



2025

**For The
Six Months Ended
December 31**



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COMPANY PROFILE

| | | |
|--|--|---|
| BOARD OF DIRECTORS | Sh. Naseem Ahmad Mr. Rehman Naseem Mr. Amir Naseem Sheikh Mr. Faisal Ahmed Mr. Muhammad Mukhtar Sheikh Mr. Abbas Mukhtar Mr. Babar Ali Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik | Chairman/ Non - Executive Director Chief Executive Officer Non - Executive Director Non - Executive Director Executive Director Executive Director Independent Director Independent Director Independent Director |
| AUDIT COMMITTEE | Ms. Parveen Akhter Malik Mr. Sheikh Naseem Ahmad Mr. Amir Naseem Sheikh Mr. Babar Ali | Independent Director/Chairperson Non - Executive Director Non - Executive Director Independent Director |
| HUMAN RESOURCE AND REMUNERATION COMMITTEE | Mr. Babar Ali Mr. Amir Naseem Sheikh Mr. Faisal Ahmad | Independent Director/Chairman Non - Executive Director Non - Executive Director |
| STRATEGIC PLANNING COMMITTEE | Mr. Rehman Naseem Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik | CEO/Chairman Independent Director Independent Director |
| COMPANY SECRETARY | Mr. Basharat Hashmi | |
| CHIEF FINANCIAL OFFICER | Mr. Muhammad Azam , FCA & FCMA | |
| AUDITORS | ShineWing Hameed Chaudhri & Co., Chartered Accountants | |
| BANKERS | Bank Al Habib Limited National Bank of Pakistan Meezan Bank Limited The Bank of Punjab Habib Metropolitan Bank Limited Bank Alfalah Limited Habib Bank Limited Faysal Bank Limited Allied Bank Limited Bank Islami Pakistan Limited Soneri Bank Limited Industrial and Commercial Bank of China Ltd. United Bank Limited | Askari Bank Limited MCB Bank Limited The Bank of Khyber JS Bank Limited Dubai Islamic Bank Pakistan Limited Standard Chartered Bank (Pakistan) Limited Bank Makramah Limited Saudi Pak Industrial & Agricultural Inv. Company Limited Pak Oman Investment Company Limited Pak Brunei Investment Company Limited Pak Libya Holding Company (Pvt.) Limited Pakistan Kuwait Investment Company (Private) Limited PAIR Investment Company Limited |
| HEAD OFFICE & SHARES DEPARTMENT: | 59/3, Abdali Road, Multan. Phone: (92), 4781637 Fax: (92) 61-4541832 E-mail: corporate@fazalcloth.com Shares@fazalcloth.com Website: www.fazalcloth.com | |
| SHARES REGISTRAR: | Vision Consulting Ltd. 5-C, LDA Flats, Lawrence Road, Lahore. shares@vcl.com.pk Phone: (92) 42-36283096, 36283097 Fax: (92) 42-36374839 | |
| REGISTERED OFFICE: | 69/7, Abid Majeed Road, Survey No. 248/7, Lahore Cantt, Lahore. Phone: (92) 42-36684909 | |
| MILLS: | i) Fazal Nagar, Jhang Road, Muzaffargarh - Pakistan Ph. (92) 66-2422216, 18 Fax: (92) 66-2422217 ii) Qadirpur Rawan Bypass, Khanewal Road, Multan - Pakistan Ph. (92) 61-6740041-43, Fax : (92) 61-6740052 iii) 13 K.M. Mian Wali Road, Khanpur bagga Sher. Ph. (92) 662-490183 | |

DIRECTORS' REVIEW

Directors' Review

The Directors are pleased to present the unaudited interim financial statements of Fazal Cloth Mills Limited for the half year ended December 31, 2025 duly reviewed by the Statutory Auditors of the Company who has issued review report which is annexed with financial statements.

Pakistan Economy

During the first half of FY 2025–26, Pakistan's economy showed continued stabilization, underpinned by consistent external inflows and improved fiscal management. Acknowledging these positive developments, the International Monetary Fund (IMF) raised its GDP growth projection for Pakistan to 3.2% for FY 2025–26 in its December 2025 review.

Textile Industry overview

The textile industry remains a cornerstone of Pakistan's economy, contributing significantly to exports, employment, and overall industrial activity. It represents a major share of the country's export earnings and plays a key role across the value chain from spinning to finished garments.

During the year, the industry faced challenges including high energy costs, inflationary pressures, and an overvalued exchange rate, which impacted margins and export volumes. However, improving macroeconomic stability, easing inflation, and continued government focus on export support and value-added segments are expected to strengthen the sector.

Going forward, recovery in global demand and enhanced operational efficiencies are likely to improve competitiveness and support sustainable growth of the textile industry.

Financial Performance of the Company

Comparison of the key financial results of the company for the six months period ended December 31, 2025 with the same period of the last year is as follow:

| Particulars | Amount in million (except EPS) | | |
|---|--------------------------------|-------------------|------------------------|
| | December 31, 2025 | December 31, 2024 | Increase/ (decrease) % |
| Revenue | 47,554 | 46,990 | 1.20 |
| Cost of sales | (44,060) | (42,908) | 2.69 |
| Gross profit | 3,493 | 4,082 | (14.41) |
| Admin/Selling & other expenses | (891) | (715) | 24.62 |
| Profit from operations | 3,237 | 3,803 | (14.86) |
| Finance cost | (2,591) | (2,739) | (5.40) |
| Profit before levies and Tax | 646 | 1,064 | (39.23) |
| Profit after taxation | 214 | 344 | (37.80) |
| Earnings per share - Basic and diluted | 7.13 | 11.48 | (37.80) |

During the year ended December 31, 2025, the Company recorded revenue of Rs. 47,554 million as compared to Rs. 46,990 million last year, reflecting a growth of 1.20%. Cost of sales increased by 2.69% to Rs. 44,060 million, resulting in a decline in gross profit to Rs. 3,493 million (2024: Rs. 4,082 million), representing a decrease of 14.41%.

Administrative, selling and other expenses increased by 24.62% to Rs. 891 million from Rs. 715 million, primarily due to inflationary pressures and higher operating costs. Consequently, profit from operations decreased by 14.86% to Rs. 3,237 million compared to Rs. 3,803 million in the preceding year.

Finance cost declined by 5.40% to Rs. 2,591 million, reflecting improved financial management and partial easing of borrowing rates. Profit before levies and tax stood at Rs. 646 million, showing a decrease of 39.23% from Rs. 1,064 million last year. Profit after taxation amounted to Rs. 214 million as compared to Rs. 344 million in 2024, a decline of 37.80%.

Earnings per share (basic and diluted) decreased to Rs. 7.13 from Rs. 11.48 in the previous year, in line with the reduction in profitability. Despite margin pressures, the Company remained focused on operational efficiency, cost control, and financial discipline to sustain long-term growth.

Future Outlook

The Company's outlook remains linked with the overall recovery of demand in the textile sector and rationalization of operating costs. The Government has removed the cross subsidy in electricity tariffs that industry was providing to other consumers resulting in a decrease in power costs to approximately Rs. 30/kwh. From March onwards Solar Capacity of 51.2MW will come online, reducing power costs substantially. Demand for yarn and fabric has improved recently resulting in better margins. The Company will continue to emphasize cost optimization, operational efficiency, and prudent financial management to improve margins further and strengthen profitability. Management remains cautiously optimistic that improving economic conditions will support sustainable growth and enhanced shareholder value in the year ahead.

Acknowledgment

The Board of Directors wishes to express its sincere appreciation to all stakeholders for their continued support and confidence in the Company. We acknowledge the dedicated efforts of our employees, whose commitment and professionalism have been instrumental in achieving operational efficiency and sustaining performance. We also extend our gratitude to our customers, suppliers, and financial institutions for their trust and collaboration, which remain vital to the Company's ongoing growth and success.

