

# UNLEASHING POTENTIAL, FOSTERING GROWTH

HALF YEARLY REPORT DECEMBER 31, 2023











# UNLEASHING POTENTIAL, FOSTERING GROWTH

Our journey stands as a remarkable testament to the power of realizing potential and nurturing sustainable growth with the idea of "Unleashing Potential, Fostering Growth".

Our vision extends beyond financial success, focusing on holistic growth, empowering our workforce, engaging communities, and ensuring sustainability.

Demonstrating our dedication to sustainability, our investment in renewable energy projects positions the company as a forward-thinking and growth-oriented industry leader.

We prioritize stakeholder value through partnerships, governance, and resource efficiency. Our commitment to ESG protocols underscores our responsibility to society, bolstering long-term business resilience while safeguarding the environment.

As we look forward, we are determined to strengthen important partnerships.

Our growth shows how strong we are when we work together as a team.

Pakistan has enormous resources and human potential. Let's unleash potential







# **Contents**

Company Information	05
Directors' Report	07
Independent Auditor's Review Report	16
Unconsolidated Condensed Interim Statement of Financial Position	17
Unconsolidated Condensed Interim Statement	
of Profit or Loss	18
Unconsolidated Condensed Interim Statement	10
of Comprehensive Income	19
Unconsolidated Condensed Interim Statement of Cash Flows	20
Unconsolidated Condensed Interim Statement of Changes in Equity	21
Notes of the Unconsolidated Condensed Interim	22
Financial Statements	
Consolidated Condensed Interim Statement of Financial Position	30
Consolidated Condensed Interim Statement of Financial Position	30
Consolidated Condensed Interim Statement	
of Profit or Loss	31
Consolidated Condensed Interim Statement	20
of Comprehensive Income	32
Unconsolidated Condensed Interim Statement of Cash Flows	33
Unconsolidated Condensed Interim Statement of Changes in Equity	34
Notes of the Consolidated Condensed Interim Financial Statements	35

# Company **Information**

## **Board of Directors**

Muhammad Sohail Tabba

Muhammad Ali Tabba lawed Yunus Tabba Mariam Tabba Khan Masood Karim Shaikh Khawaja Iqbal Hassan Shabbir Hamza Khandwala

# **Management Team**

Muhammad Ali Tabba (Chief Executive)

Noman Hasan (Executive Director)

Muhammad Atif Kaludi (Executive Director Finance and **Chief Financial Officer)** 

Amin Ganny (Chief Operating Officer)

Murtaza Abbas (CEO International Businesses, Chief Strategy Officer & Director Investment)

# **Company Secretary**

Ali Shahab

# **Head of Internal Audit**

Ahmad Waseem Khan

# **Board Committees Audit Committee**

Masood Karim Shaikh (Chairman)

Jawed Yunus Tabba Mariam Tabba Khan Khwaja Igbal Hassan Shabbir Hamza Khandwala

## **Human Resource and Remuneration Committee**

Khawaja Igbal Hassan (Chairman)

Muhammad Ali Tabba Jawed Yunus Tabba Mariam Tabba Khan Masood Karim Shaikh Shabbir Hamza Khandwala

## **FINANCIAL INSTITUTIONS**

Allied Bank Limited

Allied Bank Limited - Islamic Banking

Askari Bank Limited

Bank Alfalah Limited - Islamic Banking

Bank Al-Habib Limited

Bank Al-Habib Limited - Islamic Banking

BankIslami Pakistani Limited

**Dubai Islamic Bank Pakistan Limited** 

**Favsal Bank Limited** Habib Bank Limited

Habib Bank Limited - Islamic Banking

Habib Metropolitan Bank Limited

Habib Metropolitan Bank Limited - Islamic Banking

MCB Bank Limited

MCB Islamic Bank Limited

Meezan Bank Limited

National Bank of Pakistan

National Bank of Pakistan - Aitemaad Islamic Banking

Pakistan Kuwait Investment Company (Pvt) Limited

Saudi Pak Industrial & Agricultural Investment Company Limited

Soneri Bank Limited

Standard Chartered Bank (Pakistan) Limited

Standard Chartered Bank (Pakistan) Limited-Sadig-Islamic Banking

United Bank limited

**UBL Ameen Islamic Banking** 

## CREDIT RATING

Medium to Long-tem rating: AA+ (Double A Plus) Short -term rating: A-1+ (A-One Plus) (by VIS Credit Rating Company Limited)

## **EXTERNAL AUDITORS**

M/s. A.F. Ferguson & Co., Chartered Accountants

## **COST AUDITORS**

M/s. Grant Thornton Anium Rahman - Chartered Accountants

## SHARIAH ADVISOR

M/s. Alhamd Shariah Advisory Services (Pvt). Ltd

## REGISTERED OFFICE

 Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan

## CORPORATE OFFICE

- 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi - 75350
- UAN: (+92-21) 111-786-555
- Website: www.lucky-cement.com
- Email: info@lucky-cement.com

## PRODUCTION FACILITIES

- 1. Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan
- 2. 58 Kilometers on Main M9 Highway, Gadap Town, Karachi, Pakistan

## SHARE REGISTRAR

M/s. CDC Share Registrar Services Limited (CDCSRSL) CDC House, 99-B, Block-B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi, Pakistan (Toll Free): 0800 23275

# **Director's Report**

The Directors are pleased to present to you the financial results of your Company which include both, unaudited consolidated and unconsolidated financial statements for the half year ended December 31, 2023.

#### Overview of Economy & Consolidated Financial Performance

During 1H FY24, navigating through economic volatility posed significant challenges for the country. The prevailing high interest rates, fueled by persistent inflation peaking at 29%, alongside imminent adjustments in power and gas tariffs aligned with the ongoing IMF program, have considerably affected businesses in Pakistan. The State Bank of Pakistan (SBP) has maintained a policy rate of 22%, suggesting a potential peak in interest rates. Future reductions are contingent on a decline in inflation. Furthermore. the government's stringent actions against smuggling and illegal currency outflows have yielded positive outcomes, stabilizing the exchange rate.

The management of your Company remains vigilant and is closely monitoring these developments. We continue to effectively apply strategies and resources to mitigate any impacts on the operations and financial performance of the Company.

On a consolidated basis, your Company achieved gross revenue of PKR 247.5 billion which is 12.7% higher as compared to the same period last year (SPLY) revenue of PKR 219.5 billion. This increase in gross revenue is primarily attributable to increased domestic sales and higher revenue from subsidiaries of your Company, namely Lucky Electric Power Company Limited and Lucky Core Industries Limited.

Resultantly your Company's consolidated net profit stands at PKR 38.3 billion compared to PKR 18.3 billion during the SPLY. The consolidated net profit translates into an EPS of PKR 117.19 during the half year ended December 31, 2023, as compared to PKR 49.32 during the SPLY.

The consolidated financial performance of your Company for the half year ended December 31, 2023, as compared to SPLY is presented below:

#### PKR in million except EPS

PKR million except EPS	1HFY24	1HFY23	Change (%)
Gross Revenue	247,475	219,532	12.7%
Net Revenue	206,523	185,590	11.3%
Gross Profit	63,062	39,064	61.4%
GP as % of Net Revenue	30.5%	21.0%	44.9%
Operating Profit	51,375	30,937	66.1%
EBITDA	60,328	38,771	55.6%
Net Profit	38,324	18,324	109.2%
NP (Attributable to Owners of the holding company)	35,339	15,913	122.1%
Earnings Per Share (PKR)	117.19	49.32	137.6%

#### **Local Cement Operations**

In 1H FY24, our Company's cement dispatches reached 4.41 million tons, showing a 23% year-on-year (YoY) increase. This growth was primarily due to the addition of a new line in Pezu, a significant increase in exports, and a lower base in the previous year, which was impacted by factors such as floods, rain, and smog-related shutdowns, hindering construction activities nationwide. Export dispatches, increased by 59% in 1H FY24 compared to the SPLY, while local dispatches saw a 16% increase.

#### **Foreign Cement Operations**

The cement production facilities in Iraq and Congo, operated under joint venture agreements, continued to enhance the Group's profitability with increased margins. Irag's cement demand improved, while Congo's demand remained stable. Additionally, full capacity utilization at Najmat-Al-Samawah, in Iraq, and the conversion of the Kiln from HFO to Gas, further boosted your Company's profitability.

#### Polyester, Soda Ash, & Chemicals

The Net Turnover for 1H FY24 was PKR 60.2 billion, 22% higher compared to the SPLY. Net Turnover for Chemical & Agri Sciences, Pharmaceuticals, Soda Ash, Polyester and Animal Health businesses increased by 49%, 30%, 26%, 12% and 2% respectively as compared to the SPLY.

The Operating Result for the same period was PKR 8.1 billion, 53% higher than the SPLY. The Chemicals & Agri Sciences, Pharmaceuticals, Soda Ash, Animal Health and Polyester businesses delivered higher Operating Results by 202%, 72%, 46%, 12% and 7% respectively as compared to the SPLY. The Soda Ash business's performance was mainly driven by higher export volumes following the completion of the 60,000 tons per annum (TPA) expansion project in the previous year. The Polyester business showed recovery, despite slow off-take in downstream markets due to a bleak global economic situation amidst monetary tightening and high energy tariffs.

During this period, the subsidiary's Board of Directors granted an in-principle approval for a capacity expansion of 200,000 TPA at the Company's Soda Ash plant in Khewra, Punjab. Following the successful completion of the proposed expansion, the total installed capacity of the Soda Ash plant will increase from the current 560,000 TPA to 760,000 TPA.

The subsidiary entered into a Share Purchase Agreement with Lotte Chemicals Corporation on January 26, 2023, which was subsequently assigned to Lucky Core Ventures (Private) Limited (LCV) (wholly owned subsidiary) for the acquisition of approximately 75.01% of the issued share capital of Lotte Chemical Pakistan Limited, comprising 1,135,860,105 ordinary shares. On January 12, 2024, this agreement was terminated by LCV, as the conditions required for completion could not be met within the stipulated time frame. Consequently, LCV decided not to proceed with the transaction.

