Proud Member of
AlliottGlobalAlliance™

AUDITORS' REPORT

OF

FINANCIAL STATEMENTS

OF

EBL NRB MUTUAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

Since -1967

K. M. ALAM & CO.
CHARTERED ACCOUNTANTS

Head Office, Dhaka : 46, Mohakhali (12th Floor), Dhaka-1212, Bangladesh
Tel: 02222285697, E-mail : k.monowar@kmacobd.com, www.kmacobd.com
Branch Office, Dhaka: 80, Motijheel C/A (4th Floor), Dhaka-1000, Bangladesh
Tel : 02223386990, 0247123083
Branch Office, Khulna: 5, KDA Avenue (6th Floor), Khulna-9100, Tel: 041-2830395

Table of Contents

Sl. No.	Particulars	Page No.
01	Auditors' Report	1-4
02	Statement of Financial Position	5
03	Statement of Profit or Loss and other Comprehensive Income	6
04	Statement of Changes in Equity	7
05	Statement of Cash Flows	8
06	Notes to the Accounts	9-16

Independent Auditor's Report To the Unit Holders of EBL NRB Mutual Fund

Opinion

We have audited the financial statements of EBL NRB Mutual Fund (the Fund), which comprise the Statement of Financial Position as at 30 June 2023, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of EBL NRB Mutual Fund as at 30 June2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We would like to draw attention of the users of this report on the fact that Regent Spinning Mills Corporate Bond-2015 is a non-performing investment (See note 6.04) and the Bond maturity date has already been expired. The Bond issuer has not paid any coupon interest since FY 2019-2020. Bond Trustee and the Asset Management Company representing the bondholders are pursuing the recovery of the overdue amounts (principal and interest) from the bond's issuer.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and is doing so consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters were identified in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate

Paltan Branch: Paramount Heights (4th Floor), D2, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, Tel: 01914-545189, E-mail: bhossain08@yahoo.com
Head Office: 46, Mohakhali C/A (12th Floor), Dhaka-1212, Tel: 02222285697, E-mail: k.monowar@kmacobd.com, www.kmacobd.com

opinion on these matters. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
Revenue/ Financial Income:	
Revenue Income constitutes income generated from the fund from sales of securities, dividend and interest income.	With respect to Financial Income in respect of Fund Management we carried out the following procedures: • The design and operating effectiveness of key controls around Financial Income recognition process. • Carried out analytical procedures and recalculated Financial Income for the period. • Ensured on a sample basis that the Financial Income was being accrued/accounted properly. • Ensured on a sample basis that the Financial Income was being credited in the designated bank account.
Investments in Securities:	
The Fund's investment portfolio listed which is carried at market value makes up 72.2 % of the total assets. This is considered to be the key driver of the Fund's assets and revenue performance. The market value of financial instruments that are upgraded in an active market is determined based on the market price as on 30 June 2023.	With respect to Valuation of Investments in respect of Fund Management we carried out the following procedures: • The design and operating effectiveness of key controls around Valuation of Investments recognition process. • Carried out analytical procedures and verify the valuation of Investments at fair value/market value for the period • Ensured on a sample basis that the Valuation of Investments was correct and exists at the balance sheet date. • Comparing observable inputs against independent sources and externally available market data.
Advance deposits and Prepayments:	
Advance, deposit and prepayments Tk. 16,095,743 for advance against Tax, security deposit -CDBL and prepayments for regulatory fee. Note No. 10.	We have tested the maintaining effectiveness of the advance, deposit and assets position held by the Company. Additionally, we performed the following: • Obtain tax challans and verified those by online system. • Obtain money receipts from CDBL. • Obtain pay slips and other evidences for regulatory fee.
Management Fee:	
Management fee of Tk. 27,511,654.00 represents 73.36% of the total expense for the year ended 30 June 2023.	We have carried out the following procedures: • Management fee is calculated as per the rate mentioned in the trust deed and prospectus on annual average on weekly NAV. • Tested some sample basis voucher with ledger balance. • Assessing the adequacy expense recognition, measurement and disclosures made for the expense in the financial statements.
Dividen Income:	
Dividend income of Tk. 65,603,641.00 represents 37.23 % of the total income for the year ended 30 June 2023	We have tested the design and operating effectiveness of controls around the due and receivable recording process • Review and assess observable inputs against independent sources and externally available market data.

Proud Member of AlliottGlobalAlliance™

	• Re-performing the calculations used to check Accuracy and correctness of information. • Ensured on a sample basis that the Dividend Income was being credited in the designated bank account. • Assessing the adequacy revenue recognition, measurement and disclosures made for income in the financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala-2001 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund's to cease to continue as a going concern.

