



3rd QUARTERLY REPORT  
MARCH 31

2023

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# COMPANY INFORMATION

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## Board of Directors

Mr. Tariq Sayeed Saigol .....Chairman  
Mr. Sayeed Tariq Saigol ..... Chief Executive  
Mr. Taufique Sayeed Saigol  
Mr. Waleed Tariq Saigol  
Mr. Danial Taufique Saigol  
Ms. Jahanara Saigol  
Mr. Shafiq Ahmed Khan  
Mr. Zulfikar Monnoo  
Syed Mohsin Raza Naqvi

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## Executive Directors

Mr. Sohail Sadiq .....Finance  
Mr. Yahya Hamid .....Marketing

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## Audit Committee

Mr. Shafiq Ahmed Khan..... Chairman  
Mr. Zulfikar Monnoo..... Member  
Mr. Waleed Tariq Saigol ..... Member  
Mr. Danial Taufique Saigol..... Member

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## Human Resource & Remuneration Committee

Mr. Shafiq Ahmed Khan.....Chairman  
Mr. Zulfikar Monnoo..... Member  
Mr. Danial Taufique Saigol..... Member

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## Chief Financial Officer

Syed Mohsin Raza Naqvi

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## Company Secretary

Mr. Muhammad Ashraf

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## Chief Internal Auditor

Mr. Zeeshan Malik Bhutta

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## Bankers of the Company

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
BankIslami Pakistan Limited  
Albaraka Bank (Pakistan) Limited  
Dubai Islamic Bank Limited  
Faysal Bank Limited  
FINCA Microfinance Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited

National Bank of Pakistan  
PAIR Investment Company Limited  
Samba Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Summit Bank Limited  
The Bank of Punjab  
United Bank Limited

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## Auditors

A.F. Ferguson & Co.,  
Chartered Accountants  
23-C, Aziz Avenue, Canal Bank, Gulberg-V,  
P.O.Box 39, Lahore-54660, Pakistan  
Tel: +92 (42) 3571 5868-71 / 3577 5747-50  
Fax: +92 (42) 35775754  
www.pwc.com/pk

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## Legal Adviser

Mr. Abdul Rehman Qureshi  
Advocate High Court

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## Registered Office

42-Lawrence Road, Lahore.  
Phone: +92 42 36278904-5  
Fax: +92 42 36368721  
E-mail: mohsin.naqvi@kmlg.com

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## Factory

Iskanderabad, District: Mianwali  
Phone: +92 459 392237-8

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## Call Center (24/7)

0800-41111

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## Share Registrar

Vision Consulting Limited  
Head Office: 5-C, LDA Flats,  
Lawrence Road, Lahore  
Phone: +92 42 36283096-97  
Fax: +92 42 36312550  
E-mail: shares@vcl.com.pk

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## Company Website:

www.kmlg.com

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## Note:

MLCFL's Financial Statements are also available at the above website.

# DIRECTORS' REVIEW

In compliance with Section 237 of the Companies Act, 2017, the Directors of your Company have pleasure to present unaudited standalone and consolidated financial statements for the first nine months of financial year 2022-23, ended 31st March 2023.

During the review period, the Company recorded net consolidated turnover of Rs. 47,090 million, compared to Rs. 34,091 million in the previous year. The Company's top line increased by 38% as a result of higher selling prices in the local market. The increase in selling prices is primarily owing to the strong inflationary impact on costs, particularly fuel and power. Devastating floods ravaged the country throughout the period, negatively impacting cement deliveries and construction sector growth. This is in addition to the slow implementation of large-scale projects, limited utilization of PSDP funds and lower demand in the housing industry due to high borrowing costs and low disposable income, all of which had a negative impact on the sector's growth.

For the period under consideration, the following comparative data on capacity utilization and cement dispatches are provided: -

Particulars	July to March		Variance	
	2022-2023	2021-2022	Change	Percentage
	(----- M. Tons -----)			
<b>Production:</b>				
Clinker Production	3,003,433	3,297,325	(293,892)	(8.91%)
Cement Production	3,274,879	3,514,087	(239,208)	(6.81%)
<b>Sales:</b>				
Domestic	3,182,843	3,478,901	(296,058)	(8.51%)
Exports	93,660	89,225	4,435	4.97%
Total	3,276,503	3,568,126	(291,623)	(8.17%)

Total sales volume of 3,276,503 tons in the period is an 8.17% decline from 3,568,126 tons sold during the same period last year. Domestic sales volume was 3,182,843 tons, representing an 8.51% reduction in demand due to the reasons indicated above. A key element contributing to the construction sector's dismal growth relates to going political insecurity.

The export volume of the Company climbed by 4.97% to 93,660 metric tons from 89,225 metric tons in the previous period. Despite a minor increase in export sales compared to the same period last year, exports have not increased much since the American withdrawal from Afghanistan. This has caused the economy to stall and banking limitations there is another factor for low export sales. Cement exports to the rest of the world were not possible due to high production costs in Pakistan in comparison to global markets, as well as increased shipping costs which hampered competitiveness in regional markets.

Global coal prices fell during the third quarter of the current fiscal year due to demand constraints on account of global recession and are currently fairly comparable to locally available Afghan origin coal. Furthermore, due to import constraints caused by a lack of FX reserves and issues with LC opening, the Company has been unable to import a significant amount of coal. Furthermore, during the review period, the Company relied more on Darra coal and other available fuels.

The Company's management launched cost-cutting initiatives and implemented numerous schemes in all areas, including the use of alternative fuels and optimizing plant operations with a specific focus on reducing fixed costs.

The Company was able to avert the possible negative impact of NEPRA rate hikes by largely depending on its own power generation sources, which include a coal fired power plant (CFPP), a solar power plant and a waste heat recovery plant, which is the cheapest source of electricity for the Company. The Waste Heat Recovery Plant now accounts for one-third of the Company's power mix. All of the cost-cutting efforts outlined above have contributed to higher margins as compared to the same period last year.

Due to the aforementioned factors influencing production costs, the Company generated consolidated gross profit of Rs. 13,904 million during the reporting period, a 49% increase from Rs. 9,362 million in the same period last year.

The Company reported a consolidated pre-tax profit of Rs. 8,725 million for the reporting period, compared to a corresponding period profit of Rs. 5,790 million. The consolidated tax component was Rs. 2,542 million for the reporting period, compared to Rs. 1,469 million in the previous period.

Maple Leaf Power Limited (MLPL) profits are exempt from income tax and amounted to Rs. 1,206 million in the first nine months of fiscal year 2022-23, resulting in lower effective tax rate on consolidation basis.

The aforementioned reasons increased the post-tax bottom line for the reporting period to Rs. 6,184 million as compared to Rs. 4,321 million for the similar period previous year, representing a 43% rise.

The State Bank of Pakistan (SBP) reviewed the monetary policy rate numerous times throughout the period under review, increasing it from 13.75% to 15.00% in July 2022, 16.00% in November 2022, 17% in January 2023, and 20.00% in March 2023. As a result of this large rise, the Company's finance cost increased during the first nine months of the fiscal year compared to the corresponding period. The SBP's Temporary Economic Refinance Facility (TERF) and Long Term Finance Facility (LTFF) have provided the Company with long-term financing at attractive mark-up rates, allowing it to purchase imported plant and machinery and establish new projects. However, SBP's TERF and LTFF disbursements were halted in the first nine months of the fiscal year, preventing the Company from converting a remaining some portion of its borrowing under both schemes.

