



# Half Yearly Report

## December 31, 2017

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# Company Information

## ***Board of Directors***

Mr. Shahid Aziz Siddiqi - Chairman  
Mr. Nasim Beg  
Mr. Kashif Habib - Chief Executive Officer  
Mr. Samad Habib  
Syed Najmuddujah Jaffri  
Mr. Khalil Ahmed  
Syed Muhammad Talha

## ***Audit Committee***

Mr. Nasim Beg - Chairman  
Mr. Samad Habib  
Syed Najmuddujah Jaffri

## ***Human Resources & Remuneration Committee***

Mr. Samad Habib - Chairman  
Mr. Kashif Habib  
Syed Najmuddujah Jaffri

## ***Chief Financial Officer***

Syed Muhammad Talha

## ***Company Secretary***

Mr. Bilal Yasin

## ***Auditors***

Naveed Zafar Ashfaq Jaffery & Co.  
Chartered Accountants

## ***Legal Advisor***

Advocates Ahsan ul Haque  
Advocates & Corporate Counsel

## ***Bankers and Financial institutions***

Bank Islami Pakistan Limited  
Habib Metropolitan Bank Limited  
The Bank of Punjab  
Bank Alfalah Limited  
First Habib Modaraba  
Summit Bank

## ***Registered Office***

Plot # 1,6 sector # 26, Bilal Chowrangi Korangi Industrial Area, Karachi.  
Tel # +92 21 35074581-84  
Fax # +92 21 35074603  
[www.safemixlimited.com](http://www.safemixlimited.com)

## ***Shares Registrar***

THK Associates (Private) Limited  
Ground Floor, State Life Building No. 3,  
Dr. Ziauddin Ahmed Road  
Karachi.

# Directors' Review Report

The Board of Directors of Safe Mix Concrete Limited present herewith condensed financial information for the half year ended 31<sup>st</sup> December 2017.

## Overview

During the half year under review, the Company incurred a Loss After Tax (LAT) of Rs 3.162 million, whereas in second quarter from October to December the company has earned profit of Rs. 4.531 million. During the period the volumetric sales has increased by 10.93% as compared to corresponding period last year. Further during the end of the period under review, the management of the Company invested heavily to refine the distribution process and increase its asset base which will in turn reduce per unit distribution cost and further increase the volumetric sales of the company.

## Operating results

|                               | Half Year Ended     |                     | Quarter Ended       |                     |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
|                               | 31 December<br>2017 | 31 December<br>2016 | 31 December<br>2017 | 31 December<br>2016 |
|                               | ------(Rupees)----- |                     |                     |                     |
| (Loss)/Profit before taxation | (4,805,563)         | 1,447,892           | 2,242,004           | 473,269             |
| Taxation                      | 1,642,956           | 539,024             | 2,289,160           | 486,138             |
| (Loss)/Profit after taxation  | <u>(3,162,607)</u>  | <u>1,986,916</u>    | <u>4,531,164</u>    | <u>959,407</u>      |

## Earnings per share

Loss per share for the half year ended amounted to Rs. (0.13) per share as compared to earnings per share for the corresponding period of the last year of Rs. 0.08 per share.

## Future Outlook

The Company has invested on enhancing delivery capacity. This will not only maximize the plant utilization but will also help in reducing the cost of rental equipment and will also prove helpful in ensuring timely delivery of concrete mix to the builders / contractors. The Company is determined to adopt new marketing strategies to capture the growing market of ready mix services. Further the company is focusing on investing in exclusive supply contracts of specific private sector development projects. Shareholders of the company stand to gain in terms of returns and value in the long term.

## Acknowledgement

The management of the Company would like to thank all the financial institutions, customers, individuals and staff members who have been associated with the Company for their support and cooperation. Further, we would also like to thank SECP and the management of PSX for their continued support and guidance.

