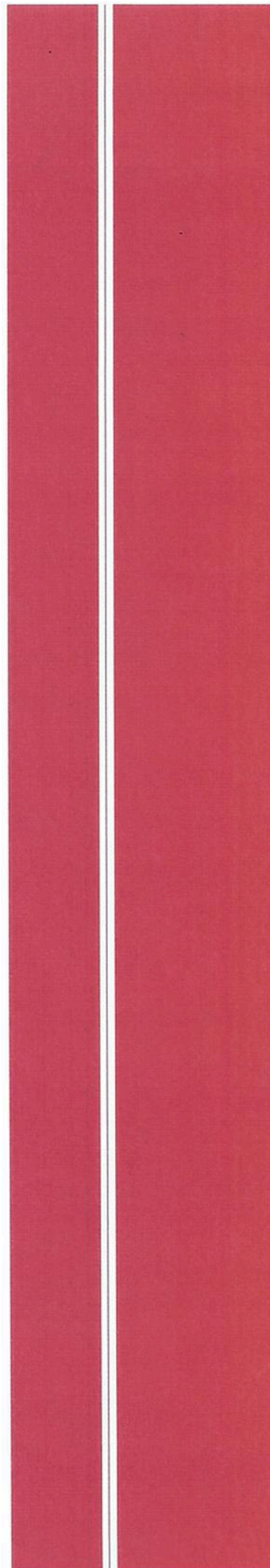


NDB Wealth Money

Plus Fund

Financial Statements for the Period

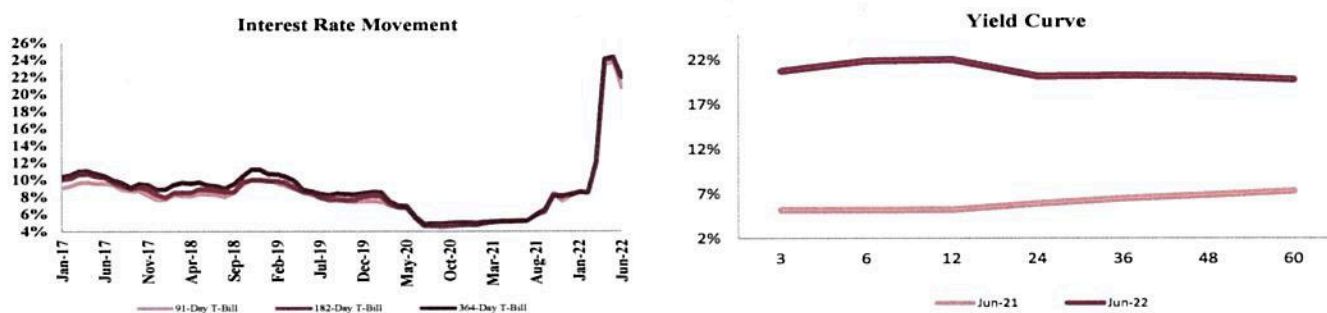
Ended 30th June 2022



Fund Review 1st Half 2022 - NDB Wealth Money Plus Fund

Interest rates increased significantly through the first half of 2022 with the Central Bank of Sri Lanka (CBSL) announcing its highest policy rate hike in history (700 basis points) in April 2022 to combat rising inflation, currency depreciation and with a view of addressing anomalies observed in market interest rates. Accordingly, the Standing Lending Facility Rate (SLF) and the Standing Deposit Facility Rate (SDF) were increased to 14.50% and 13.50% respectively during the period under review. In tandem, interest rates surged across the yield curve with the benchmark 364-day Treasury bill rate rising to 22.04% by the end of June 2022 from 8.55% seen at the beginning of the year (Source: Central Bank of Sri Lanka).

Moreover, the steep depreciation of the exchange rate and elevated prices of global commodities may continue to exert pressure on inflation, which in turn may lead to further monetary policy tightening to contain any build-up of adverse inflation expectations.



Source: Central Bank of Sri Lanka

On the fiscal front, overall budget deficit for 2022 is expected to expand significantly, amidst higher government expenditure and weak revenue collections owing to deteriorating economic activity. Thus, going forward significant fiscal consolidation measures and structural reforms will have to be introduced as part of an IMF program in order to achieve debt sustainability and overall macro-economic stability.

