

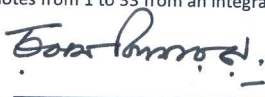


**Statement of Financial Position ( Un-audited )  
As at 31 December 2018**

	Note(s)	31 December 2018 (Un-audited) Taka	30 June 2018 ( Audited ) Taka
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	4	4,069,336,755	4,155,322,547
Capital work in progress	5	82,492,952	90,948,685
Investments	6	82,716,354	101,031,513
Investment in associates	7	859,466,626	670,268,537
<b>Total non-current assets</b>		<b>5,094,012,687</b>	<b>5,017,571,282</b>
<b>Current assets</b>			
Inventories	8	766,494,430	756,294,567
Trade receivables	9	1,071,103,031	1,022,013,946
Advances, deposits and pre-payments	10	1,175,111,394	1,025,494,236
Other receivables	11	79,288,831	80,017,915
Short term investment	12	250,000,000	250,000,000
Cash and cash equivalents	13	133,845,790	49,425,599
<b>Total current assets</b>		<b>3,475,843,476</b>	<b>3,183,246,263</b>
<b>Total Assets</b>		<b>8,569,856,163</b>	<b>8,200,817,545</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	647,906,680	539,922,240
Share premium		658,089,549	658,089,549
Reserves	15.01	371,862,754	371,862,754
Revaluation surplus	15.02	517,798,523	537,636,210
Retained earnings		2,000,294,893	1,995,828,285
<b>Total equity</b>		<b>4,195,952,399</b>	<b>4,103,339,038</b>
<b>Non-current liabilities</b>			
Long term loan	16	1,532,134,759	89,641,795
Defined benefit obligations (gratuity)	17	75,435,358	64,086,475
Deffered tax liability	18	209,411,561	209,785,503
<b>Total Non-current liabilities</b>		<b>1,816,981,678</b>	<b>363,513,773</b>
<b>Current liabilities</b>			
Trade payables	19	451,095,186	478,082,235
Short term loans	20	1,797,272,401	3,069,653,003
Current portion of long term loans	21	131,307,692	-
Provision for WPPF and welfare fund	22	-	-
Current tax liability	23	74,093,700	60,237,568
Other liabilities	24	103,153,108	125,991,928
<b>Total current liabilities</b>		<b>2,556,922,087</b>	<b>3,733,964,734</b>
<b>Total equity and liabilities</b>		<b>8,569,856,163</b>	<b>8,200,817,545</b>
<b>Net Assets Value per Share ( NAV )</b>		<b>64.76</b>	<b>76.00</b>

The accompanying notes from 1 to 33 from an integral part of these financial statements

  
Chairman

  
Vice Chairman

  
Managing Director

  
Chief Financial Officer

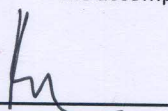
  
Company Secretary

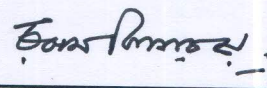


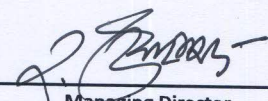
## Statement of Profit or Loss Other Comprehensive Income (un-Audited) For the Half year ended 31 December 2018

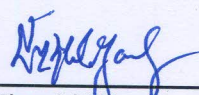
	Note(s)	Half year ended		Quarter ended	
		July-Dec 2018 Taka	July-Dec 2017 Taka	Oct-Dec 2018 Taka	Oct-Dec 2017 Taka
Revenue	25	2,290,816,088	1,699,771,309	1,247,877,781	966,979,466
Cost of sales	26	(2,060,629,018)	(1,506,230,960)	(1,102,803,594)	(846,568,327)
<b>Gross profit</b>		<b>230,187,070</b>	<b>193,540,349</b>	<b>145,074,187</b>	<b>120,411,139</b>
<b>Operating expenses</b>					
Administrative	27	(47,440,496)	(47,867,263)	(22,417,616)	(22,395,230)
Selling and distribution	28	(56,993,824)	(160,510,643)	(36,966,103)	(109,474,977)
Other operating income	29	4,876,134	927,808	3,009,121	10,377
<b>Profit/(loss) before operating activities</b>		<b>130,628,884</b>	<b>(13,909,749)</b>	<b>88,699,589</b>	<b>(11,448,691)</b>
Finance cost	30	(143,225,738)	(41,344,542)	(83,568,458)	(23,230,775)
Finance income	31	9,697,450	3,438,495	6,794,888	1,393,314
<b>Profit/(loss) before Workers' profit participation fund</b>		<b>(2,899,404)</b>	<b>(51,815,796)</b>	<b>11,926,019</b>	<b>(33,286,152)</b>
Contribution to workers' profit participation fund		-	-	-	-
<b>Profit/(loss) after Workers' profit participation fund</b>		<b>(2,899,404)</b>	<b>(51,815,796)</b>	<b>11,926,019</b>	<b>(33,286,152)</b>
Non operating income/(loss)	32	785,201	65,341,170	-	40,692,195
Share of profit/(loss) of associates ( net of tax )	33	189,198,089	157,135,318	67,905,316	92,156,347
<b>Profit before income tax</b>		<b>187,083,886</b>	<b>170,660,692</b>	<b>79,831,335</b>	<b>99,562,390</b>
Provision for income tax :					
-Current tax	23	(13,856,132)	(10,504,699)	(7,546,090)	(6,062,277)
-Deferred tax	18	(6,238,620)	1,300,914	(3,119,310)	853,775
<b>Profit after income tax</b>		<b>166,989,134</b>	<b>161,456,907</b>	<b>69,165,935</b>	<b>94,353,888</b>
<b>Total Comprehensive income for the year</b>		<b>166,989,134</b>	<b>161,456,907</b>	<b>69,165,935</b>	<b>94,353,888</b>
<b>Earning per share ( EPS )</b>		<b>2.58</b>	<b>2.99</b>	<b>1.07</b>	<b>1.75</b>

