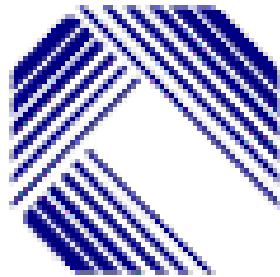

**FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
SEPTEMBER 30, 2019**
(UN-AUDITED)



ICC Textiles Limited

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we hereby present the interim financial information of the company for the three months ended on September 30, 2019.

The company suffered a loss after tax amounting to Rs. 26.447 million and registered revenue of Rs. 9.123 million as against after tax loss of Rs. 22.254 million against revenue of Rs. 6.323 million in the corresponding period resulting in loss per share of Rs. 0.88 (Jul 2018 - Sep 2018 Rs. 0.74 loss per share). Revenue comprising of rental income only attributed to disposal of all its looms & certain allied equipment, as per our plan to consolidate company's position by repaying bank borrowings through sale of inefficient / obsolete machinery and sponsors funds injection, and to rent out vacant premises to generate revenue. The plan has been fully implemented i.e bank borrowings have been fully paid and a substantial portion of mills premises has been rented out.

We continue to focus on enhancing our rental revenue by leasing additional covered area of mills premises. Moreover, we are in negotiation with various buyers for disposal of our remaining textile equipment.

The directors appreciate the continued commitment, dedication and hard work shown by the employees of the company.

For and on behalf of the Board of Directors

Lahore:
Dated: January 30, 2020

PERVAIZ S. SIDDIQI
Director

JAVAID S. SIDDIQI
Chief Executive Officer



ICC TEXTILES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2019

EQUITY AND LIABILITIES	Note	September, 2019 Rupees	June 2019 Rupees
SHARE CAPITAL			
Authorised share capital			
32,000,000 ordinary shares (June 2019: 32,000,000) of Rs.10 each		320,000,000	320,000,000
Issued, Subscribed & Paid up share capital			
30,001,120 ordinary shares (June 2019: 30,001,120) of Rs.10 each fully paid in cash		300,011,200	300,011,200
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX			
		569,065,471	572,329,953
ACCUMULATED LOSS			
		(753,402,748)	(730,220,157)
		115,673,923	142,120,996
NON CURRENT LIABILITIES			
Long term financing from directors	4	575,938,778	573,984,269
Deferred liabilities		74,745,917	75,385,391
		650,684,695	649,369,660
CURRENT LIABILITIES			
Trade and other payables		115,921,025	106,658,562
Security deposits		5,756,363	5,756,363
Accrued mark-up		96,256,657	79,650,376
Short term borrowings		35,833,392	35,942,755
Un-claimed dividend		1,662,656	1,662,656
		255,430,093	229,670,712
CONTINGENCIES AND COMMITMENTS			
	5	1,021,788,711	1,021,161,368
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		8,522,582	12,295,695
Investment property		944,348,225	944,348,225
Long term loans and advances		14,000	74,000
Long term deposits		1,469,034	1,469,034
		954,353,841	958,186,954
CURRENT ASSETS			
Stores, spares and loose tools		11,438,017	11,569,336
Stock in trade		2,512,799	604,318
Loans and advances		985,934	716,610
Short term prepayments and other receivables		760,961	1,439,290
Tax refunds due from Government		35,807,965	36,032,351
Cash and bank balances		5,698,739	973,834
		57,204,415	51,335,739
Non-current assets classified as held for sale		10,230,455	11,638,675
		1,021,788,711	1,021,161,368

The annexed notes form an integral part of these financial statements.

**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR
THE QUARTER ENDED SEP 30, 2019**

	Note	Jul-Sep 2019 Rupees	Jul-Sep 2018 Rupees
REVENUE	7	9,123,112	6,322,658
DIRECT COST		(3,574,151)	(3,762,729)
GROSS PROFIT		5,548,961	2,559,929
DISTRIBUTION COST		-	-
ADMINISTRATION COST		(7,081,308)	(7,035,700)
OTHER EXPENSES		(2,608,729)	(197,592)
OTHER INCOME		-	89
OPERATING LOSS		(4,141,076)	(4,673,274)
FINANCE COST		(21,100,322)	(14,059,463)
LOSS BEFORE TAXATION		(25,241,398)	(18,732,737)
TAXATION	8	(1,674,748)	(1,290,735)
LOSS AFTER TAXATION FROM CONTINUING OPERATIONS		(26,916,146)	(20,023,472)
LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS	9	469,072	(2,231,009)
PROFIT / (LOSS) AFTER TAXATION		(26,447,074)	(22,254,481)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		(26,447,074)	(22,254,481)
LOSS PER SHARE- BASIC AND DILUTED			
- LOSS PER SHARE FROM CONTINUING OPERATIONS		(0.90)	(0.67)
- LOSS PER SHARE FROM DISCONTINUED OPERATIONS		0.02	(0.07)
		(0.88)	(0.74)

