



# INTERIM **FINANCIAL** STATEMENTS

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as at and for the  
period ended 30 June 2020  
**(Un-audited)**

**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Financial Position (Un-audited)**  
**at 30 June 2020**

		30 Jun 2020	31 Dec 2019
	NOTES	Taka'000	Taka'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	16,320,805	16,531,389
Goodwill	8	317,776	317,776
Intangible assets	9	2,441,556	2,519,733
Other assets	12	-	140,993
<b>Total non-current assets</b>		<b>19,080,137</b>	<b>19,509,891</b>
<b>Current assets</b>			
Inventories	10	2,059,554	2,678,147
Trade receivables	11	2,044,490	2,188,054
Other assets	12	614,199	694,530
Advance income tax	13	1,343,829	1,547,108
Derivative instruments		4,305	4,903
Cash and cash equivalents	14	357,873	301,659
<b>Total current assets</b>		<b>6,424,250</b>	<b>7,414,401</b>
<b>Total assets</b>		<b>25,504,387</b>	<b>26,924,292</b>
<b>Equity &amp; liabilities</b>			
Share capital	31.3	11,613,735	11,613,735
Retained earnings		3,924,019	4,242,436
Other components of equity		(49,180)	(43,172)
Foreign currency translation		504,225	386,362
<b>Equity attributable to owners of the Company</b>		<b>15,992,799</b>	<b>16,199,361</b>
Non-controlling interests		(143)	(134)
<b>Total equity</b>		<b>15,992,656</b>	<b>16,199,227</b>
<b>Non-current liabilities</b>			
Borrowings	15A	74,768	194,160
Deferred tax liabilities	16	2,403,436	3,066,862
Employee benefits		206,913	180,974
Provision	17	39,288	40,146
<b>Total non-current liabilities</b>		<b>2,724,405</b>	<b>3,482,142</b>
<b>Current liabilities</b>			
Trade payables	18	5,155,687	5,107,790
Other current liabilities	19	1,381,857	972,340
Borrowings	15B	249,782	1,162,793
<b>Total current liabilities</b>		<b>6,787,326</b>	<b>7,242,923</b>
<b>Total equity and liabilities</b>		<b>25,504,387</b>	<b>26,924,292</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 Comprehensive Income (Un-audited)**  
**for the period ended 30 June 2020**

	Jan-Jun 2020 <u>Taka'000</u>	Jan-Jun 2019 <u>Taka'000</u>	Apr-Jun 2020 <u>Taka'000</u>	Apr-Jun 2019 <u>Taka'000</u>
<b>Profit for the period</b>	<b>842,957</b>	<b>794,084</b>	<b>320,505</b>	<b>436,269</b>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Cash flow hedge instruments	(6,008)	14,402	-	1,243
Exchange differences on translating foreign operation	117,863	33,655	-	8,900
Non controlling interests- currency translation adjustment	(9)	8	-	1
<b>Other comprehensive income for the period</b>	<b>111,846</b>	<b>48,065</b>	<b>-</b>	<b>10,144</b>
<b>Total comprehensive income for the period</b>	<b>954,803</b>	<b>842,149</b>	<b>320,505</b>	<b>446,413</b>
<b>Profit attributable to:</b>				
Owners of the parent Company	954,812	842,141	320,505	446,412
Non-controlling interests	(9)	8	-	1
	<b>954,803</b>	<b>842,149</b>	<b>320,505</b>	<b>446,413</b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Changes in Equity (Un-audited)**  
**for the period ended 30 June 2020**

*( 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 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	-	794,084	14,402	33,655	842,141	8	842,149
Final dividend for 2018		(1,161,374)	-	-	(1,161,374)	-	(1,161,374)
<b>Balance at 30 June 2019</b>	<b>11,613,735</b>	<b>3,299,003</b>	<b>(102,528)</b>	<b>448,943</b>	<b>15,259,153</b>	<b>(58)</b>	<b>15,259,095</b>
<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	-	842,957	(6,008)	117,863	954,812	(9)	954,803
Final dividend for 2019		(1,161,374)	-	-	(1,161,374)	-	(1,161,374)
<b>Balance at 30 June 2020</b>	<b>11,613,735</b>	<b>3,924,019</b>	<b>(49,180)</b>	<b>504,225</b>	<b>15,992,799</b>	<b>(143)</b>	<b>15,992,656</b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Consolidated Statement of Cash Flows (Un-audited)**  
**for the period ended 30 June 2020**

