IDLC Asset Management Limited

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Asset Manager's Report

September 30, 2026

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Asset Manager's Remarks

IDLC Asset Management Limited

During the quarter, Bangladesh's economy continued its gradual path towards macroeconomic stabilization, supported by broadly stable inflation and improving external-sector conditions. However, broader economic activity remained subdued, as weak private investment, banking-sector vulnerabilities and a severe energy crisis continued to constrain the pace of recovery.

Inflation stood at 8.34% in September, edging up slightly from 8.26% in August but remaining broadly stable compared to that of last year. Bangladesh Bank reduced the policy rate by 50 bps to 9.50% in July. However, amid potential inflationary pressure from higher domestic fuel prices and volatile global energy prices, the policy rate was held at 9.50% in September. The external sector remained supportive: remittance inflow rose 13.3% year-on-year to USD 8.59 billion in Q1 FY27 (July–September), while the Taka strengthened somewhat against the US dollar during the quarter. Meanwhile, capital-market reforms continued, with BSEC moving towards market-based IPO valuation and DSE targeting new blue-chip listings. If implemented effectively, these initiatives should support market depth and institutional participation over the medium to long term.

During the quarter, IDLC Mutual Funds maintained disciplined, objective-driven strategies to deliver risk-adjusted returns aligned with each fund's mandate. **IDLC Balanced Fund** safeguarded against equity drawdowns following the energy crisis by realizing capital gains on high-yield bonds as yields fell, demonstrating its agility to capture opportunities across both fixed income and equity market cycles. Meanwhile, **IDLC Growth Fund** remained tilted toward a higher equity allocation to participate in market upside and support long-term capital appreciation. Both funds retained heavy allocations to high-quality banking stocks during the quarter, reflecting our conviction that strong governance and robust balance sheets will benefit these banks amidst ongoing sector-wide vulnerabilities.

IDLC AM Shariah Fund remained diversified across Government Sukuk, Mudaraba deposits and value-oriented Shariah-compliant equities. While equities are expected to generate strong returns during market recovery, Sukuk and Mudaraba deposits should provide a cushion against market volatility, thus we expect a smooth overall return from this fund. Lastly, **IDLC Income Fund** continued to benefit from its portfolio of higher-yielding Treasury Bonds, generating stable income despite early signs of yield softening.

During the quarter, risk-free yields declined as public sector borrowing moderated and banks continued to channel funds into government securities. Against this backdrop, equities reached year-to-date highs; however, as an energy crisis emerged, the market faced a modest correction. Going forward, we expect the pace of yield decline to moderate and potentially reverse given higher government borrowing requirements and the likelihood of unchanged policy rates. With the market trading at around 10.0x P/E, close to historical lows, valuation support remains evident. We believe improvement in the energy situation, alongside capital market policy reforms, should gradually revive confidence in corporate earnings and renew investor appetite for deeply discounted equities. Against this backdrop, our carefully selected holdings across the equity funds are positioned to participate meaningfully in a market recovery and generate significant returns.

IDLC Balanced Fund Factsheet

Fund Inception Date

February 05, 2017

Asset Managers

Kazi Umme Sumaiya, CFA
Capital market experience of 11+ years

Shahidul Haque Ibne Alam
Capital market experience of 3+ years

Asset Under Management (AUM)

BDT 690.0 mn @ Market (September 30, 2026)

NAV (Per Unit) at Quarter End

(September 30, 2026)

NAV @ Cost: BDT 12.06

NAV @ Market: BDT 12.37

Minimum Investment Requirement

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

3M Annualized Ratios

Turnover Ratio: 93.3%
Expense Ratio : 2.3%

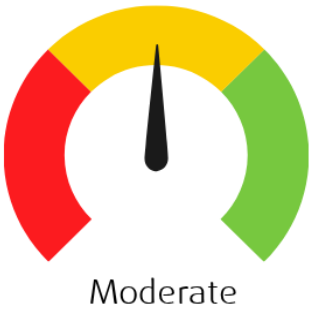
Redemption Proceeds

Within 2 working days after transfer of units

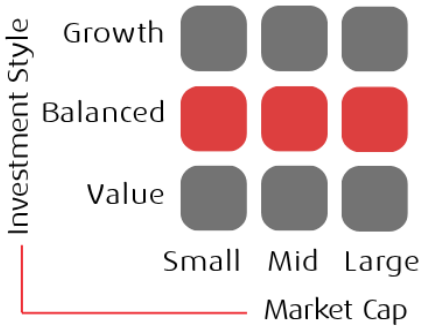
Investment Objective

To generate stable return with capital appreciation by mainly investing in Treasury Bills/Bonds & fixed income instruments such as FDR, and remaining in stocks.

