



SCAN CEMENT
HEIDELBERGCEMENT Group



RUBY CEMENT
HEIDELBERGCEMENT Group

FINANCE/BSEC/2020/4509

Date: 22 October 2020

Fax: 880-2-55007106

The Chairman
Bangladesh Securities & Exchange Commission (BSEC)
Securities Commission Bhaban
Plot: E-6/C, Agargaon
Sher-e-Bangla Nagar, Dhaka-1207

Sub: Un-audited consolidated financial statements for the 3rd quarter ended 30 September 2020.

Dear Sir,

We are pleased to enclose herewith the un-audited consolidated financial statements for the Third Quarter ended 30 September 2020 of HeidelbergCement Bangladesh Limited as per Notification No. SEC/CMMRRCD/2008-183/Admin dated 27 September 2009 of the Bangladesh Securities and Exchange Commission and per Clause No. 17(3) of Dhaka Stock Exchange (Listing) Regulations, 2015.

1. Disclosure under Regulation 16(2) of Dhaka Stock Exchange (Listing) Regulations, 2015 (statement showing comparative figures):

| SL | Particulars | Figures | As at 30 September 2020 | As at 31 December 2019 |
|----|---|---------|------------------------------|------------------------------|
| a) | Net Asset Value (NAV) Per Share | Taka | 68.88 | 71.88 |
| | | | 30 September 2020 | 30 September 2019 |
| b) | Earnings Per Share (EPS) | Taka | (3.02) | 0.17 |
| c) | Net Operating Cash Flow Per Share (NOCFPS) | Taka | 11.72 | 2.99 |

Sincerely yours,

Md. Emdadul Haque, ACA
Company Secretary

Copy to:

1) **Managing Director**
Dhaka Stock Exchange Ltd.
DSE Building 9/F Motijheel C/A
Dhaka -1000
Fax Number # 9564727

2) **Managing Director**
Chittagong Stock Exchange Ltd.
CSE Building, 1080 Sk. Mujib Road
Agrabad, Chittagong-4100
Fax No.031-726810

HEIDELBERGCEMENT BANGLADESH LTD.

Corporate Office
"SYMPHONY" 6th & 7th floor
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Consolidated Statement of Financial Position (Unaudited)

As at 30 September 2020

| | Notes | 30th Sept 2020 BDT '000 | 31st Dec 2019 BDT '000 |
|---|-------|----------------------------|---------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 5,578,766 | 5,728,418 |
| Lease Assets-RoU | 7 | 61,291 | 108,483 |
| Capital works-in-progress | | 474,202 | 367,525 |
| Intangible assets | | 846 | 1,215 |
| Deferred Tax Assets | 13.1 | 87,432 | 94,158 |
| Goodwill | | 366,450 | 451,262 |
| Total non-current assets | | 6,568,986 | 6,751,062 |
| Current assets | | | |
| Inventories | 8 | 1,428,959 | 2,108,368 |
| Trade and other receivables | 9 | 901,890 | 1,103,334 |
| Advances, deposits and prepayments | | 430,504 | 326,480 |
| Current tax assets | | 157,528 | 188,081 |
| Cash and cash equivalents | 10 | 125,507 | 413,620 |
| Total current assets | | 3,044,388 | 4,139,883 |
| Total assets | | 9,613,374 | 10,890,945 |
| Equity and Liabilities | | | |
| Capital and reserves | | | |
| Share capital | | 565,036 | 565,036 |
| Capital reserve | | 605,657 | 605,657 |
| General reserve | | 15,000 | 15,000 |
| Dividend equalization fund | | 8,600 | 8,600 |
| Retained earnings | | 2,697,703 | 2,867,141 |
| | | 3,891,996 | 4,061,434 |
| Non-current liabilities | | | |
| Suppliers' credit-blocked | | 2,565 | 2,565 |
| Quasi equity loan | | 122,636 | 122,636 |
| ADP loan | | 12,699 | 12,699 |
| Borrowings | 11 | 1,017,900 | 1,252,800 |
| Finance lease liability-RoU-Long term portion | 12 | 12,272 | 50,823 |
| Net defined benefit liability (gratuity) | | 18,719 | 25,105 |
| Deferred tax liability | 13.2 | 618,518 | 588,580 |
| Total non-current liabilities | | 1,805,309 | 2,055,208 |
| Current liabilities | | | |
| Trade and other payables | | 2,949,431 | 3,259,476 |
| Bank Overdraft | | - | 299,342 |
| Borrowings | 11.1 | 609,599 | 861,147 |
| Finance lease liability-RoU-Current portion | 12 | 50,400 | 62,370 |
| Net defined benefit liability | | 3,525 | 3,523 |
| Provision for workers profit participation fund | | 2,797 | 8,970 |
| Unclaimed dividend | | 250,718 | 251,633 |
| Current tax liabilities | | 49,598 | 27,844 |
| Total current liabilities | | 3,916,069 | 4,774,304 |
| Total liabilities | | 5,721,378 | 6,829,511 |
| Total equity and liabilities | | 9,613,374 | 10,890,945 |