	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2019</b>
	<b><u>Taka'000</u></b>	<b><u>Taka'000</u></b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	8,046,812	9,118,918
Cash paid to suppliers and employees	<u>(5,860,506)</u>	<u>(7,243,595)</u>
<b>Cash generated from operations</b>	<b>2,186,306</b>	<b>1,875,323</b>
Income tax paid	(226,978)	(473,685)
Other receipts	3,018	7,933
<b>Net cash generated by operating activities</b>	<b><u>1,962,346</u></b>	<b><u>1,409,571</u></b>
 <b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(147,021)	(182,989)
Interest income on bank deposits	6,579	2,622
<b>Net cash used in investing activities</b>	<b><u>(140,442)</u></b>	<b><u>(180,367)</u></b>
 <b>Cash flows from financing activities</b>		
Repayment of long-term debt	(700,001)	(500,000)
Repayments of the lease liabilities	(23,794)	-
Decrease in short term debt	(100,000)	(20,345)
Payment of interest and other finance costs	(32,753)	(96,022)
Interest paid on lease liability	(10,500)	-
Dividend payment	(684,640)	(1,151,851)
<b>Net cash used in financing activities</b>	<b><u>(1,551,688)</u></b>	<b><u>(1,768,218)</u></b>
 Net effect of foreign currency translation on cash and cash equivalents	(6,683)	2,179
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b><u>263,533</u></b>	<b><u>(536,835)</u></b>
 Cash and cash equivalents at beginning of the period	94,340	246,889
<b>Cash and cash equivalents at end of the period</b>	<b><u>357,873</u></b>	<b><u>(289,946)</u></b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Notes to the Condensed Consolidated Financial Statements (Un-audited)**  
**for the period ended 30 June 2020**

**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	<b>30 June 2020</b> <u>Taka'000</u>	<b>31 Dec 2019</b> <u>Taka'000</u>
Lafarge Umiam Mining Private Limited, India	519,356	519,356
Lum Mawshun Minerals Private Limited, India	537	537
	<u><u>519,893</u></u>	<u><u>519,893</u></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:

<b>Name of subsidiary</b>	<b>Country of incorporation</b>	<b>% of ownership interest</b>
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 2019.

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>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>7 Property, plant and equipment*</b>		
<b>Cost</b>		
At January 1	24,378,898	23,525,947
Additions	361,214	959,421
Disposals	-	(88,137)
Translation adjustment	(119,985)	(18,333)
At June 30/December 31	<u>24,620,127</u>	<u>24,378,898</u>
<b>Depreciation</b>		
At January	7,847,509	6,860,850
Disposals	-	(44,949)
Charge for the period	482,485	1,025,882
Translation adjustment	(30,672)	5,726
At June 30/December 31	<u>8,299,322</u>	<u>7,847,509</u>
<b>Carrying amount</b>	<u><b>16,320,805</b></u>	<u><b>16,531,389</b></u>
<b>7.1 *Right-of-use assets (RoUA)</b>		
<b>Cost</b>		
At January 1	238,954	-
Additions	-	238,954
At June 30/December 31	<u>238,954</u>	<u>238,954</u>
<b>Depreciation</b>		
At January	98,731	-
Charge for the period	23,990	98,731
At June 30/December 31	<u>122,721</u>	<u>98,731</u>
<b>Carrying amount</b>	<u><b>116,233</b></u>	<u><b>140,223</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	3,055,951	3,046,776
Translation adjustment	(60,488)	9,175
At June 30/December 31	<u>2,995,463</u>	<u>3,055,951</u>
<b>Amortization</b>		
At January	536,218	432,782
Charge for the period	40,042	100,735
Translation adjustment	(22,353)	2,701
At June 30/December 31	<u>553,907</u>	<u>536,218</u>
<b>Carrying amount</b>	<u><b>2,441,556</b></u>	<u><b>2,519,733</b></u>
<b>10 Inventories</b>		
Raw materials	570,729	740,944
Semi-finished and finished products	403,574	865,192
Parts and supplies	1,085,251	1,072,011
	<u><b>2,059,554</b></u>	<u><b>2,678,147</b></u>

