

Advanced Chemical Industries Limited

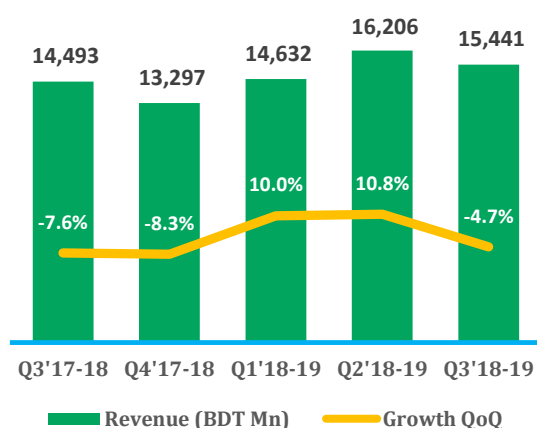
3rd Quarter, FY 2018-19 Business Highlights & Reasons for Significant Deviations

ACI Limited, as a group, has reported 17.7% (YoY) total revenue growth in FY 2017-18 and it has also displayed a promising performance through a decent growth in revenue and gross profit in the current year.

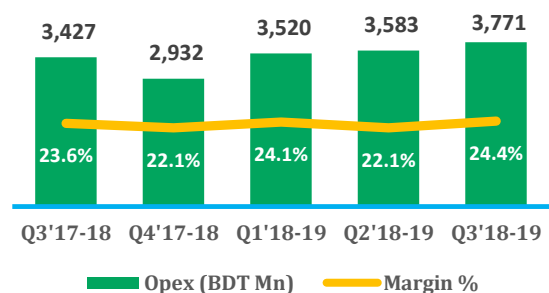
Executive Summary (Reported Basis on a consolidated level):

BDT Million	Q3 2018-19	Q3 2017-18	Q2 2018-19	Q-Q SQLY	Q-Q PQTY
Revenue	15,441	14,493	16,206	6.5%	-4.7%
Gross Profit	4,208	4,122	4,738	2.1%	-11.2%
OpEx	3,771	3,427	3,583	10%	5.2%
OpEx % to revenue	24.4%	23.6%	22.1%	3.4%	10.4%
NPAT	(312)	46	(39)	-778%	-700%
NOCF	(2,153)	(697)	(1,097)	-209%	-96%
NOCF Margin	-14%	-4.8%	-6.8%	-192%	-106%

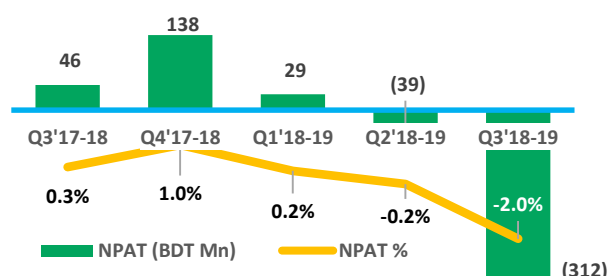
ACI Limited as a group has exhibited a decent revenue growth despite seasonality impact in the third quarter of FY 2018-19. It reported a revenue of BDT 15,441 Mn for the 3rd quarter of 2018, a growth of 7% from the Same Quarter Last Year (SQLY). The gross profit for the third quarter has experienced a 2% growth from the SQLY and a negative growth of 11% from the Previous Quarter This Year (PQTY).



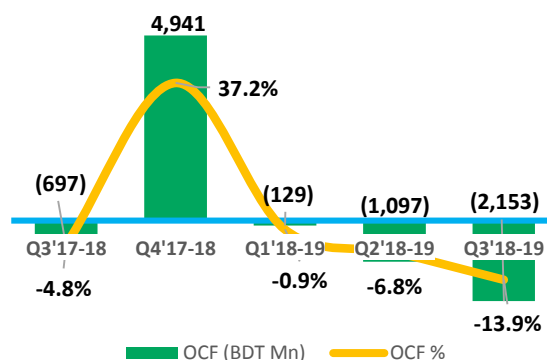
The consolidated operating expenses for the third quarter is BDT 3,771 Mn which is slightly higher than the PQTY. The Opex percentage to sales has slightly increased to 24% respectively from 24% and 22% of the SQLY and PQTY.



The consolidated Net Profit After Tax (NPAT) for the third quarter is negative BDT 312 Mn that is lower than that of SQLY. Despite having the edge in the Revenue, the third quarter has experienced a loss compared to the SQLY mostly because of higher interest rate, lower gross profit caused by upward exchange rate and not having any earn-out bonus.



The consequential results of negative consolidated profit (loss) ultimately generated a negative consolidated Earnings per Share (EPS) of BDT 6.25 per share which was positive BDT 0.93 per share in SQLY.



The consolidated Net Operating Cash Flows (NOCF) for the third quarter was negative BDT 2,153 Mn with a negative margin of 14%. The third quarter's NOCF has a negative growth of 209% from that of SQLY.