

ACI Formulations Limited

Half Yearly Report 2019-2020

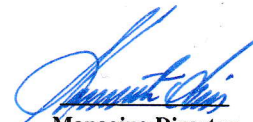
ACI Formulations Limited


Statement of financial position
Unaudited

Figures in "000"

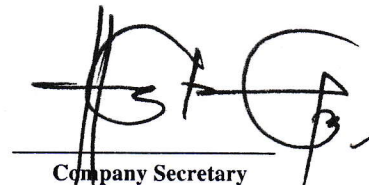
<i>In Taka</i>	Note	As at 31 December 2019	As at 30 June 2019
			Restated*
Assets			
Property, plant and equipment	5	1,913,922	1,944,656
Right-of-use assets		16,745	21,371
Investments	6	39,742	39,742
Non-current assets		1,970,409	2,005,769
Inventories	8	1,461,053	1,625,583
Trade receivables	9	1,695,990	1,713,472
Other receivables		51,429	41,729
Inter-company receivables	10	23,087	22,983
Advances, deposits and prepayments	11	745,421	646,690
Cash and cash equivalents		198,674	297,708
Current assets		4,175,654	4,348,165
Total assets		6,146,063	6,353,934
Equity			
Share capital		450,000	450,000
Reserves		1,136,393	1,136,393
Retained earnings		780,377	885,396
Total equity		2,366,770	2,471,789
Liabilities			
Employee benefits	12	45,803	43,495
Deferred tax liabilities		42,501	48,918
Lease liabilities		11,544	16,111
Non-current liabilities		99,848	108,524
Bank overdrafts		118,095	128,759
Loans and borrowings		1,921,241	1,822,161
Lease liabilities- current portion		7,469	7,257
Trade payables		111,873	89,051
Other payables	13	411,860	248,013
Inter-company payables	14	750,970	1,146,287
Provision for tax		357,938	332,093
Current liabilities		3,679,445	3,773,621
Total liabilities		3,779,293	3,882,145
Total equity and liabilities		6,146,063	6,353,934
Net asset value (NAV) per share		52.59	54.93

*See Note 20-The Group has applied IFRS 16 using retrospective approach. Therefore, comparative information has been restated.


Managing Director


Director

Chief Financial Officer


Company Secretary

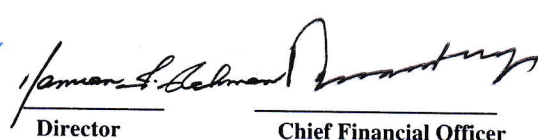
ACI Formulations Limited

Statement of profit or loss and other comprehensive income
Unaudited

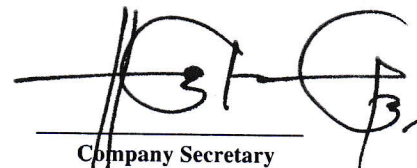
Figures in "000"

<i>In Taka</i>	Note	For the half year ended from		For the 2nd quarter ended from	
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Revenue	15	1,655,451	2,155,556	905,382	1,216,420
Cost of sales	16	(1,100,073)	(1,508,830)	(600,035)	(847,339)
Gross profit		555,378	646,726	305,347	369,081
Other income		2,909	2,696	1,025	1,596
Administrative, selling and distribution expenses	17	(362,661)	(381,929)	(183,298)	(176,634)
Operating profit		195,626	267,493	123,074	194,043
Finance costs, net		(119,931)	(104,800)	(57,819)	(56,622)
Profit before contribution to WPPF		75,695	162,693	65,255	137,421
Contribution to WPPF		(3,785)	(8,173)	(3,263)	(6,886)
Profit before tax		71,910	154,520	61,992	130,535
Tax expenses		(19,429)	(56,168)	(16,048)	(49,185)
Profit after tax		52,481	98,352	45,944	81,350
Other comprehensive income		-	-	-	-
Total comprehensive income		52,481	98,352	45,944	81,350
Earnings per share					
Basic earnings per share (BEPS)		1.17	2.19	1.02	1.81


Managing Director


Director


Chief Financial Officer


Company Secretary

ACI Formulations Limited
Statement of changes in equity
Unaudited

Figures in "000"

