

**CERTIFICATE ON
STATUS REPORT ON UTILIZATION
OF
PROCEEDS FROM PUBLIC OFFERING
OF
TAUFIKA FOODS AND
LOVELLO ICE-CREAM PLC**

For the month of April 30, 2023

**AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
TAUFIKA FOODS AND LOVELLO ICE-CREAM PLC
FOR THE MONTH OF APRIL 30, 2023**

This is to certify that **Taufika Foods and Lovello Ice-Cream PLC** has received Taka. 300,000,000 (Taka Thirty Crore) only as Initial Public Offering (IPO) proceeds through subscription from January 03, 2021 to January 07, 2021 in the separate Bank Account with Trust Bank Ltd. Millennium Branch, Jahangir Gate, Dhaka Cantonment, Dhaka. Bank Account number is 0022-0320000775. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-301/2019/278 dated on November 30, 2020 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on April 30, 2023 is as follows:

| Sl. No. | Purpose of Utilization | Allotment as per IPO (Tk.) | Total Utilization of Fund up to March 31, 2023 | Fund utilized for the month of April 30, 2023 | Total Utilization of Fund up to April 30, 2023 | Unspent Balance (Taka) |
|---------|---|----------------------------|--|---|--|------------------------|
| 1 | Acquisition of plant & machinery | 90,365,003 | 65,134,138 | - | 65,134,138 | 25,230,865 |
| 2 | Freezer purchase | 57,849,847 | 46,836,567 | - | 46,836,567 | 11,013,280 |
| 3 | Vehicles purchase | 20,564,250 | 27,005,948 | - | 27,005,948 | (6,441,698) |
| 4 | Investment in depot to increase | 13,220,900 | - | - | - | 13,220,900 |
| 5 | To meet up IPO expenses | 28,000,000 | 27,764,472 | - | 27,764,472 | 235,528 |
| 6 | Bank loan repayment | 90,000,000 | 90,000,000 | - | 90,000,000 | - |
| | Total IPO proceeds | 300,000,000 | 256,741,125 | - | 256,741,125 | 43,258,875 |
| 7 | Interest income | 945,681 | - | - | - | 945,681 |
| 8 | Source Tax | (129,273) | - | - | - | (129,273) |
| 9 | Foreign exchange loss & Bank charges | - | (176,740) | - | - | (176,740) |
| | Total IPO Proceeds & Interest Income/ (Bank Charges) | 300,816,408 | 256,564,385 | - | 256,741,125 | 43,898,543 |

Total unutilized fund excluding Interest Income/(Bank Charges) Taka 43,258,875/- (Four Crore Thirty Two Lac Fifty Eight Thousand Eight Hundred Seventy Five) only and including foreign exchange loss & Bank charges and Interest income Taka 43,898,543- as on April 30, 2023 is lying with Trust Bank Ltd. Millennium Branch, Jahangir Gate, Dhaka Cantonment, Dhaka (Account number 0022-0320000775). We have collected relevant information and required documents for all disbursements and we have also checked all the relevant document related with the mentioned disbursements, there is no expenditure during the month of April 30, 2023 Enclosed herewith the Status Report as Annexure-A for utilization of fund which has been prepared by the management.



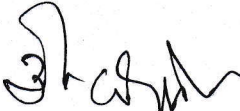
During the course of our certification, we have found that:

- a) The management of Taufika Foods and Lovello Ice-Cream PLC has transferred total amount of Taka 65,134,138/- for Acquisition of Plant & Machinery in which Taka 53,294,735/- has transferred to Shimanto Bank Ltd. in Account No: 1001244000258 for opening L/C. All L/C has been settled the amount of taka 53,294,735/- and paid amount of taka 11,839,403/- to Naj Associates as Duty Eepenses upto April 30, 2023 from the allotment as per IPO.
- b) The management of Taufika Foods and Lovello Ice-Cream PLC has spent total amount of Taka 46,836,567 for Freezer purchase in which the amount of Taka 37,018,500 has been spent for Local purchase from different parties and the amount of Taka 4,020,200 has transferred for opening L/C to Shimanto Bank Ltd. in Account No: 1001244000258 for 470 Pcs Freezer purchase thereafter Duty, Shipping Charge, Port charge and Others has paid total amounting Taka 5,797,867 to NAJ Associates against the L/C upto the month of April 30, 2023
- c) The management of Taufika Foods and Lovello Ice-Cream PLC has transferred Taka 9,146,752 for opening L/C to purchase Vehicles from Shimanto Bank Ltd. in Account No- 1001244000258 and Taka 3,895,000 has been spent for Local Vehicles purchase from different parties and also paid Taka 13,964,196 to NAJ Associates against the L/C and Exise duty up to the month of April 30, 2023. But according to prospectous approved amount for Vehicles purchase was Taka 20,564,250 management couldn't provide any approval letter from BSEC for exceed expenditure of Taka 6,441,698.
- d) The management of Taufika Foods and Lovello Ice-Cream PLC has spent total amount of Taka. 2,77,64,472 for the purpose of IPO Expenses up to April 30, 2023.
- e) The Management of Taufika Foods and Lovello Ice-Cream PLC has paid Taka 70,000,000 for repayment of Corporate Term Loan to Shimanto Bank Ltd. in Account No :1001741000187 and Taka 20,000,000 has been paid to Lanka Bangla Finance Ltd. as lease loan up to the month of April 30, 2023.
- f) The management of Taufika Foods and Lovello Ice-Cream PLC has been incurred Foreign currency loss of Taka 80,638 and Bank Charge of Taka 96,102; Tk.9,45,681/- has been received as Interest Income and TDS on Interest income Tk. 129,273- on IPO Proceeds accounts (A/C No. 0022-0320000775 maintaining with Trust Bank Limited) up to the month of April 30, 2023
- g) According to the fund utilization monthly report of IPO Proceeds, report submission time line has been ended on January 31, 2022 as per Prospectus. We have received a letter from the company, reference no. PLC/SHARE/IUP/22 on dated December 26, 2022 ,where the company has applied to Bangladesh Securities and Exchange Commission (BSEC) for 1st time, time extention for 12 months up to January 31, 2024 and Company wants to utilize Tk. 65 (Sixty Five) lac in Vehicle purchase instead of Investment in depot but BSEC has not approved the rectification and extension of time till date.

