



# GOLDEN HARVEST AGRO INDUSTRIES LTD.

Corporate Head Office: SPL Western Tower, Level 5, #501 & #502, 186 Gulshan Tejgaon Link Road, Tejgaon, Dhaka-1208,  
Tel: +8802 8878784-7, Fax: +8802 8878204, E-Mail: imamhassan@goldenharvestbd.com, www.goldenharvestbd.com

Public issue of 30,000,000 Ordinary shares of Tk. 10.00 at an issue price of Tk. 25.00 each including a premium of Tk. 15.00 per share totalling Tk. 750,000,000.00

## SUBSCRIPTION FOR GENERAL PUBLIC:

**Opening date:**  
December 23, 2012

**Closing date:**  
December 30, 2012

## LEAD ISSUE MANAGER



### Banco Finance and Investment Limited

Baitul View Tower (11<sup>th</sup> Floor), 56/1, Purana Paltan, Dhaka-1000  
Phone: 7125703, 7124438, 7125910; Fax: +880-2-7125634

## CREDIT RATING STATUS

<b>Entity Rating</b>	<b>A+</b>	<b>ST-3</b>
<b>Outlook</b>	<b>Positive</b>	
<b>Date of rating</b>	<b>October 23, 2011</b>	
<b>Validity of rating</b>	<b>October 22, 2012</b>	
<b>RATING ASSIGNED BY : CRISL</b>		

## SUBSCRIPTION FOR NRB APPLICANTS:

**Opening date:**  
December 23, 2012

**Closing date:**  
January 08, 2013

## CO-ISSUE MANAGER



### Royal Green Capital Market Limited

Digonto Tower (1st Floor), 12/1 R.K. Mission Road, Dhaka-1203  
Phone : 8122845, 9142863 Fax : 880-2-8143347

"CONSENT OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1986 AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR."

### SPECIAL NOTE

Please read the Prospectus carefully which includes "Risk Factors" before taking your investment decision. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the commission and the balance amount will be refunded to the applicant. The application shall provide with the same bank account number in the application form as it is in the BO account of the applicant.

"শেয়ারবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেলে ও বুঝে বিনিয়োগ করুন।"

## GOLDEN HARVEST AGRO INDUSTRIES LIMITED : COMPANY PROFILE

### DESCRIPTION OF BUSINESS

Golden Harvest Agro Industries Ltd. (Golden Harvest): The Golden Harvest Agro Industries Limited was incorporated on August 09, 2004; vide Reg. No. C-53850(515)/2004 under the Companies Act, 1994 and converted to public limited company on 30 June 2010. Golden Harvest Agro Industries Ltd. (Golden Harvest) is located in Bokran, Manipur, Gazipur and came into operation in May 2006. It is the first ever purpose built frozen vegetables and snack food processing plant in Bangladesh. The entire Plant was designed and supervised by the Danish experts with the full technical assistance from DANIDA (Danish International Development Agency under the Danish Embassy). Golden Harvest is set up on a 67,576 square feet state-of-the-art purpose built, fully computerized processing facility built in international standards with the capacity to expand by additional 100,000 SFT. Golden Harvest has a fully-owned subsidiary, Golden Harvest Sea Food and Fish Processing Ltd. It processes, markets and exports sea foods and fishes. Subsidiary Company(s): **Golden Harvest Sea Food and Fish Processing Limited:** The company was incorporated on January 05, 2005, vide Reg. No. C-55601(2285)/05 under the Companies Act, 1994. The objects of the company are to carry out the business, promote & establish factories and chain shop of shops; manufacture and manage food and food items, baby food, soft drink, mineral water, salt & iodised salt and allied products in Bangladesh and setting ventures and business in connection therewith. The company manufactures, imports and exports all kinds of food items, chemicals & bio-chemicals, frozen & dry food, jam, jelly, picky, fruits and all kinds of allied products, vegetables, chocolates and any other allied products for the benefit of the company. Golden Harvest Agro Industries Limited acquired 99.9998% of shares of Golden Harvest Sea Food and Fish Processing Limited by exchanging its own shares and acquired its 4,99,999 Ordinary Shares.

### NATURE OF BUSINESS

The principal activity and operation of Golden Harvest Agro Industries Limited (GHAIL) is the production and processing of frozen vegetables and snack foods in Bangladesh. The addition of Golden Harvest Sea Food and Fish Processing Limited (A subsidiary Company of GHAIL), which processes, markets and exports sea foods and fishes.