During the period under review the NDB Wealth Money Plus Fund yielded the following returns commensurate with the risk parameters and the objective of the Fund:

| | NDB Wealth Money Plus Fund | *Average Weighted Deposit Rate (AWDR) ^{*6-month avg.} |
|--|----------------------------|--|
| Performance - 1 st Half 2022 | 3.70% (after fees) | N/A |
| Annualized Performance - 1 st Half 2022 | 7.40% (after fees) | 6.03% |

*Source: Central Bank of Sri Lanka

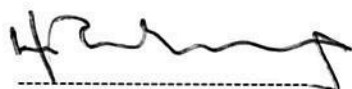
We expect interest rates to remain elevated during the second half of the year owing to policy action by the Central Bank along with uncertainties surrounding domestic debt restructuring and the government's continued requirement for domestic financing. However, if Sri Lanka manages to enter in to a staff level agreement with the IMF, policymakers may be able to secure some form of bridging finance, which in turn will ease pressure off interest rates in the interim.

NDB WEALTH MONEY PLUS FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022

| | Note | 2022 LKR | 2021 LKR |
|---|------|--------------------|----------------------|
| Investment income | | | |
| Interest income | 1 | 593,474,522 | 2,607,854,718 |
| Total investment income | | <u>593,474,522</u> | <u>2,607,854,718</u> |
| Expenses | 2 | (95,800,525) | (313,319,952) |
| Realised Loss on Sale of Securities | | - | (3,486,514) |
| Profit after deductions and before tax | | <u>497,673,997</u> | <u>2,291,048,252</u> |
| Income tax expense | 3 | - | - |
| Profit for the year | | <u>497,673,997</u> | <u>2,291,048,252</u> |
| Other comprehensive income | | - | - |
| Total comprehensive income | | <u>497,673,997</u> | <u>2,291,048,252</u> |
| Increase in net assets attributable to unitholders | | <u>497,673,997</u> | <u>2,291,048,252</u> |

**NDB WEALTH MONEY PLUS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

| | Note | 30.06.2022 LKR | 31.12.2021 LKR |
|---|------|-----------------------------|------------------------------|
| Assets | | | |
| Cash at bank | 4 | 25,000 | 25,000 |
| Other Receivables | | 6,220,781 | 1,402,362 |
| Financial assets measured at amortised cost | 5 | 6,548,450,766 | 29,951,177,684 |
| Tax recoverable | 7 | - | - |
| Total assets | | <u>6,554,696,546</u> | <u>29,952,605,046</u> |
| Liabilities | | | |
| Tax payable | 7 | - | - |
| Accrued expenses | 8 | 4,179,644 | 19,317,847 |
| Financial Liabilities | | | |
| Short Term Loan againts Fixed Deposit | 6 | 973,566,866 | 4,806,150,370 |
| Total liabilities | | <u>977,746,514</u> | <u>4,825,468,217</u> |
| Net assets attributable to unitholders | | <u><u>5,576,950,031</u></u> | <u><u>25,127,136,829</u></u> |
| Unitholder's funds | | | |
| Unit capital | | 2,170,138,313 | 10,140,030,777 |
| Retained earnings | | 3,406,811,719 | 14,987,106,052 |
| Net assets attributable to unitholders | 9 | <u><u>5,576,950,031</u></u> | <u><u>25,127,136,829</u></u> |



Director
NDB Wealth Management Ltd
Fund Management Company



Director
NDB Wealth Management Ltd
Fund Management Company

**NDB WEALTH MONEY PLUS FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUND
FOR THE PERIOD ENDED 30 JUNE 2022**

| | Unit capital | Retained earnings | Total |
|--|-----------------------|-----------------------|-----------------------|
| | LKR | LKR | LKR |
| Balance as at 1 January 2021 | 34,107,942,219 | 45,876,548,992 | 79,984,491,211 |
| Net increase or decrease due to creation and redemption of units | (23,967,911,441) | (34,566,724,962) | (58,534,636,403) |
| Increase in net assets attributable to unitholders | - | 3,677,282,022 | 3,677,282,022 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | <hr/> | 3,677,282,022 | 3,677,282,022 |
| Balance as at 31 December 2021 | 10,140,030,777 | 14,987,106,052 | 25,127,136,829 |
| Net increase or decrease due to creation and redemption of units | (7,969,892,465) | (12,077,968,330) | (20,047,860,795) |
| Increase in net assets attributable to unitholders | - | 497,673,997 | 497,673,997 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | <hr/> | - | - |
| Balance as at 30 June 2022 | 2,170,138,313 | 3,406,811,719 | 5,576,950,031 |

