



# Corporate Briefing Session

Fazal Cloth Mills  
Limited

December 05, 2024





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# Corporate Briefing - Contents



1. Profile of Company
2. Strategic / Operational Development
3. Financial Results of Year Ended June 30, 2024
4. Question & Answers Session



# COMPANY BRIEF



# Company Brief

- Fazal Cloth Mills Limited (the Company) was incorporated in Pakistan in 1966 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange.
- The Company is principally engaged in manufacturing and sale of Yarn & fabric. The manufacturing facilities are located at Fazal Nagar, Jhang Road, Muzaffargarh, 13 K.M. Mianwali Road, Khanpur Bagga Sher, Muzaffargarh and Qadirpur Rawan Bypass, Khanewal Road, Multan in the province of Punjab.
- Head Office of the Company is situated 59/3, Abdali Road Multan.
- Registered Office is situated at 69/7, Abid Majeed Road, Survey No. 248/7, Lahore Cantt, Lahore.



# Operations / Business

# Operations / Business



## Brief of Operations

- The spinning division of the Company comprises of 8 spinning units with installed capacity of 277,980 spindles. All of the spinning units are equipped with state of art Japanese and European machinery.
- No. of rotors and MVS (Murata Vortex Spinning) spindles installed are 10,572.
- Capacity at 20's counts are 138,574,902 Kgs / annum and actual production of all count is 109,711,127 Kgs / annum.
- The Weaving unit of the Company consist of 224 Air-jet looms with standard production capacity of 45,747,513 Meters of Greige fabric with actual production of 42,389,646 Meters of Greige fabric per annum (FY 2024). With combination of state of the art weaving equipment, technical know-how and managerial expertise the weaving unit of the company ensures quality production and services to customers.

# Operations / Business



## Brief of Operations

- Total No. of employees as at June 30, 2024 are 6,538.
- Power Plant Capacity:
  - 51.3 Mega Watts (Gas Fired)
  - 9.4 Mega Watts (Solar)





# Financial Highlights of Year Ended June 30, 2024

# Financial Highlights



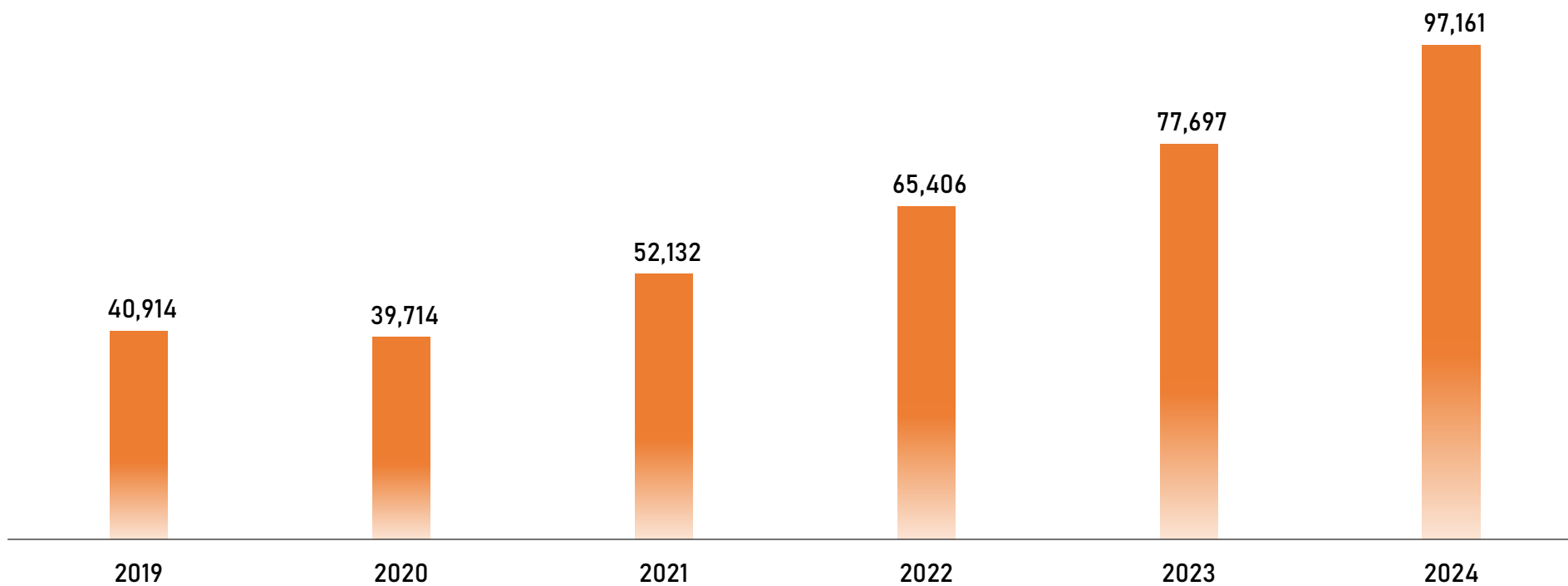
Profit & Loss for period ended June 30, 2024 [Rs. In '000]

Financial Highlights	Year ended June 30, 2024		Favorable / (Unfavorable) %
	2024	2023	
Sales - net	97,160,975	77,696,980	25.05%
Cost of sales	(86,143,905)	(67,610,876)	27.41%
Gross Profit	11,016,971	10,086,103	9.23%
EBIDTA	13,385,820	8,422,182	58.94%
Depreciation	2,222,503	1,753,002	26.78%
Finance Cost	(8,337,428)	(5,074,372)	64.30%
Profit before taxation	2,825,889	1,594,808	77.19%
Profit after taxation	1,785,288	586,095	204.61%
Earnings per share - Rs.	59.51	19.54	204.61%

## Financial Highlights- Profit & Loss



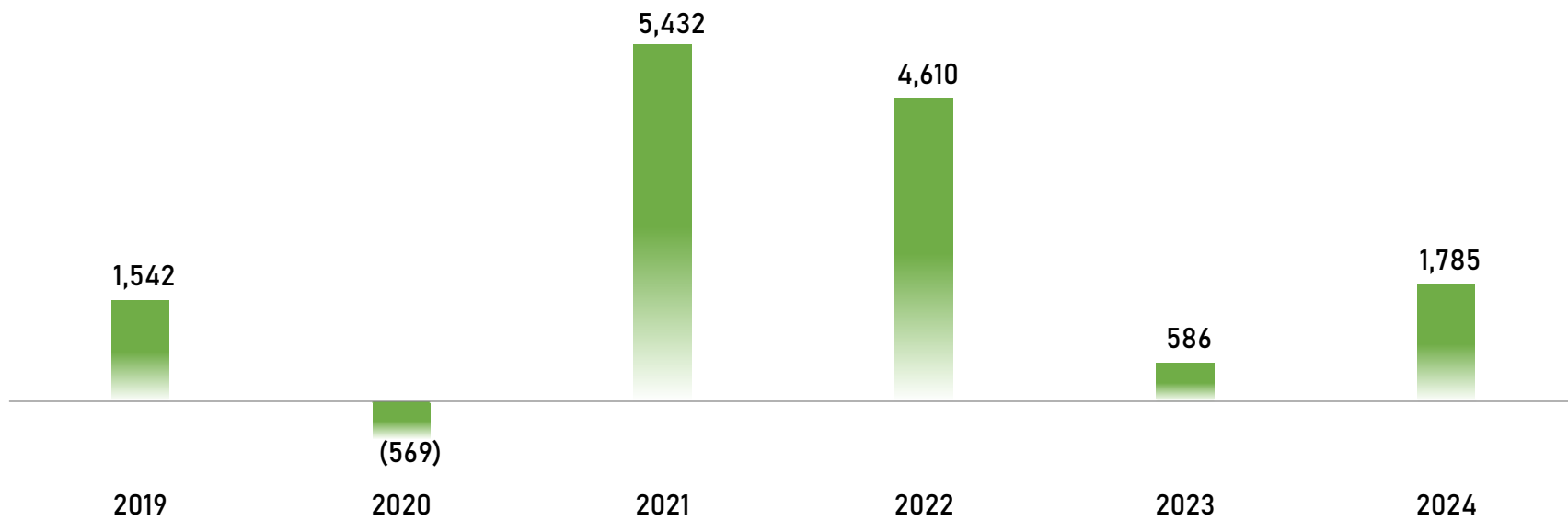
SALES SIX YEARS - RUPEES IN MILLIONS



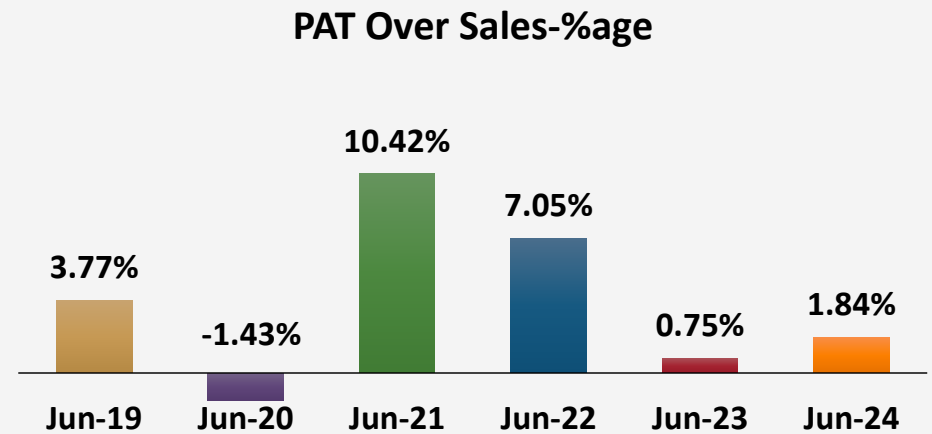
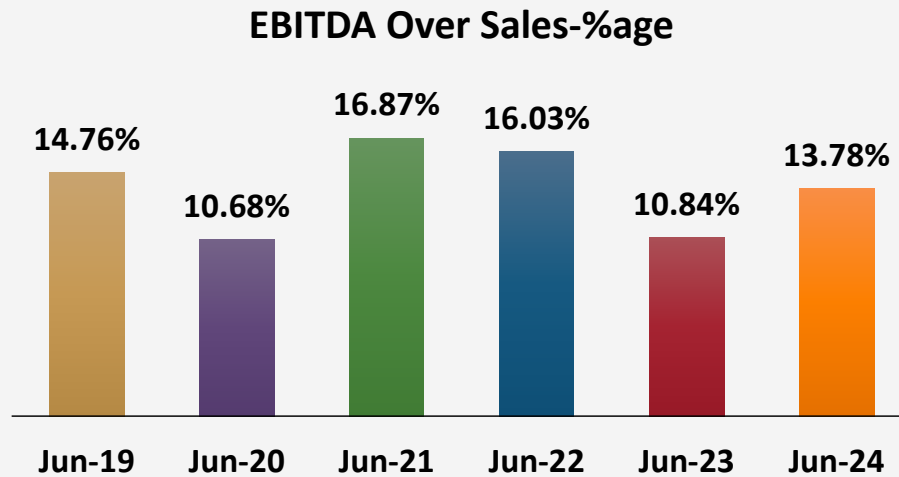
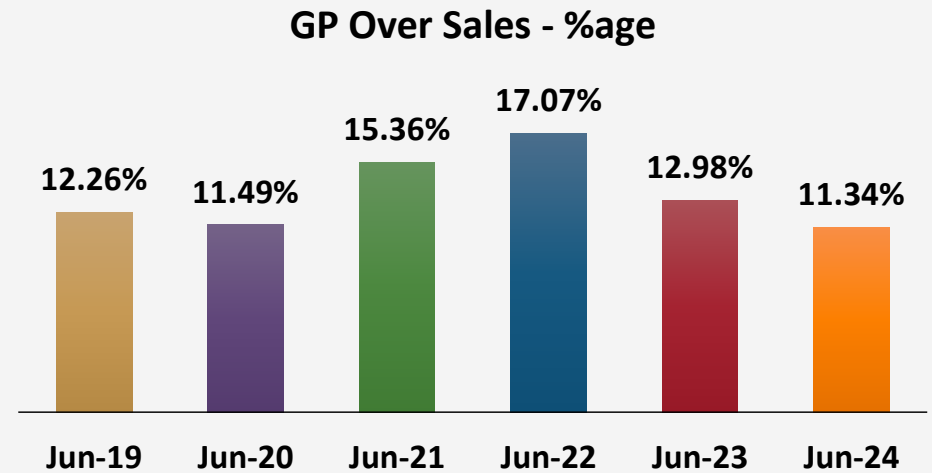
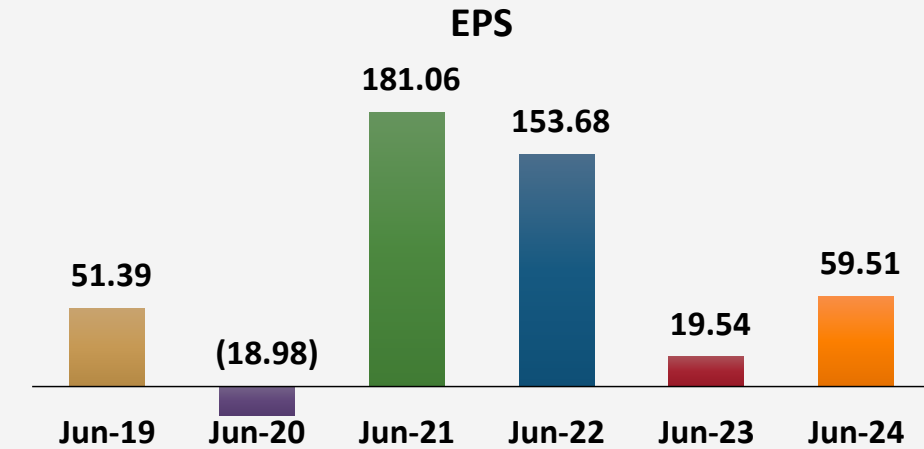
## Financial Highlights- Profit & Loss



PROFIT AFTER TAX SIX YEARS - RUPEES IN MILLIONS



## Ratios - last six comparative periods :

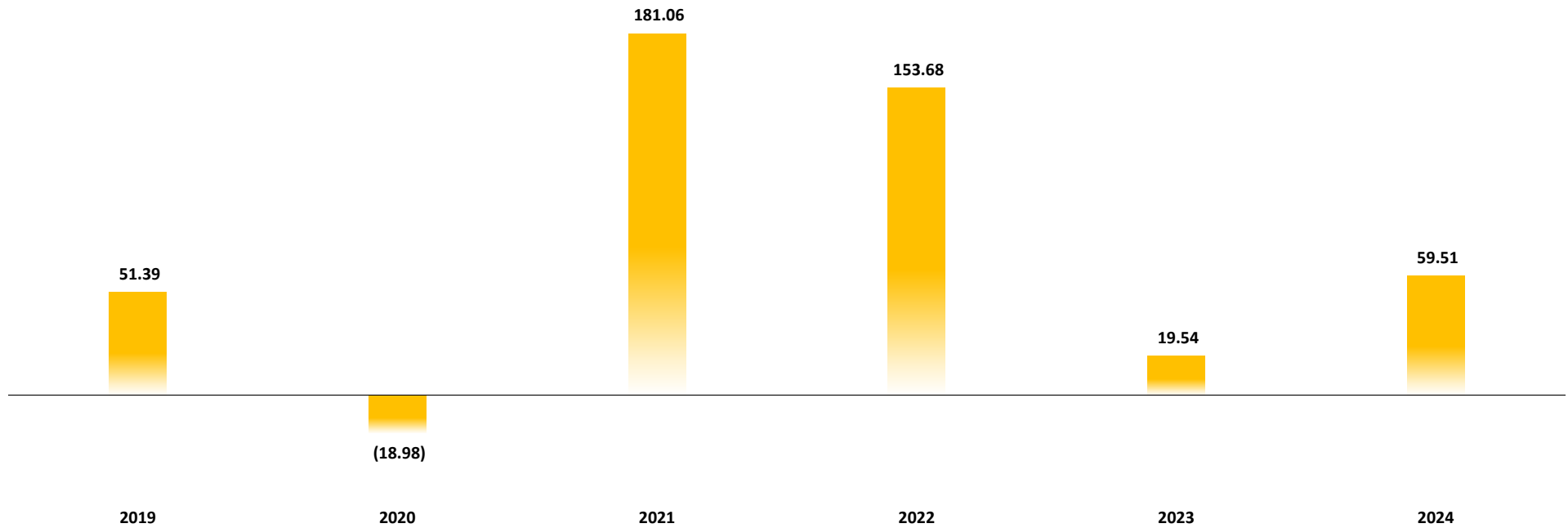


# Financial Highlights- Profit & Loss

## Earnings per share- Six years



### EARNINGS PER SHARE



## Financial Highlights- Balance Sheet As at 30 June



Particulars	2024	2023
	Rs. in Millions	Rs. in Millions
Non-current Assets	59,840	58,857
Current Assets	39,941	48,917
<b>Total Assets</b>	<b>99,781</b>	<b>107,774</b>
Equity	44,321	44,646
Long-term Liabilities	25,106	23,956
Current Liabilities	30,354	39,172
<b>Total Equity &amp; Liabilities</b>	<b>99,781</b>	<b>107,774</b>



# Operations / Business - Future Outlook

- ❖ Overall demand for our materials and increasing; however, local sales is still dismal. International cotton prices are on lower side Interest rate steadily decreasing but energy cost is on higher side. Current margins are on lower side but it will increase in near future. We are currently consolidating our current operations without any major BMR and adding solar power to reduce the power & fuel cost by adding 12.8 Mega Watts (already installed 9.4 Mega Watts).
- ❖ BMR and expansion of the Company's are still at hold due to high finance cost.
- ❖ Diminishing inflationary pressures, the policy rate reduced to 15% it will support the sustainable economic recovery in FY2025.
- ❖ Withdrawal of zero-rating on local supplies under the Export Facilitation Scheme ("EFS"), imposition of duties on the import of certain raw materials and change in taxation regime from FTR to NTR. These measures will cause cash flow issues and potentially affect the export competitiveness.
- ❖ exports are rising, margins of textile companies involved in export of goods remain subdued to high cost of production. Interest cost and energy prices in Pakistan remain higher than competitor countries which are pressuring margins. Hence, new investment in the sector remains dismal.
- ❖ According to Pakistan Cotton Ginners Association (PCGA), by November 30, 2024, seed cotton equal to 5.191 million bales had reached ginning factories across the Country a significant decline from 7.753 million bales in the same period last year. There is dire need for research to develop a better yield variety of cotton which can increase cotton crop in Pakistan.





# Question & Answer Session