On behalf of the Board of Directors

On behalf of the Board of Directors



Sheikh Naseem Ahmad
(Chairman)

Dated: February 27, 2026



Rehman Naseem
(Chief Executive Officer)

ڈائریکٹرز جائزہ رپورٹ

ڈائریکٹرز کا جائزہ

ڈائریکٹرز کو فضل کا تھرا ملز لمیٹڈ کے 31 دسمبر 2025 کو ختم ہونے والی ششماہی کے غیر آڈٹ شدہ مالی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے۔ ان گوشواروں کا کمپنی کے سٹیٹوری آڈیٹرز نے جائزہ لیا ہے اور جائزہ رپورٹ جاری کی ہے جو مالی بیانات کے ساتھ منسلک ہے۔

پاکستان کی معیشت

مالی سال 2025-26 کے پہلے نصف کے دوران پاکستان کی معیشت میں استحکام کا تسلسل دیکھنے میں آیا، جس کی بنیاد بیرونی ترسیلات زراور بہتر مالی نظم و نسق پر رہی۔ ان مثبت پیش رفتوں کو تسلیم کرتے ہوئے آئی ایم ایف نے دسمبر 2025 کے جائزے میں پاکستان کے لیے مالی سال کی جی ڈی پی شرح نمو کا تخمینہ بڑھا کر 3.2 فیصد کر دیا۔

ٹیکسٹائل صنعت کا جائزہ

ٹیکسٹائل صنعت پاکستان کی معیشت کا ایک اہم ستون ہے، جو برآمدات، روزگار اور مجموعی صنعتی سرگرمیوں میں نمایاں کردار ادا کرتی ہے۔ یہ زر مبادلہ کا بڑا حصہ فراہم کرتی ہے اور اسپننگ سے لے کر تیار ملبوسات تک ویلیو چین میں کلیدی حیثیت رکھتی ہے۔ سال کے دوران صنعت کو کئی چیلنجز کا سامنا رہا، جن میں توانائی کی بلند لاگت، مہنگائی اور بیرونی تجارت کا خسارہ شامل ہیں، جس سے منافع اور برآمدات متاثر ہوئے۔ تاہم بہتر ہوتی ہوئی معاشی صورتحال، مہنگائی میں کمی اور حکومت کی جانب سے برآمدات اور ویلیو ایڈڈ شعبوں کی مسلسل توجہ سے توقع ہے کہ یہ شعبہ مضبوط ہوگا۔ مزید یہ کہ بین الاقوامی تجارت کی بحالی اور عملی کارکردگی میں بہتری صنعت کی مسابقت اور پائیدار ترقی کو فروغ دے سکتی ہے۔

کمپنی کی مالی کارکردگی

31 دسمبر 2025 کو ختم ہونے والی چھ ماہ کی مدت کے لیے کمپنی کے اہم مالیاتی نتائج کا گزشتہ سال کی اسی مدت کے ساتھ موازنہ حسب ذیل ہے

| (رقوم ملین روپے میں، سوائے فی حصص آمدنی کے) | | | |
|---|----------------|----------------|-------------------|
| تفصیل | 31 دسمبر، 2025 | 31 دسمبر، 2024 | اضافہ / کمی (کمی) |
| آمدنی | 47,554 | 46,990 | 1.20 |
| فروخت کی لاگت | (44,060) | (42,908) | 2.69 |
| مجموعی منافع | 3,493 | 4,082 | (14.41) |
| انتظامی / فروخت اور دیگر اخراجات | (891) | (715) | 24.62 |
| آپریشن سے منافع | 3,237 | 3,803 | (14.86) |
| مالیاتی لاگت | (2,591) | (2,739) | (5.40) |
| لیویز اور ٹیکس سے قبل منافع | 646 | 1,064 | (39.23) |
| بعد از ٹیکس منافع | 214 | 344 | (37.80) |
| فی حصص آمدنی - بنیادی اور کم شدہ | 7.13 | 11.48 | (37.80) |

31 دسمبر 2025 کو ختم ہونے والے سال کے دوران، کمپنی نے گزشتہ سال 46,990 ملین کے مقابلے میں 47,554 ملین کی آمدنی ریکارڈ کی، جو کہ 1.20 فیصد کی نمو کو ظاہر کرتا ہے۔ فروخت کی لاگت 2.69 فیصد بڑھ کر 44,060 ملین ہو گئی، جس کے نتیجے میں مجموعی منافع میں 3,493 ملین (2024: 4,082 ملین روپے) کی کمی واقع ہوئی، جو کہ 14.41 فیصد کی کمی کو ظاہر کرتا ہے۔ انتظامی، فروخت اور دیگر اخراجات میں 24.62 فیصد اضافہ ہوا اور یہ 715 ملین روپے سے بڑھ کر 891 ملین روپے ہو گئے، جس کی بنیادی وجہ میکانیکی اور پرائیٹنگ اخراجات میں اضافہ تھا۔ نتیجتاً آپریٹنگ منافع 14.86 فیصد کم ہو کر 3,237 ملین روپے رہ گیا جبکہ گزشتہ سال یہ 3,803 ملین روپے تھا۔

مالیاتی لاگت 5.40 فیصد کم ہو کر 2,591 ملین رہ گئی، جو بہتر مالیاتی انتظام اور قرضہ جات کی شرح میں جزوی نرمی کی عکاسی کرتا ہے۔ لیویز اور ٹیکس سے پہلے کا منافع 646 ملین رہا جو گزشتہ سال کے 1,064 ملین سے 39.23 فیصد کی کمی کو ظاہر کرتا ہے۔ ٹیکس کے بعد منافع 214 ملین رہا جو کے سال 2024 کے 344 ملین کے مقابلے میں 37.80% کم ہے۔ منافع میں کمی کی وجہ سے فی حصص آمدنی پچھلے سال 11.48 روپے سے کم ہو کر 7.13 روپے ہو گئی۔ مارجن کے دباؤ کے باوجود، کمپنی طویل مدتی ترقی، آپریٹنگ کارکردگی، لاگت کے کنٹرول، اور مالی نظم و ضبط پر توجہ مرکوز کیے ہوئے ہے۔

مستقبل کا لائحہ عمل

کمپنی کا مستقبل کا لائحہ عمل ٹیکسٹائل کے شعبے میں مجموعی طلب کی بحالی اور اپریٹنگ اخراجات کو موثر اور متوازن سطح پر لانے سے مشروط ہے۔ حکومت نے بجلی کے نرخوں میں کراس سبسڈی کو ہٹا دیا ہے جو صنعت دوسرے صارفین کو فراہم کر رہی تھی جس کے نتیجے میں بجلی کی قیمت میں تقریباً 30 روپے فی کلو واٹ تک کمی واقع ہوئی ہے۔ مارچ سے 51.2 میگا واٹ کی شمسی توانائی کی تنصیب سے بجلی کی پیداوار کا قاعدہ طور پر شروع ہو جائے گی، جس سے بجلی کے اخراجات میں خاطر خواہ کمی آئے گی۔ یارن اور فیبرک کی مانگ میں حالیہ میں بہتری آئی ہے جس کے نتیجے میں بہتر مارجن حاصل ہوا ہے۔ کمپنی مارجن کو مزید بہتر بنانے اور منافع کو مضبوط بنانے کے لیے لاگت کی اصلاح، آپریٹنگ کارکردگی، اور حفاظت مالیاتی انتظام پر عمل پیرا رہے گی۔ نظامیہ پر امید ہے کہ بہتر معاشی حالات باقی ماندہ سال میں پائیدار ترقی اور حصص یافتگان کی قدر میں اضافہ کا ذریعہ بنیں گے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز تمام سٹیک ہولڈرز کے مسلسل تعاون اور کمپنی پر مکمل اعتماد پر ان کے مشکور ہیں۔ ہم اپنے ملازمین کی سرشار کوششوں کو تسلیم کرتے ہیں، جن کا عزم اور پیشہ ورانہ مہارت اس آپریٹنگ کارکردگی کو حاصل کرنے اور کارکردگی کو برقرار رکھنے میں اہم کردار ادا کرتا ہے۔ ہم اپنے صارفین، سپلائرز، اور مالیاتی اداروں کا ان کے اعتماد اور تعاون کے لیے شکریہ ادا کرتے ہیں، جو کمپنی کی جاری ترقی اور کامیابی کے لیے اہم ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

بورڈ آف ڈائریکٹرز کی جانب سے

محمد نسیم احمد

شیخ نسیم احمد

(چیرمین)

محمد نسیم احمد

رحمان نسیم

(چیف ایگزیکٹو آفیسر / ڈائریکٹر)

ملتان: 27 فروری 2026

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Fazal Cloth Mills Limited

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fazal Cloth Mills Limited (the Company) as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

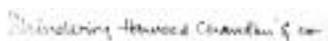
Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors' review report is Osman Hameed Chaudhri.

