

*Third Quarter  
Report  
March 31, 2022*



ATTOCK CEMENT PAKISTAN LIMITED





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# COMPANY INFORMATION

## Board of Directors

Laith G. Pharaon      Chairman  
Wael G. Pharaon  
Shuaib A. Malik  
Abdus Sattar  
Shamim Ahmad Khan  
Mohammad Haroon  
Babar Bashir Nawaz

## Chief Executive

Babar Bashir Nawaz

## Alternate Directors

Shuaib A. Malik  
Irfan Amanullah

## Audit Committee of the Board

Shamim Ahmad Khan      Chairman  
Shuaib A. Malik      Member  
Abdus Sattar      Member

## HR & Remuneration Committee

Shamim Ahmad Khan      Chairman  
Shuaib A. Malik      Member  
Mohammad Haroon      Member

## Company Secretary

Irfan Amanullah

## Chief Financial Officer

Muhammad Rehan

## Auditors

A.F. Ferguson & Co.  
Chartered Accountants

## Cost Auditors

UHY Hassan Naeem & Co.  
Chartered Accountants

## Legal Advisor

M/s. HNT & Associates



### Bankers

MCB Bank Limited  
The Bank of Punjab  
Allied Bank Limited  
Faysal Bank Limited  
Askari Bank Limited  
United Bank Limited  
Habib Bank Limited  
Bank Al-Habib Limited  
Meezan Bank Limited  
National Bank of Pakistan Limited  
Dubai Islamic Bank Limited  
Habib Metropolitan Bank Limited  
BankIslami Pakistan Limited

### Registered Office

D-70, Block-4, Kehkashan-5,  
Clifton, Karachi-75600  
Tel: (92-21) 35309773-4  
UAN: (92) 111 17 17 17  
Fax: (92-21) 35309775  
Email: [acpl@attockcement.com](mailto:acpl@attockcement.com)  
Website: [www.attockcement.com](http://www.attockcement.com)

### Plant

1. Hub Chowki, Lasbella  
Balochistan
2. Cement Grinding Unit  
Industrial Sector,  
Land No. 1/7, Sector 56,  
Al-Arquli Al Janobi,  
Khor Al-Zubair, Basra, Iraq.

### Share Registrar

M/s. FAMCO Associates (Private) Ltd.  
8-F, Near Hotel Faran,  
Nursery, Block-6, PECHS,  
Shahra-e-Faisal, Karachi  
Tel: (92-21) 34380101-5,  
(92-21) 34384621-3  
Fax: (92-21) 34380106





## DIRECTORS' REVIEW

The Directors are pleased to announce the results of the Company for the period ended March 31, 2022

### OPERATIONAL & FINANCIAL REVIEW

Production and sales figures for the period ended March 31, 2022 are as follows:

	Jul-Mar. 2022	Jul-Mar. 2021
	Tons	
Clinker Production	<u>1,778,257</u>	<u>2,377,000</u>
Cement Production	<u>1,403,492</u>	<u>1,512,513</u>
Cement Dispatches - Local	1,201,277	1,093,264
- Export	205,222	432,034
Total Cement Dispatches	<u>1,406,499</u>	<u>1,525,298</u>
Clinker Dispatches	499,435	1,098,809
Total Dispatches	<u>1,905,934</u>	<u>2,624,107</u>
Clinker Capacity Utilization	83%	110%

Due to rising coal prices in the international market and non-availability of corresponding escalation in the prices of clinker and cement in regional markets, the Company decided to reassess its production and sales strategy and temporarily closed its Line 1 w.e.f. August 25, 2021. This decision was taken to preserve cheaper coal and clinker inventory. Accordingly, the overall capacity utilization went down to 83%, which is significantly lower than the same period last year.

### Industry Review

Though the local sales showed healthy growth of 12% during the first nine months in the market of South, where your Company is situated, the exports were badly affected and registered negative growth of 24% owing to financial crisis in Sri Lanka which is the premier market of Company's products.

The prices in local markets remained on an upward trajectory due to sharp escalation in input costs, however, the prices in the export markets remained under pressure and importers were not willing to increase the prices in line with increase in coal prices world-wide owing to major surge in international shipping freights and other input costs in their own markets which also resulted in significant reduction in exports.

### Sales Review

During the period under review, the local cement dispatches increased by 10% as compared to same period last year mainly due to surge in local demand. As far as export markets are concerned, the Company did not push for increased dispatches due to lower prices. As a result both cement and clinker exports reduced by 52% and 55% respectively. Considering lower demand in export markets and pricing constraints the company decided to close its least efficient production line in order to preserve the lower price coal and lower cost produced clinker in order to maintain the profitability of the company at decent levels.

