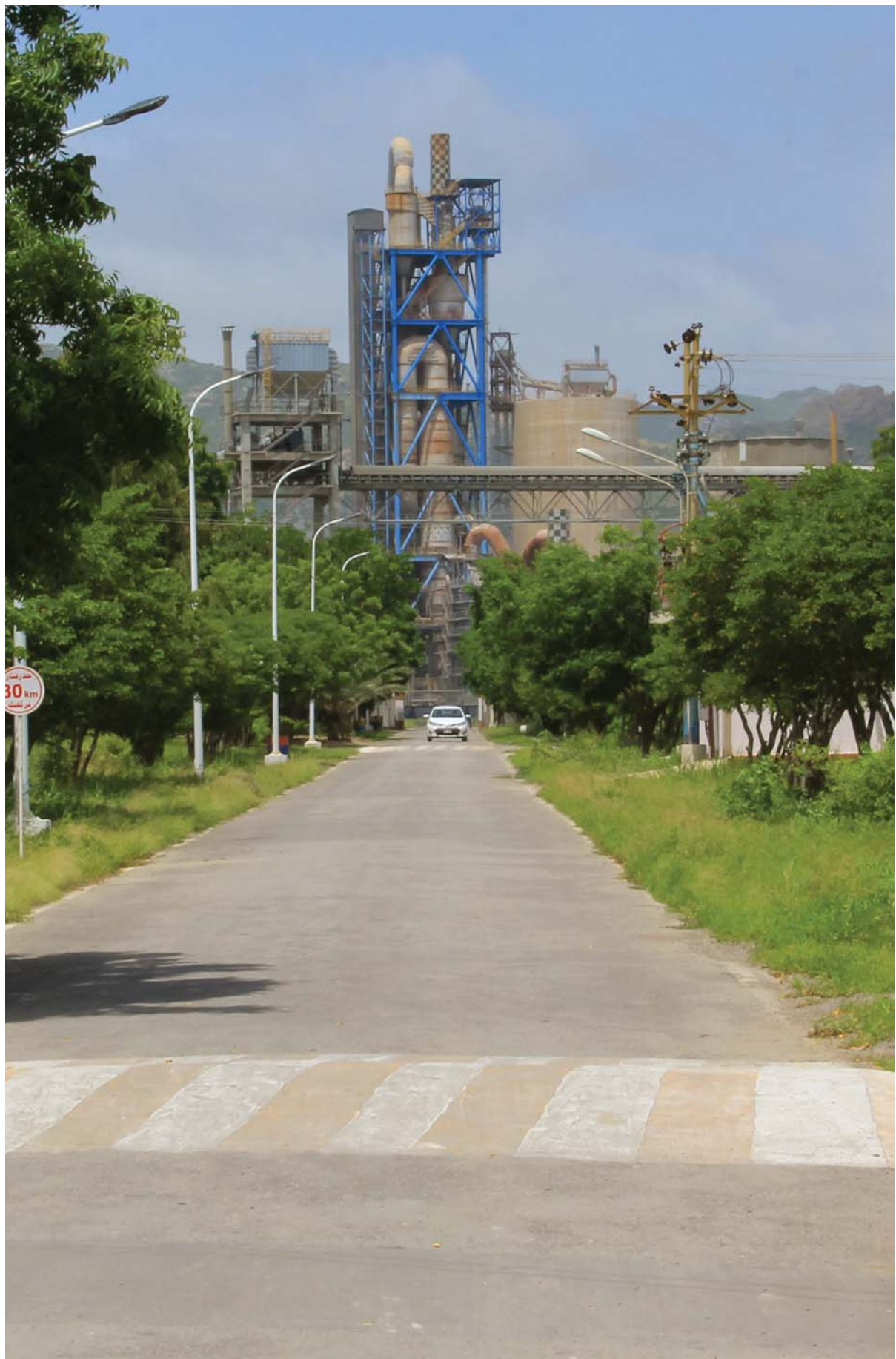


Half Yearly Report December 31, 2024



ATTOCK CEMENT PAKISTAN LIMITED



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COMPANY INFORMATION

Board of Directors

Laith G. Pharaon
Non-Executive Director

Wael G. Pharaon
Non-Executive Director

Shuaib A. Malik
Chairman &
Non-Executive Director

Abdus Sattar
Non-Executive Director

Shamim Ahmad Khan
Independent Director

Agha Sher Shah
Independent Director

Mohammad Haroon
Independent Director

Chief Executive
Babar Bashir Nawaz

Alternate Directors
Babar Bashir Nawaz
Irfan Amanullah

Audit Committee of the Board

Shamim Ahmad Khan Chairman
Shuaib A. Malik
Abdus Sattar
Agha Sher Shah

HR & Remuneration Committee

Agha Sher Shah Chairman
Shuaib A. Malik
Shamim Ahmad Khan
Mohammad Haroon

**Chief Operating Officer &
Company Secretary**
Irfan Amanullah

Chief Financial Officer

Muhammad Rehan

Auditors

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

Cost Auditors

M/s. UHY Hassan Naeem & Co.
Chartered Accountants

Legal Advisor

M/s. HNT & Associates

Bankers

MCB Bank Limited
The Bank of Punjab
Allied Bank Limited
Faysal Bank Limited
Askari Bank Limited
United Bank Limited
Habib Bank Limited
Bank Al-Habib Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Dubai Islamic Bank Limited
Habib Metropolitan Bank Limited
**Industrial & Commercial Bank
of China Limited**
BankIslami Pakistan Limited
Bank Alfalah Limited

Registered Office

**D-70, Block-4, Kehkashan-5,
Clifton, Karachi-75600**

Tel: (92-21) 35309773-4

UAN: (92) 111 17 17 17

Fax: (92-21) 35309775

Email: acpl@attockcement.com

Website: www.attockcement.com

Plant

Hub Chowki, Lasbela Balochistan

Share Registrar

M/s. FAMCO Share Registration Services (Pvt.) Limited
8-F, Near Hotel Faran,

Nursery, Block-6, PECHS,

Shahra-e-Faisal, Karachi

Tel: (92-21) 34380101-5,

(92-21) 34384621-3

Fax: (92-21) 34380106

DIRECTORS' REVIEW

The Directors are pleased to announce the results of the Company for the half year ended December 31, 2024.

OPERATIONAL & FINANCIAL REVIEW

Production and sales figures for the half year ended December 31, 2024 are as follows:

	July-Dec. 2024	July-Dec. 2023
Clinker Production	<u>1,223,029</u>	<u>1,235,869</u>
Cement Production	<u>689,658</u>	<u>681,700</u>
Cement Dispatches - Local	<u>606,206</u>	<u>644,860</u>
- Export	<u>78,612</u>	<u>36,824</u>
	<u>684,818</u>	<u>681,684</u>
Clinker Dispatches	<u>623,648</u>	<u>528,834</u>
Total Dispatches	<u>1,308,466</u>	<u>1,210,518</u>
Clinker Capacity Utilization	<u>60%</u>	<u>86%</u>

Industry Review

During the first half of the financial year 2024-25, local cement dispatches in the market of South remained under pressure owing to stringent budgetary measures taken by the Government and recorded an overall decline of 15% as compared to same period last year. Even though the prices in international markets are not encouraging, however due to availability of surplus capacities, the industry players from South kept exporting surplus clinker / cement at a highly competitive prices and accordingly the exports increased by 32% as compared to corresponding period in volumetric terms. On overall basis, South market registered a positive growth of 6% and capacity utilization stood at around 77%