Md. Emdadul Haque, ACA
Company Secretary

Jashim Uddin Chowdhury, FCA
Director & CFO

Jose Marcelino Ugarte
Managing Director

Kevin Gerard Gluskie
Chairman

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Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the period 1st January to 30 September 2020

| | Notes | Jan to Sept 2020 | Jan to Sept 2019 | July to Sept 2020 | July to Sept 2019 |
|--|-------|---------------------|---------------------|----------------------|----------------------|
| | | BDT '000 | BDT '000 | BDT '000 | BDT '000 |
| Sales | 14 | 8,106,356 | 8,999,390 | 2,513,838 | 2,518,317 |
| Cost of goods sold | 15 | (7,296,428) | (8,095,432) | (2,248,644) | (2,333,783) |
| Gross profit | | 809,928 | 903,958 | 265,194 | 184,534 |
| Other operating income | | 8,548 | 7,344 | 4,899 | 2,264 |
| Warehousing, distribution and selling expenses | 16 | (218,392) | (279,588) | (52,715) | (110,361) |
| Administrative expenses | 17 | (405,102) | (368,742) | (125,129) | (108,368) |
| Operating profit/(Loss) | | 194,982 | 262,971 | 92,248 | (31,931) |
| Non-operating Income | | 382 | 1,850 | 373 | - |
| Net finance (expenses)/ income | 18 | (131,518) | 65,221 | (41,321) | 17,965 |
| Contribution to workers' profit participation fund | | (2,797) | (11,236) | (1,751) | 1,913 |
| Profit/(Loss) before tax | | 61,050 | 318,806 | 49,549 | (12,053) |
| Income tax expense | | (231,798) | (309,397) | (76,784) | (130,625) |
| Current tax: | | | | | |
| Current year | | (241,509) | (332,783) | (83,419) | (143,549) |
| Prior year | | - | (38,000) | - | (28,000) |
| Deferred tax income | | 9,711 | 61,386 | 6,635 | 40,924 |
| Profit/(Loss) for the year | | (170,748) | 9,409 | (27,235) | (142,678) |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | (170,748) | 9,409 | (27,235) | (142,678) |
| Earnings per share (EPS) | | -3.02 | 0.17 | -0.48 | -2.53 |

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Consolidated Statement of Changes in Equity (unaudited)
As at 30 September 2020

| Particulars | Share capital | Capital reserve | General reserve | Dividend equalisation fund | Retained earnings | Total |
|--|----------------|-----------------|-----------------|----------------------------|-------------------|------------------|
| | BDT '000 | BDT '000 | BDT '000 | BDT '000 | BDT '000 | BDT '000 |
| Year 2019 | | | | | | |
| Balance as at 01 January 2019 | 565,036 | 605,657 | 15,000 | 8,600 | 3,477,574 | 4,671,867 |
| Net profit for the period (Jan 2019 to Sept 2019) | | | | | 9,409 | 9,409 |
| Payment of dividend for 2018 | | | | | (423,777) | (423,777) |
| Balance as at 30 September 2019 | 565,036 | 605,657 | 15,000 | 8,600 | 3,063,207 | 4,257,500 |
| Year 2020 | | | | | | |
| Balance as at 01 January 2020 | 565,036 | 605,657 | 15,000 | 8,600 | 2,867,141 | 4,061,434 |
| Net profit for the period (Jan 2020 to September 2020) | | | | | (170,748) | (170,748) |
| Relaxation of excess depreciation on revalued assets | | | | | 1,310 | 1,310 |
| Balance as at 30 September 2020 | 565,036 | 605,657 | 15,000 | 8,600 | 2,697,703 | 3,891,996 |

