

HFAML Unit Fund

Annual Report 2019

Trustee & Custodian

**Investment Corporation of
Bangladesh**

Sponsor & Asset Manager

**HF Asset Management
Limited**

Abbreviations

Asset Manager / Asset Management Company / Fund Manager / AMC	:	HF Asset Management Limited (HFAML)
BDT	:	Bangladeshi Taka
BO A/C	:	Beneficiary Owner Account or Depository Account
BSEC	:	Bangladesh Securities and Exchange Commission
CDBL	:	Central Depository Bangladesh Limited
CDS	:	Central Depository System
Certificate	:	Unit Certificate of HFAML Unit Fund
CSE	:	Chittagong Stock Exchange Limited
Custodian	:	Custodian of HFAML Unit Fund (Investment Corporation of Bangladesh)
Dividend	:	Income distributed by the Fund and Company when / where applicable
DSE	:	Dhaka Stock Exchange Limited
EPS	:	Earnings Per Share
FIS	:	Fixed Income Securities
Government	:	The Government of the People's Republic of Bangladesh
Guardian	:	The Trustee of the Fund (Investment Corporation of the Fund)
HFAML	:	HF Asset Management Limited
ICB	:	Investment Corporation of Bangladesh
MD & CEO	:	Managing Director & Chief Executive Officer
NAV	:	Net Assets Value
NAV Per Unit	:	Per unit value of the Fund arrived at by dividing the net assets by the number of units outstanding of the Fund.
Sponsor	:	HF Asset Management Limited
STD A/C	:	Short Term Deposit Account
The Fund / Unit Fund	:	HFAML Unit Fund
The Scheme	:	HFAML Unit Fund
Trustee	:	Trustee of the Fund (Investment Corporation of Bangladesh)
Unit	:	One undivided share in the Fund

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General Information of the HFAML Unit Fund

Trustee **Investment Corporation of Bangladesh**
BDBL Bhaban (Level 14-17)
8, RAJUK Avenue
Dhaka-1000, Bangladesh

Sponsor **HF Asset Management Limited**
Rabbe House (2nd Floor), B-2, House-CEN(B) 11,
Road-99, Gulshan-02, Dhaka-1212.

**Asset
Manager/Fund
Manager** **HF Asset Management Limited**
Rabbe House (2nd Floor), B-2, House-CEN(B) 11,
Road-99, Gulshan-02, Dhaka-1212.

Custodian **Investment Corporation of Bangladesh**
BDBL Bhaban (Level 14-17)
8, RAJUK Avenue
Dhaka-1000, Bangladesh

Auditor **Artisan Chartered Accountants**
33 Shah Ali Tower (5th & 6th Floor) Kawran Bazar
Dhaka-1215, Bangladesh

Banker **IFIC Bank Limited**
Bashundhara Branch Ka- 5/2
Bashundhara Road
Dhaka-1229, Bangladesh

Operational Highlights of HFAML Unit For the period ended December 31, 2019

Initial Size of the Fund : Tk. 50,00,00,000/- (Fifty Crore) of 5,00,00,000 (Five Crore) Units of Tk. 10.00 (Ten) each.

Subscription Opens 20 Novemebr, 2017

Net Issue:

Particulars	Unit	Amount (Tk.)
Gross Issue	34,605,839	337,799,509.36
Repurchase	1,741,937	16,044,036.79
Net Issue	32,863,902	321,755,472.57

Investment :

At Cost Price 289,223,336
At Market Price 205,112,442

Net Income (Taka in lacs) 193.36
Earning per unit (EPU) 0.59
Distributable income (Taka in lacs) 223.93
Dividend Per Unit (Taka) 0.55
Dividend Amount (Taka in lacs) 180.75
Undistributed Income After Dividend (Taka in lacs) 43.18
Dividend Payout 80.72%

NAV Per Unit

At Cost Price(Tk.) 10.73
At Market Price (Audited) 10.47
At 100% Erosion 8.17

Trustee Report

Dear Investors,

We have the pleasure in presenting the second Annual Report and Audited Financial Statements of HFAML Unit Fund for the year ended December 31, 2019.

HFAML Unit fund has completed its second year of its operation. Given the overall condition of economic and political environment in the country, the year 2019 started with optimistic outlook about the capital market. However, the capital market during most of the time in reporting year did not perform as expected due to lack of confidence among the existing investors as well as potential investors. The reasons behind this might be the free fall of price of the stocks, the inconsistency in providing dividend of the companies, liquidity crisis, shortage of quality stocks, increase of non-performing loans, etc. As a result, there was downward trend of the DSEX (the Index of DSE) all through the year and Index went down to 3 years' low in some point of time in last year. As HFAML Unit Fund had majority investment in secondary market, HFAML Unit Fund was not also able to avoid this downward trend of the market despite having a diversified secondary market portfolio.

However, despite a lot of challenges, Fund could attract more investors for investment in the fund. The AUM of the Fund increased to 354.5 million from the previous year end AUM of 314.06 million, an increase of 12.87 % compared to previous year.

Sponsor of the Fund

HF Asset Management Limited (HFAML), a Bangladesh Securities and Exchange Commission's approved Asset Management Company is the Sponsor of the HFAML Unit Fund. The Company obtained the registration certificates from Registrar of Joint Stock Companies and Firms (RJSC), Dhaka on 07 June, 2016 and on January 19, 2016 incorporated as a Private Limited Company. The primary objective of the Company was to float both Open-end & Closed-end Mutual Funds for creating demand for and supply of securities and to mobilize savings of the investors of all strata of society with the ultimate goal to invest the funds in the development of the Capital Market of Bangladesh.

Trustee & Custodian of the Fund

Investment Corporation of Bangladesh (ICB), the state-owned investment bank of Bangladesh is the Trustee and Custodian of the HFAML Unit Fund.

ICB was established on 1 October 1976 under the Investment Corporation of Bangladesh Ordinance No 40 of 1976. ICB is one of the largest investors in share market of Bangladesh. It's the most successful state-owned corporation of Bangladesh and its role in mobilizing savings, investment and capital market development of Bangladesh is remarkable.

The establishment of Investment Corporation of Bangladesh (ICB) was one of the significant measures taken by the Government to accelerate the pace of industrialization and develop well organized capital market. Since its inception, ICB has been making outstanding contribution to ensure sustainable development and strengthening economic backbone of Bangladesh through adopting sophisticated and prudent decisions in capital market.

ICB received its license as Trustee from Bangladesh Securities and Exchange Commission on 20 August 2002. At the same day, it also received its license as Custodian of the listed and non-listed mutual funds from BSEC. At present, ICB acting as Trustee of 21 closed-end Mutual Funds of Tk. 3,078.83 crore and 42 open-end Mutual Funds of Tk. 1,632.30 crore. In addition, ICB has also been acting as trustee of 3 bonds involving Tk. 900.00 crore.

The Trustee Committee of HFAML Unit Fund comprises following members from Trustee Committee of Investment Corporation of Bangladesh:

Trustee: Investment Corporation of Bangladesh

Name	Designation	Institution
Mr. Md. Zakir Hossain	Chairman of the Trustee Committee & Deputy Managing Director	Investment Corporation of Bangladesh
Mrs. Dipika Bhattacharjee	Member of the Trustee Committee & General Manager	Investment Corporation of Bangladesh
Mr. Md. Amzad Hossain Kibria	Member of the Trustee Committee & Deputy General Manager	Investment Corporation of Bangladesh
Mr. Md. Masudul Hasan	Member/Secretary of the Trustee Committee & Assistant General Manager	Investment Corporation of Bangladesh

The Trust Deed and Custodian Agreement of HFAML Unit Fund was executed on 28th August, 2017. As the Trustee of the Fund, ICB takes all reasonable care to ensure the interest of the unit holders and that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the relevant Rules.

As the Custodian, ICB pledged to ensure to keep all the securities of the Fund in safe custody while providing the highest security for the assets of the Fund. At present, ICB is acting as Custodian of 21 closed-end Mutual Fund of Tk. 3,244.48 crore.

Asset Manager of the Fund

HF Asset Management Limited is the Asset Manager of HFAML Unit Fund. The Company received the license of asset management from Bangladesh Securities and Exchange Commission (BSEC) on January 19, 2017.

Vision: To become the most respected company of its sector in Bangladesh.

Mission: To provide attractive returns on investment keeping highest standard of services to the community through innovations and efficient asset management.

Objectives: The objectives of the Company include the followings:

- Generate satisfactory return with management’s target to keep the return above sector average on all of its investments in the medium and short term;
- Attain a significant market share and mark-up on share value without compromising service quality and governance;
- Maintain diversity, innovation and research for product development and operation;
- Contribute to Bangladesh Government’s mandate to develop capital market;
- Provide unique, innovative and trustworthy solutions for both Capital Market & Money Market instruments;
- Foster a regular exchange of ongoing research and insight and provide cutting edge knowledge relevant to investor’s strategic needs.

Duties and Responsibilities of Trustee

The primary responsibility of the Trustee of HFAML Unit Fund is to safeguard the interest of the unit holders and inter-alia, to ensure that HF Asset Management Limited (HFAML), the Fund Manager to HFAML Unit Fund always function diligently and protects the interest of investors and regulates the entity as per the Securities and Exchange Commission (Mutual Fund) Rules, 2001 as amended from time to time and comply with the provisions of the trust deed, investment management agreement, and Fund Prospectus within its true letter and spirit.

Details about liability and responsibility are mentioned in detailed in the Trust Deed of the Fund which is available at the company website: www.hfassetmanagement.com.

Investment Objective of the HFAML Unit Fund

HFAML Unit Fund focus on capital gain from trading of equity instruments, dividend income from stocks, interest income and coupon income from fixed income investments. Under normal market conditions, the Fund invests primarily in common stocks of Bangladesh Capital Market.

