

PRIVATE & CONFIDENTIAL

**EDGE BANGLADESH MUTUAL FUND
INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**



Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

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Independent legal & accounting firm



**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF
EDGE BANGLADESH MUTUAL FUND**

Opinion

We have audited the financial statements of EDGE Bangladesh Mutual Fund which comprise the statement of financial position as at 31 December 2023, and 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 of the statement of financial position of EDGE Bangladesh Mutual Fund as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and Securities and Exchange Commission Mutual Fund Bidhimala 2001.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standard 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Matter of Emphasis

- In alignment with the Mutual Fund Bidhimala 2001, specifically Section 55, and as outlined in Prospectus Clause 3.5(ii) concerning Investment Policies, the mutual fund is obligated to allocate no less than 60% of the Fund's total assets to capital market instruments, with a minimum of 50% designated for investment in listed securities. However, as of December 31, 2023, the mutual fund has only invested 56.52% in the capital market, indicating a deviation from the prescribed limit.
- In compliance with the Mutual Fund Bidhimala 2001 and as detailed in Prospectus Clause 3.5(iii), the mutual fund is restricted from allocating more than 25% of the total assets of the Fund Scheme to Fixed Income Securities (FIS). However, as of December 31, 2023, the mutual fund has invested BDT 60,696,640, constituting 25.54% of the Total Asset Cost Value in T-Bills, this is surpassing the prescribed limits slightly.

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 statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement 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 judgement, 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.

Risk	Our response to the risk
Valuation of Investments	
<p>The funds portfolio has total investment of BDT 193,819,704 which represents 81.97% of Total Asset in which investment of BDT 236,439,679 at market value in the capital market and remaining investment in money market and fixed income securities.</p> <p>The market value of financial instruments that are traded in an active market is determined based on quoted market prices.</p> <p>Due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following</p> <ul style="list-style-type: none">➤ Testing the key controls over identification, Measurement and management of valuation risk as well as evaluating the methodologies and input parameters used by the Fund in determining fair market values.➤ Obtained the CDBL report and share portfolio and cross checked against each other to confirm status of financial instruments;➤ Assessing the adequacy of the disclosures in the financial statements against International Financial Reporting Standards-13, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.➤ Finally assessed the appropriateness and presentation of this investment
Note no. 03 to the financial statements	
Net Gain on Sale of Marketable Securities	
<p>Net Gain/(Loss) on Sale of marketable Securities is BDT 121,764 for the year ended 31 December 2023.</p>	<p>We have tested the following :</p> <ul style="list-style-type: none">➤ Electronically generated ledgers from brokerage house of respected dates of securities sales and buy➤ Buy and sales rates checked with DSE website of respected dates.
Note no. 15 to the financial statements	
Management Fee	
<p>Management fee of BDT 5,270,810 represents 74.38% of the total expense of BDT 7,086,283 for the year ended 31 December 2023.</p>	<p>We have tested the design and operating effectiveness of controls around the due and receivable recording process</p> <ul style="list-style-type: none">➤ Obtained ledger and crossed check the respective ledger amount with the trial balance.



	<ul style="list-style-type: none">➤ Management fee is calculated as per the Securities & Exchange Commission (Mutual Fund) Bidhimala, 2001 the Fund shall pay a management fee to the Asset Management Company @ 2.50 percent per annum of the weekly average NAV up to Tk. 5.00 crore and @ 2.00% per annum for additional amount of the weekly average NAV up to 25.00 crore over Tk.5.00 crore and @ 1.50 percent per annum for additional amount of the weekly average NAV up to Tk.50.00 crore over 25.00 crore and @1.00 percent per annum for additional amount of the weekly average NAV over Tk.50.00 crore, accrued and payable quarterly.➤ Tested some sample basis voucher with ledger balance. <p>Assessing the adequacy expense recognition, measurement and disclosures made in relation to the expense in the financial statements</p>
Accounts Payable	
<p>This Accounts payable include Management Fee, Custodian Fee, Audit Fee, CDBL charges and Payable to unit repurchase.</p>	<p>We have tested the design and operating effectiveness of controls around the due and payable recording process.</p> <ul style="list-style-type: none">➤ Obtained fees payable recording process and cross check it with ledger.➤ Obtained provision creates process policy and cross checked those against respective ledger balances. <p>Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.</p>
Note no. 10 & 11 to the financial statements	

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, in 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.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, 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 (consolidated) 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 to cease to continue as a going concern.
- 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 Securities and Exchange Commission Rules 1987 and Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, we also report the following:



- a) we have obtained all the information and explanation 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 account as required by law have been kept by the Fund so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- d) the investment was made as per Rules of Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001; and
- e) the expenditure incurred and payments made were for the purpose of the Fund Business,
- f) the information and explanation required by us have been received and fund satisfactory.

