



LafargeHolcim

INTERIM **FINANCIAL** STATEMENTS

as at and for the
period ended 30 September 2022
(Un-audited)

LafargeHolcim Bangladesh Limited

A company of  LafargeHolcim and 

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Financial Position (Un-audited)
at 30 September 2022

		30 Sep 2022	31 Dec 2021
	NOTES	<u>Taka'000</u>	<u>Taka'000</u>
Assets			
Non-current assets			
Property, plant and equipment	7	16,319,212	16,384,327
Goodwill	8	317,776	317,776
Intangible assets	9	2,236,239	2,209,540
Total non-current assets		<u>18,873,227</u>	<u>18,911,643</u>
Current assets			
Inventories	10	3,271,990	2,903,883
Trade receivables	11	514,277	556,658
Other current assets	12	2,144,142	1,812,216
Advance income tax	13	-	160,942
Cash and cash equivalents	14	4,072,104	5,276,723
Total current assets		<u>10,002,513</u>	<u>10,710,422</u>
Total assets		<u>28,875,740</u>	<u>29,622,065</u>
Equity & liabilities			
Share capital	31.3	11,613,735	11,613,735
Retained earnings		6,825,641	8,162,968
Other components of equity		(238,406)	(231,712)
Foreign currency translation		373,568	249,045
Equity attributable to owners of the Company		<u>18,574,538</u>	<u>19,794,036</u>
Non-controlling interests		(158)	(210)
Total equity		<u>18,574,380</u>	<u>19,793,826</u>
Non-current liabilities			
Borrowings	15A	9,418	29,111
Deferred tax liabilities	16	1,974,580	2,278,353
Employee benefits		384,493	317,150
Provision	17	63,660	50,493
Total non-current liabilities		<u>2,432,151</u>	<u>2,675,107</u>
Current liabilities			
Trade payables	18	6,413,578	6,292,140
Other current liabilities	19	819,009	811,115
Borrowings	15B	50,423	31,215
Current income tax liabilities	13	436,529	-
Unclaimed dividend		149,670	18,662
Total current liabilities		<u>7,869,209</u>	<u>7,153,132</u>
Total equity and liabilities		<u>28,875,740</u>	<u>29,622,065</u>
Net Asset Value (NAV) Per Share	27C	<u>15.99</u>	<u>17.04</u>

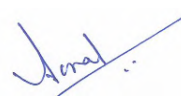
The accompanying Notes 1 to 31 form an integral part of these interim financial statements.




Company Secretary


Chief Financial Officer


Director


Director


Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Profit or Loss (Un-audited)
for the period ended 30 September 2022

	NOTES	Jan-Sep 2022 Taka '000	Jan-Sep 2021 Taka '000	Jul-Sep 2022 Taka '000	Jul-Sep 2021 Taka '000
Revenue	20	16,987,253	15,655,963	5,714,955	4,601,726
Cost of sales	21	(11,147,435)	(10,527,127)	(3,416,677)	(2,955,664)
Gross profit		5,839,818	5,128,836	2,298,278	1,646,062
Other operating income	24	25,066	81,088	9,049	38,187
General and administrative expenses	22	(1,214,713)	(1,078,409)	(448,347)	(353,968)
Sales and marketing expenses	23	(362,582)	(370,350)	(142,267)	(115,463)
Operating profit		4,287,589	3,761,165	1,716,713	1,214,818
Finance cost	25	(218,456)	(25,464)	(101,813)	(13,322)
Finance income	25	31,164	24,813	11,325	(4,743)
Profit before tax		4,100,297	3,760,514	1,626,225	1,196,753
Income tax	26	(792,129)	(671,752)	(491,553)	(260,105)
Profit for the period		3,308,168	3,088,762	1,134,672	936,648
Earning Per Share					
Basic (Taka)	27A	2.85	2.66	0.98	0.81
Diluted (Taka)	27A	2.85	2.66	0.98	0.81

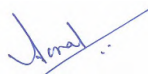
The accompanying Notes 1 to 31 form an integral part of these interim financial statements.




 Company Secretary


 Chief Financial Officer


 Director


 Director


 Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2022


	Jan-Sep 2022 <u>Taka'000</u>	Jan-Sep 2021 <u>Taka'000</u>	Jul-Sep 2022 <u>Taka '000</u>	Jul-Sep 2021 <u>Taka '000</u>
Profit for the period	<u>3,308,168</u>	<u>3,088,762</u>	<u>1,134,672</u>	<u>936,648</u>
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge instruments	(6,694)	29	(3,763)	2,529
Exchange differences on translating foreign operation	124,523	74,457	127,678	(989)
Non controlling interests- currency translation adjustment	52	1	29	(30)
Other comprehensive income for the period	<u>117,881</u>	<u>74,487</u>	<u>123,944</u>	<u>1,510</u>
Total comprehensive income for the period	<u>3,426,049</u>	<u>3,163,249</u>	<u>1,258,616</u>	<u>938,158</u>
Profit attributable to:				
Owners of the parent Company	3,425,997	3,163,248	1,258,587	938,188
Non-controlling interests	52	1	29	(30)
	<u>3,426,049</u>	<u>3,163,249</u>	<u>1,258,616</u>	<u>938,158</u>




 Company Secretary


 Chief Financial Officer


 Director


 Director


 Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2022

(All figures are in Tk. '000)

