



FFBL

Fauji Fertilizer Bin Qasim Limited

Ref. No. 33.1/Sectt/C

Dated: 23 Oct 2024

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi - 74000, Pakistan

Director/HOD (Enforcement Department)
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Islamabad - 44000, Pakistan

Subject: **Financial Results for the Period Ended 30 Sep 2024**

Dear Sir,

1. It is informed that the Board of Directors of our Company, in their meeting held at Fauji Foundation HO, 68 – Tipu Road, Rawalpindi on 23 Oct 2024, recommended the following:

- | | | | |
|----|---|---|-----|
| a. | Cash Dividend | : | Nil |
| b. | Bonus Issue | : | Nil |
| c. | Right Shares | : | Nil |
| d. | Any other Entitlement / Corporate Action. | : | Nil |
| e. | Any other price sensitive Information. | : | Nil |

2. The Financial Results of the Company for the period ended 30 Sep 2024, comprising of Statement of Profit or Loss (Unconsolidated as Annex-A and Consolidated as Annex-B) are attached.

3. **FINANCIAL RESULTS – OVERVIEW**

- i. **July- September 2024.** FFBL's third-quarter performance was driven by better availability of gas that is 84% of allocation (2023: 54%), resulting in Urea production and sales volume increase by 118% and 98% respectively as compared to the same quarter last year (SQLY), which has significantly substituted the urea imports. Improved international DAP margins also contributed substantially to the financial results of the period under review. Finance cost reduced by Rs. 1.6 Bn as compared to SQLY (2024 0.8 Rs. Bn; 2023: Rs. 2.4 Bn). The company achieved a quarterly profit after tax (PAT) of Rs. 8 Bn compared to Rs. 5.3 Bn in SQLY.
- ii. **Jan- September 2024.** Overall, during the nine-month period under review, FFBL's performance was largely driven by a stable foreign exchange rate and robust international DAP margins. With the support of GoP, gas supply to FFBL improved to 77% of the allocation as compared to 56% in same period last year (SPLY), resulting in higher production of Urea and DAP. Urea sales volume increased by 42% as compared to SPLY (2024: 361KT; 2023: 254KT), significantly substituting the urea imports. Finance costs reduced by Rs. 4.8 Bn (2024: Rs. 2.9 Bn; 2023: Rs. 7.7 Bn). Exchange loss decreased by Rs. 4.4 Bn (2024: Rs. 0.2 Bn; 2023: Rs. 4.6 Bn), a cost which the Company had to bear during the SPLY but was averted this year due to a stable PKR against US Dollar. FFBL recorded its PAT for a nine-month period amounting to Rs. 18.6 Bn.





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- iii. **Consolidated Jan-Sep 2024.** On a consolidated basis, the Group is reporting a profit after tax of Rs. 26.4 Bn, as against Rs. 0.2 Bn in SPLY. This upswing is primarily attributed to improved profitability of the Parent Company (FFBL). The improved financial performance of our joint venture (PMP) and associate (AKBL) has also contributed a PAT of Rs. 3.1 Bn (2023: loss after tax of Rs. 1.2 Bn) and Rs 3.2 Bn (2023: Rs. 2.6 Bn) respectively in the consolidated results during the period under review.
- iv. **OUTLOOK.** The sustainability of the fertilizer sector relies heavily on a stable gas supply. Optimizing the allocation of indigenous gas is crucial for maximizing the use of this natural resource. This strategy not only reduces risks to food security but also conserves significant foreign exchange by minimizing the need for imports.

As part of our strategic outlook, we are constantly exploring synergies to enhance operational efficiencies and create greater value for stakeholders. The proposed merger between FFBL and FFC is an initiative towards optimizing resource utilization. We expect the merger to unlock further growth opportunities, improve cost management, and enhance shareholder returns. We remain committed to pursuing initiatives that will strengthen the financial performance and long-term sustainability of the business.

4. The nine-month report of the Company for the period ended 30 Sep 2024 will be transmitted through PUCARS separately, within the specified time and shall also be made available on our website <https://www.ffbl.com>.

