



ATTOCK CEMENT PAKISTAN LIMITED

FIRST QUARTER REPORT

September 30, 2022



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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

Web site: www.attockcement.com

Plants

1. Hub Chowki, Lasbela, 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 quarter ended September 30, 2022.

Operational Results

Production and sales figures for the quarter ended September 30, 2022 are as follows:

	July-Sep. 2022	July-Sep. 2021
	----- Tons -----	
Clinker Production	<u>362,138</u>	<u>623,958</u>
Cement Production	<u>308,557</u>	<u>412,855</u>
Cement Dispatches - Local	<u>264,990</u>	351,400
- Export	<u>49,458</u>	52,395
Total Cement Dispatches	<u>314,448</u>	<u>403,795</u>
Clinker Dispatches - Export	<u>41,358</u>	195,566
Total Dispatches	<u>355,806</u>	<u>599,361</u>
Clinker Capacity Utilization	50%	87%

Industry Review

During the first quarter, the country suffered badly owing to unprecedented and extended heavy monsoon spells and urban flooding especially in Sindh and Balochistan which resulted in significant loss of dispatches in the core markets of the Company. Industry wide local sales, declined by 24% in volumetric terms as the month of July, 2022 was almost completely washed away and after that because of destruction of infrastructure including dis-connectivity of road network across the country, the overall market volumes remained on lower side till 1st week of September, 2022.

On the export side, markets remained under pressure owing to global economic challenges and overall exports declined by 34% as compared to corresponding period in volumetric terms. Due to recessionary trends and global uncertainties the prices of cement and clinker in the export markets remained under pressure and the importers were not willing to increase the prices in line with increase in commodity prices world-wide.

Sales Review

During the quarter under review, all the local markets including Sindh and Balochistan were badly affected due to the reasons mentioned above, therefore the local cement dispatches of your company also decreased by 25% as compared to same period last year. In export markets, owing to price constraints, the Company did not push for increased dispatches and consequently export sales reduced by 63% as compared to same period last year.

Financial Review

The net sales revenue of the Company decreased by Rs. 63 million (1%) over corresponding period due to reduced dispatches by 243,555 tons as compared to same period last year. The overall net retention (both cement & clinker) increased by Rs. 4,880 per ton (66%) primarily due to higher local sales as it contributed around 74% of total dispatches as compared to 59% in the preceding year. The exuberant increase in production cost was partially passed on to local market consumers and accordingly net retention of cement

in local market increased by 45% as compared to last year. However, the prices in the international market remained under pressure and did not increase in line with increase in other commodity prices, therefore, the management prudently restricted the export sales of both cement and clinker to only those customers in export markets who were able to match the threshold of prices set by the Company to meet atleast its variable cost of production.

On the other side of equation, the production cost per ton increased by Rs. 4,212 per ton (70%) over the corresponding period mainly due to steep rise in coal prices in international market. The margins also suffered due to higher electricity cost followed by exorbitant increase in diesel and paper bag cost.

Accordingly, the gross and operating margins reduced to 17% and 7% from 19% and 9% respectively reported in same period last year. Due to increase in interest rates by over 600 bps, overall finance cost also increased by Rs. 98 million and the Company recorded net profit after tax of Rs. 116 million, lowered by 57% as compared to same period last year.

PROGRESS ON PROJECT

Line-IV Project

Almost 90% 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 June, 2023.

Forward Looking Statement

The volatility in exchange rate, higher interest rates and severe crisis in global energy supply chain would continue to pose threats towards the economy of the country in short to medium term. Your Company would also face these issues and it is anticipated that the cost side of the equation would continue to increase till the resolution of broader economic issues. The only optimal response will be the right pricing of the products and in the receding market, it will be a tough challenge. It is hoped that the Government would take some drastic steps to restore the confidence of the investors on the economy of the country and stakeholders would devise a joint strategy to steer out the country from this critical geopolitical situation, which is currently affecting all facets of the economy.

The Management is assessing the situation very carefully and is striving to minimize the impact of this critical situation on the profitability of the Company. The Management is continuously developing cost saving projects and devising strategies to improve its market mix to ensure better net retention.

