



Unlocking NEW DIMENSIONS OF GROWTH

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Company Information

Board of Directors

Mr. Arif Habib
Chairman

Mr. Fawad Ahmed Mukhtar
Chief Executive Officer

Mr. Fazal Ahmed Sheikh
Director

Mr. Faisal Ahmed Mukhtar
Director

Mr. Muhammad Kashif Habib
Director

Mrs. Julie Jannerup
Independent Director

Mr. Tariq Jamali
Independent Director

Chief Operating Officer

Mr. Asad Murad

Chief Financial Officer

Dr. Syed Hyder Hasan

Director Legal & Company Secretary

Mr. Omair Mohsin
(investor.relations@fatima-group.com)

Key Management

Mr. M. Abad Khan
Advisor to the CEO

Ms. Sadia Irfan
Director Human Resources

Mrs. Rabel Sadozai
Director Marketing and Sales

Mr. Iftikhar Mahmood Baig
Director Business Development

Mr. Ausaf Ali Qureshi
Advisor Projects

Mr. Salman Ahmad
Director Internal Audit

Mr. Wajid Ishaq Bhatti
G.M. Manufacturing

Mr. Faisal Jamal
Head-Corporate HSE & Technical Services

Audit Committee

Mr. Tariq Jamali
Chairman

Mr. Faisal Ahmed Mukhtar
Member

Mrs. Julie Jannerup
Member

Mr. Muhammad Kashif Habib
Member

HR and Remuneration Committee

Mrs. Julie Jannerup
Chairperson

Mr. Fawad Ahmed Mukhtar
Member

Mr. Muhammad Kashif Habib
Member

Nomination and Risk Management Committee

Mr. Fazal Ahmed Sheikh
Chairman

Mr. Muhammad Kashif Habib
Member

Mr. Tariq Jamali
Member

Legal Advisors

M/s. Chima & Ibrahim Advocates

1-A/245, Tufail Road, Lahore Cantt

Auditors

M/s. Yousuf Adil

Chartered Accountants, Lahore

134-A, Abu Bakar Block, New Garden Town, Lahore

Tel: +92 42 3591 3595-7, +92 42 3544 0520

Fax: +92 42 3544 0521

Registrar and Share Transfer Agent

CDC Share Registrar Services Limited

CDC House, 99-B, Block 'B'

S.M.C.H.S., Main Shakra-e-Faisal
Karachi-74400

Tel: Customer Support Services

(Toll Free) 0800-CDCPL (23275)

Fax: (92-21) 3432 6053

Email: info@cdcsrsl.com

Website: www.cdcsrsl.com

Bankers

Al-Baraka Bank (Pakistan) Limited

Allied Bank Limited

Askari Bank Limited

Bank of Khyber

Bank Alfalah Limited

Bank Al-Habib Limited

Bank Makramah Limited

BankIslami Pakistan Limited

Citibank N.A

Dubai Islamic Bank Pakistan Limited

Faysal Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

Industrial & Commercial bank of China (ICBC)

JS Bank Limited

MCB Bank Limited

MCB Islamic Bank Limited

Meezan Bank Limited

National Bank of Pakistan

Pak Kuwait Investment Company Limited

Soneri Bank Limited

Standard Chartered Bank (Pakistan) Limited

The Bank of Punjab

United Bank Limited

Zarai Taraqiati Bank Limited

Registered Office / Head Office

E-110, Khayaban-e-Jinnah,

Lahore Cantt, Pakistan

UAN: 111-FATIMA (111-328-462)

Fax: +92 42 3662 1389

Plant Sites

Mukhtar Garh, Sadiqabad,

Distt. Rahim Yar Khan, Pakistan

Tel: 068 - 5951000

Fax: 068 - 5951166

Khanewal Road, Multan, Pakistan

Tel: 061 - 90610000

Fax: 061 - 92290021

28-KM Sheikhpura Road, Chichoki Mallian,
Pakistan

Tel: 042 - 37319200 - 99

Fax: 042 - 33719295

Directors' Report

To the Shareholders for the First Quarter ended March 31, 2026

On behalf of the Board of Directors of Fatima Fertilizer Company Limited (the Company), we are pleased to present a brief overview of the Company's performance and condensed interim consolidated and standalone financial statements for the first quarter of the year 2026.

The Economy

The escalation of the US-Iran conflict has triggered a significant negative supply shock, with the World Bank warning of a "cascading impact" that could reduce emerging market growth to 2.6%–3.65% in 2026. The conflict has driven a sharp increase in global oil prices, fueling inflationary pressures and heightening risks to food security. At the same time, debt-constrained developing economies face limited fiscal space to absorb these shocks. The economic fallout could intensify further in the event of a breakdown in ceasefire arrangements and a broader regional escalation.

Against this backdrop, the near-term outlook for Pakistan remains cautiously optimistic, albeit with rising downside risks. The rebuilding of foreign exchange reserves over the past year provides a degree of resilience against external shocks. Additionally, Pakistan's evolving role as a peace facilitator would help secure continued backing from key bilateral partners and strengthen its engagement with global financial institutions.

