



AUDITORS' REPORT
On IPO Proceeds Utilization

We have audited the annexed Statement of Initial Public Offering (IPO) Proceeds Utilization of **SEA PEARL BEACH RESORT & SPA LIMITED** as on January 31, 2020.

Management's Responsibility for the IPO Proceeds Utilization

Management is responsible for the preparation and fair presentation of this IPO Proceeds Utilization Statement and its related documents in accordance with Bangladesh Securities and Exchange Commission (BSEC) guidelines.

Auditor's Responsibility

Our responsibility is to express an independent opinion on this Initial Public Offering (IPO) Proceeds Utilization Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) and Bangladesh Securities and Exchange Commission (BSEC) guidelines.

We believe that the audit evidence we have obtained as provided by the management of the company is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our Opinion, the Statement of Initial Public Offering (IPO) Proceeds Utilization prepared in accordance with Bangladesh Securities and Exchange Commission (BSEC) guidelines presents fairly in all material respects, of the statement as on 31 January 2020 and complies with the prospectus.

We draw attention to the following matters,

1. The Company has utilized total amount of Tk. 69,679,700 from IPO proceeds as described in the Prospectus in respect of Interior, finishing, furniture & fixture of Tk. 26,507,000; Acquisition of land for Tk. 26,660,000 and IPO Expenses for Tk. 16,512,700.
2. During the month, The Company has utilized Tk. 9,940,000 for the purpose of Interior, finishing, furniture & fixture and Tk. 15,426,510 for the purpose of Acquisition of Land (Deed No. 64/2020 & 46/2020) from the IPO Proceeds account no. 2104313030420, held at Prime Bank Limited, Motijheel Branch. The Company has purchased two Lands of 0.3806 decimal acre and 0.2662 decimal acre for Tk. 7,200,000 and Tk. 6,600,000 and the registration cost was Tk. 1,518,380. The company has paid total amount of Tk. 15,373,080 for Land purchase from which Tk. 15,246,510 has been paid from IPO fund and Tk. 126,570 (Tk. 15,373,080 - Tk. 15,246,510) has been paid from own source.
3. It is mentionable here that the time line for utilization of IPO fund for the purpose of Acquisition of Land has been expired on November, 2019 according to the proceed receiving date but according to share trading date the time line has been expired on January 15, 2020.

We also state that referred to above:

- a) IPO proceeds have been utilized for the purposes as specified in the prospectus and IPO Utilization plan;
- b) IPO proceeds have been utilized in line with the conditions as stipulated in the BSEC's Consent letter for the IPO;
- c) Utilization of IPO proceeds is being under completion within the time frame as specified in the prospectus (Reference to above Note No.3);
- d) Utilization of IPO proceeds is accurate for the purposes of the company as mentioned in the prospectus;
- e) The annexed audited Statement of IPO Proceeds Utilization has been made upon verification of all necessary documents/papers/vouchers in support of utilization of IPO Proceeds making reconciliation with the Bank statement as submitted by the management of the company for the purpose.

Place: Dhaka;

Date: February 12, 2020.


Ahmed Zaker & Co.
Chartered Accountants

Report on Utilization of IPO Proceeds

for the month of January 31, 2020

Name of the Company	: SEA PEARL BEACH RESORT & SPA LIMITED
Amount (BDT) of Capital Raised through IPO	: Tk. 150,000,000
Date of Closing Subscription	: May 06, 2019
Proceeds Receiving Date	: May 26, 2019
Proceeds Utilization Starts Date	: Proceeds utilization starts after share trade with stock exchanges i.e. after 16 July, 2019.
Last date of Full Utilization of Fund as per Prospectus	: Within 12 months of receipt of IPO fund

Sl	Purpose Mentioned in the Prospectus	Time line as per Prospectus	Amount as per Prospectus	Status of Utilization			Status of Un-utilization		Remarks
				This Month	Up to this month	Utilized (%)	Total Un-utilized Amount	Un-utilized (%)	
1	Interior, finishing, furniture & fixture (157 rooms)	Within 12 months of receipt of IPO fund	106,827,300	9,940,000	26,507,000	25%	80,320,300	75%	
2	Acquisition of land	Within 06 months of receipt of IPO fund	26,660,000	15,246,510	26,660,000	100%	-	0%	
3	IPO Expenses	As and when required	16,512,700	-	16,512,700	100%	-	0%	
Total			150,000,000	25,186,510	69,679,700		80,320,300		

Net interest on IPO Proceeds	1,249,052
Un-utilized IPO Proceeds	80,320,300
Total Un-utilized IPO Proceeds with Interest Income	81,569,352

Percentage:

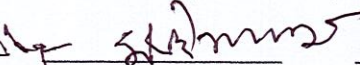
Net Interest on IPO Proceeds: 0.83%

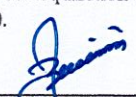
Un-Utilized IPO proceeds with Interest Income : 54.38%

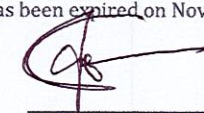
Notes:

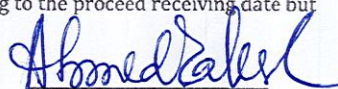
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Managing Director
Md. Aminul Haque
 Managing Director
 Sea Pearl Beach Resort & Spa Ltd


Independent Director
Md. Rafiqul Islam
 Independent Director
 Sea Pearl Beach Resort & Spa Ltd.


Chief Financial Officer
Julus Biswas
 Chief Financial Officer
 Sea Pearl Beach Resort & Spa Ltd.


Company Secretary
Md. Azaharul Mamun
 Company Secretary
 Sea Pearl Beach Resort & Spa Ltd.


Ahmed Zaker & Co.
 Chartered Accountants
 (AKM Mohitul Haq, FCA)
 Senior Partner