### Financial Review

The net sales revenue of the Company decreased by Rs 391 million (2%) over corresponding period due to reduced dispatches of 718,173 tons as compared to same period last year. The overall net retention (both cement & clinker)



increased by Rs 2,143 per ton (34%) primarily due to higher local sales as it constitutes around 63% of total dispatches as compared to 42% in same period last year. Due to robust local market, the Company was able to partially pass on the cost impact while net retention of cement in local market increased by 17 % as compared to same period last year.

On the other side, production cost witnessed an increase of Rs. 2,139 per ton (43%) mainly due to steep rise in fuel prices in international market, followed by increase in electricity charges, higher diesel and bag prices. The coal prices in the international market have so far increased from around US\$ 90 / ton FOB in March, 2021 to over US\$ 300 / ton FOB in March, 2022 which represents over 200% increase.

Increase in fuel and power cost along with other related increases in input costs eroded the gains achieved through increase in net retention and consequently the gross margin reduced from 24% to 19% as compared to same period last year as full impact of the cost increase could not be passed to the customers due to stiff competition in the local markets.

The other income during the period increased by Rs. 630 million mainly on account of dividend received from subsidiary company and net exchange gain earned on export related receivables. This led to an increase in operating margin from 10% to 13% as compared to same period last year.

As a result the profit after tax is reported at Rs. 1,181 million (2021: 959 million) higher by Rs. 222 million (23%) as compared to same period last year.

### PROGRESS ON LINE IV PROJECT

Almost 60% shipments of plant and machinery have arrived at plant site. All civil, mechanical and electrical contractors have been mobilized and the work on the project is in full swing. It is expected that the plant erection would be completed by 1H 2023.

### FORWARD LOOKING STATEMENT

Though the local cement dispatches have shown an encouraging growth during last 9 months, however, massive escalation in coal prices, continuous rise in power tariff on account of fuel charge adjustments, constant rupee devaluation, escalation in benchmark interest rates and overall inflationary increase in operational expenses have put a serious threat on the margins of the Company. Besides higher prices of coal, the non-availability of good quality coal is another issue which your Company is facing. Though the company has made arrangements to procure coal both locally and through international markets in order to keep its coal reserves at 90 days usage level, however, it seems that the current uncertain situation on both pricing and supply of coal shall continue in near future.

The recent political development and the change in government is also likely to erode the investors' confidence further and it is anticipated that going forward the demand of cement in local market may reduce to the extent of 5% to 10%.

The Management is striving hard to retain both its market share and price dominance under the prevailing circumstances to ensure decent levels of profitability.

The Company deeply acknowledges and recognizes the efforts put in by both the management and non-management staff and offers its sincere thanks to the support it has received from both Federal and Provincial Governments, regulatory bodies, its customers, bankers and suppliers.

On behalf of the Board

**BABAR BASHIR NAWAZ**  
Director & Chief Executive

April 21, 2022  
Karachi, Pakistan.





**UNCONSOLIDATED  
FINANCIAL  
STATEMENTS**

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2022

	Note	(Unaudited) March 31, 2022	Audited June 30, 2021
------(Rupees '000)-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets - property, plant and equipment	4	24,520,701	19,477,024
Long-term investments		1,866,563	1,863,743
Long-term loans and advances - considered good		65,641	67,964
Long-term deposits		99,940	99,940
		<b>26,552,845</b>	<b>21,508,671</b>
<b>Current assets</b>			
Inventories	5	4,006,586	3,642,496
Trade receivables - considered good		1,715,066	1,631,402
Loans and advances - considered good		359,230	143,929
Short-term deposits and prepayments		233,204	25,355
Other receivables		387,218	320,036
Taxation - payments less provisions		2,717,528	2,859,342
Tax refunds due from government - Sales tax		498,542	19,431
Short-term investment		629,937	1,914,887
Cash and bank balances		676,436	591,414
		<b>11,223,747</b>	<b>11,148,292</b>
<b>Total assets</b>		<b>37,776,592</b>	<b>32,656,963</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital - issued, subscribed and paid-up		1,374,270	1,374,270
Unappropriated profit		16,182,654	15,826,272
		<b>17,556,924</b>	<b>17,200,542</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term loans		6,859,129	2,382,121
Deferred Income - government grant		350,900	335,259
Long-term lease liabilities		51,913	38,279
Deferred tax liabilities		1,586,084	1,233,815
Employee benefit obligations		285,802	307,957
		<b>9,133,828</b>	<b>4,297,431</b>
<b>Current liabilities</b>			
Trade and other payables	6	7,396,428	6,657,144
Unclaimed dividend		11,149	10,674
Accrued mark-up		100,770	71,865
Short-term borrowings		3,557,458	4,393,854
Current portion of long-term lease liabilities		20,035	25,453
		<b>11,085,840</b>	<b>11,158,990</b>
<b>Total liabilities</b>		<b>20,219,668</b>	<b>15,456,421</b>
<b>Contingencies and commitments</b>	7		
<b>Total equity and liabilities</b>		<b>37,776,592</b>	<b>32,656,963</b>