Lahore

Date: February 27, 2026

UDIN:RR202510104HEFqewtuQ



SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

Fazal Cloth Mills Limited

Condensed Interim Financial Information (Un-audited)

December 31, 2025

Condensed Interim Statement Of Financial Position
As at December 31, 2025

| | | Un-audited December 31, 2025 | Audited June 30, 2025 |
|--|-------------|------------------------------------|-----------------------------|
| EQUITY AND LIABILITIES | Note | ----- Rupees ----- | |
| Share capital and reserves | | | |
| Authorized share capital | | <u>1,700,000,000</u> | <u>1,700,000,000</u> |
| Issued, subscribed and paid-up capital | | <u>300,000,000</u> | 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 | | <u>9,568,601,677</u> | <u>9,048,716,202</u> |
| | | <u>50,437,694,431</u> | <u>46,935,416,137</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Long term financing - secured | 4 | <u>13,050,063,512</u> | 11,168,050,617 |
| Long term musharika - secured | 5 | <u>10,435,747,906</u> | 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 | | <u>9,291,150,382</u> | <u>9,501,841,903</u> |
| | | <u>33,494,646,495</u> | <u>29,296,774,377</u> |
| Current liabilities | | | |
| Trade and other payables | 6 | <u>9,994,888,306</u> | 8,996,266,832 |
| Contract liabilities | | <u>1,209,106,746</u> | 1,294,316,323 |
| Current portion of non-current liabilities | 7 | <u>5,048,873,443</u> | 4,311,481,264 |
| Unclaimed dividend | | 21,977,192 | 21,977,192 |
| Short term borrowings - secured | | <u>24,234,275,598</u> | 23,537,764,673 |
| Accrued mark-up | | <u>865,467,141</u> | 882,273,218 |
| Provision for income tax and levies - net | | <u>99,239,363</u> | <u>177,484,595</u> |
| | | <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.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR

Condensed Interim Statement Of Financial Position
As at December 31, 2025

| | | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|-------------|------------------------------------|-----------------------------|
| ASSETS | Note | ----- Rupees ----- | |
| 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.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR

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.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR

Condensed Interim Statement of Other Comprehensive Income (Un-Audited)
For the quarter and six months period ended December 31, 2025

| | Six months period ended | | Quarter ended | |
|---|--------------------------------|------------------------------|------------------------------|------------------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | ----- Rupees ----- | | | |
| Profit after taxation | 213,989,876 | 344,447,111 | 34,416,158 | 12,422,006 |
| Other comprehensive income - net of tax | | | | |
| Items that will never be reclassified to statement of profit or loss: | | | | |
| Net change in fair value of investments classified at fair value through other comprehensive income | 3,288,288,418 | 1,679,420,867 | 1,473,430,385 | 1,179,878,201 |
| Total comprehensive income period | 3,502,278,294 | 2,023,867,978 | 1,507,846,543 | 1,192,300,207 |

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



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR



Condensed Interim Statement of Changes In Equity (Un-Audited)

For the six months period ended December 2026

| | Capital reserves | | | | Revaluation surplus on property, plant and equipment - net of tax | Capital reserve against capacity expansion | Revenue reserve | |
|---|-------------------|----------------------------|---------------------------------|-------------------------|---|--|-----------------------|--|
| | Share premium | Capital redemption reserve | Fair value reserve - net of tax | Un-appropriated profits | | | Total | |
| 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 | - | - | 1,679,420,867 | - | - | 344,447,111 | 344,447,111 | |
| Profit for the period | - | - | 1,679,420,867 | - | - | - | 1,679,420,867 | |
| Other comprehensive income - net of tax | - | - | 1,679,420,867 | - | - | 344,447,111 | 2,023,867,978 | |
| Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax | - | - | - | (278,958,076) | - | 278,958,076 | - | |
| Transfer from surplus on revaluation of fixed assets on disposal - net of tax | - | - | - | (24,536,702) | - | 24,536,702 | - | |
| Transfer of reserves | - | - | - | - | 15,000,000,000 | (15,000,000,000) | - | |
| Balance as at December 31, 2024 - (un-audited) | 77,616,000 | 175,000,000 | 3,436,186,262 | 18,251,353,391 | 15,000,000,000 | 9,105,102,323 | 46,345,257,976 | |
| Balance as at June 30, 2025 - (Audited) | 300,000,000 | 77,616,000 | 175,000,000 | 3,436,186,262 | 18,251,353,391 | 15,000,000,000 | 46,345,257,976 | |
| Total comprehensive income for the six months period ended December 31, 2025 | - | - | - | 17,970,136,770 | 15,000,000,000 | 9,048,716,202 | 46,935,416,137 | |
| Profit for the period | - | - | - | 17,970,136,770 | 15,000,000,000 | 9,048,716,202 | 46,935,416,137 | |
| Other comprehensive income - net of tax | - | - | - | - | - | - | - | |
| Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax | - | - | - | (263,706,993) | - | 263,706,993 | - | |
| Transfer from surplus on revaluation of fixed assets on disposal - net of tax | - | - | - | (42,188,606) | - | 42,188,606 | - | |
| Balance as at December 31, 2025 - (un-audited) | 77,616,000 | 175,000,000 | 7,652,235,583 | 17,664,241,171 | 15,000,000,000 | 9,568,601,677 | 50,437,694,431 | |
| Balance as at June 30, 2025 - (un-audited) | 300,000,000 | 77,616,000 | 175,000,000 | 7,652,235,583 | 17,664,241,171 | 15,000,000,000 | 50,437,694,431 | |

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

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER(SHEIKH NASEEM AHMAD)
DIRECTOR

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 |
| ----- Rupees ----- | | | |
| 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.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER


(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER


(SHEIKH NASEEM AHMAD)
DIRECTOR

Notes to the Condensed Interim Financial Statements (Un-audited)
For the six months period ended December 31, 2025
1 Legal status and nature of business

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). The shares of the Company are quoted on Pakistan Stock Exchange ('PSX'). The Company is principally engaged in manufacture and sale of yarn and fabric.

Geographical location and addresses of major business units including mills / plant of the Company are as under:

| Lahore | Purpose |
|---|-------------------|
| 69/7, Abid Majeed Road, Survey No. 248/7 Cantt. | Registered office |
| Multan | |
| 59/3, Abdali Road. | Head office |
| Qadirpur Rawan Bypass, Khanewal Road. | Production plant |
| Muzaffargarh | |
| Fazal Nagar, Jhang Road. | Production plant |
| 13-KM, Mianwali Road, Khanpur Bagga Sher. | Production plant |

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES
2.1 Statement of compliance

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 (the Act),
- Provisions of and directives issued under the Act, and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act.

Where the provisions of, directives and notifications issued under the Act differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.1.2 These condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods beginning on July 01, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

2.4 Material accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2025.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2025.

4 LONG TERM FINANCING - SECURED

| | | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|--------------|---|--------------------------------------|
| | Note | ----- Rupees ----- | |
| Long term finances | 4.1 | 16,701,625,285 | 14,432,252,534 |
| Less: current portion grouped under current liabilities | | <u>(3,651,561,773)</u> | <u>(3,264,201,917)</u> |
| | | <u>13,050,063,512</u> | <u>11,168,050,617</u> |
| 4.1 Long term finances - secured | | | |
| Balance at beginning of the period / year | | 14,432,252,534 | 15,650,855,677 |
| Add: disbursements during the period / year | 4.1.1 | 3,765,427,982 | 2,774,638,954 |
| Repayments made during the period / year | | <u>(1,496,055,231)</u> | <u>(3,993,242,097)</u> |
| Balance at end of the period / year | | <u>16,701,625,285</u> | <u>14,432,252,534</u> |