#### **Automobiles & Mobile Phones**

Since the beginning of July 2023, the automobile sector has experienced a sharp decline in volumes. This downturn is attributable to several factors including currency fluctuations, the introduction of 1% CVT on cars with an engine capacity of 1300 CC and above, increased Sales Tax rates from 17% to 25% on cars with engine capacity of 1400 CC and above and for SUVs regardless of their engine capacities. Moreover, challenges have been compounded by high-interest rates, stricter auto financing regulations by the State Bank of Pakistan (SBP), and rising inflation and fuel prices. During 1H FY24, the automobile sector observed an overall volume decline of more than 50% compared to SPLY.

However, the mobile phone market has seen an overall improvement during this period compared to SPLY. This was attributable to improved supply situation following the lifting of import restrictions on mobile phone SKD kits by the government.

#### **Power**

LEPCL commenced its commercial operations in March 2022 and is currently in its second year of operation. The plant completed 3.4 million safe manhours without any loss of time due to injury (since inception) during this 1H FY24. The plant also successfully completed its second annual maintenance shutdown during this quarter, undertaking several jobs for further improvement in plant operations. Having addressed most performance related issues in the first year, the plant has maintained 100% commercial availability throughout 1H FY24.

## Cement Industry & Company's Performance - Unconsolidated

The local cement demand in Pakistan recorded modest growth of 1.0% YoY, reaching 20.24 million tons for the half year ended December 31, 2023, vs. 20.03 million tons during the SPLY. Notably, exports witnessed a substantial surge of 110.7%, totaling 3.65 million tons during the 1H FY24, up from 1.7 million tons in the SPLY. Consequently, the overall industry volume grew by 9.8% reaching 23.89 million

tons in the period under review compared to 21.76 million tons in the SPLY. This boost in sales volumes can be attributed to increased viability of exports, together with a lower base of domestic sales in the previous year, which was impacted by widespread rains, unprecedented floods, and an overall economic slowdown.

Compared to the cement industry, your Company experienced a 23.4% increase in overall sales volume, reaching 4.4 million tons, as compared to 3.6 million tons in the SPLY. Local sales volume grew by 16.3%, reaching 3.5 million tons during 1H FY24, compared to 3.0 million tons in the SPLY. Furthermore, export volumes increased by 59.4%, to 0.94 million tons during the period under review, in contrast to 0.59 million tons in the SPLY.

#### **Cement Production & Sales Volume Performance**

The local cement production and sales statistics of your Company for the half year ended December 31, 2023, compared to the SPLY are as follows:

Particulars	1HFY24 Tons	1HFY23 s in '000'		Growth / Decline (%)
Clinker Production	4,607	3,075	•	49.8%
Cement Production	3,997	3,379	•	18.3%
Cement / Clinker Sales	4,408	3,572	•	23.4%

A comparison of Pakistan's Cement Industry and your Company's dispatches for the half year ended December 31, 2023, in comparison with SPLY, is presented below:

Particulars Tons in '000'	1HFY24	1HFY23	Change	e (%)
Cement Industry Local Sales	20,237	20,029	208	1.0%
Export Sales				
- Bagged - Loose - Clinker	1,817 21 1,815	1,249 10 475	568 11 1,340	45.5% - 282.2%
Total Exports  Grand Total	23,890	<u>1,734</u> <u>21,763</u>	1,919	110.7%
Lucky Cement Local Sales	23,630	21,100	2,127	9.8%
- Cement - Clinker	3,345 124	2,982	363 124 487	12.2%
Export Sales - Bagged - Loose	3,469 621 21	399	222	55.5%
- Clinker  Total Exports	297	180	350	65.1% 59.4%
Grand Total	4,408	3,572	837	23.4%

Market Share	1HFY24	1HFY23	Change (%)
Local Sales Export Sales	16.5%	14.9%	11.0%
- Bagged - Loose - Clinker	34.2% 100.0% 16.4%	32.0% 100.0% 37.9%	6.9% - (56.7%)
Total Exports	25.7%	29.5%	(24.4%)
Grand Total	17.9%	16.4%	9.3%

#### Financial Performance - Unconsolidated

The unconsolidated financial performance of your Company for the half year ended December 31, 2023, as compared to the SPLY is presented below:

PKR million except EPS	1HFY24	1HFY23	Change (%)
Gross Revenue	79,264	58,706	35.0%
Net Revenue	59,880	45,333	32.1%
Cost of Sales	38,060	32,810	16.0%
Gross Profit	21,820	12,523	74.2%
GP as % of Net Revenue	36.4%	27.6%	31.9%
Operating Profit	17,054	8,950	90.5%
EBITDA	18,593	11,351	63.8%
Net Profit	13,710	7,129	92.3%
EPS	45.47	22.09	105.8%

#### Revenue

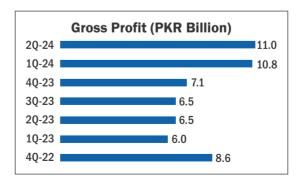
During the half year under review, your Company's overall gross revenue increased by 35% as compared to the SPLY. As explained above, the local sales revenue increased by 32% (PKR 68.9 billion vs PKR 52.1 billion) and export sales revenue increased by 57% (PKR 10.3 billion vs PKR 6.6 billion).

#### **Cost of Sales**

During the half year under review, the cost of sales increased by 16% to PKR 38.1 billion as compared to PKR 32.8 billion in the SPLY. The major reason for this increase was higher production and sales volume compared to SPLY.

#### **Gross Profit**

The gross profit margin of your Company for 1H FY24 is 36.4% compared to 27.6% in the SPLY. Your Company's constant focus on cost and operational efficiencies over the years has led to an increase in margins.



#### **Dividend Income**

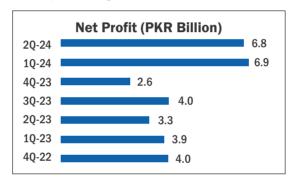
During 1H FY24, the dividend income received by your Company from its subsidiaries / associates was PKR 3.2 billion vs PKR 1.6 billion during the SPLY.

Subsidiary / Associate PKR Billion	2Q FY24	1Q FY24	4Q FY23	3Q FY23	2Q FY23	1Q FY23	4Q FY22
LCI	-	1.7	-	0.5	-	0.8	-
LHL	-	-	-	0.2	-	-	0.1
YEL	-	0.1	-	0.1	0.1	-	-
LMC	1.4	-	-	-	-	0.7	-
TOTAL	1.7	1.8	0.0	0.8	0.1	1.5	0.1

#### **Net Profit**

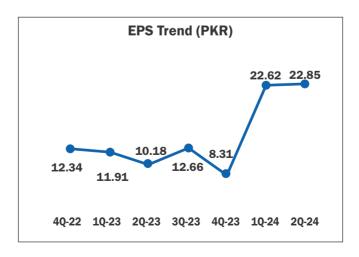
Your Company achieved a profit before tax of PKR 20.6 billion during 1H FY24 as compared to PKR 10.1 billion reported during the SPLY.

Accordingly, an after-tax profit of PKR 13.7 billion was achieved during the half-year under review as compared to PKR 7.1 billion reported during the SPLY.



#### Earnings Per Share (EPS)

The earnings per share of your Company for 1H FY24 was PKR 45.47 in comparison to PKR 22.09 reported during the SPLY.



#### **Share Buyback of Lucky Cement limited**

In 10 FY23, the Company announced a share buy-back of up to 10 million ordinary shares, which was approved by the shareholders in an EOGM dated September 20, 2022. This purchase made from the Pakistan Stock Exchange Limited (PSX) at prevailing spot prices was completed within the stipulated time at an average price of PKR 435.6 per share.

In a move to create further value for shareholders, the Company announced a second buy-back of up to 23.8 million ordinary shares in 40 FY23, which was subsequently approved by the shareholders in the EOGM held on May 24, 2023. By November 20, 2023, 20.4 million ordinary shares were purchased at an average price of PKR 632.6 per share, marking the completion of the prescribed time limit for the second buy-back.

#### **Renewable Energy Initiatives**

Your Company is committed to energy conservation and promotion of green energy resources, as demonstrated by the following new renewable energy projects:

#### • Wind Energy at Karachi Plant:

The Company has embarked on a 28.8 MW captive wind power project at its Karachi Plant, expected to be completed by 1Q FY25.

#### Expansion of Solar Capacity at Karachi & Pezu Plant:

The solar capacities at the Karachi and Pezu Plants are being increased by 6.3 MW and 6 MW respectively and will be completed during the current financial year. This expansion will increase the solar capacity of your Company to 74.3 MW.

The completion of the above projects will bring the total renewable energy generation capacity of your Company to 103.1 MW.

#### **Corporate Social Responsibility**

Your Company is steadfast in supporting education, women's empowerment, health, environmental conservation, and community development as part of its Corporate Social Responsibility (CSR) initiatives.

#### **Education / Scholarships**

Committed to providing quality education to deserving segments of society, the Company has initiated Intermediate scholarships in District Lakki Marwat and awarded merit-based scholarships at leading universities in Pakistan.

Your Company maintains its collaboration with respected non-profit organizations like the Shahid Afridi Foundation, Million Smiles Foundation, and The Citizen Foundation, focusing on improving primary level education throughout the Country for underprivileged children.

The Company has also launched dedicated scholarship programs and vocational training initiatives, along with adopting new schools in Taobat and Kundal Shahi, Neelum Valley.

#### **Women Empowerment**

Your Company continues to support girls' education and continues its collaboration with Zindagi Trust, transforming government girls' schools in Karachi.

#### **Health Initiatives**

Your Company ensures the provision of quality healthcare for society. This commitment is demonstrated through financial support to the Aziz Tabba Foundation, a renowned philanthropic institution that operates the Tabba Heart and Tabba Kidney institutes. These institutes are crucial in bridging the gap in specialized and contemporary medical care available in the country.

#### Social Empowerment for Underprivileged

Your Company made a generous donation to a renowned NGO to empower orphans by providing them with a sense of belonging and facilitating their integration into society. The organization's objective is to establish a fully equipped facility to meet their residential and educational needs.

In its dedication to Diversity, Equality, and Inclusivity, your Company actively supports differently-abled individuals. This commitment is exemplified through donations to a reputable NGO, specifically directed towards providing Therapy and Training for individuals with Autism Spectrum Disorder (ASD).

