



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0012/2021

14 January 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 December 2020 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 December 2020 of The ACME Laboratories Ltd. duly authenticated by the Board of Directors in its 123rd Meeting held on 12 January 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 December 2020



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 December 2020.

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 December 2020 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.

- 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.
- The Company has also utilized accumulative amount of Tk. 355,637,304 up to 31 December 2020 in respect of API Project. During the month of December 2020, no amount has been utilized out of IPO fund in respect of Active Pharmaceuticals Ingredients (API) Project.
- The Shareholders of the Company have approved the following rearrangement of use of IPO Proceeds in its 44th Annual General Meeting (AGM) held on Thursday, 10 December 2020:

(Amount in BDT)

S.L	Name of The Project	Timeline as per 42 nd AGM	Cost Breakdown	Amount as per 42 nd AGM	Amount as per 44 th AGM
1	Steroid and Hormone Project	Within June 2019	Civil Construction	334,934,878	334,934,878
			Machinery & Equipment	933,900,000	933,900,000
			Utility	353,700,000	353,700,000
			Warehouse	21,986,000	21,986,000
			Vehicle	5,000,000	5,000,000
			Consultancy fee	1,200,000	1,200,000
			Contingencies	9,870,308	9,870,308
			Sub Total	1,660,591,186	1,660,591,186
2	Penicillin Project	Within June 2019	Civil Construction	142,922,303	142,922,303
			Machinery & Equipment	79,768,602	79,768,602
			Utility	146,345,797	146,345,797
			Warehouse	21,641,545	21,641,545
			Vehicle	2,901,503	2,901,503
			Consultancy fee	1,420,250	1,420,250
			Contingencies	5,000,000	5,000,000
			Sub Total	400,000,000	400,000,000
3	Active Pharmaceuticals Ingredients (API)	Within June 2022	Civil Construction	355,637,304	606,132,545
			Machinery & Equipment	250,495,241	-
			Utility	-	-
			Warehouse	-	-
			Vehicle	-	-
			Consultancy fee	-	-
			Contingencies	-	-
			Initial Working Capital	-	-
Sub Total	606,132,545	606,132,545			
4	Repayment of Bank Borrowing	N/A		1,360,000,000	1,360,000,000
5	IPO Expenses	N/A		68,291,870	68,291,870
Total				4,095,015,601	4,095,015,601

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:13 January 2021

Pinak Das
Pinaki Das, FCA
Senior Partner

Report on Utilization of IPO Proceeds
For the Month of December 2020

Name of the Company: The ACME Laboratories Ltd.
Amount (BDT) of capital raised through IPO: BDT 4,096,015,601 (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	Amount as per 44th AGM	Opening	During the Month	Status of Utilization		Total unutilized amount	Unutilized %	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 Consultancy 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%	-	0.00%	
2	Penicillin Project	Within the month of March 2018	Within June 2019	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	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 21,641,545 2,901,503 1,420,250 5,000,000 400,000,000	142,922,303 79,768,602 21,641,545 2,901,503 1,420,250 5,000,000 400,000,000	142,922,303 79,768,602 21,641,545 2,901,503 1,420,250 5,000,000 400,000,000	-	100.00%	100.00%	-	0.00%	Rearrangement of Utilization Plan has been approved in 42nd and 44th AGM as on 6 December 2018 & 10 December 2020 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 Consultancy 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	355,637,304 250,495,241 - - - - - 606,132,545	355,637,304 250,495,241 - - - - - 606,132,545	355,637,304 250,495,241 - - - - - 355,637,304	-	58.67%	41.33%	250,495,241	0.00%	
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	-	100.00%	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%	100.00%	-	0.00%	
Total					4,541,520,162	4,095,015,601	4,095,015,601	3,844,520,360	-	93.88%	6.12%	250,495,241	0.00%	

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

On Behalf of Board

Jahanara Mizan Sinha
(Jahanara Mizan Sinha)
Deputy Managing Director

Nagina Afzal Sinha
(Nagina Afzal Sinha)
Chairman

Pinaki & Co
Pinaki & Company
Chartered Accountants

Dhaka
Dated: 13 January 2021