However, the economy remains highly susceptible to elevated global energy prices, posing a significant risk to external stability, particularly if these pressures strain foreign exchange reserves. Structural challenges, including high public debt, energy shortages, and the risk of growth moderation due to rising fuel costs, continue to weigh on the outlook. In the near term, Pakistan's economic trajectory is being shaped increasingly by geopolitics as by domestic policy choices.

Fertilizer Market

International

Global fertilizer markets experienced a pronounced uptrend in Q1 2026, particularly toward the latter part of the quarter due to escalating geopolitical tensions in the Middle East. Disruptions to the flow of key raw materials, including phosphates, ammonia, and Sulphur, constrained global availability and intensified price volatility.

DAP and MAP prices increased by 16% and 34%, reaching USD 782.5/MT CFR India and USD 875.0/MT CFR Brazil, respectively. Urea prices surged by up to 90%, closing at USD 792.5/MT FOB Middle East for granular Urea.

Upstream cost pressures mirrored this trend, with Ammonia prices increasing by 31% to USD 700/MT FOB Middle East, while Sulphur prices surged by 60% during the quarter to USD 489/MT CFR North Africa.

Local

In Q1-2026 supply security and price expectations shaped fertilizer demand patterns instead of underlying agronomic fundamentals. Anticipation of further price increases and potential supply disruptions due to US-Iran conflict led to substantial increase in phosphate offtake. As a result, despite a 9.0% decline in nitrogenous fertilizer offtake, total market volumes increased by 3.1% to 1,626k MT, compared to 1,577k MT in the corresponding period last year.

DAP offtake surged by 84.1% to 276k MT, exceeding its three-year historical average by 19.6%, while Nitrophos increased by 29.6% to 169k MT, 6.8% above its three-year average. The elevated offtake levels suggest demand pull-forward rather than purely consumption-driven growth, indicating potential normalization in subsequent quarters.

Nitrogen demand weakened due to both structural and transient factors. Urea offtake declined by 5.6% year-on-year to 1,038k MT, reflecting carryover inventory effects and subdued farm economics. Gas supply disruptions resulted in the shutdown of two RLNG-based plants, tightening supply and limiting market throughput. Calcium Ammonium Nitrate (CAN) exhibited a sharper contraction of 29.9%, indicating greater elasticity to price and substitution dynamics within the nitrogen segment.

Operational and Financial Performance

Consolidated

The plants met their production targets except for Sheikhpura plant, which has remained shut down since the beginning of March due to suspension of gas supply amid the constrained RLNG availability following the closure of the Strait of Hormuz. Resultantly, combined fertilizer production declined by 7% to 673k MT against 722k MT for the comparable period last year.

Products	Production / Import		Sales	
	Q1-2026	Q1-2025	Q1-2026	Q1-2025
	Volume ('000' M. Tons)			
Nitrophos	225	217	169	130
CAN	213	223	126	179
Urea	235	282	87	213
Own Manufactured	673	722	382	522
DAP	-	8	4	7
Total	673	730	386	529

In a shifting market environment, the Company's overall market share declined to 23.8% in Q1-2026, with total sales of 386k MT, compared to a 33.6% market share and sales of 529k MT in Q1-2025. The contraction was primarily driven by the Nitrogen segment, where Urea and CAN sales declined by 59.1% and 29.9% respectively, while, Nitrophos sales increased by 29.6% due to shifting product demand. The Company is adapting its strategies to navigate the evolving market challenges and regain its strong market presence.

The contraction in volumes led to 9.8% reduction in consolidated sales, which decreased from Rs 51.96 billion to Rs 46.85 billion compared to the same period last year. Due to inflationary pressures and reduced volumes, gross profit declined by 11.6% to Rs 18.53 billion compared to Rs 20.97 billion achieved in the corresponding period last year.

Administrative expenses increased by 29%, while distribution costs decreased by 2%. Finance costs declined by 7.9%, as significant reduction in markup rates. Other expenses increased significantly, primarily due to a revaluation loss of Rs 3.83 billion recognized on PSX-listed investments held by the wholly owned subsidiary, Fatima Capital Limited. This decline reflects the downturn in the KSE-100 Index, which fell from 174,054 as at December 31, 2025 to 148,743 by the end of March 2026, amid ongoing geopolitical uncertainties. The current period loss represents a partial reversal of the substantial unrealized valuation gains recognized in prior periods. Management maintains a positive outlook and expects reversal of this unrealized valuation loss with recovery of the stock market.

As a result, the consolidated profit before tax declined by 55.6% to Rs 6.05 billion compared to Rs 13.62 billion in the same period last year. Higher effective tax rate, increasing from 38.5% to 46.5%, further impacted profitability, leading to a 61.4% decline in consolidated profit after tax to Rs 3.24 billion, compared to Rs 8.37 billion in the corresponding period last year.

The Company's consolidated financial results include the performance of its wholly owned subsidiaries Pakarab Fertilizers Limited, Fatimafert Limited, Fatima Capital Limited, Fatima Packaging Limited, Fatima Cement Limited and Fatima Petroleum Company Limited.