Acknowledgement

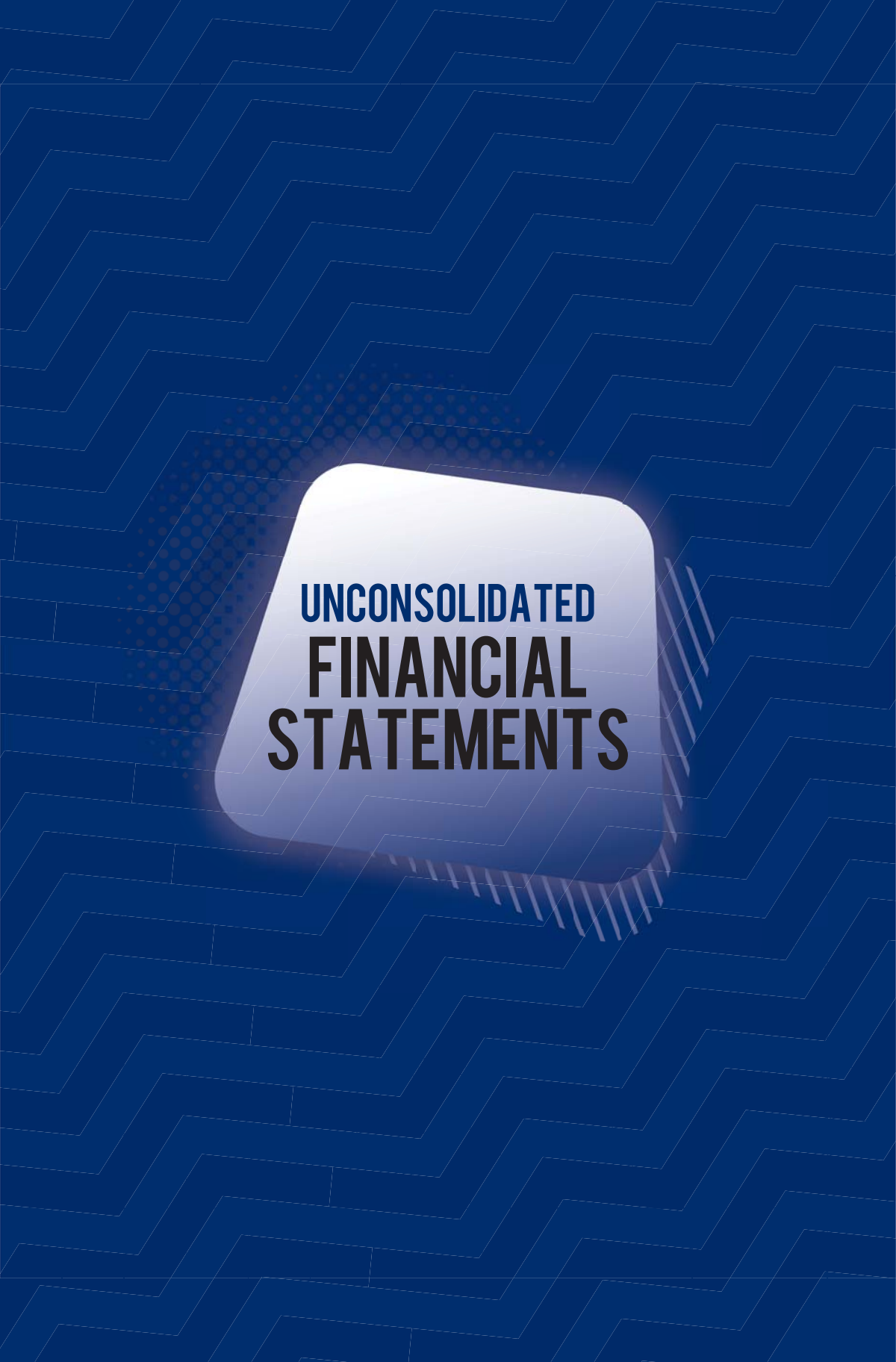
The Company deeply acknowledges and recognizes the efforts put in by both the management and non-management staff and offers its sincere thanks to the support it is constantly receiving from both Federal and Provincial Governments, regulatory bodies, its customers, bankers and suppliers.

