



LafargeHolcim Bangladesh Limited

A company of LafargeHolcim and

THIRD QUARTER CONSOLIDATED FINANCIAL STATEMENTS 2019 (UN-AUDITED)

Pursuant to the requirement of Regulation 17(3) of the Listing Regulations of Dhaka and Chittagong Stock Exchange Limited and Complying with Clause 43 (Modification No. BSEC/CMRRCD/2006-158/208/Amended) dated June 20, 2016 of Bangladesh Securities and Exchange Commission

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Financial Position (Un-audited)
at 30 September 2019

	30 Sep 2019 (Taka'000)	31 Dec 2018 (Taka'000)
Assets		
Non-current assets		
Property, plant and equipment	18,474,738	16,665,097
Goodwill	217,779	317,776
Intangible assets	2,589,894	2,813,894
Other assets	11,289	162,178
Total non-current assets	21,303,700	19,959,045
Current assets		
Inventories	2,064,413	2,378,070
Trade receivables	1,938,880	1,897,838
Other assets	45,565	956,487
Advance income tax	1,721,202	1,854,576
Derivative instruments	115,485	16,022
Cash and cash equivalents	1,158,255	446,184
Total current assets	7,043,797	7,148,187
Total assets	28,347,497	27,107,232
Equity & liabilities		
Equity		
Share capital	1,613,726	1,613,726
Retained earnings	3,640,495	3,640,263
Other components of equity	(103,200)	(116,930)
Foreign currency translation	388,284	415,280
Equity attributable to owners of the Company	5,539,305	5,552,339
Non-controlling interests	(69)	(69)
Total equity	5,539,236	5,552,270
Liabilities		
Non-current liabilities		
Borrowings	371,458	984,478
Deferred tax liabilities	3,045,117	3,104,680
Employee benefits	240,077	205,622
Provision	39,430	27,428
Total non-current liabilities	3,796,082	4,322,208
Current liabilities		
Trade payables	4,324,245	4,316,413
Other current liabilities	711,296	868,642
Borrowings	9,333,221	1,992,648
Total current liabilities	14,368,762	7,187,703
Total equity and liabilities	28,347,497	27,107,232

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Profit for the period	1,178,548	491,282	381,482	(35,223)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge instruments	13,645	(60,855)	(742)	(119,628)
Exchange differences on translating foreign operation	(25,904)	(202,914)	(60,559)	(115,628)
Non-controlling interests - currency translation adjustment	(1)	(58)	(11)	(23)
Other comprehensive income for the period	(12,260)	(263,727)	(61,272)	(235,281)
Total comprehensive income for the period	1,166,288	227,555	320,130	(270,504)
Profit attributable to:				
Owners of the parent Company	1,162,282	167,484	320,141	(270,479)
Non-controlling interests	(4)	(59)	(11)	(25)
Total	1,162,278	167,425	320,130	(270,504)

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2019

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non-controlling interests	Total equity
Balance at 1 January 2018	11,613,726	3,132,306	(46,737)	574,404	15,273,707	(4)	15,273,707
Total comprehensive income for the period	-	491,282	(60,855)	(262,914)	167,484	(58)	167,425
Total dividend for 2017	-	(491,282)	-	-	(491,282)	-	(491,282)
Balance at 30 September 2018	11,613,726	3,132,306	(107,692)	311,490	14,860,504	(62)	14,860,442
Balance at 1 January 2019	11,613,726	3,666,293	(116,930)	415,280	15,578,369	(68)	15,578,301
Total comprehensive income for the period	-	1,178,548	13,645	(26,904)	1,166,288	(1)	1,166,278
Total dividend for 2018	-	(1,151,274)	-	-	(1,151,274)	-	(1,151,274)
Balance at 30 September 2019	11,613,726	3,689,567	(103,200)	388,384	15,578,294	(69)	15,578,225

LAFARGEHOLCIM BANGLADESH LIMITED
Notes to the Consolidated Financial Statements (Un-audited)
for the period ended 30 September 2019

