

**Valuation Related Documents Submitted
to
LR Global Bangladesh AMCL
by
Bdnews24.com**

On Thu, 5 Sep 2019 at 16:51, Taskin Sadman <taskin.sadman@bracepl.com> wrote:

Dear Toufique bhai,

Please find attached the updated Offer Memorandum and the valuation model for bdnews24.com.

Regards,

Taskin Sadman

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Sent from Gmail Mobile

bdnews24.com

Akib Javed <akib.javed@bdnews24.com>

Fwd: bdnews24.com- IM

1 message

Toufique Imrose Khalidi <toufique.khalidi@bdnews24.com>

Wed, Nov 27, 2019 at 1:06 PM

To: Akib Javed <akib.javed@bdnews24.com>, Jashim Uddin <jashim.uddin@bdnews24.com>

----- Forwarded message -----

From: **Md. Monirul Islam** <monirul@bracepl.com>

Date: Tue, 20 Feb 2018 at 12:35

Subject: bdnews24.com- IM

To: Toufique Imrose Khalidi <toufique.khalidi@bdnews24.com>

Cc: Asif Mahmood <asif@atcl.net>, Deedarul Huq Khan <deedarul@bracepl.com>, Taskin Sadman <taskin.sadman@bracepl.com>

Dear Toufique bhai,

Attached please find the revised Information Memorandum of Bdnews.24.com with the valuation of USD 46 million. The additional value from the previous version came from the revenue of bdnews jobsite and slight increase of revenues of other areas of business. Please note, we used Discounted Cash flow Method (DCF) to identify the value of the company. DCF considers Goodwill as one of the key assumptions and the value of goodwill is reflected on cash generated by the company.

Best regards,

Monirul

BRAC EPL

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Sent from Gmail Mobile

**Offer Memorandum February 20 2018.pdf**

1453K

On Tue, Jan 23, 2018 at 6:38 PM, Md. Monirul Islam <monirul@bracepl.com> wrote:

Dear Toufique bhai,

Hope you are fine. Attached please find the revised IM of Bdnews24.com for you review and comments if any. Please note, we have incorporated your previous addition/deletion and summary of output of our technical due diligence (page 10). But still we need financial statements of 2017 (audited/unaudited) to incorporate in the financial part of the IM.

Please let us know your comments if any **so that we can finalize the IM for distribution to potential investors.**

Best regards,

Monirul

<https://mail.google.com/mail/u/0?ik=246bc94daa&view=pt&search=all&permthid=thread-f%3A1651337568726821626&simpl=msg-f%3A16513375687...>

On Thu, Jan 11, 2018 at 1:21 PM, Md. Monirul Islam <monirul@bracepl.com> wrote:

Dear Toufique bhai,

Please find attached the draft version of the Information Memorandum of bdnews24.com to be submitted to potential private equity investors.

- Some of the information provided to us by bdnews24.com needs verification. Potential investors would ultimately want these information to be verified. The information to be verified have been marked in the document with comments.
- Information regarding size of deals, number of shares post transaction and shareholding structure have been left out. This will be added later after further discussion with you and Asif bhai.
- We would need to do a technical due diligence regarding the traffic, number of unique visitors, page views, and other such metrics of bdnews24.com's website. We would like to send out our IT team to do the due diligence.

Please have a look. We will be waiting for your feedback so that we can finalize the Information Memorandum.

Best regards,

Monirul

Md. Monirul Islam, FCA

Head of Structured Finance, Private Equity and M&A

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OFFER MEMORANDUM

Sale of 25 % of ownership (Common Shares)

of

bdnews24.com

BRAC EPL Investments Limited

(Corporate Advisor and Arranger)



Structured Finance Department

Private and Confidential

September 2019

Disclaimer

This prepared Information Memorandum (“IM”) on Bangladesh News 24 Hours Ltd (“bdnews24.com or the Company”) in connection with the proposed capital raising in the form of private equity has been compiled by the Structured Finance department of BRAC EPL Investments Limited (“BEIL”), with a view to assisting the investors in assessing the merits of the offer.

The information, opinions and projections contained in this Information Memorandum have been supplied by bdnews24.com. bdnews24.com has confirmed by the Corporate Advisor and Arranger, BEIL, to the best of its knowledge and belief and except as otherwise provided in this Information Memorandum, such information is true and fair in all material respects as of June 2019, that all such projections are fairly made having regard to the circumstances and necessary assumptions and that the Information Memorandum does not consciously omit any information such that its omission would make this Information Memorandum or any information contained herein inaccurate, untrue or misleading in any material respect.

BEIL in its role as Corporate Advisor and Arranger has not independently verified all the information, opinions referred to in the IM. No representation or warranty, expressed or implied, is given by the BEILs as to the completeness or accuracy thereof or of any further information, opinions or projections that may be supplied in connection with the Offer. This IM is not, and should not be considered as, a recommendation by BEIL and that any recipient of this IM participating in the Offer should make its own independent appraisal of, and investigation into the financial information, conditions, creditworthiness, affairs, status and nature of bdnews24.com as the basis of any investment decision.

At the request of bdnews24.com, this Information Memorandum is being distributed to selected investors. The information in this Information Memorandum is strictly confidential and should not be reproduced or used in whole or in part for any purpose whatsoever other than for the purpose of determining whether to participate in the Offer, without the written permission of bdnews24.com and BEIL. If at any time any such reproduction or use is made, and any of BEIL or bdnews24.com suffers loss, damage or liability of any kind arising out of or in connection with any such reproduction or use, the recipient found to be involved in breaching the restrictions on reproduction or use of this IM shall indemnify BEIL and/or bdnews24.com from and against such loss, damage or liability.

Deal Team:

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1. Executive Summary

bdnews24.com is Bangladesh's first 24/7 news service and the largest news publisher by audience reach and volume of content. Owned by Bangladesh News 24 Hours Ltd, it has consistently been ranked as one of the largest news-gathering operations in the country, through its round-the-clock newsroom serving news as it happens. It is bilingual – English and Bengali – and has had up to 10 million unique visitors/month and 100 million page views a month. bdnews24.com has over 500 journalists across the country and abroad. Known for introducing many *firsts* as a digital news provider including mobile/WAP sites and as-it-breaks SMS news alerts through mobile telephony, bdnews24.com is Bangladesh's (arguably world's) first Internet-only news publisher – universally referred to as Bangladesh's first online newspaper.

bdnews24.com has large expansionary plans for the upcoming years. This includes increasing the scale of some of its operations and expanding into new areas of opportunities. bdnews24.com plans to upgrade its content management system, focus more on its multimedia content, modernize/upgrade its studios, procure new equipment, invest in both quantity and quality of manpower, develop new apps and so on. bdnews24.com has already begun its expansion with existing resources. New deals have been signed and old ones renegotiated. Multimedia content development has been put high on the agenda. The amount to be raised through private placement shall be used to continue the expansion and strengthen its leadership position in Bangladesh's news industry.

bdnews24.com also plans to exploit its huge loyal audience in the near future; an entertainment portal with movies, soaps and music and a job site can be money spinners, according to the company sponsors.

As a financial advisor, BEIL has exercised a thorough financial evaluation of the investee with the objective of ascertaining an offer price for the investee. The process involves the following steps:

- a thorough analysis of the Investee's audited financial statements reflecting past performance.
- generate pro-forma statements using estimates and parameters which are based on historical data, discussion with management, and industry outlook.
- determine the value of the Investee, based on the most appropriate valuation method, i.e. discounted cash flow method.

Valuation of bdnews24.com, using discounted cash flow to equity, stands at BDT 3,710 million. bdnews24.com plans to offer 25% of its common equity to private equity investors in order to raise the capital they need for their expansionary plans at an offer price of BDT 37,100 per share.

2. Offer and terms & conditions

Terms	Details
Investee	BANGLADESH NEWS 24 HOURS LTD. (bdnews24.com)
Sector	News media business
Size of the transaction	25% of ordinary shares
Offer price	BDT 37,100 per share
Use of proceeds	Expansion of business
Total number of shares (Audited Financials)	Pre-transaction: 100,000
Present paid up capital	BDT 10 million
Face value	BDT 100 per share
Sponsors	2 Sponsors own 100% share of the company
Auditor	N.K Roy & Co
Financial advisor	BRAC EPL Investments Limited
Liquidation preferences	Private sale/ IPO
Dividend rights	As per Dividend policy
Conversion rights	N/A
Anti-dilution provisions	To be decided
Lock ups	N/A However, minimum investment horizon is expected to be 5 years
Pre-emptive rights	Pre-emptive rights will be given to the investee, i.e. the right to be offered a pro-rata part of the new shares before they are

	offered to a new shareholder in a way that does not dilute the original private equity shareholder.
Board composition	The strategic partner will have the right to have a seat on the board of directors. Board composition will be determined in accordance with the final capital structure.
Consent rights	To be decided
Information rights	The monthly management accounts (including budget versus actual comparisons and explanation of variances), updated monthly cash flow forecasts, audited annual accounts, annual strategic plan and budget etc will have to be regularly furnished to the strategic partner.
Warranties	N/A
Vesting	The strategic partner may require the shareholder founders or management or other key employees to remain working with the company for a minimum term before they can realize the rights over all the options or all the shares ascribed to them.
Options	N/A
Confidentiality	Both the investor and the founder / management team will keep the fact that discussions are progressing between them confidentially as well as agreeing not to divulge any information supplied. Details will be provided in the NDA.
Exclusivity	N/A
Governing law	Law of Peoples Republic of Bangladesh
Jurisdiction	Courts of Bangladesh

