own Face book and YouTube server

PRODUCTS & SERVICES

As the first ISP of the Country we continued to serve the ICT sector of the country from every single point of Technology. To provide one stop solution we maintain the following Products & Services to our valued clients:

- **Broadband Internet:** Broadband connection for high speed access to Internet is provided through optical fiber cable and Radio link to dedicated and shared users.
- **Software:** It is to be understood that this company continued to work on customized software. The company is earning revenue by supporting open source product while providing internet services. Software defined network is the state of the art technology in providing service to the customers. Thus the earned revenue for the company is actually due to maintain software for routers, C-Panel, DNS Server, e-mail server, web server etc. The software team of the company is also earning revenue through software development such as database development, website development and installation of IP telephony platform.

- **Virtual Private Network (VPN) Services:** This system uses encryption and other security mechanisms to ensure that only authorized users can access the network and that the data cannot be intercepted. This solution is ideal for Corporate Offices who are in need of giving access to mobile workers or any other 3rd party securely.
- **Web Solutions:** ISN develops web sites that offer a broad array of resources and services, such as email, forums, suggestions and online shopping malls. Professionals in developing corporate websites that leads towards reduced customer service cost and attract new employees to the organization. ISN also provides Domain Registration, Web Hosting and Maintenance services as per client requirements.
- **Networking Services:** Our network solutions based on office LAN (Local Area Network) allows information sharing among all employees regardless of where information is stored. We are providing shared applications like email, calendar and task scheduling and other features to aid collaboration in the office; Customized security options and access permissions to safeguard centralized data; High-speed fiber optic network for fast and error-free data transfer etc.
- **Data Services:** ISN Ltd specializes in data services for medium to large businesses with multiple office locations in need of inter-office collaboration and efficient data sharing. Some features of Data Communication are - Net meeting, video phone and other inter-office communication/ collaboration facilities; Shared applications like email, calendar and task scheduling and other features to aid collaboration in the office; Direct link or ISN server aided citywide robust network; Customized security options and access permissions to safeguard centralized data; Powerful high-bandwidth fiber optic network for fast and error-free data transfer in large volumes etc.
- **Server Co-location:** ISN provides Server Co-location service so that the clients can place their server in ISN office for better security, safety, data speed.
- **IP Telephony:** ISN announces the IP Telephony communication services, Branding 'BTEL' into Bangladesh market. Information Services Network Ltd (ISN) combines voice, data and Internet services over the same connection for maximum value and flexibility.

INDUSTRY OUTLOOK, FUTURE PLAN OR PROJECTION

Information Services Network Limited (ISN) has been experiencing steady growth over the past few years and aims to become the market leader in Bangladesh.

Meanwhile, Internet Bandwidth price is the lowest in the country now. In the meantime, on the Directions of the Ministry of Posts, Telecommunications, we had to offer a minimum package of Tk. 500/-, 800/- & 1,200/-. With the arrival of ITC's (International Terrestrial Cable) and IIG's (International Internet Gateway) license holders, prices are low and the market remains very much competitive. The Board of Directors always emphasizes the need of reaching new customers in new geographic locations including at District and Police Station level to expand the business. The board also hopes that the government will emphasize more on country wide infrastructure sharing for ISPs at a much lower cost. The Board also looking for:

- Install full-featured integrated ERP software for business process automation,
- Strengthen risk management and control system, through implementation of Enterprise Risk Management (ERM) Framework, and Framework for Internal Control,

- Reengineer business processes for eliminating redundancies in resource utilization e.g. time, cost, staff etc.,
- Formulate effective strategies for boosting up revenue and market penetration, etc.

SEGMENT WISE PERFORMANCE:

ISN Ltd is a nationwide internet service provider. ISN LTD itself is operating its business in a single economic segment. So it is not applicable to show the performance of segment-wise or product-wise performance. The breakup of consolidated sales figure/Operating Revenue, Gross Profit and the Net Profit is as described here.

