

Faran Sugar

Mills Limited.



Corporate Briefing 2025

New array of possibilities



www.faran.com.pk

Disclaimer



This Corporate Briefing Session presentation of Faran Sugar Mills Limited is intended solely for discussion with the participants. Any views, information, statements, or representations shared during the discussion should not be construed by any investor or prospective investor as investment advice or a recommendation to hold, buy, or sell any securities. Participants are advised to independently assess the relevance, appropriateness, and accuracy of any information or remarks presented and to seek professional advice before making any investment decisions based on such information.

Table of Contents



| | | | |
|-----------|---|-----------|-------------------------------------|
| 01 | Company Profile | 05 | Strategical & Operation Development |
| 02 | Major Milestones | 06 | Financial Information |
| 03 | Global Sugar Outlook | 07 | Overview of season 2025-26 |
| 04 | Pakistan Sugar Industry Outlook & Key Attribute | 08 | Questions & Answers |

Company Profile



Company Snapshot



Incorporation

03 November 1981, Pakistan



Stock Listing

Pakistan Stock Exchange (PSX)



Core Business

Manufacture & Sale of White Refined Sugar



Head Office

Bungalow no. 43-1-E(B), Block 6, P.E.C.H.S., Karachi



Factory SITE

Shaikh Bhirkio, District Tando M. Khan



Commercial Operations

Production Commenced in 1983



Crushing Capacity

Started with a crushing capacity of 2,000 TCD, now expanded to 12,000 TCD

Ethanol Business

Distillery Operated – Unicol Limited (JV)
Capacity: 200,000 liters or 160 MT per day

Governance & Compliance



Board Of Directors

- Muhammad Omar Amin Bawany (Chairman)
- Ahmed Ali Bawany (CEO)
- Dawood E. Bawany
- Bilal Omar Bawany
- Mohammed Altamash Bawany
- Ahmed Ghulamhussain
- Irfan Zakaria Bawany
- Matiuddin Siddiqui
- Tasneem Yusuf



Group Affiliation

Amin Bawany Group



Stock Exchange
Symbol:
FRSM



100%
Shariah-Compliant



12,000 TCD
Capacity

Financial Structure

- 100% Shariah-compliant (RIBA / Interest-free)

Halal Certification

- SANHA Halal Associates Pakistan (Pvt.) Ltd.