1. General information

LafargeHolcim Bangladesh Limited (LHBL) - (hereinafter referred to as "the Company") was incorporated on 11 November 1987 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 2020 and was for initial Public Offering of shares in November 2002 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 and one subsidiary in Bangladesh. A brief description of each of the subsidiary is given below:

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

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

Holcim Cement (Bangladesh) Limited - Holcim Bangladesh Limited ("HBL", formerly known as Hyundai Cement Bangladesh) Company Limited, was incorporated in Bangladesh as a private company limited by shares under the Companies Act, 1994. Holcim Bangladesh Limited, United Cement Industries Limited (UCIL) and Saham Cement Industries Limited (Saham) were merged together following an order of the Hon'ble High Court Division of the Supreme Court of Bangladesh in December 2011 and were allowed to carry out its business in the name of United Cement Industries Limited. Subsequently, United Cement Industries Limited was renamed as Holcim Cement (Bangladesh) Limited.

The address of the Company's registered office is NivalKabbo, Tejgaon, Dhaka. The Company is primarily involved in manufacture and sale of portland and composite cement.

2. Nature of business

The Company has established the country's only modern, integrated and state-of-the-art cement manufacturing plant at Chalka under Sunamganj district. The company extracts and processes the basic raw material limestone from its own quarry in Meghalaya. A 17 km cross-country belt conveyor links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of cement and clinker.

3. Basis of preparation

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

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Profit or Loss (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Revenue	13,292,781	12,324,329	3,658,380	3,846,509
Cost of sales	(10,122,131)	(9,373,038)	(2,517,565)	(2,867,186)
Gross profit	3,170,650	2,951,291	1,040,815	979,323
Other operating income	1,227	27,877	7,437	6,663
General and administrative expenses	(810,439)	(894,773)	(278,474)	(271,846)
Sales and marketing expenses	(327,148)	(441,586)	(138,279)	(154,952)
Other operating expenses	(1,192)	(172,187)	(1,592)	(126,112)
Operating profit	1,960,798	1,479,639	641,537	433,236
Finance cost	(166,307)	(402,823)	(82,792)	(161,115)
Finance income	31,602	5,910	14,448	1,200
Profit before tax	1,806,093	1,073,726	569,493	273,513
Income tax	(627,545)	(582,663)	(208,031)	(208,736)
Profit for the period	1,178,548	491,063	361,462	(35,223)
Earning Per Share				
Basic (Taka)	1.01	0.42	0.33	(0.03)
Diluted (Taka)	1.01	0.42	0.33	(0.03)

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)
Cash flows from operating activities	3,380,527	1,652,015
Cash receipts from customers	12,292,716	11,160,277
Cash paid to suppliers and employees	(7,919,720)	(10,020,603)
Cash generated from operations	3,990,586	2,139,672
Income tax paid	(627,068)	(595,534)
Other receipts	17,227	27,877
Net cash generated from operating activities	3,380,745	1,569,015
Cash flows from investing activities	(2,053,214)	(308,118)
Payments for property, plant and equipment	(2,053,214)	(308,118)
Proceeds from sale of property, plant and equipment	2,689	(5,123,537)
Interest income on bank deposits	8,129	6,310
Net cash used in investing activities	(2,042,695)	(5,423,345)
Cash flows from financing activities	(777,255)	1,925,000
Proceeds from long-term debt	(777,255)	(786,567)
Decrease in short-term debt	(507,690)	(786,567)
Payment of interest and other finance costs	(1,581,819)	(447,749)
Dividend payment	(1,154,343)	(232,824)
Net cash (used)/generated from financing activities	(2,316,007)	365,860
Net effect of foreign currency translation on cash and cash equivalents	(121)	(17,408)
Net decrease in cash and cash equivalents	(773,886)	(1,605,879)
Cash and cash equivalents at beginning of the period	2,168,969	3,632,876
Cash and cash equivalents at end of the period	(2,049,800)	2,026,997

