

**INTERIM FINANCIAL INFORMATION
FOR THE 1ST QUARTER ENDED
SEPTEMBER 30, 2021
(UN-AUDITED)**



ICC Industries 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 1st quarter ended on September 30, 2021.

The company suffered a loss after tax amounting to Rs. 16.794 million and registered revenue of Rs. 2.101 million as against after tax loss of Rs. 20.951 million against revenue of Rs. 2.069 million in the corresponding period resulting in loss per share of Rs. 0.56 (Jul 2020 - Sep 2020 Rs. 0.70 loss per share).

As reported in our recent directors' report to the members, company's business has been badly effected due to Covid19 spread, resulting in slow down of business activity in the country. Our rental income remained reduced as some of our tenants had terminated their rental agreements. However, now the pandemic situation has substantially improved and our negotiations with various parties for renting out available covered area, including space vacated during Covid19, are at almost final stage. Hence, we expect better financial results in future.

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

PERVAIZ S. SIDDIQI
Director

JAVAID S. SIDDIQI
Chief Executive Officer

Lahore:
Dated: October 30, 2021



ICC INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

EQUITY AND LIABILITIES	Note	September 2021 Rupees	June 2021 Rupees
SHARE CAPITAL			
Authorised share capital			
32,000,000 ordinary shares (June 2021: 32,000,000) of Rs.10 each		<u>320,000,000</u>	<u>320,000,000</u>
Issued, Subscribed & Paid up share capital			
30,001,120 ordinary shares (June 2021: 30,001,120) of Rs.10 each fully paid in cash		<u>300,011,200</u>	<u>300,011,200</u>
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX			
		567,352,597	567,389,985
ACCUMULATED LOSS			
		<u>(776,278,826)</u>	<u>(759,522,289)</u>
		91,084,971	107,878,896
NON CURRENT LIABILITIES			
Long term financing from directors	4	<u>566,978,546</u>	<u>575,529,060</u>
Deferred liabilities		<u>73,098,539</u>	<u>72,297,455</u>
		640,077,085	647,826,515
CURRENT LIABILITIES			
Trade and other payables		<u>105,630,173</u>	<u>102,753,430</u>
Security deposits		1,336,575	2,024,482
Accrued mark-up		174,432,044	169,969,442
Short term borrowings		35,784,203	35,784,203
Un-claimed dividend		1,662,656	1,662,656
		318,845,651	312,194,213
CONTINGENCIES AND COMMITMENTS			
	5	<u>1,050,007,707</u>	<u>1,067,899,624</u>
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		<u>6,749,771</u>	<u>6,904,839</u>
Investment property		1,012,518,550	1,012,518,550
Long term loans and advances		0	0
Long term deposits		1,469,034	1,469,034
		1,020,737,355	1,020,892,423
CURRENT ASSETS			
Stores, spares and loose tools		<u>4,262,939</u>	<u>4,262,771</u>
Stock in trade		0	0
Loans and advances		1,272,547	1,203,236
Short term prepayments and other receivables		672,528	15,066,572
Tax refunds due from Government		19,971,305	20,298,379
Cash and bank balances		895,033	1,849,042
		27,074,353	42,679,999
Non-current assets classified as held for sale		2,196,000	4,327,200
		<u>1,050,007,708</u>	<u>1,067,899,622</u>

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

Lahore: Dated Oct 30, 2021





Chief Executive Officer

Director

Chief Financial Officer



ICC INDUSTRIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEP 30, 2021

	Note	Jul-Sep 2021 Rupees	Jul-Sep 2020 Rupees
REVENUE	7	2,101,450	2,069,120
DIRECT COST	8	(2,070,298)	(2,423,572)
GROSS (LOSS) / PROFIT		31,152	(354,452)
DISTRIBUTION COST		-	-
ADMINISTRATION COST		(5,940,085)	(5,887,850)
OTHER EXPENSES		(229,262)	(237,240)
OTHER INCOME		5,339,745	629,192
OPERATING LOSS		(798,451)	(5,850,350)
FINANCE COST	9	(15,547,586)	(14,802,839)
LOSS BEFORE TAXATION		(16,346,036)	(20,653,189)
TAXATION	10	(447,889)	(297,351)
LOSS AFTER TAXATION		(16,793,925)	(20,950,540)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		(16,793,925)	(20,950,540)
LOSS PER SHARE- BASIC AND DILUTED		(0.56)	(0.70)

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Paid-up Capital Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at June 30, 2020	300,011,200	568,462,515	(724,272,986)	144,200,729
Other comprehensive income for the period			-	-
Net loss for the period			(10,871,944)	(10,871,944)
Incremental depreciation - net of tax		(359,118)	359,118	0
Balance as at September 30, 2020	300,011,200	568,103,397	(734,785,812)	133,328,785
Balance as at June 30, 2021	300,011,200	567,389,985	(759,522,289)	107,878,896
Other comprehensive income for the period			-	-
Net loss for the period			(16,793,925)	(16,793,925)
Incremental depreciation - net of tax		(37,388)	37,388	0
Balance as at September 30, 2021	300,011,200	567,352,597	(776,278,826)	91,084,971

