



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Office Copy

Ref. No. ACME /CA/CS/0072/2021

14 June 2021

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 for the Month ended 31 May 2021 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 for the Month ended 31 May 2021 of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 130th Meeting held on 13 June 2021 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 31 May 2021



Registered Office: AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh.
Tel: +08802-966-0944, +8802-966-5095, Cell: +8801711-106302, +8801534-130750.
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 Initial Public Offering (IPO) Proceeds Utilization of The ACME Laboratories Ltd. for the month ended 31 May 2021.

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 International Standards on Auditing (ISA), 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 May 2021 and comply with the resolution of 42nd and 44th AGM of the company.

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

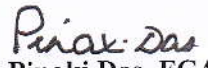
1. The Company has started commercial operation of Steroid and Hormone project in the month of June 2019, which has been completed within the time limit approved by the shareholders in its 42nd AGM. Total project cost of BDT 1,660,591,186 is generated from the IPO fund.

2. The Company has started commercial operation of Penicillin project in the month of June 2019, which has been completed within the time limit approved by the shareholders in its 42nd AGM. Total project cost of BDT 400,000,000 is generated from the IPO fund.
3. The Company has also utilized accumulative amount of Tk.463,684,085 up to 31 May 2021 in respect of API Project. During the month of May 2021, an amount of Tk.18,653,093 has been utilized out of IPO fund in respect of Active Pharmaceuticals Ingredients (API) Project.

We also state that:

- a) IPO proceeds of Steroid and Hormone Project as well as Penicillin Project 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) API project, for which IPO fund was raised, will be completed 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 and 44th 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.

Dhaka.
Date: 14 June 2021


Pinaki Das, FCA
Senior Partner
ICAB Enrol. No: 151
Pinaki & Company
Chartered Accountants

Report on Utilization of IPO Proceeds
For the Month of May 2021

Name of the Company:
Amount (BDT) of capital raised through IPO
Date of Close of Subscription
Proceeds Receiving Date
Last Date of Full Utilization of IPO Fund as per 40th AGM/42nd AGM

: The ACME Laboratories Ltd.
: BDT 4,095,015,601 (Received amount BDT 4,095,015,601.38 net of foreign currency conversion loss)
: 21 April 2016
: 11 April 2016 to 21 April 2016
: As stated in time line columns

(Amount in BDT)																	
S/L	Purpose mentioned in the 40th AGM/42nd AGM	Time Line As per 40th AGM	As per 42nd AGM	Cost Breakdown	Amount as per 40th AGM	Amount as per 42nd AGM	Amount as per 44th AGM	Opening	During the Month	Status of Utilization			Remarks				
										Total Utilized Amount	Utilized %	Total unutilized amount		Unutilized %			
1	Steroid and Hormone Project	Within 2 years of receiving IPO fund, i.e. 2018	Within June 2019	Civil Construction	335,800,000	334,934,878	334,934,878	334,934,878	-	-	334,934,878	100.00%	-	0.00%			
				Machinery & Equipment	598,600,000	933,900,000	933,900,000	933,900,000	-	-	933,900,000	100.00%	-	0.00%			
				Utility	339,600,000	353,700,000	353,700,000	353,700,000	-	-	353,700,000	100.00%	-	0.00%			
				Warehouse	39,500,000	21,986,000	21,986,000	21,986,000	-	-	21,986,000	100.00%	-	0.00%			
				Vehicle	5,000,000	5,000,000	5,000,000	5,000,000	-	-	5,000,000	100.00%	-	0.00%			
				Consultancy fee	26,300,000	1,200,000	1,200,000	1,200,000	-	-	1,200,000	100.00%	-	0.00%			
2	Penicillin Project	Within the month of March 2018	Within June 2019	Sub Total	1,358,000,000	1,660,591,186	1,660,591,186	1,660,591,186	-	-	1,660,591,186	100.00%	-	0.00%			
				Civil Construction	116,000,000	142,922,303	142,922,303	142,922,303	-	-	142,922,303	100.00%	-	0.00%			
				Machinery & Equipment	132,299,520	79,768,602	79,768,602	79,768,602	-	-	79,768,602	100.00%	-	0.00%			
				Utility	117,154,000	146,345,797	146,345,797	146,345,797	-	-	146,345,797	100.00%	-	0.00%			
				Warehouse	20,582,700	21,641,545	21,641,545	21,641,545	-	-	21,641,545	100.00%	-	0.00%			
				Vehicle	3,000,000	2,901,503	2,901,503	2,901,503	-	-	2,901,503	100.00%	-	0.00%			
3	Active Pharmaceuticals Ingredients (API)	Within 2-3 years after getting permission from the Ministry of Industries	Within June 2022	Consultancy fee	5,963,780	1,420,250	1,420,250	1,420,250	-	-	1,420,250	100.00%	-	0.00%			
				Contingencies	5,000,000	5,000,000	5,000,000	5,000,000	-	-	5,000,000	100.00%	-	0.00%			
				Sub Total	400,000,000	400,000,000	400,000,000	400,000,000	-	-	400,000,000	100.00%	-	0.00%			
				Civil Construction	347,860,000	355,637,304	355,637,304	355,637,304	-	-	355,637,304	100.00%	-	0.00%			
				Machinery & Equipment	493,000,000	250,495,241	250,495,241	250,495,241	-	-	250,495,241	50.91%	142,448,460	23.50%			
				Utility	409,400,000	-	-	-	-	-	-	0.00%	-	0.00%			
4	Repayment of Bank Borrowing at 40th AGM	N/A	N/A	Warehouse	38,500,000	-	-	-	-	-	-	0.00%	-	0.00%			
				Vehicle	3,000,000	-	-	-	-	-	-	0.00%	-	0.00%			
				Consultancy fee	23,635,200	-	-	-	-	-	-	0.00%	-	0.00%			
				Contingencies	12,917,600	-	-	-	-	-	-	0.00%	-	0.00%			
				Initial Working Capital	26,915,492	-	-	-	-	-	-	0.00%	-	0.00%			
				Sub Total	1,355,228,292	606,132,545	606,132,545	606,132,545	-	-	606,132,545	44.03%	142,448,460	23.50%			
5	IPO Expenses	N/A	N/A	Repayment of Bank Borrowing at 40th AGM	1,360,000,000	1,360,000,000	1,360,000,000	1,360,000,000	-	-	1,360,000,000	100.00%	-	0.00%			
				Total	4,541,520,162	4,095,015,601	4,095,015,601	3,933,914,848	18,653,093	3,952,567,141	96.52%	142,448,460	3.48%				

Interest on IPO Proceeds in BDT (from FDR & SND)
Un-Utilized IPO Proceeds with interest income in BDT

139,232,105
281,680,565

On Behalf of Board

Jahannaz Hossain
(Jahannaz Hossain)
Deputy Managing Director

Nagari Afzal Sinha
(Nagari Afzal Sinha)
Chairman

Pinaki & Company
Chartered Accountants

Dhaka
Dated: 14 June 2021