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2019

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non-controlling interests	Total equity
Balance at 1 January 2018	11,613,726	3,132,306	(46,737)	574,404	15,273,707	(4)	15,273,707
Total comprehensive income for the period	-	491,282	(60,855)	(262,914)	167,484	(58)	167,425
Total dividend for 2017	-	(491,282)	-	-	(491,282)	-	(491,282)
Balance at 30 September 2018	11,613,726	3,132,306	(107,692)	311,490	14,860,504	(62)	14,860,442
Balance at 1 January 2019	11,613,726	3,666,293	(116,930)	415,280	15,578,369	(68)	15,578,301
Total comprehensive income for the period	-	1,178,548	13,645	(26,904)	1,166,288	(1)	1,166,278
Total dividend for 2018	-	(1,151,274)	-	-	(1,151,274)	-	(1,151,274)
Balance at 30 September 2019	11,613,726	3,689,567	(103,200)	388,384	15,578,294	(69)	15,578,225

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 treatments in its subsidiaries which have been eliminated during consolidation:

Name of subsidiary	30 Sep 2018 (Taka'000)	31 Dec 2018 (Taka'000)
Lafarge Umiam Mining Private Limited, India	319,286	518,256
Lum Mawshun Minerals Private Limited, India	537	537
Holcim Cement (Bangladesh) Limited, Bangladesh	6,647,820	6,647,820
Total	7,367,643	7,367,643

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
Holcim Cement (Bangladesh) Limited	Bangladesh	100

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 2018 except lease accounting. The company applied IFRS 16 from 1 January 2019. IFRS 16 requires leases to adopt a uniform approach to the presentation of leases. Consequently, assets must be recognized by payment obligations entered into for all leases. The right-of-use asset is generally measured at the amount of lease liability. Comparative figures and accruals filed in the financial statements have been reclassified/adjusted where necessary to conform with changes in presentation in the current period.

7. Comparative Information of the Shareholders'

	30 Sep 2019 (Taka)	31 Dec 2018 (Taka)
Net Asset Value (NAV) Per Share	13.41	13.41

	Jan-Sep 2019 (Taka)	Jan-Sep 2018 (Taka)
Earning Per Share (EPS)	1.01	0.42
Net Operating Cash Flow Per Share (NOCFPS)	2.06	1.34
Profit for the period	1,178,548,000	491,063,000

*For the period January to September 2019, EPS is higher than some period of the last year, mainly due to higher revenue, higher gross profit and improved effective tax rate. NOCFPS also increased compared to same period of last year, due to higher EPS, higher collection from customers and less payment to supplier.

বাংলাবাজার

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LafargeHolcim Bangladesh Limited

A company of LafargeHolcim and

THIRD QUARTER CONSOLIDATED FINANCIAL STATEMENTS 2019 (UN-AUDITED)

Pursuant to the requirement of Regulation 7(3) of the Listing Regulations of Dhaka and Chittagong Stock Exchanges Limited and Conforming with Clause (d) Notification No. BS/EC/CM/PROD/2006-15820/Amn/1 dated June 20, 2013 of Bangladesh Securities and Exchange Commission.

	30 Sep 2019 (Taka'000)	31 Dec 2018 (Taka'000)
Assets		
Non-current assets		
Property, plant and equipment	16,574,718	16,665,007
Goodwill	1,927,778	377,778
Intangible assets	2,643,444	2,815,894
Other assets	147,200	142,776
Total non-current assets	19,387,224	19,732,043
Current assets		
Inventories	2,068,413	2,378,070
Trade receivables	1,928,028	1,877,834
Other assets	134,325	566,487
Advance income tax	1,721,287	1,854,576
Derivative instruments	1,100,000	16,622
Cash and cash equivalents	112,481	446,194
Total current assets	6,875,222	7,148,187
Total assets	26,262,446	26,880,230
Equity & Liabilities		
Share capital	11,813,735	11,813,735
Retained earnings	1,660,465	3,664,293
Other components of equity	(193,290)	(116,230)
Foreign currency translation	388,359	415,248
Equity attributable to owners of the Company	15,577,269	15,677,346
Non-controlling interests	169	(86)
Total equity	15,577,438	15,577,260
Non-current liabilities		
Borrowings	277,658	984,478
Deferred tax liabilities	1,254,117	314,860
Employee benefits	748,673	205,623
Provision	30,430	37,420
Total non-current liabilities	2,306,878	1,532,381
Current liabilities		
Trade payables	459,210	4,216,413
Other current liabilities	711,366	608,842
Borrowings	1,311,223	1,992,646
Total current liabilities	2,561,799	6,817,901
Total equity and liabilities	26,262,446	26,880,230