Proud Member of AlliottGlobalAlliance™

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and the relevant notification issued by Bangladesh Securities and Exchange Commission, we also report the following:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Fund so far as it appeared from our examination of those books;
c) The Fund's Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows of the Fund together with the Annexed Notes dealt with by the report are in agreement with the books of accounts and returns; and
d) The investment was made as per Rule 56 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala,2001; and
e) The expenditure incurred and payments made were for the purpose of the Fund's business.
f) The information and explanation required by us have been received and found satisfactory.

Place: Dhaka
Date: 31 August, 2023

Md. Belayet Hossain FCA
Partner, Enrolment No:1480, ICAB
K. M. Alam & Co.
Chartered Accountants
DVC: 2308311480AS188973

Proud Member of AlliottGlobalAlliance™

EBL NRB Mutual Fund
Statement of Financial Position
As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-23	30-Jun-22
Assets			
Investment in marketable securities-at fair value	5.00	1,776,878,805	1,943,435,441
Investment in non-listed Securities-at fair value	6.00	510,638,297	419,096,187
Cash & Cash equivalents	7.00	129,749,794	229,965,201
Preliminary & Issue Expenses	8.00	8,733,925	9,839,677
Others receivables	9.00	18,753,329	26,154,744
Advance, deposit & prepayments	10.00	16,095,743	6,446,484
Total asset		**2,460,849,893**	**2,634,937,733**
Liabilities			
Liabilities for expenses	11.00	14,086,286	1,427,155
Unclaimed Dividend	7.01	2,911,970	1,161,324
Other liabilities	12.00	3,170,738	572,012
Total Liabilities		**20,168,994**	**3,160,491**
Net Assets		**2,440,680,899**	**2,631,777,242**
Owners' Equity			
Capital Fund	13.00	2,242,613,030	2,242,613,030
Dividend Equalization & TRR Reserve		114,050,992	114,050,992
Unrealized Gain		-	949,829
Retained Earnings		84,016,877	274,163,391
Total Equity		**2,440,680,899**	**2,631,777,242**
Net Assets Value (NAV)-at Cost	14.00	2,614,011,601	2,630,827,413
No. of unit		224,261,303	224,261,303
		11.66	**11.73**
Net Assets Value (NAV)-at Fair Value	14.00	2,440,680,899	2,631,777,242
No. of unit		224,261,303	224,261,303
		10.88	**11.74**

These financial ststement should be read in conjunction with annexed notes.

Asset Manager
Bangladesh RACE Management PCL

Trustee
Bangladesh General Insurance Company Limited

Signed in terms of our separate report of even date annexed

Md. Belayet Hossian FCA
Partner,Enrolment No:1480,ICAB
K. M. Alam & Co.
Chartered Accountants
DVC:2308311480AS188973

Dated: Dhaka
August 31, 2023

EBL NRB Mutual Fund

Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-23	30-Jun-22
Income			
Net profit on sale of securities	15.00	97,359,101	303,263,837
Dividend from investment	16.00	65,603,641	84,643,459
Interest income	17.00	13,242,978	29,618,560
Total Income		**176,205,720**	**417,525,856**
Expenses			
Management Fees	18.00	27,511,654	32,077,892
Amortization of Preliminary & Issue Expenses	8.00	1,105,752	1,105,752
Trustee fees	19.00	2,696,484	2,788,740
BSEC annual fee	20.00	2,242,613	2,242,613
Custodian fees	21.00	1,525,215	1,864,355
CDBL Charges	22.00	372,603	532,408
DSE annual fee		600,000	600,000
CSE annual fee		600,000	600,000
Bank Charges		186,691	111,240
Audit Fee		87,000	60,000
Expenses for Capital Market Stabilization Fund	23.00	366,010	188,656
Printing Publication & IPO Expenses		204,084	624,432
Total Expenses		**37,498,106**	**42,796,088**
Net profit before provision		**138,707,614**	**374,729,768**
(Total Provision for VAT,Tax and Write off)/ write back against erosion of fair value	24.00	(82,166,695)	(101,229,994)
Net Profit after Provision transferred to retained earnings		**56,540,919**	**273,499,774**
Other Comprehensive Income:			
Unrealised gain/ (loss)		-	(258,727,894)
Total profit or loss and other comprehensive income		**56,540,919**	**14,771,880**
Earnings Per Unit for the year (EPU)	25.00	**0.25**	**1.22**

These financial ststement should be read in conjunction with annexed notes.

