

THE FACTORY



 میپل لیف
MAPLE LEAF CEMENT

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SOLID

HALF YEARLY REPORT DECEMBER 31, 2023

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COMPANY INFORMATION

Board of Directors

Mr. Tariq Sayeed SaigolChairman
Mr. Sayeed Tariq SaigolChief 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

Executive Directors

Mr. Sohail Sadiq Finance
Mr. Yahya Hamid Marketing

Audit Committee

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

Human Resource & Remuneration Committee

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

Chief Financial Officer

Syed Mohsin Raza Naqvi

Company Secretary

Mr. Muhammad Ashraf

Chief Internal Auditor

Mr. Zeeshan Malik Bhutta

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
Bank Makramah Limited
The Bank of Punjab
United Bank Limited

Auditors

A. F. Ferguson & Co.
Chartered Accountants,
308-Upper Mall, Shahrah-e-Quaid-e-Azam, Lahore.
Tel: +92 (42) 3519 9343-50
Fax: +92 (42) 3519 9351
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Legal Adviser

Mr. Abdul Rehman Qureshi - Advocate High Court

Registered Office

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

Factory

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

Call Center (24/7)

0800-411111

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

Company Website:

www.kmlg.com

Note:

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

Video presentation of CEO detailing financial performance of the Company is also available on the above website

UNCONSOLIDATED FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2023



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 six months of financial year 2023-24, ended 31st December 2023.

During the review period, the Company recorded net consolidated turnover of Rs. 34,749 million, compared to Rs. 30,051 million in the previous period. The Company's top line increased by 16% as a result of higher selling prices in the local market and a slight increase in local sale quantity. The increase in selling prices is primarily owing to the strong inflationary impact on costs, particularly fuel & power, raw materials & packing.

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

Particulars	July to December		Variance	
	2023-24	2022-23	Change	Percentage
	(----- M. Tons -----)			
Production:				
Clinker Production	1,901,137	1,944,880	(43,743)	(2.25%)
Cement Production	2,136,817	2,085,757	53,836	2.45%
Sales:				
Domestic	2,066,297	2,047,484	19,774	0.97%
Exports	94,974	63,928	31,046	48.56%
Total	2,161,271	2,111,412	50,820	2.36%

Total sales volume of 2,161,271 tons in the period represents a 2.36% increase over 2,111,412 tons sold during the same period last year. Domestic sales volume was 2,066,297 tons, representing an increase of 0.97%. The export sales volume up from 63,928 tons to 94,974 tons, increased by 48.56% from the previous period due to increase in demand. Cement exports by sea 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 increased during the 2nd quarter of the current fiscal year due to disruption in the Red Sea and landed cost increased mainly due to increase in sea freight. This also resulted in hike in locally available coal of Afghan origin. Furthermore, due to import constraints caused by foreign exchange difficulties and issues with establishing import letters of credit, the Company has been unable to import significant amounts of coal. Furthermore, during the review period, the Company relied more on Darra coal and other available local 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 has also significantly opted to use polypropylene packing bags instead of paper bags to reduce its 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), solar power plants and waste heat recovery units, which are the cheapest source of electricity for the Company. 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. 11,610 million during the reporting period, a 15% increase from Rs.10,096 million in the same period last year.

The Company incurred a Finance cost of Rs. 1,862 million during the reporting period, a 72% increase from Rs. 1,084 million in the same period last year. This increase was mainly due to charging of finance cost to profit & loss account during current period subsequent to capitalization of Line 4.

The Company reported a consolidated pre-tax profit of Rs. 5,387 million for the reporting period, compared to a profit of Rs. 6,058 million in the corresponding period. The consolidated tax component was Rs. 1,518 million for the reporting period, compared to Rs. 1,750 million in the previous period.

Profits earned from Maple Leaf Power Limited (MLPL), a wholly owned subsidiary of the Company, established to install and operate 40 MW imported coal-fired captive power plant are exempt from charge of income tax. However, partial tax charge pertains to other income. MLPL has earned net profit of Rs. 714 million during the first half year of financial year 2023-24. MLPL operations have favourably impacted consolidated results by yielding substantial savings in power cost and taxation.

The Company has invested Rs. 650 million in Novacare Hospitals (Private) Limited (NHPL), a wholly owned subsidiary of the Company. This includes share deposit money of Rs. 530 million. The expenses incurred during the period in NHPL amounted to Rs. 11 million.

The aforementioned reasons decreased the post-tax bottom line for the reporting period to Rs. 3,869 million as compared to Rs. 4,308 million for the similar period previous year, representing a 10% decline. However, super tax charge during the reported period is calculated at 10% as against 4% during same period last year.

FUTURE OUTLOOK

Going forward, we expect cement demand in the domestic market to slightly decline owing to reduced public spending in construction sectors, uncertainty regarding formation of a stable government after general elections and lack of public sector spending by the government.

Import restrictions due to 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 lift 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. 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 fuels and renewable energy resources in order to reduce reliance on the National Grid to a bare minimum. Installation of Solar power project of 7.5MW is in process which will result in increase in solar power generation capacity of the Company to 20 MW.

ACKNOWLEDGEMENT

The Board would like to take this opportunity to offer its 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



(Sayeed Tariq Saigol)
Chief Executive Officer

Lahore
February 20, 2024



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MAPLE LEAF CEMENT FACTORY LIMITED REPORT ON REVIEW OF CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Maple Leaf Cement Factory Limited as at December 31, 2023 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated financial statements based on our review. The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three-month period ended December 31, 2022 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2023.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Khurram Akbar Khan.

A. F. Ferguson & Co.
Chartered Accountants,
Lahore
Date: February 20, 2024
UDIN: RR20231007ogmHBpLxRQ

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CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	Un-audited December 31, 2023	Audited June 30, 2023
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
- 1,400,000,000 (June 30, 2023: 1,400,000,000) ordinary shares of Rs.10 each		14,000,000	14,000,000
- 100,000,000 (June 30, 2023: 100,000,000) 9.75% redeemable preference shares of Rs.10 each		1,000,000	1,000,000
		<u>15,000,000</u>	<u>15,000,000</u>
Issued, subscribed and paid-up share capital 1,073,346,232 (June 30, 2023: 1,073,346,232) ordinary shares of Rs. 10 each		10,733,462	10,733,462
Capital reserves		5,979,552	6,363,952
Revenue reserve: Un-appropriated profits		29,315,075	25,946,716
Surplus on revaluation of fixed assets - net of tax	5	1,666,330	1,868,984
Total equity		<u>47,694,419</u>	<u>44,913,114</u>
NON - CURRENT LIABILITIES			
Long term loans from financial institutions - secured	6	13,361,580	15,233,337
Deferred grant		524,286	605,926
Long term loan from subsidiary company		2,000,000	2,000,000
Lease liabilities		31,392	31,408
Long term deposits		8,214	8,214
Deferred taxation		9,316,902	8,669,211
Retention money		1,754,507	1,752,988
Employee benefits obligations		309,031	278,492
		<u>27,305,912</u>	<u>28,579,576</u>
CURRENT LIABILITIES			
Current portion of:			
- Long term loans from financial institutions - secured	6	3,401,803	2,599,401
- Deferred grant		168,512	179,766
- Lease liabilities		11,838	10,257
Trade and other payables	7	14,516,073	12,518,180
Provision for taxation		237,393	-
Unclaimed dividend		27,325	27,378
Mark-up accrued on borrowings		816,915	880,039
Short term borrowings from banking companies - secured		685,157	-
		<u>19,865,016</u>	<u>16,215,021</u>
CONTINGENCIES AND COMMITMENTS	8	<u>94,865,347</u>	<u>89,707,711</u>

