



LafargeHolcim

# INTERIM **FINANCIAL** STATEMENTS

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as at and for the  
period ended 31 March 2021  
**(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 2021**

		31 Mar 2021	31 Dec 2020
	NOTES	<u>Taka'000</u>	<u>Taka'000</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	16,536,974	16,675,338
Goodwill	8	317,776	317,776
Intangible assets	9	2,283,113	2,293,293
<b>Total non-current assets</b>		<b><u>19,137,863</u></b>	<b><u>19,286,407</u></b>
<b>Current assets</b>			
Inventories	10	2,252,944	2,183,534
Trade receivables	11	1,582,434	1,747,990
Other assets	12	623,144	615,819
Advance income tax	13	710,921	998,139
Derivative instruments		2,532	14,435
Cash and cash equivalents	14	4,564,544	1,372,660
<b>Total current assets</b>		<b><u>9,736,519</u></b>	<b><u>6,932,577</u></b>
<b>Total assets</b>		<b><u>28,874,382</u></b>	<b><u>26,218,984</u></b>
<b>Equity &amp; liabilities</b>			
Share capital	31.3	11,613,735	11,613,735
Retained earnings		6,477,815	5,442,469
Other components of equity		(102,210)	(89,671)
Foreign currency translation		311,223	322,712
<b>Equity attributable to owners of the Company</b>		<b><u>18,300,563</u></b>	<b><u>17,289,245</u></b>
Non-controlling interests		(139)	(170)
<b>Total equity</b>		<b><u>18,300,424</u></b>	<b><u>17,289,075</u></b>
<b>Non-current liabilities</b>			
Borrowings	15A	52,131	65,876
Deferred tax liabilities	16	2,534,315	2,587,978
Employee benefits		311,990	293,689
Provision	17	42,603	41,865
<b>Total non-current liabilities</b>		<b><u>2,941,039</u></b>	<b><u>2,989,408</u></b>
<b>Current liabilities</b>			
Trade payables	18	6,973,677	5,074,955
Other current liabilities	19	563,635	768,700
Borrowings	15B	37,735	37,099
Unclaimed dividend		57,872	59,747
<b>Total current liabilities</b>		<b><u>7,632,919</u></b>	<b><u>5,940,501</u></b>
<b>Total equity and liabilities</b>		<b><u>28,874,382</u></b>	<b><u>26,218,984</u></b>
<b>Net Asset Value (NAV) Per Share</b>	27C	<b><u>15.76</u></b>	<b><u>14.89</u></b>

*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 2021**

	NOTES	Jan-Mar 2021 Taka '000	Jan-Mar 2020 Taka '000
<b>Revenue</b>	20	6,317,721	5,128,269
Cost of sales	21	(4,443,434)	(3,994,767)
<b>Gross profit</b>		<u><b>1,874,287</b></u>	<u><b>1,133,502</b></u>
Other operating income	24	10,248	1,672
General and administrative expenses	22	(388,469)	(327,752)
Sales and marketing expenses	23	(136,364)	(143,861)
<b>Operating profit</b>		<u><b>1,359,702</b></u>	<u><b>663,561</b></u>
Finance cost	25	(7,943)	(33,344)
Finance income	25	7,498	1,298
<b>Profit before tax</b>		<u><b>1,359,257</b></u>	<u><b>631,515</b></u>
Income tax	26	(323,911)	(109,063)
<b>Profit for the period</b>		<u><u><b>1,035,346</b></u></u>	<u><u><b>522,452</b></u></u>
<b>Earning Per Share</b>			
Basic (Taka)	27A	0.89	0.45
Diluted (Taka)	27A	0.89	0.45

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



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Comprehensive Income (Un-audited)**  
**for the period ended 31 March 2021**

	<b>Jan-Mar 2021</b>	<b>Jan-Mar 2020</b>
	<b><u>Taka'000</u></b>	<b><u>Taka'000</u></b>
<b>Profit for the period</b>	<b><u>1,035,346</u></b>	<b><u>522,452</u></b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Cash flow hedge instruments	(12,539)	(25,025)
Exchange differences on translating foreign operation	(11,489)	(170,332)
Non controlling interests- currency translation adjustment	31	(8)
<b>Other comprehensive income for the period</b>	<b><u>(23,997)</u></b>	<b><u>(195,365)</u></b>
<b>Total comprehensive income for the period</b>	<b><u><u>1,011,349</u></u></b>	<b><u><u>327,087</u></u></b>
 <b>Profit attributable to:</b>		
Owners of the parent Company	1,011,318	327,095
Non-controlling interests	31	(8)
	<b><u><u>1,011,349</u></u></b>	<b><u><u>327,087</u></u></b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Changes in Equity (Un-audited)**  
**for the period ended 31 March 2021**

