LafargeHolcim

INTERIM FINANCIAL STATEMENTS

as at and for the period ended 31 March 2023

(Un-audited)

LafargeHolcim Bangladesh Limited

A company of LafargeHolcim *and* CEMENTOS MOLINS

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Financial Position (Un-audited)
at 31 March 2023

	NOTES	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Assets			
Non-current assets			
Property, plant and equipment	7	15,812,673	16,033,485
Goodwill	8	317,776	317,776
Intangible assets	9	2,173,350	2,170,241
Total non-current assets		**18,303,799**	**18,521,502**
Current assets			
Inventories	10	3,309,080	2,930,286
Trade receivables	11	635,729	525,707
Other assets	12	2,436,388	2,150,258
Cash and cash equivalents	13	7,684,341	4,843,726
Total current assets		**14,065,538**	**10,449,977**
Total assets		**32,369,337**	**28,971,479**
Equity & liabilities			
Share capital	31.3	11,613,735	11,613,735
Retained earnings		7,780,241	5,871,541
Other components of equity		(215,349)	(214,283)
Foreign currency translation		690,331	439,517
Equity attributable to owners of the Company		**19,868,958**	**17,710,510**
Non-controlling interests		(168)	(180)
Total equity		**19,868,790**	**17,710,330**
Non-current liabilities			
Lease liabilities	14A	3,344	3,844
Deferred tax liabilities	15	2,034,995	2,056,545
Employee benefits		234,784	216,786
Provision	16	71,265	67,201
Total non-current liabilities		**2,344,388**	**2,344,376**
Current liabilities			
Trade payables	17A	8,179,250	7,218,254
Other current liabilities	18	841,306	1,051,807
Lease liabilities	14B	21,518	27,582
Current income tax liabilities	19	278,144	332,307
Borrowings	17B	803,999	-
Unclaimed dividend		31,942	286,823
Total current liabilities		**10,156,159**	**8,916,773**
Total equity and liabilities		**32,369,337**	**28,971,479**
Net Asset Value (NAV) Per Share	27C	**17.11**	**15.25**

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 31 March 2023

	NOTES	Jan-Mar 2023 Taka '000	Jan-Mar 2022 Taka '000
Revenue	20	8,545,818	6,258,591
Cost of sales	21	(5,465,948)	(4,486,929)
Gross profit		3,079,870	1,771,662
General and administrative expenses	22	(518,631)	(389,056)
Sales and marketing expenses	23	(131,231)	(104,906)
Other operating income	24	2,425	557
Operating profit		2,432,433	1,278,257
Finance cost	25	(15,831)	(25,791)
Finance income	25	44,166	10,948
Profit before tax		2,460,768	1,263,414
Income tax	26	(552,068)	(318,630)
Profit for the period		1,908,700	944,784
Earning Per Share			
Basic (Taka)	27A	1.64	0.81
Diluted (Taka)	27A	1.64	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 31 March 2023

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
Profit for the period	1,908,700	944,784
Items that may be reclassified subsequently to profit or loss		
Cash flow hedge instruments	(1,066)	(4,803)
Exchange differences on translating foreign operation	250,814	(126,870)
Non controlling interests- currency translation adjustment	12	(1)
Other comprehensive income for the period	**249,760**	**(131,674)**
Total comprehensive income for the period	**2,158,460**	**813,110**
Profit attributable to:		
Owners of the parent Company	2,158,448	813,111
Non-controlling interests	12	(1)
	2,158,460	**813,110**

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 31 March 2023

(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 2022	11,613,735	8,162,968	(231,712)	249,045	19,794,036	(210)	19,793,826
Total comprehensive income for the period	-	944,784	(4,803)	(126,870)	813,111	(1)	813,110
Dividend for 2021	-	(2,903,435)	-	-	(2,903,435)	-	(2,903,435)
Balance at 31 March 2022	**11,613,735**	**6,204,317**	**(236,515)**	**122,175**	**17,703,712**	**(211)**	**17,703,501**
Balance at 1 January 2023	11,613,735	5,871,541	(214,283)	439,517	17,710,510	(180)	17,710,330
Total comprehensive income for the period	-	1,908,700	(1,066)	250,814	2,158,448	12	2,158,460
Balance at 31 March 2023	**11,613,735**	**7,780,241**	**(215,349)**	**690,331**	**19,868,958**	**(168)**	**19,868,790**

Company Secretary | Chief Financial Officer | Director | Director | Chief Executive Officer

