

Advanced Chemical Industries Limited

3rd Quarter, FY 2019-20; Business Highlights & Reasons for Significant Deviations

ACI Limited is the parent of ACI Group and the consolidated key financial information for the 3rd Quarter of FY 2019-20 comparing with the Same Quarter Last Year (SQLY) and Previous Quarter This Year (PQTY) is highlighted below:

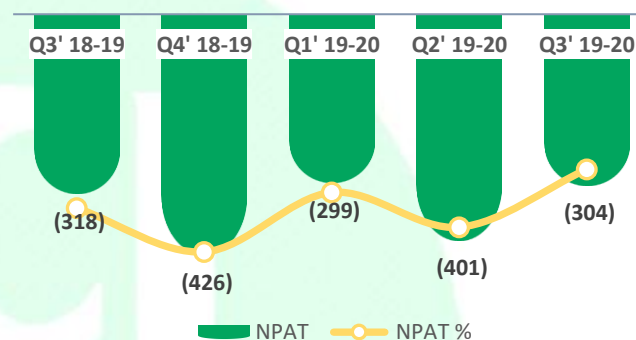
Executive Summary (Based on Consolidated Level):

BDT Million	Q3 2019-20	Q3 2018-19	Q2 2019-20	Q-Q SQLY	Q-Q PQTY
Revenue	18,406	15,441	17,681	19%	4%
Gross Profit	5,598	4,226	5,306	32%	6%
OpEx	4,402	3,751	4,261	17%	3%
OpEx % to Revenue	24%	24%	24%		
PBT	(41)	(169)	(44)	76%	7%
NPAT Attributable to equity holders	(304)	(318)	(401)	5%	24%
NOCF	929	(1,952)	(969)	148%	196%

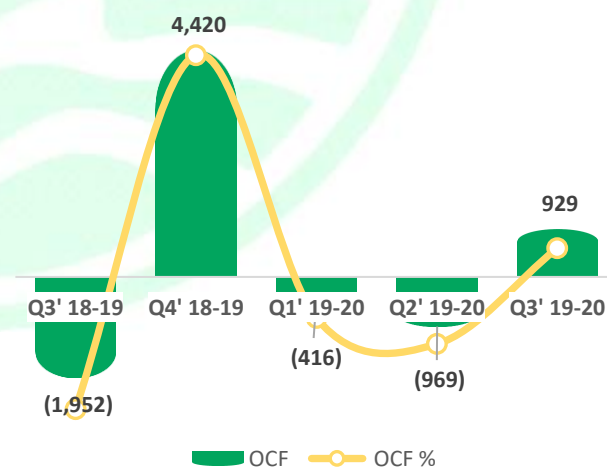
ACI Limited as the stand-alone company has registered a good growth in revenue and managed all the parameters of expenses better leading to significant growth in Profitability.

ACI Limited as a group has shown a decent revenue growth in the 3rd quarter of FY 2019-20. It reported a Revenue of BDT 18,406 Mn for the 3rd quarter of FY 2019-20, a growth of 19% from the Same Quarter Last Year (SQLY). The Gross Profit for the third quarter has demonstrated a promising 32% and 6% growth from the SQLY and the Previous Quarter This Year (PQTY) respectively due to the higher proportionate sales of higher margin products.

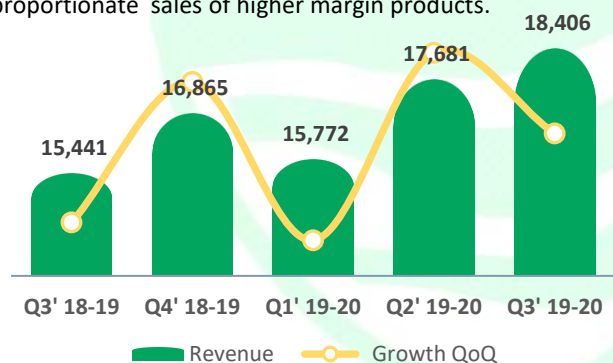
The consolidated Net Profit After Tax (NPAT) attributable to equity holders for the 3rd quarter is negative BDT 304 Mn improving from that of SQLY by BDT 14 Mn. Despite having the edge in the Revenue, the 3rd quarter has demonstrated a loss mostly because of the increased Operating Expenses (depreciation) and Financing Cost due to pre-commercial expenses of ACI HealthCare Limited established to manufacture medicine for regulated markets, especially for USA which is awaiting for approval from US FDA .



The consequential results of negative consolidated profit (loss) ultimately generated a negative consolidated Earnings per Share (EPS) of BDT 5.29 per share which was negative BDT 5.55 per share in the SQLY.



The consolidated Net Operating Cash Flows (NOCF) for the 3rd quarter was positive BDT 929 Mn against BDT negative 1,952 Mn of SQLY. The 3rd quarter's NOCF has a positive growth of 148% from that of SQLY indicating improved operational efficiency.



The consolidated operating expenses for the 3rd quarter is BDT 4,402 Mn which is higher than the SQLY by BDT 651 Mn. The OpEx percentage to Sales is 24% of Revenue which is the same as both the SQLY and PQTY.

