

# The ACME Laboratories Ltd.



ISO 9001:2008 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0022/2019

14 February 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 98th Meeting held on 12 February 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

Bangladesh Securities & Exchange Commission

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 31 January 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



### Chartered Accountants



### **AUDITORS' REPORT**

on

### **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 31 January 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 31 January 2019 and comply with the resolution of 42<sup>nd</sup> 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 31 January 2019 of this amount Tk. 78,535,147 has been reimbursed from IPO fund to Company's own Fund during the month of January 2019 which was used earlier from the company's own business proceeds for the purpose of acquisition of Machinery & Equipment, Utility and Warehouse of Steroid and Hormone project. This reimbursement has been done as per resolution of 42<sup>nd</sup> AGM of the company.



### Chartered Accountants



- 2. The Company has utilized cumulative amount of Tk. 400,000,000 up to 31 January 2019 out of this amount Tk. 126,366,352 has been reimbursed from IPO fund to Company's own Fund during the month of January 2019 which was used earlier from the company's own business proceeds for the purpose of acquisition of Machinery & Equipment, Utility and Warehouse of Penicillin Projects. This reimbursement has been done as per resolution of 42<sup>nd</sup> AGM of the company.
- 3. The Company has also utilized cumulative amounting to Tk. 151,287,024 up to 31 January 2019 in respect of API Project. During the month of January 2019 no amount has been utilized out of IPO fund in respect of Active Pharmaceuticals Ingredients (API) Project.
- 4. It has been observed that the company is utilizing the IPO fund in accordance with the shareholders' approval in its 42<sup>nd</sup> Annual General Meeting (AGM) held on Thursday, 6 December 2018 as mentioned in our earlier report.

#### We also state that:

- a) IPO proceeds have been utilized for the purposes as specified in the resolution of 42<sup>nd</sup>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 42<sup>nd</sup>AGM of the company.
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the resolution of 42<sup>nd</sup> 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:13 February 2019 Dhaka.

Pinaki & Company Chartered Accountants



#### Chartered Accountants



11.11%

454,845,521

3,640,170,080 88.89%

3,435,268,581 204,901,499

4,095,015,601

4,541,520,162

217,429,051 672,274,573

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Report on Utilization of IPO F	
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For the Month of January 2019

: The ACME Laboratories Ltd.

BDT 4,096,000,000 (Received amount BDT 4,095,015,601.38 net of foreign currency

: 21 April 2016

: 11 April 2016 to 21 April 2016

As stated in time line columns

Last Date of Full Utilization of IPO Fund as per 40th AGM/42nd AGM

Amount (BDT) of capital raised through IPO: Date of Close of Subscription:

Proceeds Receiving Date:

Name of the Company:

