



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

O/c

Ref. No.ACME /CA/CS/0114/2017

13 September 2017



The Chairman

Bangladesh Securities and Exchange Commission (BSEC)

Plot No. E-C/6, Agargaon,

Sher-e-Bangla Nagar

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 78th Meeting held on 11 September 2017 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 August 2017

পিনাকী এণ্ড কোম্পানী
Pinaki & Company

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

Tel # 966-0944, 966-5095, Fax # 88-02-9672726

E-mail : pinaki_co@yahoo.com



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 August 2017.

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 August 2017 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. 466,411,537 up to 31 August 2017 in respect of Steroid and Hormone Project.
2. The Company has also utilized cumulative amounting Tk. 67,285,301 up to 31 August 2017 in respect of Penicillin 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.

Pinaki & Co.

Date : 12 September, 2017
Dhaka.

Pinaki & Company
Chartered Accountants

Report on Utilization of IPO Proceeds
For the Month of August 2017

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 prospectus/40th AGM

: The ACME Laboratories Ltd.

: BDT 4,096,000,000 (Net amount received 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 as per prospectus and revised time line columns

S.L	Purpose mentioned in the Prospectus	Time line as per Prospectus	Revised Time line	Amount as per Prospectus	Amount as per revised utilization Plan	Status of Utilization		Remarks
						Total Utilized Amount	Total un utilized amount	
1	Steroid and Hormone Project	Within 2 years of receiving IPO fund, i.e, 2018	N/A	1,358,000,000	1,358,000,000	466,411,537	891,588,463	65.65%
2	Oncology project converted into Penicillin Project (Revised)	Within 2.5 years of receiving IPO fund	Within the month of March 2018	1,141,000,000	400,000,000	67,285,301	332,714,699	83.18%
3	Ayurvedic, Modern Herbal and Neutraceuticals converted into Active Pharmaceuticals Ingredients (API) (Revised)	Within 2.5 years of receiving IPO fund	Within 2-3 years after getting permission from the Ministry of Industries	1,745,500,000	1,355,228,292	-	1,355,228,292	100.00%
4	Repayment of Bank Borrowing (Revised)	N/A	N/A	N/A	1,360,000,000	1,360,000,000	-	0.00%
5	IPO Expenses	N/A	N/A	68,291,870	68,291,870	68,291,870	-	0.00%
Total						4,312,791,870	4,541,520,162	56.80%
						1,961,988,708	2,579,531,454	

Percentage (Interest on FDR to be matured on 27 September 2017 & 27 December 2017)

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

Un-Utilized IPO Proceeds with interest income in BDT

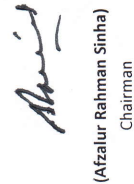
76,356,085

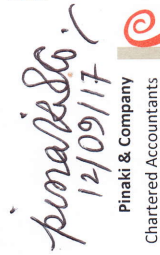
2,209,382,977

On Behalf of Board


(Folyzia Haque, FCA)
Independent Director & Chairman of the Audit Committee


(Mizanur Rahman Sinha)
Managing Director


(Afzalur Rahman Sinha)
Chairman


12/09/17
Pinaki & Company
Chartered Accountants