**NDB WEALTH MONEY PLUS FUND
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022**

| | 2022 | 2021 |
|---|-----------------------------|---------------------------|
| | LKR | LKR |
| Cash flows from operating activities | | |
| Interest received | 1,322,185,052 | 4,054,725,602 |
| Net investment in financial assets | 19,442,679,686 | 13,848,856,215 |
| Tax paid | - | - |
| Operating expenses paid | (105,634,651) | (319,929,383) |
| Net cash generated from / (used in) operating activities | <u>20,659,230,087</u> | <u>17,583,652,434</u> |
| Cash flows from financing activities | | |
| Proceeds from issue of units | 6,360,492,226 | 79,448,996,655 |
| Payments on redemption of units | (26,408,353,021) | (96,110,645,657) |
| Net cash generated from / (used in) financing activities | <u>(20,047,860,795)</u> | <u>(16,661,649,001)</u> |
| Net increase/ (decrease) in cash and cash equivalents | 611,369,292 | 922,003,433 |
| Cash & cash equivalents at the beginning of the year | <u>889,121,925</u> | <u>11,931,050</u> |
| Cash & cash equivalents at the end of the year | <u><u>1,500,491,218</u></u> | <u><u>933,934,483</u></u> |
| Cash and cash equivalents at the end of the year comprises of: | | |
| Cash at bank | 25,000 | 25,004 |
| Money Market Savings accounts | <u>1,500,466,218</u> | <u>933,909,479</u> |
| | <u><u>1,500,491,218</u></u> | <u><u>933,934,483</u></u> |

**NDB WEALTH MONEY PLUS FUND
NOTES FOR THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022**

| | 2022 | 2021 |
|---|--------------------|----------------------|
| | LKR | LKR |
| 1. Interest income | | |
| Interest on commercial papers | 221,953,686 | 187,663,802 |
| Interest on fixed deposits | 279,526,609 | 2,098,631,851 |
| Interest on repurchase agreements - Long Term | 1,310,517 | 98,589,631 |
| Interest on repurchase agreements - Short Term | - | 90,817,033 |
| Interest income on structured debt | 39,846,688 | 24,034,799 |
| Interest on buy and sell back trust certificates | - | 1,689,693 |
| Interest income from money market savings account | 49,326,121 | 48,103,094 |
| Interest on treasury bills | 1,510,900 | 58,324,814 |
| | 593,474,522 | 2,607,854,718 |
| 2. Expenses | | |
| Management fee | 46,649,002 | 264,569,216 |
| Trustee fee | 9,280,930 | 48,355,112 |
| Custodian charges | 64,662 | 64,268 |
| Auditor's remuneration | 85,000 | (252,075) |
| Tax consultancy fee | 12,000 | 21,385 |
| Bank charges | 300,634 | 562,046 |
| Interest Expense | 39,408,298 | - |
| | 95,800,525 | 313,319,952 |
| 3. Income tax | | |
| Tax expense for the year (Note 3.1) | - | - |

- 3.1** The fund is deemed as conducting an eligible investment business and is treated as a tax pass through vehicle in accordance with the New Inland Revenue Act No. 24 of 2017 effective from 1 April 2018. Hence no provision for the income tax was made in the financial statements.

NDB WEALTH MONEY PLUS FUND
NOTES FOR THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022

| | 30.06.2022 LKR | 31.12.2021 LKR |
|---|----------------------|-----------------------|
| 4. Cash at bank | | |
| Hatton National Bank | 25,000 | 25,000 |
| | <u>25,000</u> | <u>25,000</u> |
| 5. Financial assets measured at amortised cost | | |
| Fixed deposits (Note 5.1) | 1,258,087,169 | 22,520,142,436 |
| Commercial papers (Note 5.2) | 2,573,075,641 | 5,941,201,184 |
| Money market savings accounts (Note 5.3) | 1,519,965,396 | 898,332,732 |
| Structured debt (Note 5.4) | 854,671,258 | 591,501,332 |
| Treasury bills (Note 5.5) | 342,651,301 | - |
| | <u>6,548,450,766</u> | <u>29,951,177,684</u> |