Karachi: February 27, 2018

For and on behalf of the Board

  
Kashif Habib  
Chief Executive Officer

# AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

## Introduction:

We have reviewed the accompanying condensed interim balance sheet of **Safe Mix Concrete Limited** ("the Company") as at December 31, 2017; and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, and notes to the accounts for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2017 and 2016 and the notes thereto have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

## Scope of Review:

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

## Conclusion

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

**Naveed Zafar Ashfaq Jaffery & Co**  
Chartered Accountants  
Engagement Partner: **Tanveer Afzal Khan - FCA**

Karachi  
Dated:

# Safe Mix Concrete Limited

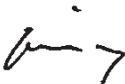
## Condensed Interim Balance Sheet (Un-audited)

As at December 31, 2017

|  | Note | Un-audited<br>31 December<br>2017 | Audited<br>30 June<br>2017 |
|--|------|-----------------------------------|----------------------------|
| (-----Rupees-----)   |      |                                   |                            |
| <b>Non - current assets</b>                                    |      |                                   |                            |
| Property, plant and equipment                                  | 5    | 245,596,322                       | 172,125,889                |
| Long term deposits   |      | 32,210,770                        | 31,539,270                 |
| Deferred tax asset   |      | 38,459,253                        | 34,731,372                 |
|  |      | <b>316,266,345</b>                | <b>238,396,531</b>         |
| <b>Current assets</b>  |      |                                   |                            |
| Stores, spare parts and loose tools                            |      | 7,820,918                         | 7,162,780                  |
| Stock in trade   |      | 60,369,172                        | 27,605,363                 |
| Trade debts  |      | 204,841,157                       | 104,016,270                |
| Advances, prepayments and other receivables                    |      | 83,987,315                        | 64,009,740                 |
| Taxation - net   |      | 49,645,311                        | 45,865,776                 |
| Cash and bank balances   |      | 22,159,011                        | 16,845,989                 |
|  |      | <b>428,822,884</b>                | <b>265,505,918</b>         |
| <b>TOTAL ASSETS</b>  |      | <b>745,089,229</b>                | <b>503,902,449</b>         |
| <b>Equity and Liabilities</b>                                  |      |                                   |                            |
| Share capital and reserves                                     |      |                                   |                            |
| Authorized capital<br>35,000,000 ordinary shares of Rs 10 each |      | <u>350,000,000</u>                | <u>350,000,000</u>         |
| Issued, subscribed and paid up capital                         |      | <u>250,000,000</u>                | <u>250,000,000</u>         |
| Share premium  |      | 14,728,576                        | 14,728,576                 |
| Accumulated losses   |      | (29,196,973)                      | (26,034,366)               |
|  |      | <b>235,531,603</b>                | <b>238,694,210</b>         |
| <b>Non - current liabilities</b>                               |      |                                   |                            |
| Long term financing - secured                                  | 6    | 64,607,968                        | 35,277,562                 |
| Staff retirement benefits                                      |      | 7,588,143                         | 6,858,140                  |
| Deferred income  |      | 6,160,000                         | 7,840,000                  |
|  |      | <b>78,356,111</b>                 | <b>49,975,702</b>          |
| <b>Current liabilities</b>                                     |      |                                   |                            |
| Trade and other payables                                       |      | 355,779,907                       | 179,760,043                |
| Current portion of long term financing                         |      | 11,759,188                        | 11,759,188                 |
| Current portion of deferred income                             |      | 3,360,000                         | 3,360,000                  |
| Loan from related party  |      | 60,000,000                        | 20,000,000                 |
| Accrued mark-up  |      | 302,420                           | 353,306                    |
|  |      | <b>431,201,515</b>                | <b>215,232,537</b>         |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            |      | <b>745,089,229</b>                | <b>503,902,449</b>         |
| <b>Contingencies and commitments</b>                           |      |                                   |                            |
|  | 7    |                                   |                            |

The annexed notes form an integral part of these condensed interim financial information.

  
CEO

  
Director

  
CFO

## Safe Mix Concrete Limited

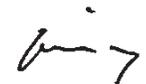
### Condensed Interim Profit and Loss Account (Un-audited)

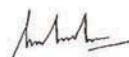
For the half year ended December 31, 2017

