



### To Whom It May Concern

Based on our audit on the Status of Utilization of IPO proceeds of Aman Cotton Fibrous PLC as of December 31, 2024, we certify that:

- a. IPO proceeds have been utilized amounting Tk. 8,25,01,663.00, which is 10.31% of the purposes/heads as specified in the prospectus.
- b. IPO proceeds have been utilized 100% for loan repayment and 99.46% for IPO expenses, as per the conditions of the commission's consent letter.
- c. The company has utilized Tk. 8,25,01,663.00 in total, which is 10.31% of the IPO proceeds as of December 31, 2024. Committed expenditures amount was Tk. 80,00,00,000.00
  - 1) Out of the schedule of committed expenditures, the loan repayment was Tk. 4,76,90,635.00, which is 100% of the committed amount as of December 31, 2024.
  - 2) The utilization of IPO Expenses was Tk. 3,48,11,028.00 which is 99.46 % of the committed amount as of December 30, 2024. During the month of December 2024, no additional amount has been utilized for paying off IPO expenses.
- d. The utilization of IPO proceeds was accurate and was also for the purposes of the company as mentioned/specified in the prospectus.
- e. No asset was procured/imported/constructed by Aman Cotton Fibrous PLC using IPO proceeds as of December 31, 2024. An amount of Tk. 73,00,00,000.00 has been temporarily invested in various FDR(s). FDR with First Security Islami Bank Limited was Tk. 38 crore, FDR with Al-Arafah Islami Bank Limited was Tk.15 crore and FDR with Commercial Bank of Ceylon was Tk.20 crore till December 31, 2024 for a short period and this amount will further be used to acquire machineries. As part of our responsibilities, we have verified the FDR(s) physically with the banks and we found that the FDR(s) were lien for enjoying credit facilities of Aman Foods Ltd. and Akin Carriers Ltd. The directors of the company have taken approval for such investment in the AGM of the company held on May 02, 2021.
- f. According to the consent letter of IPO from BSEC, the company should utilize the whole IPO proceeds within one year of the IPO proceeds received, which ended in August 2019. However, the balance of the un-utilized IPO proceeds is Tk. 717,498,337.00 as of December 31, 2024. The Management has informed us that the Board of Directors of Aman Cotton Fibrous PLC has approved a revised timeline for the utilization of IPO proceeds up to August 20, 2024. This approval aligns with the decision made by the shareholders during the company's 18th Annual General Meeting, as per Part C, Clause no. 6 of the BSEC consent letter. As per the FDR(s) bank statements, we have observed that the Interest on FDR(s) was amounting Tk. 185,120,792.00 and this amount has been transferred as inter-company loan to other sister concerns of the group. We recommend to take approval for such investment and transactions from the shareholders of the company during their AGM. Moreover, we have observed that the current FDR amount stands at Tk. 78,18,29,426.00, with a principal amount of Tk. 73,00,00,000.00 and interest amounting Tk. 51,829,426.00 as per FDR(s) bank statements. We have also noticed that the BSEC have notified to the concerned Banks to suspend transactions of those FDR Account(s) via their letter reference no BSEC/E&I/ACL/2023/37/Enquiry/02/242, Dated April 05, 2023.




**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS



- g. The Board of Directors in a meeting and the shareholders in their 19<sup>th</sup> AGM held on 30<sup>th</sup> December 2024, via Agenda No. 6.00 have decided that the IPO fund utilization period shall be extended until 31 December 2028 or until the AGM of the company to be held on 2028, whichever comes first. This fund shall be utilized for acquisition of machineries and expansion of business of the company.

Place: Dhaka, Bangladesh  
Date: January 13, 2025

  
Mohammad Showket Akber FCA, ACS  
Partner  
G. KIBRIA & CO.  
Chartered Accountants  
Enrol No. 970



## Report on the Utilization of IPO Proceeds For the month of December, 2024

G. KIBRIA & CO.  
Chartered Accountants

Name of the Company

: Aman Cotton Fibrous PLC

Amount(BDT) of Capital Raised Through IPO

: 80,000 Core(TApprx.)

Date of Close of Subscription

: June 10, 2018

Proceeds Receiving Date

: August 05, 2018

Last Date of Full Utilization of Fund as per prospectus

: Within 12 months of obtaining IPO proceeds

(All the figures are in BDT.)

Sl.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Revised Time Line	Amount as per prospectus	Status of Utilization		Un-utilized%	Remarks
					This Month Utilization	Total Utilized Amount		
a)	Acquisition & Installation of machineries	Within 12 months of receiving the IPO proceeds	31th December, 2028	663,375,000	-	-	0.00%	The Board of Directors extended the IPO Utilization Fund within the AGM of 2028 or 31th December 2028 (which even comes earlier) which approved by the shareholders in 19th AGM.
b)	Business Expansion	DO	31th December, 2028	53,934,365	-	-	0.00%	
c)	Loan Repayment	DO		47,690,635	47,690,635		100.00%	
d)	IPO Expenses	DO		35,000,000	34,811,028		99.46%	
	<b>Total</b>			<b>800,000,000</b>	<b>82,501,663</b>			

Percentage

38.85%

Interest on IPO/RP/PO/RI proceeds

278,722,094

Un-utilized IPO/RP/PO/RI proceeds without interest income

717,498,337

  
Md. Rafiqul Islam  
Managing Director  
Aman Cotton Fibrous PLC

  
G. KIBRIA & CO.  
Chartered Accountants  
Place: Dhaka  
Dated: January 13, 2024



Foot note:

1.) As per original Prospectus the Company has a commitment to pay the liabilities of Union Capital Limited. Accordingly the company has paid taka 116,420,500/- up to March, 2024 and subsequently the liability has been fully adjusted.

2.) The company has already distributed dividend of taka 289,403,331.00 (Approx) last Six years, in spite of the business expansion has not started. The management of the company has clarified us that to import the machine and equipment, it will take time 1½ year but in this time the following reasons occurs:

(i). Unfavorable business of last few years; (ii). Covid -19 pandemic; (iii). Ukraine Russia war; (iv). Dollar crisis; (v). Rate fluctuation etc.

For that reasons we extended IPO Fund Utilization within the AGM of 2028 or 31th December 2028 which approved by the shareholders in its 19<sup>th</sup> Annual General Meeting & duly submitted the AGM Minutes to BSEC dated 05<sup>th</sup> January 2024.