	Financial Highlights (Consolidated)	
	Q1-2026	Q1-2025
	Rupees in Million	
Revenue	46,853	51,960
Gross profit	18,532	20,968
EBIDTA	10,856	18,487
Profit before tax	6,047	13,617
Profit after tax	3,236	8,375
EPS (Rs)	1.54	3.99

The plants operations have accumulated combined 153+ Safe Million Man-Hours, with zero Total Recordable Incidence Rate for all three plants, for the reporting period reflecting continued commitment to Safety Excellence. The Company earned global recognition at the British Safety Council by winning distinction in International Safety Awards 2026, standing among the top 20% of 860 competing organizations worldwide. The Company also actively participated in the IFA NextGen Safety Project, leveraging AI and advanced analytics to elevate safety standards.

Standalone

The Standalone financial statements for the quarter ended March 31, 2026, reflect the results of operations of its Sadiqabad Plant only, while the results of the comparative quarter have been restated to reflect the carveout of Multan Plant of the Company to its wholly owned subsidiary Pakarab Fertilizers Limited with effect from January 01, 2025. The carveout was implemented after receiving approval of the Scheme of Compromises, Arrangements and Reconstruction from the Lahore High Court in November 2025.

The highlights are as follows:

	Financial Highlights (Standalone)	
	Q1-2026	Q1-2025 (Restated)
	Rupees in Million	
Revenue	27,929	42,194
Gross profit	13,039	18,542
EBIDTA	10,914	17,285
Profit before tax	6,910	13,143
Profit after tax	4,189	8,071
EPS (Rs)	1.99	3.84

The Company remains committed to community welfare and uplift in shape of various CSR initiatives in the fields of free quality healthcare, education and supply of potable drinking water for the community in the close vicinity to plants.

Future Outlook

Pakistan's economic trajectory over the near to medium term hinges on sustained reform momentum, prudent macroeconomic management and the ability to navigate external shocks. While sectors such as agriculture, IT exports, mining, and infrastructure offer avenues for growth and diversification, downside risks remain significant. Elevated energy prices particularly the risk of further fuel price spikes stemming from a potential escalation in the US-Iran conflict, which could disrupt regional oil supply routes—exchange rate pressures, high public debt, and potential supply chain disruptions could weigh on stability, with geopolitical developments continuing to drive volatility in commodity markets and capital flows.

The expected increase in fertilizer offtake during the upcoming Kharif season is likely to support the Company's performance. With the availability of healthy product volumes, continued operational stability of production plants and disciplined investment strategies, your Company is expected to continue to deliver strong financial results. We remain committed to contributing to national food security by providing farmers with high-quality plant nutrients that enhance crop yields while promoting environmentally sustainable agricultural practices.

The Company is committed to invest heavily in aviation, large scale mining and exploration and real estate sector to achieve business diversification and unlock new dimensions of growth for the Company. These projects of national significance are expected to contribute meaningfully to broader economic development and long-term value creation.

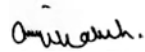
Acknowledgments

The Directors of the Company take pleasure in expressing their sincere gratitude and appreciation for the commitment and contribution of all the employees. The Board also appreciates and acknowledges the assistance, continued trust, guidance, and cooperation of all stakeholders including the Government of Pakistan, financial institutions, commercial banks, business associates, customers, and all others whose efforts and contributions strengthened the Company and hope that same spirit will prevail in the future as well.

For and on behalf of the Board



Fawad Ahmed Mukhtar
Chief Executive Officer



Arif Habib
Chairman

Lahore
April 24, 2026

Condensed Interim Separate Financial Statements

For the three months ended March 31, 2026

Condensed Interim Statement of Financial Position

as at March 31, 2026

	Note	Un audited March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital 3,100,010,000 (December 31, 2025: 3,100,010,000) shares of Rs 10 each		31,000,100	31,000,100
Issued, subscribed and paid up share capital 2,100,000,000 (December 31, 2025: 2,100,000,000) ordinary shares of Rs 10 each		21,000,000	21,000,000
Reserves	4	139,053,927	134,864,597
		160,053,927	155,864,597
NON CURRENT LIABILITIES			
Long term finances – secured	5	5,095,059	2,426,337
Subordinated redeemable preference Class A shares		2,071,632	1,994,677
Lease liabilities		579,478	599,942
Deferred taxation		12,591,740	13,868,864
Deferred liabilities		2,831,826	2,796,526
Long term advances and deposits		96,553	94,912
		23,266,288	21,781,258
CURRENT LIABILITIES			
Trade and other payables		51,849,150	50,219,527
Accrued finance cost		716,333	1,681,470
Income tax payable		7,753,904	8,669,192
Short term finances – secured	6	29,457,507	29,735,596
Payable to Privatization Commission of Pakistan		2,197,901	2,197,901
Unclaimed dividend		84,823	90,146
Current portion of long term liabilities	7	2,367,552	37,847,416
		94,427,170	130,441,248
CONTINGENCIES & COMMITMENTS			
	8		
		277,747,385	308,087,103

The annexed explanatory notes from 1 to 24 form an integral part of these condensed interim financial statements.