Place: Dhaka
Dated: 17 January, 2024

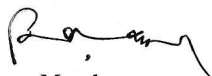

Tarek Rashid
Partner, Enrolment No: 1363 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

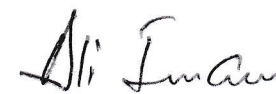
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EDGE Bangladesh Mutual Fund
Statement of Financial Position
As at 31 December 2023


Particulars	Notes	Amount In BDT	
		31-Dec-23	31-Dec-22
ASSETS			
Investments in securities- at market price	3.1	132,396,594	168,298,956
Investments in bonds- at market price	3.2	-	-
Investments in bills- at market price	3.3	61,423,110	-
Other receivables	4	1,116,140	1,939,310
Preliminary and issue expenses	5	407,046	663,205
Advances	6	834,752	170,551
Cash and cash equivalents	7	40,262,037	95,279,143
		236,439,679	266,351,164
EQUITY AND LIABILITIES			
<u>Shareholders' Equity</u>			
Unit capital	8	209,673,550	232,237,760
Unit premium reserve	9	(6,272,709)	(3,906,552)
Retained earnings		31,522,239	36,332,680
Total		234,923,080	264,663,888
<u>Current Liabilities</u>			
Accounts payable	10	64,407	76,882
Liability for expenses	11	1,452,192	1,610,395
Total		1,516,599	1,687,277
Total Equity and Liabilities		236,439,679	266,351,164
Net asset value (NAV)		234,923,080	264,663,887
Net Asset Value (NAV) per unit:			
At cost	12	11.30	11.63
At market price	13	11.20	11.40

These financial statements should be read in conjunction with annexed notes


Member
(Trustee)


Chief Executive Officer
(AMC)


Manager- Finance & Operations
(AMC)


Tarek Rashid
Partner, Enrolment No: 1363
Zoha Zaman Kabir Rashid & Co
Chartered Accountants

Dated
17 January, 2024

DVC: 2401251363AS634452




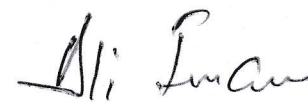


EDGE Bangladesh Mutual Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2023

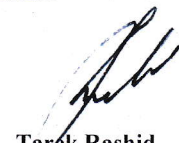
Particulars	Notes	Amount In BDT	
		31-Dec-23	31-Dec-22
Income			
Interest income	14	3,916,210	4,649,594
Net gain on sale of marketable securities	15	121,764	7,172,573
Dividend income	16	2,947,049	8,272,672
Unrealized (loss)/gain on securities	17	3,419,142	(28,528,125)
		10,404,165	(8,433,287)
Less: Expenses			
Management fee		5,270,810	6,229,343
Amortization of preliminary and issue expenses		256,159	256,159
BSEC annual fee		296,550	346,300
CDBL charges		33,791	25,538
CDBL settlement and demat charges		8,333	41,069
Trustee fee		278,412	389,803
Custodian fee		176,082	156,754
IPO subscription fee		9,000	30,000
Brokerage commission		121,526	507,561
Audit fee		50,000	50,000
Printing and publications		69,500	103,975
Bank charges and excise duties		128,445	78,500
Other operating expenses	18	387,676	917,941
		7,086,283	9,132,943
Profit/(loss) for the year/period		3,317,881	(17,566,230)
Add: Other comprehensive income		-	-
Total comprehensive income for the year/period		3,317,881	(17,566,230)
Earnings Per Unit for the year/period	19	0.16	(0.76)

These financial statements should be read in conjunction with annexed notes

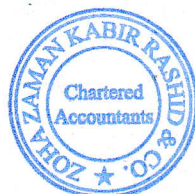

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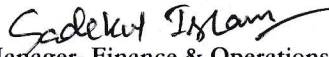





EDGE Bangladesh Mutual Fund
Statement of Changes in Equity
For the year ended 31 December 2023

Particulars	<i>Amount in Taka</i>			
	Unit capital	Unit premium reserve	Retained earnings	Total equity
Balance as at 01 January 2022	288,733,320	4,088,586	121,751,240	414,573,146
Unit capital raised during the year	46,628,340	10,068,310	-	56,696,650
Unit surrendered	(103,123,900)	(18,063,448)	-	(121,187,348)
Dividend paid during the year	-	-	(67,852,330)	(67,852,330)
Net profit during the year	-	-	(17,566,230)	(17,566,230)
Balance as at 31 December 2022	232,237,760	(3,906,552)	36,332,680	264,663,888
Balance as at 01 January 2023	232,237,760	(3,906,552)	36,332,680	264,663,888
Unit capital raised during the year	5,881,060	665,821	-	6,546,881
Unit surrendered	(28,445,270)	(3,031,977)	-	(31,477,247)
Dividend paid during the year	-	-	(8,128,323)	(8,128,323)
Net profit during the year	-	-	3,317,881	3,317,881
Balance as at 31 December 2023	209,673,550	(6,272,709)	31,522,239	234,923,080


Member
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(AMC)


Chief Executive Officer
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Chartered Accountants

Dated
17 January, 2024





EDGE Bangladesh Mutual Fund
Statement of Cash Flows
For the year ended 31 December 2023

