



# FAZAL CLOTH MILLS LIMITED



FCML/Sect/23/1445

October 23, 2023

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

Revised

Subject: CORPORATE BRIEFING SESSION - 2023

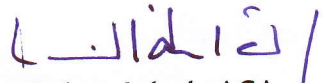
Dear Sir,

This is to inform you that Corporate Briefing Session (CBS) of **Fazal Cloth Mills Limited** will be held on Saturday, October 28, 2023 at 03:30 p.m. at Fatima Group Head Office, E-110, Khayaban-E-Jinnah, Defense Chowk, Lahore to brief the analysts and shareholders about company's performance.

Shareholders/Investors/Analysts/Others desirous to attend the CBS virtually are requested to send their particulars (name, designation, company and email address etc.) at [corporate@fazalcloth.com](mailto:corporate@fazalcloth.com) by COB on Friday, October 27, 2023. The link to join the session virtually will be shared with the registered participants. The participants attending the CBS in-person are requested to bring along their original CNIC/Passport for identification purposes. The CBS flyer and presentation are attached herewith and has also been placed on the website of the company i.e. [www.fazalcloth.com](http://www.fazalcloth.com).

You may please inform the members/TRE certificate holders of the Exchange accordingly.

Yours Sincerely,

  
Azher Iqbal, ACA  
(Company Secretary)



Head Office: 59/3, Abdali Road, Multan.

Ph: +92 061 4579001-10, Fax: +92-061-4541832

E-mail: [info@fazalcloth.com](mailto:info@fazalcloth.com), Website: [www.fazalcloth.com](http://www.fazalcloth.com)

Registered Office: 69/7, Abid Majeed Road, Survey # 248/7, Lahore Cantt, Ph: +92 042-36684909



# FAZAL CLOTH MILLS LIMITED



## CORPORATE BRIEFING SESSION - 2023

You are cordially invited to the Corporate Briefing Session of Fazal Cloth Mills Ltd. wherein the Company Chief Executive (through zoom-link), Chief Financial Officer and Company Secretary shall discuss the Company's financial performance and outlook.

Date : Saturday the October 28, 2023  
Venue : Fatima Group Head Office, E-110, Khayaban-E-Jinnah,  
Defense Chowk, Lahore  
Registration : 03:25 p.m.  
Presentation : 03:30 p.m.  
Q&A : 03:45 p.m.

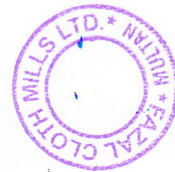
Please confirm participation to:

Rana Azher Iqbal  
Company Secretary  
Fazal Cloth Mills Ltd.

Phone: 061- 4579001-10 (extension 101)  
Email: rana.azher@fazalcloth.com

Attend through zoom-link:

Shareholders/Investors/Analysts/Others desirous to attend the CBS virtually are requested to send their particulars (name, designation, company and email address etc.) at [corporate@fazalcloth.com](mailto:corporate@fazalcloth.com) by COB on Friday, October 27, 2023.



Head Office: 59/3, Abdali Road, Multan.

Ph: +92 061 4579001-10, Fax: +92-061-4541832

E-mail: [info@fazalcloth.com](mailto:info@fazalcloth.com), Website: [www.fazalcloth.com](http://www.fazalcloth.com)

Registered Office: 69/7, Abid Majeed Road, Survey # 248/7, Lahore Cantt, Ph: +92 042-36684909



# Corporate Briefing Session - 2023

Fazal Cloth Mills  
Limited

October 28, 2023







## **IMPORTANT DISCLAIMER**

**THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL ANY SECURITIES OR ANY INVESTMENT**

- This presentation has been prepared by Fazal Cloth Mills Limited (FCML) solely for information purpose.
- The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect any developments that may occur after the date of presentation.
- During the course of this presentation we may make forward-looking statements regarding future events or the future performance of the Company. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved.
- Fazal Cloth Mills Limited does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.
- When relying on forward looking statements you should carefully consider the political, economic, social and legal environment in which the Company operates.

# Corporate Briefing - Contents



1. Company Brief
2. Operational Development
3. Financial Results of Year Ended June 30, 2023
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 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.



