

**Certificate on  
Status Report on Utilization of Proceeds from  
Public Offering Union Bank Limited  
For the quarter ended 31 March 2023**

We have been engaged by Union Bank Limited for the quarter ended 31 March 2023 to certify whether the Bank 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) under Section 2CC of the Securities and Exchange Ordinance 1969.

**Responsibilities of the management and those changed with governance.**

Those charged with governance and management of the Bank are responsible for utilizing the proceeds from IPO in accordance with the terms and conditions of IPO and preparation of Status Report on Utilization of Proceeds from Public Offering in accordance with the Bangladesh Securities and Exchange Commission (BSEC) Rules 1987, conditions laid down in clauses 2, 3, 5, 6, 7 and 8 of Part-C of the consent letter BSEC/CI/IPO-319/2021/599 dated 24 November 2021 and other applicable rules and regulations.

**Responsibilities of auditor's**

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 and clauses 3 and 4 of Part-C of the consent letter BSEC/CI/IPO-319/2021/599 dated 24 November 2021 and other applicable rules and regulations.

**Report of the auditor's**

We have examined relevant documents and obtained information and explanations which to the best of our knowledge and belief were necessary for the purpose of verification and certification of the annexed status report on utilization of IPO proceeds of Union Bank Limited as of 31 March 2023.

As per Terms of Reference, we draw attention to the following matters:

- i. The Bank has utilized Taka 1,000,000,000 which was 100% of the budgeted amount up to 31 March 2023 for the purpose of Investment in SME as specified in the prospectus.

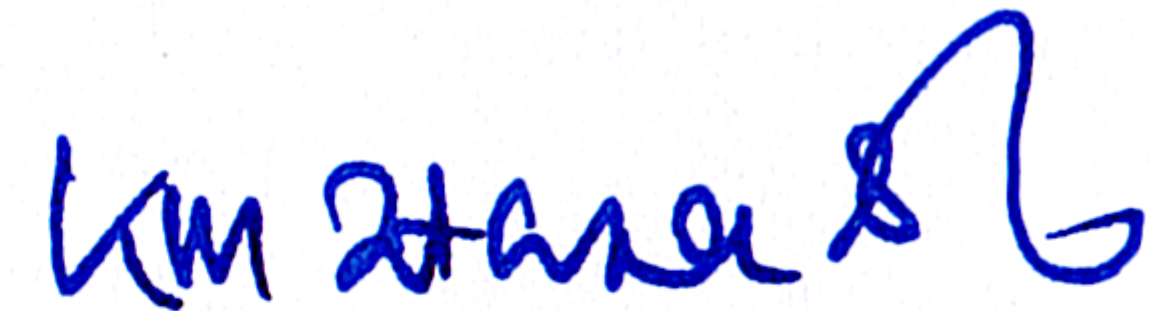




- ii. The Bank has utilized Taka 1,465,000,000 which was 100% of the budgeted amount up to 31 March 2023 for the purpose of Investment in Project Finance as specified in the prospectus.
- iii. The Bank has utilized Taka 1000,000,000 which was 100% of the budgeted amount up to 31 March 2023 for the purpose of Investment in Government Securities as specified in the prospectus.
- iv. The Bank has utilized Taka 134,116,961 which was 17.88% of the budgeted amount up to 31 March 2023 for the purpose of Investment in Capital market.
- v. The Bank has utilized Taka 599,308,50 which was 92.20% of the budgeted amount up to 31 March 2023 for the purpose of IPO Expenses.
- vi. The IPO proceeds should be used from a separate bank account as per rule 4 (1) (d) of the BSEC (public issue) rules 2015 but now it is using from others.
- vii. The bank will invest in capital market within 12 months under implementation schedule from receiving IPO fund but now 12 months is expired.

**Place: Dhaka, Bangladesh.**

Dated: 31 July 2023



**Hedayet Ullah FCA**

Senior Partner

**K. M. HASAN & CO.**

Chartered Accountants

DVC: 2307310281CC177639



**Report on Utilization of Initial Public Offering (IPO) Proceeds**  
For the quarter ended 31 March 2023

Name of the company : Union Bank Limited  
Amount (BDT) of Capital Raised Through IPO : Tk. 4,280,000,000  
Date of Close of Subscription : 30 December 2021  
Proceeds Receiving Date : 09 January 2022 & 18 January 2022  
Last Date of Full Utilization of Fund as per Prospectus : 17 January 2023

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus (BDT)	Status of Utilization			Remarks
				Total Utilized	Utilized (%)	Underutilized/ (Overutilized)	
1	Investment in SME	17/01/2023	1,000,000,000	1,000,000,000	100%	-	0.00%
2	Investment in Project Finance	time extended	1,465,000,000	1,465,000,000	100%	-	0.00%
3	Investment in Government Securities	up to 17/04/2023	1,000,000,000	1,000,000,000	100%	-	0.00%
4	Investment in Capital market: Secondary market (A Category Listed Securities)		750,000,000	134,116,961	17.88%	615,883,039	82.12%
5	IPO Expenses		65,000,000	59,930,850	92.20%	5,069,150	7.80%
	<b>Total</b>		<b>4,280,000,000</b>	<b>3,659,047,811</b>		<b>620,952,189</b>	<b>14.51%</b>

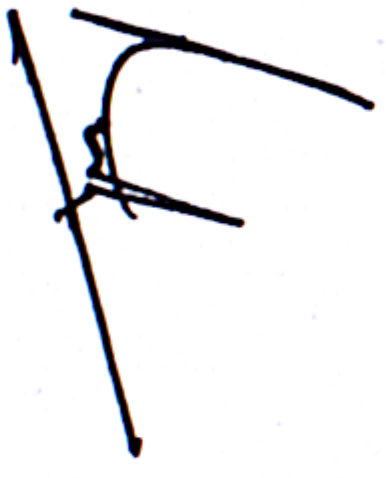
**Note:**

Underutilized IPO proceeds: 14.51%

**All conditions of the BSEC consent letter have been complied except for the following:**

- The IPO proceeds should be used from a separate bank account as per rule 4 (1) (d) of the BSEC (public issue) rules 2015 but now it is using from others.
- The bank will invest in capital market within 12 months under implementation schedule from receiving IPO fund but now 12 months is expired.

Chief Financial Officer



Managing Director



Place: Dhaka, Bangladesh  
Dated: 31 July 2023



**KM Hasan**  
Senior Partner  
K. M. HASAN & CO.  
Chartered Accountants  
DVC: 2307310281CC177639