Risk Scale



Fund Style



Asset Allocation

Equity 46.44%

Bank 29.75%

Pharmaceuticals & Chemicals 9.82%

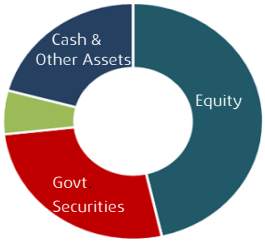
Telecommunication 4.32%

Food & Allied 2.56%

Government Securities 26.80%

FDR & Corporate Bond 5.98%

Cash & Other Assets 20.77%



Note: Percentage is based on cost value

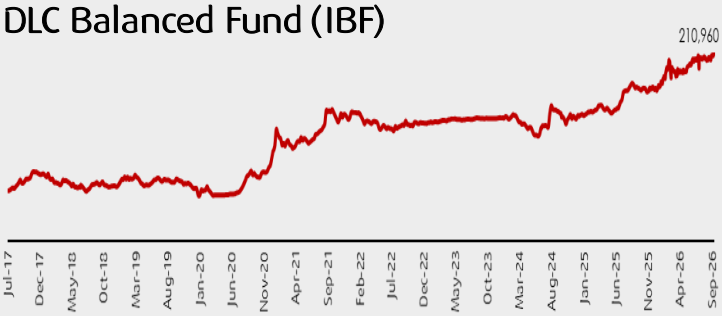
Top Listed Securities in Portfolio

DSE Code	Industry	% of Total Assets
BXPHARMA	Pharmaceuticals & Chemicals	9.82%
BRACBANK	Bank	9.80%
JAMUNABANK	Bank	8.07%
CITYBANK	Bank	7.86%
ROBI	Telecommunication	4.32%
EBL	Bank	4.01%
BATBC	Food & Allied	2.56%
Total		**46.44%**

*Detailed Portfolio is available in the Portfolio Statement

Note: Percentage is based on cost value

Investment Performance of IDLC Balanced Fund (IBF)



Value of BDT 100,000 invested in IBF over time since July 20, 2017 (Fund debut date).

Invest monthly in IDLC SIP
দেশের ১ম SIP

IDLC Growth Fund Factsheet

Fund Inception Date

September 11, 2017

Asset Managers

Kazi Umme Sumaiya, CFA
Capital market experience of 11+ years

Shahidul Haque Ibne Alam
Capital market experience of 3+ years

Asset Under Management (AUM)

BDT 968.9 mn @ Market (September 30, 2026)

NAV (Per Unit) at Quarter End

(September 30, 2026)

NAV @ Cost: BDT 12.57

NAV @ Market: BDT 12.98

Minimum Investment Requirement

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

3M Annualized Ratios

Turnover Ratio: 63.0%
Expense Ratio : 1.9%

Redemption Proceeds

Within 2 working days after transfer of units

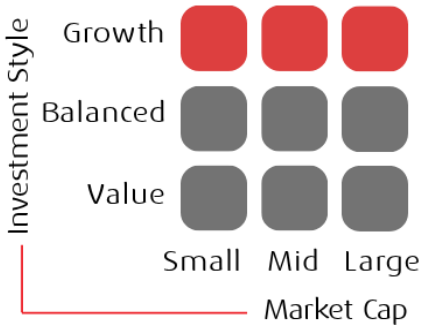
Investment Objective

To generate long-term capital appreciation from a portfolio of predominantly equity & equity related instruments.

Risk Scale



Fund Style

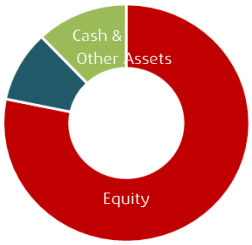


Asset Allocation

Equity 78.25%
Bank 29.77%
Pharmaceuticals & Chemicals 24.37%
Telecommunication 14.36%
Food & Allied 9.75%