Sales Review

During the first half of the year, local dispatches of the Company decreased by 38,654 tons (6%) as compared to same period last year due to reduction in overall local demand; whereas the exports witnessed a significant growth of 24% as compared to same period last year. Overall dispatches showed growth of 8% as compared to same period last year.

Financial Review

The net sales revenue of the Company increased by Rs.713 million (5%) over the corresponding period owing to higher volumetric dispatches primarily in export markets. Overall net retention (both cement & clinker) reduced by Rs.360 per ton (3%) as compared to last year due to higher contribution of export in overall sales mix which increased to 53% as compared to 47% in the corresponding period.

Overall, production cost per ton of total dispatches declined by 3% mainly due to efficient power mix and reduced fuel cost.

The reduction in production cost was fully offset by dilution in net retention; therefore, the reported gross margin remained at same level of 19%.

Profit after tax for the period was recorded at Rs. 643 million lowered by Rs. 2,700 million as compared to corresponding period. This is mainly due to the recognition of divestment gain (net of taxes) of Rs. 2,640 million during corresponding period.



PROGRESS ON PROJECT

Wind-mill project

We are pleased to inform that 4.8 MW windmill captive power plant has been successfully commissioned with effect from January 15, 2025. It will help the Company to reduce the dependence on national grid and would contribute positively towards the overall cost reduction efforts initiated by the Management.

FUTURE OUTLOOK

Pakistan economy has demonstrated sustained positive developments during first half of fiscal year 2024-25. With IMF program at its full swing the new Government has set clear targets in improving overall fiscal discipline across government functions. Accordingly the overall macroeconomic fundamentals have improved with significant decline in inflation. Consequently, the bench mark interest rates have declined substantially and it is anticipated that soon bench mark rate will touch single digit. This will stimulate the overall economic activities and accordingly the overall cement demand in local market would improve. Though the sector is still facing cost push inflation, however, with much needed relief in interest rates, savings in power cost through timely installation of solar power park and efficient coal purchase the company was able to restore its margins and it is anticipated that the ongoing margins shall remain firm in next 2 quarters.