Investment Policy and Strategy

- (01) The Fund shall invest subject to the বিধিমালা and only in those securities, deposits and investments approved by the BSEC and/or the Bangladesh Bank and/or the Insurance Development & Regulatory Authority Bangladesh (IDRA) or any other competent authority of Bangladesh in this regard.
- (02) Not less than 60% of the total assets of the Fund shall be invested in capital market instruments out of which at least 50% shall be invested in listed securities or as determined by the Commission from time to time.
- (03) Not more than 25% of the total assets of the Fund shall be invested in Fixed Income Securities or as determined by the Commission from time to time.
- (04) Not more than 15% of the total assets of the Fund shall be invested in pre-IPOs of Issuer Companies at one time.
- (05) All money collected under the Fund shall be invested in en-cashable/transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts.
- (06) The Fund shall get the securities purchased or transferred in the name of the Fund.
- (07) Only the Asset Management Company shall make the investment decisions and place orders for securities to be purchased or sold for the Fund's portfolio based on best judgment supported by documents and analyses whenever possible.
- (08) The Asset Management Company shall choose broker(s) for the purpose of purchase and sale of securities for the Fund's portfolio.
- (09) Settlement of transaction shall take place as per the customs and practice of the relevant laws.

Future Investment Strategy of the Fund

ICB being the trustee of the HFAML Unit Fund always encourages to optimize the return of the investors through keeping capital market situation stable. ICB as the Trustee always suggests the Asset Manager of the Fund, HF Asset Management Limited to adopt the best investment strategies to protect the investors' money and generating return which outperform the other classes of asset having same risk category. We believe as the Asset Manager, HFAML is committed to its distinctive value approach to investing, which helps to generate risk-adjusted returns exceed the average market return over time

for the Unitholders. HFAML Unit Fund’s investment strategy can be classified into two board category i.e.; investment strategy for Fixed Income investment and Investment strategy for Equity instruments.

Since lack of availability of the different classes of fixed income instruments e.g. Bonds, Commercial Papers in Bangladesh financial market, investment in fixed income investment strategy mostly lies with the fixed deposit (FD) with financial institution. HFAML always ensures to obtain the best FD Rate in market without compromising potential risk involved in investment.

In Investment strategy for Equity instruments we always suggest HFAML to figure out the intrinsic value of stocks having strong balance sheet and income statement, high-quality assets, growth prospect, higher dividend growth, substantial cash flow and shareholder-oriented management teams and whose stocks are trading at discounts to our assessment of the companies’ intrinsic or business value.

We as well as HFAML, the Asset Manager of the Fund strictly follows the investment guideline and restriction set by regulators specially by the BSEC.

Performance of the Fund

- Upto 31st December 2019, a total of 34,605,839 units of HFAML Unit Fund were sold at a total proceed of Tk. 337,799,509.36 out of which 1,741,937 units were surrendered against Tk. 16,044,036.79. As a result, the net outstanding units at 31st December 2019 stood at 32,863,902 units against net proceed of Tk. 321,755,472.57.
- For the 12 months ended December 31, 2019, HFAML Unit Fund generated 12-month negative 18.7% return without considering 2018 dividend payout and negative 11.2% return with considering the dividend of 7.5% of 2018. In both scenarios, HFAML Unit Fund has outperformed the return of DSEX, as during the same period DSEX was down by 20.3%. The performance of the Fund as below:

Table 1 Return of the HFAML Unit Fund vs DSEX

Particular	3-Month Return	6-Month Return	9-Month Return	12-Month Return
HFAML Unit Fund	-3.8%	-5.8%	-11.9%	-18.7%
HFAML Unit Fund with Dividend	3.7%	1.7%	-4.4%	-11.2%
DSEX	-1.2%	-3.9%	-11.5%	-20.3%
Performance (HFAML Unit Fund with Dividend vs DSEX)	Outperform	Outperform	Outperform	Outperform

- The broadly diversified fund has about 83.80% of its assets invested in stocks and 2.23% in FDR and rest 14.0% was in the form of cash & cash equivalents, which complies BSEC Mutual Fund Rules, 2001 fully.

Statistical Information Regarding Unit

Table 2 Statistical Information of HFAML Unit Fund

Particulars	Per Unit (Tk.)
Net Asset Value:	
NAV (Audited)	10.47
NAV at Cost (Audited)	10.73
NAV at 100% Erosion	8.17
Earning Per Unit(EPU)	0.59
Capital Gain/Unit	0.57
Dividend Income/Unit	0.22
Interest Income/Unit	0.13
Revenue/Unit	0.93
Expense/Unit	0.26
Per Unit Erosion	2.56
NAV (52-Week Low)	8.14
NAV (52-Week High)	10.01
P/E Ratio (52-Week Low NAV)	13.80
P/E Ratio (52-Week High NAV)	16.97

Operations of the Fund

Being a growth fund, the Fund emphasized to generate appreciation of wealth & capital in various permissible instruments/securities as per the Mutual Funds Rule 2001 of Bangladesh Securities and Exchange Commission (BSEC). The entire corpus of the fund has been invested in secondary market, IPO, Money Market instruments. The below table indicates the investment of the Fund:

Table 3 Investment Mix of HFAML Unit Fund

Particulars (Amount in BDT)	As on Dec. 31, 2019	%-Total Investment
Investment in Securities at cost price	289,223,336	83.78%
Investment in FDR	7,688,125	2.23%
Cash & Cash Equivalents (including 3 months' FDR)	48,322,205	14.00%
Total Investment	345,233,666	100.0%

Table 4 Capital Market Investment as of December 31, 2019

Sl No	Sector	2018		2019	
		Total Investment (BDT Mn)	%-Total Investment	Total Investment (BDT Mn)	%-Total Investment
1	Pharmaceuticals & Chemical	45.3	17.9%	56.1	19.4%
2	Bank	45.7	18.0%	42.5	14.7%
3	Fuel & Power	30.5	12.0%	33.1	11.4%
4	Cement	16.6	6.5%	30.6	10.6%
5	Mutual Funds	17.7	7.0%	27.9	9.6%
6	Engineering	20.4	8.0%	20.7	7.2%
7	Ceramics	4.1	1.6%	2.8	1.0%
8	Corporate Bond	5.4	2.1%	5.6	1.9%
9	Financial Institutions	6.6	2.6%	7.9	2.7%
10	Food & Allied	12.1	4.8%	17.6	6.1%
11	IT	0.3	0.1%	0.0	0.0%
12	Miscellaneous	9.4	3.7%	2.8	1.0%
13	Services & Real Estate	4.8	1.9%	5.1	1.8%
14	Tannery Industries	5.7	2.3%	6.3	2.2%
15	Telecommunication	9.1	3.6%	11.2	3.9%
16	Textile	10.2	4.0%	13.2	4.6%
17	Travel & Leisure	5.4	2.1%	5.8	2.0%
18	Insurance	4.0	1.6%	0.0	0.0%
Total		253.4	100%	289.2	100%

Fund Earnings and Expenditures

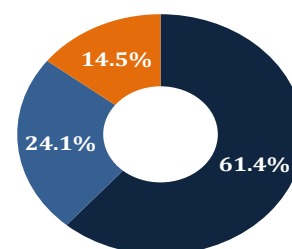
Fund Earnings

The Fund earnings constitutes from three major sources. These are capital gain from sales of securities, dividend income and interest income. Capital gain from sale of securities contributes the largest source of the revenue of the fund. The table below shows income of the fund from different stream of the income:

Table 5 Income of the Fund

Particulars (Amount in BDT)	Jan. 1, 2019 to Dec. 31, 2019	%-Total Income
Capital Gain	18,673,960	61.4%
Dividend Income	7,330,702	24.1%
Interest Income	4,417,953	14.5%
Total Income	30,422,615	100.0%

■ Capital Gain ■ Dividend Income ■ Interest Income



Fund Expenses:

The fund incurred different types of cost including management fees, regulatory fees, trustee and custodian fees, transaction costs (*including agent commission*) and other fund related expenses. The table below shows fund related expenses:

Table 6 Expenditure of the Fund

Particulars	Jan. 1, 2019 to Dec. 31, 2019	%-Total Expense
Management Fee	5,501,639	65.00%
Amortization of Preliminary Expenses	950,053	11.20%
Sales Agent Commission	441,325	5.20%
Trustee Fee	400,164	4.70%
Custodian Fee	386,127	4.60%
BSEC Annual Fee	267,512	3.20%
Publication Expenses	214,320	2.50%
CDBL Charges	82,673	1.00%
Bank Charges & Excise Duty	85,792	1.00%
CDBL Data Connectivity Charge	47,400	0.60%
Others Expense	53,013	0.60%
IPO Expenses	15,000	0.20%
Audit Fee	20,000	0.20%
BO A/C Maintenance Charge	2,300	0.00%
Total Expenses	8,467,317	100.00%

The total expense to Asset Under Management (AUM) is around 2.82% which is lower than that of expense threshold (4%) set by the Bangladesh Securities and Exchange Commission (BSEC).

Declaration Regarding Unit Price and Its Fluctuation

Under the provision of বিধিমালা, we, as Trustee declare that- “ইউনিটের দাম ও পরিশোধিতব্য মূল্য এবং উহা হইতে লব্ধ আয়ে বিনিয়োগের বাজারমূল্যের উঠানামার সহিত হ্রাস-বৃদ্ধি ঘটিবে”

Declaration Regarding Availability of Documents

Under provision of বিধিমালা, we, as Trustee declare that- “বর্তমান ও সম্ভাব্য ইউনিটমালিক/বিনিয়োগকারীগণ লিখিত আবেদনের ভিত্তিতে ট্রাস্ট চুক্তিপত্র, বার্ষিক প্রতিবেদন এবং সংশ্লিষ্ট ফীমের বিষয়বস্তু সংগ্রহ করিতে পারিবেন”

Acknowledgement

During the last year Bangladesh Securities and Exchange Commission (BSEC) continued its effort towards regulating and improving capital markets in general and Mutual Funds in particular. BSEC has introduced several new rules and amended the existing rules for the improvement of Bangladesh Capital Market and supporting the vision of the Government of Bangladesh. All the stakeholders of mutual fund industry have been working relentlessly to build the trust among the general investors for mutual fund industry.