For the half year ended 31 December 2019

<i>In Taka</i>	Attributable to owner of the Company			
	Share capital	Revaluation reserve	Retained earnings	Total
Balance at 1 July 2019 as previously reported	450,000	1,136,393	886,894	2,473,287
Impact of initial application of IFRS 16	-	-	(1,498)	(1,498)
Restated balance at 1 July 2019	450,000	1,136,393	885,396	2,471,789
Total comprehensive income				
Profit for the period	-	-	52,481	52,481
Total comprehensive income	-	-	52,481	52,481
Transactions with owners of the company				
Contributions and distributions				
Final dividend for the year 2018-19	-	-	(157,500)	(157,500)
Total transactions with owners of the company	-	-	(157,500)	(157,500)
Balance at 31 December 2019	450,000	1,136,393	780,377	2,366,770

For the half year ended 31 December 2018

<i>In Taka</i>	Attributable to owner of the Company			
	Share capital	Revaluation reserve	Retained earnings	Total
Balance at 1 July 2018, as previously reported	450,000	1,136,393	915,940	2,502,333
Impact of initial application of IFRS 16	-	-	(559)	(559)
Restated balance at 1 July 2018	450,000	1,136,393	915,381	2,501,774
Total comprehensive income				
Profit for the period	-	-	98,352	98,352
Total comprehensive income	-	-	98,352	98,352
Transactions with owners of the company				
Contributions and distributions				
Final dividend for the year 2017-18	-	-	(157,500)	(157,500)
Total transactions with owners of the company	-	-	(157,500)	(157,500)
Balance at 31 December 2018	450,000	1,136,393	856,233	2,442,626

ACI Formulations Limited

**Statement of cash flows
Unaudited**


<i>In Taka</i>	Note	Figures in "000"	
		For the half year ended from	
		July 2019 to December 2019	July 2018 to December 2018
			Restated*
Cash flows from operating activities			
Cash received from customers and others		1,669,250	1,704,813
Cash paid to suppliers and employees		(1,275,015)	(1,997,427)
Cash (used in)/generated from operating activities		394,235	(292,614)
Payment for WPPF		(9,553)	(8,595)
Interest paid		(100,030)	(128,514)
Income tax paid		(70,748)	(62,059)
		(180,331)	(199,168)
Net cash (used in)/generated from operating activities*	18	213,904	(491,782)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,984)	(195,060)
Net cash (used in)/generated from investing activities		(1,984)	(195,060)
Cash flows from financing activities			
Inter-company debts received/(paid)		(395,421)	1,672,931
Proceeds from loans and borrowings		99,079	(970,353)
Payment for lease liability		(3,947)	(2,997)
Dividends paid		(1)	(83,041)
Net cash (used in)/generated from financing activities		(300,290)	616,540
Net increase in cash and cash equivalents		(88,370)	(70,302)
Cash and cash equivalents as at 1 July		168,949	98,542
Cash and cash equivalents as at 31 December		80,579	28,240
Closing balance represents			
Cash and cash equivalents		198,674	197,266
Bank overdraft		(118,095)	(169,026)
		80,579	28,240
Net operating cash flow per share (NOCFPS)		4.75	(10.93)


* See Note 18 for reconciliation of net operating cash flow.