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Consolidated Statement of Cash Flows (Unaudited)
For the period 1st January to 30 September 2020

| | Q3 end 2020 BDT '000 | Q3 end 2019 BDT '000 |
|---|-------------------------|-------------------------|
| Cash flows from operating activities | | |
| Collections from customers | 8,240,503 | 8,861,774 |
| Cash paid to suppliers | (5,845,581) | (7,139,504) |
| Cash paid for operating expenses (Payment)/adjustment of financial expenses net of exchange gain | (1,396,369) | (1,293,586) |
| Interest income | 8,929 | 91,853 |
| Interest expenses | (156,188) | (4,946) |
| Income tax paid | (189,201) | (346,898) |
| Net cash flow from operating activities (a) | 662,092 | 168,693 |
| Cash flows from investing activities | | |
| Acquisition of non-current assets | (167,613) | (669,177) |
| Net cash used in investing activities (b) | (167,613) | (669,177) |
| Cash flows from financing activities | | |
| Citibank N.A term loan repayment | (254,900) | - |
| Short term bank loan received/(repayment) | (170,315) | - |
| Lease liability paid | (57,119) | (54,999) |
| Payment of dividend | (915) | (423,469) |
| Net cash flow used in financing activities (c) | (483,250) | (478,468) |
| Net increase/(decrease) in cash and cash equivalents (a+b+c) | 11,230 | (978,951) |
| Opening cash and cash equivalents* | 114,277 | 1,751,361 |
| Closing cash and cash equivalents* | 125,507 | 772,410 |

*Cash and cash equivalents includes bank overdraft that are repayable on demand and form an integral part of cash management.

for and on behalf of the Board of Directors of HeidelbergCement Bangladesh Limited

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Company Secretary

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Notes to the Condensed Consolidated Financial Statements (Unaudited)

For the period 1st January to 30 September 2020

1 Company profile

A project named Chittagong Cement Factory was established under Central Ordinance No. XXXVIII of 1962. The Project was incorporated as a private limited company named Chittagong Cement Clinker Grinding Co Ltd (CCCGCL) on 30 June 1979 which was placed under Bangladesh Chemical Industries Corporation (BCIC) with effect from 1 July 1982. This Company (CCCGCL) was converted into a public limited company in February 1989. The Company commenced commercial production of its another unit in Kanchpur with effect from 1 November 1999. The total production capacity of Dhaka and Chittagong plant currently stands at 2,850,000 MT per annum.

The Company in its 5th Extraordinary General Meeting of shareholders held on 3 October 2002 approved the scheme of Amalgamation of Scancement International Limited and Scancement Bangladesh Limited with Chittagong Cement Clinker Grinding Co. Limited, presently known as HeidelbergCement Bangladesh Limited (HCBL/the Company).

The registered office of the Company is situated in Tatki, P.O.: Jatramora, Union: Tarabaw, P.S.: Rugganj, Narayangonj. Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Principle activities of the Company throughout the year continued to be manufacturing and marketing of gray cement under two brands namely, RubyCement and ScanCement. Presently the Company has two subsidiaries company in Bangladesh.

Emirates Cement Bangladesh Limited (ECBL)- was incorporated as a private limited company on 22 June 2000 under the Companies Act, 1994. HCBL has acquired 100% ownership from Ultratech Cement Middle East Investment Limited (a UAE registered company) entity named Emirates Cement Bangladesh Limited (ECBL) on which the Company got control effective on 6th December 2019. The principle activity of the Company is producing and selling cement in the market of Bangladesh and outside of the country. ECBL cement plant is situated at East Mukterpur, Munshiganj, Bangladesh with production capacity of 660,000 MT per annum.