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

Lahore: Dated Oct 30, 2021


Chief Executive Officer


Director


Chief Financial Officer



ICC INDUSTRIES LIMITED

STATEMENT OF CASH FLOWS FOR THE THE QUARTER ENDED SEP 30, 2021

	Note	Jul-Sep 2021 Rupees	Jul-Sep 2020 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash (used in) / generated from operations	11	11,781,076	(4,554,500)
Financial charges paid		(301,304)	(1,824,934)
Taxes paid		(499,333)	2,942,828
Gratuity paid		(71,200)	-
		(871,837)	1,117,894
Net cash (used in) / generated from operating activities	(A)	10,909,239	(3,436,606)
CASH FLOW FROM INVESTING ACTIVITIES			
Long term loans & advances		-	5,000
Sale proceeds of property, plant and equipment & assets held for sale		2,136,752	3,310,000
Fixed capital expenditure		-	-
Net cash flow from investing activities	(B)	2,136,752	3,315,000
CASH FLOW FROM FINANCING ACTIVITIES			
Short term borrowings - Secured		-	(463,660)
Long term loans from directors		(14,000,000)	2,237,706
Net cash flow from financing activities	(C)	(14,000,000)	1,774,046
Net Increase in cash and bank balances	(A+B+C)	(954,009)	1,652,440
Cash & bank balances at the beginning of the period		1,849,042	754,388
Cash & bank balances at the end of the period		895,034	2,406,829

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

Lahore: Dated Oct 30, 2021


Chief Executive Officer


Director


Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE THE QUARTER ENDED SEP 30, 2021

- 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, 2021.

		Sep, 2021 Rupees	June 2021 Rupees
4 LONG TERM FINANCING FROM DIRECTORS- Unsecured			
Interest free loan	4.1	224,907,200	219,627,016
Interest bearing loan - 1	4.2	140,000,000	140,000,000
Interest bearing loan - 2	4.3	-	-
Interest bearing loan - 2	4.4	197,071,348	158,902,044
Interest bearing loan - 3	4.5	5,000,000	57,000,000
		566,978,548	575,529,060
4.1 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		109,508,577	104,228,393
		224,907,200	219,627,016



ICC INDUSTRIES LIMITED

- 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% and are repayable in lump sum on Jun 30,2025
- 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 March 31, 2023. These loans have been converted in interest free loans in March 2020.

4.4	Original Loan amounts	235,448,411	197,448,411
	Less: Present value adjustment	66,274,629	60,940,437
		169,173,782	136,507,974
	Add: Interest charged to profit and loss account	27,897,566	22,394,070
		<u>197,071,348</u>	<u>158,902,044</u>

- 4.4.1 These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 9.40% to 13.42% and are repayable in lump sum on Mar 31, 2023.
- 4.5 This loan carries mark-up @ One Month KIBOR plus 2% and the loan is repayable in lump sum on Jun 30, 2025.

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There are no other significant activities since June 30, 2021 affecting financial statements.

6 ADDITIONS / DELETIONS IN FIXED ASSETS DURING THE PERIOD

	6.1	Jul-Sep 2021 Rupees	Jul-Sep 2020 Rupees
Written down value - opening		6,904,838	8,154,124
Cost of addition		-	-
Disposal during the year - WDV	6.1	-	585,336
Depreciation charge for the period		155,068	174,580
		<u>155,068</u>	<u>759,916</u>
		<u>6,749,770</u>	<u>7,394,208</u>
6.1 Disposal during the period:			
Cost		-	595,000
Less: Accumulated depreciation		-	(9,664)
		<u>-</u>	<u>585,336</u>
7 REVENUE			
Rental income		<u>2,101,450</u>	<u>2,069,120</u>
8 DIRECT COST			
Salaries, wages and benefits		1,424,714	1,612,035
Fuel and power		518,828	618,532
Repair & maintenance		50,631	107,215
Deprecia Depreciation		76,125	85,790
		<u>2,070,298</u>	<u>2,423,572</u>
9 FINANCE COST			
Mark-up on:			
- Financing from directors		3,882,272	4,834,293
- Financing from associated company		880,330	866,409
Unwinding of discount		10,783,680	9,099,995
Bank charges		1,304	2,142
		<u>15,547,586</u>	<u>14,802,839</u>
10 TAXATION			
- Current		463,160	444,033
- Deferred		(15,271)	(146,682)
		<u>447,889</u>	<u>297,351</u>



ICC INDUSTRIES LIMITED

11 CASH FLOW FROM OPERATING ACTIVITIES

(Loss) before taxation

Adjustments for:

Depreciation

(Gain)/Loss on disposal of property plant and equipment

Amortization of interest free loans

Amortization of transaction cost

Unwinding of discount

Staff gratuity

Financial cost

(Increase) / Decrease in current assets

Stores, spares and loose tools

Stock in trade

Trade debts

Loans and advances

S.T prepayments & other receivables

Sales tax refundable

Increase / (Decrease) in current liabilities

Trade and other payables

Security deposits

Net cash generated from operations

	Jul-Sep 2021 Rupees	Jul-Sep 2020 Rupees
(Loss) before taxation	(16,346,036)	(20,653,189)
Adjustments for:		
Depreciation	155,068	174,580
(Gain)/Loss on disposal of property plant and equipment	(5,552)	(162,101)
Amortization of interest free loans	(5,334,193)	(467,091)
Amortization of transaction cost	-	-
Unwinding of discount	10,783,680	9,099,995
Staff gratuity	887,556	1,174,850
Financial cost	4,763,906	5,702,844
	11,250,464	15,523,077
	(5,095,572)	(5,130,112)
(Increase) / Decrease in current assets		
Stores, spares and loose tools	(169)	6,356
Stock in trade	-	-
Trade debts	46,008	1,269,711
Loans and advances	(69,311)	(91,442)
S.T prepayments & other receivables	14,348,036	-
Sales tax refundable	363,248	562,700
	14,687,812	1,747,325
Increase / (Decrease) in current liabilities		
Trade and other payables	2,876,743	(694,715)
Security deposits	(687,907)	(476,998)
Net cash generated from operations	11,781,076	(4,554,500)

12 DATE OF AUTHORISATION

These accounts have been approved by the Board of Directors on October 30, 2021.

13 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.

Chief Executive Officer

Director

Chief Financial Officer

Lahore: Dated Oct 30, 2021