Year	Operating Revenue	Other Income	Gross Profit	Net Profit
2021-22	114,725,274	5,694,975	54,207,712	6,425,148
2020-21	109,206,171	5,409,380	51,518,049	(95,888,825)

OPERATING EXPENSE, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

The Statement of Profit or Loss and Others Comprehensive Income shows that the Operating Expenses for the period ended 30th June 2022 (July 2021 to June 2022) is Tk. 54.82 Millions against Tk. 52.28 millions for the same period of last financial year. Gross Profit for the period ended 30th June 2022 is Tk. 54.20 millions against Tk. 51.52 millions for the same period of last financial year. Net Profit after tax for the period ended 30th June 2022 is Tk. 6.42 millions against Tk. (95.89) millions for the same period of last financial year.

RISKS AND CONCERNS

The company is always aware of that business is subject to variety of risks and uncertainties e.g. industry risk, liquidity risk, market risk, operational risk, interest rate risk, exchange rate risk and potential changes in global or national policies etc. Although IT is a flourishing sector with great potential in Bangladesh, it also has its own risk factors like all other businesses.

In this respect, ISN Limited has well defined its risk management policies and introduced periodic monitoring system that act as an effective tool in mitigating various risks to which our businesses are exposed to in the course of its day-to-day operations as well as in its strategic actions.

FINANCIAL RISK MANAGEMENT

The management of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

By analyzing the risks existing in the ISP sector in Bangladesh, ISN has identified some significant risks associated with the financial instruments. Credit Risk, Liquidity Risk & Market Risk.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place that are controlled and monitored in accordance with terms and conditions prescribed. As at 30 June 2022

almost the entire part of the receivables is related to sale of services subject to insignificant credit risk.

Risk exposures from other financial assets: i.e., Cash at bank and other external receivables are nominal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach in managing liquidity (cash and cash equivalents) is to ensure as far as possible and the management is working diligently in this regard.

Market Risk

Market risk is the risk that any change in the market such as technology change or unhealthy competition in ISP Market, dominance of mobile phone operators, price fluctuation risk or foreign exchange rate and interest may affect the company's earnings. The objective of market risk management is to manage and control market risk exposure within acceptable parameters and the management is trying their best to act accordingly.

DISCLOSURE ON DISCUSSION ON COGS, GPM, NPM:

The Board discussed on regarding the Cost of Goods sold/Operating Expense, Gross Profit Margin and the Net Profit Margin.

DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS:

There was no extra-ordinary gain or extra-ordinary loss during the year 2021-22.

DISCLOSURE REGARDING RELATED PARTY TRANSACTION:

In ordinary course of business, related party transactions take place with other entities that fall within the term 'related party' as defined in IAS 24: The Board discussed in relation to related party transactions. But they find no significant related party transactions in this period. Moreover a statement in relation to the related party transactions has been disclosed under Schedule XI of the notes to the financial statements.

EXPLANATION/DISCLOSURE REGARDING UTILIZATION OF PROCEEDS FROM PUBLICISSUES, RIGHTS ISSUES AND/OR ANY OTHER INSTRUMENTS

ISN LTD went for IPO in 2002 and after that the company did not raise any fund by any sort of public offerings up to June 30, 2022. Therefore, no explanation is required in this connection.

DISCLOSURE REGARDING VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

There were some variances in the financial results from quarter to quarter. But these are not very significant or material in nature.

DISCLOSURE ON REMUNERATION OF THE DIRECTORS:

The Directors including Independent Directors are given only Meeting Attendance Fee. During the year 2021-22, a total amount of Tk. 172,236 was given to the Directors as Meeting Attendance Fee. However, in 2020-21 the amount was Tk. 127,780. In this regard a statement has been disclosed under Schedule XI of the notes to the financial statements.

QUALITY POLICY AND CONTROL

Improving and maintaining the quality of services is an issue of great importance for ISN LTD and its Board of Directors. The company strictly controls the quality of all Services & products by maintaining standard qualities, using modern equipment and hiring of competent, qualified and dedicated personnel.

