

EDGE HIGH QUALITY INCOME FUND

ASK US ANYTHING



Ali Imam, CFA

Chief Executive Officer
EDGE AMC Limited



Khandakar Safwan Saad, CFA

Chief Investment Officer
EDGE AMC Limited



Fuad Zibran

Investment Associate
EDGE AMC Limited

Tuesday, 11 January | 4 PM BST (GMT+6)

EDGE AMC LIMITED

Responsible value investing



About EDGE

EDGE



Products

EDGE Bangladesh Mutual Fund

EDGE AMC Growth Fund

EDGE High Quality Income Fund

*EDGE Al-Amin Shariah
Consumer Fund

Separately Managed Accounts



Products

Investment Research

Macroeconomic Research

Bespoke Research

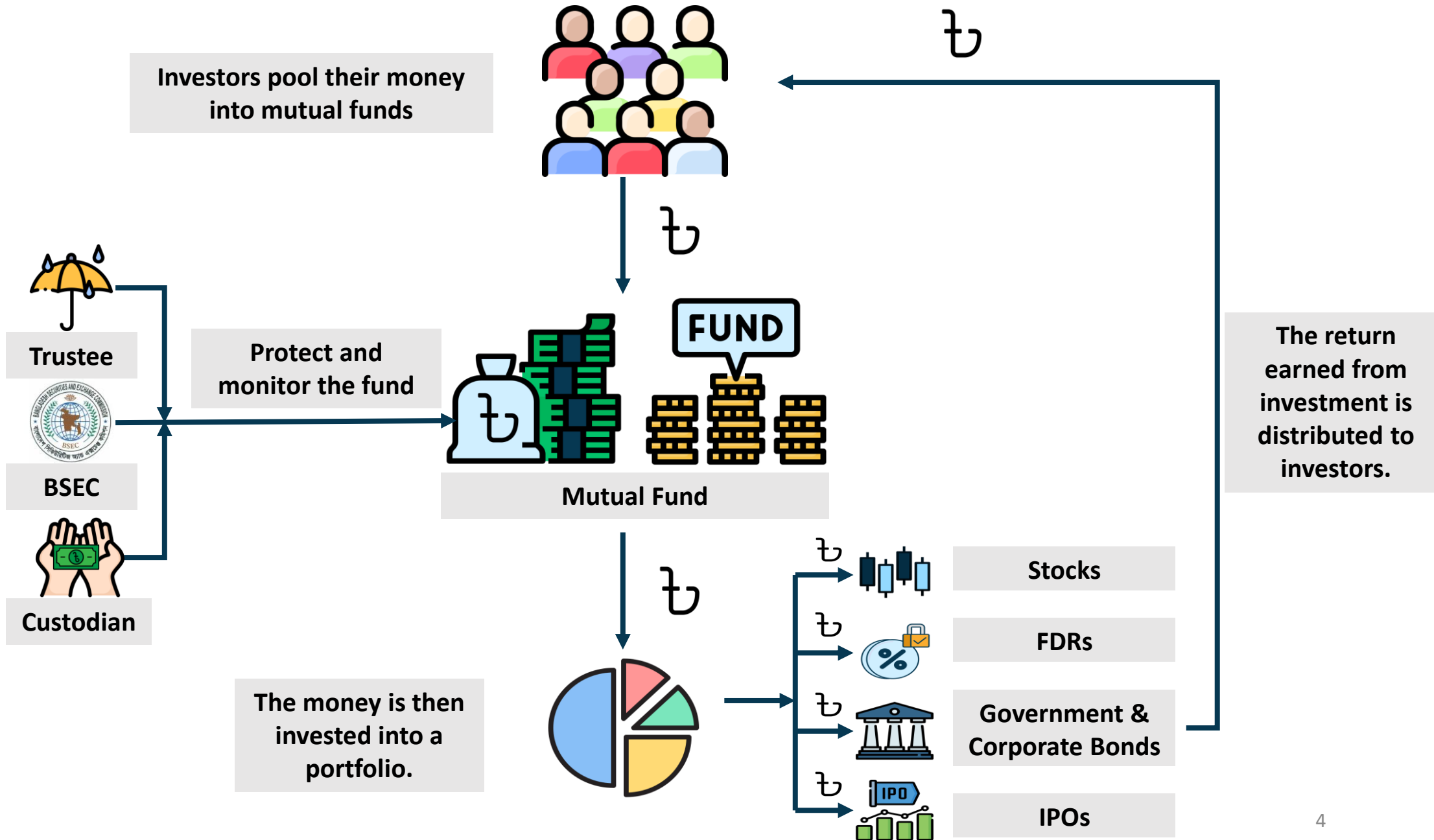
Deal Advisory

EDGE began with the objective of providing highest quality investment management services with the integrity and capability of international counterparts, but with a local presence.