**STATEMENT OF CHANGES IN
EQUITY FOR THE QUARTER
ENDED SEPTEMBER 30, 2019**

	Paid-up Capital Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at June 30, 2018	300,011,200	574,923,455	(741,670,612)	133,264,043
Other comprehensive income for the period			-	-
Net loss for the period			(22,254,481)	(22,254,481)
Incremental depreciation - net of tax		(309,595)	309,595	0
Balance as at September 30, 2018	300,011,200	574,613,860	(763,615,498)	111,009,562
Balance as at June 30, 2019	300,011,200	572,329,952	(730,220,156)	142,120,996
Other comprehensive income for the period			-	-
Net loss for the period			(26,447,074)	(26,447,074)
Incremental depreciation - net of tax		(3,264,482)	3,264,482	0
Balance as at September 30, 2019	300,011,200	569,065,470	(753,402,748)	115,673,922

The annexed notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS FOR THE
THE QUARTER ENDED SEP 30, 2019**

	Note	Jul-Sep 2019 Rupees	Jul-Sep 2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash flow from continuing Operations	10	7,124,429	7,449,237
Net cash flow from discontinued Operations	10	(306,287)	(933,467)
		6,818,142	6,515,770
Financial charges paid		(139,530)	(897,827)
Taxes paid		(869,342)	(24,757)
Gratuity paid		(535,000)	(8,406,083)
		(1,543,872)	(9,328,667)
Net cash flow from operating activities	(A)	5,274,270	(2,812,897)
CASH FLOW FROM INVESTING ACTIVITIES			
Long term loans & advances		60,000	218,000
Sale proceeds of property, plant and equipment & assets held for sale		1,900,000	283,333
Fixed capital expenditure		-	-
Net cash flow from investing activities	(B)	1,960,000	501,333
CASH FLOW FROM FINANCING ACTIVITIES			
Short term borrowings - Secured		(109,366)	(26,764)
Long term loans from directors		(2,400,000)	1,600,000
Net cash flow from financing activities	(C)	(2,509,366)	1,573,236
Net Increase/(Decrease) in cash and bank balances	(A+B+C)	4,724,904	(738,328)
Cash & bank balances at the beginning of the period		973,834	1,362,310
Cash & bank balances at the end of the period		5,698,739	623,983

The annexed notes form an integral part of these financial statements.

Lahore: Dated Jan. 30, 2020

Chief Executive Officer

Director

Chief Financial Officer

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
THE QUARTER ENDED SEP 30, 2019**

- These accounts have been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".
- The accounts are being submitted to the shareholders as required by Section 237 of The Companies Act, 2017.
- The accounting policies adopted for the preparation of the accounts are the same as those of applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2019.

		Sep, 2019 Rupees	June 2019 Rupees
4 LONG TERM FINANCING FROM DIRECTORS- Unsecured			
Interest free loan	4.1	186,024,311	181,669,802
Interest bearing loan - 1	4.2	140,000,000	140,000,000
Interest bearing loan - 2	4.3	184,914,467	182,314,467
Interest bearing loan - 3	4.4	65,000,000	70,000,000
		575,938,778	573,984,269
4.1	Original Loan amounts	321,531,222	321,531,223
	Less: Present value adjustment	206,132,600	206,132,600
		115,398,622	115,398,623
	Add: Interest charged to profit and loss account	70,625,688	66,271,179
		186,024,310	181,669,802

- 4.1.1** These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64%.
- 4.2** This loan carries mark-up @ One Month KIBOR plus 2% and the loans are repayable in lump sum on June 2025.
- 4.3** This loan carries mark-up @ One Month KIBOR plus 2% and the loans are repayable in lump sum on December 31, 2020.
- 4.4** This loan carries mark-up @ One Month KIBOR plus 2% and the loan is repayable in lump sum on December 31, 2020.