During the period under review, the company's capacity improvement project, Line 4 (7,000 tpd), was completed and production commenced. The project has been funded through a combination of concessionary financing and internally produced cash flows. This additional line also contributed to cement dispatches during that period under review, giving the Company a competitive edge.

## FUTURE OUTLOOK

Going forward, we expect cement demand in the domestic market to fall further owing to public holidays observed on two occasions of Eid during the last quarter of this fiscal year, as well as impact of harvesting season and other major factors such as Pak Rupee depreciation against USD and high borrowing costs, which have an unfavourable impact on the buying power of the public. Political uncertainty will also impact growth of the construction industry.

Import restrictions due to a lack of foreign exchange reserves, excessive sea freight on account of high oil cost, the depreciation of the Pakistan rupee versus the US dollar, unfavourable macroeconomic indicators and global recession in international markets would put pressure on cement input costs. Given Pakistan's economic situation, import restrictions are unlikely to improve in the near future. As a result, in order to limit this impact and reduce the risk of currency depreciation, the Company has expanded its reliance on local coal and other alternative fuels. The Company's finance costs will rise further in the fourth quarter of current fiscal year as a recent consequence of SBP's large increase in interest rates. To avoid future power sector arrears, the government aims to raise electricity rates and streamline fuel price increases in response to rising pressure from the IMF. As a result, National Grid tariffs are projected to climb further, resulting in higher power expenses for the Company. To offset the aforementioned cost escalation concerns, the Company is focusing on increasing the use of alternative fuel and renewable energy resources in order to reduce reliance on the National Grid to a bare minimum.

## ACKNOWLEDGEMENT

The Board would like to take this opportunity to offer its heartfelt gratitude and appreciation to the shareholders, employees, customers, bankers, and other stakeholders for their unwavering trust in us.

For and on behalf of the Board



**(Syed Mohsin Raza Naqvi)**  
Director

Lahore  
April 17, 2023



**(Sayeed Tariq Saigol)**  
Chief Executive Officer

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		15,000,000	15,000,000
Issued, subscribed and paid-up share capital		10,733,462	10,983,462
Capital reserves		6,198,597	6,092,384
Accumulated profits		26,439,089	21,023,202
Surplus on revaluation of fixed assets - net of tax	5	2,108,845	2,459,967
		45,479,993	40,559,015
<b>NON - CURRENT LIABILITIES</b>			
Long term loans from financial institutions - secured	6	16,219,774	16,747,868
Deferred grant		648,621	786,758
Long term loan from subsidiary company	7	2,000,000	2,000,000
Long term liability against right of use asset		30,508	27,136
Long term deposits		8,214	8,214
Deferred taxation		6,801,073	5,656,499
Retention money		1,432,448	-
Retirement benefits		259,447	235,329
		27,400,085	25,461,804
<b>CURRENT LIABILITIES</b>			
Current portion of:			
- Long term loans from financial institutions - secured	6	2,532,563	2,619,800
- Deferred grant		184,965	184,576
- Liability against right of use assets		9,190	6,837
Trade and other payables	8	12,842,687	9,117,414
Unclaimed dividend		27,411	27,569
Mark-up accrued on borrowings		698,577	665,122
Short term borrowings		204,319	3,572,073
		16,499,712	16,193,391
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		
		89,379,790	82,214,210

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	10	63,430,721	56,784,840
Intangible assets		7,811	10,415
Long term investment	11	5,030,000	5,020,000
Long term loans to employees - secured		18,671	19,366
Long term deposits		58,098	57,600
		68,545,301	61,892,221
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		11,314,470	12,853,605
Stock-in-trade		3,783,835	2,695,621
Trade debts	12	2,890,464	2,066,212
Loans and advances		499,008	594,906
Short term investment	13	688,849	198,346
Short term deposits and prepayments		509,033	542,588
Accrued profit		22,187	7,075
Other receivables		27,436	52,261
Advance income tax - net of provision		194,908	517,799
Cash and bank balances		904,299	793,576
		20,834,489	20,321,989
		89,379,790	82,214,210

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR



# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

Note	Nine Months Period Ended		Three Months Period Ended		
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
(..... Rupees in thousand .....)					
Sales - net	14	47,089,636	34,091,314	17,038,267	11,990,223
Cost of sales	15	(34,210,883)	(25,472,964)	(12,800,858)	(9,081,017)
<b>Gross profit</b>		12,878,753	8,618,350	4,237,409	2,909,206
Distribution cost		(1,684,964)	(1,078,192)	(800,353)	(365,115)
Administrative expenses		(1,039,152)	(671,798)	(360,109)	(225,819)
Other charges		(974,968)	(643,098)	(344,834)	(129,572)
		(3,699,084)	(2,393,088)	(1,505,296)	(720,506)
Other income		91,963	23,173	32,282	(17,023)
<b>Profit from operations</b>		9,271,632	6,248,435	2,764,395	2,171,677
Finance cost	16	(1,747,708)	(1,204,678)	(497,796)	(494,404)
<b>Profit before taxation</b>		7,523,924	5,043,757	2,266,599	1,677,273
Taxation		(2,467,484)	(1,451,965)	(765,929)	(489,000)
<b>Profit after taxation</b>		5,056,440	3,591,792	1,500,670	1,188,273
<b>Earnings per share - basic and diluted (Rupees)</b>		4.71	3.27	1.40	1.08

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR NINE MONTHS AND QUARTER ENDED  
MARCH 31, 2023 (UN-AUDITED)

	<u>Nine Months Period Ended</u>		<u>Three Months Period Ended</u>	
	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2022</u>	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2022</u>
	(..... Rupees in thousand .....)			
<b>Profit after taxation</b>	5,056,440	3,591,792	1,500,670	1,188,273
Change in fair value of investment at fair value through OCI	48,094	-	48,094	-
Tax effect of change in fair value of investment at fair value through OCI	(15,872)	-	(15,872)	-
<b>Total comprehensive income for the period</b>	<u>5,088,662</u>	<u>3,591,792</u>	<u>1,532,892</u>	<u>1,188,273</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER


  
DIRECTOR

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS

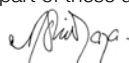
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)