We also report that:

- i. the expenses/utilization has been made in line with the provision of Initial Public Offering (IPO) documents;
- ii. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- iii. the expenses/utilization of Taka 256,741,125/- of IPO proceeds have been completed as mentioned time schedule/ implementation schedule as specified in Initial Public Offering (IPO) documents;
- iv. the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents; and
- v. 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: May 13, 2023
Place: Dhaka



FAMES & R
Chartered Accountants



Report on Utilization of IPO Proceeds for the month of April 30, 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 Proceeds
Extent Date of Full Utilization

: Taufika Foods and Lovello Ice-Cream PLC
: BDT. 300,000,000/-
: January 07, 2021
: January 17, 2021
: January 31, 2023 (within 24 Months of obtaining IPO proceeds)
: January 31, 2024 (Not Approved by BSEC)

Annexure-A

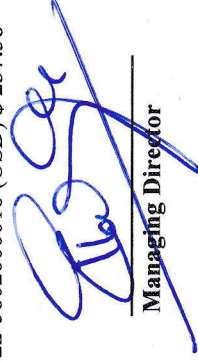
| Sl. No. | Purpose Mentioned in the Prospectus | Time line as per prospectus | Amount as per prospectus | Fund utilized (Taka) up to the month of March 31, 2023 | This Month | Total Utilized Amount | Utilized % | Total Un-utilized Amount | Un-utilized % | Remarks |
|---------------------------|-------------------------------------|-----------------------------|--------------------------|--|------------|-----------------------|------------|--------------------------|---------------|---------|
| 1 | Acquisition of plant & machinery | 24 Months | 90,365,003 | 65,134,138 | - | 65,134,138 | 72.08% | 25,230,865 | 27.92% | |
| 2 | Freezer purchase | 24 Months | 57,849,847 | 46,836,567 | - | 46,836,567 | 80.96% | 11,013,280 | 19.04% | |
| 3 | Vehicles purchase | 24 Months | 20,564,250 | 27,005,948 | - | 27,005,948 | 131.32% | (6,441,698) | -31.32% | |
| 4 | Investment in depot to increase | 24 Months | 13,220,900 | - | - | - | 0.00% | 13,220,900 | 100.00% | |
| 5 | To meet up IPO expenses | 24 Months | 28,000,000 | 27,764,472 | - | 27,764,472 | 99.16% | 235,528 | 0.84% | |
| 6 | Bank loan repayment | 24 Months | 90,000,000 | 90,000,000 | - | 90,000,000 | 100.00% | - | 0.00% | |
| Total IPO Proceeds | | | 300,000,000 | 256,741,125 | - | 256,741,125 | | 43,258,875 | | |


Note:

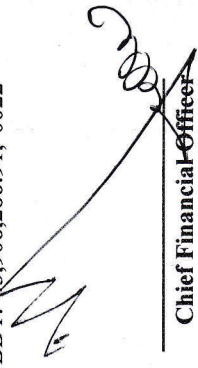
* Taufika Foods and Lovello Ice-Cream PLC has received an amount of Taka 1,434,000 as forfeit amount which has subsequently deposited to BSEC.

* Bank balance as on April 30, 2023 with Trust Bank Ltd. Millennium Branch, Jahangir Gate, Dhaka Cantonment, Dhaka. (Account number 0022-0320000775) BDT. 43,908,288.91; 0022-5803000016(POU) 00, 0022-5804000014(EUR) 00, 0022-5802000018 (USD) \$ 237.58


Chairman


Managing Director


Company Secretary


Chief Financial Officer

Dated: May 13, 2023
Place: Dhaka