### AVAILABILITY OF PROSPECTUS

Prospectus of the Company may be available at the following addresses:

Name & Address	Contact Person	Contact Number
<b>Issuer Company:</b> Golden Harvest Agro Industries Ltd. SPL Western Tower, Level 5, # 501 & # 502, 186 Gulshan Tejgaon Link Road, Tejgaon Dhaka 1208.	Imam Hassan, FCA CFO & Company Secretary	Tel: +88-02-8878784-7 Fax: +8802 8878204
<b>Issue Manager(s):</b> Banco Finance and Investment Limited Baitul View Tower (11th Floor), 56/1, Purana Paltan, Dhaka-1000	Kazi Saifur Rahman, FCA Managing Director & CEO	Tel: +88-02-7125703, 7124438, 7125910 Fax: +88-02-7125634
<b>Royal Green Capital Market Limited</b> Digonto Tower (1st Floor), 12/1 R.K. Mission Road, Dhaka-1203	Md. Shah Alam Managing Director	Tel: +88-02-8122845, 9142863 Fax: +88-02-8143347
<b>Underwriters:</b> Prime Finance Capital Management Limited 63 Dilkusha C/A (3rd Floor), Dhaka-1000	M. Mosharrar Hossain Phd, FCA Managing Director & CEO	Tel: +88-02-9563883 Fax: +88-02-9563692
<b>First Security Islami Capital and Investment Ltd</b> Al-Amin Center (7th Floor) 102 Shahid 25/A Dilkusha C/A, Dhaka-1000	M. Anwar Husain CEO	Tel: +88-02-9555077 Fax: +88-02-9515917
<b>BMSL Investment Limited</b> Sadharan Bima Tower (7th Floor) 37A Dilkusha C/A, Dhaka-1000	Md. Golam Sarwar Bhuiyan Managing Director	Tel: +88-02-7169284, 9570624, 9567002 Fax: +88-02-7123820
<b>Green Delta Insurance Company Limited</b> Hadi Mansion (4th Floor), 2 Dilkusha C/A, Dhaka-1000	Nasir A. Choudhury Managing Director & CEO	PABX: +88-02-9560005, 9567760-62 Fax: +88-02-9562345
<b>Royal Green Capital Market Limited</b> Digonto Tower (1st Floor), 12/1 R.K. Mission Road, Dhaka-1203	Md. Shah Alam Managing Director	Tel: +88-02-8122845, 9142863 Fax: +88-02-8143347
<b>Continental Insurance Limited</b> Ideal Trade Center (7th Floor) 102 Shahid Tajuddin Ahmed Sarani, Tejgaon, Dhaka	M. Qamrul Munir Head of Investment	PABX: +88-02-9139063, 8115679, 8124262 Fax: +88-02-9146187
<b>PLFS Investments Limited</b> Corporate Office: Paramount Heights (13th Floor) 65/21 Box Culvert Road, Purana Paltan, Dhaka-1000	Mustofa Kamal CEO	Tel: +88-02-9551036, 9551041, 7113994 Fax: +88-02-7125396
<b>ICB Capital Management Limited</b> 8, D.I.T Avenue (14th Floor), Dhaka-1000	Nasir Uddin Ahmed CEO	Tel: +88-02-7160326, Fax: +88-02-9555707
<b>Mercantile Bank Limited</b> 61 Dilkusha C/A, Dhaka-1000	A.K.M. Shahidul Haque Managing Director & CEO	Tel: +88-02-9553333, Fax: +88-02-9561213
<b>Dhaka Stock Exchange Ltd. (DSE)</b> 9/F Motilal Road, Dhaka-1000	DSE Library	Tel: +88-02-9564801-7, 966944-4
<b>Chittagong Stock Exchange Ltd. (CSE)</b> 1080 Sheikh Mujib Road, Agrabad, Chittagong-4100	CSE Library	Tel: +88-031-714632-3, 720871-3

Prospectus is also available on these web sites www.secd.org, Golden Harvest Agro Industries Ltd. (www.goldenharvestbd.com), www.dsebd.org, www.csebd.org and public reference room of the Securities and Exchange Commission (SEC) for reading and study.

