



UNLEASHING
POTENTIAL,
FOSTERING
GROWTH

**HALF YEARLY REPORT
DECEMBER 31, 2023**



UNLEASHING POTENTIAL, FOSTERING GROWTH

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

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

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

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

As we look forward, we are determined to strengthen important partnerships.
Our growth shows how strong we are when we work together as a team.

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



Contents

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

Company Information

Board of Directors

Muhammad Sohail Tabba
(Chairman)

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

Management Team

Muhammad Ali Tabba
(Chief Executive)

Noman Hasan
(Executive Director)

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

Amin Ganny
(Chief Operating Officer)

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

Company Secretary

Ali Shahab

Head of Internal Audit

Ahmad Waseem Khan

Board Committees

Audit Committee

Masood Karim Shaikh
(Chairman)

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

Human Resource and Remuneration Committee

Khawaja Iqbal Hassan
(Chairman)

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

FINANCIAL INSTITUTIONS

Allied Bank Limited
Allied Bank Limited - Islamic Banking
Askari Bank Limited
Bank Alfalah Limited - Islamic Banking
Bank Al-Habib Limited
Bank Al-Habib Limited - Islamic Banking
BankIslami Pakistani Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited
Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
National Bank of Pakistan - Aiteamaad Islamic Banking
Pakistan Kuwait Investment Company (Pvt) Limited
Saudi Pak Industrial & Agricultural Investment Company Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Bank (Pakistan) Limited-Sadiq-Islamic Banking
United Bank limited
UBL Ameen Islamic Banking

CREDIT RATING

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

EXTERNAL AUDITORS

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

COST AUDITORS

M/s. Grant Thornton Anjum Rahman - Chartered Accountants

SHARIAH ADVISOR

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

REGISTERED OFFICE

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

CORPORATE OFFICE

📍 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi - 75350

📞 UAN: (+92-21) 111-786-555

🌐 Website: www.lucky-cement.com

✉ Email: info@lucky-cement.com

PRODUCTION FACILITIES

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

SHARE REGISTRAR

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

Director's Report

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

Overview of Economy & Consolidated Financial Performance

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

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

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

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

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

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

Local Cement Operations

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

Foreign Cement Operations

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

Polyester, Soda Ash, & Chemicals

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

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

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

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

Automobiles & Mobile Phones

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

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

Power

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

Cement Industry & Company's Performance - Unconsolidated

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

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

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

Cement Production & Sales Volume Performance

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

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

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

Particulars Tons in '000'	1HFY24	1HFY23	Change (%)	
Cement Industry				
Local Sales	20,237	20,029	208	1.0%
Export Sales				
- Bagged	1,817	1,249	568	45.5%
- Loose	21	10	11	-
- Clinker	1,815	475	1,340	282.2%
Total Exports	3,653	1,734	1,919	110.7%
Grand Total	23,890	21,763	2,127	9.8%
Lucky Cement				
Local Sales				
- Cement	3,345	2,982	363	12.2%
- Clinker	124	-	124	-
	3,469	2,982	487	16.3%
Export Sales				
- Bagged	621	399	222	55.5%
- Loose	21	10	11	-
- Clinker	297	180	117	65.1%
Total Exports	937	589	350	59.4%
Grand Total	4,408	3,572	837	23.4%

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

Financial Performance – Unconsolidated

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

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

Revenue

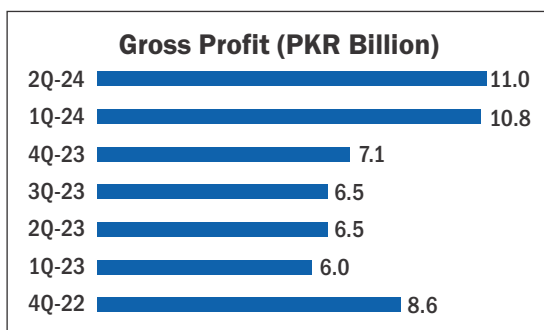
During the half year under review, your Company's overall gross revenue increased by 35% as compared to the SPLY. As explained above, the local sales revenue increased by 32% (PKR 68.9 billion vs PKR 52.1 billion) and export sales revenue increased by 57% (PKR 10.3 billion vs PKR 6.6 billion).

Cost of Sales

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

Gross Profit

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



Dividend Income

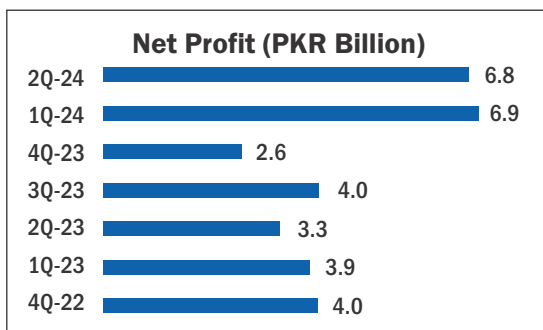
During 1H FY24, the dividend income received by your Company from its subsidiaries / associates was PKR 3.2 billion vs PKR 1.6 billion during the SPLY.

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

Net Profit

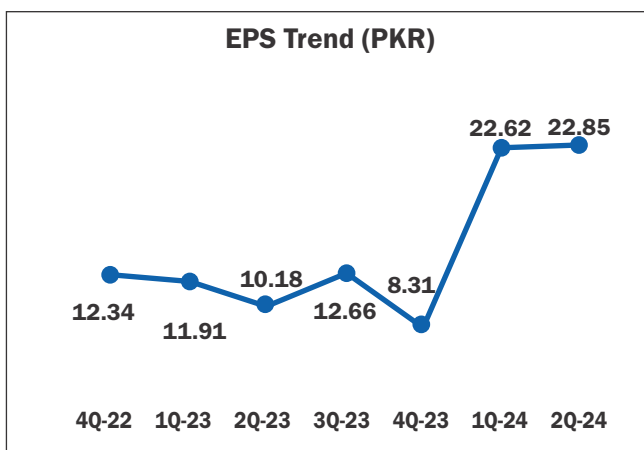
Your Company achieved a profit before tax of PKR 20.6 billion during 1H FY24 as compared to PKR 10.1 billion reported during the SPLY.