On behalf of the Board.



BABAR BASHIR NAWAZ
Director & Chief Executive

October 25, 2022
Rawalpindi, Pakistan

The cover features a dark blue background with a repeating white zigzag pattern. A central white, rounded rectangular shape is highlighted with a soft glow and a subtle halftone dot pattern. The text is centered within this shape.

**UNCONSOLIDATED
FINANCIAL
STATEMENTS**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	Note	Unaudited Sep 30, 2022	Audited June 30, 2022
------(Rupees '000)-----			
ASSETS			
Non-current assets			
Fixed assets - property, plant and equipment	4	28,544,164	26,729,628
Long - term investments		1,870,552	1,870,552
Long - term loans and advances - considered good		64,807	64,807
Long - term deposits		99,940	99,940
		<u>30,579,463</u>	<u>28,764,927</u>
Current assets			
Inventories	5	5,998,090	5,404,313
Trade receivables - considered good		522,744	951,849
Loans and advances - considered good		301,429	105,400
Short - term deposits and prepayments		43,012	20,588
Other receivables		348,948	410,470
Taxation - payments less provisions		2,554,107	2,555,250
Tax refunds due from Government - Sales tax		109,105	106,686
Short - term investment		200,000	-
Cash and bank balances		567,213	924,798
		<u>10,644,648</u>	<u>10,479,354</u>
Total assets		<u>41,224,111</u>	<u>39,244,281</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital - issued, subscribed and paid up		1,374,270	1,374,270
Unappropriated profit		16,232,925	16,117,268
		<u>17,607,195</u>	<u>17,491,538</u>
LIABILITIES			
Non-current liabilities			
Long - term loans		9,133,130	7,211,855
Deferred income - Government grant		997,239	997,239
Long - term lease liabilities		38,564	38,564
Deferred tax liabilities		1,850,049	1,850,049
Employee benefit obligations		275,126	275,126
		<u>12,294,108</u>	<u>10,372,833</u>
Current liabilities			
Trade and other payables	6	6,238,832	6,620,372
Unclaimed dividend		11,422	11,422
Accrued mark-up		124,555	78,375
Short - term borrowings		4,926,569	4,647,591
Current portion of long-term lease liabilities		21,430	22,150
		<u>11,322,808</u>	<u>11,379,910</u>
Total liabilities		<u>23,616,916</u>	<u>21,752,743</u>
Contingencies and commitments	7		
Total equity and liabilities		<u>41,224,111</u>	<u>39,244,281</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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

	Note	Sep 30, 2022	Sep 30, 2021
		----- (Rupees '000) -----	
Revenue from contracts with customers	8	4,364,082	4,426,595
Cost of sales		<u>(3,628,585)</u>	<u>(3,587,624)</u>
Gross Profit		735,497	838,971
Distribution costs	9	(299,942)	(319,993)
Administrative expenses		(199,729)	(148,819)
Other expenses		(11,000)	(23,000)
Other income		<u>81,784</u>	<u>43,097</u>
Profit from operations		306,610	390,256
Finance cost		<u>(135,953)</u>	<u>(38,304)</u>
Profit before income tax		170,657	351,952
Income tax expense		<u>(55,000)</u>	<u>(81,000)</u>
Profit for the period		115,657	270,952
Other comprehensive income		-	-
Total comprehensive income for the period		<u><u>115,657</u></u>	<u><u>270,952</u></u>
Basic and diluted earnings per share (Rupees)		<u>0.84</u>	<u>1.97</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 CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Issued, subscribed and paid-up capital	Unappropriated profit	Total
	------(Rupees '000)-----		
Balance as at July 1, 2021	1,374,270	15,826,272	17,200,542
Transaction with owners in their capacity as owners			
Dividend:			
Final dividend for the year ended June 30, 2021 @ Rs. 4 per share	-	(549,708)	(549,708)
Interim dividend for the year ended June 30, 2022 @ Rs. 2 per share	-	(274,854)	(274,854)
Total comprehensive income for the year ended June 30, 2022			
Profit for the year ended June 30, 2022	-	1,121,591	1,121,591
Other comprehensive loss for the year ended June 30, 2022	-	(6,033)	(6,033)
	-	1,115,558	1,115,558
Balance as at June 30, 2022	1,374,270	16,117,268	17,491,538
Total comprehensive income for the quarter ended September 30, 2022			
Profit for the quarter ended September 30, 2022 - Unaudited	-	115,657	115,657
Other comprehensive income	-	-	-
	-	115,657	115,657
Balance as at September 30, 2022	1,374,270	16,232,925	17,607,195

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 QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

	Note	Sep 30, 2022	Sep 30, 2021
------(Rupees '000)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	10	(163,812)	(1,395,809)
Finance cost paid		(75,650)	(58,526)
Income tax paid		(53,857)	(102,200)
Employee benefit obligations paid		(25,233)	(18,445)
Net cash used in operating activities		(318,552)	(1,574,980)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(1,953,786)	(1,479,407)
Proceeds from disposal of operating assets		7,948	-
Purchase of open ended mutual fund units		(200,000)	(253,970)
Proceeds from sale of open ended mutual fund units		-	2,174,910
Placement in Term Deposit Receipt (TDRs) - net		-	(10,000)
Profit on PLS accounts		7,333	2,416
Net cash (used in) / generated from investing activities		(2,138,505)	433,949
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(198)
Proceeds from long - term loans		1,921,275	23,090
Repayment of long - term loans		(68,749)	(68,749)
Lease rentals paid		(779)	(719)
Net cash generated from / (used in) financing activities		1,851,747	(46,576)
Net decrease in cash and cash equivalents		(605,310)	(1,187,607)
Cash and cash equivalents at beginning of the period		(3,073,911)	(3,617,440)
Cash and cash equivalents at end of the period		(3,679,221)	(4,805,047)

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 QUARTER ENDED SEPTEMBER 30, 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 company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

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

- 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 offices at:
 - Office No. Pharoo Business Centre, Dubai Investment Park, UAE.
 - Plot No. D-69, Block-4, Kehkashan-5, Clifton, Karachi; and
 - Plot No. D-46, Block-4, Kehkashan-5, Clifton, Karachi."

- 1.2 The Company has investment in subsidiary Company - Saqr Al Keetan for Cement Production Company Limited (SAKCPCL) incorporated in Basra, Iraq. The unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

- 1.3 Majority of the supplies for the installation of 4,250 tons per day cement capacity plant has been received at the plant and erection work has also commenced and is expected to be completed by June, 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this 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, 2022.

3 BASIS OF PRESENTATION

This condensed interim unconsolidated financial information of the Company for the quarter ended September 30, 2022 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim unconsolidated financial information is being posted on Company's Website for the information of members as required by section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

This condensed interim unconsolidated financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2022.

4 FIXED ASSETS

	Sep 30, 2022	Audited June 30, 2022
	----- (Rupees '000) -----	
Operating assets - note 4.1	16,269,933	16,487,073
Capital work-in-progress	11,346,052	9,330,456
Stores held for capital expenditure	928,179	912,099
	<u>28,544,164</u>	<u>26,729,628</u>



Sep 30,
2022
 -----(Rupees '000)-----
Sep 30,
2021

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

Plant and Machinery	6,583	27,277
Vehicles	7,808	11,952
	14,391	39,229
<hr/>		
Disposals during the period - Net book value	406	-
<hr/>		
Transfers to stores during the period - Net book value	6,906	8,179
<hr/>		

Sep 30,
2022
 -----(Rupees '000)-----
Audited
June 30,
2022

5 INVENTORIES

Stores, spares & loose tools - note 5.1	4,289,574	4,326,628
Raw materials	185,180	143,884
Packing materials	215,660	134,324
Work in process including semi finished goods	1,053,637	579,167
Finished goods	254,039	220,310
	5,998,090	5,404,313
<hr/>		

