

**CERTIFICATE ON
STATUS REPORT ON UTILIZATION
OF
PROCEEDS FROM PUBLIC OFFERING
OF
LUB-RREF (BANGLADESH) LTD.**

For the month of March 31, 2023



**AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
LUB-RREF (BANGLADESH) LIMITED
FOR THE MONTH OF MARCH 31, 2023**

This is to certify that **LUB-RREF (BANGLADESH) LIMITED** has received Taka **1,500,000,000 (One Hundred Fifty Crore)** only as Initial Public Offering (IPO) proceeds through subscription from January 26, 2021 to February 01, 2021 in the separate Bank Account (Account number 13100014867) with Southeast Bank Limited, Jubilee RD Branch, PLOT # B-6 (PART), 9-10 23-24 BSCIC I/A, BLOCK-A, SAGA. In line with the condition number 4, Part C of the consent letter number BSEC/CI/BB-14/2018/299, dated on December 24, 2020 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on March 31, 2023 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund Utilization of Fund up to February 28, 2023	Fund utilized (Taka) for the month of March 31, 2023	Total Utilization of Fund up to March 31, 2023	Unspent Balance (Taka)
1	Expansion of Business (Acquisition & Installation of Machineries)	980,000,000	451,787,107	-	451,787,107	528,212,893
2	Bank Loan Repayment	460,430,282	460,430,282	-	460,430,282	-
3	IPO Related Expenses	59,569,718	57,974,406	-	57,974,406	1,595,312
	Total IPO Proceeds	1,500,000,000	970,191,795	-	970,191,795	529,808,205
4	Interest income upto the month of February 28, 2023	44,096,131	-	-	-	44,096,131
5	Tax on Interest Income February 28, 2023	(5,705,859)	-	-	-	(5,705,859)
6	Foreign Exchange loss & Bank Charges	(777,800)	-	-	-	(777,800)
	Total IPO Proceeds & Interest Income/ (Bank Charges)	1,537,612,473	970,191,795	-	970,191,795	567,420,678

Total unutilized fund excluding Interest Income/(Bank Charges) Taka **529,808,205** (Fifty Three Crore Fifty Nine Lac Sixty Two Thousand Four Hundred Five) only and including Interest Income/ (Bank Charges/TDS) Taka 567,420,678 as on March 31, 2023 is lying with Social Islami Bank Limited, Agrabad Branch, Chattogram (Account number 0041360004122) and Agrani Bank Limited (AC-0200018772117). We have collected relevant information and required documents for all disbursements and we have also checked all the relevant document, there is no expenditure during the month Enclosed herewith the Status Report as **Annexure-A** for utilization of fund which has been prepared by the management.

During the course of our certification, we have found that:

- (a) The management has spent total amount of Taka 451,787,107 upto the month of January 31, 2023 for expansion of Business (Acquisition & Installation of Machineries) in which the amount of Taka 6,154,200 has been spend during the month of January 31, 2023. The company has paid an amount of Taka 6,154,200 to Chowdhury Trade Internation payment for civil construction bill through banking channel during the month of January 31, 2023. The Fund has been paid from IPO proceeds account.