4.1.1 Markup bearing finances availed during the period:

| Lender | Amount | Rate of Mark Up Per Annum | Security, Tenure and basis of principal repayments |
|--|--------------------|----------------------------------|---|
| -- Rupees -- | | | |
| Askari Bank Limited | | | |
| - Term finance | 274,338,991 | 6 Months KIBOR + 1.25% | 1st joint pari passu charge/ mortgage of Rs.2,417 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| Habib Bank Limited | | | |
| - Term finance | 44,400,145 | 6 Months KIBOR + 1.00% | 1st joint pari passu charge/ mortgage of Rs.1,651 million over all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| MCB Bank Limited | | | |
| - Syndicated term finance | 621,958,279 | 6 Months KIBOR + 0.75% | 1st joint pari passu charge/ mortgage of Rs.1,920 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company. |
| - EXIM's LTFF loan | 239,378,205 | 8.00% p.a | |
| The Bank of Punjab | | | |
| - Term finance | 905,000,000 | 6 Months KIBOR + 1.00% | 1st joint pari passu charge/ mortgage of Rs.3,418 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company. |
| Allied Bank Limited | | | |
| - Syndicated term finance | 861,336,484 | 6 Months KIBOR + 0.75% | 1st joint pari passu charge/ mortgage of Rs.6,034 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company. |
| Pak Oman Investment Company Limited | | | |
| - Term finance | 500,000,000 | 6 Months KIBOR + 0.80% | 1st joint pari passu charge/ mortgage of Rs.867 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors. |
| Pak Brunei Investment Company Limited | | | |
| - Term finance | 250,000,000 | 3 Months KIBOR + 1.25% | 1st joint pari passu charge/ mortgage of Rs.920 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors. |
| PAIR Investment Company Limited | | | |
| - Term finance | 69,015,878 | 3 Months KIBOR + 1.90% | 1st joint pari passu charge/ mortgage of Rs.677 million on all present and future fixed assets of the Company. |
| <u>3,765,427,982</u> | | | |

| 5 | LONG TERM MUSHARIKA - SECURED | Un-audited December 31, 2025 | Audited June 30, 2025 |
|------------|---|---|--------------------------------------|
| | Note | ----- Rupees ----- | |
| | Long term finances | 11,827,750,306 | 8,999,190,673 |
| | Less: current portion grouped under current liabilities | (1,392,002,400) | (1,043,044,067) |
| | | <u>10,435,747,906</u> | <u>7,956,146,606</u> |
| 5.1 | Long term musharika - secured | | |
| | Balance at beginning of the period / year | 8,999,190,673 | 3,406,852,548 |
| | Add: disbursements during the period / year | 5.1.1 3,258,415,000 | 6,489,548,859 |
| | Less: repayments made during the period / year | (429,855,367) | (897,210,734) |
| | Balance at end of the period / year | <u>11,827,750,306</u> | <u>8,999,190,673</u> |

5.1.1 Profit bearing finances availed during the period:

| Lender | Amount | Rate of Profit Per Annum | Security, Tenure and basis of principal repayments |
|-------------------------------------|-----------------------------|--------------------------|--|
| | -- Rupees -- | | |
| Askari Bank Limited | | | |
| - Diminishing musharika | 750,000,000 | 6 Months KIBOR + 1.25% | 1st jointpari passu charge/ mortgage of Rs.2,417 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| Bank Islami Pakistan Limited | | | |
| - Diminishing musharika | 1,000,000,000 | 6 Months KIBOR + 1.00% | 1st jointpari passu charge/ mortgage of Rs.2,667 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| Faysal Bank Limited | | | |
| - Diminishing musharika | 1,500,000,000 | 6 Months KIBOR + 0.70% | 1st jointpari passu charge/ mortgage of Rs.3,130 million over all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| United Bank Limited | | | |
| - Diminishing musharika | 8,415,000 | 3 Months KIBOR + 1.50% | 1st joint pari passu charge/ mortgage of Rs.5,548 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company. |
| | <u>3,258,415,000</u> | | |

| 6 | TRADE AND OTHER PAYABLES | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|------------------------------------|---|--------------------------------------|
| | Note | ----- Rupees ----- | |
| | Trade creditors | 1,470,724,791 | 883,302,869 |
| | Accrued liabilities | 6.1 965,390,591 | 1,716,247,361 |
| | Due to associated undertakings | 6.2 99,223,548 | 378,465,070 |
| | Bills payable | 4,223,380,536 | 3,117,084,261 |
| | Tax deducted at source | 32,525,191 | 29,571,730 |
| | Infrastructure cess | 3,137,458,245 | 2,778,901,401 |
| | Workers' profit participation fund | 6,026,434 | 45,837,853 |
| | Workers' welfare fund | 52,559,277 | 39,256,594 |
| | Loan from Director | 299,693 | 299,693 |
| | Others | 7,300,000 | 7,300,000 |
| | | <u>9,994,888,306</u> | <u>8,996,266,832</u> |

- 6.1 The Honourable Supreme Court of Pakistan (SCP) vide its judgement dated August 13, 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgment which was also dismissed. SCP in its detailed judgment stated that the cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who have passed on GIDC burden to their end customers for their business activities.

The Company has filed a civil suit before the Honourable Sindh High Court (SHC) on the grounds that the Company has not passed on the impact of GIDC to end consumers. SHC has granted stay order and has restrained SNGPL from taking any coercive action against the Company. The case is pending for adjudication. The Company has recognized the liability of GIDC under the GIDC Act, 2015 in these financial statements.

| 6.2 | Due to associated undertakings | Un-audited December 31, 2025 | Audited June 30, 2025 |
|-----|---------------------------------------|---|--------------------------------------|
| | | ----- Rupees ----- | |
| | Fatima Energy Limited | 99,043,548 | 373,622,167 |
| | Fazal Farm (Private) Limited | - | 4,842,903 |
| | Fazal-ur-Rehman Foundation | 180,000 | - |
| | | <u>99,223,548</u> | <u>378,465,070</u> |

| 7 | CURRENT PORTION OF NON-CURRENT LIABILITIES | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|---|---|--------------------------------------|
| | Long term financing - secured | 3,651,561,773 | 3,264,201,917 |
| | Long term musharika - secured | 1,392,002,400 | 1,043,044,067 |
| | Current portion of lease liability | 5,309,270 | 4,235,280 |
| | | <u>5,048,873,443</u> | <u>4,311,481,264</u> |

8 CONTINGENCIES AND COMMITMENTS

8.1 Guarantees aggregating Rs. 4,270.621 million (June 30, 2025: Rs. 3,915.716 million) have been issued by banks of the Company to various institutions and corporate bodies.

8.2 There has been no material change in the status of other contingencies as disclosed in the audited annual financial statements of the Company for the year ended June 30, 2025.

| | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|---|--------------------------------------|
| 8.3 Commitments in respect of : | ----- Rupees ----- | |
| • letters of credit for capital expenditure | <u>66,488,429</u> | <u>346,393,440</u> |
| • letters of credit for purchase of raw materials and stores & spare part | <u>4,312,971,355</u> | <u>5,141,588,662</u> |
| • foreign bills discounted | <u>-</u> | <u>410,563,243</u> |
| • post dated cheques | <u>1,600,000,000</u> | <u>-</u> |

8.4 Commitments in respect of Fatima Energy limited (FEL):

The Company through sponsors support agreement commits to lenders of FEL, in case of default by FEL, to pay amount outstanding up to Rs. 6,000 million (June 30, 2025: Rs. 6,000 million), This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in annual general meeting dated November 26, 2020.

8.5 Commitments in respect of Fatima Transmission Company Limited (FTCL):

The Company through sponsors support agreement commits to MCB Bank Limited, in case of default by FTCL, to pay amount outstanding up to Rs. 250 million (June 30, 2025: Rs. 250 million). This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in extra ordinary general meeting held on March 25, 2017.