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2021	11,613,735	5,442,469	(89,671)	322,712	17,289,245	(170)	17,289,075
Total comprehensive income for the period	-	3,088,762	29	74,457	3,163,248	1	3,163,249
Dividend for 2020	-	(1,161,374)	-	-	(1,161,374)	-	(1,161,374)
Balance at 30 September 2021	11,613,735	7,369,857	(89,642)	397,169	19,291,119	(169)	19,290,950
Balance at 1 January 2022	11,613,735	8,162,968	(231,712)	249,045	19,794,036	(210)	19,793,826
Total comprehensive income for the period	-	3,308,168	(6,694)	124,523	3,425,997	52	3,426,049
Dividend for 2021	-	(2,903,435)	-	-	(2,903,435)	-	(2,903,435)
Interim dividend	-	(1,742,060)	-	-	(1,742,060)	-	(1,742,060)
Balance at 30 September 2022	11,613,735	6,825,641	(238,406)	373,568	18,574,538	(158)	18,574,380



Company Secretary

Chief Financial Officer

Director

Director

Chief Executive Officer

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 30 September 2022

	Notes	Jan-Sep 2022 <u>Taka'000</u>	Jan-Sep 2021 <u>Taka'000</u>
Cash flows from operating activities			
Cash receipts from customers		17,058,000	15,944,048
Cash paid to suppliers and employees		<u>(12,769,903)</u>	<u>(11,361,425)</u>
Cash generated from operations		4,288,097	4,582,623
Income tax paid		(498,431)	(371,900)
Other receipts		16,852	28,474
Net cash generated by operating activities	30	<u>3,806,518</u>	<u>4,239,197</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(518,523)	(450,736)
Proceeds from property, plant and equipment		8,214	7,935
Interest income on bank deposits		28,057	16,830
Net cash used in investing activities		<u>(482,252)</u>	<u>(425,971)</u>
Cash flows from financing activities			
Repayments of the lease liabilities		(19,693)	(30,816)
Payment other finance costs		(23,119)	(4,779)
Interest paid on lease liability		(4,923)	(7,704)
Dividend payment		(4,514,487)	(1,198,816)
Net cash used in financing activities		<u>(4,562,222)</u>	<u>(1,242,115)</u>
Net effect of foreign currency translation on cash and cash equivalents		33,337	1,810
Net (decrease)/increase in cash and cash equivalents		<u>(1,204,619)</u>	<u>2,572,921</u>
Cash and cash equivalents at beginning of the period		5,276,723	1,372,660
Cash and cash equivalents at end of the period	14	<u>4,072,104</u>	<u>3,945,581</u>
Net Operating Cash Flow Per Share (NOCFPS)	27B	<u>3.28</u>	<u>3.65</u>




Company Secretary


Chief Financial Officer


Director


Director


Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Notes to the Condensed Consolidated Financial Statements (Un-audited)
for the period ended 30 September 2022

1 General information

LafargeHolcim Bangladesh Limited (LHBL) - (hereinafter referred to as "the Company") was incorporated on 11 November 1997 as a private limited company in Bangladesh under the Companies Act 1994 having its registered office in Dhaka. At the time of incorporation the name of the Company was "Lafarge Surma Cement Limited". On 07 February 2017 the Registrar of Joint Stock Companies and Firms of Bangladesh (RJSC) approved the name change to "LafargeHolcim Bangladesh Limited" of the Company. The Company has subsequently been converted into a public limited company on 20 January 2003 and went for Initial Public Offering of shares in November 2003 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges. Presently the Company has two subsidiaries in India. The main objectives of the subsidiaries are to support the holding company. A brief description of each of the subsidiary is given below:

Lum Mawshun Minerals Private Limited (LMMPL) - incorporated under the Indian Companies Act 1956 on 17 November 1994 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

Lafarge Umiam Mining Private Limited (LUMPL) - incorporated under the Indian Companies Act 1956 on 22 March 1999 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

2 Nature of business

The Company operates cement and aggregates manufacturing plants at Chhatak under Sunamganj district, and three (3) grinding plants near Dhaka and Khulna. The Company extracts and processes the basic raw materials of limestone from the quarry in Meghalaya, India, owned by the Company's fully owned subsidiary Lafarge Umiam Mining Private Limited. A 17 kilometres cross-border conveyor belt links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of building materials in the local market and international market.

3 Basis of preparation

The consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

4 Principles of consolidation

The accounts of all the subsidiaries of the Company have been fully consolidated as the Company directly controls more than 50% of the voting shares of these entities.

The Company has made following investments in its subsidiaries which have been eliminated during consolidation:

Name of subsidiary	30 Sep 2022 Taka'000	31 Dec 2021 Taka'000
Lafarge Umiam Mining Private Limited, India	519,356	519,356
Lum Mawshun Minerals Private Limited, India	537	537
	<u>519,893</u>	<u>519,893</u>

All inter-company balances between the Company and its subsidiaries are eliminated on consolidation.

5 Scope of consolidation

The name of subsidiaries, country of incorporation and proportion of ownership interest are as follows:

<i>Name of subsidiary</i>	<i>Country of incorporation</i>	<i>% of ownership interest</i>
Lafarge Umiam Mining Private Limited	India	100
Lum Mawshun Minerals Private Limited	India	74

6 Significant accounting policies

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2021.

Comparative figures and account titles in the financial statements have been rearranged/reclassified where necessary to conform with changes in presentation in the current period.

