

PRESS RELEASE

January 7, 2020



LR Global Bangladesh commenced its operation in the capital market of Bangladesh in late 2008. Over the last 10 years despite a flat to negative returns on the stock market and rampant challenges, LR managed funds have materially outperformed through consistently beating the market by over 5% per annum and paid over 40% of the initial investment in cash dividend across all our funds. Please visit www.lrglobalbd.com for detailed performance and dividends paid per fund.

In addition to performance, we have set reporting standards for detailed portfolio disclosure and transparency, opposed non-cash dividends, pressed for equal application of rules for all, identified and exposed issues with capital markets and have been vocal against market manipulation & recommended required steps for the regulators. It is also important to note that LR Global has always complied with all the prevailing rules and has materially contributed to the investment industry in Bangladesh including training of investment professionals along with directly and indirectly generating employment (over 500 jobs) via our private investments.

Despite our consistent performance and doing our part in setting new standards in a new industry, we feel disenfranchised and highly concerned about the future of the investment industry including blatant injustice and misuse of prevailing rules and laws in Bangladesh by certain quarters. We are deeply concerned about regulators ignoring our concerns, application of discriminatory interpretation of rules for LR Global, allowing exploitation of loopholes within existing regulations that harm LR Global without any cause or valid purpose other than mala fide intent and unfair business practices. The most disappointing part was that we proactively supported new entrants to the asset management industry including our competition, but these conflicted competitors taking unfair advantage of our detailed portfolio disclosure and accuracy of NAV, colluded and turned against the interest of LR Global in conjunction with certain elements within our most trusted institutions including the regulatory bodies and fund trustee, who most certainly have been compromised and have been biased against the interest of LR Global to favor our competitors.

Recently, LR Global invested in BDNEWS24.com the 14th ranked website (Alexa) in Bangladesh at 1/3rd of the value determined by BRAC EPL (a fully owned subsidiary of BRAC Bank) for foreign investors, consistent with the mutual fund rules. BDNEWS24.com has a potential material upside for our investors, especially given the quality of the content, the stability of the growing audience, and high potential for extending its activities into explosive e-commerce growth potential locally and globally. However, certain elements within our trusted institutions in coordination with our competitors literally used unfair practices to harass not only LR Global but also BDNEWS24.com with the mala fide intent to adversely impact our investment.

This is also highly concerning because certain competitors who engaged in market manipulation (that has been rampant) to acquire LR Mutual Fund shares unethically by disrupting market price discovery process (by cornering the market and with mala fide intent) as many including market facilitators silently watched, despite repeated attempts by LR Global raising these disruptive material issues that further damage the confidence in the capital markets. We are disappointed to believe the colluding competitors with at least a few individuals within our most trusted institutions collaborated to harm LR Global and erode market confidence. We have not given up by any means and will continue to push for constructive changes alongside the bold anticorruption drive taken up by the Government of Bangladesh so the next decade will be better than the last 10 years for the capital markets in Bangladesh.

We appeal to all market participants, all unitholders of LR Global, the regulatory bodies including Ministry of Finance, Anti-Corruption Commission, and the press to carefully review how LR fund shares were acquired, how the rules have been exploited, how fabricated claims were disseminated to harm LR Global without any substance, who within the regulatory body has facilitated adverse action against the only licensed Multinational Asset Management Company (AMC) in Bangladesh. Needless to say, these actions not only harm LR Global but more importantly harm the trust of all Foreign Investors, and NRBs equally and discourage the involvement of many in the capital market of Bangladesh. Without effective steps, constructive changes and due process, the entire industry will suffer and deprive the market potential for all concerned citizens who care about the future of the industry.