Emirates Power Company Limited (EPCL) - was incorporated as a private limited company on 2 August 2001 under the Companies Act, 1994. HCBL has acquired 100% ownership from Ultratech Cement Middle East Investment Limited (a UAE registered company) entity named Emirates Power Company Limited (EPCL) on which the Company got control effective on 6th December 2019. The principal activity of the Company is producing and supplying electric power to Emirates Cement Bangladesh Limited. EPCL Power plant is situated at East Mukterpur, Munshiganj, Bangladesh. The Company went into production from June 2005 with production capacity of 10 MW.

2 Amalgamation of Subsidiary Company 'Meghna Energy Limited':

Meghna Energy Limited (MEL) : Pursuant to the Judgment and Order issued by the Honorable High Court Division of the Supreme Court of Bangladesh on the Company Matter No 308 of 2019 in the matter of an application under section 228 read with section 229 of the Companies Act 1994, the Scheme of Amalgamation (the "Scheme") for the amalgamation of Meghna Energy Limited ("MEL" or the "Transferor Company") with HeidelbergCement Bangladesh Limited (the "Transferee Company") has been approved. Accordingly, upon the amalgamation coming into effect, on 28 July 2020, as per sub-section (3) of Section 228 of the Companies Act, the Transferor Company stand dissolved without winding-up, all assets and liabilities of the Transferor Company has been transferred to and vested in the Transferee Company as per the scheme of amalgamation and order of the Honorable High Court Division of the Supreme Court of Bangladesh.

3 Basis of preparation

This interim condensed financial information have been prepared in accordance with the International Accounting Standard (IAS) 34, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh.

4 Principles of Consolidation

The accounts of all the subsidiaries company have been fully consolidated as the company directly 100 % control of this entities.

The company has made the following investments in its subsidiaries which have been eliminated during consolidation.

30 Sept 2020 31 Dec 2019

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| <u>Name of Subsidiary</u> | BDT 000 | BDT 000 |
|------------------------------------|------------------|------------------|
| Meghna Energy Limited | - | 924,412 |
| Emirates Cement Bangladesh Limited | 1,792,291 | 1,792,291 |
| Emirates Power Company Limited | 100,830 | 100,830 |
| | 1,893,121 | 2,817,533 |

The consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS)-27: "Separate Financial Statements" and International Financial Reporting Standard (IFRS)- 10: "Consolidated Financial Statements".

5 Significant accounting policies

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Company's financial statements for the year ended 31st December 2019.

Comparative figures and account titles in the financial statements have been rearranged/reclassified where necessary to confirm with changes in presentation in the current period.

| | 30 Sept 2020 BDT 000 | 31 Dec 2019 BDT 000 |
|---|-------------------------|------------------------|
| 6 Property, plant and equipment | | |
| Cost | | |
| Opening balance | 10,739,776 | 9,606,236 |
| Additions | 60,936 | 1,033,400 |
| Revaluation of assets - Meghna Energy Limited | 132,500 | - |
| Disposals | (10,540) | (186) |
| Balance at closing date | 10,922,672 | 10,639,450 |
| Depreciation | | |
| Opening balance | 5,011,357 | 4,562,047 |
| Charge for the period | 340,669 | 349,170 |
| Disposals | (8,120) | (186) |
| Balance at closing date | 5,343,906 | 4,911,031 |
| WDV at closing date | 5,578,766 | 5,728,418 |
| 7 Lease Assets-RoU | | |
| Cost | | |
| Opening balance | 170,458 | 170,458 |
| Additions | 970 | - |
| Disposals | - | - |
| Balance at closing date | 171,428 | 170,458 |
| Depreciation | | |
| Opening balance | 61,974 | - |
| Charge for the period | 48,163 | 61,974 |
| Disposals | - | - |
| Balance at closing date | 110,137 | 61,974 |
| WDV at closing date | 61,291 | 108,483 |
| 8 Inventories | | |
| | 30 Sept 2020 | 31 Dec 2019 |
| | BDT 000 | BDT 000 |
| Raw materials | 652,782 | 1,396,587 |
| Finished goods | 156,336 | 146,666 |
| Packing materials | 42,869 | 37,320 |
| Stores and spares | 582,879 | 533,704 |
| | 1,434,867 | 2,114,276 |
| Provision for slow moving stores and spares | (5,908) | (5,908) |
| | 1,428,959 | 2,108,368 |