UNPAID OR UNCLAIMED DIVIDEND:

Three years of unclaimed dividend summary are as follows:

Year	Amount of Unpaid or Unclaimed Dividends
2021-2022	1,537,545

N.B. Unpaid or Unclaimed Dividend Amount last updated June 30, 2022

DISCLOSURE ON PROPER BOOKS OF ACCOUNT:

Proper books of accounts as required by law have been kept by the company. Also the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

DISCLOSURE ON APPROPRIATE ACCOUNTING POLICIES:

The Board consistently applied appropriate Accounting Policies in preparation of the financial statements. In addition, the note on the appropriate Accounting policies has been disclosed under Policy Note no. 01 to 03.22 of the notes to the financial statements.

DISCLOSURE ON IASs OR IFRSs:

The applicable IASs and IFRSs (International Accounting Standards and International Financial Reporting Standards) has been adopted and is applied by the company from the IFRSs and IASs issued by International Accounting Standard Board (IASB) as adopted by ICAB. In this regard a detailed note has been given in note no. 02.10 in policy notes.

DISCLOSURE ON INTERNAL CONTROL SYSTEM

The Board has ultimate responsibilities to establish the effective systems of internal control. To ensure internal control regarding risk management, financial control and compliance legislation, the company has a strong internal audit department from very beginning. The Board states that the systems of internal control system are sound in design and have been implemented and monitored effectively.

PROTECTION OF NON-CONTROLLING SHAREHOLDERS:

The Board certifies that non-controlling shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

COMPANY'S ABILITY TO CONTINUE AS GOING CONCERN:

The Directors declare that there are no significant doubts upon the company's ability to continue as a going concern. Moreover those charged with governance has given a description on 'Going Concern' in policy note No. 2.08 of notes to the financial statements.

EXPLANATION OF SIGNIFICANT DEVIATION FROM THE OPERATING RESULTS OF LAST YEAR:

Earnings per share increased as compared to last year but is not comes from the operating results. During the year, significant deviation has occurred compared to last year Earnings per share (EPS). Last year, EPS was negative due to large amount of write-

off of receivables. This period (financial year 2021-22) there was no impact on EPS as there was no such write off.

COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE AND POSITION AS WELL AS CASH FLOWS WITH IMMEDIATE PRECEDING FIVE YEARS (2017-18 to 2021-22):

Particulars	2021-2022 (July-June)	2020-2021 (July-June)	2019-2020 (July-June)	2018-2019 (July-June)	2017-2018 (July-June)
No. of Authorized Shares	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
No. of Issued Shares	10,920,003	10,920,003	10,920,003	10,920,003	10,920,003
Paid up Capital (Tk.)	109,200,030	109,200,030	109,200,030	109,200,030	109,200,030
Share Holders Equity (Tk.)	34,074,346	26,990,001	141,355,133	141,569,684	137,164,890
Total Assets (Tk.)	119,035,802	115,595,371	212,181,050	213,368,031	214,193,974
Total Liabilities (Tk.)	84,961,456	88,605,370	70,825,918	71,798,347	77,029,084
Reserve & Surplus (Tk.)	21,104,580	21,283,941	25,766,853	26,696,002	27,964,855
Net Sales	109,030,292	103,796,791	90,565,283	91,427,690	95,067,597
Profit Before Tax (Tk.)	6,316,491	(90,642,541)	2,286,816	5,112,097	6,597,365
Net Profit After Tax (Tk.)	6,425,148	(95,888,825)	1,969,448	4,404,794	5,190,900
Book Value Per Share	10.00	10.00	10.00	10.00	10.00
% of Dividend	3% Cash	-	1% Cash	2% Cash	-
Current Ratio	0.52:1.00	0.46:1.00	2.34:1.00	2.39:1.00	2.70:1.00
Operating Ratio	100.50.28	100:50.37	100:47.30	100:47.23	100:45.38
EPS	TK. 59	Tk. (8.45)	Tk. 0.18	Tk. 0.40	Tk. 0.48
NOCPS	TK. 1.59	TK. 1.72	TK. 1.72	TK. 1.23	TK. 1.41
NAVPS	TK. 3.12	Tk. 2.47	Tk. 12.94	Tk. 12.96	Tk. 12.56

It is mentioned that, the Board compared and discussed such financial performance and financial position as well as cash flows with the peer industry scenario.