	30 Sep 2022 Taka'000	31 Dec 2021 Taka'000
7 Property, plant and equipment*		
Cost		
At January 1	26,299,765	25,449,445
Additions	739,247	955,253
Disposals	(12,409)	(57,759)
Translation adjustment	292,447	(47,174)
At September 30/December 31	<u>27,319,050</u>	<u>26,299,765</u>
Depreciation		
At January 1	9,915,438	8,774,107
Disposals	(12,409)	(52,554)
Charge for the period	971,594	1,213,143
Translation adjustment	125,215	(19,258)
At September 30/December 31	<u>10,999,838</u>	<u>9,915,438</u>
Carrying amount	<u>16,319,212</u>	<u>16,384,327</u>
7.1 *Right-of-use assets (RoUA)		
Cost		
At January 1	179,597	179,597
At September 30/December 31	<u>179,597</u>	<u>179,597</u>
Depreciation		
At January 1	121,206	92,022
Charge for the period	19,693	29,184
At September 30/December 31	<u>140,899</u>	<u>121,206</u>
Carrying amount	<u>38,698</u>	<u>58,391</u>
8 Goodwill*		
Acquisition of subsidiary (Holcim Cement Bangladesh Limited)**	317,776	317,776
**Now Holcim Cement Bangladesh Limited is amalgamated with the LHBL	<u>317,776</u>	<u>317,776</u>
*Goodwill arising on acquisition of subsidiary is measured at cost less accumulated impairment losses.		
9 Intangible assets		
Cost		
At January 1	2,879,824	2,898,442
Translation adjustment	107,702	(18,618)
At September 30/December 31	<u>2,987,526</u>	<u>2,879,824</u>
Amortization		
At January 1	670,284	605,149
Charge for the period	30,921	73,212
Translation adjustment	50,082	(8,077)
At September 30/December 31	<u>751,287</u>	<u>670,284</u>
Carrying amount	<u>2,236,239</u>	<u>2,209,540</u>
10 Inventories		
Raw materials	945,390	907,028
Semi-finished and finished products	1,217,215	920,122
Parts and supplies	1,109,385	1,076,733
	<u>3,271,990</u>	<u>2,903,883</u>

	30 Sep 2022	31 Dec 2021
	Taka'000	Taka'000
11 Trade receivables		
Trade receivables	514,277	556,658
	514,277	556,658
12 Other current assets		
Advance payment to trade suppliers	271,350	184,532
Prepaid expenses	95,383	41,857
Security and other deposits	87,496	86,908
Other receivables- note 12.1	1,576,057	1,172,816
Advance payment to suppliers of fixed assets	100,624	307,360
Derivative assets	-	8,618
Accrued interest on bank deposits	13,232	10,125
	2,144,142	1,812,216
12.1 Gas sales agreement with JGTDS		
<p>The dispute between the Company and Jalalabad Gas Transmission and Distribution System Limited (JGTDS) over the Ceiling Price of gas payable by the Company to JGTDS under the Gas Sales Agreement dated January 19, 2003 (GSA) is pending before a three (3) member Arbitral Tribunal (the "Tribunal") constituted under the UNCITRAL Rules 1976 (the "Arbitration").</p> <p>The Arbitration is progressing as per the agreed timetable. On November 18, 2021, the Company submitted its Statement of Claim and on March 28, 2022, JGTDS submitted its Statement of Defence before the Tribunal. The Company filed its Counter Memorial on August 26, 2022. JGTDS shall submit their Counter Memorial by October 25, 2022. The date of final hearing of the Arbitration has been fixed from 12 to 16 December 2022. The Company has a good case before the Arbitration.</p> <p>In compliance with the order dated 18 March 2021 of the Appellate Division, Supreme Court of Bangladesh the Company has paid Taka 1,176 million to JGTDS against the past claim and differential gas price for the period from March 2021.</p>		
13 Current income tax liabilities- net of advance tax		
Advance income tax	8,434,877	7,936,446
Current tax liabilities	(8,871,406)	(7,775,504)
	(436,529)	160,942
14 Cash and cash equivalents		
Cash in hand	1,674	1,801
Cash at banks	4,070,430	5,274,922
Cash and cash equivalents in statement of financial position	4,072,104	5,276,723
15 Borrowings		
A. Borrowings-long term		
Non-current portion- leases liabilities	9,418	29,111
	9,418	29,111
B. Borrowings-short term		
Current portion of long-term leases liabilities	29,280	29,280
Derivative liabilities*	21,143	1,935
	50,423	31,215

*The Company entered into forward contracts with the commercial bank in order to manage its foreign exchange exposure due to change in exchange rates. The amount is the difference between market prices and prices the Company would pay to settle the foreign exchange liabilities at the end of the period.

	30 Sep 2022 Taka'000	31 Dec 2021 Taka'000
16 Deferred tax liability		
Deferred tax by type of temporary differences that resulted in deferred tax assets and liability		
Property, plant and equipment	2,058,756	2,364,094
Actuarial gain	-	704
Deferred tax liabilities	2,058,756	2,364,798
Provision for gratuity	4,823	1,458
Actuarial loss	37,563	37,563
Provision for doubtful debts	28,670	32,664
Provision for obsolescence of spare parts	13,120	14,760
Deferred tax assets	84,176	86,445
Net deferred tax liability	1,974,580	2,278,353

17 Provisions		
Site restoration provisions	-	
Balance at 1 January	50,493	41,865
Provision for the period	7,232	9,516
Translation adjustment	5,935	(888)
At September 30/December 31	63,660	50,493

The Company is legally required to restore a quarry site, the estimated costs of site restoration are accrued and recognized to the cost of sales, on the basis of mines closure plan submitted to Indian Bureau of Mines (IBM).

18 Trade payables		
Payable for goods and services	6,151,595	6,058,523
Contract liabilities	261,983	233,617
	6,413,578	6,292,140
19 Other current liabilities		
Payables to suppliers of fixed assets	93,632	85,591
Income tax and VAT deducted at source	246,730	277,185
Others	478,647	448,339
	819,009	811,115

	Jan-Sep 2022 Taka'000	Jan-Sep 2021 Taka'000
20 A. Revenue		

The company derives its revenue from the transfer of goods at a point in the time in the following product lines. This is consistent with the segment information that is disclosed for each reportable segment under IFRS 8 (note- 20B).