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



**Muhammad Rehan**  
Chief Financial Officer



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director



# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED



	Note	Quarter ended		Nine Month ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
------(Rupees '000)-----					
Revenue from contracts with customers	8	6,140,567	5,356,472	15,958,541	16,349,696
Cost of sales		(4,972,060)	(4,121,573)	(12,868,296)	(12,474,022)
Gross Profit		1,168,507	1,234,899	3,090,245	3,875,674
Distribution costs	9	(398,600)	(440,402)	(1,138,204)	(1,795,994)
Administrative expenses		(164,883)	(158,520)	(489,288)	(433,765)
Other expenses		(41,000)	(34,000)	(109,000)	(86,000)
Other income		71,454	13,238	691,229	61,253
Profit from operations		635,478	615,215	2,044,982	1,621,168
Finance cost		(52,510)	(66,236)	(158,858)	(243,468)
Share of net income of associate accounted for using equity method		-	-	2,820	2,985
Profit before income tax		582,968	548,979	1,888,944	1,380,685
Income tax expense		(254,000)	(135,000)	(708,000)	(422,000)
Profit for the period		328,968	413,979	1,180,944	958,685
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		<b>328,968</b>	<b>413,979</b>	<b>1,180,944</b>	<b>958,685</b>
Basic and Diluted earnings per share (Rs.)		2.39	3.02	8.59	6.98

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.

  
**Muhammad Rehan**  
 Chief Financial Officer

  
**Babar Bashir Nawaz**  
 Chief Executive

  
**Abdus Sattar**  
 Director



# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	Share capital	Unappropriated profit	Total
	------(Rupees '000)-----		
<b>Balance as at July 1, 2020</b>	1,374,270	15,178,386	16,552,656
Final dividend for the year ended June 30, 2020 @ Rs. 3.50 per share	-	(480,995)	(480,995)
<b>Total comprehensive income for the nine months period ended March 31, 2021</b>	-	958,685	958,685
<b>Balance as at March 31, 2021</b>	<u>1,374,270</u>	<u>15,656,076</u>	<u>17,030,346</u>
<b>Balance as at July 1, 2021</b>	<b>1,374,270</b>	<b>15,826,272</b>	<b>17,200,542</b>
Final dividend for the year ended June 30, 2021 @ Rs. 4.00 per share	-	<b>(549,708)</b>	<b>(549,708)</b>
Interim dividend for the year ending June 30, 2022 @ Rs. 2.00 per share	-	<b>(274,854)</b>	<b>(274,854)</b>
<b>Total comprehensive income for the nine months period ended March 31, 2022</b>	-	<b>1,180,944</b>	<b>1,180,944</b>
<b>Balance as at March 31, 2022</b>	<u><b>1,374,270</b></u>	<u><b>16,182,654</b></u>	<u><b>17,556,924</b></u>

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.

**Muhammad Rehan**  
Chief Financial Officer

**Babar Bashir Nawaz**  
Chief Executive

**Abdus Sattar**  
Director



# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	Note	March 31, 2022	March 31, 2021
------(Rupees '000)-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	10	2,028,508	2,348,159
Finance cost paid		(125,863)	(240,856)
Income tax paid		(213,917)	(174,829)
Decrease in long-term loans and advances		2,323	-
Employee benefit obligations paid		(93,807)	(83,697)
Net cash generated from operating activities		1,597,244	1,848,777
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure incurred		(5,668,585)	(388,163)
Placement in term deposit receipt (TDR)		-	(195,000)
Proceeds from disposal of operating assets		3,551	3,982
Purchase of open ended mutual fund units		(1,909,252)	(1,809,759)
Proceeds from sale of open ended mutual fund units		3,212,096	963,381
Profit on PLS accounts		23,674	11,272
Net cash used in investing activities		(4,338,516)	(1,414,287)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(824,087)	(480,622)
Proceeds from long term loan		4,626,926	453,738
Repayment of long-term loan		(206,250)	-
Lease rentals paid		(44,553)	(4,082)
Net cash generated from / (used in) financing activities		3,552,036	(30,966)
Net increase in cash and cash equivalents		810,763	403,524
<b>Cash and cash equivalents at the beginning of the period</b>		<b>(3,617,440)</b>	<b>(4,112,441)</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>(2,806,676)</b>	<b>(3,708,917)</b>

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.

  
**Muhammad Rehan**  
 Chief Financial Officer

  
**Babar Bashir Nawaz**  
 Chief Executive

  
**Abdus Sattar**  
 Director



# SELECTED NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

## 1 THE COMPANY AND ITS OPERATIONS

- 1.1 The Company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The Company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa.

