



Third Quarter
FINANCIAL STATEMENTS
SEPTEMBER 30, 2025
(Un - Audited)

COVER STORY

Every harvest reminds us of the effort behind growth; from the soil we nourish to the growers we empower.

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SAY NO TO CORRUPTION

Company Information

BOARD OF DIRECTORS

Lt Gen Anwar Ali Hyder, HI(M) (Retd)

Chairman

Mr. Jahangir Piracha

Managing Director & Chief Executive Officer

Mr. Saad Amanullah Khan

Ms. Maryam Aziz

Syed Bakhtiyar Kazmi

Mr. Shoaib Javed Hussain

Mr. Yassir Ghiyati Ibn Ziyad

Mr. Qamar Haris Manzoor

Mr. Saif Anjum

Maj Gen Muhammad Aneeq Ur Rehman Malik, HI(M) (Retd)

Dr. Shamshad Akhtar

Mr. Farhad Shaikh Mohammad

Mr. Mohammad Majid Munir

CHIEF FINANCIAL OFFICER

Syed Atif Ali

Tel No. +92-51-8456101, Fax No. +92-51-8459961

E-mail: atif.ali@ffc.com.pk

COMPANY SECRETARY

Brig Khurram Shahzada, SI(M) (Retd)

Tel No. +92-51-8453101, Fax No. +92-51-8458831

E-mail: secretary@ffc.com.pk

REGISTERED OFFICE

156 The Mall, Rawalpindi Cantt, Pakistan

Website: www.ffc.com.pk

Tel No. +92-51-111-332-111, +92-51-8450001

Fax No. +92-51-8459925, E-mail: ffcrwp@ffc.com.pk

PLANTSITES

Goth Machhi, Sadiqabad

(Distt: Rahim Yar Khan), Pakistan

Tel No. +92-68-5954550-64, Fax No. +92-68-5954510-11

Mirpur Mathelo

(Distt: Ghotki), Pakistan

Tel No. +92-723-661500-09, Fax No. +92-723-661462

Port Qasim

Plot No. EZ/I/P-1, Eastern Zone, Port Qasim, Karachi 75020

Tel No. +92 21 34724500-29, Fax No. +92-21-34724530-31

MARKETING DIVISION

Lahore Trade Centre, 11 Shahrah-e-Aiwan-e-Tijarat,

Lahore, Pakistan

Tel No. +92-42-36369137-40, Fax No. +92-42-36366324

KARACHI OFFICE

B-35, KDA Scheme No. 1, Karachi, Pakistan

Tel No. +92-21-34390115-16, Fax No. +92-21-34390117 & 34390122

AUDITORS

A.F.Ferguson & Co

Chartered Accountants

74-East, Blue Area, Jinnah Avenue, Islamabad

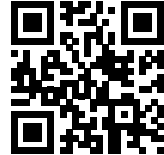
Tel No. +92-51-2273457-9, 2870045-85, Fax No. +92-51-2206473

SHARES REGISTRAR

CDC Share Registrar Services Limited

CDC House, 99 - B, Block - B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi – 74400

Tel: +92-0800-23275, Fax: +92-21-34326053



DIRECTORS' REVIEW

Dear Shareholders,

The Board of Directors is pleased to present the Company's operational and financial review for the nine-months ended September 30, 2025.

During the period, the fertilizer sector operated under a challenging environment of long market situation. Despite these conditions, FFC maintained stable performance, reaffirming its market leadership through operational excellence, disciplined marketing efforts and higher returns from its strategic investments.

FFC continues to play a pivotal role in strengthening Pakistan's agricultural landscape. Through its rapidly expanding Sona Center retail network, now comprising 115 locations, with 155 more planned in Q1'26, reaching 270 locations nationwide, the company ensures farmers have convenient access to affordable fertilizers and a comprehensive suite of integrated agri-support services. These services include soil and water testing, satellite/drone based agronomic advisories, non-collateralized financing, free insurance coverage, and basic healthcare support. Together, these initiatives are designed to enhance farm productivity, build resilience, and improve the overall well-being of Pakistan's farming community.

Operational Performance

Ensuring safe, efficient and reliable operations, FFC Plantsites produced aggregate urea of 2,207 thousand tonnes with a capacity utilization of 113%. DAP production of 622 thousand tonnes was also achieved during the period with a utilization level of 128%.

The industry urea market contracted by 8% to 4.2 million tonnes due to long market situation and the industry carried urea inventory of 1.2 million tonnes at close of the period. FFC registered urea offtake of 1,955 thousand tonnes, while the company carried 290 thousand tonnes of urea, 25% of the industry's inventory only.

Industry DAP offtake decreased to 783 thousand tonnes compared to 940 thousand tonnes in the corresponding period of 2024. Sona DAP sales of 541 thousand tonnes accounted for 69% of the market with an improvement of 3% over same period of last year.

Financial Performance

Aggregate fertilizer revenue stood at PKR 283 billion, with an improvement of 26% from last year. This topline growth primarily stems from the inclusion of Port Qasim Plant's nine-months operations in 2025, compared to only a third-quarter contribution during the same period last year.

The Company also earned dividend income of PKR 20.9 billion compared to PKR 10.6 billion last year while the total other income stood at PKR 34.4 billion. This contribution from the investments enabled the Company to close the period with net earnings of PKR 57.6 billion, compared to PKR 50.6

billion in the same period last year, translating into earnings per share of PKR 40.5.

The Board of Directors has approved an interim dividend of PKR 9.50 per share, reaffirming its commitment to deliver consistent shareholders' returns with a total distribution of PKR 28.50 per share for the nine-months period.

In line with the Board's strategic objective to attain Shariah compliance status, the Company continues to make tangible progress toward conformity with Shariah principles. Several concrete measures have already been implemented, including the reallocation of the majority of short-term investments into Shariah-compliant avenues.

Subsequent to prequalification in the privatization process of Pakistan International Airline Corporation (PIAC), the Company is conducting the due diligence through reputed consultants to evaluate the potential acquisition of the airline.

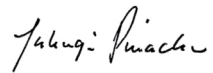
Future Outlook

Domestic fertilizer demand will continue to depend on the recovery of overall liquidity position including the crops profitability of the farming community. The Company is however focused to meet its sale targets for the year. The Board also remains committed to safeguarding the national food security by ensuring steady fertilizer availability at affordable prices while pursuing long-term value creation for all stakeholders.

On behalf of the Board,



Lt Gen Anwar Ali Hyder, HI(M), (Retd)
Chairman



Jahangir Piracha
Managing Director &
Chief Executive Officer

Rawalpindi
October 23, 2025

مالیاتی کارکردگی

کھادوں سے حاصل شدہ مجموعی آمدن 283 ارب روپے رہی، جو گزشتہ سال کے مقابلے میں 26 فیصد زائد ہے۔ اس اضافے کا بنیادی سبب پورٹ قاسم پلانٹ کے نوماہ کے نتائج کی شمولیت ہے، جبکہ گزشتہ برس کی اسی مدت میں صرف تیسری سہ ماہی کے نتائج شامل تھے۔

کمپنی نے 20.9 ارب روپے کا منافع منقسمہ حاصل کیا، جو کہ گزشتہ برس 10.6 ارب روپے تھا، جبکہ مجموعی دیگر آمدن 34.4 ارب روپے رہی۔ سرمایہ کاریوں سے حاصل ہونے والی اس آمدن کی بدولت کمپنی نے اس مدت کا اختتام 57.6 ارب روپے کے خالص منافع کے ساتھ کیا، جو کہ گزشتہ برس کی اسی مدت میں 50.6 ارب روپے تھا۔ اس کے نتیجے میں فی حصہ آمدن 40.5 روپے رہی۔

بورڈ آف ڈائریکٹرز نے فی حصہ 9.50 روپے عبوری منافع منقسمہ کی منظوری دی ہے، جس سے حصہ داران کو تسلسل کے ساتھ منافع دینے کے عزم کی توثیق ہوتی ہے، اس طرح نوماہ کی مدت کے لیے کل تقسیم 28.50 روپے فی حصہ رہی۔

’شریعت سے مطابقت‘ کے بورڈ کے تزویراتی ہدف کے حصول کے لیے، کمپنی شریعت کے اصولوں سے ہم آہنگی کے لیے نمایاں عملی پیشرفت جاری رکھے ہوئے ہے۔ اس ضمن میں متعدد ٹھوس اقدامات کیے جا چکے ہیں، جن میں قلیل المدت سرمایہ کاریوں کے بڑے حصے کو شریعت سے مطابقت والے مواقع میں منتقل کرنا شامل ہے۔

پاکستان انٹرنیشنل ایئر لائن کارپوریشن (پی آئی اے سی) کی نجکاری کے عمل میں پری کوالیفیکیشن کے بعد، کمپنی ایئر لائن کے ممکنہ حصول کا تخمینہ لگانے کے لئے معروف کنسلٹنٹس کے ذریعہ Due Diligence کا عمل شروع کیے ہوئے ہے۔

متوقع مستقبل

کھادوں کی مقامی طلب، مجموعی مالیاتی حیثیت کی بحالی، بشمول کاشتکار طبقے کے لیے فصلوں کی منافع بخشی، سے مشروط رہے گی۔ تاہم، کمپنی کھادوں کی فروخت کے سالانہ اہداف کے حصول پر توجہ مرکوز کیے ہوئے ہے۔ بورڈ بھی، مناسب قیمتوں پر کھادوں کی مسلسل فراہمی کے ذریعے، ملکی غذائی تحفظ کو یقینی بنانے کے ساتھ ساتھ شراکت داران کے سرمائے میں دیرپا اضافے کے لیے پُر عزم ہے۔

بورڈ کی جانب سے

Jalangi Pinach

جہانگیر پراچہ

مینجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

Ausar Ali Hader

لیفٹیننٹ جنرل انور علی حیدر

ہلال امتیاز (ملٹری) ریٹائرڈ

چیئر مین

راولپنڈی

23 اکتوبر 2025

ڈائریکٹر کا تجزیہ

معزز حصہ داران!

