



**FAUJI FERTILIZER COMPANY LIMITED**



**(HEAD OFFICE)**  
**Secretariat (Corporate Affairs)**

Ref No. 6.12-KSE/S/FFC  
January 29, 2024

To : **Ms. Raeda Latif**  
GM - Mktg & BD  
Pakistan Stock Exchange (Guarantee) Limited  
Stock Exchange Building  
Stock Exchange Road  
KARACHI  
Fax: 021-111-573-329

Subject: **First Corporate Briefing for Year 2024**

Presentation of FFC First Corporate Briefing scheduled on January 30, 2024 is attached, please.

Best regards,

*For S. Irfan Khan*  
**Company Secretary**  
Brig Irfan Khan (Retd)

cc: **Mr. Saqib Ali, PSX Isd Office**  
**CFO, FFC**  
**SM-F (PLN&R)**



# Corporate Briefing

For the year ended  
December 31, 2023



Presented by: CFO

January 30, 2024

**01**

**Highlights &  
Challenges**

**02**

**Review of  
Financial  
Performance**

**03**

**Fertilizer  
Industry  
Snapshot**

**04**

**Other  
Businesses**

**05**

**Questions**

# Business Highlights

## Turnover

PKR 159.5 bn

## Other Income

PKR 17.1 bn

## Profit after tax

PKR 29.7bn

## Lower Price

FFC sold urea at  
lower rates  
(around PKR 200-  
500 per bag)

## FX Savings

USD 1 billion  
Import  
Substitution  
Aggregate ~ USD 4.8 bn  
last 5 years

## Contribution to National Exchequer

PKR 36.3 Bn  
(Vs PKR 30 Bn LY)

Significant **cost  
optimization**  
measures,  
**Operational  
efficiency**  
enhancement  
initiatives

# Key Challenges



High **Inflation**, **interest** rates, currency **devaluation** resulting in increased **operating and financial** cost



Significant **75% increase** in gas prices – only **partial impact** was passed on



Increased **Freight** cost – implementation of **Axle Weight** Regulations



Reserve buildups - required for **dollarized capex** for sustainability projects and plants' maintenance.