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 31 March 2023

	Notes	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
Cash flows from operating activities			
Cash receipts from customers		8,483,258	6,996,145
Cash paid to suppliers and employees		(4,740,415)	(4,900,636)
Cash generated from operations		**3,742,843**	**2,095,509**
Income tax paid		(577,816)	(106,571)
Other receipts		2,425	557
Net cash generated by operating activities	30	**3,167,452**	**1,989,495**
Cash flows from investing activities			
Payments for property, plant and equipment		(85,112)	(137,327)
Interest income on bank deposits		18,182	11,109
Net cash used in investing activities		**(66,930)**	**(126,218)**
Cash flows from financing activities			
Repayments of the lease liabilities		(6,564)	(6,564)
Payment other finance costs		(6,954)	(7,357)
Interest paid on lease liability		(1,641)	(1,640)
Dividend payment		(254,881)	(1,707,290)
Net cash used in financing activities		**(270,040)**	**(1,722,851)**
Net effect of foreign currency translation on cash and cash equivalents		10,133	(5,280)
Net increase in cash and cash equivalents		**2,840,615**	**135,146**
Cash and cash equivalents at beginning of the period		4,843,726	5,276,723
Cash and cash equivalents at end of the period	13	**7,684,341**	**5,411,869**
Net Operating Cash Flow Per Share (NOCFPS)	27B	**2.73**	**1.71**

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

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	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Lafarge Umiam Mining Private Limited, India	519,356	519,356
Lum Mawshun Minerals Private Limited, India	537	537
	519,893	**519,893**

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:

Name of subsidiary	*Country of incorporation*	*% of ownership interest*
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 2022.

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.

		31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
7	**Property, plant and equipment***		
	Cost		
	At January 1	27,305,507	26,299,765
	Additions	38,181	854,104
	Disposals	-	(86,500)
	Translation adjustment	63,204	238,138
	At March 31/December 31	27,406,892	27,305,507
	Depreciation		
	At January	11,272,022	9,915,438
	Disposals	-	(51,089)
	Charge for the period	293,871	1,243,729
	Translation adjustment	28,326	163,944
	At March 31/December 31	11,594,219	11,272,022
	Carrying amount	**15,812,673**	**16,033,485**
7.1	***Right-of-use assets (RoUA)**		
	Cost		
	At January 1	179,597	179,597
	At March 31/December 31	179,597	179,597
	Depreciation		
	At January	148,171	121,206
	Charge for the period	6,564	26,965
	At March 31/December 31	154,735	148,171
	Carrying amount	**24,862**	**31,426**
8	**Goodwill***		
	Acquisition of subsidiary (Holcim Cement Bangladesh Limited)**	317,776	317,776
	*****Now Holcim Cement Bangladesh Limited is amalgamated with the LHBL***	**317,776**	**317,776**

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

		31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
9	**Intangible assets**		
	Cost		
	At January 1	3,013,139	2,879,824
	Additions	2,298	9,060
	Translation adjustment	23,663	124,255
	At March 31/December 31	3,039,100	3,013,139
	Amortization		
	At January	842,898	670,284
	Charge for the period	11,530	114,999
	Translation adjustment	11,322	57,615
	At March 31/December 31	865,750	842,898
	Carrying amount	**2,173,350**	**2,170,241**
10	**Inventories**		
	Raw materials	869,812	770,339
	Semi-finished and finished products	1,091,442	1,013,424
	Parts and supplies	1,347,826	1,146,523
		3,309,080	**2,930,286**

		31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
11	**Trade receivables**		
	Trade receivables	635,729	525,707
		635,729	**525,707**

12	**Other assets**		
	Advance payment to trade suppliers	126,617	185,850
	Prepaid expenses	133,026	33,999
	Security and other deposits	85,836	85,815
	Other receivables- note 12.1	1,907,114	1,712,212
	Advance payment to suppliers of fixed assets	158,154	116,551
	Derivative assets	1,830	1,532
	Accrued interest on bank deposits	23,811	14,299
		2,436,388	**2,150,258**

12.1 Gas sales agreement with JGTDS

On 03 January 2021, Jalalabad Gas Transmission and Distribution System Limited (JGTDS) issued a Final Notice instructing the Company to pay for the gas, since September 2015, at the rate fixed by Bangladesh Energy Regulatory Commission (BERC). The Company's position is that, pursuant to the Gas Sales Agreement (GSA), JGTDS has agreed to limit the price for the supply of gas to a Ceiling Price. On 03 February 2021, the Company issued the Notice of Arbitration on JGTDS to resolve the dispute as per the provisions of the GSA. As per the GSA, the dispute is being resolved by a three (3) members tribunal under the UNCITRAL Rules 1976 ("Arbitration").