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



Earnings Per Share (EPS)

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



GROWTH AND EXPANSION

Share Buyback of Lucky Cement limited

In 1Q FY23, the Company announced a share buy-back of up to 10 million ordinary shares, which was approved by the shareholders in an EOGM dated September 20, 2022. This purchase made from the Pakistan Stock Exchange Limited (PSX) at prevailing spot prices was completed within the stipulated time at an average price of PKR 435.6 per share.

In a move to create further value for shareholders, the Company announced a second buy-back of up to 23.8 million ordinary shares in 4Q FY23, which was subsequently approved by the shareholders in the EOGM held on May 24, 2023. By November 20, 2023, 20.4 million ordinary shares were purchased at an average price of PKR 632.6 per share, marking the completion of the prescribed time limit for the second buy-back.

Renewable Energy Initiatives

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

- **Wind Energy at Karachi Plant:**

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

- **Expansion of Solar Capacity at Karachi & Pezu Plant:**

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

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

Corporate Social Responsibility

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

Education / Scholarships

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

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

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

Women Empowerment

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

Health Initiatives

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

Social Empowerment for Underprivileged

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

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

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

Environmental Conservation

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

Community Development:

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

Outlook

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

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

Local Cement Operations

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

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

Foreign Cement Operations

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

Polyster, Soda, Ash & Chemicals

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

Automobiles & Mobile Phones

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

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

Power

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

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

Acknowledgment

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

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

On behalf of the Board

Karachi: January 25, 2024



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive / Director

UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended December 31, 2023

Independent Auditor's Review Report

To the members of Lucky Cement Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

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

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

Scope of Review

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

Conclusion

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

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



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

Date: February 9, 2024

UDIN: RR202310056hJWVpntO

Unconsolidated Condensed Interim Statement of Financial Position

As at December 31, 2023

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
(PKR in '000')			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	99,361,900	95,620,306
Intangible assets		70,375	85,588
		<u>99,432,275</u>	<u>95,705,894</u>
Long-term investments		57,594,485	57,594,485
Long-term loans and advances		184,189	194,204
Long-term deposits		7,842	7,842
		<u>157,218,791</u>	<u>153,502,425</u>
CURRENT ASSETS			
Stores and spares		12,342,207	14,084,018
Stock-in-trade	6	10,315,535	6,048,507
Trade debts		5,817,960	5,089,667
Loans and advances		905,163	749,292
Trade deposits and short-term prepayments		65,560	2,153,705
Accrued returns		250,118	100,079
Other receivables		4,541,327	4,797,885
Tax refunds due from the Government		538,812	538,812
Short-term investments	15.2	19,002,619	21,898,496
Cash & bank balances		5,241,297	4,116,181
		<u>59,020,598</u>	<u>59,576,642</u>
TOTAL ASSETS		<u>216,239,389</u>	<u>213,079,067</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	7	2,930,000	3,118,386
Reserves		130,575,612	134,247,940
		<u>133,505,612</u>	<u>137,366,326</u>
NON-CURRENT LIABILITIES			
Long-term deposits		254,562	252,837
Long-term loans	8	13,666,923	14,557,294
Deferred Government grant		1,949,581	2,121,307
Deferred liabilities			
- Staff gratuity		2,795,303	2,574,925
- Deferred tax liability		11,299,116	10,025,499
		<u>14,094,419</u>	<u>12,600,424</u>
		<u>29,965,485</u>	<u>29,531,862</u>
CURRENT LIABILITIES			
Trade and other payables		30,289,154	29,918,702
Current maturity of long-term loans		1,432,887	599,653
Short-term borrowings	9	5,485,000	5,885,000
Unclaimed dividend		61,617	50,115
Unpaid dividend		820,909	-
Accrued markup		514,704	497,745
Taxation – net		14,164,021	9,229,664
		<u>52,768,292</u>	<u>46,180,879</u>
		<u>82,733,777</u>	<u>75,712,741</u>
TOTAL EQUITY AND LIABILITIES		<u>216,239,389</u>	<u>213,079,067</u>
CONTINGENCIES AND COMMITMENTS			
	10		

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Profit or Loss

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

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		(PKR in '000')		(PKR in '000')	
Gross sales	11	79,263,577	58,705,987	39,974,659	33,270,352
Less: Sales tax and federal excise duty		18,328,834	12,664,862	8,950,830	7,284,100
Rebates, incentives and commission		1,054,275	708,044	525,168	396,505
		19,383,109	13,372,906	9,475,998	7,680,605
Net sales		59,880,468	45,333,081	30,498,661	25,589,747
Cost of sales		(38,060,121)	(32,810,247)	(19,508,653)	(19,098,668)
Gross Profit		21,820,347	12,522,834	10,990,008	6,491,079
Distribution cost		(3,746,393)	(2,656,702)	(2,011,524)	(1,294,494)
Administrative expenses		(1,019,828)	(916,500)	(531,266)	(470,669)
Finance costs		(805,573)	(613,210)	(423,702)	(360,488)
Other expenses		(1,856,330)	(1,107,765)	(941,081)	(491,259)
Other income		6,195,563	2,847,483	3,044,516	837,666
Profit before taxation		20,587,786	10,076,140	10,126,951	4,711,835
Taxation		(6,877,670)	(2,947,521)	(3,346,168)	(1,435,629)
Profit after taxation		13,710,116	7,128,619	6,780,783	3,276,206
			(PKR)		(PKR)
Earnings per share - basic and diluted	12	45.47	22.09	22.85	10.18

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Comprehensive Income

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

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

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Cash Flow

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

	Note	Half year ended	
		December 31, 2023	December 31, 2022
		(PKR in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	18,189,669	3,671,153
Income tax paid		(670,291)	(513,879)
Gratuity paid		(150,000)	(42,533)
Finance cost paid		(788,614)	(506,737)
Income from deposits with Islamic banks		296,153	331,058
Increase / (decrease) in long-term loans and advances		10,015	(374)
Increase in long term deposits (liabilities)		1,725	2,755
Net cash generated from operating activities		16,888,657	2,941,443
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(6,729,563)	(13,763,024)
Sale proceeds on disposal of property, plant and equipment		77,393	157,718
Dividend received from subsidiary company		3,099,113	1,473,360
Dividend received from associated company		61,137	122,273
Dividend received on short-term investments		2,199,189	711,422
(Placement) / release of balances held as lien		(600,000)	1,111,111
Net cash used in investing activities		(1,892,731)	(10,187,140)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loans obtained		-	5,234,360
Long-term loans repaid		(228,863)	(4,661,464)
Short-term borrowing obtained		1,476,636	6,308,513
Short-term borrowing repaid		(1,876,636)	-
Own shares purchased for cancellation		(12,122,879)	(1,680,875)
Dividends paid		(4,619,706)	(517)
Net cash (used in) / generated from financing activities		(17,371,448)	5,200,017
Net decrease in cash and cash equivalents		(2,375,522)	(2,045,680)
Cash and cash equivalents at the beginning of the period		26,001,579	15,493,016
Cash and cash equivalents at the end of the period	13.1	23,626,057	13,447,336

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2023 (Un-audited)

	Issued, subscribed and paid-up share capital	Capital reserve				Revenue reserves		Total reserves	Total equity	
		Share premium	Capital re-purchase reserves account	Capacity expansions capital reserve	Long term investment capital reserve	Capital redemption reserve	General reserve			Unappropriated Profit
	PKR in '000'									
Balance as at July 01, 2022	3,233,750	7,343,422	-	-	-	-	99,164,187	18,798,965	125,306,574	128,540,324
Transfer to general reserves	-	-	-	-	-	-	15,340,066	(15,340,066)	-	-
Total comprehensive income for the half year ended December 31, 2022	-	-	-	-	-	-	-	7,125,290	7,125,290	7,125,290
Own shares purchased for cancellation	(3,568)	-	3,568	-	-	-	-	(1,680,875)	(1,677,307)	(1,680,875)
Balance as at December 31, 2022	3,230,182	7,343,422	3,568	-	-	-	114,504,253	8,903,314	130,754,557	133,984,739
Balance as at July 01, 2023	3,118,386	7,343,422	115,364	40,000,000	40,000,000	40,000,000	-	10,973,279	134,247,940	137,366,326
Total comprehensive income for the half year ended December 31, 2023	-	-	-	-	-	-	-	1,714,282	1,714,282	1,714,282
Final Dividend @ PKR 18 per share for the year ended June 30, 2023	-	-	-	-	-	-	-	(5,452,117)	(5,452,117)	(5,452,117)
Cancellation of own shares purchased (Note 12.2)	(188,386)	-	188,386	-	-	-	(12,122,879)	-	(11,934,493)	(12,122,879)
Balance as at December 31, 2023	2,930,000	7,343,422	303,750	40,000,000	40,000,000	40,000,000	-	19,235,444	130,575,612	133,505,612

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

Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements

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

1 THE COMPANY AND ITS OPERATIONS

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

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

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

2 STATEMENT OF COMPLIANCE

- 2.1 These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated annual audited financial statements for the year ended June 30, 2023.

3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

- a) **Amendments to published accounting & reporting standards which became effective during the period:**

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

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

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

Notes to the Unconsolidated Condensed Interim Financial Statements

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

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

5 PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

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

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

Notes to the Unconsolidated Condensed Interim Financial Statements

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

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
Note	(PKR in '000')	
6	STOCK-IN-TRADE	
	1,129,404	1,417,412
	8,213,924	3,676,416
	<u>1,002,207</u>	<u>984,679</u>
	10,345,535	6,078,507
	<u>30,000</u>	<u>30,000</u>
	<u>10,315,535</u>	<u>6,048,507</u>
	Less: Provision for slow moving packing material	
7	SHARE CAPITAL	
	Authorised capital	
	500,000,000 (2022: 500,000,000)	
	Ordinary shares of PKR 10/- each	
	<u>5,000,000</u>	<u>5,000,000</u>
	Issued, subscribed and paid-up share capital	
	305,000,000 (2022: 305,000,000) Ordinary shares of PKR 10/- each issued for cash	
	3,050,000	3,050,000
	18,375,000 (2022: 18,375,000) Ordinary shares of PKR 10/- each issued as bonus shares	
	<u>183,750</u>	<u>183,750</u>
	3,233,750	3,233,750
	30,375,000 ordinary shares (2022: 10,000,000 ordinary shares) of PKR 10/- each cancelled through purchase of own shares	
	<u>(303,750)</u>	<u>(100,000)</u>
	2,930,000	3,133,750
	1,536,361 ordinary shares purchased and held for cancellation	
12.2	-	(15,364)
	<u>2,930,000</u>	<u>3,118,386</u>
8	LONG-TERM LOANS	
	There is no material change in the terms and conditions of the long-term loans as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2023.	
9	SHORT-TERM BORROWINGS	
	There is no material change in the terms and conditions of the short-term borrowings as disclosed in the unconsolidated annual audited financial statements as at and for the year ended June 30, 2023 except that during the period the Company has obtained and repaid Foreign Currency Import Refinance (FCIF) facility under Islamic mode amounting to PKR 1,477 million from Bank Alfalah - Islamic. The facility is secured by way of hypothecation charge over plant & machinery. The facility carries mark-up rate at 7.5% per annum.	
10	CONTINGENCIES AND COMMITMENTS	
10.1	There are no significant changes in the status of contingencies and commitments as reported in note 27 to the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2023, except as disclosed in notes 10.2 and 10.3.	