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| | 30 Sept 2020 | 31 Dec 2019 |
|---|---------------------------------|-------------------------------|
| | BDT 000 | BDT 000 |
| 9 Trade and other receivables | | |
| Trade Receivable | 913,130 | 1,104,568 |
| Provision for doubtful debt | (44,267) | (44,267) |
| | 868,863 | 1,060,301 |
| Other Receivable | 33,027 | 43,032 |
| | 901,890 | 1,103,334 |
| 10 Cash and cash equivalents | | |
| Cash in hand | 150 | 251 |
| Cash at bank | 108,399 | 100,011 |
| Fixed Deposit | 16,958 | 313,358 |
| | 125,507 | 413,620 |
| 10.1 Bank overdraft | - | 299,342 |
| 11 Borrowing-Non current portion | | |
| Citibank N.A Term Loan-non current Portion | 1,017,900 | 1,252,800 |
| 11.1 Borrowing- current portion | | |
| Citibank N.A Term Loan-current Portion | 293,200 | 313,200 |
| Bank Asia Limited - Loan against trust receipt (LATR) | - | 187,827 |
| Bank Asia Limited - Usance payable at sight (UPAS) loan | - | 105,950 |
| Standard Chartered Bank - UPAS loan | 146,400 | 84,170 |
| Standard Chartered Bank - Short term loan | 170,000 | 170,000 |
| | 609,600 | 861,147 |
| 12 Finance lease liability-RoU | | |
| Finance lease liability-(non current portion) | 12,272 | 50,823 |
| Finance lease liability (current Portion) | 50,400 | 62,370 |
| | 62,672 | 113,192 |
| 13 Deferred tax Assets/ liability | | |
| 13.1 Deferred Tax Assets-ECBL | | |
| Opening Balance | 94,158 | 94,158 |
| Charge (reversal)/made during the year | (6,726) | - |
| Closing Balance | 87,432 | 94,158 |
| 13.2 Deferred tax liability-HCBL | | |
| Opening balance | 588,580 | 577,664 |
| Charge (reversal)/made during the year | (16,437) | 10,916 |
| Meghna Energy Assets revaluation | 46,375 | - |
| Closing balance | 618,518 | 588,580 |
| Deferred tax by type of temporary differences that resulted in deferred tax (assets) or liabilities | | |
| Property, plant and equipment | 571,731 | 590,444 |
| Provision for Lease Liability | (15,668) | (28,298) |
| Provision for inventories | (7,999) | (7,999) |
| Provision for doubtful debts | (11,067) | (11,067) |
| Meghna Energy Assets revaluation | 81,521 | 45,500 |
| | 618,518 | 588,580 |
| Movement in deferred tax balances | | |
| | Net balance at 1st January 2020 | Adjusted with Goodwill |
| | Recognised in Profit or loss | Net balance at 30th Sept 2020 |

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SCAN CEMENT
HEIDELBERGCEMENT Group