To ensure continued supply of gas to the plant during the pendency of the Arbitration, the Company filed an application before the High Court Division, Supreme Court of Bangladesh (the "High Court Division") for an interim injunction restraining JGTDS from terminating the GSA or stopping the supply of gas. On 07 February 2021, the High Court Division issued such interim relief in favor of the Company subject to submission of Bank Guarantee of Taka 860 million. Accordingly, the Company submitted the Bank Guarantee.

However, JGTDS filed an appeal against the interim order before the Appellate Division, Supreme Court of Bangladesh (the "Appellate Division") on 08 March 2021 (the "Appeal"). The Appellate Division maintained the interim relief but directed the Company to pay JGTDS the claimed amount which is Taka 903 million and monthly gas bills at the rate fixed by BERC. The Company has paid Taka 1,581 million as of 31 March 2023 to JGTDS and accounted for the amount as other receivable. The order of the Appellate Division relates to the interim relief and shall have no impact on the merit of the Arbitration pending before the Tribunal. The Company has a good case before the Arbitration Tribunal. If the Tribunal finds in favor of the Company, the Ceiling Price shall be applicable and the amounts paid to JGTDS against the order of the Appellate Division shall be refunded.
The hearing before the Tribunal has been concluded on 23 February 2023. The Company is awaiting for the Arbitration Award.

13	**Cash and cash equivalents**		
	Cash in hand	1,682	1,821
	Cash at banks	7,682,659	4,841,905
	Cash and cash equivalents in statement of financial position	**7,684,341**	**4,843,726**

14	**Lease liabilities**		
	A. Long term		
	Non-current portion	3,344	3,844
		3,344	**3,844**
	B. Short term		
	Current portion	21,518	27,582
		21,518	**27,582**

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000

15 Deferred tax liability

Deferred tax by type of temporary differences that resulted in deferred tax assets and liability

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Property, plant and equipment	2,181,653	2,199,220
Deferred tax liabilities	**2,181,653**	**2,199,220**
Provision for gratuity	38,592	35,198
Actuarial loss	30,161	30,161
Provision for doubtful debts	49,434	48,845
Provision for obsolescence of spare parts	28,471	28,471
Deferred tax assets	**146,658**	**142,675**
Net deferred tax liability	**2,034,995**	**2,056,545**

16 Provisions

Site restoration provisions

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Balance at 1 January	67,201	50,493
Provision for the period	2,667	9,870
Translation adjustment	1,397	6,838
At March 31/December 31	**71,265**	**67,201**

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).

17 A. Trade payables

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Payable for goods and services	7,822,703	6,909,169
Contract liabilities	356,547	309,085
	8,179,250	**7,218,254**
B. Usance payable at sight (UPAS LC)	803,999	-

18 Other current liabilities

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Payables to suppliers of fixed assets	44,412	47,442
Income tax and VAT deducted at source	277,443	325,753
Derivative liabilities*	2,896	6,678
Others	516,555	671,934
	841,306	**1,051,807**

*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.

19 Current income tax liabilities

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Balance as at 01 January	332,307	(160,942)
Provision for the period/year	573,618	1,498,268
Advance payment of income tax	(577,816)	(994,570)
Translation adjustment	(49,965)	(10,449)
	278,144	**332,307**

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 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	7,437,110	6,004,566
Sale of cement clinker	35,286	170,542
Sale of aggregates	1,073,422	83,483
	8,545,818	6,258,591

B. Segment information

2023 Taka'000	Reportable segments Clinker and cement	Aggregates	Total
Statement of profit and loss			
Segment revenue	7,472,396	1,073,422	8,545,818
Operating profit	**1,891,390**	**541,043**	**2,432,433**
Statement of financial position			
Assets			
Segment assets	24,317,068	366,098	24,683,166
Unallocated assets*	-	-	7,686,171
Total assets			**32,369,337**
Equity and liabilities			
Segment liabilities	9,229,156	94,553	9,323,709
Unallocated equity and liabilities**	-	-	23,045,628
Total equity and liabilities			**32,369,337**