	Note	Un audited March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	64,405,158	65,935,348
Intangible assets	10	174,181	194,426
Investment property	11	162,475	162,701
		64,741,814	66,292,475
Long term investments	12	50,331,598	49,273,747
Long term loans to related parties		467,500	505,000
Long term advances and deposits	13	19,509,635	11,562,955
		70,308,733	61,341,702
		135,050,547	127,634,177
CURRENT ASSETS			
Stores and spares	14	9,270,425	9,077,384
Stock in trade	15	41,121,786	35,432,363
Trade debts		18,750,567	31,543,020
Short term loans to related parties		20,304,620	17,417,566
Advances, loans, deposits, prepayments and other receivables		26,201,019	16,202,177
Short term investments		20,764,367	68,102,743
Cash and bank balances		6,284,054	2,677,673
		142,696,838	180,452,926
		277,747,385	308,087,103



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un Audited)

for the three months ended March 31, 2026

	Note	March 31, 2026	Restated March 31, 2025
(Rupees in thousand)			
Sales	16	27,929,240	42,194,471
Cost of sales		(14,890,093)	(23,652,515)
Gross profit		13,039,147	18,541,956
Distribution cost		(2,619,080)	(3,038,071)
Administrative expenses	17	(2,572,085)	(1,795,501)
		7,847,982	13,708,384
Finance cost	18	(1,628,665)	(1,841,993)
Other operating expenses		(661,008)	(1,032,714)
		5,558,309	10,833,677
Other income		1,351,757	2,309,440
Profit before tax		6,910,066	13,143,117
Taxation		(2,720,736)	(5,072,185)
Profit for the period		4,189,330	8,070,932
Earnings per share – basic and diluted (Rupees)	19	1.99	3.84

The annexed explanatory notes from 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un Audited)

for the three months ended March 31, 2026

	March 31, 2026	Restated March 31, 2025
	(Rupees in thousand)	
Profit for the period	4,189,330	8,070,932
Other comprehensive income	–	–
Total comprehensive income for the period	4,189,330	8,070,932

The annexed explanatory notes from 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Statement of Changes in Equity

for the three months ended March 31, 2026

Ordinary share capital	Capital reserve	Revenue reserve	Post retirement benefit obligation reserve	Total
	Share premium	Unappropriated profit		

(Rupees in thousand)

Balance as at December 31, 2024 (Audited)	21,000,000	1,790,000	119,346,573	(403,654)	141,732,919
Profit for the period (Restated)	-	-	8,070,932	-	8,070,932
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	8,070,932	-	8,070,932
Balance as at March 31, 2025 (Un audited)	21,000,000	1,790,000	127,417,505	(403,654)	149,803,851
Balance as at December 31, 2025 (Audited)	21,000,000	1,790,000	133,539,627	(465,030)	155,864,597
Profit for the period	-	-	4,189,330	-	4,189,330
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	4,189,330	-	4,189,330
Balance as at March 31, 2026 (Un audited)	21,000,000	1,790,000	137,728,957	(465,030)	160,053,927

The annexed explanatory notes from 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un Audited)

for the three months ended March 31, 2026

	Note	March 31, 2026	Restated March 31, 2025
(Rupees in thousand)			
Cash flows from operating activities			
Cash generated from operations	21	9,165,370	10,168,545
Net increase in long term deposits		1,641	2,279
Finance cost paid		(2,563,590)	(3,061,128)
Taxes paid		(5,568,634)	(6,468,415)
Employee retirement benefits paid		(79,117)	(35,654)
Net cash generated from operating activities		955,670	605,627
Cash flows from investing activities			
Additions in property, plant and equipment		(829,991)	(744,250)
Additions in intangible assets		(1,526)	(85,071)
Proceeds from disposal of property, plant and equipment		41,830	478
Short term loans to related parties - net		(2,887,054)	(1,898,815)
Purchase of long term investments		(650,293)	(258,333)
Purchase of short term investments		(18,999,512)	(1,551,280)
Proceeds from short term investments		66,992,219	5,134,723
Profit received on loans and saving accounts		504,692	165,994
Dividend income received		-	133,059
Net increase in long term advances and deposits		(8,354,238)	(3,000,057)
Net cash generated from / (used in) investing activities		35,816,127	(2,103,552)
Cash flows from financing activities			
Proceeds from long term finances		2,712,811	-
Repayment of long term finances		(35,576,897)	(2,203,856)
Repayment of lease liabilities		(17,918)	(35,722)
Dividend paid		(5,323)	(4,701)
Increase in short term finances - net		7,270,575	4,546,649
Net cash (used in) / generated from financing activities		(25,616,752)	2,302,370
Net increase in cash and cash equivalents		11,155,045	804,445
Cash and cash equivalents at the beginning of the period		(18,196,869)	(6,789,351)
Cash and cash equivalents at the end of the period		(7,041,824)	(5,984,906)
Cash and cash equivalents comprises of following:			
Cash and bank balances		6,284,054	3,414,646
Running finance and running musharakah		(13,325,878)	(9,399,552)
Cash and cash equivalents at the end of the period		(7,041,824)	(5,984,906)

The annexed explanatory notes from 1 to 24 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited) for the three months ended March 31, 2026

1 Legal status and nature of business

1.1 Fatima Fertilizer Company Limited ('the Company'), was incorporated in Pakistan on December 24, 2003 as a public company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing, producing, buying, selling, importing and exporting fertilizers and chemicals.

