



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0142/2019

o/c

14 November 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 109th Meeting held on 13 November 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



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Court de la ACME

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Auditors' Report



Name of Client

The ACME Laboratories Ltd.
Utilization of IPO Proceeds
for the month ended 31 October 2019

পিনাকী এণ্ড কোম্পানী
Pinaki & Company

REGD. OFF : AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh
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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 October 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 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 October 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 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. 271,195,955 up to 31 October 2019 in respect of API Project. During the month of October 2019, an amount of Tk.93,307,361 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) 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 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:14 November 2019
Dhaka.

Pinaki & Co
Pinaki & Company
Chartered Accountants

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

Name of the Company:

Amount (BDT) of capital raised through IPO:

Date of Close of Subscription:

Proceeds Received Date:

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

: The ACME Laboratories Ltd.

: 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

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	Opening	During the Month	Status of Utilization Total Utilized Amount	Utilized %	Total un utilized amount	Un utilized %	Remarks
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 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	100.00%	-	0.00%	
2	Penicillin Project	Within the month of March 2018	Within June 2019	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Contingency fee 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 5,000,000 400,000,000	142,922,303 79,768,602 146,345,797 21,641,545 2,901,503 1,420,250 5,000,000 400,000,000	-	142,922,303	100.00%	-	0.00%	
3	Active Pharmaceuticals Ingredients (API)	Within 2-3 years after getting permission from the Ministry of Industries	Within June 2022	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Contingency fee Sub Total	347,860,000 493,000,000 409,400,000 38,500,000 3,000,000 23,635,200 12,917,600 26,915,492 1,355,228,292	355,637,304 250,495,241 - - - - - - 606,132,545	355,637,304 250,495,241 - - - - - - 606,132,545	177,888,594	271,195,955	44.74%	334,936,590	55.26%	
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	100.00%	-	0.00%	
5	IPO Expenses	N/A	N/A		68,291,870	68,291,870	68,291,870	-	68,291,870	100.00%	-	0.00%	
Total					4,541,520,162	4,095,015,601	3,666,771,650	93,307,361	3,760,079,011	91.82%	334,936,590	8.18%	

Percentage (Interest on FDR to be matured on 27 December 2019)

Interest on IPO Proceeds in BDT (from FDR & SMD)

Un-Utilized IPO Proceeds with interest income in BDT

On Behalf of Board

[Signature]
(Fazila Haque, FCA)

Independent Director & Chairman of Audit Committee

[Signature]
(Mizanur Rahman Sinha)

Managing Director

[Signature]
(Nagina Afzal Sinha)

Chairman

217,754,318
552,690,908

[Signature]
Pinaki & Company
Chartered Accountants