The Company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

- 1.2 The Board of Directors in their meeting held on January 26, 2021 approved installation of an additional Line 4 to their existing site in order to enhance the Company's production capacity by 4,250 tons per day. The estimated cost of completion of the project is expected to be USD 100 million which is being financed through Temporary Economic Refinance Facility and Long Term Finance Facility of the SBP. The project is under construction.

## 2. BASIS OF PREPARATION

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as 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 (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2021.

## 3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2021.

## 4 FIXED ASSETS - property, plant and equipment

	March 31, 2022	(Audited) June 30, 2021
	-----	-----
	----- (Rupees '000) -----	
Operating assets - note 4.1	16,707,404	15,582,641
Capital work-in-progress	6,892,005	2,964,263
Stores held for capital expenditure	921,292	930,120
	<b>24,520,701</b>	<b>19,477,024</b>



# SELECTED NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED



	March 31, 2022	March 31, 2021
	------(Rupees '000)-----	
<b>4.1 Additions to operating assets during the period were as follows:</b>		
Buildings and roads on freehold land	1,127	1,179
Plant and Machinery	1,771,423	84,746
Vehicles	20,232	17,490
Others	6,243	10,173
	<b>1,799,025</b>	<b>113,588</b>
Disposals during the period - Net book value	986	2,418
Transfers to stores during the period - Net book value	48,679	57,665

	March 31, 2022	(Audited) June 30, 2021
	------(Rupees '000)-----	
<b>5 INVENTORIES</b>		
Stores, spares & loose tools - note 5.1	3,035,328	2,519,884
Raw materials	152,882	131,206
Packing materials	184,385	163,230
Work in process	439,242	667,289
Finished goods	194,749	160,887
	<b>4,006,586</b>	<b>3,642,496</b>

<b>5.1 Stores, spares &amp; loose tools</b>		
Coal	1,906,973	1,533,601
Stores & spares	1,078,176	916,025
Bricks	124,728	133,822
Loose tools	2,669	2,538
	<b>3,112,546</b>	<b>2,585,986</b>
Less: Provision for slow moving and obsolete items	(77,218)	(66,102)
	<b>3,035,328</b>	<b>2,519,884</b>



(Audited)  
June 30,  
2021

------(Rupees '000)-----

## 6 TRADE AND OTHER PAYABLES

Creditors	984,996	1,102,942
Accrued liabilities	3,783,829	3,016,541
Electricity charges payable	118,591	371,046
Advances from customers	467,615	451,972
Excise duty payable	741,179	239,056
Others	1,300,218	1,475,587
	<b>7,396,428</b>	<b>6,657,144</b>

## 7 CONTINGENCIES AND COMMITMENTS

7.1 There has been no change in the status of contingencies as reported in annual financial statements for the year ended June 30, 2021.

7.2 Commitments for capital expenditure outstanding as at March 31, 2022 amounted to Rs. 3.47 billion (June 30, 2021: Rs. 8.24 million).

March 31,  
2022

------(Rupees '000)-----

## 8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Local sale of goods	16,309,306	13,044,057
Sales tax	(2,627,133)	(2,144,727)
Federal excise duty	(1,801,714)	(1,630,355)
	(4,428,847)	(3,775,082)
Rebates, discounts and commission	(413,052)	(377,418)
Net local sale of goods	11,467,407	8,891,557
Exports sales	5,420,505	8,214,976
Freight	(929,371)	(756,837)
	4,491,134	7,458,139
	<b>15,958,541</b>	<b>16,349,696</b>

## 9 DISTRIBUTION COSTS

This includes Rs. 675 million (March 31, 2021: Rs. 1,351 million) incurred in respect of export sales.

# SELECTED NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED



	March 31, 2022	March 31, 2021
	------(Rupees '000)-----	
<b>10 CASH GENERATED FROM OPERATIONS</b>		
Profit before income tax	1,888,944	1,380,685
Add/(Less): Adjustment for non cash charges and other items:		
Depreciation	642,599	620,970
Gain on disposal of property, plant and equipment	(2,565)	(1,564)
Dividend income from subsidiary company (SAKCPCL)	(353,800)	-
Dividend income from investments	(15,057)	-
Gain on sale of open ended mutual fund units	(3,265)	(6,111)
Provision for stores, spares and loose tools	16,423	7,611
Profit on PLS accounts	(23,674)	(11,272)
Finance cost	158,858	243,468
Employee benefits obligations	71,654	67,523
Government grant recognised in income	(13,560)	-
Share of net income of associate accounted for using equity method	(2,820)	(2,985)
	474,793	917,640
Profit before working capital changes	2,363,737	2,298,325
<b>Effect on cash flow due to working capital changes</b>		
<b>Decrease/(Increase) in current assets:</b>		
Inventories	(375,206)	1,177,516
Trade receivables	(83,664)	(2,101,345)
Loans and advances	(215,301)	(10,075)
Short - term deposits and prepayments	(207,849)	1,565
Tax refunds due from government - Sales tax	(479,111)	(101,339)
Other receivables	286,618	(39,378)
	(1,074,513)	(1,073,056)
<b>Increase in current liabilities:</b>		
Trade and other payables	739,284	1,122,890
	(335,229)	49,834
Cash generated from operations	2,028,508	2,348,159