# Company Brief

- The Associated Companies, their shareholding as held by the company and nature of business is below;

- Fatima Transmission Company Limited (Operation & maintenance of Transmission lines etc.)

|   |                       |
|---|-----------------------|
| Ordinary Shares - Unquoted              | 24.00% (2022: 24.00%) |
| Non-voting preference shares - Unquoted | 30.71% (2022: 30.71%) |

- Fatima Electric Company Limited (Supply, generation and distribution of electricity etc.)

|                            |                       |
|----------------------------|-----------------------|
| Ordinary Shares - Unquoted | 20.00% (2022: 20.00%) |
|----------------------------|-----------------------|





# Operations / Business

# Operations / Business



## Brief of Operations

- The spinning division of the Company comprises of 8 spinning units with installed capacity of 274,524 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 5,412.
- Capacity at 20's counts are 127,222,563 Kgs / annum and actual production of all count is 95,847,459 Kgs / annum.
- The Weaving unit of the Company consist of 224 Air-jet looms with actual production of 42,391,581 Meters of Greige fabric per annum. 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, 2023 are 6,927.
- Power Plant Capacity is 54.06 Mega Watts.



# Financial Highlights of Year Ended June 30, 2023

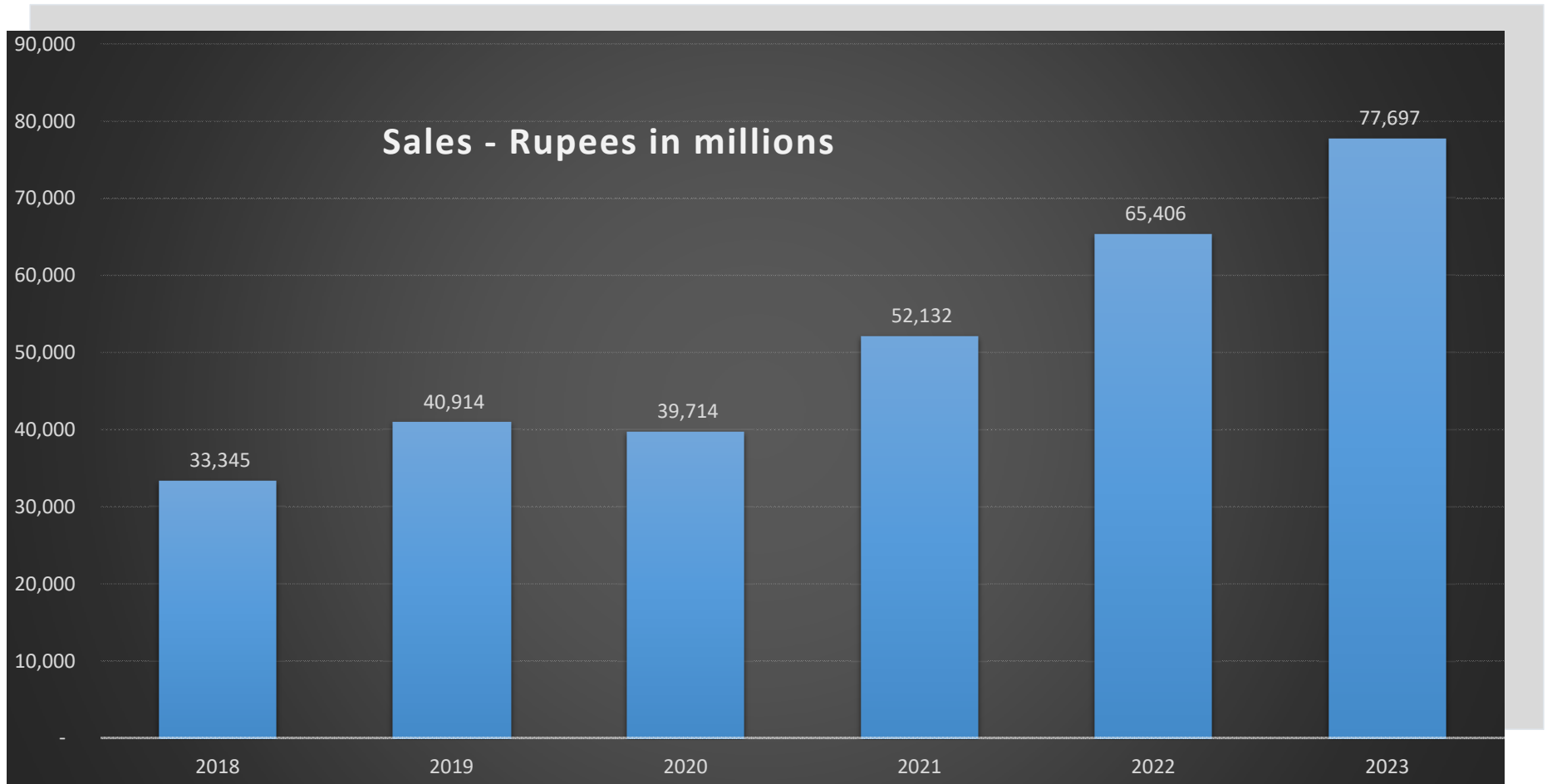