	<b>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>11 Trade receivables</b>		
Trade receivables	884,369	1,198,378
Advance payment to trade suppliers	1,160,121	989,676
	<b><u>2,044,490</u></b>	<b><u>2,188,054</u></b>
<b>12 Other assets</b>		
Prepaid expenses	111,585	79,578
Security and other deposits	228,166	236,530
Other receivables	98,427	94,150
Advance payment to suppliers of fixed assets	167,386	418,763
Accrued interest on bank deposits	8,635	6,502
	<b><u>614,199</u></b>	<b><u>835,523</u></b>
Current portion	614,199	694,530
Non-current portion	-	140,993
<b>13 Advance income tax- net of tax provision</b>		
Advance income tax	7,221,012	7,099,041
Current tax liabilities	(5,877,183)	(5,551,933)
	<b><u>1,343,829</u></b>	<b><u>1,547,108</u></b>
<b>14 Cash and cash equivalents</b>		
Cash in hand	2,595	2,341
Cash at banks	355,278	299,318
<b>Cash and cash equivalents in statement of financial position</b>	<b><u>357,873</u></b>	<b><u>301,659</u></b>
Bank overdrafts*	-	(207,319)
<b>Cash and cash equivalents for the purpose of the statement of cash flows</b>	<b><u>357,873</u></b>	<b><u>94,340</u></b>
*Bank overdrafts are repayable on demand and form an integral part of cash management. Bank overdrafts are included in short-term borrowings.		
<b>15 Borrowings</b>		
<b>A. Borrowings-long term</b>		
Non-current portion- Unsecured	-	94,248
Non-current portion- leases liabilities	74,768	99,912
	<b><u>74,768</u></b>	<b><u>194,160</u></b>
<b>B. Borrowings-short term</b>		
Current portion of long-term borrowing- Unsecured	194,247	800,000
Current portion of long-term leases liabilities	55,474	55,474
Short-term credit facilities	-	307,319
Derivative liabilities*	61	-
	<b><u>249,782</u></b>	<b><u>1,162,793</u></b>
<b>16 Deferred tax liabilities</b>		
The tax effects of temporary differences that resulted in deferred tax liabilities and assets.		
Deferred tax liabilities	2,439,172	3,246,449
Deferred tax assets	35,736	179,587
<b>Net deferred tax liabilities</b>	<b><u>2,403,436</u></b>	<b><u>3,066,862</u></b>

	<b>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b><u>Taka'000</u></b>	<b><u>Taka'000</u></b>
<b>17 Provisions</b>		
<b>Site restoration provisions</b>		
Balance at 1 January	40,146	37,428
Provision for the period	1,458	3,225
Translation adjustment	(2,316)	(507)
At June 30/December 31	<b><u>39,288</u></b>	<b><u>40,146</u></b>
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).		
<b>18 Trade payables</b>		
Payable for goods and services	5,053,948	4,969,643
Contract liabilities	101,739	138,147
	<b><u>5,155,687</u></b>	<b><u>5,107,790</u></b>
<b>19 Other current liabilities</b>		
Payables to suppliers of fixed assets	142,018	227,718
Income tax and VAT deducted at source	307,836	242,810
Others	376,561	411,347
Accrued interest payable	20,387	32,144
Dividend payable	535,055	58,321
	<b><u>1,381,857</u></b>	<b><u>972,340</u></b>
	<b>Jan-Jun 2020</b>	<b>Jan-Jun 2019</b>
	<b><u>Taka'000</u></b>	<b><u>Taka'000</u></b>
<b>20 Revenue</b>		
Sale of gray cement	7,605,600	9,424,693
Sale of cement clinker	163,611	279,708
	<b><u>7,769,211</u></b>	<b><u>9,704,401</u></b>
<b>21 Cost of sales</b>		
Manufacturing variable cost	3,872,130	5,358,907
Manufacturing fixed cost	765,936	791,482
Freight cost to customers	131,984	273,473
Depot operating and transportation costs	382,151	584,583
Inventory movement	399,541	74,177
Depreciation and amortization	492,947	521,944
	<b><u>6,044,689</u></b>	<b><u>7,604,566</u></b>
<b>22 General and administrative expenses</b>		
Salary, allowances and benefits	180,980	161,620
IT maintenance expenses	40,764	44,748
Other office expenses	283,067	245,327
Administrative depreciation and amortization	29,580	36,090
Contribution to Workers' Profit Participation and welfare Fund	32,586	46,200
	<b><u>566,977</u></b>	<b><u>533,985</u></b>
<b>23 Sales and marketing expenses</b>		
Salary, allowances and benefits	91,610	109,511
Advertisement	108,718	84,958
Other office expenses	28,448	54,298
	<b><u>228,776</u></b>	<b><u>248,767</u></b>
<b>24 A. Other operating income</b>		
Gain on sale of miscellaneous scrap items	3,018	7,933
Gain on sale of property, plant and equipment	-	1,857
	<b><u>3,018</u></b>	<b><u>9,790</u></b>