March 31,  
2022

March 31,  
2021

------(Rupees '000)-----

## 11 TRANSACTIONS WITH RELATED PARTIES

Transaction with related parties during the period are as follows;

### Holding Company

Dividend paid	693,158	404,342
Recovery of expenses	167	750

### Subsidiary Company

Investment	-	2,985
Dividend income	353,800	-
Expenses incurred on behalf of subsidiary company	-	4,483

### Associated Companies

Purchase of goods	380,101	361,322
Sales of cement	488	-
Reimbursement of expenses	2,033	1,885
Recovery of expenses	3,858	3,997

### Other related parties

Payments made to retirement benefit funds	93,807	83,697
---	--------	--------

### Key management compensation

Sales of goods / vehicle	62	3,379
Salaries and other short-term employee benefits	139,644	118,154
Post employment benefits	4,323	3,504

## 12 CORRESPONDING FIGURES

Prior period figures have been reclassified wherever necessary for the purpose of appropriate presentation.

## 13 DATE OF AUTHORISATION FOR ISSUE


These unconsolidated condensed interim financial statements were approved and authorised for issue on April 21, 2022 by the Board of Directors of the Company.

**Muhammad Rehan**  
Chief Financial Officer

**Babar Bashir Nawaz**  
Chief Executive

**Abdus Sattar**  
Director



The background is a solid yellow color with several diagonal lines of varying shades of yellow and orange, creating a dynamic, geometric pattern. The lines are positioned in the corners, with some extending from the top-left and bottom-right towards the center.

**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2022

	Note	(Unaudited) March 31, 2022	(Audited) June 30, 2021
----- (Rupees '000) -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets - property, plant and equipment	4	29,235,844	23,716,819
Investment in associate		43,562	40,742
Long-term loans and advances - considered good		65,641	67,964
Long-term deposits		99,940	99,940
		<b>29,444,987</b>	<b>23,925,465</b>
<b>Current assets</b>			
Inventories	5	7,232,732	4,785,062
Trade receivables - considered good		1,777,628	1,707,826
Loans and advances - considered good		359,230	338,460
Short-term deposits and prepayments		552,120	32,742
Other receivables		76,798	42,816
Taxation - payments less provision		2,717,528	2,859,342
Tax refunds due from government - Sales tax		498,542	19,431
Short term investments		629,937	1,914,887
Cash and bank balances		1,000,200	2,767,118
		<b>14,844,715</b>	<b>14,467,684</b>
<b>Total assets</b>		<b>44,289,702</b>	<b>38,393,149</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital - issued, subscribed and paid-up		1,374,270	1,374,270
Unappropriated profit		17,723,595	17,465,015
Exchange revaluation reserve		1,250,439	704,135
Attributable to owners of Attock Cement Pakistan Limited- Holding Company		20,348,304	19,543,420
Non-controlling interests		3,290,977	2,996,826
		<b>23,639,281</b>	<b>22,540,246</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term loans		6,859,129	2,382,121
Deferred Income - government grant		350,900	335,259
Long-term lease liabilities		1,586,084	38,279
Deferred tax liabilities		51,913	1,233,815
Employee benefit obligations		285,802	307,957
		<b>9,133,828</b>	<b>4,297,431</b>
<b>Current liabilities</b>			
Trade and other payables	6	7,827,181	7,053,626
Unclaimed dividend		11,149	10,674
Accrued mark-up		100,770	71,865
Short-term borrowings		3,557,458	4,393,854
Current portion of long-term lease liabilities		20,035	25,453
		<b>11,516,593</b>	<b>11,555,472</b>
<b>Total liabilities</b>		<b>20,650,421</b>	<b>15,852,903</b>
<b>Contingencies and commitments</b>	7		
<b>Total equity and liabilities</b>		<b>44,289,702</b>	<b>38,393,149</b>

The annexed notes 1 to 13 form an integral part of these consolidated condensed interim financial statements.