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

	Note	Un-audited December 31, 2023	Audited June 30, 2023
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	62,651,880	62,354,608
Intangible assets		5,783	6,946
Long term investments	10	5,680,000	5,030,000
Long term loans to employees - secured		37,966	18,089
Long term deposits		59,001	58,401
		68,434,630	67,468,044
CURRENT ASSETS			
Stores, spare parts and loose tools		12,921,640	9,925,852
Stock-in-trade		3,155,501	3,874,605
Trade debts	11	4,731,049	2,600,988
Loans and advances		915,422	868,404
Short term investments		2,753,104	3,689,556
Short term deposits and prepayments		728,371	482,930
Accrued profit		27,911	8,792
Other receivables		228,905	22,531
Income tax receivable		-	25,302
Cash and bank balances		968,814	740,707
		26,430,717	22,239,667
		94,865,347	89,707,711


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

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

Note	Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
(..... Rupees in thousand))				
Revenue	12 34,748,576	30,051,369	18,073,009	17,224,025
Cost of sales	13 (23,778,204)	(20,645,411)	(12,079,864)	(11,723,464)
Gross profit	10,970,372	9,405,958	5,993,145	5,500,561
Administrative expenses	(963,435)	(679,043)	(560,292)	(309,823)
Distribution cost	(2,795,655)	(1,649,225)	(1,644,449)	(895,538)
Net impairment losses on financial assets	(177,000)	(60,000)	(90,000)	(30,000)
Other expenses	(489,560)	(570,134)	(263,031)	(227,084)
Other income	142,384	59,681	67,665	52,037
Finance cost	(2,098,792)	(1,249,912)	(1,034,310)	(606,996)
Profit before taxation	4,588,314	5,257,325	2,468,728	3,483,157
Taxation	(1,422,610)	(1,701,555)	(633,435)	(1,137,511)
Profit for the period	3,165,704	3,555,770	1,835,293	2,345,646
Earnings per share in Rupees (Basic and diluted)	14 2.95	3.31	1.71	2.18

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR SIX MONTHS AND QUARTER ENDED
DECEMBER 31, 2023 (UN-AUDITED)

	Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
	(..... Rupees in thousand)			
Profit for the period	3,165,704	3,555,770	1,835,293	2,345,646
Other comprehensive income for the period - net of tax				
Items that may be reclassified subsequently to profit or loss:				
Items that will not be subsequently reclassified to profit or loss:				
Change in fair value of investments at fair value through other comprehensive income (FVOCI)	490,359	-	516,942	-
Tax effect of change in fair value of investments at FVOCI	(122,590)	-	(129,295)	-
Surplus on revaluation of fixed assets Effect on deferred tax due to change in effective tax rate	-	-	(24,612)	-
	367,769	-	363,035	-
Total comprehensive income for the period	3,533,473	3,555,770	2,198,328	2,345,646

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR SIX MONTHS ENDED DECEMBER 31, 2023 (UN-AUDITED)

	Note	July to December 2023	July to December 2022
(Rupees in thousand)			
Net cash generated from operations	15	5,760,254	9,535,759
Increase in long term loans to employees		(19,877)	(2,125)
Employee benefits obligations paid		(11,039)	(30,906)
Income tax paid		(634,813)	(720,627)
Net cash inflow from operating activities		5,094,525	8,782,101
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(2,442,117)	(6,034,201)
Proceeds from disposal of property, plant and equipment		39,606	33,213
Investments in equity instruments		(530,000)	-
Increase in long term deposits and prepayments		(600)	(290)
Disposal of short term investments		1,924,604	-
Purchase of short term investments		(496,000)	(550,000)
Profit on bank deposits received		33,837	9,177
Net cash outflow from investing activities		(1,470,670)	(6,542,101)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term loans from banking companies - secured		(1,162,250)	(1,893,655)
Acquisition of long term loans from banking companies - secured		-	3,208,746
Acquisition / (repayment) of short term borrowings - net		399,999	(1,310,015)
Payment for buy back of shares		(752,168)	(176,009)
Finance cost paid		(2,158,955)	(1,019,540)
Lease rentals paid during the period		(7,479)	(3,478)
Dividend paid		(53)	(120)
Net cash outflow from financing activities		(3,680,906)	(1,194,071)
Net (decrease) / increase in cash and cash equivalents		(57,051)	1,045,929
Cash and cash equivalents at beginning of the period		740,707	(603,919)
Cash and cash equivalents at end of the period	16	683,656	442,010

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR SIX MONTHS ENDED DECEMBER 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	Un-appropriated profits		
(Rupees in thousand)									
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
Reserve used for own shares purchased for cancellation	-	-	-	496,429	-	496,429	-	-	496,429
Own shares purchased during the period for cancellation	(250,000)	-	(422,439)	-	-	(422,439)	-	-	(672,439)
	(250,000)	-	(422,439)	496,429	-	73,990	-	-	(176,010)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	3,555,770	3,555,770
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	3,555,770	3,555,770
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	(241,451)	241,451	-
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	-	8,403	-	8,403
Balance as at December 31, 2022 - Unaudited	10,733,462	6,060,550	105,824	-	-	6,166,374	2,226,919	24,820,423	43,947,178
Balance as at July 1, 2023 - audited	10,733,462	6,060,550	105,824	-	197,578	6,363,951	1,868,984	25,946,717	44,913,114
Own shares purchased during the period for cancellation	-	-	-	(752,168)	-	(752,168)	-	-	(752,168)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	3,165,704	3,165,704
Other comprehensive income for the period	-	-	-	-	367,769	367,769	-	-	367,769
	-	-	-	-	367,769	367,769	-	3,165,704	3,533,473
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	(202,654)	202,654	-
Balance as at December 31, 2023 - Unaudited	10,733,462	6,060,550	105,824	(752,168)	565,347	5,979,552	1,666,330	29,315,075	47,694,419

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED DECEMBER 31, 2023 (UN-AUDITED)

1. STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

2.1 Separate financial statements

These unconsolidated condensed interim 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.