*( 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
<b>Balance at 1 January 2020</b>	11,613,735	4,242,436	(43,172)	386,362	16,199,361	(134)	16,199,227
Total comprehensive income for the period	-	522,452	(25,025)	(170,332)	327,095	(8)	327,087
<b>Balance at 31 March 2020</b>	<b>11,613,735</b>	<b>4,764,888</b>	<b>(68,197)</b>	<b>216,030</b>	<b>16,526,456</b>	<b>(142)</b>	<b>16,526,314</b>
<b>Balance at 1 January 2021</b>	11,613,735	5,442,469	(89,671)	322,712	17,289,245	(170)	17,289,075
Total comprehensive income for the period	-	1,035,346	(12,539)	(11,489)	1,011,318	31	1,011,349
<b>Balance at 31 March 2021</b>	<b>11,613,735</b>	<b>6,477,815</b>	<b>(102,210)</b>	<b>311,223</b>	<b>18,300,563</b>	<b>(139)</b>	<b>18,300,424</b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Cash Flows (Un-audited)**  
**for the period ended 31 March 2021**

	Notes	Jan-Mar 2021 <u>Taka'000</u>	Jan-Mar 2020 <u>Taka'000</u>
<b>Cash flows from operating activities</b>			
Cash receipts from customers		6,716,658	5,119,576
Cash paid to suppliers and employees		<u>(3,342,464)</u>	<u>(3,674,904)</u>
<b>Cash generated from operations</b>		<b>3,374,194</b>	<b>1,444,672</b>
Income tax paid		(90,547)	(94,639)
Other receipts		8,383	1,672
<b>Net cash generated by operating activities</b>	30	<b><u>3,292,030</u></b>	<b><u>1,351,705</u></b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(91,558)	(141,405)
Proceeds from property, plant and equipment		1,865	-
Interest income on bank deposits		7,287	1,752
<b>Net cash used in investing activities</b>		<b><u>(82,406)</u></b>	<b><u>(139,653)</u></b>
<b>Cash flows from financing activities</b>			
Repayment of long-term debt		-	(500,001)
Repayments of the lease liabilities		(9,986)	(11,897)
Decrease in short term debt		-	(100,000)
Payment of interest and other finance costs		(2,127)	(32,753)
Interest paid on lease liability		(3,759)	(5,250)
Dividend payment		(1,875)	(611)
<b>Net cash used in financing activities</b>		<b><u>(17,747)</u></b>	<b><u>(650,512)</u></b>
Net effect of foreign currency translation on cash and cash equivalents		7	(9,177)
<b>Net increase in cash and cash equivalents</b>		<b><u>3,191,884</u></b>	<b><u>552,363</u></b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>1,372,660</b>	<b>94,340</b>
<b>Cash and cash equivalents at end of the period</b>	14	<b><u>4,564,544</u></b>	<b><u>646,703</u></b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	27B	<b><u>2.83</u></b>	<b><u>1.16</u></b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Notes to the Condensed Consolidated Financial Statements (Un-audited)**  
**for the period ended 31 March 2021**

**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 has established the country's only modern, integrated and state-of-the art cement manufacturing plant at Chhatak 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 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 2021 Taka'000	31 Dec 2020 Taka'000
Lafarge Umiam Mining Private Limited, India	519,356	519,356
Lum Mawshun Minerals Private Limited, India	537	537
	<u>519,893</u>	<u>519,893</u>

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

**5 Scope of consolidation**

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

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

**6 Significant accounting policies**

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2020.

