

**Certificate on  
Status Report on Utilization of Proceeds  
From Initial Public Offering (IPO) of  
The Peninsula Chittagong Limited  
For the Month of October 2023**



Solution....Begins



**Certificate on**  
**Status Report on Utilization of Proceeds from Initial Public Offering (IPO) of**  
**The Peninsula Chittagong Limited**  
**For the Month of October 2023**

We have been engaged by The Peninsula Chittagong Limited (the "Company") to certify whether the Company has complied with the conditions of Initial Public Offering (IPO) in relation to the utilization of proceeds from Public Offering as required by Bangladesh Securities and Exchange Commission (BSEC) vide its consent letter (ref: SEC/CI/IPO-205/2012-140 dated February 19, 2014) issued for IPO under section 2CC of the Securities and Exchange Ordinance 1969.

**The Company's Responsibilities**

The Company management is responsible for utilizing the proceeds from IPO and preparation of Status Report on Utilization of Proceeds from Public Offering in accordance with the conditions of IPO consent letter issued by BSEC.

**Our Responsibilities**

Our responsibility is to examine all the relevant documents in connection with the utilization of proceeds from IPO with reference to the Terms of Reference formulated by BSEC and certify whether the proceeds have been utilized and the Status Report have been prepared in accordance with the conditions of IPO consent letter.

**We report that:**

We have examined relevant documents, obtained information and explanations which to the best of our knowledge and belief were necessary for the purpose of verification and certification of the Status Report. As per Terms of Reference of audit of Status Report, we certify that:

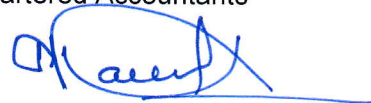
- a) The company has utilized an amount of Taka 1,598,833,420 till 31 October 2023 for the purpose as specified in the prospectus and as per the decision of shareholders in the Extraordinary General Meeting (EGM) held on 14 December 2020 out of total IPO proceeds of Taka 1,650,000,000. Balance IPO proceeds amounting to Taka 51,166,580 remain unutilized on the reporting date.
- b) IPO proceeds are being utilized in line with the conditions of the BSEC's consent /approval letter for the Initial Public Offering and revised implementation schedule as approved by the shareholders in the 9<sup>th</sup> EGM held on 23 June 2022.
- c) The company has utilized the proceeds from Initial Public Offering within the time schedule and purposes as specified in the prospectus and in line with the revised implementation schedule as approved by shareholders in the 9<sup>th</sup> EGM held on 23 June 2022. We also report that:
  - i. Unutilized IPO proceeds under proposed utilization of the Extension of the Peninsula Chittagong Limited and IPO expenses amounting to Taka 70,000,000 and Taka 18,672,246 respectively have been utilized for the purposes of short-term bank loan repayment by virtue of a decision taken in the EGM of shareholders held on 02 April 2015.

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- ii. The estimate for Construction of Peninsula Airport Garden has been revised at an estimated cost of Taka 1,170,445,446 showing a surplus of Taka 240,081,320 in the original estimate. The shareholders in the EGM held on 04 December 2016 approved payment of bank loan to the tune of Taka 250,000,000 out of IPO Proceeds.
  - iii. Out of Taka 1,410,526,766 earmarked for the construction of Peninsula Airport Garden, an amount of Taka 250,000,000 was utilized to repay the loan as approved in the EGM held on 04 December 2016 and Taka 6,555,000 was utilized for the purpose of acquisition of land during December 2016. Out of the remaining balance of Taka 51,166,580 an amount of Taka 46,535,057 bank balance is lying with Eastern Bank Limited A/c No. 0011360813331, Taka 1,532 bank balance is lying with The Premier Bank Limited A/c No. 012313100000768 and Taka 4,629,991 bank balance is lying with Modhumoti Bank Limited A/c No. 113311100000085.
  - iv. Implementation time for construction of Peninsula Airport Garden has been extended up to 31.12.2023 instead of 30.06.2022 by obtaining approval from general shareholders in their meetings held on 02 April 2015, 04 December 2016, 30 October 2018, 14 December 2020 & 23 June, 2022.
  - v. Interest on FDR up to 31 October 2023 stood at Taka 629,275,766 and un-utilized IPO proceeds along with interest income stood at Taka 680,442,346.
  - vi. In addition to the IPO fund Tk. 1,170,445,446 to be utilized for Construction of Peninsula Airport Garden, an amount of Tk. 1,250,558,794 has been approved by general shareholders in their 8<sup>th</sup> EGM held on 14 December 2020 to spend for the same. This additional amount will be funded by bank loan and other sources.
- d) Utilization of IPO proceeds was accurate and made for the purpose of the company as mentioned in the prospectus and revised implementation schedule as approved by the shareholders in the EGMs held on 02 April 2015, 04 December 2016, 30 October 2018, 14 December 2020 & 23 June 2022.
  - e) Assets have been procured/imported/constructed maintaining proper/required procedure as well as at a reasonable price.
  - f) Verification of all necessary documents/papers/vouchers has been made in support of utilization of IPO proceeds making reconciliation with bank statements.