	<b>Jan-Jun 2020</b> <b>Taka'000</b>	<b>Jan-Jun 2019</b> <b>Taka'000</b>
<b>25 Finance costs and income</b>		
Interest expenses	14,116	115,411
Exchange loss	7,852	-
Other finance costs	2,241	5,366
Interest expenses on lease liabilities	10,500	-
Bank charges and commission	10,293	8,738
<b>Finance costs</b>	<b>45,002</b>	<b>129,515</b>
Interest income on Bank Deposits	8,712	10,693
Other finance income	-	29
Exchange gain	-	10,432
<b>Finance income</b>	<b>8,712</b>	<b>21,154</b>
<b>Net finance (income)/costs</b>	<b>36,290</b>	<b>108,361</b>
<b>26 Income tax</b>		
Current income tax expenses	325,250	478,953
Deferred income tax income	(272,710)	(54,525)
	<b>52,540</b>	<b>424,428</b>
<b>27 A. Earnings Per Share</b>		
The computation of basic earnings per share for the periods ended 2020 and 2019 are as follows:		
<b>Numerator</b> (Thousand Taka)		
Profit for the period	842,957	794,084
<b>Denominator</b> (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Basic Earnings Per Share</b> Taka	<b>0.73</b>	<b>0.68</b>
<b>Diluted Earnings Per Share</b> Taka	<b>0.73</b>	<b>0.68</b>
<b>B. Net operating cash flow per share (NOCFPS)</b>		
The computation of net operating cash flow per share for the periods ended 2020 and 2019 are as follows:		
<b>Numerator</b> (Thousand Taka)		
Net operating cash flow for the period	1,962,346	1,409,571
<b>Denominator</b> (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net operating cash flow per share</b> Taka	<b>1.69</b>	<b>1.21</b>
	<b>30 Jun 2020</b>	<b>31 Dec 2019</b>
<b>C. Net asset value (NAV) per share</b>		
The computation of net asset value per share for the periods ended 2020 and 2019 are as follows:		
<b>Numerator</b> (Thousand Taka)		
Net asset value for the period/year	15,992,799	16,199,361
<b>Denominator</b> (Thousand Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net asset value per share</b> Taka	<b>13.77</b>	<b>13.95</b>
<b>28 Related Party Transactions</b>		
Except for the regular transactions, there were no significant related party transactions during the period.		
	<b>Jan-Jun 2020</b> <b>Taka</b>	<b>Jan-Jun 2019</b> <b>Taka</b>
<b>29 Comparative Information of the Shareholders (Note- 27)*</b>		
Net Asset Value (NAV) Per Share	13.77	13.95
Earning Per Share (EPS)	0.73	0.68
Net Operating Cash Flow Per Share (NOCFPS)	1.69	1.21
Profit for the period	842,957,000	794,084,000

\*For the period January to June 2020, EPS increased compared to the previous period, mainly due to effective tax rate. But for the quarter April to June 2020, EPS decreased compared to the last quarter April to June 2019, mainly due to COVID 19. 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>842,957</b>	<b>794,084</b>
Depreciation and amortization	522,527	558,034
Other non-cash items	3,514	4,434
Non-operating items	36,290	108,361
Changes in net working capital	557,058	(55,342)
<b>Cash flows from operating activities</b>	<b>1,962,346</b>	<b>1,409,571</b>

