

February 23, 2026

To,
Chief Regulatory Officer
Dhaka Stock Exchange Limited
DSE Tower, Level-3, House-46, Road-21, Nikunja-2, Dhaka-1229

Attention:

Mr. Masud Khan
AGM & Head of CGFRC Department
Regulatory Affairs Department, DSE

Subject: Clarification regarding Non-submission of utilization of QIO proceeds..

Reference: Your letter no. **DSE/CGFRC/LC-20/2025/1005 dt. February 08, 2026**
Dear Sir,

Please refer to your letter mentioned above dated February 08, 2026 our comments regarding your queries are as follows:

| Issue No. | Issue of Dhaka Stock Exchange Limited | Clarification from the Company |
|-----------|---|--|
| (1) | As per our record it is appeared that you have not submitted your QIO proceeds utilization report for the 2nd (August - October 2024), 3rd (November 2024 to January 2025), 4th (February - April 2025), 5th (May - July 2025) and 6th (August - October 2025) quarterly reports. Non-compliance of Regulation 33(2) of the Dhaka Stock Exchange (Listing of Small Capital Companies) Regulations, 2019 and Non-compliance of the Condition No. 27 of the Consent Letter for the QIO proceeds dt. March 04, 2024 | We have some positive /credit balance of Taka 19,262,696 un- utilized from the QIO fund. We could not utilize due to political turmoil in the country and global trade and customs law change. We are planning for alternative use of IQIO fund upon consent from shareholders and BSEC. We are submitting QIO report soon as no change from the last QIO utilization. |

We hope clarification submitted above regarding your observation on non- compliance in submission of utilization of QIO proceeds by the company will satisfy your query.

Thanking You,

Sincerely,



Kazi Shahin Uddin
Company Secretary
Enclosure: a) QIO Report



**Craftsman Footwear & Accessories
Ltd.**

47, Lake Circus (6-B)
Kalabagan, Dhaka-1212,

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AUDITOR'S REPORT
On Capital Raising Proceeds Utilization
For the period ended
July 31, 2024



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



member
an association of
legally independent
accounting firms
partnering for success

Independent Assurance Report
on
**the Initial Public Offering (IPO) Proceeds Utilization of Craftsman Footwear &
Accessories Limited**

We (G. Kibria & Co.) ("the Practitioner") have been engaged by Craftsman Footwear & Accessories Limited ("the Company") to provide an opinion on whether the company has complied with the conditions of its Initial Public Offering (IPO) regarding the utilization of proceeds from the public offering for the period from May 02, 2024 to July 31, 2024, as mandated by the Bangladesh Securities Exchange Commission (BSEC).

The scope of our work is limited to examining whether the company has utilized the IPO proceeds in accordance with the conditions outlined in the consent letter (Ref. No. BSEC/CI/QIO/SC-49/2023/64 dated March 04, 2024) and other relevant rules and regulations.

Company's Responsibility

Those charged with governance and management of the company are responsible for utilizing the proceeds from the IPO in alignment with the terms and conditions stipulated in the IPO, as well as for preparing a status report on the utilization of proceeds from the public offering. This report must adhere to the regulations set forth by the Bangladesh Securities Exchange Commission (BSEC) rules, 1987, along with the conditions outlined in clauses 1, 2, 3, 23, 24 and 28 of the consent letter, as well as other relevant rules and regulations.

Practitioner's Responsibility

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 provide an opinion on whether the proceeds have been utilized and the status report has been prepared in accordance with the conditions of IPO and clauses mentioned in the consent letter, as well as other relevant rules and regulations.

Conclusion

We believe that the Statement of IPO Proceeds Utilization, prepared in accordance with the guidelines provided by the Bangladesh Securities and Exchange Commission (BSEC), accurately reflects the status from May 02, 2024, to July 31, 2024. Additionally, it aligns with the conditions outlined in the consent letter (Ref. No. BSEC/CI/QIO/SC-49/2023/64 dated March 04, 2024).



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Ref. GKC/24-25/M/04 Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332

We have thoroughly reviewed pertinent documents and gathered information, and explanations deemed essential for verifying the attached status report, and the utilization of IPO proceeds to the best of our judgment.

We also draw attention to the following matters:

1. The company has utilized BDT 1,923,840 for BMRE (Balancing, Modernization, Rehabilitation and Expansion), representing 9.62% of the budgeted amount as of 31 July 2024. Out of this, the company paid a total of BDT 411,440 in cash for labor bills related to construction and renovation.
2. The company has utilized BDT 10,059,924 for repayment of bank loan, which represent 100.60% of the budgeted amount as on 31 July 2024.
3. The company has utilized BDT 16,043,163 for working capital management, representing 103.64% of the budgeted amount as of 31 July 2024. Out of this;
 - a. The company utilized BDT 1,100,000 exceeding the budgetd amount of BDT 1,037,500 for purchase diesel for generator and the whole amount utilized in cash payment.
 - b. The company temporarily utilized BDT 4,072,609 for wages and salaries for factory staff, and subsequently, the management reimbursed the funds for the approved purpose.
4. The company has utilized BDT 2,710,377 for payment of IQIO expenses, which represent 59.97% of the budgeted amount as on 31 July 2024.