**Muhammad Rehan**  
Chief Financial Officer



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	Note	Quarter ended		Nine months ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
------(Rupees '000)-----					
Revenue from contracts with customers	8	8,057,357	7,048,097	21,187,166	22,137,583
Cost of sales		(6,594,454)	(5,407,176)	(17,348,378)	(16,418,255)
Gross profit		1,462,903	1,640,921	3,838,788	5,719,328
Distribution costs	9	(455,959)	(485,463)	(1,299,225)	(1,941,255)
Administrative expenses		(209,330)	(213,558)	(618,229)	(753,767)
Other expenses		(41,000)	(34,000)	(109,000)	(86,000)
Other income		71,453	13,199	337,429	62,884
Profit from operations		828,067	921,099	2,149,763	3,001,190
Finance cost		(62,409)	(33,748)	(190,775)	(585,314)
Share of net income of associate accounted for using equity method		-	-	2,820	2,985
Profit before income tax		765,658	887,351	1,961,808	2,418,861
Income tax expense		(254,000)	(135,000)	(708,000)	(422,000)
Profit for the period		511,658	752,351	1,253,808	1,996,861
<b>Other comprehensive income</b>					
<b>Items that will be reclassified to profit or loss</b>					
Exchange revaluation reserve		10,676	(341,566)	910,507	(659,540)
<b>Total comprehensive income</b>		<b>522,334</b>	<b>410,785</b>	<b>2,164,315</b>	<b>1,337,321</b>
<b>Total comprehensive income attributable to:</b>					
Owners of Attock Cement Pakistan Limited - Holding Company		444,987	413,162	1,629,447	1,188,098
Non-controlling interests		77,347	(2,377)	534,868	149,223
		<b>522,334</b>	<b>410,785</b>	<b>2,164,315</b>	<b>1,337,321</b>
Basic and diluted earnings per share (Rs.)		<b>3.19</b>	4.49	<b>7.88</b>	11.51

The annexed notes 1 to 13 form an integral part of these consolidated condensed interim financial statements.

  
**Muhammad Rehan**  
 Chief Financial Officer

  
**Babar Bashir Nawaz**  
 Chief Executive

  
**Abdus Sattar**  
 Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	Attributable to the owners of the Holding Company			Non-controlling interests	Total Equity	
	Share capital	Unappropriated profit	Exchange revaluation reserve			Sub - Total
------(Rupees '000)-----						
<b>Balance as at July 01, 2020</b>	1,374,270	16,054,152	936,295	16,990,447	2,656,490	21,021,207
Final dividend for the year ended June 30, 2020 @ Rs. 3.5 per share	-	(480,995)	-	(480,995)	-	(480,995)
Equity contribution by non-controlling interest	-	-	-	-	-	-
<b>Total comprehensive income for the nine months period ended March 31, 2021</b>						
Profit for the nine months period ended March 31, 2021	-	1,581,591	-	1,581,591	415,270	1,996,861
Other comprehensive income for the nine months period ended March 31, 2021	-	-	(393,493)	(393,493)	(266,047)	(659,540)
	-	1,581,591	(393,493)	1,188,098	149,223	1,337,321
<b>Balance as at March 31, 2021</b>	<b>1,374,270</b>	<b>17,154,748</b>	<b>542,802</b>	<b>17,697,550</b>	<b>2,805,713</b>	<b>21,877,533</b>
<b>Balance as at July 01, 2021</b>	<b>1,374,270</b>	<b>17,465,015</b>	<b>704,135</b>	<b>18,169,150</b>	<b>2,996,826</b>	<b>22,540,246</b>
Final dividend for the year ended June 30, 2021 @ Rs. 4.0 per share	-	(549,708)	-	(549,708)	-	(549,708)
Interim dividend for the year ending June 30, 2022 @ Rs. 2.0 per share	-	(274,854)	-	(274,854)	-	(274,854)
Dividend pertaining to Non-controlling interest	-	-	-	-	(240,717)	(240,717)
<b>Total comprehensive income for the nine months period ended March 31, 2022</b>						
Profit for the nine months period ended March 31, 2022	-	1,083,142	-	1,083,142	170,666	1,253,808
Other comprehensive income for the nine months period ended March 31, 2022	-	-	546,305	546,305	364,202	910,507
	-	1,083,142	546,305	1,629,447	534,868	2,164,315
<b>Balance as at March 31, 2022</b>	<b>1,374,270</b>	<b>17,723,595</b>	<b>1,250,440</b>	<b>18,974,035</b>	<b>3,290,977</b>	<b>23,639,282</b>

The annexed notes 1 to 13 form an integral part of these consolidated condensed interim financial statements.