Asset Manager
Bangladesh RACE Management PCL

Trustee
Bangladesh General Insurance Company Limited

Signed in terms of our separate report of even date annexed

Md. Belayet Hossian FCA
Partner,Enrolment No:1480,ICAB
K. M. Alam & Co.
Chartered Accountants
DVC:2308311480AS188973

Dated: Dhaka
August 31, 2023

K.M. ALAM & CO. Dhaka Chartered Accountants

EBL NRB Mutual Fund
Statement of Changes in Equity
For the year ended June 30, 2023

Amount in Taka

Particulars	Capital Fund	Dividend Equalization & TRR Reserve	Unrealized Gain	Retained Earnings	Total Equity
Balance at July 01, 2022	2,242,613,030	114,050,992	949,829	274,163,391	2,631,777,242
Net profit for the year	-	-	-	56,540,919	56,540,919
Dividend paid 2021-2022 (Cash)	-	-	-	(246,687,433)	(246,687,433)
Unrealized Gain	-	-	(949,829)	-	(949,829)
Balance at June 30, 2023	**2,242,613,030**	**114,050,992**	**-**	**84,016,877**	**2,440,680,899**

Statement of Changes in Equity
For the year ended June 30, 2022

Particulars	Capital Fund	Dividend Equalization & TRR Reserve	Unrealized Gain	Retained Earnings	Total Equity
Balance at July 01, 2021	2,242,613,030	114,050,992	259,677,723	135,220,399	2,751,562,144
Net profit for the year	-	-	-	273,499,774	273,499,774
Dividend paid 2020-2021 (Cash)	-	-	-	(134,556,782)	(134,556,782)
Unrealized Gain	-	-	(258,727,894)	-	(258,727,894)
Balance at June 30, 2022	**2,242,613,030**	**114,050,992**	**949,829**	**274,163,391**	**2,631,777,242**

Asset Manager
Bangladesh RACE Management PCL

Trustee
Bangladesh General Insurance Company Limited

See annexed report of the date

Dated: Dhaka
August 31, 2023

Md. Belayet Hossian FCA
Partner,Enrolment No:1480,ICAB
K. M. Alam & Co.
Chartered Accountants

K. M. ALAM & CO. Dhaka Chartered Accountants

EBL NRB Mutual Fund
Statement of Cash Flows
For the year ended June 30, 2023

Particulars	Amount in Taka	
	30-Jun-23	30-Jun-22
A. Cash flows from operating activities:		
Net profit on sale of securities	97,359,101	303,263,837
Dividend from investment	68,407,533	73,749,761
Interest income	16,235,147	39,633,969
Operating expenses	(30,783,756)	(49,569,070)
Net cash flow from operating activities	**151,218,026**	**367,078,497**
B. Cash flows from Investing Activities		
Net Investment in securities	(6,496,645)	(59,901,080)
Net cash from investing Activities	**(6,496,645)**	**(59,901,080)**
C. Cash flows from Financing Activities		
Dividend paid (2021-2022)	(246,687,433)	(134,556,782)
Unclaimed Dividend	1,750,645	1,161,324
Net cash from Financing Activities	**(244,936,788)**	**(133,395,457)**
D. Net cash flows (A+B+C)	**(100,215,407)**	**173,781,959**
E. Cash & Cash Equivalents at the Beginning of the period	229,965,201	56,183,242
F. Cash & Cash Equivalents at the end of the period (D+E)	**129,749,794**	**229,965,201**
Net Operating Cash Flow Per Unit (NOCFPU)	**0.67**	**1.64**

Asset Manager
Bangladesh RACE Management PCL

Trustee
Bangladesh General Insurance Company Limited

See annexed report of the date

Dated: Dhaka
August 31, 2023

Md. Belayet Hossian FCA
Partner,Enrolment No:1480,ICAB
K. M. Alam & Co.
Chartered Accountants

K.M. ALAM & CO. Dhaka Chartered Accountants

EBL NRB Mutual Fund
Notes to the Financial Statements
For the year ended June 30, 2023

1. The fund and legal status

EBL NRB Mutual Fund (hereinafter called as "Fund") was established under a Trust Deed signed 19 August 2010 between Eastern Bank Limited (EBL) as a 'Sponsor' and Bangladesh General Insurance Company Limited as a "Trustee". The Fund was registered under the Trust Act 1882 as well as under the Bangladesh Securities and Exchange Commission (BSEC) on 30 August 2010 vide registration code no. SEC/Mutual Fund/2010/27 under the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001. The operations of the Fund was commenced on 29 May 2011 by listing with Dhaka and Chittagong Stock Exchanges.

As provided in Trust Deed, Bangladesh RACE Management PCL, an asset management company, is the Fund Manager. Bangladesh RACE Management PCL was incorporated as a private limited company under Companies Act 1994 on March 2008.