**Higher Taxation** – Retrospective increase in Super Tax - Effective tax rate 45% vs 40% in 2022

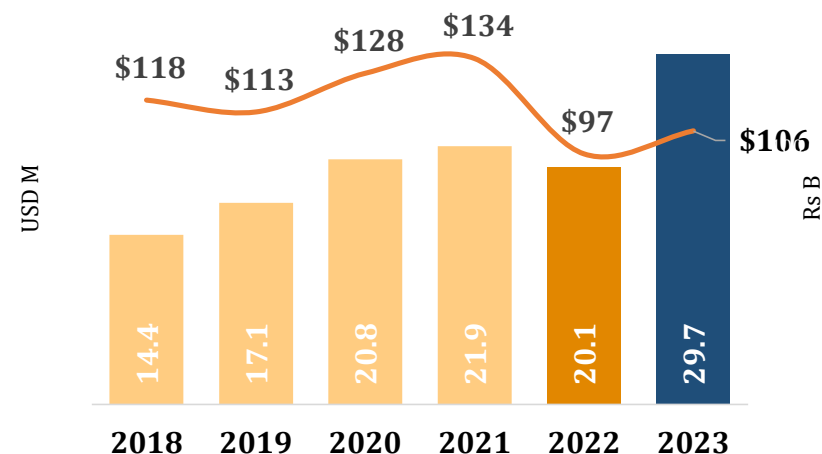


**Declining** Profitability in US Dollar Terms

# Financial Performance

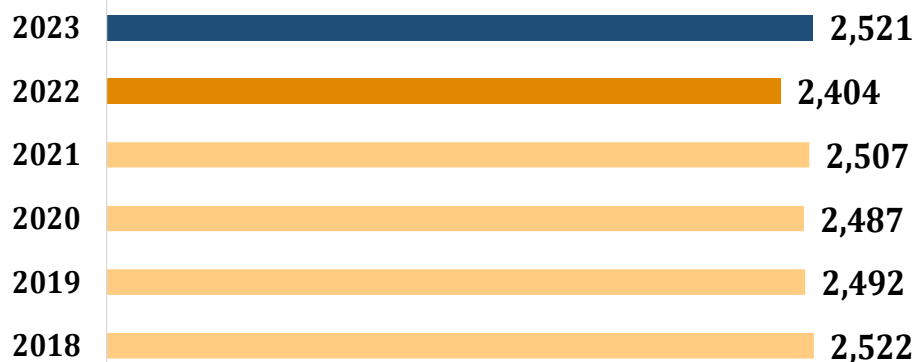
	2023	2022
	Thousand Tonnes	
<b>UREA:</b> Production	2,521	2,404
Sales	2,505	2,423
<b>DAP:</b> Sales	105	70
	Rs in Billion	
Revenue	159.47	109.36
Cost of Sales	95.22	69.32
<b>GP</b>	<b>64.25</b>	<b>40.05</b>
Distribution Cost	12.68	10.11
<b>OP</b>	<b>51.57</b>	<b>29.94</b>
Finance Cost	5.62	4.87
Other Income	17.10	14.44
Other Expenses	9.49	5.83
Taxes & Levies	23.87	13.64
<b>PAT</b>	<b>29.67</b>	<b>20.05</b>
<b>EPS - (Rs/ Share)</b>	<b>23.32</b>	<b>15.76</b>
<b>Dollarized PAT (USD Mn)</b>	<b>106</b>	<b>97</b>

