

ABRIDGED VERSION OF PROSPECTUS

Of

SILCO PHARMACEUTICALS LIMITED

- (1) **Name(s) and address(es), telephone numbers, web addresses, e-mails, fax numbers and contact persons of the issuer, issue manager and underwriter;**

NAME & ADDRESS	CONTACT PERSON	TELEPHONE & FAX NUMBER, E-MAIL, WEB ADDRESS
ISSUER		
Silco Pharmaceuticals Limited Registered & Corporate Office: 41, Nurani, Bankalapara, Subid Bazar, Sylhet-3100 Factory: BSCIC Industrial Estate, Khadimnagar, Sylhet-3103	Dr. Md. Badrul Haque Rukan Managing Director	Phone: +88 0821-722241, 0821-728512 Fax: Nil E-mail: info@silcopharma.com Web: www.Silcopharma.com
ISSUE MANAGERS		
EBL Investments Limited 59, Motijheel C/A (1st Floor) Dhaka-1000	Tahid Ahmed Chowdhury, FCCA Managing Director	Phone: +880-2-7118975,7119039-Ext-201,02-7118975 Fax: +880-2-7120251 Email: info@eblinvestments.com Web: www.eblinvestments.com
City Bank Capital Resources Limited City Centre (Level-14), Unit ID:13D 90/1 Motijheel C/A, Dhaka-1000	Ershad Hossain Managing Director & CEO	Phone: +88 02 55110945, 55110946 Fax: +88 02 55110947 Email: info@cbcr.com Web: www.cbcr.com
Citizen Securities & Investment Limited House-408, Road-29, 1 st Floor Mohakhali DOHS, Dhaka-1206	Md. Uzzal Hossain Managing Director & CEO (Current Charge)	Phone: +88 02 9847988 Fax: Nil Email: info@citizenscurities.com Web: www.citizenscurities.com
UNDERWRITERS		
EBL Investments Limited 59, Motijheel C/A (1st Floor) Dhaka-1000	Tahid Ahmed Chowdhury, FCCA Managing Director	Phone: +880-2-7118975,7119039-Ext-201,02-7118975 Fax: +880-2-7120251 Email: info@eblinvestments.com Web: www.eblinvestments.com
MTB Capital Limited MTB Tower (level-3) 111 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000	Khairul basher Abu Taher Mohammed Chief Executive Officer	Phone: +88-02-9339586,9337961 Fax: +88-02-8321760 Email: info.mtbcap@mutualtrustbank.com Web: www.mtbcap.com
FAS Capital Management Ltd. Suvastu Imam Square (4 th Floor) 65 Gulshan, Dhaka-1212	Shadhan Chandra Das, FCA Chief Executive Officer	Phone: +02-8834252 Fax: +88-02-9860258 E-mail: fas.capital.itd@gmail.com Web: www.fasbd.com
Citizen Securities & Investment Limited House-408, Road-29, 1 st Floor Mohakhali DOHS, Dhaka-1206	Md. Uzzal Hossain Managing Director & CEO (Current Charge)	Phone: +88 02 9847988 Fax: Nil Email: info@citizenscurities.com Web: www.citizenscurities.com

- (2) **Amount, type and offering price of the securities on a per unit and aggregate basis of securities being issued;**

Public issue of **30,000,000** (Three Crore) ordinary shares of **Tk. 10.00** each at par of totaling **Tk. 300,000,000.00** (Thirty Crore).

- (3) **Opening and closing date of subscription;**

Opening date of subscription: **March 07, 2019**

Closing date of subscription: **March 19, 2019**

(4) Availability of full prospectus;

The Prospectus and abridged version prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

