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MONTHLY BULLETIN

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Economic Zones Struggle to Woo Foreign Investors

Investment scenario at the state sponsored Economic Zones

- ❑ No of public economic zones: **5**
- ❑ Total proposed investment: **USD 22.17 billion**
- ❑ Local investment proposal: **USD 20.8 billion**
- ❑ Foreign Investment proposal: **USD 1.3 billion**
- ❑ Investment made so far: **USD 967.7 million**
- ❑ Expected no of employment in public EZs: **816,500+ ¹**

Bangladesh's Foreign Debt More Than Triples in 10 Years

Bangladesh's External Debt by Debtor Type, 2021

- ❑ Total external debt **USD 91.43 billion**
- ❑ Long-term **USD 70.04 billion**
- ❑ Short-term **USD 18.1 billion**
- ❑ IMF credit **USD 3.3 billion ²**

BDT 5,000 Crore Refinancing Scheme Formed

GREEN TRANSFORMATION FUND:

- Source **Bangladesh Bank**
- Size **BDT 5,000 crore**
- Availability duration **5-10 years**
- Grace period **1 year**
- ❑ Eligible lenders
 - State-run scheduled banks
 - Private and foreign banks with less than **10%** defaulted loans
- ❑ Interest rate
 - For banks **1%**
 - Customers **5%** ³

78% Cropland in BD Lacks Essential Organic Matters

- ❑ Nearly **78%** of the total arable land suffers a shortage of necessary organic matters
- ❑ A **2.8** times higher production since the 1980s, a vast rise in grain, potato, vegetable and other crop production, also took its heavy toll as soil lacks a shortage of seven key nutrients ⁴

VENTURE CAPITAL

HypeScout Raises USD 280,000 Pre-seed Funding



- ❑ The round was led by **Anchorless Bangladesh**, a New York based early-stage venture capital firm
- ❑ HypeScout, founded in **2021**
- ❑ The platform creates opportunities for these micro influencers to monetize their follower base by giving them exposure to brands ⁵

SWAP Raises BDT 5 Crore



- ❑ **SWAP**, the local re-commerce platform, has raised funding **BDT 5 crores** in Pre-Series A round from Startup Bangladesh
- ❑ SWAP has generated more than **BDT 443 crore** in GMV since their launch in **2020** ⁶

Startup Bangladesh Invests in Bimafy



- ❑ A agreement was signed between the organisations for investing **BDT 1 crore**
- ❑ **Bimafy**, which enables customers to avail of insurance services through an online platform ⁷

03

Gachihata Aqua's Output Tumbles for Working Capital Shortfall

- ❑ **Gachihata Aquaculture Farms Ltd** – an agro-based firm delisted from the stock exchanges – is not able to run business in full swing owing to a working capital shortage

Gachihata Aquaculture at a glance

- ❑ Listed on bourses in **1998**
- ❑ Placed to OTC in **2009**
- ❑ **BDT 20.70 crore** paid-up capital
- ❑ Owns a **109** acre land in Kishoreganj
- ❑ **BDT 556 crore** land value
- ❑ Total term loan **BDT 24 crore**

FY22 financials

- ❑ Loss per share: **BDT 10.34**
- ❑ Net asset value per share: **BDT 2,205**
- ❑ Net cash flow per share: **BDT 1.59**
- ❑ Recommended dividend: **1% cash** ⁸

Envoy Textiles, ADB Ink €10.8 Million Deal

- ❑ **Envoy** has an annual denim fabric production capacity of **52 million yards**—about **10%** of the country's total capacity
- ❑ It raised **BDT 90 crore** with **BDT 20** premium on each share
- ❑ **BDT 167.73 crore** current paid-up capital
- ❑ Declared **10%** cash dividend for **FY21** ⁹

12 Companies Plan to Raise BDT 700 Crore from Stock Market

- ❑ The companies are planning to raise around **BDT 700 crore** funds from the capital market through IPO ¹⁰

UPCOMING FIRMS IN THE CAPITAL MARKET

- ❑ Sikder Insurance **BDT 16 crore**
- ❑ Eshana Non-woven Fabrics **BDT 30 crore**
- ❑ Trust Islami Life **BDT 16 crore**
- ❑ Rhymer Chemical **BDT 30 crore**
- ❑ Classic Foils **BDT 30 crore**
- ❑ B Brothers Garments **BDT 50 crore**
- ❑ Agro Organica **BDT 10 crore**
- ❑ Al-Madina Pharma **BDT 5 crore**
- ❑ MK Footwear **BDT 10 crore**
- ❑ Glorious OP **BDT 11.5 crore**

BANK AND NBFI

Loans From Banks Become Costlier

- ❑ The Bangladesh Bank has raised the lending rate cap on consumer loans to **12%**
- ❑ Double digit interest can be charged on personal and car loans only
- ❑ The new interest rate cap will be applicable only to fresh loans ¹¹

ICB Could Lose BDT 438 Crore for Unusual Investment Decisions

MAJOR AUDIT FINDINGS:

- Incurred losses of **BDT 174 crore** for purchasing share of Padma Bank at premium prices
- Made non-profitable investment of **BDT 154 crore** ¹²
- ❑ ICB's net profit after tax **BDT 144.58 crore**
- ❑ Total asset **BDT 19000 crore**
- ❑ Investment made by ICB **BDT 2499 crore**

ACI Incurred Losses



- ❑ **ACI Limited**, incurred losses of **BDT 18.59 crore** in the Q1 due to higher interest costs and depreciation of the local currency against the dollar
- ❑ The company's profits for **FY2022-23** were down **25%** compared to **BDT 24.82 crore** during the same period a year earlier ¹³

Walton Makes Bangladesh's Maiden Electric Bike



- ❑ **Walton**, received approval from the Bangladesh Road Transport Authority (BRTA)
- ❑ Annual manufacturing capacity of **2.5 lakh units**
- ❑ Global electric bike market generated **USD 45.75 billion** ¹⁴

bKash Highest VAT Payer in Services Sector



- ❑ Leading mobile financial service provider bKash has been honoured by the NBR as the highest VAT payer for fiscal year **2020-21**
- ❑ The NBR observes the National VAT Day on December 10 every year ¹⁵

CONTACT INFO

EMAIL

info@maslincapital.com

CALL

+880 2 58154823-25

ADDRESS

Sima Blossom, 4th Floor, Plot 3, Road 16 (27 Old),
Dhanmondi CA, Dhaka-1209, Bangladesh

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