

# Report on Utilization of Fund of Proceeds of Capital Raising for the Quarter ended June 30, 2025

Name of the Company :  
 Amount (BDT) of Capital Raised Through Issuance of Ordinary Share :  
 Date of Close Subscription :  
 Proceeds Receiving Date :  
 Last Date of Full Utilization of Fund as Per Revised Consent Letter :

Legacy Footwear Ltd.  
 300,000,000  
 June 14, 2023  
 June 14, 2023  
 Within June 30, 2025

All the Figures are in BDT

| Sl. No | Date of Subscription | Amount of Subscription (In BDT) | Purpose of issue             | Item wise budgeted amount of Capital Raising (as per Company's Application and Consent letter) |             |  | Revised item wise budgeted amount of Capital Raising  |               | Revised Amount | Revised Estimate time for completing scheme | Investment so far made (In BDT) |                    |                       |           | Investment yet to be made |     | Remarks                           |
|--------|----------------------|---------------------------------|------------------------------|--|-------------|--|---|---------------|----------------|---|---------------------------------|--------------------|-----------------------|-----------|---------------------------|-----|-----------------------------------|
|        |                      |                                 |                              | Item   | Amount      | Estimate time for completing scheme                                | Item  | Amount        |                |   | Utilized up to March 31, 2024   | During the Quarter | Total Utilized Amount | %         | Total Un-Utilized Amount  | %   |                                   |
|        |                      |                                 |                              |  | (In BDT)    |  |   | (In BDT)      |                |   |                                 |                    |                       |           |                           |     |                                   |
| 1      | June 14, 2023        | 300,000,000                     | Repayment of Loan            | To pay off long term Bank Loan   | 250,000,000 | Within 6 (Six) months of receiving the Proceeds of Capital Raising | The unutilized amount of BDT 133,352,696 will be utilized for "Working Capital" and "Investment in Capital Market" and adjusted with "Machinery Purchase" and "Building & Civil Work" | (133,352,696) | 116,647,304    |   | 116,647,304                     | -                  | 116,647,304           | 100%      | -                         | 0%  |                                   |
| 2      |                      |                                 | Machinery Purchase           |  | -           |  | The company intimated to BSEC for the utilization of fund in these purposes   | 7,128,644     | 7,128,644      |   | 7,128,644                       | -                  | 7,128,644             | 100%      | -                         | 0%  |                                   |
| 3      |                      |                                 | Building & Civil Work        |  | -           |  |   | 1,022,100     | 1,022,100      |   | 1,022,100                       | -                  | 1,022,100             | 100%      | -                         | 0%  |                                   |
| 4      |                      |                                 | Working Capital              | To meet the requirement of Working Capital   | 50,000,000  | Within 6 (Six) months of receiving the Proceeds of Capital Raising | The Company will utilize additional amount of BDT 75,201,952 (82,099,102- 6,897,151) for the working capital purpose  | 75,201,952    | 125,201,952    | Within June 30, 2025                        | 67,367,016                      | 58,699,799         | 126,066,815           | 101%      | (864,863)                 | -1% | Details are shown in Annexure-1 A |
| 5      |                      |                                 | Investment in Capital Market | Investment in Capital Market   | -           |  | The Company will invest amount of BDT 50,000,000 to make Investment in Capital Market   | 50,000,000    | 50,000,000     |   | 40,000,000                      | 10,000,000         | 50,000,000            | 100%      | -                         | 0%  | Refer to note # N                 |
|        |                      |                                 |                              |  | 300,000,000 |  |   | -             | 300,000,000    |   | 232,165,064                     | 68,699,799         |                       | (864,863) |                           |     |                                   |

Total Un-Utilized Proceeds of Capital Raising

Net Interest on Proceeds of Capital Raising (excluding AIT &amp; Bank charges)- Current Quarter

Net Interest on Proceeds of Capital Raising (excluding AIT &amp; Bank charges)- Previous Quarters

Amount transfer to another bank account of Legacy Footwear Ltd (Outside Utilization A/C)

Additional working capital expenses (paid from interest income)

961,665

11,035,107

(8,867,454)

(864,863)

2,264,156

Percentage

Net Interest on Proceeds of Capital Raising (Current Quarter)