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Revenue	7,282,714	12,374,329	3,559,390	3,848,500
Cost of sales	(6,167,121)	(9,372,030)	(2,517,565)	(2,697,186)
Gross profit	1,115,593	2,951,300	1,041,825	1,151,314
Other operating income	7,227	27,877	7,437	8,653
General and administrative expenses	(310,459)	(894,775)	(278,474)	(271,648)
Sales and marketing expenses	(377,549)	(441,586)	(128,379)	(154,622)
Other operating expenses	(7,389)	(172,187)	(1,582)	(126,112)
Operating profit	3,988,716	1,470,830	841,637	433,428
Finance cost	(198,207)	(402,622)	(98,702)	(161,115)
Finance income	35,800	5,910	14,448	1,200
Profit before tax	3,826,309	1,073,618	747,383	273,513
Income tax	(832,434)	(382,643)	(208,031)	(308,736)
Profit for the period	2,993,875	690,975	539,352	(33,223)
Earning Per Share	1.91	0.42	0.33	(0.03)
Basic (Taka)	1.91	0.42	0.33	(0.03)
Diluted (Taka)	1.91	0.42	0.33	(0.03)

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)
Cash flows from operating activities	1,532,615	1,532,615
Cash receipts from customers	2,569,714	12,50,277
Cash paid to suppliers and employees	(9,111,700)	(10,300,605)
Cash generated from operations	1,000,728	2,197,872
Income tax paid	(607,080)	(585,534)
Other receipts	17,777	27,877
Net cash generated from operating activities	413,645	1,640,215
Cash flows from investing activities	(2,311,031)	(2,311,031)
Payments for property, plant and equipment	(232,216)	(308,118)
Acquisition of subsidiary company	(1,528,519)	(6,123,347)
Proceeds from sale of property, plant and equipment	7,687	7,687
Interest income on bank deposits	3,433	8,310
Net cash used in investing activities	(2,311,031)	(6,433,365)
Cash flows from financing activities	1,408,999	1,408,999
Proceeds from long-term debt	(777,357)	1,825,000
Increase in short-term debt	225,620	(738,367)
Payment of interest and other finance costs	(1,38,819)	(447,749)
Dividend payment	(1,138,342)	(232,814)
Net cash (used)/generated from financing activities	(1,318,898)	386,080
Net effect of foreign currency translation on cash and cash equivalents	(727)	(17,406)
Net decrease in cash and cash equivalents	(217,901)	(3,502,476)
Cash and cash equivalents at beginning of the period	2,166,680	3,632,059
Cash and cash equivalents at end of the period	1,948,779	129,583

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Profit for the period	2,993,875	690,975	539,352	(33,223)
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge instruments	10,640	(60,855)	(762)	(119,828)
Exchange differences on translating foreign accounts	(262,314)	(60,559)	(115,628)	(115,628)
Non-controlling interests - currency translation adjustment	169	(86)	(11)	(23)
Total comprehensive income for the period	2,742,360	569,535	423,051	(368,732)
Total comprehensive income for the period	1,182,279	187,425	330,130	(270,504)
Profit attributable to:				
Owners of the parent Company	1,182,279	187,425	330,130	(270,504)
Non-controlling interests	(169)	(86)	(11)	(23)
Total comprehensive income for the period	1,182,279	187,425	330,130	(270,504)

