



FAZAL CLOTH MILLS LIMITED



FCML/1476/1170

February 17, 2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road Karachi.

Subject: **Material Information**

Dear Sir,

1. Pursuant to Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we are pleased to inform you that the Board of Directors of Fazal Cloth Mills Limited (the "Company") in its meeting held today has approved the conversion of outstanding loans and advances of Fatima Energy Limited amounting to Rs. 3,342,077,110 into 334,207,711 unlisted, non-voting, non-cumulative, participatory, convertible and redeemable Preference Shares at par value of Rs. 10/- each subject to the approval of shareholders of the Company.

The Board of Directors has also decided to hold the Extraordinary General Meeting of the Company on Thursday, March 10, 2022 to consider the aforesaid Special Business.

2. The Board of the Company has approved to acquire a land of area up to 50 Acres in Special Economic Zone as defined in Special Economic Zone Act 2012 for establishing a dyeing and finishing unit by the Company.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours sincerely,

For Fazal Cloth Mills Ltd.

Secretary

(ASAD MUSTAFA)

Company Secretary

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