5.1 Stores, spares and loose tools

Coal	2,757,310	3,143,627
Stores and spares	1,478,430	1,120,077
Bricks	138,268	147,171
Loose tools	2,682	2,667
	4,376,690	4,413,542
Less: Provision for slow moving and obsolete items	(87,116)	(86,914)
	4,289,574	4,326,628
<hr/>		

6 TRADE AND OTHER PAYABLES

Creditors	496,062	572,026
Accrued liabilities	2,275,613	2,507,039
Electricity charges payable	237,214	631,529
Advances from customers	1,021,312	622,180
Excise duty payable on sales	220,272	233,341
Others	1,988,359	2,054,257
	6,238,832	6,620,372
<hr/>		



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

FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

7 CONTINGENCIES AND COMMITMENTS

- 7.1 The status of contingencies as reported in note 23 to the financial statements for the year ended June 30, 2022 is same.
- 7.2 Commitments in respect of capital expenditure outstanding as at September 30, 2022 amounted to Rs. 5.18 billion (June 30, 2022: Rs. 6.83 billion).

	Sep 30, 2022	Sep 30, 2021
	----- (Rupees '000) -----	

8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Local sale of goods	4,586,841	4,412,453
Sales Tax and Federal excise duty	<u>(1,126,626)</u>	<u>(1,251,990)</u>
	3,460,215	3,160,463
Rebates and discounts	<u>(116,382)</u>	<u>(107,490)</u>
Net local sale of goods	3,343,833	3,052,973
Exports sales	<u>1,020,249</u>	<u>1,373,622</u>
	<u>4,364,082</u>	<u>4,426,595</u>

9 DISTRIBUTION COSTS

Distribution costs include Rs. 129 million (September 30, 2021: Rs. 197 million) in respect of export sales.

	Sep 30, 2022	Sep 30, 2021
	----- (Rupees '000) -----	

10 CASH GENERATED FROM OPERATIONS

Profit before taxation	170,657	351,952
Add/(less): Adjustments for non cash charges and other items		
Depreciation	224,221	202,201
Loss on disposal of property, plant and equipment	4,038	-
Gain on sale of open ended mutual fund units	-	(6,052)
Profit on PLS accounts	(7,333)	(2,416)
Provision for stores, spares and loose tools	3,306	3,209
Employee benefits obligations	25,233	29,238
Finance cost	121,831	38,304
	<u>371,296</u>	<u>264,484</u>
Profit before working capital changes	541,953	616,436

Sep 30,
2022

Sep 30,
2021

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

Effect on cash flow due to working capital changes

(Increase)/Decrease in current assets

Inventories	(593,980)	(2,051,619)
Trade receivables	429,105	190,944
Loan and advances	(196,029)	23,041
Short - term deposits and prepayments	(22,424)	(27,213)
Other receivables	(2,419)	(4,726)
Tax refunds due from Government - Sales tax	61,522	16,875
	(324,225)	(1,852,698)
Decrease in current liabilities		
Trade and other payables	(381,540)	(159,547)
	(705,765)	(2,012,245)
Net cash used in operations	(163,812)	(1,395,809)

11 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties during the period are as follows:

Holding Company

Recovery of expenses	300	84
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Group Companies

Purchase of goods	152,348	119,277
Sales of goods	194	-
Reimbursement of expenses	860	306
Recovery of expenses	4,522	17

Other related parties

Payments made to retirement benefit funds	25,233	18,445
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Key management personnel

Sales of goods	-	62
Salaries and other short-term employee benefits	35,949	31,674
Post-employment benefits	1,441	1,226



**SELECTED NOTES TO AND FORMING PART OF THE
UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**
FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

12 CORRESPONDING FIGURES

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

13 DATE OF AUTHORISATION FOR ISSUE

This condensed interim unconsolidated financial information was authorised for issue on October 25, 2022 by the Board of Directors of the company.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director