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 2021 Taka'000	31 Dec 2020 Taka'000
<b>7 Property, plant and equipment*</b>		
<b>Cost</b>		
At January 1	25,508,802	24,504,158
Additions	119,951	1,090,221
Disposals	(9,662)	(20,939)
Translation adjustment	128	(64,638)
At March 31/December 31	<u>25,619,219</u>	<u>25,508,802</u>
<b>Depreciation</b>		
At January 1	8,833,464	7,847,509
Disposals	(9,662)	(20,762)
Charge for the period	258,530	1,031,038
Translation adjustment	(87)	(24,321)
At March 31/December 31	<u>9,082,245</u>	<u>8,833,464</u>
<b>Carrying amount</b>	<u><b>16,536,974</b></u>	<u><b>16,675,338</b></u>
<b>7.1 *Right-of-use assets (RoUA)</b>		
<b>Cost</b>		
At January 1	238,954	238,954
At March 31/December 31	<u>238,954</u>	<u>238,954</u>
<b>Depreciation</b>		
At January 1	151,379	98,731
Charge for the period	9,995	52,648
At March 31/December 31	<u>161,374</u>	<u>151,379</u>
<b>Carrying amount</b>	<u><b>77,580</b></u>	<u><b>87,575</b></u>
<b>8 Goodwill*</b>		
Acquisition of subsidiary (Holcim Cement Bangladesh Limited)**	317,776	317,776
<b>**Now Holcim Cement Bangladesh Limited is amalgamated with the LHBL</b>	<u><b>317,776</b></u>	<u><b>317,776</b></u>
*Goodwill arising on acquisition of subsidiary is measured at cost less accumulated impairment losses.		
<b>9 Intangible assets</b>		
<b>Cost</b>		
At January 1	2,898,442	2,930,691
Translation adjustment	89	(32,249)
At March 31/December 31	<u>2,898,531</u>	<u>2,898,442</u>
<b>Amortization</b>		
At January 1	605,149	536,218
Charge for the period	10,305	80,262
Translation adjustment	(36)	(11,331)
At March 31/December 31	<u>615,418</u>	<u>605,149</u>
<b>Carrying amount</b>	<u><b>2,283,113</b></u>	<u><b>2,293,293</b></u>
<b>10 Inventories</b>		
Raw materials	592,540	584,723
Semi-finished and finished products	668,111	611,756
Parts and supplies	992,293	987,055
	<u><b>2,252,944</b></u>	<u><b>2,183,534</b></u>



	31 Mar 2021 Taka'000	31 Dec 2020 Taka'000
<b>11 Trade receivables</b>		
Trade receivables	654,399	846,803
Advance payment to trade suppliers	928,035	901,187
	<u>1,582,434</u>	<u>1,747,990</u>
<b>12 Other assets</b>		
Prepaid expenses	122,784	73,537
Advance to employees	7,860	9,172
Security and other deposits	91,886	92,651
Other receivables	73,923	79,937
Advance payment to suppliers of fixed assets	316,106	350,148
Accrued interest on bank deposits	10,585	10,374
	<u>623,144</u>	<u>615,819</u>
<b>13 Advance income tax- net of tax provision</b>		
Advance income tax	7,566,776	7,476,229
Current tax liabilities	(6,855,855)	(6,478,090)
	<u>710,921</u>	<u>998,139</u>
<b>14 Cash and cash equivalents</b>		
Cash in hand	2,075	2,516
Cash at banks	4,562,469	1,370,144
<b>Cash and cash equivalents in statement of financial position</b>	<u>4,564,544</u>	<u>1,372,660</u>
<b>15 Borrowings</b>		
<b>A. Borrowings-long term</b>		
Non-current portion- leases liabilities	52,131	65,876
	<u>52,131</u>	<u>65,876</u>
<b>B. Borrowings-short term</b>		
Current portion of long-term leases liabilities	36,862	36,862
Derivative liabilities*	873	237
	<u>37,735</u>	<u>37,099</u>
*The Company entered into forward contracts with the commercial bank in order to manage its foreign exchange exposure due to change in exchange rates. The amount is the difference between market prices and prices the Company would pay to settle the foreign exchange liabilities at the end of the period.		
<b>16 Deferred tax liabilities</b>		
The tax effects of temporary differences that resulted in deferred tax liabilities and assets.		
Deferred tax liabilities	2,645,683	2,695,818
Deferred tax assets	111,368	107,840
<b>Net deferred tax liabilities</b>	<u>2,534,315</u>	<u>2,587,978</u>
	<b>31 Mar 2021</b>	<b>31 Dec 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>17 Provisions</b>		
<b>Site restoration provisions</b>		
Balance at 1 January	41,865	40,146
Provision for the period	740	2,912
Translation adjustment	(2)	(1,193)
At March 31/December 31	<u>42,603</u>	<u>41,865</u>

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).

	31 Mar 2021	31 Dec 2020
	<u>Taka'000</u>	<u>Taka'000</u>
<b>18 Trade payables</b>		
Payable for goods and services	6,478,663	4,786,474
Contract liabilities	495,014	288,481
	<u><b>6,973,677</b></u>	<u><b>5,074,955</b></u>
<b>19 Other current liabilities</b>		
Payables to suppliers of fixed assets	97,382	118,894
Income tax and VAT deducted at source	201,186	206,971
Others	265,067	442,835
	<u><b>563,635</b></u>	<u><b>768,700</b></u>

	Jan-Mar 2021	Jan-Mar 2020
	<u>Taka'000</u>	<u>Taka'000</u>

**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	5,953,313	5,128,269
Aggregate	364,408	-
	<u><b>6,317,721</b></u>	<u><b>5,128,269</b></u>

**B. Segment information**

2021 Taka'000	Reportable segments		
	Clinker and cement	Aggregates	Total
<b>Statement of profit and loss</b>			
Segment revenue	5,953,313	364,408	6,317,721
<b>Operating profit</b>	<b>1,189,432</b>	<b>170,270</b>	<b>1,359,702</b>