A- / A-2

By VIS Credit Rating

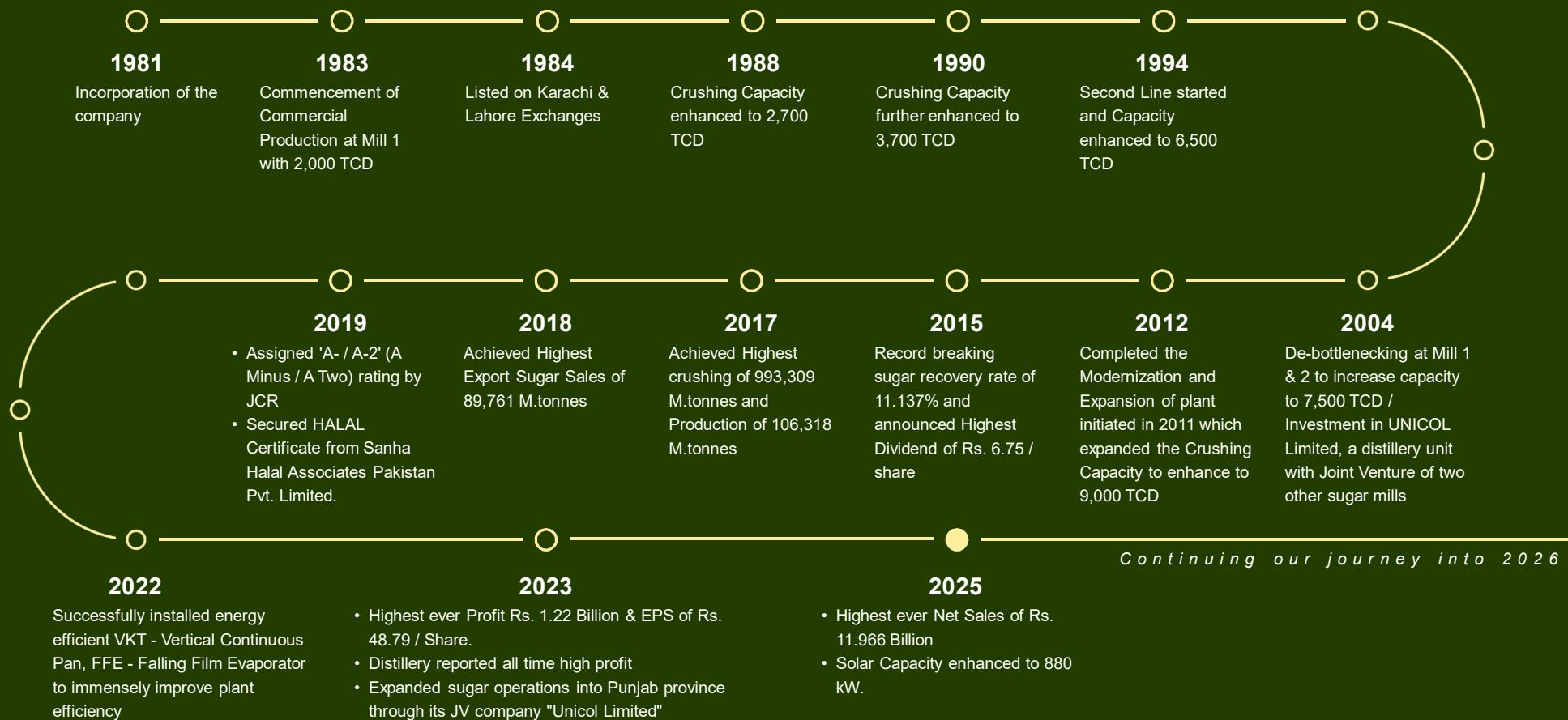
Auditor

- Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants

Chief Financial Officer & Company Secretary

- Mr Muhammad Ayub

Major Milestones





Global Sugar Outlook



Global Sugar Production & Consumption ↘



- The global sugar production was around 181 million metric tonnes in 2024-25 and is estimated to increase to 189 million metric tonnes in 2025-26
- Brazil remains the largest producer of sugar with 43.70 million metric tonnes followed by India with 28.00 million metric tonnes sugar
- India had the highest sugar consumption worldwide with 30.41 million metric tonnes followed by European Union and China

Source – USDA

* - Estimated

Global Sugar Production



| Production | 2021/22 | 2022/23 | 2023/24 | 2024/25 | *May 2025/26 | *Nov 2025/26 |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Brazil | 35,450 | 38,050 | 45,544 | 43,700 | 44,700 | 44,386 |
| India | 36,880 | 37,000 | 29,500 | 28,000 | 35,250 | 35,250 |
| European Union | 16,577 | 13,811 | 15,699 | 16,361 | 15,007 | 15,486 |
| China | 9,600 | 8,960 | 9,960 | 11,160 | 11,500 | 11,500 |
| Thailand | 10,157 | 11,059 | 8,808 | 10,040 | 10,250 | 10,250 |
| United States | 8,307 | 8,391 | 8,449 | 8,525 | 8,424 | 8,475 |
| Russia | 6,000 | 6,100 | 6,600 | 6,500 | 6,500 | 6,500 |
| Pakistan | 7,560 | 6,860 | 6,560 | 5,860 | 6,660 | 6,210 |
| Mexico | 6,556 | 5,537 | 4,986 | 5,057 | 5,400 | 5,400 |
| Australia | 4,120 | 4,300 | 4,035 | 3,850 | 3,800 | 4,000 |
| Egypt | 2,855 | 2,885 | 2,600 | 3,100 | 3,180 | 3,180 |
| Turkey | 2,650 | 2,900 | 3,400 | 3,100 | 3,100 | 2,900 |
| Guatemala | 2,575 | 2,608 | 2,621 | 2,621 | 2,621 | 2,621 |
| Indonesia | 2,300 | 2,400 | 2,300 | 2,400 | 2,600 | 2,600 |
| Colombia | 2,300 | 2,180 | 2,000 | 2,250 | 2,300 | 2,300 |
| Philippines | 1,821 | 1,799 | 1,923 | 2,085 | 1,850 | 2,085 |
| South Africa | 1,906 | 1,996 | 2,075 | 1,940 | 2,090 | 2,050 |
| Argentina | 1,700 | 1,640 | 1,730 | 1,840 | 1,880 | 1,880 |
| Iran | 1,600 | 1,550 | 1,620 | 1,800 | 1,800 | 1,800 |
| Ukraine | 1,450 | 1,330 | 1,820 | 1,800 | 1,490 | 1,490 |
| Vietnam | 820 | 1,015 | 1,125 | 1,350 | 1,355 | 1,355 |
| Peru | 1,260 | 1,185 | 1,220 | 1,290 | 1,300 | 1,300 |
| United Kingdom | 1,025 | 805 | 950 | 1,100 | 1,000 | 1,000 |
| Nicaragua | 804 | 751 | 806 | 766 | 840 | 840 |
| Japan | 810 | 755 | 630 | 750 | 750 | 750 |
| Other | 13,638 | 13,395 | 13,239 | 13,723 | 13,671 | 13,651 |
| Total | 180,721 | 179,262 | 180,200 | 180,968 | 189,318 | 189,259 |