Net Interest Income with Proceeds of Capital Raising

0.32%

0.75%



Note

- A) The company has been maintaining Bank Account with Jamuna Bank Ltd. Vide A/C No. 1001001492858 to manage the Proceeds of Capital Raising, and maintaining Bank Account with EXIM Bank Ltd. Vide A/C No. 0111000359451/03911100281802 to manage the working capital transactions.
- B) The company has utilized the Proceeds of Capital Raising for Purchase of Machinery and Building & Civil Work for BDT 7,128,644 and 1,022,100 respectively, which was not in line with the Statement of Purpose of Raising paid up Capital as well as Capital Raising Consent Letter. But the Company has submitted an intimation letter vide ref: LFP/05/2024 dated January 10, 2024 to the Bangladesh Securities and Exchange Commission for the additional utilization of the BDT 8,125,560.
- C) As reported earlier, the Company paid an amount of BDT 10,000,000 viz UPRISE against supply of raw material as mobilization advance. Due to non-supply of raw materials in time, the company call back the advance and accordingly the vendor pay back the amount through an account payee cheque on December 05, 2024, and the company adjusted the advance (working Capital) with the funds received during the quarter ended December 31, 2024.
- D) As reported earlier, during the quarter ended December 31, 2024, the Company paid an amount of BDT 3,000,000 on October 06 and 07, 2024 to a supplier (RSF Steel Craft) as an advance. Due to non-supply of raw materials in time, the company call back the advance and accordingly the vendor pay back the amount through an account payee cheque on December 15, 2024, and the company adjusted the advance (working Capital) with the funds received.
- E) As reported earlier, during the quarter ended March 31, 2025, the company paid an amount of BDT 13,866,000 viz UPRISE on January 01, 2025 against supply of raw material & accessories as mobilization advance. Due to non-supply of raw materials & accessories in time, the company call back the advance and accordingly the vendor pay back the amount through an account payee cheque on January 20, 2025 amounting to BDT 13,864,819 and the company adjusted the advance (working Capital) with the funds received during the quarter ended March 31, 2025. Additionally, an amount of BDT 1,181 from the advance was adjusted against supply of accessories.
- F) During the quarter ended June 30, 2025, for working capital purpose the company paid an advance of BDT 26,000,000 on 26th and 29th June 2025 to a supplier namely UPRISE for the supply of raw materials. Additionally, the company paid an advance of BDT 19,500,000 on 26th June 2025 to an accessories supplier namely RSF Steel Craft for the supply of accessories. No TDS was deducted from the advances at the time of payment. The advances will be adjusted upon the supply of raw materials and accessories.
- G) As reported earlier, during the quarter ended December 31, 2024, the Company made cash transactions from petty cash amounting to BDT 186,299 for working capital purposes, including Repair & Maintenance, Conveyance and Stationery Expenses.
- H) As reported earlier, during the quarter ended March 31, 2025, the Company made cash transactions from petty cash amounting to BDT 506,786 for working capital purposes, including Repair & Maintenance, Uniform Purchase, Accessories Purchase, Conveyance and Stationery Expenses.
- I) During the quarter ended June 30, 2025, the Company made cash mode transactions from petty cash amounting to BDT 791,678 for working capital purposes, including Repair & Maintenance, Entertainment, Fuel & Lubricant, Internet and Dish Bill, Accessories Purchase, Conveyance and Stationery Expenses.
- J) As reported earlier, the Company has been paid Income Tax Liability worth of BDT 11,273,894 and Director's Remuneration worth of BDT 1,339,000 from the fund of Capital Raising under the purpose working capital.
- K) The Company has deducted tax at sources from suppliers throughout the period and deposited an amounts of TDS to the govt. exchequer and rest of the balance are under process to deposit immediately.
- L) The total net interest income from the Proceeds of Capital Raising was BDT 11,996,773. The company transferred total amount of BDT 8,867,454 to its own bank accounts (not related to the Proceeds of Capital Raising) from the interest income. Additionally, BDT 864,863 from the interest income was utilized for additional working capital expenses. The remaining amount of BDT 2,264,457 was kept in the bank accounts (utilization account).
- M) During the quarter ended June 30, 2025, the company had the following bank balance: Jamuna Bank Ltd. Vide A/C No. 1001001492858 with a reconciled Balance BDT 2,264,165, EXIM Bank Ltd. Vide A/C No. 0111000359451/03911100281802 with a reconciled Balance 665.5 and Midland Bank Ltd. Vide A/C No. 0011-1050009342 with a reconciled Balance 957.5.
- N) The Company made an investment in capital market through Alpha Capital Management Ltd under BO ID: 1605550076410117, with a current portfolio balance of BDT 47,568,929.33. For this investment, the company transferred total amount of BDT 50,000,000 to Alpha Capital Management Ltd. through bank transfer (BDT 5,000,000 on May 07, 2024, BDT 30,000,000 on August 12, 2024 and BDT 15,000,000 on August 28, 2024). The company subsequently withdrew BDT 10,000,000 from the capital market investment through an account payee cheque issued by Alpha Capital Management Ltd. on 04 November, 2024.

During the quarter ended June 30, 2025, the company deposited BDT 10,000,000 from its Jamuna Bank PLC, A/C No. 1001001492858 on June 26, 2025. Additionally, the company deposited BDT 10,000,000 to Alpha Capital Management Ltd. on May 05, 2025 and subsequently withdrew the same amount (BDT 10,000,000) on May 27, 2025.

Also mentioning here that, to obtain approval from BSEC regarding utilization of the funds (BDT 50,000,000) for investment in capital market, the company submitted an application to BSEC vide letter no LFL/48/2024 dated May 19, 2024. BSEC approved the purpose of utilization of fund of BDT 50,000,000 for investment in the capital market on July 25, 2024.

The reconciliation of the portfolio balance as of June 30, 2025 is as follows

| Particulars  | BDT          |
|--|--------------|
| Initial Deposit (Own Fund)   | 2,000        |
| Add: Invested amount (Fund of Proceeds of Capital Raising)               | 70,000,000   |
| Less: Investment Withdrawal  | (20,000,000) |
| Add/ (Less): Realized gain or (loss) on investment current quarter       | (800,347)    |
| Add: Realized gain on investment previous quarters                       | 986,661      |
| Add: Un Realized Gain/(Loss) on Investment                               | (2,617,930)  |
| Less: Fees and Charges current quarter                                   | -            |
| Less: Fees and Charges previous quarters                                 | (1,455)      |
| Less: Amount transfer to another bank account (Outside Utilization A/C)  | (1,080,000)  |
| Add: Amount transfer from another bank account (Outside Utilization A/C) | 1,080,000    |
| Closing Balance of Portfolio as at June 30, 2025                         | 47,568,929   |

Place: Dhaka  
Date: July 15, 2025

Managing Director

Chief Financial Officer

G. KIBRIA & CO.  
Chartered Accountants