COMPARISON OF FINANCIAL PERFORMANCE WITH THE PEER INDUSTRY SCENARIO:

Comparison with	For the year ended on 30 th June 2022				
	ISN LTD	AGNISYSL	AAMRA TECH	ADNTEL	BDCOM
Revenue (BDT in Millions)	114.723	519.52	2308.78	1154.92	727.37
Gross Profit (BDT in Millions)	54.20	173.62	300.46	474.05	393.27
Net Profit Before Tax (BDT in Millions)	6.31	79.77	129.49	191.74	105.48
Net Profit After Tax (BDT in Millions)	6.43	72.95	108.48	167.63	80.18
Total Current Assets (BDT in Millions)	37.34	706.76	2562.47	1198.27	724.33
Total Assets (BDT in Millions)	119.04	1283.36	3280.03	1357.03	1197.13
Total Equity (BDT in Millions)	34.07	1108.15	1470.32	1781.79	899.39
Total Current Liabilities (BDT in Millions)	71.28	151.45	1504.53	497.27	250.25
Net Operating Cash Flow (BDT in Millions)	17.39	96.42	155.97	212.02	92.91
Net Asset Value per share BDT (NAV)	3.12	15.27	24.09	27.56	15.75
EPS (BDT)	0.59	1.01	1.78	2.59	1.40
NOCFPS (BDT)	1.59	1.33	2.56	3.28	1.63

*Financial information of peer companies is based on the data available on their website.

EXPLANATIONS ON MODIFIED AUDIT REPORT:

The auditor's mentioned three finding on its modified opinion. The Board's responses based on auditor's opinion are as follows:

The board discussed all the opinions pointed out by the Auditor in their audit report as follows:

Modified opinion No. 01: As per Auditors opinion Tk. 14,734,225 has been shown under two sub head namely Mujibul Huq and Others and the figure has been carrying forward for a long period without making any adjustment. This amount is likely to be doubtful in nature and adequate provision should have been made in the financial statements, but no provision has been made in connection with the matter.

Management Response: Management responded that the company filled cases against them, bearing case numbers C.R Case No. 18 of 2019 & C.R Case No. 19 of 2019. The cases are now in court and we are working to start hearings.

Modified Opinion No. 02: As per Auditor's opinion the sponsors and directors of the company are holding 21.62% share of the company and are continuing to hold the position of the directorship of the company ignoring the requirement of holding, at all time, jointly minimum 30% (thirty percent) shares of the paid up capital of the company violating BSEC notification.

Management Response: Management responded that the company has been trying to fulfill this condition for a long time. We are also in very close discussions with the Bangladesh Securities & Exchange Commission (BSEC) on this issue so that we can fulfill this regulatory requirement as early as possible.

Modified Opinion No. 03: As per Auditors opinion 'The Company has availed loan of Tk. 3,416,000 from the employees' provident fund violating Bangladesh Labor Act 2006 as amended in 2018. Interest has been charged @4% during the year which is lower than as prescribed in Bangladesh Labor Act 2006.'

Management Response: In this regard the Management will look into the matter and take necessary steps accordingly.

DISCLOSURE REGARDING BONUS OR STOCK DIVIDEND:

During the year 2021-22, no bonus share or stock dividend has been declared as interim dividend and the company has not declared any bonus or stock dividend in a decade.

NUMBER OF BOARD MEETING HELD AND ATTENDANCE BY:

The Directors of ISN LTD meet on a regular basis. The number of Board Meeting and the attendance of Directors during the year 2021-22 were as follows:

SL. No.	Name of the Directors	Position	No. of meetings held	Number of meetings attended	Attendance in the last AGM
1	Mr. Sayeed Hossain Chowdhury	Chairman & Sponsor	5	1	No
2	Ms. Shirin Huq	Vice-Chairman & Sponsor	"	4	Yes
3	Mr. Suman Celine Huq	Shareholder Director	"	3	No
4	Mr. Sajedur Seraj	Shareholder Director	"	3	Yes
5	Dr. Md. Mostofa Akbar	Independent Director	"	5	Yes
6	Dr. Kaisar Ali Talukder	Independent Director	"	5	Yes
7	Mr. Al - Amin	Independent Director	"	5	Yes
8	Mr. Md. Jahangir Alam	Managing Director (Acting)	"	5	Yes