NAME & ADDRESS	CONTACT PERSON	TELEPHONE & FAX NUMBER, E-MAIL, WEB ADDRESS
ISSUER		
Silco Pharmaceuticals Limited Registered & Corporate Office: 41, Nurani, Bankalapara, Subid Bazar, Sylhet-3100 Factory: BSCIC Industrial Estate, Khadimnagar, Sylhet-3103	Dr. Md. Badrul Haque Rukan Managing Director	Phone: +88 0821-722241, 0821-728512 Fax: Nil E-mail: info@silcopharma.com Web: www.Silcopharma.com
ISSUE MANAGERS		
EBL Investments Limited 59, Motijheel C/A (1st Floor) Dhaka-1000	Tahid Ahmed Chowdhury, FCCA Managing Director	Phone: +880-2-7118975, 7119039-Ext-201, 02-7118975 Fax: +880-2-7120251 Email: info@eblinvestments.com Web: www.eblinvestments.com
City Bank Capital Resources Limited City Centre (Level-14), Unit ID:13D 90/1 Motijheel C/A, Dhaka-1000	Ershad Hossain Managing Director & CEO	Phone: +88 02 55110945, 55110946 Fax: +88 02 55110947 Email: info@cbcr.com Web: www.cbcr.com
Citizen Securities & Investment Limited House-408, Road-29, 1 st Floor Mohakhali DOHS, Dhaka-1206	Md. Uzzal Hossain Managing Director & CEO (Current Charge)	Phone: +88 02 9847988 Fax: Nil Email: info@citizenscurities.com Web: www.citizenscurities.com
STOCK EXCHANGES		
Dhaka Stock Exchange Limited (DSE) DSE Library, Research and Information Department 9/F, Motijheel C/A, Dhaka- 1000	Md. Afzalur Rahman Manager	Phone: +88 02 9564601-7, 9666944-8 Fax: +88 02-9569755, 9564727 Email: research@dsebd.org Web: www.dsebd.org
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080, Sheikh Mujib Road, Chittagong-4100 Dhaka Office:52-53, Dilkusha C/A, Dhaka-1000	Md. Javed Sarwar Assistant Manager	Phone: +88-031 714632-3, 720871 Fax: +88-031 714101, +880-2 9513911-15 E-mail: javed@cse.com.bd Web: www.cse.com.bd

Prospectus would also be available on the websites of BSEC (www.sec.gov.bd) and at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

(5) Name of the credit rating Company (if any) along with rating assigned with date of validity;

Not applicable for Silco Pharmaceuticals Limited.

(6) Names of the valuer, if any and the auditors;

Valuer: Not applicable for Silco Pharmaceuticals Limited.

AUDITOR		
Name & Address	Telephone & Fax Number, E-mail, Web Address	Contact Person
Ahmad & Akhtar BCIC Bhaban (3rd Floor), 30-31, Dilkusha C/A, Dhaka-1000	Tel: +88-02-9561289; Fax: +88-02-9564366 E-mail: aacano120@gmail.com ; web: www.aacabd.org	Mohammad Naser Managing Partner

(7) A person interested to get a prospectus may obtain from the issuer and the issue manager.**(8) "If you have any query about this document, you may consult the issuer, issue manager and underwriter"**

(9) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR/CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, UNDERWRITERS, AUDITOR(S) AND/OR VALUER, CREDIT RATING COMPANY (IF ANY);"

(10)

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

(11) Summary of use of proceeds of the offer;


Sources of Fund:

Particulars	Amount in BDT
Number of Shares issue under Initial Public Offering (IPO)	3,00,00,000.00
Issue price -at par	10.00
Total Amount	30,00,00,000.00

Net Proceeds from initial public offering (IPO) will be used for construction of new factory building in the existing vacant area, modernization of existing machinery, purchase of delivery van and IPO Expenses.

SL.	Particulars	Amount in Taka
1	Construction of new factory building in the existing vacant area	144,655,552.00
A	Civil Works	
B	Internal Electrification Works	
C	Sanitary & Water Supply Works	
D	Supply & Installation of 800 KVA Sub-Station	
2	Import of new Machinery	97,356,000.00
3	Purchase of Delivery Van	36,310,000.00
4	IPO Related Expenses	21,678,448.00
Total		300,000,000.00

(12) Brief corporate directory of the issuer;