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non-controlling interests	Total equity
Balance at 1 January 2016	11,813,735	3,132,305	(46,737)	574,404	15,273,707	(4)	15,273,703
Total comprehensive income for the period		491,263	(60,855)	(292,314)	167,484	(59)	167,425
Final dividend for 2017		(491,263)	(590,827)		(581,637)		(1,663,727)
Balance at 30 September 2018	11,813,735	3,042,841	(107,622)	311,490	14,855,504	(63)	14,855,441
Balance at 1 January 2019	11,813,735	3,666,293	(116,830)	415,288	15,778,386	(89)	15,778,297
Total comprehensive income for the period		1,175,546	13,840	(28,304)	1,162,292	(3)	1,162,278
Final dividend for 2018		(1,181,374)			(1,181,374)		(1,181,374)
Balance at 30 September 2019	11,813,735	3,640,465	(103,290)	388,359	15,677,264	(89)	15,677,175

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 2019

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 Sumit 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 to a public limited company on 30 January 2023 and was listed on Dhaka Stock Exchange of Dhaka in November 2023 which was fully subscribed and issued. The shares have since been listed and are being listed in Dhaka and Chittagong Stock Exchanges. Presently the Company has two subsidiaries in India and one subsidiary in Bangladesh. A brief description of each of the subsidiary is given below:

Lum Mawshun Minerals Private Limited (LUMMPL) - incorporated under the Indian Companies Act 1956 on 17 November 1999 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

Lafarge Ultram 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.

Holcim Cement (Bangladesh) Limited - Holcim Bangladesh Limited ("HBL"), formerly known as Hyundai Cement (Bangladesh) Company Limited, was incorporated in Bangladesh as a private company limited by shares under the Companies Act 1994. Holcim Bangladesh Limited, United Cement Industries Limited ("UCIL") and Saham Cement Industries Ltd ("Saham") were merged together following an order of the Hon'ble High Court Division of the Supreme Court of Bangladesh in December 2011 and were allowed to carry out its business in the name of United Cement Industries Limited. Subsequently, United Cement Industries Limited was renamed as Holcim Cement (Bangladesh) Limited.

The address of the Company's registered office is Nivakaboo, Tejgaon, Dhaka. The Company is primarily involved in manufacture and sale of cement and composite cement.

2. Nature of business
The Company has established the country's only modern, integrated and state-of-the-art cement manufacturing plant at Chittagong under Shantaganj division. The company extracts and processes the basic raw materials Impure from its own quarry in Meghalaya. A 17.86 mtr cross-belt conveyor links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of cement and clinker.

3. Basis of preparation
The consolidated financial statements have been prepared in accordance with Bangladesh 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 2019 (Taka'000)	31 Dec 2018 (Taka'000)
Lafarge Ultram Mining Private Limited, India	519,055	518,358
Lum Mawshun Minerals Private Limited, India	537	537
Holcim Cement (Bangladesh) Limited, Bangladesh	5,647,820	5,647,820
	5,867,412	5,867,715

5. Scope of consolidation
All inter-company balances between the Company and its subsidiaries are eliminated on consolidation.
The names of subsidiaries, country of incorporation and proportion of ownership interest are as follows:

Name of subsidiary	Country of incorporation	% of ownership interest
Lafarge Ultram Mining Private Limited	India	100
Lum Mawshun Minerals Private Limited	India	74
Holcim Cement (Bangladesh) Limited	Bangladesh	100

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 October 2018 except lease accounting. The company applied IFRS 16 from 1 January 2019. IFRS 16 requires leases to adopt a uniform approach to the presentation of leases. Consequently, assets must be recognized by payment obligations entered into for all leases. The right-of-use asset is generally measured at the amount of lease liability. Comparative figures and account lines in the financial statements have been rearranged/reclassified where necessary to conform with changes in presentation in the current period.

7. Comparative information of the Shareholders'

	30 Sep 2019 (Taka)	31 Dec 2018 (Taka)
Net Asset Value (NAV) Per Share	13.41	13.41

	Jan-Sep 2019 (Taka)	Jan-Sep 2018 (Taka)
Earning Per Share (EPS)	1.91	0.42
Net Operating Cash Flow Per Share (NOCFPS)	1.94	1.84
Profit for the period	1,755,400,000	491,263,000

*For the period January to September 2019, EPS is higher than same period of the last year, mainly due to higher revenue, higher gross profit and improved operating margins. NOCFPS also increased compared to same period of last year, due to higher EPS, higher collection from customers and less payment to suppliers.