Un-audited December 31, 2023	Audited June 30, 2023
(Direct holding percentage)	

The Company has the following subsidiaries:

Subsidiary Companies

Maple Leaf Power Limited	100	100
Maple Leaf Industries Limited	100	100
Novacare Hospitals (Private) Limited	100	-

2.1.1 Maple Leaf Power Limited ("MLPL") was incorporated in Pakistan on October 15, 2015 as a public company under the Companies Ordinance, 1984 (now the Companies Act, 2017). MLPL operates a 40 megawatt coal fired power generation plant at Iskanderabad, District Mianwali, Punjab, Pakistan for generation of electricity. MLPL's registered office is located at 42 - Lawrence Road, Lahore. MLPL's principal objective 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.

2.1.2 Maple Leaf Industries Limited ("MLIL") is a public company incorporated in Pakistan on September 21, 2022 under the Companies Act, 2017. MLIL's objective is to produce, manufacture, prepare, treat, process, refine, and deal in all kinds of cement and its allied products. The registered office of MLIL is situated at 42-Lawrence Road, Lahore, Pakistan. MLIL has not yet commenced its commercial operations.

2.1.3 Novacare Hospitals (Private) Limited (the "Novacare") was incorporated on March 21, 2023 as a private company limited by shares having its registered office at No. 7, Street 589, G-13/2, Islamabad. The principal activity of Novacare is to establish a state of the art hospital at Phase 5, Defence Housing Authority, Islamabad and hospitals at other larger cities of Pakistan, particularly Karachi and Lahore.

2.2 Statement of compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Accounting Standard ('IAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
- ii) 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.

2.3 These unconsolidated condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017 (the 'Act').

These unconsolidated condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The Company is required to issue condensed interim consolidated financial statements along with its condensed interim separate financial statements in accordance with the requirements of accounting and reporting standards as applicable in Pakistan. Condensed interim consolidated financial statements are prepared separately.

3. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2023 except for the estimation of income tax (see note 4.5) and adoption of new and amended standards as set out in note 4.2.

4. MATERIAL ACCOUNTING POLICIES

4.1 The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although these amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that users need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.2 Standards, amendments to published standards and interpretations that are effective in the current period

Certain standards, amendments and interpretations to International Financial Reporting Standards (IFRS) are effective for accounting period beginning on July 1, 2023, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

4.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

4.4 Accounting estimates

The preparation of unconsolidated condensed interim financial statements requires management to make 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.

In preparing these unconsolidated condensed interim financial statements, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual financial statements of the Company for the year ended June 30, 2023, with the exception of change in estimate that is required in determining the provision for income taxes as referred to in note 4.5.

4.5 Taxation

Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

	Note	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)			
5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX			
At beginning of the period / year		1,868,984	2,459,967
Surplus on disposal of fixed assets during the period / year - net of tax		-	(385)
Transfer to unappropriated profits in respect of incremental depreciation charged during the period / year - net of tax		(202,654)	(443,313)
Effect of change in tax rate and proportion of local and export sales		-	(147,285)
At end of the period / year		1,666,330	1,868,984
6. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED			
Long term loans	6.1	16,763,383	17,832,738
Current portion shown under current liabilities		(3,401,803)	(2,599,401)
		13,361,580	15,233,337
6.1 The reconciliation of the carrying amount is as follows:			
Balance as at beginning of the period - gross		18,618,430	20,339,002
Disbursements during the period / year		-	3,246,698
Repayments during the period / year		(1,162,250)	(4,967,270)
		17,456,180	18,618,430
Impact of deferred grant	6.1.1	(692,797)	(785,692)
Closing balance		16,763,383	17,832,738
6.1.1 The reconciliation of the carrying amount is as follows:			
Opening balance		785,692	971,334
Credited to the statement of profit or loss		(92,895)	(185,642)
		692,797	785,692
Closing balance		692,797	785,692
Current portion shown under current liabilities		(168,511)	(179,766)
Non - current portion		524,286	605,926

	Un-audited December 31, 2023	Audited June 30, 2023
	(Rupees in thousand)	
7. TRADE AND OTHER PAYABLES		
Trade creditors	5,054,700	3,390,287
Due to subsidiary company	2,138,861	1,871,865
Bills payable	1,407,121	1,414,069
Accrued liabilities	1,616,828	1,837,690
Contract liabilities	295,817	445,838
Payable to Workers' Profit Participation Fund	1,812,695	1,564,031
Payable to Workers' Welfare Fund	374,075	280,436
Payable to Provident Fund Trust	25,336	-
	12,725,433	10,804,216
Payable to Government on account of:		
Federal Excise Duty payable	183,622	374,455
Sales tax payable - net	643,435	770,490
Royalty and Excise Duty payable	263,240	35,059
Other taxes payable	201,173	87,253
	1,291,470	1,267,257
Contractors' retention money	344,914	359,096
Payable against redemption of preference shares	1,004	1,005
Security deposits repayable on demand	83,415	76,723
Other payables	69,837	9,883
	499,170	446,707
	<u>14,516,073</u>	<u>12,518,180</u>

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no significant change in contingencies from the preceding annual audited financial statements of the Company for the year ended June 30, 2023, except for the following updates. Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of these matters. Consequently, no provision for these amounts has been made in these unconsolidated condensed interim financial statements.

- (i) With reference to the matter disclosed in note 33.10 of the annual audited financial statements of the Company for the year ended June 30, 2023 wherein the income tax refund of the Company was curtailed to Rs. 862.510 million in respect of the tax year 2021, being aggrieved by the order of Additional Commissioner Inland Revenue ('ACIR') the Company filed an appeal before Commissioner Inland Revenue - Appeals ('CIR-A'). Subsequent to period end, CIR-A through his order dated February 7, 2024, provided relief to the Company on some of the issues taken up in appeal and upheld the order of ACIR on rest of the issues.

Being aggrieved by the decision of the CIR-A, the Company is in the process of filing an appeal before the Appellate Tribunal Inland Revenue ('ATIR').

- (ii) Guarantees given by banks on behalf of the Company are of Rs. 1,334.64 million (June 30, 2023: Rs. 1,101.36 million) in favor of Sui Northern Gas Pipelines Limited and Government Institutions.