	Note	March 31, 2023	March 31, 2022
<b>(Rupees in thousand)</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		7,523,924	5,043,757
Adjustments for:			
Depreciation	10.1	2,414,793	2,404,388
Amortization		2,604	1,505
Provision for Workers' Profit Participation Fund		399,646	271,170
Provision for Workers' Welfare Fund		69,358	108,468
Provision for doubtful debt		120,000	69,354
Bad debts written off		5,321	-
Other receivables written off		2,509	-
(Gain) / Loss on disposal of property, plant and equipment		(11,939)	4,502
Loss on re-measurement of short term investments at fair value		6,517	23,092
Retirement benefits		45,069	53,901
Profit on bank deposits		(49,535)	(21,147)
Finance cost	16	1,747,708	1,204,678
<b>Cash generated from operations before working capital changes</b>		<b>12,275,975</b>	<b>9,163,668</b>
<b>Effect on cash flows due to working capital changes</b>			
<b>(Increase) / decrease in current assets</b>			
Stores, spare parts and loose tools		1,539,135	(5,338,197)
Stock-in-trade		(1,088,214)	307,905
Trade debts		(949,573)	(1,125,295)
Loans and advances		95,898	(154,097)
Short term deposits and prepayments		33,555	(221,966)
Other receivables		22,315	(170,681)
		(346,884)	(6,702,331)
<b>Increase in current liabilities</b>			
Trade and other payables		4,856,635	1,989,843
		4,509,751	(4,712,487)
<b>Net cash generated from operations</b>		<b>16,785,726</b>	<b>4,451,180</b>
Increase in long term loans to employees		695	(13,004)
Retirement benefits paid		(20,569)	(27,829)
Workers' Profit Participation Fund paid		(106,080)	(88,151)
Workers' Welfare Fund paid		(64,844)	(23,185)
Taxes paid		(1,007,947)	(517,010)
<b>Net cash generated from operations</b>		<b>15,586,982</b>	<b>3,782,001</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant & equipment		(9,074,492)	(10,325,230)
Proceeds from disposal of property, plant and equipment		38,592	13,463
Decrease in long term deposits and prepayments		(498)	(43)
Increase in Long term investment		(10,000)	-
Short term investment		(448,926)	94,500
Profit on bank deposits received		34,423	16,523
<b>Net cash used in from investing activities</b>		<b>(9,460,901)</b>	<b>(10,200,787)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment) / Acquisition of long term loans from financial Institutions - secured - net		(753,078)	4,224,263
(Repayment) / Acquisition of short term borrowings - net		(2,073,505)	2,543,138
Payment for buy back of shares		(176,009)	-
Finance cost paid		(1,711,246)	(897,405)
Lease rentals paid during the period		(7,111)	-
Redemption of preference shares		(2)	(6)
Dividend paid		(158)	(443)
<b>Net cash (used in) / generated from financing activities</b>		<b>(4,721,108)</b>	<b>5,869,547</b>
Net increase / (decrease) in cash and cash equivalents		1,404,973	(549,239)
Cash and cash equivalents at beginning of the period		(603,919)	279,802
<b>Cash and cash equivalents at end of the period</b>	17	<b>801,054</b>	<b>(269,437)</b>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.



**CHIEF EXECUTIVE OFFICER**  
Maple Leaf Cement Factory Limited



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR NINE MONTHS PRIOD ENDED MARCH 31, 2023 (UN-AUDITED)

	CAPITAL RESERVES						Revenue Reserve	TOTAL EQUITY	
	SHARE CAPITAL	Share premium	Capital redemption reserve	Own shares purchased for cancellation	FVOCI reserve	Sub-total			Surplus on revaluation of fixed assets - net of tax
	Rupees in thousand								
Balance as at July 1, 2021 - audited	10,983,462	6,060,550	528,263	-	-	6,588,813	3,089,975	16,880,291	37,542,542
Total comprehensive income for the period	-	-	-	-	-	-	-	3,591,792	3,591,792
Profit for the period ended March 31, 2022	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period ended March 31, 2022	-	-	-	-	-	-	(387,511)	3,591,792	3,591,792
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	387,511	-
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	-	6,301	-	6,301
Balance as at March 31, 2022 - unaudited	10,983,462	6,060,550	528,263	-	-	6,588,813	2,708,765	20,859,594	41,140,635
Balance as at July 1, 2022 - audited	10,983,462	6,060,550	528,263	(496,429)	-	6,092,384	2,459,967	21,023,202	40,559,015
Own shares purchased during the year for cancellation	(250,000)	-	(422,439)	496,429	-	73,990	-	-	(176,010)
Total comprehensive income for the period	-	-	-	-	-	-	-	5,056,440	5,056,440
Profit for the period ended March 31, 2023	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period ended March 31, 2023	-	-	-	-	-	-	-	-	-
Change in fair value investments at fair value through OCI - net of taxes	-	-	-	-	32,223	32,223	-	-	32,223
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	32,223	32,223	(359,447)	359,447	-
Reversal of revaluation surplus on disposal of fixed assets - net of tax	-	-	-	-	-	-	-	-	-
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	-	8,325	-	8,325
Balance as at March 31, 2023 - unaudited	10,733,462	6,060,550	105,824	-	32,223	6,198,597	2,108,845	26,439,089	46,479,993

The annexed notes from 1 to 21 form an integral part of these unaudited financial statements



CHIEF EXECUTIVE OFFICER

DIRECTOR



CHIEF FINANCIAL OFFICER

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)

## 1. REPORTING ENTITY

Maple Leaf Cement Factory Limited (“the Company”) was incorporated in Pakistan on 13 April 1960 under the Companies Act, 1913 (now the Companies Act, 2017) as a public company limited by shares. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 42-Lawrence Road, Lahore, Pakistan. The cement factory is located at Iskanderabad District Mianwali in the province of Punjab. The principal activity of the Company is production and sale of cement. The Company is a subsidiary of Kohinoor Textile Mills Limited (“the Holding Company”).

## 2. BASIS OF PREPARATION

### 2.1 Separate financial statements

These condensed interim unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investee. Consolidated condensed interim financial statements of the Company are prepared and presented separately.

The Company has the following long term investment:

	Un-audited March 31, 2023	Audited June 30, 2022
	(Direct holding percentage)	
<b>Subsidiary Companies</b>		
Maple Leaf Power Limited	100	100
Maple Leaf Industries Limited	100	-

### 2.2 Statement of compliance

2.2.1 These condensed interim unconsolidated financial statements comprises the condensed interim unconsolidated statement of financial position of the Company, as at 31 March 2023 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of cash flow and condensed interim unconsolidated statement of changes in equity together with the notes forming part thereof.

These condensed interim unconsolidated 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 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.

- 2.2.2** These condensed interim unconsolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 June 2022. Comparative numbers of the condensed interim unconsolidated statement of financial position are extracted from the annual unconsolidated audited financial statements of the Company for the year ended 30 June 2022, whereas comparatives of the condensed interim unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, unconsolidated statement of cash flow and unconsolidated statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statements of the Company for the nine months period ended 31 March 2022.
- 2.2.3** These condensed interim unconsolidated financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.
- 2.2.4** These condensed interim unconsolidated financial statements are presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand rupees, except otherwise stated.

### **3. JUDGMENTS AND ESTIMATES**

In preparing these condensed interim unconsolidated financial statements management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended 30 June 2022.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the financial statements for the year ended 30 June 2022.

		Un-audited March 31, 2023	Audited June 30, 2022
	Note	(Rupees in thousand)	
<b>5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX</b>			
At beginning of the period / year		3,456,148	4,175,634
Surplus on revaluation during the period / year		-	(1,986)
Related deferred tax liability		-	(786)
Transfer to unappropriated profit in respect of incremental depreciation charged during the period / year - net of deferred tax		(359,447)	(513,416)
Related deferred tax liability		(169,311)	(203,298)
<b>At end of the period / year</b>		<b>2,927,390</b>	<b>3,456,148</b>
<b>Deferred tax liability on revaluation surplus</b>			
At beginning of the period / year		996,181	1,085,659
Transferred to unappropriated profit in respect of disposal of fixed assets during the period / year		-	(786)
Transferred to unappropriated profit in respect of incremental depreciation charged during the period / year		(169,311)	(203,298)
Effect of change in tax rate and proportion of local and export sales		(8,325)	114,606
<b>At end of the period / year</b>		<b>818,545</b>	<b>996,181</b>
		<b>2,108,845</b>	<b>2,459,967</b>
<b>6. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED</b>			
Long term loans	6.1	18,752,337	19,367,668
Current portion shown under current liabilities		(2,532,563)	(2,619,800)
Non current portion shown under non current liabilities		16,219,774	16,747,868
<b>6.1 The reconciliation of the carrying amount is as follows:</b>			
Balance as at beginning of the period - gross		20,339,002	13,440,929
Disbursements during the period / year		3,246,698	10,118,985
Repayments during the period / year		(3,999,777)	(3,220,912)
Less:		19,585,923	20,339,002
Impact of deferred grant		(833,586)	(971,334)
<b>Closing Balance</b>		<b>18,752,337</b>	<b>19,367,668</b>
<b>7. LONG TERM LOAN FROM SUBSIDIARY COMPANY</b>			

This represents long term loan from Maple Leaf Power Limited, the Subsidiary of the Company. The loan is payable in four equal quarterly installments starting from 01

September 2024. This loan carries markup at 3 month KIBOR plus 1% at per annum, payable quarterly.

	<b>Un-audited March 31,</b>	Audited June 30,
Note	<b>2023</b>	<b>2022</b>

(Rupees in thousand)

## 8. TRADE AND OTHER PAYABLES

Trade creditors		4,089,721	3,651,546
Due to subsidiary company - unsecured	8.1	1,378,656	132,595
Bills payable - secured		1,086,615	324,166
Accrued liabilities		1,841,618	1,341,074
Contract liabilities		351,501	345,495
Payable to Workers' Profit Participation Fund		1,907,359	1,613,792
Payable to Workers' Welfare Fund		159,859	155,344
Payable to Provident Fund Trust		21,973	17,786
		<b>10,837,302</b>	<b>7,581,798</b>
Payable to Government on account of:			
Sales tax and Federal Excise Duty payable		1,002,336	528,925
Royalty and Excise Duty payable		10,501	80,435
Other Government dues payable		286,765	260,602
		<b>1,299,602</b>	<b>869,962</b>
Contractors' retention money		627,216	554,577
Payable against redemption of preference shares		1,008	1,010
Security deposits repayable on demand	8.2	75,389	75,214
Other payables		2,170	34,853
		<b>705,783</b>	<b>665,654</b>
		<b>12,842,687</b>	<b>9,117,414</b>
<b>8.1 Due to subsidiary company - unsecured</b>			
Due to Subsidiary company	8.1.1	1,378,656	132,595

**8.1.1** These carry interest at 1% (30 June 2022: 1%) per annum in addition to the average borrowing rate of the Company.

**8.2** This represents security deposits received from distributors and contractors of the Company. Distributors and contractors have given the Company a right to utilize deposits in ordinary course of business.

## 9. CONTINGENCIES AND COMMITMENTS

### 9.1 Contingencies

There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2022.

**9.2** Guarantees given by banks on behalf of the Company are of Rs. 1,049.55 million (30 June 2022: Rs. 1,037.04 million) in favor of Sui Northern Gas Pipeline Limited and Government Institutions.



	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>			
<b>9.3 Commitments</b>			
<b>9.3.1 In respect of:</b>			
- capital expenditure		4,094,051	5,623,145
- irrevocable letters of credit for spare parts		80,881	397,877
- coal		2,931,309	1,972,000
		<u>7,106,241</u>	<u>7,993,022</u>
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	10.1	61,743,005	41,151,385
Capital work in progress - at cost	10.2	1,503,171	15,352,800
Major spare parts and stand-by equipments		184,545	280,655
		<u>63,430,721</u>	<u>56,784,840</u>
<b>10.1 Operating fixed assets</b>			
Balance at beginning of the period / year		41,151,385	41,253,304
Add: Additions / transfers during the period / year	10.1.1	23,033,067	3,163,295
		<u>64,184,452</u>	<u>44,416,599</u>
Less: Book value of operating assets disposed - off during the period / year		26,654	33,625
Depreciation charge during the period / year		2,414,793	3,231,589
		<u>61,743,005</u>	<u>41,151,385</u>
<b>10.1.1 Additions during the period / year:</b>			
- buildings on freehold land		5,720,441	618,970
- plant & machinery		17,148,922	2,375,603
- furniture, fixtures and equipment		138,974	29,394
- roads, bridges and railway sidings		11,895	2,117
- vehicles		-	93,190
- right of use asset		12,835	44,021
		<u>23,033,067</u>	<u>3,163,295</u>
<b>10.2 Movement in capital work-in-progress - at cost</b>			
At beginning of the period / year		15,352,800	2,854,293
Additions during the period / year		8,988,119	15,332,007
Less: Transfers during the period / year		(22,837,748)	(2,833,500)
<b>At end of the period / year</b>	10.2.1	<u>1,503,171</u>	<u>15,352,800</u>

Note	Un-audited	Audited
	March 31, 2023	June 30, 2022

(Rupees in thousand)

### 10.2.1 Capital work-in-progress - at cost

Civil Works	317,325	3,347,313
Plant and machinery	445,758	10,691,775
Intangible Assets	37,611	-
Furniture & Fixture	6	-
Unallocated expenses	64,738	-
Vehicles	225	-
Advances to suppliers against:		
- civil works	147,359	449,900
- plant and machinery	164,389	861,860
- intangible assets	7,047	-
- vehicles	318,712	1,952
	1,503,170	15,352,800

### 11. LONG TERM INVESTMENT

Investment in Maple Leaf Power Limited		
- Unquoted	11.1	5,020,000
Investment in Maple Leaf Industries Limited		
- Unquoted	11.2	10,000
		5,030,000
		5,020,000

**11.1** The Company holds 100% (30 June 2022: 100%) shares in the Maple Leaf Power Limited, a wholly owned subsidiary of the Company.

**11.2** The Company holds 100% (30 June 2022: Nil) shares in the Maple Leaf Industries Limited, a wholly owned subsidiary of the Company.

**11.3** There has been no long term investment in any foreign company during the period / year (30 June 2022: Nil).

Un-audited	Audited
March 31, 2023	June 30, 2022

(Rupees in thousand)

### 12. TRADE DEBTS

Considered good		
Export - secured	23,785	26,995
Local - unsecured	2,866,679	2,039,217
Considered doubtful		
Local - unsecured	170,049	50,049
Less:		
- Provision for doubtful balances	(170,049)	(50,049)
	2,890,464	2,066,212

	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>		
<b>13. SHORT TERM INVESTMENTS</b>		
<b>FVPL - quoted:</b>		
<b>Next Capital Limited</b>		
4,269,375 (June 30, 2022: 3,712,500) fully paid ordinary shares of Rs 10 each		
Equity held: 7.50% (June 30, 2022: 7.50%)		
Cost - Rs. 30 million (June 30, 2022: Rs. 30 million)	22,329	28,846
<b>FVOCI - quoted:</b>		
<b>Pioneer Cement Limited</b>		
9,500,000 (June 30, 2022: Nil) fully paid ordinary shares of Rs 10 each		
Equity held: 4.18% (June 30, 2022: Nil)		
Cost - Rs. 618.43 million (June 30, 2022: Nil)	666,520	-
	<u>688,849</u>	<u>28,846</u>
<b>13.1 Reconciliation of carrying amount</b>		
Opening balance	28,846	54,648
Investment made during the period / year	618,426	-
Fair value gain / (loss) during the period / year	41,577	(25,802)
<b>Closing balance</b>	<u>688,849</u>	<u>28,846</u>
<b>Investment at Amortised cost - debt instrument</b>		
- Term deposit receipts	-	169,500
	<u>688,849</u>	<u>198,346</u>