Company Secretary Chief Financial Officer Director Director Chief Executive Officer

প্রচ্ছদ » LAFARGE SURMA CEMENT LTD

Q3 (Un-audited) Financial Statements of LafargeHolcim Bangladesh Limited

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Print

Q3 (Un-audited) Financial Statements of LafargeHolcim Bangladesh Limited

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Price Sensitive Information of LafargeHolcim Bangladesh Limited

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Q1 Consolidated Financial Statements (Un-audited) of LafargeHolcim Bangladesh Limited

Price Sensitive Information of LafargeHolcim Bangladesh Limited

LAFARGEHOLCIM BANGLADESH LTD PRICE SENSITIVE INFORMATION

LafargeHolcim Bangladesh Limited

A company of and

THIRD QUARTER CONSOLIDATED FINANCIAL STATEMENTS 2019 (UN-AUDITED)

Pursuant to the requirement of Regulation 17(3) of the Listing Regulations of Dhaka and Chittagong Stock Exchange Limited and Complying with Clause 4(3) Notification No. 89EC/MR/CD/2008-158/20/Adm/11 dated June 20, 2016 of Bangladesh Securities and Exchange Commission.

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Financial Position (Un-audited)
as at 30 September 2019

	30 Sep 2019 (Taka'000)	31 Dec 2018 (Taka'000)
Assets		
Non-current assets		
Property, plant and equipment	10,574,718	10,665,047
Goodwill	377,770	377,770
Intangible assets	2,553,444	2,613,964
Other assets	141,028	142,178
Total non-current assets	13,646,960	13,798,959
Current assets		
Inventory	2,906,413	2,278,070
Trade receivables	1,050,958	1,467,838
Other assets	431,985	565,487
Advance income tax	1,711,992	1,854,576
Derivatives and instruments	18,002	18,002
Cash and cash equivalents	112,195	481,234
Total current assets	6,280,555	7,144,167
Total assets	19,927,515	20,943,126
Equity & liabilities		
Share capital	11,815,225	11,815,225
Residual surplus	3,789,484	3,646,259
Other components of equity	(102,300)	(118,350)
Foreign currency translation	288,011	415,288
Equity attributable to owners of the Company	15,770,420	15,738,422
Non-controlling interests	150	168
Total equity	15,770,570	15,738,590
Non-current liabilities		
Borrowings	371,594	964,478
Deferred tax liabilities	3,045,117	3,164,628
Employee benefits	248,607	305,003
Provisions	39,430	37,428
Total non-current liabilities	3,704,748	4,471,537
Current liabilities		
Trade payables	4,524,245	4,518,413
Other current liabilities	711,244	658,642
Borrowings	1,115,228	1,892,646
Total current liabilities	6,350,717	7,070,661
Total equity and liabilities	19,927,515	20,943,126

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Profit for the period	1,175,544	491,262	381,882	155,223
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge effectiveness	13,840	(60,905)	(762)	(110,826)
Exchange differences on translating foreign operation	(28,304)	(262,914)	(60,530)	(115,228)
Non controlling interests currency translation adjustment	(1)	(1)	(1)	(1)
Other comprehensive income for the period	(14,765)	(223,820)	(61,333)	(226,055)
Total comprehensive income for the period	1,160,779	267,447	320,119	(70,832)
Profit attributable to:				
Owners of the parent Company	1,162,792	167,484	320,119	(270,479)
Non-controlling interests	(19,993)	(137)	(1)	(95)
1,142,799	167,347	320,118	(270,574)	