|  | Half Year Ended       |                     | Quarter Ended       |                     |
|--|-----------------------|---------------------|---------------------|---------------------|
|  | 31 December<br>2017   | 31 December<br>2016 | 31 December<br>2017 | 31 December<br>2016 |
|  | (------(Rupees)-----) |                     |                     |                     |
| Revenue  | 166,794,094           | 102,595,664         | 122,052,087         | 52,590,502          |
| Cost of sales  | 8 (157,298,229)       | (91,946,479)        | (114,819,704)       | (47,258,720)        |
| <b>Gross profit</b>                                  | <b>9,495,865</b>      | <b>10,649,185</b>   | <b>7,232,383</b>    | <b>5,331,782</b>    |
| Selling and administrative expenses                  | (15,848,199)          | (7,901,627)         | (7,810,295)         | (4,322,362)         |
| <b>Operating (loss) / profit</b>                     | <b>(6,352,334)</b>    | <b>2,747,558</b>    | <b>(577,912)</b>    | <b>1,009,420</b>    |
| Finance cost   | (4,166,004)           | (3,818,394)         | (2,014,538)         | (2,041,578)         |
| Other operating income                               | 5,712,775             | 2,518,728           | 4,834,454           | 1,505,427           |
| <b>(Loss) / Profit before taxation</b>               | <b>(4,805,563)</b>    | <b>1,447,892</b>    | <b>2,242,004</b>    | <b>473,269</b>      |
| Taxation   | 1,642,956             | 539,024             | 2,289,160           | 486,138             |
| <b>(Loss) / Profit after taxation</b>                | <b>(3,162,607)</b>    | <b>1,986,916</b>    | <b>4,531,164</b>    | <b>959,407</b>      |
| <b>(Loss) / Profit per share - basic and diluted</b> | <b>(0.13)</b>         | <b>0.08</b>         | <b>0.18</b>         | <b>0.04</b>         |

The annexed notes form an integral part of these condensed interim financial information.

  
\_\_\_\_\_  
CEO

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
CFO

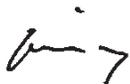
**Safe Mix Concrete Limited**  
**Condensed Interim Statement of Comprehensive Income**  
**(Un-audited)**

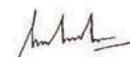
For the half year ended December 31, 2017

|   | Half Year Ended      |                     | Quarter Ended       |                     |
|---|----------------------|---------------------|---------------------|---------------------|
|   | 31 December<br>2017  | 31 December<br>2016 | 31 December<br>2017 | 31 December<br>2016 |
|   | (-----Rupees)----- ) |                     |                     |                     |
| <b>(Loss) / Profit after taxation</b>                     | <b>(3,162,607)</b>   | 1,986,916           | <b>4,531,164</b>    | 959,407             |
| Other comprehensive income for the period                 | -                    | -                   | -                   | -                   |
| Remeasurement of defined benefit liability                | -                    | -                   | -                   | -                   |
| Tax thereon   | -                    | -                   | -                   | -                   |
| Other comprehensive income - net of tax                   | -                    | -                   | -                   | -                   |
| <b>Total comprehensive (loss) / income for the period</b> | <b>(3,162,607)</b>   | 1,986,916           | <b>4,531,164</b>    | 959,407             |

The annexed notes form an integral part of these condensed interim financial information.

  
 \_\_\_\_\_  
 CEO

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 CFO

# Safe Mix Concrete Limited

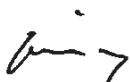
## Condensed Interim Cash Flow Statement (Un-audited)

For the half year ended December 31, 2017

|   | 31 December<br>2017  | 31 December<br>2016 |
|---|----------------------|---------------------|
|   | (-----Rupees-----)   |                     |
| (Loss) / Profit before taxation                               | (4,805,563)          | 1,447,892           |
| <b>Adjustments of items not involving movement of cash:</b>   |                      |                     |
| Depreciation  | 6,145,414            | 4,037,114           |
| Interest income   | (48,565)             | (838,728)           |
| Provision for gratuity  | 850,000              | 719,894             |
| Amortization of deferred income                               | (1,680,000)          | (1,680,000)         |
| Finance cost  | 4,166,004            | 3,818,394           |
|   | <u>9,432,853</u>     | <u>6,056,674</u>    |
| <b>Operating profit before working capital changes</b>        | <b>4,627,290</b>     | <b>7,504,566</b>    |
| <b>Adjustments for working capital items:</b>                 |                      |                     |
| <b>(Increase)/Decrease in current assets</b>                  |                      |                     |
| Stores, spare parts and loose tools                           | (658,138)            | (27,766)            |
| Stock in trade  | (32,763,809)         | (3,312,465)         |
| Trade debts   | (100,824,887)        | (54,553,156)        |
| Advances, prepayments and other receivables                   | (19,977,575)         | (7,967,767)         |
|   | <u>(154,224,409)</u> | <u>(65,861,154)</u> |
| <b>Increase/(Decrease) in current liabilities</b>             |                      |                     |
| Trade and other payables                                      | <u>176,019,864</u>   | <u>77,521,268</u>   |
| <b>Cash inflow from operating activities</b>                  | <b>26,422,745</b>    | <b>19,164,680</b>   |
| Taxes paid  | (5,864,459)          | (9,684,318)         |
| Staff benefits paid   | (119,998)            | (833,888)           |
| Finance cost paid   | (4,216,890)          | (3,818,394)         |
|   | <u>(10,201,347)</u>  | <u>(14,336,600)</u> |
| <b>Net cash inflow from operating activities</b>              | <b>16,221,398</b>    | <b>4,828,080</b>    |
| <b>Cash flow from investing activities</b>                    |                      |                     |
| Fixed capital expenditure                                     | (79,615,847)         | (6,951,240)         |
| Long term deposits  | (671,500)            | (229,300)           |
| Interest received   | 48,565               | 838,728             |
| <b>Net cash outflow from investing activities</b>             | <b>(80,238,782)</b>  | <b>(6,341,812)</b>  |
| <b>Cash flow from financing activities</b>                    |                      |                     |
| Loan from related party                                       | 40,000,000           | -                   |
| Proceeds from long term financing - Net                       | 29,330,406           | -                   |
| <b>Net cash inflow from financing activities</b>              | <b>69,330,406</b>    | <b>-</b>            |
| <b>Net increase / (decrease) in cash and cash equivalents</b> | <b>5,313,022</b>     | <b>(1,513,732)</b>  |
| <b>Cash and cash equivalents at beginning of the period</b>   | <b>16,845,989</b>    | <b>9,846,405</b>    |
| <b>Cash and cash equivalents at the end of the period</b>     | <b>22,159,011</b>    | <b>8,332,673</b>    |