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There are no other significant activities since June 30, 2019 affecting financial statements.

6 ADDITIONS / DELETIONS IN FIXED ASSETS DURING THE PERIOD		Jul-Sep 2019 Rupees	Jul-Sep 2018 Rupees
Written down value - opening		12,295,695	13,453,832
Cost of addition		-	-
Disposal during the year - WDV	6.1	3,281,557	11,231
Depreciation charge for the period		491,555	553,013
		<u>3,773,112</u>	<u>564,244</u>
		<u>8,522,583</u>	<u>12,889,588</u>
6.1 Disposal during the period:			
Cost		5,148,000	504,520
Less: Accumulated depreciation		<u>(1,866,443)</u>	<u>(493,289)</u>
		<u>3,281,557</u>	<u>11,231</u>
7 REVENUE			
- Rental income		<u>9,123,112</u>	<u>6,322,658</u>
8 TAXATION			
- Current		1,957,820	1,403,630
- Deferred		<u>(283,072)</u>	<u>(112,895)</u>
		<u>1,674,748</u>	<u>1,290,735</u>
9 PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATIONS			
Sales		-	-
Cost of sales	9.1	306,287	2,199,865
Gross loss		<u>(306,287)</u>	<u>(2,199,865)</u>
Other expenses		408,220	240,654
Other income		-	189,721
Loss before taxation		<u>(714,507)</u>	<u>(2,250,798)</u>
Taxation - Current		-	-
- Deferred		<u>(1,183,579)</u>	<u>(19,789)</u>
		<u>(1,183,579)</u>	<u>(19,789)</u>
Profit / (loss) after taxation		<u>469,072</u>	<u>(2,231,009)</u>
9.1 Cost of Sales			
Salaries, wages and benefits		292,213	683,523
Spares consumed		14,074	1,507,052
Repair & maintenance		-	-
Depreciation		-	-
Others		-	9,290
		<u>306,287</u>	<u>2,199,865</u>
Adjustment of finished goods:			
Opening Stock		-	734,477
Closing Stock		-	<u>(734,477)</u>
		-	-
		<u>306,287</u>	<u>2,199,865</u>



ICC TEXTILES LIMITED

	Jul 2019 - Sep 2019		Jul 2018 - Sep 2018	
	Continuing Operation	Discontinued Operation	Continuing Operation	Discontinued Operation
10 CASH FLOW FROM OPERATING ACTIVITIES				
Loss) before taxation	(25,241,398)	(714,507)	(18,732,737)	(2,250,798)
Adjustments for:				
Depreciation	491,556	-	553,013	-
(Gain)/Loss on disposal of property plant and equipment	2,381,557	408,220	-	(189,721)
Amortization of interest free loans	-	-	-	-
Amortization of transaction cost	-	-	-	-
Unwinding of discount	4,354,510	-	3,726,111	-
Staff gratuity	1,362,177	-	1,246,816	-
Financial cost	16,745,812	-	10,333,352	-
	25,335,612	408,220	15,859,292	(189,721)
	94,214	(306,287)	(2,873,445)	(2,440,519)
(Increase) / Decrease in current assets				
Stores, spares and loose tools	131,318	-	2,403,131	1,507,052
Stock in trade	-	-	-	-
Trade debts	(1,908,481)	-	-	-
Loans and advances	(269,324)	-	(400,566)	-
S.T prepayments & other receivables	(185,761)	-	426,924	-
	(2,232,248)	-	2,429,489	1,507,052
Increase / (Decrease) in current liabilities				
Trade and other payables	9,262,463	-	7,515,980	-
Security deposits	-	-	377,213	-
Net cash generated from operations	7,124,429	(306,287)	7,449,237	(933,467)

11 DATE OF AUTHORISATION

These accounts have been approved by the Board of Directors on January 30, 2020.

12 COMPARATIVE FIGURES

- have been rounded off to the nearest rupee.
- have been re-arranged and / or reclassified, wherever considered necessary. However, no significant reclassification has been made in these financial statements, except for reclassification of surplus on revaluation and disclosure of discontinued operations.

Lahore: Dated Jan. 30, 2020

Chief Executive Officer

Director

Chief Financial Officer