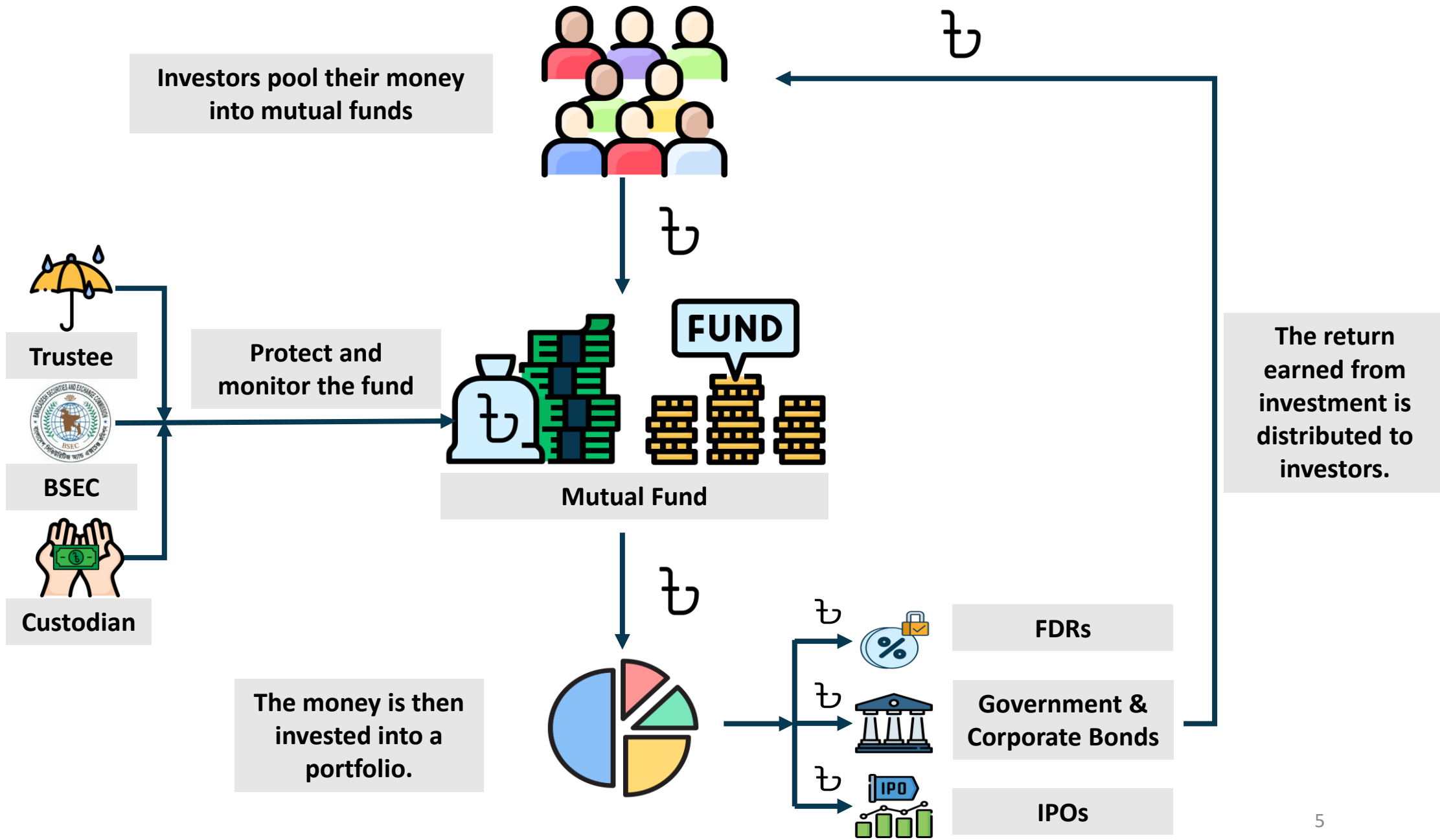
EDGE Asset Management currently manages two open ended mutual funds and SMAs with a combined AUM of ~US\$14mn. Our clients include both retail and institutional investors. Our 3rd fund is in its IPO stage and our 4th fund is set to begin operations next month.