2022 Taka'000	Reportable segments Clinker and cement	Aggregates	Total
Statement of profit and loss			
Segment revenue	6,175,108	83,483	6,258,591
Operating profit	**1,107,987**	**170,270**	**1,278,257**
Statement of financial position			
Assets			
Segment assets	23,313,222	396,062	23,709,284
Unallocated assets*	-	-	5,446,283
Total assets			**29,155,567**
Equity and liabilities			
Segment liabilities	7,784,120	33,524	7,817,644
Unallocated equity and liabilities**	-	-	22,151,167
Total equity and liabilities			**29,968,811**

**Advance tax, derivatives instruments and cash and cash equivalents*
*** Borrowings, deferred tax liabilities and unclaimed dividend.*

C. Major customers

The Company has no reliance on any of its customers.

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
21 Cost of sales		
Manufacturing variable cost	3,533,441	2,910,101
Manufacturing fixed cost	858,769	776,731
Freight cost to customers	217,236	76,330
Depot operating and transportation costs	377,156	270,867
Inventory movement	479,346	452,900
	5,465,948	4,486,929

LafargeHolcim Bangladesh Limited

		Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
22	**General and administrative expenses**		
	Salary, allowances and benefits	77,221	77,651
	IT maintenance expenses	22,082	18,429
	Other office expenses	310,425	234,522
	Contribution to Workers' Profit Participation and welfare Fund	108,903	58,454
		518,631	**389,056**
23	**Sales and marketing expenses**		
	Salary, allowances and benefits	50,503	39,972
	Advertisement	57,827	47,651
	Other office expenses	22,901	17,283
		131,231	**104,906**
24	**Other operating income**		
	Sale of miscellaneous scrap items	2,425	557
		2,425	**557**
25	**Finance costs and income**		
	Exchange loss	-	16,794
	Interest expenses on short term loan	7,236	-
	Other finance costs	4,160	5,489
	Interest expenses on lease liabilities	1,641	1,640
	Bank charges and commission	2,794	1,868
	Finance costs	**15,831**	**25,791**
	Interest income on Bank Deposits	27,694	10,948
	Exchange gain	16,472	-
	Finance income	**44,166**	**10,948**
	Net finance (income)/costs	**(28,335)**	**14,843**
26	**A. Income tax**		
	Current income tax expenses	573,618	360,941
	Deferred income tax income	(21,550)	(42,311)
		552,068	**318,630**
	B. Reconciliation of effective tax rate (%)		
	Average statutory tax rate	**24.56**	**25.81**
	Permanent differences	1.31	1.12
	Effect of foreign tax differentials	(3.44)	-1.71
	Effective tax rate	22.43	25.22

27 **A. Earnings Per Share**

The computation of basic earnings per share for the periods ended 2023 and 2022 are as follows:

Numerator	*(Thousand Taka)*		
Profit for the period		1,908,700	944,784
Denominator	*(Thousands of Shares)*		
Weighted average number of shares outstanding		1,161,374	1,161,374
Basic Earnings Per Share	***Taka***	**1.64**	**0.81**
Diluted Earnings Per Share	***Taka***	**1.64**	**0.81**

B. Net operating cash flow per share (NOCFPS)

The computation of net operating cash flow per share for the periods ended 2023 and 2022 are as follows:

Numerator	*(Thousand Taka)*		
Net operating cash flow for the period		3,167,452	1,989,495
Denominator	*(Thousands of Shares)*		
Weighted average number of shares outstanding		1,161,374	1,161,374
Net operating cash flow per share	***Taka***	**2.73**	**1.71**

C. Net asset value (NAV) per share		31 Mar 2023	31 Dec 2022
The computation of net asset value per share for the periods ended 2023 and 2022 are as follows:			
Numerator *(Thousand Taka)*			
Net asset value for the period/year		19,868,958	17,710,510
Denominator *(Thousand Shares)*			
Weighted average number of shares outstanding		1,161,374	1,161,374
Net asset value per share	*Taka*	**17.11**	**15.25**

28 Related Party Transactions

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

29 Comparative Information of the Shareholders (Note- 27)*

	Jan-Mar 2023 Taka	Jan-Mar 2022 Taka
Net Asset Value (NAV) Per Share	17.11	15.25
Earning Per Share (EPS)	1.64	0.81
Net Operating Cash Flow Per Share (NOCFPS)	2.73	1.71
Profit for the period	1,908,700,000	944,784,000

*For the period January to March 2023, EPS increased compared to the previous period, mainly due to increased aggregate sales and increased cement price. NOCFPS also increased compared to the same period of last year, due to higher EPS and higher collection from the customers.