	<b>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>31 Share Capital</b>		
<b>31.1 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>31.2 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>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
	<u>11,613,735</u>	<u>11,613,735</u>
<b>31.4 Composition of shareholders at 30 June/31 December</b>		

Name of the shareholders	Nationality/Incorporated in	Number of shares	
		30 Jun 2020	31 Dec 2019
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>

<b>31.5 Composition of shareholders at 30 June/31 December</b>			
Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		30 Jun 2020	31 Dec 2019
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**  
**Statement of financial position (Un-audited)**  
**at 30 June 2020**

	NOTES	30 Jun 2020 <u>Taka'000</u>	31 Dec 2019 <u>Taka'000</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	16,776,107	16,854,211
Goodwill	6A	317,776	317,776
Intangible assets	6B	19,569	39,137
Investment in subsidiaries		519,893	519,893
<b>Total non-current assets</b>		<b>17,633,345</b>	<b>17,731,017</b>
<b>Current assets</b>			
Inventories	7	1,989,960	2,722,492
Trade receivables	8	1,251,284	1,581,595
Other current assets	9	371,630	440,975
Advance income tax	10	1,062,040	1,158,412
Cash and cash equivalents	11	247,229	237,374
<b>Total current assets</b>		<b>4,922,143</b>	<b>6,140,848</b>
<b>Total assets</b>		<b>22,555,488</b>	<b>23,871,865</b>
<b>Equity &amp; liabilities</b>			
<b>Equity</b>			
Share capital	27.3	11,613,735	11,613,735
Retained earnings		1,563,061	2,133,175
Other component of equity		(48,129)	(48,129)
<b>Total equity</b>		<b>13,128,667</b>	<b>13,698,781</b>
<b>Non-current liabilities</b>			
Borrowings	12A	58,035	178,997
Deferred tax liabilities	13	2,213,708	2,819,140
Employee benefits		179,618	157,547
<b>Total non-current liabilities</b>		<b>2,451,361</b>	<b>3,155,684</b>
<b>Current liabilities</b>			
Trade payables	14	5,368,122	5,062,866
Other current liabilities	15	1,375,463	979,560
Borrowings	12B	231,875	974,974
<b>Total current liabilities</b>		<b>6,975,460</b>	<b>7,017,400</b>
<b>Total equity and liabilities</b>		<b>22,555,488</b>	<b>23,871,865</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 30 June 2020**

	NOTES	Jan-Jun 2020 Taka '000	Jan-Jun 2019 Taka '000	Apr-Jun 2020 Taka '000	Apr-Jun 2019 Taka '000
<b>Revenue</b>	16	7,769,211	6,787,551	2,640,942	3,302,109
Cost of sales	17	(6,318,499)	(5,248,284)	(2,146,629)	(2,474,109)
<b>Gross profit</b>		<b>1,450,712</b>	<b>1,539,267</b>	<b>494,313</b>	<b>828,000</b>
Other operating income	20	3,018	8,981	1,346	6,807
General and administrative expenses	18	(566,977)	(405,935)	(227,295)	(183,505)
Sales and marketing expenses	19	(228,776)	(161,164)	(79,533)	(80,747)
<b>Operating profit</b>		<b>657,977</b>	<b>981,149</b>	<b>188,831</b>	<b>570,555</b>
Finance cost	21	(44,999)	(111,448)	5,275	(40,444)
Finance income	21	6,158	8,101	6,158	8,101
<b>Profit before tax</b>		<b>619,136</b>	<b>877,802</b>	<b>200,264</b>	<b>538,212</b>
Income tax	22	(27,876)	(224,308)	24,058	(145,838)
<b>Profit for the period</b>		<b>591,260</b>	<b>653,494</b>	<b>224,322</b>	<b>392,374</b>
<b>Earnings Per Share</b>					
Basic (Taka)	23A	0.51	0.56	0.19	0.34
Diluted (Taka)	23A	0.51	0.56	0.19	0.34

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



  
Company Secretary

  
Chief Financial Officer

  
Director

  
Director

  
Chief Executive Officer

**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Statement of Comprehensive Income (Un-audited)**  
**for the period ended 30 June 2020**