30 ستمبر 2025 کو ختم ہونے والے نو ماہ کے لئے عملیاتی اور مالیاتی جائزہ پیش کرتے ہوئے بورڈ آف ڈائریکٹرز کو خوشی محسوس ہو رہی ہے۔

زیر جائزہ مدت کے دوران، زائد رسد کی صورت حال کے باعث، کھاد کے شعبے کو ایک چیلنجنگ ماحول میں کام کرنا پڑا۔ ان حالات کے باوجود، ایف ایف سی نے مستحکم کارکردگی برقرار رکھی اور عملیاتی برتری، مارکیٹنگ کے منظم اقدامات اور اپنی تزویراتی سرمایہ کاریوں سے بہتر منافع کے ذریعے مارکیٹ میں اپنی قائدانہ حیثیت برقرار رکھی۔

ایف ایف سی، پاکستان کے زرعی منظر نامے کی بہتری میں اپنا مرکزی کردار مؤثر انداز میں جاری رکھے ہوئے ہے۔ اپنے تیزی سے پھیلنے والے سونا سینٹر ریٹیل نیٹ ورک کے ذریعے۔ جواب 115 مراکز پر مشتمل ہے، جبکہ 2026 کی پہلی سہ ماہی کے دوران مزید 155 مراکز کے اضافے کا منصوبہ ہے اس طرح یہ ملک بھر میں 270 مقامات تک پھیل جائیں گے۔ کمپنی کاشتکاروں کو سستی کھادوں تک آسان رسائی کے ساتھ ساتھ مربوط زرعی معاونت کی جامع خدمات فراہم کر رہی ہے۔ ان خدمات میں مٹی اور پانی کی جانچ، سیٹلائٹ/ڈرون کی بنیاد پر زرعی مشاورت، غیر ضمانتی مالی معاونت، مفت انشورنس کوریج، اور صحت کی بنیادی سہولیات شامل ہیں۔ مجموعی طور پر، یہ اقدامات پیداوار میں اضافے، کاشتکاروں کی بہتری اور پاکستان کی زرعی برادری کی فلاح و بہبود کو فروغ دینے کے لیے کیے جا رہے ہیں۔

عملیاتی کارکردگی

محفوظ، مؤثر اور قابل اعتماد آپریشنز کو یقینی بناتے ہوئے، ایف ایف سی کے کارخانوں نے 113 فیصد کی استعداد دکھاتے ہوئے مجموعی طور پر 2,207 ہزار ٹن پوریائی پیداوار حاصل کی، زیر جائزہ مدت کے دوران، 128 فیصد کی استعداد کے ساتھ DAP کی 622 ہزار ٹن کی پیداوار بھی حاصل کی۔

مشکل کاروباری حالات کے باعث یورپائی صنعت کو 8 فیصد کمی کا سامنا کرنا پڑا، اور یورپائی مجموعی فروخت 4.2 ملین ٹن رہی، جب کہ زیر جائزہ مدت کے اختتام پر، صنعت کے پاس 1.2 ملین ٹن یورپا کسٹاک موجود تھا۔ ایف ایف سی کی یورپا فروخت 1,955 ہزار ٹن رہی، اور کمپنی کے پاس 290 ہزار ٹن یورپا کسٹاک موجود تھا، جو صنعت کے کل کسٹاک کا صرف 25 فیصد ہے۔

ڈی اے پی صنعت کی مجموعی فروخت 2024 کے اسی عرصے کے مقابلے میں 940 ہزار ٹن سے کم ہو کر 783 ہزار ٹن رہ گئی۔ سونا ڈی اے پی کی فروخت، گزشتہ برس کے مقابلے میں 3 فیصد اضافے کے ساتھ، 541 ہزار ٹن رہی، جو مارکیٹ کا 69 فیصد حصہ بنتی ہے۔



Condensed Interim Financial Statements



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

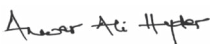
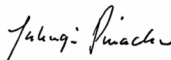
	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Share capital	4	14,231,086	14,231,086
Capital reserves		28,000,080	28,000,080
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		81,461,884	80,749,891
		90,264,244	89,552,251
Surplus on remeasurement of investments to fair value - net		19,285	96,700
		132,514,695	131,880,117
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	24,125,000	31,300,000
Deferred liabilities			
- Deferred taxation		6,406,925	7,452,030
- Compensated leave absences		2,678,668	2,614,823
		33,210,593	41,366,853
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	8,800,000	6,900,000
Trade and other payables	6	193,016,851	186,051,998
Mark-up and profit accrued		1,634,086	923,406
Short term borrowings - secured	7	18,634,355	31,278,908
Unclaimed dividend		805,506	662,885
Provision for taxation		14,845,327	17,887,555
		237,736,125	243,704,752
TOTAL LIABILITIES		270,946,718	285,071,605
TOTAL EQUITY AND LIABILITIES		403,461,413	416,951,722
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	66,346,057	58,210,729
Intangible assets		1,593,048	1,571,651
Long term investments	10	82,656,738	76,780,298
Long term loans and advances - secured		2,210,808	1,785,266
Long term deposits and prepayments		91,021	91,874
		152,897,672	138,439,818
CURRENT ASSETS			
Stores, spares and loose tools		16,127,172	14,027,639
Stock in trade		60,400,866	23,744,157
Trade debts		6,002,532	943,632
Loans and advances - secured		6,935,445	4,617,195
Deposits and prepayments		230,195	1,058,628
Other receivables	11	11,806,011	17,746,496
Short term investments	12	142,358,443	203,982,113
Cash and bank balances		6,703,077	12,392,044
		250,563,741	278,511,904
TOTAL ASSETS		403,461,413	416,951,722


Chairman

Chief Executive Officer

Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

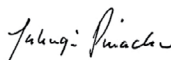
For the nine month period ended September 30, 2025

	Note	Three month period ended		Nine month period ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	127,251,321	107,949,143	282,699,863	223,523,341
Cost of sales		(88,031,925)	(68,049,953)	(189,873,779)	(135,204,227)
GROSS PROFIT		39,219,396	39,899,190	92,826,084	88,319,114
Distribution cost		(8,601,378)	(8,213,543)	(23,418,761)	(18,950,027)
		30,618,018	31,685,647	69,407,323	69,369,087
Finance cost		(1,555,420)	(2,071,024)	(4,962,196)	(4,956,720)
Other losses					
Unwinding of GIDC liability		-	(13,659)	-	(212,406)
Loss allowance on subsidy receivable from GoP and others		-	(648,000)	-	(1,603,000)
		-	(661,659)	-	(1,815,406)
Other expenses		(3,072,849)	(3,003,495)	(7,823,445)	(7,237,786)
		25,989,749	25,949,469	56,621,682	55,359,175
Other income		6,271,877	12,624,496	34,433,378	28,394,634
PROFIT BEFORE INCOME TAX AND FINAL TAX		32,261,626	38,573,965	91,055,060	83,753,809
Final taxes - levies	14	(824)	(389,759)	(8,030)	(2,361,237)
PROFIT BEFORE INCOME TAX		32,260,802	38,184,206	91,047,030	81,392,572
Provision for taxation		(13,076,263)	(13,694,140)	(33,410,689)	(30,831,862)
PROFIT FOR THE PERIOD		19,184,539	24,490,066	57,636,341	50,560,710
Earnings per share - basic and diluted (Rupees)		13.48	17.21	40.50	35.53

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Director




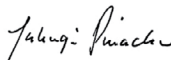
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the nine month period ended September 30, 2025

	Three month period ended		Nine month period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	19,184,539	24,490,066	57,636,341	50,560,710
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
Surplus/ (deficit) on remeasurement of investments to fair value - net of tax	(100,149)	27,819	(77,415)	163,307
Items that will not be subsequently reclassified to profit or loss:				
Gain on re-measurement of staff retirement benefit plans - net of tax	-	146,772	-	146,772
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	19,084,390	24,664,657	57,558,926	50,870,789

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer

Director

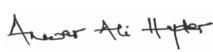
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

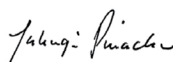
For the nine month period ended September 30, 2025

	Share capital	Capital reserves			Revenue reserves		(Deficit) / surplus on remeasurement of investments to fair value - net	Total
		Share premium	Capital redemption reserve	Merger reserve	General reserves	Unappropriated profit		
					(Rupees '000)			
Balance as at January 1, 2024 (Audited)	12,722,382	40,000	120,000	-	8,802,360	40,272,228	(104,460)	61,852,510
Transactions pursuant to merger of FFBL								
Issuance of shares as consideration	1,508,704	-	-	-	-	-	-	1,508,704
Merger reserve	-	-	-	27,840,080	-	-	-	27,840,080
	1,508,704	-	-	27,840,080	-	-	-	29,348,784
Total comprehensive income								
Profit for the period	-	-	-	-	-	50,560,710	-	50,560,710
Other comprehensive income - net of tax	-	-	-	-	-	146,772	163,307	310,079
	-	-	-	-	-	50,707,482	163,307	50,870,789
Transactions with owners of the Company								
Distributions:								
Final dividend 2023: Rs 4.10 per share	-	-	-	-	-	(5,216,177)	-	(5,216,177)
First interim dividend 2024: Rs 5.50 per share	-	-	-	-	-	(6,997,310)	-	(6,997,310)
Second interim dividend 2024: Rs 10.00 per share	-	-	-	-	-	(12,722,382)	-	(12,722,382)
	-	-	-	-	-	(24,935,869)	-	(24,935,869)
Balance as at September 30, 2024 (Un-audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	66,043,841	58,847	117,136,214
Balance as at January 1, 2025 (Audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	80,749,891	96,700	131,880,117
Total comprehensive income								
Profit for the period	-	-	-	-	-	57,636,341	-	57,636,341
Other comprehensive loss - net of tax	-	-	-	-	-	-	(77,415)	(77,415)
	-	-	-	-	-	57,636,341	(77,415)	57,558,926
Transactions with owners of the Company								
Distributions:								
Final dividend 2024: Rs 21.00 per share	-	-	-	-	-	(29,885,283)	-	(29,885,283)
First interim dividend 2025: Rs 7.00 per share	-	-	-	-	-	(9,961,761)	-	(9,961,761)
Second interim dividend 2025: Rs 12.00 per share	-	-	-	-	-	(17,077,304)	-	(17,077,304)
	-	-	-	-	-	(56,924,348)	-	(56,924,348)
Balance As at September 30, 2025 (Un-audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	81,461,884	19,285	132,514,695

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Director



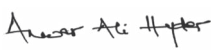
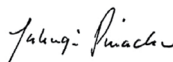
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine month period ended September 30, 2025

	Note	September 30, 2025	September 30, 2024
(Rupees '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	44,694,379	75,477,432
Finance cost paid		(4,251,516)	(5,371,632)
Income taxes and Levies paid		(37,501,974)	(27,658,532)
		(41,753,490)	(33,030,164)
Net cash generated from operating activities		2,940,889	42,447,268
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(11,946,461)	(6,181,334)
Proceeds from sales of operating fixed assets		57,543	41,608
Proceeds from disposal of investment property		-	858,756
Investment in Agritech Limited		(5,177,092)	-
Investment in Fauji Fresh n Freeze Limited		-	(5,000,000)
Advance against issue of shares - OLIVE Technical Services (Private) Limited		-	(80,000)
Other investments - net		2,178,254	(3,427,745)
Interest and profit received		1,403,450	7,460,003
Dividend received		20,813,342	12,382,945
Net cash generated from investing activities		7,329,036	6,054,233
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Repayments		(5,275,000)	(5,580,833)
Repayment of lease liabilities		-	(17,437)
Dividend paid		(56,781,727)	(24,913,878)
Net cash used in financing activities		(62,056,727)	(30,512,148)
Net (decrease) / increase in cash and cash equivalents		(51,786,802)	17,989,353
Cash and cash equivalents at beginning of the period		176,715,058	79,766,068
Effect of exchange rate changes		(547,079)	(127,061)
Acquisition of cash and cash equivalents pursuant to merger		-	25,949,860
Cash and cash equivalents at end of the period		124,381,177	123,578,220
CASH AND CASH EQUIVALENTS			
Cash and bank balances		6,703,077	21,513,718
Short term borrowings - secured		(18,634,355)	(4,768,244)
Short term highly liquid investments		142,358,443	112,485,484
Bank balance under lien		(6,045,988)	(5,652,738)
		124,381,177	123,578,220

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

1. THE COMPANY AND ITS OPERATIONS

Fauji Fertilizer Company Limited (the Company) is a public company incorporated in Pakistan under the Companies Act, 1913, (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at 156 - The Mall, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is manufacturing, purchasing and marketing of fertilizers and chemicals, including investment in other fertilizer, chemical, cement, energy generation, food processing, technical and engineering services and banking operations. The Company is a subsidiary of Fauji Foundation (FF), which is also its ultimate parent entity.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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 the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 The disclosures in these condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2024. Comparative condensed interim statement of financial position is extracted from annual financial statements as at December 31, 2024, whereas comparative condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the nine month period ended September 30, 2024.