3. Sector overview

3.1. News media industry in Bangladesh

Today, the broad definition of news publishers includes newspapers, broadcasters' websites, news aggregators and digital publishers. The largest print newspaper by circulation in the country is Bangladesh Protidin, followed closely by Prothom Alo. Bangladesh has in recent years witnessed an extra-ordinary growth of news outlets. The number of newspapers, TV channels, radio stations offering news updates and online news portals in the country is in thousands, a large majority of which are online news portals. The industry is in effect regulated by the Ministry of Information in absence of a proper regulatory institution. A guideline has been approved by the Government, but necessary laws are yet to be enacted by Parliament to create a regulatory body. Disputes are often referred to the Press Council, established in 1979, and at times to the courts of law. Any discussion on freedom of the press in Bangladesh brings to the fore such issues as ownership, political affiliation of owners, interference by the government and non-government (including Corporate) actors and the ability of a news-media outlet to deal with such pressure. Social development indicators (including those in education) have changed dramatically in recent decades, which explain why the news audiences have grown significantly. Ironically, the print media has registered a sharp decline, resulting in a sharp fall in their revenue

3.2. Online news industry

Online news portals have become the primary source of news for people. News and features on current affairs are now delivered much faster through the use of the digital technologies and Internet-supported user-friendly gadgets. In keeping with the global trend, Bangladesh began its journey in 2006 with bdnews24.com taking the lead. Soon major media outlets such as Prothom Alo followed suit, initially with a second update in 24 hours. Other newspapers soon joined the fray coming up with a second or a third update, but not until bdnews24.com consolidated its position with an almost unassailable advantage. TV stations too have been trying their online versions. The number of Internet-capable mobile phone sets in Bangladesh is much higher than TV sets, which means that news portals have a far greater reach than TV news channels. New online news outlets, all following bdnews24.com business model introduced in Oct 2006, have emerged in large numbers. The Information Ministry says that around 2800 applications were filed in response to a government call for licensing.

Massive growth in Internet connections (96 million as of June 2019 according to regulator BTRC) across Bangladesh, driven almost entirely by the mobile Internet, has presented new opportunities, adding millions of new news consumers that had previously not even had the access to print newspapers. With the print circulation number dwindling, the entire print industry's figures now stand roughly at a tenth of the top-circulating digital news service (a copy of newspaper sold is equated with one unique visitor of a news site).

3.3. Drivers of online media industry

- **Access to internet:**

Internet connection is the major driving force for the online news media industry. As of June 2019, there are a total of 96 million internet connections in Bangladesh, as per Bangladesh Telecom Regulatory Commission (BTRC). Majority of the Internet connections are based on mobile telephony. The number of connections just a year ago had been 87 million. This rapid growth of Internet in Bangladesh is largely because of the government giving very high priority to the ICT sector since early 2009. The deeper Internet penetration has opened up huge revenue potential for businesses, especially for those with strong cyber space presence. The number of Internet subscribers for the last 6 years is shown in the table below:

Year	Number of Subscribers (in millions)	Mobile subscribers (in millions)	ISP Subscribers (in millions)	WIMAX Subscribers (in millions)
2013	35.63	33.90	1.22	0.50
2014	37.92	36.41	1.23	0.28
2015	48.37	46.90	1.27	0.18
2016	63.29	58.66	3.52	0.11
2017	73.37	68.65	4.62	0.07
2018	87.79	80.02	5.68	0.08
2019	96.20	90.41	5.73	0.05

Fig: Number of internet subscribers as per BTRC

Cumulative average growth rate of Internet connection during these 6 (five) years has been at 18%. There is scope for large scale internet penetration in the rural areas. As for the online news industry, the audience figures will, for obvious reasons, increase significantly with the rise of the number of Internet users.

- **Growth of social media:**

Online news can be accessed any time as long as the Internet is accessible. Social media has emerged as a key facilitator for the growth of online news portals. News publishers have been able to reach their audiences much faster and in much higher numbers exploiting the various social media platforms.

- **Cheaper alternative to newspaper:**

Online news is essentially free although publishers in many countries have put up pay walls to a varying degree, depending on the nature of content. For a large majority of consumers worldwide, the cost of

reading online news is basically the cost of data used and usually the data used is very insignificant. In Bangladesh, pay-walls have not been tried by any major outlet yet, with the exception of bdnews24.com in its early days when some content was blocked (but open only to paid institutional subscribers such as newspapers and TV, most of which defaulted in their payments) to prevent massive piracy by rival news publishers from the print industry.

3.4. Market leader and user base

Following the success of bdnews24.com, the number of online news portals increased dramatically. Print newspapers also started to launch their own digital platform. However, majority of these are very small. The number of online news outlets is very high but quality still remains the key, making only a handful of sites trustworthy. Competition is still limited to a couple of top news portals.

As of now, bdnews24.com has over 8.9 million ‘organic’ Followers/Likers on Facebook. In July 2016, the number of readers or “unique visitors” was 6 (six) million. ‘bdnews24’ was the seventh top trending search term among Google’s top 10 web searches from Bangladesh, being the only news media from Bangladesh on that list. In addition to developing categorized news services and customized advertisements to cater to specific target segments, bdnews24.com has established and, more importantly, retained for years a strong customer base that regularly turn to this website for their various information needs. The number of page views and unique visitors to the page for the 6 months ending December 2017 and December 2018 is given below in the table below:

Month	Unique Visitors	Page view	Month	Unique Visitors	Page view
Jul-17	6,858,661	64,124,781	Jul-18	6,114,947	81,703,530
Aug-17	6,118,427	75,706,732	Aug-18	6,720,618	87,259,266
Sep-17	6,262,871	77,208,239	Sep-18	6,410,622	96,909,397
Oct-17	6,460,890	80,947,566	Oct-18	6,533,009	89,908,405
Nov-17	5,714,832	66,541,472	Nov-18	6,477,193	94,452,314
Dec-17	5,459,618	68,615,747	Dec-18	6,641,799	94,041,650

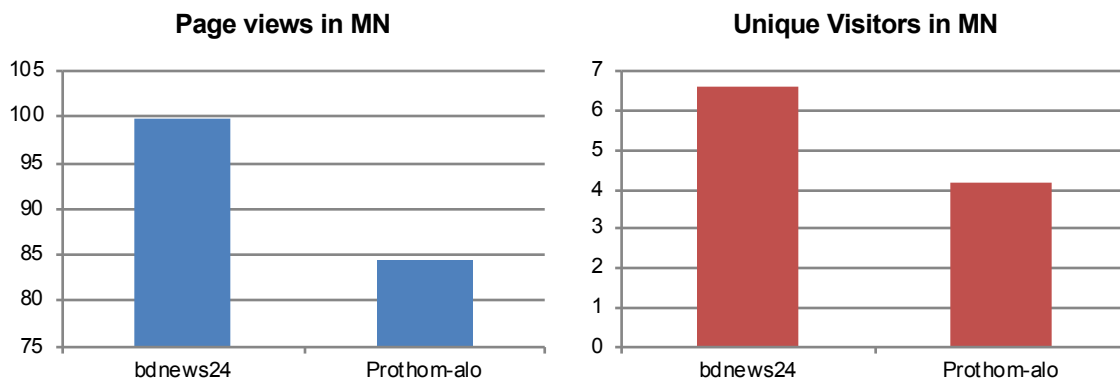
When Alexa (now acquired by Amazon) was the only publicly-acknowledged source of ranking, bdnews24.com rose in Global Ranking as high as between 700-800 in all-website category, and sixth (first among Bangladeshi sites) among all websites used by Bangladeshis which included the likes of Google, Facebook, YouTube, Yahoo etc. However, at present the use of Alexa is not as credible as it uses a small sample of users (who have downloaded its own toolbar) to rank websites. Server companies hosting websites and analytics provided by Google for free are now the only credible sources of information.

Figure 7: Top 2 local websites



Source: Google analytics

Figure 8: Comparatives between 2 key market players



Source: Google Analytics and industry sources and server service providers

bdnews24.com had 99.8 million page-views as opposed to Prothom Alo's 84.55 million in 2015, according to Google Analytics. bdnews24.com had 6.6 million unique visitors versus Prothom Alo's 4.16 million. While 16% of bdnews24.com readers were "new", i.e. visiting bdnews24.com for the first time that year, that of Prothom Alo's was 6%. ['New' as opposed to 'returning' visitors are a significant measure of an outlet's readership growth]. Moreover, bdnews24.com is currently the most (organically) followed news outlet on Facebook in Bangladesh, which speaks volumes about bdnews24.com's popularity among the customers.