Segment revenue		
Sale of gray cement	15,420,451	13,879,063
Sale of cement clinker	174,389	755,800
Sale of aggregates	1,392,413	1,021,100
	16,987,253	15,655,963

2022 Taka'000	Reportable segments		
	Clinker and cement	Aggregates	Total
Statement of profit and loss			
Segment revenue	15,594,840	1,392,413	16,987,253
Operating profit	3,531,327	756,262	4,287,589
Statement of financial position			
Assets			
Segment assets	24,401,485	402,151	24,803,636
Unallocated assets*	-	-	4,072,104
Total assets	24,401,485	402,151	28,875,740
Equity and liabilities			
Segment liabilities	7,622,511	55,053	7,680,740
Unallocated equity and liabilities**	-	-	21,195,000
Total equity and liabilities	7,622,511	55,053	28,875,740

2021 Taka'000	Reportable segments		Total
	Clinker and cement	Aggregates	
Statement of profit and loss			
Segment revenue	14,634,863	1,021,100	15,655,963
Operating profit	3,237,668	523,497	3,761,165
Statement of financial position			
Assets			
Segment assets	23,790,534	385,248	24,175,782
Unallocated assets*	-	-	5,446,283
Total assets			29,622,065
Equity and liabilities			
Segment liabilities	7,461,422	9,476	7,470,898
Unallocated equity and liabilities**	-	-	22,151,167
Total equity and liabilities			29,622,065

*Advance tax, derivatives instruments and cash and cash equivalents

** Borrowings, deferred tax liabilities, tax liabilities and unclaimed dividend.

C. Major customers

The Company has no reliance on any of its customers.

	Jan-Sep 2022 Taka'000	Jan-Sep 2021 Taka'000
21 Cost of sales		
Manufacturing variable cost	7,640,321	7,572,306
Manufacturing fixed cost	2,290,819	1,980,760
Freight cost to customers	195,677	261,212
Depot operating and transportation costs	798,409	719,788
Inventory movement	222,209	(6,939)
	11,147,435	10,527,127
22 General and administrative expenses		
Salary, allowances and benefits	234,248	254,305
IT maintenance expenses	67,581	58,794
Other office expenses	694,283	597,699
Contribution to Workers' Profit Participation and welfare Fund	218,601	167,611
	1,214,713	1,078,409
23 Sales and marketing expenses		
Salary, allowances and benefits	146,519	123,452
Advertisement	161,663	186,732
Other office expenses	54,400	60,166
	362,582	370,350
24 Other operating income		
Sale of miscellaneous scrap items	16,852	78,358
Gain on sale of property, plant and equipment	8,214	2,730
	25,066	81,088
25 Finance costs and income		
Exchange loss	190,414	-
Other finance costs	18,413	13,151
Interest expenses on lease liabilities	4,923	7,704
Bank charges and commission	4,706	4,609
Finance costs	218,456	25,464
	Jan-Sep 2022 Taka'000	Jan-Sep 2021 Taka'000
Interest income on Bank Deposits	31,164	18,109
Exchange Gain	-	6,704
Finance income	31,164	24,813
Net finance (income)/costs	187,292	651

26	A. Income tax		
	Current income tax expenses	1,095,902	937,809
	Deferred income tax income	(303,773)	(266,057)
		<u>792,129</u>	<u>671,752</u>
	B. Reconciliation of effective tax rate (%)		
	Average statutory tax rate	<u>24.56</u>	<u>25.81</u>
	Permanent differences	2.28	2.75
	Effect of change in tax rate	(10.97)	(8.19)
	Effect of foreign tax differentials	3.45	(2.51)
	Effective tax rate	<u>19.32</u>	<u>17.86</u>
27	A. Earnings Per Share		
	The computation of basic earnings per share for the periods ended 2022 and 2021 are as follows:		
	Numerator	<i>(Thousand Taka)</i>	
	Profit for the period	3,308,168	3,088,762
	Denominator	<i>(Thousands of Shares)</i>	
	Weighted average number of shares outstanding	1,161,374	1,161,374
	Basic Earnings Per Share	<i>Taka</i> 2.85	2.66
	Diluted Earnings Per Share	<i>Taka</i> 2.85	2.66
	B. Net operating cash flow per share (NOCFPS)		
	The computation of net operating cash flow per share for the periods ended 2022 and 2021 are as follows:		
	Numerator	<i>(Thousand Taka)</i>	
	Net operating cash flow for the period	3,806,518	4,239,197
	Denominator	<i>(Thousands of Shares)</i>	
	Weighted average number of shares outstanding	1,161,374	1,161,374
	Net operating cash flow per share	<i>Taka</i> 3.28	3.65
		<u>30 Sep 2021</u>	<u>31 Dec 2021</u>
	C. Net asset value (NAV) per share		
	The computation of net asset value per share for the periods ended 2022 and 2021 are as follows:		
	Numerator	<i>(Thousand Taka)</i>	
	Net asset value for the period/year	18,574,538	19,794,036
	Denominator	<i>(Thousand Shares)</i>	
	Weighted average number of shares outstanding	1,161,374	1,161,374
	Net asset value per share	<i>Taka</i> 15.99	17.04
28	Related Party Transactions		
	Except for the regular transactions, there were no significant related party transactions during the period.		
		<u>Jan-Sep 2022</u>	<u>Jan-Sep 2021</u>
		<u>Taka</u>	<u>Taka</u>
29	Comparative Information of the Shareholders (Note- 27)*		
	Net Asset Value (NAV) Per Share	15.99	17.04
	Earning Per Share (EPS)	2.85	2.66
	Net Operating Cash Flow Per Share (NOCFPS)	3.28	3.65
	Profit for the period	3,308,168,000	3,088,762,000

*For the period January to September 2022, EPS increased compared to the previous period, mainly due to increased sales. NOCFPS is decreased compared to the same period of last year, due to higher payment made to suppliers and tax authorities.

