

The ACME Laboratories Ltd. MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

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ISO 9001:2008
CERTIFIED COMPANY
WWW.acmeglobal.com

Ref. No. ACME /CA/CS/0695/2016

14 December 2016

The Chairman

Bangladesh Securities and Exchange Commission (BSEC)

Jibon Bima Tower (15th, 16Th& 20th Floor)

10. Dilkusha Commercial Area

Dhaka-1000

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 on utilization of Initial Public Offering proceeds of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 67th Meeting held on 12 December 2016 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 Plant:

Dhamrai, Dhaka, Bangladesh. Phone: 88-02-9352901-02

06722-88035, 88042, 88047

Fax : 88-02-9340146 E-mail : acmefact@bangla.net

Auditors' Report

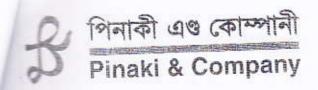


Name of Client

The ACME Laboratories Ltd.
Utilization of IPO Proceeds
for the month ended 30 November 2016

পিনাকী এণ্ড কোম্পানী Pinaki & Company

AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh Tel # 966-0944, 966-5095, Fax # 88-02-9672726 E-mail : pinaki_co@yahoo.com



Chartered Accountants



AUDITORS' REPORT

Utilization of IPO Proceeds

We have audited the annexed Statement of Initial Public Offering (IPO) Proceeds Utilization of The ACME Laboratories Ltd. for the month ended 30 November 2016.

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 clause3 & 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.

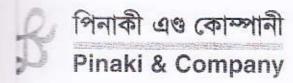
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 30 November 2016 and comply with the prospectus.

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

- 1. The Company has utilized cumulative amounting to Tk.101,967,306 up to 30 November 2016 out of which amounting Tk. 13,171,782 is utilized during the month of November 2016 in respect of Civil Construction of Steroid and Hormone project.
- The Company has also utilized cumulative amounting to Tk. 68,291,870 up to 30 November 2016 as IPO expenses and during the month of November 2016, no IPO expenses incurred from IPO proceeds fund.



Chartered Accountants



3. The Shareholders of the Company have approved the Partial Changes in use of IPO Proceeds in its 40th Annual General Meeting (AGM) held on Monday, 7 November 2016. Earlier, the estimated total project cost and IPO expenses were Tk. 431.28 erore out of which amounting. Tk. 409.60 erore were supposed to be used from IPO proceeds. The comparative statement of revised utilization of IPO proceeds as per resolution of 40th AGM approved and the prior utilization of IPO proceeds as per prospectus have been mentioned hereunder:

SL	Particulars	Estimated Cost (BDT in crore)		
#	Tarticulars	Approved in 40th AGM	As per prospectus	
i	Steroid and Hormone	135.80	135.80	
ii	Penicillin	40.00		
iii	Active Pharmaceuticals Ingredients (API)	135.52		
iv	Repayment of Bank Borrowings	136.00	-	
V	Oncology	-	114.10	
vi	Ayurvedic, Modern Herbal and Neutraceuticals		174.55	
vii	IPO expenses	6.83	6.83	
,	Total	454.15	431.28	

Of the above amount, Tk. 409.60 erore including repayment of bank borrowing to be used from IPO proceeds and the balance amount to be used from the organic sources of the fund of the Company. Accordingly, the Company has prepared the Utilization of IPO Proceeds report for the month of November 2016.

 An amount of Tk.23,000 was inadvertently debited by the Bank which is supposed to be credited in following month.

We also state that:

- a) IPO proceeds have been utilized for the purposes as specified in the prospectus;
- b) IPO proceeds have been utilized in line with the conditions of the BSEC's consent letter for the IPO;
- Utilization of IPO proceeds is being under completion within the time frame as specified in the prospectus;
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the prospectus;
- 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: 12.12.2016

Dhaka.

Pinaki & Company Chartered Accountants



The ACME Laboratories Ltd.

SI No.

পিনাকী এণ্ড কোম্পানী Pinaki & Company

Chartered Accountants



(Afzalur Rahman Sinha) Chairman

(Mizanur Rahman Sinha)

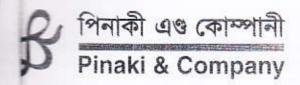
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5,000,000 IPO fund
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1,358,000,000
Civil Construction 116,000,000
Machinery & Equipment 132,299,520
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3,000,000
stancy fee 5,963,780
Contenuoncies 5,000,000
Sub Total 400,000,000
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pment 493,000,000
409,400,000
Wharehouse 38,500,000
3,000,000
Coosultancy fee 23,635,200
12,917,600
Industries Capital 26,915,492 Industries
1.3
Sub lotal
N/A 68,291,870

Independent Director & Chairman of the Audit Committee (zia Haque) FCA)

On Behalf of Board

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Chartered Accountants



The ACME Laboratories Ltd.

Reconciliation Statement of IPO Proceeds For the Month Ended 30 November 2016

Cash at Bank as at 30 November 2016

Standard Chartered Bank Bangladesh, ESCREW A/C No: 02-1111195-03 Standard Chartered Bank Bangladesh, SND A/C No: 02-1111195-01 Workings-1 Workings-2 14,236,948.68 426,837,111.77

Markings 1

Standard Chartered Bank Bangladesh, ESCREW A/C No: 02111119503

 Particulars
 Amount in BDT

 Opening Balance as per Bank Statement as at 01 November 2016
 14,236,948.68

Add: Received Less: Payment

Closing Balance as per Bank Statement as at 30 November 2016

14,236,948.68

Workings-2

Standard Chartered Bank Bangladesh, SND A/C No: 02-1111195-01

Particulars Amount in BDT
Opening Balance as per Bank Statement as at 01 November 2016 440,031,893.77

Add: Received

Less: Payment for the Purpose of

- Civil Construction of Steroid and Hormone Project

- Inadvertently debited by the Bank which is supposed to be credited in following month

13,194,782.00 13,171,782.00

23,000.00

426,837,111.77

Closing Balance as per Bank Statement as at 30 November 2016

13/2/

Independent Director &

Chairman of the Audit Committee

(Mizanur Rahman Sinha)

Managing Director

(Afzalur Rahman Sinha)

Chairman

1/2-12. 2016

Pinaki & Company

Chartered Accountants