30 Reconciliation of net profit with cash flows from operating activities

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
Net profit for the period	**1,908,700**	**944,784**
Income tax expenses	552,068	318,630
Net profit before tax	**2,460,768**	**1,263,414**
Depreciation and amortization	305,401	328,673
Other non-cash items	14,982	19,570
Non-operating items	(28,335)	14,843
Income tax paid	(577,816)	(106,571)
Changes in net working capital	992,452	469,566
Cash flows from operating activities	**3,167,452**	**1,989,495**

31 Share Capital

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
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 31 March/31 December

Name of the shareholders	Nationality/Incorporated in	Number of shares 31 Mar 2023	Number of shares 31 Dec 2022
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	28,950,000	28,950,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	416,810,600	416,810,600
		1,161,373,500	**1,161,373,500**

31.5 Composition of shareholders at 31 March/31 December

Name of the shareholders	Nationality/Incorporated in	Holding (%) 31 Mar 2023	Holding (%) 31 Dec 2022
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	2.49	2.49
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.89	35.89
		100.00	**100.00**

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

LAFARGEHOLCIM BANGLADESH LIMITED
Statement of financial position (Un-audited)
at 31 March 2023

	NOTES	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Assets			
Non-current assets			
Property, plant and equipment	5	15,660,754	15,882,733
Goodwill	6	317,776	317,776
Investment in subsidiaries		519,893	519,893
Total non-current assets		**16,498,423**	**16,720,402**
Current assets			
Inventories	7	3,389,984	2,983,040
Trade receivables	8	635,729	525,707
Other current assets	9	1,972,332	1,759,274
Cash and cash equivalents	10	7,179,675	4,633,586
Total current assets		**13,177,720**	**9,901,607**
Total assets		**29,676,143**	**26,622,009**
Equity & liabilities			
Equity			
Share capital	27.3	11,613,735	11,613,735
Retained earnings		4,684,366	3,026,793
Other component of equity		(209,717)	(206,821)
Total equity		**16,088,384**	**14,433,707**
Non-current liabilities			
Lease liabilities	11A	2,344	2,844
Deferred tax liabilities	12	1,805,097	1,838,780
Employee benefits		193,160	177,521
Total non-current liabilities		**2,000,601**	**2,019,145**
Current liabilities			
Trade payables	13A	9,465,564	8,458,243
Other current liabilities	14	827,947	1,037,043
Lease liabilities	11B	21,544	27,408
Current income tax liabilities	15	436,162	359,640
Borrowings	13B	803,999	-
Unclaimed dividend		31,942	286,823
Total current liabilities		**11,587,158**	**10,169,157**
Total equity and liabilities		**29,676,143**	**26,622,009**
Net Asset Value (NAV) Per Share	23C	**13.85**	**12.43**

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 31 March 2023

	NOTES	Jan-Mar 2023 Taka '000	Jan-Mar 2022 Taka '000
Revenue	16	8,545,818	6,258,591
Cost of sales	17	(5,878,124)	(4,619,557)
Gross profit		**2,667,694**	**1,639,034**
General and administrative expenses	18	(518,732)	(389,056)
Sales and marketing expenses	19	(131,231)	(104,906)
Other operating income	20	2,425	557
Operating profit		**2,020,156**	**1,145,629**
Finance cost	21	(14,956)	(41,483)
Finance income	21	63,962	6,476
Profit before tax		**2,069,162**	**1,110,622**
Income tax expense	22	(411,589)	(280,919)
Profit for the period		**1,657,573**	**829,703**
Earnings Per Share			
Basic (Taka)	23A	1.43	0.71
Diluted (Taka)	23A	1.43	0.71

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 31 March 2023

	Jan-Mar 2023 Taka '000	Jan-Mar 2022 Taka '000
Profit for the period	**1,657,573**	**829,703**
Items that may be reclassified subsequently to profit or loss		
Cash flow hedge instruments	(2,896)	(4,855)
Other comprehensive loss for the period	**(2,896)**	**(4,855)**
Total comprehensive income for the period	**1,654,677**	**824,848**

Company Secretary Chief Financial Officer Director Director Chief Executive Offic

LAFARGEHOLCIM BANGLADESH LIMITED
Statement of Changes in Equity (Un-audited)
for the period ended 31 March 2023