Notes to the Unconsolidated Condensed Interim Financial Statements

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

			(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note		(PKR in '000')	
10.2	Capital commitments			
	Plant, machinery and equipment under letters of credit		9,740,105	4,921,828
10.3	Other commitments			
	Stores, spares, packing material and other supplies / services under letters of credit		3,418,319	3,989,776
	Corporate guarantee issued on behalf of subsidiary company		282,025	-
	Bank guarantees issued on behalf of the Company		2,918,814	2,800,837
	Post-dated cheques		3,279,159	4,075,985
	Commitment on behalf of a subsidiary company in respect of cost over-run and PSRA support		53,271,936	52,839,594
10.4	The Company has committed to make investment upto PKR 3,000 million and PKR 1,000 million vide the resolutions passed in its extraordinary general meeting held on November 24, 2023. Subsequent to the period end, the Company on January 17, 2024 has announced on the PSX that is no more considering to make the said investment of PKR 3,000 million.			
			Half year ended December 31, 2023	Quarter ended December 31, 2023
			December 31, 2022	December 31, 2022
			(PKR in '000')	
11	GROSS SALE			
	Local	68,914,268	52,111,305	33,879,215
	Export	10,349,309	6,594,682	6,095,444
		<u>79,263,577</u>	<u>58,705,987</u>	<u>39,974,659</u>
			<u>33,270,352</u>	
12	BASIC AND DILUTED EARNINGS PER SHARE			
	Profit after taxation (PKR in thousands)	13,710,116	7,128,619	6,780,783
	Weighted average number of ordinary shares (in thousands) (note 12.1)	<u>301,546</u>	<u>322,643</u>	<u>296,783</u>
	Basic and diluted earnings per share (PKR)	<u>45.47</u>	<u>22.09</u>	<u>22.85</u>
			<u>10.18</u>	
12.1	Weighted average number of ordinary shares			
	Outstanding number of shares before own shares purchased	311,839	323,375	302,494
	Less: Impact of own shares purchased during the period (note 12.2)	(10,293)	(732)	(5,711)
		<u>301,546</u>	<u>322,643</u>	<u>296,783</u>
			<u>321,912</u>	
12.2	The Company purchased and cancelled 20.375 million of its own ordinary shares as part of the second buy-back of shares process pursuant to the resolution passed in the Extraordinary General Meeting held on May 24, 2023.			
			Half year ended December 31, 2023	December 31, 2023
			(PKR in '000')	
13	CASH GENERATED FROM OPERATIONS			
	Profit before taxation		20,587,786	10,076,140
	Adjustments for non-cash charges and other items			
	Depreciation		2,975,127	2,387,483
	Amortization of intangible assets		20,393	13,987
	Gain on disposal of property, plant & equipment		(69,731)	(115,729)
	Provision for gratuity		370,378	301,666
	Reversal of provision for doubtful debts		-	(915)
	Dividend income from subsidiaries		(3,099,113)	(1,473,360)
	Dividend income from associate		(61,137)	(122,273)
	Dividend income from short-term investments		(2,199,189)	(711,422)
	Income from deposits with Islamic banks		(446,192)	(380,128)
	Finance costs		805,573	613,210
	Profit before working capital changes		<u>18,883,895</u>	<u>10,588,659</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

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

	Half year ended	
	December 31, 2023	December 31, 2022
(PKR in '000')		
(Increase) / Decrease in current assets		
Stores and spares	1,741,811	(6,220,495)
Stock-in-trade	(4,267,028)	(1,054,976)
Trade debts	(728,293)	(617,119)
Loans and advances	(155,871)	225,575
Trade deposits and short-term prepayments	2,088,145	(345,053)
Other receivables	256,558	225,543
	<u>(1,064,678)</u>	<u>(7,786,525)</u>
Decrease / Increase in current liabilities		
Trade and other payables	370,452	869,019
	<u>18,189,669</u>	<u>3,671,153</u>

13.1 CASH AND CASH EQUIVALENTS

Cash and bank balances	5,241,297	3,532,142
Balances held as lien	(600,000)	-
Short-term investments	<u>18,984,760</u>	<u>9,915,194</u>
	<u>23,626,057</u>	<u>13,447,336</u>

14 TRANSACTIONS WITH RELATED PARTIES

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

	Half year ended	
	December 31, 2023	December 31, 2022
(PKR in '000')		
Transactions with Subsidiary Companies		
Reimbursement of expenses to the Company	3,575	5,794
Sales	22,191	28,409
Purchases	20,245	19,649
Sale of fixed assets	-	25,740
Sale of stores and spares items	1,180	-
Purchase of vehicles	253,041	80,081
Business Development Technical Fee	199,262	-
Dividend received	3,099,113	1,473,360
Services received	1,061	21
Transactions with Directors and their close family members		
Sales	-	349
Meeting fee	3,844	3,469
Dividend paid	2,358,135	-
Transactions with Associated Undertakings		
Sales	354,696	312,230
Dividend received	61,137	122,273
Reimbursement of expenses to the Company	30,493	10,655
Reimbursement of expenses from the Company	24,493	21,464
Donation	170,000	122,500
Dividend paid / payable	1,336,496	-
Transactions with other key management personnel		
Salaries and benefits	204,979	181,349
Post employment benefits	44,832	31,049
Dividend paid	749	-

Notes to the Unconsolidated Condensed Interim Financial Statements

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

Note	Half year ended	
	December 31, 2023 (PKR in '000')	December 31, 2022
Other related parties		
Payment made to retirement benefit fund	150,000	-

15 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

15.1 Financial risk factor

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

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

15.2 Fair value hierarchy

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

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

	December 31, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	(PKR in '000')			
Assets				
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	-	18,984,760	-	18,984,760
Financial assets - fair value through other comprehensive income				
- Short-term investment (shares of PSX)	17,859	-	-	17,859
	<u>17,859</u>	<u>18,984,760</u>	<u>-</u>	<u>19,002,619</u>
	June 30, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
	(PKR in '000')			
Assets				
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	-	21,885,398	-	21,885,398
Financial assets - fair value through other comprehensive income				
- Short-term investment (shares of PSX)	13,098	-	-	13,098
	<u>13,098</u>	<u>21,885,398</u>	<u>-</u>	<u>21,898,496</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

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

16 **DATE OF AUTHORISATION FOR ISSUE**

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

17 **GENERAL**

17.1 Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.

