

ACI Formulations Limited

2nd Quarter, FY 2020-21; Business Highlights & Reasons for Significant Deviations

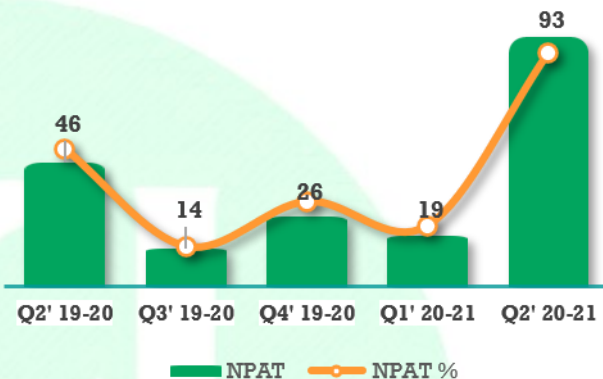
As the group, ACI Formulations Limited has 4 business portfolios which are comprised of CC&PH & Flora, Contract manufacturing activity, Paint and Neem. The total revenue of all business for the 2nd Quarter stood at BDT 1,068 Mn for the FY 2020-21.

Executive Summary:

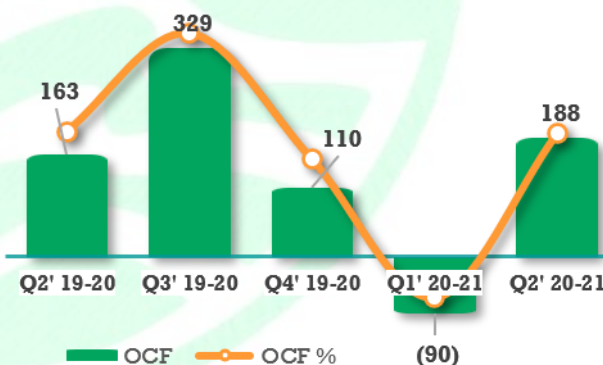
BDT Million	Q2 2020-21	Q2 2019-20	Q1 2020-21	Q-Q SQLY	Q-Q PQTY
Revenue	1,068	906	847	18%	26%
Gross Profit	341	306	220	12%	55%
OpEx	177	183	153	-4%	15%
OpEx % to revenue	17%	20%	18%		
PBT	127	62	27	105%	378%
NPAT	93	46	19	101%	384%
NOCF	188	163	(90)	15%	310%

The consolidated Net Profit After Tax (NPAT) attributable to equity holders for the 2nd Quarter is BDT 93 Mn that is higher than SQLY. The effective control over operating expenses coupled with lower financing cost due to lower interest rate and efficient working capital management led to higher consolidated profit after tax.

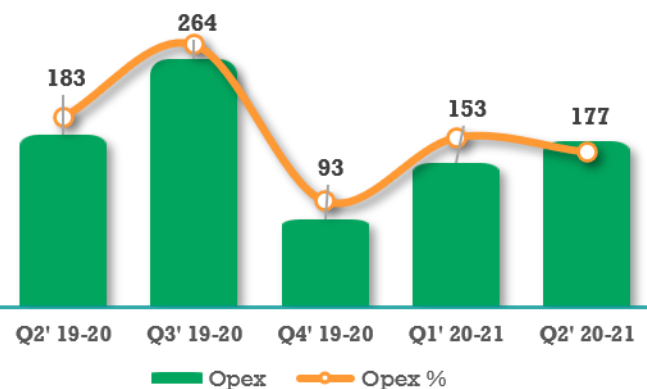
The consolidated revenue of ACI Formulations Limited is BDT 1,068 Mn in the 2nd Quarter of the FY 2020-21 against BDT 906 Mn of the Same Quarter Last Year (SQLY) propelled by higher revenue in Contract Manufacturing activities and CC&PH. Despite the increase in revenue by 18%, Gross Profit (GP) has increased by 12% from SQLY due to lower margin from Contract Manufacturing activities and Paint business.



In line with the consolidated NPAT for the 2nd Quarter attributable to equity holders consolidated Earnings per Share (EPS) has reached to BDT 2.06 per share from BDT 1.02 per share of SQLY.



The consolidated operating expenses for the 2nd Quarter is lower than the SQLY by BDT 6 Mn. The decrease in OpEx is mainly for effective control over selling and distribution expenses compared to SQLY.



Consolidated Net Operating Cash Flow (CNOCF) in the 2nd Quarter of FY 2020-21 is BDT 4.18 per share against BDT 3.62 per share of SQLY with a growth of 15.5% from SQLY. This has happened mostly as a result of better working capital management.