	Note	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)			
8.2 Commitments in respect of:			
- Capital expenditure		1,954,940	3,257,391
- Irrevocable letters of credit for spare parts purchases		1,546,333	400,478
- Coal purchases		890,972	1,992,761
		<u>4,392,245</u>	<u>5,650,630</u>
9. Property, plant and equipment			
Operating fixed assets	9.1	60,382,027	60,396,461
Right of use assets		42,732	43,112
Capital work in progress - at cost	9.2	1,969,666	1,676,796
Major spare parts and stand-by equipment		257,455	238,239
		<u>62,651,880</u>	<u>62,354,608</u>
9.1 Operating fixed assets			
The reconciliation of carrying amount is as follows:			
Balance at beginning of the period / year		60,396,461	41,115,287
Add: Additions during the period / year	9.1.1	2,130,411	22,789,144
		62,526,872	63,904,431
Less:			
Book value of operating assets disposed of during the period / year	9.1.2	16,219	46,742
Depreciation charge during the period / year		2,128,626	3,461,228
		<u>2,144,845</u>	<u>3,507,970</u>
		<u>60,382,027</u>	<u>60,396,461</u>
9.1.1 Additions during the period / year:			
- Freehold land		20,267	2,450
- Buildings on freehold land		377,601	5,722,076
- Plant and machinery		1,681,394	16,580,806
- Furniture, fixtures and equipment		8,579	60,303
- Roads, bridges and railway sidings		2,027	11,895
- Vehicles		40,543	411,614
		<u>2,130,411</u>	<u>22,789,144</u>
9.1.2 Disposals during the period / year at book value:			
- Plant and machinery		5,076	27,014
- Vehicles		11,143	19,562
- Furniture, fixtures and equipment		-	166
		<u>16,219</u>	<u>46,742</u>

	Note	Un-audited December 31, 2023	Audited June 30, 2023
9.2 Capital work-in-progress - at cost			
Civil works		415,157	372,317
Plant and machinery		212,830	588,012
Roads and bridges		75,739	12,952
Land		-	10,083
Intangible assets		47,661	47,661
IT equipment		31,753	-
Unallocated expenses		-	84,517
Vehicles		4,877	266
Advances to suppliers against:			
- civil works		530,272	130,188
- plant and machinery		285,873	409,274
- intangible assets		30,334	19,575
- vehicles		335,170	1,951
		1,969,666	1,676,796
10. LONG TERM INVESTMENTS			
Investment in Maple Leaf Power Limited - Unquoted		5,020,000	5,020,000
Investment in Maple Leaf Industries Limited - Unquoted		10,000	10,000
Investment in Novacare Hospitals (Private) Limited - Unquoted	10.1	650,000	-
		5,680,000	5,030,000

10.1 The Company holds 100% (June 30, 2023: nil) shares in Novacare Hospitals (Private) Limited, a wholly owned subsidiary of the Company. This includes share deposit money of Rs. 530 million.

		Un-audited December 31, 2023	Audited June 30, 2023
11. TRADE DEBTS			
Export - secured		111,315	25,313
Local - unsecured		5,026,782	2,805,724
		5,138,097	2,831,037
Loss allowance		(407,048)	(230,049)
		4,731,049	2,600,988

	Half Year Ended	
	December 31, 2023	December 31, 2022
	(Un-audited)	
	(Rupees in thousand)	
12. REVENUE		
Gross local sales	46,180,576	39,202,815
Less:		
- Federal excise duty	(4,122,267)	(3,071,226)
- Sales tax	(7,844,912)	(6,331,941)
- Discount and others	(534,782)	(414,289)
- Commission	(202,769)	(144,802)
	(12,704,730)	(9,962,258)
Net local sales	33,475,846	29,240,557
Export sales	1,272,730	810,812
	34,748,576	30,051,369
13. COST OF SALES		
Raw materials consumed	1,970,787	1,297,413
Packing materials consumed	1,902,299	1,545,562
Fuel and power	15,464,158	15,310,014
Stores, spare parts and loose tools consumed	573,310	376,754
Salaries, wages and other benefits	868,828	724,851
Rent, rates and taxes	221	762
Insurance	109,222	54,897
Repairs and maintenance	380,232	212,835
Depreciation	2,071,878	1,575,933
Amortization	165	249
Vehicles running and maintenance	233,469	165,219
Other expenses	139,037	97,070
	23,713,606	21,361,559
Work in process:		
At beginning of the period	1,898,084	1,814,046
At end of the period	(2,000,742)	(2,560,343)
	(102,658)	(746,297)
Cost of goods manufactured	23,610,948	20,615,262
Finished goods:		
At beginning of the period	711,710	514,254
At end of the period	(544,454)	(484,105)
	167,256	30,149
Cost of sales	23,778,204	20,645,411

Half Year Ended
December 31, December 31,
2023 2022
(Un-audited)
(Rupees in thousand)

14. EARNINGS PER SHARE

14.1 Basic earnings per share

Profit after taxation attributable to ordinary shareholders - (Rupees in '000)	3,165,704	3,555,770
Weighted average number of ordinary shares - (Number in '000)	1,073,463	1,073,463
Earnings per share - Basic and diluted (Rupees)	2.95	3.31

14.2 There is no dilution effect on the basic earnings per share.

Note July to December July to December
2023 2022
(Rupees in thousand)

15. CASH GENERATED FROM OPERATIONS

Profit before taxation	4,588,314	5,257,325
Adjustments for non-cash changes and other items:		
Depreciation on operating fixed assets	2,128,626	1,614,499
Amortization of intangible assets	1,164	1,749
Net impairment losses on financial assets	177,000	60,000
Other receivables written off	-	2,509
Gain on disposal of property, plant and equipment	(23,387)	(11,885)
Re-measurement of short term investments at fair value	1,793	8,140
Employee benefits obligations expense	41,533	45,069
Profit on bank deposits	(52,956)	(19,582)
Finance cost	2,098,792	1,249,912
Profit before working capital changes	8,960,879	8,207,736
Effect on cash flow due to working capital changes:		
Current assets:		
(Increase) / decrease in stores, spare parts and loose tools	(2,995,788)	652,455
Decrease / (increase) in stock-in-trade	719,104	(816,193)
Increase in trade debts	(2,307,060)	(1,470,814)
(Increase) / decrease in loans and advances	(164,479)	128,955
(Increase) / decrease in short term deposits and prepayments	(245,441)	14,503
(Increase) / decrease in other receivables	(206,374)	18,477
	(5,200,038)	(1,472,617)
Current liabilities:		
Increase in trade and other payables	1,999,413	2,800,640
	(3,200,625)	1,328,023
	5,760,254	9,535,759

	December 31, December 31,	
	2023	2022
	(Un-audited)	
	(Rupees in thousand)	
16. CASH AND CASH EQUIVALENTS		
Short term running finance	(285,158)	(261,469)
Temporary bank overdrafts - unsecured	-	(6,302)
Cash and bank balances	968,814	709,781
	683,656	442,010

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include the Holding Company, subsidiary companies, directors, key management personnel and post employment benefit plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

	Relationship with the Company	Nature of transaction	Half Year Ended	
			December 31, 2023	December 31, 2022
			(Un-audited)	
			(Rupees in thousand)	
	i. Subsidiary entities	Sale of goods	3,349,092	2,815,064
		Purchase of goods	4,395,995	3,979,743
		Markup charged during the period	239,805	166,609
		Expense paid on behalf of related party	114,428	73,820
	ii. Holding company	Sale of goods and services	819	700
	iii. Key management personnel	Salaries and other employment benefits	376,817	242,163
	iv. Post employment benefit plans	Contributions to Provident Fund Trust	218,998	125,335
		Payments to Employees Gratuity Fund Trust	6,990	21,020
			Un-audited	Audited
			December 31,	June 30,
			2023	2023
			(Rupees in thousand)	
	Period / year end balances			
	Payable to related parties			
	Markup payables		119,272	115,084
	Receivable from related parties			
	Other receivables		215,054	11,665