5.1 Fixed deposits

| Company | Amortised cost | As a % of net asset | Amortised cost | As a % of net |
|--|----------------------|---------------------|-----------------------|---------------|
| | LKR | value | LKR | asset value |
| | | 30.06.2022 | | 31.12.2021 |
| AMW Capital Leasing & Finance PLC | - | 0.00% | 417,606,896 | 1.66% |
| Cargills Bank Limited | - | 0.00% | 568,551,417 | 2.26% |
| Citizens Development Business Finance PL | - | 0.00% | 1,626,374,127 | 6.47% |
| Commercial Leasing and Finance PLC | - | 0.00% | 1,721,974,471 | 6.85% |
| HNB Finance Ltd. | - | 0.00% | 1,342,449,053 | 5.34% |
| LB Finance PLC | 448,769,327 | 8.05% | 434,118,702 | 1.73% |
| LOLC Development Finance Plc | - | 0.00% | 205,735,671 | 0.82% |
| Mercantile Investment and Finance PLC | - | 0.00% | 680,665,290 | 2.71% |
| National Development Bank PLC | - | 0.00% | 2,116,563,003 | 8.42% |
| National Saving Bank | - | 0.00% | 256,650,815 | 1.02% |
| Peoples Bank | - | 0.00% | 6,721,915,834 | 26.75% |
| People's Leasing & Finance PLC | - | 0.00% | 3,072,635,229 | 12.23% |
| Richard Pieris Finance Limited | - | 0.00% | 417,652,294 | 1.66% |
| Sanasa Development Bank PLC | - | 0.00% | 688,500,141 | 2.74% |
| Singer Finance (Lanka) PLC | - | 0.00% | 436,127,947 | 1.74% |
| Siyapatha Finance PLC | 127,717,749 | 2.29% | 544,551,144 | 2.17% |
| Union Bank PLC | - | 0.00% | 609,402,740 | 2.43% |
| Vallibel Finance PLC | 681,600,094 | 12.22% | 658,667,658 | 2.62% |
| | <u>1,258,087,169</u> | <u>22.56%</u> | <u>22,520,142,436</u> | <u>89.62%</u> |

NDB WEALTH MONEY PLUS FUND
NOTES FOR THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022

5.2 Commercial papers

| Company | Amortised cost LKR | As a % of net asset value 30.06.2022 | Amortised cost LKR | As a % of net asset value 31.12.2021 |
|-------------------|-----------------------|--|-----------------------|--|
| Sierra Cables PLC | 253,327,671 | 4.54% | - | - |
| LOLC Holdings PLC | 2,319,747,969 | 41.60% | 5,858,369,403 | 23.31% |
| Resus Energy PLC | - | - | 82,831,781 | 0.33% |
| | 2,573,075,641 | 46.14% | 5,941,201,184 | 23.64% |

5.3 Money market savings accounts

| Company | Amortised cost LKR | As a % of net asset value 30.06.2022 | Amortised cost LKR | As a % of net asset value 31.12.2021 |
|--|-----------------------|--|-----------------------|--|
| Hatton National Bank PLC | 73,641,236 | 1.32% | 117,188,228 | 0.47% |
| Union Bank PLC | 38 | 0.00% | 102,457 | 0.00% |
| MCB Bank Limited | 504,870,913 | 9.05% | - | 0.00% |
| Merchant Bank of Sri Lanka & Finance PLC | - | 0.00% | 505,380,807 | 2.01% |
| Sampath Bank PLC | 5,008 | 0.00% | 5,008 | 0.00% |
| Sanasa Development Bank PLC | 200,788,082 | 3.60% | 873,440 | 0.00% |
| Habib Bank Limited | 27,088 | 0.00% | 5,049,499 | 0.02% |
| DCFF Bank PLC | 205,640,628 | 3.69% | 33,061 | 0.00% |
| Cargills Bank Limited | 534,992,401 | 9.59% | 269,700,232 | 1.07% |
| | 1,519,965,396 | 27.25% | 898,332,732 | 3.58% |