REPORT ON THE PATTERN OF SHAREHOLDING AS ON 30.06.2022

Name of the Shareholder	Position/Designation	No. of Shares
1. Parent/Subsidiary/Associate companies and other related parties:	-	NIL
2. Directors, Sponsors, CEO, CS, CFO, HIA, Executives and their spouses and minor children:	-	-
2 (a). Directors and sponsors:		
Mr. Sayeed Hossain Chowdhury	Chairman & Sponsor Director	892,462
Ms. Shirin Huq	Vice Chairman & Sponsor Director	220,054
Mr. Sajedur Seraj	Shareholder Director	5,46,306
Mr. Suman Celine Huq	Shareholder Director	239,403
Mr. Habibul Alam, BP	Sponsor	164,490
Mr. Mirza Ali Behrouze Ispahani	Sponsor	99,717

Mr. Abdullah Hel Mostafa	Sponsor	2,668
Ms. Najma Enaytullah Khan	Sponsor	20,131
Mr. Anwar Hossain	Sponsor	151,878
Dr. Md. Mostofa Akbar	Independent Director	10,867
Dr. Kaiser Ali Talukder	Independent Director	4,601
Mr. Al - Amin	Independent Director	NIL
2 (b). CS, CFO, HIAC:		
Mr. Fakhru Islam Bhuiyan	Company Secretary (CC)	NIL
Mr. Abul Kalam Azad	Head of Finance	NIL
Mr. H.M Yunus Shikder	Head of Internal Audit	NIL
2 (c). Executives (top 5 salaried persons other than Directors/CEO/CS/CFO/HIAC):		
Mr. Md. Jahangir Alam	GM - Operation & Managing Director (Acting)	NIL
Mr. Mohibur Rahman	AGM - Technical & Sr. System Administrator	
Mr. Mangurul Islam	Sr. Manager, Network & Operation	
Mr. Md. Shariful Hoque	Sr. Manager, Sales & Marketing	
Mr. Emtiajul Huq	Sr. Manager Support & Call Centre	
2 (d). Spouses and minor children	Spouses and minor children's do not hold any shares of the Company.	
3. Shareholding 10% or more voting right	There is no shareholder who holds 10% or more voting right.	

Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and others, (c) Executives & (d) Shareholding 10% or more:

SL	Directors/Executives	No. of shares hold	Percentage of share holding position	Comments
b.1	Chief Executive Officer	Nil	N/A	-
b.2	Chief Financial Officer	Nil	N/A	
b.3	Internal Auditor	Nil	N/A	
b.4	Company Secretary	Nil	N/A	
c.	Executives	Nil	N/A	
d.	Shareholding holding 10% or more voting rights	Nil	N/A	

ELECTION of DIRECTORS

As per article 95 and in accordance with the prospectus of the company made public in February 2002 and Amended in 2018 and its subsequent development in AGMs the following Directors will retire and be eligible to offer themselves for re-election:

SPONSOR & SHAREHOLDER DIRECTOR:

- Ms. Shirin Huq, Sponsor Director
- Mr. Sajedur Seraj, Shareholder Director

BRIEF PROFILE:

1. Ms. Shirin Huq (Vice-Chairman & Sponsor Director)

Ms. Shirin Huq obtained MA in Bangla. She has been engaged in the ICT arena for a long time. She also has ample experience as a newscaster in the mass media by being involved for more than two and half a decade in both of Bangladesh Television (BTV) and Bangladesh Betar. She is also the Chairman of Optimax Communication Limited.

2. Mr. Sajedur Seraj (Shareholder Director)

Mr. Sajedur Seraj joined 'Information Services Network Limited' as a director in 2016. He holds a bachelor degree (Honors) from University of Manchester and HND in business and finance from Westminster University. He finished O' level and A' level at High gate School, London. Beside this, he received Associate-ship Award from Chartered Institute of Bankers, UK. Currently he is working to get fellowship under Chartered Institute of Bankers, UK.