3.5. Opportunities in global markets

As revenue generating activities get more digitalized and go beyond manual interventions (limiting the capability of Bangladesh's unscrupulous media buyers), there are unexplored opportunities outside Bangladesh. bdnews24.com has already begun tapping into that. Globally, going by the deals so far and more importantly queries, there is a large market for bdnews24.com and the rates offered by such advertisers on bdnews24.com are much higher. So, increasing the number of foreign viewers will significantly increase bdnews24.com's revenue.

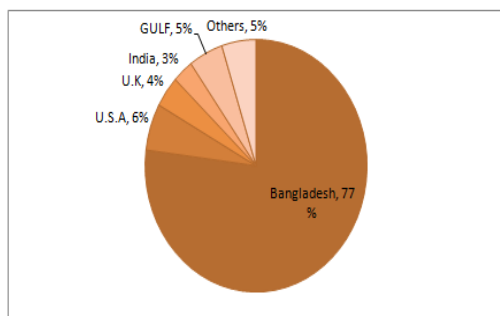


Figure: Geographic distribution of user base

3.6. Regulatory Environment

The news media is generally self-regulated unless there is a dispute that takes feuding parties to an arbitrator such as the Press Council. Libel or defamation issues often end up in courts. Criminal offences such as incitement of communal or racial hatred or violence are at times dealt with severely by the state agencies. But the state or the society or even the courts expect the media to exercise caution and self-regulation. Some news outlets have their own editorial guidelines and editorial processes in line with international standards. The Government's interaction with the media is conducted through the Ministry of Information and its other departments such as Press Information Department and Department of Films and Publications (the latter for advertisement purposes).

Of late, the Government has approved in principle a policy to set up a uniform regulatory mechanism to keep an eye on all forms of media. A law is yet to be drafted or enacted, which will lead to establishment of a regulatory commission. The Government is also sitting on a pile of applications (solicited) from the online news outlets which will be regulated by the same yet-to-be-created agency as the traditional broadcast industry (television, radio).

A regulatory fight with the Government often ensues when the news outlet fails to conform to certain standards. There are allegations of undue pressure from various state actors, but the ability of a news publisher to ward off such pressure depends on its editorial/ethical standards and the background/standing of owners or top managers or editors.

4. Company Overview

4.1. Introduction

In 2005, a “news agency” service styled BDNEWS was launched, and it was Bangladesh’s first web-based news agency – the other two news agencies (the state-owned Bangladesh Sangbad Sangstha or BSS and the privately-owned United News of Bangladesh or UNB) being teleprinter-based “wire service”. Following a take-over in mid-2006 at the agency's holding company, BANGLADESH NEWS 24 HOURS LTD, the ownership was vested between two sole Board Directors: Managing Director and Editor-in-Chief Toufique Imrose Khalidi, and then Chair of the company Asif Mahmood, and the news outlet was rebranded as bdnews24.com. In October 2006, bdnews24.com re-launched itself as Bangladesh's first free and exclusively online newspaper. Toufique Imrose Khalidi, the Managing Director of the company and Chief Editor, is a journalist and former BBC broadcaster. The goal was to make bdnews24.com the world's window on Bangladesh, and the news outlet has now grown into the largest news provider in the country by reach as well as content volume. As of August 2019, following changes in the ownership, the company board is comprised of Mr. Toufique Imrose Khalidi and Mr. Raad Sharaar Khalidi.

Since its inception, bdnews24.com has been a pioneer of several digital news media services in the country. Some of bdnews24.com’s pioneering achievements are as follows:

- Bangladesh’s first 24/7 news provider with **news as it happens** in both Bangla and English
- The world’s first national news publisher with an Internet-only 24/7 newsgathering operation
- First 24/7 news service in Bangla regardless of medium
- First as-it- happens updates in English in any medium in Bangladesh
- First MOBILE news site in Bangladesh
- First WAP site in Bangla in the world
- First news alert service on mobile phones in Bangladesh
- First Website in Bangla for pre-teen children, launched in 2007
- First cricket Website in Bangladesh in both English and Bangla, launched in 2011
- First Bangla Website on arts and literature, launched in 2007
- First technology news site in Bangla
- First showbiz news Website in Bangladesh
- First LIVE STREAMING on the Web in Bangladesh
- First children’s news service in Bangladesh and one of the first in the world
- First video news service by children in the world
- shopping.bdnews24.com
- classifieds.bdnews24.com
- stocks.bdnews24.com

4.2. Services, products, revenue sources of bdnews24.com

bdnews24.com's business model is almost similar to that of a newspaper in that it generates revenue via advertisements and subscriptions. However, since it is an online news portal, its advertisements are featured on its website spaces in two ways: bdnews24.com often sells some of its real estate to media buying agencies or big companies on long-term deals, and the rest of the unsold inventory (spaces) are rented to various third parties through a dedicated sales team. Another revenue-generating segment is subscription by local/international newspapers, TV channels and other news providers. The portal offers priority access to subscribers for a certain payment. Such subscription also allows the user access to news sites/sub-sites, past archives, research and any other content (photo, video etc.).

The company's revenue generation depends on its popularity, size and profile of audience. High investments in quality, editorial and ethical standards have resulted in the retention of a huge number of loyal audiences for years. It is the trust that matters most for a news publisher. And, over the years, bdnews24.com has emerged as the most trusted news provider in Bangladesh.

Having pioneered in the as-it-happens online news, the company has gained a unique position in the minds of the Internet users of Bangladesh with its diversified portfolio of news services and other content presented in **two languages**. The key categories of news/content featured on bdnews24.com are national news (politics, economy, business etc.), world news, arts, sport (cricket is a separate category and has two sub-sites in both languages), technology, lifestyle, showbiz, Opinion etc. All the sites/sub-sites/category pages are ready for web, mobile, and phone/tab-friendly applications, and the portal content is extensively popular on social media with over 8.9 million 'organic' Followers/Likers on Facebook. Its blog site is recognized as the pioneer in citizen journalism in Bangladesh.

A major source of revenue has been the mobile telephone operators. bdnews24.com offers various news services to the industry's vast subscriber base in partnership with all major companies. After a three-year gap, bdnews24.com is now back again as the exclusive provider for GP's branded mobile/voice news service in both languages, which is expected to add to its revenue significantly.

The advertisement segment has seen the biggest growth over the years and is currently the highest revenue-generating segment for bdnews24.com. The news service had grown rapidly during 2010-2012 since its launch in the late 2006 and expansion in later years. In a major recent development, GrameenPhone has installed on its flagship My GP app bdnews24.com as the exclusive news provider. The app's news links divert readers to bdnews24.com.

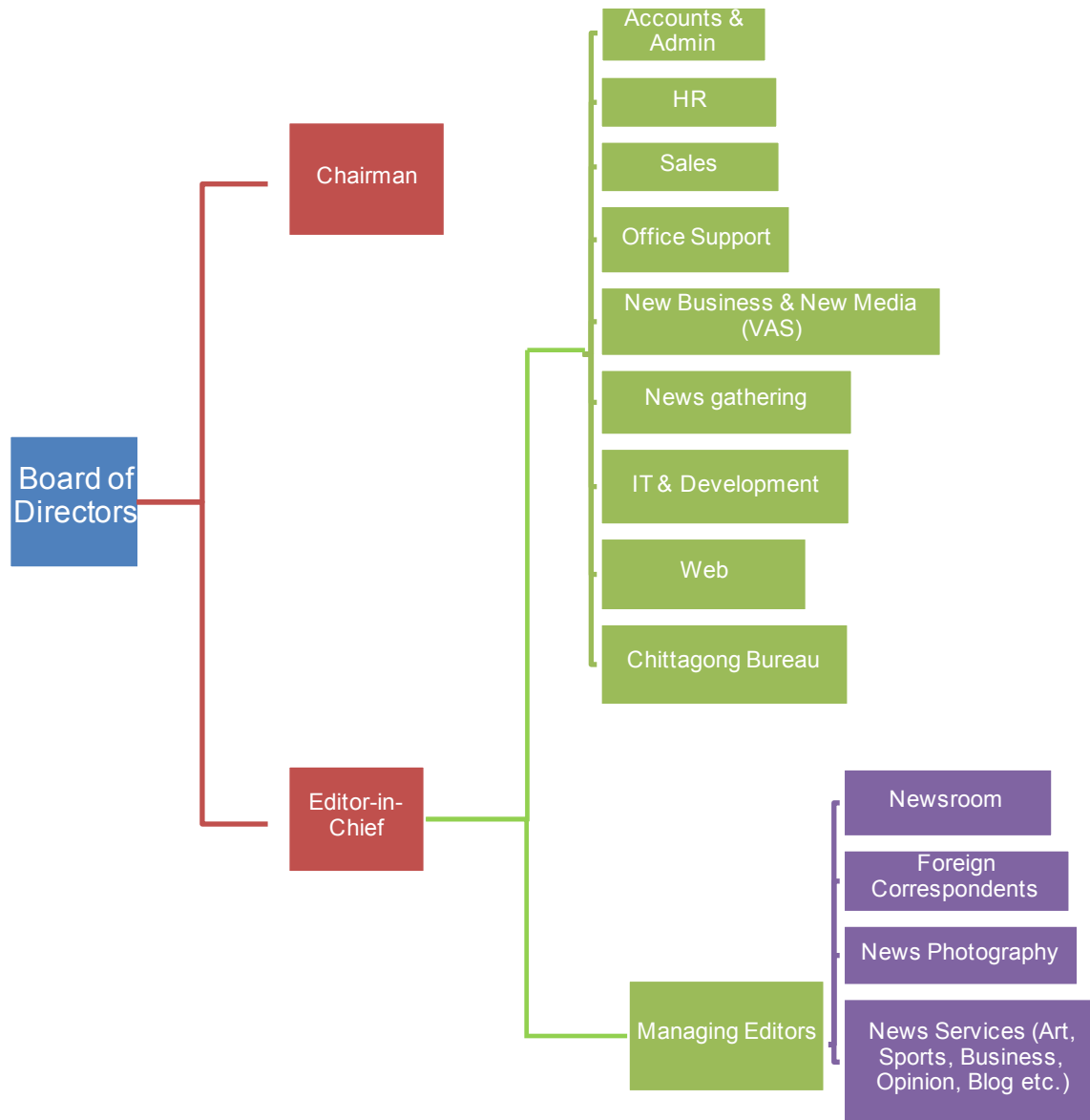
4.3. Category of products, sub-sites of bdnews24.com