**Statement of financial position**

<b>Assets</b>			
Segment assets	23,087,242	509,143	23,596,385
Unallocated assets*	-	-	5,277,997
<b>Total assets</b>			<b>28,874,382</b>
<b>Equity and liabilities</b>			
Segment liabilities	7,855,995	35,910	7,891,905
Unallocated equity and liabilities**	-	-	20,982,477
<b>Total equity and liabilities</b>			<b>28,874,382</b>

2020 Taka'000	Reportable segments		
	Clinker and cement	Aggregates	Total
<b>Statement of profit and loss</b>			
Segment revenue	5,128,269	-	5,128,269
<b>Operating profit</b>	<b>663,561</b>	<b>-</b>	<b>663,561</b>

**Statement of financial position**

<b>Assets</b>			
Segment assets	23,833,750	-	23,833,750
Unallocated assets*	-	-	2,385,234
<b>Total assets</b>			<b>26,218,984</b>
<b>Equity and liabilities</b>			
Segment liabilities	6,179,209	-	6,179,209
Unallocated equity and liabilities**	-	-	20,039,775
<b>Total equity and liabilities</b>			<b>26,218,984</b>

\*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 2021 <u>Taka'000</u>	Jan-Mar 2020 <u>Taka'000</u>
<b>21 Cost of sales</b>		
Manufacturing variable cost	2,950,446	2,609,921
Manufacturing fixed cost	740,142	737,457
Freight cost to customers	89,782	88,745
Depot operating and transportation costs	288,504	269,485
Inventory movement	374,560	289,159
	<u><b>4,443,434</b></u>	<u><b>3,994,767</b></u>
<b>22 General and administrative expenses</b>		
Salary, allowances and benefits	81,133	93,424
IT maintenance expenses	19,542	24,870
Other office expenses	228,276	187,412
Contribution to Workers' Profit Participation and welfare Fund	59,518	22,046
	<u><b>388,469</b></u>	<u><b>327,752</b></u>
<b>23 Sales and marketing expenses</b>		
Salary, allowances and benefits	40,858	48,071
Advertisement	77,082	82,392
Other office expenses	18,424	13,398
	<u><b>136,364</b></u>	<u><b>143,861</b></u>
<b>24 Other operating income</b>		
Sale of miscellaneous scrap items	8,383	1,672
Gain on sale of property, plant and equipment	1,865	-
	<u><b>10,248</b></u>	<u><b>1,672</b></u>
<b>25 Finance costs and income</b>		
Interest expenses	-	18,166
Exchange loss	2,057	4,765
Other finance costs	942	1,120
Interest expenses on lease liabilities	3,759	5,250
Bank charges and commission	1,185	4,043
<b>Finance costs</b>	<u><b>7,943</b></u>	<u><b>33,344</b></u>
Interest income on Bank Deposits	7,498	1,298
<b>Finance income</b>	<u><b>7,498</b></u>	<u><b>1,298</b></u>
<b>Net finance (income)/costs</b>	<u><b>445</b></u>	<u><b>32,046</b></u>
<b>26 Income tax</b>		
Current income tax expenses	377,765	223,165
Deferred income tax income	(53,854)	(114,102)
	<u><b>323,911</b></u>	<u><b>109,063</b></u>
<b>27 A. Earnings Per Share</b>		
The computation of basic earnings per share for the periods ended 2021 and 2020 are as follows:		
<b>Numerator</b>	<i>(Thousand Taka)</i>	
Profit for the period	1,035,346	522,452
<b>Denominator</b>	<i>(Thousands of Shares)</i>	
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Basic Earnings Per Share</b>	<i>Taka</i> <b>0.89</b>	<b>0.45</b>
<b>Diluted Earnings Per Share</b>	<i>Taka</i> <b>0.89</b>	<b>0.45</b>
<b>B. Net operating cash flow per share (NOCFPS)</b>		
The computation of net operating cash flow per share for the periods ended 2021 and 2020 are as follows:		
<b>Numerator</b>	<i>(Thousand Taka)</i>	
Net operating cash flow for the period	3,292,030	1,351,705
<b>Denominator</b>	<i>(Thousands of Shares)</i>	
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net operating cash flow per share</b>	<i>Taka</i> <b>2.83</b>	<b>1.16</b>

	<u>31 Mar 2021</u>	<u>31 Dec 2020</u>
<b>C. Net asset value (NAV) per share</b>		
The computation of net asset value per share for the periods ended 2021 and 2020 are as follows:		
<b>Numerator</b> (Thousand Taka)		
Net asset value for the period/year	18,300,563	17,289,245
<b>Denominator</b> (Thousand Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net asset value per share</b>	<b>Taka 15.76</b>	<b>14.89</b>