Mr. Sajed joined Elite Garments Industries Limited as Production Officer in 1994 and in the next year he promoted as a Director of Elite Group. Then he took up the position as Director of AB Bank in 1999 and in 2004 he becomes the vice president of AB Bank. He became the Deputy Managing Director of Octagon Fibers & Chemicals Limited and Elite

Group of Industries in 2005. He also served as a board of Director of 'BGIC' and the Purchase and Disciplinary Committee of Bangladesh Cricket Control Board.

He is the Vice Chairman of Thyrocare Bangladesh Limited and Managing Director of Imam Network Limited (ICX).

RE-APPOINTMENT OF DIRECTOR

As per the guidance of Bangladesh Securities & Exchange Commission (BSEC), Mr. AL Amin's tenor has end and he has an opportunity to be appointed for another 3 years in the (2nd) term. In accordance with the guidance of 'BSEC' the Board unanimously agreed to re-appoint Mr. AL-Amin as an Independent Director for another 3 (three) years term which will effect from 10th June, 2022, subject to approval from the shareholders in the 27th AGM of the company.

BRIEF PROFILE:

Mr. AL - Amin (Independent Director)

Graduated from University of Dhaka, Mr. AL - Amin has keen interest in the emerging ICT sector in Bangladesh. He has more than 18 (Eighteen) years experience in the capital market of Bangladesh. As an avid follower and analyst of the country's prime capital market, Mr. AL - Amin has actively engaged in the analysis of the trends and prospects of country's booming ICT industry. He graduated with an MBA from the Department of Accounting & Information Systems, University of Dhaka. Since 2003, he has been working as a faculty member of the same department. Currently he is an Associate Professor of the Department of Accounting & Information Systems, University of Dhaka. He attended various research training organized at the University of Dhaka. He published 13 journal articles and 2 research reports on the issues of accounting, accountability and governance of Bangladeshi listed companies. His research interest lies in the accounting, auditing, accountability and governance issues of both listed and emerging firms. He supervised 85 Masters level students at their internship and thesis preparation from 2003 to 2019. At the department, he teaches accounting, auditing and taxation courses both regular BBA/MBA program and professional MPA/EMBA/MAT program. Apart from University of Dhaka, Mr. AL - Amin works as an adjunct faculty of leading private universities of Bangladesh.

Besides teaching, Mr. AL - Amin engaged in the administrative roles on various capacities at the University of Dhaka. He was the house tutor in Master da Surjyosen Hall from 2003 to 2010. He is the auditor of Dhaka University Club since 2003. At the Department of Accounting & Information Systems, he serves as the student councilor from 2011 and works as a member of the Coordination Committee of EMBA program from 2017 to 2019. Currently, he serves as an executive committee member of Dhaka University Accounting Alumni Association and also serving as the secretary of the Dhaka University Club.

Moreover, Mr. AL- Amin has provided consultancy services on capital market issues to various Bangladeshi listed companies in the last 18 years. Also, he works as a regular trainer for National University of Bangladesh. He appears regularly on capital market related talk shows in different electronic media of Bangladesh.

DISCLOSURE OF MANAGEMENT'S DISCUSSION AND ANALYSIS:

The Management discussed and analyzed details of the company's position and operations along with changes in the financial statements.

DISCLOSURE REGARDING CHANGES IN ACCOUNTING POLICIES AND ESTIMATION:

During the year 2021-22, there are no changes in Accounting policies and Estimation for financial statements.

THE FINANCIAL AND ECONOMIC SCENARIO OT THE COUNTRY AND THE GLOBE.

The unstable global economy, rapidly growing inflation and fluctuating IT market had critical impact on business and its performance. Irrespective of these unpredictable and external elements, ISN limited has successfully retained its market reputation and always believed that technology and the wonders should be reachable to every part of the county and every citizen, irrespective of their identity. Our business strategy is aligned to the needs of our customers and the outcome they want to achieve. Hence, this mindset of ours has worked as a motivation to drive us towards expansion of the network with limited resources. The overall financial position of the company has been positive this year.