Your Company generously donated a Country's leading NGO, Special Olympics Pakistan, which is working towards the prospects of acknowledging and to spread compassion & acceptance and transform the lives of people with Intellectual Disabilities through the 'Power of Sports'.

#### **Environmental Conservation**

Your Company understands its environmental responsibilities and persists with its eco-friendly initiatives, such as tree-planting campaigns near its manufacturing sites to reduce dust emitted from cement operations.

#### **Community Development:**

In an effort to secure clean water access for local communities, your Company has initiated a Water Supply Scheme in Pezu, including the solarization of tube wells, Additionally, the Company is also supporting the villages nearby its manufacturing facilities for provision of clean water.

#### Outlook

The current fiscal year continues to be marked by economic and political challenges. Additionally, the general elections outcome will play a crucial role in determining economic growth and investor confidence.

Furthermore, the ongoing Palestinian conflict poses potential far-reaching repercussions for global economies. The complete extent of the conflict's outcome is expected to become clearer over time.

#### **Local Cement Operations**

Domestic cement demand grew by only 1% during 1H FY24 over the SPLY. Challenges of high inflation and elevated interest rates and seasonal factors are expected to impact cement demand during 2H FY24. Post-election political stability, could direct resources towards development projects, and stimulate local cement demand in the medium term.

Your Company's management remains proactive in enhancing manufacturing efficiency, and investing in renewable energy. This strategic approach not only aims to reduce production costs but also aligns with our commitment to contributing to a more sustainable future.

#### **Foreign Cement Operations**

Strong demand is anticipated for international cement operations and the companies are well-positioned to benefit from increased utilization of existing operational lines in the forthcoming financial periods. Moreover, the addition of a new clinker line, with a capacity of 1.82 MTPA, in Samawah, Iraq, will greatly enhance the operational efficiencies of our business. This strategic move plays a crucial role in achieving self-reliance in terms of clinker availability within Iraq.

#### Polyster, Soda, Ash & Chemicals

Looking ahead, the economic outlook will be shaped by the continued implementation of reforms aimed at stabilising the economy to restore fiscal and external buffers, restoration of political stability, assistance from friendly nations, alongside continuance of the IMF programme. However, these measures will keep demand in check and inflation high in the short term. The above factors will continue to impact overall industrial activity and the demand for LCI's products. The subsidiary remains committed to leveraging its diverse product portfolio and implementing cost rationalization efforts to minimise any adverse impacts and deliver sustainable results.

#### **Automobiles & Mobile Phones**

The outlook for the automobile sector is sluggish, with sales volumes under pressure due to economic slowdown and higher taxes on cars and SUVs, and fluctuations in the PKR to USD parity. However, the subsidiary's focus on optimizing its operations and localization will help reduce reliance on imported components and protecting margins and enhancing competitiveness.

The mobile industry is expected to show recovery due to higher sales of low-end mobile phones. LMC has already shifted its focus on producing and promoting low-cost phones.

#### **Power**

As warm weather sets in, we expect to see an increase in countrywide power demand resulting in higher dispatch of electricity from the subsidiary's plant.

Your Company's strong financial position and free cash flow generating ability are anticipated to further support its vision to maintain its leadership position in Pakistan and to capitalize on new investment opportunities to maximize shareholders' value.

#### **Acknowledgment**

The Board expresses gratitude to all employees of the Company for their efforts and commitment throughout this period. The Board further appreciates the support and trust of all shareholders of the Company and its customers, suppliers and external partners. The confidence and goodwill of all stakeholders has allowed the Company to sustain and grow over the years.

We pray to Allah for the success of the Company and the well-being of all stakeholders, and the country. May the times ahead bring peace and prosperity for the Company and all people associated with it.

On behalf of the Board

Karachi: January 25, 2024

**Muhammad Sohail Tabba** 

Chairman / Director

Muhammad Ali Tabba Chief Executive / Director

# **UN-CONSOLIDATED CONDENSED INTERIM** FINANCIAL STATEMENTS

For the half year ended December 31, 2023

# **Independent Auditor's Review Report**

#### To the members of Lucky Cement Limited

#### Report on review of Unconsolidated Condensed Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Lucky Cement Limited as at December 31, 2023 and the related unconsolidated condensed interim statement of profit or loss, the unconsolidated condensed interim statement of comprehensive income, the unconsolidated condensed interim statement of changes in equity and the unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2023.

#### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is Osama Moon.

A. F. Ferguson & Co., **Chartered Accountants** 

Agergusan & lo.

Karachi

Date: February 9, 2024

UDIN: RR202310056hJWvVpnt0

# **Unconsolidated Condensed Interim Statement of Financial Position**

As at December 31, 2023

		(Un-audited)	(Audited)
	Note	December 31,	June 30,
	NOCC	2023	2023
		(PKR I	n '000')
ASSETS			
NON-CURRENT ASSETS	5	00 261 000	05 620 206
Property, plant and equipment Intangible assets	5	99,361,900	95,620,306
mangible assets		70,375	85,588
		99,432,275	95,705,894
ong-term investments		57,594,485	57,594,485
Long-term loans and advances		184,189	194,204
Long-term deposits		7,842	7,842
Long term deposite		157,218,791	153,502,425
CURRENT ASSETS		101,210,101	100,002, 120
Stores and spares	[	12,342,207	14,084,018
Stock-in-trade	6	10,315,535	6,048,507
Frade debts		5,817,960	5,089,667
Loans and advances		905,163	749,292
Trade deposits and short-term prepayments		65,560	2,153,705
Accrued returns		250,118	100,079
Other receivables		4,541,327	4,797,885
Tax refunds due from the Government		538,812	538,812
Short-term investments	15.2	19,002,619	21,898,496
Cash & bank balances	15.2	5,241,297	
Casii & Dalik Dalalices	L	59,020,598	4,116,183 59,576,642
		39,020,398	39,310,042
TOTAL ASSETS	-	216,239,389	213,079,067
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	7	2,930,000	3,118,386
Reserves	,	130,575,612	, ,
Reserves	-	133,505,612	134,247,940 137,366,326
NON-CURRENT LIABILITIES		155,505,612	137,300,320
		054500	252.625
Long-term deposits		254,562	252,837
Long-term loans	8	13,666,923	14,557,294
Deferred Government grant		1,949,581	2,121,307
Deferred liabilities			
- Staff gratuity		2,795,303	2,574,925
- Deferred tax liability		11,299,116	10,025,499
		14,094,419	12,600,424
		29,965,485	29,531,862
CURRENT LIABILITIES			
Trade and other payables		30,289,154	29,918,702
Current maturity of long-term loans		1,432,887	599,653
Short-term borrowings	9	5,485,000	5,885,000
Jnclaimed dividend		61,617	50,115
Unpaid dividend		820,909	
Accrued markup		514,704	497,745
Taxation – net		14,164,021	9,229,664
		52,768,292	46,180,879
	L	82,733,777	75,712,742
		, 22,	-,,-
TOTAL EQUITY AND LIABILITIES		216,239,389	213,079,067
CONTINGENCIES AND COMMITMENTS	10		

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

**Muhammad Sohail Tabba** Chairman / Director

**Muhammad Ali Tabba Chief Executive** 

# **Unconsolidated Condensed Interim Statement of Profit or Loss**

For the half year ended December 31, 2023 (Un-audited)

	Half yea	ar ended	Quarte	r ended
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note	PKR i	n '000')	(PKR ii	n '000')
Gross sales 11	79,263,577	58,705,987	39,974,659	33,270,352
Less: Sales tax and federal excise duty	18,328,834	12,664,862	8,950,830	7,284,100
Rebates, incentives and commission	, ,	708,044	525,168	396,505
	19,383,109	13,372,906	9,475,998	7,680,605
Net sales	59,880,468	45,333,081	30,498,661	25,589,747
Cost of sales	(38,060,121)	(32,810,247)	(19,508,653)	(19,098,668)
Gross Profit	21,820,347	12,522,834	10,990,008	6,491,079
Distribution cost	(3,746,393)	(2,656,702)	(2,011,524)	(1,294,494)
Administrative expenses	(1,019,828)	, ,	(531,266)	. , , ,
Finance costs	(805,573)	, , ,	(423,702)	, , ,
Other expenses	(1,856,330)	(1,107,765)	(941,081)	(491,259)
Other income	6,195,563	2,847,483	3,044,516	837,666
Profit before taxation	20,587,786	10,076,140	10,126,951	4,711,835
Taxation	(6,877,670)	(2,947,521)	(3,346,168)	(1,435,629)
Profit after taxation	13,710,116	7,128,619	6,780,783	3,276,206
		(PKR)	(P	KR)
Earnings per share - basic and diluted 12	45.47	22.09	22.85	10.18

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Muhammad Sohail Tabba Chairman / Director Muhammad Ali Tabba
Chief Executive

# **Unconsolidated Condensed Interim Statement of Comprehensive Income** For the half year ended December 31, 2023 (Un-audited)

	Half yea	r ended	Quarte	r ended
Note	December 31, 2023	December 31, 2022 n '000')	December 31, 2023	December 31, 2022 n '000')
Note	(1707)	1 000 )	(1707)	1 000)
Profit after taxation	13,710,116	7,128,619	6,780,783	3,276,206
Other comprehensive income / (loss):				
Other comprehensive income / (loss) which will not be reclassified to profit or loss in subsequent periods:				
Unrealized gain/(loss) on remeasurement of equity instrument at fair value through other comprehensive income	4,761	(3,805)	3,894	(3,132)
Deferred tax thereon	(595)	476	(487)	392
	4,166	(3,329)	3,407	(2,740)
Total comprehensive income for the period	13,714,282	7,125,290	6,784,190	3,273,466

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

**Muhammad Sohail Tabba** Chairman / Director

**Muhammad Ali Tabba Chief Executive** 

# **Unconsolidated Condensed Interim Statement of Cash Flow**

For the half year ended December 31, 2023 (Un-audited)