Source – USDA

* - Estimated

Global Sugar Consumption



| Human Dom. Consumption | 2021/22 | 2022/23 | 2023/24 | 2024/25 | *May 2025/26 | *Nov 2025/26 |
|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| India | 29,379 | 30,000 | 30,288 | 30,411 | 31,000 | 31,000 |
| European Union | 17,000 | 16,500 | 16,405 | 15,908 | 16,400 | 16,400 |
| China | 14,999 | 15,541 | 15,500 | 15,378 | 15,700 | 15,800 |
| United States | 11,314 | 11,471 | 11,266 | 11,177 | 11,022 | 10,930 |
| Brazil | 9,500 | 9,500 | 9,500 | 9,000 | 8,900 | 9,000 |
| Indonesia | 7,600 | 7,730 | 7,471 | 7,160 | 7,700 | 7,750 |
| Pakistan | 6,000 | 6,200 | 6,350 | 6,600 | 6,800 | 6,300 |
| Russia | 6,350 | 5,828 | 6,234 | 6,148 | 6,150 | 6,150 |
| Mexico | 4,342 | 4,475 | 4,284 | 4,121 | 4,400 | 4,427 |
| Thailand | 3,177 | 3,342 | 3,844 | 4,000 | 3,100 | 4,000 |
| Egypt | 3,430 | 3,320 | 3,570 | 3,750 | 3,850 | 3,850 |
| Turkey | 3,020 | 3,362 | 3,438 | 3,222 | 3,350 | 3,075 |
| Iran | 2,600 | 2,468 | 2,535 | 2,739 | 2,996 | 2,996 |
| Philippines | 2,200 | 2,150 | 2,186 | 2,130 | 2,200 | 2,200 |
| Algeria | 1,888 | 1,946 | 1,945 | 2,137 | 2,164 | 2,164 |
| Japan | 1,827 | 1,807 | 1,775 | 1,964 | 2,004 | 2,004 |
| Malaysia | 1,675 | 1,890 | 1,611 | 2,010 | 1,905 | 1,905 |
| Bangladesh | 2,767 | 2,237 | 2,045 | 1,890 | 1,863 | 1,863 |
| Colombia | 1,865 | 1,800 | 1,800 | 1,752 | 1,800 | 1,804 |
| Vietnam | 1,922 | 1,961 | 1,631 | 1,667 | 1,706 | 1,706 |
| Nigeria | 1,600 | 1,650 | 1,620 | 1,500 | 1,700 | 1,700 |
| Canada | 1,356 | 1,400 | 1,505 | 1,690 | 1,693 | 1,693 |
| United Kingdom | 1,756 | 1,717 | 1,676 | 1,731 | 1,785 | 1,685 |
| South Africa | 1,710 | 1,750 | 1,641 | 1,550 | 1,580 | 1,600 |
| Argentina | 1,470 | 1,450 | 1,442 | 1,395 | 1,400 | 1,450 |
| Other | 33,279 | 35,073 | 35,453 | 34,742 | 34,753 | 34,661 |
| Total | 174,026 | 176,568 | 177,015 | 175,772 | 177,921 | 178,113 |