## Profitability (Rs B)



# Production & Offtake

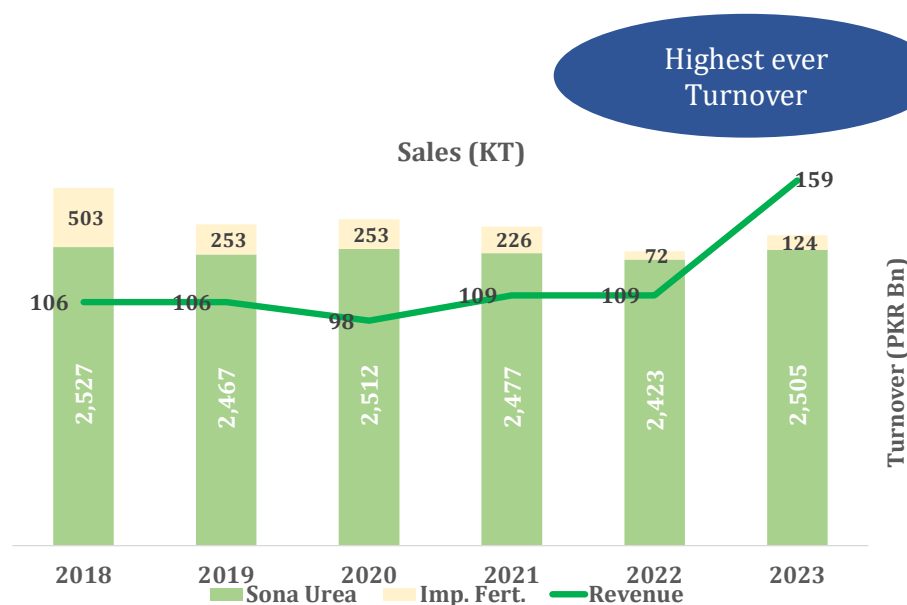
## Sona Urea Production



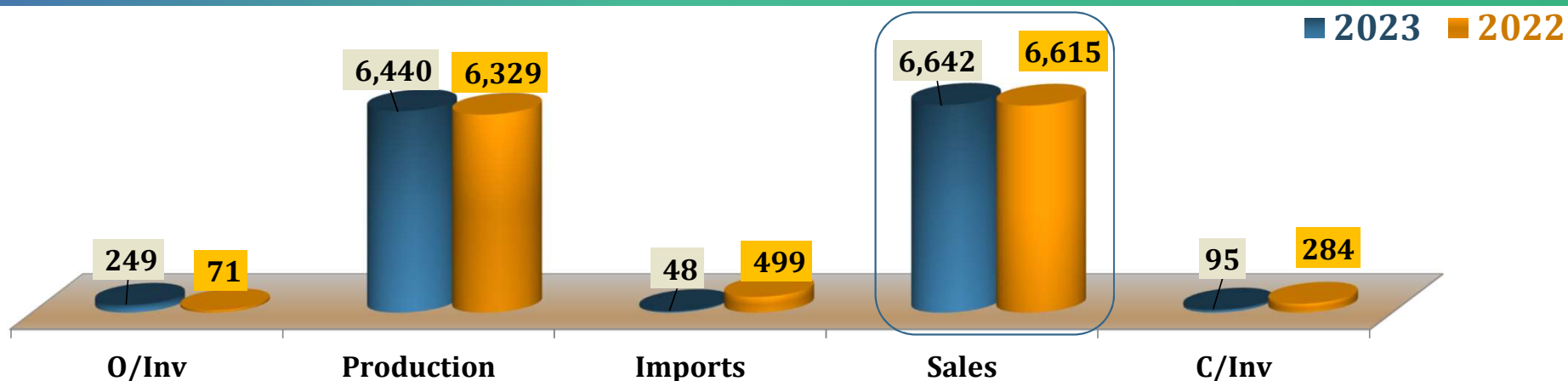
5% Higher from Last Year

## Fertilizer Sales & Aggregate Revenue

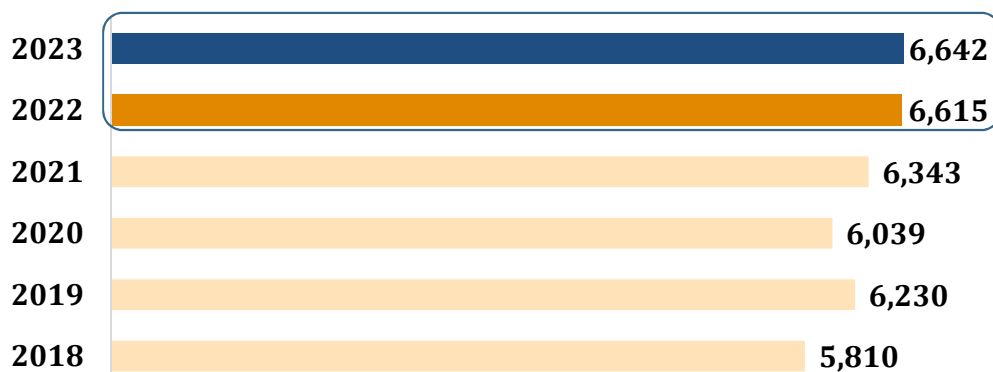
000' MT



# Local Urea Market

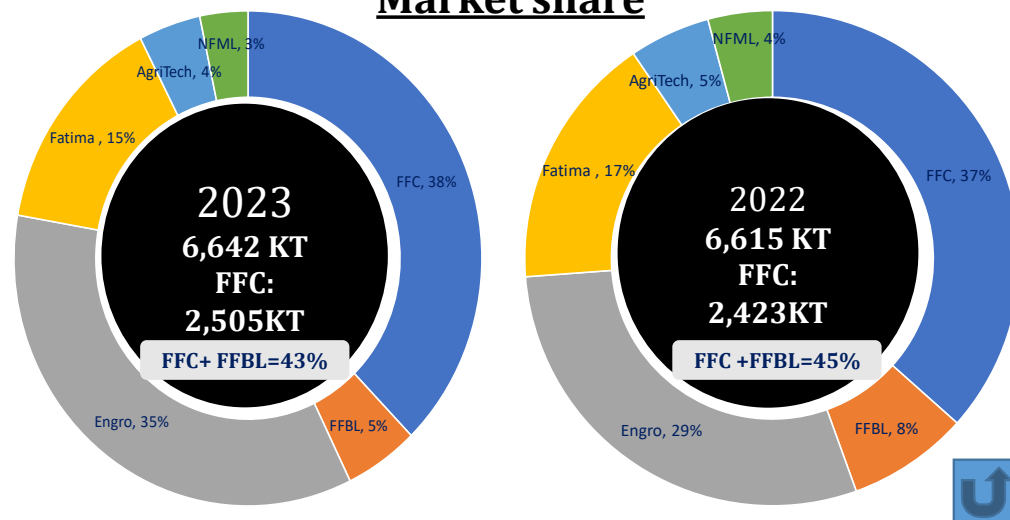


## 6 years Industry Sales - KT



In line with 2022