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2019

	Share capital	Reserves	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2019	11,815,225	3,132,205	(68,721)	244,047	15,278,756	(4)	15,278,752
Total comprehensive income for the period	-	167,447	(137)	(1)	166,202	(95)	166,009
Final dividend for 2017	-	(280,387)	-	-	(280,387)	-	(280,387)
Balance at 30 September 2018	11,815,225	3,042,818	(168,858)	244,046	14,892,261	(99)	14,892,162
Balance at 1 January 2019	11,815,225	3,196,298	(118,048)	115,248	15,008,723	(99)	15,008,624
Total comprehensive income for the period	-	1,175,544	(15)	(2)	1,175,527	(1)	1,175,527
Final dividend for 2018	-	(2,000,000)	-	-	(2,000,000)	-	(2,000,000)
Balance at 30 September 2019	11,815,225	2,268,362	(183,263)	244,044	13,878,368	(100)	13,878,268

LAFARGEHOLCIM BANGLADESH LIMITED
Notes to the Condensed Consolidated Financial Statements (Un-audited)
for the period ended 30 September 2019

1. General information

LafargeHolcim Bangladesh Limited (LHBL) (hereinafter referred to as "the Company") was incorporated on 18 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 Cement Limited". On 27 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 23 January 2020 and went for initial public offering of shares in November 2020, which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges. Hereinafter the Company has been referred to as "Lafarge" in this financial statement.

Lafarge Onitani Mining Private Limited (LUMPL) - incorporated under the Indian Companies Act, 1956 on 17 March 1999 as a private limited company with its registered office at Shillong in the State of Meghalaya, India.

Lafarge Onitani 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.

Holcim Cement (Bangladesh) Limited - Holcim, Bangladesh Limited ("HBL"), formerly known as Holcim Cement (Bangladesh) Company Limited, was incorporated in Bangladesh as a private company limited by shares under the Companies Act, 1994. Holcim Cement Limited, United Cement Industries Limited (ULCI) and Shakti Cement Industries Limited ("Shakti") were merged together following an order of the Hon'ble High Court Division of the Supreme Court of Bangladesh in December 2011 and were dissolved to carry on the business as the name of United Cement Industries Limited. Subsequently, United Cement Industries Limited was renamed as Holcim Cement (Bangladesh) Limited.

The address of the Company's registered office is New-Canton, Tejgaon, Dhaka. The Company is primarily involved in manufacturing and sale of cement and concrete cement.

2. Nature of business

The Company has established the country's only modern, integrated and state-of-the-art cement manufacturing plant at Chittagong under Government license. The company acquires and processes the limestone raw materials from its own quarry in Meekhata. A 17.5-km stretch on-board belt conveyor links the quarry with the cement plant for transportation of raw materials.

The company is engaged in manufacturing and marketing of cement and concrete.

3. Basis of preparation

The consolidated interim financial statements have been prepared in accordance with Bangladesh Accounting Standard 34 (Interim Financial Reporting).

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Profit or Loss (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)	Jul-Sep 2019 (Taka'000)	Jul-Sep 2018 (Taka'000)
Revenue	15,262,781	12,324,229	3,558,280	3,044,519
Cost of sales	(10,122,131)	(8,373,007)	(2,517,503)	(2,397,190)
Gross profit	5,140,650	3,951,222	1,040,777	647,329
Other operating income	17,227	7,427	4,888	4,888
General and administrative expenses	(910,458)	(894,773)	(276,474)	(271,643)
Sales and marketing expenses	(372,146)	(441,266)	(138,279)	(152,462)
Other operating expenses	(1,582)	(1,782)	(1,245)	(1,112)
Operating profit	3,864,711	2,720,837	630,767	226,000
Finance cost	(161,807)	(492,028)	(65,783)	(181,118)
Finance income	25,002	5,919	14,440	1,309
Profit before tax	3,727,906	2,234,728	559,424	346,191
Income tax	(547,438)	(582,043)	(208,011)	(368,735)
Profit for the period	3,180,468	1,652,685	351,413	(22,544)
Earnings Per Share				
Basic (Taka)	1.01	0.42	0.23	(0.07)
Diluted (Taka)	1.01	0.42	0.23	(0.07)

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Cash Flows (Un-audited)
for the period ended 30 September 2019