2.3 These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

3. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER ACCOUNTING POLICIES

The material and other accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of annual financial statements of the Company for the year ended December 31, 2024.

4. SHARE CAPITAL

AUTHORISED SHARE CAPITAL

This represents 3,000,000,000 (December 31, 2024: 3,000,000,000) ordinary shares of Rs 10 each amounting to Rs 30,000,000 thousand (December 31, 2024: Rs 30,000,000 thousand).

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited September 30, 2025	Audited December 31, 2024		Un-audited September 30, 2025	Audited December 31, 2024
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs 10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs 10 each, issued as fully paid bonus shares	10,157,423	10,157,423
150,870,449	150,870,449	Shares issued pursuant to merger of FFBL with and into the Company	1,508,704	1,508,704
1,423,108,696	1,423,108,696		14,231,086	14,231,086

4.1 Fauji Foundation holds 43.51% (December 31, 2024: 43.51%) ordinary shares of the Company at the period end.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
5. LONG TERM BORROWINGS - SECURED			
From conventional banks	5.1	12,550,000	14,700,000
From Islamic banks	5.2	20,375,000	23,500,000
		32,925,000	38,200,000
Less: current portion shown under current liabilities			
From conventional banks		3,425,000	3,150,000
From Islamic banks		5,375,000	3,750,000
		8,800,000	6,900,000
		24,125,000	31,300,000
5.1 Movement during the period / year is as follows:			
Opening balance		14,700,000	11,295,000
Acquisition pursuant to merger of FFBL		-	9,020,833
Draw-downs during the period / year		-	7,000,000
Repayments during the period / year		(2,150,000)	(12,615,833)
Closing balance	5.1.1	12,550,000	14,700,000

- 5.1.1** These borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.
- These carry mark-up ranging between 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.08% per annum (2024: 6 month KIBOR minus 0.50% to plus 0.10% per annum) and are repayable up to December 2029 (December 31, 2024: December 2029).

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
5.2 Movement during the period / year is as follows:			
Opening balance		23,500,000	13,000,000
Acquisition pursuant to merger of FFBL		-	4,062,500
Draw-downs during the period / year		-	13,000,000
Repayments during the period / year		(3,125,000)	(6,562,500)
Closing balance	5.2.1	20,375,000	23,500,000

- 5.2.1** These borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.
- These carry profit rates ranging between 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.10% per annum (2024: 6 month KIBOR minus 4% to 6 month KIBOR plus 0.10 % per annum) and are repayable up to December 2029 (December 31, 2024: December 2029).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

6. TRADE AND OTHER PAYABLES

This includes Gas Infrastructure Development Cess (GIDC) payable as follows:

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
Balance at the beginning		84,977,267	62,437,223
Acquisition pursuant to merger of FFBL		-	22,327,638
Unwinding of GIDC liability - charge to profit or loss		-	212,406
	6.1	84,977,267	84,977,267

- 6.1** This represents amount payable on account of Gas Infrastructure Development Cess (GIDC) under Gas Infrastructure Development Cess Act, 2015 (GIDC Act) up to July 31, 2020. The Company along with other industrial gas consumers had previously challenged the GIDC Act on constitutional grounds. The Honorable Supreme Court of Pakistan (SCP) in its judgment dated August 13, 2020 declared GIDC Act a valid legislation. As per the latest orders from Government of Pakistan (GoP), this cess is recoverable in 48 equal monthly installments, instead of 24 equal monthly installments. The Company also filed a suit with the Sindh High Court (SHC) in September 2020 against collection of GIDC, and SHC granted a stay against recovery of GIDC from the Company, till the finalisation of matter by SHC. The matter is currently pending in Sindh High Court.

During the period, no payments were made by the Company on account of GIDC due to the stay granted by SHC. Further, the Company has also contested and not accounted for late payment surcharge in these condensed interim financial statements, on GIDC payments against recovery stay granted by SHC.

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
7. SHORT TERM BORROWINGS - SECURED			
From conventional banks	7.1	10,353,684	27,532,737
From Islamic banks	7.2	8,280,671	3,746,171
		18,634,355	31,278,908

- 7.1** Short term borrowings are available from various banking companies under mark-up arrangements against facilities amounting to Rs. 31,620,000 thousands (December 31, 2024: Rs 58,177,000 thousand) which represent the aggregate of all facility agreements between the Company and respective banks. The per annum rates of mark-up are 1 month KIBOR plus 0.05% to 0.25% and 3 month KIBOR plus 0.10% (December 31, 2024: 1 month KIBOR plus 0.05% to 0.50% and 3 month KIBOR minus 2.00% to plus 0.45%).

The facilities are secured by pari passu / ranking hypothecation charges on movable assets of the Company besides lien on PIBs in certain cases. The facilities have various maturity dates upto December 27, 2026.

- 7.2** Shariah compliant short term borrowing is available from a banking company under profit arrangement against a facility amounting to Rs. 9,700,000 thousands (December 31, 2024: Rs 16,200,000 thousand). The per annum rate of profit is 3 month KIBOR minus 0.15% to plus 0.05% (December 31, 2024: 3 month KIBOR minus 3.70% to plus 0.20%).

The facility is secured by ranking hypothecation charge on current assets of the Company and lien over debt instruments. The facility has a maturity date of May 31, 2026.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	
8. CONTINGENCIES AND COMMITMENTS		
8.1 Contingencies:		
i) Guarantees issued by banks on behalf of the Company	7,804,796	13,365,563
ii) Claims against the Company and / or potential exposure not acknowledged as debt	50,696	50,696
iii) The Company has issued corporate bank guarantee and letters of comfort in favour of its subsidiary i.e. Fauji Fresh n Freeze Limited amounting to Rs 2,264,497 thousand (December 31, 2024: Rs 4,077,552 thousand).		
iv) Penalty of Rs 5,500,000 thousand (December 31, 2024: Rs 5,500,000 thousand) imposed by the Competition Commission of Pakistan (CCP) in 2013, for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by the Company, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, in prior years, CCP under the said Tribunal guidelines resumed the proceedings and the Company duly joined these proceedings through counsel. The Company filed writ petition before Islamabad High Court which was disposed of, directing CCP to proceed with regular hearings. CCP is yet to initiate its proceedings and the Company is awaiting hearing notice. The Company remains confident of successfully defending these unreasonable claims.		
v) The Company has provided financial guarantees, obtained from commercial banks, in the name of Excise and Taxation Department, Government of Sindh, with an aggregate amount of Rs 9,046 million (December 31, 2024: Rs 7,262 million), representing unpaid levy due under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (Sindh Cess Act); deposited pursuant to instructions of the Honorable Sindh High Court (SHC) under a petition filed by the Company (along with various other importers of goods) challenging the constitutionality of the power exercised by the provincial legislature to levy the Cess. The Company was also depositing the 50% levy, in cash, on monthly basis since June 2011. On June 4, 2021, SHC has upheld the Sindh Cess Act as valid legislation, retrospectively with effect from July, 1, 1994. On the advice of its legal counsel, the Company filed an appeal against the decision, with the Honorable Supreme Court of Pakistan (SCP) and obtained stay order from the SCP against the decision, on September 1, 2021.		
As a matter of prudence, the Company is recognizing the provision at the time of the activity that triggers the payment of the levy in accordance with the Sindh Cess Act; amounting to Rs 9,046 million as of September 30, 2025. During the period, the Company has recognized the levy amounting to Rs 1,784 million fully covered by bank guarantee.		
	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	
8.2 Commitments in respect of:		
i) Capital expenditure commitments (including share of commitments amounting to Rs 16,588,107 thousand (December 31, 2024: Rs 14,236,243 thousand) relating to PEF joint operations)	27,755,586	23,945,484
ii) Purchase of fertilizer, stores, spares and other operational items	31,325,072	26,760,469
iii) Investment in Thar Energy Limited	89,920	89,232
iv) Contracted out services	422,834	507,895
v) Revolving credit facilities to:		
- Foundation Wind Energy Limited - I	1,500,000	1,500,000
- FFC Energy Limited	1,700,000	1,700,000
- Fauji Fresh n Freeze Limited	1,400,000	1,750,000
vi) Guarantees on behalf of OLIVE (Pvt) Limited	500,000	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	48,515,472	44,086,856
Capital work in progress	9.2	17,830,585	14,123,873
		66,346,057	58,210,729
9.1 Operating fixed assets			
Opening written down value		44,086,856	28,794,420
Acquisition pursuant to merger of FFBL		-	9,285,295
Additions during the period / year		8,216,424	9,604,338
Written down value of disposals		(21,069)	(11,612)
Depreciation during the period / year		(3,766,739)	(3,585,585)
		48,515,472	44,086,856

9.1.1 Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2024 were Rs 6,937,427 thousand and Rs 2,471,965 thousand, respectively.

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
9.2 Capital work in progress			
Opening value		14,123,873	11,422,748
Acquisition pursuant to merger of FFBL		-	171,113
Additions during the period / year		8,082,767	6,130,587
Transfers during the period / year		(4,376,055)	(3,600,575)
		17,830,585	14,123,873

9.2.1 Capital work in progress include Rs 2,673,757 thousand (December 31, 2024: Rs 2,400,058 thousand) being Company's share in Joint Operation related to Gas Pressure Enhancement Facility (PEF).