## Market share

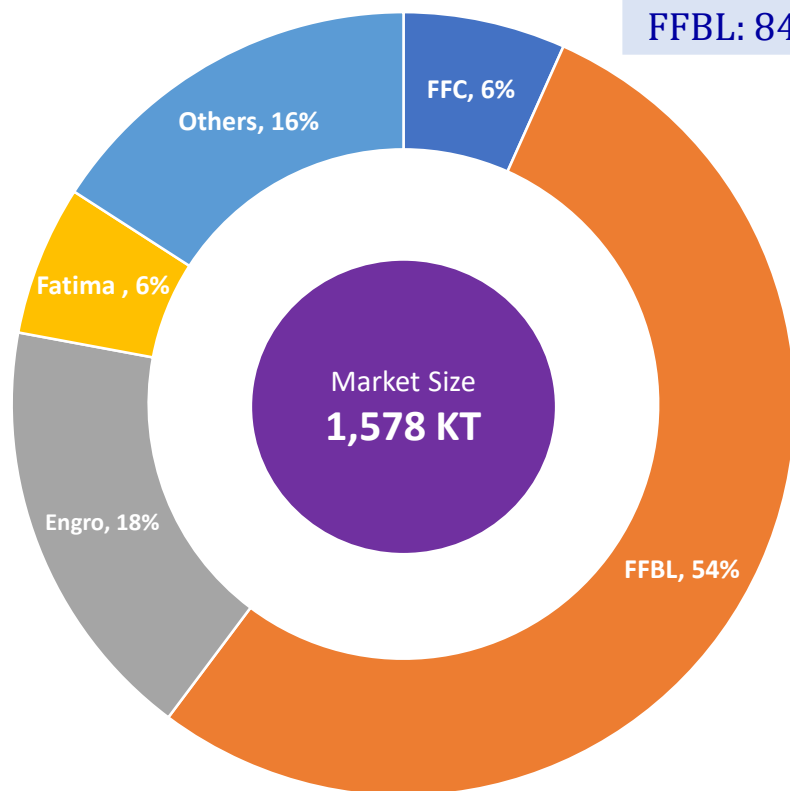




# DAP Market Share, market growth 34%

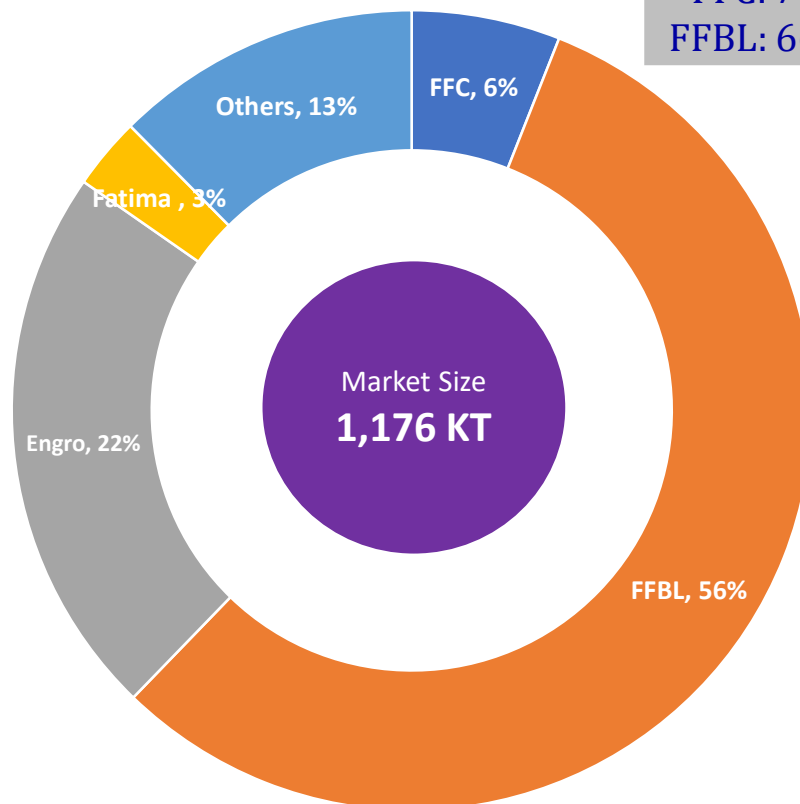
**FY 2023,  
FFC+FFBL=60%**

FFC: 105KT  
FFBL: 846KT

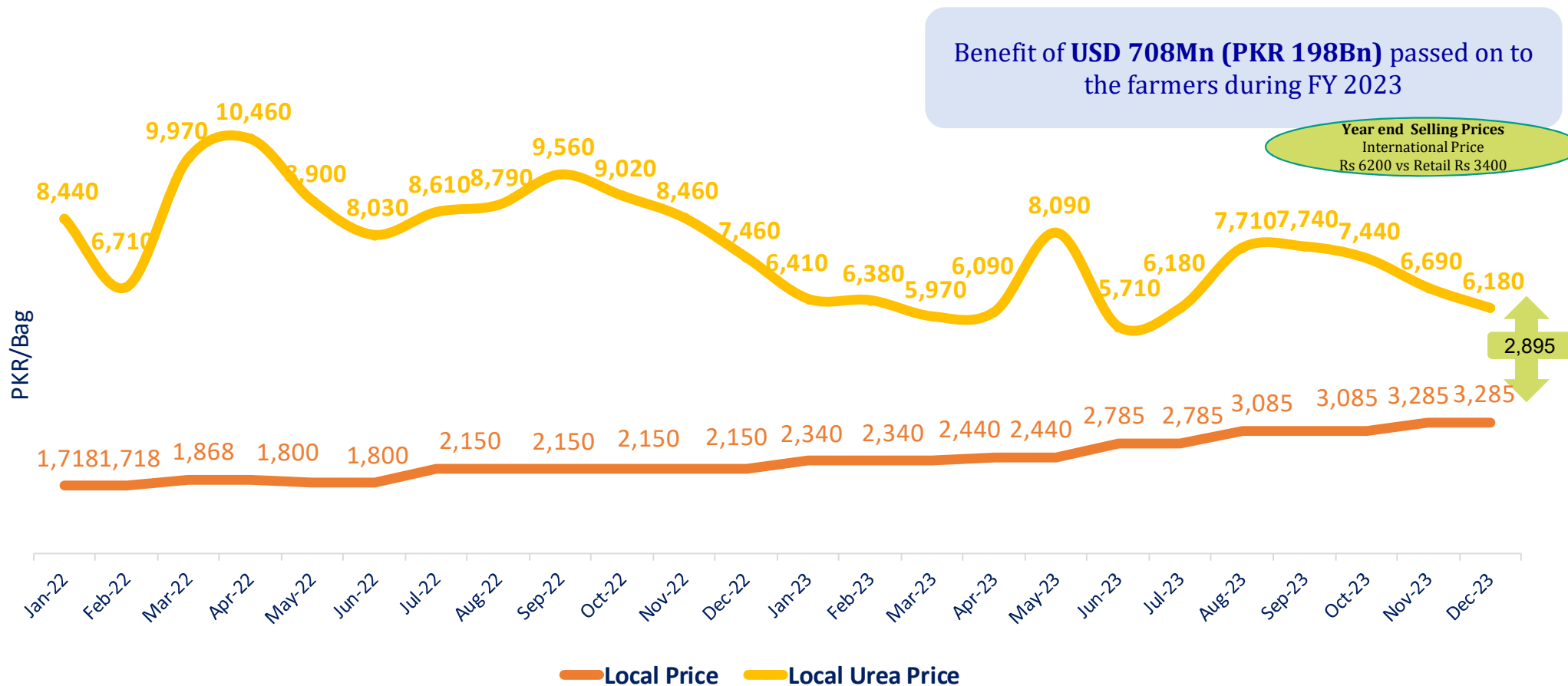


**FY 2022,  
FFC+FFBL=62%**

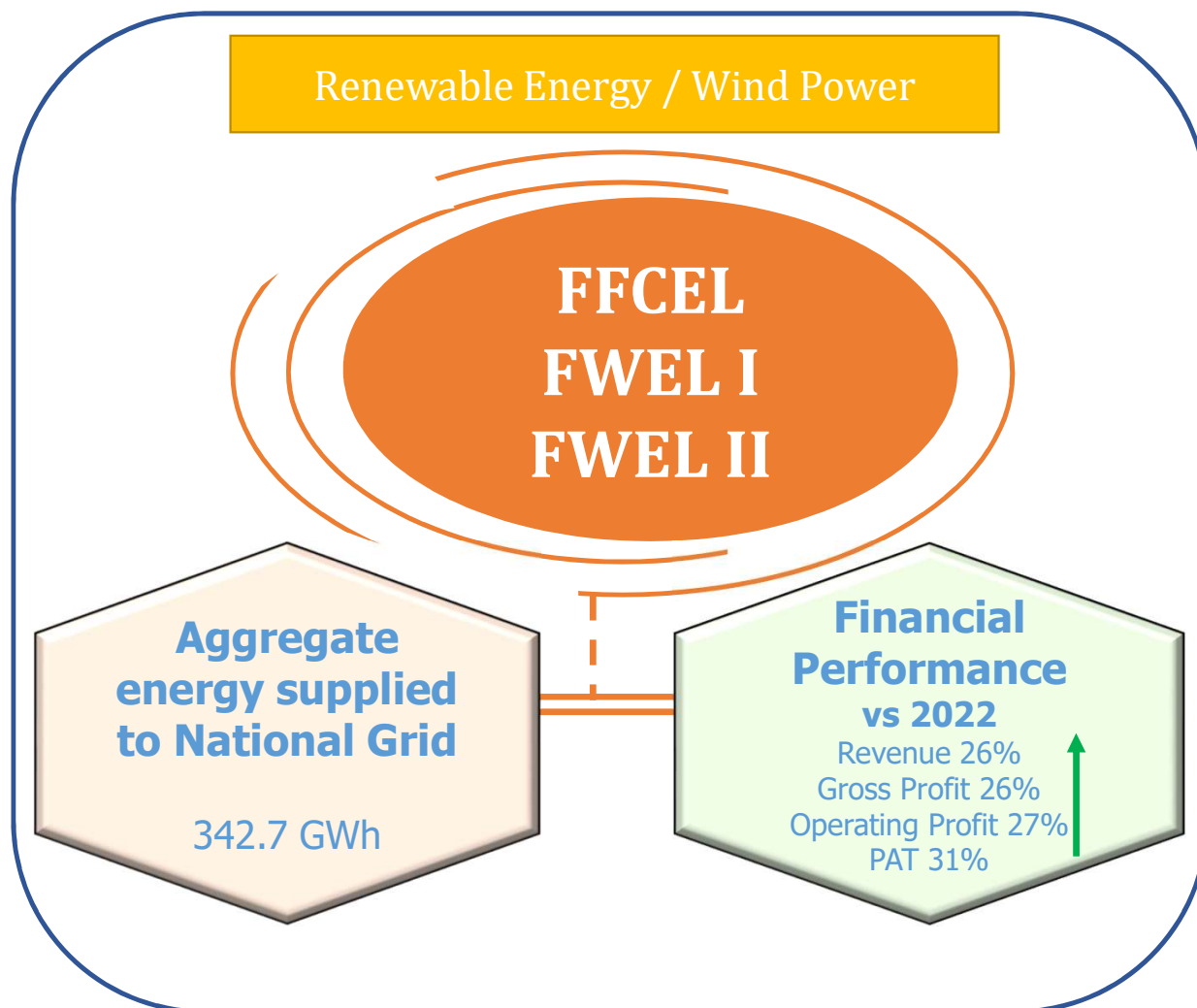
FFC: 70KT  
FFBL: 661KT



