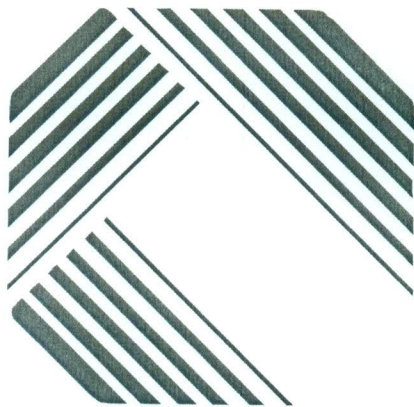


(UN-AUDITED)

**CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED
MARCH 31, 2020**



ICC Industries Limited
(Formerly ICC Textiles Limited)

COMPANY INFORMATION

Board of Directors

Mr. Javaid S. Siddiqi
Mr. Pervaiz S. Siddiqi
Mrs. Fauzia Javaid
Mr. Salman Javaid Siddiqi
Mr. Asim Pervaiz Siddiqi
Mr. Adnan Javaid Siddiqi
Mr. Arsalan Javaid Siddiqi

Chief Executive
Chairman

Audit Committee

Mr. Salman Javaid Siddiqi
Mr. Pervaiz S. Siddiqi
Mrs. Fauzia Javaid

Chairman
Member
Member

HR&R Committee

Mr. Pervaiz S. Siddiqi
Mr. Javaid S. Siddiqi
Mr. Asim Pervaiz Siddiqi

Chairman
Member
Member

Company Secretary

Mr. Shahid Ali Ahmad

Chief Financial Officer

Mr. Javed Rashid

Auditors

Grant Thornton Anjum Rahman
Chartered Accountants
01-Inter Floor, Eden Centre
Jail Road, Lahore.

Bankers

MCB Bank Limited
Faysal Bank Limited
Bank AL Habib Limited
United Bank Limited
Allied Bank Limited
Habib Metropolitan Bank Limited

Legal Advisor

Imtiaz Siddiqi Associates
179/180-A, Scotch Corner, Upper Mall Scheme,
Lahore-Pakistan. Tel: 042-35758573-35758574
Fax: 042-35758572

Shares Registrar

Corplink (Pvt.) Ltd.
Wings Arcade, 1-K Commercial Model Town, Lahore.
Ph: 042-35916714, 35916719
Fax : 042-35869037

Registered Office

242-A, Anand Road,
Upper Mall, Lahore.
Ph: 042-35751765-67
Fax : 042-35789206
Web site : www.icctextiles.com

Factory

32-K.M. Lahore-Multan Road,
Sunder, Distt. Lahore.
Ph: 042-35975426-27
Fax : 042-35975428

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, I hereby present the condensed interim financial statements of the company for the period nine months ended March 31, 2020.

The company suffered a loss after tax amounting to Rs. 14.312 million on revenue of Rs. 27.714 million comprising rental income as against after tax loss of Rs. 2.221 million against revenue of Rs. 17.457 million in the corresponding period resulting in loss per share of Rs. 0.48 (Jul-Mar 2019 Rs. 0.07 loss per share). Reason for enhanced revenue is renting out additional covered area of mills premises as substantial quantity of the textile machinery disposed off in accordance with our plan to consolidate company's resources by repaying bank borrowings through sale of inefficient / obsolete textile machinery and sponsors funds injection, and to rent out vacant premises to generate revenue. Following factors influenced the company's performance during the period:

- Change in fair value of investment property amounts to Rs. Nil (2019: Rs. 66.8 million).
- Conversion of interest bearing loans obtained from directors amounting to Rs. 187.644 million into interest free loans
- Increase in mark-up rates

During the period the Company's textiles operations remained suspended as non-efficient looms with allied equipment have already been sold out, accordingly profit and loss account of the discontinued operations has been separately prepared and included in the above cited results. We are in negotiation with various buyers for disposal of our remaining textile equipment classified as held for sale and continuing to focus on enhancing our rental revenue by renting out further vacant factory buildings. Accordingly, during the quarter ended March 31, 2020, the company, with the approval of members and SECP, has changed its name from "ICC Textiles Limited" to "ICC Industries Limited".

As always, our dedicated work force deserves appreciation for good work.