	Jan-Jun 2020 Taka '000	Jan-Jun 2019 Taka '000	Apr-Jun 2020 Taka '000	Apr-Jun 2019 Taka '000
<b>Profit for the period</b>	<u>591,260</u>	<u>653,494</u>	<u>224,322</u>	<u>392,374</u>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Cash flow hedge instruments	-	9,810	-	1,240
<b>Other comprehensive income for the period</b>	<u>-</u>	<u>9,810</u>	<u>-</u>	<u>1,240</u>
<b>Total comprehensive income for the period</b>	<u><u>591,260</u></u>	<u><u>663,304</u></u>	<u><u>224,322</u></u>	<u><u>393,614</u></u>



  
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 Director

  
 Chief Executive Officer

**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Statement of Changes in Equity (Un-audited)**  
**for the period ended 30 June 2020**

( All figures are in Tk. '000)

	Share capital	Retained earnings	Other component of equity	Total equity
<b>Balance at 1 January 2019</b>	<b>11,613,735</b>	<b>2,298,905</b>	<b>(98,942)</b>	<b>13,813,698</b>
Total comprehensive income for the period	-	653,494	9,810	663,304
Final dividend for 2018	-	(1,161,374)	-	(1,161,374)
<b>Balance at 30 June 2019</b>	<b>11,613,735</b>	<b>1,791,025</b>	<b>(89,132)</b>	<b>13,315,628</b>
<b>Balance at 1 January 2020</b>	<b>11,613,735</b>	<b>2,133,175</b>	<b>(48,129)</b>	<b>13,698,781</b>
Total comprehensive income for the period	-	591,260	-	591,260
Final dividend for 2019	-	(1,161,374)	-	(1,161,374)
<b>Balance at 30 June 2020</b>	<b>11,613,735</b>	<b>1,563,061</b>	<b>(48,129)</b>	<b>13,128,667</b>



  
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**LAFARGEHOLCIM BANGLADESH LIMITED**  
**Statement of Cash Flows (Un-audited)**  
**for the period ended 30 June 2020**

	Jan-Jun 2020 Taka'000	Jan-Jun 2019 Taka'000
<b>Cash flows from operating activities</b>		
Cash receipts from customers	7,996,045	6,148,374
Cash paid to suppliers and employees	<u>(6,103,947)</u>	<u>(4,780,891)</u>
<b>Cash generated from operations</b>	<b>1,892,098</b>	<b>1,367,483</b>
Income tax paid	(159,444)	(123,526)
Other receipts	3,018	7,933
<b>Net cash generated by operating activities</b>	<b><u>1,735,672</u></b>	<b><u>1,251,890</u></b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(127,183)	(109,115)
Proceeds from sale of property, plant and equipment	-	974
Interest income on bank deposits	6,158	8,101
<b>Net cash used in investing activities</b>	<b><u>(121,025)</u></b>	<b><u>(100,040)</u></b>
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(700,001)	(500,000)
Repayments of the lease liabilities	(18,906)	-
(Decrease)/increase in short term debt	(100,000)	200,000
Payment of interest and other finance costs	(50,952)	(79,049)
Interest paid on lease liability	(7,426)	-
Dividend payment	(684,640)	(1,151,851)
<b>Net cash used in financing activities</b>	<b><u>(1,561,925)</u></b>	<b><u>(1,530,900)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b><u>52,722</u></b>	<b><u>(379,050)</u></b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>199,307</b>	<b>201,900</b>
<b>Cash and cash equivalents at end of the period</b>	<b><u>247,229</u></b>	<b><u>(177,150)</u></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 30 June 2020**