(All figures are in Tk. '000)

	Share capital	Retained earnings	Other component of equity	Total equity
Balance at 1 January 2022	**11,613,735**	**5,302,040**	**(236,727)**	**16,679,048**
Total comprehensive income for the period	-	829,703	(4,855)	824,848
Dividend for 2021	-	(2,903,435)	-	(2,903,435)
Balance at 31 March 2022	**11,613,735**	**3,228,308**	**(241,582)**	**14,600,461**
Balance at 1 January 2023	**11,613,735**	**3,026,793**	**(206,821)**	**14,433,707**
Total comprehensive income for the period	-	1,657,573	(2,896)	1,654,677
Balance at 31 March 2023	**11,613,735**	**4,684,366**	**(209,717)**	**16,088,384**

Company Secretary | Chief Financial Officer | Director | Director | Chief Executive Officer

LAFARGEHOLCIM BANGLADESH LIMITED
Statement of Cash Flows (Un-audited)
for the period ended 31 March 2023

	Notes	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
Cash flows from operating activities			
Cash receipts from customers		8,483,258	6,996,145
Cash paid to suppliers and employees		(5,290,304)	(5,091,552)
Cash generated from operations		**3,192,954**	**1,904,593**
Income tax paid		(368,750)	(106,089)
Other receipts		2,425	557
Net cash generated by operating activities	26	**2,826,629**	**1,799,061**
Cash flows from investing activities			
Payments for property, plant and equipment		(29,853)	(128,525)
Interest income on bank deposits		18,278	6,476
Net cash used in investing activities		**(11,575)**	**(122,049)**
Cash flows from financing activities			
Repayments of the lease liabilities		(6,364)	(6,364)
Payment of other finance costs		(6,180)	(7,191)
Interest paid on lease liability		(1,540)	(1,540)
Dividend payment		(254,881)	(1,707,290)
Net cash used in financing activities		**(268,965)**	**(1,722,385)**
Net increase/(decrease) in cash and cash equivalents		**2,546,089**	**(45,373)**
Cash and cash equivalents at beginning of the period		4,633,586	4,429,276
Cash and cash equivalents at end of the period	10	**7,179,675**	**4,383,903**
Net Operating Cash Flow Per Share (NOCFPS)	23B	**2.43**	**1.55**

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 31 March 2023

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 2022.

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.

		31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
5	**Property, plant and equipment***		
	Cost		
	At January 1	25,383,120	24,766,724
	Additions	35,882	669,632
	Disposals	-	(53,236)
	At March 31/December 31	25,419,002	25,383,120
	Depreciation		
	At January	9,500,387	8,358,213
	Disposals	-	(38,488)
	Charge for the period	257,861	1,180,662
	At March 31/December 31	9,758,248	9,500,387
	Carrying amount	**15,660,754**	**15,882,733**
5.1	***Right-of-use assets (RoUA)**		
	Cost		
	At January 1	130,348	130,348
	At March 31/December 31	130,348	130,348
	Depreciation		
	At January	100,096	75,131
	Charge for the period	6,364	24,965
	At March 31/December 31	106,460	100,096
	Carrying amount	**23,888**	**30,252**

		31 Mar 2023	31 Dec 2022
		Taka'000	Taka'000
6	**Goodwill***		
	Acquisition of subsidiary (Holcim Cement Bangladesh Limited)	317,776	317,776
		317,776	317,776

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

		31 Mar 2023	31 Dec 2022
7	**Inventories**		
	Raw materials	1,073,305	935,499
	Semi-finished and finished products	1,132,084	1,055,296
	Parts and supplies	1,184,595	992,245
		3,389,984	2,983,040
8	**Trade receivables**		
	Trade receivables	635,729	525,707
		635,729	525,707
9	**Other current assets**		
	Advance payment to trade suppliers	63,213	132,584
	Prepaid expenses	122,328	30,891
	Security and other deposits	84,746	84,746
	Other receivables- note 9.1	1,641,358	1,448,083
	Advance payment to suppliers of fixed assets	41,788	51,880
	Derivative assets	-	1,339
	Accrued interest on bank deposits	18,899	9,751
		1,972,332	1,759,274

9.1 Gas sales agreement with JGTDS

On 03 January 2021, Jalalabad Gas Transmission and Distribution System Limited (JGTDS) issued a Final Notice instructing the Company to pay for the gas, since September 2015, at the rate fixed by Bangladesh Energy Regulatory Commission (BERC). The Company's position is that, pursuant to the Gas Sales Agreement (GSA), JGTDS has agreed to limit the price for the supply of gas to a Ceiling Price. On 03 February 2021, the Company issued the Notice of Arbitration on JGTDS to resolve the dispute as per the provisions of the GSA. As per the GSA, the dispute is being resolved by a three (3) members tribunal under the UNCITRAL Rules 1976 ("Arbitration").

