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ISO 9001: 2015 CERTIFIED COMPANY

Ref. No. ACME /CA/CS/0114/2018

14 November 2018

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 94th Meeting held on 13 November 2018 for your kind perusal and record please.

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

(Nagina Afzal Sinha)

Chairman

Enclosure: As stated above

Nagina Afral Suita

Copy to:

01. The Managing Director, Dhaka Stock Exchange Limited

The Managing Director, Chittagong Stock Exchange Limited

03. The Chief Executive Officer, ICB Capital Management Limited

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SL NO.

RECEIVED Signature

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

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Phone: +88-02-7730881-2

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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 October 2018

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

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 31 October 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 31October 2018 and comply with the resolution of 40th AGM of the company.

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

 The Company has utilized cumulative amount of Tk. 1,254,320,071 up to 31 October 2018 in respect of Steroid & Hormone Project. During the month no amount has been spent regarding the project through IPO fund. Referring our comment in earlier report, there appeared certain developments in the Steroid & Hormone Project out of company's own fund due to the restriction for use of IPO fund.



Chartered Accountants



- 2. The Company has utilized cumulative amount of Tk. 246,711,345 up to 31 October 2018 in respect of Penicillin Project. During the month no amount has been spent regarding the project through IPO fund. Referring our comment in earlier report, there appeared certain developments in the Penicillin Projects out of company's own fund due to the restriction for use of IPO fund.
- 3. The Company has also utilized cumulative amounting to Tk.145,637,304 up to 31 October 2018 in respect of Active Pharmaceuticals Ingredients (API) Project. During the month no amount has been spent regarding the project through IPO fund.

We also state that:

- a) IPO proceeds have been utilized for the purposes as specified in the resolution of 40th AGM of the company;
- 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 whereas Steroid & Hormone and Penicillin Projects are awaiting completion.
- 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:14 November 2018

Dhaka.

Pinaki & Company Chartered Accountants

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BDT 4,096,000,000 (Received amount BDT 4,095,015,601.38 net of foreign

: The ACME Laboratories Ltd.

Report on Utilization of IPO Proceeds For the Month of October 2018 : As stated in time line as per prospectus and revised time line columns

: 11 April 2016 to 21 April 2016

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

Proceeds Receiving Date:

Amount (BDT) of capital raised through IPO: Date of Close of Subscription: Name of the Company:

Chartered Accountants



Pinaki & Company Chartered Accountants 14 NOV 2018

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(Nagina Afzal Sinha)