9 PROPERTY, PLANT AND EQUIPMENT

| | Note | Un-audited December 31, 2025 | Audited June 30, 2025 |
|--|--------------|---|--------------------------------------|
| | | ----- Rupees ----- | |
| Operating fixed assets | 9.1 | 50,900,654,388 | 50,716,603,453 |
| Right of use asset | 9.2 | 31,589,694 | 34,461,484 |
| Capital work-in-progress | 9.3 | <u>2,478,039,742</u> | 1,416,298,656 |
| | | <u>53,410,283,824</u> | <u>52,167,363,593</u> |
| 9.1 Operating fixed assets | | | |
| Net book value at beginning of the period / year | | 50,716,603,453 | 51,701,058,121 |
| Additions during the period / year | 9.1.1 | 1,407,397,182 | 1,376,711,962 |
| Disposals costing Rs.286.856 million (June 30, 2025: Rs.198.033 million) - at net book value | | (114,924,247) | (73,613,470) |
| Depreciation charge for the period / year | | (1,108,422,000) | (2,287,553,160) |
| Net book value at end of the period / year | | <u>50,900,654,388</u> | <u>50,716,603,453</u> |

| | Note | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|--------------|---|--------------------------------------|
| ----- Rupees ----- | | | |
| 9.1.1 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year: | | | |
| Freehold land | | - | 371,043,270 |
| Factory building on freehold land | | 102,494,845 | 43,676,616 |
| Non-factory building on freehold land | | 3,411,809 | 257,502,959 |
| Plant and machinery | | 1,274,425,272 | 617,430,005 |
| Electric fittings and installations | | 6,004,950 | 9,375,644 |
| Tools, laboratory equipment and arms | | 49,415 | 32,300 |
| Fire extinguishing equipment and scales | | 894,400 | 3,700,000 |
| Office equipments | | 9,896,732 | 26,388,970 |
| Vehicles | | 10,219,759 | 47,562,198 |
| | | <u>1,407,397,182</u> | <u>1,376,711,962</u> |
| 9.2 Right of use Asset | | | |
| Opening net book value | | 34,461,484 | 40,205,064 |
| Depreciation charge for the period / year | | (2,871,790) | (5,743,580) |
| Closing net book value | | <u>31,589,694</u> | <u>34,461,484</u> |
| 9.3 Capital work-in-progress | | | |
| Building on free hold land | | 152,695,413 | 92,393,493 |
| Non-factory building on free hold land | | 58,075,773 | 37,145,587 |
| Plant and machinery {(Including in transit aggregating Rs.831.406 million (June 30, 2025; Rs.659.848 million)} | | 1,737,570,152 | 1,071,186,694 |
| Electric fittings and installations | | - | 773,548 |
| Tools, lab, equipment and arms | | - | 49,415 |
| Furniture and fixtures | | - | 25,424 |
| Office equipment | | 1,724,661 | 1,635,990 |
| Vehicles | | 37,527 | - |
| Advances to suppliers - unsecured, considered good | 9.3.1 | <u>527,936,216</u> | <u>213,088,505</u> |
| | | <u>2,478,039,742</u> | <u>1,416,298,656</u> |
| 9.3.1 These mainly includes advances against civil works, plant and machinery and vehicles and are in the normal course of business. | | | |
| 10 LONG TERM INVESTMENTS | | Un-audited December 31, 2025 | Audited June 30, 2025 |
| | Note | ----- Rupees ----- | |
| Equity instruments | 10.1 | 13,496,417,856 | 10,208,129,438 |
| Debt instruments | 10.2 | <u>40,000,000</u> | <u>40,000,000</u> |
| | | <u>13,536,417,856</u> | <u>10,248,129,438</u> |

| | Note | Un-audited December 31, 2025 | Audited June 30, 2025 |
|---|---------------|------------------------------------|-----------------------------|
| ----- Rupees ----- | | | |
| 10.1 Equity Instruments | | | |
| <u>At fair value through OCI</u> | | | |
| Quoted | | | |
| Fatima Fertilizer Company Limited (a related party) | | | |
| 62,994,031 ordinary shares of Rs.10 each - at market value | | 6,262,236,622 | 3,251,751,880 |
| Adjustment arising from re-measurement to fair value | | 3,288,288,418 | 3,010,484,742 |
| | | 9,550,525,040 | 6,262,236,622 |
| Unquoted - (related parties) | 10.1.1 | | |
| Fatima Energy Limited (FEL) | | 3,520,811,224 | 3,520,811,224 |
| Fatima Transmission Company Limited (FTCL) | | 97,758,789 | 97,758,789 |
| Multan Real Estate (Private) Limited (MREL) | | 327,322,803 | 327,322,803 |
| | | 3,945,892,816 | 3,945,892,816 |
| <u>Using equity method</u> | 10.1.2 | | |
| Associated companies - Unquoted | | | |
| Fatima Transmission Company Limited | | - | - |
| Fatima Electric Company Limited | | - | - |
| | | 13,496,417,856 | 10,208,129,438 |
| 10.1.1 | | | |
| Fair value of these investments shall be reassessed by the management at June 30, 2026. Last fair valuation exercise was carried by independent valuer as at June 30, 2025. | | | |
| 10.1.2 | | | |
| These investments have been accounted for under equity method and has been reduced to zero value because of losses incurred by the investee companies. The share of loss has been restricted to cost the of investment. | | | |
| 10.2 Debt Instruments - at FVTOPL | | Un-audited December 31, 2025 | Audited June 30, 2025 |
| ----- Rupees ----- | | | |
| Bank Al Habib Limited term finance certificates (TFCs) | | | |
| 5,000 term finance certificates of Rs.5,000 each - cost | | 25,000,000 | 25,000,000 |
| Bank of Punjab term finance certificates (TFCs) | | | |
| 150 term finance certificates of Rs.100,000 each - cost | | 15,000,000 | 15,000,000 |
| | | 40,000,000 | 40,000,000 |
| 11 LONG TERM ADVANCES AND MARKUP ACCRUED | | | |
| An associated company | | | |
| Fatima Transmission Company Limited | | 13,748,696 | 13,748,696 |
| Pak Arab Energy Limited | | 25,904,160 | 25,904,160 |
| | | 39,652,856 | 39,652,856 |
| Less: Loss allowance | | (39,652,856) | (39,652,856) |
| | | - | - |

| | Note | Un-audited December 31, 2025 | Audited June 30, 2025 |
|--|------|------------------------------------|-----------------------------|
| ----- Rupees ----- | | | |
| 12 STOCK-IN-TRADE | | | |
| Raw material | | | |
| [In-transit: Rs.7,935.026 million (Jun 30, 2025: Rs.4,954.033 million)] | | 25,728,327,457 | 19,128,039,516 |
| Work-in-process | | 1,162,203,231 | 1,090,597,209 |
| Finished goods | | | |
| [In-transit: Rs.13.975 million (Jun 30, 2025: Rs.91.606 million)]: | | | |
| - Yarn | | 8,475,345,113 | 11,464,519,087 |
| - Fabric | | 1,288,481,451 | 1,021,542,292 |
| - Waste | | 817,709,965 | 956,847,495 |
| | | <u>10,581,536,529</u> | <u>13,442,908,874</u> |
| | | <u>37,472,067,217</u> | <u>33,661,545,599</u> |
| 13 TRADE DEBTS | | | |
| Export debtors - secured against letters of credit: | | | |
| Considered good | | 2,876,343,775 | 2,248,569,443 |
| Local debtors - unsecured considered good | | | |
| - related parties | 13.1 | 1,072,952,979 | 1,478,389,088 |
| - others | | 9,961,945,543 | 8,540,039,774 |
| - others - considered doubtful | | 44,512,942 | 44,665,120 |
| | | 11,079,411,464 | 10,063,093,982 |
| Allowance for impairment of trade debts | | (44,512,942) | (44,665,120) |
| | | <u>13,911,242,297</u> | <u>12,266,998,305</u> |
| 13.1 Trade debts due from following related parties on account of trading activities: | | | |
| Ahmad Fine Textile Mills Limited | | 896,517,184 | 1,413,863,233 |
| Reliance Weaving Mills Limited | | 176,102,483 | 64,276,346 |
| Fatima Fertilizer Company Limited | | 333,312 | 249,509 |
| | | <u>1,072,952,979</u> | <u>1,478,389,088</u> |
| 14 MARK-UP ACCRUED | | | |
| Mark-up accrued on: | | | |
| Advance to associated company (Pak Arab Energy Limited) | | 31,369,170 | 29,691,993 |
| Less: Loss allowance on markup accrued | | (31,369,170) | (29,691,993) |
| | | - | - |
| Term finance certificates | | 664,796 | 694,907 |
| Term deposit receipts | | 61,349,703 | 18,390,615 |
| | | <u>62,014,499</u> | <u>19,085,522</u> |

| | Note | Un-audited December 31, 2025 | Audited June 30, 2025 |
|----------------------------------|------|------------------------------------|-----------------------------|
| ----- Rupees ----- | | | |
| 15 CASH AND BANK BALANCES | | | |
| Cash in hand | | 61,911,621 | 50,256,125 |
| Cash at banks | | | |
| Current accounts | | 494,516,582 | 265,104,287 |
| Saving accounts | 15.1 | 88,311,271 | 93,680,776 |
| Term deposit receipts | 15.2 | 1,063,250,000 | 713,250,000 |
| | | <u>1,707,989,474</u> | <u>1,122,291,188</u> |