EBL NRB Mutual Fund is a close-end Mutual Fund of twenty years' tenure. The objectives of the Fund are to provide regular dividend to the investors by investing the Fund both in capital and money market instruments. The Fund consists of 224,261,303 units of BDT 10 each. The units of the Fund are transferable.

2. Objectives

The objective of EBL NRB Mutual Fund is to provide attractive dividends to its unit-holders by earning superior risk adjusted return from a diversified investment portfolio.

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) and as per requirements of the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001, Trust Deed and other applicable laws and regulations.

3.2 Basis of measurement

These financial statements have been prepared on a going concern and accrual basis under historical cost convention and initial fair value for identical asset using trade date accounting in accordance with generally accepted accounting principles.

3.3 Functional and presentational currency

These financial statements are presented in BDT, which is also the Fund's functional and presentational currency.

3.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

3.5 Reporting period

These financial statements are prepared for the period from 01 July 2022 to 30 June 2023.

3.6 Taxation

The income of the Fund is exempted from Income Tax as per Finance Act 2023, Act no. 12 of the year 2023 approved by The President of The Peoples Republic of Bangladesh dated June 22, 2023

K. M. ALAM & CO. Dhaka Chartered Accountants

4. Significant accounting policies

The accounting policies set out below have been applied throughout the period presented in these financial statements.

4.1 Investment policy

The investment policy of the Fund as summarised below has set in accordance with Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 including amendments if any:

(i) as per Rule 55 (02) of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 as amended, at least 60% of total assets of the Fund is to be invested in capital market out of which at least 50% will be in listed securities;

(ii) as per fifth schedule, no term loan and advance shall be given from mutual fund.

(iii) as per fifth schedule not more than 10% of total assets of one scheme of a mutual fund shall be invested in one company's share.

(iv) as per fifth schedule not more than 15% of paid-up capital of a company's share shall be invested from all schemes of a mutual fund.

(v) as per fifth schedule not more than 20% of one or group of companies' share, debenture or other securities shall be invested from all schemes of a mutual fund.

(vi) as per fifth schedule not more than 25% in one sector/industry's share, debenture or other securities shall be invested from all scheme of a mutual fund.

(vii) as per fifth schedule investment or loan from one scheme to another scheme shall not be made under one asset management company

(viii) as per fifth schedule a mutual fund shall not make any loan for investment purpose

(ix) as per fifth schedule, no expenses shall be charged in year more than 4% of weekly average NAV annually.

4.2 Valuation of Investment at Fair Value:

Fair Value is a market-based measurement. It is to estimate the price at which an orderly transection to sell the assets or to transfer the liability would take place between market participants at the measurement date under current market condition. As per IFRS-13, EBL NRB Mutual Fund (the fund) adopts the assumption the market participants would use when pricing the assets, including assumptions about risk (a) the risk inherent in a particular valuation technique used to measure fair value (such as pricing model); and (b) the risk inherent in quoted price/input to the valuation technique.

4.3 Dividend Policy

As per Rule 66 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 as amended, the Fund is required to distribute its profit in the form of dividend in cash to its unit holders an amount which shall not be less than 70% of annual profit during the year, net of provisions and net of negative retained earnings brought forward balance.

4.4 Cash & cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and fixed deposits.

4.5 Net asset value calculation

NAV per unit is being calculated using the following formula:
Total NAV = VA - LT
NAV per unit = Total NAV / No. of units outstanding.

VA: Value of all securities in vault + Value of all securities placed in lien + Cash in hand and bank balances + Value of all securities receivables + receivables of proceeds of sale of investments + Dividend receivable, net tax + Interest receivable, net of tax + Issue expenses amortised on that date + Printing, publication and stationery expenses amortised on date.

LT: Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as trustee fee + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

4.6 Provisions

A provision is recognised if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting period. Provision for market unrealised loss shall be made in accordance with the rule 3(d) of 6th schedule of Mutual Fund Bidhimala 2001 and incase of provision write back.

4.7 Revenue recognition

Gains/losses arising on sale of investment are included in the Profit and Loss Statement on the date at which the transaction takes place. Dividend and interest income are recognised as per IAS-18 and IFRS-15 and Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001.

4.8 Statement of cash flows

Cash flows from operating activities have been presented under direct method.