**CONSOLIDATED
FINANCIAL
STATEMENTS**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	Note	Unaudited Sep 30, 2022	Audited June 30, 2022
------(Rupees '000)-----			
ASSETS			
Non-current assets			
Fixed assets - property, plant and equipment	4	34,628,560	32,340,244
Investment in associate		47,551	47,551
Long-term loans and advances - considered good		64,807	64,807
Long-term deposits		99,940	99,940
		<u>34,840,858</u>	<u>32,552,542</u>
Current assets			
Inventories	5	8,707,432	8,493,495
Trade receivables - considered good		663,518	1,028,524
Loans and advances - considered good		661,415	809,676
Short-term deposits and prepayments		43,012	30,201
Other receivables		348,948	49,452
Taxation - payments less provisions		2,554,107	2,555,250
Tax refunds due from Government - Sales tax		109,105	106,686
Short-term investment		200,000	-
Cash and bank balances		1,587,228	1,590,090
		<u>14,874,765</u>	<u>14,663,374</u>
Total assets		<u>49,715,623</u>	<u>47,215,916</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital - issued, subscribed and paid-up		1,374,270	1,374,270
Unappropriated profit		17,965,696	17,754,248
Exchange revaluation reserve		2,107,169	2,107,169
Attributable to owners of Attock Cement Pakistan Limited-Holding Company		21,447,135	21,235,687
Non-controlling interests		3,775,293	3,711,433
		<u>25,222,428</u>	<u>24,947,120</u>
LIABILITIES			
Non-current liabilities			
Long-term loans		9,133,130	7,211,855
Deferred Income - Government grant		997,239	997,239
Long-term lease liabilities		38,564	38,564
Deferred tax liabilities		1,850,049	1,850,049
Employee benefit obligations		275,126	275,126
		<u>12,294,108</u>	<u>10,372,833</u>
Current liabilities			
Trade and other payables	6	7,115,111	7,136,425
Unclaimed dividend		11,422	11,422
Accrued mark-up		124,555	78,375
Short-term borrowings		4,926,569	4,647,591
Current portion of long-term lease liabilities		21,430	22,150
		<u>12,199,087</u>	<u>11,895,963</u>
Total liabilities		<u>24,493,195</u>	<u>22,268,796</u>
Contingencies and commitments			
Total equity and liabilities	7	<u>49,715,623</u>	<u>47,215,916</u>

The annexed notes 1 to 13 form an integral part of these consolidated 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 QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

	Note	Sep 30, 2022	Sep 30, 2021
		----- (Rupees '000) -----	
Revenue from contracts with customers	8	6,609,948	5,732,381
Cost of sales		(5,571,306)	(4,694,693)
Gross profit		1,038,642	1,037,688
Distribution costs	9	(371,261)	(370,830)
Administrative expenses		(251,943)	(186,334)
Other expenses		(11,000)	(23,000)
Other income		81,804	43,097
Profit from operations		486,242	500,621
Finance cost		(155,934)	(46,301)
Profit before income tax		330,308	454,320
Income tax expense		(55,000)	(81,000)
Profit for the period		275,308	373,320
Other comprehensive income:		-	-
Total comprehensive income for the period		275,308	373,320
Total comprehensive income attributable to:			
Owners of Attock Cement Pakistan Limited - Holding Company		211,448	332,373
Non-controlling interests		63,860	40,947
		275,308	373,320
Basic and diluted earnings per share (Rupees)		1.54	2.42

The annexed notes 1 to 13 form an integral part of these consolidated 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 QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

	Attributable to the owners of Holding Company			Sub - Total	Non-controlling interests	Total Equity
	Issued, subscribed and paid-up capital	Revenue reserve				
	Unappropriated profit	Exchange revaluation reserve				
------(Rupees '000)-----						
Balance as at July 01, 2021	1,374,270	17,465,015	704,135	18,169,150	2,996,826	22,540,246
Total comprehensive income for the year ended June 30, 2022						
Profit for the year ended June 30, 2022	-	1,119,828	-	1,119,828	234,691	1,354,519
Other comprehensive income / (loss) for the year ended June 30, 2022	-	(6,033)	1,403,034	1,397,001	720,633	2,117,634
	-	1,113,795	1,403,034	2,516,829	955,324	3,472,153
Transaction with owners in their capacity as owners						
Dividend:						
- Final dividend for the year ended June 30, 2021 @ Rs. 4 per share	-	(549,708)	-	(549,708)	-	(549,708)
- Interim dividend for the year ended June 30, 2022 @ Rs. 2 per share	-	(274,854)	-	(274,854)	-	(274,854)
- Dividends paid to non-controlling interests of SAKCPCL	-	-	-	-	(240,717)	(240,717)
Balance as at July 01, 2022	1,374,270	17,754,248	2,107,169	19,861,417	3,711,433	24,947,120
Total comprehensive income for the quarter ended September 30, 2022						
Profit for the quarter ended September 30, 2022	-	211,448	-	211,448	63,860	275,308
Other comprehensive income	-	-	-	-	-	-
	-	211,448	-	211,448	63,860	275,308
Balance as at September 30, 2022	1,374,270	17,965,696	2,107,169	20,072,865	3,775,293	25,222,428