EDGE Research & Consulting is the leading equity research provider to international fund managers investing in Bangladesh. The firm also provides a host of advisory and consulting services to both corporates and startups.

Introduction to Mutual Funds



Introduction to Fixed Income Mutual Funds



High Quality Income

=

Higher income vs alternatives

+

Low variability (risk) of income

+

Maintaining high liquidity

+

Lowering tax burden



Value Proposition of EDGE High Quality Income Fund (EDGEHQIF)

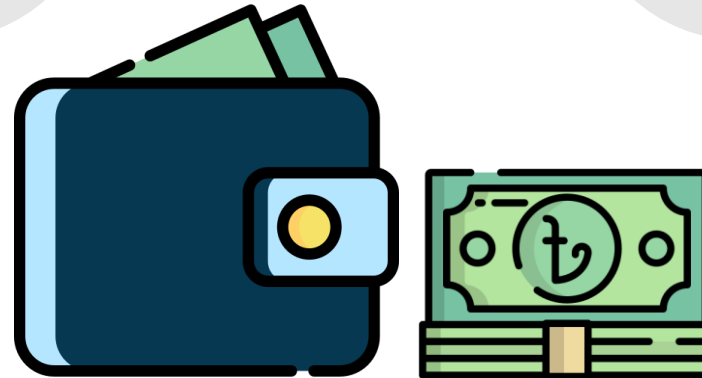
Capital gain potential from leveraging
macro and credit research



More liquid versus
comparable securities



Highly tax efficient-
investments in the fund
qualify for tax rebate



Capital protection with
quality and diversification

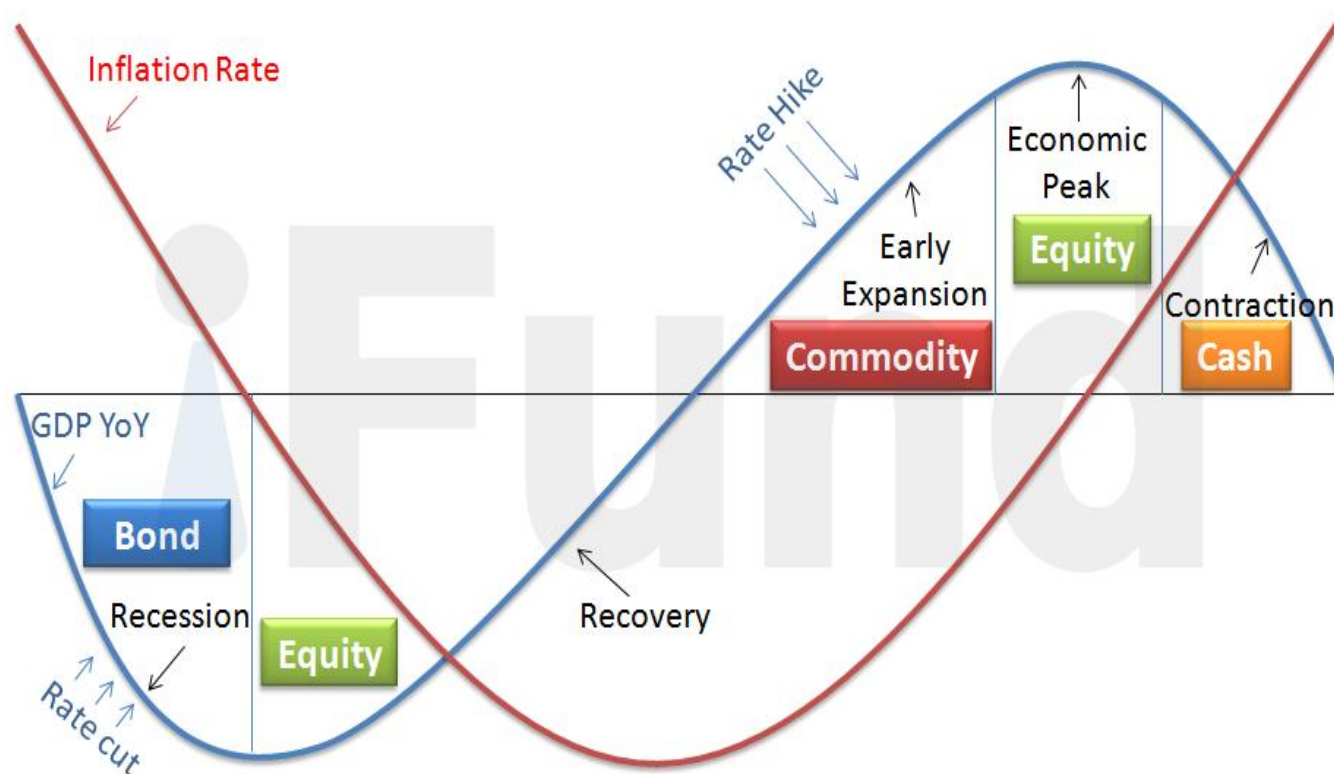


Access to prime rates,
private debt market
deals and IPOs



EDGE High Quality Income Fund –
offering unique combination of higher
return prospect, more liquidity with
lower risk, low cost & taxes!

