

Craftsman Footwear & Accessories Limited

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

IPO Proceeds Utilization Report

For the period from 01 February, 2026 to 30 April, 2026



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



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 February 01, 2026 to April 30, 2026, 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 and 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 February 01, 2026 to April 30, 2026.

We have thoroughly reviewed the relevant documents and obtained the information and explanations considered necessary to verify the attached Statement of IPO Proceeds Utilization, to the best of our knowledge and professional judgment.

Accordingly, based on the Consent Letter (Ref. No. BSEC/CI/QIO/SC-49/2023/64 dated March 04, 2024), we noted the following matters:

1. The Company has utilized BDT 8,627,973 for BMRE (Balancing, Modernization, Rehabilitation and Expansion), representing 43.14% of the budgeted amount as of 30 April 2026. During the quarter, the Company incurred total BMRE expenditure of BDT 1,718,290, of which BDT 38,098 was financed from the Company's own funds and, accordingly, excluded from the IPO fund utilization. Consequently, the utilization of IPO proceeds during the quarter amounted to BDT 1,680,192. Out of this, the quarterly utilization comprised BDT 1,501,820 for the procurement of molds, BDT 100,000 for a Spray Booth Machine, and BDT 116,470 for

Ref: GKC/26-27/M/008



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Furniture and Fixtures. These expenditures were fully paid through bank accounts other than the designated IPO bank account. However, the above utilizations do not align with the conditions No. 26 outlined in the consent letter.

2. The company has utilized BDT 10,059,924 for repayment of bank loan, which represents 100.60% of the budgeted amount as of April 30, 2026.
3. The company has utilized BDT 28,601,727 for working capital management, representing 184.76% of the budgeted amount as of April 30, 2026.
4. The Company has utilized BDT 2,710,377 for payment of IQIO expenses, which represents 59.97% of the budgeted amount as of April 30, 2026.
5. The Company did not comply with Condition No. 27 stipulated in the consent letter (Ref. No. BSEC/CI/QIO/SC-49/2023/64 dated March 04, 2024), which mandates the preparation of a quarterly utilization report.
6. The Company has utilized the entire IPO proceeds of BDT 50,000,000, representing 100% of the funds raised through the Initial Public Offering (IPO), as of 30 April 2026. However, the Company was unable to utilize the IPO proceeds in accordance with the purposes and allocations specified in the Prospectus as well as the consent letter.

Date: July 23, 2026
Place: Dhaka, Bangladesh


AK Gulam Kibria, FCA
Enrolment No: 0392
G. Kibria & Co.
Chartered Accountants



Statement of IPO Proceeds Utilization

For the period from February 01, 2026 to April 30, 2026

Name of the Company : Craftsman Footwear and Accessories Limited
Amount (BDT) of Capital Raised Through IPO : 50,000,000
Date of Close Subscription : April 25, 2024
Proceeds Receiving Date : May 2, 2024
Last Date of Full Utilization of Fund as Per Consent Letter : 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	Time line as per Prospectus	Utilized up to January 2026	During the Quarter	Total Utilized Amount	Utilized (%)	Total Un-Utilized Amount		Un-utilized (%)
1	BMRE (Balancing, Modernization, Rehabilitation and Expansion)	20,000,000	1-May-26	6,947,781	1,680,192	8,627,973	43.14%	11,372,027	56.86%	
2	Repayment of Bank Loan	10,000,000	1-Jul-24	10,059,924	-	10,059,924	100.60%	(59,924)	-40.60%	
3	Working capital management	15,480,207	2-Jul-24	28,601,727	-	28,601,727	184.76%	(13,121,520)	-84.76%	
4	IQIO Expenses	4,519,793	1-Jun-24	2,710,377	-	2,710,377	59.97%	1,809,417	40.03%	
		50,000,000		48,319,808	1,680,192	50,000,000	100.00%	-	0.00%	

Note:

- This status report of utilization of initial public offering proceeds has been approved by the board of directors and signed by the authorized signatories.
- Since, the IPO proceeds have been fully utilized, the reconciliation of the IPO proceeds has not been attached, as it is no longer considered necessary.


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairman

Place: Dhaka, Bangladesh
Date: 21 July, 2026




A.K Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants