

Corporate Briefing Session

Fazal Cloth Mills
Limited



October 27, 2021





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Corporate Briefing – Contents



1. Company Brief
2. Operational Development
3. Financial Results of Year Ended June 30, 2021
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Company Brief



Company Brief

- 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 engaged in manufacturing and sale of textile goods. 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, Lahore.
- Fazal Waeving Mills Ltd, a wholly owned subsidiary of the company, has been merged with the company during the year.

Company Brief



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

– Fatima Transmission Company Limited (FTCL)	24.00%	Transmission of energy
– Fatima Electric Company	20.00%	Supply, generation and Limited distribution energy



Operations / Business

Operations / Business



Brief of Operations

- The spinning division of the Company comprises of 8 spinning units with installed capacity of 252,564 spindles. All of the spinning units are equipped with state of art Japanese and European machinery.
- No. of rotors and MVS (Murata Vortex Spining) spindles installed are 4,548.
- Capacity at 20's counts are 111,996,087 Kgs / annum and actual production of all count is 102,200,664 Kgs / annum.
- The Weaving unit of the Company consist of 224 Air-jet looms producing 49,253,543 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, 2021 are 5,705.
- Power Plant Capacity is _____



Financial Highlights of Year Ended June 30, 2021

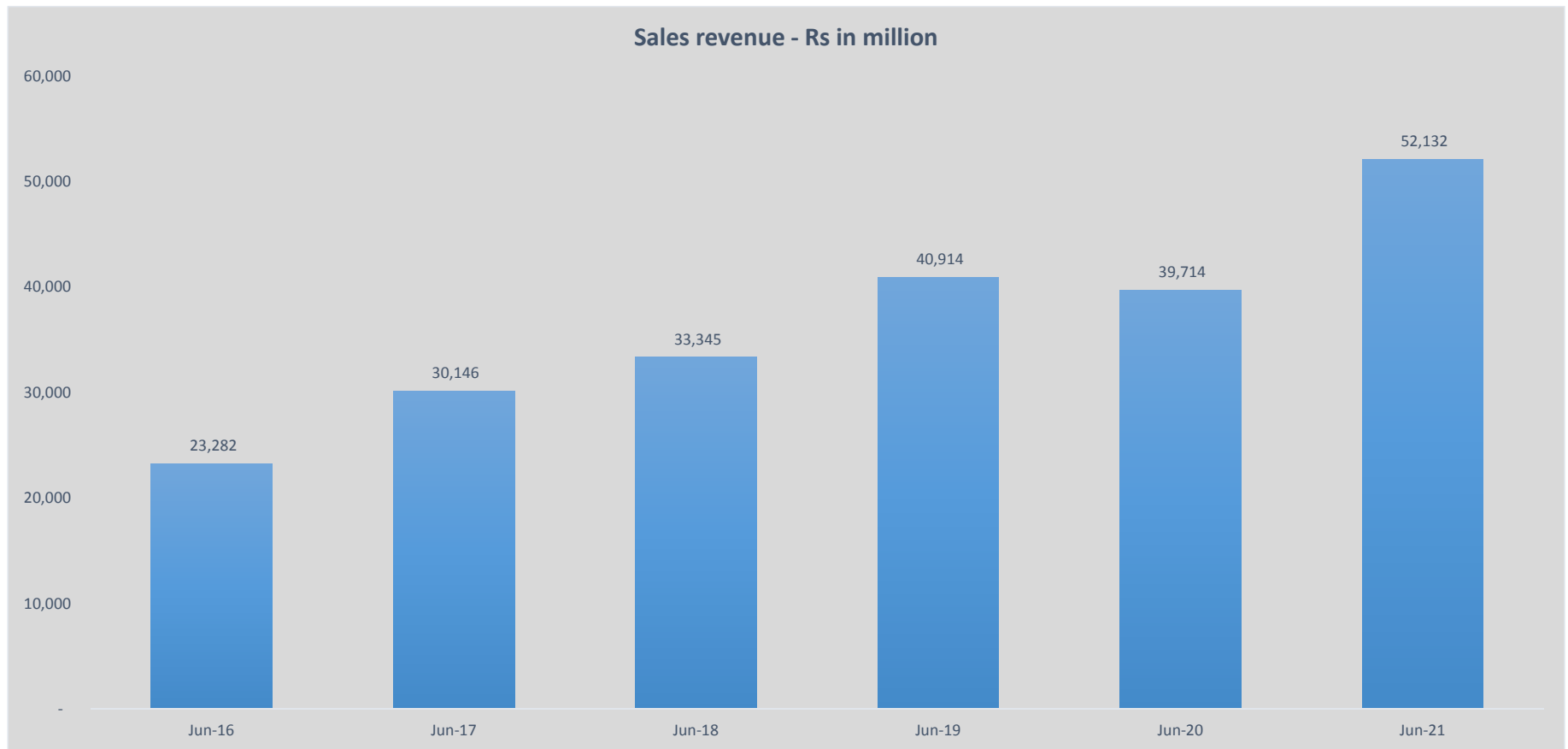
Financial Highlights



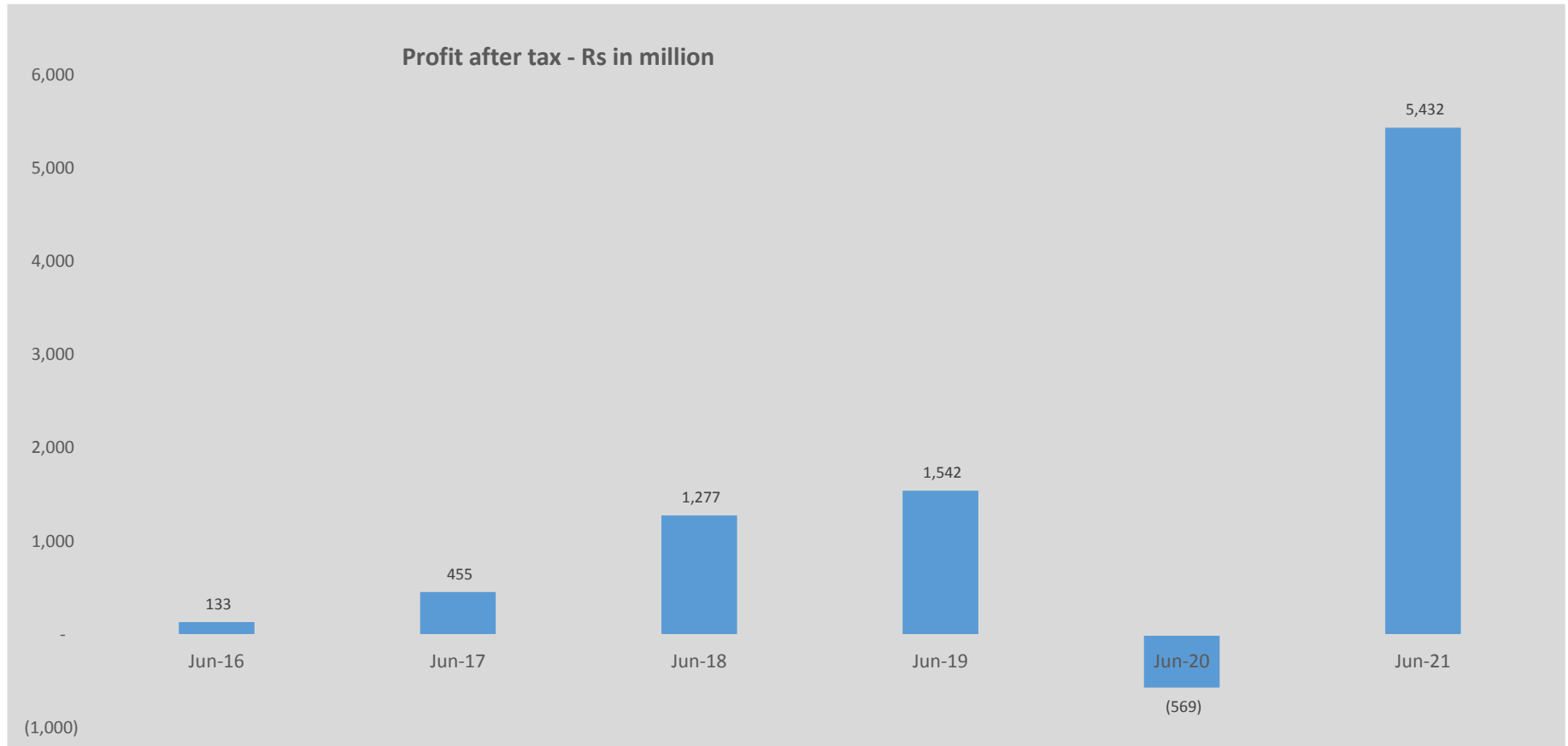
Profit & Loss for period ended June 30, 2021

Financial Highlights	2021	2020	Increase / (decrease)
	Rupees in ('000')	Rupees in ('000')	% Age
Sales – Net	52,132,243	39,713,735	31.27%
Cost of sales	44,127,253	35,152,501	25.53%
Gross profit	8,004,990	4,561,234	75.50%
EBITDA	8,793,472	4,242,002	107.30%
Depreciation	1,436,003	1,239,352	15.87%
Finance cost	1,794,692	2,944,788	-39.06%
Other income	644,455	684,926	-5.91%
Profit before tax	5,562,778	57,862	9513.87%
Profit after tax	5,431,757	(569,496)	10,053.78%
Earnings per share – Rs	181.06	(18.98)	10,053.95%