Source – USDA

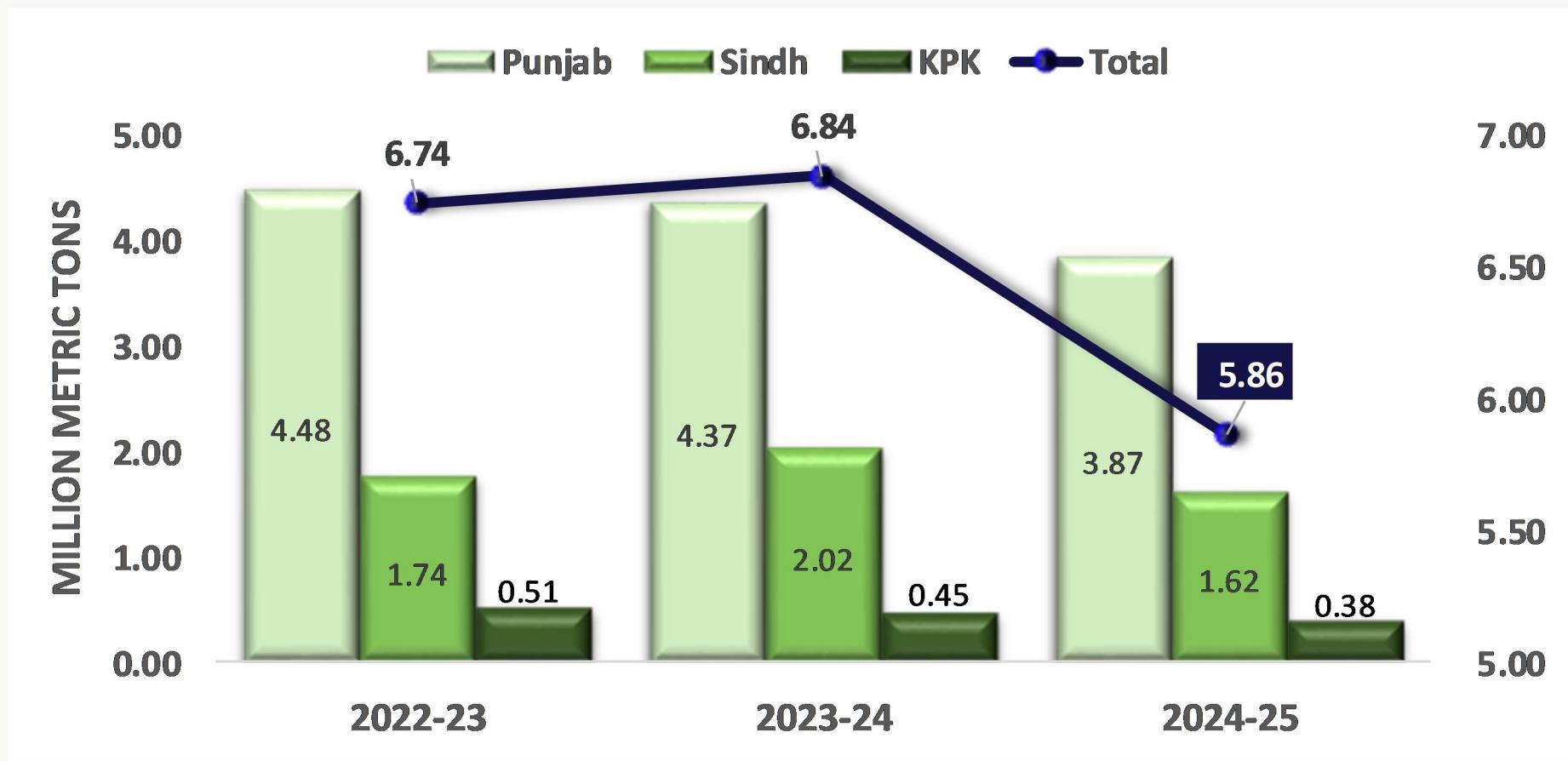
* - Estimated



Pakistan Sugar Industry Overview



Pakistan Sugar Production



Source – PSMA (Central Zone)

Key Attributes

Dynamic of sugar industry 2024-25



Number of Mills: 94
Operated: 79

Listed Sugar
Companies: 27

| Province | Mills | Operated |
|----------|-------|----------|
| Punjab | 48 | 41 |
| Sindh | 38 | 32 |
| KPK | 8 | 6 |

Sugar Cane
Crushing:
61.07 million tonnes

Sugar Production:
5.86 million tonnes

Sugar Recovery:
9.57%

Sugar Consumption:
6.6 million tonnes

Sugar Industry Overview Of Season 2024-25



- There was no support price by any province for the 2024-25 season, in line with International Monetary Fund (IMF) conditionality in comparison to Rs. 425 per maund (40 kg) in 2023–24.
- The policy rate has been revised by nearly half since the last season resulting in reduction in the finance cost.
- Sindh produced 1.62 million tonnes of refined sugar, down by 19.80%, from 2.02 million tonnes in the previous season mainly due to the impact on sugarcane through heatwaves, erratic weather, and pest attacks which led to low sugar recovery rates.