For and on behalf of the Board of Directors



Pervaiz S. Siddiqi
Director



Javaid S. Siddiqi
Chief Executive

Lahore: Dated June 01, 2020

ICC INDUSTRIES LIMITED

(Formerly ICC TEXTILES LIMITED)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

EQUITY AND LIABILITIES	Note	Mar 2020 Rupees	Jun 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: 30,000,000)		300,011,200	300,011,200
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX		569,132,654	572,329,953
ACCUMULATED LOSS		(741,335,148)	(730,220,157)
		<u>127,808,706</u>	<u>142,120,996</u>
NON CURRENT LIABILITIES			
Long term financing from directors	5	528,661,769	573,984,269
Deferred liabilities	6	77,139,747	75,385,391
		<u>605,801,516</u>	<u>649,369,660</u>
CURRENT LIABILITIES			
Trade and other payables		113,492,280	106,658,562
Security deposits		3,075,350	5,756,363
Accrued mark-up		126,944,184	79,650,376
Short term borrowings		36,096,035	35,942,755
Un-claimed dividend		1,662,656	1,662,656
		<u>281,270,505</u>	<u>229,670,712</u>
CONTINGENCIES AND COMMITMENTS	7	<u>1,014,880,727</u>	<u>1,021,161,368</u>
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	7,885,611	12,295,695
Investment property	9	944,348,225	944,348,225
Long term loans and advances		8,000	74,000
Long term deposits		1,469,034	1,469,034
		<u>953,710,870</u>	<u>958,186,954</u>
CURRENT ASSETS			
Stores, spares and loose tools		11,423,268	11,569,336
Trade debts		2,541,885	604,318
Loans and advances		834,226	716,610
Short term prepayments and other receivables		1,958,673	1,439,290
Tax refunds due from Government		32,812,548	36,032,351
Cash and bank balances		1,368,802	973,834
		<u>50,939,402</u>	<u>51,335,739</u>
Non-current assets classified as held for sale	10	10,230,455	11,638,675
		<u>1,014,880,727</u>	<u>1,021,161,368</u>

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

Lahore: Dated Jun 01, 2020

Chief Executive Officer

Director

Chief Financial Officer

ICC INDUSTRIES LIMITED

(Formerly ICC TEXTILES LIMITED)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS AND QUARTER ENDED MAR 31, 2020

	Note	Jul 2019 to Mar 2020 Rupees	Jul 2018 to Mar 2019 Rupees	Jan-Mar 2020 Rupees	Jan-Mar 2019 Rupees
REVENUE		27,714,472	17,456,786	9,295,680	5,398,917
DIRECT COST	11	(7,077,999)	(8,408,500)	(2,107,164)	(2,312,233)
GROSS PROFIT		20,636,473	9,048,286	7,188,516	3,086,684
ADMINISTRATION COST		(21,587,926)	(22,383,114)	(6,819,085)	(7,867,638)
OTHER EXPENSES		(3,105,206)	(678,705)	(224,906)	(227,134)
OTHER INCOME	12	59,039,308	2,350	59,039,308	2,261
OPERATING LOSS		54,982,649	(14,011,183)	59,183,833	(5,005,827)
FINANCE COST	13	(63,552,492)	(47,915,805)	(21,200,384)	(16,668,707)
CHANGE IN FAIR VALUE OF INVESTMENT PROPERTY (LOSS) / PROFIT BEFORE TAXATION		-	66,800,000	-	-
		(8,569,843)	4,873,011	37,983,449	(21,674,535)
TAXATION (LOSS) / PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS	14	(4,905,339)	(3,671,281)	(1,941,890)	(1,309,452)
		(13,475,182)	1,201,730	36,041,559	(22,983,987)
LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS	15	(837,108)	(3,423,119)	(213,544)	(1,188,808)
LOSS AFTER TAXATION		(14,312,290)	(2,221,388)	35,828,015	(24,172,794)
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss					
Revaluation surplus arisen on property, plant and equipment (net of tax)		-	-	-	-
Revaluation decrease in non-current assets classified as held for sale (net of tax)		-	(3,014,451)	-	-
		-	(3,014,451)	-	-
TOTAL OTHER COMPREHENSIVE LOSS FOR THE PERIOD		-	(3,014,451)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(14,312,290)	(5,235,839)	35,828,015	(24,172,794)
LOSS PER SHARE- BASIC AND DILUTED					
- LOSS PER SHARE FROM CONTINUING OPERATIONS		(0.45)	0.04	1.20	(0.77)
- LOSS PER SHARE FROM DISCONTINUED OPERATIONS		(0.03)	(0.11)	(0.01)	(0.04)
		(0.48)	(0.07)	1.19	(0.81)

STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Paid-up Capital Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at July 01, 2018	300,011,200	574,923,455	(741,670,612)	133,264,043
Other comprehensive income for the period	-	(3,014,451)	-	(3,014,451)
Net loss for the period	-	-	(2,221,388)	(2,221,388)
Total comprehensive income for the period	-	(3,014,451)	(2,221,388)	(5,235,839)
Incremental depreciation - net of tax	0	(990,246)	990,246	-
Balance as at March 31, 2019	300,011,200	570,918,759	(742,901,755)	128,028,204
Balance as at July 01, 2019	300,011,200	572,329,952	(730,220,156)	142,120,996
Other comprehensive income for the period	-	0	-	0
Net loss for the period	-	0	(14,312,290)	(14,312,290)
Total comprehensive income for the period	-	-	(14,312,290)	(14,312,290)
Incremental depreciation - net of tax	-	(3,197,298)	3,197,298	-
Balance as at March 31, 2020	300,011,200	569,132,654	(741,335,148)	127,808,706

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

Lahore: Dated Jun 01, 2020


Chief Executive Officer


Director


Chief Financial Officer

ICC INDUSTRIES LIMITED

(Formerly ICC TEXTILES LIMITED)

STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED MARCH 31, 2020

CASH FLOW FROM OPERATING ACTIVITIES

Net cash flow from continuing Operations
Net cash flow from discontinued Operations

Financial charges paid
Taxes paid
Gratuity paid

Net cash flow from operating activities

CASH FLOW FROM INVESTING ACTIVITIES

Long term loans & advances
Sale proceeds of property, plant and equipment & assets held for sale
Fixed capital expenditure
Net cash flow from investing activities

CASH FLOW FROM FINANCING ACTIVITIES

Short term borrowings - Secured
Long term financing from commercial banks-Secured
Long term loans from directors
Net cash flow from financing activities
Net Increase/(Decrease) in cash and bank balances
Cash & bank balances at the beginning of the period
Cash & bank balances at the end of the period

Note	Jul 2019 to Mar 2020 Rupees	Jul 2018 to Mar 2019 Rupees
16	5,944,295	5,883,789
16	(692,640)	(502,071)
	5,251,655	5,381,718
	(2,874,378)	(325,445)
	(3,361,525)	(1,069,465)
	(1,026,236)	(8,436,084)
	(7,262,139)	(9,830,994)
(A)	(2,010,484)	(4,449,275)
	66,000	136,000
	1,900,000	2,588,013
	(43,830)	-
(B)	1,922,170	2,724,013
	153,281	162,747
	-	-
	330,000	3,450,000
(C)	483,281	3,612,747
(A+B+C)	394,967	1,887,484
	973,834	1,362,310
	1,368,802	3,249,795

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

Lahore: Dated Jun 01, 2020

Chief Executive Officer

Director

Chief Financial Officer

ICC INDUSTRIES LIMITED

(Formerly ICC TEXTILES LIMITED)

NOTES TO THE CONDENSED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2020

- These accounts have been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting" and The financial information is being submitted to the shareholders as required by Section 237 of The Companies Act, 2017.
- As major portion of of company's revenue is comprising rental income, accordingly, during the quarter ended March 31, 2020, the company, with the approval of members and SECP, has changed its name from "ICC Textiles Limited" to "ICC Industries Limited".
- 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.

5 LONG TERM FINANCING FROM DIRECTORS- Unsecured

		Mar 2020 Rupees	Jun 2019 Rupees
Interest free loan - 1	5.1	195,054,110	181,669,802
Interest bearing loans - 1	5.2	-	182,314,467
Interest free loan - 2	5.3	128,607,659	-
Interest bearing loan - 2	5.4	65,000,000	70,000,000
Interest bearing loan - 3	5.5	140,000,000	140,000,000
		528,661,769	573,984,269

5.1	Original Loan amounts	321,531,223	321,531,223
	Less: Present value adjustment	206,132,600	206,132,600
		115,398,623	115,398,623
	Add: Interest charged to profit and loss account	79,655,487	66,271,179
		195,054,110	181,669,802

5.1.1 These interest free loans are repayable in lump sum on June 30, 2025 (2018: June 30, 2025)

5.1.2 These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64%.

5.2 These loans carry mark-up @ One Month KIBOR plus 2% (ranging from 14.84% to 15.81%) and are repayable in lump sum on March 31, 2023. These loans has been converted in interest free loans w,e,f Mar 31, 2020.