Economic Cycles: Context for Fixed Income Securities/ Funds



Value of Fixed Income generating securities increases as market interest rates decrease over the economic cycle.

Fixed Income Funds perform better than stocks or traditional mutual funds during the recession as the interest rates decline.

Stocks or traditional mutual funds, on the contrary, perform better during the recovery phase of the economy as the interest rates rise.

Hence, a portfolio of both stocks and bonds (or Fixed Income Funds) reduces the chance of capital loss (or risk) and grows wealth over time sustainably.

Performance of Fixed Income Funds depends heavily on the asset manager's ability to forecast interest rates and credit quality.

Introduction to the EDGE High Quality Income Fund (EDGEHQIF)

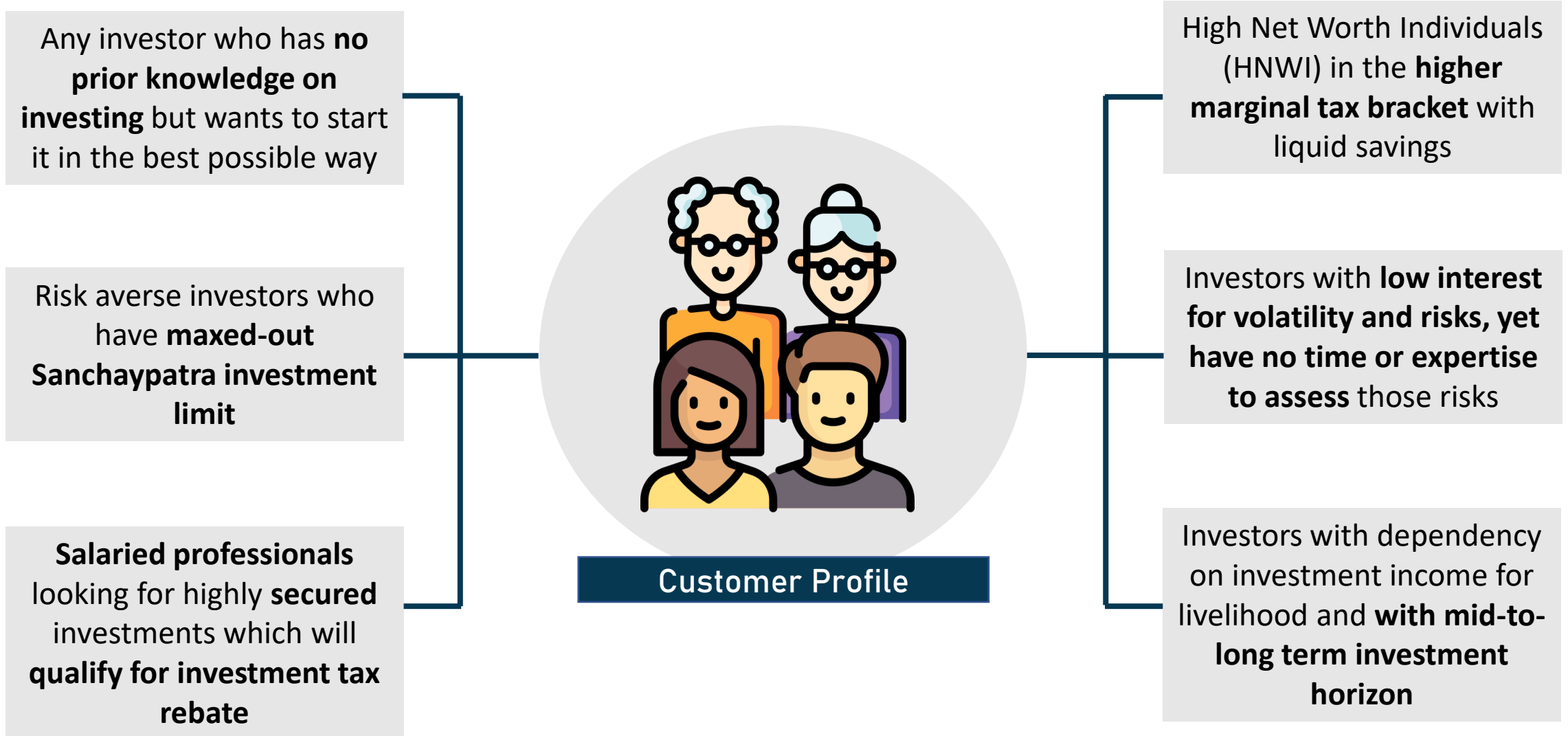
EDGEQIF is designed to bring together the best features of available investment products in Bangladesh.

