

Bangladesh Securities and Exchange Commission
Corporate Finance Division
Capital Restructuring Department
Bond and Debt Issue Section
www.sec.gov.bd

BSEC/CFD/CRD/DS-254/2024/98

Date: April 03, 2024

Managing Director
Bangladesh Export and Import Company (Beximco) Limited
House No. 17, Raod No. 2,
Dhanmondi R/A, Dhaka-1205, Bangladesh.

Subject: Consent for issuance of Unsecured, Non-Convertible, Redeemable Beximco 1st Unsecured Zero-Coupon Bond of BDT 26,250,000,000/- by Bangladesh Export Import Company Limited.

Dear Sir,

This refers to your application dated March 11, 2024 and subsequent correspondences regarding issuance of Unsecured, Non-Convertible, Redeemable Beximco 1st Unsecured Zero-Coupon Bond of BDT 26,250,000,000/-. The discount rate for aforesaid bond is 15%.

The undersigned is directed to convey the Bangladesh Securities and Exchange Commission's consent under the provisions of the Securities and Exchange Commission (Debt Securities) Rules, 2021, to Bangladesh Export and Import Company (Beximco) Limited for issuance of Unsecured, Non-Convertible, Redeemable Beximco 1st Unsecured Zero-Coupon Bond of BDT 26,250,000,000/- through private placement. The consent has been accorded subject to the condition that the company shall comply with the relevant laws and regulatory requirements, and also shall adhere to the following conditions imposed under Section-2CC of the Securities and Exchange Ordinance, 1969:

1. The issuer shall ensure the compliance of Securities and Exchange Commission (Debt Securities) Rules, 2021;
2. The issuer shall start the subscription of said bond under following name "Beximco 1st Unsecured Zero-Coupon Bond";
3. The proceeds or fund of the bond shall be placed in an escrow or specified bank account, and utilization of such proceeds or fund shall also be made from the escrow or specified bank account;
4. The issuer shall mortgage unencumbered land of 3035.56 decimal for the benefit of the bondholders as default protection mechanism to Trustee. An undertaking from Sreepur Township Ltd regarding deposit of sales proceed of spaces of mayanagar, as and when received, upto BDT 1950 crore shall be considered as part of credit enhancement and deposited into a separate account to be opened by the Trustee with IFIC Bank PLC under the title "Beximco 1st ZCB Trust Reserve Account". The issuer is required to submit registered mortgage document along with undertaking signed in Tk 300 Non-Judicial stamp;



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5. Before Subscription, the issuer is required to submit Trustee Registration Certificate;
6. The report on utilization of proceeds as well as implementation status shall be submitted to the Commission and the trustee, on half-yearly basis within 10 (ten) working days of close of the half year, till full utilization of proceeds;
7. The issuer shall not change or modify the submitted draft Information Memorandum, Trust Deed & Subscription Agreement after consent to issue the debt securities without prior approval of the Commission in this regard;
8. The issuer, the arranger and the trustee shall publish the approved Information Memorandum (IM) in their own official websites, within 03 (Three) working days upon receipt of this consent of the Commission to the issuance of the bond;

Provided further that a notice regarding the publication of Information Memorandum in the websites mentioning web-addresses shall be circulated in the national daily newspaper at least one in Bangla and another in English by the Company;

9. The issuer shall disseminate the receipt of the Commission's approval along with the purpose of the issue, amount and price of the bond etc. as price sensitive information, as prescribed by the Commission. The issuer shall disseminate the above information to the Stock Exchanges within half an hour (30 minutes) of receipt of this letter;
10. The Trustee shall place the IM and the Deed of Trust in electronic form on the websites of the issuer or originator and the trustee and also shall make them available in the aforementioned websites up to the maturity of the securities;
11. After publication of Information Memorandum in the websites, subscription shall be received through designated Banker during subscription period not more than 180 (one hundred eighty) days;
12. The issue is rated by a credit rating company and its Periodical Surveillance Rating shall be done by the said rating company in line with the provisions of the Credit Rating Companies Rules, 2022 up to the full and final redemption or conversion of the issued securities;
13. The issue shall not be rated below the minimum investment grade of triple 'BBB' or equivalent rating in the long term and "ST-3" or equivalent rating in the short term. If the credit rating of the Issue falls below the minimum investment grade i.e., "BBB" in the long term and "ST-3" in the short term, then the Issuer shall pay a Risk Premium of 0.5% for each downgrade of credit rating, over the discount rate on the Issue Price as mentioned in the IM;
14. The issuer shall execute the deed of trust as approved by the Commission in favor of the trustee and register the same under the Registration Act, 1908 (XVI of 1908) and shall submit a copy of



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the registered trust deed attested by the Chief Executive Officers of the issuer and the trustee to the Commission;

15. Auditors' report along with Audited Financial Statements of the company made up to date not older than 270 (two hundred seventy) days from the date of issue of the Information Memorandum (IM) and shall be incorporated in IM before private offer following the decision of the Commission;
16. This consent for issuance of debt securities shall remain valid for 06 (six) months from the date of consent failing which the permission will stand cancelled to the extent of unsubscribed portion;
17. The issuer shall submit a status report, containing the name and address of the bondholders along with number of bonds purchased and bank statements for the issue, to the Commission, within 10 (ten) days of closing of the subscription list or issue of the securities or expiry of the period mentioned above, whichever comes earlier;
18. The issuer shall submit list of subscribers, bank statement and banker's certificate for the amount of capital to be issued to the Commission upon completion of the subscription;
19. All transactions excluding petty cash expenditures shall be effected through the Company's Bank Accounts;
20. Financial Statements shall be prepared in accordance with International Accounting Standards (IAS) and Audit thereof shall be conducted in accordance with the International Standards on Auditing (ISA), as adopted in Bangladesh. The financial statements shall be audited within 120 days from the date of ending of the financial year;
21. Annual General Meeting (AGM) of the company shall be held in each year of the Gregorian Calendar;
22. A copy of audited financial statements and a copy of annual report and the minutes of Annual General Meeting shall be submitted to the Commission within fourteen days (14) of the completion of the audit or, as the case may be, holding of the Annual General Meeting;
23. The Company shall inform the Commission along with supporting documents and evidence about any change of its registered address, directors, managing director, business or any other material change that affects the affairs of the company;
24. Any further issue of capital shall require the Commission's prior consent;
25. If there is any FDI or external debt, the issuer shall report it to Bangladesh Bank;
26. The Commission may impose additional conditions/restrictions from time to time as and when required.



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If the company fails to comply with any of the conditions as stated above, the Company would be penalized under penal provisions of the Securities and Exchange Ordinance, 1969 or any other related securities laws.

The company shall pay, within 05 (Five) working days of issuance of this letter, a fee at the rate of **0.10%** on the total face value of securities to be issued through a Bank Draft or Payment Order issued in favor of the "Bangladesh Securities and Exchange Commission". If the company fails to pay within the specified time, this consent shall stand cancelled.

By order of the Bangladesh Securities and Exchange Commission,



3.4.2024

Md. Ariful Islam

Assistant Director

Capital Restructuring Department

Copy to:

1. Managing Director, Dhaka Stock Exchange Limited;
2. Managing Director, Chittagong Stock Exchange Limited;
3. Managing Director & Chief Executive Officer, CDBL;
4. Registrar of Joint Stock Companies and Firms;
5. PS to Chairman, BSEC;
6. PO to Commissioner (CFD), BSEC; and
7. Office Copy