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
9.3 Depreciation charge has been allocated as follows:			
Cost of sales		3,606,129	3,451,191
Distribution cost		158,116	130,582
Other expenses		2,494	2,167
Charged to FFBL under Inter Company Services Agreement prior to merger of FFBL with and into the Company		-	7,648
		3,766,739	3,591,588

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
10. LONG TERM INVESTMENTS			
Investments held at cost			
In associated companies (Quoted)			
Fauji Cement Company Limited		1,500,000	1,500,000
Askari Bank Limited		15,692,912	15,692,912
Agritech Limited			
Investment at cost	10.1	7,307,542	4,855,105
Advance against issue of shares		-	69,644
		7,307,542	4,924,749
		24,500,454	22,117,661
In associated company (Unquoted)			
Thar Energy Limited		5,986,908	5,986,908
In joint venture (Unquoted)			
Pakistan Maroc Phosphore S.A., Morocco		2,117,075	2,117,075
In subsidiary company (Quoted)			
Fauji Foods Limited			
Investment at cost		14,055,516	14,055,516
Less: Impairment loss		(1,999,000)	(1,999,000)
		12,056,516	12,056,516
In subsidiary companies (Unquoted)			
FFC Energy Limited		2,438,250	2,438,250
Foundation Wind Energy - I Limited		7,493,051	7,493,051
Foundation Wind Energy - II Limited		6,019,288	6,019,288
FFBL Power Company Limited		6,440,625	6,440,625
OLIVE Technical Services (Private) Limited		100,000	100,000
Fauji Fresh n Freeze Limited			
Investment at cost		11,335,500	11,335,500
Less: Impairment loss		(6,100,000)	(6,100,000)
		5,235,500	5,235,500
		27,726,714	27,726,714
Other long term investments			
Arabian Sea Country Club Limited		-	-
		72,387,667	70,004,874
Investments measured at fair value through profit or loss			
Investment in listed preference shares		-	1,715,978
Investment in un-listed preference shares		7,553,386	3,299,093
Advance against issue of privately placed term finance certificates		1,958,988	1,020,171
	10.1	9,512,374	6,035,242

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

Note	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	

Investments measured at fair value through other comprehensive income

Bank Alfalah Term Finance Certificates	300,000	300,000
Pakistan Investment Bonds	456,697	2,714,385
	756,697	3,014,385
Less: Current portion shown under short term investments measured at fair value through other comprehensive income		
Pakistan Investment Bonds	12 -	2,274,203
	82,656,738	76,780,298

- 10.1** During the period, the Company exercised its option to convert 77,998 thousand listed convertible preference shares of AGL into 91,666 thousand ordinary shares of AGL. The Company has also acquired further ordinary shares, unlisted preference shares and advance against issue of privately placed term finance certificates of AGL. The Company's equity interest in AGL has increased from 28.86% to 37.36% as at September 30, 2025.

11. OTHER RECEIVABLES

Other receivables includes Rs 10,122,870 thousand (December 31, 2024: Rs 10,122,870 thousand) on account of subsidy receivable against which provision for loss allowance amounting to Rs 10,083,396 thousand (December 31, 2024: Rs 10,083,396 thousand) has been recognised. This also includes Rs 40,420,159 thousand (December 31, 2024: Rs 38,377,333 thousand) on account of sales tax receivable against which provision for input tax amounting to Rs 31,870,580 thousand (December 31, 2024: Rs 25,231,061 thousand) has been recognised.

Note	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	

12. SHORT TERM INVESTMENTS

Amortised cost - conventional investments

Term deposits with banks and financial institutions		
Local currency	-	1,000,000
Foreign currency	5,495,380	5,258,558
	5,495,380	6,258,558

Investments at fair value through profit or loss

Conventional investments	42,025,890	115,866,035
Shariah compliant investments	94,837,173	79,583,317
	136,863,063	195,449,352

Current maturity of long term investments

Fair value through other comprehensive income	10 -	2,274,203
	142,358,443	203,982,113

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Three month period ended		Nine month period ended	
	Un-audited September 30, 2025	Un-audited September 30, 2024	Un-audited September 30, 2025	Un-audited September 30, 2024
13. TURNOVER - NET	(Rupees '000)		(Rupees '000)	
Manufactured fertilizers	138,904,034	111,929,292	299,454,129	212,032,033
Purchased and packaged fertilizers	705,313	4,214,959	7,916,530	25,753,977
	139,609,347	116,144,251	307,370,659	237,786,010
Less: Trade discounts	(2,665,063)	-	(3,701,713)	-
Less: Sales tax & excise duty	(9,692,963)	(8,195,108)	(20,969,083)	(14,262,669)
	127,251,321	107,949,143	282,699,863	223,523,341

14. FINAL TAXES - LEVIES

This represents final taxes paid under section 5 and section 8 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IAS 37/ IFRIC 21.

14.1 Reconciliation between current tax and levy:

Reconciliation of current tax charged as per tax laws for the period, with current tax recognized in the profit and loss accounts is as follows:

	Three month period ended		Nine month period ended	
	Un-audited September 30, 2025	Un-audited September 30, 2024	Un-audited September 30, 2025	Un-audited September 30, 2024
	(Rupees '000)		(Rupees '000)	
Current tax liability for the period as per applicable tax laws	13,866,776	13,429,981	34,461,805	30,085,921
Less:				
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(13,865,952)	(13,040,222)	(34,453,775)	(27,724,684)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IAS 37/ IFRIC 21	(824)	(389,759)	(8,030)	(2,361,237)
	-	-	-	-

- 14.2** The aggregate of final tax and income tax amounting to Rs 34,461,805 thousand (September 30, 2024: Rs 25,668,663 thousand) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine month period ended September 30, 2025

	September 30, 2025	September 30, 2024
	(Rupees '000)	
15. CASH GENERATED FROM OPERATIONS		
Profit before income tax	91,047,030	81,392,572
Adjustments for:		
Unwinding of GIDC liability	-	212,406
Loss allowance on subsidy receivable from GoP and others	-	1,603,000
Impact of present value of loans and advances to employees	(3,352)	-
Provision for input tax disallowance	6,639,519	5,718,000
Depreciation	3,766,739	2,464,906
Amortization	1,928	1,236
Finance cost	4,962,196	4,956,720
Provision for slow moving spares	35,135	14,383
Gain on disposal of operating fixed assets	(36,474)	(621,387)
Interest and profit on loans, deposits and investments	(1,136,698)	(2,198,553)
Final taxes - levies	8,030	2,361,237
Exchange loss - net	547,079	127,061
Remeasurement gain on Agritech Limited	(682,833)	-
Dividend income	(20,945,177)	(10,723,280)
	(6,843,908)	3,915,729
	84,203,122	85,308,301
Changes in:		
Stores, spares and loose tools	(2,134,668)	(2,042,912)
Stock in trade	(36,656,709)	(17,141,622)
Trade debts	(5,058,900)	404,285
Loans and advances	(2,318,250)	(1,688,563)
Deposits and prepayments	828,433	(402,146)
Other receivables	(833,951)	(560,606)
Trade and other payables	6,962,794	10,984,456
Bank balance under lien	60,000	1,358,894
	(39,151,251)	(9,088,214)
Changes in long term loans and advances	(422,190)	(974,645)
Changes in long term deposits and prepayments	853	(1,919)
Changes in compensated leave absences	63,845	233,909
	44,694,379	75,477,432

16. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2024. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2024.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

17. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

Description	Explanation	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
i) Statement of Financial Position			
Assets			
Long term investments	Shariah compliant	56,694,755	54,311,962
Long term loans and advances	Shariah compliant	1,459,373	1,257,372
Short term investments	Shariah compliant	94,837,173	79,583,317
Cash and bank balances	Shariah compliant	19,353	476,789
Liabilities			
Long term borrowings - secured (including current portion)	Shariah compliant	20,375,000	23,500,000
Short term borrowings - secured	Shariah compliant	8,280,671	3,746,171
Mark-up and profit accrued	Shariah compliant	959,290	658,473
		Nine month period ended	
		Un-audited September 30, 2025	Un-audited September 30, 2024
		(Rupees '000)	
ii) Statement of Profit or Loss			
Turnover	Shariah compliant	282,699,863	223,523,341
Income on loans, deposits and investments	Non - sharia	1,054,279	2,134,395
	Shariah compliant	1,986	552
		1,056,265	2,134,947
Gain on investments	Non - sharia	6,605,532	3,504,575
	Shariah compliant	4,258,194	3,286,849
		10,863,726	6,791,424
Dividend income	Non - sharia	4,710,312	5,855,257
	Shariah compliant	16,255,454	12,814,822
		20,965,766	18,670,079
Other income / (loss)	Non - sharia	386,337	(63,455)
	Shariah compliant	1,161,284	861,639
		1,547,621	798,184

Relationship with Shariah-compliant financial institutions

The Company has relationships with banks, having Islamic window of operations, in respect of bank balances / instruments amounting to Rs 19,353 thousand (December 31, 2024: Rs 476,789 thousand) and availed borrowing facilities amounting to Rs 29,614,961 thousand (December 31, 2024: Rs 27,904,644 thousand). The Company also has relationships with Shariah compliant financial institutions, Asset Management Companies (AMCs), in respect of investment in mutual funds amounting to Rs 94,837,173 thousand (December 31, 2024: Rs 79,583,317 thousand).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine month period ended September 30, 2025

	September 30, 2025	September 30, 2024
18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend paid	24,769,021	11,059,058
Cost recharge	1,017,683	750,677
Sale of investment property	-	856,458
Others	123,563	82,884
Balances		
Balance payable - unsecured*	-	835,271
SUBSIDIARY COMPANIES		
Transactions		
Equity investment	-	5,000,000
Advance against issue of shares	-	80,000
Advance disbursed under revolving credit facility	1,660,000	1,135,000
Payment received under revolving credit facility	1,310,000	2,705,000
Interest income	11,802	59,913
Rental income	31,716	28,869
Dividend income	9,047,572	7,579,121
Services and materials provided	919,290	358,556
Services and materials received	14,677,680	5,584,834
Expenses incurred on behalf of subsidiary companies	146,395	145,032
Balances		
Balances receivable - unsecured*	1,280,517	991,225
Balances payable - unsecured*	1,362,791	2,341,368
ASSOCIATED UNDERTAKINGS / COMPANIES		
DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	348,420	679,653
Commission on sale of products	3,879	11,337
Sale of fertilizer	100,681	142,372
Payments under consignment account - net	14,470,792	76,743,428
Payments against purchase of gas and PEF project	44,516,526	43,358,776
Purchase of raw materials and others	82,536,521	20,109,178
Investment in Agritech Limited	5,177,092	-
Services and materials provided	26,639	24,928
Donations	1,238,692	622,962
Interest expense	624,841	173,402
Interest income	33,520	613,350
Dividend income	11,897,605	3,144,159

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine month period ended September 30, 2025

	September 30, 2025	September 30, 2024
	(Rupees '000)	
Balances		
Short term borrowings*	8,339,095	17,954,517
Cash and Bank Balances*	14,545	24,485
Balances receivable - unsecured*	1,554,100	465,280
Balances payable - unsecured*	101,667,762	89,817,341
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	598,722	483,680
Employees' Gratuity Fund Trust	394,051	385,115
Employees' Pension Fund Trust	28,507	43,448
Employees' Funds as dividend on equity holding of 0.23% (2024: 0.25%)	133,170	62,579
Balances		
Balance payable - Gratuity Fund - I*	406,062	504,575
Balance receivable - Gratuity Fund - II*	142,729	181,166
Balance receivable - Pension Fund Trust*	919,752	912,625
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (No. of person(s): 34 (2024: 37))	806,474	717,334
Balances		
Loans and advances*	141,272	173,470

* Comparative audited figures of receivable / payable balances are as at December 31, 2024.

19. OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 13 to these condensed interim financial statements.

20. INTEREST IN JOINT ARRANGEMENTS

In 2022, the Company, Engro Fertilizer Company Limited (EFERT) and Fatima Fertilizer Company Limited (FATIMA) entered into a Framework Agreement (the Agreement) for Gas Pressure Enhancement Facilities (PEF) project dated November 30, 2022. Under the Agreement, the Company, EFERT and FATIMA have decided to jointly develop and install pressure enhancement facilities at the MPCL's delivery node to sustain the current level of pressure of gas supply from HRL reservoir of Mari Petroleum Company Limited (MPCL). The Company has classified this arrangement as a joint operation. Current cost sharing percentages in PEF of the Company, EFERT and FATIMA are 47.7%, 33.9% and 18.4%, respectively. The Company has recognised its share of jointly held assets and liabilities of the joint operation under the appropriate heads and disclosed the same in the related notes to these condensed interim financial statements.

21. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on October 23, 2025 proposed third interim dividend of Rs 9.50 per share.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)


For the nine month period ended September 30, 2025

22. GENERAL

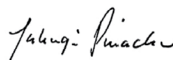
22.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

22.2 In the year 2024, under a scheme of arrangement sanctioned by the Honourable Lahore High Court in its hearing dated November 18, 2024 and through its certified order dated December 11, 2024, Fauji Fertilizer Bin Qasim Limited (previously an associate of FFC) merged/ amalgamated with and into FFC with effect from July 1, 2024. Accordingly, the comparative figures in the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income and condensed interim statement of cashflows have been revised and represent the post-merger/ amalgamation results of the Company. Furthermore, the comparative figures in the condensed interim statement of financial position as at December 31, 2024, already represents the merged/ amalgamated assets, liabilities and equity and reserves of the Company.

22.3 These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on October 23, 2025.



Chairman



Chief Executive Officer



Director



Chief Financial Officer



Condensed Interim Consolidated Financial Statements



CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

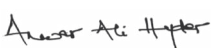
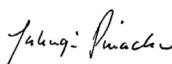
	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4	14,231,086	14,231,086
Capital reserves		44,503,057	41,335,049
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		176,283,732	172,169,158
		185,086,092	180,971,518
Surplus on remeasurement of investments to fair value - net		6,482,140	4,132,721
Non-controlling interest		5,345,220	3,922,535
		255,647,595	244,592,909
Share in revaluation reserve of associates - net		366,742	297,678
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	24,917,431	32,491,030
Lease liabilities		402,802	290,770
Deferred government grant		66,573	73,400
Deferred tax liability		32,937,592	30,721,809
Compensated leave absences		3,017,517	2,958,960
		61,341,915	66,535,969
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	9,386,684	7,417,960
Current portion of lease liabilities		98,467	60,377
Current portion of deferred government grant		29,361	30,810
Trade and other payables	6	205,228,500	196,832,347
Mark-up and profit accrued		1,742,860	980,779
Short term borrowings - secured	7	21,067,969	38,340,517
Unclaimed dividend		806,472	663,851
Provision for taxation		14,885,903	17,930,211
		253,246,216	262,256,852
TOTAL EQUITY AND LIABILITIES		570,602,468	573,683,408
CONTINGENCIES AND COMMITMENTS	8		

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	123,037,194	116,419,750
Intangible assets		2,015,068	1,990,233
Long term investments	10	143,822,975	124,629,228
Long term loans and advances - secured		2,210,808	1,785,266
Long term deposits and prepayments		129,662	135,045
		271,215,707	244,959,522
CURRENT ASSETS			
Stores, spares and loose tools		18,526,993	16,187,525
Stock in trade		67,987,020	29,698,865
Trade debts		23,078,843	15,315,117
Loans and advances		7,387,535	6,715,734
Deposits and prepayments		983,439	1,398,914
Other receivables	11	13,936,909	21,016,416
Short term investments	12	156,183,131	222,415,276
Cash and bank balances		11,302,891	15,976,039
		299,386,761	328,723,886
TOTAL ASSETS		570,602,468	573,683,408


Chairman

Chief Executive Officer

Director

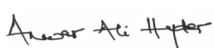
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

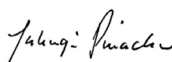
For the nine month period ended September 30, 2025

	Note	Three month period ended		Nine month period ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	140,204,750	124,826,736	322,496,933	251,667,422
Cost of sales		(94,556,627)	(76,808,482)	(214,048,844)	(148,802,206)
GROSS PROFIT		45,648,123	48,018,254	108,448,089	102,865,216
Administrative and distribution expenses		(9,852,672)	(9,297,038)	(27,604,757)	(20,749,649)
		35,795,451	38,721,216	80,843,332	82,115,567
Finance cost		(1,723,061)	(2,760,722)	(5,547,005)	(5,871,198)
Other losses					
- Unwinding of GIDC liability		-	(13,659)	-	(212,406)
- Loss allowance on subsidy receivable from GoP and others		-	(648,000)	-	(1,603,000)
		-	(661,659)	-	(1,815,406)
Other expenses		(3,606,105)	(3,152,989)	(8,237,775)	(7,387,280)
Other income		4,414,138	9,035,659	14,388,957	19,137,547
Share of profit of associates and joint venture		4,189,884	8,215,946	17,414,932	23,240,146
PROFIT BEFORE INCOME TAX AND FINAL TAX		39,070,307	49,397,451	98,862,441	109,419,376
Final taxes - levies		(7,044)	(328,408)	(29,024)	(2,473,446)
PROFIT BEFORE INCOME TAX		39,063,263	49,069,043	98,833,417	106,945,930
Provision for taxation		(13,974,755)	(23,328,103)	(35,791,588)	(43,517,794)
PROFIT FOR THE PERIOD		25,088,508	25,740,940	63,041,829	63,428,136
ATTRIBUTABLE TO:					
Equity Holders of Fauji Fertilizer Company Limited		24,534,605	25,216,383	61,619,144	62,367,828
Non - Controlling Interest		553,903	524,557	1,422,685	1,060,308
		25,088,508	25,740,940	63,041,829	63,428,136
Earnings per share - basic and diluted (Rupees)		17.24	17.72	43.30	43.83

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the nine month period ended September 30, 2025

	Three month period ended		Nine month period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	25,088,508	25,740,940	63,041,829	63,428,136
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
Deficit / (surplus) on re-measurement of investments to fair value - net of tax	(100,149)	27,819	(77,415)	163,307
Share of equity accounted investees - share of OCI, net of tax	6,186,701	6,675,026	4,340,821	8,273,490
	6,086,552	6,702,845	4,263,406	8,436,797
Items that will not be subsequently reclassified to profit or loss				
(Loss) / gain on re-measurement of staff retirement benefit plans - net of tax	(11,374)	152,172	(11,374)	152,172
Equity accounted investees - share of OCI, net of tax	328,892	364,256	1,307,827	382,083
	317,518	516,428	1,296,453	534,255
Comprehensive income taken to equity	31,492,578	32,960,213	68,601,688	72,399,188
Comprehensive income not recognised in equity				
Items that may be subsequently reclassified to profit or loss				
Share in revaluation reserve of associates - net of tax	-	133,095	69,064	51,233
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	31,492,578	33,093,308	68,670,752	72,450,421

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.

Chairman

Chief Executive Officer

Director

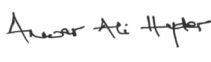
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

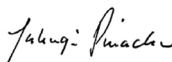
For the nine month period ended September 30, 2025

	Share capital	Share premium	Capital redemption reserve	Merger reserve	Translation reserve	Statutory reserve	Acquisition reserve	General reserve (Rupees '000)	Unappropriated profit	(Deficit) / surplus on measurement of investment at fair value - net	Share in revaluation reserve of associates - net	Non-controlling interest	Total
Balance as at January 1, 2024	12,722,382	40,000	120,000	-	6,871,041	6,871,684	-	8,802,360	114,118,741	(4,314,604)	1,482,850	3,589,019	150,083,453
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	62,367,828	-	-	1,050,908	63,428,736
Other comprehensive income - net of tax	-	-	-	-	830,596	-	-	-	339,321	7,799,956	51,233	1,179	9,022,285
Other comprehensive income - net of tax	-	-	-	-	830,596	-	-	-	62,707,149	7,799,956	51,233	1,061,487	72,450,421
Transactions pursuant to merger of FBIL	1,508,704	-	-	-	-	-	-	-	-	-	-	-	1,508,704
Consideration transferred	-	-	-	27,047,377	-	-	-	-	-	-	-	-	27,047,377
Merger reserve	1,508,704	-	-	-	-	-	-	-	-	-	-	-	28,556,081
Effect of reclassification on adoption of IFRS - 9 by equity accounted investor - net of tax	-	-	-	-	-	-	-	-	123,124	675,757	-	-	798,881
Effect of adoption of IFRS - 9 - ECL by equity accounted investor - net of tax	-	-	-	-	-	-	-	-	(2,475,111)	-	-	-	(2,475,111)
Transfer from share in revaluation reserve associates - net of tax	-	-	-	-	-	-	-	-	1,142,465	-	(1,442,759)	-	-
Acquisition reserve of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on disposal of equity securities measured at FVTOCI by equity accounted investor - net of tax	-	-	-	-	-	-	-	-	66,241	(66,241)	-	-	(1,442,759)
Transactions with owners of the Group	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions:	-	-	-	-	-	-	-	-	-	-	-	-	-
PFC Dividends:	-	-	-	-	-	-	-	-	-	-	-	-	-
Final dividend 2023: Rs 4.10 per share	-	-	-	-	-	-	-	-	(6,216,177)	-	-	-	(6,216,177)
First interim dividend 2024: Rs 5.50 per share	-	-	-	-	-	-	-	-	(6,997,310)	-	-	-	(6,997,310)
Second interim dividend 2024: Rs 10 per share	-	-	-	-	-	-	-	-	(12,722,382)	-	-	-	(12,722,382)
PWEL-IIT dividends to non-controlling interest holders:	-	-	-	-	-	-	-	-	(24,935,869)	-	-	-	(24,935,869)
Final dividend 2023: Rs 4.5 per share	-	-	-	-	-	-	-	-	-	-	-	(317,493)	(317,493)
First interim dividend 2024: Rs 7 per share	-	-	-	-	-	-	-	-	-	-	-	(493,877)	(493,877)
Other changes in equity	-	-	-	-	-	-	-	-	-	-	-	(811,370)	(811,370)
Transfer to statutory reserve	-	-	-	-	-	1,194,740	-	-	(1,194,740)	-	-	-	-
Balance as at September 30, 2024	14,231,086	40,000	120,000	27,047,377	7,701,637	7,866,404	(1,442,759)	8,802,360	149,551,990	4,094,868	371,628	3,839,136	222,223,731
Balance as at January 1, 2025	14,231,086	40,000	120,000	27,047,377	7,701,637	7,866,404	(1,440,369)	8,802,360	172,169,158	4,132,721	297,678	3,922,535	244,890,587
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	61,019,144	-	-	1,422,685	63,041,829
Other comprehensive income - net of tax	-	-	-	-	2,026,472	-	-	-	1,250,453	2,236,934	60,004	1,422,685	5,826,922
Effect of reclassification on adoption of IFRS - 9 by an associate - net of tax	-	-	-	-	2,026,472	-	-	-	62,015,597	2,236,934	60,004	1,422,685	68,670,152
Effect of adoption of IFRS - 9 - ECL by an associate - net of tax	-	-	-	-	-	-	-	-	(65,798)	205,469	-	-	148,673
Gain on disposal of equity securities measured at FVTOCI by an associate - net of tax	-	-	-	-	-	-	-	-	(16,401)	-	-	-	(16,401)
Transactions with owners of the Group	-	-	-	-	-	-	-	-	92,984	(92,984)	-	-	-
Distributions:	-	-	-	-	-	-	-	-	-	-	-	-	-
PFC Dividends:	-	-	-	-	-	-	-	-	-	-	-	-	-
Final dividend 2024: Rs 21 per share	-	-	-	-	-	-	-	-	(20,885,283)	-	-	-	(20,885,283)
First interim dividend 2025: Rs 7 per share	-	-	-	-	-	-	-	-	(9,981,761)	-	-	-	(9,981,761)
Second interim dividend 2025: Rs 12.50 per share	-	-	-	-	-	-	-	-	(16,963,343)	-	-	-	(16,963,343)
PWEL-IIT dividends to non-controlling interest holders:	-	-	-	-	-	-	-	-	(56,924,349)	-	-	-	(56,924,349)
Interim dividend 2025: Rs 10.4 per share	-	-	-	-	-	-	-	-	(754,926)	-	-	-	(754,926)
Other changes in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	1,141,536	-	-	(1,141,536)	-	-	-	-
Balance as at September 30, 2025	14,231,086	40,000	120,000	27,047,377	9,728,109	9,007,940	(1,440,369)	8,802,360	176,283,732	6,482,140	366,742	5,345,220	256,014,337

