



The **ACME** *Laboratories Ltd.*

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

o/c

Ref. No. ACME /CA/CS/0154/2017

11 December 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 81st Meeting held on 4 December 2017 for your kind perusal and record please.

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

Md. Rafiqul Islam, FCS
Company Secretary

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

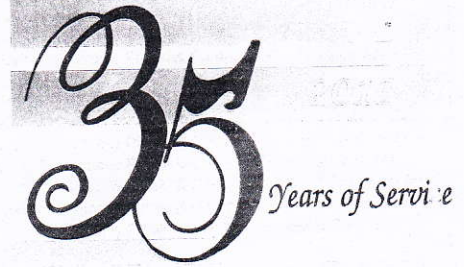
1/4, Kallayanpur, Mirpur Road
Dhaka-1207, Bangladesh.
Phone: +88-02-9004194-6
Fax: +88-02-9016872
E-mail: headoffice@acmeglobal.com

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 30 November 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



পিনাকী এণ্ড কোম্পানী
Pinaki & Company

Chartered Accountants



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 30 November 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 30 November 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. 551,774,541 up to 30 November 2017 in respect of Steroid and Hormone Project.
2. The Company has utilized cumulative amounting Tk. 150,111,346 up to 30 November 2017 in respect of Penicillin Project.



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3. The Company has also utilized cumulative amounting Tk.102,818,652 up to 30 November 2017 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 : 05 December, 2017
Dhaka.

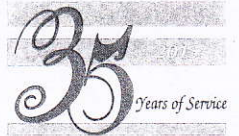
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Report on Utilization of IPO Proceeds For the Month of November 2017

Name of the Company:

: The ACME Laboratories Ltd.

Amount (BDT) of capital raised through IPO:

: BDT 4,095,000,000 (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	Status of Utilization			Remarks
							During the Month	Total Utilized Amount	Utilized %	
1	Steroid and Hormone Project	Within 2 years of receiving IPO fund, i.e. 2018	N/A	Civil Construction	335,800,000	335,800,000	16,062,339	298,193,244	88.80%	37,606,756
				Machinery & Equipment	598,600,000	598,600,000	13,809,520	13,809,520	2.31%	584,790,480
				Utility	339,600,000	339,600,000	27,054,382	234,299,876	68.99%	105,300,124
				Warehouse	39,500,000	39,500,000	1,146,901	1,146,901	2.90%	38,353,099
				Vehicle	5,000,000	5,000,000	-	3,125,000	62.50%	1,875,000
				Consultancy fee	26,300,000	26,300,000	-	1,200,000	4.56%	25,100,000
2	Oncology project converted into Penicillin Project (Revised)	Within 2.5 years of receiving IPO fund	Within the month of March 2018	Contingencies	13,200,000	13,200,000	-	-	0.00%	13,200,000
				Sub Total	1,358,000,000	1,358,000,000	58,073,142	551,774,541	40.63%	806,225,459
				Civil Construction	335,800,000	335,800,000	912,434	76,910,295	66.30%	39,089,705
				Machinery & Equipment	367,000,000	367,000,000	764,848	764,848	0.58%	131,534,672
				Utility	350,000,000	350,000,000	70,959,591	70,959,591	60.57%	46,194,409
				Warehouse	50,000,000	50,000,000	56,362	56,362	0.27%	20,526,338
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	Vehicle	5,000,000	5,000,000	-	-	0.00%	3,000,000
				Consultancy fee	22,100,000	22,100,000	-	1,420,250	23.81%	4,543,530
				Contingencies	11,100,000	11,100,000	-	-	0.00%	5,000,000
				Sub Total	1,141,000,000	1,141,000,000	72,693,235	150,111,346	37.53%	249,888,654
				Civil Construction	417,500,000	417,500,000	60,000,000	102,818,652	29.56%	245,041,348
				Machinery & Equipment	857,200,000	857,200,000	-	-	0.00%	493,000,000
4	Repayment of Bank Borrowing (Revised)	N/A	N/A	Utility	404,000,000	404,000,000	-	-	0.00%	409,400,000
				Warehouse	11,000,000	11,000,000	-	-	0.00%	38,500,000
				Vehicle	5,000,000	5,000,000	-	-	0.00%	3,000,000
				Consultancy fee	33,900,000	33,900,000	-	-	0.00%	23,635,200
				Contingencies	16,900,000	16,900,000	-	-	0.00%	12,917,600
				Initial Working Capital	-	-	-	-	0.00%	26,915,492
5	IPO Expenses	N/A	N/A	Sub Total	1,745,500,000	1,355,228,292	60,000,000	102,818,652	7.59%	1,252,409,640
				Total	4,312,791,870	4,541,520,162	190,766,377	2,232,996,409	49.17%	2,308,523,753

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

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

Un-Utilized IPO Proceeds with Interest Income in BDT

On Behalf of Board

(Signature)
(Folzia Haque, FCA)

Independent Director & Chairman of the Audit Committee

(Signature)

(Afzalur Rahman Sinha)

Chairman

(Signature)
05.12.17

Pinaki & Company
Chartered Accountants