On export front both the clinker prices and volumes have shown marginal improvements and this trend is very encouraging.

The Management is working hard to retain and increase its local market share in line with the demand and make inroads into untapped markets in order to achieve maximum capacity utilization through local sales.

ACKNOWLEDGMENT

The Company deeply acknowledges and recognizes the efforts put in by both the management and non-management staff and offers its sincere thanks for their continuous support. The Company also recognizes the cooperation that it has been constantly receiving from both Federal and Provincial Governments, local administration, law enforcing agencies, regulatory bodies, customers, bankers and suppliers.

On behalf of the Board



BABAR BASHIR NAWAZ

Chief Executive



ABDUS SATTAR

Director

January 27, 2025

Rawalpindi

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Attock Cement Pakistan Limited
Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Attock Cement Pakistan Limited as at December 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the 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 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 condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 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 audit resulting in this independent auditor's report is Farrukh Rehman.



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

Date: 27 February 2025

UDIN: RR202410059sJ10qznu7

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

■ KARACHI ■ LAHORE ■ ISLAMABAD



**CONDENSED INTERIM
FINANCIAL STATEMENTS**

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	Note	Unaudited December 31, 2024	Audited June 30, 2024
------(Rupees '000)-----			
ASSETS			
Non-current assets			
Fixed assets - property, plant and equipment	6	38,186,038	37,405,300
Long-term investments	7	79,696	70,574
Long-term loans and advances - considered good		53,681	52,576
Long-term deposits		99,940	99,940
Employee benefit prepayments		185,514	181,311
		38,604,869	37,809,701
Current assets			
Inventories	8	5,215,332	6,552,573
Trade receivables - considered good	9	889,711	1,665,507
Loans and advances - considered good		130,586	95,834
Short-term deposits and prepayments		443,690	247,787
Other receivables	10	980,567	139,231
Taxation - payments less provision		1,531,352	1,957,304
Tax refunds due from Government - Sales tax		-	495,161
Short-term investments	11	29,554,607	-
Cash and bank balances	12	1,044,513	954,821
		39,790,358	12,108,218
Investment - held for sale - divestment	13	-	3,256,110
Total assets		78,395,227	53,174,029
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital - issued, subscribed and paid-up		1,374,270	1,374,270
Unappropriated profit		20,235,680	20,142,373
		21,609,950	21,516,643
LIABILITIES			
Non-current liabilities			
Long-term loans	14	5,285,384	5,761,696
Deferred income - Government grant		715,331	836,250
Lease liabilities		5,499	9,671
Deferred tax liabilities		4,652,364	4,784,919
Employee benefit obligations		40,119	48,271
		10,698,697	11,440,807
Current liabilities			
Trade and other payables		8,090,495	10,318,398
Unclaimed dividend		12,441	12,001
Accrued mark-up		631,335	312,921
Sales tax payable		44,116	-
Short-term borrowings	15	37,291,278	9,549,626
Current portion of lease liabilities		16,915	23,633
		46,086,580	20,216,579
Total liabilities		56,785,277	31,657,386
Contingencies and commitments	16		
Total equity and liabilities		78,395,227	53,174,029

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED

	Note	Quarter ended		Half year ended	
		December 31, 2024	December 31, 2023 (Restated)	December 31, 2024	December 31, 2023 (Restated)
------(Rupees '000)-----					
Revenue from contracts with customers	17	8,925,012	7,978,122	15,351,441	14,638,243
Cost of sales		(7,036,440)	(6,323,407)	(12,367,729)	(11,850,333)
Gross profit		1,888,572	1,654,715	2,983,712	2,787,910
Distribution costs	18	(1,014,454)	(871,208)	(1,745,776)	(1,416,435)
Administrative expenses		(217,562)	(201,981)	(408,898)	(403,027)
Other expenses		(46,533)	(71,656)	(51,533)	(96,656)
Other income	19	733,394	56,005	763,102	83,326
Profit from operations		1,343,417	565,875	1,540,607	955,118
Gain on disposal of subsidiary	20	-	-	-	4,331,302
Gain on disposal of associate	21	4,320	-	4,320	-
Finance cost		(690,302)	(52,783)	(821,854)	(90,127)
Share of net income of associate accounted for using equity method		9,123	6,404	9,123	6,404
Profit before income tax and levies		666,558	519,496	732,196	5,202,697
Levies	22	(44,067)	(59,282)	(71,951)	(59,282)
Profit before income tax		622,491	460,214	660,245	5,143,415
Income tax (expense) / reversal	23	(41,386)	36,589	(17,230)	(1,800,889)
Profit for the period		581,105	496,803	643,015	3,342,526
Other comprehensive income		-	-	-	-
Total comprehensive income		581,105	496,803	643,015	3,342,526
Basic and diluted earnings per share (Rs.)	24	4.23	3.62	4.68	24.32