Registered office of the Company is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt. The manufacturing facility of the Company is located at Mukhtargarh - Sadiqabad.

1.2 These condensed interim financial statements are the separate financial statements of the Company in which investment in subsidiary companies is accounted for on the basis of actual cost less impairment, if any, and investment in associates is accounted for under equity method. Consolidated condensed interim financial statements are prepared separately.

2 Basis of preparation

2.1 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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 and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2025. Comparative condensed interim statement of financial position is extracted from annual audited financial statements for the year ended December 31, 2025 and comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un audited restated condensed interim financial statements for the three months ended March 31, 2025.

2.3 The financial results of the comparative quarter have been restated to reflect the carveout of Multan Plant of the Company to its wholly owned subsidiary Pakarab Fertilizers Limited with effect from January 01, 2025. The Carveout was implemented after receiving approval of the Scheme of Compromises, Arrangements and Reconstruction from the Lahore High Court in November 2025.

2.4 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3 Significant accounting policies and estimates

The accounting policies, related judgments, estimates and related assumptions adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual financial statements of the Company for the year ended December 31, 2025.

	Note	March 31, 2026	Audited December 31, 2025
		(Rupees in thousand)	
4 Reserves			
Capital reserve:			
Share premium		1,790,000	1,790,000
Revenue reserve:			
Unappropriated profit		137,728,957	133,539,627
Post retirement benefit obligation reserve		(465,030)	(465,030)
		139,053,927	134,864,597
5 Long term finances – secured			
Loans from banking companies / financial institutions	5.1	7,316,409	40,145,510
Less: Current portion		2,221,350	37,719,173
		5,095,059	2,426,337
5.1 Movement of long term finances			
Opening balance		40,145,510	44,152,653
Disbursements during the period / year		2,712,811	–
Accreditation of loan under SBP Temporary Economic Refinance Scheme		34,985	170,798
Repayments during the period / year		(35,576,897)	(4,177,941)
Closing balance		7,316,409	40,145,510
6 Short term finances – secured			

The Company has obtained short term financing facilities from various banks for working capital requirements in the nature of Running Finance, Running Musharkah, Cash Finance, Finance against Trust Receipt and Finance against Imported Merchandise.

The facilities are secured by pari passu charge on present and future current assets of the Company, pledge of raw materials and finished goods.

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited)

for the three months ended March 31, 2026

These facilities carry mark up ranging from 10.68% to 11.81% (December 31, 2025: 10.63% to 14.35%) per annum for Running Finance, Running Musharakah and Cash Finance and 10.61% to 12.14% (December 31, 2025: 11.60% to 12.85%) per annum for Finance against Trust Receipt and Finance against Imported Merchandise.

	Note	March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
7	Current portion of long term liabilities		
	Long term finances	2,221,350	37,719,173
	Lease liabilities	58,799	37,802
	Deferred government grant	87,403	90,441
		2,367,552	37,847,416

8 Contingencies and commitments

8.1 Contingencies

As at March 31, 2026, there has been no material change in the status of contingencies as disclosed in the notes to the financial statements of the Company for the year ended December 31, 2025, except for the following:

Proceedings were initiated by the tax authorities resulting in a sales tax demand of Rs 628.7 million for the period June 2014 to September 2014 through Order-in-Original dated January 26, 2015, which was upheld at the appellate stages. Subsequently, the Appellate Tribunal Inland Revenue, vide rectification order dated January 20, 2025, set aside the earlier orders and deleted the demand. The said order was challenged by the Tax Department before the Lahore High Court, which vide judgment dated January 27, 2026 decided the matter in favour of the Department, thereby restoring the aforesaid tax liability. The Company has filed a Civil Petition for Leave to Appeal (CPLA) before the Supreme Court of Pakistan against the said judgment, which is pending adjudication.

	March 31, 2026	Audited December 31, 2025
(Rupees in thousand)		
8.2 Commitments in respect of:		
(i) Contracts for capital expenditure	10,022,366	12,186,667
(ii) Contracts other than capital expenditure	7,302,600	10,655,085
(iii) The amount of future payments under ijarah rentals and short term / low value leases:		
- Not later than one year	1,958,844	1,938,938
- Later than one year but not later than five years	2,099,461	1,961,627
	4,058,305	3,900,565
(iv) Bank guarantees issued	9,674,943	9,767,055