		Half year	ended
No	te	December 31, 2023	December 31, 2022
		(PKR in	'000')
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	18,189,669	3,671,153
Income tax paid Gratuity paid Finance cost paid Income from deposits with Islamic banks Increase / (decrease) in long-term loans and advances Increase in long term deposits (liabilities) Net cash generated from operating activities		(670,291) (150,000) (788,614) 296,153 10,015 1,725 16,888,657	(513,879) (42,533) (506,737) 331,058 (374) 2,755 2,941,443
CASH FLOWS FROM INVESTING ACTIVITIES  Fixed capital expenditure  Sale proceeds on disposal of property, plant and equipment  Dividend received from subsidiary company  Dividend received from associated company  Dividend received on short-term investments  (Placement) / release of balances held as lien  Net cash used in investing activities		(6,729,563) 77,393 3,099,113 61,137 2,199,189 (600,000) (1,892,731)	(13,763,024) 157,718 1,473,360 122,273 711,422 1,111,111 (10,187,140)
CASH FLOWS FROM FINANCING ACTIVITIES  Long-term loans obtained  Long-term loans repaid  Short-term borrowing obtained  Short-term borrowing repaid  Own shares purchased for cancellation  Dividends paid  Net cash (used in) / generated from financing activities		(228,863) 1,476,636 (1,876,636) (12,122,879) (4,619,706) (17,371,448)	5,234,360 (4,661,464) 6,308,513 - (1,680,875) (517) 5,200,017
Net decrease in cash and cash equivalents		(2,375,522)	(2,045,680)
Cash and cash equivalents at the beginning of the period  Cash and cash equivalents at the end of the period  13	3.1	26,001,579	15,493,016

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements

Muhammad Sohail Tabba Chairman / Director Muhammad Ali Tabba
Chief Executive

# **Unconsolidated Condensed Interim Statement of Changes in Equity** For the half year ended December 31, 2023 (Un-audited)

				Capital reserve			Revenue reserves	eserves		
	Issued, subscribed and paid-up share capital	Share premium	Capital re-purchase reserves account	Capacity expansions capital reserve	Long-term investment capital reserve	Capital redemption reserve	General reserve	Unappropriated Profit	Total reserves	Total equity
					PKR in '000'	000				
Balance as at July 01, 2022	3,233,750	7,343,422	ı	1	•	1	99,164,187	18,798,965	125,306,574	128,540,324
Transfer to general reserves	1	ı	1	ı	ı	ı	15,340,066	(15,340,066)	1	1
Total comprehensive income for the half year ended December 31, 2022	ı	1	1	1	1	1	ı	7,125,290	7,125,290	7,125,290
Own shares purchased for cancellation	(3,568)	1	3,568	1	1	1	1	(1,680,875)	(1,677,307)	(1,680,875)
Balance as at December 31, 2022	3,230,182	7,343,422	3,568	1	1	1	114,504,253	8,903,314	130,754,557	133,984,739
Balance as at July 01, 2023	3,118,386	7,343,422	115,364	40,000,000	40,000,000	35,815,875	1	10,973,279	134,247,940	137,366,326
Total comprehensive income for the half year ended December 31, 2023	ı	1	1	1	ı	1	ı	13,714,282	13,714,282	13,714,282
Final Dividend @ PKR 18 per share for the year ended June 30, 2023	1	T	1	T	ī	Г	1	(5,452,117)	(5,452,117)	(5,452,117)
Cancellation of own shares purchased (Note 12.2)	(188,386)	1	188,386	1	1	(12,122,879)	ı	1	(11,934,493)	(12,122,879)
Balance as at December 31, 2023	2,930,000	7,343,422	303,750	40,000,000	40,000,000	23,692,996		19,235,444	130,575,612	133,505,612

The annexed notes from 1 to 1.7 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Ali Tabba Chief Executive

Muhammad Sohail Tabba Chairman / Director

For the half year ended December 31, 2023 (Un-audited)

#### THE COMPANY AND ITS OPERATIONS 1

11 Lucky Cement Limited (the Company) was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and marketing of cement.

The registered office of the Company is located at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the corporate office is situated at Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street in Karachi. The Company has two production facilities; one at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the other at Main Super Highway in Karachi, Sindh, Further, the Company's liaison offices are situated in Islamabad, Quetta, Multan, Faisalabad, Lahore and Peshawar.

1.2 These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any,

#### 2 STATEMENT OF COMPLIANCE

- 2.1 These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
  - International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act): and
  - Provisions of and directives issued under the Act.

Where the provisions of or directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with the Company's unconsolidated annual audited financial statements for the year ended June 30, 2023.

#### SIGNIFICANT ACCOUNTING POLICIES 3

- 3.1 The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated annual audited financial statements for the year ended June 30, 2023.
- 3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards
- Amendments to published accounting & reporting standards which became effective during the a)

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

b) Amendments to published accounting and reporting standards that are not yet effective:

> There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

For the half year ended December 31, 2023 (Un-audited)

#### 4 **ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2023.

#### PROPERTY, PLANTAND EQUIPMENT

5

5.1 Following is the movement in property, plant and equipment during the period / year:

		(Un-audited)	(Audited)
		December 31,	June 30,
		2023	2023
	Note	(PKR in	'000')
Operating fixed assets (WDV) - opening balance		89,745,225	59,972,785
Add: Additions during the period / year	5.2	6,436,205	35,096,428
		96,181,430	95,069,213
Less: Disposals during the period / year (WDV)		7,662	42,768
Depreciation charge for the period / year		2,975,127	5,281,220
Operating fixed assets (WDV) - closing balance		93,198,641	89,745,225
Add: Capital work-in-progress	5.3	5,580,187	5,562,145
Add: Capital spares		583,072	312,936
		99,361,900	95,620,306

5.2 Following additions and deletions were made during period in operating fixed assets

	Decemb	(Un-audited)  December 31, 2023 (PKR in '000')		
Operating Fixed Assets	Additions (Cost)	Deletion (Cost)		
Buildings on free hold land - Cement Plant	14,538	-		
Building on leasehold land - Cement Plant	242,999	-		
Plant and machinery Generators and other power generation equipment Quarry equipments	2,177,161 3,633,277 16,022	-		
Vehicles including cement bulkers Furniture and fixtures	262,662 5,112	59,118 7		
Office equipments Computer and accessories	25,662	40 1,292		
Other assets (laboratory equipments etc.)	58,772 6,436,205	1,856 62,313		

Following is the movement in capital work-in-progress during the period /year: 5.3

	(Un-audited)	(Audited)
	December 31,	June 30,
	2023	2023
	(PKR	in '000')
Opening Balance	5,562,145	21,911,214
Add: Additions during the period / year	6,459,427	18,815,137
	12,021,572	40,726,351
Less: Transferred to operating fixed assets	6,436,205	35,096,428
Less: Transferred to intangible assets	5,180	67,778
Closing balance	5,580,187	5,562,145

For the half year ended December 31, 2023 (Un-audited)

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023 in '000')
STOCK-IN-TRADE		(* * * * * * * * * * * * * * * * * * *	
Raw and packing materials Work-in-process Finished goods Less: Provision for slow moving packing material		1,129,404 8,213,924 1,002,207 10,345,535 30,000 10,315,535	1,417,412 3,676,416 984,679 6,078,507 30,000 6,048,507
SHARE CAPITAL Authorised capital 500,000,000 (2022: 500,000,000) Ordinary shares of PKR 10/- each		5,000,000	5,000,000
Issued, subscribed and paid-up share capital 305,000,000 (2022: 305,000,000) Ordinary shares of PKR 10/- each issued for cash		3,050,000	3,050,000
18,375,000 (2022: 18,375,000) Ordinary shares of PKR 10/- each issued as bonus shares		<u>183,750</u> 3,233,750	183,750 3,233,750
30,375,000 ordinary shares (2022: 10,000,000 ordin shares) of PKR 10/- each cancelled through purchase of own shares	ary	(303,750)	(100,000)
1,536,361 ordinary shares purchased and held for cancellation	12.2	2,930,000	3,133,750 (15,364) 3,118,386

#### 8 **LONG-TERM LOANS**

There is no material change in the terms and conditions of the long-term loans as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2023.

#### 9 **SHORT-TERM BORROWINGS**

There is no material change in the terms and conditions of the short-term borrowings as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2023 except that during the period the Company has obtained and repaid Foreign Currency Import Refinance (FCIF) facility under Islamic mode amounting to PKR 1,477 million from Bank Alfalah - Islamic. The facility is secured by way of hypothecation charge over plant & machinery. The facility carries mark-up rate at 7.5% perannum.

#### **CONTINGENCIES AND COMMITMENTS** 10

10.1 There are no significant changes in the status of contingencies and commitments as reported in note 27 to the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2023, except as disclosed in notes 10.2 and 10.3.

(Un-audited)

(Audited)

Note of credit	9,740,1	(PKR in '000')	June 30, 2023 ) 4,921,828
of credit			)
	9,740,1	.05	4 921 828
	9,740,1	.05	4 921 828
plies/			1,021,020
plies/			
	2.440.6	140	0.000.770
	3,418,3		3,989,776
any			2,800,837
	3,279,1	.59	4,075,985
ıy in	53,271,9	36 5	52,839,594
I meeting held of has announced	on November 2	4, 2023. Subs	equent to the
Half yea			r ended
		December 31,	,
			n '000')
(,,,,,,		(* * * * * * * * * * * * * * * * * * *	
68,914,268	52,111,305	33,879,215	30,126,440
			3,143,912
79,263,577	58,705,987	39,974,659	33,270,352
13,710,116	7,128,619	6,780,783	3,276,206
301,546	322,643	296,783	321,912
45.47	22.09	22.85	10.18
311,839	323,375	302,494	323,375
(10,293)	(732)	(5,711)	(1,463)
301,546	322,643	296,783	321,912
		Half yea	ar ended
		December 31,	December 31,
		2023	2023
		(PKR i	n '000')
		20,587,786	10,076,140
items oment		2,975,127 20,393 (69,731) 370,378	2,387,483 13,987 (115,729) 301,666
	I meeting held of has announced has announced here.  Half yea December 31, 2023 (PKR i 68,914,268 10,349,309 79,263,577 13,710,116 301,546 45.47 311,839 (10,293) 301,546 75 million of its	2,918,8 3,279,1  19 in 53,271,9  ent upto PKR 3,000 million and I meeting held on November 2 has announced on the PSX that a.  Half year ended  December 31, 2022 (PKR in 000)  68,914,268 52,111,305 10,349,309 6,594,682 79,263,577 58,705,987  13,710,116 7,128,619  301,546 322,643 45.47 22.09  311,839 323,375 (10,293) (732) 301,546 322,643 75 million of its own ordinary sesolution passed in the Extraord	2,918,814 3,279,159  ent upto PKR 3,000 million and PKR 1,000 m I meeting held on November 24, 2023. Subs has announced on the PSX that it is no more on the