The Trustee on behalf of HFAML Unit Fund would like to thank the Government of Bangladesh, the Securities and Exchange Commission (BSEC), and Bangladesh Bank for their guidance and support during the past year. The Trustee also acknowledges the sincere effort of the Fund Manager for generating maximum return to the unitholders of the fund during the year despite persistent fall and bearish trend in the Capital market.

We are also thankful to Fund's Auditor, Custodian, Agents and Banks for their valued support and cooperation.

We assure you of our best services at all times.

For and on behalf of the Trustee Committee of HFAML Unit Fund

Yours sincerely,

SD/-

Mr. Md. Zakir Hossain
Chairman of the Trustee Committee & Deputy Managing Director
Investment Corporation of Bangladesh

Auditor's Report to the Trustee of HFAML Unit Fund

We have audited the accompanying financial statements of **HFAML UNIT FUND**, which comprise of the Statement of Financial Position as at December 31, 2019 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements prepared in accordance with the International Financial Reporting Standard (IFRSs), give a true and fair view of the state of the Organization's affairs as at December 31, 2019 and of the results of its operations and cash flows for the year then ended and comply with other applicable laws and regulations.

We also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 entity so far as it appeared from our examination of those books;
- (c) The Fund Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income along with the annexed notes 1 to 24 and annexure A to D, dealt with by the report are in agreement with the books of account and returns; and
- (d) The expenditure incurred and payments made were for the purposes of the Fund's Business.

Dated, Dhaka-
26 January, 2020

SD/-
ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Financial Position
As at December 31, 2019

Particulars	Notes	Amount in Taka	
		December 31, 2019	December 31, 2018
Assets			
Non Current Assets			
Preliminary & Issue Expenses	8.00	4,758,442	5,708,495
		4,758,442	5,708,495
Current Assets			
Investment in Securities - at cost	5.00	289,223,336	253,393,067
Accounts Receivable	6.00	4,477,177	7,498,833
Investment in FDR	7.00	7,688,125	34,966,750
Advance, Deposits & Prepayments	9.00	3,740	-
Cash & Cash Equivalents	10.00	48,322,205	12,494,569
		349,714,584	308,353,219
Total Assets		354,473,026	314,061,714
Liabilities & Equity			
Liabilities			
Accounts Payable	11.00	1,913,155	4,407,228
Provision for diminution in value of Investment	12.00	8,411,089	5,792,184
Total Liabilities		10,324,244	10,199,412
Equity			
Unit Capital	13.00	321,755,473	279,739,415
Retained Earnings	14.00	22,393,309	24,122,886
Total Equity		344,148,782	303,862,301
Total Liabilities & Equity		354,473,026	314,061,713
NAV at Cost Price		352,559,870	309,654,485
NAV at Market Price		344,148,781	303,862,301
NAV per Unit (Cost)	15.00	11	11
NAV per Unit (Market)	16.00	10	11
No. of Unit		32,863,902	28,087,960

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.

SD/-
Chairman
Trustee
Investment Corporation of Bangladesh (ICB)

SD/-
Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
January 26, 2020

SD/-
ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		01 Jan 2019 to 31 Dec 2019	20 Nov 2017 to 31 Dec 2018
Income			
Capital Gain	17.00	18,673,960	24,883,805
Dividend Income	18.00	7,330,702	7,423,659
Interest Income	19.00	4,417,953	7,096,574
Total Income		30,422,615	39,404,038
Expenses			
BSEC Annual Fee		267,512	64,950
Trustee Fee		400,164	395,839
Custodian Fee		386,127	379,050
Audit Fee		20,000	15,000
CDBL Charges		82,673	107,775
CDBL Data Connectivity Charge		47,400	36,225
IPO Expenses		15,000	43,000
EI Registration Fee		-	25,000
Management Fee		5,501,639	5,413,693
Sales Agent Commission		441,325	1,767,803
Publication Expenses		214,320	209,500
Bank Charges & Excise Duty		85,792	87,209
Amortization of Preliminary Expenses		950,053	941,876
BO A/C Maintenance Charge		2,300	-
Others Expense		53,013	2,047
Total Expenses		8,467,317	9,488,968
Total Income Before Provision		21,955,298	29,915,070
(Provision)/write back of provision for diminution in value of Investments		(2,618,905)	(5,792,184)
Net Profit for the Period		19,336,393	24,122,886
No. of Unit		32,863,902	28,087,960
Earnings per Unit	20.00	0.59	0.86

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.

SD/-
Chairman
Trustee
Investment Corporation of Bangladesh (ICB)

SD/-
Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
January 26, 2020

SD/-
ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Cash Flows
For the year ended December 31, 2019

	Notes	Amount in Taka	
		December 31, 2019	December 31, 2018
Cash Flow form Operating Activities		1,329,522	4,039,928
Dividend Income Received		6,303,537	5,140,740
Interest Income Received		5,077,642	5,254,251
Payment for Expenses	21.00	(10,051,656)	(6,355,063)
Cash Flow from Investing Activities		11,582,103	(271,284,774)
Payment for Investment in Marketable Securities		(39,085,243)	(249,696,421)
Investment in IPO Shares		(18,112,200)	(17,284,540)
Payment for Preliminary & Issue Expenses		-	(6,506,383)
Received from Sale of Marketable Securities		27,210,626	37,169,320
FDR Encashment/(Investment)		41,568,921	(34,966,750)
Cash Flow from Financing Activities		22,916,010	279,739,415
Unit Sale		51,213,586	285,707,096
Fraction amount of SIP		29	-
Dividend Paid		(18,221,248)	-
Unit Repurchase		(10,076,356)	(5,967,681)
Total Cash Flow for the Period		35,827,636	12,494,569
Beginning Cash Balance		12,494,569	-
Ending Cash Balance		48,322,205	12,494,569
Net operating cash flow per Unit (NOCFPU)		0.04	0.14

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.

SD/-
Chairman
Trustee
Investment Corporation of Bangladesh (ICB)

SD/-
Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
January 26, 2020

SD/-
ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Changes in Equity
For the year ended December 31, 2019

Amount in Taka

Particulars	Unit Capital	Retained Earnings	Total Equity
Beginning Balance	279,739,415	24,122,886	303,862,301
Unit Capital	42,016,058		42,016,058
Net Profit		19,336,393	19,336,393
Dividend Paid		(21,065,970)	(21,065,970)
Balance as on December 31, 2019	321,755,473	22,393,309	344,148,782

HFAML UNIT FUND
Statement of Changes in Equity
For the period ended December 31, 2018

Amount in Taka

Particulars	Unit Capital	Retained Earnings	Total Equity
Beginning Balance	-	-	-
Unit Capital	279,739,415		279,739,415
Net Profit		24,122,886	24,122,886
Balance as on December 31, 2018	279,739,415	24,122,886	303,862,301

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.

SD/-
Chairman
 Trustee
 Investment Corporation of Bangladesh (ICB)

SD/-
Managing Director & CEO
 HF Asset Management Limited
 (Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
January 26, 2020

SD/-
ARTISAN
 Chartered Accountants

HFAML UNIT FUND
Notes to the Financial Statements
For the period ended December 31, 2019

1 Introduction of the Fund and its Activities

1.01 Legal Status and Key Partners of The Fund

HFAML Unit Fund (here-in-after referred to as "the Fund"), a Trust property, was made on 28 August, 2017 under the Trust Act, 1882 and registered under the Registration Act, 1908. Subsequently on 17 September, 2017 the fund registered as a Mutual Fund from Bangladesh Securities and Exchange Commission with an Initial Fund Size of Tk. 50.00 Crore divided into 5 Crore units of Tk. 10.00 each under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ as an Open end Mutual Fund vide registration no. BSEC/MUTUAL FUND/2017/83. The fund commenced its operation on 20 November, 2017.

Key partners:

Sponsor : HF Asset Management Limited (HFAML)

Registered Office : 138/1 Tejgaon I/A, Dhaka-1208

Trustee & Custodian : Investment Corporation of Bangladesh (ICB)

Registered Office : BDBL Bhaban, Rajuk Avenue, Dhaka-1000, Bangladesh

Asset Manager : HF Asset Management Limited (HFAML)

Registered Office : 138/1 Tejgaon I/A, Dhaka-1208

1.02 Principal Activities and Nature of Operations

HFAML Unit 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. Each unit represents a portion of the fund's holdings.

The target group of investors comprises both institutions and Individuals. Units of the Fund may be bought / surrendered through HF Asset Management Limited and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through HFAML or the selling agents from whom the units were originally purchased.

2 Objectives

The objective of the HFAML Unit Fund is to generate capital appreciation along with current income in the form of dividend and capital gain from a combined portfolio of equity and interest income from debt and money market investment.

3 Basis of Preparation

3.1 Statement of Compliance

These financial statements have been prepared under historical cost convention and in conformity with International Accounting Standards (IAS-1), International Financial Reporting Standards (IFRS), Bangladesh Securities and Exchange Rules 1987, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and others, as

3.2 Basis of Measurement

These financial statements have been prepared on a going concern basis under historical cost convention in accordance with Generally Accepted Accounting Principles(GAAPs).

3.3 Functional Currency and Presentation Currency

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

3.4 Accounting Year of The Fund

These Financial Statements are prepared for the period from January 01 to December 31, 2019.