		March 31, 2026	Audited December 31, 2025
	Note	(Rupees in thousand)	
9 Property, plant and equipment			
Operating fixed assets	9.1	56,330,343	58,439,578
Capital work in progress	9.2	8,074,815	7,495,770
		64,405,158	65,935,348
9.1 Movement of operating fixed assets			
Opening book value		58,439,578	87,780,937
Additions during the period / year	9.1.1	250,946	3,429,364
		58,690,524	91,210,301
Less: Depreciation charged during the period / year		2,321,372	9,168,915
Book value of disposals during the period / year		38,809	65,234
Transfer as a result of transfer of operations		–	23,536,574
Closing book value		56,330,343	58,439,578
9.1.1 Additions during the period / year			
Freehold land		43,203	327,922
Building on freehold land		96,861	575,233
Plant and machinery		4,877	1,733,433
Furniture and fixtures		12,601	20,294
Office equipment		11,344	11,580
Electrical installations and appliances		25,193	175,272
Computers		–	252,090
Vehicles		56,867	333,540
		250,946	3,429,364
9.1.2 Operating fixed assets include right of use assets amounting to Rs 524.78 million (December 31, 2025: Rs 543.99 million).			
		March 31, 2026	Audited December 31, 2025
		(Rupees in thousand)	
9.2 Capital work in progress			
Civil works		659,063	491,401
Plant and machinery		3,640,705	3,316,106
Capital stores		4,309,294	4,222,510
		8,609,062	8,030,017
Less: Provision for slow moving capital stores		534,247	534,247
		8,074,815	7,495,770

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited)

for the three months ended March 31, 2026

	March 31, 2026	Audited December 31, 2025
	(Rupees in thousand)	
9.2.1 Movement of capital work in progress		
Opening balance	8,030,017	8,730,235
Additions during the period / year	675,907	2,867,119
	8,705,924	11,597,354
Less: Capitalization during the period / year	96,862	1,899,297
Transfer as a result of transfer of operations	–	1,668,040
	8,609,062	8,030,017
Less: Provision for slow moving capital stores	534,247	534,247
Closing balance	8,074,815	7,495,770
10 Intangible assets		
Opening book value	194,426	195,113
Additions during the period / year	1,526	151,473
	195,952	346,586
Less: Amortization charged during the period / year	21,771	97,753
Book value of disposals during the period / year	–	54,407
Closing book value	174,181	194,426
11 Investment property		
Opening book value	162,701	163,607
Less: Depreciation charged during the period / year	226	906
Closing book value	162,475	162,701

12 Long term investments

12.1 This includes additional purchase of 71,666,673 shares of National Resources (Pvt) Limited, a related party, during the period against rights offer at the face value of Rs 10 each.

12.2 This also includes additional investment of 7,422,500 in units issued by Sapphire Bay Islamic Development Reit (REIT) at issue price of Rs 10 each.

12.3 This also includes purchase of 24,999,967 shares of PIA Equity Limited, a related party, during the period as initial subscription at the face value of Rs 10 each.

13 Long term advances and deposits

13.1 This includes advances aggregating to Rs 1,956.67 million (December 31, 2025: Rs 1,815.08 million) paid for investments in shariah compliant development REIT schemes which are managed by Arif Habib Dolmen REIT Management Company Limited (RMC), a related party.

13.2 This also includes advances to related parties, comprising Rs 52.61 million (December 31, 2025: Rs 2.00 million) to Fatima Petroleum Company Limited, Rs 2,326.46 million (December 31, 2025: Nil) to Fatima Capital Limited, Rs 898.08 million (December 31, 2025: Rs 898.08 million) to Globacore Minerals Limited, Nil (December 31, 2025: Rs 333.33 million) to National Resources (Pvt) Limited, and Rs 735.22 million (December 31, 2025: Rs 595.22 million) to Buraq Bank Pakistan Limited, as share deposit money.

	March 31, 2026	Audited December 31, 2025
	(Rupees in thousand)	
14 Stores and spares		
Stores	164,281	832,379
Spares	8,764,097	7,539,981
Catalyst and chemicals	2,914,175	3,277,152
	11,842,553	11,649,512
Less: Provision for slow moving stores and spares	2,572,128	2,572,128
	9,270,425	9,077,384
15 Stock in trade		
Raw materials (including in transit Rs 7,220.38 million (December 31, 2025: Rs 7,425.79 million))	12,302,164	12,694,376
Packing materials	61,489	106,612
	12,363,653	12,800,988
Mid products		
Ammonia	64,196	65,565
Nitric acid	53,544	38,405
Others	5,056	5,093
	122,796	109,063
Finished goods		
Own manufactured		
Urea	8,614,225	4,904,701
Nitrophos	18,252,044	15,285,860
CAN	642,967	70,671
Others	2,415	2,415
	27,511,651	20,263,647
Purchased for resale	1,123,686	2,258,665
	41,121,786	35,432,363

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited)

for the three months ended March 31, 2026

	For the three months ended	
	March 31, 2026	Restated March 31, 2025
(Rupees in thousand)		
16 Sales		
Revenue from contracts with customers		
Own manufactured	28,001,474	43,493,676
Purchased for resale	1,249,505	1,616,312
Mid products	699,627	526,916
	29,950,606	45,636,904
Less: Sales tax	166,560	159,399
Federal excise duty	1,333,008	2,084,879
Discounts	521,798	1,198,155
	27,929,240	42,194,471

17 Administrative expenses

This includes donation amounting to Rs 161.47 million (March 31, 2025: Rs 131.66 million) to Mian Mukhtar A. Sheikh Trust, a related party.