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED

	Share capital	Unappropriated profit	Total
	----- (Rupees '000) -----		
Balance as at July 1, 2023	1,374,270	17,594,244	18,968,514
Profit for the half year ended December 31, 2023	-	3,342,526	3,342,526
Other comprehensive income for the half year ended December 31, 2023	-	-	-
Total comprehensive income for the half year ended December 31, 2023	-	3,342,526	3,342,526
Transactions with the owners			
Final dividend for the year ended June 30, 2023 @ Rs. 6 per share	-	(824,562)	(824,562)
Balance as at December 31, 2023	<u>1,374,270</u>	<u>20,112,208</u>	<u>21,486,478</u>
Balance as at July 1, 2024	1,374,270	20,142,373	21,516,643
Profit for the half year ended December 31, 2024	-	643,015	643,015
Other comprehensive income for the half year ended December 31, 2024	-	-	-
Total comprehensive income for the half year ended December 31, 2024	-	643,015	643,015
Transactions with the owners			
Final dividend for the year ended June 30, 2024 @ Rs. 4 per share	-	(549,708)	(549,708)
Balance as at December 31, 2024	<u>1,374,270</u>	<u>20,235,680</u>	<u>21,609,950</u>

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - UNAUDITED

	Note	December 31, 2024	December 31, 2023 (Restated)
------(Rupees '000)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	25	1,860,874	228,272
Finance cost paid		(689,583)	(238,192)
Income tax and levies refund / (paid)		204,216	(213,502)
Retirement benefit obligations paid		(32,823)	(56,870)
Net cash generated from / (used in) operating activities		1,342,684	(280,292)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,224,290)	(2,250,724)
Proceeds from divestment of associate		3,260,430	-
Proceed from sale of term deposit receipt		212,945	-
Proceeds from disposal of property, plant and equipment		7,997	223
Purchase of short term investment		(29,906,451)	-
Purchase of mutual fund units		(996,518)	(1,303,862)
Proceeds from sale of mutual fund units		1,008,638	2,127,101
Profit received		31,676	45,752
Net cash used in investing activities		(27,605,573)	(1,381,510)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(549,268)	(132,954)
Repayment of long - term loan		(630,286)	(497,989)
Lease rentals paid		(13,266)	(12,157)
Net cash used in financing activities		(1,192,820)	(643,100)
Net decrease in cash and cash equivalents		(27,455,709)	(2,304,902)
Cash and cash equivalents at beginning of the period		(8,101,455)	(1,812,426)
Cash and cash equivalents at end of the period	26	(35,557,164)	(4,117,328)

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - (UNAUDITED)

1. THE COMPANY AND ITS OPERATIONS

- 1.1 The Company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan.

The Company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon (Parent Company).

- 1.2 On December 18, 2024, the Company received a letter from Parent Company regarding its intention to re-evaluate the long-term strategic options, including a potential sale, in relation to its investment in cement business in Pakistan.
- 1.3 Subsequent to the period end, on January 15, 2025, the Company has announced a successful commissioning of its wind mill project having capacity of 4.8 MW.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

- 2.1.2 These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2024.

- 2.1.3 The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from the un-audited condensed interim financial statements for the period ended December 31, 2023.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (Gratuity & Pension Fund) which is determined on the basis of the present value of defined benefit obligations less fair value of plan assets determined by an independent actuary.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting and reporting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

3. RESTATEMENT

3.1 Change in accounting policy

The Institute of Chartered Accountant of Pakistan (ICAP) has withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" via circular No. 07/2024 dated 15 May 2024. The said guidance requires certain amounts of tax paid under minimum and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these condensed interim financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) - 'Accounting Policies, Change in Accounting Estimates and Errors'. This requirement was initially applied in the financial statements of the Company for the year ended June 30, 2024. Accordingly the figures of prior period in condensed interim financial statement for the period ended December 31, 2023 have been restated. There has been no effect on the condensed interim statement of financial position, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and earnings per share as a result of this change.

Had there be no change in accounting policy, the profit before income tax and income tax expense would have been higher by Rs. 71.95 million.

3.2 Restatement - gain on disposal of subsidiary

During the period ended December 31, 2023, the Company disposed off its controlling interest in the subsidiary 'Saqr Al Keetan' and recognised a gain partially in profit or loss and remaining gain is recognised in the other comprehensive income. This treatment was not consistent with the requirement of applicable accounting standards. The gain was correctly accounted for in the annual financial statements of the Company for the year ended June 30, 2024. Accordingly, the same correction has been made in these condensed interim financial statements by restating the corresponding figures of December 31, 2023. There has been no effect on the condensed interim statement of financial position and the condensed interim statement of changes in equity.