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This Cost Breakdown Prospective Integration Plane Oracle Encounted Prospective		Ī	Time line as	Revised		Amount as per	Amount as per			Status of Utilization	tion			
Conference 385,800,000 335,800,000 334,934,878 9.74 9.974	s Time	Time	Time I	ine	Cost Breakdown	Prospectus	revised utilization Plan	Opening	During the Month	Total Utilized Amount	Utilized %	Total un utilized amount	Un utilized %	Remar
Machinery & Equipment 588,600,000 588,600,000 588,600,000 588,600,000 588,600,000 588,600,000 588,600,000 1,000,000 0.000% 0.					Civil Construction	335,800,000	335,800,000	334,934,878		334,934,878		865,122		
Utility 339,600,000 339,600,000 339,600,000 1,302,136 0.0006					Machinery & Equipment	298,600,000	598,600,000	562,412,729		562,412,729		36,187,271	6.05%	
Waterhouse 39,500,000 3,950,000 1,302,156 1,302,156 3,302,156 33,97,844 96,70% Vehicle 5,000,000 5,000,000 1,302,156 3,500,000 1,302,156 3,500,000 9,500,000 9,500,000 9,500,000 9,500,000 9,500,000 9,500,000 1,300,000 1,300,000 1,320,000	Within 2 years	Within 2 years			Utility	339,600,000	339,600,000	339,600,000	•	339,600,000		B.	0.00%	
Vehicle 5,000,000 5,000,000 5,000,000 5,000,000 1,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124,120,120 1,124			2	*	Warehouse	39,500,000	39,500,000	1,302,156	1	1,302,156	0.00	38,197,844	96.70%	
Contengencies 13,300,000 1,320,000 1,25,300,000 1,320,00	i.e.		50	(Vehicle	2,000,000	5,000,000	5,000,000	٠	5,000,000	100.00%	,	%00.0	
Contengencies 13,200,000 1,3700,000 9,870,308 9,870,308 74,78% 3329,692 25.22% Sub Total 1,258,000,000 1,358,000,000 115,000,000 115,000,000 1,554,320,071 9,870,300 100,00% </td <td>2018</td> <td>2018</td> <td></td> <td></td> <td>Consultancy fee</td> <td>26,300,000</td> <td>26,300,000</td> <td>1,200,000</td> <td></td> <td>1,200,000</td> <td></td> <td>25,100,000</td> <td></td> <td></td>	2018	2018			Consultancy fee	26,300,000	26,300,000	1,200,000		1,200,000		25,100,000		
Sub Total 1,358,000,000 1,358,000,000 1,258,300,000 1,254,320,017 1,155,000,000 1,254,320,017 1,155,000,000 1,254,320,017 1,155,000,000 1,155,000,000 1,155,000,000 1,155,000,000 1,155,000,000 1,155,000,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,000 1,17,155,200 1,					Contengencies	13,200,000	13,200,000	9,870,308		9,870,308		3,329,692	25.22%	
Civil Construction 335,800,000 115,000,000 1.16,000,000 1.00,000 1					Sub Total	1,358,000,000	1,358,000,000	1,254,320,071		1,254,320,071	92.37%	103,679,929	7.63%	
Machinery & Equipment 367,000,000 137,299,520 829,144 . 653% 131,470,376 99,37% Willity Utility 350,000,000 117,154,000 117,154,000 10,000% 117,154,000 10,000% 117,154,000 10,000% 117,154,000 117,134,000 117,134,000 117,134,000 117,134,000 117,134,000 117,134,000 117,134,000 117,134,000 117,134,000 <t< td=""><td></td><td></td><td></td><td></td><td>Civil Construction</td><td>335,800,000</td><td>116,000,000</td><td>116,000,000</td><td></td><td>116,000,000</td><td></td><td></td><td>0.00%</td><td>9</td></t<>					Civil Construction	335,800,000	116,000,000	116,000,000		116,000,000			0.00%	9
Utility 350,000,000 117,154,000 <					Machinery & Equipment	367,000,000	132,299,520	829,144	,	829,144	0.63%	131,470,376	100	Utilization