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.



Chairman



Chief Executive Officer



Director



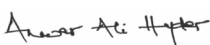
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine month period ended September 30, 2025

	Note	September 30, 2025	September 30, 2024
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	59,099,495	70,462,869
Finance cost paid		(4,776,810)	(6,124,553)
Income taxes and levies paid		(34,696,862)	(6,152,532)
		(39,473,672)	(12,277,085)
Net cash generated from operating activities		19,625,823	58,185,784
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(13,819,064)	(7,872,084)
Proceeds from disposal of property, plant and equipment		90,761	86,840
Proceeds from disposal of investment property		-	855,958
Investment in Agritech Limited		(5,177,092)	-
Other investments - net		(1,719,939)	1,692,614
Interest and profit received		1,753,639	2,499,155
Dividend received		11,765,769	3,144,158
Net cash (used in) / generated from investing activities		(7,105,926)	406,641
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Drawdowns		11,442	338,756
Repayments		(5,616,317)	(9,481,200)
Repayment of lease liabilities		(79,211)	(83,529)
Dividend paid		(57,536,653)	(25,725,248)
Net cash used in financing activities		(63,220,739)	(34,951,221)
Net (decrease) / increase in cash and cash equivalents		(50,700,842)	23,641,204
Cash and cash equivalents at beginning of the period		191,619,934	86,315,120
Effect of exchange rate changes		(547,027)	(127,692)
Acquisition of cash and cash equivalents pursuant to merger		-	27,734,821
Cash and cash equivalents at end of the period		140,372,065	137,563,453
CASH AND CASH EQUIVALENTS			
Cash and bank balances		11,302,891	25,917,902
Short term highly liquid investments		156,183,131	125,039,076
Short term borrowings - secured		(21,067,969)	(7,740,787)
Bank balance held under lien		(6,045,988)	(5,652,738)
		140,372,065	137,563,453

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Fauji Fertilizer Company Limited (the Group) comprises of Fauji Fertilizer Company Limited (FFC) and its subsidiaries, FFC Energy Limited (FFCEL), Foundation Wind Energy - I Limited (FWEL-I), Foundation Wind Energy - II Limited (FWEL-II), FFBL Power Company Limited (FPCL), Fauji Fresh n Freeze Limited (FFF), Fauji Foods Limited (FFL), Fauji Infravest Foods Limited (FIFL) and OLIVE Technical Services (Private) Limited (OLIVE). The shares of FFC and FFL are quoted on Pakistan Stock Exchange. FFC is a subsidiary of Fauji Foundation (FF), which is also its ultimate parent entity.

The principal activity of FFC is manufacturing, purchasing and marketing of fertilizers and chemicals including investment in chemical, other manufacturing and banking operations. FFCEL has setup a 49.5 MW wind energy power project. FWEL-I and FWEL-II individually operate setups of 50 MW wind energy power projects. FPCL has been established to build, own and operate a 118 MW coal based power generation facility. FFF is principally engaged in the business of processing fresh, frozen fruits, vegetables, fresh meat, frozen cooked and semi cooked food. FFL is principally engaged in processing and sale of toned milk, milk powder, fruit juices, allied dairy and food products. FIFL manufactures macaroni, couscous and farinaceous products. OLIVE is engaged in provision of technical and engineering services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated 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 the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

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

The applicable framework for banks also includes the Banking Companies Ordinance 1962 and the provisions of and directives issued by the State Bank of Pakistan.

- 2.2 The disclosures in these condensed interim consolidated financial statements do not include the information reported for full annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2024. Comparative figures of condensed interim statement of financial position is extracted from audited consolidated financial statements as at December 31, 2024 whereas comparative figures of condensed interim statement of profit or loss account, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim consolidated financial information of the Group for the nine month period ended September 30, 2024.
- 2.3 These condensed interim consolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

3. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER ACCOUNTING POLICIES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim consolidated financial statements and financial risk management policy are the same as those applied in preparation of financial statements of the Group for the year ended December 31, 2024.

4. SHARE CAPITAL

AUTHORISED SHARE CAPITAL

This represents 3,000,000,000 (December 31, 2024: 3,000,000,000) ordinary shares of Rs 10 each amounting to Rs 30,000,000 thousand (December 31, 2024: Rs 30,000,000 thousand).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited September 30, 2025	Audited December 31, 2024		Un-audited September 30, 2025	Audited December 31, 2024
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs 10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs 10 each issued as fully paid bonus shares	10,157,423	10,157,423
150,870,449	150,870,449	Fully paid shares issued pursuant to merger with FFBL	1,508,704	1,508,704
1,423,108,696	1,423,108,696		14,231,086	14,231,086

- 4.1 Fauji Foundation (FF) holds 43.51% (December 31, 2024: 43.51%) ordinary shares of the Company at the period end.

Note	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	

5. LONG TERM BORROWINGS - SECURED**From conventional banks**

Fauji Fertilizer Company Limited	5.1	12,550,000	14,700,000
Fauji Fresh n Freeze Limited	5.2	1,379,115	1,708,990

From Islamic banks

Fauji Fertilizer Company Limited	5.3	20,375,000	23,500,000
		34,304,115	39,908,990

Less: Current portion shown under current liabilities

From conventional banks		3,874,210	3,667,960
From Islamic banks		5,512,474	3,750,000
		9,386,684	7,417,960
		24,917,431	32,491,030

5.1 Movement during the period / year is as follows:

Opening balance		14,700,000	11,295,000
Acquisition pursuant to merger of FFBL		-	9,020,833
Draw-downs during the period / year		-	7,000,000
Repayments during the period / year		(2,150,000)	(12,615,833)
Closing balance		12,550,000	14,700,000

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

- 5.1.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry mark-up ranging between 6 month KIBOR minus 0.50% to plus 0.08% per annum (December 31, 2024: 6 month KIBOR minus 0.50% to plus 0.10% per annum) and are repayable up to December 2029 (December 31, 2024: December 2029).

	Un-audited September 30, 2025	Audited December 31, 2024
5.2 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	1,708,990	1,814,411
Draw-downs during the period / year	11,442	344,506
Repayments during the period / year	(341,317)	(449,927)
Closing balance	1,379,115	1,708,990

- 5.2.1** The borrowings are secured by way of hypothecation of FFC's present and future fixed assets (excluding land and building), ranking pari passu charge, certain FFC's corporate guarantees etc.

These carry mark-up ranging between 3 month KIBOR + 0.5% to 6 month KIBOR + 0.5% (2024: 3 month KIBOR + 0.5% to 6 month KIBOR + 0.5%), additionally TERF facilities included have markup ranging between 2.5% to 3.5%. (2024: 2.5% to 3.5%) and are repayable up to September 2031 (2024: September 2031)

	Un-audited September 30, 2025	Audited December 31, 2024
5.3 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	23,500,000	13,000,000
Acquisition pursuant to merger of FFBL	-	4,062,500
Draw-downs during the period / year	-	13,000,000
Repayments during the period / year	(3,125,000)	(6,562,500)
Closing Balance	20,375,000	23,500,000

- 5.3.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry profit rates ranging between 6 month KIBOR minus 0.50% to plus 0.10% per annum (December 31, 2024: 6 month KIBOR minus 0.50% to plus 0.10 % per annum) and are repayable up to December 2029 (December 31, 2024: December 2029).

6. TRADE AND OTHER PAYABLES

This includes Gas Infrastructure Development Cess (GIDC) payable as follows:

Note	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	
Balance at the beginning	84,977,267	62,437,223
Acquisition pursuant to merger of FFBL	-	22,327,638
Unwinding of GIDC liability - charge to profit or loss	-	212,406
6.1	84,977,267	84,977,267

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

- 6.1** This represents amount payable on account of Gas Infrastructure Development Cess (GIDC) under Gas Infrastructure Development Cess Act, 2015 (GIDC Act) up to July 31, 2020. FFC along with other industrial gas consumers had previously challenged the GIDC Act on constitutional grounds. The Honorable Supreme Court of Pakistan (SCP) in its judgment dated August 13, 2020 declared GIDC Act a valid legislation. As per the latest orders from Government of Pakistan (GoP), this cess is recoverable in 48 equal monthly installments, instead of 24 equal monthly installments. FFC also filed a suit with the Sindh High Court (SHC) in September 2020 against collection of GIDC, and SHC granted a stay against recovery of GIDC from FFC, till the finalisation of matter by SHC. The matter is currently pending in Sindh High Court.

