

FAZAL CLOTH MILLS LIMITED



Ref:- FCML/26/CAD/007

Dated:- February 27, 2026

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

SUBJECT: FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025

We have to inform you that the Board of Directors of Fazal Cloth Mills Limited in its meeting held on Friday, February 27, 2026 at 11:00 am at Multan/via ZOOM, recommended the following:

- | | |
|---------------------------------------------|------|
| a) CASH DIVIDEND: | NIL |
| b) BONUS SHARES: | NIL |
| c) RIGHT SHARES: | NIL |
| d) ANY OTHER ENTITLEMENT/ CORPROATE ACTION: | None |
| e) ANY OTHER PRICE SENSITIVE INFORMATION: | None |

The financial results of the Company along with statement of financial position, statement of changes in equity and statement of cash flows are attached herewith as annexure A.

The half-yearly report of the Company for the period ended December 31, 2025 will be transmitted through PUCARS separately, within the specified time and shall also be made available on the Company's website.

The Board has also set the number of Directors at nine for the upcoming Directors' election scheduled for May 30, 2026.

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

Yours sincerely

For and on behalf of Fazal Cloth Mills Ltd



Basharat Hashmi
(Company Secretary)

CC

Executive Director, Supervision Division
Securities and Exchange Commission of Pakistan
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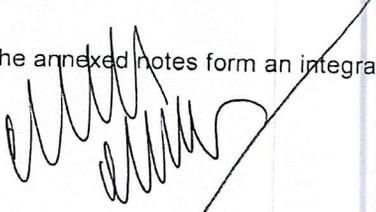
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FAZAL CLOTH MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

		Un-audited December 31, 2025	Audited June 30, 2025
	Note	----- Rupees -----	
ASSETS			
Non-current assets			
Property, plant and equipment	9	53,410,283,824	52,167,363,593
Long term investments	10	13,536,417,856	10,248,129,438
Long term advances and markup accrued	11	-	-
Long term deposits		25,733,193	25,733,193
		<u>66,972,434,873</u>	<u>62,441,226,224</u>
Current assets			
Stores, spares and loose tools		2,212,087,894	2,310,844,034
Stock-in-trade	12	37,472,067,217	33,661,545,599
Trade debts	13	13,911,242,297	12,266,998,305
Advances and other receivables		329,550,010	324,107,024
Deposits, prepayments and other receivables		289,220,141	642,810,677
Mark-up accrued	14	62,014,499	19,085,522
Short term investment		927,853,200	608,389,200
Sales tax refundable and adjustable		1,521,709,110	2,056,456,838
Cash and bank balances	15	1,707,989,474	1,122,291,188
		<u>58,433,733,842</u>	<u>53,012,528,387</u>
		<u>125,406,168,715</u>	<u>115,453,754,611</u>

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


Chief Executive Officer



Director

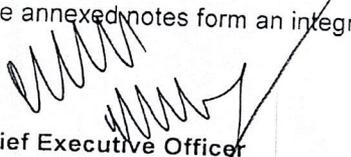
SHC


Chief Financial Officer

FAZAL CLOTH MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	Un-audited December 31, 2025	Audited June 30, 2025
----- Rupees -----			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		1,700,000,000	1,700,000,000
Issued, subscribed and paid-up capital		300,000,000	300,000,000
Capital reserves			
- Other capital reserves		22,904,851,583	19,616,563,165
- Revaluation surplus on property, plant and equipment		17,664,241,171	17,970,136,770
Unappropriated profits - revenue reserve		9,568,601,677	9,048,716,202
		<u>50,437,694,431</u>	<u>46,935,416,137</u>
Liabilities			
Non-current liabilities			
Long term financing - secured	4	13,050,063,512	11,168,050,617
Long term musharika - secured	5	10,435,747,906	7,956,146,606
Lease liability - unsecured		63,329,298	66,442,445
Deferred liabilities:			
- Staff retirement benefit		654,355,397	604,292,806
- Deferred taxation		9,291,150,382	9,501,841,903
		<u>33,494,646,495</u>	<u>29,296,774,377</u>
Current liabilities			
Trade and other payables	6	9,994,888,306	8,996,266,832
Contract liabilities		1,209,106,746	1,294,316,323
Current portion of non-current liabilities	7	5,048,873,443	4,311,481,264
Unclaimed dividend		21,977,192	21,977,192
Short term borrowings - secured		24,234,275,598	23,537,764,673
Accrued mark-up		865,467,141	882,273,218
Provision for income tax and levies - net		99,239,363	177,484,595
		<u>41,473,827,789</u>	<u>39,221,564,097</u>
Total liabilities		<u>74,968,474,284</u>	<u>68,518,338,474</u>
Contingencies and commitments	8		
Total equity and liabilities		<u>125,406,168,715</u>	<u>115,453,754,611</u>