17.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended December 31, 2023

Consolidated Condensed Interim Statement of Financial Position

As at December 31, 2023

	Note	(Un-audited) December 31, 2023	(Un-audited) June 30, 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	293,566,188	294,838,879
Intangible assets		6,642,549	6,682,998
Right-of-use assets		76,998	116,707
		<u>300,285,735</u>	<u>301,638,584</u>
Long-term investments	6	72,035,026	67,118,403
Long-term loans and advances		815,433	731,165
Long-term deposits		159,630	94,898
		<u>373,295,824</u>	<u>369,583,050</u>
CURRENT ASSETS			
Stores, spares and consumables		20,266,696	22,608,453
Stock-in-trade	7	71,269,217	48,660,510
Trade debts		65,170,839	59,903,590
Loans and advances		7,488,587	3,220,177
Trade deposits and short-term prepayments		4,795,886	6,270,645
Other receivables		14,570,699	14,141,981
Tax refunds due from the Government		654,413	538,812
Taxation receivable		78,536	193,198
Accrued return		250,118	100,097
Short-term investments		33,398,237	44,199,457
Cash and bank balances		42,475,179	38,939,424
		<u>260,418,407</u>	<u>238,776,344</u>
		<u>633,714,231</u>	<u>608,359,394</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	8	2,930,000	3,118,386
Reserves		241,351,976	224,365,635
Attributable to the owners of the Holding Company		244,281,976	227,484,021
Non-controlling interest		34,550,970	33,515,038
Total equity		<u>278,832,946</u>	<u>260,999,059</u>
NON-CURRENT LIABILITIES			
Long-term loans		129,088,713	135,857,715
Long-term deposits and other liabilities		9,407,212	9,532,879
Lease liabilities		36,623	29,064
Deferred income - Government grant		3,728,999	4,305,281
Deferred liabilities			
- Staff gratuity		3,198,821	2,696,191
- Deferred tax liability		20,790,249	19,225,117
		<u>23,989,070</u>	<u>21,921,308</u>
		<u>166,250,617</u>	<u>171,646,247</u>
NON-CURRENT LIABILITIES			
Current portion of long-term finance		10,906,164	9,009,157
Trade and other payables		85,268,821	80,574,343
Provision for taxation		19,523,283	13,910,125
Accrued markup		5,070,676	5,046,314
Short-term borrowings and running finance		66,933,093	67,043,227
Current portion of lease liabilities		46,105	80,807
Unclaimed dividend		61,617	50,115
Unpaid dividend		820,909	-
		<u>188,630,668</u>	<u>175,714,088</u>
		<u>354,881,285</u>	<u>347,360,335</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	9	<u>633,714,231</u>	<u>608,359,394</u>

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


Muhammad Sohail Tabba
 Chairman / Director


Muhammad Ali Tabba
 Chief Executive


Muhammad Atif Kaludi
 Chief Financial Officer

Consolidated Condensed Interim Statement of Profit or Loss

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

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		(PKR in '000')		(PKR in '000')	
Revenue	10	247,475,040	219,147,990	122,542,655	112,310,098
Less: Sales tax and excise duty		34,057,599	29,090,478	16,316,771	14,808,685
Rebates, incentives and commission		6,894,749	4,851,648	3,778,236	2,544,481
		40,952,348	33,942,126	20,095,007	17,353,166
Net revenue		206,522,692	185,205,864	102,447,648	94,956,932
Cost of sales		(143,460,968)	(146,142,331)	(70,842,723)	(74,024,739)
Gross profit		63,061,724	39,063,533	31,604,925	20,932,193
Distribution cost		(7,399,233)	(5,262,641)	(3,956,920)	(2,539,135)
Administrative expenses		(4,287,910)	(2,863,401)	(2,055,982)	(1,396,690)
Finance costs		(19,221,514)	(13,715,554)	(9,513,597)	(7,230,811)
Other expenses		(2,326,648)	(1,861,529)	(1,192,751)	(688,100)
Other income	11	10,084,108	3,083,746	4,827,406	1,630,251
Share of profit-joint ventures and associate		8,452,681	3,650,206	4,250,572	2,469,529
Profit before taxation		48,363,208	22,094,360	23,963,653	13,177,237
Taxation		(10,039,377)	(4,278,282)	(4,997,121)	(2,008,122)
Profit after taxation from continuing operations		38,323,831	17,816,078	18,966,532	11,169,115
Profit after taxation from discontinued operations		-	507,507	-	221,945
Profit after taxation		38,323,831	18,323,585	18,966,532	11,391,060
Attributable to:					
Owners of the Holding Company		35,339,163	15,913,378	17,633,163	10,464,026
Non-controlling interest		2,984,668	2,410,207	1,333,369	927,034
		38,323,831	18,323,585	18,966,532	11,391,060
Earnings per share - basic and diluted	12		(PKR)		(PKR)
- continuing operations		117.19	48.88	59.41	32.31
- discontinued operations		-	0.44	-	0.19
		117.19	49.32	59.41	32.51