Investment Considerations	EDGEHQIF	Sanchayapatra	Fixed Deposits	Corporate Bonds	Traditional Mutual Funds	Listed Shares
Capital protection	High	Very high	Mid-to-high	Moderate	None	None
Return against per-unit-of-risk	High	High-to-very high *	Moderate	Mid-to-high	Can be very high	Can be very high
Cost of liquidity	Low-to-none	High	Very high	Very high (non-listed)	Low-to-none	Low-to-high
Tax burden	Low	Very low	Very high	Mid-to-high	Low	Very low
Investment limit	No limit	Up to BDT 5 million**	High minimums	High minimums	No limit	No limit
IPO market exposure	Yes	No	No	No	Yes	Yes
Diversification benefit	High	Not applicable	None	None	High	Can be high




**Depends on the total investments in Sanchayapatra after the recent rate revisions. For example annual return from the Bangladesh Sanchayapatra will be 8.61% for someone who invested up to BDT 5 lacs, however his/ her annual return would drop to 7.58% if total investment is BDT 5 million.*

***Limit for joint-application, individual limit is BDT 3 million*

Who Should Invest in EDGEHQIF?

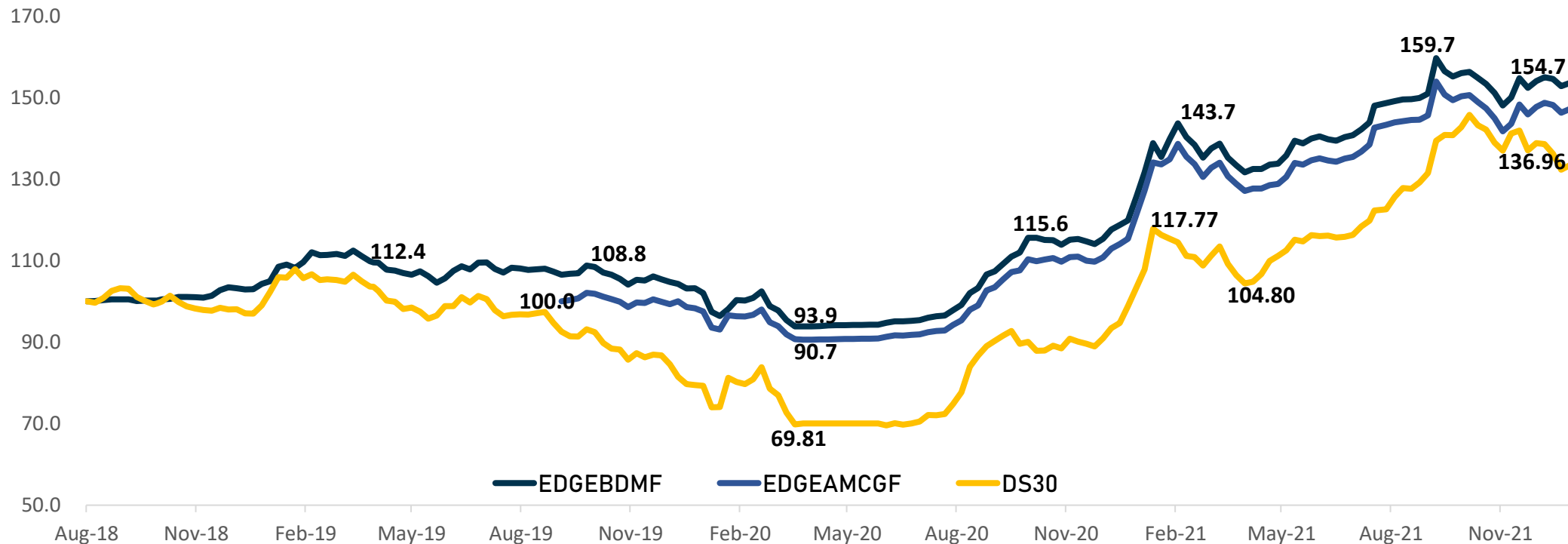


Relative Comparison Among EDGE Mutual Funds

Fund Name	 EDGE Bangladesh Mutual Fund	 EDGE AMC Growth Fund	 EDGE High Quality Income Fund
Summary	Provides exposure to equity and fixed income investments	Provides significantly higher exposure to equities.	Dedicated fixed income fund with only IPO returns providing a boost.
Inception	August 2018	September 2019	January 2022
Nature	Balanced	Growth	Fixed Income
Risk Tolerance	Low to Moderate	Moderate to High	Low
Composition	Stocks, Bonds, IPO	Stocks, IPO	Bonds, FDR, IPO
Average Annual Return	14%	19%	N/A
Dividend Payout Ratio	70%	50%	70%

Historical Performance of EDGE Mutual Funds vs the Benchmark

We build and hold high-conviction, concentrated positions for more than 3-year investment horizon. Our portfolios may underperform general index at times in the bull market period since we focus heavily on quality risk-taking to outperform significantly in bear market period. Such strategy aims to deliver competitive returns and/or to outperform respective benchmarks consistently over the span of economic cycle on average on risk-adjusted basis. This is reflected in historical performance of our funds.