**Muhammad Rehan**  
Chief Financial Officer



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director



# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	Note	March 31, 2022	March 31, 2021
		------(Rupees '000)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	10	613,711	3,689,622
Finance cost paid		(157,781)	(582,702)
Income tax paid		(213,917)	(174,829)
Decrease in long-term loans and advances		2,323	-
Employee benefit obligations paid		(93,809)	(83,697)
Net cash generated from operating activities		150,527	2,848,394
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure incurred		(5,770,771)	(463,392)
Proceeds from disposal of operating assets		3,551	3,982
Purchase of open ended mutual fund units		(1,909,252)	(1,809,759)
Proceeds from sale of open ended mutual fund units		3,212,096	963,381
Placement in term deposit receipt (TDR)		-	(195,000)
Profit on PLS accounts		23,674	11,272
Net cash used in investing activities		(4,440,702)	(1,489,516)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(1,064,804)	(480,622)
Proceeds from long-term loans		4,420,676	453,738
Lease rentals paid		(44,553)	(4,082)
Net cash generated from / (used in) financing activities		3,311,319	(30,966)
Net (decrease) / increase in cash and cash equivalents		(978,856)	1,327,912
Cash and cash equivalents at beginning of the period		(1,441,736)	(3,396,937)
Effects of exchange rate changes on cash and cash equivalents		(62,208)	(116,438)
Cash and cash equivalents at end of the period		(2,482,800)	(2,185,463)

The annexed notes 1 to 13 form an integral part of these consolidated condensed interim financial statements.

  
**Muhammad Rehan**  
 Chief Financial Officer

  
**Babar Bashir Nawaz**  
 Chief Executive

  
**Abdus Sattar**  
 Director



# SELECTED NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

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## 1. THE GROUP AND ITS OPERATIONS

### 1.1 The Group consists of:

#### Holding Company - Attock Cement Pakistan Limited ( the "Company")

The Company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement.

Pharaon Investment Group Limited Holding S.A.L., Lebanon is the ultimate holding company as it holds 84.06% of the total paid-up share capital of the company.

The geographical locations and addresses of the Holding Company's business units, including mills / plant are as under:

- The registered office of the Holding Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi.
- The Holding Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan.
- The Holding Company also has a representative / liaison office at Plot No. 581-0, Arzoo Building, Al Mararr, Dubai, UAE.

#### Subsidiary Company - Saqr Al-Keetan for Cement Production Company Limited (SAKCPCL)

SAKCPCL was incorporated under Iraqi law on November 3, 2014. Its main business activity is manufacturing and sale of cement and the principal place of business is in Iraq.

The geographical locations and addresses of the Subsidiary's business units, including mills / plant are as under:

- The registered office of SAKCPCL is at House # 35, Square 29, Near Al Buradia Super Market, Al Rbeea District Al Buradia, Basra, Iraq.
- SAKCPCL's cement manufacturing plant is located in Industrial Sector, Land No. 1/7, Sector 56, Al-Arquli Al Janobi, Khor Al-Zubair, Basra, Iraq.

- 1.2 The Board of Directors in their meeting held on January 26, 2021 approved installation of an additional Line 4 to their existing site in order to enhance the Holding Company's production capacity by 4,250 tons per day. The estimated cost of completion of the project is expected to be USD 100 million which is being financed through Temporary Economic Refinance Facility and Long Term Finance Facility of the SBP. The project is under construction.

## 2. BASIS OF PREPARATION

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as 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 (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2021.

### 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the preceeding annual audited financial statements of the Group for the year ended June 30, 2021.

March 31, 2022	(Audited) June 30, 2021
------(Rupees '000)-----	

### 4. FIXED ASSETS - property, plant and equipment

Operating assets - note 4.1	21,192,448	19,757,627
Capital work-in-progress	7,122,104	3,029,072
Stores held for capital expenditures	921,292	930,120
	<u>29,235,844</u>	<u>23,716,819</u>

March 31, 2022	March 31, 2021
------(Rupees '000)-----	

#### 4.1 Additions to operating assets during the period were as follows:

Buildings and roads on freehold land	7,035	59,781
Plant and machinery	1,776,364	85,222
Vehicles	24,230	24,230
Others	10,337	24,037
	<u>1,817,966</u>	<u>193,270</u>
Disposals during the period - Net book value	7,967	1,565
Transfers to stores during the period - Net book value	48,679	35,129

March 31, 2022	(Audited) June 30, 2021
------(Rupees '000)-----	

### 5. INVENTORIES

Stores, spares and loose tools - note 5.1	3,362,535	2,752,422
Raw materials	2,960,576	920,334
Packing materials	229,701	237,239
Work-in-process	439,242	667,289
Finished goods	240,678	207,778
	<u>7,232,732</u>	<u>4,785,062</u>