	For the three months ended	
	March 31, 2026	Restated March 31, 2025
(Rupees in thousand)		
18 Finance cost		
Markup on:		
- long term finances	166,509	1,231,014
- short term finances	908,133	157,073
Interest on lease liabilities	18,451	19,153
Bank charges and others	535,572	434,753
	1,628,665	1,841,993

19 Earnings per share – basic and diluted

Profit attributable to ordinary shareholders	(Rupees in thousand)	4,189,330	8,070,932
Weighted average number of shares	(Number of shares)	2,100,000,000	2,100,000,000
Basic and diluted earnings per share	(Rupees)	1.99	3.84

20 Transactions with related parties

The related parties comprise the associated undertakings, directors and other key management personnel of the Company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under other receivables, trade and other payables. Significant transactions with related parties are as follows:

		For the three months ended	
		March 31, 2026	Restated March 31, 2025
		(Rupees in thousand)	
Relationship with the Company	Nature of transaction		
Subsidiary companies	Payment against sales collection agreement	19,946,084	8,334,236
	Markup income	503,045	142,931
	Miscellaneous expenses	978,337	692,496
	Purchase of packing material	584,437	989,043
	Loan given	3,217,000	2,146,846
Associated companies	Fee for services	718,662	539,531
	Repayment of loan to related party	329,946	248,031
	Markup income	46,718	10,729
	Lease rental	349,140	349,140
	Miscellaneous expenses	174	8,384
Directors and key management personnel	Remuneration including benefits and perquisites	489,168	427,697
Retirement benefit plans	Retirement benefits	196,177	189,392

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited)

for the three months ended March 31, 2026

	Note	For the three months ended	
		March 31, 2026	Restated March 31, 2025
		(Rupees in thousand)	
21 Cash generated from operations			
Profit before tax		6,910,066	13,143,117
Adjustments for:			
Depreciation on property, plant and equipment	9.1	2,321,372	2,276,502
Amortization of intangible assets	10	21,771	23,642
Depreciation on investment property	11	226	226
Finance cost	18	1,628,665	1,841,993
Unwinding of payable against subordinated redeemable preference Class A shares		76,955	66,332
Provision for staff retirement benefits		134,603	114,063
Gain on remeasurement of investments classified as FVTPL		(654,331)	(889,791)
Profit on loans to related parties		(549,763)	(153,660)
Dividend income		–	(133,059)
Profit on short term investments and saving accounts		(121,147)	(1,064,387)
Gain on disposal of property, plant and equipment		(3,021)	(480)
		2,855,330	2,081,381
Operating cash flows before working capital changes		9,765,396	15,224,498
Effect on cash flow due to working capital changes:			
(Increase) / decrease in current assets:			
Stores and spares		(193,041)	(914,590)
Stock in trade		(5,689,423)	8,263,111
Trade debts		12,792,453	7,618,684
Advances, deposits, prepayments and other receivables		(9,139,638)	(19,975,698)
Increase / (decrease) in creditors, accrued and other liabilities		1,629,623	(47,460)
		(600,026)	(5,055,953)
		9,165,370	10,168,545

22 Financial instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table presents the Company's financial assets which are carried at fair value:

	March 31, 2026 (Un audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets at fair value				
Investment - FVTPL	20,722,899	–	9,075,705	29,798,604
Total assets at fair value	20,722,899	–	9,075,705	29,798,604

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets at fair value				
Investment - FVTPL	30,115,922	–	9,001,480	39,117,402
Total assets at fair value	30,115,922	–	9,001,480	39,117,402

Notes to and Forming Part of the Condensed Interim Financial Statements (Un Audited) for the three months ended March 31, 2026

23 Date of authorization of issue

These condensed interim financial statements have been authorized for issue on April 24, 2026 by the Board of Directors of the Company.

24 General

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



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2026

Condensed Interim Consolidated Statement of Financial Position

as at March 31, 2026

	Note	Un audited March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital 3,100,010,000 (December 31, 2025: 3,100,010,000) shares of Rs 10 each		31,000,100	31,000,100
Issued, subscribed and paid up share capital 2,100,000,000 (December 31, 2025: 2,100,000,000) ordinary shares of Rs 10 each		21,000,000	21,000,000
Reserves	4	152,100,998	148,864,543
		173,100,998	169,864,543
NON CURRENT LIABILITIES			
Long term finances - secured	5	5,282,506	2,613,784
Subordinated redeemable preference Class A shares		2,071,632	1,994,677
Lease liabilities		595,462	615,612
Deferred taxation		25,197,630	27,506,194
Deferred liabilities		3,250,426	3,185,196
Long term advances and deposits		97,647	96,010
		36,495,303	36,011,473
CURRENT LIABILITIES			
Trade and other payables		71,305,678	68,972,625
Accrued finance cost		825,065	1,704,720
Income tax payable		10,986,759	11,809,071
Short term finances - secured	6	34,055,447	32,393,219
Payable to Privatization Commission of Pakistan		2,197,901	2,197,901
Unclaimed dividend		84,823	90,146
Current portion of long term liabilities	7	2,371,426	37,850,852
		121,827,099	155,018,534
CONTINGENCIES & COMMITMENTS			
	8		
		331,423,400	360,894,550