EBL NRB Mutual Fund
Notes to the Financial Statements
For the year ended June 30, 2023

		Amount in BDT	
		30-Jun-23	30-Jun-22
05.00 Investment in marketable securities at fair value			
Capital Market Securities-Listed	5.01	1,776,878,805	1,943,435,441
		1,776,878,805	**1,943,435,441**

5.01 Capital Market Securities-Listed:

Sector/Category	Amount in Taka				
	No. of Shares	Cost Value	Fair Value 30 June 2023	Required (Provision)/ Excess	Fair Value 30 Jun 2022
Bank	53,599,116	722,665,783	660,470,905	(62,194,878)	750,890,810
Cement	109,387	39,657,163	29,151,636	(10,505,527)	27,711,527
Corporate Bond	12,600	13,707,918	13,267,800	(440,118)	834,288
Food and Allied	390,781	238,356,871	202,698,105	(35,658,766)	193,355,560
Fuel and Power	5,600	9,546,824	7,827,120	(1,719,704)	8,092,000
Insurance	369,728	40,307,736	28,174,774	(12,132,963)	30,872,202
Miscellaneous	243,102	38,551,425	30,259,207	(8,292,219)	33,617,193
Mutual Funds	10,983,469	101,546,834	98,754,759	(2,792,075)	99,288,427
NBFI	536,945	29,232,814	20,142,284	(9,090,530)	21,183,099
Pharma	1,606,117	624,071,710	610,563,821	(13,507,889)	701,235,507
Telecommunication	263,672	93,379,439	75,568,395	(17,811,044)	76,354,830
Total	**68,120,517**	**1,951,024,517**	**1,776,878,805**	**(174,145,712)**	**1,943,435,441**

6.00 Investment in non-listed securities			
BSEC approved Non-listed Unit Fund (Category A)	6.01	3,431,116	3,598,570
BSEC approved investment in private equity of non-listed company (Category B)	6.02	220,823,286	123,100,949
BSEC approved Bond (Category C)	6.03	286,383,895	292,396,667
		510,638,297	**419,096,187**

6.01 BSEC approved Non-listed Unit Fund (Category A):

Particular	No. of Shares	Amount in Taka			
		Cost Value	Fair Value 30 June 2023	Required (Provision)/	Fair Value 30 Jun 2022
HFAML Unit Fund	356,294	3,000,000	3,431,116	431,116	3,598,570
Total BSEC approved Non-listed Unit Fund (Category A)	**356,294**	**3,000,000**	**3,431,116**	**431,116**	**3,598,570**

6.02 BSEC approved investment in private equity of non-listed company (Category B):

Particular	No. of Shares	Amount in Taka			
		Cost Value	Fair Value 30 June 2023	Required (Provision)/	Fair Value 30 Jun 2022
Best Holding Limited	1,476,923	97,722,337	97,722,337	-	-
Padma Bank Ltd.	5,000,000	63,888,890	63,888,890	-	63,888,890
Multi Securities & Services Ltd.	3,404,709	59,212,059	59,212,059	-	59,212,059
Total BSEC approved investment in private equity of non-listed company (Category B)	**9,881,632**	**220,823,286**	**220,823,286**	**-**	**123,100,949**

6.03 BSEC approved Bond (Category C):

Particular	No. of Shares	Amount in Taka			
		Cost Value	Fair Value 30 June 2023	Required (Provision)/	Fair Value 30 Jun 2022
Best Holding Ltd. Convertible Bond	-	-	-	-	96,000,000
Premier Bank Ltd. Corporate Bonds	26	156,000,000	156,383,895	383,895	156,396,667
Regent Spinning Mills Corporate Bond -2015	13	130,000,000	130,000,000	-	40,000,000
Total BSEC approved Bond (Category C)	**39**	**286,000,000**	**286,383,895**	**383,895**	**292,396,667**

(Net Provision)/ Unrealized Gain Taken (5.01+6.01+6.02+6.03)	**(173,330,701)**	**949,829**

K.M. ALAM & CO. Dhaka Chartered Accountants

Amount in BDT	
30-Jun-23	30-Jun-22

***** 6.04 Investment in non-listed securities**

As on June 30, 2023 the Fund held a total of Tk 510,638,297.00 in non-listed securities. Each of these investments have been made by the Fund post regulatory (BSEC) approval. There are three categories of such investments (A) BSEC approved Non-listed Unit Fund; (B) BSEC approved investment in private equity of non-listed company; (C) BSEC approved Bond. The Category (A) investments are valued at the repurchase price which is enforceable on June 30, 2023 declared by respective AMC and this is also a quoted price as per IFRS-13. The investments in Category (B) are held at cost price as the underlying companies are going concerns. The valuation of Category (C) investments are valued at fair value by applying the methodology as per IFRS-13 using Present Value technique under Income approach and in compliance with Rules 58 of Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001.

Category A for BSEC approved non-listed unit fund:

Investments are valued at the repurchase price which is enforceable on June 30, 2023 declared by respective AMC.