Particulars	Amount In BDT	
	31-Dec-23	31-Dec-22
A. Cash flows from operating activities		
Interest income from Bank A/C	1,480,363	4,104,672
Interest income FDRs	183,000	-
Gain on sale of investments	121,764	7,172,573
Dividend income	3,529,433	7,405,704
Advances CDBL fee	(46,000)	(26,000)
Bank charge and excise duties	(128,445)	(134,190)
CDBL charges	(8,332)	(41,069)
IPO Application fee	(9,000)	(30,000)
Brokerage commission	(121,526)	(507,561)
Advertising and promotion	(69,500)	(103,975)
Custodian fee	(166,701)	(223,995)
Audit fee	(50,000)	(50,000)
Management fee	(5,438,395)	(6,767,958)
BSEC annual fee	(268,542)	(329,757)
Trustee fee	(278,412)	(389,803)
BO account fee	(1,800)	(1,800)
Admin expenses	(1,000)	-
IT expense	(56,000)	(19,811)
Net cash from operating activities	(1,329,091)	10,057,030
B. Cash flows from investing activities		
Net investment in shares and securities	29,269,399	59,562,438
Net investment in bonds & bills	(49,204,250)	(9,823,130)
Net investment in IPO	(680,000)	-
Net cash from investing activities	(20,614,851)	49,739,308
C. Cash flows from financing activities		
Proceeds from issuance of units	807,255	6,299,596
Proceeds made for re-purchase of units	(31,491,067)	(122,656,940)
Dividend paid	(2,389,350)	(17,455,933)
Net cash from financing activities	(33,073,162)	(133,813,277)
Net cash flows for the year/period	(55,017,104)	(74,016,939)
Cash and cash equivalents at the beginning of the year/period	95,279,141	169,296,080
Cash and cash equivalents at the end of the year/period	40,262,037	95,279,141
Net operating cash flows per unit	(0.06)	0.43

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(Trustee)

Chief Executive Officer
(AMC)

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(AMC)

Tarok Rashid
Partner, Enrolment No: 1363
Zoha Zaman Kabir Rashid & Co
Chartered Accountants

Dated
17 January, 2024





EGDE Bangladesh Mutual Fund
Notes to the Financial Statements
As at and for the period ended 31 December 2023

1 Legal Status and Nature of the Company

1.01 The Fund and its Objectives

EDGE Bangladesh Mutual Fund (hereinafter referred to as "the Fund") was established as a Trust under the Trust Act, 1882 and registered with Sub-Registrars Office under the Registration Act, 1908, on May 31, 2018. The Fund received Registration Certificate from the Bangladesh Securities and Exchange Commission (BSEC) on June 19, 2018 under the Securities and Exchange Commission (Mutual Fund) Rules, 2001. The BSEC approved the Fund and provided consent on July 23, 2018. The initial size of the Fund is Tk. 100,000,000 (Taka one hundred million only) divided into 10,000,000 units of Tk. 10 each. Subsequently, the unit capital of the Fund now stands at Tk. 209,673,550.

Key Partners of the Fund are as follows:

Sponsor	: EDGE AMC Limited
Registered Address	: Rupayan Prime, Unit B-10, House 2, Road 7, Dhanmondi, Dhaka - 1205.
Trustee	: Shandhani Life Insurance Company Ltd.
Registered Address	: Shandhani Life Tower, Plot -34, Bangla Motor, Dhaka - 1000.
Custodian	: BRAC Bank Limited.
Registered Address	: Anik Tower, 220/B, Tejgaon-Gulshan Link Road, Tejgaon, Dhaka - 1208.
Asset manager	: EDGE AMC Limited
Registered Address	: Rupayan Prime, Unit B-10, House 2, Road 7, Dhanmondi, Dhaka - 1205.

1.02 Principal Activities

EDGE Bangladesh Mutual Fund is an open end Mutual Fund which is a professionally managed portfolio of equity stocks and fixed income instruments. Investors buy units of the Fund and the Asset Manager pools that money to make investments on their behalf. An unit represents a portion of the Fund's holdings.

1.03 Objectives

The primary objective of the Fund is to achieve capital appreciation as well as earn dividend and interest income through investment in the capital market of Bangladesh. It mostly shall focus on generating cash earning and at the same time preservation of capital. The Fund shall strive to accumulate reserves over its life in order to reinvest and be able to distribute a lump sum at redemption.

2 Summary of Significant Accounting Policies

2.01 Preparation of the Financial Statements

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are 'market-to-market' and in conformity with the International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), International Accounting Standards (IAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and also in compliance with requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other laws &

2.02 Statement of Cash Flows

IAS-1, "Presentation of financial statements requires that a cash flow statement be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with basis to assess the ability of the enterprise to generate cash and cash equivalents and needs of the enterprise to utilize those cash flows. Statement of cash flows has been prepared under the direct method for the period, classified by operating, investing and financing activities as prescribed in paragraph 10 and 18(a) of IAS 7: "Statements of Cash Flows". In accordance with Mutual Fund Rules, 2001, proceeds from investments have been shown under investing activities. However, the amount of resultant gain on sale of investment has been shown in operating activities.