	Jan-Sep 2019 (Taka'000)	Jan-Sep 2018 (Taka'000)
Cash flows from operating activities		
Cash received from customers	12,659,516	10,581,277
Cash paid to suppliers and employees	(9,911,791)	(10,059,028)
Cash generated from operations	2,747,725	522,249
Income tax paid	(927,188)	(658,236)
Other receipts	1,227	37,877
Net cash generated from operating activities	1,820,534	(90,000)
Cash flows from investing activities		
Payments for property, plant and equipment	(350,234)	(308,118)
Acquisition of subsidiary company	-	(5,120,257)
Proceeds from sale of property, plant and equipment	8,125	3,810
Interest income on bank deposits	-	-
Net cash used in investing activities	(342,109)	(5,116,565)
Cash flows from financing activities		
Proceeds from long term debt	(77,252)	1,825,000
Decrease in short term debt	(227,820)	(328,847)
Payment of interest and other finance costs	(150,818)	(147,718)
Dividend payment	(1,324,142)	(282,894)
Net cash (used)/generated from financing activities	(2,379,432)	1,065,541
Net effect of foreign currency translation on cash and cash equivalents	(2,911)	(17,230)
Net increase in cash and cash equivalents	(2,280,737)	(4,047,812)
Cash and cash equivalents at beginning of the period	248,986	3,082,339
Cash and cash equivalents at end of the period	24,249	(1,965,473)

LAFARGEHOLCIM BANGLADESH LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 September 2019

	Share capital	Reserves	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2019	11,815,225	3,132,205	(68,721)	244,047	15,278,756	(4)	15,278,752
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Final dividend for 2018	-	(2,000,000)	-	-	(2,000,000)	-	(2,000,000)
Balance at 30 September 2019	11,815,225	2,268,362	(183,263)	244,044	13,878,368	(100)	13,878,268

4. Principles of consolidation

The accounts of all the subsidiaries of the Company have been 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 accounted during consolidation:

Name of subsidiary	30 Sep 2019 (Taka'000)	31 Dec 2018 (Taka'000)
Lafarge Onitani Mining Private Limited, India	216,258	519,358
Lafarge Onitani Mining Private Limited, India	537	927
Holcim Cement (Bangladesh) Limited, Bangladesh	3,047,828	3,047,829
	3,264,623	3,577,012

5. Scope of consolidation

All the subsidiary entities between the Company and its subsidiaries are controlled on consolidation. The scope of consolidation, country of incorporation and percentage of ownership interest are as follows:

Name of subsidiary	Country of Incorporation	% of ownership interest
Lafarge Onitani Mining Private Limited	India	100
Lafarge Onitani Mining Private Limited	India	75
Holcim Cement (Bangladesh) Limited	Bangladesh	50

6. Significant accounting policies

The same accounting policies, presentation and methods of consolidation 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 2018 except those relating to the company's acquisition of EPS. From 1 January 2019, EPS is required to adopt a uniform approach to the presentation of losses. Consequently, assets must be recognized for payment obligations related to tax to be allowed. The right-of-use asset is generally measured at the amount of lease liability. Comparative figures and account files in the financial statements have been retrospectively adjusted where necessary to conform with changes in presentation in the current period.

7. Comparative information of the Shareholders'

	30 Sep 2019 (Taka)	31 Dec 2018 (Taka)
Net Asset Value (NAV) Per Share	13.11	13.11

	Jan-Sep 2019 (Taka)	Jan-Sep 2018 (Taka)
Earnings Per Share (EPS)	1.01	0.42
Net Operating Cash Flow Per Share (NOCFPS)	2.06	1.34
Profit for the period	1,175,548,000	401,843,000

*For the period January to September 2019, EPS is higher than same period of the last year, mainly due to higher revenue, higher gross profit and improved effective tax rate. NOCFPS also increased compared to same period of last year, due to higher EPS, higher collection from customers and less expense to employees.

The details of the published quarterly (Q3) financial statements are available in the web-site of the Company. The address of the web-site is: www.lafargeholcim.com.bd

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The honourable Shareholders are requested to update their Bank Accounts, Address, Mobile Numbers, E-mail addresses, E-Tin number etc. through their respective Depository Participants (DP).

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