ACI Formulations Limited
Consolidated Statement of Financial Position
Unaudited

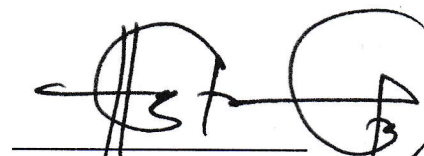
<i>In Taka</i>	Note	Figures in "000"	
		As at 31 December 2019	As at 30 June 2019 Restated*
Assets			
Property, plant and equipment	5(a)	1,915,485	1,946,404
Right-of-use assets		16,745	21,371
Investments	6(a)	35,794	35,794
Intangible assets	7	5,148	5,148
Non-current assets		1,973,172	2,008,717
Inventories	8(a)	1,461,277	1,641,861
Trade receivables	9(a)	1,697,365	1,718,347
Other receivables		53,863	41,674
Inter-company receivable	10(a)	15,004	3,658
Advances, deposits and prepayments	11(a)	747,834	649,979
Cash and cash equivalents		199,861	298,654
Current assets		4,175,204	4,354,173
Total assets		6,148,376	6,362,890
Equity			
Share capital		450,000	450,000
Reserves		1,136,393	1,136,393
Retained earnings		775,596	880,352
Equity attributable to the owner of the Company		2,361,989	2,466,745
Non controlling interest		(122)	(127)
Total equity		2,361,867	2,466,618
Liabilities			
Employee benefits	12	45,803	43,495
Deferred tax liabilities		42,204	48,621
Lease liabilities		11,544	16,111
Non-current liabilities		99,551	108,227
Bank overdrafts		118,095	128,759
Loans and borrowings		1,922,263	1,825,022
Lease liabilities- current portion		7,469	7,257
Trade payables		115,051	97,424
Other payables	13(a)	413,552	249,644
Inter-company payables	14	750,970	1,146,287
Provision for tax		359,558	333,652
Current liabilities		3,686,958	3,788,045
Total liabilities		3,786,509	3,896,272
Total equity and liabilities		6,148,376	6,362,890
Net asset value (NAV) per share		52.49	54.82

*See Note 20-The Group has applied IFRS 16 using retrospective approach. Therefore, comparative information has been restated.


Managing Director


Director


Chief Financial Officer

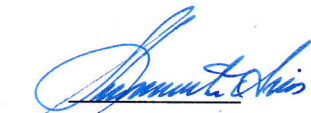

Company Secretary

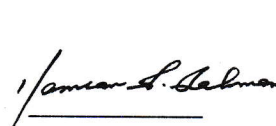
ACI Formulations Limited

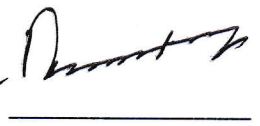
Consolidated statement of profit or loss and other comprehensive income
Unaudited

Figures in "000"

<i>In Taka</i>	Note	For the half year ended from		For the 2nd quarter ended from	
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Revenue	15(a)	1,656,056	2,169,597	905,693	1,220,584
Cost of sales	16(a)	(1,100,074)	(1,520,968)	(600,036)	(850,947)
Gross profit		555,982	648,629	305,657	369,637
Other income		2,909	2,696	1,025	1,596
Administrative, selling and distribution expenses	17(a)	(362,937)	(382,485)	(183,413)	(177,021)
Operating profit		195,954	268,840	123,269	194,212
Finance costs, net		(119,931)	(104,903)	(57,819)	(56,608)
Profit before contribution to WPPF		76,023	163,937	65,450	137,604
Contribution to WPPF		(3,785)	(8,173)	(3,263)	(6,886)
Profit before tax		72,238	155,764	62,187	130,718
Income tax expenses		(19,489)	(56,711)	(16,079)	(49,248)
Profit after tax		52,749	99,053	46,108	81,470
Other comprehensive income		-	-	-	-
Total comprehensive income		52,749	99,053	46,108	81,470
Total comprehensive income attributable to:					
Owners of the Company		52,744	99,039	46,105	81,468
Non controlling interest		5	14	3	2
		52,749	99,053	46,108	81,470
Earnings per share					
Basic earnings per share (BEPS)		1.17	2.20	1.02	1.81


Managing Director


Director


Chief Financial Officer


Company Secretary

ACI Formulations Limited

Consolidated statement of changes in equity
Unaudited

Figures in "000"

<i>In Taka</i>	For the half year ended 31 December 2019					
	Attributable to owner of the Company				Non-controlling interests	Total equity
	Share capital	Revaluation reserve	Retained earnings	Total		
Balance at 1 July 2019 as previously reported	450,000	1,136,393	881,850	2,468,243	(127)	2,468,116
Impact of initial application of IFRS 16	-	-	(1,498)	(1,498)	-	(1,498)
Restated balance at 1 July 2019	450,000	1,136,393	880,352	2,466,745	(127)	2,466,618
Total comprehensive income						
Profit for the period	-	-	52,744	52,744	5	52,749
Total comprehensive income	-	-	52,744	52,744	5	52,749
Transactions with owners of the company						
Contributions and distributions						
Final dividend for the year 2018-19	-	-	(157,500)	(157,500)	-	(157,500)
Total transactions with owners of the company	-	-	(157,500)	(157,500)	-	(157,500)
Balance as at 31 December 2019	450,000	1,136,393	775,596	2,361,989	(122)	2,361,867