The annexed notes form an integral part of these condensed interim financial information.

  
\_\_\_\_\_  
CEO

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
CFO

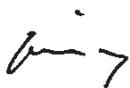
**Safe Mix Concrete Limited**  
**Condensed Interim Statement of Changes in Equity**  
**(Un-audited)**

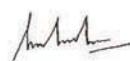
*For the half year ended December 31, 2017*

|   | Issued,<br>subscribed and<br>paid-up capital | Share<br>premium<br>Reserve | Accumulated<br>profit/(loss) | Total                     |
|---|--|-----------------------------|------------------------------|---------------------------|
|   | (-----Rupees)----- )                         |                             |                              |                           |
| Balance as at July 01, 2016 - audited                                   | 250,000,000                                  | 14,728,576                  | (8,287,557)                  | 256,441,019               |
| Total comprehensive income for the half<br>year ended December 31, 2016 | -  | -                           | 1,986,916                    | 1,986,916                 |
| Balance as at December 31, 2016 - un-audited                            | <u>250,000,000</u>                           | <u>14,728,576</u>           | <u>(6,300,641)</u>           | <u>258,427,935</u>        |
| <b>Balance as at July 01, 2017 - audited</b>                            | <b>250,000,000</b>                           | <b>14,728,576</b>           | <b>(26,034,366)</b>          | <b>238,694,210</b>        |
| Total comprehensive loss for the half<br>year ended December 31, 2017   | -  | -                           | (3,162,607)                  | (3,162,607)               |
| <b>Balance as at December 31, 2017 - un-audited</b>                     | <u><b>250,000,000</b></u>                    | <u><b>14,728,576</b></u>    | <u><b>(29,196,973)</b></u>   | <u><b>235,531,603</b></u> |

The annexed notes form an integral part of these condensed interim financial information.

  
 \_\_\_\_\_  
 CEO

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 CFO

# Safe Mix Concrete Limited

## Notes to the Condensed Interim Financial Information (Un-audited)

*For the half year ended December 31, 2017*

### 1 STATUS AND NATURE OF BUSINESS

Safe Mix Concrete Limited ("the Company") was incorporated on 04 April 2005 as Private Limited Company. Subsequently, it has been converted into Public Limited Company on 21 February 2007 in accordance with the provisions of section 45 read with section 41(3) of the repealed Companies Ordinance, 1984. On 16th March 2010 the Company was listed on Karachi Stock Exchange. The principal activity of the Company is production and supply of ready mix concrete, building blocks and construction of prefabricated buildings, factories and other construction sites. The registered office of the Company is situated at plot no. 1-6, Sector 26, Korangi Industrial Area, Karachi, Pakistan.

### 2 BASIS OF PREPARATION

#### Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2017.