The impact of the restatements is as under:

	For the half year ended December 31, 2023			
	As previously reported	Impact of change in accounting policy	Impact of rectification in accounting treatment	As restated
	----- (Rupees '000) -----			
Effect on condensed interim statement of profit or loss and other comprehension income				
Levies	-	(59,282)	-	(59,282)
Profit before income tax	3,068,139	(59,282)	2,134,558	5,143,415
Income tax (expense) / reversal	(1,027,693)	59,282	(832,478)	(1,800,889)
Profit for the period	2,040,446	-	1,302,080	3,342,526
Other comprehensive income	1,302,080	-	(1,302,080)	-
Basic & diluted earnings per share (Rs.)	14.85	-	9.47	24.32

4. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2024.

5. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

5.2 The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at year ended June 30, 2024.

5.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at June 30, 2024.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - (UNAUDITED)

	December 31, 2024	Audited June 30, 2024
	------(Rupees '000)-----	
6. FIXED ASSETS - property, plant and equipment		
Operating assets - notes 6.1 & 6.5	31,030,728	31,785,221
Capital work-in-progress - note 6.2	5,777,492	4,205,833
Right of use assets - note 6.4	17,456	28,331
Stores held for capital expenditures	1,360,362	1,385,915
	<u>38,186,038</u>	<u>37,405,300</u>
	December 31, 2024	December 31, 2023
	------(Rupees '000)-----	
6.1 Additions to operating assets during the period were as follows:		
Plant and machinery	20,794	27,700
Vehicles	29,521	39,573
Others	3,030	2,512
	<u>53,345</u>	<u>69,785</u>
	December 31, 2024	Audited June 30, 2024
	------(Rupees '000)-----	
6.2 Capital work-in-progress		
Installation of Line 4		
- Civil works	484,224	484,224
- Plant and machinery	3,040,382	3,040,382
- Advances to suppliers	58,972	58,972
- Others - note 6.3	620,965	371,217
	<u>4,204,543</u>	<u>3,954,795</u>
Wind-mill project		
- Civil works	1,150	-
- Plant and machinery	1,231,413	-
- Others - note 6.3	335,045	249,452
	<u>1,567,608</u>	<u>249,452</u>
Others		
- Civil works	4,932	-
- Plant and machinery	409	1,586
	<u>5,341</u>	<u>1,586</u>
	<u>5,777,492</u>	<u>4,205,833</u>
6.3		
This includes directly attributable expenditure for the development, construction and operation of Line 4 to their existing site. Furthermore, the borrowing cost net of deferred grant amounting to Nil (June 30, 2024: Rs. 229.52 million) was capitalised at the internal rate of return Nil (June 30, 2024: 3.69%) per annum on specific borrowing obtained and the borrowing cost of Rs. 363.37 million (June 30, 2024: Rs. 726.59 million) was capitalised at the internal rate of return of 15.62% (June 30, 2024: 12.72%) per annum on general borrowing obtained for financing of these projects.		
	December 31, 2024	Audited June 30, 2024
	------(Rupees '000)-----	
6.4		
Net book value as at beginning of the period	28,331	35,623
Additions	-	16,419
Depreciation	(10,875)	(23,711)
Net book value as at end of the period	<u>17,456</u>	<u>28,331</u>

6.4.1 The right-of-use assets comprise leasehold buildings used by the Company for its operations.

6.5 Net book value of disposals during the period is Rs. 18.07 million (December 31, 2023: Rs. 0.22 million).

	December 31, 2024	Audited June 30, 2024
------(Rupees '000)-----		
7. LONG-TERM INVESTMENTS		
Investment in associated company accounted for using equity method - Attock Information Technology Services (Private) Limited - 450,000 (June 30, 2024: 450,000) fully paid ordinary shares of Rs. 10 each	<u>79,696</u>	<u>70,574</u>
8. INVENTORIES		
Stores, spares and loose tools - note 8.1	3,579,646	4,351,880
Raw materials	201,156	204,117
Packing materials	179,986	233,959
Semi-finished goods at cost	895,383	1,456,343
Work-in-process	68,454	56,085
Finished goods	290,707	250,189
	<u>5,215,332</u>	<u>6,552,573</u>
8.1 Stores, spares and loose tools		
Coal - note 8.1.1	2,139,431	3,095,833
Stores and spares - note 8.1.2	1,435,323	1,263,268
Bricks	197,907	178,901
Loose tools	3,471	3,230
	<u>3,776,132</u>	<u>4,541,232</u>
Less: Provision for slow moving and obsolete items	<u>(196,486)</u>	<u>(189,352)</u>
	<u>3,579,646</u>	<u>4,351,880</u>