15.1 These carry mark up at the rate ranging from 0.15% to 9.25% (June 30, 2025: 0.15% to 19%) per annum.

15.2 These carry mark up at the rate ranging from 7.00% to 16.50% (June 30, 2025: 7% to 20%) per annum.

16 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

| | | ----- Un-audited ----- | | | |
|---------------------|------|-------------------------|-----------------------|-----------------------|-----------------------|
| | | Six months period ended | | Quarter ended | |
| | | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| Note | | ----- Rupees ----- | | | |
| Gross sales: | | | | | |
| Local sales | | 46,236,559,941 | 46,978,274,889 | 23,600,067,593 | 22,929,244,394 |
| Direct exports | | 6,925,393,362 | 4,777,871,659 | 2,917,410,303 | 2,399,401,353 |
| Indirect exports | 16.1 | 2,061,842,817 | 2,976,448,551 | 501,703,992 | 1,187,488,629 |
| | | 55,223,796,120 | 54,732,595,099 | 27,019,181,888 | 26,516,134,376 |
| Sales tax | | | | | |
| Local sales | | (7,024,164,565) | (7,133,028,477) | (3,591,684,720) | (3,418,627,747) |
| Indirect exports | | (314,518,396) | (454,033,457) | (76,531,118) | (181,142,333) |
| | | (7,338,682,961) | (7,587,061,934) | (3,668,215,838) | (3,599,770,080) |
| Sales return | | (331,415,658) | (155,693,443) | (130,816,523) | (112,341,246) |
| | | <u>47,553,697,501</u> | <u>46,989,839,722</u> | <u>23,220,149,527</u> | <u>22,804,023,050</u> |

16.1 This includes sales made to direct exporters against Export facilitation Scheme (EFS) to related parties under S.R.O 957(1)/ 2021 dated July 30, 2021, amounting to Rs. 2,061.84 million (December 31, 2024: Rs. 2,976.45 million).

17 COST OF SALES

| | ----- Un-audited ----- | | | |
|--|-------------------------|----------------------|----------------------|----------------------|
| | Six months period ended | | Quarter ended | |
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| ----- Rupees ----- | | | | |
| Raw material consumed | 27,945,046,458 | 29,741,790,927 | 13,965,201,018 | 14,633,574,110 |
| Packing material consumed | 508,123,020 | 514,631,031 | 264,129,205 | 260,899,556 |
| Salaries, wages and benefits | 2,322,693,321 | 2,168,007,324 | 1,208,716,450 | 1,131,482,766 |
| Freight outward charges | 295,161,562 | 287,683,638 | 111,797,434 | 115,008,325 |
| Travelling and conveyance | 14,563,010 | 12,463,092 | 8,067,373 | 7,627,961 |
| Vehicle running and maintenance | 42,483,154 | 40,652,848 | 23,341,765 | 21,942,563 |
| Power and fuel | 5,779,592,175 | 6,092,459,991 | 2,910,632,968 | 3,034,953,701 |
| Stores and spares consumed | 1,285,159,023 | 1,128,797,888 | 658,289,942 | 633,846,894 |
| Processing charges | 105,408,183 | 64,191,788 | 68,265,509 | 54,849,443 |
| Repair and maintenance | 40,609,565 | 27,241,990 | 25,634,458 | 12,090,919 |
| Insurance | 67,196,215 | 73,018,064 | 35,140,697 | 37,141,885 |
| Depreciation on property, plant and equipment | 1,051,276,002 | 1,072,711,507 | 530,032,870 | 536,820,632 |
| Others | 18,937,443 | 13,796,300 | 7,043,142 | 7,343,934 |
| | 39,476,249,131 | 41,237,446,388 | 19,816,292,831 | 20,487,582,689 |
| Work-in-process: | | | | |
| Opening balance | 1,090,597,209 | 1,170,146,399 | 1,103,971,123 | 1,149,476,570 |
| Closing balance | (1,162,203,231) | (1,199,453,000) | (1,162,203,231) | (1,199,453,000) |
| | (71,606,022) | (29,306,601) | (58,232,108) | (49,976,430) |
| Cost of goods manufactured | 39,404,643,109 | 41,208,139,787 | 19,758,060,723 | 20,437,606,259 |
| Finished goods: | | | | |
| Opening balance | 13,442,908,874 | 10,969,115,013 | 11,528,048,426 | 10,642,501,550 |
| Finished goods purchased | 876,143,319 | 1,755,841,252 | 469,121,220 | 947,317,789 |
| Closing balance | (10,581,536,529) | (11,037,475,577) | (10,581,536,529) | (11,037,475,577) |
| | 3,737,515,664 | 1,687,480,688 | 1,415,633,117 | 552,343,762 |
| Cost of goods sold | 43,142,158,773 | 42,895,620,475 | 21,173,693,840 | 20,989,950,021 |
| Cost of raw material sold | 918,064,587 | 12,421,300 | 338,062,045 | 8,790,532 |
| | 44,060,223,360 | 42,908,041,775 | 21,511,755,885 | 20,998,740,553 |

18 FINANCE COST

| | ----- Un-audited ----- | | | |
|--|-------------------------|----------------------|----------------------|----------------------|
| | Six months period ended | | Quarter ended | |
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| ----- Rupees ----- | | | | |
| Mark-up based loans from conventional banks: | | | | |
| - Long term financing - secured | 709,702,637 | 1,195,763,093 | 373,479,108 | 625,176,425 |
| - Short term borrowings - secured | 949,937,363 | 932,333,446 | 492,790,696 | 407,018,952 |
| | 1,659,640,000 | 2,128,096,539 | 866,269,804 | 1,032,195,377 |
| Islamic mode of financing: | | | | |
| - Musharika - secured | 652,247,900 | 396,428,191 | 370,359,207 | 193,294,534 |
| - Short term borrowings - secured | 202,347,646 | 167,805,244 | 92,444,710 | 90,705,347 |
| | 854,595,546 | 564,233,435 | 462,803,917 | 283,999,881 |
| Bank charges | 72,073,358 | 41,159,064 | 45,174,132 | 16,046,616 |
| Markup on lease liability | 5,034,687 | 5,258,936 | 2,498,443 | 2,618,607 |
| | 2,591,343,591 | 2,738,747,974 | 1,376,746,296 | 1,334,860,481 |

19 EARNINGS PER SHARE - BASIC AND DILUTED

| | ----- Un-audited ----- | | | |
|--|-------------------------|----------------------|----------------------|----------------------|
| | Six months period ended | | Quarter ended | |
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | ----- Rupees ----- | | | |
| Profit after taxation | 213,989,876 | 344,447,111 | 34,416,158 | 12,422,006 |
| Weighted Average Number of ordinary shares | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| Earnings per share - basic and diluted | 7.13 | 11.48 | 1.15 | 0.41 |

20 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in the Company's sensitivity to these risks since June 30, 2025, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Company during the period.

These condensed interim financial statement does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2025.

21 FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities .
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) .

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.



| | Carrying amount | | | Fair value | | | | | |
|---|------------------------------------|-----------------------------------|------------------------|-----------------------------|----------------|----------------|---------|---------------|----------------|
| | Financial assets at amortised cost | Fair value through Profit or loss | Fair value through OCI | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| As at December 31, 2025 | | | | | | | | | |
| ----- Rupees ----- | | | | | | | | | |
| Financial assets – measured at fair value | | | | | | | | | |
| Short term investment | - | 927,853,200 | - | - | 927,853,200 | 927,853,200 | - | - | 927,853,200 |
| Long term investments | - | 40,000,000 | 13,496,417,856 | - | 13,536,417,856 | 9,590,525,040 | - | 3,945,892,816 | 13,536,417,856 |
| Financial assets – not measured at fair value | | | | | | | | | |
| Long term deposits | 25,733,193 | - | - | - | 25,733,193 | - | - | - | - |
| Trade debts | 13,911,242,297 | - | - | - | 13,911,242,297 | - | - | - | - |
| Deposits, prepayments and other receivables | 177,078,224 | - | - | - | 177,078,224 | - | - | - | - |
| Mark-up accrued | 62,014,499 | - | - | - | 62,014,499 | - | - | - | - |
| Cash and bank balances | 1,707,989,474 | - | - | - | 1,707,989,474 | - | - | - | - |
| | 15,884,057,687 | 967,853,200 | 13,496,417,856 | - | 30,348,328,743 | 10,518,378,240 | - | 3,945,892,816 | 14,464,271,056 |
| Financial liabilities - not measured at fair value | | | | | | | | | |
| Long term financing -secured | - | - | - | 16,701,625,285 | 16,701,625,285 | - | - | - | - |
| Long term musharaka -secured | - | - | - | 11,827,750,306 | 11,827,750,306 | - | - | - | - |
| Trade and other payables | - | - | - | 6,766,319,159 | 6,766,319,159 | - | - | - | - |
| Unclaimed dividend | - | - | - | 21,977,192 | 21,977,192 | - | - | - | - |
| Short term borrowings -secured | - | - | - | 24,234,275,598 | 24,234,275,598 | - | - | - | - |
| Accrued mark-up | - | - | - | 865,467,141 | 865,467,141 | - | - | - | - |
| | - | - | - | 60,417,414,681 | 60,417,414,681 | - | - | - | - |