During the period, no payments were made by FFC on account of GIDC due to the stay granted by SHC. Further, FFC has also contested and not accounted for late payment surcharge in these condensed interim financial statements, on GIDC payments against recovery stay granted by SHC.

Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)	

7. SHORT TERM BORROWINGS - SECURED

From conventional banks	12,787,298	30,794,346
From Islamic banks	8,280,671	7,546,171
	21,067,969	38,340,517

8. CONTINGENCIES AND COMMITMENTS**8.1 Contingencies:**

i) Guarantees issued by banks on behalf of the Group companies	8,348,724	13,365,563
ii) Claims against Group and/or potential exposure not acknowledged as debt	50,696	50,696
iii) Group's share of contingencies in Thar Energy Limited as at June 30, 2025 (2024: September 30, 2024)	553,920	449,820
iv) Group's share of contingencies in Agritech Limited as at September 30, 2025 (2024: December 31, 2024)	8,661,711	6,691,033
v) Group's share of contingencies in Fauji Cement Company Limited as at June 30, 2025 (2024: September 30, 2024)	276,391	237,337
vi) Group's share of contingencies in Askari Bank Limited as at June 30, 2025 (2024: September 30, 2024)	193,957,758	192,488,712

vii) Penalty of Rs 5,500,000 thousand (December 31, 2024: Rs 5,500,000 thousand) imposed by the Competition Commission of Pakistan (CCP) in 2013, for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by FFC, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, in prior years, CCP under the said Tribunal guidelines resumed the proceedings and FFC duly joined these proceedings through counsel. FFC filed writ petition before Islamabad High Court which was disposed of, directing CCP to proceed with regular hearings. CCP is yet to initiate its proceedings and FFC is awaiting hearing notice. The Company remains confident of successfully defending these unreasonable claims.

viii) FFC has provided financial guarantees, obtained from commercial banks, in the name of Excise and Taxation Department, Government of Sindh, with an aggregate amount of Rs 9,046 million (December 31, 2024: Rs 7,262 million), representing unpaid levy due under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (Sindh Cess Act); deposited pursuant to instructions of the Honorable Sindh High Court (SHC) under a petition filed by FFC (along with various other importers of goods) challenging the constitutionality of the power exercised by the provincial legislature to levy the Cess. FFC was also depositing the 50% levy, in cash, on monthly basis since June 2011. On June 4, 2021, SHC has upheld the Sindh Cess Act as valid legislation, retrospectively with effect from July, 1, 1994. On the advice of its legal counsel, FFC filed an appeal against the decision, with the Honorable Supreme Court of Pakistan (SCP) and obtained stay order from the SCP against the decision, on September 1, 2021.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

As a matter of prudence, FFC is recognizing the provision at the time of the activity that triggers the payment of the levy in accordance with the Sindh Cess Act; amounting to Rs 9,046 million as of September 30, 2025. During the period, FFC has recognized the levy amounting to Rs 1,784 million fully covered by bank guarantee.

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
8.2 Commitments in respect of:			
i) Capital expenditure		28,636,378	24,851,152
ii) Purchase of fertilizer, stores, spares and other operational items		33,580,683	27,540,495
iii) Investment in Thar Energy Limited		89,920	89,232
iv) Contracted out services		422,834	507,895
v) Group's share of commitments of PMP as at June 30, 2025 (2024: September 30, 2024)		39,249	22,434
vi) Group's share of commitments of FCCL as at June 30, 2025 (2024: September 30, 2024)		23,295	203,174
vii) Group's share of commitments of AGL As at September 30, 2025 (2024: December 31, 2024)		83,114	58,084
viii) Group's share of commitments of Askari Bank Limited as at June 30, 2025 (2024: September 30, 2024)		332,065,931	450,694,060
ix) Group's share of commitments of TEL as at June 30, 2025 (2024: September 30, 2024)		2,151,545	2,114,001
9. PROPERTY PLANT AND EQUIPMENT			
Operating fixed assets	9.1	103,399,125	100,454,154
Capital work in progress	9.2	18,906,103	15,397,691
Right of use assets	9.3	731,966	567,905
		123,037,194	116,419,750
9.1 Operating fixed assets			
Opening written down value		100,454,154	43,676,178
Acquisition pursuant to merger		-	39,651,626
Additions during the period / year		10,272,806	10,863,723
Written down value of disposals / adjustments		(54,133)	12,371,155
Depreciation during the period / year		(7,273,702)	(6,053,528)
Impairment charge		-	(55,000)
		103,399,125	100,454,154
9.1.1 Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2024 were Rs 6,987,860 thousand and Rs 3,436,439 thousand respectively.			
		Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
9.2 Capital work in progress			
Opening value		15,397,691	11,901,414
Acquisition pursuant to merger		-	660,150
Additions during the period / year		9,483,176	7,635,919
Transfers during the period / year		(5,974,764)	(4,799,792)
		18,906,103	15,397,691

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
9.3 Right of use assets			
Opening balance		567,905	13,716,353
Acquisition pursuant to merger		-	594,681
Additions during the period / year		221,219	93,350
Written down value of disposals		(2,655)	(12,474,981)
Depreciation during the period / year		(54,503)	(1,361,498)
		<u>731,966</u>	<u>567,905</u>
9.4 Depreciation charge has been allocated as follows:			
Cost of sales		7,031,341	7,177,732
Administrative and distribution expenses		294,371	227,479
Other expenses		2,494	2,167
Charged to FFBL under the Company Services Agreement		-	7,648
		<u>7,328,206</u>	<u>7,415,026</u>
10. LONG TERM INVESTMENTS			
Equity accounted investments	10.1	133,553,904	117,853,804
Other long term investments	10.2	10,269,071	6,775,424
		<u>143,822,975</u>	<u>124,629,228</u>
10.1 Equity accounted investments			
Investment in associated companies - under equity method			
Fauji Cement Company Limited			
Balance at the beginning		3,691,749	3,417,302
Share of profit for the period / year		432,410	379,916
Dividend received		(131,836)	(105,469)
		<u>3,992,323</u>	<u>3,691,749</u>
Fauji Fertilizer Bin Qasim Limited			
Balance at the beginning		-	35,008,094
Share of impact of adoption of IFRS - 9 by an associate		-	(280,623)
Share of acquisition reserve created during the year		-	(810,593)
Share of profit for the year		-	7,508,421
Share of OCI for the year		-	914,754
Dividend received		-	(644,019)
Derecognised pursuant to merger of FFBL		-	(41,696,034)
		<u>-</u>	<u>-</u>
Fauji Foods Limited			
Balance at the beginning		-	4,787,277
Investment during the year		-	-
Share of acquisition reserve created during the year		-	(501,839)
Share of profit for the year		-	60,788
Share of OCI for the year		-	(996)
Derecognised upon gain of control pursuant to merger of FFBL		-	(4,345,230)
		<u>-</u>	<u>-</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

Note	Un-audited September 30, 2025	Audited December 31, 2024
	(Rupees '000)	
	73,508,398	36,947,033
	-	20,082,299
	176,363	(1,954,350)
	11,281,375	10,554,727
	5,005,010	9,442,022
	(4,690,000)	(1,563,333)
	85,281,146	73,508,398
	10,899,478	8,662,870
	2,676,640	2,240,852
	(879)	(4,244)
	13,575,239	10,899,478
10.3	5,343,667	-
	2,452,437	4,855,105
	898,513	483,104
	-	5,458
10.4	8,694,617	5,343,667
	-	69,644
	8,694,617	5,413,311
	24,340,868	6,271,304
	-	15,253,389
	2,125,994	2,495,441
	2,619,486	1,257,540
	(7,075,769)	(936,806)
	22,010,579	24,340,868
	133,553,904	117,853,804
	-	1,715,978
	7,553,386	3,299,093
	1,958,988	1,020,171
10.3	9,512,374	6,035,242

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
(Rupees '000)			
Investment at fair value through other comprehensive income			
Term Finance Certificates - from conventional bank		300,000	300,000
Pakistan Investment Bonds		456,697	2,714,385
		756,697	3,014,385
Less: Current portion shown under short term investments measured at fair value through other comprehensive income			
Pakistan Investment Bonds	12	-	2,274,203
		10,269,071	6,775,424

10.3 During the period, FFC exercised its option to convert 77,998 thousand listed convertible preference shares of AGL into 91,666 thousand ordinary shares of AGL. FFC has also acquired further ordinary shares, unlisted preference shares and advance against issue of privately placed term finance certificates of AGL. FFC's equity interest in AGL has increased from 28.86% to 37.36% as at September 30, 2025.

10.4 For the purpose of acquisition accounting, fair values of acquired net assets were carried at provisional fair values determined by the management's expert as at the acquisition date and resultantly a notional goodwill of Rs 2,657,972 thousand was determined on the basis of notional fair values. During the period, the Group carried out an exercise to firm up the fair values of net assets acquired, to complete the acquisition accounting within a period of twelve months from the date of acquisition in accordance with IFRS 3 'Business Combinations'. Accordingly, the fair values of net assets acquired have been revised and goodwill has also been re-measured. The Group has assessed that there is no retrospective effect as a result of this revision in provisional fair values of the net assets acquired, accordingly, no adjustment is required to be made in the condensed interim financial statements retrospectively.

The related revision in the recognised amounts of acquired net assets are as follows:

	Recognised values after measurement period	Amounts measured on provisional basis
(Rupees '000)		
Assets		
Non-current assets		
Property, plant and equipment	71,000,000	77,128,574
Intangible assets	2,235,321	-
Long-term loans and advances	31,236	31,236
Long-term deposits and Prepayments	62,041	62,041
	73,328,598	77,221,851
Current assets		
Stores, spares and loose tools	305,310	2,262,286
Stock in trade	8,089,610	8,253,752
Trade debts	62,040	68,103
Advances, Deposits, prepayments and other receivables	-	4,487,396
Tax refund due from government	-	91,064
Short term investments	2,112,460	2,112,460
Cash and bank balances	237,879	237,879
	10,807,299	17,512,940
Total assets	84,135,897	94,734,791

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Recognised values after measurement period	Amounts measured on provisional basis
	(Rupees '000)	
Non current liabilities		
Redeemable capital - secured	3,240,246	3,563,905
Convertible, redeemable preference shares	4,996,853	2,820,565
Non-convertible, redeemable preference shares	17,078,837	18,542,698
Deferred liabilities	16,258,108	20,972,730
	41,574,044	45,899,898
Current liabilities		
Preference dividend payable	16,864,280	27,395,365
Trade and other payables	7,311,130	7,610,130
Mark-up accrued on borrowings	3,289,967	3,289,967
Short term borrowings - secured	2,926,356	2,926,356
	30,391,733	41,221,818
Total liabilities	71,965,777	87,121,716
Fair value of net assets	12,170,120	7,613,075

Goodwill

At the acquisition date, management determined that acquisition of AGL resulted in a notional goodwill as the provisional fair value of purchase consideration exceeded the provisional fair value of net assets of AGL.