**EDGEAMCGF return starts from August 2019. Since DS30 and EDGEAMCGF had similar index values we did not draw separate chart.*

How to Invest in EDGEHQIF?

For Individuals

To subscribe to the units, you need to provide:

- ▶ A filled in form
- ▶ Personal information through supporting documents
- ▶ Payment confirmation

For Institutions

To subscribe to the units, you need to provide:

- ▶ A filled in form
- ▶ Personal information through supporting documents
- ▶ Payment confirmation

Alternatively, you can invest through Shonchoy.com

For more information, contact:

- Ali Imam, CFA – 8801730357153
- Fuad Zibran – 8801727151503

What Differentiates Us?



TEAM STRENGTH

Culture: Core team has known and worked together for more than a decade. We share the same vision and want to pursue the same means of attaining that vision.

Long term vision: We are a management owned company which allows us to have very long time horizon. We understand that building a brand takes time and we are mentally tuned to make it happen over years.

Track record: Team members have strong track records of discovering investment ideas that have led us to dominate equity research, and also significant market beating performance in fund management.



SYNERGY WITH RESEARCH

Startups: We have been working closely with and investing our capital in startups. This gives us an early advantage into understanding the sort of disruptions that pop up in our coverage universe.

Network and relationships: EDGE has developed a strong network with listed companies, their competitors, distributors, customers etc. over the years. The consulting and research division clearly helps in strengthening those relationships.

Industry knowledge: Advisory and consulting projects often lead to substantial acquisition of knowledge on sectors and industries which tend to compound over time.