18. FINANCIAL RISK MANAGEMENT

18.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

18.2 FAIR VALUE ESTIMATION

Fair value hierarchy

The different levels for fair value estimation used by the Company have been defined as follows:

- The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.
- The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.
- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed above. The following table presents the Company's financial assets measured and recognised at fair value at December 31, 2023 and June 30, 2023 on a recurring basis:

		Level 1	Level 2	Level 3
Total				
As at December 31, 2023				
Recurring fair value measurements				
Assets				
Short term investments - FVPL	427,723	-	-	427,723
Short term investments - FVOCI	1,990,881	-	-	1,990,881
	<u>2,418,604</u>	<u>-</u>	<u>-</u>	<u>2,418,604</u>
As at June 30, 2023				
Recurring fair value measurements				
Assets				
Short term investments - FVPL	1,924,815	-	-	1,924,815
Short term investments - FVOCI	1,500,522	-	-	1,500,522
	<u>3,425,337</u>	<u>-</u>	<u>-</u>	<u>3,425,337</u>

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between Levels 1, 2 and 3 during the period. There were no changes in valuation techniques during the period.

The Company did not measure any financial liabilities at fair value on a non-recurring basis as at December 31, 2023.

19. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on February 20, 2024 by the Board of Directors of the Company.

20. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. However, there were no material re-arrangements, other than the following:

- Freight expense previously classified under 'Cost of Sales' is now classified under 'Distribution cost'. The amount of expense is Rs. 1,610.355 million for the six month period ended December 31, 2023 (December 31, 2022: Rs. 764.614 million) and Rs.1,033.474 million for the three months period ended December 31, 2023 (December 31, 2022: Rs. 428.268 million).
- Net impairment losses on financial assets classified under 'Other expenses' is now presented as a separate line item on face of the unconsolidated condensed interim statement of profit or loss.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONSOLIDATED FINANCIAL STATEMENTS

For the Half Year Ended December 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 namely, Maple Leaf Power Limited, Maple Leaf Industries Limited and Novacare Hospitals (Private) Limited (collectively referred to as group) for the half-year ended December 31, 2023.

GROUP RESULTS

The Group has earned gross profit of Rupees 11,610 million as compared to Rupees 10,096 million of corresponding period. The Group made after tax profit of Rupees 3,869 million during this period as compared to net profit after tax of Rupees 4,308 million during the corresponding period.

The overall group financial results are as follows:

	Six Month Period Ended	
	December 31, 2023	December 31, 2022
	(Rupees in million)	
Revenue	34,749	30,051
Gross Profit	11,610	10,096
Profit from operations	7,249	7,142
Financial cost	1,862	1,084
Profit after tax	3,869	4,308
	(----- Rupees -----)	
Earnings per share – Basic and diluted	3.60	4.01

SUBSIDIARY COMPANIES

MAPLE LEAF POWER LIMITED (MLPL)

Maple Leaf Cement Factory Limited has formed a subsidiary company namely “Maple Leaf Power Limited (MLPL).” MLPL (“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”) is a Limited Company incorporated in Pakistan on September 21, 2022 as a public limited under Companies Act, 2017. The Company is wholly owned subsidiary of Maple Leaf Cement Factory Limited (“the Company”) whereas its ultimate parent is Kohinoor Textile Mills Limited (“the Holding Company”). The Company’s objective is to produce, manufacture, prepare, treat, process, refine, and deal in all kinds of cement and its allied products. The registered office of the Company is situated at 42-Lawrence Road, Lahore, Pakistan. The Company has not yet commenced its commercial operations.

NOVACARE HOSPITALS (PRIVATE) LIMITED (THE “NOVACARE”)

Novacare Hospitals (Private) Limited (the “Novacare”) was incorporated on March 21, 2023 as a private company limited by shares having its registered office at No. 7, Street 589, G-13/2, Islamabad. The principal activity of Novacare is to establish a state-of-the-art hospital at Phase 5, Defense Housing Authority, Islamabad and hospitals at other larger cities of Pakistan, particularly Karachi and Lahore.


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: February 20, 2024

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
- 1,400,000,000 (June 30, 2023: 1,400,000,000) ordinary shares of Rs. 10 each		14,000,000	14,000,000
- 100,000,000 (June 30, 2023: 100,000,000) 9.75% redeemable preference shares of Rs. 10 each		1,000,000	1,000,000
		<u>15,000,000</u>	<u>15,000,000</u>
Issued, subscribed and paid-up share capital 1,073,346,232 (June 30, 2023: 1,073,346,232) ordinary shares of Rs. 10 each		10,733,962	10,733,462
Capital reserves		5,979,553	6,363,952
Revenue reserve: Un-appropriated profits		32,999,110	28,921,425
Surplus on revaluation of fixed assets - net of tax	5	1,691,808	1,900,302
Total equity		<u>51,404,433</u>	<u>47,919,141</u>
NON - CURRENT LIABILITIES			
Long term loans from financial institutions - secured	6	13,361,580	15,233,337
Deferred grant		524,286	605,926
Lease liabilities		31,392	31,408
Long term deposits		8,214	8,214
Deferred taxation		9,355,044	8,707,481
Retention money		1,754,507	1,752,988
Employee benefits obligations		309,031	278,492
		<u>25,344,054</u>	<u>26,617,846</u>
CURRENT LIABILITIES			
Current portion of:			
- Long term loans from financial institutions - secured	6	3,401,803	2,599,401
- Deferred grant		168,512	179,766
- Lease liabilities		11,838	10,257
Trade and other payables	7	13,955,673	11,445,190
Provision for taxation		378,468	21,342
Unclaimed dividend		27,325	27,378
Mark-up accrued on borrowings		697,643	764,955
Short term borrowings from banking companies - secured		685,157	-
		<u>19,326,419</u>	<u>15,048,289</u>
CONTINGENCIES AND COMMITMENTS			
	8	<u>96,074,906</u>	<u>89,585,276</u>

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

	Note	Un-audited December 31, 2023 (Rupees in thousand)	Audited June 30, 2023
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	68,855,367	66,746,105
Intangible assets		5,783	6,946
Long term loans to employees - secured		37,966	18,089
Long term deposits		59,001	58,401
		<u>68,958,117</u>	<u>66,829,541</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		13,602,314	10,462,363
Stock-in-trade		3,104,154	3,814,163
Trade debts	10	4,731,049	2,600,988
Loans and advances		1,046,161	900,460
Short term investments		2,762,604	3,698,556
Short term deposits and prepayments		752,269	497,930
Accrued profit		28,246	9,118
Other receivables		53,363	21,905
Cash and bank balances		1,036,629	750,252
		<u>27,116,789</u>	<u>22,755,735</u>
		<u><u>96,074,906</u></u>	<u><u>89,585,276</u></u>