The sites/sub-sites of bdnews24.com are as follows:

- tube.bdnews24.com – Videos, multi-media content produced by bdnews24.com journalists, producers, editors
- hello.bdnews24.com – Children trained as journalists by bdnews24.com produce news stories, interviews, share experience, write comment pieces (A UNICEF-supported initiative)
- prism.bdnews24.com – Trained child journalists produce video stories with support from bdnews24.com journalists/editors. Supported by UNICEF which says it a global first.
- bangla.bdnews24.com/probash – A platform for non-resident Bangladeshis to share their experience with a large audience across the world
- bangla.bdnews24.com/samagrabangladesh – Correspondents all over Bangladesh file stories, videos as news breaks
- bangla.bdnews24.com/glitz – A news site for the world of showbiz, glamour and the glitterati in Bangladesh and the rest of the world
- bangla.bdnews24.com/lifestyle – Recipes, health tips, food and holiday travel
- bangla.bdnews24.com/tech – Gadgets, computers and technological innovation
- bangla.bdnews24.com/economy – Latest on economy and regulatory affairs
- bangla.bdnews24.com/business – Corporate, business, finance, markets, deals
- bangla.bdnews24.com/media – Latest from the world of media
- bangla.bdnews24.com/health – Latest developments in the healthcare industry and innovation
- bangla.bdnews24.com/environment –
- bangla.bdnews24.com/world – AS-it-happens news from across the planet
- bdnews24.com/technology – Latest developments
- bdnews24.com/economy – Latest on economy and regulatory affairs from all over the world
- bdnews24.com/business – Business and corporate news in English
- bdnews24.com/media – Media stories in English
- bdnews24.com/sport – The world sport, in English
- bdnews24.com/cricket – Anything and everything on cricket, in English
- bdnews24.com/environment – Stories on environment/climate, in English
- bdnews24.com/health – Health stories, in English
- bdnews24.com/entertainment – Showbiz news, in English
- bdnews24.com/neighbours – All regional stories put together
- bdnews24.com/world – The world at a glance, in English
- bdnews24.com/people

- arts.bdnews24.com – The first online endeavor to help the creative talent in Bangladesh go digital
- opinion.bdnews24.com – The first Internet-only platform for opinion, comment, analysis in Bangladesh
- opinion.bdnews24.com/bangla – The first Internet-only opportunity for Op-Ed writers in Bangla
- blog.bdnews24.com – A pioneering platform for citizen journalists in Bangladesh
- photo.bdnews24.com – Going beyond everyday news photography
- turningpoints.bdnews24.com – A co-branded print, digital, virtual production in partnership with The New York Times; bdnews24.com is the first licensee for digital and virtual
- stripe.bdnews24.com – A platform for the youth
- bdnews24.com/classifieds – A world class aggregator for all classifieds in Bangladesh

4.4. Organizational structure:



4.5. Directors' profile:

Toufique Imrose Khalidi, Managing Director and Editor-in-Chief:



Toufique Imrose Khalidi is a Bangladeshi journalist, news commentator and media manager. Since 2006 he has been Editor-in-Chief, Managing Director and a Board Member in the holding company (Bangladesh News 24 Hours Ltd) of Bangladesh's pioneering and dominant 24/7 news provider bdnews24.com - which is also the country's pre-eminent English-Bangla bilingual website and perhaps the world's first internet-only national newspaper.

Educated and trained in Dhaka, Tokyo, Paris and London, Mr. Khalidi has international experience of print, broadcast and digital journalism. He has commented on politics, public policy and economic management as a leader writer. He also worked in the newsroom with the major print broadsheets as a senior editor and manager. In his broadcasting career he worked at the BBC as a producer, editor and presenter. As a reporter, he has covered a wide range of issues, ranging from business, social development to diplomacy, foreign economic relations, politics and the economy.

Since a friendly takeover of BDNEWS (and of its holding company Bangladesh News 24 Hours Ltd) and BDNEWS rebranding as bdnews24.com in June 2006, Mr. Khalidi has been at the helm of a radical transformation of the business. He introduced Bangladesh to a whole host of digital firsts, among them the first mobile news website and the first SMS-based news alerts. Mr. Khalidi's decision to open up the site's content to readers for free contributed to its emergence as one of South Asia's premier 'go to' websites for news in the region. Mr. Khalidi's commitment to maintaining political independence and an objective stance in relation to reporting the news have been praised across the spectrum of the country's main political parties.

Raad Sharaar Khalidi, Director



Raad Khalidi, the other director, is a young entrepreneur who began his career after completing his MA (Honours) in Politics from The University of Edinburgh, UK. He has pursued a diverse set of interests for the best part of the past decade, academic or otherwise — from political communication to journalism, from filmmaking and theatre to media management. As a Sixth Former, he spent two years at a UK boarding school, Cambridge Centre for Sixth Form Studies, and then four years in Edinburgh. He attended major annual global events such as Global Media Forum in Bonn (thrice) and World News Media Congress and World Editors Forum in Glasgow, experiences that gave him exposure to top-level discourses by leading thinkers/philosophers/changemakers on contemporary issues as well as to the key figures and the brightest minds in the global media and communication industry.

5. Valuation

5.1. Revenue and expense assumptions

- **Bangladesh General Election 2019:**

Bangladesh had a General Election in early 2019. The run-up to the vote saw a huge jump in news consumption, creating a good opportunity for big publishers like bdnews24.com to cash in on its large readership. In another first for an Internet-based publisher in Bangladesh, bdnes24.com ran live broadcasts as results came in. Later, it launched a popular show with top policy makers hosted by its Editor-in-Chief.

- **Direct advertisement and ad networks:**

This is the highest revenue generating segment of bdnews24.com. Large FMCG (local & multinational), mobile operators, banks, construction companies, cement manufacturing companies are part of

bdnews24.com's clientele. Many of these clients are long term and rates for these long-term contracts are reviewed every year. Moreover, startup companies have now turned to online advertisement. A recent trend is that all the big companies are increasing their online/digital marketing budget. As new policies and guidelines await clearance, Government organizations are sure to be its big clients in the near future.

To respond to the growing demand, a lot of investment has been planned for the development of the website. This investment will allow bdnews24.com to provide a platform for richer, more interactive advertisements, which are more attractive to both foreign and local clients. Moreover, development of the job site will also be a source of advertisement revenue for bdnews24.com. bdnews24.com is currently working with 12 (twelve) ad networks and receives queries or request for partnership almost every day. Due to the quality impressions the website now receives higher CPM rates from all the networks and the team is always looking for opportunities to close deal with good ad networks. The advertisement revenue is based on cost per thousand (cpm) views. The geo-specific advertisements of foreign companies are not shown on the website in Bangladesh. It is visible on bdnews24 website in other countries.

Addition of new clients for direct advertisement and ad networks will result in a huge boost in ad revenues. Currently bdnews24.com has around 70 regular clients for direct advertisement with long- or medium-term contracts. These include big advertisers like Pran, GrameenPhone, Banglalink, Samsung, Unilever, Singer, Unicef, bKash, Orion, ACI, Meghna Group, Transcom Group, Abul Khair Group etc. Moreover, they expect to sign/renew deals with companies like Robi, Akij Group, Partex Group, etc.

The rates for advertisement is available in Annexure -3

- **Facebook monetization:**

bdnews24.com's Facebook page has more than 8.9 million organic Followers/Likers. Currently, bdnews24.com is not earning any significant revenue from its verified Facebook page. bdnews24.com is in the process of finalizing a deal with Facebook regarding monetizing and expects to reach an agreement early this year. Moreover, the new Facebook algorithm means that sponsored ads, which could previously be seen on Facebook's newsfeed, will no longer have as much space as before. These advertisements now have one less platform to reach consumers. As a result, online news portals will have a larger share of the total advertisement market in the country. Facebook's recent announcement that it will take into account quality/authenticity of news content is good news for publishers like bdnews24.com. And the demand that Facebook pay news publishers is getting louder globally. All these make things look brighter for bdnews24.com.