## 28 Related Party Transactions

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

	<u>Jan-Mar 2021</u>	<u>Jan-Mar 2020</u>
	<u>Taka</u>	<u>Taka</u>
<b>29 Comparative Information of the Shareholders (Note- 27)*</b>		
Net Asset Value (NAV) Per Share	15.76	14.89
Earning Per Share (EPS)	0.89	0.45
Net Operating Cash Flow Per Share (NOCFPS)	2.83	1.16
Profit for the period	1,035,346,000	522,452,000

\*For the period January to March 2021, EPS increased compared to the previous period, mainly due to increased cement sales and new aggregate business. NOCFPS also increased compared to same period of last year, due to higher EPS and higher net cash generation from operation.

## 30 Reconciliation of net profit with cash flows from operating activities

<b>Net profit for the period</b>	<b>1,035,346</b>	<b>522,452</b>
Depreciation and amortization	268,835	257,096
Other non-cash items	1,643	1,409
Non-operating items	445	32,046
Changes in net working capital	1,985,761	538,702
<b>Cash flows from operating activities</b>	<b>3,292,030</b>	<b>1,351,705</b>

	<u>31 Mar 2020</u>	<u>31 Dec 2020</u>
	<u>Taka'000</u>	<u>Taka'000</u>
<b>31 Share Capital</b>		
<b>31.1 Authorized capital</b>		
1,400,000,000 ordinary shares of Taka 10 each	<b>14,000,000</b>	<b>14,000,000</b>

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.

<b>31.2 Issued and subscribed capital</b>		
1,161,373,500 ordinary shares of Taka 10 each	<b>11,613,735</b>	<b>11,613,735</b>
<b>31.3 Paid up capital</b>		
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
	<b>11,613,735</b>	<b>11,613,735</b>

## 31.4 Composition of shareholders at 31 March/31 December

Name of the shareholders	Nationality/Incorporated in	Number of shares	
		31 Mar 2021	31 Dec 2020
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	35,100,000	35,100,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	410,660,600	410,660,600
		<b>1,161,373,500</b>	<b>1,161,373,500</b>

**31.5 Composition of shareholders at 31 March/31 December**

Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		31 Mar 2021	31 Dec 2020
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	3.02	3.02
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.36	35.36
		<b>100.00</b>	<b>100.00</b>



  
Company Secretary

  
Chief Financial Officer

  
Director

  
Director

  
Chief Executive Officer



**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Statement of financial position (Un-audited)**  
**at 31 March 2021**

	NOTES	31 Mar 2021 <u>Taka'000</u>	31 Dec 2020 <u>Taka'000</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	16,570,298	16,696,730
Goodwill	6	317,776	317,776
Investment in subsidiaries		519,893	519,893
<b>Total non-current assets</b>		<b><u>17,407,967</u></b>	<b><u>17,534,399</u></b>
<b>Current assets</b>			
Inventories	7	2,167,589	2,187,723
Trade receivables	8	865,605	1,083,760
Other current assets	9	389,340	380,377
Advance income tax	10	408,214	649,343
Cash and cash equivalents	11	4,486,015	1,292,660
<b>Total current assets</b>		<b><u>8,316,763</u></b>	<b><u>5,593,863</u></b>
<b>Total assets</b>		<b><u>25,724,730</u></b>	<b><u>23,128,262</u></b>
<b>Equity &amp; liabilities</b>			
<b>Equity</b>			
Share capital	27.3	11,613,735	11,613,735
Retained earnings		3,768,584	2,955,783
Other component of equity		(103,250)	(102,614)
<b>Total equity</b>		<b><u>15,279,069</u></b>	<b><u>14,466,904</u></b>
<b>Non-current liabilities</b>			
Borrowings	12A	41,061	53,227
Deferred tax liabilities	13	2,350,614	2,379,700
Employee benefits		282,884	267,128
<b>Total non-current liabilities</b>		<b><u>2,674,559</u></b>	<b><u>2,700,055</u></b>
<b>Current liabilities</b>			
Trade payables	14	7,149,712	5,130,044
Other current liabilities	15	532,792	741,422
Borrowings	12B	30,726	30,090
Unclaimed dividend		57,872	59,747
<b>Total current liabilities</b>		<b><u>7,771,102</u></b>	<b><u>5,961,303</u></b>
<b>Total equity and liabilities</b>		<b><u>25,724,730</u></b>	<b><u>23,128,262</u></b>
<b>Net Asset Value (NAV) Per Share</b>	23C	<b><u>13.16</u></b>	<b><u>12.46</u></b>