Pursuant to revision in acquired net assets, notional goodwill arising from the acquisition has been revised as follows:

	Recognised values after measurement period	Amounts measured on provisional basis
	(Rupees '000)	
Cost of investment in associate	4,855,105	4,855,105
Fair value of identifiable net assets	12,170,120	7,613,075
Percentage shareholding in associate	28.86%	28.86%
Group's share of net assets	3,512,297	2,197,133
Notional goodwill	1,342,808	2,657,972

11. OTHER RECEIVABLES

Other receivables includes Rs 10,122,870 thousand (December 31, 2024: Rs 10,122,870 thousand) on account of subsidy receivable against which provision for loss allowance amounting to Rs 10,083,396 thousand (December 31, 2024: Rs 10,083,396 thousand) has been recognised. This also includes Rs 41,297,403 thousand (December 31, 2024: Rs 39,364,336 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 31,870,580 thousand (December 31, 2024: Rs 25,231,061 thousand) has been recognised.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

	Note	Un-audited September 30, 2025	Audited December 31, 2024
		(Rupees '000)	
12. SHORT TERM INVESTMENTS			
Amortized cost - conventional instruments			
Local currency		2,450,750	3,700,750
Foreign currency		5,495,380	5,258,558
		7,946,130	8,959,308
Investments at fair value through profit or loss			
Conventional investments		53,132,140	128,931,182
Shariah compliant investments		95,104,861	82,250,583
		148,237,001	211,181,765
Current maturity of long term investments			
Investments measured at fair value through other comprehensive income	10	-	2,274,203
		156,183,131	222,415,276
		Three month period ended	Nine month period ended
		Un-audited September 30, 2025	Un-audited September 30, 2024
		Un-audited September 30, 2025	Un-audited September 30, 2024
		(Rupees '000)	
13. TURNOVER - NET			
Fertilizer		139,609,347	116,144,251
Power		5,326,083	10,126,548
Food		10,408,463	10,188,705
Technical services		265,566	215,365
		155,609,459	136,674,869
Sales tax & excise duty		(11,953,573)	(11,325,522)
Trade discount		(3,451,136)	(522,611)
		(15,404,709)	(11,848,133)
		140,204,750	124,826,736
		307,370,659	237,786,010
		15,520,436	19,132,546
		32,961,667	13,785,821
		586,267	470,567
		356,439,029	271,174,944
		(27,902,572)	(18,711,644)
		(6,039,524)	(795,878)
		(33,942,096)	(19,507,522)
		322,496,933	251,667,422

14. SEGMENT INFORMATION

The detail of utilization of the Group assets by the segments as well as related liabilities is as follows:

	Reportable segments				
	Fertilizers*	Power	Food	Technical Services	Total
	(Rupees '000)				
September 30, 2025 (Un-audited)					
Assets					
Segment assets (Total)	375,167,547	51,099,429	9,677,294	1,104,294	437,048,564
Equity accounted investees	133,553,904	-	-	-	133,553,904
Liabilities					
Segment liabilities (Total)	308,813,359	1,658,584	3,856,505	259,683	314,588,131
Capital expenditure	11,923,136	658,816	1,196,551	2,715	13,781,218
Depreciation	3,766,739	2,746,907	813,736	824	7,328,206
December 31, 2024 (Audited)					
Assets					
Segment assets (Total)	340,031,586	89,417,552	25,235,936	1,144,530	455,829,604
Equity accounted investees	117,853,804	-	-	-	117,853,804
Liabilities					
Segment liabilities (Total)	304,139,583	11,877,787	12,227,368	548,083	328,792,821
Capital expenditure	12,134,350	291,619	1,366,325	906	13,793,200
Depreciation	3,618,122	2,999,522	796,898	484	7,415,026

*net of consolidated adjustments / eliminations

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the nine month period ended September 30, 2025

	September 30, 2025	September 30, 2024
	(Rupees '000)	
15. CASH GENERATED FROM OPERATIONS		
Profit before tax	98,833,417	106,945,930
Adjustments for:		
Depreciation and impairment	7,328,205	5,024,509
Amortization	15,666	4,447
Unwinding of GIDC liability	-	212,406
Loss allowance on subsidy receivable from GoP	-	1,603,000
Impact of present value of loans and advances to employees	(3,352)	-
Provision for input tax disallowance	6,639,519	5,718,000
Finance cost	5,547,005	5,871,198
Provision for slow moving spares	35,190	14,383
Gain on disposal of investment property	-	(585,716)
Gain on sale of property, plant and equipment	(36,628)	(68,010)
Income on loans, deposits and investments	(1,231,931)	(2,499,197)
Share of profit of associated companies and joint venture	(17,414,932)	(23,240,146)
Amortization of government grant	(8,276)	(26,887)
Final and minimum taxes - levies	29,024	2,473,446
Exchange loss - net	547,027	127,692
Remeasurement gain on Agritech Limited	(682,833)	-
	763,684	(5,370,875)
	99,597,101	101,575,055
Changes in:		
Stores and spares	(2,374,658)	(2,189,306)
Stock in trade	(38,288,155)	(17,381,430)
Trade debts	(7,763,726)	(542,649)
Loans and advances	(671,801)	(2,217,108)
Deposits and prepayments	415,475	(239,271)
Other receivables	50,116	13,586,696
Trade and other payables	8,382,720	(23,137,089)
Bank balances held under lien	110,673	1,358,894
	(40,139,356)	(30,761,263)
Changes in long term loans and advances	(422,190)	(636,749)
Changes in long term deposits and prepayments	5,383	(3,630)
Changes in compensated leave absences	58,557	289,456
	59,099,495	70,462,869

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025

16. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

		Un-audited September 30, 2025	Audited December 31, 2024
Description	Explanation	(Rupees ‘000)	
i) Consolidated Statement of Financial Position			
Assets			
Long term investments	Shariah compliant	48,272,758	44,345,406
Long term loans and advances	Shariah compliant	1,459,373	1,257,372
Short term investments	Shariah compliant	95,104,861	82,250,583
Cash and bank balances	Shariah compliant	22,590	578,863
Liabilities			
Long term borrowings - secured (including current portion)	Shariah compliant	20,375,000	23,500,000
Short term borrowings - secured	Shariah compliant	8,280,671	7,546,171
Mark-up and profit accrued	Shariah compliant	749,538	658,473
Nine month period ended			
		Un-audited September 30, 2025	Un-audited September 30, 2024
ii) Consolidated Statement of Profit or Loss			
		(Rupees ‘000)	
Turnover	Shariah compliant	322,496,933	251,667,422
Income on loans, deposits and investments			
	Non - sharia	1,149,512	2,498,645
	Shariah compliant	1,986	552
		1,151,498	2,499,197
Gain on investments			
	Non - sharia	7,501,076	3,907,718
	Shariah compliant	4,277,442	3,290,009
		11,778,518	7,197,727
Dividend income on mutual funds			
	Non - sharia	28,086	5,056,445
	Shariah compliant	3,247	3,688,316
		31,333	8,744,761
Other income / (loss)			
	Non - sharia	386,389	(127,692)
	Shariah compliant	1,041,219	823,554
		1,427,608	695,862
Share of profit of associates and joint venture			
	Non - sharia	11,281,375	10,554,727
	Shariah compliant	6,133,557	12,685,419
		17,414,932	23,240,146

Relationship with Shariah-compliant financial institutions

The Group has relationships with banks, having Islamic window of operations, in respect of bank balances / instruments amounting to Rs 22,590 thousand (December 31, 2024: Rs 578,863 thousand) and availed borrowing facilities amounting to Rs 29,405,209 thousand (December 31, 2024: Rs 31,704,644 thousand). The Group also has relationships with Shariah compliant financial institutions, Asset Management Companies (AMCs), in respect of investment in mutual funds amounting to Rs 95,104,861 thousand (December 31, 2024: Rs 82,250,583 thousand).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the nine month period ended September 30, 2025

17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Groups' financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended December 31, 2024. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited consolidated financial statements of the Company for the year ended December 31, 2024.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

	September 30, 2025	September 30, 2024
18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES	(Rupees '000)	
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend	24,769,021	11,059,058
Cost recharge	1,017,683	767,207
Sale of investment property	-	856,458
Others	347,528	82,884
Balances		
Balance payable - unsecured*	5,908,555	6,743,826
Balance receivable - unsecured*	364,235	-
ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	348,420	679,653
Commission on sale of products	3,879	11,337
Sale of fertilizer	100,681	142,372
Payments under consignment account - net	14,470,792	76,743,428
Payments against purchase of gas and PEF project	44,516,526	43,358,776
Purchase of raw materials and others	82,696,234	20,109,178
Investment in Agritech Limited	5,177,092	-
Services and materials provided	563,634	32,145
Donations	1,238,692	794,862
Interest expense	650,554	177,061
Interest income	269,515	974,804
Dividend income	11,897,605	3,144,159
Balances		
Long term borrowings*	336,208	370,808
Short term borrowings*	8,339,095	17,954,517
Bank balances*	189,285	2,729,844
Balances receivable - unsecured*	1,575,916	558,761
Balances payable - unsecured*	101,750,408	89,819,235

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Un-audited) (UN-AUDITED)

For the nine month period ended September 30, 2025

	September 30, 2025	September 30, 2024
	(Rupees '000)	
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	726,244	548,320
Employees' Gratuity Fund Trust	470,566	396,729
Employees' Pension Fund Trust	28,507	43,448
Employees' Funds as dividend on equity holding of 0.23% (2024: 0.25%)	133,170	62,579
Balances		
Balance payable - Gratuity Fund - I and others*	444,677	543,118
Balance receivable - Gratuity Fund - II*	142,729	181,166
Balance receivable - Pension Fund Trust*	919,752	912,625
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (Number of person(s): 41 (September 30, 2024: 25))	1,201,117	793,467
Balances	141,272	173,470

*Comparative figures of receivable / payable balances are as of December 31, 2024.

19. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on October 23, 2025 proposed third interim dividend of Rs 9.5 per share.

20. GENERAL

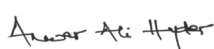
20.1 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

20.2 In the year 2024, under a scheme of arrangement sanctioned by the Honourable Lahore High Court in its hearing dated November 18, 2024 and through its certified order dated December 11, 2024, Fauji Fertilizer Bin Qasim Limited (previously an associate of FFC) merged/ amalgamated with and into FFC with effect from July 1, 2024. Accordingly, the comparative figures in the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of other comprehensive income and condensed interim consolidated statement of cashflows have been revised and represent the post-merger/ amalgamation results of the Group. Furthermore, the comparative figures in the condensed interim statement of financial position as at December 31, 2024, already represents the merged/ amalgamated assets, liabilities and equity and reserves of the Group.

20.3 Corresponding figures have been rearranged and reclassified, wherever necessary, to conform to current year basis and presentation.

21. DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of the Company on October 23, 2025.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

If Undelivered please return to:

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