GOLDEN HARVEST

Ref. No. GHAIL/ROD/BSEC -05

May 15, 2023

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, 2023, in compliance with the condition no. 18 of BSEC consent letter no. BSEC/CI/RI-119/2019/489, dated October 01, 2019.

We are submitting the copies of audit report for your kind information.

CHITTAGONG STOCK EXCHANGE LTD.
DHAKA OFFICE
EUNOOS TRADE CENTRE (LEVEL-15)
52-53. DILKUSHA C/A, DHAKA-1000
15 MAY 2023
RECEIVED
TIME.....SIGN.....

Thanking You.

Yours Sincerely

.....
Md. Shahiduzzaman
Chief Financial Officer

Bangladesh Securities & Exchange Commission
15 MAY 2023
Sl. No.
RECEIVED
Signature

Enclosure:

1. Auditors Report of Utilization Fund

Copy to:

- The Managing Director, Dhaka Stock Exchange Limited (DSE)
- The Managing Director, Chittagong Stock Exchange Limited (CSE)

Received By.....
15 MAY 2023
Time.....Sign.....
Dhaka Stock Exchange Ltd.

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Chartered Accountants | since 1958

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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** as on 31 March 2023.

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 is prepared in all material respect as on 31 March 2023 with the guidelines of Bangladesh Securities and Exchange Commission (BSEC) and in compliance with the Rights Share Offer Document (ROD).

We draw attention to the following matter:

1. The Company has utilized total amount of BDT. 701,017,889 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. 89,122,663 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. 289,130,501 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.

2. In respect of Installation and utility connectivity, the Company has utilized an amount of BDT. 8,201,358 Annexed report shows detail breakdown.

3. The Company has utilized an amount of BDT. 14,813,368 against Right issue expenses. Annexed report shows detail breakdown.

4. The Company has been maintaining a Bank Account with Standard Bank Limited vide No. **01736000303** to manage the proceeds from Right Share Issue.

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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;
10 May 2023

S. F. Ahmed & Co.
Chartered Accountants

Report on Utilization of Fund of RI Proceeds for the Quarter ended March 31, 2023

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.)		Amount (Tk.) upto 12th Quarter-December 2022	13th Quarter-Mar, 2023	Amount (Tk.) upto 13th Quarter-March, 2023	%	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**		**113,826,207**		**89,122,663**	-	**89,122,663**		**24,703,545**		
		1A	Land Development & Construction of Road	59,219,274	Within 2 years of receiving Rights share proceeds	55,200,897	-	55,200,897	93.21%	4,018,376	6.79%	
		1B	Factory Building (Including aging , air controling area)	31,560,805	Within 2 years of receiving Rights share proceeds	15,450,655	-	15,450,655	48.96%	16,110,150	51.04%	
		1C	LPG Shed with Basement & road	876,507	Within 2 years of receiving Rights share proceeds	876,507	-	876,507	100.00%	-	0.00%	
		1D	Boiler Shed	1,872,603	Within 2 years of receiving Rights share proceeds	1,872,603	-	1,872,603	100.00%	-	0.00%	
		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	13,789,975	-	13,789,975	78.63%	3,747,009	21.37%	