5.3	Original Loan amounts transferred from interest bearing loans:	187,644,467	321,531,223
	Less: Present value adjustment	59,036,808	206,132,600
		128,607,659	115,398,623
	Add: Interest charged to profit and loss account	-	66,271,179
		128,607,659	181,669,802
5.3.1	These interest free loans are repayable in lump sum on March 31, 2023.		
5.3.2	These interest free loans have been measured at amortized cost by using the weighted average interest rate of 13.42%.		
5.4	The loan carry mark-up @ One Month KIBOR plus 2% (ranging from 14.84% to 15.81%)and repayable in lump sum on June 30, 2025.		
5.5	The loan carry mark-up @ One Month KIBOR plus 2% (ranging from 14.84% to 15.81%)and repayable in lump sum on June 30, 2025.		
6	DEFERRED LIABILITIES		
	Staff retirement benefits	35,836,254	32,775,959
	Deferred taxation	41,303,493	42,609,432
		77,139,747	75,385,391
7	CONTINGENCIES AND COMMITMENTS		
7.1	Contingencies		
	There are no other significant activities since June 30, 2019 affecting financial statements.		
8	PROPERTY, PLANT AND EQUIPMENT		
8.1	OPERATING FIXED ASSETS		
	Written down value - opening	12,295,695	13,453,832
	Add: Cost of additions during the period/year	43,830	1,081,000
		12,339,525	14,534,832
	Disposals during the period / year (W.D.V.)	3,281,557	45,243
	Depreciation charge for the period / year	1,172,357	2,193,894
		4,453,914	2,239,137
		7,885,611	12,295,695
8.2	Disposals during the period / year		
	Cost	1,167,515	1,239,815
	Less: Accumulated depreciation	(1,124,092)	(1,194,572)
	Written down value	43,423	45,243
9	INVESTMENT PROPERTY		
	Opening Balance:		
	Free hold land	772,375,000	772,375,000
	Buildings on freehold land	171,973,225	171,973,225
		944,348,225	944,348,225
10	NON- CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		
	This represents realizable value of following assets classified as held for sale. The proceeds will be utilized to settle / reduce banks' finance facilities in order to reduce dependency on external debts and finance cost of the Company, as per plan approved by the Board of directors:		
	Plant and equipment:		
	Textiles allied equipment:	10.1	10,230,455
			11,638,675
	10.1 Opening balance:	11,638,675	18,567,862
	Carrying value of assets disposed off during the period / year	(1,408,220)	(6,929,187)
	Closing balance	10,230,455	11,638,675
11	DIRECT COST		
	Salaries, wages and other benefits	4,308,555	4,104,396
	Depreciation	871,746	1,303,663
	Others	1,897,698	3,000,441
		7,077,999	8,408,500
12	OTHER INCOME		
	Interest income	2,500	2,350
	Amortization of interest free loans from directors	5.3	59,036,808
		59,039,308	2,350

13 FINANCE COST			
Mark up on long term loans from directors		45,908,525	32,717,432
Mark up on loan from associated company		4,250,757	3,011,763
Unwinding of discount		13,384,307	12,156,661
Bank charges		8,903	29,949
		<u>63,552,492</u>	<u>47,915,805</u>
14 TAXATION			
- Current		5,947,526	4,007,511
- Deferred		(1,042,187)	(336,230)
		<u>4,905,339</u>	<u>3,671,281</u>
15 LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS			
Sales		-	933,161
Cost of sales	15.1	692,640	3,779,303
Gross loss		(692,640)	(2,846,142)
Other expenses		408,220	674,295
Other income		-	18,490
Loss before taxation		(1,100,860)	(3,501,947)
Taxation - Current		-	(9,332)
- Deferred		263,752	88,160
		<u>263,752</u>	<u>78,829</u>
Loss after taxation		<u>(837,108)</u>	<u>(3,423,119)</u>
15.1 Cost of Sales			
Depreciation		-	-
Others		692,640	3,044,826
		<u>692,640</u>	<u>3,044,826</u>
Adjustment of finished goods:			
Opening Stock		-	734,477
Closing Stock		-	-
		<u>-</u>	<u>734,477</u>
		<u>692,640</u>	<u>3,779,303</u>