# SELECTED NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	March 31, 2022	(Audited) June 30, 2021
	------(Rupees '000)-----	
<b>5.1 Stores, spares &amp; loose tools</b>		
Coal	1,906,973	1,533,601
Stores and spares	1,405,383	1,148,563
Bricks	124,728	133,822
Loose tools	2,669	2,538
	<u>3,439,753</u>	<u>2,818,524</u>
Less: Provision for slow moving and obsolete items	(77,218)	(66,102)
	<u>3,362,535</u>	<u>2,752,422</u>
<b>6. TRADE AND OTHER PAYABLES</b>		
Creditors	1,726,168	1,102,942
Accrued liabilities	3,783,829	3,407,492
Electricity charges payable	118,591	371,046
Advances from customers	467,615	451,972
Excise duty payable	741,179	239,056
Others	989,799	1,481,118
	<u>7,827,181</u>	<u>7,053,626</u>
<b>7. CONTINGENCIES AND COMMITMENTS</b>		
<b>7.1</b>	There has been no change in the status of contingencies as reported in annual financial statements for the year ended June 30, 2021.	
<b>7.2</b>	Commitments for capital expenditure outstanding as at March 31, 2022 amounted to Rs. 3.47 billion (June 30, 2021: Rs. 8.24 billion)	
	March 31, 2022	March 31, 2021
	------(Rupees '000)-----	
<b>8 REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Local sale of goods	21,537,931	18,831,943
Sales tax	(2,627,133)	(2,144,727)
Federal excise duty	(1,801,714)	(1,630,355)
	<u>(4,428,847)</u>	<u>(3,775,082)</u>
Rebates, discounts and commission	(413,052)	(377,417)
Net local sale of goods	<u>16,696,032</u>	<u>14,679,444</u>
Export sales	5,420,505	8,214,976
Freight	(929,371)	(756,837)
	<u>4,491,134</u>	<u>7,458,139</u>
	<u>21,187,166</u>	<u>22,137,583</u>





## 9. DISTRIBUTION COSTS

This includes Rs. 675 million (March 31, 2021: Rs. 1,351 million) incurred in respect of export sales.

**March 31,**  
**2022**
**March 31,**  
**2021**  
 -----(Rupees '000)-----

## 10. CASH GENERATED FROM OPERATIONS

Profit before income tax	<b>1,961,808</b>	2,418,861
Add / (Less): Adjustments for non-cash charges and other items		
Depreciation	<b>795,730</b>	756,484
Gain on disposal of property, plant and equipment	<b>(2,565)</b>	(1,564)
Dividend income from investments	<b>(15,057)</b>	-
Gain on sale of open ended mutual fund units	<b>(3,265)</b>	(6,111)
Provision for stores, spares and loose tools	<b>16,423</b>	7,611
Profit on PLS accounts	<b>(23,674)</b>	(11,272)
Finance cost	<b>190,775</b>	585,314
Employee benefit obligations	<b>71,654</b>	67,523
Government grant recognised in income	<b>(13,560)</b>	-
Share of net income of associate accounted for using equity method	<b>(2,820)</b>	(2,985)
	<b>1,013,641</b>	1,395,000
Profit before working capital changes	<b>2,975,449</b>	3,813,861
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Inventories	<b>(2,316,958)</b>	1,153,725
Trade receivables	<b>(60,318)</b>	(2,103,893)
Loans and advances	<b>(307,234)</b>	(10,075)
Short-term deposits and prepayments	<b>(207,849)</b>	(370,986)
Tax refunds due from government - Sales tax	<b>(479,111)</b>	(101,339)
Other receivables	<b>286,618</b>	(39,378)
	<b>(3,084,852)</b>	(1,471,946)
Increase in current liabilities		
Trade and other payables	<b>723,114</b>	1,347,707
	<b>(2,361,738)</b>	(124,239)
Cash generated from operations	<b>613,711</b>	3,689,622

**SELECTED NOTES TO AND FORMING PART OF THE CONSOLIDATED  
CONDENSED INTERIM FINANCIAL STATEMENTS**  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

	March 31, 2022	March 31, 2021
	------(Rupees '000)-----	
<b>11. TRANSACTIONS WITH RELATED PARTIES</b>		
Transaction with related parties during the period are as follows:		
<b>Holding Company</b>		
Dividend paid	693,158	404,342
Recovery of expenses	167	750
<b>Group companies</b>		
Purchase of goods	380,101	234,113
Sale of cement	488	-
Reimbursement of expenses	2,033	1,459
Recovery of expenses	3,858	2,443
<b>Other related parties</b>		
Payments made to retirement benefit funds	93,807	47,311
<b>Key management personnel</b>		
Sale of goods / vehicle	62	2,448
Salaries and other short-term employee benefits	139,644	78,980
Post-employment benefits	4,323	2,336

**12. CORRESPONDING FIGURES**

Prior period figures have been reclassified wherever necessary for the purpose of appropriate presentation.

**13. DATE OF AUTHORISATION FOR ISSUE**

These consolidated condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Holding Company on April 21, 2022.

  
**Muhammad Rehan**  
Chief Financial Officer

  
**Babar Bashir Nawaz**  
Chief Executive

  
**Abdus Sattar**  
Director