<i>In Taka</i>	For the half year ended 31 December 2018					
	Attributable to owner of the Company				Non-controlling interests	Total equity
	Share capital	Revaluation reserve	Retained earnings	Total		
Balance at 1 July 2018, as previously reported	450,000	1,136,393	909,029	2,495,422	(165)	2,495,257
Impact of initial application of IFRS 16	-	-	(559)	(559)	-	(559)
Restated balance at 1 July 2018	450,000	1,136,393	908,470	2,494,863	(165)	2,494,698
Total comprehensive income						
Profit for the period	-	-	99,039	99,039	14	99,053
Total comprehensive income	-	-	99,039	99,039	14	99,053
Transactions with owners of the company						
Contributions and distributions						
Final dividend for the year 2017-18	-	-	(157,500)	(157,500)	-	(157,500)
Total transactions with owners of the company	-	-	(157,500)	(157,500)	-	(157,500)
Balance as at 31 December 2018	450,000	1,136,393	850,009	2,436,402	(151)	2,436,251

ACI Formulations Limited
Consolidated statement of cash flows
Unaudited

<i>In Taka</i>	Note	Figures in "000"	
		For the half year ended from	
		July 2019 to December 2019	July 2018 to December 2018
			Restated*
Cash flows from operating activities			
Cash received from customers and others		1,673,355	1,726,237
Cash paid to suppliers and employees		(1,278,343)	(2,016,115)
Cash (used in)/generated from operating activities		395,012	(289,878)
Payment for WPPF		(9,553)	(8,595)
Interest paid		(100,030)	(128,617)
Income tax paid		(70,815)	(62,059)
		(180,398)	(199,271)
Net cash (used in)/generated from operating activities*	18 (a)	214,614	(489,149)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,984)	(195,060)
Net cash (used in)/generated from investing activities		(1,984)	(195,060)
Cash flows from financing activities			
Inter-company debts received/(paid)		(394,054)	1,672,931
Proceeds from loans and borrowings		97,242	(975,524)
Payment for lease liability		(3,947)	(2,997)
Dividends paid		(1)	(83,041)
Net cash (used in)/generated from financing activities		(300,760)	611,369
Net increase in cash and cash equivalents		(88,130)	(72,840)
Cash and cash equivalents as at 1 July		169,896	98,608
Cash and cash equivalents as at 31 December		81,766	25,768
Closing balance represents			
Cash and cash equivalents		199,861	194,794
Bank overdraft		(118,095)	(169,026)
		81,766	25,768
Net operating cash flow per share (NOCFPS)		4.77	(10.87)

* See Note 18(a) for reconciliation of consolidated net operating cash flow.

ACI Formulations Limited

Notes to the financial statements as at and for the half year ended on 31 December 2019 Unaudited

1. Company profile:

ACI Formulations Limited, a subsidiary of Advanced Chemical Industries Limited, domiciled in Bangladesh. The company's shares are listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Principal activities of the company are manufacturing and marketing of a number of agrochemical, consumer brand and paint products.

2. Subsidiaries of ACI Formulations Limited:

ACI Formulations Limited has one subsidiary namely Neem Laboratories (Pvt.) Ltd, engaged in manufacturing and marketing of herbal products . ACI Formulations Limited through its voting rights controls the operating and financing activities of this entity.

3. Consolidated Financial statements:

In addition to the separate financial statements, the consolidated financial statements of the company have been prepared and included in this interim financial report as per BFRS 10: Consolidated Financial Statements. In separate Financial Statements, investment in subsidiaries has been carried at cost as per BAS 27: Separate Financial Statements.