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



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director


CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

	Note	Sep. 30, 2022	Sep. 30, 2021
------(Rupees '000)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	10	742,055	(1,536,648)
Finance cost paid		(95,631)	(66,286)
Income tax paid		(53,857)	(102,200)
Employee benefit obligations paid		(25,233)	(18,445)
Net cash generated from / (used in) operating activities		567,334	(1,723,579)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(2,484,951)	(1,606,141)
Proceeds from disposal of operating assets		7,948	-
Purchase of open ended mutual fund units		(200,000)	(253,970)
Proceeds from sale of open ended mutual fund units		-	2,174,910
Placement in Term Deposit Receipt (TDRs) - net		-	(10,000)
Pofit on PLS accounts		7,333	2,416
Net cash (used in) / generated from investing activities		(2,669,670)	307,215
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(198)
Proceeds from long-term loans		1,921,275	23,090
Repayment of long-term loans		(68,749)	(68,749)
Lease rentals paid		(779)	(719)
Net cash generated from / (used in) financing activities		1,851,747	(46,576)
Net decrease in cash and cash equivalents		(250,589)	(1,462,940)
Cash and cash equivalents at beginning of the period		(2,408,619)	(1,441,736)
Cash and cash equivalents at end of the period		(2,659,208)	(2,904,676)

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated 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 QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

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 (Ultimate Holding Company) as it holds 84.06% of the total paid-up share capital of the Holding Company.

The geographical locations and addresses of the Holding Company's business units, including mills / plants 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 offices at:
 - Office No. 106, Pharoo Business Centre, Dubai Investment Park, UAE.
 - Plot No. D-69, Block-4, Kehkashan-5, Clifton, Karachi; and
 - Plot No. D-46, Block-4, Kehkashan-5, Clifton, Karachi.

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are the same as those applied in the preparation of the preceding annual financial statements of the company for the year ended June 30, 2022.

3 BASIS OF PRESENTATION

This condensed interim financial information of the Company for the quarter ended September 30, 2022 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information is being posted on Company's Website for information of members as required by section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

This condensed interim financial information does 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, 2022.



Sep 30, 2022	Audited June 30, 2022
------(Rupees '000)-----	

4. FIXED ASSETS - property, plant and equipment

Operating assets - note 4.1	21,434,838	21,704,121
Capital work-in-progress	12,265,543	9,724,024
Stores held for capital expenditure	928,179	912,099
	<u>34,628,560</u>	<u>32,340,244</u>

Sep 30, 2022	Sep 30, 2021
------(Rupees '000)-----	

4.1 Additions to operating assets during the period were as follows;

Plant and machinery	6,583	27,277
Vehicles	7,808	11,952
	<u>14,391</u>	<u>39,229</u>
Disposals during the period - Net book value	<u>406</u>	<u>-</u>
Transfers to stores during the period - Net book value	<u>6,906</u>	<u>8,179</u>

Sep 30, 2022	Audited June 30, 2022
------(Rupees '000)-----	

5. INVENTORIES

Stores, spares and loose tools - note 5.1	4,664,280	4,352,603
Raw materials	2,395,638	3,020,280
Packing materials	315,817	278,889
Work-in-process including semi finished goods	1,053,637	579,167
Finished goods	278,060	262,556
	<u>8,707,432</u>	<u>8,493,495</u>