### NAME AND ADDRESS OF THE AUDITOR

**S.F. Ahmed & Co. Chartered Accountants**  
(A technical assistance firm of Ernst & Young International Inc. of New York, USA in Bangladesh)  
House 25, Road 13A, Block D, Banani, Dhaka 1213

### USE OF PROCEEDS FROM IPO

Particulars	Amount in Taka
<b>Sources of Fund:</b>	
Issue size (Number of share to be issued)	30,000,000
Issue price (including premium Taka 15 each)	25
<b>Total Amount</b>	<b>750,000,000</b>
Less: Income Tax @ 3% on premium	13,500,000
Less : IPO Costs	9,886,000
<b>Net IPO Proceeds</b>	<b>726,614,000</b>

Net IPO Proceeds from initial public offering will be used for repayment outstanding loan and expansion of business activities to boost the profitability. The details of which are stated as under:

Particulars	Amount (Taka)	Expected commencement date	Expected completion date	Expected Commencement Operation date
<b>Loan Repayment:</b>				
Bank Loan (Partial)	338,478,703	Within 1 month of IPO Proceed Receipt	Within 1 month of IPO Proceed Receipt	N/A
<b>Business Expansion:</b>				
Establishment of Cold Chain	195,665,736	Within 1 month of IPO Proceed Receipt	Within 1 year of IPO Proceed Receipt	Within 6 months after completion
Establishment of Ice Cream Factory	192,469,561	Within 1 month of IPO Proceed Receipt	Within 1 year of IPO Proceed Receipt	Within 6 months after completion
<b>Total</b>	<b>726,614,000</b>			

Sd/-  
Imam Hassan, FCA  
Chief Financial Officer

### REFUND OF SUBSCRIPTION MONEY

As per SEC Notification dated February 9, 2010, the issuer shall refund application money to the unsuccessful applicant of the public offer by any of the following manner based on the option given by the applicant in the application form:  
- Through banking channel for onward deposit of the refund money into the applicant's bank account as provided in the respective application form for subscription; or  
- Through issuance of refund warrant in the name and address of the applicant as provided in the respective application form for subscription.  
Provided that, in case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

## AUDITORS' REPORT UNDER SECTION 135(1), PARA 24(1)(3), OF PART-II OF SCHEDULE III TO COMPANIES ACT 1994, OF GOLDEN HARVEST AGRO INDUSTRIES LIMITED.

We, as the auditors having examined the Financial Statements of Golden Harvest Agro Industries Limited for the year ended 30 June 2011, 30 June 2010 and 30 June 2009 for the following comparative Balance Sheet (statement of assets and liabilities) & comparative Income Statement (statement of profit & loss) for the years ended 30 June 2008 and 2007 by M/s. Rahman Mustafiz Haq & Co., Chartered Accountants and the figures extracted from the financial statements certified in pursuance of Section-135 (1) and Para-24 (1)(3) of Part-II of Schedule-III of the Companies Act 1994 report that:

