

# LafargeHolcim Bangladesh Limited

A company of  LafargeHolcim and 

## FIRST QUARTER CONSOLIDATED FINANCIAL STATEMENTS 2019 (UN-AUDITED)

Pursuant to the requirement of Regulation 17(1) of the Listing Regulations of Dhaka and Chittagong Stock Exchange Limited and Complying with Clause 4(1) Notification No.BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018 of Bangladesh Securities and Exchange Commission.

### LAFARGEHOLCIM BANGLADESH LIMITED Consolidated Statement of Financial Position (Un-audited) at 31 March 2019

	31 Mar 2019 (Taka'000)	31 Dec 2018 (Taka'000)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,924,929	16,665,097
Goodwill	317,776	317,776
Intangible assets	2,612,696	2,613,994
Other assets	-	142,176
<b>Total non-current assets</b>	<b>19,855,401</b>	<b>19,739,043</b>
<b>Current assets</b>		
Inventories	2,861,399	2,379,070
Trade receivables	2,098,813	1,887,838
Other assets	829,540	566,487
Advance income tax	1,887,596	1,854,576
Derivative instruments	14,012	16,022
Cash and cash equivalents	319,126	446,194
<b>Total current assets</b>	<b>8,010,486</b>	<b>7,149,187</b>
<b>Total assets</b>	<b>27,865,887</b>	<b>26,888,230</b>
<b>Equity &amp; liabilities</b>		
Share capital	11,613,735	11,613,735
Retained earnings	4,024,108	3,666,293
Other components of equity	(103,771)	(116,930)
Foreign currency translation	440,043	415,288
<b>Equity attributable to owners of the Company</b>	<b>15,974,115</b>	<b>15,578,386</b>
Non-controlling interests	(59)	(66)
<b>Total equity</b>	<b>15,974,056</b>	<b>15,578,320</b>
<b>Non-current liabilities</b>		
Borrowings	818,537	984,478
Deferred tax liabilities	3,068,657	3,104,680
Employee benefits	220,646	205,623
Provision	36,702	37,428
<b>Total non-current liabilities</b>	<b>4,146,542</b>	<b>4,332,209</b>
<b>Current liabilities</b>		
Trade payables	5,179,521	4,316,413
Other current liabilities	684,920	668,642
Borrowings	1,880,848	1,992,746
<b>Total current liabilities</b>	<b>7,745,289</b>	<b>6,977,601</b>
<b>Total equity and liabilities</b>	<b>27,865,887</b>	<b>26,888,230</b>

  
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 2019

	Jan-Mar 2019 (Taka'000)	Jan-Mar 2018 (Taka'000)
<b>Profit for the period</b>	<b>357,815</b>	<b>228,415</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Cash flow hedge instruments	13,159	39,038
Exchange differences on translating foreign operation	24,755	(36,073)
Non-controlling interests- currency translation adjustment	7	(8)
<b>Other comprehensive income for the period</b>	<b>37,921</b>	<b>2,957</b>
<b>Total comprehensive income for the period</b>	<b>395,736</b>	<b>231,372</b>
<b>Profit attributable to:</b>		
Owners of the parent Company	395,729	231,380
Non-controlling interests	7	(8)
	<b>395,736</b>	<b>231,372</b>

  
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### LAFARGEHOLCIM BANGLADESH LIMITED Consolidated Statement of Changes in Equity (Un-audited) for the period ended 31 March 2019

	Share capital	Retained earnings	Other components of equity	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
<b>Balance at 1 January 2018</b>	11,613,735	3,132,905	(46,737)	574,404	15,273,707	(4)	15,273,703
Total comprehensive income for the period	-	228,415	39,038	(36,073)	231,380	(8)	231,372
<b>Balance at 31 March 2018</b>	<b>11,613,735</b>	<b>3,360,720</b>	<b>(7,699)</b>	<b>538,331</b>	<b>15,505,087</b>	<b>(12)</b>	<b>15,505,075</b>
<b>Balance at 1 January 2019</b>	11,613,735	3,666,293	(116,930)	415,288	15,578,386	(66)	15,578,320
Total comprehensive income for the period	-	357,815	13,159	24,755	395,729	7	395,736
<b>Balance at 31 March 2019</b>	<b>11,613,735</b>	<b>4,024,108</b>	<b>(103,771)</b>	<b>440,043</b>	<b>15,974,115</b>	<b>(59)</b>	<b>15,974,056</b>