4. Selected explanatory notes:

These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the year ended 30 June 2019. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

5 Property, plant & equipment

	<u>Figures in '000'</u>	
	<u>31- Dec -19</u>	<u>30-June -19</u>
	<u>Taka</u>	<u>Taka</u>
Opening balance	2,156,021	1,937,597
Addition during the period/year	1,742	218,424
	<u>2,157,763</u>	<u>2,156,021</u>
Accumulated depreciation at the end of period/year	<u>(243,841)</u>	<u>(211,365)</u>
Closing balance	<u><u>1,913,922</u></u>	<u><u>1,944,656</u></u>

	<u>31- Dec -19</u> <u>Taka</u>	<u>30-June -19</u> <u>Taka</u>
5(a) Consolidated Property, plant & equipment		
Opening balance	2,160,982	1,942,558
Addition during the period/year	1,742	218,424
	<u>2,162,724</u>	<u>2,160,982</u>
Accumulated depreciation at the end of period/year	<u>(247,239)</u>	<u>(214,578)</u>
Closing balance	<u><u>1,915,485</u></u>	<u><u>1,946,404</u></u>
6. Investments		
Investment in subsidiaries	3,948	3,948
Investment in FDR	35,719	35,719
Investment in shares of ACI Motors Limited	75	75
	<u>39,742</u>	<u>39,742</u>
6(a) Consolidated investments		
Investment in FDR	35,719	35,719
Investment in Shares- ACI Motors Limited	75	75
	<u>35,794</u>	<u>35,794</u>
7. Intangible assets		
Goodwill on acquisition :		
Neem Laboratories (Pvt.) Limited	5,148	5,148
	<u>5,148</u>	<u>5,148</u>
8. Inventories		
Raw and packing materials	663,651	823,197
Finished goods	651,947	724,125
Goods in transit	140,161	66,926
Other inventories	26,156	25,972
Allowances for slow moving inventory	<u>(20,862)</u>	<u>(14,637)</u>
	<u><u>1,461,053</u></u>	<u><u>1,625,583</u></u>
8(a). Consolidated inventories		
Raw and packing materials	663,651	837,461
Finished goods	652,223	726,307
Stock in transit	140,386	67,705
Other inventories	26,156	25,972
Allowances for slow moving inventory	<u>(21,139)</u>	<u>(15,584)</u>
	<u><u>1,461,277</u></u>	<u><u>1,641,861</u></u>
9. Trade receivables:		
Related parties	-	-
Other than related parties	1,844,710	1,856,389
	<u>1,844,710</u>	<u>1,856,389</u>
Allowances for doubtful debts	<u>(148,720)</u>	<u>(142,917)</u>
	<u><u>1,695,990</u></u>	<u><u>1,713,472</u></u>
Below six months	1,418,812	1,401,909
Over six months	425,898	454,480
Allowances for doubtful debts	<u>(148,720)</u>	<u>(142,917)</u>
	<u><u>1,695,990</u></u>	<u><u>1,713,472</u></u>

	<u>31- Dec -19</u> <u>Taka</u>	<u>30-June -19</u> <u>Taka</u>
9(a). Consolidated trade receivables		
Related parties	-	-
Other than related parties	<u>1,846,085</u>	<u>1,861,264</u>
	1,846,085	1,861,264
Allowances for doubtful debts	<u>(148,720)</u>	<u>(142,917)</u>
	<u>1,697,365</u>	<u>1,718,347</u>
Below six months	1,420,187	1,406,784
Over six months	425,898	454,480
Allowances for doubtful debts	<u>(148,720)</u>	<u>(142,917)</u>
	<u>1,697,365</u>	<u>1,718,347</u>
10 . Inter-company receivables		
Neem Laboratories (Pvt.) Ltd.	<u>23,087</u>	<u>22,983</u>
	<u>23,087</u>	<u>22,983</u>
10(a) . Consolidated inter-company receivables		
ACI Limited	<u>15,004</u>	<u>3,658</u>
	<u>15,004</u>	<u>3,658</u>
11. Advances, deposits & prepayments		
Advances:		
Staffs	313	591
Suppliers & others	71,779	40,985
VAT current account	2,928	9,542
Advance income tax (Note- 11.1)	<u>631,610</u>	<u>560,862</u>
	<u>706,630</u>	<u>611,980</u>
Deposits:		
Security deposits	12,880	11,704
Bank guarantee margin	<u>11,565</u>	<u>18,093</u>
	<u>24,445</u>	<u>29,797</u>
Prepayments:		
Prepaid expenses	<u>14,346</u>	<u>4,913</u>
	<u>14,346</u>	<u>4,913</u>
	<u>745,421</u>	<u>646,690</u>
11.1 Advance income tax		
Opening balance	560,862	403,492
Paid during the period/year	<u>70,748</u>	<u>157,370</u>
	<u>631,610</u>	<u>560,862</u>