### (A) The Statement of assets and liabilities of the company was as under:

	Consolidated 30-06-2011	30-06-2011	Consolidated 30-06-2010	30-06-2010	30-06-2009	30-06-2008	30-06-2007
<b>Sources of Fund</b>							
Share capital	350,000,000	350,000,000	100,000,000	100,000,000	37,500,000	37,500,000	37,500,000
Retained Earnings	318,269,062	318,269,062	182,824,730	182,824,730	22,979,234	9,805,755	(689,831)
Revaluation Surplus	225,346,706	225,346,706	107,064,709	107,064,709	109,372,918	—	—
Minority Interest	483	483	305	305	—	—	—
Share Money Deposit	—	—	92,750,000	92,750,000	—	—	—
Loan against Machinery	77,513,179	60,466,447	45,118,734	21,312,233	23,881,277	28,908,269	35,035,203
Deferred tax liability	4,720,834	3,415,422	—	—	—	—	—
Leasehold Obligation	7,252,367	7,252,367	3,662,100	3,662,100	2,343,743	—	—
<b>Total</b>	<b>983,102,632</b>	<b>983,102,632</b>	<b>531,420,578</b>	<b>531,420,578</b>	<b>196,077,172</b>	<b>76,214,024</b>	<b>71,845,372</b>
<b>Application of fund</b>							
<b>Long-term Assets</b>							
<b>Fixed Assets</b>							
Lease Hold Assets	905,764,222	658,044,917	472,595,261	316,933,772	206,557,285	93,293,574	92,811,703
Investment	12,434,489	12,434,489	3,943,994	3,943,994	2,246,400	—	—
Deferred Expenses	15,377,639	15,377,639	—	—	5,844,949	6,169,668	6,494,387
Investment in Subsidiary	—	241,829,935	—	152,517,018	—	—	—
<b>Total</b>	<b>933,576,350</b>	<b>927,686,981</b>	<b>476,539,255</b>	<b>472,519,714</b>	<b>214,648,634</b>	<b>99,463,242</b>	<b>99,306,990</b>
<b>Current Assets:</b>							
<b>Stocks in hand</b>							
Advance, Deposits and prepayments	90,668,970	43,303,434	47,185,349	21,251,804	21,339,653	20,124,748	9,473,820
Export Incentive Receivable	94,657,085	71,053,563	7,672,822	5,209,490	29,858,074	6,697,889	262,388
Trade Receivables	10,570,691	102,218,724	10,932,969	110,876,557	4,745,668	8,607,332	9,408,814
Prepaid Expenses	153,111,908	7,251,863	193,081,597	7,857,139	3,365,985	1,594,397	—
Local Sales Receivables	—	—	—	—	1,779,933	—	—
Cash & Bank Balance	693,692	446,505	13,879,206	13,275,232	111,836	417,324	3,080,455
<b>Total</b>	<b>349,702,346</b>	<b>224,301,088</b>	<b>272,751,763</b>	<b>158,180,522</b>	<b>61,201,209</b>	<b>37,441,690</b>	<b>22,225,477</b>
<b>Account &amp; other payable</b>							
Accrued Expenses	32,502,801	18,980,147	19,051,225	90,474,779	7,457,935	2,029,469	2,508,818
Provision for Income Tax	6,224,710	3,714,710	3,322,442	2,012,442	8,281,980	4,145,413	1,032,370
Cash Credit Loan	111,733,435	67,727,113	49,200,000	28,300,000	—	—	—
Current maturity of long term loan	132,188,555	82,883,962	146,296,775	2,299,242	11,986,577	10,982,171	6,852,827
Current maturity of lease obligation	13,696,053	10,101,621	—	—	—	—	—
Payable to Related Parties	3,830,510	3,830,510	—	—	52,046,179	43,533,855	39,292,180
<b>Total</b>	<b>300,176,064</b>	<b>187,238,064</b>	<b>217,870,441</b>	<b>123,086,463</b>	<b>79,772,671</b>	<b>60,690,908</b>	<b>49,686,195</b>
<b>D. Net Current Assets (B-C)</b>	<b>45,226,282</b>	<b>37,063,024</b>	<b>54,881,322</b>	<b>35,094,058</b>	<b>(18,517,462)</b>	<b>(23,249,218)</b>	<b>(27,460,717)</b>
<b>E. Total Assets (A+D)</b>	<b>983,102,632</b>	<b>983,102,632</b>	<b>531,420,578</b>	<b>507,613,772</b>	<b>196,077,172</b>	<b>76,214,024</b>	<b>71,845,372</b>

### (B) Statement of Operating Results of the company was as under:

	Consolidated 30-06-2011	30-06-2011	Consolidated 30-06-2010	30-06-2010	30-06-2009	30-06-2008	30-06-2007
Sales Revenue	526,526,457	307,014,918	387,783,620	191,278,129	61,611,094	60,364,441	52,737,330
Cost of Goods Sold	245,772,730	129,360,471	198,484,480	80,847,163	35,466,519	37,571,887	42,200,412
<b>Gross Profit</b>	<b>280,753,727</b>	<b>177,654,447</b>	<b>189,299,140</b>	<b>110,430,966</b>	<b>26,144,574</b>	<b>22,792,554</b>	<b>10,536,918</b>
<b>Add:</b>	<b>5,063,082</b>	<b>3,844,485</b>	<b>9,798,796</b>	<b>7,613,331</b>	<b>4,203,997</b>	<b>5,836,524</b>	<b>9,408,814</b>
Export Incentive	2,682,758	1,945,724	7,759,160	6,401,970	3,594,181	5,414,518	9,408,814
Other Income	2,380,325	1,898,761	2,039,636	1,211,361	609,816	422,006	—
<b>Total</b>	<b>285,816,809</b>	<b>181,498,932</b>	<b>199,097,936</b>	<b>118,049,297</b>	<b>30,348,571</b>	<b>28,629,078</b>	<b>19,945,732</b>
<b>Less: Administrative &amp; Selling Expenses:</b>	<b>49,672,535</b>	<b>40,813,591</b>	<b>40,813,591</b>	<b>22,169,530</b>	<b>8,157,018</b>	<b>9,239,342</b>	<b>15,145,274</b>
Administrative Expenses	36,625,744	31,129,305	23,146,486	17,392,735	4,103,100	3,450,366	7,593,861
Selling & Distribution Expenses	14,046,791	9,684,286	7,295,275	4,776,808	4,053,918	5,788,976	7,551,413
Loss from Investment in Quoted Share	4,442,103	4,442,103	—	—	—	—	—
Financial Expenses	27,351,841	5,409,474	27,970,438	6,154,585	5,618,075		