

# Finance Analytics Insights

These insights will help **AtliQ Hardwares** make well-informed financial decisions for the future. To sustain profitability, the company must balance its growth with cost-effective strategies and explore ways to **improve gross margins in specific markets**.

## ❖ Fiscal Year 2019

1. **Net Sales Growth:** AtliQ Hardwares saw a **significant rise in net sales from 2019 to 2020, achieving a growth rate of 204.5%**, demonstrating strong business expansion.
2. **Cost of Goods Sold (COGS):** The **COGS increased alongside net sales**, indicating that the company effectively managed its costs as sales grew.
3. **Gross Margin:** The **gross margin improved from 2019 to 2020**, showing that the company maintained profitability while scaling operations.
4. **Gross Margin Percentage (GM%):** Although **GM% declined slightly from 41.4% to 37.3%**, it remained at a **healthy level, reflecting sound cost management**.

## ❖ Fiscal Year 2020

1. **Continued Growth:** Net sales **continued to rise in 2020, reaching \$196.7 million**, marking a substantial increase from 2019.
2. **Effective Cost Control:** The company **efficiently managed COGS while expanding its operations**, ensuring steady profitability.
3. **Gross Margin Stability:** Despite increased sales, the **gross margin continued to improve**, reinforcing the company's financial strength.
4. **GM% Consistency:** The **GM% remained stable at 37.3%**, highlighting **effective cost-control measures**.

## ❖ Fiscal Year 2021

1. **Remarkable Growth:** The company **achieved significant growth in net sales, reaching \$598.9 million**, reflecting an **impressive 204.5% increase compared to 2020**.
2. **Profitability Challenges:** However, **GM% declined slightly from 37.3% to 36.4%**, indicating a need to **optimize costs to sustain profitability amid rapid expansion**.

## ❖ Market Analysis (FY 2021)

1. **Market-Specific Insights:** The **FY 2021 P&L statement** provides a detailed breakdown of **net sales, COGS, gross margin, and GM% across various markets**, offering key insights into regional performance.

2. **Profitability Across Markets: Variations in gross margin percentages** across different markets highlight regions where the company should focus on **cost control and pricing strategies**.
3. **Top-Performing Markets: South Korea and the USA** emerged as **the most profitable markets in terms of gross margin**.