To ensure continued supply of gas to the plant during the pendency of the Arbitration, the Company filed an application before the High Court Division, Supreme Court of Bangladesh (the "High Court Division") for an interim injunction restraining JGTDS from terminating the GSA or stopping the supply of gas. On 07 February 2021, the High Court Division issued such interim relief in favor of the Company subject to submission of Bank Guarantee of Taka 860 million. Accordingly, the Company submitted the Bank Guarantee.

However, JGTDS filed an appeal against the interim order before the Appellate Division, Supreme Court of Bangladesh (the "Appellate Division") on 08 March 2021 (the "Appeal"). The Appellate Division maintained the interim relief but directed the Company to pay JGTDS the claimed amount which is Taka 903 million and monthly gas bills at the rate fixed by BERC. The Company has paid Taka 1,581 million as of 31 March 2023 to JGTDS and accounted for the amount as other receivable. The order of the Appellate Division relates to the interim relief and shall have no impact on the merit of the Arbitration pending before the Tribunal. The Company has a good case before the Arbitration Tribunal. If the Tribunal finds in favor of the Company, the Ceiling Price shall be applicable and the amounts paid to JGTDS against the order of the Appellate Division shall be refunded.

The hearing before the Tribunal has been concluded on 23 February 2023. The Company is awaiting for the Arbitration Award.

		31 Mar 2023	31 Dec 2022
		Taka'000	Taka'000
10	**Cash and cash equivalents**		
	Cash in hand	1,576	1,717
	Cash at banks	7,178,099	4,631,869
	Cash and cash equivalents in statement of financial position	7,179,675	4,633,586
11	**Lease liabilities**		
	A. Long term		
	Non-current portion	2,344	2,844
		2,344	2,844

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
B. Short term		
Current portion	21,544	27,408
	21,544	**27,408**

12 Deferred tax liability

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Deferred tax by type of temporary differences that resulted in deferred tax assets and liability		
Property, plant and equipment	1,940,433	1,970,133
Deferred tax liabilities	**1,940,433**	**1,970,133**
Provision for gratuity	27,270	23,876
Actuarial loss	30,161	30,161
Provision for doubtful debts	49,434	48,845
Provision for obsolescence of spare parts	28,471	28,471
Deferred tax assets	**135,336**	**131,353**
Net deferred tax liability	**1,805,097**	**1,838,780**

13 A. Trade payables

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Payable for goods and services	9,109,017	8,149,158
Contract liabilities	356,547	309,085
	9,465,564	**8,458,243**
B. Usance payable at sight (UPAS LC)	803,999	-

14 Other current liabilities

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Payables to suppliers of fixed assets	37,485	41,548
Income tax and VAT deducted at source	271,094	319,565
Derivative liabilities*	2,896	-
Others	516,472	675,930
	827,947	**1,037,043**

*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.

15 Current income tax liabilities

	31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
Balance as at 01 January	359,640	81,586
Provision for the period/year	445,272	1,146,468
Advance payment of income tax	(368,750)	(868,414)
	436,162	**359,640**

16 Revenue*

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
Sale of gray cement	7,437,110	6,004,566
Sale of cement clinker	35,286	170,542
Sale of aggregates	1,073,422	83,483
	8,545,818	**6,258,591**

17 Cost of sales

Manufacturing variable cost	4,032,890	3,108,804
Manufacturing fixed cost	771,496	710,656
Freight cost to customers	217,236	76,330
Depot operating and transportation costs	377,156	270,867
Inventory movement	479,346	452,900
	5,878,124	**4,619,557**

18 General and administrative expenses

Salary, allowances and benefits	77,221	77,651
IT maintenance expenses	22,082	18,429
Other office expenses	310,526	234,522
Contribution to Workers' Profit Participation and welfare Fund	108,903	58,454
	518,732	**389,056**

