

**Certificate on
Status Report on Utilization of Proceeds from
Public Offering of Silva Pharmaceuticals Limited
For the month from 01 July 2019 to 31 July 2019**

We have been engaged by Silva Pharmaceuticals Limited to certify whether the Company has complied with the conditions of Initial Public Offering (IPO) in relation to the utilization of proceeds from Public Offering, as required by Bangladesh Securities and Exchange Commission (BSEC) under Section 2CC of the Securities and Exchange Ordinance 1969.

The Company's Responsibilities

Those charged with governance and management of the Company are responsible for utilizing the proceeds from IPO in accordance with the terms and conditions of IPO and preparation of Status Report on Utilization of Proceeds from Public Offering in accordance with the Bangladesh Securities and Exchange Commission (BSEC) Rules 1987, conditions laid down in clauses 2, 3, 5 and 6 of Part-C of the consent letter #BSEC/CI/IPO-269/2017/429 dated June 28, 2018 and other applicable rules and regulations.

Our Responsibilities

Our responsibility is to examine all the relevant documents in connection with the utilization of proceeds from IPO with reference to the Terms of Reference formulated by BSEC and certify whether the proceeds have been utilized and the Status Report have been prepared in accordance with the conditions of IPO and clauses 3 and 4 of Part-C of the consent letter #BSEC/CI/IPO-269/2017/429 dated July 28, 2018 and other applicable rules and regulations.

Conclusion

We have examined relevant documents and obtained information and explanations which to the best of our knowledge and belief were necessary for the purpose of verification and certification of the annexed status report on utilization of IPO proceeds.

As per Terms of Reference, we draw attention to the following matters:

1. The Company has utilized Taka 20,441,474 which was 90.85% of the budgeted amount up to July 31, 2019 for the purpose of IPO expenses as specified in the prospectus.
2. The Company has utilized Taka 99,000,000 which was 100% of the budgeted amount up to July 31, 2019 for the purpose of loan repayment as specified in the prospectus.
3. The Company has utilized Taka 12,408,831 which was 22.16% of the budgeted amount up to July 31, 2019 for the purpose of civil construction as specified in the prospectus.





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Chartered Accountants

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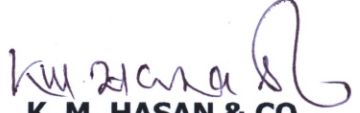
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We also state that referred to above:

- a) IPO proceeds have been utilized for the purposes as specified in the prospectus;
- b) IPO proceeds have been utilized in line with the conditions as stipulated in 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 prospectus;
- d) Utilization of IPO proceeds is accurate for the purposes of the company as mentioned in the prospectus;
- e) The annexed audited status report on IPO Proceeds Utilization has been made on verification of all necessary documents/papers/vouchers in support of utilization of IPO proceeds making reconciliation with bank statement as submitted by the management of the company for the purpose.

Place: Dhaka, Bangladesh.
Dated: 06 August 2019




K. M. HASAN & CO.
Chartered Accountants

Report on Utilization of Initial Public Offering (IPO) Proceeds

For the month from 01 July 2019 to 31 July 2019

Name of the company : **Silva Pharmaceuticals Limited**
Amount (BDT) of Capital Raised Through IPO : **Tk. 300,000,000**
Date of Close of Subscription : **August 05, 2018**
Proceeds Receiving Date : **October 10, 2018**
Last Date of Full Utilization of Fund as per Prospectus : **Within 18 Months of receiving IPO fund**

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus (BDT)	Status of Utilization				Remarks
				Total Utilized Amount (BDT)	Utilized (%)	Total Un-utilized Amount (BDT)	Un-utilized (%)	
1	IPO Expenses	As and when required	22,500,000	20,441,474	90.85%	2,058,526	9.15%	
2	Loan Repayment	09/01/2019	99,000,000	99,000,000	100.00%	-	0.00%	
3	Civil Construction	09/04/2020	56,000,000	12,408,831	22.16%	43,591,169	77.84%	
4	Purchase of New Machinery and Equipments	09/04/2020	122,500,000	-	0.00%	122,500,000	100.00%	
Total			300,000,000	131,850,305		168,149,695		

Percentage:

Un-utilized IPO proceeds: 56.05%

Note:

- a) Actual application was received almost 25.76 Times.
b) IPO proceeds have been utilized for the purposes/heads as specified in the prospectus and in line with the condition of the Commission's consent letter.


Chairman

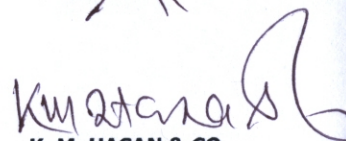

Managing Director


Chief Financial Officer


Company Secretary

Place: Dhaka, Bangladesh
Dated: 06 August 2019




K. M. HASAN & CO.
Chartered Accountants