Warehouse 50,000,000 20,582,700 3,406,448 - 3,406,448 16,55% 17,176,252 83,45% Vehicle 5,000,000 3,000,000 2,601,503 - 2,901,503 96,72% 19,176,252 3,28% Consultancy fee 2,000,000 3,000,000 2,601,503 - 2,901,503 96,72% 96,437 3,28% Consultancy fee 11,140,000 400,000,000 246,711,345 - 14,5637,304 41,548,550 16,148,537,304 11,137,88,555 38,28% Civil Construction 417,500,000 347,860,000 145,537,304 - 145,637,304 41,37% 202,222,696 31,38 Wachinery & Equipment 857,200,000 493,000,000 145,537,304 - 145,637,304 41,37% 202,222,696 33,33% Warehouse 11,100,000 493,000,000 493,000,000 - - - - - - - - - - - - - - - - - - </td <td>Oncology project Within 2.5</td> <td>La von</td> <td>Mallal</td> <td>44.4</td> <td>Utility</td> <td>350,000,000</td> <td>117,154,000</td> <td>117,154,000</td> <td></td> <td>117,154,000</td> <td>100.00%</td> <td></td> <td>0.00%</td> <td>has been</td>	Oncology project Within 2.5	La von	Mallal	44.4	Utility	350,000,000	117,154,000	117,154,000		117,154,000	100.00%		0.00%	has been
Vehicle 5,000,000 3,000,000 2,901,503 - 2,901,503 96,72% 98,497 3.28% Consultancy fee 22,100,000 5,963,780 1,420,250 -	years of		mon.	th of	Warehouse	20,000,000	20,582,700	3,406,448		3,406,448	16.55%	17,176,252	83.45%	approved
Contengencies 22,100,000 5,963,780 1,420,250 1,420,250 23,21% 4,543,530 76,19% Contengencies 11,100,000 5,000,000 5,000,000 5,000,000 100,00% 6,000,000 100,00% 0,00% Sub Total 1,141,000,000 347,860,000 246,711,345 6,168% 153,286,655 38,32% 0,00% Civil Construction 417,500,000 493,000,000 145,637,304 - 145,637,304 41,33% 202,222,696 81,33% Warethinery & Equipment 437,000,000 34,900,000 145,637,304 - - 0,00% 493,000,000 10,00% Vehicle 5,000,000 3,000,000 3,500,000 3,500,000 3,500,000 3,500,000 1,291,600 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 3,500,000 10,00% 10,00%	ject receiveing IPO		Marc	2018		5,000,000	3,000,000	2,901,503		2,901,503	96.72%	98,497	3.28%	40th AGM
Contengencies 11,100,000 5,000,000 5,000,000 - 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 246,711,345 - 246,711,345 61.68% 153,288,655 38,32% Coll Construction 417,500,000 347,860,000 145,637,304 246,711,345 61.68% 153,288,655 88,13% Machinery & Equipment 857,200,000 493,000,000 145,637,304 10.00% 493,000,000 100,00% Vehicle 5,000,000 38,500,000 3,000,000 3,000,000 3,000,000 10,000,000 10,000,000 10,000,000 10,000,000 10,000,000 10,000 10,000 10,000,000 10,000	(Revised) fund				-05-08	22,100,000	5,963,780	1,420,250		1,420,250	23.81%	4,543,530		2016 and I
Sub Total 1,141,000,000 400,000,000 246,711,345 6.168% 153,286,655 38,32% Civil Construction 417,500,000 347,860,000 145,637,304 141,87% 202,222,696 58,13% Machinery & Equipment 857,200,000 493,000,000 145,637,304 141,87% 202,222,696 58,13% Wellick 10,100,000 403,000,000 403,000,000 246,700,000 100,00% 403,000,000 Vehicle 5,000,000 385,500,000 23,635,200 23,635,200 100,00% 38,500,000 Consultancy fee 33,900,000 2,355,200 12,917,600 12,917,600 100,00% 100,00% Contengencies 16,900,000 1,2917,600 1,350,000 1,350,000 100,00% 100,00% Sub Total 1,745,500,000 1,350,000,000 1,350,000,000 1,350,000,000 1,209,590,988 89,256 Sub Total 1,745,500,000 1,350,000,000 1,350,000,000 1,350,000,000 1,209,590,988 89,256 Sub Total 1,745,500,000 1,350,000,000 </td <td></td> <td></td> <td></td> <td></td> <td>Contengencies</td> <td>11,100,000</td> <td>5,000,000</td> <td>2,000,000</td> <td>,</td> <td>5,000,000</td> <td>100,00%</td> <td>,</td> <td>0.00%</td> <td>Utilizatio</td>					Contengencies	11,100,000	5,000,000	2,000,000	,	5,000,000	100,00%	,	0.00%	Utilizatio
Clair Construction 417,500,000 347,860,000 145,637,304 - 145,637,304 41.87% 202,222,569 58.13% Machinery & Equipment 857,200,000 493,000,000 493,000,000 493,000,000 100,00% 493,000,000 100,00% Variethouse 11,000,000 36,500,000 3,000,000 3,000,000 3,000,000 10,000,000					Sub Total	1,141,000,000	400,000,000	246,711,345		246,711,345	61.68%	153,288,655	38.32%	Proceed
