



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME/CA/CS/0043/2018

09 April 2018

The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, 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 86th Meeting held on 05 April 2018 for your kind perusal and record please.

Thanking you and assuring our best attention for all the time to come.

Mizanur Rahman Sinha
Managing Director

Enclosed : 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 March 2018**

পিনাকী এণ্ড কোম্পানী
Pinaki & Company

AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh

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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 March 2018.

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 March 2018 and comply with the resolution of 40th AGM of the company.

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

1. The Company has utilized cumulative amounting Tk. 868,168,414 up to 31 March 2018 out of which amounting Tk. 45,923,412 is utilized during the month of March 2018 in respect of Steroid and Hormone Project.

Independent Associate Member of Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi, India.

Dhaka : AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh

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2. The Company has utilized cumulative amounting Tk. 246,711,345 up to 31 March 2018 out of which amounting Tk. 83,145,868 is utilized during the month of March 2018 in respect of Penicillin Project.
3. The Company has also utilized cumulative amounting Tk. 102,818,652 up to 31 March 2018 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 40th 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 is being under completion within the time frame as specified in the resolution of 40th AGM of the company;
- d) Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the resolution of 40th 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: 08 April 2018
Dhaka.

Pinaki & Co
Pinaki & Company
Chartered Accountants

Report on Utilization of IPO Proceeds
For the Month of March 2018

Name of the Company: The ACME Laboratories Ltd.
Amounts (BDT) of capital raised through IPO: BDT 4,096,000,000 (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 prospectus/40th AGM: As stated in time line as per prospectus and revised time line columns

S.L	Purpose mentioned in the Prospectus/40th AGM	Time line as per Prospectus	Revised Time line	Cost Breakdown	Amount as per Prospectus	Amount as per revised utilization Plan	Opening	During the Month	Status of Utilization Total Utilized Amount	Utilized %	Total un utilized amount	Un utilized %	Remarks
1	Staroid and Hormone Project	Within 2 years of receiving IPO fund, i.e., 2018	N/A	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	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	313,817,817 163,355,284 339,600,000 1,146,901 3,125,000 1,200,000 -	7,807,641 28,080,208 -	321,625,458 191,445,492 339,600,000 1,302,156 3,125,000 1,200,000 9,870,308	95.78% 31.98% 100.00% 3.30% 62.50% 4.56% 74.78%	14,174,542 407,154,508 -	4.22% 68.02% 0.00% 96.70% 37.50% 95.44% 25.22%	
2	Oncology project converted into Penicillin Project (Revised)	Within 2.5 years of receiving IPO fund	Within the month of March 2018	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	335,800,000 367,000,000 350,000,000 50,000,000 5,000,000 22,100,000 11,100,000 1,441,000,000	335,800,000 367,000,000 350,000,000 50,000,000 5,000,000 22,100,000 11,100,000 1,441,000,000	822,245,002 90,364,426 764,848 70,959,591 56,362 -	45,923,412 25,635,574 64,296 46,194,409 3,350,086 2,901,503 -	868,168,414 116,000,000 829,144 117,154,000 3,406,448 2,901,503 -	63.93% 100.00% 0.63% 100.00% 16.55% 96.72% -	489,831,586 -	36.07% 0.00%	Revised Utilization Plan has been approved in 40th AGM as on 7 November 2016 and IPO Utilization
3	Ayurvedic, Modern Herbal and Nutraceuticals converted into Active Pharmaceutical Ingredients (API) (Revised)	Within 2.5 years of receiving IPO fund	Within 2-3 years after getting permission from the Ministry of Industries	Civil Construction Machinery & Equipment Utility Warehouse Vehicle Consultancy fee Contingencies Sub Total	400,000,000 857,200,000 404,000,000 11,000,000 5,000,000 33,900,000 16,900,000 1,745,500,000	400,000,000 857,200,000 404,000,000 11,000,000 5,000,000 33,900,000 16,900,000 1,745,500,000	163,565,477 102,818,652 -	83,145,868 -	246,711,345 102,818,652 -	61.68% 29.56% 0.00%	153,288,655 245,041,348 -	38.32% 70.44% 0.00%	Proceeds certified by M/s. Pinaki and Company, Chartered Accountants
4	Repayment of Bank Borrowing (Revised)	N/A	N/A	Sub Total	1,355,228,292	1,355,228,292	102,818,652	-	102,818,652	7.59%	-	0.00%	
5	IPO Expenses	N/A	N/A	Sub Total	68,291,870	68,291,870	68,291,870	-	68,291,870	100.00%	-	0.00%	
Total					4,312,791,870	4,541,520,162	2,516,921,001	129,069,280	2,645,990,281	58.26%	1,895,529,881	41.74%	

Percentage (Interest on FDR to be matured on 27 June 2018)
Interest on IPO Proceeds in BDT (from FDR & SMD)
Un-Utilized IPO Proceeds with interest income in BDT

On Behalf of Board

(Fouzia Haque, FCA)

Independent Director & Chairman of the Audit Committee

(Dr. Jablur Rahman Sinha)
Deputy Managing Director

(Mizanur Rahman Sinha)
Managing Director

152,200,468
1,601,225,288