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

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

		Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
	Note	(..... Rupees in thousand)			
Revenue	11	34,748,576	30,051,369	18,073,009	17,224,025
Cost of sales	12	(23,138,420)	(19,955,811)	(11,690,486)	(11,159,463)
Gross profit		11,610,156	10,095,558	6,382,523	6,064,562
Administrative expenses		(983,964)	(690,360)	(576,471)	(314,668)
Distribution cost		(2,795,655)	(1,649,225)	(1,644,449)	(895,538)
Net impairment losses on financial assets		(177,000)	(60,000)	(90,000)	(30,000)
Other expenses		(550,933)	(614,056)	(302,073)	(261,705)
Other income		146,100	59,758	70,608	51,890
Finance cost		(1,861,534)	(1,084,069)	(915,573)	(522,722)
Profit before taxation		5,387,170	6,057,606	2,924,565	4,091,819
Taxation		(1,517,979)	(1,749,612)	(681,543)	(1,162,036)
Profit for the period		3,869,191	4,307,994	2,243,022	2,929,783
Earnings per share in Rupees					
(Basic and diluted)	13	3.60	4.01	2.09	2.72

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR SIX MONTHS AND QUARTER ENDED
DECEMBER 31, 2023 (UN-AUDITED)

	Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
	(..... Rupees in thousand)			
Profit for the period	3,869,191	4,307,994	2,243,022	2,929,783
Other comprehensive income for the period - net of tax				
Items that may be reclassified subsequently to profit or loss:				
Items that will not be subsequently reclassified to profit or loss:				
Change in fair value of investments at fair value through other comprehensive income (FVOCI)	490,359	-	516,942	-
Tax effect of change in fair value of investments at FVOCI	(122,590)	-	(129,295)	-
Surplus on revaluation of fixed assets Effect on deferred tax due to change in effective tax rate	-	-	(24,612)	-
	367,769	-	363,035	-
Total comprehensive income for the period	4,236,960	4,307,994	2,606,057	2,929,783

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR SIX MONTHS ENDED DECEMBER 31, 2023 (UN-AUDITED)

	Note	July to December 2023	July to December 2022
(Rupees in thousand)			
Net cash generated from operations	14	7,029,303	9,407,291
Increase in long term loans to employees		(19,877)	(2,125)
Employee benefits obligations paid		(11,039)	(30,906)
Income tax paid		(635,877)	(722,062)
Net cash inflow from operating activities		6,362,510	8,652,198
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(4,417,071)	(6,041,558)
Proceeds from disposal of property, plant and equipment		39,606	34,999
Increase in long term deposits and prepayments		(600)	(290)
Disposal of short term investments		1,924,104	-
Purchase of short term investments		(496,000)	(550,000)
Profit on bank deposits received		36,005	9,625
Net cash outflow from investing activities		(2,913,956)	(6,547,224)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term loans from banking companies - secured		(1,162,250)	(1,893,655)
Acquisition of long term loans from banking companies - secured		-	3,208,746
Issuance of shares		500	
Acquisition / (repayment) of short term borrowings - net		399,999	(1,310,015)
Payment for buy back of shares		(752,168)	(176,009)
Finance cost paid		(1,925,885)	(905,750)
Lease rentals paid during the period		(7,479)	(3,478)
Dividend paid		(53)	(120)
Net cash outflow from financing activities		(3,447,336)	(1,080,281)
Net increase in cash and cash equivalents		1,219	1,024,693
Cash and cash equivalents at beginning of the period		750,252	(580,251)
Cash and cash equivalents at end of the period	15	751,471	444,442

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR SIX MONTHS ENDED DECEMBER 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	Un-appropriated profits		
(Rupees in thousand)									
Balance as at July 1, 2022 - audited	10,983,462	6,060,550	528,263	(496,429)	-	6,092,384	2,503,583	22,707,119	42,286,548
Reserve used for own shares purchased for cancellation	-	-	-	496,429	-	496,429	-	-	496,429
Own shares purchased during the period for cancellation	(250,000)	-	(422,439)	-	-	(422,439)	-	-	(672,439)
	(250,000)	-	(422,439)	496,429	-	73,990	-	-	(176,010)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	4,307,994	4,307,994
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	4,307,994	4,307,994
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	(247,464)	247,464	-
Effect on deferred tax due to change in effective tax rate due to proportion of local and export sales	-	-	-	-	-	-	8,403	-	8,403
Balance as at December 31, 2022 - Unaudited	10,733,462	6,060,550	105,824	-	-	6,166,374	2,264,522	27,262,577	46,426,935
Balance as at July 1, 2023 - audited	10,733,462	6,060,550	105,824	-	197,578	6,363,952	1,900,302	28,921,425	47,919,141
Own shares purchased during the period for cancellation	-	-	-	(752,168)	-	(752,168)	-	-	(752,168)
Ordinary shares issued during the period	500	-	-	-	-	-	-	-	500
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	3,869,191	3,869,191
Other comprehensive income for the period	-	-	-	-	367,769	367,769	-	-	367,769
	-	-	-	-	367,769	367,769	-	3,869,191	4,236,960
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	(208,494)	208,494	-
Balance as at December 31, 2023 - Unaudited	10,733,962	6,060,550	105,824	(752,168)	565,347	5,979,553	1,691,808	32,999,110	51,404,433

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED DECEMBER 31, 2023 (UN-AUDITED)

1. REPORTING ENTITY

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

Maple Leaf Cement Factory Limited (“the Company”) was incorporated in Pakistan on April 13, 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 Ultimate Holding Company”).

1.2 Maple Leaf Power Limited - (“the Subsidiary Company”)

Maple Leaf Power Limited (“the Subsidiary Company”) was incorporated in Pakistan on October 15, 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 December 20, 2016. The Subsidiary Company entered into a Power Purchase Agreement (“PPA”) and Steam Purchase Agreement with the Holding Company on July 04, 2017 and October 31, 2019, respectively, which are valid for 20 years.

1.3 Maple Leaf Industries Limited - (“the Subsidiary Company”)

Maple Leaf Industries Limited (“the Subsidiary Company”) is a Limited Company incorporated in Pakistan on September 21, 2022 as a public limited under Companies Act, 2017. The Company is wholly owned subsidiary of Maple Leaf Cement Factory Limited (“the Company”) whereas its ultimate parent is Kohinoor Textile Mills Limited (“the Holding Company”). The Company’s objective is to produce, manufacture, prepare, treat, process, refine, and deal in all kinds of cement and its allied products. The registered office of the Company is situated at 42-Lawrence Road, Lahore, Pakistan. The Company has not yet commenced its commercial operations. The financial statements of the Company are for the period from 21 September 2022 to June 30, 2023.