3.5 Components of Financial Statements

Statement of Financial Position
Statement of Profit or Loss and Other Comprehensive Income
Statement of Changes in Equity
Statement of Cash Flows; and
Notes to the Financial Statements

4 Significant Accounting Policies

4.01 Investment Policies of the Fund

The Fund shall invest subject to সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and only in those securities, deposits and investments approved by the BSEC and/or the Bangladesh Bank and/or the Insurance Development & Regulatory Authority (IDRA) Bangladesh or any other competent authority of Bangladesh in this regard. The Fund shall not invest:

- (i) less than 60% of the total assets in capital market instruments out of which at least 50% shall be invested in listed securities;
- (ii) more than 25% of the total assets in shares, debentures or other securities in any one industry;
- (iii) more than 20% of the total assets in shares, debentures or other securities of a single company or group;
- (iv) more than 15% of the total assets in Pre-IPOs at one time;
- (v) more than 15% of any company's total paid up capital;
- (vi) more than 10% of the total asset in one particular company.

4.02 Valuation Policy

As per Rule 58 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission. The investment valuation policy of the Fund as approved by BSEC is as follows:

4.2.1 Listed Securities

The listed securities is valued at the closing quoted market price on the Dhaka Stock Exchange on 30th December, 2019 (the date of valuation) i.e the last trading date of December 2019.

4.03 Net Asset Value (NAV) Calculation

The Fund determines its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities as per Rule 60 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ by the total number of outstanding units). The Fund uses the following formula to derive the NAV per unit:

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 at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationary expenses amortized as on date.

LT: Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + 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.

4.04 Revenue Recognition

Capital Gains

Capital gains/losses are recognized on realized basis and based on average costing method.

Dividend Income

Dividend Income is recognized on being declared by the investee-company based on the record date as the cut off date.

Financial Income

Financial Income comprises of interest income on fund deposited with the bank accounts, FDR with Banks & NBFIs, etc.

4.05 Preliminary and Issue Expenses

Preliminary and issue expenses represent expenditures incurred prior to the launching of initial public subscription of the Fund. As per Rule 65 (3) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the preliminary expenses are being written off over a period of 7 (seven) years.

4.06 Management Fee

As per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the Asset Management Company shall be entitled to charge the Fund an annual management fee for the management of the Fund at the following rates:

- (i) @ 2.5% per annum of weekly average Net Asset Value (NAV) of the fund up-to Tk. 50,000,000 (Taka five crore);
- (ii) @2.0% per annum for additional amount of the weekly average NAV of the Fund over Tk. 50,000,000 (Taka five crore) but up to Tk. 250,000,000 (Taka twenty five crore);
- (iii) @ 1.5% per annum for additional amount of the weekly average NAV of the Fund over Tk. 250,000,000 (Taka twenty five crore) up to Tk. 500,000,000 (Taka fifty crore); and
- (iv) @1.0% per annum for additional amount of the weekly average NAV of the Fund over Tk. 500,000,000 (Taka fifty crore);

4.07 Trustee Fee

The Trustee shall be paid an annual trustee fee @ 0.15% of the NAV of the Fund during the life of the Fund.

4.08 Custodian Fee

The Fund shall pay to the Custodian a safe keeping fee @ 0.15% of balance (dematerialized and non-dematerialized) securities and assets held by the Fund calculated on the basis of average month end value per annum.

4.09 Commission Payable on Selling Agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager at the rate of highest 1.00%(one percent) and minimum 0.50% (zero point five zero percent) on the total face value of unit sales which may change in future with the approval of Trustee. If individuals are appointed as selling agents BY AMC, the commission payable to them will vary as fixed as per AMC's selling agents policy which will be approved by Trustee. In no case, selling agents commission applicable for individuals will be more than 1% (one percent) on the face value on unit sales. According to prospectus approved by BSEC HFAML acts as the selling agent of the HFAML Unit Fund.

4.10 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Act/Income Tax/2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required.

4.11 BSEC Registration Fees and Annual Fees

The Fund has paid to Bangladesh Securities and Exchange Commission (BSEC) Registration Fee as per Rule - 10 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. In addition to that the Fund will have to pay 0.10% of the fund size per annum as annual fee as per Rule - 11 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

4.12 Dividend Policy

- (i) The Fund shall distribute at least 50% of the total net profit earned in the respective year or as determined by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ from time to time.
- (ii) The Fund shall create a dividend equalization reserve by suitable appropriation from the income of the fund.
- (iii) Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the Auditor if market value of investments goes below the acquisition cost and the method of calculation of this provision shall be incorporated in the notes of accounts.
- (iv) Dividend warrant shall be dispatched within 45 (forty five) days from the declaration of such dividend, and shall submit a statement within next 7 (seven) days to the Commission.
- (v) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared; and
- (vi) There shall be a Cumulative Investment Plan (CIP) scheme in this Fund. Under this scheme a unit holder instead of receiving dividend may reinvest such dividend income accrued for purchasing Unit at a Concession rate, to be determined by HFAML.

4.13 Provisions

A provision is recognized 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 according to IAS -37.

4.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and bank deposits when it has a short maturity of three months or less from the date of acquisition.

4.15 Related Party Disclosure

As per International Accounting Standard (IAS) 24 Related Party Disclosure, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 22.

4.16 Departure From IFRS and IAS

- (a) The Fund has written off preliminary and issue expense over a period of seven (07) years on a straight-line method according to Rule-65(3) Ka of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ which contradicts with Paragraph 69(a) of IAS 38 Intangible Assets, as it states that "no intangible or other asset is recognized when expenditure on start-up activities (i.e. Start-up costs) is incurred to provide future economic benefits".
- (b) The Fund is required to maintain provision for the erosion on value of marketable securities according Rule - 67(1) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ which contradicts with IFRS 9.

4.17 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with IAS-7 under direct method.

4.18 Earnings Per Unit

Earnings per unit has been calculated in accordance with IAS-33. Earnings per Share is shown on the face of Comprehensive Income.

4.19 General

i) Figures appearing in these Financial Statements have been rounded off to nearest Taka.

4.20 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. HFAML Unit Fund applied following IASs and IFRSs:

Name of the IAS/IFRS	IAS/IFRS No.	Status
Presentation of Financial Statements	1	Applied
Statements of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Not Applicable
Revenue from contracts with customers	15	Applied
Employee Benefits	19	Not Applicable
Borrowing Costs	23	Not Applicable
Related Party Disclosures	24	Applied
Financial Instruments: Presentation	32	Applied
Earning Per Share	33	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Not Applicable
Financial Instruments	09	Applied

	Notes	Amount in Taka	
		December 31, 2019	December 31, 2018
5.00 Investment in Securities at cost price			
Investment in listed securities		266,727,396	234,493,197
Investment in non-listed securities(IPO)*		1,502,340	7,912,070
Investment in non-listed securities(MF-Open End)		20,993,600	10,987,800
		289,223,336	253,393,067
Details are mentioned in (Annexure-A)			
5.01 Investment in IPO			
ADN Telecom		1,502,340	1,502,340
Esquire Knit & Composite Limited		-	5,775,930
GENEX Infosys Limited		-	281,690
SS Steel Limited		-	352,110
		1,502,340	7,912,070
<i>*This is application money for IPO investment under Mutual fund quota</i>			
5.02 Investment in non-listed Mutual Fund(Open End)			
CAPM Unit Fund		5,987,800	5,987,800
Vanguard AML Growth Fund		5,000,000	5,000,000
ATC Shariah Unit Fund		10,005,800	-
		20,993,600	10,987,800
6.00 Accounts Receivable			
Dividend receivable (Annexure-B)		3,310,024	2,282,859
Interest receivable (6.1+6.2)		1,151,135	1,810,824
Receivable from Sale of Securities		-	3,405,150
Other Receivables		16,019	-
		4,477,177	7,498,833
6.01 Interest receivable-FDR			
Interest Receivable-FDR No-2018-04-219		-	598,005
Interest Receivable-FDR No-2018-06-424		-	29,205
Interest Receivable-FDR No-2018-06-425		-	29,205
Interest Receivable-FDR No-2018-08-557		-	1,145,972
Interest Receivable-FDR No-1325417		794,375	-
Interest Receivable-FDR No-1325343		15,751	-
Interest Receivable-FDR No-1325411		30,662	-
Interest Receivable-FDR No-1325418		230,625	-
Interest Receivable-FDR No-1325426		79,722	-
		1,151,135	1,802,387
6.02 Interest Receivable-SND			
		-	8,437
7.00 Investment in FDR			
Investment in FDR-6 Months (Term Deposit)			
		Amount	Amount
		-	25,000,000
		-	9,966,750
		4,000,000	-
		3,688,125	-
		7,688,125	34,966,750
8.00 Preliminary & Issue Expenses			
Opening Balance		5,708,495	6,650,371
Less: Amortization during the year		950,053	(941,876)
		4,758,442	5,708,495