	<b>Nine Months Ended (Un-audited)</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>(Rupees in thousand)</b>		
<b>14. SALES - NET</b>		
Gross local sales	61,865,436	46,917,255
Less:		
Federal Excise Duty	(5,002,624)	(5,218,351)
Sales Tax	(10,071,781)	(7,512,477)
Discount and others	(664,039)	(527,652)
Commission	(238,641)	(208,398)
	<u>(15,977,085)</u>	<u>(13,466,878)</u>
Net local sales	45,888,351	33,450,377
Export sales	1,201,285	640,937
	<u>47,089,636</u>	<u>34,091,314</u>
<b>15. COST OF SALES</b>		
Raw materials consumed	2,092,005	1,779,196
Packing materials consumed	2,436,352	2,239,356
Fuel and power	23,586,135	15,888,295
Stores, spare parts and loose tools consumed	834,698	863,481
Salaries, wages and other benefits	1,070,530	932,521
Rent, rates and taxes	2,897	4,648
Insurance	81,759	62,197
Repairs and maintenance	309,228	330,043
Depreciation	2,353,731	2,360,514
Amortization	370	555
Vehicles running and maintenance	253,411	148,484
Freight and forwarding	1,269,077	405,617
Other expenses	109,257	102,358
	34,399,450	25,117,265
<b>Work in process:</b>		
At beginning of the period	1,814,046	1,421,319
At end of the period	(1,864,404)	(1,217,102)
	<u>(50,358)</u>	<u>204,217</u>
<b>Cost of goods manufactured</b>	34,349,092	25,321,482
<b>Finished goods:</b>		
At beginning of the period	514,254	387,803
At end of the period	(652,463)	(236,322)
	<u>(138,209)</u>	<u>151,481</u>
<b>Cost of sales</b>	<u>34,210,883</u>	<u>25,472,964</u>

**Nine Months Ended  
(Un-audited)**

March 31, 2023	March 31, 2022
<b>(Rupees in thousand)</b>	

**16. FINANCE COST**

**Profit / interest / mark up on:**

- Long term loans from financial institutions
- Long term loans from Subsidiary Company
- Short term borrowings

Notional interest on unwinding of retention money payable  
Notional interest on unwinding of payable to government authority  
Bank and other charges

1,116,207	790,887
255,672	71,884
321,635	280,155
1,693,514	1,142,926
2,790	20,871
216	8,745
51,188	32,136
1,747,708	1,204,678
1,747,708	1,204,678

**17. CASH AND CASH EQUIVALENTS**

Short term running finance  
Temporary bank overdrafts - unsecured  
Cash and bank balances

(40,998)	(1,003,240)
(62,248)	(48,380)
904,300	782,184
801,054	(269,437)
801,054	(269,437)

**18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties comprise of the Holding Company, subsidiary company, associated companies, directors, key management personnel, employee benefits fund and other companies where directors have significant influence.

There is no associated company, subsidiary company, joint venture or holding company incorporated outside Pakistan with whom the Company has entered into any transactions or has agreements and / or arrangements in place during the financial year.

Details of transactions and balances with related parties except those disclosed elsewhere in these unconsolidated financial statements are as follows:

	Nine Months Ended (Un-audited)	
	March 31, 2023	March 31, 2022
(Rupees in thousand)		
<b>Holding company (Kohinoor Textile Mills Limited)</b>		
Sale of goods and services	1,407	92,037
<b>Wholly owned subsidiary company (Maple Leaf Power Limited)</b>		
Sale of goods and services	4,196,117	2,503,120
Purchase of goods and services	5,771,597	4,450,907
Markup charged during the period	255,672	71,884
Expense paid on behalf of related party	110,641	87,865
<b>Wholly owned subsidiary company (Maple Leaf Industries Limited)</b>		
Investment in share capital	10,000	-
<b>Key management personnel</b>		
Remuneration and other benefits	349,037	176,922
<b>Post employment benefit plans</b>		
Contributions to Provident Fund Trust	193,158	157,956
Payments to Employees Gratuity Fund Trust	24,565	15,346

## 19. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, there were no material re-arrangements.

## 20. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on April 17, 2023 by the Board of Directors of the Company.

## 21. GENERAL

Figures in the financial statements have been rounded-off to the nearest thousand Rupees except stated otherwise.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR





**CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
For the Nine Months Ended March 31, 2023





# DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim consolidated financial statements of Maple Leaf Cement Factory Limited (the Holding Company) and its wholly owned subsidiary companies Maple Leaf Power Limited and Maple Leaf Industries Limited (collectively referred to as group) for the nine months ended 31 March 2023.

## GROUP RESULTS

The Group has earned gross profit of Rupees 13,904 million as compared to Rupees 9,362 million of corresponding period. The Group made after tax profit of Rupees 6,184 million during this period as compared to net profit after tax of Rupees 4,321 million during the corresponding period.

The overall group financial results are as follows:

	<b>Nine Months Period Ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>(Rupees in million)</b>	
Sales	47,090	34,091
Gross Profit	13,904	9,362
Profit from operations	10,218	6,940
Finance cost	1,492	1,150
Net Profit for the period	6,184	4,321
	<b>(-----Rupees-----)</b>	
Earnings per share – basic and diluted	5.76	3.93

## SUBSIDIARY COMPANIES

### MAPLE LEAF POWER LIMITED (MLPL)

Maple Leaf Cement Factory Limited has formed a subsidiary company namely “Maple Leaf Power Limited” (“the Subsidiary”) was incorporated in Pakistan on 15 October 2015 under the Companies Act, 2017 as public limited company. The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant in connection therewith to engage in the business of generation, sale and supply of electricity to the Holding Company.

### MAPLE LEAF INDUSTRIES LIMITED (MLIL)

Maple Leaf Industries Limited (“the Subsidiary Company”) has been incorporated in Pakistan as a public limited Company under the Companies Act, 2017. The principal line of business of the Company shall be to produce, manufacture, prepare, treat, process, refine, and deal etc., in all kinds of cement and its allied products.

## ACKNOWLEDGEMENT

The Directors are grateful to the group’s members, financial institutions, customers and employees for their cooperation and support. They also appreciate the hard work and dedication of the employees working in different roles.

For and on behalf of the Board



(Syed Mohsin Raza Naqvi)  
Director



(Sayeed Tariq Saigol)  
Chief Executive Officer

Lahore  
17 April 2023

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		15,000,000	15,000,000
Issued, subscribed and paid-up share capital		10,733,462	10,983,462
Capital reserves		6,198,597	6,092,384
Accumulated profits		29,256,244	22,707,119
Surplus on revaluation of fixed assets - net of tax	5	2,146,447	2,503,583
		48,334,750	42,286,548
<b>NON - CURRENT LIABILITIES</b>			
Long term loans from financial institutions - secured	6	16,219,774	16,747,868
Deferred grant		648,621	786,758
Long term liability against right of use asset		30,508	27,136
Long term deposits		8,214	8,214
Deferred taxation		6,831,928	5,687,743
Retention money		1,432,448	-
Retirement benefits		259,447	235,329
		25,430,940	23,493,048
<b>CURRENT LIABILITIES</b>			
Current portion of:			
- Long term loans from financial institutions - secured	6	2,532,563	2,619,800
- Deferred grant		184,965	184,576
- Liability against right of use assets		9,190	6,837
Trade and other payables	7	12,233,345	9,643,549
Unclaimed dividend		27,411	27,569
Mark-up accrued on borrowings		609,514	632,836
Short term borrowings		204,319	3,572,073
		15,801,307	16,687,240
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		
		89,566,997	82,466,836