AGM         Cust a per addition         40th AGM           AGM         Givil Construction         335,800,000           years of receiveing Po fund, i.e. 2019         Utility Verse Consultancy fee 25,000,000           Poo fund, i.e. 2018         Consultancy fee 26,300,000           Consultancy fee 25,000,000         395,000,000           Within the month of Marchinery & Equipment 115,000,000         115,000,000           March 2018         Contangencies 13,289,000,000           Within 2.a 2019         Vehicle 3,000,000           Within 2.a 2019         Vehicle 3,000,000           years after 2018         Contengencies 20,582,700           Setting 2019         Within June 20,500,000           Year safter 2018         Sub Total 20,000,000           Setting 2019         Within June 20,000,000           Within Lune 2018         Within June 20,000,000           Windstries 2018         Within June 20,000,000           Ministry of 2022         Consultancy fee 23,635,000           Consultancy fee 23,635,200           Ministry of 2022         Contengencies 23,635,200           Ministry of 2022         Contengencies 23,523,200           Ministry of 2022         Contengencies 23,523,200           Contengencies 23,500,000         1,356,000,000           MAA	the 40th AGAMAZad	Ac nor 40th	Oth Account		Amount as per	Amount as per			Status of Utilization	rtion			
Within Land Partnery & Equipment 298,600,000 393,434,879 and 20,436,870 a	DILZ	AGM	AS per 42nd AGM		40th AGM	42nd AGM	Opening	During the	Total Utilized	Utilized	Total un utilized	Un	Remarks
Within 10 bit				Civil Construction	335,800,000	334,934,878	334,934,878		334,934.878	100.00%	amount	utilized %	
Victin   V		Within 2		Machinery & Equipment	598,600,000	933,900,000	890,148,697	43,751,303	933,900,000	100.00%		0.00%	
Viction Law Eventering		Vears of		Utility	339,600,000	353,700,000	339,600,000	14,100,000	353,700,000	100.00%		7000	
Pop fund, i.e.   Contengencies   S,000,000   S,000,0	mone	receiveing	Within June	Warehouse	39,500,000	21,986,000	1,302,156	20,683,844	21,986,000	100.00%		0.00%	
Consultancy fee   26,30,000   1,200,000		IPO fund, i.e,	2019	Vehicle	5,000,000	5,000,000	5,000,000		5,000,000	100.00%		/0000	
Contengencies   13,200,000   9,870,308   1,660,591,86   1,580,000   14,292,303   1,715,600   1,715,6		2018		Consultancy fee	26,300,000	1,200,000	1,200,000		1,200,000	100.00%		0.00%	
Within the Purity of Equipment Included Number of Equipment Included National Included I				Contengencies	13,200,000	9,870,308	9,870,308	ı	9,870,308	100.00%		7000	
Within the part of the construction of the				Sub Total	1,358,000,000	1,660,591,186	1,582,056,039	78,535,147	1,660,591,186	100.00%		0000	
Within Line Within Labeles Bering of Figure 1         Machinery & Equipment 132,299,520         79,766,602         829,144         78,939,458         79,768,602         100,000%         0.000%           Within Line Within Lour Bering Consultancy fee Signal States and the following States after 1         2019         Vehicle 1         3,000,000         2,901,503         1,17,154,000         29,191,797         146,345,797         100,000%         0.000%           March 2018         2019         Vehicle 3,000,000         2,901,503         2,901,503         2,901,503         2,901,503         2,901,503         2,901,503         0.000% <td></td> <td></td> <td></td> <td>Civil Construction</td> <td>116,000,000</td> <td>142,922,303</td> <td>142,922,303</td> <td></td> <td>142,922,303</td> <td></td> <td></td> <td>T</td> <td></td>				Civil Construction	116,000,000	142,922,303	142,922,303		142,922,303			T	
Within June Mile Within June Watehouse         Utility Located and the state of the state				Machinery & Equipment	132,299,520	79,768,602	829,144	78,939,458	79,768,602		1	T	Rearrangement
March 2018         Within June Petrolise         Warehouse         20,582,700         21,641,545         3,406,448         18,235,097         21,641,545         100,00%         0.00%           March 2018         Z019         Vehicle         3,000,000         2,901,503         2,901,503         2,901,503         100,00%         0.00%           Consultancy fee         5,000,000         5,000,000         5,000,000         2,901,503         1,420,250         1,420,250         1,420,250         1,000%           Contengencies         5,000,000         5,000,000         2,000,000         2,000,000         2,000,000         100,00%         0.00%           Within 2-3 years after getting permission from the limits by of permission from the limits by of limits		Within the		Utility	117,154,000	146,345,797	117,154,000	29,191,797	146,345,797	100 00%		0,000	of Utilization