For the half year ended December 31, 2023 (Un-audited)

	Half ye	ar ended
	December 31,	December 3
	2023	2022
	(PKR	in '000')
(Increase) / Decrease in current assets		
Stores and spares	1,741,811	(6,220,495
Stock-in-trade	(4,267,028)	(1,054,976
Trade debts	(728,293)	(617,119
Loans and advances	(155,871)	225,57
Trade deposits and short-term prepayments	2,088,145	(345,053
Other receivables	256,558	225,54
	(1,064,678)	(7,786,52
Decrease / Increase in current liabilities		
Trade and other payables	370,452	869,01
	18,189,669	3,671,15
CASH AND CASH EQUIVALENTS	5 044 007	0.500.4.4
Cash and bank balances	5,241,297	3,532,14
Balances held as lien	(600,000)	0.045.46
Short-term investments	18,984,760	9,915,19
	23,626,057	13,447,33
TRANSACTIONS WITH RELATED PARTIES		
Dolated partice include subsidiaries, associated entities, directs		

Related parties include subsidiaries, associated entities, directors, other key management personnel and close family members of directors and other key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

	Half year ended		
	December 31, 2023	December 31, 2022	
	(PKR i	n '000')	
Transactions with Subsidiary Companies			
Reimbursement of expenses to the Company	3,575	5,794	
Sales	22,191	28,409	
Purchases	20,245	19,649	
Sale of fixed assets	-	25,740	
Sale of stores and spares items	1,180	-	
Purchase of vehicles	253,041	80,081	
Business Development Technical Fee	199,262	-	
Dividend received	3,099,113	1,473,360	
Services received	1,061	21	
Transactions with Directors and their close family members			
Sales	-	349	
Meeting fee	3,844	3,469	
Dividend paid	2,358,135	-	
Transactions with Associated Undertakings			
Sales	354,696	312,230	
Dividend received	61,137	122,273	
Reimbursement of expenses to the Company	30,493	10,655	
Reimbursement of expenses from the Company	24,493	21,464	
Donation	170,000	122,500	
Dividend paid / payable	1,336,496	-	
Transactions with other key management personnel			
Salaries and benefits	204,979	181,349	
Post employment benefits	44.832	31,049	
Dividend paid	749	-	
·			

For the half year ended December 31, 2023 (Un-audited)

#### Other related parties

Payment made to retirement benefit fund

150,000

#### 15 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### 15.1 Financial risk factor

The Company is exposed to market risk (including return rate risk, currency risk and other price risk), credit risk and liquidity risk. The Company's finance and treasury departments oversee the management of these risks.

There have been no changes in the risk management policies during the period, consequently these unconsolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

#### 15.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

	December 31, 2023 (Un-audited)			ed)
_	Level 1	Level 2	Level 3	Total
		(PKR in 'C	)00')	
Assets				
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	-	18,984,760	-	18,984,760
Financial assets - fair value through other comprehensive income				
- Short-term investment (shares of PSX)	17,859	-	-	17,859
	17,859	18,984,760	-	19,002,619
		June 30, 2023	(Audited)	
_	Level 1	Level 2	Level 3	Total
		(PKR in 'C	)00')	
Assets				
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	-	21,885,398	-	21,885,398
Financial assets - fair value through other comprehensive income				
Charten and the second	13,098	-	-	13,098
- Short-term investment (shares of PSX)				

For the half year ended December 31, 2023 (Un-audited)

#### 16 **DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on January 25, 2024 by the Board of Directors of the Company.

#### 17 **GENERAL**

- 17.1 Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.
- 172 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.

**Muhammad Sohail Tabba** Chairman / Director

**Muhammad Ali Tabba Chief Executive** 

# **CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the half year ended December 31, 2023

# **Consolidated Condensed Interim Statement of Financial Position**

As at December 31, 2023

		(Un-audited)	(Audited)
	Note	December 31,	June 30,
	Note	<b>2023</b> (PKR in	'000') 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	293,566,188	294,838,879
Intangible assets		6,642,549	6,682,998
Right-of-use assets		76,998	116,70
		300,285,735	301,638,58
Long-term investments	6	72,035,026	67,118,40
Long-term loans and advances		815,433	731,16
Long-term deposits		159,630	94,89
		373,295,824	369,583,05
CURRENT ASSETS		00.000.000	00.000.45
Stores, spares and consumables	7	20,266,696	22,608,453
Stock-in-trade	1	71,269,217	48,660,510
Trade debts		65,170,839	59,903,590
Loans and advances		7,488,587	3,220,17
Trade deposits and short-term prepayments Other receivables		4,795,886	6,270,645
Tax refunds due from the Government		14,570,699	14,141,98
Taxation receivable		654,413 78,536	538,812
Accrued return		,	193,198
Short-term investments		250,118 33,398,237	100,09° 44,199,45°
Cash and bank balances		, , ,	38,939,42
odsii and bank balances		42,475,179 260,418,407	238,776,34
TOTAL ASSETS		633,714,231	608,359,39
EQUITY AND LIABILITIES SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	8	2,930,000	3,118,386
Reserves		241,351,976	224,365,635
Attributable to the owners of the Holding Company		244,281,976	227,484,022
Non-controlling interest		34,550,970	33,515,038
Total equity		278,832,946	260,999,059
NON-CURRENT LIABILITIES		, ,	
Long-term loans		129,088,713	135,857,715
Long-term deposits and other liabilities		9,407,212	9,532,879
Lease liabilities		36,623	29,064
Deferred income - Government grant Deferred liabilities		3,728,999	4,305,281
- Staff gratuity		3,198,821	2,696,191
- Deferred tax liability		20,790,249	19,225,117
		23,989,070	21,921,308
		166,250,617	171,646,247
CURRENT LIABILITIES			
Current portion of long-term finance		10,906,164	9,009,157
Trade and other payables		85,268,821	80,574,343
Provision for taxation		19,523,283	13,910,125
Accured markup		5,070,676	5,046,314
Short-term borrowings and running finance		66,933,093	67,043,227
Current portion of lease liabilities		46,105	80,807
Unclaimed dividend		61,617	50,115
Unpaid dividend		820,909	
		188,630,668	175,714,088
		354,881,285	347,360,335
TOTAL EQUITY AND LIABILITIES		633,714,231	608,359,394
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.  $\rho$ 

Muhammad Sohail Tabba Chairman / Director Muhammad Ali Tabba Chief Executive

# **Consolidated Condensed Interim Statement of Profit or Loss**

For the half year ended December 31, 2023 (Un-audited)

	Half ye	ar ended	Quarte	rended
	December 31,	,	December 31,	December 31,
Nista	2023	2022 in '000')	2023	2022 n '000')
Note	, (PKK		(FKK II	
Revenue 10	247,475,040	219,147,990	122,542,655	112,310,098
Less: Sales tax and excise duty Rebates, incentives and commission	34,057,599 6,894,749	4,851,648	16,316,771 3,778,236	14,808,685 2,544,481
	40,952,348	33,942,126	20,095,007	17,353,166
Net revenue	206,522,692	185,205,864	102,447,648	94,956,932
Cost of sales	(143,460,968)	(146,142,331)	(70,842,723)	(74,024,739)
Gross profit	63,061,724	39,063,533	31,604,925	20,932,193
Distribution cost Administrative expenses Finance costs Other expenses Other income	(2,326,648)	(2,863,401) (13,715,554) (1,861,529)	(3,956,920) (2,055,982) (9,513,597) (1,192,751) 4,827,406	(1,396,690)
Share of profit-joint ventures and associate	8,452,681	3,650,206	4,250,572	2,469,529
Profit before taxation	48,363,208	22,094,360	23,963,653	13,177,237
Taxation	(10,039,377)	(4,278,282)	(4,997,121)	(2,008,122)
Profit after taxation from continuing operations	38,323,831	17,816,078	18,966,532	11,169,115
Profit after taxation from discontinued operations	-	507,507	-	221,945
Profit after taxation	38,323,831	18,323,585	18,966,532	11,391,060
Attributable to: Owners of the Holding Company Non-controlling interest	35,339,163 2,984,668 38,323,831	2,410,207	17,633,163 1,333,369 18,966,532	10,464,026 927,034 11,391,060
	J0,J2J,631	10,323,363	10,900,032	11,391,000
Earnings per share - basic and diluted 12		(PKR)	,	PKR)
<ul><li>continuing operations</li><li>discontinued operations</li></ul>	117.19	48.88 0.44	59.41	32.31 0.19
alsominaca operations	117.19	49.32	59.41	32.51

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Muhammad Sohail Tabba Chairman / Director Muhammad Ali Tabba Chief Executive

# **Consolidated Condensed Interim Statement of Comprehensive Income** For the half year ended December 31, 2023 (Un-audited)

	Half vea	Half year ended		r ended
	December 31, 2023	December 31, 2022 n '000')	December 31, 2023	December 31, 2022 n '000')
Profit after taxation from continuing operations	38,323,831	17,816,078	18,966,532	11,169,115
Other comprehensive income for the period				
Other comprehensive income / (loss) which will not be reclassified to profit or loss in subsequent periods:				
Foreign exchange differences on translation of foreign operations	(970,378)	2,949,610	(1,216,696)	(339,019)
Unrealized loss on remeasurement of equity investment at fair value through other comprehensive income Deferred tax thereon	4,761 (595) 4,166 (966,212)	(3,805) 476 (3,329) 2,946,281	3,894 (487) 3,407 (1,213,289)	(3,132) 392 (2,740) (341,759)
Total comprehensive income for the period from continuing operations	37,357,619	20,762,359	17,753,243	10,827,356
Discontinued operations				
Profit after taxation from discontinued operations	-	507,507	-	221,945
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	37,357,619	21,269,866	17,753,243	11,049,301
Attributable to: Owners of the Holding Company Non-controlling interest	34,372,951 2,984,668	18,859,659 2,410,207	16,419,874 1,333,369	10,122,267 927,034
	37,357,619	21,269,866	17,753,243	11,049,301