The annexed notes from 1 to 19 form an integral part of these consolidated financial statements

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	9	67,903,244	61,480,197
Intangible assets		7,811	10,415
Long term loans to employees - secured		18,671	19,366
Long term deposits		58,098	57,600
		67,987,824	61,567,578
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		12,028,596	13,325,326
Stock-in-trade		3,725,633	2,642,065
Trade debts	10	2,890,464	2,066,212
Loans and advances		524,139	605,988
Short term investment	11	688,849	198,346
Short term deposits and prepayments		527,456	557,615
Accrued profit		22,318	7,206
Other receivables		19,633	52,261
Advance income tax - net of provision		231,172	626,995
Cash and bank balances		920,913	817,244
		21,579,173	20,899,258
		89,566,997	82,466,836

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR NINE MONTHS AND QUARTER ENDED MARCH 31, 2023

Note	Nine Months Period Ended		Three Months Period Ended		
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
	(..... Rupees in thousand .....) )				
Sales - net	12	47,089,636	34,091,314	17,038,267	11,990,223
Cost of sales	13	(33,185,816)	(24,729,300)	(12,465,391)	(8,704,009)
<b>Gross profit</b>		13,903,820	9,362,014	4,572,876	3,286,214
Distribution cost		(1,684,964)	(1,078,192)	(800,353)	(365,115)
Administrative expenses		(1,053,099)	(676,136)	(362,739)	(227,430)
Other charges		(1,039,060)	(694,461)	(365,004)	(146,454)
		(3,777,123)	(2,448,789)	(1,528,096)	(738,999)
Other income		91,352	26,364	31,594	(15,707)
<b>Profit from operations</b>		10,218,049	6,939,589	3,076,374	2,531,508
Finance cost	14	(1,492,830)	(1,150,049)	(408,761)	(473,809)
<b>Profit before taxation</b>		8,725,219	5,789,540	2,667,613	2,057,699
Taxation		(2,541,554)	(1,468,848)	(791,942)	(494,437)
<b>Profit after taxation</b>		6,183,665	4,320,692	1,875,671	1,563,262
<b>Earnings per share - basic and diluted (Rupees)</b>		5.76	3.93	1.75	1.42

The annexed notes from 1 to 19 form an integral part of these consolidated financial statements

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR NINE MONTHS AND QUARTER ENDED  
MARCH 31, 2023 (UN-AUDITED)

	Nine Months Period Ended		Three Months Period Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(..... Rupees in thousand .....)			
<b>Profit after taxation</b>	6,183,665	4,320,692	1,875,671	1,563,262
Change in fair value of investment at fair value through OCI	48,094	-	48,094	-
Tax effect of change in fair value of investment at fair value through OCI	(15,872)	-	(15,872)	-
<b>Total comprehensive income for the period</b>	<b>6,215,887</b>	<b>4,320,692</b>	<b>1,907,893</b>	<b>1,563,262</b>

The annexed notes from 1 to 19 form an integral part of these consolidated financial statements

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

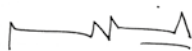
  
DIRECTOR

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)

	Note	March 31, 2023	March 31, 2022
(Rupees in thousand)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		8,725,219	5,789,540
Adjustments for:			
Depreciation	9.1	2,641,765	2,632,363
Amortization		2,604	1,505
Provision for Workers' Profit Participation Fund		463,117	310,029
Provision for Workers' Welfare Fund		69,358	108,468
Provision for doubtful debt		120,000	69,354
Bad debts written off		5,321	-
Other receivables written off		2,509	-
(Gain) / Loss on disposal of property, plant and equipment		(9,125)	4,502
Loss on re-measurement of short term investments at fair value		6,517	23,092
Retirement benefits		45,068	53,901
Profit on bank deposits		(50,620)	(21,966)
Finance cost	14	1,492,830	1,150,049
<b>Cash generated from operations before working capital changes</b>		<b>13,514,563</b>	<b>10,120,837</b>
<b>Effect on cash flows due to working capital changes</b>			
<b>(Increase) / decrease in current assets</b>			
Stores, spare parts and loose tools		1,296,730	(5,445,402)
Stock-in-trade		(1,083,568)	300,533
Trade debts		(949,573)	(1,125,295)
Loans and advances		81,849	(291,523)
Short term deposits and prepayments		30,159	(224,243)
Other receivables		30,118	(189,395)
		(594,285)	(6,975,325)
<b>Increase in current liabilities</b>			
Trade and other payables		3,663,713	1,038,140
		3,069,428	(5,937,185)
<b>Net cash generated from operations</b>		<b>16,583,991</b>	<b>4,183,651</b>
Increase in long term loans to employees		695	(13,004)
Retirement benefits paid		(20,570)	(27,829)
Workers' Profit Participation Fund paid		(110,000)	(91,231)
Workers' Welfare Fund paid		(66,951)	(23,185)
Taxes paid		(1,009,475)	(529,798)
<b>Net cash generated from operations</b>		<b>15,377,692</b>	<b>3,498,604</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant & equipment		(9,083,458)	(10,337,443)
Proceeds from disposal of property, plant and equipment		40,608	13,463
Decrease in long term deposits and prepayments		(498)	(43)
Short term investment		(448,926)	94,500
Profit on bank deposits received		35,509	17,341
<b>Net cash used in investing activities</b>		<b>(9,456,767)</b>	<b>(10,212,182)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment) / Acquisition of long term loans from financial institutions - secured - net		(753,078)	4,224,263
(Repayment) / Acquisition of short term borrowings - net		(2,073,505)	2,543,137
Payment for buy back of shares		(176,009)	-
Finance cost paid		(1,513,145)	(840,689)
Lease rentals paid during the period		(7,111)	-
Redemption of preference shares		(2)	(6)
Dividend paid		(158)	(443)
<b>Net cash (used in) / generated from financing activities</b>		<b>(4,523,008)</b>	<b>5,926,262</b>
Net increase / (decrease) in cash and cash equivalents		1,397,917	(787,315)
Cash and cash equivalents at beginning of the period		(580,251)	260,804
<b>Cash and cash equivalents at end of the period</b>	15	<b>817,666</b>	<b>(526,511)</b>

The annexed notes from 1 to 19 form an integral part of these consolidated financial statements



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR NINE MONTHS PRIOD ENDED MARCH 31, 2023 (UN-AUDITED)

	SHARE CAPITAL		CAPITAL RESERVES					Revenue Reserve		TOTAL EQUITY
	Share premium	Capital redemption reserve	Own shares purchased for cancellation	FVOCI reserve	Sub - total	Surplus on revaluation of fixed assets - net of tax	Accumulated profits			
Balance as at July 1, 2021 - audited	6,060,550	528,263	-	-	6,588,813	3,135,460	17,634,595		38,342,330	
Total comprehensive income for the period	-	-	-	-	-	-	4,320,692		4,320,692	
Profit for the period ended March 31, 2022	-	-	-	-	-	-	4,320,692		4,320,692	
Other comprehensive income for the period ended March 31, 2022	-	-	-	-	-	(396,570)	396,570		-	
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-		-	
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	6,301	-		6,301	
Balance as at March 31, 2022 - unaudited	6,060,550	528,263	-	-	6,588,813	2,745,191	22,351,857		42,689,323	
Balance as at July 1, 2022 - audited	6,060,550	528,263	(496,429)	-	6,092,384	2,503,583	22,707,119		42,286,548	
Own shares purchased during the year for cancellation	-	(422,439)	496,429	-	73,989	-	-		(176,010)	
Total comprehensive income for the period	-	-	-	-	-	-	-		-	
Profit for the period ended March 31, 2023	-	-	-	-	-	-	6,183,665		6,183,665	
Other comprehensive income for the period ended March 31, 2023	-	-	-	-	-	-	-		-	
Change in fair value investments at fair value through OCI - net of taxes	-	-	-	32,223	32,223	-	-		32,223	
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	32,223	32,223	-	6,183,665		6,215,888	
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	(365,460)	365,460		-	
Balance as at March 31, 2023 - unaudited	6,060,550	105,824	-	32,223	6,198,587	2,146,447	29,256,244		48,334,750	