Company Name	: Silco Pharmaceuticals Limited
Logo	: 
Incorporation & Reg. No.	: January 25,1995, Registration No:C-27781(1627)/95
Date of Commencement of its Commercial Operations	: According to the certificate of Commencement the date of commercial operation is 25 January, 1995, but the Company received the drug manufacturing license on 29 October, 2003 and the commercial operation has started on 30 October, 2003
Authorized Capital	: BDT 1,050,000,000 divided into 105,000,000 Ordinary Share of Tk. 10.00 each
Paid Up Capital	: BDT 643,700,000 divided into 64,370,000 Ordinary Share of Tk. 10.00 each
Registered & Corporate Office	: 41, Nurani, Bankalapara, Subid Bazar, Sylhet-3100, Bangladesh Phone: +88 0821-722241, 0821-728512 Fax: Nil E-mail: info@silcopharma.com Web: www.Silcopharma.com
Factory	: BSCIC Industrial Estate, Khadimnagar, Sylhet-3103, Bangladesh
Board of Directors	: Mrs. Naim Fatema, Dr. Md. Badrul Haque Rukan, Dr. Md. Azizur Rahman, Dr. Shahana Ferdous Chowdhury, Dr. Gulshan-E-Jahan, Prof. Dr. Md. Harunur Rashid, Dr. Mahmudul Majid Chowdhury, Prof. Dr. Faisal Ahmed, Prof. Dr. Md. Abul Ahabab, Prof. Dr. Md. Rezaul Karim, Dr. Iqbal Hossain Chowdhury
Auditor	: Ahmad & Akhtar Chartered Accountants BCIC Bhaban (3rd Floor), 30-31, Dilkusha C/A, Dhaka-1000 E-mail: aacano120@gmail.com A Correspondent Member Firm of Russell Bedford International, UK

Banker for IPO	:	Eastern Bank Limited
Compliance Officer	:	Mr. Tingku Ranjan Sarker, Company Secretary
The Company has no Legal Advisor.		

(13) Location of the project;

SPL's factory is situated at BSCIC Industrial Estate, Khadimnagar, and Plot No: A- 21, 22, S- 47, S- 5 District: Sylhet, Bangladesh on a leased land taken from BSCIC.

(14) Principal products or services of the issuer;

Principal Products of SPL: The Company has following products:

1. Tablet;
2. Capsule;
3. Liquid Syrup &
4. Dry Syrup

(15) Names of associates, subsidiary/related and holding of Issuer Company;

Silco Pharmaceuticals Limited has no associates, subsidiary/related and holding company.

(16) Name, address and short description of each of the directors;

Mrs. Naim Fatema, Chairman

Mrs. Naim Fatema is the Chairman of *Silco Pharmaceuticals Ltd.* She was born in a respectable Muslim family at Sylhet in 1954. Mrs. Fatema completed her BA (Hons) and MA in Sociology and started her professional career in the field of teaching profession and now she is the Head Mistress of M.C College Shisu Biddaloy, Sylhet. Mrs. Fatema is also a Director of North East Medical College. She visited many countries including UK, USA, India, Bangkok, Malaysia etc. on business and personal tour.

Dr. Md. Badrul Haque Rukan, Managing Director

Dr. Md. Badrul Haque Rukan, aged 64, is a Director of the company since inception. He is currently employed as a Managing Director of the company. Mr. Rukan is a prominent Child Specialist in Sylhet city; completed his MBBS, DCH from DUB, also achieved MRSH degree from London. After obtaining his MBBS Degree he engages himself in his own profession and simultaneously engages in relevant business sector and serving efficiently in medical, Pharmaceuticals industry and profession for more than 35 years. He has long experience involving in Pharmaceuticals industry with particular experience in product development and marketing. Dr. Rukan is also involved with many social organizations and visited many countries including UK, USA, India, Bangkok, Malaysia, Singapore etc. on business and personal purpose. He is also the director of Park View Medical College and National Diagnostic Centre situated in Sylhet.

Dr. Azizur Rahman, Director

Dr. Azizur Rahman is a Director Silco Pharmaceuticals Ltd. and he has extensive experience working with pharmaceuticals Industry. He is a professor of Child Health of North East Medical College & Hospital. Dr. Rahman is also a sitting Chairman and Director of Al-Amin Dental College, Sylhet. During his career as a medical professional he has awarded many degrees in Bangladesh and overseas. He completed his MBBS and DTM & H from Dhaka Medical and achieved MRSH degree from London, UK.