Category B. For Non-Listed Private Equity -BSEC approved (Padma Bank limited and Multi Securities Limited & The Best Holdings Limited):

The Fund has invested in the equity of two non-listed private companies (private equity investments), namely the (i) Padma Bank Limited and (ii) Multi Securities & Services Limited, both of which are regulated; the Padma Bank Limited is regulated by Bangladesh Bank and the Multi Securities & Services Limited is regulated by Bangladesh Securities and Exchange Commission, and the quasi-regualtors the Dhaka Stock Exchange and the Chittagong Stock Exchange.There is a third investment in this category, namely (iii) the pre-IPO placement equity of Best Holdings Limited. We comment in more detail on each of these three investments below:

(i) Padma Bank Limited: The Fund has investment in equity of private company Padma Bank Limited (the "PBL") which has been approved by BSEC vide letter no. SEC/MF & SPV/MF-02/2009/467 dated May 31, 2012. The PBL is a Bangladesh Bank Regulated entity and going concern. Moreover, PBL private equity is owned by Govt. Banks and financial institutions which owns 65% or a majority of the total equity of the banks. Therefore, Padma Bank Ltd. is considered a going concern and the investment is held at cost by the Fund for a total investment amount of Tk. 63,888,890.00 Fair Value of the similar catagory of listed banks is above cost.

(ii) Multi Securities and Services Limited: The Fund has investment in equity of private company Multi Securities and Services Limited (MSSL) which has been approved by BSEC vide letter no. SEC/MF & SOV/MF-02/2009/783 dated November 04, 2015. The company is regulated by BSEC and is going concern and has been paying dividend regularly. Using prudence and conservative principal of accounting this investment is also held at cost by the Fund for a total investment amount of Tk. 59,212,059.00

(iii) The Best Holdings Limited: The Fund has investments in the pre-IPO equity of private company the Best Holdings Limited (BHL). The private equity holdings are the result of the conversion of the Fund's holdings in the Best Holdings Limited Corporate Bond, a capital market security which was approved by the Bangladesh Securities & Exchange Commission vide its consent BSEC/CI/DS-47/2015/80, February 14, 2017 to raise capital through institutional private placement. The Trustee of the Bond is well reputed Green Delta Insurance Company Limited. Background of the conversion is as follows: In consideration of the Covid-19 pandemic related significant business loss suffered by the Hospitality sector in which Best Holdings Limited (BHL) operates, the Financial Instutions Division of the Ministry of Finance of the Government of Bangladesh vide its letter 53.00.0000.331.37.002.20.375 instructed bondholders and equity holders who participated in the BHL capital raise to restructure the cash flow requirements from the Bond and equity investment instruments. Based on the better cash inflow opportunity for the equity copmared to the bond, the Investment Commitee of the Fund, along with some other Bondholders, chose to convert the Bond holding into BHL equity as a pre-IPO equity placement, subject to the Issuer obtaining the necessary regulatory approvals. Subsequently the regulator BSEC has issued a gazette (dated 27 July, 2023 ref: BSEC/CMRRCD/2009-193(part#06)/64/PRD/146, which has provided an implied exemption to the Bond conversion.The investment is now held at cost in the total amount of Tk. 97,722,337.00, which is equivalent to the principal outstanding. In the event that the regulatory approval (post facto) sets a date certain that is after the Fund's conversion date, then it may give rise to a contingent claim: depending on the regulatory decision as to which date the conversion shall occur, there may arise a claim on the Issuer of interim interest to be settled in cash or kind (equity), in the amount of taka 2,65,82,400/=, to be paid by Issuer in cash or kind. Due to the related uncertainties, out of prudence, the Trustee and Investment Committee of the Fund has decided to not recognoze this amount in the financial stements of the Fund, and may realize it as income only after the uncertainties are resolved.

K. M. ALAM & CO. Dhaka Chartered Accountants

	Amount in BDT	
	30-Jun-23	30-Jun-22

C. For Non-Listed Bond (Regent Corporate Bond & Premier Bank Limited Subordinated Bond):

(i) Regent Spinning Mills Corporate Bond-2015: The Fund has investments in Regent Corporate Bond 2015 (the "Regent Bond"), which has been issued by Regent Spinning Mills Limited (the "Issuer") and was approved as a capital market security by Bangladesh Securities Exchange Commission approved vide BSEC letter, BSEC/CI/DS/23/2015/195, dated May 19, 2015. As on June 30th, 2023 the Mutual Fund held 13 units of the Bond with Face Value of Taka 1.0 crore per unit for a total amount of Tk 130,000,000. The Regent Bond has not paid any coupon since the onset of Covid 19 pandemic in FY 2019-20, a development that has been disclosed in the financial statements of the Fund for FY 2020-21 and FY2021-22. As this default has continued to the present the Trustee and Investment Committee of the Fund has decided to include the additional following disclosrue on this investment: "The Bond Trustee, the Investment Corporation of Bangladesh (the "ICB"), a reputable statutory corporation of the Government, has conducted an independent assessment of the Regent Bond which included physical inspection of the premises, upon which the Trustee has assessed the Issuer business is a going-concern. Moreover, the present value of the pledged assets of the Issuer, the guarantor Habib Group, and its various affiliates, subsidiaries and Directors, is adequate to cover the outstanding principle and interest against the Regent Bond held by the Fund. As a result, the Trustee and Asset Management Company has decided not to take a provision against the Regent Bond investment for FY 2022-23. The bond is secured by pledge of shares of Regent Textile Mills Ltd. as per schedule-4 of Trust Deed, Deposits & Account receivable of Regent Textile Mills Limited as provided for in schedule-05 of Trust Deed and corporate guarantee of Regent Textile Mills Ltd. The bond has been reported at cost. The Trustee and Bondholders are actively pursuing recovery efforts."