**Chattogram, 12 November 2023**

**For and on behalf of**  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants



**Arafat Kamal FCA**  
Partner  
ICAB Enrollment No : 1184

## Report on Utilization of IPO Proceeds for the month of October 2023

Name of the Company  
 Amount (BDT) of Capital Raised Through IPO  
 Date of Close of Subscription  
 Proceeds Receiving Date  
 Last Date of Full Utilization of Fund as per Prospectus

: The Peninsula Chittagong Limited  
 : Tk. 1,650,000,000  
 : 12 April 2014  
 : 12 April 2014  
 : Within 26 Months and 18 days of obtaining IPO proceeds i.e. 30 July 2016 (Subsequently extended upto 31.12.2023)


(All the figures are in BDT)

SL. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Revised time line	Amount as per prospectus	Amount as per revised utilization plan	Status of Utilization					Remarks
						Utilized in October 2023	Total utilized amount	Utilized (%)	Total unutilized amount	Unutilized (%)	
1	Extension of The Peninsula Chittagong	30.05.2014	-	70,000,000	-		-	-	-	-	Proposed utilization has been amended to utilize for the purpose of repayment of short term bank loan.
2	Construction of Peninsula Airport Garden (Annexure-"B")	30.06.2016	31.12.2023	1,410,526,766	1,170,445,446	61,929,402	1,119,278,866	95.63%	51,166,580	4.37%	Revised Utilization plan has been approved by shareholders in EGM held on 23.06.2022
3	Repayment of Long Term Loan	When Applicable	-	132,973,234	132,973,234	-	132,973,234	100%	-	-	This amount has been utilized as per prospectus.
4	Repayment of Short Term Bank Loan	-	-	-	338,672,246	-	338,672,246	100%	-	-	The amount has been fully utilized as per revised utilization plan.
5	IPO Expenses	When Applicable	-	36,500,000	7,909,074	-	7,909,074	100%	-	0.00%	The amount has been fully utilized as per revised utilization plan.
<b>Total</b>				<b>1,650,000,000</b>	<b>1,650,000,000</b>	<b>61,929,402</b>	<b>1,598,833,420</b>		<b>51,166,580</b>		Refer to Annexure

Current Interest rate  
 Interest on IPO/RPO/RI proceeds (upto October-2023)  
 Unutilized IPO/RPO/RI proceed with interest income

6.00%
629,275,766
680,442,346

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Company Secretary

Chattogram, 12 November 2023

For and on behalf of  
 Rahman Mostafa Alam & Co.  
 Chartered Accountants

  
 Arafat Kamal FCA  
 Partner  
 ICAB Enrollment No: 1184



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Status Report on Utilization of Proceeds from Initial Public Offering (IPO) of  
The Peninsula Chittagong Limited  
For the Month of October 2023**

	<u>Amount</u>
	<u>Taka</u>
<b>Bank Balance as on 31 October 2023 was made up as follows:</b>	
Balance at Modhumoti Bank Limited, A/C No-113311100000085	4,629,991
Balance at The Premier Bank Limited, A/C -012313100000768	1,532
Balance at Eastern Bank Limited, A/C No-0011360813331	46,535,057
<b>Total balance in Bank Accounts for IPO proceeds</b>	<b>51,166,580</b>

