

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ITTEFAQ IRON INDUSTRIES LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ittefaq Iron Industries Limited ("the Company") as at 31 December 2019 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with notes forming part thereof (here-in-after referred to as the interim financial information) for the half year period then ended. Management is responsible for the preparation and presentation of this interim financial in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures for the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2019 and 31 December 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2019.

Scope of review

We conducted our review in accordance with international standard on review engagement 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 the 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 statements is not prepared, in all material aspects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Kamran Fatah (FCA).

Kamran & Co

KAMRAN & CO.
CHARTERED ACCOUNTANTS

LAHORE
26 FEBRUARY 2020

CD: [33]

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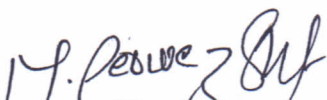
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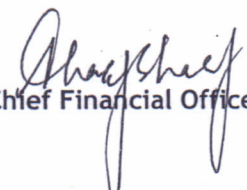
ITTEFAQ IRON INDUSTRIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT /
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2019

	Half year ended		Quarter ended	
	31/Dec/2019	31/Dec/2018	31/Dec/2019	31/Dec/2018
	Rupees		Rupees	
Sales - net	1,446,518,972	3,133,745,222	626,448,221	1,673,242,475
Cost of sales	(1,438,192,922)	(2,834,174,501)	(678,125,682)	(1,517,536,781)
Gross (Loss) / Profit	8,326,050	299,570,721	(51,677,461)	155,705,694
Other income	2,725,065	1,390,302	2,057,233	1,323,873
Operating expenses				
Distribution and marketing cost	(44,356,741)	(12,516,629)	(31,300,894)	(7,608,505)
Administrative and selling expenses	(46,262,850)	(38,997,141)	(26,537,340)	(25,660,823)
Other operating cost	(630,668)	(14,043,194)	(220,000)	(7,546,447)
Finance cost	(56,121,014)	(65,656,215)	(30,607,636)	(33,032,045)
	(147,371,273)	(131,213,179)	(88,665,870)	(73,847,820)
(Loss) / Profit before taxation	(136,320,158)	169,747,844	(138,286,098)	83,181,747
Taxation	(16,697,565)	(33,191,530)	(8,496,857)	(12,150,735)
(Loss) / Profit after taxation	(153,017,723)	136,556,314	(146,782,955)	71,031,012
Total comprehensive (Loss) / Profit	(153,017,723)	136,556,314	(146,782,955)	71,031,012
Loss per share - basic and diluted	(1.06)	0.95	(1.02)	0.49

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


Chief Executive Officer


Director


Chief Financial Officer



Ittefaq Iron Industries Ltd.

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Marketing Division

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REF. # IIL/KSE/0051/2020

Dated: February 26, 2020

The General Manager ,
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road,
Karachi

Respected Sir,

Subject: FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2019

We have to inform you that the Board of Director of our company in their meeting held on Wednesday , February 26, 2020 at 1:00 P.M. at Registered Office, 40 B II, Gulberg III, Lahore recommended the following:

1. CASH DIVIDEND

A final Cash Dividend for the year ended NIL at Rs.NIL PER share i.e.NIL %

2. BONUS ISSUE

It has been recommended by the Board of Directors to issue NIL% Bonus Share i.e.

3. RIGHT SHARES

The Board has recommended to issue NIL % Right Shares.

ANY OTHER PRICE-SENSITIVE INFORMATION

NIL

The financial results of the Company are attached :

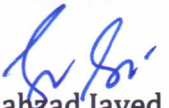
The above entitlement will be paid to the shareholders whose names will appear in the register of Members on-N/A.

The Share transfer books of the Company will remain closed from February Nil to Nil (both days inclusive) at the close of business on-N/A will be treated in time for the purpose of above entitlement to the transferees.

Thanking you,

Yours Truly,

For Ittefaq Iron Industries Ltd


Shahzad Javed
(Chief Executive)