DECLARATION OR CERTIFICATION BY THE CEO AND THE CFO TO THE BOARD

The Details of discussion of declaration by the CHAIRMAN/CEO and Finance Controller/HEAD OF FINACNE is appended separately as per Annexure-A and the report as well as certificate regarding compliance of conditions as per Annexure-B and Annexure-C.

SUBSIDIARY OPERATIONS

ISN has no subsidiary Company.

MAINTAINING A WEBSITE:

ISN Limited maintains an official website and the website address is www.bangla.net. There is a section in the website named "Investor Corner" designed specifically for investors. It includes detailed coverage of the Board of Directors, share information, PSI, investor relation and the status of compliance etc. Quarterly, half-yearly and the annual financial statements are posted to keep all the stakeholders informed about the company's financial results.

CONSOLIDATION OF ACCOUNTS:

Since there is no subsidiary Company hence no consolidation is applicable for preparing financial statements.

DIRECTORS INTEREST IN OTHER COMPANIES:

Name	Designation (ISN LTD)	Entities where they have interest	Position
Mr. Sayeed H. Chowdhury	Chairman	HRC Group	Chairman
Mr. Sajedur Seraj	Director	Elite Group	Director
Ms. Shirin Huq	Vice Chairman	Optimax Comm. LTD	Director

CORPORATE SOCIAL REPNOSIBILITY:

The Directors are sincere to discharge corporate responsibilities to the society. As a part of discharging corporate social responsibilities, ISN Limited has been sponsoring various welfare activities, besides patronizing cultural activities in the country since its inception.

MANAGEMENT DISCUSSION & ANALYSIS ON THE COMPANY'S POSITION AND OPERATION: BUSINESS PLAN FOR 2022-23

Keeping in view the effect of pandemic, ISN Limited has rewritten its business plan and strategy for survival and growth. Even in pandemic situation, we have been successful in staying ahead of the curve and we shall indeed remain vigilant in coming years. Our strategy for tackling this is simply to remain true to our customers by providing them with the best possible solutions and invest in innovation and people. More emphasis is now being given on Home Users. We are very confident that the coming year shall bring us prosperity and success in business.

CODE OF CONDUCT FOR THE CHAIRPERSON, OTHER BOARD MEMBERS AND CHIEF EXECUTIVE OFFICER.

The code of conduct for the Chairperson, other Board members and chief executive officer has been made and uploaded it in our website. The link is: <https://www.bangla.net/Code-of-Conduct>

HUMAN RESOURCE PRACTICES:

ISN Limited is committed to providing equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. ISN Limited is an inclusive employer and values diversity in its employees.

CORPORATE GOVERNANCE:

ISN believes in the practice of Corporate Governance. As a Publicly traded Company, the Board of Directors of ISN is determined to meet the stakeholders' interests. The Board of Directors and the Management Team are committed to maintain effective Corporate Governance through a culture of accountability, transparency, well-understood policies and procedures. The company has complied with the conditions as mentioned in the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission vide notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 and the date of the same is 10 June, 2018.

AUDIT COMMITTEE:

The Committee plays an important role to ensure transparency, accountability in the operations of the Company and confirming that the activities are conducted within the framework of principles and policies as laid down by the Board, as well as the guidelines of the Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018. The Audit Committee reviewed the financial statements of the company for the year ended 30th June, 2022 audited by the External Auditors stressing on the importance of the successful compliance within the company. Four meeting of Audit Committee was held during the year 2021-22.

NOMINATION AND REMUNERATION COMMITTEE (NRC):

In compliance with Notification No.: BSEC/CMRRCD/2006-158/207/Admin and dated June 03, 2018 issued by the Bangladesh Securities & Exchange Commission, ISN Limited formed a Nomination and Remuneration Committee (NRC). The NRC is responsible or accountable to the Board and to the Shareholders of the Company. Two meeting of NRC was held during the year 2021-22.