Govt. Securities, Corporate Bond, FDR 9.66%

Cash & Other Assets 12.09%



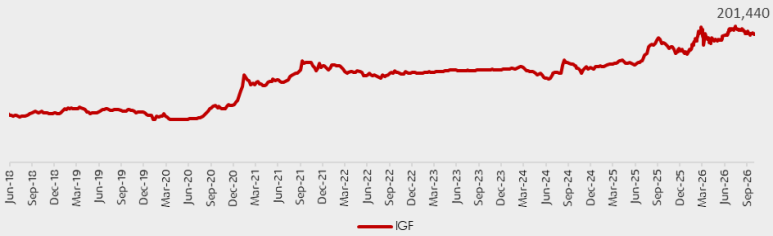
Note: Percentage is based on cost value

Top Listed Equity Securities in Portfolio

DSE Code	Industry	% of Total Assets
BRACBANK	Bank	9.83%
SQURPHARMA	Pharmaceuticals & Chemicals	9.83%
BXPHARMA	Pharmaceuticals & Chemicals	9.79%
ROBI	Telecommunication	9.60%
JAMUNABANK	Bank	9.03%
BATBC	Food & Allied	4.97%
CITYBANK	Bank	4.92%
OLYMPIC	Food & Allied	4.78%
Total		**78.25%**

*Detailed Portfolio is available in the Portfolio Statement
Note: Percentage is based on cost value

Investment Performance of IDLC Growth Fund (IGF)



Value of BDT 100,000 invested in IGF over time since May 08, 2018 (Fund debut date).

Invest monthly in
IDLC SIP
দেশের ১ম SIP

IDLC AM Shariah Fund Factsheet

Fund Inception Date

July 28, 2019

Asset Managers

Kazi Umme Sumaiya, CFA
Capital market experience of 11+ years

Shahidul Haque Ibne Alam
Capital market experience of 3+ years

Asset Under Management (AUM)

BDT 1,050.7 mn @ Market (September 30, 2026)

NAV (Per Unit) at Quarter End

(September 30, 2026)

NAV @ Cost: BDT 11.16

NAV @ Market: 11.04

Minimum Investment Requirement

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

3M Annualized Ratios

Turnover Ratio: 105.5%
Expense Ratio : 2.1%

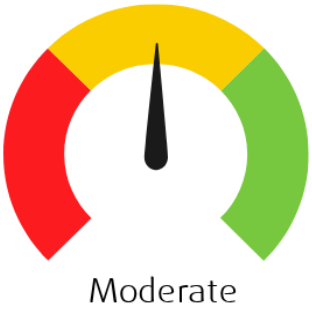
Redemption Proceeds

Within 2 working days after transfer of units

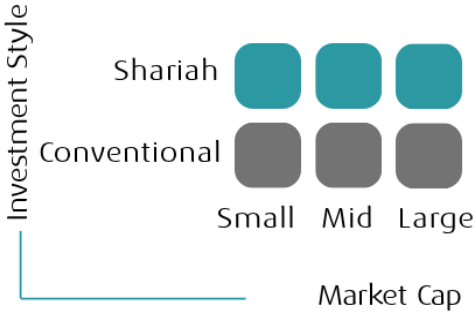
Investment Objective

To generate good profit by investing in govt. Sukuk, Shariah-compliant stocks & Mudaraba deposits.

Risk Scale



Fund Style

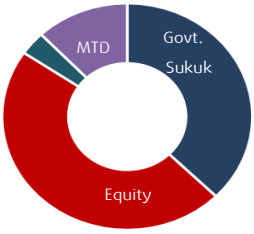


Asset Allocation

Equity 47.09%

Pharmaceuticals & Chemicals 22.59%
Telecommunication 19.29%
Food & Allied 5.21%

Govt. Sukuk 37.44%
MTD 3.39%
Cash & Other Assets 12.08%



Note: Percentage is based on cost value

Top Listed Securities in Portfolio

DSE Code	Industry	% of Total Assets
RENATA	Pharmaceuticals & Chemicals	9.87%
BXPHARMA	Pharmaceuticals & Chemicals	9.79%
GP	Telecommunication	9.72%
ROBI	Telecommunication	9.56%
OLYMPIC	Food & Allied	5.21%
IBNSINA	Pharmaceuticals & Chemicals	2.93%
Total		**47.09%**

*Detailed Portfolio is available in the Portfolio Statement

Note: Percentage is based on cost value

Investment Performance of IDLC AM Shariah Fund (IAMSF)



Value of BDT 100,000 invested in ISF over time since December 12, 2019 (Fund debut date).