	Jan-Sep 2022 <u>Taka'000</u>	Jan-Sep 2021 <u>Taka'000</u>
30 Reconciliation of net profit with cash flows from operating activities		
Net profit for the period	3,308,168	3,088,762
Income tax expenses	792,129	671,752
Net profit before tax	4,100,297	3,760,514
Depreciation and amortization	1,002,515	813,273
Other non-cash items	48,734	43,989
Non-operating items	187,292	651
Income tax paid	(498,431)	(371,900)
Changes in net working capital	(1,033,889)	(7,330)
Cash flows from operating activities	3,806,518	4,239,197
	30 Sep 2022	31 Dec 2021
	<u>Taka'000</u>	<u>Taka'000</u>

31 Share Capital

31.1 Authorized capital

1,400,000,000 ordinary shares of Taka 10 each	14,000,000	14,000,000
--	-------------------	-------------------

In the year 2011, authorized capital has been increased from Taka 7,000,000,000 to Taka 14,000,000,000. Further, steps have been taken to issue right shares of 58,068,675 ordinary shares of Taka 100 per share at par value amounting to Taka 5,806,867,500 offered on the basis of 1:1, for which approval of Bangladesh Securities and Exchange Commission (BSEC) has been received on 8 September 2011. Moreover, face value of each ordinary share has been denominated from Taka 100 to Taka 10 at 4 December 2011.

31.2 Issued and subscribed capital

1,161,373,500 ordinary shares of Taka 10 each	11,613,735	11,613,735
--	-------------------	-------------------

31.3 Paid up capital

Fully paid up in cash	5,759,888	5,759,888
Fully paid up in other than cash	46,980	46,980
Fully paid up in cash as rights issue	5,806,867	5,806,867
	11,613,735	11,613,735

31.4 Composition of shareholders at 30 September/31 December

Name of the shareholders	Nationality/Incorporated in	Number of shares	
		30 Sep 2022	31 Dec 2021
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	35,100,000	35,100,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	410,660,600	410,660,600
		1,161,373,500	1,161,373,500

31.5 Composition of shareholders at 30 September/31 December

Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		30 Sep 2022	31 Dec 2021
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	3.02	3.02
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.36	35.36
		100.00	100.00




Company Secretary


Chief Financial Officer


Director


Director


Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Statement of financial position (Un-audited)
at 30 September 2022

	NOTES	30 Sep 2022 <u>Taka'000</u>	31 Dec 2021 <u>Taka'000</u>
Assets			
Non-current assets			
Property, plant and equipment	5	16,103,619	16,408,511
Goodwill	6	317,776	317,776
Investment in subsidiaries		519,893	519,893
Total non-current assets		16,941,288	17,246,180
Current assets			
Inventories	7	3,382,877	2,839,158
Trade receivables	8	514,277	556,658
Other current assets	9	1,796,380	1,149,467
Cash and cash equivalents	11	3,725,803	4,429,276
Total current assets		9,419,337	8,974,559
Total assets		26,360,625	26,220,739
Equity & liabilities			
Equity			
Share capital	27.3	11,613,735	11,613,735
Retained earnings		4,250,974	5,302,040
Other component of equity		(231,340)	(236,727)
Total equity		15,633,369	16,679,048
Non-current liabilities			
Borrowings	12A	8,934	27,809
Deferred tax liabilities	13	1,792,954	2,075,324
Employee benefits		350,737	290,329
Total non-current liabilities		2,152,625	2,393,462
Current liabilities			
Trade payables	14	7,168,254	6,213,486
Other current liabilities	15	716,070	804,207
Borrowings	12B	33,740	30,288
Current income tax liabilities	10	506,897	81,586
Unclaimed dividend		149,670	18,662
Total current liabilities		8,574,631	7,148,229
Total equity and liabilities		26,360,625	26,220,739
Net Asset Value (NAV) Per Share	23C	13.46	14.36

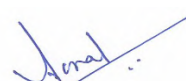
The accompanying Notes 1 to 27 form an integral part of these interim financial statements.




 Company Secretary


 Chief Financial Officer


 Director


 Director


 Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Statement of profit or loss (Un-audited)
for the period ended 30 September 2022

	NOTES	Jan-Sep 2022 Taka '000	Jan-Sep 2021 Taka '000	Jul-Sep 2022 Taka '000	Jul-Sep 2021 Taka '000
Revenue	16	16,987,253	15,655,963	5,714,955	4,601,726
Cost of sales	17	(11,731,592)	(11,078,901)	(3,700,129)	(3,135,551)
Gross profit		<u>5,255,661</u>	<u>4,577,062</u>	<u>2,014,826</u>	<u>1,466,175</u>
Other operating income	20	739,466	79,650	9,049	37,528
General and administrative expenses	18	(1,214,713)	(1,078,409)	(447,529)	(359,300)
Sales and marketing expenses	19	(362,582)	(370,350)	(142,267)	(115,463)
Operating profit		<u>4,417,832</u>	<u>3,207,953</u>	<u>1,434,079</u>	<u>1,028,940</u>
Finance cost	21	(289,867)	(38,924)	(132,734)	(10,311)
Finance income	21	25,455	15,578	11,198	376
Profit before tax		<u>4,153,420</u>	<u>3,184,607</u>	<u>1,312,543</u>	<u>1,019,005</u>
Income tax	22	(558,991)	(543,175)	(372,464)	(201,262)
Profit for the period		<u>3,594,429</u>	<u>2,641,432</u>	<u>940,079</u>	<u>817,743</u>
Earnings Per Share					
Basic (Taka)	23A	3.09	2.27	0.81	0.70
Diluted (Taka)	23A	3.09	2.27	0.81	0.70

The accompanying Notes 1 to 27 form an integral part of these interim financial statements.