- **News service:**

News service is the second largest revenue generating segment of bdnews24.com and is expected to become the highest revenue generating segment in a few months. Mobile operators send breaking news to the customers and any revenue made from this is shared between the mobile operator and bdnews24.com. Currently, the clients of bdnews24.com are Robi and Banglalink. GP, its partner for a long time, had renewed its agreement and re-started operation with bdnews24.com in February 2018. Moreover, previously, the revenue split between bdnews24.com and GP was 30:70. Renegotiation of terms of revenue sharing has led to this ratio to change significantly, with bdnews24.com now attaining 50% (initially, and going higher in future) of all the revenue generated through this service.

- **Content partnerships:**

bdnews24.com will also be venturing into new revenue source through content partnerships. Content partnership is essentially a joint venture involving other publishers, aggregators, broadcasters, and producers to create customized content meant for a target audience. bdnews24.com already has Grameenphone as one of their biggest clients in this regard, with Opera joining recently. More big names are about to become clients. Moreover, bdnews24.com plans to start responding to requests for advertorial contents for various corporate, NGOs and other organizations.

- **Video Monetization:**

Currently bdnews24.com has “Tube” and “PRISM/hello” as their unique video platforms. They have yet to generate any significant revenue from their video content. bdnews24.com plans to allocate more resource for their video/multimedia content with the aim of monetizing in a big way.

**A full list of current and expected clients is available in Annexure -4*

- **Marketing expenditure:**

bdnews24.com plans to spend heavily on marketing and publicity, specially focusing on social media. This will boost revenues for bdnews24.com in the future. Expected expenditure in marketing activities is expected to be around BDT 3 crores annually.

- **IT and administrative expenses:**

IT expense will account for a large part of the investment in the immediate future. Expenses include maintenance and upgradation of sites, blogs, video portals, blogs, equipments, studio, etc. Administrative

expenses such as salaries, office rent, utilities bills, etc. will all increase due to the expansion of the operation. This expense will account for a portion of the private equity investment.

- The breakdown of expenses is given below:

Particular	Amount (USD)	Amount (BDT)
IT Expenses		
News site	589,000	48,298,000
Apps for news site	72,000	5,904,000
Video portals and apps	168,000	13,776,000
Data center and software	87,500	7,175,000
Network and email service	82,500	6,765,000
Studio Renewal and equipment expenses	521,600	42,771,200
Renting news space for studio	150,000	12,300,000
Others	204,000	16,728,000
Total	1,874,600	153,717,200
Selling and administrative expenses	-	
Salary expenses	-	145,000,000
Marketing expenses	1,768,293	36,000,000
Amazon payment	439,024	30,000,000
Video monetization expense	365,854	20,000,000
Employees motivation	243,902	10,909,091
Other expenses	133,038	75,568,113
Total	921,562	317,447,204
Total Expense	3,871,307	471,194,404

5.2. Capital expansion assumptions

Although a certain portion of the forecasted revenue growth can be realized without significant investments, in order to facilitate the further growth in revenue that bdnews24.com expects, a large investment is required. Large expenses will be incurred because of salary increment in 2020 as new Wage Commission Awards are expected early in the year and further increase in manpower in the following years. Marketing spend will also see an increase. Marketing expenses will primarily include social media marketing and on a smaller scale digital signboards, billboards and other above-the-line marketing activities. A large portion of the investment will be going into improving the IT infrastructure of bdnews24.com. The IT framework will be going through a complete revamp which includes upgrading website, equipment, modernizing the studio, etc. A full breakdown of the IT expenditure is available in Annexure -5. Tabulated below is a breakdown of the capital expenditure bdnews24.com intends to make with the private equity investment. bdnews24.com would need to make more investments in the future

as well. However, bdnews24.com will be earning enough to finance the said investment through its operation.

Use of Proceeds for Capital Expansion:

Use of proceeds	USD (\$) million	BDT million
Fixed Assets	1.14	94
Investment in IT Framework	1.56	128.3
Data center Upgradation	0.04	2.9
Modernization of studio	1.12	92
Cameras, lighting and other equipments	0.39	32.4
Others	0.009	1.0
Software and web development cost	1.75	143.4
News site	0.12	10.3
Apps for news site	0.05	4.1
Video portal and app	0.05	4.1
Data center and software license	0.06	4.9
Web development cost	1.46	120
Others		
Total	4.46	365.7

5.3. Discount rate

bdnews24.com has a loan account of BDT 41,889,769 from Tech Valley Computers. bdnews24.com has not paid any interest on this loan amount. Moreover, our analysis shows that there will be no debt requirement to fulfill future financial obligation. Therefore, the projections have been based equity financing. 7 year T-bond rate is 7%. A risk premium of 6% is assumed. The final nominal discount rate is 13%.

5.4. Terminal growth rate

Inflation rate is assumed at 5% and real perpetual growth rate of terminal cashflow at the end of year 5 in the projection is assumed at 2%. The nominal terminal rate for the terminal cash flow at the end of year 5 of the projection is taken as 7%.

5.5. Discounted cash flow valuation

As bdnews24.com is a service based company, its valuation has been done based on discounted cash flow method. This method works by drawing out cash flows from future revenues and discounting the cash flows to present day to come up with the valuation. For finding out the Discounted Free Cash flow to

Equity, Discount Rate (required rate of return) of 13% and Terminal Growth Rate of 7.0% have been considered.

Risk Free Rate	7%
Risk Premium	6%
Discount rate (required rate of return)	13%
Perpetual Growth Rate	2.00%
Perpetual Inflation Rate	5.00%
Terminal growth rate	7.00%

Year	2020E	2021E	2021E	2022E	2023E	PV Terminal Value
EBT	-121	158	320	488	696	
Depreciation and amortization	46	46	49	50	52	
Tax paid			-116	-171	-244	
Working capital requirement	-25	-71	-38	-54	-67	
CAPEX	-222	-19	-39	-27	-30	
Intangible assets	-143	-29	-43	-29	-32	
Changes in debt position	-27					
Free cash flow to equity	-494	85	134	257	376	3,639
Net present value (BDT)	70.20					
Total equity value (BDT Million)	3,710					

No. of existing shares pre dilution 100,000

No of existing share outstanding post dilution

Offer price (BDT per share) 37,100

DCF value of FCFE	
Terminal growth rate (%)	Discount rate (%)
	12% 13% 14% 15% 16%
	5% 3,285 2,749 2,335 2,006 1,740
	6% 3,854 3,161 2,644 2,245 1,929
	7% 4,651 3,710 3,042 2,544 2,160
	8% 5,846 4,479 3,572 2,928 2,448

9%

7,837	5,632	4,314	3,440	2,819
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5.6. Key investment consideration

- **Untapped market:**

Although the number of internet subscribers has increased drastically since 2013, internet penetration is still considerably low. As mentioned above, government is taking measures to increase internet penetration which means that the market size will increase significantly in the future.

- **Unique brand positioning:**

bdnews24.com is the first online 24/7 news publisher in the country. Naturally, it secured a first mover's advantage and hence achieved a unique brand positioning in the minds of the customers. As a result, it would not have to invest much to establish its brand value. All the marketing activities would be directed at strengthening its brand value. In 2015, bdnews24.com had 7.4 million unique visitors and approximately 100 million monthly page views. In December 2013, when news consumption peaked in Bangladesh amid political upheavals ahead of a disputed election, bdnews24.com attracted 4.6 million unique readers (readers' multiple visits from one IP are counted as one unique visit) as opposed to nearest rival Prothom Alo's 2.1 million. (Source: Google Analytics)

- **Presence on social media:**

bdnews24.com is highly popular on the social media, currently being the most organically 'Liked' news outlet in Bangladesh. It was the first page to reach the one million mark on Facebook. It has retained a loyal customer base by reaching its customers on multiple social media platforms.

- **Efficient delivery of news:**

bdnews24.com is widely acclaimed for its speed and accuracy of newsgathering and reporting. According to Google Analytics, during major events and in times of political crisis bdnews24.com's traffic increases dramatically as a substantial additional chunk of Bangladesh's online readership turns to the portal.

- **Popular in both languages:**

The Bangla version of the site has much more content and is much more popular than the English version; the latter, however, is believed to draw more policy-influencing, decision-making audience.

- **Strong retention and attracting new customers:**

Out of every 100,000 unique visitors in bdnews24.com, 28,000 of these unique visitors are new. This is a great attractive factor for advertising clients who infer that this reach is far greater than on any other news outlet in Bangladesh. Moreover, this means that bdnews24.com is retaining majority of its customers. While around 28% of bdnews24.com's readers were new, that of Prothom Alo's was 6%.

- **Various avenues for revenue generation:**

bdnews24.com has a special sub-site (tube.bdnews24.com) for all forms of video content which is a result of their shift in focus on social media platforms and use of videos and multimedia content. bdnews24.com has yet to earn money from the video sub-site. bdnews24.com hopes to start monetizing the videos in 2020. Facebook monetization is also about to begin. These two sources will potentially generate huge revenue. In addition, in partnership with UNICEF, a new video platform called "Prism" publishes video stories prepared by hundreds of trained (by bdnews24.com) child journalists from across Bangladesh.