(ii) The Premier Bank Limited Tier2 Subordinated Bond(s): The Fund has investments in the Tier-2 Subordinated category of Bonds issued by the Premier Bank Limited. The Bonds have been approved by the Bangladesh Bank and the ensuing capital market security(ies) the Bonds have been approved by BSEC vide the approval letters BSEC/CI/DS-860/2022/1076 dated December 01, 2022; The Bonds are regular coupon paying Bonds and therefore are being held at the Fair Value determined by IFRS 13 using present value technique under income approach at a risk free rate 7.75% average of 5 years T-bond's yeild and FDR rate. The total amount of the Fund's investment at Fair Value Tk 156,383,895.00

07.00	**Cash and cash equivalents :**		
	Operational accounts:		
	Southeast Bank Ltd (A/C-1310000009)	851,340	133,449,694
	The Premier Bank Ltd (A/C-14913500004)	1,973,950	1,978,100
	One Bank Ltd (A/C-12300000711)	28,987,144	70,676,697
	Padma Bank Ltd (A/C-0113000390685)	16,067,693	16,692,921
	Dhaka Bank Ltd (A/C-2011520000048)	48,734	5,619,817
	One Bank Ltd (A/C-0183000001547)	78,889,081	-
	Eastern Bank Ltd (A/C-1011320140134)	19,882	20,638
	IPO & Dividend accounts		
	Eastern Bank Ltd (A/C-1011320140495)	188	-
	Eastern Bank Ltd (A/C-1013050140461) Dollar	-	-
	Eastern Bank Ltd (A/C-1013060140483) GBP	-	-
	Eastern Bank Ltd (A/C-1013070140472) EURO	-	-
	One Bank Ltd (A/C-0183000001398)	2,021,677	-
	Bank Asia Ltd (A/C-4936000124)	1,523	1,496
	Bank Asia Ltd (A/C-4936000142)	5,728	561,343
	Bank Asia Ltd (A/C-4936000157)	882,854	964,495
		129,749,794	**229,965,201**
07.01	**Unclaimed Cash Dividend:**		
	Year 2021-2022	2,021,677	-
	Year 2020-2021	882,854	964,495
	Year 2018-2019	5,728	195,333
	Year 2017-2018	1,523	1,496
	IPO Accounts	188	-
		2,911,970	**1,161,324**
08.00	**Preliminary and issue expenses :**		
	Opening balance	9,839,677	10,945,429
	Less: Amortization during the period	1,105,752	1,105,752
		8,733,925	**9,839,677**
09.00	**Other receivables :**		
	Interest receivable	65,990	3,058,160
	Dividend receivable	11,406,055	14,209,947
	Receivables from Brokerhouse	7,281,285	8,886,637
		18,753,329	**26,154,744**

