

# ACI Formulations Limited

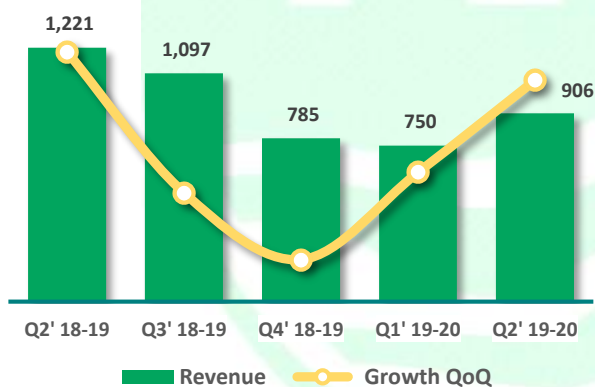
2<sup>nd</sup> Quarter, FY 2019-20; Business Highlights & Reasons for Significant Deviations

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 2<sup>nd</sup> Quarter of FY 2019-20 stood at BDT 906 Mn.

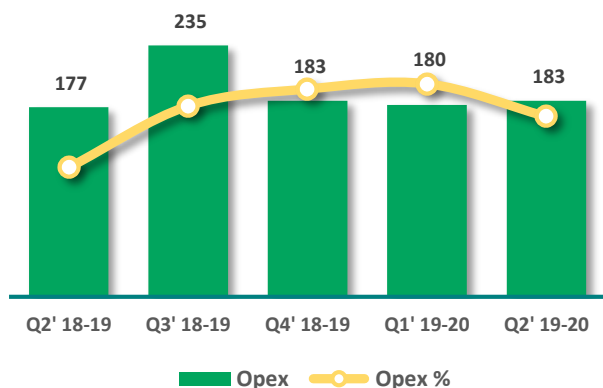
## Executive Summary (Based on Consolidated Level):

BDT Million	Q2 2019-20	Q2 2018-19	Q1 2019-20	Q-Q SQLY	Q-Q SQLY
Revenue	906	1,221	750	-26%	21%
Gross Profit	306	370	250	-17%	22%
OpEx	183	177	180	3%	2%
OpEx % to revenue	20%	15%	24%		
PBT	62	131	10	-53%	522%
NPAT	46	82	7	-44%	594%
NOCF	163	(302)	52	154%	216%

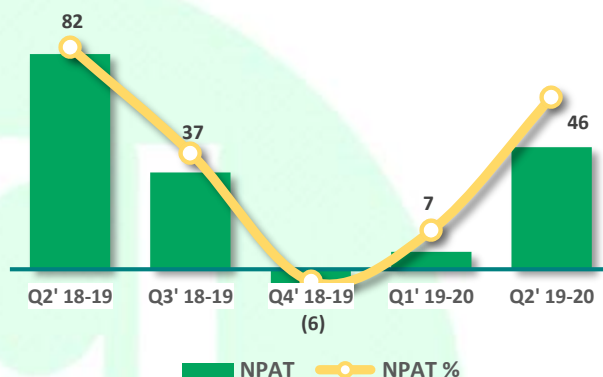
The consolidated Revenue of ACI Formulations Limited is BDT 906 Mn in the 2<sup>nd</sup> Quarter of the FY 2019-20 against BDT 1,221 Mn of the Same Quarter Last Year (SQLY) due to lower Revenue in some portfolios. Though the Revenue decreased by 26%, Gross Profit (GP) decreased by 17% from SQLY mainly due to higher proportionate sales of higher margin products.



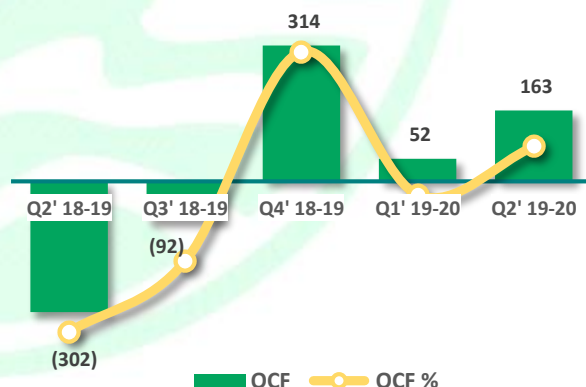
The consolidated Operating Expenses for the 2<sup>nd</sup> quarter is higher than the SQLY by BDT 6 Mn. The increase in OpEx is mainly for increased seasonal bonus & trade incentives and reimbursed distribution costs compared to SQLY while improving in other areas from SQLY.



The consolidated Net Profit After Tax (NPAT) for the 2<sup>nd</sup> quarter is BDT 46 Mn against BDT 82 Mn of SQLY. The main reason for this decrease in consolidated NPAT is due to de-growth of Revenue due to falling rice price during last paddy harvesting season and lower demand by contract manufacturer while the expenses remain close to those of SQLY.



In line with the consolidated NPAT for the 2<sup>nd</sup> Quarter consolidated Earnings per Share (EPS) has resulted into BDT 1.02 per share from BDT 1.81 per share of SQLY.



Consolidated Net Operating Cash Flow (CNOCF) in the 2<sup>nd</sup> Quarter of FY 2019-20 is BDT 3.63 per share against BDT (6.72) per share of SQLY with a positive growth of 154% from SQLY. This has happened mostly due to better working capital management.