There are also plans to exploit bdnews24.com's huge loyal audience. In addition to its increasing multimedia news/sport content, it plans to create or maybe acquire an entertainment portal with such content as movies, music and popular soaps. A job site – a market dominated by one company with not-so-great service – can be a great money spinner too, say the company sponsors.

- **Highly Linked from other sites:**

Around 5,000 other sites link to bdnews24.com i.e. bring audiences to bdnews24.com. Among these sites, the most popular are Google, YouTube, Facebook, Amazon and Yahoo. A sizeable chunk of readership/audience for bdnews24.com is diverted from Google and Facebook.

- **Sponsors' experience and expertise in the news media sector:**

Mr. Toufique Imrose Khalidi, the Managing Director of bdnews24.com has been a news media professional for three decades now. He has international experience of print, broadcast and digital journalism. Mr. Khalidi has recently been awarded by the Government with a "Special Recognition/Honour" along with two other leading personalities for contribution to the development of 'Digital Bangladesh'.

- **A major USP for bdnews24.com:**

bdnews24.com's high-level of acceptability, credibility and information-disseminating power is evident in the fact that it is the only news publisher – print or online – to have journalists accredited/attached to the President's Office, Prime Minister's Office and other major state institutions.

In an intensely polarized society that is Bangladesh, bdnews24.com draws bipartisan support to its brand of journalism. Its major events, such as the annual dinner, are attended by luminaries from across the political divide, a rare scene in the country's political landscape.

- **Partnership with The New York Times**

The Bangladesh edition of the prestigious annual publication – Turning Points – is published by bdnews24.com in partnership with The New York Times. The three-year deal starting in 2016 expired in 2018 and a three-year extension has been offered by The New York Times.

In 2019, bdnews24.com has struck a deal with India's prestigious **Hindustan Times** which will distribute bdnews24.com content globally through its syndication service.

5.7. Investment risks

- **Government regulations:**

Currently, Bangladesh lacks any specific regulatory body to deal with the news media. The Government has drawn up plans to license news portals while the Ministry of Information, for now, acts as the regulatory authority for the entire media industry.

- **Low barriers to entry:**

There are already plenty of online news portals. Although majority of them do not enjoy the credibility and popularity like bdnews24.com, they still occupy a market share. Any news outlet (print or TV or Radio) can set up an online version and start competing for market share. Even though new online news portals can enter easily, they won't be able to compete at the same level as bdnews24.com.

- **Political Instability:**

Prolonged political instability will hamper the growth of internet penetration in the country and damage the current IT infrastructure which will lead to bdnews24.com being deprived of a large market share. Such a scenario will also have an impact on business climate, affecting the revenue growth for companies like bdnews24.com.

Annexure -1

Financial performance

Comparative Income Statement

Particulars	2015	2016	2017	2018	2019
Sales	132,241,217	112,884,365	127,664,925	106,155,473	98,193,210
Operating Expense	-123,782,999	-123,775,425	-138,104,298	-130,986,174	-94,931,712
Administrative and selling expenses	-123,782,999	-123,775,425	-138,104,298	-130,986,174	-94,931,712
EBITDA	8,458,218	-10,891,060	-10,439,373	-24,830,701	3,261,498
FDR	1,225,491	377,768			
Bank Interest	61,671	56,684	19,445	12,778	19,229
Depreciation	-3,058,476	-2,673,150	-2,523,312	-2,253,352	-2,021,309
Amortization					
Financial Expense					
EBT	6,686,904	-13,129,759	-12,943,241	-27,071,275	1,259,417
Tax expense					
Provision for tax	-2,340,416				
NPAT	4,346,488	-13,129,759	-12,943,241	-27,071,275	1,259,417

Comparative Balance Sheet

Particulars	2015	2016	2017	2018	2019
Non-current assets:	19,357,140	11,297,598	10,762,060	9,584,007	8,614,238
Fixed assets	12,857,140	11,297,598	10,762,060	9,584,007	8,614,238
Intangible Assets					
It Fixed Asset					
Fixed Deposit Receipts	6,500,000				
Current Assets:	79,331,502	78,040,248	88,709,506	92,011,666	100,470,242
Receivables against News Sales Revenue	39,608,748	35,645,987	38,325,760	38,393,674	38,393,674
Loan and Advance	35,355,863	41,229,289	48,680,798	52,540,769	59,409,871
Cash and Bank Balance	4,366,891	1,164,971	1,702,947	1,077,223	2,666,697
Total Assets	98,688,642	89,337,846	99,471,566	101,595,674	109,084,480
Shareholders' Equity	26,985,084	13,855,325	912,084	-26,159,191	-24,899,774
Share Capital	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Retained Earnings	16,985,084	3,855,325	(9,087,916)	-36,159,191	-34,899,774
Non-current liabilities					
Current Liabilities	71,703,558	75,482,521	98,559,481	127,754,866	133,984,255
Unpaid bills, expenses and Provisions	26,599,659	29,378,622	37,992,418	58,511,988	41,124,095
Loan Account	21,093,558	21,093,558	35,556,723	43,232,536	41,889,769
Other Liabilities	5,320,000	6,320,000	6,320,000	7,320,000	32,280,050

Extra-ordinary Reserve	200,000	200,000	200,000	200,000	200,000
Provision for income tax	18,490,341	18,490,341	18,490,341	18,490,341	18,490,341
Total Liabilities	71,703,558	75,482,521	98,559,481	127,754,866	133,984,255
Total Equity and Liabilities	98,688,642	89,337,846	99,471,566	101,595,675	109,084,481

Comparative Cash Flow Statement

Particulars	2015	2016	2017	2018	2019E
Operating Cashflow	3,843,620	(3,714,884)	(4,485,906)	37,855,366	(14,107,167)
EBITDA	8,458,218	(10,891,060)	(10,439,373)	(24,830,701)	3,261,498
Tax paid					
FDR	1,225,491	377,768	-	-	-
Bank Interest	61,671	56,684	19,445	12,778	19,229
Change in A/R	(3,204,670)	3,962,761	(2,679,773)	4,161,301	-
Change in Payables	(2,697,090)	2,778,963	8,613,796	58,511,988	(17,387,894)
Change in other liabilities					
Change in exrta-ordinary reserve	-				
Investing cashflow	(1,669,077)	5,386,391	(1,987,774)	(1,075,300)	(1,051,540)
Fixed asset investment	(2,169,077)	(1,113,609)	(1,987,774)	(1,075,300)	(1,051,540)
Intangible assets					
IT Fixed asset					
Fixed deposit investment	500,000	6,500,000	-	-	-
Financing cashflow	(3,964,384)	(4,873,427)	7,011,656	11,827,498	16,748,181
Change in loan and advances	(3,964,384)	(5,873,427)	(7,451,509)	(11,311,480)	(6,869,102)
Change in loan account	-	-	14,463,165	22,138,978	(1,342,767)
Change in other liabilities	-	1,000,000	-	1,000,000	24,960,050
Capital injection	-	-	-	-	-

Changes in long term liabilities					
Net cashflow	(1,789,841)	(3,201,920)	537,976	48,607,564	1,589,474
Opening cash balance	6,156,732	4,366,891	1,164,971	(47,530,341)	1,077,223
Closing cash balance	4,366,891	1,164,971	1,702,947	1,077,223	2,666,697

Milestones

2016

- bdnews24.com celebrates its 10th anniversary as the first Internet-only 24/7 national news publisher in Bangladesh and arguably in the world
- bdnews24.com launches a national campaign for Safer Internet with participation from government ministers, top enforcers, regulators and activists
- *'Prism' takes off* - The world's first-ever video news service by children, done in collaboration with UNICEF.
- *Turning Points 2016 published* - An annual magazine published by bdnews24.com in collaboration with The New York Times News Service.

2015

- *SMS news in Bangla script* - bdnews24.com formally launched SMS-based Breaking News service in Bangla by joining forces with top mobile operator Robi.
- *Launch of 'Stripe'* - bdnews24.com's online youth page
- *Safer Internet, A National Dialogue*- A bdnews24.com initiative launched on 29 Aug 2015 in Dhaka, joined by victims, activists, law-enforcers, regulators and ministers. The conversation just begins, with plans to take it to all corners of the country
- *Launch of bpl, bdnews24 publishing ltd*— Online site selling books

2014

- *Photo exhibition marks 8th anniversary*- bdnews24.com photojournalists showcase their work over 8 years in a display formally opened by the foreign minister.

2012

- *bdnews24.com launches first-ever site for child journalists*- A first-of-its-kind journalism handbook for children is developed by bdnews24.com ahead of the launch of hello.bdnews24.com, with support from the UNICEF.

- *Smrity 71: An evening of recollections*– Collaborated by bdnews24, Two celebrated journalists and a decorated general tell the story, 40 years on.

2011

- *Narayanganj City Corporation elections* - bdnews24.com hosts Live Debate on TV, Internet – a first by a local media outfit on behalf of the Election Commission

2010

- *bdnews24.com blogs re-launched*

2009

- *bdnews24.com begins news service with all mobile operators*

2008

- *Launch of Recipe a Week*- Celebrity chef Tommy Miah showed off his skills in a live demonstration of recipes designed exclusively for readers of bdnews24.com on the newly launched site: www.bdnews24.com/tommymiah.