	Notes	Amount in Taka			
		December 31, 2019	December 31, 2018		
8.01 Preliminary & Issue Expenses					
Legal & Compliance Related Expenses		1,132,391	1,319,230		
Printing & Publication Expenses		1,476,943	1,720,632		
Formation Fee		1,829,569	2,131,440		
Management Fee		1,156,813	1,347,682		
Other Expenses		112,779	131,387		
		5,708,495	6,650,371		
9.00 Advance, Deposit and Prepayments					
Advance CDBL Annual Fee		3,740	-		
		3,740	-		
10.00 Cash & Cash Equivalent					
Cash at Bank-IFIC		630,018	1,874,569		
Term Deposit (FDR)*		47,692,188	10,620,000		
		48,322,205	12,494,569		
10.01 Term Deposit-3 Months (FDR)*					
		Amount	Amount		
Name of Institution	Account No.	Term	Rate		
Union Capital Limited	2018-06-424	3 Months	11%	-	5,310,000
	2018-06-425	3 Months	11%	-	5,310,000
IFIC Bank Limited	1325417	3 Months	10.25%	31,000,000	-
	1325418	3 Months	10.25%	9,000,000	-
	1325411	3 Months	10.25%	7,692,188	-
				47,692,188	10,620,000
11.00 Accounts Payable					
Payable for Custodian Fees		189,057	200,709		
Payable for Trustee Fees		-	29,781		
Payable for Management Fees		1,444,316	1,413,738		
Payable for Purchase of Securities		226,407	2,103,270		
Payable for Advertisement Expenses		8,552	24,480		
Payable Audit Fees		20,000	13,500		
Source Tax Payable		24,196	5,339		
Payable for BSEC Fee		-	64,950		
Payable for Agent Commission		106	551,461		
Fraction amount of SIP		29	-		
Others payable		492	-		
		1,913,155	4,407,228		
12.00 Provision/(Write back) of provision for diminution in value of investments					
Opening Balance		5,792,184	-		
Add: Provision/(Write Back) of provision during the year		2,618,905	5,792,184		
Required provision against diminution in value of investments at the end of period		8,411,089	5,792,184.00		
As per rule 67(1) of Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, 10% of total diminution value in all securities (BDT.8,41,10,894.2) as of reporting date was kept provision during the year					
13.00 Unit Capital					
Sponsor's Contribution		50,000,000	50,000,000		
Fund collected other than Sponsors		278,639,020	230,879,600		
Unit Discount		(8,258,881)	(1,508,004)		
Unit Premium		1,375,334	367,820		
		321,755,473	279,739,415		

	Notes	Amount in Taka	
		December 31, 2019	December 31, 2018
14.00 Retained earnings			
Opening Balance		24,122,886	-
Add: Profit during the year		19,336,393	24,122,886
		43,459,279	24,122,886
Less: Dividend paid during the year		(21,065,970)	-
Closing Balance		22,393,309	24,122,886
15.00 Net asset value (NAV) per unit at cost			
Total Asset at Cost Price		354,473,026	314,061,713
Less: Accounts payable		1,913,155	4,407,228
Total net asset value at cost		352,559,870	309,654,485
Number of units		32,863,902	28,087,960
NAV per unit at cost		10.73	11.02
16.00 Net asset value (NAV) per unit at market price			
Total Net asset value at Cost Price		352,559,870	309,654,485
Less: Provision for erosion of value of securities		8,411,089	5,792,184
Total net asset value at market price		344,148,781	303,862,301
Number of units		32,863,902	28,087,960
NAV per unit at cost		10.47	10.82
If total diminution value in all securities (BDT. 8,41,10,894.20) as of reporting date was kept as provision then the total Net Asset Value (NAV) per unit at market price would be BDT. 8.17.			
17.00 Capital Gain			
Gain on sale of securities (Annexure-C)		18,673,960	24,883,805
18.00 Dividend Income			
Dividend Income from securities (Annexure-D)		7,330,702	7,423,659
19.00 Interest income			
Term Deposit (FDR)		4,186,915	4,981,614
Cash at Bank (SND & CP)		231,038	2,114,960
		4,417,953	7,096,574
20.00 Earning per unit			
Net income for the year (A)		19,336,393	24,122,886
Outstanding number of units (B)		32,863,902	28,087,960
Earning per unit (A/B)		0.59	0.86
21.00 Payment for Expenses			
Annual Fee to BSEC		345,753	-
Bank Charge & Excise Duty		17,792	55,650
CDBL Charge		46,413	71,263
CDBL Data Connectivity Charge		40,908	112,743
CDBL Fees		41,400	-
IPO Subscription Fee		15,000	43,000
Advertisement Expense		222,858	179,720
Source Tax Paid		2,039,700	72,257
Custodian Fee		357,364	160,507
Trustee Fee		392,415	326,474
Agent Commission		992,679	1,216,343
Audit Fee		13,500	-
EI Registration Fee		-	25,000
Management Fee		5,471,061	3,999,955
VAT Expense		328	147
BO A/C Maintenance Charge		1,800	1,400
Other Expenses		52,685	90,605
		10,051,656	6,355,063

Notes

Amount in Taka	
December 31, 2019	December 31, 2018

22.00 Related party transaction

Relationship	Name of the related party	Nature of transaction	Closing balance as on 31.12.2019	Closing balance as on 31.12.2018
Trustee of the Fund	Investment Corporation of Bangladesh	Trustee Fees	392,415	326,474
Custodian of the Fund	Investment Corporation of Bangladesh	Custodian Fees	357,364	160,507
Asset Manager	HF Asset Management Limited	Management Fees	5,471,061	3,999,955
		Sales agent commission	992,679	1,216,343

23.00 Events after the reporting period

The Board of Trustees of the has approved dividend at the rate of Tk. 0.55 Per unit i.e. 5.50% for the year ended December 31, 2019 at the meeting held on January 30, 2020.

24.00 Date of authorisation

The Trustee Board has authorised these financial statements for issue on January 30, 2020

HFAML Unit Fund
Statement of Fund Portfolio
As at December 31, 2019

Annexure-A

SL	Sector	Name of the Company	Ticker	Quantity No. of Share	Average Cost (BDT)	Total Cost Value (BDT)	Market Price (BDT)	Total Market Value (BDT)	% of Total Assets	Total Unrealized Gain/Loss (In %)
1		AB Bank Limited	ABBANK	150,000	16.07	2,410,081	7.90	1,185,000	0.38%	(123,081.44)
2		Al-Arafah Islami Bank Ltd	ALARABANK	102,000	22.33	2,277,950	17.20	1,754,400	0.56%	(523,550.27)
3		BRAC Bank Ltd.	BRACBANK	103,500	75.42	7,806,420	57.10	5,909,850	1.88%	(189,669.78)
4		The City Bank Ltd.	CITYBANK	52,920	47.12	2,493,477	21.10	1,116,612	0.36%	(137,686.00)
5		Eastern Bank Ltd.	EBL	89,144	40.57	3,616,971	33.20	2,959,581	0.94%	(67,389.70)
6	Bank	Islami Bank Bangladesh Limited	ISLAMIBANK	335,000	36.41	12,196,436	19.10	6,398,500	2.04%	(579,793.58)
7		Mercantile Bank Ltd.	MERCANBANK	184,000	18.88	3,473,702	13.20	2,428,800	0.77%	(104,490.24)
8		One Bank Limited	ONEBANKLTD	140,800	17.24	2,427,811	10.30	1,450,240	0.46%	(97,757.83)
9		Prime Bank Ltd.	PRIMEBANK	131,000	21.70	2,842,264	18.20	2,384,200	0.76%	(45,806.18)
10		Southeast Bank Ltd.	SOUTHEASTB	99,000	16.15	1,598,376	13.40	1,326,600	0.42%	(271,776.09)
11		Standard Bank Limited	STANDBANKL	125,000	10.67	1,333,986	8.90	1,112,500	0.35%	(221,485.87)
12	Ceramics Sector	RAK Ceramics (Bangladesh) Limited	RKRCERAMIC	59,400	46.91	2,786,727	28.70	1,704,780	0.54%	(108,194.63)
13		Shinepukur Ceramics Limited	SPCERAMICS	75,000	17.64	1,322,684	8.30	622,500	0.20%	(700,184.19)
14		Confidence Cement Ltd.	CONFIDCEM	55,000	151.02	8,306,051	106.10	5,835,500	1.86%	(247,055.12)
15		Heidelberg Cement Bangladesh Ltd.	HEIDELBCEM	26,000	384.55	9,998,391	164.80	4,284,800	1.36%	(571,359.14)
16		LafargeHolcim Bangladesh Limited	LHBL	72,000	69.50	5,003,788	33.60	2,419,200	0.77%	(258,458.76)
17		Meghna Cement Mills Ltd.	MEGHNAGEM	33,600	90.05	3,025,675	63.40	2,130,240	0.68%	(89,545.47)
18		M.I. Cement Factory Limited	MICEMENT	36,000	81.54	2,935,266	39.00	1,404,000	0.45%	(15,312,65.61)
19	Corporate Bond	IBBL Mudaraba Perpetual Bond	IBBLPBOND	5,742	978.25	5,617,096	937.00	5,380,254	1.71%	(236,841.77)
20		Anwar Galvanizing Ltd	ANWARGALV	31,000	93.29	2,891,904	71.00	2,201,000	0.70%	(69,090.86)
21		Baraka Power Limited	BARAKAPOW	70,000	27.64	1,934,567	22.70	1,589,000	0.51%	(345,567.01)
22		BBS Cables Limited	BBSABLES	55,000	95.14	5,232,444	58.80	3,234,000	1.03%	(199,844.40)
23		Bangladesh Lamps Limited	BDLAMPS	11,000	196.81	2,164,904	125.80	1,383,800	0.44%	(781,103.52)
24	Engineering	Coppertech Industries Limited	COPPERTECH	12,499	9.52	119,040	23.50	293,727	0.09%	174,686.50
25		IFAD Autos Limited	IFADAUTOS	28,000	100.93	2,826,141	46.20	1,293,600	0.41%	(153,254.00)
26		Monno Jute Staffers Ltd.	MONNOSTAF	720	1,732.40	1,247,328	797.40	574,128	0.18%	(673,200.18)
27		Singer Bangladesh Limited	SINGERBD	15,000	181.99	2,729,896	180.40	2,706,000	0.86%	(23,896.50)
28		Western Marine Shipyard Limited	WMSHIPYARD	75,900	20.27	1,538,471	11.20	850,080	0.27%	(688,390.80)
29		IDLC Finance Ltd.	IDLC	33,000	81.31	2,683,256	45.40	1,498,200	0.48%	(1,185,055.80)
30	Financial Institutions	IPDC Finance Limited	IPDC	52,500	27.76	1,457,612	25.60	1,344,000	0.43%	(113,612.24)
31		LankaBangla Finance Ltd.	LANKABAFIN	20,000	36.36	727,189	18.00	360,000	0.11%	(367,189.98)
32		Uttara Finance and Investments Limited	UTTARAFIN	43,000	69.72	2,997,905	55.00	2,365,000	0.75%	(632,905.39)
33		Apex Foods Limited	APEXFOODS	11,000	182.58	2,008,429	123.40	1,357,400	0.43%	(651,029.07)
34	Food	British American Tobacco Bangladesh Company Limited	BATBC	4,100	1,358.43	5,569,581	969.90	3,976,550	1.27%	(159,299.10)
35		National Tea Company	NTC	7,000	726.39	5,084,725	532.40	3,726,800	1.19%	(135,792.43)
36		Olympic Industries Ltd.	OLYMPIC	22,000	226.40	4,980,878	165.00	3,630,000	1.16%	(135,087.76)
37		Dhaka Electric Supply Company Ltd.	DESCO	43,000	45.74	1,967,088	37.00	1,591,000	0.51%	(376,008.46)
38		Doreen Power Generations and Systems Limited	DOREENPWR	32,000	68.12	2,179,941	58.90	1,884,800	0.60%	(295,141.18)
39		Jamuna Oil Company Limited	JAMUNAOIL	50,000	177.51	8,875,714	141.90	7,095,000	2.26%	(1,780,713.70)
40	Fuel & Power	Khulna Power Company Limited	KPLC	30,000	62.63	1,878,772	46.70	1,401,000	0.45%	(477,771.94)
41		MUL Bangladesh Limited	MULBD	56,000	98.45	5,513,183	63.30	3,544,800	1.13%	(196,888.25)
42		Meghna Petroleum Limited	MPETROLEUM	40,000	207.78	8,311,293	163.80	6,552,000	2.09%	(175,929.56)
43		Summit Power Limited	SUMITPOWER	41,000	39.80	1,631,657	36.30	1,488,300	0.47%	(143,356.80)
44		Titas Gas Transmission & Dist. Co. Ltd.	TITASGAS	61,500	40.82	2,510,577	30.90	1,900,350	0.61%	(610,226.63)
45		United Power Generation & Distribution Company Ltd.	UPGDCL	1,000	238.50	238,498	245.30	245,300	0.08%	6,801.83
46	IT	Genex Infosys Limited	GENEXIL	1,056	8.70	9,183	67.40	71,174	0.02%	61,991.28
47		Berger Paints Bangladesh Ltd.	BERGERPBL	500	1,417.77	708,885	1,380.50	690,250	0.22%	(186,634.94)
48	Miscellaneous	Usmania Glass Sheet Factory Limited	USMANIAGL	19,000	107.48	2,042,056	43.70	830,300	0.26%	(1,211,755.97)