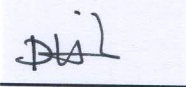
The accompanying notes from 1 to 33 from an integral part of these financial statements

  
Chairman

  
Vice Chairman

  
Managing Director

  
Chief Financial Officer

  
Company Secretary



## Statement of changes in Equity ( Un-Audited ) For the Half year ended 31 December 2018

	Share capital paid up	Share premium realised	General and other reserves	Revaluation surplus	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balances as on 1 July, 2017</b>	449,935,200	658,089,549	371,862,754	577,705,317	1,726,156,151	3,783,748,971
Profit after tax during the period	-	-	-	-	161,456,907	161,456,907
Adjustments for depreciation on revalued assets	-	-	-	(26,455,915)	26,455,915	-
Deffered tax adjustment on revaluation surplus	-	-	-	6,613,979	-	6,613,979
Cash dividend @ 15% for 2016-17	-	-	-	-	(67,490,280)	(67,490,280)
Stock dividend @ 20% for 2016-17	89,987,040	-	-	-	(89,987,040)	-
<b>Balances as at 31 Dec, 2017</b>	<b>539,922,240</b>	<b>658,089,549</b>	<b>371,862,754</b>	<b>557,863,381</b>	<b>1,756,591,653</b>	<b>3,884,329,577</b>
<b>Balances as on 1 July, 2018</b>	539,922,240	658,089,549	371,862,754	537,636,210	1,995,828,285	4,103,339,038
Profit after tax during the period	-	-	-	-	166,989,134	166,989,134
Adjustments for depreciation on revalued assets	-	-	-	(26,450,250)	26,450,250	-
Deffered tax adjustment on revaluation surplus	-	-	-	6,612,563	-	6,612,563
Cash dividend @ 15% for 2017-18	-	-	-	-	(80,988,336)	(80,988,336)
Stock dividend @ 20% for 2017-18	107,984,440	-	-	-	(107,984,440)	-
<b>Balances as at 31 Dec, 2018</b>	<b>647,906,680</b>	<b>658,089,549</b>	<b>371,862,754</b>	<b>517,798,523</b>	<b>2,000,294,893</b>	<b>4,195,952,399</b>

Chairman

Vice Chairman

Managing Director


Chief Financial Officer

Company Secretary



**Statement of Cash Flow ( Un-audited )  
For the Half year ended 31 December 2018**

	July- Dec 2018 Taka	July- Dec 2017 Taka
<b>a. Cash flows from operating activities</b>		
Receipts from customers	2,246,808,235	1,427,172,212
Payment of suppliers, employees & others	(2,306,549,281)	(1,891,602,143)
<b>Cash generated from operations</b>	<b>(59,741,046)</b>	<b>(464,429,931)</b>
Receipts from other income	4,876,134	65,341,170
<b>Net cash generated by operating activities</b>	<b>(54,864,912)</b>	<b>(399,088,761)</b>
<b>b. Cash flows from investing activities</b>		
Acquisition of fixed assets	(83,836,340)	(168,170,563)
( Increase )/Decrease in capital work in progress	38,538,232	33,260,632
( Increase )/Decrease in investments	16,886,449	220,117,176
(Increase)/Decrease in short term investments	-	(171,642,000)
<b>Net cash ( used in )/generated by investing activities</b>	<b>(28,411,659)</b>	<b>(86,434,755)</b>
<b>c. Cash flows financing activities</b>		
Long term loans (repaid)/increased	1,442,492,964	(4,149,813)
Short term loans -Overdraft(repaid)/increased	(1,141,072,911)	(296,643,920)
Payment for financial expenses	(133,528,288)	(37,906,047)
Dividend Paid	(195,003)	(228,455)
<b>Net cash ( used in )/generated by financing activities</b>	<b>167,696,762</b>	<b>(338,928,235)</b>
<b>d. Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>84,420,191</b>	<b>(824,451,751)</b>
<b>e. Opening cash and cash equivalents</b>	<b>49,425,599</b>	<b>863,557,551</b>
<b>f. Closing cash and cash equivalents (d+e)</b>	<b>133,845,790</b>	<b>39,105,800</b>
<b>Net operating cash flow per share</b>	<b>(0.85)</b>	<b>(7.39)</b>

