

# INSIGHTS FROM FINANCE ANALYTICS

These insights offer a comprehensive view of AtliQ Hardwares sales performance over the years, spotlighting top performers, growth trends, and market-specific challenges and opportunities for improvement. Analyzing these insights can empower the company to make informed decisions, enhancing its sales strategy and overall performance.

## FISCAL YEAR 2019:

1. **Net Sales Growth:** AtliQ Hardwares witnessed a remarkable surge in net sales from 2019 to 2020, with a growth rate of **204.5%**. This substantial increase underscores a significant expansion of the company's sales during this period.
2. **Cost of Goods Sold (COGS):** Cost of goods sold (COGS) also **increased** in tandem with net sales, showcasing the company's adept management of costs in response to higher sales volumes.
3. **Gross Margin (GM):** The gross margin experienced a **positive** trend from 2019 to 2020, indicating that AtliQ Hardwares effectively maintained **profitability** while scaling up its operations.
4. **Gross Margin Percentage (GM %):** Despite a slight decrease in gross margin percentage (**from 41.4% to 37.3%**), it remained at a relatively healthy level, indicating efficient cost management by AtliQ Hardwares.

## FISCAL YEAR 2020:

1. **Continued Growth:** Net sales continued to ascend in 2020, surging to **\$196.7 million**, marking a substantial **increase** compared to 2019.
2. **Cost Management:** As the company scaled up its operations, it effectively controlled its cost of goods sold (**COGS**), maintaining a reasonable margin.
3. **Gross Margin:** The gross margin also saw an **increase**, reflecting the company's ability to sustain **profitability**.
4. **GM% Stability:** Despite the increase in sales, the gross margin percentage (GM%) remained relatively stable at **37.3%**, indicating the company's efficient cost control measures.

## FISCAL YEAR 2021:

1. **Remarkable Growth:** In 2021, there was a significant surge in net sales, reaching \$598.9 million, showcasing an impressive growth rate of **204.5%** compared to 2020.
2. **Challenges Ahead:** However, the gross margin percentage (**GM%**) experienced a

slight decrease from **37.3%** to **36.4%**, indicating that the company may need to focus on optimizing costs to sustain profitability in the midst of rapid growth.

## **MARKET ANALYSIS (FY 2021):**

1. **Market-Specific Insight:** The Profit and Loss (P&L) statement for FY 2021 offers a detailed breakdown of net sales, cost of goods sold (COGS), gross margin, and gross margin percentage (GM%) for different markets. This provides valuable insights into the performance of various regions.
2. **Profitability Across Market:** The varying gross margin percentages across different markets underscore areas where the company may need to prioritize cost management or implement strategic pricing strategies.
3. **Top Performing Markets:** South Korea and the USA emerge as the most profitable markets for AtliQ Hardwares, boasting the highest gross margins.