RUBY CEMENT
HEIDELBERGCEMENT Group

| | | | | |
|---|----------------|---------------|---------------------|---------------------|
| Property, plant and equipment | 590,444 | - | (18,713) | 571,731 |
| Provision for Lease Liability | (28,298) | - | 12,630 | (15,668) |
| Provision for inventories | (7,999) | - | - | (7,999) |
| Provision for doubtful debts | (11,067) | - | - | (11,067) |
| Meghna Energy Assets revaluation | 45,500 | 46,375 | (10,354) | 81,521 |
| Deferred Tax Assets | 588,580 | 46,375 | (16,437) | 618,518 |
| Deferred Tax Liability | 94,158 | - | 6,726 | 87,432 |
| Deferred tax expense/(income) | | | | |
| Deferred tax expense/(income) relating to origination and reversal of temporary differences | | | | (9,711) |
| | | | | (9,711) |
| 14 Sales | | | 30 Sept 2020 | 30 Sept 2019 |
| | | | BDT 000 | BDT 000 |
| HeidelbergCement Bangladesh Limited (HCBL) | | | 7,414,430 | 8,999,390 |
| Emirates Cement Bangladesh Limited (ECBL) | | | 691,926 | - |
| | | | 8,106,356 | 8,999,390 |
| 15 Cost of Goods Sold | | | 30 Sept 2020 | 30 Sept 2019 |
| | | | BDT 000 | BDT 000 |
| Raw Material Consumption | | | 5,780,947 | 6,609,806 |
| Cost of packing | | | 403,140 | 440,778 |
| Cost of consumable | | | 50,389 | 35,208 |
| Power cost | | | 334,195 | 301,575 |
| Staff Cost | | | 130,173 | 117,287 |
| Depreciation | | | 387,536 | 301,648 |
| Repairs and maintenance | | | 129,300 | 208,931 |
| Insurance | | | 7,493 | 5,313 |
| Other factory overhead | | | 73,255 | 74,886 |
| | | | 7,296,428 | 8,095,432 |
| 16 Warehousing, distribution and selling expenses | | | 30 Sept 2020 | 30 Sept 2019 |
| | | | BDT 000 | BDT 000 |
| Staff cost | | | 59,864 | 56,755 |
| Distribution expense | | | 82,516 | 103,052 |
| Rent, rates and taxes | | | 8,034 | 11,526 |
| Marketing and business promotion expenses | | | 54,994 | 93,104 |
| Other administrative expenses | | | 12,985 | 15,151 |
| | | | 218,392 | 279,588 |
| 17 Administrative expenses | | | 30 Sept 2020 | 30 Sept 2019 |
| | | | BDT 000 | BDT 000 |
| Staff cost | | | 76,875 | 62,150 |
| Rent, rates and taxes | | | 9,048 | 4,854 |
| Audit fee | | | 1,719 | 695 |
| Consultancy fee | | | 8,595 | 7,573 |
| Technical know-how fee | | | 269,982 | 256,136 |
| Other administrative expenses | | | 38,883 | 37,334 |
| | | | 405,102 | 368,742 |
| 18 Net finance (expenses)/ income | | | | |

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| | 30 Sept 2020 BDT 000 | 30 Sept 2019 BDT 000 |
|---------------------------------------|-------------------------|-------------------------|
| Bank interest income (FDR) | 8,929 | 79,590 |
| Term Loan interest expenses | (106,173) | - |
| Short term loan interest expenses | (21,094) | - |
| Finance Lease interest expenses | (6,599) | (10,715) |
| Other interest & bank charge expenses | (6,581) | (3,654) |
| | (131,518) | 65,221 |
| 19 Income tax | | |
| Current income tax expenses | 241,509 | 332,783 |
| Deferred income tax income | (9,711) | (61,386) |
| | 231,798 | 271,397 |

Reconciliation of effective tax rate :

| | |
|--------------------------------------|--|
| Profit/(loss) before tax | |
| Tax effect of: | |
| Income tax @ statutory rate | |
| Provision for non-deductible expense | |
| Tax paid as per(U/S 82C) | |

| Jan to Sept 2020 | |
|------------------|----------------|
| Percentage | BDT'000 |
| | 61,050 |
| 62.12% | 37,925 |
| 68.58% | 41,866 |
| 264.90% | 161,718 |
| 395.59% | 241,509 |

Current tax expenses

As per the applicable tax law, for cement manufacturer HeidelbergCement Bangladesh Limited (HCBL) & Emirates Cement Bangladesh Limited (ECBL) has to pay the tax at the rate applicable to the company, in case of income from 82C subject to higher of (a) at the rate of 0.60% of total gross receipts, (b) tax deducted at source cement export u/s 53BBBB, tax deducted at source for corporate sales u/s 52, tax paid at import stage U/S 53; U/S 44 (4), SRO 187/2009 and tax deducted at source of bank interest income u/s 53F (as covered by section 82C). (c) at the corporate tax rate 25% for HCBL & 32.5% for ECBL on taxable income.

