

**Certificate on
Status Report on Utilization of Proceeds
From Initial Public Offering (IPO) of
The Peninsula Chittagong Limited
For the Month of November 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 November 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 1,650,000,000 till 30 November 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. No IPO proceeds remains 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 9th EGM held on 23 June 2022.
- c) The company has utilized the proceeds from Intial 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 9th 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.



- 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.
 - 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 30 November 2023 stood at Taka 629,275,766.
 - 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 8th 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.
 - g) The management has authenticated the final utilization report on IPO Proceeds of The Peninsula Chittagong Limited as on 30th November, 2023.

Chattogram, 11 December 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 November 2023

Name of the Company : The Peninsula Chittagong Limited
 Amount (BDT) of Capital Raised Through IPO : Tk. 1,650,000,000
 Date of Close of Subscription : 12 April 2014
 Proceeds Receiving Date : 12 April 2014
 Last Date of Full Utilization of Fund as per Prospectus : 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 November 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-"A")	30.06.2016	31.12.2023	1,410,526,766	1,170,445,446	51,166,580	1,170,445,446	100%	-	0.00%	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.
Total				1,650,000,000	1,650,000,000	51,166,580	1,650,000,000		-		Refer to Annexure

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

6.00%
629,275,766
629,275,766



Chairman



Director



Company Secretary

Chattogram, 11 December 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 - "A"

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 November 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	-	684,088,507	100.00%	-	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	11,975,843	127,133,101	100.00%	-	0.00%		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	16,482,374	47,123,133	100.00%	-	0.00%		By December 2023
Sanitary and Plumbing Work			-	52,571,032	-	52,571,032	100.00%	-	0.00%		By December 2023
Electric Work			-	28,630,939	2,369,476	28,630,939	100.00%	-	0.00%		By December 2023
Air Condition Work			-	120,000,000	20,338,887	120,000,000	100.00%	-	0.00%		By December 2023
Fire Fighting			-	30,000,000	-	30,000,000	100.00%	-	0.00%		By December 2023
Construction of Peninsula Airport Garden	30.06.2016	31.12.2023	1,410,526,766	1,170,445,446	51,166,580	1,170,445,446	100.00%	-	0.00%	By December 2023	

Chairman

Director

Company Secretary

Chattogram, 11 December 2023

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

Arafat Kamal FCA

Partner

ICAB Enrollment No: 1184