8.1.1 This includes coal in transit amounting to Nil (June 30, 2024: Rs. 501.41 million).

8.1.2 This includes stores and spares in transit amounting to Rs. 185.78 million (June 30, 2024: Rs. 21.98 million).

	December 31, 2024	Audited June 30, 2024
------(Rupees '000)-----		
9. TRADE RECEIVABLES – considered good		
Secured	667,283	1,438,940
Unsecured	222,428	226,567
	<u>889,711</u>	<u>1,665,507</u>

10. OTHER RECEIVABLES

This includes income accrued on Pakistan Investment Bonds amounting to Rs. 909.63 million (June 30, 2024: Nil) - refer note 11.

	December 31, 2024	Audited June 30, 2024

11. SHORT TERM INVESTMENT

At fair value through profit or loss

Pakistan Investment Bonds (PIB) - note 11.1

29,554,607

-

11.1 This represents PIBs having face value of Rs. 30,723 million (June 30, 2024: Nil), carrying yield of 15.24% per annum (June 30, 2024: Nil) having maturity on April 18, 2029. Also refer note 15.3.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - (UNAUDITED)

December 31, 2024 Audited June 30, 2024

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

12. CASH AND BANK BALANCES

Cash at bank

Conventional

- On savings accounts		
Local currency	8,561	12,021
Foreign currency	-	-
	8,561	12,021
- On current accounts		
Local currency	121,803	43,863
Foreign currency	461,452	234,052
	583,255	277,915
- Term deposit receipt (TDR) - note 12.1	375,000	487,945
	966,816	777,881

Islamic

- On savings accounts		
Local currency	383	152
- On current accounts		
Local currency	6,079	8,044
Foreign currency	69,062	67,914
	75,141	75,958
- Term deposit receipt (TDR) - note 12.1	-	100,000
	75,524	176,110
Cash in hand	2,173	830
	1,044,513	954,821

- 12.1 These carry mark up at 18% to 19.5% per annum payable at maturity. The TDRs amount varies from Rs. 10 million to Rs. 250 million that are due to mature within a year. The TDRs are held under lien against the guarantee issued by bank on behalf of the Company.

December 31, 2024 Audited June 30, 2024

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

13. INVESTMENT - HELD FOR SALE - DIVESTMENT

Investment in associate company - note 13.1	-	3,256,110
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- 13.1 The Company entered into a Share Purchase Agreement (SPA) dated May 26, 2023 for the divestment of its entire shareholding of 18,000,000 shares in subsidiary SAKCPCL (60% owned) to Mr. Abdul Lateef Mohsin Al Geetan and M/s. Lamassu Babylon General Trading (Buyers) at a total consideration of US\$ 23.4 million. The divestment of the entire shareholding of 18 million shares was agreed to occur in three tranches, details of which were specified in note 14 to the annual financial statements for the year ended June 30, 2024.

The transfer of shares against first tranche (30% shareholding) was completed with the Registrar office in Baghdad, Iraq on July 27, 2023 on which date revised Memorandum of Association along with revised shareholding certificate of SAKCPCL were issued.

The partial disposal (30% shareholding) of subsidiary resulted in loss of control and, accordingly, the remaining 30% investment was measured at fair value on the date control was lost and classified as held for sale as the management has made effective arrangements to dispose the associate within twelve months. During the period, the Company has received remaining two tranches of USD 5.85 million each against the disposal of associate and has issued a special power of attorney in favor of legal advisor of Mr Abdul Lateef Mohsin Al Geetan for the transfer of shares.

	December 31, 2024	Audited June 30, 2024
------(Rupees '000)-----		
14. LONG-TERM LOANS		
Balance at the beginning of the period	6,842,991	7,691,738
Interest expense including impact of unwinding	230,402	559,157
Less:		
- Reclassification of government grant	-	135,803
- Repayment made during the period	(723,408)	(1,543,707)
	<u>(723,408)</u>	<u>(1,407,904)</u>
	<u>6,349,985</u>	<u>6,842,991</u>
Less: Current portion of long-term loans - note 15	<u>(1,064,601)</u>	<u>(1,081,295)</u>
	<u><u>5,285,384</u></u>	<u><u>5,761,696</u></u>

- 14.1** Long term loans are secured against joint pari passu hypothecation charge on the Company's present and future fixed assets excluding land and building to cover the facility amount along with a 20% margin.