2007

- *arts.bdnews24.com launched*– bdnews24 unveiled its literature and arts site at a function attended by some of the country's most celebrated artists and writers.
- *bdnews24.com launches SMS news for the first Time in Bangladesh*- Morning Update is launched, with the target of reaching the day's headlines to the subscribers' breakfast table faster than print sources
- Breaking News is launched, with as-it-happens stories instantly delivered to tens of thousands of subscribers, evening reaching hundreds of thousands (More such updates follow – such as Business Update, Midday Update, Evening Update)

2006

- *News on mobile launched*- bdnews24.com launches voice news service in Bangla as the exclusive news provider for Bangladesh's largest mobile operator on Grameenphone's branded port 2000.

Annexure -2
Forecasted financial statements
In millions

Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Actual				Forecast				
Income Statement									
Sales	112.88	127.66	106.16	98.19	396.00	695.58	905.02	1136.05	1415.39
EBITDA	-10.89	-10.44	-24.83	3.26	-75.19	203.34	369.42	538.43	748.72
EBT	-13.13	-12.94	-27.07	1.26	-121.17	157.54	319.97	487.94	696.41
NPAT	-13.13	-12.94	-27.07	1.26	-121.17	157.54	204.37	317.16	452.67
Balance Sheet									
Non-current assets:	11	11	10	9	330	332	365	371	380
Current Assets:	78	36	92	100	-303	-142	22	350	811
Total Assets	89	47	102	109	27	190	387	721	1191
Shareholders’ Equity	14	1	-26	-25	-120	37	242	559	1011
Current Liabilities	75	46	128	134	148	153	146	162	180
Cash flow Statement									
Operating Cash flow	-3.71	-46.71	37.86	-14.11	-20.36	125.41	188.31	319.46	445.17
Investing cash flow	5.39	-1.99	-1.08	-1.05	-365.70	-47.72	-82.19	-55.99	-61.52
Financing cash flow	-4.87	.00	11.83	16.75	-21.09	.00	33.75	.00	.00
Closing cash balance	1.16	-47.53	1.08	2.67	-454.69	-376.99	-237.12	26.36	410.01

Annexure -3

Rates for advertisement

For desktop:

Home page (Ads will be displayed on home page only)

Type	Dimensions (Pixel- WxH)	Max File Weight	Rate/CPM in BDT	
			Bangladesh	Outside Bangladesh
Top Leader board	970x90	50 KB	150	200
Large Rectangle	300x250	50 KB	100	120
Button	150x150	50 KB	100	120
Leader Board	970x90	50 KB	120	150
Wide Skyscraper	160x600	50 KB	100	120
Pillar	120x600	50 KB	15,000 Per Hour	18,000 Per Hour
Welcome AD	600x400	60 KB	25,000 Per Hour	30,000 Per Hour

News details page

Type	Dimensions (Pixel- WxH)	Max file weight	Rate/CPM in BDT
Top Leader board	970x90	50 KB	120
Large Rectangle	300x250	50 KB	100
Large Sky scrapper	300x600	50 KB	75

Page branding

Page	Rate/Month in BDT
Sport	300,000
Business	300,000
Entertainment	200,000
Education	150,000

Mobile Apps platform			
Destination	Frequency/Mode	Fixed Rate	CPM Price
iPhone Apps	Banner Ads	BDT 100,000	BDT 100
Android Apps			BDT 60
Nokia Apps			BDT 40
Window Apps			BDT 80
Blackberry Apps			BDT 80
NewsHunt Apps	Banner ADs	BDT 20,000	BDT 50

Annexure -4

bdnews24.com client list

Direct Advertisement:

Current Clients:

1. Grameen phone
2. Banglalink
3. Unilever
4. Square Toiletries Ltd.
5. bKash
6. Pran
7. Shah Cement
8. KSRM
9. Orion Footwear
10. ACI
11. Swapno
12. Walton
13. Olympic
14. ADN
15. Transcom food
16. ULab
17. Daraz.com
18. Samsung
19. Oppo

20. Kohinoor Chemical
21. Radiant IPTV
22. Symphony
23. Burger King
24. Unicef
25. Best Electronics
26. Singer
27. Hungry naki
28. Astute Horse
29. Khadim Ceramics
30. Brac University
31. East Delta University
32. Chittagong University
33. BBS Cables
34. Aarong
35. Hayes & Haier
36. Southeast Bank limited
37. SIBL
38. AIMS
39. Nitol Insurance
40. SCB
41. Akhter Furniture
42. Lotto
43. Sajeeb Group
44. Apex
45. Dell
46. Qatar Airways
47. EBS
48. Bongo bd
49. Navana
50. Hatil Furniture
51. IFIC Bank
52. Beximco

Advert/Media buying agencies that bdnews24.com works with:

1. Asiatic Mindshare
2. Maxus

3. Media axis
4. Mediacom
5. Analyzen
6. Bitopi
7. Benchmark
8. Top of Mind
9. Grey
10. Meloneds
11. Spellbound
12. Bitnic
13. Papyras
14. Creative communication
15. Fahrenheight
16. Alliant bd
17. Prochito
18. Asiatic Jwt
19. Unitrend
20. Magnito digital
21. Red rocket
22. Pearl

Expected/returning Clients:

1. Teletalk (returning)
2. Robi (longstanding client but advert stalled for internal reasons)
3. Islami Bank
4. City Bank
5. Mobil (previous client)
6. BSRM
7. Lava Mobile
8. Vivo mobile
9. City group (campaign based client)
10. Meghna group
11. Crown cement
12. Huawei
13. RSRM
14. Ispahani
15. Erfan foods

16. Berger (campaign based client)
17. ACI Motors
18. Nokia (campaign based client)
19. Dhaka Bank
20. Anwar Group
21. Metrocem cement
22. CSRM (campaign based client)
23. Partex group (already campaign-based client)
24. Akij Group (already campaignbased client)

Ad Network :

Current Clients:

1. VU Mobile
2. Adsense (Google)
3. Pub Galaxy
4. Taboola
5. District M
6. Zedo
7. Rubrikk

Expected Clients:

1. G&R
2. Asian Media
3. Datawartz
4. E-bound

Subscription:

bdnews24.com has 15 News subscription currently. The company expects to gain 10 more subscriptions in the current year.

News Services:

Current Clients:

1. Robi

2. Banglalink

Discussions ongoing to resume service:

1. GP
2. Teletalk
3. Pran
4. Unilever

Partnerships:

Current Clients:

1. GP-My GP app
2. UNICEF- for “Hello”
3. DW for its news promotion.

New/future Clients:

1. Opera Mini
2. bKash



BRAC EPL
INVESTMENTS LIMITED

Head Office
Concord Baksh Tower
8th Floor, Plot # 11/A, Road # 48, Block # CWN(A)
Kemal Ataturk Avenue
Gulshan-2, Dhaka-1212, Bangladesh
Phone : +880 (2) 9849253, 9849291, 9848038
Fax : +880 (2) 9849445
Web : www.bracepl.com

December 08, 2019

Mohammad Golam Kibria
Deputy Director
Bangladesh Securities Exchange Commission
Securities Commission Bhaban, E-6/C, Agargaon,
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Subject: Opinion regarding the valuation report of bdnews24.com

Dear Sir,

We refer to your letter (Ref# BSEC/SRI/MB-10/2019/1065) dated December 2, 2019 regarding the above mentioned subject.

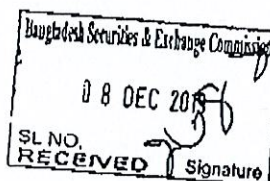
We find the enclosed report along with your letter in the name of BRAC EPL Investments Limited as supplied by LR Global Bangladesh AMC Limited as misrepresentation of facts and lodged with mala-fide intention. BRAC EPL Investments Limited (BEIL) has had no business with LR Global Bangladesh AMC Limited and BEIL has had no direct or indirect contacts with them. BRAC EPL Investments Limited operates in a professional and compliant manner and do not endorse any report which does not have official signature of its employees. We also believe that any report without duly signed and attested are not admissible in the court of law anywhere in the world and possibly to the regulators as well. We are surprised that a letter has been issued to us based on an unsigned report.

It may be mentioned here that BEIL prepared a draft Information Memorandum for bdnews24.com back in 2018 as bdnews24.com was discussing with one foreign investment company to include that as its strategic partner. BEIL and bdnews24.com had verbal agreement that if the deal goes through, there will be an agreement between BEIL and bdnews24.com where BEIL will act as corporate advisor and arranger. Unfortunately, that deal did not materialize and no agreement was signed between BEIL and bdnews24.com as a result. As, final valuation report was not prepared by BEIL, no official signature was attested to the report. Even on the draft report, there was disclaimer and if anyone reads that, they will be able to get the clear picture.

We hope that above explanation will clarify our position amply.