# Financial Highlights

## Profit & Loss for period ended June 30, 2023



| Rupees in thousand       | Year ended June, 30 |            | Favorable / (Unfavorable) % |
|--------------------------|---------------------|------------|-----------------------------|
|                          | 2023                | 2022       |                             |
| Sales - net              | 77,696,980          | 65,406,262 | 18.79%                      |
| Cost of sales            | 67,610,876          | 54,238,314 | 24.66%                      |
| Gross Profit             | 10,086,103          | 11,167,948 | (9.69%)                     |
| EBIDTA                   | 8,422,182           | 10,485,539 | (19.68%)                    |
| Depreciation             | 1,753,002           | 1,664,133  | 5.34%                       |
| Finance Cost             | 5,074,372           | 2,922,661  | (73.62%)                    |
| Profit before taxation   | 1,594,808           | 5,898,745  | (72.96%)                    |
| Profit after taxation    | 586,095             | 4,610,255  | (87.29%)                    |
| Earnings per share - Rs. | 19.54               | 153.68     | (87.29%)                    |
|                          |                     |            |                             |

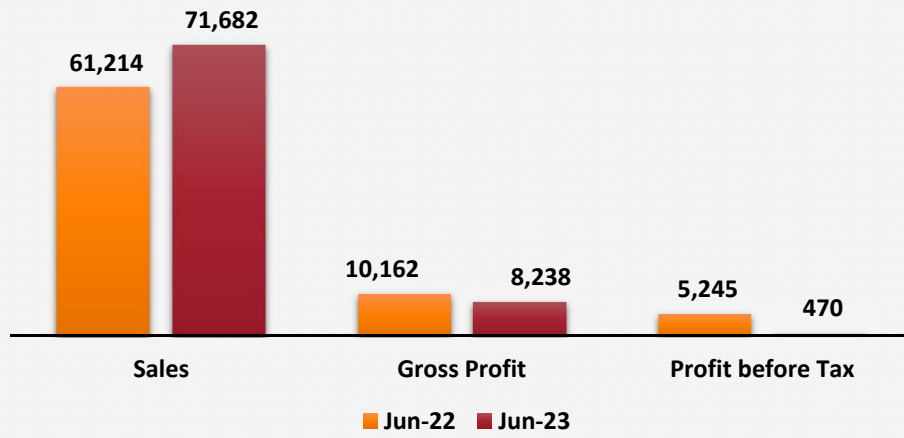
## Financial Highlights- Profit & Loss Turnover- Trend Seven years



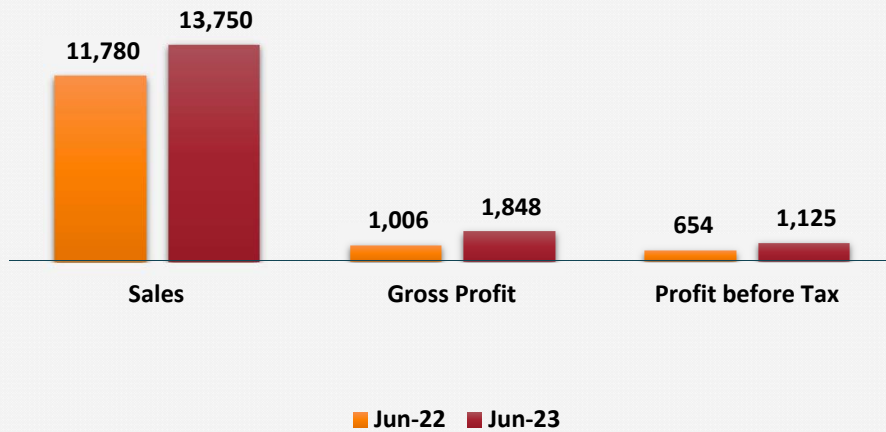


## Segment wise profit and loss account for year ended 30 June, 2023 :

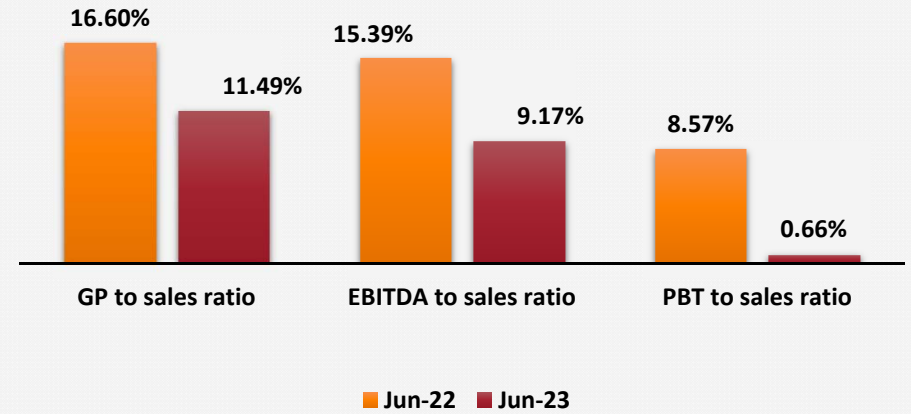
Spinning - Rs. in million



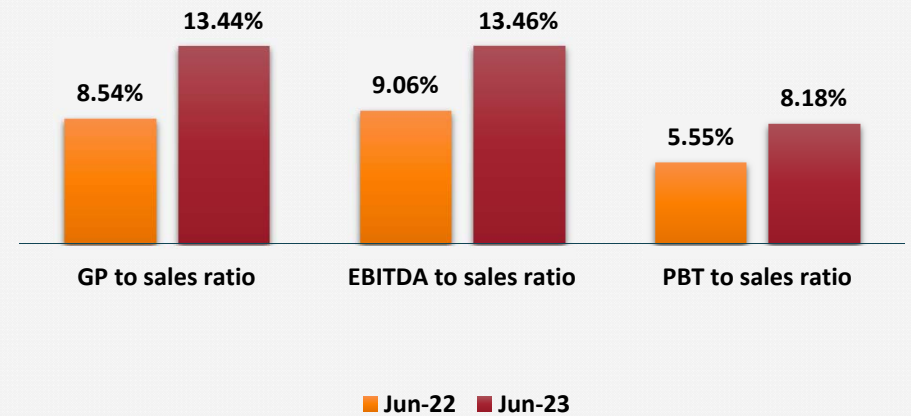
Weaving - Rs. in million



Spinning

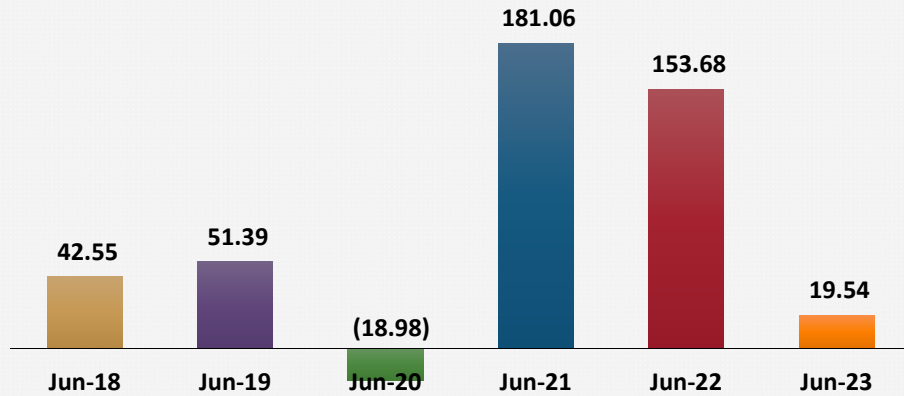


Weaving

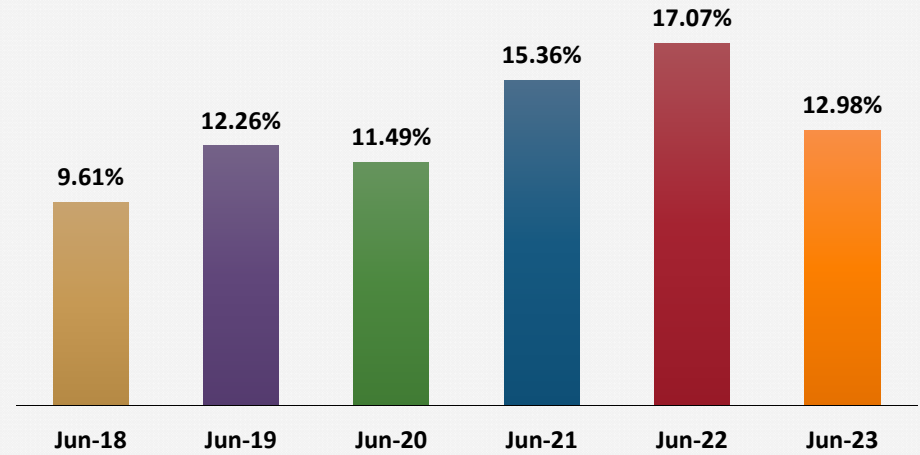


## Ratios - last six comparative periods :

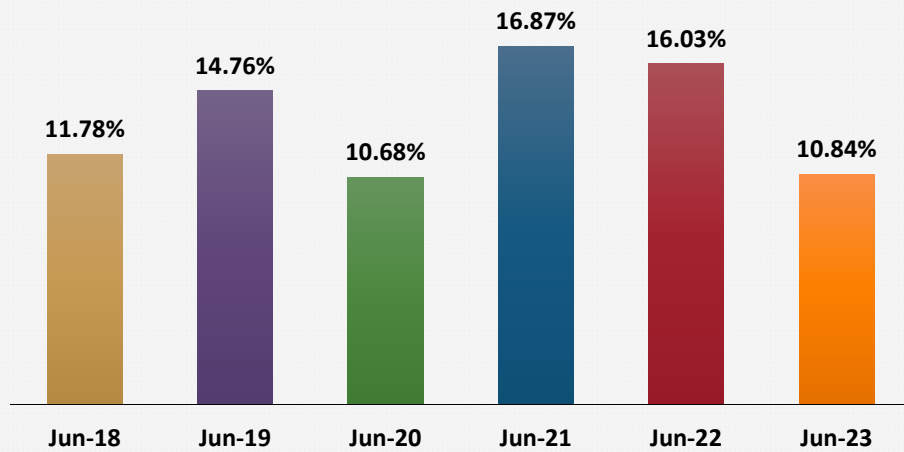
### EPS



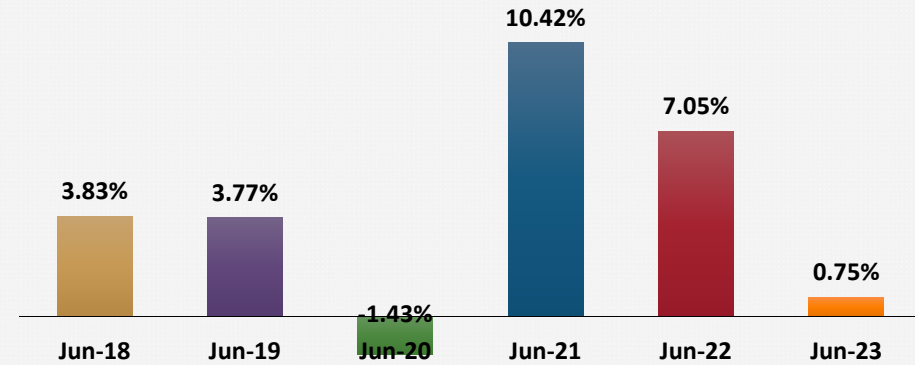
### GP Over Sales - %age



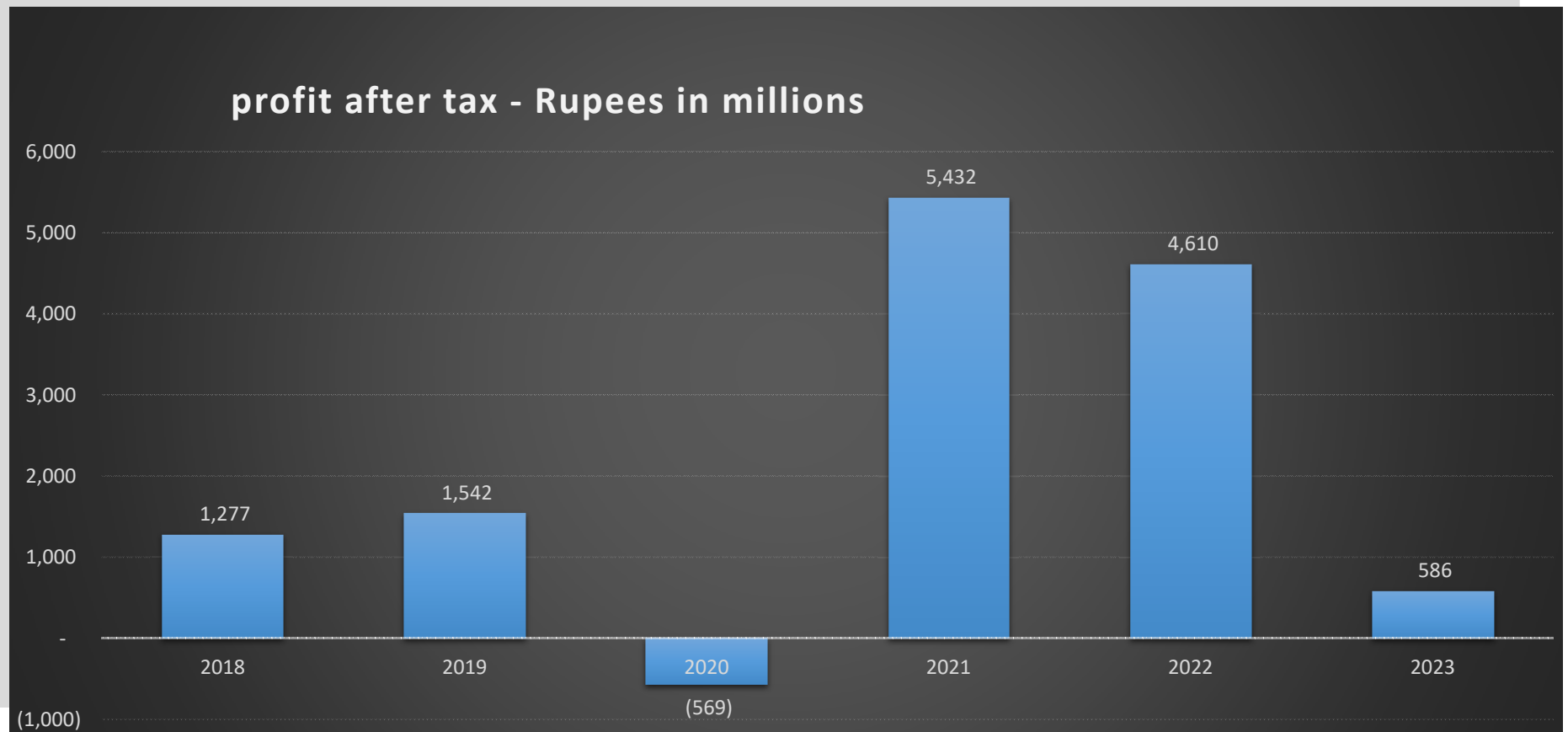
### EBITDA Over Sales-%age



### PAT Over Sales-%age



## Financial Highlights- Profit & Loss Profit after tax - Trend Seven years



## Financial Highlights - Balance Sheet at June 30, 2023



| Particulars                           | 2023            | 2022            |