Sugar Industry Overview Of Season 2024-25



- The carry over stock of sugar as on 1st December, 2024 was 0.766 million tonnes. The total production for the season 2024-25 stood at 5.86 million tonnes reflecting a decline of 14.33% from the season 2023-24.
- Prices began to increase in the second half of the year and continued rising throughout the rest of the season.
- Despite adequate domestic sugar availability, the federal Government approved the import of 500,000 tonnes through TCP to stabilize prices, of which 306,737 tonnes were actually imported at the official level.



OPERATIONAL AND FINANCIAL PERFORMANCE

FARAN SUGAR MILLS LIMITED



Strategical & Operational Developments



Strategical & Operational Developments

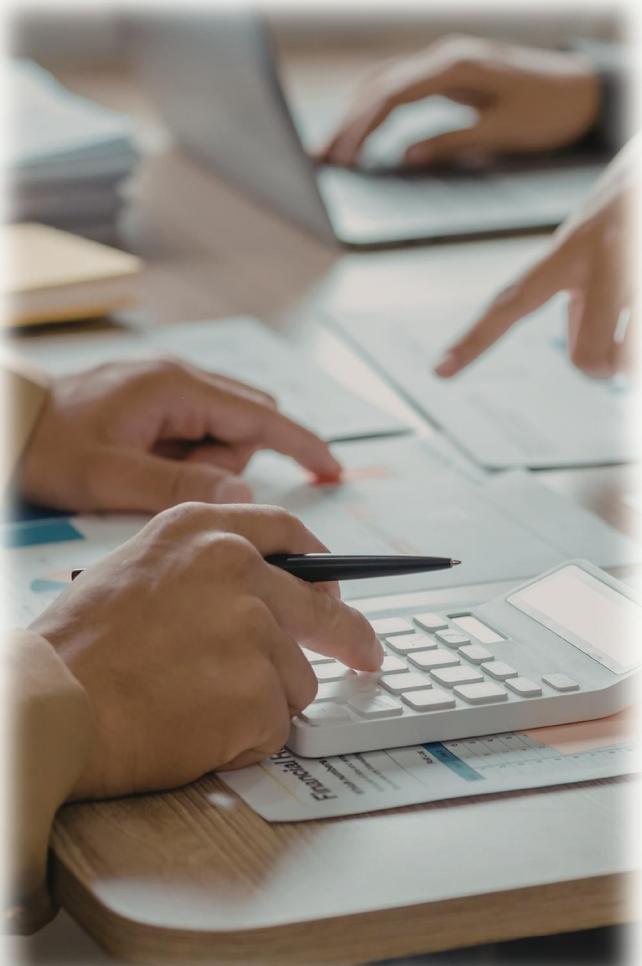


- In 2024, FSML undertook the installation of an additional 600 kw solar power system, enhancing the total planned solar capacity to 900 kw, financed entirely under the SBP concessional Islamic Financing Scheme (IFRE), out of which 880 kw has been successfully commissioned.
- To improve the working capital requirements the company raised Rs. 507.64 million by issuing 58% Right Shares @ Rs.35/- per share during the year.
- Water conservation is a key sustainability priority for FSML, supported by reduced wastewater generation and efficient recycling through our 2,400 m³ Effluent Treatment Plant (ETP) for agricultural use.

Strategical & Operational Developments



- Effective August 2025, the management and operations of both School & College were transferred to The Citizens Foundation (TCF) to enhance academic standards through TCF's experience and expertise in school management.
- Unicol, following the acquisition of Popular Sugar Mills' assets in 2023, delivered strong performance in its second season (2024–25) and continues to perform strongly in the ongoing season (2025–26), establishing the Group's strategic presence in the Punjab province.