	<u>31- Dec -19</u> <u>Taka</u>	<u>30-June -19</u> <u>Taka</u>
11(a). Consolidated advances, deposits & prepayments		
Advances:		
Staff	313	591
Suppliers & others	72,457	41,893
VAT current account	3,078	10,408
Advance income tax	633,195	562,377
	<u>709,043</u>	<u>615,269</u>
Deposits:		
Security deposits	12,880	11,704
Bank guarantee margin	11,565	18,093
	<u>24,445</u>	<u>29,797</u>
Prepayments:		
Prepaid expenses	14,346	4,913
	<u>14,346</u>	<u>4,913</u>
	<u>747,834</u>	<u>649,979</u>
12. Employee benefits		
Net defined benefit obligation	11,340	32,395
Other employee benefits	34,463	11,100
	<u>45,803</u>	<u>43,495</u>
13. Other payables		
Creditor for expenses	185,851	193,889
Interest payable	31,275	16,289
Security money payable	13,096	11,766
Unpaid dividend	169,309	11,810
Withholding tax and VAT	8,544	4,706
Provision for workers' profit participation fund	3,785	9,553
	<u>411,860</u>	<u>248,013</u>
13(a). Consolidated other payables		
Creditor for expenses	187,342	195,339
Interest payable	31,275	16,289
Security money payable	13,096	11,766
Unpaid dividend	169,309	11,810
Withholding tax and VAT	8,745	4,887
Provision for workers' profit participation fund	3,785	9,553
	<u>413,552</u>	<u>249,644</u>
14. Inter-company payables		
ACI Limited	750,970	1,146,287
	<u>750,970</u>	<u>1,146,287</u>

		<u>for the half year ended on</u>	
		<u>31-Dec-19</u>	<u>31-Dec-18</u>
		<u>Taka</u>	<u>Taka</u>
15.	Revenue		
	Crop Care & Public Health	1,283,020	1,453,360
	Mosquito Coil	5,732	109,780
	Aerosol	135,497	275,130
	Paint	222,218	291,171
	Vanish	8,984	26,115
		<u>1,655,451</u>	<u>2,155,556</u>
15(a).	Consolidated revenue		
	Crop Care & Public Health	1,283,020	1,453,360
	Mosquito Coil	5,732	109,780
	Aerosol	135,497	275,130
	Paint	222,218	291,171
	Others	9,589	40,156
		<u>1,656,056</u>	<u>2,169,597</u>
16.	Cost of sales		
	Opening stock	1,547,323	1,468,094
	Purchase	776,341	1,567,769
		<u>2,323,664</u>	<u>3,035,863</u>
	Closing stock	(1,315,598)	(1,642,584)
		<u>1,008,066</u>	<u>1,393,279</u>
	Manufacturing expenses	92,007	115,551
		<u>1,100,073</u>	<u>1,508,830</u>
16(a).	Consolidated cost of sales		
	Opening stock	1,563,768	1,482,299
	Purchase	776,340	1,581,940
		<u>2,340,108</u>	<u>3,064,239</u>
	Stock transferred to ACI Limited	(15,498)	-
	Closing stock	(1,315,874)	(1,660,104)
		<u>1,008,736</u>	<u>1,404,135</u>
	Manufacturing expenses	91,338	116,833
		<u>1,100,074</u>	<u>1,520,968</u>
17.	Administrative, selling and distribution expenses		
	Administrative expenses	64,581	68,516
	Distribution expenses	55,331	52,432
	Selling expenses	242,749	260,981
		<u>362,661</u>	<u>381,929</u>
17(a).	Consolidated administrative, selling and distribution expenses		
	Administrative expenses	64,857	69,072
	Distribution expenses	55,331	52,432
	Selling expenses	242,749	260,981
		<u>362,937</u>	<u>382,485</u>

