GOLDEN HARVEST

Ref. No. GHAIL/ROD/BSEC-152

July 27, 2020

The Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207.

Subject: **Submission of Quarterly Audited Right Issue fund Utilization in compliance with the condition no. 18 of BSEC,s consent letter no BSEC/CI/RI-119/2019/489, dated October 01, 2019.**

Dear Sir,
With reference to the above-mentioned subject, we are pleased to submit herewith the audited Right Issue fund utilization report for the quarter ended March 31, 2020, in compliance with the condition no. 18 of BSEC consent letter no. BSEC/CI/RI-119/2019/489, dated October 01, 2019.

Thanking You.

Yours Sincerely

.....
Nirmal Chandra Sardar
Company Secretary

Enclosure:

1. Auditor's Report of Utilization Fund
2. Supporting Documents.

Bangladesh Securities & Exchange Commission
27 JUL 2020
SL NO.
RECEIVED Signature

Shanta Western Tower, Level-5, # 501 & 502
186, Gulshan-Tejgaon Link Road, Tejgaon I/A, Dhaka-1208, Bangladesh
Tel: +8802 8878784-7, Fax: +8802 8878204
E-mail : info@goldenharvestbd.com, www. goldenharvestbd.com

S F AHMED & CO.
CHARTERED ACCOUNTANTS
...Since 1958
Member Firm of HLB International

House 51 (2nd Floor),
Road 9, Block F,
Banani, Dhaka 1213,
Bangladesh

Telephone: (88-02)9894346, 9870957, 9894026, 09610998048
Fax: (88-02) 55042314
E-mail: sfaco@dhaka.net
sfali@connectbd.com
ahmeds@bol-online.com

AUDITORS' REPORT
On Right Issue (RI) Proceeds Utilization

We have audited the annexed statement of Rights Issue (RI) Proceeds Utilization of **Golden Harvest Agro Industries Limited** on March 31, 2020.

Management's Responsibility for the RI proceeds Utilization

Management is responsible for the preparation and fair presentation of these Rights Issue (RI) proceeds utilization statements in accordance with Bangladesh Securities and Exchange Commission (BSEC) guidelines.

Auditors' Responsibility

Our responsibility is to express an independent opinion on these Right Issue (R.I) proceeds utilization statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) and Bangladesh Securities and Exchange Commission (BSEC) guidelines.

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 Statement of Right Issue (RI) proceeds utilization, prepared in accordance with Bangladesh Securities and Exchange Commission (BSEC) guidelines, gives a true and fair view of the statement as on March 31, 2020 and complies with the Rights Share Offer Document (ROD).

We draw attention to the following matter:

1. The Company has utilized total amount of BDT. 489,463,231 from RI proceeds as described in the ROD in the following manner:
   a) In respect of Civil and Construction, the company has utilized an amount of BDT. 64,713,231 for Land Development & Construction of Road, Factory Building (Including aging , air controlling area), LPG Shed with Basement & road, Boiler Shed, WTP Shed and Warehouse 1. Annexed report shows detail breakdown.

   b) In respect of Machinery and Equipment, the Company has utilized an amount of BDT. 125,000,000. Annexed report shows detail breakdown.

   c) In respect of Repayment of Loans, the Company has utilized an amount of BDT. 299,750,000 to repay loans to Standard Bank Ltd and Union Capital Limited. Annexed report shows detail breakdown.

   d) The Company has utilized an amount of BDT. 11,172,568 against Right issue expenses. Annexed report shows detail breakdown.

2. The Company has been maintaining a Bank Account with Standard Bank Limited vide No. **0173600303** to manage the proceeds from Right Share Issue.

Continued---

We also state that referred to above:

a) RI proceeds have been utilized for the purposes as specified in the Rights Share Offer Document (ROD);

b) RI proceeds have been utilized in line with the condition of BSEC's approval letter for RI;

c) Utilization of RI proceeds is being under completion within the time schedule as specified in the Rights Share Offer Document;

d) Utilization of RI proceeds is accurate for the purpose of the company as mentioned in the Rights Share Offer Document:

e) (i) Assets are being procured/imported/constructed maintaining proper/required procedures as well as at a reasonable price; and

(ii) Audit report has been made on verification of all necessary documents/papers/vouchers in support of utilization of Rights Issue proceeds making reconciliation with Bank Statement.

Dated, Dhaka;
26 July 2020

S. F. Ahmed & Co.
Chartered Accountants

Report on Utilization of Fund of RI Proceeds for the Quarter ended March 31, 2020

Name of the Company:	**Golden Harvest Agro Industries Limited**
Amount (BDT) of Capital Raised Through RI	899,323,420
Date of Closing Subscription	December 08, 2019
Proceeds Receiving Date	December 30, 2019
Last Date of Full Utilization of Fund as per ROD	Within 2 (two) years of receiving the rights share proceed