In 2017, the Companies Act, 2017 (the new Companies Act) was enacted and promulgated by the SECP on May 30, 2017. An exemption was granted to companies whose financial year ended on or before June 30, 2017 via Circular No. 17 of July 20, 2017. No further exemption has been provided and the Company is currently in process of determining impact, if any, on annual financial statements due to implementation of the Act. There is no impact on this condensed interim financial information as they have been prepared primarily under IAS 34 as stated above.

This condensed interim financial information is unaudited. However, a limited scope review of this condensed interim financial information has been performed by the external auditors of the Company in accordance with the requirements of clause (26) of Listed Companies (Code of Corporate Governance) Regulations, 2017. This condensed interim financial information is being submitted to the shareholders as required by section 237 of the Companies Act 2017.

This condensed interim financial information has been presented in Pakistani Rupees, which is the functional currency of the Company. The figures are rounded off to the nearest rupee.

### 3 ESTIMATES

In preparing this condensed interim financial information, management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by 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 of the Company as at and for the year ended June 30, 2017.

#### 4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2017.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period were either not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

|  | Note  | Un-audited<br>31 December<br>2017<br>(-----Rupees-----) | Audited<br>30 June<br>2017 |
|--|-------|---|----------------------------|
| <b>5 PROPERTY, PLANT AND EQUIPMENT</b>   |       |   |                            |
| Operating fixed assets   | 5.1   | <b>224,630,309</b>                                      | 166,123,278                |
| Capital work in progress   |       | <b>20,966,013</b>                                       | 6,002,611                  |
|  |       | <b><u>245,596,322</u></b>                               | <u>172,125,889</u>         |
| <b>5.1 Operating fixed assets</b>  |       |   |                            |
| Opening book value   |       | <b>166,123,278</b>                                      | 170,887,438                |
| Add: Additions during the period   | 5.1.1 | <b>64,652,445</b>                                       | 8,459,928                  |
| Less: Depreciation charged during the period                                   |       | <b>6,145,414</b>  | 10,236,710                 |
| Less: Disposals during the period - net book value                             |       | -   | 2,987,378                  |
|  |       | <b><u>224,630,309</u></b>                               | <u>166,123,278</u>         |
| <b>5.1.1 Break-up of additions - at cost</b>                                   |       |   |                            |
| Building   |       | <b>6,256,890</b>  | -                          |
| Plant and machinery  |       | <b>55,566,915</b>                                       | 7,510,184                  |
| Vehicles   |       | -   | 949,744                    |
| Computers  |       | <b>111,540</b>  | -                          |
| Office equipment   |       | <b>2,717,100</b>  | -                          |
|  |       | <b><u>64,652,445</u></b>                                | <u>8,459,928</u>           |
| <b>6 LONG TERM FINANCING - SECURED</b>   |       |   |                            |
| Details of long term financing are as follows:                                 |       |   |                            |
| Diminishing musharaka - Summit Bank  | 6.1   | <b>35,210,000</b>                                       | 47,036,750                 |
| Diminishing musharaka - Bank of Punjab   | 6.2   | <b>41,157,156</b>                                       | -                          |
| Less: Current portion of long term financing<br>show under current liabilities |       | <b>11,759,188</b>                                       | 11,759,188                 |
|  |       | <b><u>64,607,968</u></b>                                | <u>35,277,562</u>          |

- 6.1** During the financial year 2016, the Company converted its short term running finance facility from Bank of Punjab to Islamic mode of financing and entered into a diminishing musharka of Rs. 47.037 million for plant and machinery with the Bank of Punjab Taqwa Islamic Banking. The arrangement carry profit at the rate of 1 year KIBOR + 2.5% and with quarterly rental repayments. The arrangement is for a tenure of five years from the date of disbursement and are structured in such a way first principal repayment installment will commence from the fifth installment. Arrangement is secured against 1st charge of PKR 160 million over all present and future fixed assets (plant and machinery) of the Company registered with SECP.

- 6.2 During the current year, the Company entered into a diminishing musharka of Rs.35.2 million for plant and machinery with the Summit Bank Limited- Islamic Banking. The arrangement carry profit at the rate of 1 year KIBOR + 4% and with monthly rental repayments. The arrangement is for a tenure of three years from the date of disbursement and are structured in such a way first principal repayment installment will commence from the thirteenth installment. Arrangement is secured against exclusive charge of PKR 50.75 million over plant and machinery of the Company, registered with SECP.