- (b) The Management of LUB-RREF (BANGLADESH) LIMITED has fully utilised of Taka 460,430,282 for repayment of Corporate Term Loan to Social Islami Bank Limited in Account No 0043020000482 during the month of May 31, 2021.
- (c) The management of LUB-RREF (BANGLADESH) LIMITED has spent total amount of Tk. 57,974,406 for the purpose of IPO Expenses upto the month of May 31, 2022, in which has been paid the amount of Taka 407,303 to Southeast Bank Capital Services Ltd. respectively against underwriting commission during the month of May, 2022.
- (d) The management of LUB-RREF (BANGLADESH) LIMITED has transferred the amount of Tk. 6,74,91,800 to the new IPO Proceed Accounts in Social Islami Bank Ltd. Agrabad Branch, Chattogram namely Account No 0041360004122 which has been paid from IPO proceeds account incorporated with Southeast Bank Limited for the purpose of repatriation of Technical Know-How Fees as BIDA permitted during the month of September 30, 2021. We have received letter No-BSEC/CFD/2021/757 on dated October 27, 2021 from BSEC regarding the matters.
- e) The management of LUB-RREF (BANGLADESH) LIMITED has transferred a portion of IPO Proceed fund of Tk.37,00,00,115 to Agrani bank Ltd. newly opened Bank during the month of August 31, 2021. New bank Account details: Agrani Bank Limited, WASA Corp. branch, Chattogram Account No-0200018772117. IPO proceeds fund was in Social Islami Bank Limited and balance remains with the bank of Tk20,01,29,964 We have received letter No BSEC/CFD/2021/2022/Part-1/620 on dated June 23, 2022 from BSEC regarding the matters.
- f) According to the fund utilization monthly report of IPO Proceeds, report submission time line has been ended on February 28, 2023 as per Prospectus. We have received a letter from the company, reference no. Lub-rref/BSEC/IPO/BMRE/2023/1085 on dated February 05, 2023, where the company has applied to Bangladesh Securities and Exchange Commission (BSEC) for 1st time, time extension for 18 months up to August, 2024 but BSEC has not approved for extension time to till date

We also report that:

- i. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- ii. the expenses/utilization of Taka 970,191,795 of IPO proceeds have been completed as mentioned the time schedule/ implementation schedule as specified in Initial Public Offering (IPO) documents;
- iii. the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents; and
- iv. we also confirmed that: (i) expenses have been procured/ incurred by maintaining proper procedure as well as at a reasonable price; and (ii) books and records including vouchers are found correct in support of utilization of Initial Public Offering (IPO) fund.

Dated: April 08, 2023
Place: Dhaka


FAMES & R
Chartered Accountants



Report on Utilization of IPO Proceeds for the month of March 31, 2023

: Lab-rref (Bangladesh) Limited

: BDT. 1,500,000,000/-

: 15 October, 2020

: 01 February, 2021

: 25 October, 2020

: 25 March, 2021

: February 28, 2023 (within 24 Months of obtaining IPO proceeds)

Name of the Company

Amount (BDT) of Capital Raised Through IPO

Date of Close of Bidding :

Date of Close of Subscription

proceeds Receiving Date from bidding

proceeds Receiving Date from Subscription

Last Date of Full Utilization of Fund as per Proceeds

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus	Amount of Taka					Remarks
				Fund Utilization of Fund up to February 28, 2023	This Month	Total Utilization of Fund up to March 31, 2023	Utilized %	Total Un-utilized Amount	
1	Expansion of Business (Acquisition & Installation of Machineries	24 Months	980,000,000	451,787,107	-	451,787,107	46.10%	528,212,893	53.90%
2	Bank Loan Repayment	06 Months	460,430,282	460,430,282	-	460,430,282	100.00%	-	0.00%
3	IPO Related Expenses	06 Months	59,569,718	57,974,406	-	57,974,406	97.32%	1,595,312	2.68%
Total IPO Proceeds			1,500,000,000	970,191,795	-	970,191,795		529,808,205	

Note:

* BDT 7,77,800 has been charged by the bank as Foreign Exchange loss & Bank Charges. Taka 44,096,131 has been received as Interest Income and TDS has been deducted Taka on 5,705,859 Interest income on IPO Proceeds accounts up to the month of March 31, 2023 and Lab-rref (Bangladesh) Limited have received an amount of BDT. 1,233,630 as forfeit amount which has subsequently deposited to BSEC.

* Balance as at Bank as on March 31, 2023 with Southeast Bank Limited, (Account number 13100014867) BDT 160,843, AC-162000000001 (GBP) 00.00, 163000000001 (EUR) 00.00, AC-15100000114 (USD) \$ 6,380.36, Social Islami Bank (Account number 0041360004122) BDT 19,94,23,974 Agrani Bank Limited (AC-0200018772117) BDT 369,959,406.00

[Signature]
Managing Director

[Signature]
Company Secretary

[Signature]
Chairman

Chief Financial Officer

ated: April 08, 2023
acc: Dhaka