*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 2021**

	NOTES	Jan-Mar 2021 <u>Taka '000</u>	Jan-Mar 2020 <u>Taka '000</u>
<b>Revenue</b>	16	6,317,721	5,128,269
Cost of sales	17	(4,664,353)	(4,187,645)
<b>Gross profit</b>		<u><b>1,653,368</b></u>	<u><b>940,624</b></u>
Other operating income	20	9,464	1,672
General and administrative expenses	18	(388,469)	(329,289)
Sales and marketing expenses	19	(136,364)	(143,861)
<b>Operating profit</b>		<u><b>1,137,999</b></u>	<u><b>469,146</b></u>
Finance cost	21	(16,413)	(50,274)
Finance income	21	6,053	-
<b>Profit before tax</b>		<u><b>1,127,639</b></u>	<u><b>418,872</b></u>
Income tax	22	(314,838)	(51,934)
<b>Profit for the period</b>		<u><b>812,801</b></u>	<u><b>366,938</b></u>
 <b>Earnings Per Share</b>			
Basic (Taka)	23A	0.70	0.32
Diluted (Taka)	23A	0.70	0.32

*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 2021**

	<u>Jan-Mar 2021</u> <u>Taka '000</u>	<u>Jan-Mar 2020</u> <u>Taka '000</u>
<b>Profit for the period</b>	<u>812,801</u>	<u>366,938</u>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Cash flow hedge instruments	(636)	-
<b>Other comprehensive loss for the period</b>	<u>(636)</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>812,165</u></u>	<u><u>366,938</u></u>



  
 Company Secretary

  
 Chief Financial Officer

  
 Director

  
 Director

  
 Chief Executive Officer





**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Statement of Changes in Equity (Un-audited)**  
**for the period ended 31 March 2021**

( All figures are in Tk. '000)

	Share capital	Retained earnings	Other component of equity	Total equity
<b>Balance at 1 January 2020</b>	11,613,735	2,133,175	(48,129)	13,698,781
Total comprehensive income for the period	-	366,938	-	366,938
<b>Balance at 31 March 2020</b>	11,613,735	2,500,113	(48,129)	14,065,719
<b>Balance at 1 January 2021</b>	11,613,735	2,955,783	(102,614)	14,466,904
Total comprehensive income for the period	-	812,801	(636)	812,165
<b>Balance at 31 March 2021</b>	11,613,735	3,768,584	(103,250)	15,279,069



  
 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 2021**

	Notes	Jan-Mar 2021 <u>Taka'000</u>	Jan-Mar 2020 <u>Taka'000</u>
<b>Cash flows from operating activities</b>			
Cash receipts from customers		6,716,658	5,068,809
Cash paid to suppliers and employees		(3,330,573)	(3,990,735)
<b>Cash generated from operations</b>		<b>3,386,085</b>	<b>1,078,074</b>
Income tax paid		(102,795)	(90,329)
Other receipts		7,599	1,672
<b>Net cash generated by operating activities</b>	26	<b>3,290,889</b>	<b>989,417</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(89,434)	(121,678)
Proceeds from sale of property, plant and equipment		1,865	-
Interest income on bank deposits		6,053	-
<b>Net cash used in investing activities</b>		<b>(81,516)</b>	<b>(121,678)</b>
<b>Cash flows from financing activities</b>			
Repayment of long-term debt		-	(500,001)
Repayments of the lease liabilities		(8,953)	(9,453)
Decrease in short term debt		-	(100,000)
Payment of interest and other finance costs		(1,977)	(38,796)
Interest paid on lease liability		(3,213)	(3,713)
Dividend payment		(1,875)	(611)
<b>Net cash used in financing activities</b>		<b>(16,018)</b>	<b>(652,574)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,193,355</b>	<b>215,165</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>1,292,660</b>	<b>199,307</b>
<b>Cash and cash equivalents at end of the period</b>	11	<b>4,486,015</b>	<b>414,472</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	23B	<b>2.83</b>	<b>0.85</b>



  
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 2021**

**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 has established the country's only modern, integrated and state-of-the art cement manufacturing plant at Chhatak 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 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 2020.

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.

	<b>31 Mar 2021</b>	<b>31 Dec 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>5 Property, plant and equipment*</b>		
<b>Cost</b>		
At January 1	24,084,362	23,334,068
Additions	107,889	771,234
Disposals	(9,662)	(20,940)
At March 31/December 31	<u>24,182,589</u>	<u>24,084,362</u>
<b>Depreciation</b>		
At January	7,387,632	6,479,857
Disposals	(9,662)	(20,763)
Charge for the period	234,321	928,538
At March 31/December 31	<u>7,612,291</u>	<u>7,387,632</u>
<b>Carrying amount</b>	<u><b>16,570,298</b></u>	<u><b>16,696,730</b></u>
<b>5.1 *Right-of-use assets (RoUA)</b>		
<b>Cost</b>		
At January 1	130,348	130,348
At March 31/December 31	<u>130,348</u>	<u>130,348</u>
<b>Depreciation</b>		
At January	48,213	8,916
Charge for the period	9,144	39,297
At March 31/December 31	<u>57,357</u>	<u>48,213</u>
<b>Carrying amount</b>	<u><b>72,991</b></u>	<u><b>82,135</b></u>