Dr. Shahana Ferdous Chowdhury, Director

Dr. Shahana Ferdous Chowdhury was born in a prominent Muslim family at Sylhet in 1961. She achieved her FCPS from London. She is a Gynecologist Specialist and Surgeon and trained in VVF & Laparoscopic Surgery from Delhi. Dr. Shahana is presently employed in Sylhet Women's Medical College & Hospital as a Professor and Head of Department of Gynecology & Obstetrics. She is also a Director of United Poly Clinic.

Dr. Gulshan-E-Jahan, Director

Dr. Gulshan-E-Jahan, aged 61, is a Director of the company. She has completed her MBBS degree from Bangladesh and subsequently achieved FCPS. She is currently employed in North East Medical College & Hospital as an Assistant Professor in Department of Gynecology & Obstetrics. She has 30 years of experience in Medical Industry.

Prof. Dr. Md. Harunur Rashid, Director

Prof. Dr. Md. Harunur Rashid is one of the renowned and famous ENT specialists in Bangladesh, born in 1955. He has completed MBBS and DLO from Dhaka Medical. He is involved in Silco Pharmaceuticals Ltd. since inception of the Company and advising in product & market development. He is a former Vice Principal and head of the ENT department of Sylhet MAG Osmani Medical College, Sylhet. Prof. Dr. Md. Harunur Rashid visited many countries including UK, USA, Japan, China, India, Thailand, Malaysia and many others.

Dr. Mahmudul Majid Chowdhury, Director

Director, Silco Pharmaceuticals Ltd.

Dr. Mahmudul Majid Chowdhury is a Medicine Specialist trained from overseas countries. He has completed his MBBS and DIM in Internal Medicine from Bangladesh and subsequently trained from Royal Post Graduate Medical College. Dr. Chowdhury also received Specialist Training in Medicine from London Hammersmith Hospital, UK. He has vast experience and knowledge about Internal Medicine. He also worked as a Medicine specialist in Sylhet MAG Osmani Medical College Hospital, Sylhet.

Prof. Dr. Faisal Ahmed, Director

Director, Silco Pharmaceuticals Ltd.

Prof. Dr. Faisal Ahmed has completed MBBS and FCPS in Medicine. He is currently employed as a Professor and Head of Medicine Department in Sylhet Women's Medical College, Sylhet. He is also a Director of Sylhet Women's Medical College, National Diagnostic Centre and Mount Adora Hospital. He has 32 years of experience in Medicine.

Prof. Dr. Md. Abul Ahab, Independent Director

Prof. Dr. Md. Abul Ahab has completed MBBS, FCPS and MS degree from different overseas countries and Medical College, born in 1953 in prominent Muslim family. He is specialist in Medicine and Liver Diseases. Prof. Ahab was former principal and head of Medicine Department at Sylhet MAG Osmani Medical College. He is also a Director of Park View Medical College and Chairman of Mount Adora Hospital, Sylhet. Prof. Ahab is contributing to Silco Pharmaceuticals Ltd business strategy development as independent director as he has approximately 35 years of experience in Medical Science and Pharmaceuticals industry of Bangladesh. Mr. Ahab has financial and management experience as well as he gained such experience while he was principal at Sylhet MAG Osmani Medical College.

Prof. Dr. Reazul Karim, Independent Director

Prof. Dr. Reazul Karim born in 1953 in a prominent Muslim family in Sylhet. He was completed MBBS, FCPS and MS from USA. He is Ex Professor of Psychiatry and Principal of Sylhet MAG Osmani Medical College Hospital. Prof. Karim currently employed as a Principal and Head of the Department of Psychiatry at Sylhet Women's Medical College and also a Director of Sylhet Women's Medical College. Prof. Karim is contributing to Silco Pharmaceuticals Ltd. on strategy development and market development as independent director as he has approximately 35 years of experience in Medical Science and Pharmaceuticals industry of Bangladesh.