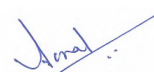
Company Secretary



Chief Financial Officer



Director



Director



Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2022

	Jan-Sep 2022 <u>Taka '000</u>	Jan-Sep 2021 <u>Taka '000</u>	Jul-Sep 2022 <u>Taka '000</u>	Jul-Sep 2021 <u>Taka '000</u>
Profit for the period	<u>3,594,429</u>	<u>2,641,432</u>	<u>940,079</u>	<u>817,743</u>
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge instruments	5,387	-	(60)	(383)
Other comprehensive loss for the period	<u>5,387</u>	<u>-</u>	<u>(60)</u>	<u>(383)</u>
Total comprehensive income for the period	<u><u>3,599,816</u></u>	<u><u>2,641,432</u></u>	<u><u>940,019</u></u>	<u><u>817,360</u></u>




 Company Secretary


 Chief Financial Officer


 Director


 Director


 Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2022

(All figures are in Tk. '000)

	Share capital	Retained earnings	Other component of equity	Total equity
Balance at 1 January 2021	11,613,735	2,955,783	(102,614)	14,466,904
Total comprehensive income for the period	-	2,641,432	-	2,641,432
Dividend for 2020	-	(1,161,374)	-	(1,161,374)
Balance at 30 September 2021	11,613,735	4,435,841	(102,614)	15,946,962
Balance at 1 January 2022	11,613,735	5,302,040	(236,727)	16,679,048
Total comprehensive income for the period	-	3,594,429	5,387	3,599,816
Dividend for 2021	-	(2,903,435)	-	(2,903,435)
Interim dividend	-	(1,742,060)	-	(1,742,060)
Balance at 30 September 2022	11,613,735	4,250,974	(231,340)	15,633,369




 Company Secretary


 Chief Financial Officer


 Director


 Director


 Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Statement of Cash Flows (Un-audited)
for the period ended 30 September 2022

	Notes	Jan-Sep 2022 <u>Taka'000</u>	Jan-Sep 2021 <u>Taka'000</u>
Cash flows from operating activities			
Cash receipts from customers		17,058,000	15,944,048
Cash paid to suppliers and employees		<u>(13,089,715)</u>	<u>(12,249,301)</u>
Cash generated from operations		3,968,285	3,694,747
Income tax paid		(416,050)	(304,807)
Other receipts		<u>16,852</u>	<u>28,474</u>
Net cash generated by operating activities	26	<u>3,569,087</u>	<u>3,418,414</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(454,302)	(360,130)
Proceeds from sale of property, plant and equipment		8,214	7,935
Interest income on bank deposits		18,900	15,578
Dividend income from subsidiary company		714,400	-
Net cash generated/used in investing activities		<u>287,212</u>	<u>(336,617)</u>
Cash flows from financing activities			
Repayments of the lease liabilities		(18,875)	(27,228)
Payment of other finance costs		(21,684)	(3,876)
Interest paid on lease liability		(4,726)	(5,332)
Dividend payment		(4,514,487)	(1,198,816)
Net cash used in financing activities		<u>(4,559,772)</u>	<u>(1,235,252)</u>
Net increase in cash and cash equivalents		<u>(703,473)</u>	<u>1,846,545</u>
Cash and cash equivalents at beginning of the period		4,429,276	1,292,660
Cash and cash equivalents at end of the period	11	<u>3,725,803</u>	<u>3,139,205</u>
Net Operating Cash Flow Per Share (NOCFPS)	23B	<u>3.07</u>	<u>2.94</u>




Company Secretary


Chief Financial Officer


Director


Director


Chief Executive Officer



LAFARGEHOLCIM BANGLADESH LIMITED
Notes to the Condensed Financial Statements (Un-audited)
for the period ended 30 September 2022

1 General information

LafargeHolcim Bangladesh Limited (LHBL) - (hereinafter referred to as "the Company") was incorporated on 11 November 1997 as a private limited company in Bangladesh under the Companies Act 1994 having its registered office in Dhaka. At the time of incorporation the name of the Company was "Lafarge Surma Cement Limited". On 07 February 2017 the Registrar of Joint Stock Companies and Firms of Bangladesh (RJSC) approved the name change to "LafargeHolcim Bangladesh Limited" of the Company. The Company has subsequently been converted into a public limited company on 20 January 2003 and went for Initial Public Offering of shares in November 2003 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges.

2 Nature of business

The Company operates cement and aggregates manufacturing plants at Chhatak under Sunamganj district, and three (3) grinding plants near Dhaka and Khulna. The Company extracts and processes the basic raw materials of limestone from the quarry in Meghalaya, India, owned by the Company's fully owned subsidiary Lafarge Umiam Mining Private Limited. A 17 kilometres cross-border conveyor belt links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of building materials in the local market and international market.

3 Basis of preparation

The interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

4 Significant accounting policies

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2021.

Comparative figures and account titles in the financial statements have been rearranged/reclassified where necessary to conform with changes in presentation in the current period.

	30 Sep 2022	31 Dec 2021
	<u>Taka'000</u>	<u>Taka'000</u>
5 Property, plant and equipment*		
Cost		
At January 1	24,766,724	24,084,362
Additions	568,637	740,121
Disposals	(12,409)	(57,759)
At September 30/December 31	<u>25,322,952</u>	<u>24,766,724</u>
Depreciation		
At January	8,358,213	7,387,632
Disposals	(12,409)	(52,554)
Charge for the period	873,529	1,023,135
At September 30/December 31	<u>9,219,333</u>	<u>8,358,213</u>
Carrying amount	<u>16,103,619</u>	<u>16,408,511</u>
5.1 *Right-of-use assets (RoUA)		
Cost		
At January 1	130,348	130,348
At September 30/December 31	<u>130,348</u>	<u>130,348</u>
Depreciation		
At January	75,131	48,213
Charge for the period	18,875	26,918
At September 30/December 31	<u>94,006</u>	<u>75,131</u>
Carrying amount	<u>36,342</u>	<u>55,217</u>
	30 Sep 2022	31 Dec 2021
	<u>Taka'000</u>	<u>Taka'000</u>
6 Goodwill*		
Acquisition of subsidiary (Holcim Cement Bangladesh Limited)	317,776	317,776
	<u>317,776</u>	<u>317,776</u>

*Goodwill arising on amalgamation of subsidiary is measured at cost less accumulated impairment losses.