**HFAML Unit Fund
Statement of Fund Portfolio
As at December 31, 2019**

SL	Sector	Name of the Company	Ticker	Quantity No. of Shares	Average Cost (BDT)	Total Cost Value (BDT)	Market Price (BDT)	Total Market Value (BDT)	% of Total Assets	Total Unrealized Gain/Loss (in %)
49		Asian Tiger Shariah Unit Fund	ATCS Unit Fund	1,021,000	9.80	10,005,800	8.86	9,046,060	2.88%	(959,740.00)
50		Asian Tiger Sandhani Life Growth Fund	ATCSLGF	245,000	8.87	2,172,336	7.50	1,837,500	0.59%	(334,836.00)
51		Capital & Asset Portfolio Management Unit Fund	CAPM Unit Fund	52,000	115.15	5,987,800	91.85	4,776,200	1.52%	(1,211,600.00)
52		DBH First Mutual Fund	DBH1STMF	30,000	8.35	250,635	8.40	252,000	0.08%	1,364.63
53		Grameen One : Scheme Two	GRAMREENS2	95,000	15.93	1,513,312	11.80	1,121,000	0.36%	(392,311.88)
54	Mutual Funds	Green Delta Mutual Fund	GREENDELFMF	80,000	9.33	746,113	8.00	640,000	0.20%	(106,113.45)
55		ICB Employees Provident MF 1: Scheme 1	ICBEPMF1S1	140,000	4.83	676,104	4.40	616,000	0.20%	(60,103.74)
56		MBL 1st Mutual Fund	MBL1STMF	85,000	8.10	688,875	6.10	518,500	0.17%	(170,375.00)
57		NCCBL Mutual Fund-1	NCCBLMF1	100,000	7.78	777,552	5.90	590,000	0.19%	(187,552.00)
58		Vanguard AML	VAML	500,000	10.00	5,000,000	9.29	4,645,000	1.48%	(355,000.00)
59		Vanguard AML Rupali Bank Balanced Fund	VAMLRBBF	10,000	5.01	50,100	4.60	46,000	0.01%	(4,100.00)
60		ACI Limited	ACI	48,204	372.89	17,974,891	181.50	8,749,026	2.79%	(9,225,864.63)
61		The ACME Laboratories Limited	ACMELAB	28,000	91.67	2,566,822	60.90	1,705,200	0.54%	(861,621.60)
62		Active Fine Chemicals Limited	ACTIVEFINE	50,000	26.21	1,310,516	14.70	735,000	0.23%	(575,516.80)
63		Beximco Pharmaceuticals Ltd.	BXPHARMA	24,000	77.61	1,862,545	69.40	1,665,600	0.53%	(196,944.85)
64		The IBN SINA Pharmaceutical Industry Ltd.	IBNSINA	20,000	248.74	4,974,823	222.40	4,448,000	1.42%	(526,823.01)
65	Pharmaceuticals & Chemicals	JMI Syringes & Medical Devices Ltd.	JMISMDL	10,000	416.45	4,164,485	310.50	3,105,000	0.99%	(1,059,485.15)
66		Libra Infusions Limited	LIBRAINFU	3,735	701.25	2,619,184	657.70	2,456,510	0.78%	(162,674.91)
67		Orion Pharma Ltd.	ORIONPHARM	46,000	42.30	1,945,984	26.90	1,237,400	0.39%	(708,584.20)
68		Pharma Aids	PHARMAID	1,700	566.63	963,273	394.80	671,160	0.21%	(292,112.70)
69		Renata Ltd.	RENATA	2,500	1,144.55	2,861,375	1,096.50	2,741,250	0.87%	(120,124.83)
70		Silco Pharmaceuticals Limited	SILCOPHL	11,393	9.09	103,577	30.30	345,208	0.11%	241,631.20
71		Square Pharmaceuticals Ltd.	SQRPHARMA	57,780	255.97	14,789,730	190.00	10,978,200	3.50%	(3,811,529.79)
72	Services & Real Estate	SAIF Powertec Limited	SAIFPOWER	92,728	26.44	2,451,959	13.40	1,242,555	0.40%	(1,209,403.93)
73		Samorita Hospital Limited	SAMORITA	38,000	70.50	2,678,996	64.00	2,432,000	0.77%	(246,996.30)
74		Apex Footwear Limited.	APEXFOOT	10,000	310.14	3,101,398	223.10	2,231,000	0.71%	(870,397.96)
75	Tannery Industries	Apex Tannery Limited	APEXTANNRY	13,000	120.83	1,570,825	116.80	1,518,400	0.48%	(52,424.70)
76		Bata Shoe Company (Bangladesh) Limited	BATASHOE	1,600	1,008.11	1,612,973	696.10	1,113,760	0.35%	(499,212.51)
77		ADN Telecom Limited	ADNTEL	50,078	30.00	1,502,340	30.00	1,502,340	0.48%	-
78	Telecommunication	Bangladesh Submarine Cable Company Limited	BSCCL	20,000	101.37	2,027,397	93.80	1,876,000	0.60%	(151,396.70)
79		Grameenphone Ltd.	GP	16,500	467.63	7,715,897	285.80	4,715,700	1.50%	(3,000,197.09)
80		Esquire Knit Composite Limited	ESQUIRENT	64,177	45.00	2,887,965	28.30	1,816,209	0.58%	(1,071,755.90)
81		Generation Next Fashions Limited	GENNEXT	291,500	8.22	2,394,780	2.70	787,050	0.25%	(1,607,730.00)
82		New Line Clothing Limited	NEWLINE	11,104	9.35	103,779	14.80	164,339	0.05%	60,560.17
83	Textile	Ring Shine Textiles Limited	RINGSHINE	310,381	8.70	2,698,967	10.30	3,196,924	1.02%	497,957.43
84		R.N. Spinning Mills Limited	RNSPIN	121,000	13.49	1,632,158	3.90	471,900	0.15%	(1,160,257.80)
85		Saiham Cotton Mills Limited	SAHAMCOT	55,000	29.15	1,603,176	20.40	1,122,000	0.36%	(481,175.95)
86		Square Textile Ltd.	SQUARETEXT	53,000	35.76	1,895,350	31.00	1,643,000	0.52%	(252,349.87)
87	Travel & Leisure	Sea Pearl Beach Resort & Spa Limited	SEAPEARL	11,581	9.52	110,300	41.30	478,295	0.15%	367,995.30
88		Unique Hotel & Resorts Limited	UNIQUEHRL	100,000	56.95	5,695,058	43.90	4,390,000	1.40%	(1,305,057.98)
Total						289,223,336		205,112,442		(84,110,894)

Annexure-A

HFAML Unit Fund
Statement of Dividend Receivable
As at December 31, 2019

Annexure-B

Company Name	Cash Dividend
ACI	419,170.00
ACTIVEFINE	10,000.00
ANWARGALV	31,000.00
APEXFOODS	22,000.00
BARKAPOW	50,000.00
BBSCABLES	50,000.00
BXPHERMA	19,500.00
CONFIDCEM	67,500.00
COPPERTECH	8,332.80
DESCO	51,600.00
ESQUIRENIT	96,265.50
GENEXIL	3,521.50
GQBALLPEN	8,000.00
JAMUNAOIL	650,000.00
MEGHNACEM	32,000.00
MICEMENT	36,000.00
MPETROLEUM	600,000.00
NEWLINE	5,844.30
NTC	15,400.00
OLYMPIC	110,000.00
ORIONPHARM	69,000.00
PHARMAID	8,500.00
SAIFPOWER	34,992.00
SAIHAMCOT	55,000.00
SAMORITA	33,000.00
SILCOPHL	3,797.60
SQUARETEXT	61,000.00
SQURPHARMA	226,800.00
TITASGAS	159,900.00
UNIQUEHRL	200,000.00
DOREENPWR	45,900.00
IFADAUTOS	28,000.00
ACMELAB	98,000.00
Total	3,310,023.70