5.4 Structured debt

| Company | Amortised cost LKR | As a % of net asset value 30.06.2022 | Amortised cost LKR | As a % of net asset value 31.12.2021 |
|-----------------------------------|-----------------------|--|-----------------------|--|
| Commercial Leasing & Finance PLC | 102,389,342 | 1.84% | - | 0.00% |
| Richard Pieris Finance Ltd | - | 0.00% | 84,059,726 | 0.33% |
| Siyapatha Finance PLC | 102,143,136.99 | 1.83% | - | 0.00% |
| Amw Capital Leasing & Finance PLC | 208,991,068 | 3.75% | - | 0.00% |
| Asia Asset Finance PLC | 44,099,342 | 0.79% | - | 0.00% |
| LOLC Development Finance PLC | 200,472,922 | 3.59% | 507,441,606 | 2.02% |
| Vallibel Finance PLC | 196,575,445.21 | 3.52% | - | 0.00% |
| | 854,671,258 | 15.33% | 591,501,332 | 2.35% |

5.5 Treasury bills

| Company | Amortised cost LKR | As a % of net asset value 30.06.2022 | Amortised cost LKR | As a % of net asset value 31.12.2021 |
|-----------------------------|-----------------------|--|-----------------------|--|
| Wealth Trust Securities Ltd | 169,951,300 | 3.05% | - | 1.19% |
| Capital Alliance Limited | 172,700,000 | 3.10% | - | 1.20% |
| | 342,651,300 | 6.14% | - | 2.99% |

NDB WEALTH MONEY PLUS FUND
NOTES FOR THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022

6 Short Term Loan againsts Fixed Deposit

Following fixed deposits have been pledged against short term loan as for 30 June 2022.

| Company | LKR | LKR | LKR | LKR |
|--|------------------------------------|--|----------------------|--------------------------------|
| | Pledged against Fixed Deposit-Cost | Pledged against Fixed Deposit-Amortised Cost | Short Term Loan-Cost | Short Term Loan-Amortised Cost |
| LB Finance PLC | 422,058,243 | 448,769,327 | 379,852,419 | 388,948,063 |
| Vallibel Finance PLC | 641,400,389 | 681,600,094 | 577,260,000 | 584,618,803 |
| National Saving Bank | - | - | - | - |
| | 1,063,458,632 | 1,130,369,421 | 957,112,419 | 973,566,866 |
| | | | 30.06.2022 | 31.12.2021 |
| | | | LKR | LKR |
| 7. Tax payable/ (recoverable) | | | | |
| Balance as at 30th June | | | - | - |
| 8. Accrued expenses | | | | |
| Management fee | | | 3,356,545 | 16,161,916 |
| Trustee fee | | | 694,028 | 2,953,899 |
| Auditor's remuneration | | | 85,000 | 170,000 |
| Custodian fee | | | 11,047 | 11,007 |
| Tax consultancy fee | | | 32,000 | 20,000 |
| Payable on redemption - collection account | | | 1,026 | 1,026 |
| | | | 4,179,644 | 19,317,848 |
| 9. Net assets attributable to unitholders | | | | |

The movement in the number of units and net assets attributable to unitholders during the period is as follows:

| | 30.06.2022 | 31.12.2021 | 30.06.2022 | 31.12.2021 |
|---|--------------------|----------------------|----------------------|-----------------------|
| | Units | Units | LKR | LKR |
| Opening capital balance | 1,013,980,107 | 3,410,720,078 | 25,127,136,829 | 79,984,491,211 |
| Units issued during the period | 254,669,098 | 4,992,746,469 | 6,360,492,226 | 119,576,780,413 |
| Units redeemed during the period | (1,051,640,325) | (7,389,486,439) | (26,408,353,021) | (178,111,416,816) |
| Increase in net assets attributable to unit holders | - | - | 497,673,997 | 3,677,282,022 |
| Closing balance | 217,008,880 | 1,013,980,107 | 5,576,950,031 | 25,127,136,829 |

The creation price was at LKR 25.6969 per unit (2021 - LKR. 24.11) and the redemption price was at LKR. 25.6969 per unit (2021 - LKR. 24.11) as at 30 June 2022.

10. Distributions for the period

There were no distributions for the Period ended 30 June 2022.

11. Contingencies

There were no material contingencies existing at the reporting date that require adjustments to or disclosures in the financial statements.

12. Events after the reporting date

There have been no material events occurring after the reporting date that require adjustments to or disclosures in the financial

13. Capital commitments

There were no significant capital commitments at the end of the reporting date