**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 2019.

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>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>5 Property, plant and equipment*</b>		
<b>Cost</b>		
At January 1	23,334,068	15,711,212
HBL amalgamation	-	7,240,217
Additions	359,933	462,330
Disposals	-	(79,691)
At June 30/December 31	<u>23,694,001</u>	<u>23,334,068</u>
<b>Depreciation</b>		
At January	6,479,857	5,880,968
Disposals	-	(37,920)
Charge for the period	438,037	636,809
At June 30/December 31	<u>6,917,894</u>	<u>6,479,857</u>
<b>Carrying amount</b>	<u><b>16,776,107</b></u>	<u><b>16,854,211</b></u>
<b>5.1 *Right-of-use assets (RoUA)</b>		
<b>Cost</b>		
At January 1	130,348	-
Additions	-	130,348
At June 30/December 31	<u>130,348</u>	<u>130,348</u>
<b>Depreciation</b>		
At January	8,916	-
Charge for the period	19,288	8,916
At June 30/December 31	<u>28,204</u>	<u>8,916</u>
<b>Carrying amount</b>	<u><b>102,144</b></u>	<u><b>121,432</b></u>

	<b>30 Jun 2020</b>	<b>31 Dec 2019</b>
	<b>Taka'000</b>	<b>Taka'000</b>
<b>6A 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>6B Intangible assets</b>		
<b>Cost</b>		
At January 1	158,848	158,848
At June 30/December 31	<b>158,848</b>	<b>158,848</b>
<b>Amortization</b>		
At January	119,711	74,709
Charge for the period	19,568	45,002
At June 30/December 31	<b>139,279</b>	<b>119,711</b>
<b>Carrying amount</b>	<b>19,569</b>	<b>39,137</b>
<b>7 Inventories</b>		
Raw materials	617,666	846,362
Semi-finished and finished products	409,542	941,597
Parts and supplies	962,752	934,533
	<b>1,989,960</b>	<b>2,722,492</b>
<b>8 Trade receivables</b>		
Trade receivables	884,369	1,147,611
Advance payment to trade suppliers	366,915	433,984
	<b>1,251,284</b>	<b>1,581,595</b>
<b>9 Other current assets</b>		
Prepaid expenses	93,891	66,824
Advance to employees	18,729	8,505
Security and other deposits	89,675	89,674
Other receivables	25,736	28,065
Advance payment to suppliers of fixed assets	143,599	247,907
	<b>371,630</b>	<b>440,975</b>
<b>10 Advance income tax- net of tax provision</b>		
Advance income tax	6,039,387	5,879,943
Current tax liabilities	(4,977,347)	(4,721,531)
	<b>1,062,040</b>	<b>1,158,412</b>
<b>11 Cash and cash equivalents</b>		
Cash in hand	2,503	2,340
Cash at banks	244,726	235,034
<b>Cash and cash equivalents in statement of financial position</b>	<b>247,229</b>	<b>237,374</b>
Bank overdrafts*	-	(38,067)
<b>Cash and cash equivalents for the purpose of the statement of cash flows</b>	<b>247,229</b>	<b>199,307</b>
*Bank overdrafts are repayable on demand and form an integral part of cash management. Bank overdrafts are included in short-term borrowings.		
<b>12 Borrowings</b>		
<b>A. Borrowings-long term</b>		
Non-current portion- Unsecured	-	94,248
Non-current portion-lease liabilities	58,035	84,749
	<b>58,035</b>	<b>178,997</b>
<b>B. Borrowings-short term</b>		
Current portion of long term -Unsecured	194,247	800,000
Short-term credit facilities	-	138,067
Current portion of lease liabilities	37,628	37,628
Derivative liabilities*	-	(721)
	<b>231,875</b>	<b>974,974</b>



	Jan-Jun 2020 <u>Taka'000</u>	Jan-Jun 2019 <u>Taka'000</u>
<b>19 Sales and marketing expenses</b>		
Salary, allowances and benefits	91,610	60,786
Advertisement	108,718	74,391
Other office expenses	28,448	25,987
	<u><b>228,776</b></u>	<u><b>161,164</b></u>
<b>20 Other operating income</b>		
Gain on sale of miscellaneous scrap items	3,018	7,933
Gain on sale of property, plant and equipment	-	1,048
	<u><b>3,018</b></u>	<u><b>8,981</b></u>
<b>21 Finance costs and income</b>		
Interest expenses	16,399	89,740
Exchange loss	14,773	13,202
Other finance costs	2,241	5,366
Interest expenses on lease liabilities	7,426	-
Bank charges and commission	4,160	3,140
<b>Finance costs</b>	<u><b>44,999</b></u>	<u><b>111,448</b></u>
Interest income on Bank Deposits	6,158	8,101
Exchange gain	-	-
<b>Finance income</b>	<u><b>6,158</b></u>	<u><b>8,101</b></u>
<b>Net finance costs/(income)</b>	<u><b>38,841</b></u>	<u><b>103,347</b></u>
<b>22 Income tax</b>		
Current income tax expenses	255,816	281,960
Deferred income tax income	(227,940)	(57,652)
	<u><b>27,876</b></u>	<u><b>224,308</b></u>