18. Reconciliation of net operating cash flow

<i>In Taka</i>	for the half year ended on	
	31-Dec-19	31-Dec-18
Profit after tax	52,481	98,352
Adjustment for non cash items and others:		
- Depreciation and amortization	32,042	31,601
- Provisions	12,816	19,832
- Net finance cost	19,903	(23,714)
- Tax expense	(51,319)	(5,891)
- Contribution to WPPF	(5,769)	(422)
Changes in:		
- Inventories	158,306	(225,075)
- Trade and other receivables	1,166	(467,275)
- Advances, deposit and prepayments	(27,982)	(46,851)
- Trade and other payables, employment benefits'	22,260	127,661
Cash generating from operating activities	213,904	(491,782)

18 (a). Reconciliation of consolidated net operating cash flow

<i>In Taka</i>	for the half year ended on	
	31-Dec-19	31-Dec-18
Profit after tax	52,749	99,053
Adjustment for:		
- Depreciation and amortization	32,227	31,912
- Bad debts and inventory loss/(recovery)	12,816	20,046
- Net finance cost	19,903	(23,714)
- Tax expense	(51,326)	(5,348)
- Contribution to WPPF	(5,769)	(422)
Changes in:		
- Inventories	160,149	(226,159)
- Trade and other receivables	3,778	(459,893)
- Advances, deposit and prepayments	(27,038)	(48,170)
- Trade and other payables, employment benefits'	17,125	123,546
Cash generating from operating activities	214,614	(489,149)

19. Segment reporting

The Company has four reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Company's CEO reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Company's reportable segments:

Crop Care and Public Health (CC & PH) To manufacture and sell crop care and public health products.

Mosquito Coil (M Coil) To manufacture and sell mosquito coil products

Aerosol To manufacture and sell aerosol and air freshener products.

Paint To manufacture and sell of paint products.

Figures in '000'

Particulars	CC & PH		M Coil		Aerosol		Paint		Unallocated		Total	
	Half year ended on		Half year ended on		Half year ended on		Half year ended on		Half year ended on		Half year ended on	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Segment revenue:												
External revenues	1,283,020	1,453,360	5,732	109,780	135,497	275,130	222,218	291,171	8,984	26,115	1,655,451	2,155,556
Inter-segment revenues	-	-	-	-	-	-	-	-	605	14,041	605	14,041
Total revenue	1,283,020	1,453,360	5,732	109,780	135,497	275,130	222,218	291,171	9,589	40,156	1,656,056	2,169,597
Financing costs	(99,362)	(89,233)	-	-	-	-	(19,601)	(14,456)	(969)	(1,214)	(119,932)	(104,903)
Depreciation	(16,733)	(15,945)	(10,053)	(10,371)	(2,944)	(2,858)	(2,572)	(2,256)	(622)	(826)	(32,924)	(32,256)
Cost of sales excluding depreciation	(807,124)	(896,221)	5,031	(92,484)	(99,791)	(246,692)	(168,563)	(226,694)	(5,957)	(35,604)	(1,076,404)	(1,497,695)
Operating expenses excluding depreciation	(277,641)	(306,446)	(4,592)	(4,212)	(4,985)	(4,456)	(66,373)	(58,143)	(91)	(245)	(353,682)	(373,502)
Other income /(expense)	2,134	1,484	-	-	258	387	517	824	-	-	2,909	2,695
Profit before tax	80,079	139,649	(3,688)	2,577	26,633	20,435	(32,655)	(9,076)	1,870	2,179	72,238	155,764
Reportable segment assets	3,373,815	3,395,285	776,438	789,135	662,668	774,443	465,652	505,507	869,803	898,520	6,148,376	6,362,890
Reportable segment liabilities	1,937,330	2,347,992	17,514	20,511	94,190	168,645	91,892	78,202	1,645,583	1,280,922	3,786,509	3,896,272

20. The Group has applied IFRS 16 which has become initially applicable for the Group from 1 July 2019. As a result, the group has changed its accounting policies for lease contracts. The Group has applied IFRS 16 using retrospective approach. Therefore, comparative information have been restated.

21. Figures have been rounded off to the nearest '000' Taka and previous period's figures have been rearranged to conform to current period's presentation.