  
Chairman

  
Vice Chairman

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

## Notes to the Financial Statements As at and for the Half Year ended 31 December 2018

### 1.00 THE REPORTING ENTITY

#### 1.01 Company's Profile

The Company was incorporated as a Public Limited Company on 02 May, 1991. The company is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. as a publicly quoted company.

#### 1.02 Company's Registered Office

The registered office of the company is situated at Confidence Heights, Plot-1, Lane-1, Road-2, Block-L, Halishahar H/E, Agrabad Access Road, Chittagong.

#### 1.03 Nature of Activities

The principal activities of the company are carrying on business as manufacturer of and dealers in cement and allied materials of all kinds and varieties whatsoever.

#### 1.04 Description of Associates

##### i) Confidence Electric Limited

Confidence Electric Limited was incorporated in Bangladesh on 11 February 2010 as a Private Limited Company. The principal activities of the Company are manufacturing and assembling of Electronic and Electrical goods. Confidence Cement Limited holds 49% of ordinary shares in Confidence Electric Limited.

##### ii) Confidence Power Limited

Confidence Power Limited was incorporated in Bangladesh on 23 July 2000 as a Private Limited Company. The principal activities of the Company are carrying out the business as manufacturer and seller of Spun Prestressed Concrete (SPC) Pole, Prestressed Concrete (PC) and Prestressed Concrete Railway Sleeper, Prefabricated Construction Materials of the country. Confidence Cement Limited holds 25% of ordinary shares in Confidence Power Limited.

### 2.00 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

#### 2.01 Statement of Compliance

The Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) and interpretations of BFRSs and BASs.

### 3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.01 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation is charged on addition from the month (date of service) of acquisition/addition and no depreciation is charged in the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The depreciation charge for each period is recognized as an expense unless it is included in the carrying amount of another asset.



The principal annual rates are as follows:

**Category of assets**

Building & other Construction  
Plant and Machinery  
Furniture, Fixtures and Equipment's  
Vehicles

**Rates of depreciation**

2.5% - 10%  
5% - 15%  
5% - 30%  
10%-20%

Depreciation methods, useful lives and residual values are reassessed at the reporting dates.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

**3.02 Capital Work-In-Progress**

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

**3.03 Inventories**

**Nature of inventories**

Inventories comprise Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash), Packing Materials, Consumable Stores etc.

**Valuation of the inventories**

**Category**

Raw materials  
Work-in-process  
Stores & spares

**Basis of valuation**

At cost or net realizable value whichever is lower  
At cost  
Based on Weighted average cost method

**3.04 General**

- i) The amounts in these financial statements have been rounded off to the nearest Taka
- ii) Bracket figures denote negative.