## 7 CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

- 7.1.1 There are no significant changes in the status of contingencies as reported in note 17 to the annual audited financial statements of the Company for the year ended June 30, 2017.

|  | Note | Un-audited<br>31 December<br>2017 | Audited<br>30 June<br>2017 |
|--|------|-----------------------------------|----------------------------|
| (-----Rupees-----)                             |      |                                   |                            |
| <b>7.2 Commitments</b>                         |      |                                   |                            |
| Bank guarantee issued on behalf of the Company |      | <b>33,333,334</b>                 | -                          |

## 8 COST OF SALES

|                                     | Half Year Ended     |                     | Quarter Ended       |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | 31 December<br>2017 | 31 December<br>2016 | 31 December<br>2017 | 31 December<br>2016 |
| (-----Rupees-----)                  |                     |                     |                     |                     |
| Raw material and stores consumed    | 63,455,261          | 4,014,884           | 61,961,695          | 1,541,880           |
| Salaries, wages and other benefits  | 25,240,789          | 21,764,498          | 16,310,702          | 11,613,790          |
| Depreciation                        | 5,530,873           | 3,635,717           | 3,842,125           | 1,946,967           |
| Ijarah Rentals                      | 14,068,308          | 14,364,930          | 7,034,154           | 6,821,495           |
| Fuel and power                      | 13,399,661          | 11,715,525          | 7,274,302           | 6,401,831           |
| Repair and maintenance              | 953,747             | 226,849             | 640,542             | 106,479             |
| Site preparation and sample testing | 645,755             | 97,375              | 332,475             | 70,000              |
| Fleet outsourcing charges           | 16,133,841          | 24,589,008          | 6,442,310           | 13,375,854          |
| Equipment hiring charges            | 13,974,365          | 8,105,564           | 8,984,679           | 3,686,153           |
| Land rent                           | 1,549,998           | 1,549,998           | 774,999             | 774,999             |
| Insurance expenses                  | 2,345,631           | 1,882,130           | 1,221,721           | 919,271             |
|                                     | <u>157,298,229</u>  | <u>91,946,479</u>   | <u>114,819,704</u>  | <u>47,258,720</u>   |

## 9 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated undertakings, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties.

Detail of transactions and balances with related parties are as follows:

| 9.1 | Transactions with related parties                  | Un-audited<br>31 December<br>2017 | Un-audited<br>31 December<br>2016 |
|-----|--|-----------------------------------|-----------------------------------|
|     |  | (-----Rupees-----)                |                                   |
|     | <b>Associated Companies:</b>                       |                                   |                                   |
|     | <i>Power Cement Limited</i>                        |                                   |                                   |
|     | Purchase of cement                                 | 161,499,172                       | 124,120,000                       |
|     | <i>Thatta Cement Company Limited</i>               |                                   |                                   |
|     | Purchase of cement                                 | -                                 | 4,564,327                         |
|     | <i>Javedan Corporation Limited</i>                 |                                   |                                   |
|     | Sale of goods                                      | 10,745,607                        | 40,427,520                        |
|     | <i>Mr. Arif Habib</i>                              |                                   |                                   |
|     | Loan   | 40,000,000                        | -                                 |
|     | <i>Key Management Personnel</i>                    |                                   |                                   |
|     | Remuneration to key management personnel           | 7,966,866                         | 7,466,174                         |
|     |  | Un-audited<br>31 December<br>2017 | Audited<br>30 June<br>2017        |
|     |  | (-----Rupees-----)                |                                   |
| 9.2 | Balances with related parties                      |                                   |                                   |
|     | <b>Associated companies:</b>                       |                                   |                                   |
|     | <i>Payable to Thatta Cement Limited</i>            | 31,562                            | 31,562                            |
|     | <i>Payable to Power Cement Limited</i>             | 118,327,269                       | 29,903,550                        |
|     | <i>Receivable from Javedan Corporation Limited</i> | 9,008,633                         | 3,034,237                         |
|     | <i>Payable to Mr. Arif Habib</i>                   | 60,000,000                        | 20,000,000                        |

## 10 OPERATING SEGMENTS

The financial information has been prepared on the basis of a single reportable segment

**10.1** 100% (2017: 100%) of the gross sales of the Company were made to customers located in Pakistan.

**10.2** All non-current assets of the Company as at December 31, 2017 are located in Pakistan.

**11 DATE OF AUTHORIZATION FOR ISSUE**

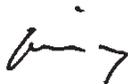
The condensed interim financial information was authorized for issue on 27 February 2018 by the Board of Directors of the Company.