HFAML Unit Fund
Statement of Capital Gain
From Securities Sale January 2019 to December 2019

Annexure-C

Name of Security	No. of Unit Sale	Sale Price	Average Cost	Capital Gain
AFCAGRO	30,000	26.87	26.26	18,378
ALARABANK	16,000	23.05	22.78	4,389
APEXFOODS	3,750	212.19	187.89	91,142
APEXFOOT	1,000	314.37	310.14	4,230
APEXTANRY	32,052	142.74	139.18	114,060
ATCSLGF	230,000	10.58	9.73	194,151
ATLASBANG	58,604	136.90	126.55	606,613
BATBC	4,175	2,796.95	2,490.68	1,278,682
BDLAMPS	22,888	232.14	220.78	260,036
BEACONPHAR	220,000	20.56	19.63	204,701
BERGERPBL	5,200	1,791.03	1,360.34	2,239,578
BRACBANK	10,000	88.62	86.74	18,844
BSC	80,500	48.12	46.19	155,055
BSCCL	16,500	105.73	100.02	94,189
CAPMBDBLMF	10,000	7.88	6.47	14,106
CAPMIBLMF	40,000	8.01	6.99	40,798
CONFIDCEM	2,000	191.84	180.93	21,830
COPPERTECH	11,905	40.95	10.00	368,418
DESCO	61,000	47.69	44.46	197,235
DHAKABANK	60,000	17.31	16.30	60,431
DOREENPWR	14,300	97.51	90.66	98,019
EASTERNINS	26,000	38.31	34.34	103,340
EASTLAND	20,000	25.43	20.22	104,205
EHL	73,000	55.24	52.01	235,736
ENVOYTEX	300	36.73	35.54	357
ESQUIRENIT	64,177	48.09	45.00	198,513
EXIMBANK	85,000	13.55	12.89	55,908
GBBPOWER	100,000	15.97	15.26	70,440
GENEXIL	28,169	44.36	9.67	977,002
GLAXOSMITH	90	1,485.02	1,460.47	2,210
GLOBALINS	10,000	24.40	23.85	5,535
GQBALLPEN	30,000	87.32	83.91	102,425
GREENDELT	15,348	63.12	55.83	111,912
IBNSINA	19,261	263.61	252.72	209,779
IBP	746	32.44	9.09	17,414
ICB3RDNRB	111,500	6.45	6.26	20,932
ICBEPMF1S1	152,500	6.28	6.05	35,015
ICBSONALI1	90,000	8.55	8.43	10,470
IFIC	75,000	13.51	12.92	44,131
IFILISLMF1	73,000	7.51	7.45	4,149
INTRACO	657	28.44	9.52	12,430
IPDC	9,000	41.42	41.02	3,616
JAMUNAOIL	8,000	198.51	187.19	90,552
JMISMDL	3,500	491.21	418.97	252,847
KTL	27,101	22.09	9.09	352,366

HFAML Unit Fund
Statement of Capital Gain
From Securities Sale January 2019 to December 2019

Annexure-C

Name of Security	No. of Unit Sale	Sale Price	Average Cost	Capital Gain
LIBRAINFU	2,900	1,018.56	1,005.05	39,191
LINDEBD	3,500	1,295.57	1,280.01	54,454
MARICO	1,085	1,394.84	1,205.62	205,301
MEGHNACEM	7,000	99.53	90.76	61,359
MERCINS	25,000	29.80	29.34	11,442
MJLBD	400	103.69	100.38	1,325
MLDYEING	10,449	34.99	8.33	278,531
MPETROLEUM	11,500	215.54	190.67	285,971
NBL	112,000	11.00	10.79	23,119
NCCBANK	65,000	17.29	16.83	30,065
NEWLINE	29,220	18.06	9.78	241,832
NITOLINS	5,000	28.26	27.09	5,846
NPOLYMAR	25,960	82.52	71.83	277,343
NTC	300	746.37	727.73	5,592
NLTUBES	48,200	117.99	111.46	315,089
OLYMPIC	12,000	243.81	227.38	197,251
PHARMAID	100	573.75	566.63	712
PIONEERINS	15,000	35.21	34.60	9,071
POWERGRID	52,500	55.12	50.47	243,940
PRAGATIINS	72,260	33.80	29.28	326,765
PRAGATILIF	28,698	135.37	118.22	492,178
PRIMEFIN	94,700	10.76	10.46	28,303
PRIMEINSUR	26,000	23.02	18.17	125,888
PROVATIINS	20,000	29.43	28.27	23,193
RELIANCINS	27,000	46.85	45.06	48,100
RENATA	3,100	1,259.58	1,089.79	526,360
RINGSHINE	238,754	12.46	8.70	899,808
RUPALIBANK	25,000	42.89	40.70	54,869
SAIHAMCOT	2,000	30.44	26.52	7,832
SANDHANINS	25,000	23.01	22.34	16,732
SEAPEARL	11,029	30.96	10.00	231,138
SHEPHERD	16,000	39.87	38.84	16,475
SILCOPHL	28,480	26.56	9.70	480,326
SILVAPHL	22,388	30.10	10.00	450,024
SINGERBD	28,200	212.20	185.09	764,561
SKTRIMS	13,307	46.59	9.09	499,003
SONARBAINS	34,000	37.44	34.98	83,775
SOUTHEASTB	15,000	17.96	17.76	3,065
SPCL	180	92.91	89.16	676
SQUARETEXT	1,000	37.72	37.63	127
SSSTEEL	35,211	37.27	10.00	960,236
STANDBANKL	45,000	12.90	12.42	21,334
STYLECRAFT	1,000	863.51	831.78	31,733
SUMITPOWER	60,000	41.10	40.69	24,433
UPGDCL	17,950	315.71	299.75	286,556
USMANIAGL	27,000	118.91	109.10	264,946
UTTARAFIN	12,000	71.83	69.72	25,348
VFSTD	9,850	58.31	9.09	484,832
WATACHEM	3,400	599.65	569.73	101,744
Total Capital Gain				18,673,960

HFAML Unit Fund
Statement of Dividend Income
For the Year ended December 31, 2019

Annexure-D

Company Name	Dividend Amount
ALARABANK	150,000.00
APEXFOOT	55,000.00
APEXTANRY	26,514.57
ACTIVEFINE	10,000.00
BATASHOE	10,500.00
BATBC	100,000.00
BERGERPBL	12,500.00
CAPM Unit Fund	676,000.00
CITYBANK	30,240.00
EBL	162,080.00
GP	248,000.00
GP	144,000.00
GRAMEENS2	76,500.00
GREENELMF	52,000.00
GREENELT	12,000.00
HEIDELBCEM	195,000.00
IBBLPBOND	500,610.00
IBNSINA	45,000.00
ICBEPMF1S1	31,950.00
IDLC	115,500.00
IPDC	9,100.00
ISLAMIBANK	335,000.00
JMISMDL	22,500.00
KPCL	120,000.00
LANKABAFIN	30,000.00
LHBL	72,000.00
MBL1STMF	40,000.00
MERCINS	10,000.00
NCCBLMF1	30,000.00
PRAGATIINS	23,400.00
PRIMEBANK	163,750.00
RAKCERAMIC	54,000.00
RELIANCINS	25,500.00
SUMITPOWER	87,500.00
UTTARAFIN	86,000.00
DOREENPWR	45,900.00
ACMELAB	98,000.00
BDLAMPS	21,000.00
GENEXIL	3,521.50
MJLBD	247,500.00
TITASGAS	159,900.00

HFAML Unit Fund
Statement of Dividend Income
For the Year ended December 31, 2019

Annexure-D

Company Name	Dividend Amount
BBSCABLES	50,000.00
MICEMENT	36,000.00
UNIQUEHRL	200,000.00
SAIFPOWER	34,992.00
NTC	15,400.00
SQURPHARMA	226,800.00
SILCOPHL	3,817.67
IFADAUTOS	28,000.00
GQBALLPEN	8,000.00
APEXFOODS	22,000.00
SAIHAMCOT	55,000.00
DESCO	51,600.00
BARKAPOWER	50,000.00
CONFIDCEM	67,500.00
COPPERTECH	8,332.80
ORIONPHARM	69,000.00
OLYMPIC	110,000.00
MPETROLEUM	600,000.00
SAMORITA	33,000.00
PHARMAID	8,500.00
MEGHNACEM	32,000.00
ACI	419,170.00
ESQUIRENIT	96,265.50
ANWARGALV	31,000.00
NEWLINE	5,857.96
JAMUNAOIL	650,000.00
SQUARETEXT	61,000.00
BXPHARMA	19,500.00
Total Dividend Income	7,330,702.00

Corporate Profile of Asset Management Company



Name of the Asset Management Company	HF Asset Management Limited
Type	Private Limited Company
Date of Incorporation	June 7, 2016
Registration as Asset Management Company	January 19, 2017
Industry	Financial Services
Focus Area	Fund management, Corporate advisory, Equity arrangement, Debt and Loan syndication etc.
Fund(s) under Management	HFAML Unit Fund HFAML-ACME Employees' Unit Fund
Company Chairman	Mr. Hafizur Rahman Khan
Managing Director & CEO	Mr. Md. Fayekuzzaman
No of Board Members & Employees	21 (including 15 employees and 4 Board Members)
Company Address	Rabbe House (2nd Floor), B-2, House-CEN(B) 11, Road-99, Gulshan-02, Dhaka-1212.
Company website	www.hfassetmanagement.com

Profile of Board of Directors

The Board of Directors of the Company comprises of 4 (four) members with optimum combination of Executive and Non-Executive Directors, all of whom are leading professionals in their respective fields. Except the Managing Director & CEO, all the Directors are non-executive and independent. Mr. Hafizur Rahman Khan, Chairman of Runner Group of Companies is the Chairman of the Board. The role of Chairman and CEO are independent and separate. The Chairman runs the Board while the CEO undertakes all decisions of the Board.