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

**Muhammad Sohail Tabba** Chairman / Director

**Muhammad Ali Tabba Chief Executive** 

# **Consolidated Condensed Interim Statement of Cash Flows**

For the half year ended December 31, 2023 (Un-audited)

			ar Ended
	Note	December 31, 2023	December 31, 2022
		(PKR	in '000')
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	39,726,356	19,103,993
Finance cost paid		(18,954,688)	(11,559,965)
Income tax paid		(2,797,808)	(2,287,153)
Staff retirement benefits paid		(218,797)	(84,534)
Income from deposits with Islamic banks		2,291,236	1,086,990
and other financial institutions			
Long term deposits - net		(78,007)	-
Increase in long-term loans and advances		(84,268)	(64,480)
Decrease in long-term deposits and prepaymer	its	-	2,466
Discontinued operations		-	442,449
Net cash generated from operating activities		19,884,024	6,639,766
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(9,023,294)	(16,848,640)
Dividend received from equity accounted invest		2,941,923	2,325,552
Dividend received from short-term investments		2,198,239	714,499
(Placement) / Release of balance as lien		(600,000)	1,111,111
Sale proceeds on disposal of property, plant an	d	243,825	204,506
equipment			
Discontinued operations		-	4,745
Net cash used in investing activities		(4,239,307)	(12,488,227)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term finance obtained		2,407,564	5,918,703
Long-term finance repaid		(4,594,625)	(6,773,223)
Payment against finance lease liability		(31,708)	(49,385)
Dividends paid to owners of the Holding Compa	iny	(4,619,706)	(517)
Dividends paid to Non-controlling interest		(1,832,152)	(797,842)
Short-term borrowings and running finance		(2,371,407)	8,085,154
Own shares purchased for cancellation (note 1:	2.2)	(12,122,879)	(1,680,875)
Discontinued operations		-	(616,414)
Net cash (used in) / generated from financing a	ctivities	(23,164,913)	4,085,601
Net decrease in cash and cash equivalents		(7,520,196)	(1,762,860)
Cash and cash equivalents at the beginning of the	e period	83,074,650	28,747,397
Effect of foreign currency translation on cash	portou	(355,547)	64,143
c ,		, , ,	·
Cash and cash equivalents at the end of the period	od	75,198,907	27,048,680
Cash and cash equivalents at December 31 con	nprise of:		
Cash and bank balances		42,475,179	17,133,486
Bank balance marked as lien		(600,000)	
Short term investments		33,323,728	9,915,194
		75,198,907	27,048,680
		10,200,001	21,040,000

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

**Muhammad Sohail Tabba** Chairman / Director

**Muhammad Ali Tabba Chief Executive** 

# **Consolidated Condensed Interim Statement of Changes in Equity** For the half year ended December 31, 2023 (Un-audited)

	penss			Capita	Capital reserve			Revenue Reserve	eserve			
	subscribed and paid-up capital	Share	Capital repurchase reserve account	Foreign currency translation reserve	Capacity expansions capital reserve	Long-term investments capital reserve	Capital redemption reserve	General	Unappropri- ated profit	Total	Non- controlling interest	Total equity
						PKR in '000'						
Balance as at July 01, 2022	3,233,750	7,343,422	•	9,433,058	,	•		99,164,187	51,690,097	51,690,097 167,630,764 28,893,975	28,893,975	199,758,489
Transfer to general reserves	1	1	٠	•	•	•	1	15,340,066 (15,340,066)	(15,340,066)	•	1	•
Dividends paid to non-controlling interest of LCI	•	•	•	•	•	•	•	•	•	•	(623,416)	(623,416)
Dividends paid to non-controlling interest of LMC	1	1	1	1	1	•	1	1	•	•	(288,610)	(288,610)
Own shares purchased for cancellation	(3,568)	•	3,568	•	•	•	ı	1	(1,680,875)	(1,677,307)	•	(1,680,875)
Profit after taxation									15.913.378	15.913.378	2.410.207	18.323.585
Other comprehensive income	'	1	,	2,949,610	1	•	1	ı	(3,329)	(2,946,281)		2,946,281
Total comprehensive income for the half year ended December 31, 2022	,		,	2,949,610	ı		ı	,	15,910,049	18,859,659	2,410,207	21,269,866
Balance as at December 31, 2022	3,230,182	7,343,422	3,568	12,382,668				114,504,253	50,579,205	184,813,116	30.392.156	218,435,454
Balance as at July 01, 2023	3,118,386	7,343,422	115,364	22.184,577	40,000,000	40,000,000 40,000,000	35,815,875		78,906,397	224,365,635	33,515,038	260,999,059
Dividends paid to non-controlling interest of ICI	ı	ı	٠	•	•	٠	1		٠	٠	(1,371,515)	(1,371,515)
Dividends paid to non-controlling interest of LMC		1		•	•	٠	1	•	٠	•	(577,221)	(577,221)
Own shares purchased for cancellation	(188,386)	,	188,386	•	,	1	(12,122,879)		,	(11,934,493)	1	(12,122,879)
Final Dividend @ Rs. 18 per share for the year ended June 30, 2023									(5,452,117)	(5,452,117)	ı	(5,452,117)
Profit after taxation									35,339,163	35,339,163	2,984,668	38,323,831
Other comprehensive income	1	1		(970,378)					4,166	(966,212)		(966,212)
iotal comprehensive income for the nair year ended December 31, 2023	ı	•		(970,378)	•	•	1	•	35,343,329	34,372,951	2,984,668	37,357,619
Balance as at December 31, 2023	2,930,000	7,343,422	303,750	21,214,199	40,000,000	40,000,000	23,692,996	1	108,797,609	241,351,976	34,550,970	278,832,946

Muhammad Atif Kaludi Chief Financial Officer

Muhammad Ali Tabba Chief Executive

Muhammad Sohail Tabba Chairman / Director

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

For the half year ended December 31, 2023 (Un-audited)

#### 1 THE GROUP AND ITS OPERATIONS

The Group consists of Lucky Cement Limited (the Holding Company / LCL) and its subsidiary companies namely LCL Investment Holdings Limited, Lucky Holdings Limited, Lucky Electric Power Company Limited, Lucky Core Industries Limited (Formerly ICI Pakistan Limited) and Lucky Motor Corporation Limited. Brief profiles of the Holding Company and its subsidiaries are as follows:

#### 1.1 **Lucky Cement Limited**

The Holding Company was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (now the Companies Act, 2017) (the Act) and is listed on the Pakistan Stock Exchange. The principal activity of the Holding Company is manufacturing and marketing of cement. The registered office of the Holding Company is located at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the corporate office is situated at Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street in Karachi. The Holding Company has two production facilities; one at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and the other at Main Super Highway in Karachi, Sindh. Further, the Holding Company's liaison offices are situated in Islamabad, Quetta, Multan, Faisalabad, Lahore and Peshawar.

#### 12 **Lucky Holdings Limited**

Lucky Holdings Limited (LHL) was incorporated in Pakistan on September 6, 2012 as a public unlisted company under the Act. The head office of the LHL is situated at 6 - A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi in the province of Sindh, whereas the registered office of the LHL is situated at Lucky Cement Factory, Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa. LHL is a subsidiary of the Holding Company and its main source of earning is royalty income

In accordance with the share purchase agreement between LHL and ICI Omicron B.V. (the seller), LHL acquired the trademark of ICI word mark and roundel device along with the right to sub license the same within the territory of Pakistan for polyester fiber and soda ash products and in India for soda ash products only.

LHL's license for the trademark of ICI word mark and roundel device has expired on December 28, 2022.

The Holding Company held 75% shares of LHL as at December 31, 2023 (June 30, 2023: 75% holding).

#### 1.3 **LCL Investment Holdings Limited**

The Holding Company has made an investment in LCL Investment Holdings Limited (LCLIHL), incorporated in Mauritius and redomiciled in Dubai - United Arab Emirates where LCLIHL has been continued as an offshore company in Jebel Ali Free Zone Authority with effect from March 30, 2022. The principal activity of LCLIHL is that of investment holding.

LCLIHL has entered into joint venture agreements with Al-Shumookh group to form Lucky Al-Shumookh Holdings Limited (LASHL) for operating a cement grinding unit in Basra, Iraq and Al-Shumookh Lucky Investment Limited (ASLIL) for operating a fully integrated cement manufacturing unit in Samawah, Iraq. LASHL and ASLIL are companies with limited liability registered in Jebel Ali Free Zone, United Arab Emirates. LCLIHL holds 50 percent ownership in the aforesaid joint ventures.

LCLIHL has also entered into a joint venture agreement with Rawsons Investments Limited (registered in Cayman Islands) for establishing Lucky Rawji Holdings Limited (LRHL), incorporated with limited liability under laws of British Virgin Islands, for operating a fully integrated cement manufacturing unit in the Democratic Republic of Congo. LCLIHL holds 50 percent ownership interest in LRHL.

LCLIHL has also entered into a joint venture agreement with Rawii Properties Limited to incorporate LR International General Trading FZCO (LRIGT), LRIGT was incorporated as an onshore company with a limited liability in Jebel Ali Free Zone, United Arab Emirates. LCLIHL holds 50 percent ownership interest

The Holding Company held 100% shares of LCLIHL as at December 31, 2023 (June 30, 2023: 100% holding).

#### 1.4 **Lucky Motor Corporation Limited**

Lucky Motor Corporation Limited (LMC) was incorporated in Pakistan as a public unlisted company in December 2016 under the Act. LMC is engaged in assembly, marketing, distribution and sale of various types of Kia and Stellantis N.V. branded vehicles, parts, accessories and related services. LMC's

For the half year ended December 31, 2023 (Un-audited)

manufacturing facility for vehicles was completed in June 2019 following which the commercial operations commenced.