Amount of Subscription money	Purpose of Right Issue	SL	Est. Cost of BMRE/Project (Amount of Right Issue proceedes to be used)		Est./Time for completion as per prospectus	Investment so far made			Inv. Yet to be made		Remarks
Ordinary Shares			Items	Amount (Tk.)		1st Quarter-March 2020	Amount (Tk.) upto 1st Quarter-March, 2020	%	Amount (Tk.)	%	
899,323,420	To Establishment of Proposed Project for Food Factory & Market Equipments		To Establishment of Proposed Project for Food Factory & Market Equipments		Within 2 years of receiving Rights share proceeds						
	A. Civil and Construction	1									
		1A	Land Development & Construction of Road	59,219,274	Within 2 years of receiving Rights share proceeds	43,410,180	43,410,180	73.30%	15,809,093	26.70%	
		1B	Factory Building (Including aging , air controling area)	31,560,805	Within 2 years of receiving Rights share proceeds	11,742,678	11,742,678	37.21%	19,818,128	62.79%	
		1C	LPG Shed with Basement & road	876,507	Within 2 years of receiving Rights share proceeds	613,556	613,556	70.00%	262,951	30.00%	
		1D	Boiler Shed	1,872,603	Within 2 years of receiving Rights share proceeds	-	-	0.00%	1,872,603	100.00%	
		1E	WTP Shed	2,760,034	Within 2 years of receiving Rights share proceeds	1,932,024	1,932,024	70.00%	828,010	30.00%	
		1F	Warehouse 1	17,536,984	Within 2 years of receiving Rights share proceeds	7,014,794	7,014,794	40.00%	10,522,190	60.00%	

S.F. AHMED & CO.

R.

Amount of Subscription money	Purpose of Right Issue	SL	Est. Cost of BMRE/Project (Amount of Right Issue proceedes to be used)		Est./Time for completion as per prospectus	Investment so far made			Inv. Yet to be made		Remarks
Ordinary Shares			Items	Amount (Tk.)		1st Quarter-March 2020	Amount (Tk.) upto 1st Quarter-March, 2020	%	Amount (Tk.)	%	
	B. Machinary & Equipments	2									
		2A	Pestorization	19,236,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	19,236,000	100.00%	
		2B	Ready to eat line (Cutting equipment, Cooking, packaging and cooling)	63,100,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	63,100,000	100.00%	
		2C	Pallet Making Machine (Food ingradient manufacturing Plant)	71,000,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	71,000,000	100.00%	
		2D	Trolly (3000 kg)	4,500,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	4,500,000	100.00%	
		2E	Tray	2,000,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	2,000,000	100.00%	
		2F	Dough Mixer	2,400,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	2,400,000	100.00%	
		2G	Rotery Oven	2,000,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	2,000,000	100.00%	
		2H	Oil Reserve Tank	2,500,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	2,500,000	100.00%	
		2I	Pallet	757,900	Within 2 years of receiving Rights share proceeds	-	-	0.00%	757,900	100.00%	
		2J	Date Coding Machine	1,600,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	1,600,000	100.00%	
		2K	Auto Sealer Machine	100,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	100,000	100.00%	
		2L	Metal Ditector	1,158,981	Within 2 years of receiving Rights share proceeds	-	-	0.00%	1,158,981	100.00%	
		2M	Freezer	130,025,000	Within 2 years of receiving Rights share proceeds	125,000,000	125,000,000	96.14%	5,025,000	3.86%	
		2N	LPG Plant	32,300,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	32,300,000	100.00%	
		2O	WTP	7,700,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	7,700,000	100.00%	
		2P	Sub Station/Generator	19,300,700	Within 2 years of receiving Rights share proceeds	-	-	0.00%	19,300,700	100.00%	
		2Q	Boiler	21,000,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	21,000,000	100.00%	
		2R	ETP	35,000,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	35,000,000	100.00%	
		2S	Air Compressor	10,908,500	Within 2 years of receiving Rights share proceeds	-	-	0.00%	10,908,500	100.00%	
	C. Intangible Asset (Software)	3									

S. F. AHMED & CO.

Amount of Subscription money	Purpose of Right Issue	SL	Est. Cost of BMRE/Project (Amount of Right Issue proceedes to be used)		Est./Time for completion as per prospectus	Investment so far made			Inv. Yet to be made		Remarks
Ordinary Shares			Items	Amount (Tk.)		1st Quarter-March 2020	Amount (Tk.) upto 1st Quarter-March, 2020	%	Amount (Tk.)	%	
		3A	ERP	8,800,000	Within 2 years of receiving Rights share proceeds	-	-	0.00%	8,800,000	100.00%	
		3B	SCADA	7,216,103	Within 2 years of receiving Rights share proceeds	-	-	0.00%	7,216,103	100.00%	
		3C	Qlik View	7,533,077	Within 2 years of receiving Rights share proceeds	-	-	0.00%	7,533,077	100.00%	
	D. Repayment of Bank Loan	5	D. Repayment of Bank Loan	299,750,000	Within 3 months of receiving Rights share proceeds	299,750,000	299,750,000	100.00%	-	0.00%	
	E. Installation and utility connectivity	6	E. Installation and utility connect	19,911,962	Within 2 years of receiving Rights share proceeds	-	-	100.00%	19,911,962	100.00%	
	F. Right Issue Expenses	7	F. Right Issue Expenses	15,698,990	Immediately after receiving Rights share proceeds	11,172,568	11,172,568	71.17%	4,526,422	28.83%	
899,323,420				**899,323,420**			**500,635,799**		**398,687,621**		

Chairman

Managing Director

Chief Finanical Office

Dated, Dhaak;
26 July, 2020

S. F. AHMED & CO.

S. F. Ahmed & Co.
Charterd Accountants