**12 CORRESPONDING FIGURES**

Corresponding figures have been re-arranged, where necessary, for the purpose of comparison.



CEO



Director



CFO

## ڈائریکٹران کا عمومی جائزہ

سیف مکس کنکریٹ لمیٹیڈ کے بورڈ آف ڈائریکٹران اپنی تفصیلی مالی معلومات برائے اختتام ششماہی سال 31 دسمبر 2017 پیش کرتے ہیں۔

### جائزہ:

زیرہ جائزہ نصف سال کے دوران، کمپنی نے نقصان بعد از ٹیکس (LAT) Rs. 3.162 ملین کا خسارہ اٹھایا ہے، جبکہ دوسرے کوارٹر میں اکتوبر تا دسمبر کمپنی نے Rs. 4.531 ملین منافع کمایا۔ اس مدت کے دوران معیاری حجم کی سیلز میں گزشتہ سال کی مدت کے مقابلے میں %10.93 اضافہ ہوا۔ مزید یہ کہ مذکورہ اختتامی مدت کے دوران، کمپنی کی انتظامیہ نے ڈسٹری بیوشن پروسیس کو ریفاہن کرنے اور اپنے ایسٹ بنیاد میں اضافہ کیلئے بھاری سرمایہ کاری کی ہے جو فی یونٹ ڈسٹری بیوشن لاگت اور کمپنی کے معیاری حجم سیلز میں کمی کا باعث ہوگی۔

### افعالی نتائج:

| جولائی تا دسمبر | اکتوبر تا دسمبر | جولائی تا دسمبر | اکتوبر تا دسمبر |                                   |
|-----------------|-----------------|-----------------|-----------------|-----------------------------------|
| 2017            | 2017            | 2016            | 2016            |                                   |
| (4,805,563)     | 2,242,004       | 1,447,892       | 473,269         | نقصان / منافع قبل از ادائیگی ٹیکس |
| 1,642,956       | 2,289,160       | 539,024         | 486,138         | ادائیگی ٹیکس                      |
| (3,162,607)     | 4,531,164       | 1,986,916       | 959,407         | نقصان / منافع بعد از ادائیگی ٹیکس |

### آمدنی فی شیئر

فی شیئر نقصان برائے اختتام نصف سال شمار کردہ (0.13) Rs. فی شیئر بہ نسبت گزشتہ سال کی مدت کے Rs. 0.08 کے مقابلے میں۔

### مستقبل کا خاکہ

کمپنی نے تریسیل گنجائش میں اضافے کیلئے سرمایہ کاری کی ہے۔ یہ نہ صرف پلانٹ کی یوٹیلائزیشن میں اضافہ کرے گا بلکہ کرایہ پر حاصل کردہ ساز و سامان کی لاگت میں کمی کیلئے مددگار ہوگا اور بلڈرز / ٹھیکیداروں کو کنکریٹ کس کی بروقت فراہمی کو یقینی بنانے میں بھی معاون ثابت ہوگا۔ کمپنی نے ریڈی کس کی خدمات میں بڑھتی ہوئی مارکیٹ کو گرفت میں رکھنے کیلئے جدید مارکیٹنگ لائحہ عمل اپنانے کا فیصلہ کیا ہے۔ مزید یہ کہ کمپنی مخصوص پرائیویٹ ترقیاتی منصوبوں کے خاص سپلائی کنٹریکٹس پر توجہ مرکوز کر رہی ہے۔ کمپنی کے شیئر ہولڈرز طویل المدت بنیاد پر ریٹرنز حاصل کرنے اور قیمت کے لحاظ سے برقرار ہیں۔

### تصدیق نامہ

کمپنی کی انتظامیہ مالیاتی اداروں، صارفین، فرد، اور اسٹاک اراکین کا شکریہ ادا کرنا چاہے گی جو اپنی حمایت اور تعاون کیلئے کمپنی سے منسلک رہے۔ مزید یہ کہ، ہم SEC اور PSX کی انتظامیہ کا ان کی مسلسل حمایت اور رہنمائی کیلئے بھی شکریہ ادا کرنا چاہیں گے۔

برائے وینچاب بورڈ  
Kashif  
کاشف حبیب  
چیف ایگزیکٹو آفیسر

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## **Safe Mix Concrete Limited**

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