K.M. ALAM & CO. Chartered Accountants Dhaka

		Amount in BDT	
		30-Jun-23	30-Jun-22
10.00	**Advance deposit and prepayment :**		
	Advance income tax deducted at source (AIT)	11,495,220	1,459,989
	Security Deposit- CDBL	500,000	500,000
	Prepayments 10.01	4,100,523	4,486,495
		16,095,743	**6,446,484**
10.01	**Prepayments :**		
	Annual fee-BSEC	2,242,613	2,242,613
	Trustee fee- BGIC	1,163,236	1,549,208
	Annual fee- CDBL	94,674	94,674
	Annual fee - DSE	300,000	300,000
	Annual fee - CSE	300,000	300,000
		4,100,523	**4,486,495**
11.00	**Liabilities for expenses :**		
	Audit fee	54,000	54,000
	Management fee	12,820,343	35,501
	Payable to Brokerhouse	11,904	11,904
	Custodian fee	874,939	1,000,650
	Printing Publication & IPO expenses	325,100	325,100
		14,086,286	**1,427,155**
12.00	**Other Liabilities :**		
	VAT and Tax Payable	3,020,738	422,012
	Preliminary expenses	150,000	150,000
		3,170,738	**572,012**
13.00	**Capital Fund:**		
	Size of capital fund		
	224,261,303 units of Taka 10 each	2,242,613,030	2,242,613,030
		2,242,613,030	**2,242,613,030**
14.00	**Net Asset Value (NAV)**		
	Total Net Assets Value at Cost	2,614,011,601	2,630,827,413
	Number of unit	224,261,303	224,261,303
	Per Unit NAV at Cost	**11.66**	**11.73**
	a. Total Net Assets Value at Cost	2,614,011,601	2,630,827,413
	b. (Unrealized loss) or Unrealized Gain	(173,330,701)	949,829
	Total Net Assets Value at Fair Value (a+b)	**2,440,680,899**	**2,631,777,243**
	Number of unit	224,261,303	224,261,303
	Per Unit NAV at Fair Value	**10.88**	**11.74**
15.00	**Net profit on sale of securities :**		
	Net profit on sale of securities	97,359,101	303,263,837
		97,359,101	**303,263,837**
16.00	**Dividend from investment:**		
	Listed securities	62,159,110	81,795,611
	Non-Listed securities	3,444,531	2,847,849
		65,603,641	**84,643,459**
17.00	**Interest Income:**		
	Interest Income from Operational account	5,532,426	6,992,538
	Interest Income from Corporate Bonds	7,710,552	22,626,022
		13,242,978	**29,618,560**
18.00	**Management fees:**	**27,511,654**	**32,077,892**
19.00	**Trustee fees :**	**2,696,484**	**2,788,740**

Bangladesh General Insurance Company Limited (BGIC) the trustee of the fund is entitled to get an annual trusteeship fee @ 0.10% of the net asset value per annum, payable semi-annually in advance basis during the entire life of the Fund as per Trust Deed.

20.00	**BSEC annual fees :**	**2,242,613**	**2,242,613**

Annual fee (at the rate of 0.10% of the fund size) was paid to BSEC as per Rules 11(1) of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001

K.M. ALAM & CO. Chartered Accountants Dhaka

	Amount in BDT	
	30-Jun-23	30-Jun-22

21.00 Custodial fees : **1,525,215** **1,864,355**

BRAC Bank Limited, the custodian of the fund is entitled to receive a safekeeping fee @ 0.07% on the balance of securities calculated on average month end value per annum as per Trust Deed.

22.00 CDBL Charges : **372,603** **532,408**

CDBL charge was paid to Central Depository Bangladesh Limited (CDBL) as per Annex A 1 of CDBL Bye Laws (3.7).

23.00 Expenses for Capital Market Stabilization Fund:

Payment to Capital Market Stabilization Fund	366,010	188,656
	366,010	**188,656**

In compliance with BSEC Rule-SEC/SRMIC/165-2020/part-1/166 unpaid/ unclaimed dividend with accrued interest has been transferred to BSEC Capital Market Stabilization Fund. This figure had been accrued as income in previous period but balance was not transferred to operation accounts, now full amount of unclaimed dividend and accrued interest tranferred to CMSF fund as per new circular.

24.00 (Total Provision for VAT,Tax and write off)/ write back against erosion of fair value:

Provision for Previous year B/F	-	-
Market Provision Taken (5.01+6.01+6.02+6.03)	(173,330,701)	-
Required Provision	**(173,330,701)**	-
Provision write back of Regent Bond-2015	96,000,000	(96,000,000)
Provision for VAT and Tax	(4,835,993)	(5,229,994)
	(82,166,695)	**(101,229,994)**

25.00 Earnings Per Unit (EPU):

Net profit after (provision)/writeback of unrealize loss	56,540,919	273,499,774
Number of unit	224,261,303	224,261,303
	0.25	**1.22**

26.00 The Trustee of the Fund has approved dividend at the rate of 7.00% on the capital fund of Taka 2,242,613,030 in the form of cash. The record date is September 12, 2023 for the year ended 30 June 2023 at the meeting held on August 21, 2023.

27.00 Others

a These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

b Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.

c Figures of previous year have been rearranged wherever considered necessary, to conform with the current year's presentation.

d To convert the reporting currency of foreign currency accounts the fund consider US Dollar conversion rate is 108.00 Tk., Euro conversion rate is 117.87 Tk., GBP conversion rate is 137.16 Tk. As per Bangladesh Bank web site date on 30 June 2023.

Asset Manager
Bangladesh RACE Management PCL

Trustee
Bangladesh General Insurance Company Limited

Dated: Dhaka
August 31,2023

K.M. ALAM & CO. Chartered Accountants Dhaka