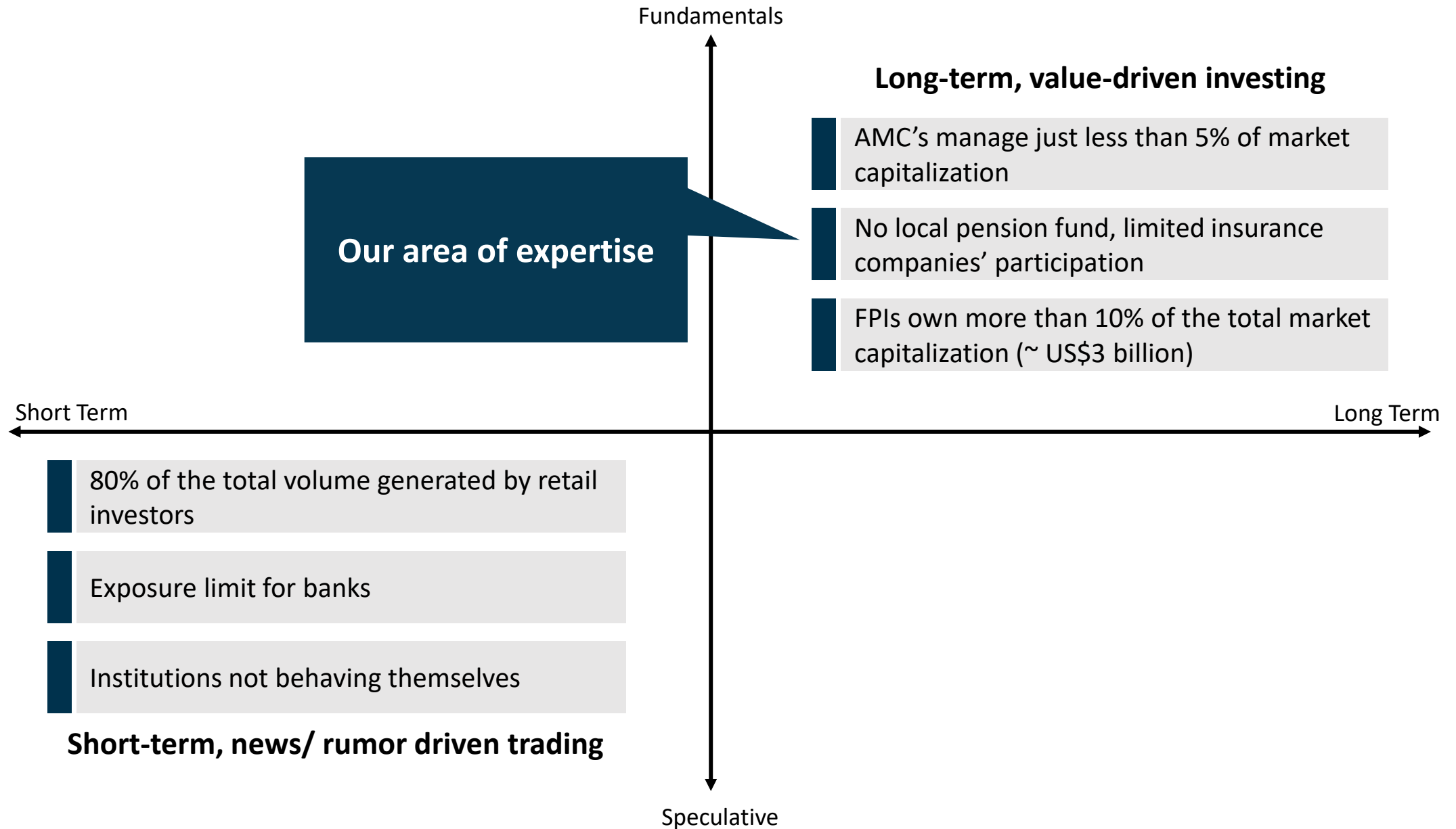
INTEGRITY

Co-investing: EDGE shareholders have co-invested >15% of the fund AUMs alongside external investors to align incentives.

Formation and trading costs: Most fund managers steal client money via high formation fees and brokerage commissions. We launched funds with the lowest formation costs and pay the lowest commission rates of 16-18 bps.

Conflict of interest management: We manage conflict of interests proactively. Our research clients are well aware of the asset management business and we communicate this upfront. Our mutual fund portfolios are also available publicly on a quarterly basis for anyone to see.

How Are We Positioned?



Our Journey



2010

We began working together as a team at BRAC EPL Stock Brokerage Limited's Equity Research Team



2012

We discussed the idea of launching an AMC in Bangladesh. After talking to a few investors, we decided to do so at a later date once we had enough capital and connections



2020

Our AUM increased by 2 times during the pandemic. Our Research department also released a Macro Economic product



2021

Got our application for Edge's HQ Income Fund accepted by the BSEC. Also, applied for EDGE Al-Amin Shariah Consumer Fund



2014

Our team rejoined EPL after stints at IFC and Caravel Management LLC. We became the largest recipient of soft dollar payments after discovering the best investment opportunities via thorough research, client interactions and global road shows. We have also maintained longstanding close relations with company management till date.



2017

We registered EDGE AMC Limited and applied for asset management license. Also, registered EDGE Research and Consulting Limited



2018

Received AMC License and launched Bangladesh Mutual Fund in August 2018. EDGE Research launched its independent equity research product



2019

EDGE AMC Growth Fund launched in September 2019. EDGE Research became the largest equity research provider in Bangladesh

Team Profile- EDGE AMC and EDGE Research & Consulting Limited



Ali Imam, CFA, *Managing Director & CEO*

Past experience: Investment Analyst at IFC, Head of Research at BRAC EPL Stock Brokerage

Credentials: BBA, Dhaka University, CFA Charterholder



Khandakar Safwan Saad, CFA, *Chief Investment Officer*

Past experience: Former Head of Research at BRAC EPL Stock Brokerage

Credentials: BBA, North South University, CFA Charterholder



S. M Sedekul Islam, *Manager, Finance & Operations*

Past experience: Former Sr. Executive (Accounts) at Lakdhanavi Limited, Subsidiary of LTL Holdings Sri Lanka