Regards,

Deedarul Huq Khan
CEO



A subsidiary of BRAC Bank Limited



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Non-Disclosure Agreement

This Non-Disclosure Agreement ("Agreement") is made and entered into on April 03, 2017 by and between;

BRAC EPL Investments Limited, a company incorporated under the Laws of Bangladesh, having its registered office at Concord Baksh Tower, 8th Floor, Plot # 11/A, Road # 48, Block # CWN (A), Kemal Ataturk Avenue, Gulshan-2, Dhaka -1212, Bangladesh (hereinafter referred to as "BEIL", which term shall include all its successors in interest and permitted assigns), represented by Mr. Deedarul Huq Khan, Chief Executive Officer.

and

Bangladesh News 24 Hours Limited (bdnews24.com), a company incorporated under the Laws of Bangladesh, having its registered office at 17 Mohakhali C/A, Red Crescent Concord Tower, 17th Floor, Dhaka-1212, Bangladesh (hereinafter referred to as "bdnews24.com", which term shall include all its successors in interest and permitted assigns), represented by Mr. Toufique Imrose Khalidi, Editor-in-Chief and Managing Director.

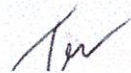

"BEIL" and "bdnews24.com" shall be collectively referred to as the "Parties" and individually as a "Party".

In consideration of the promises set forth herein, the receipt of certain information (as defined in Section 1 (ii) below) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

The following terms shall have the following meanings:

- i. "Project" shall mean corporate and financial advisory services to be rendered by BEIL to bdnews24.com.
- ii. "Information" shall mean confidential or proprietary information disclosed by a Party (the "Disclosing Party") to the other Party (the "Receiving Party") in connection with the Project and information of any other transaction or project (a) in writing or other tangible form, clearly marked as confidential or proprietary or



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- (b) in intangible form, clearly identified as confidential or proprietary at the time of disclosure, and then reduced to writing and furnished to the Receiving Party within thirty (30) days of the initial disclosure.
- iii. "Affiliate" of a Party shall mean any company, firm or other entity controlled by that Party by ownership, control of the Board of Directors, or voting right, direct or indirect, of fifty percent (50%) or more of the outstanding voting shares thereof.

2. Confidentiality obligations.

2.1. The Receiving Party shall:

- i. hold all Information received from the Disclosing Party in strict confidence using the same degree of care as it normally exercises to protect its own confidential or proprietary information of a similar nature, but not less than reasonable care;
- ii. use such Information only for the purpose of correspondence;
- iii. restrict disclosure of such Information only to its directors, officers, employees, and consultants on a strictly need to know basis (provided that the Receiving Party shall, prior to disclosure of such Information, impose on them the confidentiality obligations substantially equal to, but not less restrictive than, those set forth in this Agreement), and not disclose such Information to any other persons without the prior written approval of the Disclosing Party; and
- iv. reproduce such Information only to the extent approved in writing by the Disclosing Party in advance.

2.2. Notwithstanding Section 2.1 (iii) above, the Receiving Party may disclose Information to its Affiliates, provided that (i) Information shall be disclosed to any such Affiliate on a need-to-know basis only and (ii) each such Affiliate shall be under contractual confidentiality obligations substantially equal to, but not less restrictive than, those set forth in this Agreement.

2.3. The Receiving Party shall be liable for any improper disclosure or use of Information made by any person to whom the Information was disclosed by it hereunder, to the same extent as if the Receiving Party itself had made such improper disclosure or use.

Handwritten signature and initials



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2.4. Notwithstanding Section 2.1 above, the Receiving Party may disclose Information in response to a valid order of a court or other governmental or regulatory body, but only to the extent of and for the purposes of such order, provided, however, that the Receiving Party shall, promptly after receiving the order, notify the Disclosing Party of the order.

2.5. The Receiving Party shall not reverse engineer, disassemble, decompile, or otherwise analyze the physical construction of any equipment, component, software or other items delivered by the Disclosing Party.

3. Exceptions.

The obligations of the Receiving Party specified in Section 2 above shall not apply to any information which the Receiving Party can demonstrate:

- i. is or has become generally available to the public without breach of this Agreement by the Receiving Party;
- ii. at the time of disclosure to the Receiving Party, was known to such Receiving Party free of restriction;
- iii. is rightfully received from a third party without any confidentiality obligations;
- iv. is independently developed by the Receiving Party without the use of Information;
- v. is approved for release by written authorization of the Disclosing Party, but only to the extent of and subject to such conditions as may be imposed in such written authorization.

4. No publicity.

Each Party agrees not to issue or release any articles, advertising, publicity or other public notice relating to this Agreement (including the existence and terms of this Agreement and the fact and substance of discussions and correspondence between the parties concerning the Project) without prior written approval of the other Party.

5. No license.

No license to a Party by any other party of any trademark, patent, copyright, mask work protection right or any other intellectual property right is either granted or implied by this Agreement or any disclosure hereunder.

6. No warranty.

EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS THE RIGHT TO DISCLOSE AND FURNISH THE INFORMATION TO THE OTHER PARTY FOR THE PURPOSE. EXCEPT AS STATED IN THIS SECTION 5, THE DISCLOSING PARTY DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, REGARDING THE INFORMATION, INCLUDING, WITHOUT LIMITATION, ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WITH RESPECT TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS AND ALL WARRANTIES AS TO THE ACCURACY OR UTILITY OF SUCH INFORMATION.

The Disclosing Party disclaims all responsibility and liability for any actions taken by the Receiving Party on the basis of its analysis or other use of Information, and the Receiving Party acknowledges that the Disclosing Party shall have no responsibility or liability as a result of the Receiving Party's use of information.

7. No obligation.

Neither this Agreement nor the disclosure or receipt of Information shall be construed as (i) creating any obligation of a Party to furnish Information to the other Party or to enter into any agreement or relationship with the other Party with respect to mutual business or (ii) preventing a Party from having a business discussion with or entering into an agreement or relationship with any third party.

8. Return of Information.

All Information shall remain the sole property of the Disclosing Party, and the Receiving Party shall return to the Disclosing Party or, subject to approval of the Disclosing Party, destroy all materials containing any such Information (including all copies made by the Receiving Party) under its possession or control immediately upon (i) request of the Disclosing Party, (ii) the Receiving Party's determination that it no longer has a need for such Information or (iii) termination or expiration of this Agreement.

9. Export control laws.

The Parties acknowledge that certain products, software, and technical information provided under this Agreement may be subject to export laws and regulations of any other countries and agree that any use or transfer of such items must be authorized by the appropriate governmental body. Neither Party shall directly or indirectly use, distribute, transfer or transmit any item of Information (even if incorporated into other products, software, and technical information) in contravention of the applicable export laws and regulations.

10. Injunctive relief.

The Parties acknowledge that Receiving Party's breach of confidentiality obligations hereunder would cause the Disclosing Party irreparable harm and significant injury which could not be adequately compensated by monetary remedies.

Accordingly the Parties agree that the Disclosing Party will have the right to seek any temporary or permanent injunctive relief necessary to prevent any breach or threatened breach of confidentiality obligations hereunder.

11. Term and termination.

This Agreement shall become effective on November 08, 2016 or such other date as shall be agreed by the Parties (the "Effective Date" and shall terminate upon the happening of the earlier of:

- i. a thirty (30) day prior written notice of either Party to the other of its election, with or without cause, to terminate this Agreement; or
- ii. the expiration of six (6) months from the Effective Date.

12. Survivability.

Each Party agrees that all of its obligations undertaken herein as a Receiving Party shall survive and continue for three (3) years after any termination or expiration of this Agreement.

13. Governing law and arbitration.

This Agreement shall be governed by the laws of Bangladesh or any other applicable laws. All disputes arising out of or in connection with this Agreement shall be settled by a single arbitrator under the Bangladesh Arbitration Act, 2001. The place of arbitration shall be Dhaka, Bangladesh. The language to be used for the arbitral proceedings shall be English. The award of the arbitrator shall be final and binding upon the parties.

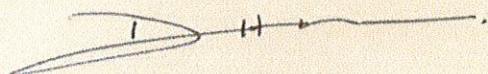
14. Miscellaneous.

This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior oral and written agreements and discussions with respect thereto. No amendment or modification of this Agreement shall be valid or binding on the Parties unless made in writing and signed on behalf of each of the Parties by its authorized officer or representative. No Party may assign or transfer, in whole or in part, any of its rights, obligations or duties under this Agreement. The failure or delay of any Party to enforce at any time any provision of this Agreement shall not constitute a waiver of such Party's right thereafter to enforce each and every provision of this Agreement. In the event that any of the terms, conditions or provision of this Agreement are held to be illegal, unenforceable or invalid by any court of competent jurisdiction, the remaining terms, conditions or provisions hereof shall remain in full force and effect.

IN WITNESS WHEREOF the Parties hereto have executed this NDA on the date and the year first hereinabove written.

SIGNED AND DELIVERED

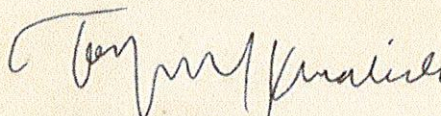
On Behalf of BRAC EPL Investments Ltd



Deedarul Huq Khan
Chief Executive Officer

SIGNED AND DELIVERED

On Behalf of Bangladesh News 24 Hours
Limited (bdnews24.com)



Toufique Imrose Khalidi
Editor-in-Chief and Managing Director