Dr. Iqbal Hossain Chowdhury

Independent Director, Silco Pharmaceuticals Ltd.

Dr. Iqbal Hossain Chowdhury born in 1954 in prominent Muslim family in Sylhet. He is one of the independent directors of Silco Pharmaceuticals Ltd. Dr. Chowdhury is a MBBS doctor and was former Divisional Director of Health in Sylhet. While he was Divisional Director of Health he had gained valuable experience in accounting, finance, internal and external audit and that giving him opportunity to contribute as Independent Director and Chairman of the Audit Committee of SPL.

(17) Comparative financial statements and NAV, EPS, and financial ratios for the last five years or from commercial operation, which is shorter;

SILCO PHARMACEUTICALS LTD.

Auditors' Report under section 135(1) and para- 24(1) of Part-II of Schedule-III of the Companies Act 1994

As required under section 135(1), Para 24(1), Part II of the Third Schedule of Companies Act 1994, we appended below the following financial information of Silco Pharmaceuticals Limited for the year/period ended 30 June 2017, 30 June 2016 and 31 December 2015 audited by us and the year ended 31 December 2014 and 31 December 2013 audited by M/s. Shiraz Khan Basak & Co. Chartered Accountants and year ended 31 December 2012 audited by Rahman Mustafiz Haq & Co., Chartered Accountants.

1. Silco Pharmaceuticals Limited was incorporated on January 25, 1995.
2. The Operating results of the company over the last 5 years operation is as follows:

A) Statements of Assets and Liabilities of the company is as under:

Particulars	Amount in Taka					
	30-Jun-2017	30-Jun-2016	31-Dec-15	31-Dec-2014	31-Dec-2013	31-Dec-2012
				Re-stated	Re-stated	Re-stated
Assets						
Non Current Assets	1,255,558,189	1,141,233,305	1,050,213,667	1,067,279,694	1,040,806,394	929,379,359
Property, Plant & Equipment	1,196,491,301	1,141,233,305	1,050,213,667	952,234,474	939,304,278	866,104,773
Capital Work in Progress	59,066,888	-	-	115,045,220	101,502,116	63,274,586
Current Assets	734,595,336	696,120,532	712,980,760	591,507,118	534,549,514	453,825,053
Inventories	364,746,993	344,555,959	333,358,177	333,456,806	300,117,047	244,338,085
Trade Receivables	288,701,408	274,453,216	293,999,507	171,899,735	169,416,177	151,163,057
Advance, Deposits and Prepayments	63,471,931	68,649,751	77,573,469	72,620,193	52,692,031	44,814,237
Short Term Investment	-	-	-	-	-	12,598,706
Cash & Cash Equivalent	17,675,005	8,461,606	8,049,607	13,530,384	12,324,259	910,968
Total Assets	1,990,153,525	1,837,353,837	1,763,194,426	1,658,786,812	1,575,355,908	1,383,204,412
Shareholders Equity and Liabilities						
Shareholders Equity	1,635,712,653	1,532,784,501	1,472,986,660	755,912,241	681,427,973	434,462,145
Share Capital	643,700,000	643,700,000	643,700,000	43,700,000	43,700,000	43,700,000
Retained Earnings	992,012,653	889,084,501	829,286,660	712,212,241	637,727,973	390,762,145
Non-Current Liabilities	182,551,872	165,242,077	158,249,178	749,611,882	680,795,007	631,717,470
Long Term Borrowings	1,304,831	5,988,697	8,614,872	21,176,990	-	-
Deferred Tax Liability	181,247,040	159,253,380	149,634,306	128,434,892	123,295,007	98,758,770
Share Money Deposit	-	-	-	600,000,000	557,500,000	532,958,700
Current Liabilities	171,889,000	139,327,258	131,958,588	153,262,689	213,132,928	317,024,797
Trade Payable	15,683,301	12,758,760	30,522,975	91,254,873	89,797,362	113,858,360
Short Term Borrowings	-	-	-	15,446,015	11,661,235	34,164,708
Long Term Borrowings (Current Portion)	6,021,600	6,021,600	6,402,000	-	-	-
Creditors & Accruals	11,365,018	9,469,000	11,135,313	8,857,946	17,000,466	13,780,449
Liability for WPPF	7,917,550	13,605,558	9,005,725	4,651,937	-	-
Current Tax Liability	130,901,531	97,472,339	74,892,576	33,051,918	94,673,865	155,221,280
Total Shareholders Equity and Liabilities	1,990,153,525	1,837,353,837	1,763,194,426	1,658,786,812	1,575,355,908	1,383,204,412
Net Asset Value (NAV) per Share	25.41	23.81	22.88	172.98	155.93	99.42