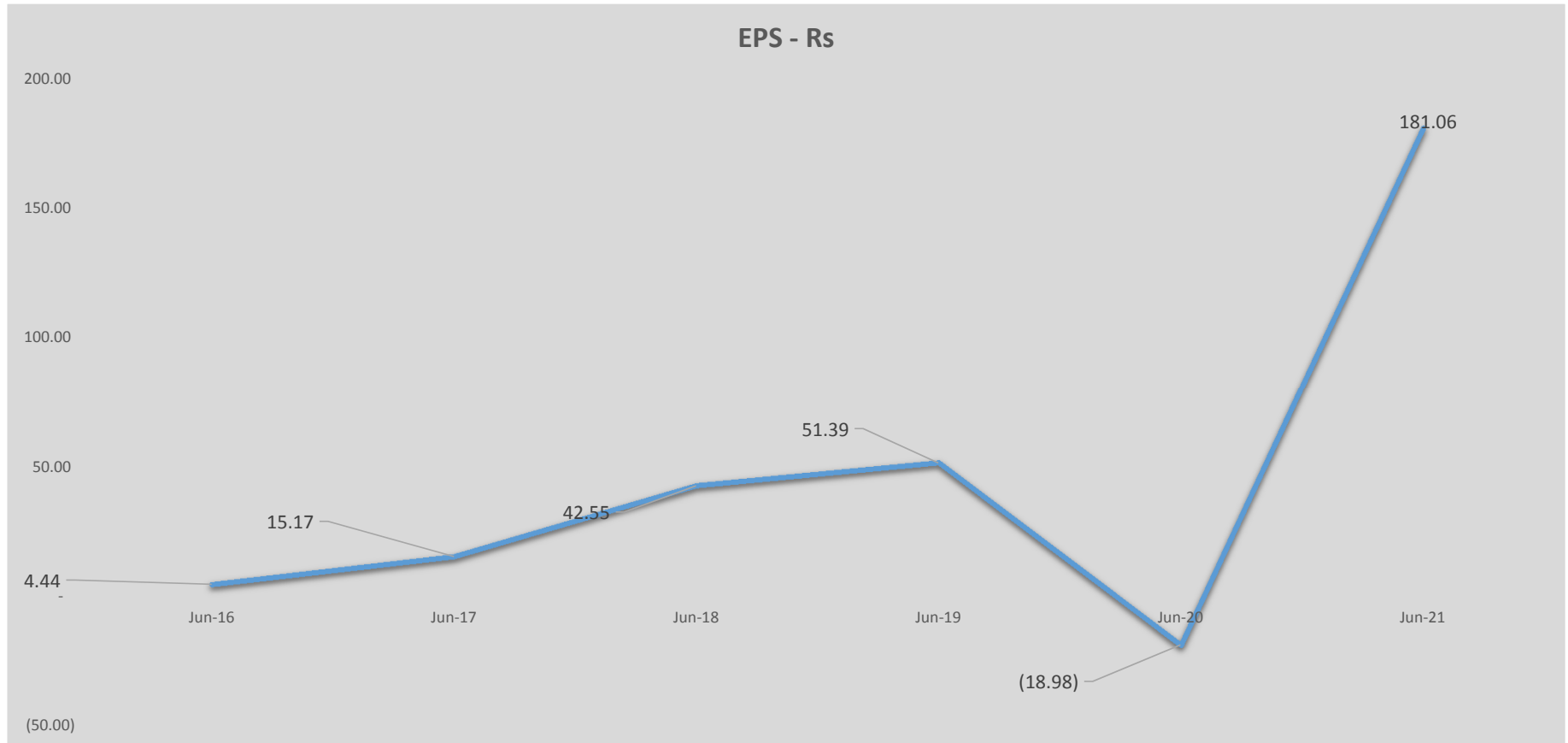
Financial Highlights- Profit & Loss Turnover- Trend Five years



Financial Highlights- Profit & Loss Profit after tax as% of sales- Trend Five years



Financial Highlights- Profit & Loss Earning per share-Trend Five years



Financial Highlights- Balance Sheet As at 30 June



Particulars	2021 ...Rs...	2020 ...Rs...
Non-current Assets	44,369,695,531	33,371,461,196
Current Assets	22,754,410,084	21,824,305,260
Total Assets	67,124,105,615	55,195,766,456
Equity	34,697,283,259	20,679,706,523
Long-term Liabilities	17,717,131,724	17,768,810,240
Current Liabilities	14,709,690,632	16,747,249,693
Total Equity & Liabilities	67,124,105,615	55,195,766,456

Operations / Business



Future Outlook

- Demand for yarn and fabric remains strong and margins are reasonable albeit lower than last year due to absence of inventory gains. Historically high prices of raw materials this year pose increased risk of loss in case of any downward movement in prices. Your management is trying to reduce this risk by carrying less inventory and selling as much yarn/fabric as possible.
- GOP continues to provide energy at regionally competitive tariffs to the textile industry. Inshallah, if this sensible policy continues, textile business in Pakistan will continue to thrive and exports will increase. Due to shift of demand from China to other countries, ample opportunity exists for Pakistan to increase its market share.
- BMR and expansion of the Company's different units continues to benefit from increased demand. During the current year, your company expects to invest approximately Rs.5 billion for BMR and expansion.



THANK YOU