The highest authority of the company is vested with the Board of Directors. The Board is responsible for overall direction, control, supervision and administration of the company primarily through strategic planning & budgetary control mechanisms. Adequate delegation of power has been given to the Chief Executive Officer for conducting day-to-day affairs of the company smoothly.

The Board of Directors of the company is as follows:

SI No	Name	Position
01	Mr. Hafizur Rahman Khan	Chairman
02	Mr. Md Fayekuzzaman	Managing Director & CEO
03	Mr. Md. Mozammel Hossain	Director
04	Ms. Munira Begum	Director

The brief profiles of the Board of Directors are presented below:

Mr. Hafizur Rahman Khan, Chairman

Mr. Hafizur Rahman Khan has extensive knowledge and rich background in business, economy and social activities. He is the Chairman of Runner Group, one of the successful business conglomerates in Bangladesh. He has been involved with multi-dimensional business and Capital Market affairs for more than three decades. He has set several milestones in the field of business. For his valuable contribution to the National Economy, he has been awarded CIP by the Government of Bangladesh.

Mr. Rahman did his masters in Management from Rajshahi University and attended different training and seminars at home and abroad.



Mr. Hafizur Rahman Khan

He is the Chairman of the following companies:

- Runner Automobiles Ltd
- Runner Motors Ltd
- Runner Bricks Ltd
- Runner Properties Ltd
- Runner Agro Products Ltd
- Runner Oil & Gas Ltd
- Runner Trading Ltd
- Runner Time Watch Media Ltd
- Zyle Daewoo Bus Bangladesh Ltd

He has set several milestones in the field of business. The recent motor cycle export by his company to Nepal is for the first time in Bangladesh. He is also associated with various Social & Cultural organizations in different capacities as follows:

- Varendra University Trust, Chairman
- International Business Forum of Bangladesh, President
- Management Studies Alumni Association, Rajshahi University, President
- Bangladesh Automobiles Assemblers and Manufacturers Association (BAAMA), President
- Autism Welfare Trust, Director
- Dhaka Club, Member
- Kurmitola Golf Club, Member
- Banani Club. Member

Mr. Md. Fayekuzzaman, Managing Director and CEO

Mr. Md. Fayekuzzaman, MD & CEO of HFAML is a renowned personality in the capital market of Bangladesh. He led the Investment Corporation of Bangladesh (ICB), the largest investment bank in the country as Managing Director/CEO, for about six years. He also worked as the Deputy Managing Director of Agrani Bank Limited. Mr. Zaman has more than 30 years of valuable and leadership experience in the money and capital markets, covering investment banking, commercial, Islamic and development banking, merchant banking, and asset management. He has experience in teaching, research and consulting in local and international bodies. He was Chairman of Demutualization Committee of Dhaka Stock Exchange and worked very effectively for the stabilization of Share Market Debacle of 2010-11.



Mr. Md. Fayekuzzaman

Mr. Fayekuzzaman did his Master in Management from Rajshahi University and Post-Graduation Studies on Development Banking from Braford University, UK. He also attended Leadership Program at Cambridge University, UK and Leadership Essential Program at the Columbia University, USA.

He had been directly involved in establishing more than 2000 local and regional financial projects. For regional development, he worked for South Asia Development Fund (SADF), which was created at the initiative of the Heads of Governments of SAARC nations to support the joint venture projects of SAARC countries. He has promoted hundreds of companies through Equity and Entrepreneurship Fund (EEF), a flagship program of GOB, created several hundreds of investors and brought many IPOs in the Capital Market.

Mr. Md. Mozammel Hossain, Director

Mr. Md. Mozammel Hossain, Director, did his Master in Marketing from Dhaka University. He has been with the Runner Group since 2000 as Vice Chairman of all the companies of the group including Runner Automobiles Ltd, Runner Motors Ltd, Runner Bricks Ltd, Runner Properties Ltd, Runner Agro Products Ltd, Runner Oil & Gas Ltd, Runner Trading Ltd, Runner Time Watch Media Ltd, Zyle Daewoo Bus Bangladesh Ltd. He has 33 years' experience in Corporate Sector, Money and Capital Markets. All his companies have shown tremendous growth under his dynamic leadership. He is also actively involved in social and cultural activities.



Mr. Md. Mozammel Hossain

Ms. Munira Begum, Director, HFAML

After obtaining her Masters' degree from the University of Dhaka Ms. Munira Begum involved herself in small businesses and socio-cultural projects. She has more than 25 years of experience. She has been involved with HF Asset Management Ltd as Director since inception of the company.



Ms. Munira Begum

Profile of Top Management & Executive Team

The top management of the Company comprises of Mr. Md. Fayekuzzaman, Managing Director and CEO, Mr. Md. Alauddin Khan, Chief Investment Officer (CIO) and Mr. Nazmul Islam, Chief Operating Officer (COO).

Under the supervision of the MD/CEO, COO & CIO, the executive team of the Asset Management Company works with the following members-

Mr. Farhad Miah	Sr. Executive
Mr. Goutam Majumder	Sr. Executive
Mr. Shihab Alam Khan	Sr. Executive
Ms. Sumaiya Afroz	Executive

Mr. Md. Fayekuzzaman, Managing Director and CEO

Mr. Md. Fayekuzzaman represent the top management of HFAML as the MD & CEO. He is the topmost authority in HFAML and actively supervise all the corporate activities. Mr. Zaman is also one of the members of HFAML's Board of Directors. To learn details of Mr. Md. Fayekuzzaman, please read the profile of Board of Directors of HFAML.



Mr. Md. Fayekuzzaman

Mr. Md. Alauddin Khan, Chief Investment Officer

Mr. Md. Alauddin Khan has more than 33 years' experience in Bangladesh Capital Market, particularly investment banking and portfolio management.

Mr. Khan obtained his Master's Degree in Finance from the University of Dhaka and started his career in Investment Corporation of Bangladesh (ICB) and directly involved in floating several mutual funds that include 2nd, 3rd, 4th, 5th, 6th, 7th and 8th mutual funds of ICB. Prior to joining HFAML he led the ICB Asset Management Company Limited (a subsidiary of ICB and the largest Asset Management Company in the country) as the CEO.

Mr. Khan was directly involved in management of several mutual funds, unit funds, portfolio and also in bond issuance including zero coupon bond and subordinated bonds of several banks, financial institutions and corporations. He has extensive experience in Public Issue, Mutual Fund Management, Stock Market Operations and law related activities.



Mr. Md. Alauddin Khan

Mr. Nazmul Islam, Chief Operating Officer

Mr. Nazmul Islam has over 32 years of experience in Investment Banking and Portfolio Management. He served the Investment Corporation of Bangladesh (ICB) as the Deputy General Manager. He was also CEO of different corporate bodies of Bangladesh.

Mr. Islam has specialization in planning and forecasting, project appraisal and management, securitization, stock analysis and portfolio construction and management, bond/securities pricing and valuation.

Mr. Nazmul Islam is a Science graduate. He is a qualified intermediate cost & management accountant from the Institute of Cost & Management Accountants of Bangladesh (ICMAB).



Mr. Nazmul Islam

Mr. Md. Farhad Miah, Chief Financial Officer

Mr. Farhad Miah has More than 1.5 years' experience as a Financial Analyst and also has practical knowledge on Cost & Management Accountancy, Corporate planning, MIS and Quality Assurance and Portfolio Management. Currently, he is acting as Chief Financial Officer of HFAML.

Mr. Farhad Miah has qualified as Cost and Management Accountant from ICMAB and also completed executive level-2 from ICSB. He is the Fund Manager of HFAML Unit Fund, manages by HF Asset Management Company Limited.



Mr. Md. Farhad Miah

Mr. Goutam Majumder, Head of Internal Control & Compliance

Mr. Majumder has more than 3.5 years' experience in portfolio management, accounts and tax related work. Currently he is enrolled in CMA. In HFAML, he is discharging duties as the Head of Internal Control and Compliance Department.

Mr. Majumder has specialized knowledge on Accounts, Tax and Legal affairs as well as sectoral Index Development, Fundamental & Technical Analysis and Portfolio Construction of Pharma, Bank, Ceramic, Insurance, Travel & Leisure and Cement Industry.

Mr. Majumder has qualified as Cost and Management Accountant from ICMAB and also completed executive level-1 from ICSB & LL.B. from National University. He is also



Mr. Goutam Majumder

practicing as registered Income Tax Practitioner (ITP) of NBR.

Mr. Md. Shihab Alam Khan, Head of Research & Product Development

Mr. Shihab Alam Khan has more than 4 years' experience in capital market operation and research related work. He completed his MBA in Finance from University of Dhaka. Currently, Mr. Khan is acting as the Head of Research and Product Development in HFAML

Mr. Khan has specialized knowledge on fundamental and technical analysis of stocks, financial modeling and projection and managing equity portfolio of the company. Before joining HFAML, he worked as a Sr. Officer in Investment Department of PLFS investment Limited. He also worked in Assurance Asset Management Ltd. as an Investment Analyst for about two years.



Mr. Md. Shihab Alam Khan

Ms. Sumaiya Afroz, Executive, HR & Admin

Ms. Sumaiya Afroz has been with HFAML since May 2018. Ms. Afroz completed his MBA in Human Resources Management from Bangladesh University of Professionals. Currently, she is acting as an HR Executive in HFAML.



Ms. Sumaiya Afroz