	Jan-Jun 2020	Jan-Jun 2019
<b>23 A. Earnings Per Share</b>		
The computation of basic earnings per share for the periods ended 2020 and 2019 are as follows:		
<b>Numerator</b> (Thousand Taka)		
Profit for the period	591,260	653,494
<b>Denominator</b> (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Basic Earnings Per Share</b> Taka	<b>0.51</b>	<b>0.56</b>
<b>Diluted Earnings Per Share</b> Taka	<b>0.51</b>	<b>0.56</b>

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

The computation of net operating cash flow per share for the periods ended 2020 and 2019 are as follows:

<b>Numerator</b> (Thousand Taka)		
Net operating cash flow for the period	1,735,672	1,251,890
<b>Denominator</b> (Thousands of Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net operating cash flow per share</b> Taka	<b>1.49</b>	<b>1.08</b>

**30 Jun 2020**

**31 Dec 2019**

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

The computation of net asset value per share for the periods ended 2020 and 2019 are as follows:

<b>Numerator</b> (Thousand Taka)		
Net asset value for the period/year	13,128,667	13,698,781
<b>Denominator</b> (Thousand Shares)		
Weighted average number of shares outstanding	1,161,374	1,161,374
<b>Net asset value per share</b> Taka	<b>11.30</b>	<b>11.80</b>

#### 24 Related party transactions

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

	2020 Taka	2019 Taka
<b>25 Comparative information of the shareholders (Note- 23)*</b>		
Net Asset Value (NAV) Per Share	11.30	11.80
Earning Per Share (EPS)	0.51	0.56
Net Operating Cash Flow Per Share (NOCFPS)	1.49	1.08
Profit for the period	591,260,000	653,494,000

\*For the period January to June 2020, EPS is lower than same period of last year, mainly due to low gross profit and operating profit margin. And also for the quarter Aril to June 2020, EPS decreased compared to the last quarter Aril to June 2019, mainly due to COVID 19. NOCFPS is increased compared to same period of last year, due to higher collection from customers.

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

Net profit for the period	591,260	653,494
Depreciation and amortization	457,605	305,320
Other non-cash items	3,514	(7,285)
Non-operating items	38,841	103,347
Changes in net working capital	644,452	197,014
<b>Cash flows from operating activities</b>	<b>1,735,672</b>	<b>1,251,890</b>

**30 Jun 2020**  
**Taka'000**

**31 Dec 2019**  
**Taka'000**

**27 Share capital**

**27.1 Authorized capital**

1,400,000,000 ordinary shares of Taka 10 each	<b>14,000,000</b>	<b>14,000,000</b>
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In the year 2011, authorized capital has been increased from Taka 7,000,000,000 to Taka 14,000,000,000. Further, steps have been taken to issue right shares of 58,068,675 ordinary shares of Taka 100 per share at par value amounting to Taka 5,806,867,500 offered on the basis of 1:1, for which approval of Bangladesh Securities and Exchange Commission (BSEC) has been received on 8 September 2011. Moreover, face value of each ordinary share has been denominated from Taka 100 to Taka 10 at 4 December 2011.

**27.2 Issued and subscribed capital**

1,161,373,500 ordinary shares of Taka 10 each	<b>11,613,735</b>	<b>11,613,735</b>
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**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
	<b>11,613,735</b>	<b>11,613,735</b>

**27.4 Composition of shareholders at 30 June/31 December**

Name of the shareholders	Nationality/Incorporated in	Number of shares	
		30 Jun 2020	31 Dec 2019
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>

**Composition of shareholders at 30 June/31 December**

Name of the shareholders	Nationality/Incorporated in	Holding (%)	
		30 Jun 2020	31 Dec 2019
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

A company of  LafargeHolcim and 

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