Financial Information

For the year ended September 30, 2025



Financial Highlights

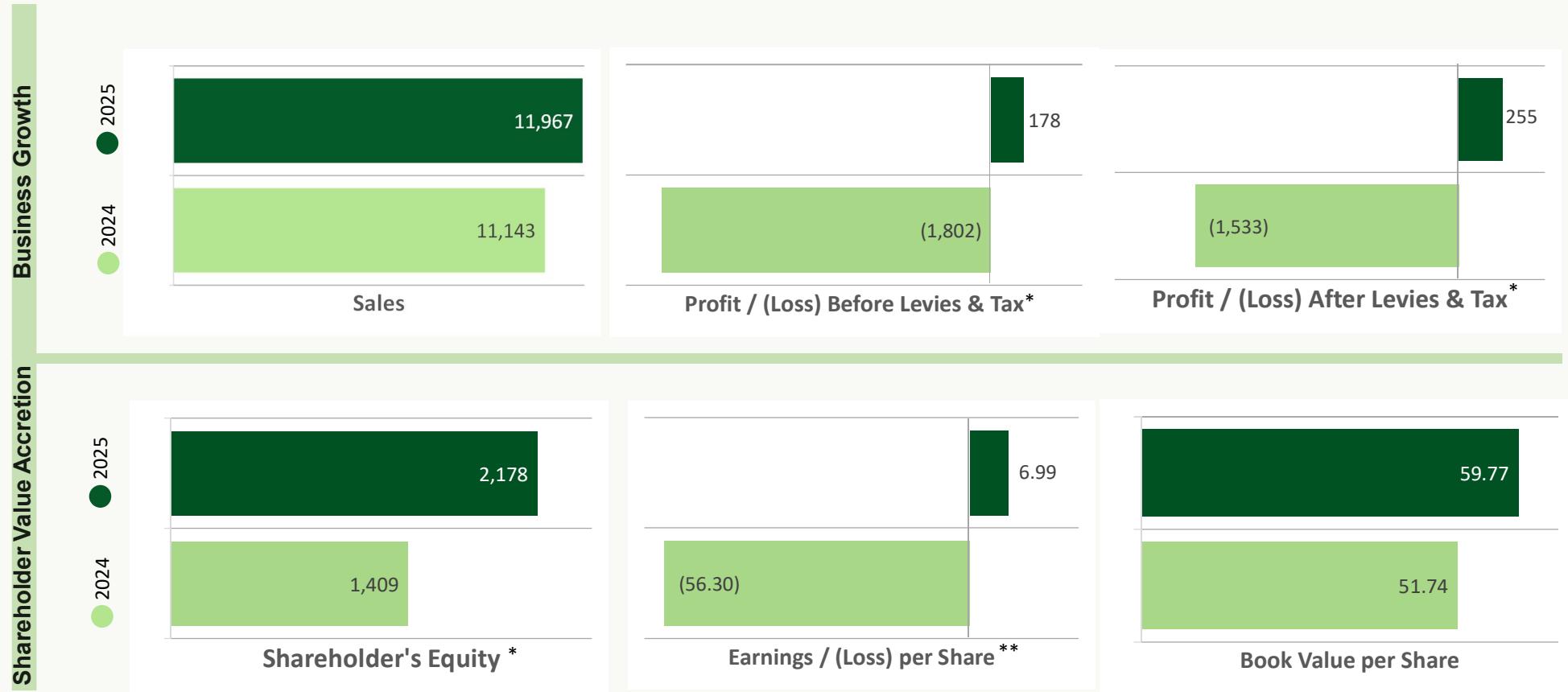


For the year ended September 30, 2025

| | <i>UOM</i> | 2025 | 2024 | <i>% Change</i> |
|--|-----------------------|---------------|-------------|-----------------|
| Sales | <i>Rs. In Million</i> | 11,967 | 11,143 | 7.40% |
| Gross Profit | <i>Rs. In Million</i> | 1,055 | 541 | 94.86% |
| Operating Profit | <i>Rs. In Million</i> | 863 | 267 | 223.18% |
| Finance Cost | <i>Rs. In Million</i> | (801) | (1,416) | 43.43% |
| Profit / (Loss) Before Levies & Tax | <i>Rs. In Million</i> | 178 | (1,802) | 109.90% |
| Profit / (Loss) After Levies & Tax | <i>Rs. In Million</i> | 255 | (1,533) | 116.61% |
| Earnings / (Loss) per Share | <i>Rupees</i> | 6.99 | (56.30) | 112.42% |
| Shareholders' Equity | <i>Rs. In Million</i> | 2,178 | 1,409 | 54.60% |
| Book Value per Share | <i>Rupees</i> | 59.77 | 51.74 | 15.53% |