2.03 Statement of Changes in Equity

The statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

2.04 Functional and Presentation Currency

These financial statements are presented in Taka, which is Fund's functional currency.

2.05 Reporting Period

These Financial Statements covers year from January 01, 2023 to December 31, 2023.





2.06 Investment Policy

- The Fund shall only invest in marketable securities and investment approved by the BSEC, the Bangladesh Bank and/or the Controller of Insurance of Bangladesh or any other competent authority in this regard.
- The Fund shall invest only in transferable securities whether in money market or equity market or privately placed debentures or securitized debts.
- Capital appreciation will be the primary consideration and dividend and interest income will be the secondary consideration for the trading security investments.
- Dividend and interest income will be the primary consideration and capital appreciation will be the secondary consideration for the security investments intended for longer term.
- The Fund shall categorize the investments either as "Fair Value Through Profit or Loss (FVTPL)" or as Fair Value through Other Comprehensive Income(FVOCI) as they deem prudent, as per provisions of IFRS - 9.
- Stock Dividend (Bonus shares) are added with existing shares with no value resulted decrease in per unit cost price of the existing shares.

2.07 Valuation of investment

The listed securities are valued at the closing quoted market price only on the Dhaka Stock Exchange on the date of valuation i.e. on December 31, 2023.

2.08 Dividend policy

- After the close of annual accounts, the Trustee, as appears, shall declare dividend for the Fund.
- It shall distribute at least 70% of the Annual Income derived from realized gains of the Fund, as dividend, at the end of first accounting year.
- No dividend may be declared or paid other than from earnings of the Fund available for distribution.
- Surplus arising simply from the valuation of investments may not be available for dividend.

2.09 Management fee

The Fund shall pay a management fee to the Asset Management Company @2.50 percent per annum of the weekly average NAV up to Tk. 5.00 crore and @2.00 percent per annum for additional amount of the weekly average NAV up to Tk. 25.00 crore over Tk.5.00 crore and @1.50 percent per annum for additional amount of the weekly average NAV up to Tk 50.00 crore over Tk. 25.00 crore and @1.00 percent per annum for additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable quarterly.

2.10 Trustee fee

The Trustee shall be paid an annual Trusteeship fee at the following rate on semi-annual in advance basis:

<u>NAV (Taka)</u>	<u>Fees</u>
NAV of the first 200 crore of fund	0.10%
NAV of the next 100 crore of fund	0.09%
NAV of the remaining fund	0.08%

2.11 Custodian fee

The fee for Custodian services will be 0.07% per annum of balance securities held by the fund, calculated on the average market value per month. Besides this, the fund will bear all other expenses viz (a) transaction fee of Tk. 200.00 per transaction (b) local duties and fees like stamp duty on transaction, stamp duty on transfer deed (c) levies, brokerage, registrar's fees, local counsel/representation, external auditors at the client's request, depository fees etc. However, a fee cap of 0.08% per annum on balance securities held by the fund, calculated on the average market value per month would be applicable if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian services will be realized semi-annually.

2.12 CDBL Fee

Annual fee for the Fund payable in advance, based on face value of total fund size is payable as follow:

Up to Tk. 5 crore	Tk. Nil
Above Tk 5 crore up to Tk 20 crore	Tk. 20,000/-
Above Tk 20 crore	Tk. 40,000/-



2.13 Fund registration and annual fee

The Fund has paid Tk. 200,000/- (Taka two lac) only to the Securities and Exchange Commission (SEC) as Registration Fee. In addition to that the Fund will have to pay @0.10% of the year end NAV at Market Price of the Fund on advance basis only per annum.

2.14 Revenue Recognition

- a) Dividend income is recognized when the right to receive the payment is established i.e. on the ex-dividend date;
- b) Capital gains are recognized on realization. Gain or loss from Securities are recognized at point of Sale for Securities which are sold. For unsold Securities, at the year end based on the difference between market value and cost unrealized gain or losses is accounted for.;
- c) Bonus shares have been recognized at zero cost; and
- d) Interest on Fixed Deposit and Short-Term Deposit is recognized as income on accrual basis.

2.15 Taxation

The Income of the Fund is exempted from income tax under Sixth Schedule, Part 01, 10 (KA) of Income Tax Bill 2023; hence no provision for tax has been made during the year in the books of the statement of Profit or Loss.

2.16 Preliminary and Issue Expenses

As per Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 Preliminary & Issue Expenses are being written off over a period of 7 (seven) years.

2.17 Net Asset Value (NAV) Per Unit

The mutual fund calculates Net Asset Value per share using the cost and market value, which has been shown on the face of statement of financial position and the computation of NAV per unit is stated in Note 13 and 14.

2.18 Earning Per Unit

The mutual fund calculates Earning Per Unit (EPU) in accordance with IAS 33: "Earning per Share", this has been shown on the face of the Income Statement.

2.19 General

Figures appearing in these financial statements have been rounded off to nearest Taka.