Invest monthly in IDLC SIP
দেশের ১ম SIP

IDLC Income Fund Factsheet

Fund Inception Date

April 28, 2021

Asset Managers

Kazi Umme Sumaiya, CFA
Capital market experience of 11+ years

Shahidul Haque Ibne Alam
Capital market experience of 3+ years

Asset Under Management (AUM)

BDT 1,441.5 mn @ Market (September 30, 2026)

NAV (Per Unit) at Quarter End

(September 30, 2026)

NAV @ Cost: BDT 11.66

NAV @ Market: 11.66

Minimum Investment

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

3M Annualized Ratios

Expense Ratio : 1.3%

Redemption Proceeds

Within 2 working days after transfer of units

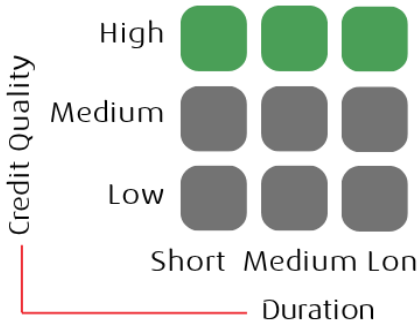
Investment Objective

To generate stable regular return by investing in a range of fixed income securities; predominantly in Treasury bills & bonds.

Risk Scale



Fund Style

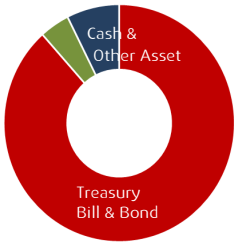


Asset Allocation

Treasury Bill & Bond 88.41%

FDR 4.20%

Cash & Other Assets 7.39%



Note: Percentage is based on cost value

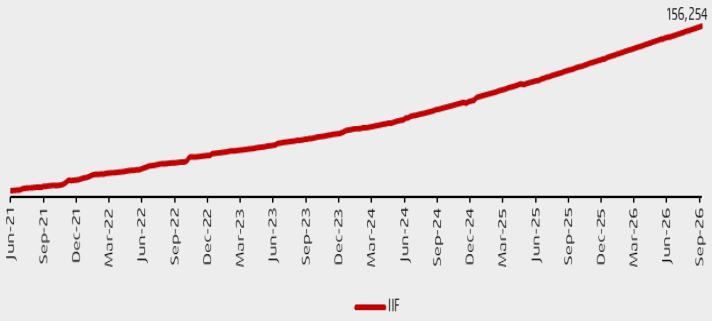
Top Holdings in Portfolio

DSE Code	Industry	% of Total Assets
BDGSEC	Government Securities	88.41%
Total		**88.41%**

*Detailed Portfolio is available in the Portfolio Statement

Note: Percentage is based on cost value

Investment Performance of IDLC Income Fund (IIF)



Value of BDT 100,000 invested in IIF over time since June 25, 2021 (Fund debut date).

Invest monthly in IDLC SIP
দেশের ১ম SIP

Start IDLC SIP Today!

You can invest in any of the funds of IDLC Asset Management Limited through **IDLC SIP**

WHY IDLC SIP

Start Small
Min BDT 5,000 per month

Auto Debit
Automatically deducts monthly invested amount from your bank account

Tax Rebate
Get upto BDT 75,000 (4X more than Conventional/Mudaraba DPS)

Anytime Top-up
Increase your monthly amount anytime

Convenience
Fully online based investor journey

YOUR OPTIONS WITH IDLC SIP

IDLC AM Shariah Fund
No Interest | Diversified

Supervised by a Shariah Board. Investment in Govt. Sukuk, shariah-compliant stocks & Mudaraba deposit.

IDLC Income Fund
Safety | Higher return than DPS

Investment in Treasury Bills/Bonds. No investment in secondary stock market.

IDLC Balanced Fund
Beat Inflation | Keep Safe

Majority investment in Treasury Bills/Bonds, fixed-income instruments such as FDR, and remaining in Stocks.

IDLC Growth Fund
Maximize Gain | Manage Risk

Investment in stocks with growth potential throughout market ups & downs.

Address
Symphony (4th Floor),
Plot # SE (F): 9, Road # 142, Gulshan Avenue, Bir Uttam Mir Shawkat Sarak,
Dhaka 1212, Bangladesh

Visit aml.idlc.com or call 16409 to know more

Invest monthly in IDLC SIP
দেশের ১ম SIP

Statutory Disclaimer
Mutual fund investments are subject to market risks. Returns are not guaranteed, and past performance of the Fund does not assure future results.