	Jan-Mar 2023 Taka'000	Jan-Mar 2022 Taka'000
19 Sales and marketing expenses		
Salary, allowances and benefits	50,503	39,972
Advertisement	57,827	47,651
Other office expenses	22,901	17,283
	131,231	**104,906**
20 Other operating income		
Sale of miscellaneous scrap items	2,425	557
	2,425	**557**
21 Finance costs and income		
Exchange loss	-	32,952
Interest expenses on short term loan	7,236	-
Other finance costs	4,160	5,589
Interest expenses on lease liabilities	1,540	1,540
Bank charges and commission	2,020	1,402
Finance costs	**14,956**	**41,483**
Interest income on Bank Deposits	27,426	6,476
Exchange gain	36,536	-
Finance income	**63,962**	**6,476**
Net finance costs/(income)	**(49,006)**	**35,007**
22 Income tax		
Current income tax expenses	445,272	312,457
Deferred income tax income	(33,683)	(31,538)
	411,589	**280,919**

			Jan-Mar 2023	Jan-Mar 2022

23 A. Earnings Per Share

The computation of basic earnings per share for the periods ended 2023 and 2022 are as follows:

Numerator	*(Thousand Taka)*			
Profit for the period			1,657,573	829,703
Denominator	*(Thousands of Shares)*			
Weighted average number of shares outstanding			1,161,374	1,161,374
Basic Earnings Per Share		*Taka*	**1.43**	**0.71**
Diluted Earnings Per Share		*Taka*	**1.43**	**0.71**

B. Net operating cash flow per share (NOCFPS)

The computation of net operating cash flow per share for the periods ended 2023 and 2022 are as follows:

Numerator	*(Thousand Taka)*			
Net operating cash flow for the period			2,826,629	1,799,061
Denominator	*(Thousands of Shares)*			
Weighted average number of shares outstanding			1,161,374	1,161,374
Net operating cash flow per share		*Taka*	**2.43**	**1.55**

			31 Mar 2023	**31 Dec 2022**

C. Net asset value (NAV) per share

The computation of net asset value per share for the periods ended 2023 and 2022 are as follows:

Numerator	*(Thousand Taka)*			
Net asset value for the period/year			16,088,384	14,433,707
Denominator	*(Thousand Shares)*			
Weighted average number of shares outstanding			1,161,374	1,161,374
Net asset value per share		*Taka*	**13.85**	**12.43**

24 Related party transactions

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

	Jan-Mar 2023 **Taka**	**Jan-Mar 2022** **Taka**
25 Comparative information of the shareholders (Note- 23)*		
Net Asset Value (NAV) Per Share	13.85	12.43
Earning Per Share (EPS)	1.43	0.71
Net Operating Cash Flow Per Share (NOCFPS)	2.43	1.55
Profit for the period	1,657,573,000	829,703,000

*For the period January to March 2023, EPS increased compared to the previous period, mainly due to increased aggregate sales and increased cement price. NOCFPS also increased compared to the same period of last year, due to higher EPS and higher collection from the customers.

26 Reconciliation of net profit with cash flows from operating activities

Net profit for the period	1,657,573	829,703
Income tax expenses	411,589	280,919
Net profit before tax	**2,069,162**	**1,110,622**
Depreciation and amortization	257,861	287,407
Other non-cash items	13,446	15,010
Non-operating items	(49,006)	35,007
Income tax paid	(368,750)	(106,089)
Changes in net working capital	903,916	457,104
Cash flows from operating activities	**2,826,629**	**1,799,061**

		31 Mar 2023 Taka'000	31 Dec 2022 Taka'000
27	**Share capital**		
27.1	**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 Mar 2023 Taka'000	31 Dec 2022 Taka'000
27.2	**Issued and subscribed capital**		
	1,161,373,500 ordinary shares of Taka 10 each	**11,613,735**	**11,613,735**
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
		11,613,735	**11,613,735**

27.4 Composition of shareholders at 31 March/31 December

Name of the shareholders	Nationality/Incorporated in	Number of shares 31 Mar 2023	Number of shares 31 Dec 2022
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	28,950,000	28,950,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	416,810,600	416,810,600
		1,161,373,500	**1,161,373,500**

Composition of shareholders at 31 March/31 December

Name of the shareholders	Nationality/Incorporated in	Holding (%) 31 Mar 2023	Holding (%) 31 Dec 2022
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	2.49	2.49
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.89	35.89
		100.00	**100.00**

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

LafargeHolcim Bangladesh Limited
A company of LafargeHolcim *and* CEMENTOS MOLINS

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