Machinery & Equipment 857,200,000 493,000,000 - - 0.00% 493,000,000 100,000 Utility 404,000,000 409,400,000 - - - 0.00% 4093,000,000 100,000 Warehouse 11,000,000 38,500,000 - - - - 0.00% 38,500,000 100,000 Vehicle 5,000,000 23,500,000 23,500,000 23,500,000 - - - 0.00% 38,500,000 100,000 Constituted repeticles 16,500,000 12,917,600 - - - - 0.00% 23,535,20 100,000 Initial Working Capital 1,745,500,000 1,355,228,292 145,637,304 - - - 0.00% 26,515,492 100,00% Sub Total N/A 1,360,000,000 1,356,000,000 1,356,000,000 1,360,000,000 1,360,000,000 - - - - - - - - - - - - - -					Civil Construction	417,500,000	347,860,000	145,637,304		145,637,304	41.87%	202,222,696	58.13%	certified
Utility 409,000,000 409,400,000	Ayurvedic, Modern Withi	Withi	With	n 2-3	Machinery & Equipment	857,200,000	493,000,000			t	0.00%	493,000,000	100.00%	Compan
Warethouse 11,000,000 38,500,000	Herbal and Within 2 c years	-	years	after	Utility	404,000,000	409,400,000			31	0.00%	409,400,000	100.00%	Chartere
Vehicle 5,000,000 3,000,000 - - 0,00% 3,000,000 Consultancy fee 33,900,000 23,635,200 - - 0,00% 23,635,200 Contengencies 16,900,000 12,917,600 - - 0,00% 25,915,492 Initial Working Capital 1,745,500,000 1,355,228,292 145,637,304 - 1,456,537,304 1,209,590,988 8 N/A 1,360,000,000 1,360,000,000 1,360,000,000 - 1,360,000,000 1,466,559,1870 - 1,466,559,1870 - 88,291,870 68,291,870 4,541,520,162 3,074,960,590 - 3,074,960,590 67,71% 1,466,559,572	weare of		ge	tting	Warehouse	11,000,000	38,500,000	,	,	•	%00.0	38,500,000		Accountar
Contengentiancy fee 33,900,000 23,635,200 - - 0.00% 23,635,200 12,917,600 - - 0.00% 23,635,200 12,917,600 12,917,600 - - 0.00% 2,535,530 13,535,230 13,535,232 145,637,304 - - 0.00% 2,5,915,492 1,205,590,988 8 Sub Total 1,745,500,000 1,355,228,232 145,637,304 - 1,456,637,304 10,75% 1,209,590,988 8 N/A 1,360,000,000 1,360,000,000 1,360,000,000 - 1,360,000,000 100,00% - 1,406,559,00 88,291,870 68,291,870 4,541,520,162 3,074,960,590 67,71% 1,466,559,572	ve receiveing IPO		peri	nission	Vehicle	2,000,000	3,000,000	•			%00.0	3,000,000	100.001	
Contengencies 16,900,000 12,917,600 - - 0,00% 12,917,600 12,917,600 Initial Working Capital 26,915,492 - - 0,00% 26,915,492 1 Sub Total 1,745,500,000 1,355,228,292 145,637,304 - 145,637,304 10,75% 26,915,492 1 N/A 1,360,000,000 1,360,000,000 1,360,000,000 - 1,360,000,000 10,00% - 1,209,590,988 8 88,291,870 68,291,870 68,291,870 68,291,870 - 68,291,870 1,466,559,572 -	fund	-	Į,	om the	Consultancy fee	33,900,000	23,635,200				0.00%	23,635,200	1	
Initial Working Capital 26,915,492 26,915,492 145,637,304 145,637,304 10,75% 26,915,492 11,209,590,988 1,209,590,080 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000,000 1,360,000 1	API)		2	listry of	Contengencies	16,900,000	12,917,600				%00.0	12,917,600	100.001	
Sub Total 1,745,500,000 1,355,228,292 145,637,304 - 145,637,304 10.75% 1,209,590,988 8 N/A 1,360,000,000 1,360,000,000 - 1,360,000,000 100.00% - 1,209,590,988 8 68,291,870 68,291,870 68,291,870 - 68,291,870 100.00% - - 1,466,559,572	(Nevised)	Bul		ustries	Initial Working Capital		26,915,492				%00.0	26,915,492	100.00%	
N/A 1,360,000,000 1,360,000,000					Sub Total	1,745,500,000	1,355,228,292	145,637,304	,	145,637,304	10.75%	1,209,590,988	89.25%	
68,291,870 68,291,870 - 68,291,870 100.00% 4,312,791,870 4,541,520,162 3,074,960,590 - 3,074,960,590 67.71% 1,466,559,572	Repayment of Bank N/A Borrowing (Revised)			A/A		N/A	1,360,000,000	1,360,000,000	11	1,360,000,000	100.00%		%00.0	
4,541,520,162 3,074,960,590 - 3,074,960,590 67.71% 1,466,559,572	5 IPO Expenses N/A	N/A		N/A		68,291,870	68,291,870	68,291,870		68,291,870	100.00%	٠	%00.0	
	Total					4,312,791,870	4,541,520,162	3,074,960,590	,	3,074,960,590	67.71%	1,466,559,572	32.29%	

Percentage (Interest on FDR to be matured on 27 December 2018 & 05 January 2019)

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

On Behalf of Board

Independent Director & Chairman of the Audit Committee

(Mizanur Rahman Sinha)

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