	<u>Amount</u>
	<u>Taka</u>
<b>Reconciliation between unutilized balance and bank balance:</b>	
Balance at Eastern Bank Limited, A/C No-0011360813331	46,535,057
<b>Add:</b>	
Exchange loss on IPO subscription in Foreign Currencies	(41,928)
Bank Charge and others etc.	(173,358)
Interest credited (net of tax)	4,234,243
Received from General Fund	20,050,000
Expenses against construction purpose	(4,857,294)
	19,211,663
<b>Balance as per Bank statement (Eastern Bank Limited, A/C No-813331)</b>	<b>65,746,721</b>

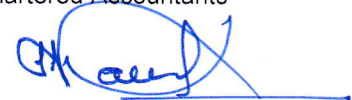
  
\_\_\_\_\_  
Chairman

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Company Secretary

Chattogram, 12 November 2023

For and on behalf of  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants



**Arafat Kamal FCA**  
Partner  
ICAB Enrollment No: 1184



Construction of Peninsula Airport Garden

Annexure - "B"

Purpose Mentioned in the Prospectus/Revised	Time line as per prospectus	Revised time line	Amount as per prospectus	Amount as per last revised utilization plan	Status of Utilization					Utilization Time Line
					Utilized in October 2023 Taka	Total utilized amount	Utilized (%)	Total unutilized amount	Unutilized (%)	
Land Lease	30.06.2016	31.12.2023	396,450,000	6,555,000		6,555,000	100.00%	-	0.00%	By April 2017
Land Development & Registration			23,500,000							
Civil Works			180,000,000	684,088,507	117,171	684,088,507	100.00%	(0)	0.00%	By December 2023
Machineries, Equipment's and Vehicle			276,000,000	7,839,630		7,839,630	100.00%	-	0.00%	By December 2023
Interior Decoration, Furniture and Fixtures			284,000,000	127,133,101	8,653,431	115,157,258	90.58%	11,975,843	9.42%	By December 2023
Parking			33,000,000	31,333,361		31,333,361	100.00%	-	0.00%	By December 2023
Kitchen, Crockeries and Cutleries			50,000,000	24,992,875		24,992,875	100.00%	-	0.00%	By December 2023
Laundry			26,000,000	10,177,868		10,177,868	100.00%	-	0.00%	By December 2023
Restaurant and Bar			65,000,000	-		-	0.00%	-	0.00%	By December 2023
Health Club and SPA			25,000,000	-		-	0.00%	-	0.00%	By December 2023
Swimming Pool			13,200,000	-		-	0.00%	-	0.00%	By December 2023
Lift & Generator and Utility			38,376,766	47,123,133	1,817,265	30,640,759	65.02%	16,482,374	34.98%	By December 2023
Sanitary and Plumbing Work				52,571,032	1,079,414	52,571,032	100.00%	-	0.00%	By December 2023
Electric Work				28,630,939	116,398	26,261,463	91.72%	2,369,476	8.28%	By December 2023
Air Condition Work				120,000,000	36,372,738	99,661,113	83.05%	20,338,887	16.95%	By December 2023
Fire Fighting		30,000,000	13,772,985	30,000,000	100.00%	-	0.00%	By December 2023		
<b>Construction of Peninsula Airport Garden</b>	<b>30.06.2016</b>	<b>31.12.2023</b>	<b>1,410,526,766</b>	<b>1,170,445,446</b>	<b>61,929,402</b>	<b>1,119,278,866</b>	<b>95.63%</b>	<b>51,166,580</b>	<b>4.37%</b>	<b>By December 2023</b>


  
Chairman

  
Director

  
Company Secretary

Chattogram, 12 November 2023

For and on behalf of  
Rahman Mostafa Alam & Co.  
Chartered Accountants



Arafat Kamal FCA

Partner

ICAB Enrollment No: 1184

