

**Certificate on  
Status Report on Utilization of Proceeds from  
Public Offering of Silva Pharmaceuticals Limited  
For the month from 01 October 2018 to 31 October 2018**

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 10,000,000 which was 44.44% of the budgeted amount up to October 31, 2018 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 October 31, 2018 for the purpose of loan repayment as specified in the prospectus.

We also state that referred to above:

- IPO proceeds have been utilized for the purposes as specified in the prospectus;
- IPO proceeds have been utilized in line with the conditions as stipulated in the BSEC's consent letter for the IPO;
- Utilization of IPO proceeds is being under completion within the time frame as specified in the prospectus;
- Utilization of IPO proceeds is accurate for the purposes of the company as mentioned in the prospectus;
- 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: 13 November 2018

  
**K. M. HASAN & CO.**  
Chartered Accountant





**Report on Utilization of Initial Public Offering (IPO) Proceeds**  
For the month from 01 October 2018 to 31 October 2018

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	10,000,000	44.44%	12,500,000	55.56%	
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	-	0.00%	56,000,000	100.00%	
4	Purchase of New Machinery and Equipments	09/04/2020	122,500,000	-	0.00%	122,500,000	100.00%	
<b>Total</b>			<b>300,000,000</b>	<b>109,000,000</b>		<b>191,000,000</b>		

**Percentage:**

Interest income of IPO proceeds: 0.00%  
Un-utilized IPO proceeds: 63.67%

**Note:**

- Actual application was received almost 25.76 Times.
- During the month Tk. 10,000,000 has been withdrawn from IPO Bank account against expenditure made on IPO expenses.
- During the month Pay Orders for Tk. 99,000,000 has been issued from IPO Bank account for repayment of bank loan.
- 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: 13 November 2018



  
K. M. HASAN & CO.  
Chartered Accountants