



The ACME Laboratories Ltd.
MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

o/e

Ref. No. ACME /CA/CS/0031/2019

12 March 2019

The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-C/6, Agargaon,
Sher-e-Bangla Nagar Administrative Area,
Dhaka-1207.

Subject: **Audited Status Report on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd.**

Dear Sir,

In compliance with the clause 3 & 4 of Part-C of the Letter of Consent vide no. BSEC/CI/BB-03/2014/143; dated: 15 March 2016 accorded by your esteemed organization, we are pleased to enclose herewith the Audited Status Report (as per revised format) on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 99th Meeting held on 10 March 2019 for your kind perusal and record please.

Thanking you and assuring of our best attention for all the time to come.

Mizanur Rahman Sinha
Managing Director

Enclosure: As stated above



Copy to: 01. The Managing Director, Dhaka Stock Exchange Limited
02. The Managing Director, Chittagong Stock Exchange Limited
03. The Chief Executive Officer, ICB Capital Management Limited

Corporate Office:
Court de la ACME
1/4 Kallayanpur, Mirpur Road
Dhaka-1207, Bangladesh.
Phone : +88-02-9004194-6
Fax : +88-02-9016872
E-mail : headoffice@acmeglobal.com

www.acmeglobal.com

Plant:
Dhamrai, Dhaka, Bangladesh.
Phone : +88-02-7730881-2
+88-02-7730816-7, 7730142
Fax : +88-02-7730141
E-mail : plant@acmeglobal.com

Auditors' Report



Name of Client

The ACME Laboratories Ltd.
Utilization of IPO Proceeds
for the month ended 28 February 2019

পিনাকী এণ্ড কোম্পানী
Pinaki & Company

REGD. OFF : AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh
Tel # 966-0944, 966-5095, Cell: 01317-201224, 01711-106302
E-mail : pinaki_co@yahoo.com, website: www.pinaki.com.bd



AUDITORS' REPORT

on

Utilization of IPO Proceeds

We have audited the annexed Statement of utilization of Initial Public Offering (IPO) Proceeds of **The ACME Laboratories Ltd.** for the month ended 28 February 2019.

Management's Responsibility for the IPO proceeds Utilization

Management is responsible for the preparation and fair presentation of these IPO proceeds utilization statement in accordance with Bangladesh Securities and Exchange Commission Rules 1987, Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 and other applicable laws and regulations.

Auditor's Responsibility

Our responsibility is to express an independent opinion on these Initial Public Offering (IPO) proceeds utilization statement based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA), Bangladesh Securities and Exchange Commission Rules 1987, Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 and other applicable laws and regulations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our Opinion, the Statement of Initial Public Offering (IPO) Proceeds Utilization, Prepared in accordance with Bangladesh Securities and Exchange Commission Rules 1987 and Condition laid down in clause 3 & 4 of PART-C of consent letter # BSEC/CI/BB-03/2014/143, Dated March 15, 2016 gives a true and fair view of the statement for the month ended 28 February 2019 and comply with the resolution of 42nd AGM of the company.

As per TOR, We draw attention to the following matter:

1. The Company has utilized cumulative amounting to Tk. 1,660,591,186 up to 31st January 2019 in respect of Steroid & Hormone Project. During the month of February 2019, no amount had been spent regarding the project through IPO fund.



2. The Company has utilized cumulative amount of Tk. 400,000,000 up to 31st January 2019 in respect of Penicillin Project. During the month of February 2019, no amount has been spent regarding the project through IPO fund.
3. The Company has also utilized cumulative amounting to Tk. 151,287,024 up to 31st January 2019 in respect of API Project. During the month of February 2019, no amount has been utilized out of IPO fund in respect of Active Pharmaceuticals Ingredients (API) Project.

We also state that:

- a) IPO proceeds have been utilized for the purposes as specified in the resolution of 42nd AGM of the company;
- b) IPO proceeds have been utilized in line with the conditions of the BSEC's consent letter for the IPO;
- c) Utilization of IPO proceeds regarding Steroid and Hormone project as well as Penicillin Project had been completed during the month of January 2019. On the other hand API project is being under completion within the time frame as specified in the resolution of 42nd AGM of the company.
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the resolution of 42nd AGM of the company;
- e) Audit statement has been made on verification of all necessary documents/papers/vouchers in support of utilization of IPO proceeds making reconciliation with bank statements.