  
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### LAFARGEHOLCIM BANGLADESH LIMITED Consolidated Statement of Profit or Loss (Un-audited) for the period ended 31 March 2019

	Jan-Mar 2019 (Taka'000)	Jan-Mar 2018 (Taka'000)
<b>Revenue</b>	<b>5,206,544</b>	<b>4,620,879</b>
Cost of sales	(4,204,262)	(3,652,445)
<b>Gross profit</b>	<b>1,002,282</b>	<b>968,434</b>
Other operating income	2,418	6,819
General and administrative expenses	(277,405)	(318,997)
Sales and marketing expenses	(132,429)	(194,946)
<b>Operating profit</b>	<b>594,866</b>	<b>461,310</b>
Finance cost	(70,844)	(87,271)
Finance income	5,036	3,583
<b>Profit before tax</b>	<b>529,058</b>	<b>377,622</b>
Income tax	(171,243)	(129,207)
<b>Profit for the period</b>	<b>357,815</b>	<b>228,415</b>
<b>Earning Per Share</b>		
Basic (Taka)	0.31	0.20
Diluted (Taka)	0.31	0.20

  
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### LAFARGEHOLCIM BANGLADESH LIMITED Consolidated Statement of Cash Flows (Un-audited) for the period ended 31 March 2019

	Jan-Mar 2019 (Taka'000)	Jan-Mar 2018 (Taka'000)
<b>Cash flows from operating activities</b>		
Cash receipts from customers	4,520,332	4,525,647
Cash paid to suppliers and employees	(3,672,014)	(3,371,546)
<b>Cash generated from operations</b>	<b>848,318</b>	<b>1,154,101</b>
Income tax paid	(237,535)	(261,347)
Other receipts	2,100	3,868
<b>Net cash generated from operating activities</b>	<b>612,883</b>	<b>896,622</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(116,189)	(44,759)
Acquisition of subsidiary company	-	(5,123,537)
Proceeds from sale of property, plant and equipment	-	-
Interest income on bank deposits	17	6,771
<b>Net cash used in investing activities</b>	<b>(116,172)</b>	<b>(5,161,525)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term debt	(330,375)	2,300,000
Decrease in short term debt	(473,370)	(1,131,458)
Payment of interest and other finance costs	(71,897)	(93,338)
Dividend payment	(4,115)	(650)
<b>Net cash (used)/generated from financing activities</b>	<b>(879,757)</b>	<b>1,074,554</b>
Net effect of foreign currency translation on cash and cash equivalents	1,436	(3,692)
<b>Net decrease in cash and cash equivalents</b>	<b>(381,610)</b>	<b>(3,194,041)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>246,889</b>	<b>3,632,655</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(134,721)</b>	<b>438,614</b>

  
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### LAFARGEHOLCIM BANGLADESH LIMITED Notes to the Consolidated Financial Statements (Un-audited) for the period ended 31 March 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 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 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 (LUMPL)** - 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.

**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 ("UICL") and Saiham Cement Industries Limited ("Saiham") 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 NinaKabbo, 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 Chhatrak under Sunamganj district. The company extracts and processes the basic raw materials limestone from its own quarry in Meghalaya. A 17-kilo metre cross-border 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.

#### 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 2019 (Taka'000)	31 Mar 2018 (Taka'000)
Lafarge Umiam Mining Private Limited, India	519,356	519,356
Lum Mawshun Minerals Private Limited, India	537	537
Holcim Cement (Bangladesh) Limited, Bangladesh	5,047,820	5,047,820
	<b>5,567,713</b>	<b>5,567,713</b>

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.

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.

#### 7. Comparative Information of the Shareholders

	Jan-Mar 2019 (Taka)	Jan-Mar 2018 (Taka)
Net Asset Value (NAV) Per Share	13.75	13.35
Earning Per Share (EPS)	0.31	0.20
Net Operating Cash Flow Per Share (NOCFPS)	0.53	0.77
Profit for the period	357,815,000	228,415,000

  
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The details of the published quarterly (Q1) financial statements are available in the web-site of the Company. The address of the web-site is: [www.lafargeholcim.com.bd](http://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).