	<b>31 Mar 2021</b>	<b>31 Dec 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>6 Goodwill*</b>		
Acquisition of subsidiary (Holcim Cement Bangladesh Limited)	317,776	317,776
	<b>317,776</b>	<b>317,776</b>
*Goodwill arising on amalgamation of subsidiary is measured at cost less accumulated impairment losses.		
<b>7 Inventories</b>		
Raw materials	621,454	708,465
Semi-finished and finished products	666,168	601,566
Parts and supplies	879,967	877,692
	<b>2,167,589</b>	<b>2,187,723</b>
<b>8 Trade receivables</b>		
Trade receivables	654,399	846,803
Advance payment to trade suppliers	211,206	236,957
	<b>865,605</b>	<b>1,083,760</b>
<b>9 Other current assets</b>		
Prepaid expenses	115,734	63,480
Advance to employees	6,655	8,295
Security and other deposits	89,330	90,095
Other receivables	16,784	24,609
Advance payment to suppliers of fixed assets	160,837	193,898
	<b>389,340</b>	<b>380,377</b>
<b>10 Advance income tax- net of tax provision</b>		
Advance income tax	6,263,049	6,160,254
Current tax liabilities	(5,854,835)	(5,510,911)
	<b>408,214</b>	<b>649,343</b>
<b>11 Cash and cash equivalents</b>		
Cash in hand	1,980	2,422
Cash at banks	4,484,035	1,290,238
<b>Cash and cash equivalents in statement of financial position</b>	<b>4,486,015</b>	<b>1,292,660</b>
<b>12 Borrowings</b>		
<b>A. Borrowings-long term</b>		
Non-current portion-lease liabilities	41,061	53,227
	<b>41,061</b>	<b>53,227</b>
<b>B. Borrowings-short term</b>		
Current portion of lease liabilities	29,853	29,853
Derivative liabilities*	873	237
	<b>30,726</b>	<b>30,090</b>
*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.		
	<b>31 Mar 2021</b>	<b>31 Dec 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>13 Deferred Tax Liabilities</b>		
The tax effects of temporary differences that resulted in deferred tax liabilities and assets.		
Deferred tax liabilities	2,454,248	2,479,806
Deferred tax assets	103,634	100,106
<b>Net deferred tax liabilities</b>	<b>2,350,614</b>	<b>2,379,700</b>
	<b>31 Mar 2021</b>	<b>31 Dec 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>14 Trade payables</b>		
Payable for goods and services	6,654,698	4,841,563
Contract liabilities	495,014	288,481
	<b>7,149,712</b>	<b>5,130,044</b>

<b>15 Other current liabilities</b>		
Payables to suppliers of fixed assets	71,656	102,038
Income tax and VAT deducted at source	196,069	201,760
Others	265,067	437,624
	<b>532,792</b>	<b>741,422</b>
	<b>Jan-Mar 2021</b>	<b>Jan-Mar 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>16 Revenue*</b>		
Sale of gray cement	5,953,313	5,128,269
Sale of aggregate	364,408	-
	<b>6,317,721</b>	<b>5,128,269</b>
<b>17 Cost of sales</b>		
Manufacturing variable cost	3,254,476	2,904,920
Manufacturing fixed cost	657,031	635,336
Freight cost to customers	89,782	88,745
Depot operating and transportation costs	288,504	269,485
Inventory movement	374,560	289,159
	<b>4,664,353</b>	<b>4,187,645</b>
<b>18 General and administrative expenses</b>		
Salary, allowances and benefits	81,133	93,424
IT maintenance expenses	19,542	24,870
Other office expenses	228,276	188,949
Contribution to Workers' Profit Participation and welfare Fund	59,518	22,046
	<b>388,469</b>	<b>329,289</b>
	<b>Jan-Mar 2021</b>	<b>Jan-Mar 2020</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>19 Sales and marketing expenses</b>		
Salary, allowances and benefits	40,858	48,071
Advertisement	77,082	82,392
Other office expenses	18,424	13,398
	<b>136,364</b>	<b>143,861</b>
<b>20 Other operating income</b>		
Sale of miscellaneous scrap items	7,599	-
Gain on sale of property, plant and equipment	1,865	1,672
	<b>9,464</b>	<b>1,672</b>
<b>21 Finance costs and income</b>		
Interest expenses	-	17,415
Exchange loss	11,223	24,333
Other finance costs	942	1,120
Interest expenses on lease liabilities	3,213	3,713
Bank charges and commission	1,035	3,693
<b>Finance costs</b>	<b>16,413</b>	<b>50,274</b>
Interest income on Bank Deposits	6,053	-
<b>Finance income</b>	<b>6,053</b>	<b>-</b>
<b>Net finance costs/(income)</b>	<b>10,360</b>	<b>50,274</b>
<b>22 Income tax</b>		
Current income tax expenses	343,924	162,752
Deferred income tax income	(29,086)	(110,818)
	<b>314,838</b>	<b>51,934</b>