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

Muhammad Sohail Tabba
Chairman / Director

Muhammad Ali Tabba
Chief Executive

Muhammad Atif Kaludi
Chief Financial Officer

Consolidated Condensed Interim Statement of Comprehensive Income

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

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

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows

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

	Note	Half Year Ended	
		December 31, 2023	December 31, 2022
(PKR in '000')			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	39,726,356	19,103,993
Finance cost paid		(18,954,688)	(11,559,965)
Income tax paid		(2,797,808)	(2,287,153)
Staff retirement benefits paid		(218,797)	(84,534)
Income from deposits with Islamic banks and other financial institutions		2,291,236	1,086,990
Long term deposits - net		(78,007)	-
Increase in long-term loans and advances		(84,268)	(64,480)
Decrease in long-term deposits and prepayments		-	2,466
Discontinued operations		-	442,449
Net cash generated from operating activities		19,884,024	6,639,766
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(9,023,294)	(16,848,640)
Dividend received from equity accounted investments		2,941,923	2,325,552
Dividend received from short-term investments		2,198,239	714,499
(Placement) / Release of balance as lien		(600,000)	1,111,111
Sale proceeds on disposal of property, plant and equipment		243,825	204,506
Discontinued operations		-	4,745
Net cash used in investing activities		(4,239,307)	(12,488,227)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term finance obtained		2,407,564	5,918,703
Long-term finance repaid		(4,594,625)	(6,773,223)
Payment against finance lease liability		(31,708)	(49,385)
Dividends paid to owners of the Holding Company		(4,619,706)	(517)
Dividends paid to Non-controlling interest		(1,832,152)	(797,842)
Short-term borrowings and running finance		(2,371,407)	8,085,154
Own shares purchased for cancellation (note 12.2)		(12,122,879)	(1,680,875)
Discontinued operations		-	(616,414)
Net cash (used in) / generated from financing activities		(23,164,913)	4,085,601
Net decrease in cash and cash equivalents		(7,520,196)	(1,762,860)
Cash and cash equivalents at the beginning of the period		83,074,650	28,747,397
Effect of foreign currency translation on cash		(355,547)	64,143
Cash and cash equivalents at the end of the period		75,198,907	27,048,680
Cash and cash equivalents at December 31 comprise of:			
Cash and bank balances		42,475,179	17,133,486
Bank balance marked as lien		(600,000)	-
Short term investments		33,323,728	9,915,194
		75,198,907	27,048,680

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2023 (Un-audited)

	PKR in '000'										Non-controlling interest	Total equity	
	Capital reserve				Revenue Reserve								Total reserves
	Issued subscribed and paid-up capital	Share premium	Capital reserve	Foreign currency translation reserve	Capacity expansions capital reserve	Long term investments capital reserve	Capital redemption reserve	General reserves	Unappropriated profit				
Balance as at July 01, 2022	3,233,750	7,343,422	-	9,433,058	-	-	-	99,164,187	51,690,097	167,630,764	28,893,975	199,756,489	
Transfer to general reserves	-	-	-	-	-	-	-	15,340,066	(15,340,066)	-	-	-	
Dividends paid to non-controlling interest of LCI	-	-	-	-	-	-	-	-	-	-	(623,416)	(623,416)	
Dividends paid to non-controlling interest of LMC	-	-	-	-	-	-	-	-	-	-	(288,610)	(288,610)	
Own shares purchased for cancellation	(3,568)	-	3,568	-	-	-	-	-	(1,680,875)	(1,677,307)	-	(1,680,875)	
Profit after taxation	-	-	-	-	-	-	-	-	15,913,378	15,913,378	2,410,207	18,323,585	
Other comprehensive income	-	-	-	2,949,610	-	-	-	-	(3,329)	(2,946,281)	-	2,946,281	
Total comprehensive income for the half year ended December 31, 2022	-	-	-	2,949,610	-	-	-	-	15,910,049	18,859,659	2,410,207	21,269,866	
Balance as at December 31, 2022	3,230,182	7,343,422	3,568	12,382,668	-	-	-	114,504,253	50,579,205	184,813,116	30,392,156	218,435,454	
Balance as at July 01, 2023	3,118,386	7,343,422	115,364	22,184,577	40,000,000	40,000,000	35,815,875	-	78,906,397	224,365,635	33,515,038	260,998,059	
Dividends paid to non-controlling interest of LCI	-	-	-	-	-	-	-	-	-	-	(1,371,515)	(1,371,515)	
Dividends paid to non-controlling interest of LMC	-	-	-	-	-	-	-	-	-	-	(577,221)	(577,221)	
Own shares purchased for cancellation	(188,386)	-	188,386	-	-	-	(12,122,879)	-	-	(11,934,493)	-	(12,122,879)	
Final Dividend @ Rs. 18 per share for the year ended June 30, 2023	-	-	-	-	-	-	-	(5,452,117)	(5,452,117)	-	-	(5,452,117)	
Profit after taxation	-	-	-	(970,378)	-	-	-	-	35,339,163	35,339,163	2,984,668	38,323,831	
Other comprehensive income	-	-	-	(970,378)	-	-	-	-	4,166	(966,212)	-	(966,212)	
Total comprehensive income for the half year ended December 31, 2023	-	-	-	(970,378)	-	-	-	-	35,343,329	34,372,951	2,984,668	37,357,519	
Balance as at December 31, 2023	2,930,000	7,343,422	303,750	21,214,199	40,000,000	40,000,000	23,692,996	-	108,797,609	244,351,976	34,550,970	278,632,946	

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

Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

Notes to the Consolidated Condensed Interim Financial Statements

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

1 THE GROUP AND ITS OPERATIONS

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

1.1 Lucky Cement Limited

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

1.2 Lucky Holdings Limited

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

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

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

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

1.3 LCL Investment Holdings Limited

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

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

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

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

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

1.4 Lucky Motor Corporation Limited

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

Notes to the Consolidated Condensed Interim Financial Statements

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

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

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

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

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

1.5 **Lucky Core Industries Limited (Formerly ICI Pakistan Limited)**

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

1.5.1 **Lucky Core PowerGen Limited (Formerly ICI PowerGen Limited)**

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

1.5.2 **Lucky TG (Private) Limited**

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

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

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

1.6 **Lucky Electric Power Company Limited**

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

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

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

2. **STATEMENT OF COMPLIANCE**

2.1 These consolidated condensed interim financial statements of the Group for the half year ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Notes to the Consolidated Condensed Interim Financial Statements

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the consolidated annual audited financial statements for the year ended June 30, 2023.