|---------------------------------------|-----------------|-----------------|
|                                       | Rs. in Millions | Rs. in Millions |
| Non-current Assets                    | 58,857          | 49,029          |
| Current Assets                        | 48,917          | 38,514          |
| <b>Total Assets</b>                   | <b>107,774</b>  | <b>87,543</b>   |
| Equity                                | 44,646          | 40,529          |
| Long-term Liabilities                 | 23,956          | 20,399          |
| Current Liabilities                   | 39,172          | 26,615          |
| <b>Total Equity &amp; Liabilities</b> | <b>107,774</b>  | <b>87,543</b>   |

# Operations / Business



## FUTURE OUTLOOK

### Positive factors:

- Pakistan is expecting a bumper cotton crop of above 10 million bales. Quality of cotton arriving so far is excellent. Price of cotton is considerably lower than imported cotton.
- Worldwide demand for textile products is improving resulting in increase in capacity utilization in Pakistan to 75% from 50% last year.
- Flexible exchange rate is helping exporters to remain competitive and absorb sharp increase in production costs due to inflation.

# Operations / Business

## FUTURE OUTLOOK



### Negative factors:

- High interest rates, 6 month Kibor is @ 22.97.
- High electricity prices and uncertainty on availability of gas.
- Capacity utilization across textile sector remains below 100% pressuring margins.