# Local Dealer Price vs Intl. Prices - Urea



# Other Businesses



## Financial Performance vs 2022

Revenue 61% ↑

Gross Profit 138% ↑

Operating Profit 436% ↑

GP improved to 17% from 12%

# Awards & Recognition

01

## Best Presented Annual Report Awards 2022 by SAFA

- Bronze – Manufacturing Sector
- Certificate of Merit – Integrated Reporting
- Silver – Corporate Governance

02

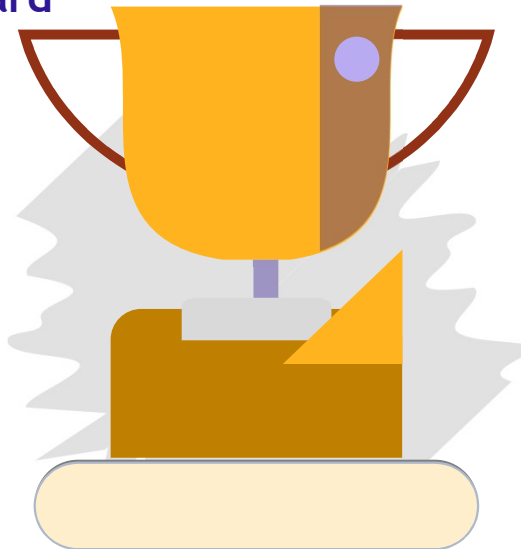
## Best Corporate Report Award 2022 by ICAP /ICMAP

Overall 1st position (15<sup>th</sup> time)  
1st position in chemical sector

03

## Best Sustainability Report Award 2022 by ICAP/ICMAP

Joint 1st position



04

## International Achievement Awards Ceremony by RCCI

Company of the year 2022

05

## Top 25 Companies Award 2022 by PSX

Overall 1st position  
13th Consecutive Year

ANY QUESTIONS ?

**THANK YOU**