1.4 Novacare Hospitals (Private) Limite - (“the Subsidiary Company”)

Novacare Hospitals (Private) Limited (the “Novacare”) was incorporated on March 21, 2023 as a private company limited by shares having its registered office at No. 7, Street 589, G-13/2, Islamabad. The principal activity of Novacare is to establish a state of the art hospital at Phase 5, Defence Housing Authority, Islamabad and hospitals at other larger cities of Pakistan, particularly Karachi and Lahore.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Accounting Standard ('IAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
- ii) 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 These consolidated condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017 (the 'Act').

These consolidated condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2023. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The Company is required to issue condensed interim consolidated financial statements along with its condensed interim separate financial statements in accordance with the requirements of accounting and reporting standards as applicable in Pakistan. Condensed interim unconsolidated financial statements are prepared separately.

3. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2023 except for the estimation of income tax (see note 4.5) and adoption of new and amended standards as set out in note 4.2.

4. MATERIAL ACCOUNTING POLICIES

- 4.1 The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although these amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that users need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.2 Standards, amendments to published standards and interpretations that are effective in the current period

Certain standards, amendments and interpretations to International Financial Reporting Standards (IFRS) are effective for accounting period beginning on July 1, 2023, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated condensed interim financial statements.

4.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these consolidated condensed interim financial statements.

4.4 Accounting estimates

The preparation of consolidated condensed interim financial statements requires management to make 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.

In preparing these consolidated condensed interim financial statements, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual financial statements of the Company for the year ended June 30, 2023, with the exception of change in estimate that is required in determining the provision for income taxes as referred to in note 4.5.

4.5 Taxation

Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

	Note	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)			
5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX			
At beginning of the period / year		1,900,302	2,503,583
Surplus on disposal of fixed assets during the period / year - net of tax		-	(385)
Transfer to unappropriated profits in respect of incremental depreciation charged during the period / year - net of tax		(208,494)	(455,012)
Effect of change in tax rate and proportion of local and export sales		-	(147,884)
At end of the period / year		1,691,808	1,900,302
6. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED			
Long term loans	6.1	16,763,383	17,832,738
Current portion shown under current liabilities		(3,401,803)	(2,599,401)
		13,361,580	15,233,337
6.1 The reconciliation of the carrying amount is as follows:			
Balance as at beginning of the period - gross		18,618,430	20,339,002
Disbursements during the period / year		-	3,246,698
Repayments during the period / year		(1,162,250)	(4,967,270)
		17,456,180	18,618,430
Impact of deferred grant	6.1.1	(692,797)	(785,692)
Closing balance		16,763,383	17,832,738
6.1.1 The reconciliation of the carrying amount is as follows:			
Opening balance		785,692	971,334
Credited to the statement of profit or loss		(92,895)	(185,642)
		692,797	785,692
Closing balance		692,797	785,692
Current portion shown under current liabilities		(168,511)	(179,766)
Non - current portion		524,286	605,926

Un-audited December 31, 2023	Audited June 30, 2023
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(Rupees in thousand)

7. TRADE AND OTHER PAYABLES

Trade creditors	5,301,310	3,412,227
Bills payable	1,409,990	1,416,937
Accrued liabilities	2,204,061	1,879,568
Contract liabilities	295,817	445,838
Payable to Workers' Profit Participation Fund	2,194,751	1,903,611
Payable to Workers' Welfare Fund	434,779	329,660
Payable to Provident Fund Trust	25,336	-
	11,866,044	9,387,841
Payable to Government on account of:		
Federal Excise Duty payable	183,622	374,455
Sales tax payable - net	551,049	783,157
Royalty and Excise Duty payable	263,240	35,059
Provision for electricity duty	279,006	230,656
Other taxes payable	302,457	183,622
	1,579,374	1,606,949
Contractors' retention money	347,773	360,396
Payable against redemption of preference shares	1,004	1,005
Security deposits repayable on demand	83,415	76,723
Other payables	78,063	12,276
	510,255	450,400
	13,955,673	11,445,190

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no significant change in contingencies from the preceding annual audited financial statements of the Company for the year ended June 30, 2023, except for the following updates. Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of these matters. Consequently, no provision for these amounts has been made in these consolidated condensed interim financial statements.

- (i) With reference to the matter disclosed in note 33.10 of the annual audited financial statements of the Company for the year ended June 30, 2023 wherein the income tax refund of the Company was curtailed to Rs. 862.510 million in respect of the tax year 2021, being aggrieved by the order of Additional Commissioner Inland Revenue ('ACIR') the Company filed an appeal before Commissioner Inland Revenue - Appeals ('CIR-A'). Subsequent to period end, CIR-A through his order dated February 7, 2024, provided relief to the Company on some of the issues taken up in appeal and upheld the order of ACIR on rest of the issues.

Being aggrieved by the decision of the CIR-A, the Company is in the process of filing an appeal before the Appellate Tribunal Inland Revenue ('ATIR').

- (ii) Guarantees given by banks on behalf of the Company are of Rs 1,334.64 million (June 30, 2023: Rs. 1,101.36 million) in favor of Sui Northern Gas Pipelines Limited and Government Institutions.

	Note	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)			
8.2 Commitments in respect of:			
- Capital expenditure		1,954,940	3,257,391
- Irrevocable letters of credit for spare parts purchases		1,546,333	400,478
- Coal purchases		890,972	1,992,761
		<u>4,392,245</u>	<u>5,650,630</u>
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	64,676,655	64,787,958
Right of use assets		42,732	43,112
Capital work in progress - at cost	9.2	3,878,525	1,676,796
Major spare parts and stand-by equipment		257,455	238,239
		<u>68,855,367</u>	<u>66,746,105</u>
9.1 Operating fixed assets			
The reconciliation of carrying amount is as follows:			
Balance at beginning of the period / year		64,787,958	45,810,645
Add: Additions during the period / year	9.1.1	2,196,506	22,798,111
		<u>66,984,464</u>	<u>68,608,756</u>
Less:			
Book value of operating assets disposed of during the period / year	9.1.2	16,219	51,572
Depreciation charge during the period / year		2,291,590	3,769,227
		<u>2,307,809</u>	<u>3,820,799</u>
		<u>64,676,655</u>	<u>64,787,957</u>
9.1.1 Additions during the period / year:			
- Freehold land		20,267	-
- Buildings on freehold land		377,601	5,724,526
- Plant and machinery		1,747,489	16,589,772
- Furniture, fixtures and equipment		8,579	60,303
- Roads, bridges and railway sidings		2,027	11,895
- Vehicles		40,543	411,614
		<u>2,196,506</u>	<u>22,798,110</u>
9.1.2 Disposals during the period / year at book value:			
- Plant and machinery		5,076	31,843
- Vehicles		11,143	19,563
- Furniture, fixtures and equipment		-	166
		<u>16,219</u>	<u>51,572</u>