Date: 12 March 2019
Dhaka.

Pinaki & Company
Chartered Accountants



Report on Utilization of IPO Proceeds
For the Month of February 2019

Name of the Company: : The ACME Laboratories Ltd.
Amount (BDT) of capital raised through IPO: : BDT 4,096,000,000 (Received amount BDT 4,095,015,601.38 net of foreign currency conversion loss)
Date of Close of Subscription: : 21 April 2016
Proceeds Receiving Date: : 11 April 2016 to 21 April 2016
Last Date of Full Utilization of IPO Fund as per 40th AGM/42nd AGM : As stated in time line columns

S/L	Purpose mentioned in the 40th AGM/42nd AGM	Time Line		Cost Breakdown	Amount as per 40th AGM	Amount as per 42nd AGM	Opening	During the Month	Status of Utilization		Total un utilized amount	Un utilized %	Remarks	
		As per 40th AGM	As per 42nd AGM						Total Utilized Amount	Utilized %				
1	Steroid and Hormone Project	Within 2 years of receiving IPO fund, i.e. 2018	Within June 2019	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Contingency fee Contingencies Sub Total	335,800,000 598,600,000 339,600,000 39,500,000 5,000,000 26,300,000 13,200,000 1,358,000,000	334,934,878 933,900,000 353,700,000 21,986,000 5,000,000 1,200,000 9,870,308 1,660,591,186	334,934,878 933,900,000 353,700,000 21,986,000 5,000,000 1,200,000 9,870,308 1,660,591,186	-	334,934,878 933,900,000 353,700,000 21,986,000 5,000,000 1,200,000 9,870,308 1,660,591,186	100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00%	-	0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00%		
2	Penicillin Project	Within the month of March 2018	Within June 2019	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Contingency fee Contingencies Sub Total	116,000,000 132,299,520 117,154,000 20,582,700 3,000,000 5,963,780 5,000,000 400,000,000	142,922,303 79,768,602 146,345,797 21,641,545 2,901,503 1,420,250 5,000,000 355,637,904	142,922,303 79,768,602 146,345,797 21,641,545 2,901,503 1,420,250 5,000,000 355,637,904	-	142,922,303 79,768,602 146,345,797 21,641,545 2,901,503 1,420,250 5,000,000 355,637,904	100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00%	-	0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00%	Rearrangement of Utilization Plan has been approved in 42nd AGM as on 6 December 2018 and IPO Utilization Proceeds certified by M/s Pinaki and Company, Chartered Accountants	
3	Active Pharmaceuticals Ingredients (API)	Within 2-3 years after getting permission from the Ministry of Industries	Within June 2022	Machinery & Equipment Utility Warehouse Vehicle Contingency fee Contingencies Initial Working Capital Sub Total	493,000,000 409,400,000 38,500,000 3,000,000 23,635,200 12,917,600 26,915,492 1,355,228,292	250,495,241 - - - - - - 606,132,545	-	-	151,287,024 - - - - - - 151,287,024	42.54% 0.00% - - - - - 100.00%	204,350,280 250,495,241	57.46% 100.00%		
4	Repayment of Bank Borrowing at 40th AGM	N/A	N/A		1,360,000,000	1,360,000,000	1,360,000,000	-	-	1,360,000,000	-	0.00%		
5	IPO Expenses	N/A	N/A		68,291,870	68,291,870	68,291,870	-	-	68,291,870	-	0.00%		
Total					4,541,520,162	4,095,015,601	3,640,170,080	-	-	3,640,170,080	88.89%	454,845,521	11.11%	

Percentage (Interest on FDR to be matured on 27 March 2019 & 06 April 2019)
Interest on IPO Proceeds in BDT (from FDR & SND)
Un-Utilized IPO Proceeds with interest income in BDT

On Behalf of Board

Fouzia Haque, CMA
Independent Director & Chairman of the Audit Committee

Mizanur Rahman Sinha
Managing Director

Nagina Afzal Sinha
Chairman

12/03/19
Pinaki & Company
Chartered Accountants