The annexed notes from 1 to 19 form an integral part of these consolidated financial statements



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR NINE MONTHS PRIOD ENDED MARCH 31, 2023 (UN-AUDITED)

## 1. REPORTING ENTITY

### 1.1 Maple Leaf Cement Factory Limited - (the Holding Company)

Maple Leaf Cement Factory Limited (“the Holding Company”) was incorporated in Pakistan on 13 April 1960 under the Companies Act, 1913 (now the Companies Act, 2017) as a public Company limited by shares. The Holding Company is listed on Pakistan Stock Exchange. The registered office of the Holding Company is situated at 42-Lawrence Road, Lahore, Pakistan. The cement factory is located at Iskanderabad District Mianwali in the province of Punjab. The principal activity of the Holding Company is production and sale of cement. The Holding Company is a subsidiary of Kohinoor Textile Mills Limited (the “Ultimate Holding Company”).

### 1.2 Maple Leaf Power Limited - (the Subsidiary Company)

Maple Leaf Power Limited (“the Subsidiary Company”) was incorporated in Pakistan on 15 October 2015 as a public limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Subsidiary Company has been established to set up and operate a 40 megawatt coal fired power generation plant located at Iskanderabad, District Mianwali, Punjab, Pakistan for generation of electricity. The Subsidiary Company’s registered office is located at 42 - Lawrence Road, Lahore. The principal objective of the Subsidiary Company is to develop, design, operate and maintain electric power generation plant and in connection therewith to engage in the business of generation, sale and supply of electricity.

The Subsidiary Company was granted electricity generation license from National Electric and Power Regulatory Authority (NEPRA) on 20 December 2016. The Subsidiary Company entered into a Power Purchase Agreement (“PPA”) and Steam Purchase Agreement with the Holding Company on 04 July 2017 and 31 October 2019, respectively, which are valid for 20 years.

### 1.3 Maple Leaf Industries Limited - (the Subsidiary Company)

Maple Leaf Industries Limited (“the Subsidiary Company”) has been incorporated in Pakistan as a public limited Company under the Companies Act, 2017. The principal line of business of the Company shall be to produce, manufacture, prepare, treat, process, refine, and deal etc., in all kinds of cement and its allied products.

The Holding Company and the Subsidiary Companies are collectively referred to as “ the Group” in these consolidated financial statements.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

2.1.1 These condensed interim consolidated financial statements comprises the condensed interim consolidated statement of financial position of the Company, as at 31 March 2023 and the related condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flow and condensed interim consolidated statement of

changes in equity together with the notes forming part thereof.

These condensed interim consolidated 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 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.

- 2.1.2** These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 June 2022. Comparative numbers of the condensed interim consolidated statement of financial position are extracted from the annual consolidated audited financial statements of the Company for the year ended 30 June 2022, whereas comparatives of the condensed interim consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flow and consolidated statement of changes in equity are stated from unaudited condensed interim consolidated financial statements of the Company for the nine months period ended 31 March 2022.
- 2.1.3** These condensed interim consolidated financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.
- 2.1.4** These condensed interim consolidated financial statements are presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand rupees, except otherwise stated.

### **3. JUDGMENTS AND ESTIMATES**

In preparing these condensed interim consolidated financial statements management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited consolidated financial statements for the year ended 30 June 2022.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the year ended 30 June 2022.

	Note	Un-audited March 31, 2023	Audited June 30, 2022
(Rupees in thousand)			
<b>5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX</b>			
At beginning of the period / year		3,501,994	4,224,458
Surplus on revaluation during the period / year		-	(1,986)
Related deferred tax liability		-	(786)
Transfer to unappropriated profit in respect of incremental depreciation charged during the period / year - net of deferred tax		(365,460)	(516,244)
Related deferred tax liability		(169,311)	(203,448)
<b>At end of the period / year</b>		<b>2,967,224</b>	<b>3,501,994</b>
<b>Deferred tax liability on revaluation surplus</b>			
At beginning of the period / year		998,411	1,088,998
Transferred to unappropriated profit in respect of disposal of fixed assets during the period / year		-	(786)
Transferred to unappropriated profit in respect of incremental depreciation charged during the period / year		(169,309)	(203,448)
Effect of change in tax rate and proportion of local and export sales		(8,325)	113,647
<b>At end of the period / year</b>		<b>820,777</b>	<b>998,411</b>
		<b>2,146,447</b>	<b>2,503,583</b>
<b>6. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED</b>			
Long term loans	6.1	18,752,337	19,367,668
Current portion shown under current liabilities		(2,532,563)	(2,619,800)
Non current portion shown under non current liabilities		16,219,774	16,747,868
<b>6.1 The reconciliation of the carrying amount is as follows:</b>			
Balance as at beginning of the period - gross		20,339,002	13,440,929
Disbursements during the period / year		3,246,698	10,118,985
Repayments during the period / year		(3,999,777)	(3,220,912)
Less:		19,585,923	20,339,002
Impact of deferred grant		(833,586)	(971,334)
<b>Closing Balance</b>		<b>18,752,337</b>	<b>19,367,668</b>

Note	Un-audited	Audited
	March 31, 2023	June 30, 2022

(Rupees in thousand)

## 7. TRADE AND OTHER PAYABLES

Trade creditors	4,108,529	3,670,091
Bills payable - secured	1,092,079	329,630
Accrued liabilities	1,906,273	1,378,847
Contract liabilities	352,643	345,495
Payable to Workers' Profit Participation Fund	2,242,553	1,889,435
Payable to Workers' Welfare Fund	178,077	175,669
Payable to Provident Fund Trust	21,973	17,786
	9,902,127	7,806,953
Payable to Government on account of:		
Sales Tax and Federal Excise Duty payable	1,009,817	551,020
Royalty and Excise Duty payable	10,501	80,435
Provision for electricity duty	220,468	180,652
Other Government dues payable	382,914	356,679
	1,623,700	1,168,786
Contractors' retention money	628,517	555,864
Payable against redemption of preference shares	1,008	1,010
Security deposits repayable on demand	75,389	75,214
Other payables	2,603	35,722
	707,517	667,810
	12,233,345	9,643,549

**7.1** This represents security deposits received from distributors and contractors of the Company. Distributors and contractors have given the Company a right to utilize deposits in ordinary course of business.

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2022.

**8.2** Guarantees given by banks on behalf of the Company are of Rs. 1,049.55 million (30 June 2022: Rs. 1,037.04 million) in favor of Sui Northern Gas Pipeline Limited and Government Institutions.

