



The ACME Laboratories Ltd.

MANUFACTURERS OF ETHICAL DRUGS & MEDICINES

ISO 9001:2008 CERTIFIED COMPANY

o/c

Ref. No. ACME /CA/CS/0092/2017

12 June 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 75th Meeting held on 4 June 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

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Plant:

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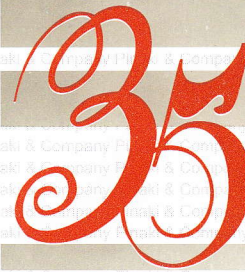
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Auditors' Report



2013

Years of Service

Name of Client

The ACME Laboratories Ltd.

**Utilization of IPO Proceeds
for the month ended 31 May 2017**

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 May 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 May 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. 312,988,356 up to 31 May 2017 in respect of Steroid and Hormone Project.
2. The Company has also utilized cumulative amounting Tk. 49,679,033 up to 31 May 2017 in respect of Penicillin Project.



We also state that:

- 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;
- Utilization of IPO proceeds is being under completion within the time frame as specified in the resolution of 40th AGM of the company;
- Utilization of IPO proceeds is accurate for the purpose of the company as mentioned in the resolution of 40th AGM of the company;
- 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 : 07.06.2017
Dhaka.

pinaki.co.

Pinaki & Company
Chartered Accountants

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

Name of the Company: : The ACME Laboratories Ltd.
Amount (BDT) of capital raised through IPO: : BDT 4,096,000,000 (Net amount received 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 revised time line column

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	Utilized %	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	312,988,356	23.05%	1,045,011,644	76.95%
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	49,679,033	12.42%	350,320,967	87.58%
3	Ayurvedic, Modern Herbal and Nutraceuticals 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	-	0.00%	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	100.00%	-	0.00%
5	IPO Expenses	N/A	N/A	68,291,870	68,291,870	68,291,870	100.00%	-	0.00%
Total						4,312,791,870	39.44%	2,750,560,903	60.56%

Percentage (Interest on FDR to be matured on 27 June 2017)
Interest on IPO Proceeds in BDT (from Special Notice Deposit)
Un-Utilized IPO Proceeds with interest income in BDT

19,803,383
2,323,859,725

On Behalf of Board


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


(Mizanur Rahman Sinha)
Managing Director

(Dr. Jabulur Rahman Sinha)
Deputy Managing Director