| | Carrying amount | | | Fair value | | | | | |
|---|------------------------------------|-----------------------------------|------------------------|-----------------------------|----------------|---------------|---------|---------------|----------------|
| | Financial assets at amortised cost | Fair value through Profit or loss | Fair value through OCI | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| As at June 30, 2025 | | | | | | | | | |
| ----- Rupees ----- | | | | | | | | | |
| Financial assets - measured at fair value | | | | | | | | | |
| Short term investment | - | 608,389,200 | - | - | 608,389,200 | 608,389,200 | - | - | 608,389,200 |
| Long term investments | - | 40,000,000 | 10,208,129,438 | - | 10,248,129,438 | 6,302,236,622 | - | 3,945,892,816 | 10,248,129,438 |
| Financial assets - not measured at fair value | | | | | | | | | |
| Long term deposits | 25,733,193 | - | - | - | 25,733,193 | - | - | - | - |
| Trade debts | 12,266,998,305 | - | - | - | 12,266,998,305 | - | - | - | - |
| Deposits, prepayments and other receivables | 642,810,677 | - | - | - | 642,810,677 | - | - | - | - |
| Mark-up accrued | 19,085,522 | - | - | - | 19,085,522 | - | - | - | - |
| Cash and bank balances | 1,122,291,188 | - | - | - | 1,122,291,188 | - | - | - | - |
| | 14,076,918,885 | 648,389,200 | 10,208,129,438 | - | 24,933,437,523 | 6,910,625,822 | - | 3,945,892,816 | 10,856,518,638 |
| Financial liabilities - not measured at fair value | | | | | | | | | |
| Long term financing -secured | - | - | - | 14,432,252,534 | 14,432,252,534 | - | - | - | - |
| Long term musharika -secured | - | - | - | 8,999,190,673 | 8,999,190,673 | - | - | - | - |
| Trade and other payables | - | - | - | 6,102,699,254 | 6,102,699,254 | - | - | - | - |
| Unclaimed dividend | - | - | - | 21,977,192 | 21,977,192 | - | - | - | - |
| Short term borrowings -secured | - | - | - | 23,537,764,673 | 23,537,764,673 | - | - | - | - |
| Accrued mark-up | - | - | - | 882,273,218 | 882,273,218 | - | - | - | - |
| | - | - | - | 53,976,157,544 | 53,976,157,544 | - | - | - | - |

22 SEGMENT REPORTING

22.1 Reportable segments

The management has determined the operating segments of the Company on the basis of products produced.

The Company's reportable segments are as follows:

- **Spinning segment - production of different qualities of yarn using natural and artificial fibers**
- **Weaving segment - production of different qualities of Fabric using yarn**

Information regarding the Company's reportable segments is presented below. Performance is measured based on segment profit before tax, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other companies that operate within these industries.

22.2 Segment revenue and results

Following is an analysis of the Company's revenue and results by reportable segments:

| | <i>Spinning</i> | | <i>Weaving</i> | | <i>Total</i> | |
|--|-------------------------|--------------------|-------------------------|--------------------|-------------------------|----------------------|
| | Un-audited | | Un-audited | | Un-audited | |
| | Six months period ended | | Six months period ended | | Six months period ended | |
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | ----- Rupees ----- | | ----- Rupees ----- | | ----- Rupees ----- | |
| External revenues | 41,810,809,780 | 39,246,249,327 | 5,742,887,721 | 7,743,590,395 | 47,553,697,501 | 46,989,839,722 |
| Intersegment revenues | 3,302,693,500 | 4,900,614,969 | 13,156,355 | 17,528,925 | 3,315,849,855 | 4,918,143,894 |
| Cost of sales | (42,252,122,164) | (40,619,583,668) | (1,808,101,196) | (2,288,458,107) | (44,060,223,360) | (42,908,041,775) |
| Intersegment cost of sales | (13,156,355) | (17,528,925) | (3,302,693,500) | (4,900,614,969) | (3,315,849,855) | (4,918,143,894) |
| Distribution and marketing expense | (160,305,346) | (147,003,905) | (57,228,132) | (57,789,068) | (217,533,478) | (204,792,973) |
| Administrative expenses | (430,334,206) | (392,901,210) | (48,086,978) | (46,201,747) | (478,421,184) | (439,102,957) |
| Other operating expense | (195,259,495) | (70,994,629) | - | - | (195,259,495) | (70,994,629) |
| Other operating income | 628,115,463 | 428,373,962 | 7,611,601 | 7,399,038 | 635,727,064 | 435,773,000 |
| Finance cost | (2,419,922,497) | (2,447,830,945) | (171,421,094) | (290,917,029) | (2,591,343,591) | (2,738,747,974) |
| Profit before levies and income tax | 270,518,680 | 879,394,976 | 376,124,777 | 184,537,439 | 646,643,457 | 1,063,932,414 |

22.3 The accounting policies of the reportable segments are the same as those described in the annual financial statements for the preceding year ended June 30, 2025.

22.4 Segment assets and liabilities

Reporting segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

| | <i>Spinning</i> | | <i>Weaving</i> | | <i>Total</i> | |
|---|-----------------------|-----------------------|----------------------|----------------------|------------------------|------------------------|
| | Un-audited | Audited | Un-audited | Audited | Un-audited | Audited |
| | December 31, 2025 | June 30, 2025 | December 31, 2025 | June 30, 2025 | December 31, 2025 | June 30, 2025 |
| | ----- Rupees ----- | | ----- Rupees ----- | | ----- Rupees ----- | |
| Segment assets | | | | | | |
| Segment assets for reportable segments | 88,123,782,703 | 83,388,249,985 | 4,970,656,232 | 4,751,503,241 | 93,094,438,935 | 88,139,753,226 |
| Un-allocated corporate assets | - | - | - | - | 32,311,729,780 | 27,314,001,385 |
| Total assets as per balance sheet | 88,123,782,703 | 83,388,249,985 | 4,970,656,232 | 4,751,503,241 | 125,406,168,715 | 115,453,754,611 |
| Segment liabilities | | | | | | |
| Segment liabilities for reportable segments | 9,009,026,993 | 9,584,624,373 | - | - | 9,009,026,993 | 9,584,624,373 |
| Un-allocated corporate liabilities | - | - | - | - | 65,959,447,291 | 58,933,714,101 |
| Total liabilities as per balance sheet | 9,009,026,993 | 9,584,624,373 | - | - | 74,968,474,284 | 68,518,338,474 |