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>8.3 Commitments</b>			
<b>8.3.1 In respect of:</b>			
- capital expenditure		4,094,051	5,623,145
- irrevocable letters of credit for spare parts		103,848	423,764
- coal		2,931,309	1,972,000
		7,129,208	8,018,909
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	9.1	66,215,528	45,846,742
Capital work in progress - at cost	9.2	1,503,171	15,352,800
Major spare parts and stand-by equipments		184,545	280,655
		67,903,244	61,480,197
<b>9.1 Operating fixed assets</b>			
Balance at beginning of the period / year		45,846,742	46,187,994
Add: Additions / transfers during the period / year	9.1.1	23,042,033	3,248,133
		68,888,775	49,436,127
Less: Book value of operating assets disposed			
-off during the period / year		31,482	33,625
Depreciation charge during the period / year		2,641,765	3,555,760
		66,215,528	45,846,742
<b>9.1.1 Additions during the period / year:</b>			
- buildings on freehold land		5,720,441	618,970
- plant & machinery		17,157,888	2,460,441
- furniture, fixtures and equipment		138,974	29,394
- roads, bridges and railway sidings		11,895	2,117
- vehicles		-	93,190
- right of use asset		12,835	44,021
		23,042,033	3,248,133

	Note	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>			
<b>9.2 Movement in capital work-in-progress - at cost</b>			
At beginning of the period / year		15,352,800	2,854,293
Additions during the period / year		8,988,119	15,332,007
Less: Transfers during the period / year		(22,837,748)	(2,833,500)
At end of the period / year	9.2.1	1,503,171	15,352,800
<b>9.2.1 Capital work-in-progress - at cost</b>			
Civil Works		317,325	3,347,313
Plant and machinery		445,758	10,691,775
Intangible Assets		37,611	-
Furniture & Fixture		6	-
Unallocated expenses		64,738	-
Vehicles		225	-
Advances to suppliers against:			
- civil works		147,359	449,900
- plant and machinery		164,389	861,860
- intangible assets		7,047	-
- vehicles		318,712	1,952
		1,503,170	15,352,800
<b>10. TRADE DEBTS</b>			
Considered good			
Export - secured		23,785	26,995
Local - unsecured		2,866,679	2,039,217
Considered doubtful			
Local - unsecured		170,049	50,049
Less:			
- Provision for doubtful balances		(170,049)	(50,049)
		2,890,464	2,066,212

	Un-audited March 31, 2023	Audited June 30, 2022
<b>(Rupees in thousand)</b>		
<b>11. SHORT TERM INVESTMENTS</b>		
<b>FVPL - quoted:</b>		
<b>Next Capital Limited</b>		
4,269,375 (June 30, 2022: 3,712,500) fully paid ordinary shares of Rs 10 each		
Equity held: 7.50% (June 30, 2022: 7.50%)		
Cost - Rs. 30 million (June 30, 2022: Rs. 30 million)	22,329	28,846
<b>FVOCI - quoted:</b>		
<b>Pioneer Cement Limited</b>		
9,500,000 (June 30, 2022: Nil) fully paid ordinary shares of Rs 10 each		
Equity held: 4.18% (June 30, 2022: Nil)		
Cost - Rs. 618.43 million (June 30, 2022: Nil)	666,520	-
	<u>688,849</u>	<u>28,846</u>
<b>11.1 Reconciliation of carrying amount</b>		
Opening balance	28,846	54,648
Investment made during the period / year	618,426	-
Fair value gain / (loss) during the period / year	41,577	(25,802)
Closing balance	<u>688,849</u>	<u>28,846</u>
<b>Investment at Amortised cost - debt instrument</b>		
- Term deposit receipts	-	169,500
	<u>688,849</u>	<u>198,346</u>
<b>11.2</b> There has been no investment in any foreign company during the period / year. (30 June 2022: Nil)		

	<b>Nine Months Ended (Un-audited)</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>(Rupees in thousand)</b>	
<b>12. SALES - NET</b>		
Gross local sales	61,865,436	46,917,255
Less:		
Federal Excise Duty	(5,002,624)	(5,218,351)
Sales Tax	(10,071,781)	(7,512,477)
Discount and others	(664,039)	(527,652)
Commission	(238,641)	(208,398)
	(15,977,085)	(13,466,878)
Net local sales	45,888,351	33,450,377
Export sales	1,201,285	640,937
	<u>47,089,636</u>	<u>34,091,314</u>
<b>13. COST OF SALES</b>		
Raw materials consumed	2,072,146	1,761,196
Packing materials consumed	2,436,352	2,239,356
Fuel and power	22,173,891	14,764,355
Stores, spare parts and loose tools consumed	896,424	927,597
Salaries, wages and other benefits	1,141,842	1,000,965
Rent, rates and taxes	2,917	4,322
Insurance	91,067	70,242
Repairs and maintenance	326,032	356,394
Depreciation	2,580,702	2,588,489
Amortization	370	555
Vehicles running and maintenance	268,595	157,704
Freight and forwarding	1,269,077	405,617
Other expenses	110,322	104,178
	33,369,737	24,380,970
<b>Work in process:</b>		
At beginning of the period	1,775,210	1,373,133
At end of the period	(1,825,098)	(1,166,762)
	(49,888)	206,371
<b>Cost of goods manufactured</b>	33,319,849	24,587,341
<b>Finished goods:</b>		
At beginning of the period	499,534	371,669
At end of the period	(633,567)	(229,710)
	(134,033)	141,959
<b>Cost of sales</b>	<u>33,185,816</u>	<u>24,729,300</u>



**Nine Months Ended  
(Un-audited)**

March 31, 2023	March 31, 2022
<b>(Rupees in thousand)</b>	

**14. FINANCE COST**

**Profit / interest / mark up on:**

- Long term loans from financial institutions
- Short term borrowings

Notional interest on unwinding of retention money payable

Notional interest on unwinding of payable to government authority

Bank and other charges

	1,116,207	790,887
	321,635	296,564
	1,437,842	1,087,451
	2,790	20,871
	216	8,745
	51,982	32,982
	1,492,830	1,150,049
	1,492,830	1,150,049
<b>15. CASH AND CASH EQUIVALENTS</b>		
Short term running finance	(40,998)	(1,273,226)
Temporary bank overdrafts - unsecured	(62,248)	(48,380)
Cash and bank balances	920,912	795,095
	817,666	(526,511)
	817,666	(526,511)

**16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties comprise of the Holding Company, subsidiary company, associated companies, directors, key management personnel, employee benefits fund and other companies where directors have significant influence.

There is no associated company, subsidiary company, joint venture or holding company incorporated outside Pakistan with whom the Company has entered into any transactions or has agreements and / or arrangements in place during the financial year.

Details of transactions and balances with related parties except those disclosed elsewhere in these consolidated financial statements are as follows:

	Nine Months Ended (Un-audited)	
	March 31, 2023	March 31, 2022
<b>Holding company (Kohinoor Textile Mills Limited)</b>		
Sale of goods and services	1,407	92,037
<b>Key management personnel</b>		
Remuneration and other benefits	349,037	176,922
<b>Post employment benefit plans</b>		
Contributions to Provident Fund Trust	193,158	157,956
Payments to Employees Gratuity Fund Trust	24,565	15,346

## 17. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, there were no material re-arrangements.

## 18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on April 17, 2023 by the Board of Directors of the Group.

## 19. GENERAL

Figures in the financial statements have been rounded-off to the nearest thousand Rupees except stated otherwise.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR



مپل لیف



**MAPLE LEAF CEMENT**

A Kohinoor Maple Leaf Group Company  
42-Lawrence Road, Lahore, Pakistan