

ACI Formulations Limited

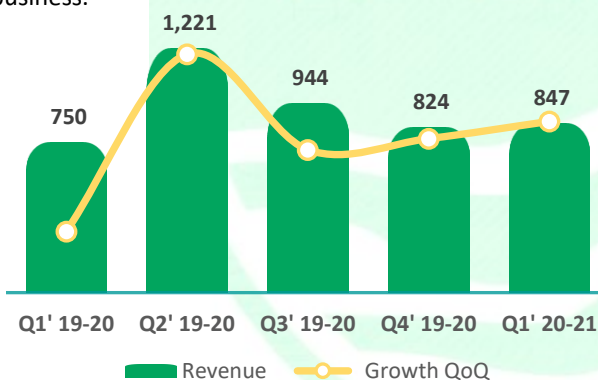
1st Quarter, FY 2020-21; Business Highlights & Reasons for Significant Deviations

As the group, ACI formulations has 4 business portfolios which are comprised of CC&PH & Flora, Contract manufacturing activity, Paint and Neem. The total revenue of all business for the 1st Quarter stood at BDT 847 Mn for the FY 2020-21.

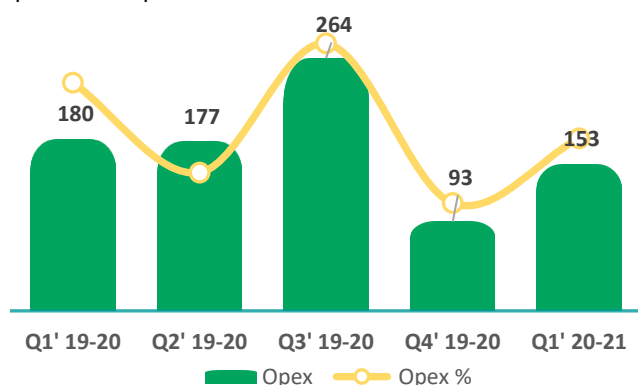
Executive Summary (Based on Consolidated Level):

BDT Million	Q1 2020-21	Q1 2019-20	Q-Q SQLY
Revenue	847	750	13%
Gross Profit	220	250	-12%
OpEx	153	180	-15%
OpEx % to Revenue	18%	24%	
PBT	27	10	165%
NPAT Attributable to equity holders	19	7	188%
NOCF	(90)	52	-273%

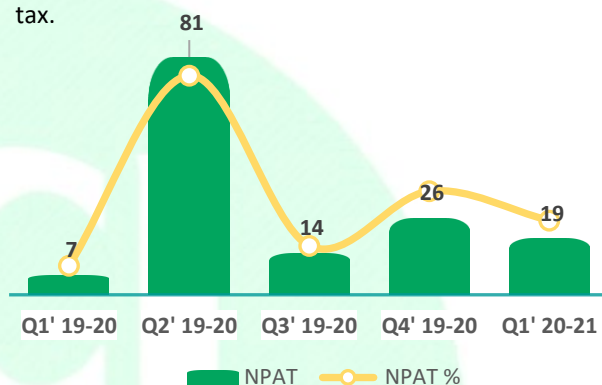
The consolidated revenue of ACI Formulations Limited is BDT 847 Mn in the 1st Quarter of the FY 2020-21 against BDT 750 Mn of the Same Quarter Last Year (SQLY) propelled by higher revenue in Consumer Brands, CC&PH and Neem. Despite the increase in revenue by 13%, Gross Profit (GP) has decreased by 12% from SQLY due to lower margin from contract manufacturing activity and Paint business.



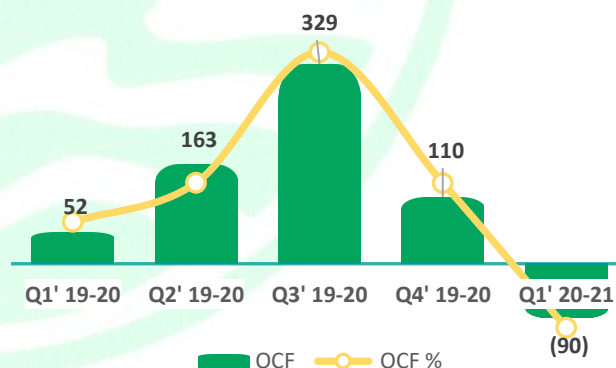
The consolidated operating expenses for the 1st Quarter is lower than the SQLY by BDT 27 Mn. The decrease in OpEx is mainly for effective control over selling and distribution expenses compared to SQLY.



The consolidated Net Profit After Tax (NPAT) attributable to equity holders for the 1st Quarter is BDT 19 Mn that is higher than that of SQLY. The effective control over operating expenses coupled with lower financing cost due to lower interest rate and efficient & effective utilization of working capital through optimized inventory and receivable management led to higher consolidated profit after tax.



In line with the consolidated NPAT for the 1st Quarter attributable to equity holders consolidated Earnings per Share (EPS) has reached to BDT 0.42 per share from BDT 0.15 per share of SQLY.



Consolidated Net Operating Cash Flow (CNOCF) in the 1st Quarter of FY 2020-21 is negative BDT 1.99 per share against BDT 1.15 per share of SQLY with a negative growth of 273% from SQLY. This has happened mostly as a result of higher consumption of working capital due to inventory build-up for upcoming 2nd Quarter.