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

FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

Audited
June 30,
2022

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

5.1 Stores, spares and loose tools

Coal	2,757,310	3,143,627
Stores & spares	1,853,136	1,146,052
Bricks	138,268	147,171
Loose tools	2,682	2,667
	<u>4,751,396</u>	<u>4,439,517</u>
Less: Provision for slow moving and obsolete items	(87,116)	(86,914)
	<u>4,664,280</u>	<u>4,352,603</u>

6. TRADE AND OTHER PAYABLES

Creditors	496,062	572,026
Accrued liabilities	3,138,907	3,009,298
Electricity charges payable	237,214	631,529
Advances from customers	1,021,312	622,180
Excise duty payable on sale	220,272	233,341
Others	2,001,344	2,068,051
	<u>7,115,111</u>	<u>7,136,425</u>

7. CONTINGENCIES AND COMMITMENTS

- 7.1** The status of contingencies as reported in note 23 to the financial statements for the year ended June 30, 2022 is the same.
- 7.2** Commitments in respect of capital expenditure outstanding as at September 30, 2022 amounted to Rs. 5.18 billion (June 30, 2022: Rs. 6.83 billion).



	Sep 30, 2022	Sep 30, 2021
	------(Rupees '000)-----	
8. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Local sale of goods	6,832,707	5,718,239
Sales tax & federal excise duty	<u>(1,126,626)</u>	<u>(1,251,990)</u>
	5,706,081	4,466,249
Rebates and discounts	<u>(116,382)</u>	<u>(107,490)</u>
Net local sale of goods	5,589,699	4,358,759
Exports sales	<u>1,020,249</u>	<u>1,373,622</u>
	<u>6,609,948</u>	<u>5,732,381</u>

9. DISTRIBUTION COSTS

Distribution costs include Rs. 129 million (September 30, 2021: Rs. 197 million) in respect of export sales.

	Sep 30, 2022	Sep.30, 2021
	------(Rupees '000)-----	
10. CASH GENERATED FROM OPERATIONS		
Profit before taxation	330,308	454,320
Add/(less): Adjustment for non cash charges and other items		
Depreciation	281,606	220,405
Loss on disposal of property, plant and equipment	4,038	-
Gain on disposal of open ended mutual fund units	-	(6,052)
Profit on PLS accounts	(7,333)	(2,416)
Provision for stores, spares and loose tools	3,306	3,209
Employee benefits obligations	25,233	29,238
Finance cost	141,812	38,304
	<u>448,662</u>	<u>282,688</u>
Profit before working capital changes	<u>778,970</u>	<u>737,008</u>

Effect on cash flow due to working capital changes

(Increase) / Decrease in current assets

Inventories	(214,141)	(2,213,481)
Trade receivables	365,006	221,833
Loans and advances	(196,029)	(120,593)
Short - term deposits and prepayments	331,479	(19,826)
Other receivables	61,522	(4,728)
Tax refunds due from Government - Sales tax	(2,419)	16,875
	<u>345,418</u>	<u>(2,119,920)</u>
Decrease in current liabilities:		
Trade and other payables	(382,333)	(153,736)
	<u>(36,915)</u>	<u>(2,273,656)</u>

Cash generated from / (used in) operations

	<u>742,055</u>	<u>(1,536,648)</u>
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**SELECTED NOTES TO AND FORMING PART OF THE
CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**
FOR THE QUARTER ENDED SEPTEMBER 30, 2022 - UNAUDITED

Sep 30,
2022
 Sep 30,
2021
 -----(Rupees '000)-----

11. SUMMARY OF TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties during the period are as follows:

Holding Company

Recovery of expenses	300	84
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Group Companies

Purchase of goods	152,348	119,277
Sales of goods	194	-
Reimbursement of expenses	860	306
Recovery of expenses from related parties	4,522	17

Other related parties

Payments made to retirement benefit funds	25,233	18,445
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Key management compensation

Sale of goods	-	62
Salaries and other short term employee benefits	35,949	31,674
Post employment benefits	1,441	1,226

12. CORRESPONDING FIGURES

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

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial information was approved and authorised for issue on October 25, 2022 by the Board of Directors of the company.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director



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