Date: November 07, 2024
Place: Dhaka, Bangladesh


A.K Gulam Kibria, FCA (#392),
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants



Ref: GKC/24-25/M/047

Report on Initial Public Offering (IPO) Proceeds
For the period from May 02, 2024 to July 31, 2024

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

Craftsman Footwear and Accessories Limited
50,000,000
April 25, 2024
May 2, 2024
As Mention below

All the Figures are in BDT

| Sl. No. | Purpose Mentioned in the Prospectus | Investment so far made | | | | Investment yet to be made | | Remarks |
|---------|---|-----------------------------------|-----------------------------|-----------------------------|--------------------------------|---------------------------|-----------------------------------|---------|
| | | Amount as per Prospectus (In BDT) | Time line as per Prospectus | During the Quarter (In BDT) | Total Utilized Amount (In BDT) | Utilized (%) | Total Un-Utilized Amount (In BDT) | |
| 1 | BMRE (Balancing, Modernization, Rehabilitation and Expansion) | 20,000,000 | 01-Mar-24 | 1,923,840 | 1,923,840 | 9.62% | 18,076,160 | 90.38% |
| 2 | Repayment of Bank Loan | 10,000,000 | 01-Jul-24 | 10,059,924 | 10,059,924 | 100.60% | (59,924) | -0.60% |
| 3 | Working capital management | 15,480,207 | 02-Jul-24 | 16,043,163 | 16,043,163 | 103.64% | (562,956) | -3.64% |
| 4 | ICIQ Expenses | 4,519,793 | 01-Jun-24 | 2,710,377 | 2,710,377 | 59.97% | 1,809,417 | 40.03% |
| | | 50,000,000 | | 30,737,304 | 30,737,304 | 61.47% | 19,262,696 | 38.53% |

Total Un-Utilized Proceeds of Capital Raising
Net Interest on Proceeds of Capital Raising (excluding AIT & Bank charges) current quarter

19,262,696

19,262,696

Percentage

Net Interest on Proceeds of Capital Raising (Current Quarter)

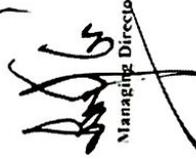
0.00%

Note:

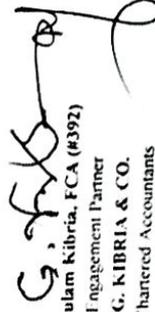
- IPO proceeds have been utilized for the purposes as specified in prospectus and in line with the condition of the commission's consent letter
- This status report of the utilization of initial public offering proceeds has been approved by the board of directors on 28 October 2024 and signed by the authorized signatories
- Integers are rounded up to the nearest whole number
- The reconciliation of the IPO amount is attached within


Chief Financial Officer


Company Secretary


Managing Director


Chairperson


A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants



Place: Dhaka, Bangladesh
Date: 07 November 2024

IPO Bank account reconciliation as at July 31, 2024

Name of the Company Craftsman Footwear & Accessories Limited
Amount (BDT) of Capital Raised Through IPO BDT. 50,000,000
Date of Close Subscription April 25, 2024
Proceeds Receiving Date May 2, 2024

| Bank and branch name | Account No. | Currency |
|-----------------------------------|-------------|----------|
| Bank Asia PLC Gulshan-I Branch | 00433011245 | BDT |

| Particulars | Amount | Remarks |
|---|-------------------|---------|
| Balance on Bank Asia as of July 31, 2024 | 15,030,375 | |
| Fund utilized | 30,737,304 | |
| Balance on Basic Bank as of July 31, 2024 | 4,247,791 | |
| Opening Balance | (15,469) | |
| Total | 50,000,000 | |

Amount (BDT) of Capital Raised Through IPO 50,000,000
(0)

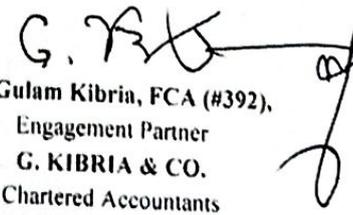

Managing Director


Chief Financial Officer


Chairperson


Company Secretary

Place: Dhaka, Bangladesh
Date: 07 November 2024


A.K. Gulam Kibria, FCA (#392),
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants