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


Chief Executive Officer



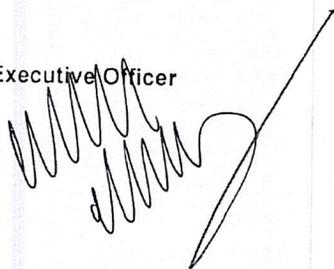

Chief Financial Officer

FAZAL CLOTH MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended		Quarter ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
----- Rupees -----					
Revenue from contracts with customers - net	16	47,553,697,501	46,989,839,722	23,220,149,527	22,804,023,050
Cost of sales	17	(44,060,223,360)	(42,908,041,775)	(21,511,755,885)	(20,998,740,553)
Gross profit		3,493,474,141	4,081,797,947	1,708,393,642	1,805,282,497
Selling and distribution expenses		(217,533,478)	(204,792,973)	(136,032,887)	(81,234,833)
Administrative expenses		(478,421,184)	(439,102,957)	(232,190,302)	(213,887,784)
Other expenses		(195,259,495)	(70,994,629)	(107,066,402)	(44,232,044)
		(891,214,157)	(714,890,559)	(475,289,591)	(339,354,661)
Other income		635,727,064	435,773,000	181,625,411	171,198,776
Profit from operations		3,237,987,048	3,802,680,388	1,414,729,462	1,637,126,612
Finance cost	18	(2,591,343,591)	(2,738,747,974)	(1,376,746,296)	(1,334,860,481)
Profit before levies and income tax		646,643,457	1,063,932,414	37,983,166	302,266,131
Levies		(598,804,086)	(589,848,012)	(233,993,329)	(249,679,107)
Profit / (loss) before income tax		47,839,371	474,084,402	(196,010,163)	52,587,024
Income tax		166,150,505	(129,637,291)	230,426,321	(40,165,018)
Profit after taxation		213,989,876	344,447,111	34,416,158	12,422,006
Earnings per share - basic and diluted	19	7.13	11.48	1.15	0.41

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

Chief Executive Officer




Director

SHC



Chief Financial Officer

FAZAL CLOTH MILLS LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Capital reserves					Revenue reserve		Total
	Share capital	Share premium	Capital redemption reserve	Fair value reserve - net of tax	Revaluation surplus on property, plant and equipment - net of tax	Capital reserve against capacity expansion	Un-appropriated profits	
Balance as at June 30, 2024 - (Audited)	300,000,000	77,616,000	175,000,000	1,756,765,395	18,554,848,169	-	23,457,160,434	44,321,389,998
Total comprehensive income for the six months period ended December 31, 2024								
Profit for the period	-	-	-	-	-	-	344,447,111	344,447,111
Other comprehensive income - net of tax	-	-	-	1,679,420,867	-	-	-	1,679,420,867
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	-	1,679,420,867	-	-	344,447,111	2,023,867,978
Transfer from surplus on revaluation of fixed assets on disposal - net of tax	-	-	-	-	(278,958,076)	-	278,958,076	-
Transfer of reserves	-	-	-	-	(24,536,702)	-	24,536,702	-
Balance as at December 31, 2024 - (un-audited)	<u>300,000,000</u>	<u>77,616,000</u>	<u>175,000,000</u>	<u>3,436,186,262</u>	<u>18,251,353,391</u>	<u>15,000,000,000</u>	<u>(15,000,000,000)</u>	-
Balance as at June 30, 2025 - (Audited)	300,000,000	77,616,000	175,000,000	4,363,947,165	17,970,136,770	15,000,000,000	9,105,102,323	46,345,257,976
Total comprehensive income for the six months period ended December 31, 2025								
Profit for the period	-	-	-	-	-	-	213,989,876	213,989,876
Other comprehensive income - net of tax	-	-	-	3,288,288,418	-	-	-	3,288,288,418
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	-	3,288,288,418	-	-	213,989,876	3,502,278,294
Transfer from surplus on revaluation of fixed assets on disposal - net of tax	-	-	-	-	(263,706,993)	-	263,706,993	-
Balance as at December 31, 2025 - (un-audited)	<u>300,000,000</u>	<u>77,616,000</u>	<u>175,000,000</u>	<u>7,652,235,583</u>	<u>17,664,241,171</u>	<u>15,000,000,000</u>	<u>42,188,606</u>	-
The annexed notes form an integral part of these condensed interim financial statements.							9,568,601,677	50,437,694,431

Chief Executive Officer





 Chief Financial Officer

FAZAL CLOTH MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended	
		December 31, 2025	December 31, 2024
Cash flows from operating activities			
Profit before taxation		646,643,457	1,063,932,414
Adjustments for:			
Depreciation on property, plant and equipment	9.1	1,108,422,000	1,136,123,210
Depreciation on right of use assets	9.2	2,871,790	2,871,790
Unrealized gain on re-measurement of short term investment		(319,464,000)	(163,159,200)
Reversal allowance against trade debts	13	(152,178)	(48,625,189)
Provision for gratuity		155,576,496	157,663,668
Provision for infrastructure cess		358,556,844	327,402,839
Provision for workers' profit participation fund		5,188,581	2,432,390
Provision for workers' welfare fund		13,302,683	21,762,523
Gain on disposal of property, plant and equipment and assets held for sale		92,577,979	32,149,543
Loss allowance against receivable	14	1,677,177	2,575,910
Finance income		(49,083,479)	(15,171,054)
Dividend income received from an associate		(241,899,109)	(190,063,585)
Finance cost		2,591,343,591	2,738,747,974
Cash generated from operations before working capital changes		4,365,561,832	5,068,643,233
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		98,756,140	(409,857,491)
Stock-in-trade		(3,810,521,618)	(9,464,648,351)
Trade debts		(1,644,091,814)	534,418,412
Advances and other receivables		(5,442,986)	(119,131,573)
Deposits, prepayments and other receivables		353,590,536	(301,543,354)
		(5,007,709,742)	(9,760,762,357)
Increase / (decrease) in current liabilities:			
Trade and other payables		621,573,369	2,702,724,747
Contract liabilities		(85,209,577)	(97,491,445)
Cash used in operations		(105,784,118)	(2,086,885,822)
Gratuity paid to employees		(105,513,905)	(117,363,272)
Taxes paid - net		(186,842,605)	(2,162,572,509)
		(292,356,510)	(2,279,935,781)
Net cash used in operating activities		(398,140,628)	(4,366,821,603)
Cash flows from investing activities			
Fixed capital expenditure		(2,469,138,268)	(719,839,964)
Proceeds from sale of property, plant and equipment		22,346,267	32,840,358
Long term deposits		-	84,907,100
Dividend income received from an associate		241,899,109	190,063,585
Finance income received		4,477,325	6,999,655
Net cash used in investing activities		(2,200,415,567)	(405,029,266)
Cash flows from financing activities			
Long term financing obtained		3,765,427,982	4,858,016,026
Long term financing repaid		(1,496,055,231)	(1,592,949,676)
Long term musharika obtained		3,258,415,000	2,750,000,000
Long term musharika repaid		(429,855,367)	(517,355,368)
Short term borrowings - net		570,215,151	1,220,056,638
Lease rentals paid		(7,073,844)	(6,430,766)
Finance cost paid - net		(2,603,114,981)	(3,085,416,511)
Dividend paid		-	(25,788)
Net cash generated from financing activities		3,057,958,710	3,625,894,555
Net increase / (decrease) in cash and cash equivalents		459,402,515	(1,145,956,314)
Cash and cash equivalents at beginning of the period		(2,095,383,155)	(542,880,740)
Cash and cash equivalents at end of the period		(1,635,980,640)	(1,688,837,054)
Cash and cash equivalents at period end comprises of:			
Cash and bank balances		1,707,989,474	795,231,834
Running finance / running musharika		(3,343,970,114)	(2,484,068,888)
		(1,635,980,640)	(1,688,837,054)

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

Chief Executive Officer



Chief Financial Officer