Regards

Brig Khurram Shahzada SI (M), (Retd)
Company Secretary



FAUJI FERTILIZER BIN QASIM LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Note	Quarter ended		Nine months ended	
	September 30, 2024 (Rupees in thousand)	September 30, 2023	September 30, 2024 (Rupees in thousand)	September 30, 2023
Sales - net	57,609,706	70,069,746	154,465,281	136,827,250
Cost of sales	(43,467,313)	(59,785,100)	(120,214,976)	(119,927,758)
Gross profit	14,142,393	10,284,646	34,250,305	16,899,492
Selling and distribution expenses	(2,872,799)	(2,434,327)	(7,477,796)	(4,687,849)
Administrative expenses	(338,886)	(339,087)	(1,112,659)	(760,455)
Operating profit	10,930,708	7,511,232	25,659,850	11,451,188
Finance cost	(767,305)	(2,359,946)	(2,889,338)	(7,684,997)
Exchange loss - net	(51,950)	12,106	(243,157)	(4,672,850)
Other expenses	(909,980)	(330,551)	(2,459,169)	(422,783)
Other income	3,605,102	2,847,855	12,288,620	6,286,717
Unwinding cost of GIDC payable	(6,206)	(112,163)	(97,635)	(411,704)
Provision on subsidy receivable from GoP	-	(394,000)	-	(450,000)
	(6,206)	(506,163)	(97,635)	(861,704)
Profit before levies and taxation	12,800,369	7,174,533	32,259,171	4,095,571
Final taxes - levies	(374,537)	(197,144)	(1,138,319)	(234,972)
Profit before taxation	12,425,832	6,977,389	31,120,852	3,860,599
Taxation	(4,417,258)	(1,672,727)	(12,552,123)	(3,506,110)
Profit after taxation	8,008,574	5,304,662	18,568,729	354,489
Earnings / (loss) per share - basic and diluted (Rupees)	6.20	4.10	14.38	0.27


Brig Khuram Shahzada, SI(M), (Retd)
 Company Secretary
 Fauji Fertilizer Bin Qasim Limited
 FFBL Tower, DHA-II, Islamabad

FAUJI FERTILIZER BIN QASIM LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
Sales - net	67,115,563	77,038,952	178,519,268	157,967,426
Cost of sales	(49,494,731)	(64,541,127)	(134,382,224)	(132,468,768)
Gross profit	17,620,832	12,497,825	44,137,044	25,498,658
Selling and distribution expenses	(3,326,259)	(2,574,149)	(8,745,574)	(5,712,598)
Administrative expenses	(636,599)	(626,288)	(1,891,797)	(1,590,053)
	13,657,974	9,297,388	33,499,673	18,196,007
Finance costs	(1,300,745)	(3,260,449)	(4,992,409)	(10,377,298)
Exchange loss - net	(54,000)	(4,857)	(256,343)	(4,956,775)
Other operating expenses	(1,059,491)	(388,306)	(3,414,921)	(639,699)
Other losses				
Unwinding of GIDC payable	(6,206)	(112,163)	(97,635)	(411,704)
Provision on subsidy receivable from GoP	-	(394,000)	-	(450,000)
	(6,206)	(506,163)	(97,635)	(861,704)
	11,237,532	5,137,613	24,738,365	1,360,531
<i>Other income</i>				
Share of profit of associate and joint venture - net	1,547,092	478,532	6,367,569	1,349,703
Others	3,525,968	1,386,877	12,035,799	3,663,054
	5,073,060	1,865,409	18,403,368	5,012,757
Profit before levies and taxation	16,310,592	7,003,022	43,141,733	6,373,288
Final taxes - levies	(374,537)	(197,144)	(1,138,319)	(234,972)
Profit before taxation	15,936,055	6,805,878	42,003,414	6,138,316
Taxation	(5,365,901)	(1,897,806)	(15,532,365)	(4,363,915)
Profit after taxation from continuing operations	10,570,154	4,908,072	26,471,049	1,774,401
Loss from discontinued operations - FML	-	(1,501,184)	-	(1,610,954)
Profit for the period	10,570,154	3,406,888	26,471,049	163,447
Profit / (loss) attributable to:				
- Owners of the Holding Company	10,054,495	3,294,649	24,735,306	(536,414)
- Non-controlling interest	515,659	112,239	1,735,743	699,861
	10,570,154	3,406,888	26,471,049	163,447
Earnings / (loss) per share - basic and diluted (Rupees)	7.79	2.55	19.16	(0.42)


Brig Khurram Shahzada, SI(M), (Retd)
Company Secretary
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