LMC has entered into an agreement with Samsung Gulf Electronic Co. FZE for producing Samsung branded mobile devices in Pakistan. The mobile production facility for Samsung devices, which is located at Port Qasim Industrial Park, Special Economic Zone, was completed in November 2021, and commercial production began in December 2021.

The registered office and manufacturing facility of LMC are situated at Plots # LE-144-145, 154-167, 171-172, 174-175, PP 31, 48, 65, PP-83-89 Survey # NC 98, National industrial Park, Bin Oasim Town, Karachi

The Holding Company held 71.14% shares of LMC as at December 31, 2023 (June 30, 2023: 71.14% holding).

#### 15 Lucky Core Industries Limited (Formerly ICI Pakistan Limited)

Lucky Core Industries Limited (Formerly ICI Pakistan Limited) (LCI) was incorporated in Pakistan under the Act and is listed on Pakistan Stock Exchange Limited. LCI is engaged in the manufacture of polyester staple fibre, partially oriented varn (POY) chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; merchanting of general chemicals and manufacturing of master batch. It also acts as an indenting agent and toll manufacturer. LCI's registered office is situated at 5 West Wharf, Karachi. The Holding Company held 55% of shares of LCI as at December 31, 2023 (June 30, 2023; 55% holding). Details of LCI's equity investments are as follows:

#### 151 Lucky Core PowerGen Limited (Formerly ICI PowerGen Limited)

Lucky Core PowerGen Limited (Formerly ICI PowerGen Limited) (LCI PowerGen) was incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary of LCI. LCI PowerGen is engaged in generating, selling and supplying electricity to LCI.

#### 1.5.2 Lucky TG (Private) Limited

Lucky TG (Private) Limited (Lucky TG) was incorporated in Pakistan on October 25, 2022 as an unlisted public company as part of the Joint Venture and Shareholders Agreement with Tarig Glass Industries Limited to set up a green field state-of-the-art float glass manufacturing facility. LCI holds 51% of the shares of Lucky TG.

#### 1.5.3 **Lucky Core Venture (Private) Limited**

Lucky Core Venture (Private) Limited was incorporated in Pakistan on March 9, 2023 as a private company and is a wholly owned subsidiary of LCI. The principal line of the business is to function as holding company of its subsidiaries and associated companies and render advisory services for promotion of their business, development and marketing for the group.

#### 1.6 **Lucky Electric Power Company Limited**

Lucky Electric Power Company Limited (LEPCL) was incorporated in Pakistan, on June 13, 2014, as a public unlisted company limited by shares, under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of LEPCL is situated at 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi and its plant site is situated at Deh Ghangiaro, Taluka Ibrahim Hyderi, District Malir, Karachi,

The principal business of LEPCL is to own and operate a coal fired 660 megawatt (MW) (gross) power project at Port Qasim, Karachi. LEPCL has achieved its Commercial Operation Date on March 21, 2022.

The Holding Company held 100% shares of LEPCL as at December 31, 2023 (June 30, 2023: 100% holding).

#### STATEMENT OF COMPLIANCE 2.

- 2.1 These consolidated condensed interim financial statements of the Group for the half year ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
  - International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
  - provisions of and directives issued under the Act.

For the half year ended December 31, 2023 (Un-audited)

Where the provisions of or directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the consolidated annual audited financial statements, and should be read in conjunction with the Group's consolidated annual audited financial statements for the year ended June 30.2023.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the consolidated annual audited financial statements for the year ended June 30, 2023.
- 3.2 Change in accounting standards, interpretations and amendments to the accounting and reporting standards
- a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Group during the period. However, the amendments did not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

b) Amendments to published accounting and reporting standards that is not yet effective:

> There were certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

> The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

> Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are the same as those applied in the Group's consolidated annual audited financial statements for the year ended June 30, 2023.

> The Group's financial risk management objectives and policies are consistent with those disclosed in the Group's consolidated annual audited financial statements for the year ended June 30, 2023. Further, there were no transfers in fair value hierarchy levels during the period.

For the half year ended December 31, 2023 (Un-audited)

#### PROPERTY, PLANT AND EQUIPMENT

5

#### 5.1 Following is the movement in property, plant and equipment during the period / year:

	Note	(Un-audited) December 31, 2023 (PKR	(Audited) June 30, in '000')  2023
Operating fixed assets (WDV) - opening balance Add: Additions during the period / year	5.2	285,306,839 8,249,136 293,555,975	246,416,524 60,669,430 307,085,954
Less: Disposals during the period / year (WDV) Disposal of subsidiary Depreciation charge for the period / year Operating fixed assets (WDV) - closing balance Add: Capital work-in-progress Add: Capital spares	5.3	98,921 - 8,826,268 284,630,786 8,352,330 583,072 293,566,188	254,672 5,121,364 16,403,079 285,306,839 9,219,104 312,936 294,838,879

#### Following additions and deletions were made during the period in operating fixed assets: 5.2

	Decemb	audited) per 31, 2023 R in '000')
	Additions Cost	Deletion Cost
Operating fixed assets		
Buildings on free hold land		
- Cement plant	14,538	-
- Others	44,236	
Buildings on leasehold land		
- Cement plant	242,999	-
- Others	344,395	-
Limebeds on free hold land	16,808	-
Machinery	3,336,853	1,812
Generators and other power generation equipments	3,633,277	-
Quarry equipments	16,022	-
Vehicles including cement bulkers	487,792	204,375
Furniture and fixtures	6,106	125
Office equipments	1,769	40
Computer and accessories	44,404	1,615
Other assets	59,937	1,856
	8,249,136	209,823

#### 5.3 Following is the movement in capital work-in-progress during the period / year:

		(Un-audited)	(Audited)
	Note	December 31,	June 30,
	14010	<b>2023</b> (PKR	in '000') 2023
Opening balance		9,219,104	29,196,375
Add: Additions during the period / year		8,057,196	23,201,694
		17,276,300	52,398,069
Less: Transferred to operating fixed assets		8,918,790	43,089,848
Less: Transferred to intangible assets		5,180	67,778
Less: Disposal of subsidiary		-	21,339
Closing balance		8,352,330	9,219,104

	Note	(Un-audited) December 31,	(Audited) June 30,
	14010	<b>2023</b> (PKR in	1'000') 2023
LONG-TERM INVESTMENTS			
Equity accounted investment			
Joint ventures Lucky Al-Shumookh Holdings Limited	6.1	8,589,148	9,769,76
LuckyRawji Holdings Limited	6.2	30,833,809	28,626,7
Al-Shumookh Lucky Investments Limited	6.3	19,450,575	15,844,7
LR International Trading FZCO	6.4	61,127 58,934,659	63,55 54,304,7
Associates		56,954,659	54,504,7
NutriCo Morinaga (Private) Limited	6.5	10,913,529	10,992,4
Yunus Energy Limited	6.6	2,184,338	1,818,7
		13,097,867	12,811,1
Equity securities		72,032,526	67,115,9
Arabian Sea Country Club Limited (250,000 ordinary shares of PKR 10 each)		2,500	2,50
(250,000 dramary shares of 1 fitt 10 each)		72,035,026	67,118,4
Lucky Al-Shumookh Holdings Limited (LASHL)		. 2,000,020	01,220,1
Investment at Cost		1,912,283	1,912,2
Share of cumulative profit at the beginning of period/year	the	139,841	3,393,8
Share of profit during the period / year		1,238,890	1,779,8
Dividend received during the period / year		(2,294,190)	(5,033,9
		(915,459)	139,8
Foreign currency translation reserve		7,592,324	7,717,6
		8,589,148	9,769,7
The Group's interest in LASHL's assets and liabilities as follows:	es is		
Total assets		19,607,093	20,584,1
Total liabilities		(2,428,797)	(1,044,5
Net assets (100%)		17,178,296	19,539,5
Group's share of net assets (50%)		8,589,148	9,769,7
The Group's share in LASHL's profit or loss is as follows:			
Revenue		13,380,489	19,537,8
Net profit (100%)		2,477,780	3,559,7
Group's share of net profit (50%)		1,238,890	1,779,8
Group's Share of het profit (30%)		1,230,090	1,119,0

		(Un-audited)	(Audited)
	- Note	December 31,	June 30,
		<b>2023</b> (PKR i	n '000') 2023
6.2	Lucky Rawji Holdings Limited (LRHL)		
	Investment at Cost	6,870,050	6,870,050
	Share of cumulative profit at the beginning of the period / year	6,703,648	2,808,132
	Share of profit during the period / year	2,958,534	4,328,282
	Dividend received during the year	(278,151)	(432,766)
	- · · · · · · · · · · · · · · · · · · ·	9,384,031	6,703,648
	Foreign currency translation reserve	14,579,728	15,053,031
	Totalgit currency translation reserve	30,833,809	28,626,729
	The Group's interest in LRHL's assets and liabilities is as follows:		
	Total assets	76,682,295	75,988,088
	Total liabilities	(15,014,677)	(18,734,631)
	Net assets (100%)	61,667,618	57,253,457
	Group's share of net assets (50%)	30,833,809	28,626,729
	The Crounds chare in LDIII is prefit or less is as follows:		
	The Group's share in LRHL's profit or loss is as follows:		
	Revenue	23,344,390	35,853,687
	Net profit (100%)	5,917,070	8,656,564
	Group's share of net profit (50%)	2,958,534	4,328,282
6.3	Al-Shumookh Lucky Investments Limited (ASLIL)		
	Investment at cost	3,399,022	3,399,022
	Share of cumulative profit at the beginning of the period / year	6,975,533	3,014,847
	Share of profit during the period / year	3,908,886	3,960,686
	chances, promounting the portion, year	10,884,419	6,975,533
	Foreign currency translation reserve	5,167,134	5,470,207
	<i>5</i> ,	19,450,575	15,844,762
	The Group's interest in ASLIL's assets and liabilities is as follows:	10,100,010	
	Total assets	53,657,575	47,750,811
	Total liabilities	(14,756,425)	(16,061,285)
	Net assets (100%)	38,901,150	31,689,526
	Group's share of net assets (50%)	19,450,575	15,844,762
	The Group's share in ASLIL's profit or loss is as		
	follows:		
	Revenue	13,716,723	22,590,286
	Net Profit (100%)	7,817,772	7,921,372
	Group's share of net profit (50%)	3,908,886	3,960,686