3.2 Change in accounting standards, interpretations and amendments to the accounting and reporting standards

- a) **Amendments to published accounting and reporting standards which became effective during the period:**

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

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

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

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

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

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

Notes to the Consolidated Condensed Interim Financial Statements

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

5 PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

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

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

Notes to the Consolidated Condensed Interim Financial Statements

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

	Note	(Un-audited) December 31, 2023 (PKR in '000')	(Audited) June 30, 2023
6 LONG-TERM INVESTMENTS			
Equity accounted investment			
Joint ventures			
	6.1	8,589,148	9,769,762
	6.2	30,833,809	28,626,729
	6.3	19,450,575	15,844,762
	6.4	61,127	63,522
		58,934,659	54,304,775
Associates			
	6.5	10,913,529	10,992,415
	6.6	2,184,338	1,818,713
		13,097,867	12,811,128
Equity securities			
		72,032,526	67,115,903
		2,500	2,500
		72,035,026	67,118,403
6.1 Lucky Al-Shumookh Holdings Limited (LASHL)			
		1,912,283	1,912,283
		139,841	3,393,895
		1,238,890	1,779,872
		(2,294,190)	(5,033,926)
		(915,459)	139,841
		7,592,324	7,717,638
		8,589,148	9,769,762
The Group's interest in LASHL's assets and liabilities is as follows:			
		19,607,093	20,584,101
		(2,428,797)	(1,044,577)
		17,178,296	19,539,524
		8,589,148	9,769,762
The Group's share in LASHL's profit or loss is as follows:			
		13,380,489	19,537,830
		2,477,780	3,559,744
		1,238,890	1,779,872

Notes to the Consolidated Condensed Interim Financial Statements

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

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

Notes to the Consolidated Condensed Interim Financial Statements

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

Note	(Un-audited) December 31, 2023 <small>(PKR in '000')</small>	(Audited) June 30, 2023
6.4 LR International General Trading FZCO (LRIGT)		
Investment at cost	1,115	1,115
Share of cumulative loss at the beginning of the period / year	54,792	(3,446)
Share of loss during the period / year	(1,506)	58,238
	53,286	54,792
Foreign currency translation reserve	6,726	7,615
	61,127	63,522
The Group's interest in LRIGT's assets and liabilities is as follows:		
Total assets	136,392	300,468
Total liabilities	(14,139)	(173,424)
Net assets (100%)	122,253	127,044
Group's share of net assets (50%)	61,127	63,522
The Group's share in LRIGT's profit or loss is as follows:		
Revenue	-	295,846
Net loss (100%)	(3,013)	116,475
Group's share of net loss (50%)	(1,506)	58,238
6.5 NutriCo Morinaga (Private) Limited		
Fair value of investment on date of recognition - Equity held 20,121,621 shares of face value of PKR 100/- each	11,004,115	11,004,115
Share of cumulative profit at beginning of the period / year	(11,700)	-
Share of loss during the period / year	(78,885)	(11,700)
Dividend received during the period / year	-	-
	(90,585)	(11,700)
	10,913,529	10,992,415
6.6 Yunus Energy Limited (YEL)		
Investment at Cost	611,365	611,365
Share of cumulative profit at the beginning of the period / year	1,207,348	1,056,688
Share of profit during the period / year	426,762	406,173
Other comprehensive loss	-	(10,967)
Dividend received during the period / year	(61,137)	(244,546)
	1,572,973	1,207,348
	2,184,338	1,818,713

Notes to the Consolidated Condensed Interim Financial Statements

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

	Note	(Un-audited) December 31, 2023 (PKR in '000')	(Audited) June 30, 2023
7 STOCK-IN-TRADE			
Raw and packing materials		33,855,129	18,679,432
Work-in-process		9,300,654	4,494,746
Finished goods		20,198,562	15,084,928
In transit		8,088,718	10,724,227
		<u>71,443,063</u>	<u>48,983,333</u>
Less: Provision for slow moving packing material		<u>173,847</u>	<u>322,823</u>
		<u>71,269,217</u>	<u>48,660,510</u>
8 SHARE CAPITAL			
Authorised capital			
500,000,000 (2022: 500,000,000)			
Ordinary shares of PKR 10/- each		<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid-up share capital			
305,000,000 (2022: 305,000,000) Ordinary shares of PKR 10/- each issued for cash		3,050,000	3,050,000
18,375,000 (2022: 18,375,000) Ordinary shares of PKR 10/- each issued as bonus shares		<u>183,750</u>	<u>183,750</u>
		<u>3,233,750</u>	<u>3,233,750</u>
30,375,000 ordinary shares (2022: 10,000,000 ordinary shares) of PKR 10/- each cancelled through purchase of own shares		<u>(303,750)</u>	<u>(100,000)</u>
		<u>3,133,750</u>	<u>3,133,750</u>
1,536,361 ordinary shares purchased and held for cancellation	12.2	-	(15,364)
		<u>2,930,000</u>	<u>3,118,386</u>
9 CONTINGENCIES AND COMMITMENTS			
9.1 CONTINGENCIES			
There are no significant changes in the status of contingencies and commitments as reported the consolidated annual audited financial statements of the Company for the year ended June 30, 2023, except as disclosed in notes 9.2, 9.3, 9.4 and 9.5.			
9.2 COMMITMENTS			
9.2.1 Capital commitments			
Plant and machinery under letters of credit and others		<u>16,248,948</u>	<u>6,431,283</u>
9.2.2 Other commitments			
Stores, spares and packing material under letters of credit		<u>49,661,692</u>	<u>3,989,776</u>
Bank guarantees issued		<u>6,599,666</u>	<u>23,146,069</u>
Corporate guarantee issued		<u>282,025</u>	<u>-</u>
Standby Letters of Credit		<u>10,611,620</u>	<u>40,252,012</u>
Post dated cheques		<u>4,508,411</u>	<u>4,676,641</u>
Commitment in connection with LEPCL's project's cost over-run and Payment Service Reserve Account (PSRA) support		<u>53,271,936</u>	<u>52,839,594</u>

Notes to the Consolidated Condensed Interim Financial Statements

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

	Note	(Un-audited) December 31, 2023 <small>(PKR in '000')</small>	(Audited) June 30, 2023
9.3		Claims against the LCI not acknowledged as debts are as follows:	
		85,100	84,500
		<u>2,064,740</u>	<u>1,317,621</u>
		<u><u>2,149,840</u></u>	<u><u>1,402,121</u></u>

9.4 Commitments for rentals under operating ljarah contracts in respect of vehicles are as follows:

Year

2022-23	-	5,004
2023-24	6,756	6,693
2024-25	7,195	7,128
2025-26	7,663	7,591
2026-27	8,161	8,084
	<u>29,775</u>	<u>34,500</u>
Payable not later than one year	6,756	5,004
Payable later than one year but not later than five years	<u>23,019</u>	<u>29,496</u>
	<u><u>29,775</u></u>	<u><u>34,500</u></u>

9.5 The Holding company has committed to make investments upto PKR 3,000 million and PKR 1,000 million vide the resolution passed in its extraordinary general meeting held on November 24, 2023. Subsequent to the period end, the Holding company on January 17, 2024 has announced on the PSX that is no more considering to make the said investment of PKR 3,000 million.