Particulars	Amount in Taka					
	30-Jun-2017	30-Jun-2016	31-Dec-2015	31-Dec-2014	31-Dec-2013	31-Dec-2012
				Re-stated		
Sales/Revenue	906,528,993	438,643,061	851,159,177	810,144,679	997,984,022	839,888,056
Less: Cost of Goods Sold	615,610,189	282,588,154	541,866,123	593,978,078	608,525,737	478,532,109
Gross Profit	290,918,804	156,054,907	309,293,054	216,166,601	389,458,285	361,355,947
Less: Operating Expenses	121,863,920	58,927,420	117,388,092	114,952,696	110,795,086	98,465,204
Profit from Operation	169,054,883	97,127,487	191,904,963	101,213,905	278,663,199	262,890,743
Less: Financial Expenses	3,353,598	656,427	3,153,342	3,875,423	972,548	5,602,548
Add: Non-operating Income	567,269	125,452	368,595	352,187	216,854	162,548
Profit before Contribution to WPPF	166,268,554	96,596,512	189,120,216	97,690,669	277,907,505	257,450,743
Less: Workers' Profit Participation/ Welfare Fund	7,917,550	4,599,834	9,005,725	4,651,937	13,233,691	12,259,559
Profit before Tax	158,351,004	91,996,678	180,114,491	93,038,732	264,673,814	245,191,184
Less: Income Tax Expenses	55,422,851	32,198,837	63,040,072	32,563,555	123,788,917	118,236,595
Current Tax	33,429,192	22,579,763	41,840,658	13,414,579	99,252,680	91,946,694
Deferred Tax	21,993,660	9,619,074	21,199,414	19,148,976	24,536,237	26,289,901
Net Profit after Tax	102,928,153	59,797,841	117,074,419	60,475,177	140,884,897	126,954,589
Earnings per Share (EPS)	1.60	0.93	1.82	0.94	2.34	2.20
Fully diluted EPS with existing number of shares	1.60	0.93	1.82	0.94	2.19	1.97

C. Dividend declared:

Particulars	01 July 2016 to 30 June 2017	01 January 2016 to 30 June 2016	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
	Taka	Taka	Taka	Taka	Taka	Taka
Cash dividend %	-	-	-	-	-	-
Stock dividend %	-	-	-	-	-	-

D. The company was incorporated as a Public Limited Company on January 25, 1995 with the Registrar of Joint Stock Companies and Firms (RJSC) in Bangladesh;

E. The company has no subsidiary company as on the Statement of financial position date.

F. The Company prepared accounts for the year ended June 30, 2017

G. Figure have been restated as per BAS-8 (Accounting Policies, Changes in Accounting Estimate and Errors) where necessary.

We provide the revised 135 as per requirement of DSE letter Ref. no. DSE/Listing/ULC/2017/7582, Dated November 19, 2017.

Dated: 23 November 2017

Place : Dhaka

Sd/-

AHMAD & AKHTAR

Chartered Accountants

Auditor's certificate regarding calculation of EPS and Ratios

SILCO PHARMACEUTICALS LTD.

Statement of Ratio Analysis

The following Ratios have been calculated by the management based on audited financial statements of Silco Pharmaceuticals Limited for the year/period ended 30 June 2017, 30 June 2016 and 31 December 2015 and the year ended 31 December 2014, 2013 and 2012. Selected Ratio as specified in rule 4(1)(d) Annexure D of the Securities and Exchange Commission (Public Issue) Rules, 2015.