7 Inventories		
Raw materials	1,170,040	951,768
Semi-finished and finished products	1,242,720	933,043
Parts and supplies	970,117	954,347
	3,382,877	2,839,158
8 Trade receivables		
Trade receivables	514,277	556,658
	514,277	556,658
9 Other current assets		
Advance payment to trade suppliers	163,729	148,155
Prepaid expenses	87,983	36,544
Security and other deposits	84,746	84,446
Other receivables- note 9.1	1,402,684	698,943
Advance payment to suppliers of fixed assets	48,821	176,584
Derivative assets	-	2,933
Accrued interest on bank deposits	8,417	1,862
	1,796,380	1,149,467

9.1 Gas sales agreement with JGTDS

The dispute between the Company and Jalalabad Gas Transmission and Distribution System Limited (JGTDS) over the Ceiling Price of gas payable by the Company to JGTDS under the Gas Sales Agreement dated January 19, 2003 (GSA) is pending before a three (3) member Arbitral Tribunal (the "Tribunal") constituted under the UNCITRAL Rules 1976 (the "Arbitration").

The Arbitration is progressing as per the agreed timetable. On November 18, 2021, the Company submitted its Statement of Claim and on March 28, 2022, JGTDS submitted its Statement of Defence before the Tribunal. The Company filed its Counter Memorial on August 26, 2022. JGTDS shall submit their Counter Memorial by October 25, 2022. The date of final hearing of the Arbitration has been fixed from 12 to 16 December 2022. The Company has a good case before the Arbitration.

In compliance with the order dated 18 March 2021 of the Appellate Division, Supreme Court of Bangladesh the Company has paid Taka 1,176 million to JGTDS against the past claim and differential gas price for the period from March 2021.

	30 Sep 2022	31 Dec 2021
	Taka'000	Taka'000
10 Current income tax liabilities- net of advance tax		
Advance income tax	6,946,250	6,530,200
Current tax liabilities	(7,453,147)	(6,611,786)
	(506,897)	(81,586)
11 Cash and cash equivalents		
Cash in hand	1,597	1,708
Cash at banks	3,724,206	4,427,568
Cash and cash equivalents in statement of financial position	3,725,803	4,429,276
12 Borrowings		
A. Borrowings-long term		
Non-current portion-lease liabilities	8,934	27,809
	8,934	27,809

	30 Sep 2022	31 Dec 2021
	<u>Taka'000</u>	<u>Taka'000</u>
B. Borrowings-short term		
Current portion of lease liabilities	28,353	28,353
Derivative liabilities*	5,387	1,935
	<u>33,740</u>	<u>30,288</u>
*The Company entered into forward contracts with the commercial bank in order to manage its foreign exchange exposure due to change in exchange rates. The amount is the difference between market prices and prices the Company would pay to settle the foreign exchange liabilities at the end of the period.		
13	Deferred tax liability	
	Deferred tax by type of temporary differences that resulted in deferred tax assets and liability	
Property, plant and equipment	1,877,130	2,161,769
Deferred tax liabilities	<u>1,877,130</u>	<u>2,161,769</u>
Provision for gratuity	4,823	1,458
Actuarial loss	37,563	37,563
Provision for doubtful debts	28,670	32,664
Provision for obsolescence of spare parts	13,120	14,760
Deferred tax assets	<u>84,176</u>	<u>86,445</u>
Net deferred tax liability	<u>1,792,954</u>	<u>2,075,324</u>
14	Trade payables	
Payable for goods and services	6,906,271	5,979,869
Contract liabilities	261,983	233,617
	<u>7,168,254</u>	<u>6,213,486</u>
15	Other current liabilities	
Payables to suppliers of fixed assets	78,213	84,515
Income tax and VAT deducted at source	299,237	271,353
Others	338,620	448,339
	<u>716,070</u>	<u>804,207</u>
	Jan-Sep 2022	Jan-Sep 2021
	<u>Taka'000</u>	<u>Taka'000</u>
16	Revenue*	
Sale of gray cement	15,420,451	13,879,063
Sale of cement clinker	174,389	755,800
Sale of aggregates	1,392,413	1,021,100
	<u>16,987,253</u>	<u>15,655,963</u>
17	Cost of sales	
Manufacturing variable cost	8,447,989	8,385,852
Manufacturing fixed cost	2,067,308	1,718,988
Freight cost to customers	195,677	261,212
Depot operating and transportation costs	798,409	719,788
Inventory movement	222,209	(6,939)
	<u>11,731,592</u>	<u>11,078,901</u>
18	General and administrative expenses	
Salary, allowances and benefits	234,248	254,305
IT maintenance expenses	67,581	58,794
Other office expenses	694,283	597,699
Contribution to Workers' Profit Participation and welfare Fund	218,601	167,611
	<u>1,214,713</u>	<u>1,078,409</u>

