

ACI Formulations Limited

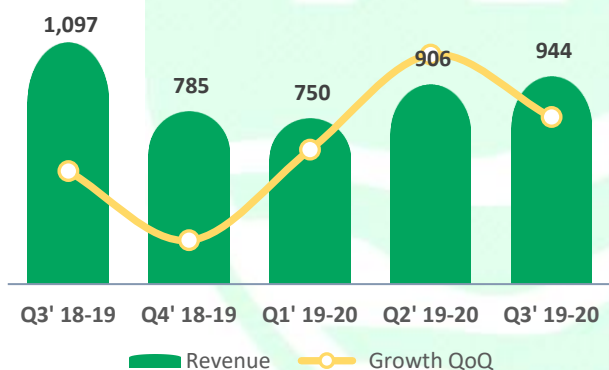
3rd Quarter, FY 2019-20; Business Highlights & Reasons for Significant Deviations

As a group, ACI formulations has 4 business portfolios which are comprised of CC&PH & Flora, Consumer Brands, Paint and Neem. The total revenue of all business for the 3rd Quarter stood at BDT 944 Mn for the FY 2019-20.

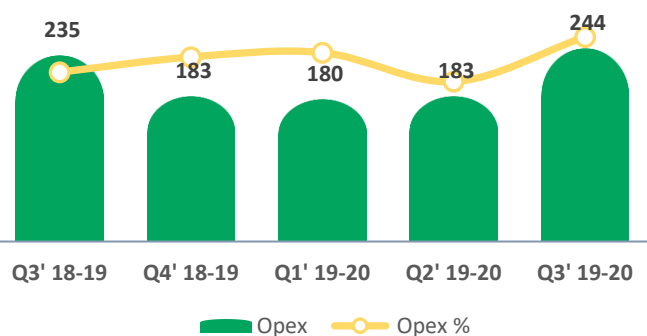
Executive Summary (Based on Consolidated Level):

BDT Million	Q3 2019-20	Q3 2018-19	Q2 2019-20	Q-Q SQLY	Q-Q PQTY
Revenue	944	1,097	906	-14%	4%
Gross Profit	343	343	306	0.2%	12%
OpEx	244	235	183	4%	33%
OpEx % to Revenue	26%	21%	20%		
PBT	40	47	62	-15%	-36%
NPAT Attributable to equity holders	29	37	46	-20%	-36%
NOCF	329	(92)	163	458%	102%

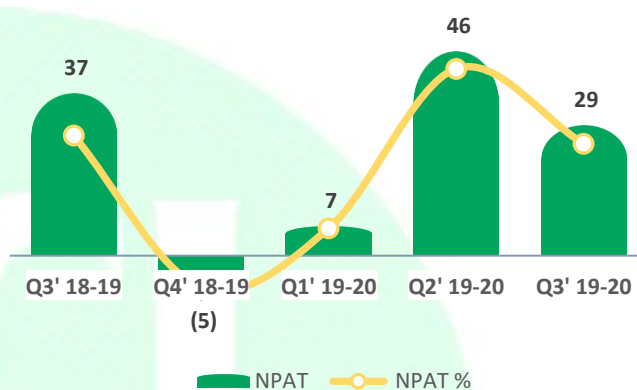
The consolidated revenue of ACI Formulations Limited is BDT 944 Mn in the 3rd Quarter of the FY 2019-20 against BDT 1,097 Mn of the Same Quarter Last Year (SQLY) due to lower revenue in CB and paint portfolios. Despite the decrease in revenue by 14%, Gross Profit (GP) has remained almost at par with SQLY due to increased GP margin of 36% from 31% of SQLY.



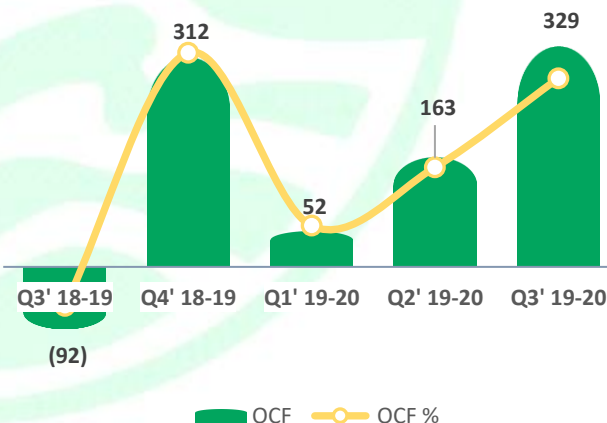
The consolidated operating expenses for the 3rd quarter is higher than the SQLY by BDT 9 Mn. The increase in OpEx is mainly for increased corporate salary, staff welfare and promotional expenses compared to SQLY while slightly increasing in other areas from SQLY. However, the selling expenses have been improved from that of SQLY.



The consolidated Net Profit After Tax (NPAT) attributable to equity holders for the 3rd quarter is BDT 29 Mn that is lower than that of SQLY. The main reason for this decrease in NPAT is due to significant negative growth of revenue in CB and Paint Portfolios from SQLY.



In line with the consolidated NPAT for the 3rd Quarter attributable to equity holders consolidated Earnings per Share (EPS) has reached to BDT 0.65 per share from BDT 0.81 per share of SQLY.



Consolidated Net Operating Cash Flow (CNOCF) in the 3rd Quarter of FY 2019-20 is BDT 7.32 per share against negative BDT 2.05 per share of SQLY with a positive growth of 458% from SQLY. This has happened mostly as a result of better working capital management.