Particulars	30-Jun-17	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
	Result	Result	Result	Result	Result	Result

I. Liquidity Ratios:

(i) Current Ratio	4.27	5.00	5.40	3.86	2.51	1.43
(ii) Quick Ratio	1.78	2.03	2.29	1.21	0.85	0.52

II. Operating Efficiency Ratios:

(i) Accounts Receivable Turnover Ratio	3.22	1.54	3.65	4.75	6.23	7.33
(ii) Inventory Turnover Ratio	1.74	0.83	1.63	1.88	2.24	2.41
(iii) Asset Turnover Ratio	0.47	0.24	0.50	0.50	0.67	0.69

III. Profitability Ratios:

(i) Gross Margin Ratio	32.09%	35.58%	36.34%	26.68%	39.02%	43.02%
(ii) Operating Profit Ratio	18.65%	22.14%	22.55%	12.49%	27.92%	31.30%
(iii) Net Profit Ratio	11.35%	13.63%	13.75%	7.46%	14.12%	15.12%
(iv) Return on Assets Ratio	5.38%	3.32%	6.84%	3.74%	9.52%	10.39%
(v) Return on Equity Ratio	6.50%	3.98%	10.51%	8.41%	25.25%	36.30%
(vi) Earnings Per Share (EPS)	1.60	0.93	1.82	0.94	2.34	2.20
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	27.96%	31.04%	31.33%	21.39%	35.13%	39.07%

IV. Solvency Ratios:

(i) Debt to Total Assets Ratio	0.0037	0.01	0.01	0.02	0.01	0.02
(ii) Debt to Equity Ratio	0.0045	0.01	0.01	0.05	0.02	0.08
(iii) Times Interest Earned Ratio	50.41	147.96	60.86	26.12	286.53	46.92
(iv) Debt Service Coverage Ratio	35.58	38.34	11.35	44.71	14.93	11.71

V. Cash Flow Ratios:

(i) Net Operating Cash Flow per Share (NOCFPS)	3.35	2.08	1.19	0.56	3.01	1.68
(ii) NOCFPS to EPS Ratio	2.09	2.24	0.65	0.59	1.28	0.76

We have examined the calculation procedure of the above ratios of Silco Pharmaceuticals Limited for the year/period ended 30 June 2017, 30 June 2016 and the year ended 31 December 2015, 2014, 2013, 2012 and no material deviation found in the result.

The details calculation is presented in Annexure-I

Dated: 10 October 2017

Place : Dhaka

Sd/-
AHMAD & AKHTAR
Chartered Accountants

(18) Public issue application process:

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account **and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application.** No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
 - c. **Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).**

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the **first banking hour of next working day** of the cut-off date;
 - c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.

6. The Stockbroker/Merchant Banker shall prepare category-wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and **within 03 (three) working days** from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers **up to 6 months** from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges **within 10 (ten) working days** from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites **within 06 (six) hours** and on the websites of the Commission and Exchanges **within 12 (twelve) hours** of lottery.
14. **Within 02 (two) working days** of conducting lottery, the Issuer shall:
 - a. send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b. send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c. issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
 - d. send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. **On the next working day**, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a. remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b. send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
 - a. release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b. remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. **On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (**FC account which has been debited to apply by NRB or foreign applicants**) through banking channel within **10 (ten) working days** from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.

25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

All eligible Stock Brokers and Merchant Bankers shall receive the IPO subscription.

The IPO subscription money collected from successful applicants (other than NRB applicants) by the Stockbrokers/Merchant Bankers will be remitted to the Company's **HPAC Account No. 1011360531186** with **Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban, 10, Dilkusha C/A, Dhaka-1000, Bangladesh** for this purpose.

The IPO subscription money collected from successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purpose are as follows:

SL	Name of the A/C	Account No.	Type of A/C	Currency	Bank & Branch
1	Silco Pharmaceuticals Limited	1013050531221	FC A/C	USD	Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban, 10, Dilkusha C/A, Dhaka-1000
2		1013060531210		GBP	
3		1013070531196		EURO	