	Jul 2019 - Mar 2020		Jul 2018 - Mar 2019	
	Continuing Operation	Discontinued Operation	Continuing Operation	Discontinued Operation
16 CASH FLOW FROM OPERATING ACTIVITIES				
Loss) before taxation	(8,569,843)	(1,100,860)	4,873,011	(3,501,947)
Adjustments for:				
Depreciation	1,172,357	-	1,642,842	-
(Gain)/Loss on disposal of property plant and equipment	2,381,557	408,220	-	(18,490)
Amortization of interest free loans	(59,036,808)	-	-	-
Impairment of assets classified as held for sale	-	-	-	433,642
Unwinding of discount	13,384,307	-	12,156,661	-
Change in fair value of investment property	-	-	(66,800,000)	-
Staff gratuity	4,086,531	-	3,740,445	-
Financial cost	50,168,185	-	35,759,144	-
	<u>12,156,129</u>	<u>408,220</u>	<u>(13,500,907)</u>	<u>415,152</u>
	<u>3,586,286</u>	<u>(692,640)</u>	<u>(8,627,896)</u>	<u>(3,086,796)</u>
(Increase) / Decrease in current assets				
Stores, spares and loose tools	146,067	-	2,452,069	1,850,248
Stock in trade	-	-	-	734,477
Trade debts	(1,937,567)	-	(829,084)	-
Loans and advances	(117,616)	-	(166,361)	-
Short term prepayments & other receivables	114,420	-	799,090	-
	<u>(1,794,696)</u>	<u>-</u>	<u>2,255,714</u>	<u>2,584,725</u>
Increase / (Decrease) in current liabilities				
Trade and other payables	6,833,718	-	12,045,771	-
Security deposits	(2,681,013)	-	210,200	-
Net cash used in operations	<u>5,944,295</u>	<u>(692,640)</u>	<u>5,883,789</u>	<u>(502,071)</u>


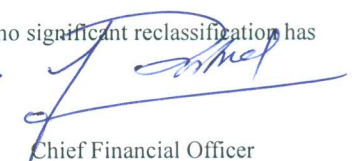
17 DATE OF AUTHORISATION

These accounts have been approved by the Board of Directors on Jun 01, 2020.

18 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.

Lahore: Dated Jun 01, 2020

Chief Executive Officer Director Chief Financial Officer

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں 31 مارچ 2020 کو ختم ہونے والی نو ماہی اور سہ ماہی کی غیر محاسب شدہ عبوری معلومات پیش کرتا ہوں۔

نو ماہی کے دوران ادارے کی مجموعی فروخت 27.714 ملین روپے، جو کہ کرایہ داری آمدنی پر مشتمل ہے، رہی اور بعد از ٹیکس نقصان 14.312 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 17.457 ملین روپے اور بعد از ٹیکس نقصان 2.44 ملین روپے رہا۔ مجموعی فروخت میں اضافے کی وجہ ڈائریکٹرز کے منظور شدہ منصوبے کے مطابق مزید خالی عمارات کو کرایہ پر دینا ہے۔

مندرجہ ذیل عوامل نے مزکورہ مدت کے دوران کمپنی کی کارکردگی کو متاثر کیا:

- جائیداد کی مالیت میں کوئی اضافہ نہیں ہوا جو کہ گزشتہ سال 66.80 ملین روپے تھا۔
- ڈائریکٹرز کی جانب سے کمپنی کو دیئے گئے 187.844 ملین روپے کے سودی قرضوں کی غیر سودی قرضوں میں تبدیلی۔
- مارک اپ کی شرح میں اضافہ ہوا۔

اس عرصے کے دوران کمپنی کے ٹیکسٹائل آپریشنز معطل رہے۔ کیونکہ لومز اور دیگر مشینری پہلے ہی فروخت ہو چکی ہے، اس لئے منقطع آپریشن کا نفع و نقصان کا اکاؤنٹ الگ تیار کیا گیا ہے اور مذکورہ بالا نتائج میں شامل ہے۔ بقایا ٹیکسٹائل مشینری کی فروخت کے لئے مختلف خریداروں سے بات چیت جاری ہے اور مزید خالی رقبہ کرایہ پر دیکر کرائے کی آمدنی میں اضافہ پر توجہ مرکوز ہے، اس لئے کمپنی نے ممبرز اور ایس ای سی پی کی منظوری سے اپنا نام آئی سی سی ٹیکسٹائلز لمیٹڈ سے آئی سی سی انڈسٹریز لمیٹڈ تبدیل کر لیا ہے۔

ہمیشہ کی طرح، ہماری سرشار ورک فورس اچھے کام کی تعریف کی مستحق ہے۔

منجانب بورڈ آف ڈائریکٹرز

لاہور

جون 01، 2020

جاوید شفیق صدیقی

چیف ایگزیکٹو آفیسر

پرویز شفیق صدیقی

چیئر مین