	Notes	31 Dec 2018 (Un-audited) Taka	30 June 2018 (Audited) Taka	
<b>4.00 Property, plant and equipment</b>				
<b><u>i. At Cement plant</u></b>				
Cost/ Revalued value	4.01	5,587,804,097	5,541,396,286	
Less: Accumulated depreciation	4.02	(1,753,570,254)	(1,621,328,387)	
<b>Sub total</b>		<b>3,834,233,843</b>	<b>3,920,067,899</b>	
<b><u>ii. At Ready-mix plant</u></b>				
Cost/ Revalued value	4.01	313,593,661	306,247,631	
Less: Accumulated depreciation	4.02	(78,490,749)	(70,992,983)	
<b>Sub total</b>		<b>235,102,912</b>	<b>235,254,648</b>	
<b>Grand total (i+ii)</b>		<b>4,069,336,755</b>	<b>4,155,322,547</b>	
<b>4.01 Cost/ Revalued value</b>				
<b><u>i. At Cement plant</u></b>				
Opening balance		5,541,396,286	2,962,571,235	
Add: Addition during the period		46,407,811	2,585,334,061	
		<b>5,587,804,097</b>	<b>5,547,905,296</b>	
Less: Disposal		-	(6,509,010)	
		<b>5,587,804,097</b>	<b>5,541,396,286</b>	
<b><u>ii. At Ready-mix plant</u></b>				
Opening balance		306,247,631	305,930,046	
Add: Addition during the period		7,346,030	317,585	
		<b>313,593,661</b>	<b>306,247,631</b>	
<b>4.02 Accumulated depreciation</b>				
<b><u>i. At Cement plant</u></b>				
Opening balance		1,621,328,387	1,445,560,737	
<b>Add: Charged during the period</b>		<b>132,241,867</b>	<b>180,865,555</b>	
Factory overhead		123,741,658	165,362,501	
Administrative expenses		5,369,647	10,451,948	
Selling and distribution expenses		3,130,562	5,051,106	
Less: Adjustment during the year for sale of fixed assets		-	(5,097,905)	
		<b>1,753,570,254</b>	<b>1,621,328,387</b>	
<b><u>ii. At Ready-mix plant</u></b>				
Opening balance		70,992,983	56,385,215	
<b>Add: Charged during the period</b>		<b>7,497,766</b>	<b>14,607,768</b>	
Factory overhead		7,497,766	14,607,768	
Administrative expenses		-	-	
Selling and distribution expenses		-	-	
		<b>78,490,749</b>	<b>70,992,983</b>	
<b>5.00 Capital work-in-progress</b>				
Opening capital work-in-progress		90,948,685	2,269,837,541	
Add: Expenditure incurred during the period	5.01	30,082,499	266,927,395	
		121,031,184	2,536,764,936	
Less: Capitalized during the period		(38,538,232)	(2,445,816,251)	
		<b>82,492,952</b>	<b>90,948,685</b>	
<b>5.01 Details of capital work-in-progress</b>				
<b>Particulars</b>	<b>Opening balance</b>	<b>Expenditure incurred during the period</b>	<b>Capitalized during the period</b>	<b>Closing balance</b>
<b>At cement plant</b>				
Civil works	63,513,917	14,610,704	-	78,124,621
Plant & machinery	2,485,592	15,443,384	13,589,056	4,339,920
Vehicles	24,949,176	-	24,949,176	-
Inter Office decoration	-	28,411	-	28,411
	<b>90,948,685</b>	<b>30,082,499</b>	<b>38,538,232</b>	<b>82,492,952</b>

These costs include costs incurred initially to construct property, plant and equipment (PPE). Construction costs are transferred to PPE when the construction is complete.



	Notes	31 Dec 2018 (Un-audited) Taka	30 June 2018 (Audited) Taka
<b>6.00 Investments</b>			
Investment in quoted shares	6.01	1,999,478	18,296,001
Investment in unquoted shares	6.02	21,894,450	21,894,450
Other investments	6.03	58,822,426	60,841,062
		<b>82,716,354</b>	<b>101,031,513</b>
<b>6.01 Investments in quoted shares</b>			
Opening balance		18,296,001	279,302,876
Add/(less) : Purchase/(sales) during the year		(16,886,449)	(296,927,129)
Add/(less) : Changes in fair value of tradeable securities		9,823	(1,611,295)
Add : Profit realised on tradeable securities		580,103	37,531,549
		<b>1,999,478</b>	<b>18,296,001</b>
<b>6.02 Investment in unquoted shares</b>			
Asian Paints ( BD ) Limited		18,325,000	18,325,000
New Vision Information Technology Limited		2,000,000	2,000,000
Central Depository Bangladesh Limited		1,569,450	1,569,450
		<b>21,894,450</b>	<b>21,894,450</b>
<b>6.03 Other investment</b>			
CBC-Confidence Cement Convention Centre		60,841,062	65,197,200
Less : Profit portion of rent received during the year		-	(300,000)
Less : Amortization during the year		(2,018,636)	(4,056,138)
		<b>58,822,426</b>	<b>60,841,062</b>

- (i) An agreement signed with Bangladesh Navy dated on 09 March 2011 for construction of Convention Centre named as CBC-Confidence Cement Convention Centre at Chittagong Boat Club on BOT (Build, operate and transfer) basis for 20 (Twenty) years with effect from 01 July 2013.

		31 Dec 2018 (Un-audited) Taka	30 June 2018 (Audited) Taka
<b>7.00 Investment in associates</b>			
Confidence Electric Limited	7.01	536,499,814	413,216,233
Confidence Power Limited	7.02	291,714,930	239,099,487
Confidence Batteries Limited	7.03	31,251,882	17,952,817
		<b>859,466,626</b>	<b>670,268,537</b>
<b>7.01 Confidence Electric Limited</b>			
<b>Movement of investment in associates</b>			
Investment in equity share		2,205,000	7,350,000
Equity shares transferred to Confidence Batteries Limited		-	(5,145,000)
<b>Share of profit/(loss)</b>			
Opening balance		411,011,233	70,984,407
Share of profit/(loss) for the period	33.01	123,283,581	340,026,826
		<b>536,499,814</b>	<b>413,216,233</b>