	December 31, 2024	Audited June 30, 2024
------(Rupees '000)-----		
15. SHORT-TERM BORROWINGS		
Conventional		
Short term running finance - notes 15.1 & 15.2	725,131	4,239,243
Short term finance - notes 15.1 & 15.3	29,906,450	-
Export refinance facility - notes 15.1 & 15.4	5,322,000	2,855,200
Islamic		
Short term running finance - notes 15.1 & 15.2	98,096	1,198,888
Short term finance under running musharakah - note 15.5	175,000	175,000
Current maturity of long - term loans - note 14	<u>1,064,601</u>	<u>1,081,295</u>
	<u><u>37,291,278</u></u>	<u><u>9,549,626</u></u>

- 15.1** The facilities available are from various banks amount to Rs. 48.66 billion (June 30, 2024: Rs. 16.66 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's inventories, trade receivables and short term investment.

- 15.2** The rates of mark-up are based on one month KIBOR to three months KIBOR with a spread ranging from negative two to positive one percent (June 30, 2024: one month KIBOR plus 0% and three months KIBOR plus 0%) per annum.

- 15.3** The facility is secured through a lien / pledge over Pakistan Investment Bond (PIB) valued at Rs. 30 billion at no margin. It is secured by first exclusive pledge registered with the Securities and Exchange Commission of Pakistan (SECP). The borrowing is for a 89-day term and carries an interest rate of KIBOR minus 2%.

- 15.4** The export refinance facilities available from different banks are secured by way of hypothecation of inventories and trade receivables and carry mark up ranging from State Bank of Pakistan (SBP) export refinance rate plus 0.5% to 1% (June 30, 2024: 0.5% to 1%).

- 15.5** The facility is for short term finance under running musharakah which is secured by way of joint pari-passu charge against hypothecation of stock-in-trade and book debts and carry mark up at islamic SBP export refinance rate plus 1% (June 30, 2024: 1%).

- 15.6** The above facilities are secured by way of joint pari passu charge over current and future moveable assets of the Company having aggregate charge amounting to Rs. 53.32 billion.

- 15.7** The facilities for opening letters of credit and guarantees as at December 31, 2024 amounted to Rs. 13.20 billion (June 30, 2024: Rs. 13.61 billion) of which unutilised balance at period end amounted to Rs. 12.80 billion (June 30, 2024: Rs. 11.37 billion).

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - (UNAUDITED)

16. CONTINGENCIES AND COMMITMENTS

16.1 There has been no change in the status of contingencies as reported in annual financial statements for the year ended June 30, 2024.

16.2 Commitments for capital expenditure outstanding as at December 31, 2024 amounted to Nil (June 30, 2024:

	December 31, 2024	December 31, 2023
	------(Rupees '000)-----	
17. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Local sale of goods	14,529,044	13,034,565
Sales tax	(2,423,626)	(2,148,609)
Federal excise duty	(2,421,129)	(1,283,246)
	(4,844,755)	(3,431,855)
Rebates, discount and commission	(422,905)	(298,250)
Net local sale of goods	<u>9,261,384</u>	<u>9,304,460</u>
Export sales	6,371,951	5,928,247
Freight	(281,894)	(594,464)
	<u>6,090,057</u>	<u>5,333,783</u>
	<u>15,351,441</u>	<u>14,638,243</u>

18. DISTRIBUTION COSTS

This includes Rs. 1,256.89 million (December 31, 2023: Rs. 887.27 million) incurred in respect of export sales.

	December 31, 2024	December 31, 2023
	------(Rupees '000)-----	
19. OTHER INCOME		
Income from financial assets		
Interest on savings accounts under interest / markup	12,894	12,893
Interest income on PIB	670,681	-
Unrealised (loss) / gain on investments at fair value through profit or loss	(112,905)	1,457
Gain on disposal of mutual fund units	12,120	18,424
Income on term deposit receipts	18,782	33,082
Exchange gain / (loss) - net	13,171	(30,498)
Income from non-financial assets		
Gain on disposal of operating assets	5,989	-
Others		
Export rebate	154	1,176
Scrap sales	6,883	1,099
Grant income	135,253	45,693
Others	80	-
	<u>763,102</u>	<u>83,326</u>

20. GAIN ON DISPOSAL OF SUBSIDIARY

As mentioned in note 13, this represents the gain on divestment of 9,000,000 shares of Saqr Al Keetan for Cement Production Company Limited amounting to Nil (December 31, 2023: Rs. 4.33 billion).

21. GAIN ON DISPOSAL OF ASSOCIATE

As mentioned in note 13, this represents the gain on divestment of 9,000,000 shares of Saqr Al Keetan for Cement Production Company Limited amounting to Rs. 4.32 million (December 31, 2023: Nil). This gain represents exchange difference.