	<u>Jan-Sep 2022</u> <u>Taka'000</u>	<u>Jan-Sep 2021</u> <u>Taka'000</u>
19 Sales and marketing expenses		
Salary, allowances and benefits	146,519	123,452
Advertisement	161,663	186,732
Other office expenses	54,400	60,166
	<u>362,582</u>	<u>370,350</u>
20 Other operating income		
Sale of miscellaneous scrap items	16,852	76,920
Gain on sale of property, plant and equipment	8,214	2,730
Dividend income from subsidiary company	714,400	-
	<u>739,466</u>	<u>79,650</u>
21 Finance costs and income		
Exchange loss	263,457	16,537
Other finance costs	18,387	13,151
Interest expenses on lease liabilities	4,726	5,332
Bank charges and commission	3,297	3,904
Finance costs	<u>289,867</u>	<u>38,924</u>
Interest income on Bank Deposits	25,455	15,578
Finance income	<u>25,455</u>	<u>15,578</u>
Net finance costs/(income)	<u>264,412</u>	<u>23,346</u>
22 A. Income tax		
Current income tax expenses	841,361	776,429
Deferred income tax income	(282,370)	(233,254)
	<u>558,991</u>	<u>543,175</u>
B. Reconciliation of effective tax rate (%)		
Average statutory tax rate	<u>20.00</u>	<u>22.5</u>
Permanent differences	4.43	1.22
Effect of change in tax rate	(10.97)	(6.66)
Effective tax rate	<u>13.46</u>	<u>17.06</u>

	<u>Jan-Sep 2022</u>	<u>Jan-Sep 2021</u>
23 A. Earnings Per Share		
The computation of basic earnings per share for the periods ended 2022 and 2021 are as follows:		
Numerator (Thousand Taka)		
Profit for the period	3,594,429	2,641,432
Denominator (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
Basic Earnings Per Share Taka	<u>3.09</u>	<u>2.27</u>
Diluted Earnings Per Share Taka	<u>3.09</u>	<u>2.27</u>

B. Net operating cash flow per share (NOCFPS)

The computation of net operating cash flow per share for the periods ended 2022 and 2021 are as follows:

	<u>30 Sep 2022</u>	<u>31 Dec 2021</u>
Numerator (Thousand Taka)		
Net operating cash flow for the period	3,569,087	3,418,414
Denominator (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
Net operating cash flow per share Taka	<u>3.07</u>	<u>2.94</u>

C. Net asset value (NAV) per share

The computation of net asset value per share for the periods ended 2022 and 2021 are as follows:

	<u>30 Sep 2022</u>	<u>31 Dec 2021</u>
Numerator (Thousand Taka)		
Net asset value for the period/year	15,633,369	16,679,048
Denominator (Thousand Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
Net asset value per share Taka	<u>13.46</u>	<u>14.36</u>

24 Related party transactions

Except for the regular transactions, there were no significant related party transactions during the period.

	Jan-Sep 2022	Jan-Sep 2021
	<u>Taka</u>	<u>Taka</u>
25 Comparative information of the shareholders (Note- 23)*		
Net Asset Value (NAV) Per Share	13.46	14.36
Earning Per Share (EPS)	3.09	2.27
Net Operating Cash Flow Per Share (NOCFPS)	3.07	2.94
Profit for the period	3,594,429,000	2,641,432,000

*For the period January to September 2022, EPS increased compared to the previous period, mainly due to dividend income received from the subsidiary company. NOCFPS also increased compared to the same period of last year, due to higher EPS and lower payment to suppliers.

26 Reconciliation of net profit with cash flows from operating activities		
Net profit for the period	3,594,429	2,641,432
Income tax expenses	558,991	543,175
Net profit before tax	<u>4,153,420</u>	<u>3,184,607</u>
Depreciation and amortization	873,529	723,371
Other non-cash items	44,953	34,286
Non-operating items	264,412	23,346
Income tax paid	(416,050)	(304,807)
Changes in net working capital	(1,351,177)	(242,389)
Cash flows from operating activities	<u>3,569,087</u>	<u>3,418,414</u>

	30 Sep 2022	31 Dec 2021
	<u>Taka'000</u>	<u>Taka'000</u>
27 Share capital		
27.1 Authorized capital		
1,400,000,000 ordinary shares of Taka 10 each	<u>14,000,000</u>	<u>14,000,000</u>

In the year 2011, authorized capital has been increased from Taka 7,000,000,000 to Taka 14,000,000,000. Further, steps have been taken to issue right shares of 58,068,675 ordinary shares of Taka 100 per share at par value amounting to Taka 5,806,867,500 offered on the basis of 1:1, for which approval of Bangladesh Securities and Exchange Commission (BSEC) has been received on 8 September 2011. Moreover, face value of each ordinary share has been denominated from Taka 100 to Taka 10 at 4 December 2011.

27.2 Issued and subscribed capital		
1,161,373,500 ordinary shares of Taka 10 each	<u>11,613,735</u>	<u>11,613,735</u>
27.3 Paid up capital		
Fully paid up in cash	5,759,888	5,759,888
Fully paid up in other than cash	46,980	46,980
Fully paid up in cash as rights issue	5,806,867	5,806,867
	<u>11,613,735</u>	<u>11,613,735</u>

27.4 Composition of shareholders at 30 September/31 December			
Name of the shareholders	Nationality/Incorporated in	Number of shares	
		30 Sep 2022	31 Dec 2021
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	35,100,000	35,100,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	410,660,600	410,660,600
		<u>1,161,373,500</u>	<u>1,161,373,500</u>

Composition of shareholders at 30 September/31 December			
Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		30 Sep 2022	31 Dec 2021
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	3.02	3.02
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.36	35.36
		<u>100.00</u>	<u>100.00</u>




Company Secretary


Chief Financial Officer


Director


Director


Chief Executive Officer

LafargeHolcim Bangladesh Limited

A company of  LafargeHolcim and 

NinaKabbo, Level-7, 227/A Bir Uttam Mir Shawkat Sarak
(Gulshan Tejgaon Link Road), Tejgaon, Dhaka -1208, Bangladesh
Phone:+88 02 222281002, 222286393, Fax:+88 02 222286394,
Email: info.cs@lafargeholcim.com,
Web: www.lafargeholcim.com.bd