Considering this, the consolidated company recognised tax expenses of BDT 241,509k in Q3 2020 which is 395.59% of profit before tax

| | | |
|--|---------------------|---------------------|
| 20 Basic Earnings per share (EPS) | 30 Sept 2020 | 30 Sept 2019 |
| Total profit attributable to the ordinary shareholders | (170,748) | 9,409 |
| Weighted average number of shares (56,503,590) outstanding | 56,504 | 56,504 |
| Basic Earnings per share (EPS) | (3.02) | 0.17 |
| 21 Net Asset value(NAV) per share | 30 Sept 2020 | 31 Dec 2019 |
| Consolidated Total Assets | 9,613,374 | 10,890,945 |
| Consolidated Total Liability | (5,721,378) | (6,829,511) |
| Consolidated Net Assets | 3,891,996 | 4,061,433 |
| Weighted average number of shares (56,503,590) outstanding | 56,504 | 56,504 |
| NAV Per Share in BDT | 68.88 | 71.88 |
| 22 Net operating cash flows per share (NOCFPS) | 30 Sept 2020 | 30 Sept 2019 |
| Net cash flow from operating activities | 662,092 | 168,693 |
| Weighted average number of shares (56,503,590) outstanding | 56,504 | 56,504 |
| Net Operating cash flow per share (NOCFPS) in BDT | 11.72 | 2.99 |

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For the period January to September 2020, NAV per share decreased mainly for lower inventory and payment of term loan installment compared to the end of December 2019. EPS is less than same period of last year, mainly due to lower profits & more financial expenses. NOCFPS is increased compared to same period of last year due to lower supplier payment and ECBL & EPCL acquisition effect.

23 Reconciliation between net profit with cash flows from operating activities

30 Sept 2020


| | |
|--|-----------------------|
| Profit before tax | 61,050 |
| Adjustment: | |
| Depreciation/Amortization of property, plant and equipment & intangible assets | 388,462 |
| Decrease in Inventories | 679,410 |
| Decrease in Trade and other receivable | 201,443 |
| Decrease in Advance, deposits and prepayments | (104,024) |
| Decrease in Trade & other payables | (212,688) |
| Increase in Provision for other liabilities and charges | (6,173) |
| Interest paid | (156,188) |
| Income Tax paid | (189,201) |
| | <u>601,042</u> |
| Net cash flow from operating activities | <u>662,092</u> |

24 Related party transaction

During the period the company carried out a number of transactions with related parties in the course of business and "on an arms length basis". The name of the related parties, the nature of the transaction and their balance at year end have been set out below:

BDT'000

| SL No. | Name of the related party | Nature of relationship | Nature of the transaction | Transaction during the period | | Receivable/(payable) at closing date | |
|--------|------------------------------------|------------------------|---------------------------|-------------------------------|------------------|--------------------------------------|-------------|
| | | | | Jan to Sept 2020 | Jan to Sept 2019 | 30 Sept 2020 | 31 Dec 2019 |
| 1 | HeidelbergCement Asia Pte. Ltd | Group Entity | Technical Services | 269,982 | 256,136 | (463,840) | (334,539) |
| 2 | HeidelbergCement Asia Pte. Ltd | Group Entity | Recovery of expenses | (2,497) | (2,522) | 11,899 | 14,396 |
| 3 | PT IndoCement Tunggal Prakarsa Tbk | Group Entity | Payment of expenses | - | - | (3,262) | (3,262) |
| 4 | Butra HeidelbergCement | Group Entity | Payment of expenses | 494 | 1,320 | - | 494 |
| 5 | HC Treading Malta Ltd. | Group Entity | Recovery of expenses | 1,633 | 9,570 | - | 1,633 |
| 6 | HC Treading Malta Ltd. | Group Entity | Clinker | 1,233,485 | 1,647,584 | (135,722) | (487,296) |
| | | | Gypsum | 23,605 | 36,151 | - | - |
| | | | Limestone | 14,379 | 80,063 | - | - |
| | | | Slag | 11,286 | - | - | - |
| | | | | 1,282,755 | 1,763,799 | (135,722) | (487,296) |


Md. Emdadul Haque, ACA
Company Secretary


Jashim Uddin Chowdhury, FCA
Director & CFO


Jose Marcelino Ugarte
Managing Director


Kevin Gerard Gluskie
Chairman

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