Financial Highlights

For the year ended September 30, 2025



* Rupees In Millions

** Rupees

Profitability Ratios



For the year ended September 30, 2025

| | UOM | 2025 | 2024 |
|--|-----|--------------|----------|
| Gross Profit Ratio | % | 8.82 | 4.86 |
| Net Profit Ratio | % | 2.13 | (13.76) |
| Earnings before Interest & Tax Margin | % | 8.19 | (3.47) |
| Return on Share Holder Equity | % | 11.69 | (108.82) |
| Return on Capital Employed | % | 38.00 | (19.95) |

Financial Ratios



For the year ended September 30, 2025

| | <i>UOM</i> | 2025 | 2024 |
|--|--------------|--------------|--------|
| Current Ratio | <i>Times</i> | 0.40 | 0.68 |
| Quick Ratio | <i>Times</i> | 0.14 | 0.10 |
| Debt to Equity Ratio | <i>%</i> | 18.38 | 37.51 |
| Interest Cover | <i>Times</i> | 1.22 | (0.27) |
| Market Value Per Share (Year End) | <i>%</i> | 54.81 | 44.00 |



Financial Information

For the quarter ended December 31, 2025



Financial Highlights



For the quarter ended December 31, 2025

| | UOM | Dec 31, 2025 | Dec 31, 2024 | % Change |
|--|-----------------------|--------------|--------------|----------|
| Sales | <i>Rs. In Million</i> | 1,528 | 3,617 | -57.76% |
| Gross Profit | <i>Rs. In Million</i> | 155 | 266 | -41.73% |
| Operating Profit | <i>Rs. In Million</i> | 94 | 195 | -51.79% |
| Finance Cost | <i>Rs. In Million</i> | (79) | (155) | 49.03% |
| Profit / (Loss) Before Levies & Tax | <i>Rs. In Million</i> | 95 | 58 | 63.79% |
| Profit / (Loss) After Levies & Tax | <i>Rs. In Million</i> | 74 | 9 | 722.22% |
| Earnings / (Loss) per Share | <i>Rupees</i> | 1.87 | 0.34 | 450.00% |

Profitability Ratios



For the quarter ended December 31, 2025

| | UOM | Dec 31, 2025 | Dec 31, 2024 |
|--|-----|--------------|--------------|
| Gross Profit Ratio | % | 10.13 | 7.37 |
| Net Profit Ratio | % | 4.85 | 0.25 |
| Earnings before Interest & Tax Margin | % | 11.38 | 5.88 |

Financial Ratios



For the year ended September 30, 2025

| | <i>UOM</i> | Dec 31, 2025 | Sept 30, 2024 |
|-----------------------------|--------------|---------------------|---------------|
| Current Ratio | <i>Times</i> | 0.64 | 0.40 |
| Quick Ratio | <i>Times</i> | 0.37 | 0.14 |
| Debt to Equity Ratio | <i>%</i> | 1.26 | 1.40 |

Overview of Season 2025-26



- Looking ahead International Sugar Organization (ISO) has forecasted the global sugar production in 2025–26 to rise to 180–189 million tonnes, and amid moderate demand growth, international prices are expected to remain relatively subdued, fostering a stable and competitive trade environment aligned with global market trends and informed strategic planning.
- Pakistan's sugar industry is expected to experience moderate growth in 2025–26, supported by improved sugarcane availability, timely crushing, adequate domestic supply, and subdued international prices, enabling mills to manage operations and sales efficiently despite the absence of a government support price.
- Due to higher sugarcane availability and an improved expected recovery of around 20% (*estimated*), production is expected to increase.

Overview of Season 2025-26



- Despite ongoing challenges, the Company's continued operational efficiencies, disciplined resource management, and proactive sales strategy are expected to support stable production, pricing, and sustainable shareholder value going forward.
- The Company commenced crushing on 5 December 2025 and, despite initially lower cane availability, achieved improved sugar recovery, with operations gradually strengthening and cumulative crushing of 526,783 tonnes of cane yielding 56,360 tonnes of refined sugar at an average recovery of 11.004% as on 12 February 2026.
- Looking ahead, the Board believes that ongoing deregulation of the sugar sector, in line with IMF conditions, together with prudent policy reforms, is expected to enhance investment, productivity, and long-term sustainability across the industry.
- In this context, FSML is well positioned to improve its financial performance in 2025–26 through higher production, a carefully structured sales strategy, lower financing costs, and disciplined operations, supporting sustainable value creation for all stakeholders.



Questions & Answers



Thank You



FARAN SUGAR
MILLS LIMITED

CORPORATE BRIEFING 2025