(i) Audit Committee; and

SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01	Mr. Al – Amin	Chairman	Active	4	4
02	Dr. Md. Mostofa Akbar	Member		4	4
03	Dr. Kaisar Ali Talukder	Member		4	4

(ii) Nomination and Remuneration Committee (NRC):

SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01.	Dr. Kaisar Ali Talukder	Chairman	Active	2	2
02.	Dr. Md. Mostofa Akbar	Member		2	2
03.	Mr. Sajedur Seraj	Member		2	2

ADDITIONAL DISCLOSURES: CORPORATE & FINANCIAL REPORTING;

The Directors are pleased to conform the following:

- The financial statements together with notes thereon have been drawn up in conformity with the Companies Act. 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the company's state of affairs, the result of its operations, cash flow, and changes in equity.
- Books of accounts have been maintained properly as required by the law.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates were reasonable and prudent.
- The financial statements were prepared in accordance with International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), as applicable in Bangladesh. Any departure there from has been adequately disclosed.
- The system of internal control is sound in design and effectively monitored.

APPOINTMENT of STATUTORY AUDITOR

The existing auditor's M/s. Khan Wahab Shafiq Rahman & Co. Chartered Accountants shall retire in this AGM. They have audited the Company consecutive 03 (Three) years. As 'BSEC' regulation they are not eligible for audit of the next Year. M/S Islam Kuazi Shafique & Co., Chartered Accountants being eligible for appointment and they have offered their willingness to act as the auditors of the company for the year to be ended on 30th June 2023.

The Board of Directors recommended the appointment of M/s Islam Kuazi Shafique & Co. Chartered Accountants; as Statutory Auditor for the year to be ended on 30th June 2023 at a fee to be decided in this AGM.

APPOINTMENT OF COMPLIANCE AUDITOR

Also the existing Corporate Governance auditor's M/s. Shafiq Basak & Co. Chartered Accountants shall retire in this AGM. M/S Khan Wahab Shafique Rahman & Co.,

Chartered Accountants being eligible for appointment and they have offered their willingness to act as the auditor of the Corporate Governance Code Compliance of the company for the year to be ended on 30th June 2023.

The Board of Directors recommended the appointment of M/s Khan Wahab Shafique Rahman & Co., Chartered Accountants; as Corporate Governance Code Compliance Auditor for the year to be ended on 30th June 2023 at a fee to be decided in this AGM.

APPOINTMENT OF AN INDEPENDENT SCRUTINIZER

The BSEC, Condition no 9. Directive dated March 10, 2021 Ref no. BSEC/CMRRCD/2009-193/08-. The company is to be recruited an Independent Scrutinizer for observing the election and detailed information on voting results at the 27th Annual General Meeting (AGM). In this regard the members appoint M/s ATA KHAN & Co., Chartered Accountants as an Independent Scrutinizer for the 27th AGM of ISN LTD.

APPOINTMENT OF CREDIT RATING COMPANY

As per Bangladesh Securities & Exchange Commission Notification No.: BSEC/CMRRC/2009-193/37/Admin/132- ISN LTD appoint Credit Rating & Information Services Limited (CRISL) as Credit Rating Company for the year 2021-22 and another 3 (Three) Years.

MANAGEMENT APPRECIATION

The Board of Directors would like to put on record their appreciation to the esteemed share-holders of the company for their continued support. The board also thanks Government of Bangladesh, Ministry of Post and Telecommunication (MOPT), Bangladesh Telecommunication Regulatory Commission (BTRC), Registrar of Joint Stock Companies and Firms (RJSC&F), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and other Government & Regulatory Agencies for their valuable guidance and continued support. The board of Directors is also grateful to the valued clients, stakeholders, business partners and public at large for their outstanding help and support.

The board of Directors also places on record their great appreciation of the commitment, sense of involvement and dedication exhibited by all the staff members towards the company and look forward to their continued support and whole-hearted co-operation for realization of the goals in the year ahead.

Thanking you with warm regards.

On behalf of the Board of Directors of 'Information Services Network Limited'.

(Mr. Md. Jahangir Alam)
Managing Director (Acting)

(Mr. Sayeed Hossain Chowdhury)
(Chairman)