	N	Half year ended	
	ote	December 31, 2023 <small>(PKR in '000')</small>	December 31, 2022

10 SEGMENT REPORTING

10.1 GROSS TURNOVER

Cement	79,263,577	58,705,987
Polyester	23,219,899	20,495,634
Soda Ash	29,070,407	22,738,480
Pharma	7,812,222	6,085,223
Life Sciences and Chemicals	13,294,981	9,994,048
Automobiles and mobile phones assembling	37,515,066	51,664,168
Power Generation	57,890,729	49,693,841
Others	1,028,733	1,268,185
Adjustments and elimination of inter-segment balances	<u>(1,620,574)</u>	<u>(1,497,576)</u>
10.3	<u><u>247,475,040</u></u>	<u><u>219,147,990</u></u>

10.2 OPERATING RESULT

Cement	17,054,126	8,949,632
Polyester	653,667	611,785
Soda Ash	4,821,222	3,295,806
Pharma	967,047	563,758
Life Sciences and Chemicals	1,636,618	825,229
Automobiles and mobile phones assembling	813,843	2,424,487
Power Generation	25,420,378	13,786,818
Others	56,590	372,777
Adjustments and elimination of inter-segment balances	<u>(48,910)</u>	<u>107,199</u>
10.3	<u><u>51,374,581</u></u>	<u><u>30,937,491</u></u>

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

Notes to the Consolidated Condensed Interim Financial Statements

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

	Half year ended	
	December 31, 2023 (PKR in '000')	December 31, 2022
10.4 GROSS SALES		
Local	230,887,770	210,436,167
Export	16,587,270	9,095,538
	<u>247,475,040</u>	<u>219,531,705</u>

11 OTHER INCOME

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

	Half year ended		Quarter ended	
	December 31, 2023 (PKR in '000')	December 31, 2022	December 31, 2023 (PKR in '000')	December 31, 2022
12 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit attributable to owners of the Holding Company	<u>35,339,163</u>	<u>15,913,378</u>	<u>17,633,163</u>	<u>10,464,026</u>
Weighted average number of ordinary shares (note 12.1)	<u>301,546</u>	<u>322,643</u>	<u>296,783</u>	<u>321,912</u>
Basic and diluted earnings per share (PKR)	<u>117.19</u>	<u>49.32</u>	<u>59.41</u>	<u>32.51</u>

12.1 Weighted average number of ordinary shares

Outstanding number of shares before own shares purchased	311,839	323,375	302,494	323,375
Less: Impact of own shares purchased during the period (note 12.2)	(10,293)	(732)	(5,711)	(1,463)
	<u>301,546</u>	<u>322,643</u>	<u>296,783</u>	<u>321,912</u>

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

Notes to the Consolidated Condensed Interim Financial Statements

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

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

13 CASH GENERATED FROM OPERATIONS

Profit before taxation	48,363,208	22,094,360
Adjustments for non-cash charges and other items		
Depreciation and amortization	8,953,222	7,833,812
Provision for slow moving spares	1,589	46
Provision for slow moving and obsolete stock-in-trade	63,134	59,771
Provision for doubtful debts	20,908	16,172
Provisions and accruals no longer required written back	(58)	(740)
Gain on disposal of fixed assets	(144,904)	(32,780)
Provision for staff retirement plan	345,414	347,409
Share of profit from equity accounted investees	(8,452,681)	(3,650,206)
Return from deposits with Islamic banks and other financial institutions	(3,046,134)	(1,219,962)
Dividend income from short-term investments	(2,204,562)	(714,499)
Finance cost	<u>19,221,514</u>	<u>13,596,903</u>
Profit before working capital changes	63,120,650	38,330,286
(Increase) / decrease in current assets		
Stores, spares and consumables	2,340,169	(7,393,268)
Stock-in-trade	(22,671,840)	6,849,376
Trade debts	(5,287,545)	(9,880,037)
Loans and advances	(3,099,256)	(2,726,727)
Trade deposits and short-term prepayments	258,219	(674,269)
Other receivables	178,017	3,666,431
	(28,282,236)	(10,158,494)
Increase / (decrease) in current liabilities		
Trade and other payables	<u>4,887,942</u>	<u>(9,067,799)</u>
Cash generated from operations	<u>39,726,356</u>	<u>19,103,993</u>

Notes to the Consolidated Condensed Interim Financial Statements

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

14

TRANSACTIONS WITH RELATED PARTIES

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

	Half year ended	
	December 31, 2023	December 31, 2022
	(PKR in '000')	
Transactions with Associated Undertakings		
Sales	4,547,897	2,740,440
Purchase of goods, materials and services	13,805	855,702
Reimbursement of expenses to the Group	47,344	10,782
Reimbursement of expenses from the Group	24,493	21,464
Donation and Charity	485,246	292,297
Dividends and other income received	61,137	122,273
Dividends paid	2,441,624	367,684
Dividend received from Joint Venture	2,572,340	2,203,279
Fee for Technical Services from Joint Venture	1,167,219	783,889
Loan obtained from Joint Venture	2,407,662	1,055,308
Services rendered	10,288	-
Transactions with Directors and their close family members		
Meeting fee	3,844	3,469
Sales	-	349
Dividend paid	2,358,135	-
Transactions with other key management personnel		
Salaries and benefits	848,395	630,167
Post employment benefits	70,437	65,071
Dividends paid	24,992	35,512
Staff retirement benefit plan		
Contribution	390,723	200,995

15 GENERAL

15.1 Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.

15.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.

16 DATE OF AUTHORISATION FOR ISSUE

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



Muhammad Sohail Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Muhammad Atif Kaludi
Chief Financial Officer

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