	Un-audited December 31, 2023	Audited June 30, 2023
(Rupees in thousand)		
9.2 Capital work-in-progress - at cost		
Civil works	415,157	372,317
Plant and machinery	212,830	588,012
Roads and bridges	75,739	12,952
Land	523,591	10,083
Intangible assets	47,661	47,661
IT equipment	32,028	-
Unallocated expenses	-	84,517
Vehicles	4,877	266
Advances to suppliers against:		
- civil works	612,613	130,188
- plant and machinery	1,438,525	409,274
- intangible assets	30,334	19,575
- vehicles	485,170	1,951
	3,878,525	1,676,796
10. TRADE DEBTS		
Export - secured	111,315	25,313
Local - unsecured	5,026,782	2,805,724
	5,138,097	2,831,037
Loss allowance	(407,048)	(230,049)
	4,731,049	2,600,988

	Half Year Ended December 31, 2023	December 31, 2022
(Un-audited)		
(Rupees in thousand)		
11. REVENUE		
Gross local sales	46,180,576	39,202,815
Less:		
- Federal excise duty	(4,122,267)	(3,071,226)
- Sales tax	(7,844,912)	(6,331,941)
- Discount and others	(534,782)	(414,289)
- Commission	(202,769)	(144,802)
	(12,704,730)	(9,962,258)
Net local sales	33,475,846	29,240,557
Export sales	1,272,730	810,812
	34,748,576	30,051,369

Half Year Ended
December 31, December 31,
2023 2022

(Un-audited)
(Rupees in thousand)

12. COST OF SALES

Raw materials consumed	1,955,779	1,283,059
Packing materials consumed	1,902,299	1,545,562
Fuel and power	14,524,031	14,339,967
Stores, spare parts and loose tools consumed	640,154	421,933
Salaries, wages and other benefits	925,586	772,782
Rent, rates and taxes	221	782
Insurance	117,491	61,113
Repairs and maintenance	393,216	224,507
Depreciation	2,234,842	1,723,803
Amortization	165	249
Vehicles running and maintenance	249,395	175,186
Other expenses	139,740	97,894
	23,082,919	20,646,837

Work in process:

At beginning of the period	1,856,759	1,775,210
At end of the period	(1,946,695)	(2,496,738)
	(89,936)	(721,528)

Cost of goods manufactured

	22,992,983	19,925,309
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Finished goods:

At beginning of the period	675,151	499,534
At end of the period	(529,714)	(469,032)
	145,437	30,502

Cost of sales

	23,138,420	19,955,811
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13. EARNINGS PER SHARE

13.1 Basic earnings per share

Profit after taxation attributable to ordinary shareholders - (Rupees in '000)	3,869,191	4,307,994
Weighted average number of ordinary shares - (Number in '000)	1,073,463	1,073,463
Earnings per share - Basic and diluted (Rupees)	3.60	4.01

13.2 There is no dilution effect on the basic earnings per share.

	Note	July to December 2023	July to December 2022
(Rupees in thousand)			
14. CASH GENERATED FROM OPERATIONS			
Profit before taxation		5,387,170	6,057,606
Adjustments for non-cash changes and other items:			
Depreciation on operating fixed assets	9.1	2,291,590	1,762,369
Amortization of intangible assets		1,163	1,749
Net impairment losses on financial assets		177,000	60,000
Other receivables written off		-	2,509
Gain on disposal of property, plant and equipment		(23,387)	(12,371)
Re-measurement of short term investments at fair value		1,793	8,140
Employee benefits obligations expense		41,533	45,067
Profit on bank deposits		(55,134)	(20,030)
Finance cost		1,861,534	1,084,069
Profit before working capital changes		9,683,262	8,989,108
Effect on cash flow due to working capital changes:			
Current assets:			
(Increase) / decrease in stores, spare parts and loose tools		(3,139,951)	548,416
Decrease / (increase) in stock-in-trade		710,009	(791,075)
Increase in trade debts		(2,307,060)	(1,470,814)
(Increase) / decrease in loans and advances		(143,162)	117,204
(Increase) / decrease in short term deposits and prepayments		(254,339)	7,749
(Increase) / decrease in other receivables		(31,458)	18,438
		(5,165,961)	(1,570,082)
Current liabilities:			
Increase in trade and other payables		2,512,002	1,988,265
		(2,653,959)	418,183
		7,029,303	9,407,291
		December 31, 2023	December 31, 2022
(Un-audited)			
(Rupees in thousand)			
15. CASH AND CASH EQUIVALENTS			
Short term running finance		(285,158)	(261,469)
Temporary bank overdrafts - unsecured		-	(6,302)
Cash and bank balances		1,036,629	712,213
		751,471	444,442

16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include the Holding Company, subsidiary companies, directors, key management personnel and post employment benefit plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

Relationship with the Company	Nature of transaction	Half Year Ended	
		December 31, 2023	December 31, 2022
		(Un-audited)	
		(Rupees in thousand)	
i. Holding company	Sale of goods and services	819	700
ii. Key management personnel	Salaries and other employment benefits	376,817	242,163
iii. Post employment benefit plans	Contributions to Provident Fund Trust	218,998	125,335
	Payments to Employees Gratuity Fund Trust	6,990	21,020
		Un-audited	Audited
		December 31, 2023	June 30, 2023
		(Rupees in thousand)	
Period / year end balances			
Payable to related parties			
	Other payables	43,215	-
Receivable from related parties			
	Other receivables	37,787	11,665

17. FINANCIAL RISK MANAGEMENT

17.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

These consolidated condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

17.2 Fair value estimation

Fair value hierarchy

The different levels for fair value estimation used by the Group have been defined as follows:

- The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.
- The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.
- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed above. The following table presents the Company's financial assets measured and recognised at fair value at December 31, 2023 and June 30, 2023 on a recurring basis:

As at December 31, 2023	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Assets				
Short term investments - FVPL	427,723	-	-	427,723
Short term investments - FVOCI	1,990,881	-	-	1,990,881
	<u>2,418,604</u>	<u>-</u>	<u>-</u>	<u>2,418,604</u>

As at June 30, 2023

Recurring fair value measurements

Assets				
Short term investments - FVPL	1,924,815	-	-	1,924,815
Short term investments - FVOCI	1,500,522	-	-	1,500,522
	<u>3,425,337</u>	<u>-</u>	<u>-</u>	<u>3,425,337</u>

The Group policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between Levels 1, 2 and 3 during the period. There were no changes in valuation techniques during the period.

The Group did not measure any financial liabilities at fair value on a non-recurring basis as at December 31, 2023.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on February 20, 2024 by the Board of Directors of the Group.

19. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. However, there were no material re-arrangements, other than the following:

- Freight expense previously classified under 'Cost of Sales' is now classified under 'Distribution cost'. The amount of expense is Rs. 1,610.355 million for the six month period ended December 31, 2023 (December 31, 2022: Rs. 764.614 million) and Rs.1,033.474 million for the three months period ended December 31, 2023 (December 31, 2022: Rs. 428.268 million).
- Net impairment losses on financial assets classified under 'Other expenses' is now presented as a separate line item on face of the consolidated condensed interim statement of profit or loss.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



مپل لیف



MAPLE LEAF CEMENT

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