Note	December 31, 2023	June 30,
	(PKR in 'C	2023
	1,115	1,115
	54,792	(3,446)
	(1,506)	58,238
	53,286 6,726	54,792 7,615
	61,127	63,522
s is as follo	ws:	
	136,392	300,468
	(14,139)	(173,424)
	122,253	127,044
	61,127	63,522
ows:		
	-	295,846
	(3,013)	116,475
	(1,506)	58,238
	11,004,115	11,004,115
od / year	(11,700) (78,885)	(11,700)
	(90,585)	(11,700)
	10,913,529	10,992,415
	611,365	611,365
eriod / year	1,207,348 426,762	1,056,688 406,173 (10,967)
	(61,137)	(244,546)
		1,207,348 1,818,713
	ows: quity /- od / year	54,792 (1,506) 53,286 6,726 61,127 s is as follows:  136,392 (14,139) 122,253 61,127  ows:  (3,013) (1,506)  11,004,115  od / year (11,700) (78,885) (90,585) 10,913,529 611,365 eriod / year  1,207,348 426,762

	Note	(Un-audited) December 31, 2023	(Audited) June 30,
		(PKR	in '000') 2023
STOCK-IN-TRADE			
Raw and packing materials		33,855,129	18,679,
Work-in-process		9,300,654	4,494
Finished goods		20,198,562	15,084,
In transit		8,088,718	10,724
		71,443,063	48,983
Less: Provision for slow moving packing material		173,847	322
		71,269,217	48,660
SHARE CAPITAL			<u>-</u>
Authorised capital			
500,000,000 (2022: 500,000,000)			
Ordinary shares of PKR 10/- each		5,000,000	5,000
,		2,000,000	
Issued, subscribed and paid-up share capital			
305,000,000 (2022: 305,000,000) Ordinary			
shares of PKR 10/- each issued for cash		3,050,000	3,050
18,375,000 (2022: 18,375,000) Ordinary			
shares of PKR 10/- each issued as bonus shares		183,750	183
Shares of FRIV 10/- cach issued as bonds shares		3,233,750	3,233
		3,233,730	3,233
30,375,000 ordinary shares (2022: 10,000,000	ordinary		
shares) of PKR 10/- each cancelled through purch		(303,750)	(100,
of own shares			
		2,930,000	3,133
1,536,361 ordinary shares purchased and			
held for cancellation	12.2	-	(15,
		2,930,000	3,118
		2,930,000	
CONTINGENCIES AND COMMITMENTS			
CONTINGENCIES			
There are no significant changes in the status of consolidated annual audited financial statements except as disclosed in notes 9.2, 9.3, 9.4 and 9.5.			
,,,,,,,,		(Un-audited)	(Audited
		December 31.	June 30

		2023 (PKR in '	000') 2023
9.2	COMMITMENTS		
9.2.1	<b>Capital commitments</b> Plant and machinery under letters of credit and others	16,248,948	6,431,283
9.2.2	Other commitments Stores, spares and packing material under letters of credit Bank guarantees issued Corporate guarantee issued Standby Letters of Credit Post dated cheques Commitment in connection with LEPCL's project's cost over-run and Payment Service Reserve Account (PSRA) support	49,661,692 6,599,666 282,025 10,611,620 4,508,411	3,989,776 23,146,069 - 40,252,012 4,676,641 52,839,594

For the half year ended December 31, 2023 (Un-audited)

	Note	(Un-audited) December 31, 2023 (PKR in	(Audited) June 30, '000') 2023
Claims against the LCI not acknowledged	as debts are as follo	WS:	
Local bodies Others		85,100 2,064,740 2,149,840	84,50 1,317,62 1,402,12
Commitments for rentals under operating	g ljarah contracts in r	espect of vehicles are a	as follows:
Year 2022-23 2023-24 2024-25 2025-26 2026-27  Payable not later than one year Payable later than one year but not later than	han five years	6,756 7,195 7,663 8,161 29,775 6,756 23,019 29,775	5,00 6,69 7,12 7,59 8,08 34,50 5,00 29,49 34,50
The Holding company has committed to million vide the resolution passed in it	s extraordinary gene	eral meeting held on N	November 24, 20
	s extraordinary gene ng company on Janua	eral meeting held on N ry 17, 2024 has annou 000 million. Half yea	November 24, 20 inced on the PSX to ended
million vide the resolution passed in it Subsequent to the period end, the Holdin	s extraordinary gene ng company on Janua	eral meeting held on N ry 17, 2024 has annou 000 million.	November 24, 20 inced on the PSX to ir ended December 31
million vide the resolution passed in it Subsequent to the period end, the Holdin	s extraordinary general ng company on Janua nvestment of PKR 3,0	eral meeting held on Nary 17, 2024 has announced million.  Half yea  December 31,	November 24, 20 inced on the PSX t ir ended December 31
million vide the resolution passed in it Subsequent to the period end, the Holdir is no more considering to make the said in	s extraordinary gene g company on Janua nvestment of PKR 3,0 Note	eral meeting held on Nary 17, 2024 has announced million.  Half yea  December 31,	November 24, 20, inced on the PSX to the PSX

10.3 Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

For the half year ended December 31, 2023 (Un-audited)

Half y	ear ended
December 31,	December 31,
2023 (PKR	in '000') 2022

#### 10.4 **GROSS SALES**

Local	230,887,770	210,436,167
Export	16,587,270	9,095,538
	247,475,040	219,531,705

#### 11 **OTHER INCOME**

12.1

It mainly includes income from deposits with Islamic banks and other financial institutions, dividend income from short-term investments and fee for technical services.

Half year ended		Quarter ended	
December 31,	December 31,	December 31,	December 31,
2023	2022	2023	2022
(PKR in '000')		(PKR in '000')	

#### 12 **EARNINGS PER SHARE-BASIC AND DILUTED**

Profit attributable to owners of the Holding Company	35,339,163	15,913,378	17,633,163	10,464,026
Weighted average number of ordinary shares (note 12.1)	301,546	322,643	296,783	321,912
Basic and diluted earnings per share (PKR)	117.19	49.32	59.41	32.51
Weighted average number of ordinary shares				
Outstanding number of shares before own shares purchased Less: Impact of own shares purchased	311,839	323,375	302,494	323,375
during the period (note 12.2)	(10,293)	(732)	(5,711)	(1,463)
	301 546	322 643	296 783	321 912

12.2 The Holding Company purchased and cancelled 20.375 million of its own ordinary shares as part of the second buy back of shares process pursuant to the resolution passed in the Extraordinary General Meeting held on May 24, 2023.

For the half year ended December 31, 2023 (Un-audited)

	Half year ended			
Decem	ber 31,	December 31,		
20	23	2022		
	(PKR in '	000')		

#### 13 **CASH GENERATED FROM OPERATIONS**

Profit before taxation	48,363,208	22,094,360
Adjustments for non-cash charges and other items		
Denveriation and appartication	0.052.222	7 022 040
Depreciation and amortization	8,953,222	7,833,812
Provision for slow moving spares	1,589	46
Provision for slow moving and obsolete stock-in-trade	63,134	59,771
Provision for doubtful debts	20,908	16,172
Provisions and accruals no longer required written back	(58)	(740)
Gain on disposal of fixed assets	(144,904)	(32,780)
Provision for staff retirement plan	345,414	347,409
Share of profit from equity accounted investees	(8,452,681)	(3,650,206)
Return from deposits with Islamic banks	(0,432,001)	(3,030,200)
and other financial institutions	(3,046,134)	(1,219,962)
Dividend income from short-term investments	(2,204,562)	(714,499)
Finance cost	19,221,514	13,596,903
Profit before working capital changes	63.120.650	38.330,286
From before working capital changes	03,120,030	38,330,280
(Increase) / decrease in current assets		
Stores, spares and consumables	2,340,169	(7,393,268)
Stock-in-trade	(22,671,840)	6,849,376
Trade debts	(5,287,545)	(9,880,037)
Loans and advances	(3,099,256)	(2,726,727)
Trade deposits and short-term prepayments	258,219	(674,269)
Other receivables	178,017	3,666,431
	(28,282,236)	(10.158.494)
Increase / (decrease) in current liabilities	(==,==,=,=00)	(==,100, 10 1)
Trade and other payables	4,887,942	(9,067,799)
Cash generated from operations	39,726,356	19,103,993
ouen Benerates nem eperation	25,.20,000	25,200,000

For the half year ended December 31, 2023 (Un-audited)

#### 14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated entities, directors, other key management personnel and close family members of directors and other key management personnel. Details of transactions with related parties during the period are as follows:

	Half year ended		
_	December 31,	December 31,	
	<b>2023</b>	2022 in '000')	
_	(FKK	111 000)	
Transactions with Associated Undertakings			
Sales	4,547,897	2,740,440	
Purchase of goods, materials and services	13,805	855,702	
Reimbursement of expenses to the Group	47,344	10,782	
Reimbursement of expenses from the Group	24,493	21,464	
Donation and Charity	485,246	292,297	
Dividends and other income received	61,137	122,273	
Dividends paid	2,441,624	367,684	
Dividend received from Joint Venture	2,572,340	2,203,279	
Fee for Technical Services from Joint Venture	1,167,219	783,889	
Loan obtained from Joint Venture	2,407,662	1,055,308	
Services rendered	10,288	-	
Transactions with Directors and their close family members			
Meeting fee	3.844	3.469	
Sales	3,044	349	
Dividend paid	2,358,135	-	
	_,_,_,		
Transactions with other key management personnel			
Salaries and benefits	848,395	630,167	
Post employment benefits	70,437	65,071	
Dividends paid	24,992	35,512	
Staff retirement benefit plan	200 700	000.005	
Contribution	390,723	200,995	

#### 15 **GENERAL**

- 15.1 Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.
- 15.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.

#### 16 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on January 25, 2024 by the Board of Directors of the Holding Company.

Muhammad Sohail Tabba Chairman / Director Muhammad Ali Tabba
Chief Executive

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