	December 31, 2024	December 31 2023 (Restated)
	----- (Rupees '000) -----	
22. LEVIES		
Minimum / final tax u/s 154	<u>71,951</u>	<u>59,282</u>
23. INCOME TAX		
Current	123,017	974,853
Prior year	26,768	-
Deferred	<u>(132,555)</u>	<u>826,036</u>
	<u>17,230</u>	<u>1,800,889</u>
24. BASIC AND DILUTED EARNINGS PER SHARE		
Profit for the period	<u>643,015</u>	<u>3,342,526</u>
Weighted average number of outstanding shares at the end of the period (in thousand)	<u>137,427</u>	<u>137,427</u>
Basic and diluted earnings per share (Rupees)	<u>4.68</u>	<u>24.32</u>
25. CASH GENERATED FROM OPERATIONS		
Profit before income tax and levies	732,196	5,202,697
Add / (less): adjustments for non-cash charges and other items		
Depreciation	804,913	464,143
Gain on disposal of property, plant and equipment	(5,989)	-
Unrealised loss on investments classified as fair value through profit or loss	112,905	(1,457)
Gain on disposal of subsidiary	-	(4,331,302)
Gain on disposal of associate	(4,320)	-
Gain on sale of mutual fund units	(12,120)	(18,424)
Provision for stores, spares and loose tools	7,134	3,704
Interest income	(12,894)	(12,893)
Income on term deposit receipts	(18,782)	(33,082)
Finance cost	784,285	358,591
Employee benefit obligations	20,468	32,459
Government grant recognised in income	(135,253)	(45,693)
Share of net income of associate accounted for using equity method	(9,123)	(6,404)
Profit before working capital changes	<u>2,263,420</u>	<u>1,612,339</u>
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Inventories	1,330,107	(2,618,194)
Trade receivables	775,796	(382,622)
Loans and advances	(35,857)	19,902
Short-term deposits and prepayments	(195,903)	(163,166)
Tax refunds due from Government - Sales tax	-	(53,915)
Other receivables	(602,397)	(140,127)
	<u>1,271,746</u>	<u>(3,338,122)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(2,213,569)	1,954,055
Sales tax payable	539,277	-
	<u>(1,674,292)</u>	<u>1,954,055</u>
	<u>(402,546)</u>	<u>(1,384,067)</u>
Cash generated from operations	<u>1,860,874</u>	<u>228,272</u>

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024 - (UNAUDITED)

	December 31, 2024	December 31, 2023
	----- (Rupees '000) -----	
26. CASH AND CASH EQUIVALENTS		
Cash and bank balances (excluding TDR having term of more than 3 months) - note 12	669,513	442,025
Short-term running finance - note 15	(823,227)	(1,717,353)
Short term finance - note 15	(29,906,450)	-
Export refinance facility - note 15	(5,322,000)	(2,667,000)
Short-term finance under running musharakah - note 15	(175,000)	(175,000)
	<u>(35,557,164)</u>	<u>(4,117,328)</u>
27. TRANSACTIONS WITH RELATED PARTIES		
Transactions with related parties during the period are as follows:		
Holding Company		
- Pharaon Investment Group Limited (PIGL)		
Dividend paid	462,105	693,158
Recovery of expenses	1,500	401
Associated companies		
- Attock Petroleum Limited (APL)		
Purchase of goods	87,624	162,526
Recovery of expenses	4,281	4,352
Reimbursement of expenses	2,723	1,499
- The Attock Oil Company Limited (AOC)		
Recovery of expenses	3,687	4,868
Reimbursement of expenses	1,177	825
- National Refinery Limited (NRL)		
Sale of goods	261	678
Recovery of expenses	184	202
Reimbursement of expenses	569	7
- Pakistan Oilfields Limited (POL)		
Recovery of expenses	3,722	4,030
Reimbursement of expenses	24	-
- Attock Refinery Limited (ARL)		
Recovery of expenses	91	107
Other related parties		
Payments made to retirement benefit obligation	32,822	56,870
Key management personnel		
Salaries and other short-term employee benefits	95,862	87,091
Post-employment benefits	4,005	3,560

28. FAIR VALUE OF THE FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at December 31, 2024, the estimated fair value of all financial assets and financial liabilities are approximate to their carrying values, as the items are either short term in nature or periodically repriced, except for short term investments which are carried at level 2 of fair value hierarchy.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the period.

The table below analyses financial instruments carried at fair value by valuation method.

	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
As at December 31, 2024				
Financial assets at fair value through profit or loss				
Pakistan Investment Bond	-	29,554,607	-	29,554,607
As at June 30, 2024				
Financial assets at fair value through profit or loss				
Pakistan Investment Bond	-	-	-	-

29. NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in their meeting held on January 27, 2025 have declared an interim cash dividend of Rs. Nil (December 31, 2023: Rs. 2.50 per share) for the year ending June 30, 2025 amounting to Rs. Nil million (December 31, 2023: Rs. 343.57 million).

30. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of Company on January 27, 2025.



Muhammad Rehan
Chief Financial Officer



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director



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