

FORM-7

Dated: 12/02/2020

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: **Financial Results for the Quarter Ended December 31, 2019**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **February 12, 2020** at **02:00 P.M** at NETSOL IT Village (Software Technology Park), Lahore Ring Road, Ghazi Road Interchange Lahore Cantt., recommended the following:

(i) CASH DIVIDEND

An Interim Cash Dividend for the quarter ended December 31, 2019 at Rs.NIL per share i.e.NIL%. This is in addition to Interim Dividend(s) already paid at Rs.NIL per share i.e.NIL%.

AND/OR

(ii) BONUS SHARES

It has recommended by the Board of Directors to issue Interim Bonus shares in proportion of NIL share(s) for every NIL share(s) held i.e. NIL%. This is in addition to the Interim Bonus Shares already issued @ NIL %.

AND/OR

(iii) RIGHT SHARES

The Board has recommended to issue NIL% Right Shares at par/at a discount/premium of Rs.NIL per share in proportion of NIL share(s) for every NIL share(s). The entitlement of right shares being declared simultaneously will be/will not be applicable on Bonus Shares as declared above.

AND/OR

(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION

NIL

AND/OR

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Alor

(v) ANY OTHER PRICE-SENSITIVE INFORMATION

NIL

The financial results of the Company are as follows

FINANCIAL RESULTS OF NETSOL TECHNOLOGIES LIMITED

	Oct-Dec 2019	Oct-Dec 2018	Jul-Dec 2019	Jul-Dec 2018
	Rupees in '000'		Rupees in '000'	
Revenue from contract with customers-net	1,270,148	1,389,441	2,587,731	2,611,316
Cost of revenue	(859,710)	(810,085)	(1,666,653)	(1,547,254)
Gross Profit	410,438	579,356	921,078	1,064,062
Selling and promotion expenses	(130,065)	(144,811)	(272,665)	(263,074)
Administrative expenses	(205,005)	(172,984)	(395,470)	(364,921)
	(335,070)	(317,795)	(668,135)	(627,995)
Operating profit	75,368	261,561	252,943	436,067
Other income	276,412	329,166	314,787	362,971
	351,780	590,727	567,730	799,038
Other operating expenses	(95,120)	(40,773)	(446,608)	(76,329)
Finance cost	(12,164)	(8,181)	(21,402)	(20,260)
Share of loss of Associate	(17,645)	-	(38,432)	-
Profit before taxation	226,851	541,773	61,288	702,449
Taxation				
Current period	(87,174)	(11,881)	(111,165)	(37,245)
Prior period	-	1,762	-	1,762
	(87,174)	(10,119)	(111,165)	(35,483)
Profit/(loss) after taxation for the period	139,677	531,654	(49,877)	666,966
Earnings/(loss) per share				
Basic -In Rupees	1.55	5.93	(0.56)	7.43
Diluted -In Rupees	1.55	5.92	(0.56)	7.42

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CONSOLIDATED FINANCIAL RESULTS

	Oct-Dec 2019	Oct-Dec 2018	Jul-Dec 2019	Jul-Dec 2018
	Rupees in '000'		Rupees in '000'	
Revenue from contract with customers-net	1,270,148	1,389,441	2,587,731	2,619,655
Cost of revenue	(859,710)	(810,042)	(1,666,653)	(1,576,473)
Gross Profit	410,438	579,399	921,078	1,043,182
Selling & promotion expenses	(130,065)	(144,811)	(272,665)	(263,074)
Administrative expenses	(205,005)	(172,984)	(395,470)	(366,243)
	(335,070)	(317,795)	(668,135)	(629,317)
Operating profit	75,368	261,604	252,943	413,865
Other income	70,856	362,733	101,769	402,030
	146,224	624,337	354,712	815,895
Other operating expenses	(68,040)	(40,773)	(434,870)	(76,329)
Finance cost	(12,168)	(8,181)	(21,412)	(20,293)
Loss of share from Associate	(17,645)	-	(38,432)	-
Profit/(loss) before taxation	48,371	575,383	(140,002)	719,273
Taxation				
Current	(87,328)	(12,179)	(111,970)	(37,882)
Prior	-	2,119	-	2,119
	(87,328)	(10,060)	(111,970)	(35,763)
Profit/(loss) after taxation for the period	(38,957)	565,323	(251,972)	683,510
Attributable to:				
Equity holders of NetSol Technologies Limited	(58,625)	548,664	(260,031)	675,325
Non-controlling interest	19,668	16,659	8,059	8,185
	(38,957)	565,323	(251,972)	683,510
Earnings/(Loss) per share				
Basic -In Rupees	(0.65)	6.12	(2.89)	7.53
Diluted -In Rupees	(0.65)	6.11	(2.89)	7.52

The Quarterly Report of the Company for the period ended 31-12-2019 will be transmitted through PUCARS separately, within the specified time.

Yours faithfully,



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Company Secretary