	<u>Jan-Mar 2021</u>	<u>Jan-Mar 2020</u>
<b>23 A. Earnings Per Share</b>		
The computation of basic earnings per share for the periods ended 2021 and 2020 are as follows:		
<b>Numerator</b>	<i>(Thousand Taka)</i>	
Profit for the period	812,801	366,938
<b>Denominator</b>	<i>(Thousands of Shares)</i>	
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Basic Earnings Per Share</b>	<b>Taka 0.70</b>	<b>0.32</b>
<b>Diluted Earnings Per Share</b>	<b>Taka 0.70</b>	<b>0.32</b>

**B. Net operating cash flow per share (NOCFPS)**

The computation of net operating cash flow per share for the periods ended 2021 and 2020 are as follows:

<b>Numerator</b>	<i>(Thousand Taka)</i>	
Net operating cash flow for the period	3,290,889	989,417
<b>Denominator</b>	<i>(Thousands of Shares)</i>	
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net operating cash flow per share</b>	<b>Taka 2.83</b>	<b>0.85</b>

**31 Mar 2021                      31 Dec 2020**

**C. Net asset value (NAV) per share**

The computation of net asset value per share for the periods ended 2021 and 2020 are as follows:

<b>Numerator</b>	<i>(Thousand Taka)</i>	
Net asset value for the period/year	15,279,069	14,466,904
<b>Denominator</b>	<i>(Thousand Shares)</i>	
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net asset value per share</b>	<b>Taka 13.16</b>	<b>12.46</b>

**24 Related party transactions**

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

	<u>Jan-Mar 2021</u>	<u>Jan-Mar 2020</u>
	<u>Taka</u>	<u>Taka</u>
<b>25 Comparative information of the shareholders (Note- 23)*</b>		
Net Asset Value (NAV) Per Share	13.16	12.46
Earning Per Share (EPS)	0.70	0.32
Net Operating Cash Flow Per Share (NOCFPS)	2.83	0.85
Profit for the period	812,801,000	366,938,000

\*For the period January to March 2021, EPS increased compared to the previous period, mainly due to increased cement sales and new aggregate business. NOCFPS also increased compared to same period of last year, due to higher EPS and higher net cash generation from operation.

**26 Reconciliation of net profit with cash flows from operating activities**

<b>Net profit for the period</b>	812,801	366,938
Depreciation and amortization	234,321	223,865
Other non-cash items	1,643	1,409
Non-operating items	10,360	50,274
Changes in net working capital	2,231,764	346,931
<b>Cash flows from operating activities</b>	<b><u>3,290,889</u></b>	<b><u>989,417</u></b>

	31 Mar 2021 Taka'000	31 Dec 2020 Taka'000
<b>27 Share capital</b>		
<b>27.1 Authorized capital</b>		
1,400,000,000 ordinary shares of Taka 10 each	<u>14,000,000</u>	<u>14,000,000</u>

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

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

**27.4 Composition of shareholders at 31 March/31 December**

Name of the shareholders	Nationality/Incorporated in	Number of shares	
		31 Mar 2021	31 Dec 2020
Surma Holding B.V.	The Netherlands	683,698,700	683,698,700
Sinha Fashions Limited	Bangladesh	35,100,000	35,100,000
Islam Cement Limited	Bangladesh	31,914,200	31,914,200
Other Shareholders	Bangladesh and NRB	410,660,600	410,660,600
		<u>1,161,373,500</u>	<u>1,161,373,500</u>

**Composition of shareholders at 31 March/31 December**

Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		31 Mar 2021	31 Dec 2020
Surma Holding B.V.	The Netherlands	58.87	58.87
Sinha Fashions Limited	Bangladesh	3.02	3.02
Islam Cement Limited	Bangladesh	2.75	2.75
Other Shareholders	Bangladesh and NRB	35.36	35.36
		<u>100.00</u>	<u>100.00</u>



  
Company Secretary

  
Chief Financial Officer

  
Director

  
Director

  
Chief Executive Officer



## LafargeHolcim Bangladesh Limited

A company of  LafargeHolcim and 

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