

PRICE SENSITIVE INFORMATION

This is for information of all concerned that the Board of Directors of Index Agro Industries Limited in its meeting held on May 25, 2023 at 3:00 p.m. has decided to use the unspent IPO fund of Tk. 26,87,95,244/- for using Building & Civil Construction works and setup necessary Machineries and Equipment in any project of the company in place of using respective projects as declared in the IPO prospectus. The Board also decided to extend 12 (Twelve) more months for utilizing unspent IPO proceeds from the date of expiration subject to approval by the shareholders in the extraordinary general meeting (EGM).

The reason for deviation of using unspent IPO proceeds are as follows:

1. Due to delay in obtaining IPO consent from Bangladesh Securities and Exchange Commission (BSEC), the company has setup required machineries, equipment and building & civil construction works for the expansion project through bank borrowings and partially from own sources.
2. Accordingly, the shareholders of the company in its 21st Annual General Meeting held on 09 December 2021, approved the repayment of partial short term loan of Tk. 35,49,32,100/- from IPO proceeds. Later on, BSEC vide their letter dated 17 January 2023 has approved Tk. 13,85,00,000/- to repay the short-term loan of the company out of Tk. 35,49,32,100/-.
3. Considering the present business scenario of the industry and world-wide economic situation due to Russia-Ukraine war and ongoing foreign currency crisis in the market, the banks are unable to open L/C for capital machineries. Therefore it is very tough to use remaining IPO fund for further expansion of projects as per declaration made in the IPO prospectus.

Date of EGM : July 20, 2023
Time of EGM : 11:00 A.M.
Venue of EGM : Digital Platform
Record date for attending and voting in the EGM : June 15, 2023

For and on behalf of Index Agro Industries Limited

Sd/-

Abu Jafar Ali FCS

Company Secretary