2.20 Unitholders meeting and voting on Trust deed clause amendment:

There was a unitholders' meeting duly held on December 27, 2023 (1st Unitholders' Meeting of EDGE Bangladesh Mutual Fund) to discuss and cast vote, as outlined in Clause 2.3, Governing Law of the Fund's Trust Deed, with regards to amendment in the Trust Deed to modify the Dividend Policy. The meeting was convened online in presence of the Trustee where a total of 44 unitholders exercised their voting rights, out of which 42 unitholders (95.5%) voted in favor of the proposed amendment in the Trust Deed and Prospectus. These 42 unitholders represent 82.3% of the fund's unit capital as on December 12, 2023. Meeting minutes, video recording and voting results have been submitted to both the Trustee and the Bangladesh Securities and Exchange Commission for further approval. The revised clause for Dividend

"3.7.2 The Fund shall distribute a maximum 70%, or as may be determined by the *বিশিষ্টালা* from time to time, of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. The Fund shall create a dividend equalization reserve by appropriation from the income of the Scheme. The Asset Manager will consider current money market and capital market situation, existing reinvestment opportunities, transaction costs and value proposition for the unitholders and may propose lower or no dividend thereby."

2.21 "3.7.2 The Fund shall distribute

Particular	Figure in Taka
Net Income for the year	3,317,881
Less, Unrealized Gain:	3,419,142
Distributable Earnings	-101,260
No of units Outstanding	20,967,355
Distributable Earnings per Unit	(0.00)

2.22 Events after the reporting period

The Board of Trustees of the Fund has declared and approved No dividend for the period from 01 January 2023 to 31 December 2023 at its meeting held on January 17, 2024

EDGE Bangladesh Mutual Fund
Investments in marketable securities
As at 31 December 2023

3.1 Investments in listed securities

Company name	Number of share / unit	Weighted average price	Acquisition cost	Market price	Market value	% of NAV	Amount in Taka
							Unrealized gain/ (loss)
BRAC Bank Limited	763,391	39.38	30,061,008	35.80	27,329,398	12.69%	(2,731,610)
The IBN SINA Pharmaceutical Industry Ltd.	30,000	293.37	8,801,106	286.60	8,598,000	3.72%	(203,106)
LatargeHolcim Bangladesh Limited	120,000	70.13	8,415,325	69.30	8,316,000	3.55%	(99,325)
Square Pharmaceuticals Limited	104,000	209.80	21,819,229	210.30	21,871,200	9.21%	51,971
Marico Bangladesh Limited	9,967	2,259.18	22,517,206	2,460.70	24,525,797	9.51%	2,008,591
Renata Limited	4,828	1,226.62	5,922,122	1,217.90	5,880,021	2.50%	(42,101)
Bangladesh Submarine Cable Company Limited	31,850	214.10	6,819,075	218.90	6,971,965	2.88%	152,890
British American Tobacco Bangladesh Company Limited	20,716	491.66	10,185,234	518.70	10,745,389	4.30%	560,156
Walton Hi-Tech Industries PLC	2,834	1,159.29	3,285,436	1,047.70	2,969,182	1.39%	(316,254)
Grameenphone Ltd	39,753	325.76	12,949,752	286.60	11,393,210	5.47%	(1,556,543)
Agro Organica PLC	3,695	10.00	36,950	17.60	65,032	0.02%	28,082
Sub total			130,812,444		128,665,194	55.23%	(2,147,250)

3.1 Investments in Open-End Mutual Fund

Ekush First Unit Fund	300,000	11.71	3,513,409	12.44	3,731,400	1.48%	217,991
Sub total			3,513,409		3,731,400	1.48%	217,991
Total Investment in Securities			134,325,853		132,396,594	56.71%	(1,929,259)

3.2 Investments in Bonds

N/A						0.00%	-
Sub total						0.00%	-

3.3 Investments in T-Bills

BD0936455247 (364 Days)	-	-	9,298,140	-	9,606,850	3.93%	308,710
BD0909118244 (91 Days)	-	-	9,773,410	-	9,933,990	4.13%	160,580
BD0936406240 (364 Days)	-	-	18,439,240	-	18,700,720	7.79%	261,480
BD0936410242 (364 Days)	-	-	23,185,850	-	23,181,550	9.79%	(4,300)
Sub total			60,696,640		61,423,110	25.63%	726,470
Total			195,022,493		193,819,704	82.34%	(1,202,789)

Note: The Fund has invested 82.34% of the total net assets of the fund in the capital market instruments, the rest is held in cash instruments.

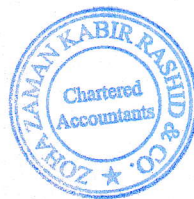


	<u>31-Dec-23</u>	<u>31-Dec-22</u>
	<u>Taka</u>	<u>Taka</u>
4 Other receivables		
Interest receivables from T-Bills	-	4,490
Dividend receivables	1,116,140	1,934,820
	<u>1,116,140</u>	<u>1,939,310</u>
5 Preliminary and issue expenses		
Opening balance	663,205	919,364
Add: Addition made during the period	-	-
	<u>663,205</u>	<u>919,364</u>
Less: Amortization during the period	(256,159)	(256,159)
	<u>407,046</u>	<u>663,205</u>
6 Advances		
Annual CDBL fees	31,885	19,676
IPO Application at Sikder Insurance Company Limited (SICL)	680,000	-
Annual BSEC Fee	122,867	150,876
Trustee Fee Prepaid	-	-
	<u>834,752</u>	<u>170,551</u>
7 Cash and cash equivalents		
Cash at banks		
<i>Current accounts with</i>		
BRAC Bank Limited - 5001	10,220,706	13,112,938
BRAC Bank Limited - 5006	13,882	895,728
The City Bank Limited - 5001	51,683	37,606,577
Midland Bank A/c-069	29,782,838	43,501,996
Midland Bank A/c-050	192,927	161,903
	<u>40,262,036</u>	<u>95,279,142</u>
<i>Cash at brokerage accounts</i>		
Cash available on Stock Brokerage Accounts	1	1
	<u>1</u>	<u>1</u>
	<u>40,262,037</u>	<u>95,279,143</u>





	<u>31-Dec-23</u>	<u>31-Dec-22</u>
	<u>Taka</u>	<u>Taka</u>
8 Unit capital		
Opening balance (23,223,776 units of Taka 10 each)	232,237,760	288,733,320
Units subscribed during the period 588,106 units of Taka 10 each)	5,881,060	46,628,340
Units surrendered during the period 2,844,527 units of Taka 10 each)	(28,445,270)	(103,123,900)
	<u>209,673,550</u>	<u>232,237,760</u>
9 Unit premium reserve		
Opening balance	(3,906,552)	4,088,586
Add: Unit premium reserve during the period	665,821	10,068,310
Less: Premium reimbursed for re-purchase of units	(3,031,977)	(18,063,448)
	<u>(6,272,709)</u>	<u>(3,906,552)</u>
10 Accounts payable		
Payable to unit repurchase	62,407	76,882
IT expenses	2,000	-
	<u>64,407</u>	<u>76,882</u>
11 Liability for expenses		
Management fee	1,240,701	1,408,286
Custodian fee	161,489	152,108
Audit fee	50,000	50,000
	<u>1,452,192</u>	<u>1,610,395</u>
12 Net Asset Value (NAV) per unit at cost		
Net Asset Value (NAV) at market price	234,923,080	264,663,888
Add/(less): Unrealized Loss/(gain)	1,929,259	5,348,401
Total Net Asset Value (NAV) at cost	<u>236,852,339</u>	<u>270,012,288</u>
Number of unit	20,967,355	23,223,776
NAV per unit at cost	<u>11.30</u>	<u>11.63</u>
13 Net Asset Value per unit at market price		
Net Asset Value (NAV)	234,923,080	264,663,888
Number of unit	20,967,355	23,223,776
NAV per unit at market price	<u>11.20</u>	<u>11.40</u>





14 Interest income

Interest Income from Bank
Interest Income from BB Bond
Interest Income from T-Bill
Interest Income from FDR

	31-Dec-23	31-Dec-22
	<u>Taka</u>	<u>Taka</u>
	1,526,515	4,432,604
	-	212,500
	2,203,695	4,490
	186,000	-
	3,916,210	4,649,594

15 Net gain on sale of marketable securities

Gain on sale of marketable securities

Achia Sea Foods Limited
APSCL Bond
Al-Madina Pharmaceuticals Limited
Baraka Patenga Power Limited
BD Thai Food & Beverage Limited
BD Paints Limited
BRAC Bank Limited
British American Tobacco Bangladesh Company Limited
Bangladesh Submarine Cable Company Limited
Confidence Cement Ltd.
Chartered Life Insurance Company Limited
ICB AMCL CMSF Golden Jubilee Mutual Fund
Islami Commercial Insurance Company Limited
Lafarge Holcim Bangladesh Limited
Marico Bangladesh Limited
Meghna Insurance Company Limited
MK Footwear PLC
Olympic Industries Ltd.
Star Adhesives Limited
Square Pharmaceuticals Limited
Trust Islami Life Insurance Company Limited
Union Insurance Company Limited
Ekush First Unit Fund
T-Bill

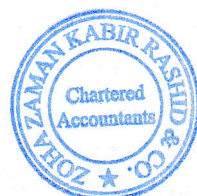
-	1,071,318
-	283,997
127,067	-
-	318,942
-	192,482
-	789,526
-	412,817
-	6,570,112
-	72,725
-	1,275,947
-	388,833
-	27,429
299,584	-
20,169	-
481,448	492,137
-	362,675
315,182	-
1,375,343	-
-	601,528
-	691,159
427,794	-
-	517,990
-	167,455
231,975	-
3,278,562	14,237,072

Loss on sale of marketable securities

Beximco Pharmaceuticals Limited
Berger Paints Bangladesh Ltd.
BRAC Bank Limited
British American Tobacco Bangladesh Company Limited
Grameenphone Ltd
Global Islami Bank Limited
The IBN SINA Pharmaceutical Industry Ltd.
Lafarge Holcim Bangladesh Limited
Olympic Industries Ltd.
Renata Ltd
Square Pharmaceuticals Limited
Square Textile Ltd.
Walton Hi-Tech Industries Ltd.

(1,338,531)	(1,531,364)
-	(999,687)
(889,387)	(69,268)
(189,574)	-
(645,981)	(1,930,343)
-	(669,439)
-	(177,423)
(7,286)	-
-	(110,922)
-	(62,031)
(1)	(10)
-	(382,252)
(86,038)	(1,131,761)
(3,156,798)	(7,064,499)
121,764	7,172,573

Net gain on sale of marketable securities





	31-Dec-23	31-Dec-22
	<u>Taka</u>	<u>Taka</u>
16 Dividend income		
Brac Bank Limited	634,110	662,250
Beximco Pharmaceuticals Limited	-	78,750
Berger Paints Bangladesh Ltd.	-	406,800
British American Tobacco Bangladesh Company Limited	367,000	497,000
Bangladesh Submarine Cable Company Limited	162,435	146,510
Grameenphone Ltd.	395,799	1,300,000
The IBN SINA Pharmaceutical Industry Ltd.	180,000	192,000
Olympic Industries Ltd.	-	490,500
Renata Limited	30,175	73,962
Square Pharmaceuticals Limited	1,092,000	1,080,000
Walton Hi-Tech Industries Ltd.	85,530	95,400
Marico Bangladesh Limited	-	1,429,500
Ekush First Unit Fund	-	1,820,000
	<u>2,947,049</u>	<u>8,272,672</u>
17 Unrealized (loss)/gain on securities		
Opening Balance, January 01, 2023	(5,348,401)	23,179,724
Closing Balance, December 31, 2023 *	(1,929,259)	(5,348,401)
Changes during the period	<u>3,419,142</u>	<u>(28,528,125)</u>
<i>* Please see note 3.1 for the closing balance of unrealized (loss)/gain</i>		
18 Other operating expenses		
BO Account Maintenance Fees	1,800	1,800
Tax Deducted at Source from dividend income	236,295	568,399
Tax Deducted at Source from interest income	90,581	327,931
Admin expenses	1,000	-
IT Expense	58,000	19,811
	<u>387,676</u>	<u>917,941</u>
19 Earnings Per Unit for the year/period		
Profit for the year/period (A)	3,317,881	(17,566,230)
Number of units (B)	20,967,355	23,223,776
Earnings Per Unit (A/B)	<u>0.16</u>	<u>(0.76)</u>





EDGE Bangladesh Mutual Fund
Portfolio Statement
As at 31 December 2023

Annexure - A

I. Investment in Capital Market Securities (Listed):

SL.	Investments in Stocks/Securities(Sectorwise)	No. of Shares/Units	Weighted average cost	Cost Value	Market price/Unit	Total Market Value	Appreciation(or Dimission) in the Market value/Fair value of Investments	% Change (in terms of cost)	% of Total NAV at Cost	% of Total NAV at MV
A. Shares of Limited Companies (Script wise)										
01	BRAC Bank Limited	763,391	39.38	30,061,008	35.80	27,329,398	(2,731,610)	-9.09%	12.69%	11.63%
02	The IBN SINA Pharmaceutical Industry Ltd.	30,000	293.37	8,801,106	286.60	8,598,000	(203,106)	-2.31%	3.72%	3.66%
03	LafargeHolcim Bangladesh Limited	120,000	70.13	8,415,325	69.30	8,316,000	(99,325)	-1.18%	3.55%	3.54%
04	Square Pharmaceuticals Limited	104,000	209.80	21,819,229	210.30	21,871,200	51,971	0.24%	9.21%	9.31%
05	Marico Bangladesh Limited	9,967	2259.18	22,517,206	2460.70	24,525,797	2,008,591	8.92%	9.51%	10.44%
05	Renata Limited	4,828	1226.62	5,922,122	1217.90	5,880,021	(42,101)	-0.71%	2.50%	2.50%
06	Bangladesh Submarine Cable Company Limited	31,850	214.10	6,819,075	218.90	6,971,965	152,890	2.24%	2.88%	2.97%
07	British American Tobacco Bangladesh Company Limited	20,716	491.66	10,185,234	518.70	10,745,389	560,156	5.50%	4.30%	4.57%
08	Wallon Hi-Tech Industries PLC	2,834	1159.29	3,285,436	1047.70	2,969,182	(316,254)	-9.63%	1.39%	1.26%
09	Gramscophone Ltd	39,753	325.76	12,949,752	286.60	11,393,210	(1,556,543)	-12.02%	5.47%	4.85%
10	Agro Organica PLC	3,695	10.00	36,950	17.60	65,032	28,082	76.00%	0.02%	0.03%
	Sub-Total			130,812,444		128,665,194	(2,147,250)	-1.64%	55.23%	54.77%
B. Listed Mutual Funds CIS (Script wise)										
	N/A								0.00%	0.00%
	Sub-Total								0.00%	0.00%
C. Listed Corporate Bond/Debtenture										
	N/A								0.00%	0.00%
	Sub-Total								0.00%	0.00%
D. Other Listed Securities Script wise. If any										
	N/A								0.00%	0.00%
	Sub-Total									
Grand Total of Capital Market Securities(Listed)										

2. Investment in Capital Market Securities (Non-Listed):

SL.	Investments in Stocks/Securities(Sectorwise)	No. of Shares/Units	Weighted average cost	Cost Value	Market price/Unit	Total Market Value	Appreciation(or Dimission) in the Market value/Fair value of Investments	% Change (in terms of cost)	% of Total NAV at Cost	% of Total NAV at MV
A. Open-End Mutual Funds (Script wise)										
01	Ekush First Unit Fund	300,000	11.71	3,513,409	12.44	3,731,400	217,991	6.20%	1.48%	1.59%
	Sub-Total			3,513,409		3,731,400	217,991	6.20%	1.48%	1.59%
B. Pre-IPO Placement Shares, If any										
	N/A								0.00%	0.00%
	Sub-Total									
C. Listed Bond Debtenture Islamic securities (Script wise)										
	N/A								0.00%	0.00%
	Sub-Total									
Grand Total of Capital Market Securities(Non-Listed)										

*For open-end Mutual Funds, surrender value shall be considered as Market value.

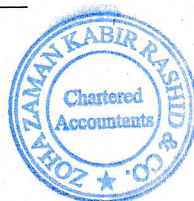
**For other non-listed securities, fair value shall be estimated following International Financial Reporting Standards(IFRSs) and be reported once a year in the annual audited financial statements of the fund Scheme

3. Cash and Cash Equivalents and Investments in Securities not related to Capital Markets:

A. Money Market Instruments (Script Wise)											
SI No	Instruments (Script Wise)	No. of Instrument	Maturity Date	Cost Value	Market price/Unit	Market Value/Fair Value	Appreciation(or Dimission) in the Market value/Fair value of Investments	% Change (in terms of cost)	% of Total NAV at Cost	% of Total NAV at MV	
01	BD0936455247 (364 Days T-Bill)	01	13-May-24	9,298,140	-	9,606,850	308,710	3.32%	3.93%	4.09%	
02	BD0909118244 (91 Days T- Bill)	01	22-Jan-24	9,773,410	-	9,933,990	160,580	1.64%	4.13%	4.23%	
03	BD0936406240 (364 Days T-Bill)	01	12-Aug-24	18,439,240	-	18,700,720	261,480	1.42%	7.79%	7.96%	
04	BD0936410242 (364 Days T-Bill)	01	7-Sep-24	23,185,850	-	23,181,550	(4,300)	-0.02%	9.79%	9.87%	
	Sub-Total			60,696,640.00		61,423,110	726,470	1.20%	25.63%	26.15%	
B. Term Deposit/Investment:											
No. and Date	Bank/Non-Bank Name	Rate of Interest/Profit	Maturity Date	Investment value	Market price/Unit	Maturity Value	Appreciation(or Dimission) in the Market value/Fair value of Investments	% Change (in terms of cost)	% of Total NAV at Cost	% of Total NAV at MV	
01	N/A							0.00%	0.00%	0.00%	
	Sub-Total										
C. Cash at Bank:											
SI No	Bank Name	Nature of Account	Rate of Interest/Profit	A/C No.	Available Balance	Market price/Unit	Available Balance (market value)	Appreciation(or Dimission) in the Market value/Fair value of Investments	% Change (in terms of cost)	% of Total NAV at Cost	% of Total NAV at MV
01	BRAC Bank Limited	SND Account	3.00%	1501204002925001	10,220,706	-	10,220,705.78		0.00%	4.32%	4.35%
02	BRAC Bank Limited	SND Account	3.00%	1501204002925006	13,882	-	13,882.27		0.00%	0.01%	0.01%
03	City Bank Limited	SND Account	3.00%	1122498585001	51,683	-	51,683.47		0.00%	0.02%	0.02%
04	Midland Bank Limited	Corporate Express Account	6.00%	0008-1060000069	29,782,838	-	29,782,837.55		0.00%	12.57%	12.68%
05	Midland Bank Limited	Corporate Express Account	6.00%	0008-10600000050	192,927	-	192,927.20		0.00%	0.08%	0.08%
	Sub-Total				40,262,036		40,262,036		0.00%	17.00%	17.14%
D. Cash in Hand/Broker:											
Cash available on Stock Brokerage Accounts					0.74	-	0.74				
Total Cash and Cash Equivalents and Investment in Securities (not					40,262,037		40,262,037				
Total Investment (1+2+3)					235,284,530		234,081,741				
Total Net Asset Value (NAV) at cost							236,852,339				
Total Net Asset Value (NAV) at Market Value							234,923,080				

Sadekul Islam

S.M. Sadekul Islam
Manager - Finance & Operations



Ali Imam

Ali Imam
Chief Executive officer & Managing Director

A member of



Independent legal & accounting firms