23 Reconciliation of movement of liabilities to cash flows arising from financing activities

| | Un-audited | | | | | Total | |
|--|----------------------|--------------------|----------------------|--------------------|----------------------|------------------------|----------------------|
| | Long term financing | Lease liability | Long term musharika | Unclaimed dividend | Short term borrowing | | Accrued markup |
| | Rupees | | | | | | |
| As at June 30, 2025 | 14,432,252,534 | 70,677,725 | 8,999,190,673 | 21,977,192 | 23,537,764,673 | 882,273,218 | 47,944,136,015 |
| Changes from financing cash flows | | | | | | | |
| Short term finances obtained <i>-net</i> | - | - | - | - | 696,510,925 | - | 696,510,925 |
| Financial charges paid <i>-net</i> | - | - | - | - | - | (2,603,114,981) | (2,603,114,981) |
| Lease rentals paid | - | (7,073,844) | - | - | - | - | (7,073,844) |
| Long term finances repaid | (1,496,055,231) | - | (429,855,367) | - | - | - | (1,925,910,598) |
| Proceeds from long term financing | 3,765,427,982 | - | 3,258,415,000 | - | - | - | 7,023,842,982 |
| Total changes from financing cash flows | 2,269,372,751 | (7,073,844) | 2,828,559,633 | - | 696,510,925 | (2,603,114,981) | 3,184,254,484 |
| Other changes | | | | | | | |
| Final cash dividend | - | - | - | - | - | - | - |
| Finance cost | - | 5,034,687 | - | - | - | 2,586,308,904 | 2,591,343,591 |
| Total liability related other changes | - | 5,034,687 | - | - | - | 2,586,308,904 | 2,591,343,591 |
| As at December 31, 2025 | 16,701,625,285 | 68,638,568 | 11,827,750,306 | 21,977,192 | 24,234,275,598 | 865,467,141 | 53,719,734,090 |



| | -----Un-audited----- | | | | | | |
|--|----------------------|-----------------|---------------------|--------------------|----------------------|-----------------|-----------------|
| | Long term financing | Lease liability | Long term musharika | Unclaimed dividend | Short term borrowing | Accrued markup | Total |
| | ----- Rupees ----- | | | | | | |
| As at June 30, 2024 | 15,650,855,677 | 73,111,590 | 3,406,852,548 | 22,002,980 | 17,717,675,277 | 1,320,363,612 | 38,190,861,684 |
| Changes from financing cash flows | | | | | | | |
| Dividend paid | - | - | - | (25,788) | - | - | (25,788) |
| Short term finances obtained - net | - | - | - | - | 2,447,826,684 | - | 2,447,826,684 |
| Financial charges paid - net | - | - | - | - | - | (3,085,416,511) | (3,085,416,511) |
| Lease rentals paid | - | (6,430,766) | - | - | - | - | (6,430,766) |
| Long term finances repaid | (1,592,949,676) | - | (517,355,368) | - | - | - | (2,110,305,044) |
| Proceeds from long term financing | 4,858,016,026 | - | 2,750,000,000 | - | - | - | 7,608,016,026 |
| | 3,265,066,350 | (6,430,766) | 2,232,644,632 | (25,788) | 2,447,826,684 | (3,085,416,511) | 4,853,664,601 |
| Other changes | | | | | | | |
| Final cash dividend | - | - | - | - | - | - | - |
| Interest expense - net | - | 5,258,936 | - | - | - | 2,733,489,038 | 2,738,747,974 |
| Total liability related other changes | - | 5,258,936 | - | - | - | 2,733,489,038 | 2,738,747,974 |
| As at December 31, 2024 | 18,915,922,027 | 71,939,760 | 5,639,497,180 | 21,977,192 | 20,165,501,961 | 968,436,139 | 45,783,274,259 |

24 TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties are as follows:

| Name of parties | Relationship | Transactions | Un-audited | |
|-----------------------------------|---|--|---|----------------------|
| | | | Six months period ended December 31, 2025 | December 31, 2024 |
| | | | ----- Rupees ----- | |
| Fatima Energy Limited | Sponsor / associated Undertaking | Purchase of electricity | 2,822,167,461 | 2,446,858,196 |
| | | Payments against purchase of electricity | 3,096,746,080 | 2,501,264,160 |
| Ahmed Fine Textile Mills Limited | Common Directorship | Purchase of goods and services | 1,093,048,002 | 1,459,257,529 |
| | | Sale of goods and services | 6,567,927,697 | 8,380,694,172 |
| | | Receipts against goods and services - net | 5,992,225,735 | 6,898,213,853 |
| | | Reimbursable expenses | - | 185,416 |
| Reliance Weaving Mills Limited | Common Directorship | Purchase of goods and services | 38,615,500 | 41,862,990 |
| | | Sale of goods and services | 223,019,148 | 218,086,656 |
| | | Receipts against goods and services - net | 72,577,510 | 131,530,062 |
| Fatima Fertilizer Company Limited | Common Directorship & 3.29% (June 30, 2025; 3.29%) shareholding | Dividend income | 241,899,109 | 190,063,585 |
| | | Reimbursable expenses | 367,527 | 20,837 |
| | | Payment against payables | 451,336 | - |
| Fazal-ur-Rehman Foundation Multan | Common Directorship | Donations paid | 1,525,000 | 1,428,500 |
| Fazal Farms (Private) Limited | Common Directorship | Purchase of goods and services | 4,255,445 | 8,227,556 |
| | | Payment against purchase of goods and services | 9,098,348 | 8,507,231 |
| Pak Arab Energy Limited | Common Directorship | Mark-up accrued | 1,677,176 | 2,575,910 |
| Key management personnel | - | Remuneration and other benefits | 32,804,982 | 31,313,952 |
| Relative of director | - | Lease rental paid | 7,073,844 | 6,430,766 |



24.1 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel and these are disclosed below:

| Name | Relationship | % of shareholding in the Company |
|-----------------------------|---------------------------------------|---|
| Mr. Rehman Naseem | CEO/Director/Key Management Personnel | 10.34% |
| Mr. Aamir Naseem Sheikh | Director/Key Management Personnel | 0.28% |
| Mr. Sheikh Naseem Ahmad | Director/Key Management Personnel | 0.03% |
| Mr. Muhammad Mukhtar Sheikh | Director/Key Management Personnel | 3.38% |
| Mr. Faisal Ahmed | Director/Key Management Personnel | 6.80% |
| Mr. Abbas Mukhtar | Director/Key Management Personnel | 1.79% |
| Mr. Babar Ali | Director/Key Management Personnel | 0.01% |
| Ms. Parveen Akhtar Malik | Director/Key Management Personnel | 0.01% |
| Mr. Masood Karim Shaikh | Director/Key Management Personnel | 0.01% |
| Mr. Muhammad Azam | Key Management Personnel | - |
| Mr. Basharat Hashmi | Key Management Personnel | N/A |

25 SHARIAH SCREENING DISCLOSURE

| | ----- December 31, 2025 ----- | | ----- June 30, 2025 ----- | |
|--|-------------------------------|-----------------------|---------------------------|----------------------|
| | Conventional | Shariah Compliant | Conventional | Shariah Compliant |
| | ----- Rupees ----- | | | |
| Long Term Finances | 16,701,625,285 | 11,827,750,306 | 14,432,252,534 | 8,999,190,673 |
| Lease liability | 68,638,568 | - | 70,677,725 | - |
| Short term borrowings | 20,128,327,382 | 761,978,102 | 18,428,349,864 | 5,109,414,809 |
| Running finances under mark-up arrangements | 679,016,556 | 2,664,953,558 | 80,960,087 | 26,751,960 |
| Accrued mark-up | 610,185,320 | 255,281,821 | 231,505,270 | 25,852,495 |
| Bank balances | 420,255,002 | 162,572,851 | 256,032,494 | 102,752,574 |

| | ----- December 31, 2025 ----- | | ----- December 31, 2024 ----- | |
|--|-------------------------------|-----------------------|-------------------------------|-------------------|
| | Conventional | Shariah Compliant | Conventional | Shariah Compliant |
| Revenue from contracts with customers - net | - | 47,553,697,501 | - | 46,989,839,722 |
| Other income | | | | |
| a) Profit on bank deposits | 3,485,467 | - | 8,540,489 | - |
| b) Dividend Income | - | 241,899,109 | - | 190,063,585 |
| c) Exchange (loss) / gain on actual currency | (37,408,682) | (40,890,051) | 60,559,377 | 2,515,818 |
| Mark-up on running finances under mark-up arrangements | 129,963,386 | 100,605,501 | 148,065,791 | 91,160,397 |
| Mark-up on short term finances | 819,973,977 | 101,742,145 | 784,267,655 | 76,644,847 |
| Mark-up on long term finances | 709,702,637 | 652,247,900 | 1,195,763,093 | 396,428,191 |

The Company have banking relation with the following shariah-compliant financial institutions:

- a) Meezan Bank Limited
- b) Bank Islami Pakistan Limited
- c) Dubai Islamic Bank Pakistan Limited
- d) Faysal Bank Limited
- e) Bank Makramah Limited
- f) MCB Islamic Bank Limited

Conventional Banks which provided conventional and Islamic financing:

- g) National Bank of Pakistan
- h) United Bank Limited
- i) The Bank of Khyber
- j) Askari Bank Limited

26 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2025, whereas, the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the six months period ended December 31, 2025.

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.



27 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorised for issue on February 27, 2026.

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER

(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER

(SHEIKH NASEEM AHMAD)
DIRECTOR



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