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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.)		Amount (Tk.) upto 12th Quarter-December 2022	13th Quarter-Mar, 2023	Amount (Tk.) upto 13th Quarter March, 2023	%	Amount (Tk.)	%	
	B. Machinary & Equipments	**2**		**426,587,081**		**289,130,501**	-	**289,130,501**		**137,456,580**		
		2A	Pestorization	19,236,000	Within 2 years of receiving Rights share proceeds	1,250,000	-	1,250,000	6.50%	17,986,000	93.50%	
		2B	Ready to eat line (Cutting equipment, Cooking, packaging and cooling)	63,100,000	Within 2 years of receiving Rights share proceeds	67,291,695	-	67,291,695	106.64%	(4,191,695)	-6.64%	
		2C	Pallet Making Machine (Food ingradient manufacturing Plant)	71,000,000	Within 2 years of receiving Rights share proceeds	12,328,812	-	12,328,812	17.36%	58,671,188	82.64%	
		2D	Trolly	4,500,000	Within 2 years of receiving Rights share proceeds	4,071,161	-	4,071,161	90.47%	428,839	9.53%	
		2E	Tray	2,000,000	Within 2 years of receiving Rights share proceeds	200,000	-	200,000	10.00%	1,800,000	90.00%	
		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	757,900	-	757,900	100.00%	-	0.00%	
		2J	Date Coding Machine	1,600,000	Within 2 years of receiving Rights share proceeds	1,600,000	-	1,600,000	100.00%	-	0.00%	
		2K	Auto Sealer Machine	100,000	Within 2 years of receiving Rights share proceeds	100,000	-	100,000	100.00%	-	0.00%	
		2L	Metal Ditector	1,158,981	Within 2 years of receiving Rights share proceeds	1,158,596	-	1,158,596	99.97%	385	0.03%	
		2M	Freezer	130,025,000	Within 2 years of receiving Rights share proceeds	125,212,116	-	125,212,116	96.30%	4,812,884	3.70%	
		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	19,294,000	-	19,294,000	99.97%	6,700	0.03%	
		2Q	Boiler	21,000,000	Within 2 years of receiving Rights share proceeds	16,500,000	-	16,500,000	78.57%	4,500,000	21.43%	
		2R	ETP	35,000,000	Within 2 years of receiving Rights share proceeds	33,800,000	-	33,800,000	96.57%	1,200,000	3.43%	
		2S	Air Compressor	10,908,500	Within 2 years of receiving Rights share proceeds	5,566,222	-	5,566,222	51.03%	5,342,278	48.97%	
	C. Intangible Asset (Software)	**3**		**23,549,180**		-	-	-		**23,549,180**		
		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%	

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.)		Amount (Tk.) upto 12th Quarter-December 2022	13th Quarter-Mar, 2023	Amount (Tk.) upto 13th Quarter-March, 2023	%	Amount (Tk.)	%	
	D. Repayment of Bank Loan	4	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	5	E. Installation and utility connectivity	19,911,962	Within 2 years of receiving Rights share proceeds	8,201,358	-	8,201,358	41.19%	11,710,604	58.81%	
	F. Right Issue Expenses	6	F. Right Issue Expenses	15,698,990	Immediately after of receiving Rights share proceeds	14,813,368	-	14,813,368	94.36%	885,622	5.64%	
899,323,420				899,323,420		701,017,889	-	701,017,889		198,305,530		

Reconciliation of Un-used RI Proceeds:

Balance as per Bank Statements on March 31, 2023	639,056
Less: Interest Income on June 30,2020, December 31,2020, June 30,2021, December 31,2021, June 30,2022 & December 21, 2022	13,983,203
Less: Interest Income from FDR	9,885,894
	(23,230,041)
Add: TDS from Interest on June 30,2020, December 31,2020, June 30,2021, December 31,2021, June 30,2022, December 31, 2022	1,412,143
Add: Bank Charges	123,429
	(21,694,470)
FDR No. 242190 at Standard Bank Limited	10,000,000
FDR No. 242458-61 at Standard Bank Limited	20,000,000
FDR No. 242464-67 at Standard Bank Limited	20,000,000
FDR No. 242479-90 at Standard Bank Limited	60,000,000
FDR No. 242492-93 at Standard Bank Limited	10,000,000
FDR No. 337022-25 at Standard Bank Limited	20,000,000
FDR No. 337028-29 at Standard Bank Limited	10,000,000
FDR No. 337032-33 at Standard Bank Limited	10,000,000
FDR No. 337035-38 at Standard Bank Limited	20,000,000
FDR No. 337042-45 at Standard Bank Limited	20,000,000
FDR No. 337049-52 at Standard Bank Limited	20,000,000
Balance as per Utilization Report	**198,305,530**

Director | **Managing Director** | **Chairman**

Chief Financial Officer | Company Secretary

Dated, Dhaka;
10 May 2023

S. F. AHMED & CO.

S. F. Ahmed & Co.
Chartered Accountants