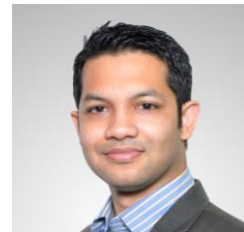
Credentials: Advanced Diploma in accounting & business, ACCA Affiliate



Mohammed Fuad Zibran, *Investment Associate*

Past experience: Research Associate and Undergraduate Teaching Assistant at BRACU

Credentials: BBA, BRAC University



Asif Khan, CFA, *Head of Research*

Past experience: Associate Director, Exotix

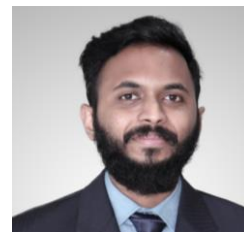
Credentials: BBA, North South University, CFA Charterholder



Waseem Khan, CFA, *Director, Research*

Past experience: Equity Research Analyst at Exotix

Credentials: BBA, IBA, Dhaka University, CFA Charterholder



Mustavi Khan, CFA, *Senior Investment Analyst*

Past experience: Finalist in Finwitz, Semi Finalist in Blueprints

Credentials: BBA, IBA, Dhaka University, CFA Charterholder



Rahma Mirza, *Investment Analyst*

Past experience: First runner up in CFA Research Challenge 2019, First Runner up in Optimity 2019

Credentials: BBA, IBA, Dhaka University



Thank You! Ask Us Anything!

Website: WWW.EDGEAMC.COM

For general need, please email to- info@edgeamc.com

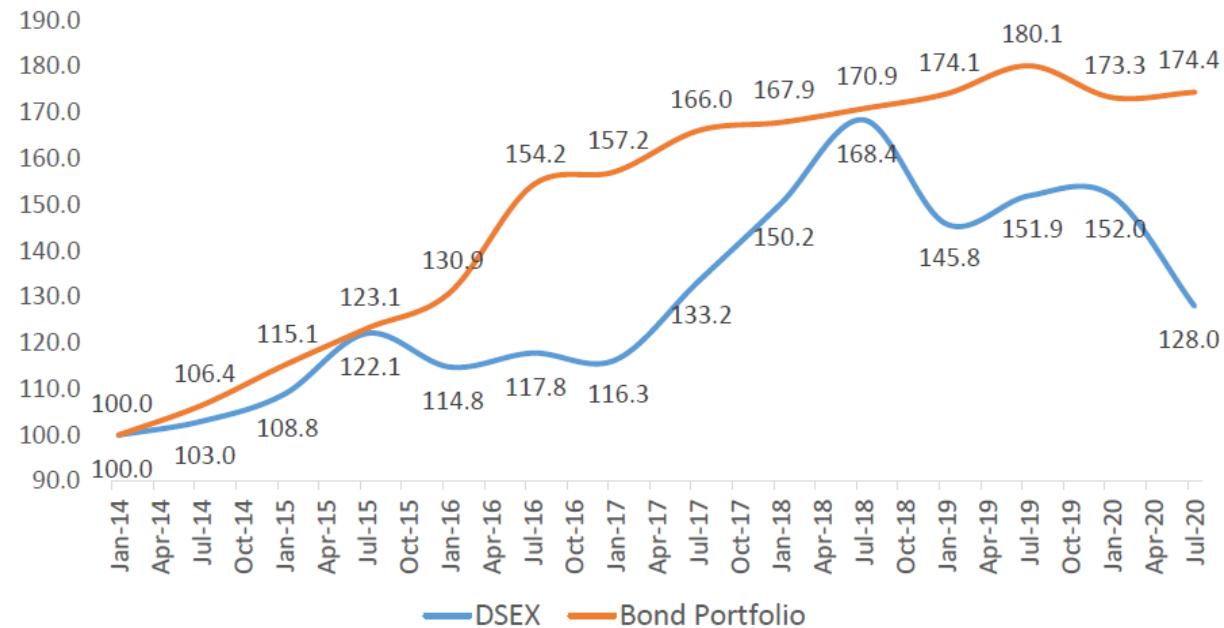
For fund specific questions, please email to- edgehqif@edgeamc.com

Phone: +88-029612606

Appendix: Comparative Performance of Treasury Securities Market

Historical Return of Bond, Comparison with DSE

Comparison of Bond Portfolio return with DSE (including 3% Div. Yield), Jan-14 to Jul-20



Source: Bangladesh Bank, DSE and author's own calculation

Source: Nazmul Ahsan, CFA, CFA Society Bangladesh