March 2018         Vehicle         3,000,000         2,901,503         2,901,503         100,00%         0,00%           Consultancy fee         5,963,780         1,420,250         1,420,250         1,420,250         1,000,00%         0,00%           Contengencies         5,060,000         5,000,000         5,000,000         5,000,000         1,00,00%         0,00%           Within 2-3 restriction         Civil Construction         340,800,000         355,637,304         151,287,024         42,54%         2,504,350,280         0,00%           Within 2-3 restriction         Marchinery & Equipment         499,400,000         256,495,241         151,287,024         42,54%         204,350,280         57,46%           Petrinis roughly r	ect	month of		Warehouse	20,582,700	21,641,545	3,406,448	18,235,097	21,641,545	100.00%	The state of the s	0.00%	annroved in
Contengencies         5,963,780         1,420,250         1,420,250         1,420,250         1,420,250         1,000,00%         0,000%           Contengencies         5,000,000         5,000,000         5,000,000         5,000,000         1,00,00%         0,000%           Within 2-3 restriction         Civil Construction         347,860,000         355,637,304         151,287,024         42,54%         204,350,280         57,46%           Permission Permission Industries         Within June Permission Industries         Wehicle         3,000,000		March 2018	re-a-b-	Vehicle	3,000,000	2,901,503	2,901,503	-	2,901,503	100.00%			42nd AGM as on
Vithin 2-3 Within 2-1 Industries         Contengencies 5,000,000 S,000,000 S,000,000 S,000,000 S,000,000				Consultancy fee	5,963,780	1,420,250	1,420,250		1,420,250	100 00%	,	2000	6 December
Vithin 2-3         Sub Total         400,000,000         273,633,648         126,366,352         400,000,000         100.00%           Within 2-3         Civil Construction         347,860,000         355,637,304         151,287,024         42.54%         204,350,280         57,46%           Within June Permission from the Industries Industries         Within June Vericle         38,500,000         250,495,241				Contengencies	2,000,000	5,000,000	5,000,000		5,000,000	100 00%		0,000	2018 and IPO
Within 2-3         Civil Construction         347,860,000         355,637,304         151,287,024         42,54%         204,350,280         57,46%           Within 2-3         Machinery & Equipment         493,000,000         250,495,241         151,287,024         42,54%         204,350,280         57,46%           getting pertission remission from the consultancy fee         3,000,000         3,000,000         -				Sub Total	400,000,000	400,000,000	273,633,648	126.366.352	400 000 000	100 00%		0.00%	Dragode
Writhin 2-3         Machinery & Equipment         493,000,000         250,495,241				Civil Construction	347,860,000	355,637,304	151,287,024		151 287 024	42 5.40%	000 000 000		certified by M/s.
years after getting permission from the Marehouse         Within June Permission from the Ministry of Annual Maintenacy fee         409,400,000		Within 2-3		Machinery & Equipment	493,000,000	250,495,241	1			0,000	204,330,200	T	Pinaki and
getting betting betting betting Number (which une Vehicle Number)         Warehouse 38,500,000         38,500,000 </td <td></td> <td>years after</td> <td>-1</td> <td>Utility</td> <td>409,400,000</td> <td></td> <td></td> <td>1</td> <td></td> <td>2000</td> <td>147'664'067</td> <td>100.00%</td> <td>Company,</td>		years after	-1	Utility	409,400,000			1		2000	147'664'067	100.00%	Company,
Permission   Per	uticals	getting	-	Warehouse	38,500,000								Chartered
Trom the   Consultancy fee   23,635,200	(Idk	permission	-	Vehicle	3,000,000							-	Accountants
Contengencies   12,917,600		from the		Consultancy fee	23,635,200						-		
Fig. 26,915,492   Fig. 28,7024   Fig. 28,7024   Fig. 287,024   F		Industry of	7	Contengencies	12,917,600					ŀ			
N/A         N/A <td></td> <td>Salingnalii</td> <td>-</td> <td>Initial Working Capital</td> <td>26,915,492</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>		Salingnalii	-	Initial Working Capital	26,915,492								
N/A N/A N/A 68,291,870 68,291,870 68,291,870 7.000,000 1.0000000 1.0000000 1.00000000 1.00000000			-1	Sub Total	1,355,228,292	606,132,545	151,287,024		151 287 024	24 000/	454 045 524	, , , ,	
N/A 68,291,870 68,291,870 68,291,870 . 68,291,870	k AGM	N/A	N/A		1,360,000,000	1,360,000,000	1,360,000,000		-	100.00%	175,546,454	0.00%	
		N/A	N/A		68,291,870	68,291,870	68.291.870		000 100 03	,000 000			

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

On Behalf of Board

(Mizanur Rahman Sinha) Managing Director

istered Office : AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-]000, Bangladesh 966-0944, 966-5095, Cell: 01317-201224, 01711-106302, E-mail: pinaki\_co@yahoo.com website: www.pinaki.com.bd