The annexed explanatory notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

	Note	Un audited March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	106,328,668	107,156,103
Intangible assets	10	192,971	212,637
Investment property	11	162,475	162,701
		106,684,114	107,531,441
Long term investments	12	11,806,744	10,748,893
Long term loans to related parties		280,000	280,000
Long term advances and deposits	13	17,518,209	12,084,697
		29,604,953	23,113,590
		136,289,067	130,645,031
CURRENT ASSETS			
Stores and spares	14	22,595,820	21,396,796
Stock in trade	15	80,897,212	64,220,164
Trade debts	16	19,872,694	32,269,779
Short term loans to related parties		864,649	1,194,595
Advances, deposits, prepayments and other receivables		20,522,080	18,162,463
Short term investments		41,176,391	90,018,221
Cash and bank balances		9,205,487	2,987,501
		195,134,333	230,249,519
		331,423,400	360,894,550

Chief Executive Officer

Director

Chief Financial Officer

Condensed Interim Consolidated Statement of Profit or Loss (Un Audited)

for the three months ended March 31, 2026

	Note	March 31, 2026 (Rupees in thousand)	March 31, 2025
Sales	17	46,853,462	51,959,792
Cost of sales		(28,321,514)	(30,992,248)
Gross profit		18,531,948	20,967,544
Distribution cost		(3,963,146)	(4,045,905)
Administrative expenses	18	(3,286,675)	(2,548,710)
		11,282,127	14,372,929
Finance cost	19	(1,750,388)	(1,901,416)
Other operating expenses		(4,064,178)	(1,071,368)
		5,467,561	11,400,145
Other income		579,477	2,217,309
Profit before tax		6,047,038	13,617,454
Taxation		(2,810,583)	(5,242,867)
Profit for the period		3,236,455	8,374,587
Earnings per share – basic and diluted (Rupees)	20	1.54	3.99

The annexed explanatory notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Consolidated Statement of Comprehensive Income (Un Audited) for the three months ended March 31, 2026

	March 31, 2026	March 31, 2025
	(Rupees in thousand)	
Profit for the period	3,236,455	8,374,587
Other comprehensive income	–	–
Total comprehensive income for the period	3,236,455	8,374,587

The annexed explanatory notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity

for the three months ended March 31, 2026

Ordinary share capital	Capital reserve	Revenue reserve	Post retirement benefit obligation reserve	Total
	Share premium	Unappropriated profit		

(Rupees in thousand)

Balance as at December 31, 2024 (Audited)	21,000,000	1,790,000	121,778,767	(399,748)	144,169,019
Profit for the period	-	-	8,374,587	-	8,374,587
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	8,374,587	-	8,374,587
Balance as at March 31, 2025 (Un audited)	21,000,000	1,790,000	130,153,354	(399,748)	152,543,606
Balance as at December 31, 2025 (Audited)	21,000,000	1,790,000	147,562,792	(488,249)	169,864,543
Profit for the period	-	-	3,236,455	-	3,236,455
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	3,236,455	-	3,236,455
Balance as at March 31, 2026 (Un audited)	21,000,000	1,790,000	150,799,247	(488,249)	173,100,998

The annexed explanatory notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Consolidated Statement of Cash Flows (Un Audited)

for the three months ended March 31, 2026

	Note	March 31, 2026	March 31, 2025
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	22	8,577,709	9,468,528
Net increase in long term deposits		1,637	10,430
Finance cost paid		(2,618,282)	(3,126,670)
Taxes paid		(5,941,459)	(6,974,017)
Employee retirement benefits paid		(99,515)	(43,887)
Net cash used in operating activities		(79,910)	(665,616)
Cash flows from investing activities			
Additions in property, plant and equipment		(2,246,455)	(1,461,551)
Additions in intangible assets		(3,439)	(86,285)
Proceeds from disposal of property, plant and equipment		42,179	924
Short term loans to related parties - net		329,946	248,031
Purchase of long term investments		(650,293)	(258,333)
Purchase of short term investments		(21,325,948)	(1,551,280)
Proceeds from short term investments		66,992,219	5,396,101
Profit received on loans and saving accounts		112,712	171,710
Dividend income received		93,941	133,398
Net increase in long term advances and deposits		(5,841,070)	(3,008,170)
Net cash generated from / (used in) investing activities		37,503,792	(415,455)
Cash flows from financing activities			
Proceeds from long term finances		2,712,811	-
Repayment of long term finances		(35,576,897)	(2,203,856)
Repayment of lease liabilities		1,285	(35,723)
Dividend paid		(5,323)	(4,701)
Increase in short term finances - net		5,679,292	4,220,341
Net cash (used in) / generated from financing activities		(27,188,832)	1,976,061
Net increase in cash and cash equivalents		10,235,050	894,990
Cash and cash equivalents at the beginning of the period		(17,952,006)	(6,741,279)
Cash and cash equivalents at the end of the period		(7,716,956)	(5,846,289)
Cash and cash equivalents comprises of following:			
Cash and bank balances		9,205,487	3,887,371
Running finance and musharakah		(16,922,443)	(9,733,660)
Cash and cash equivalents at the end of the period		(7,716,956)	(5,846,289)

The annexed explanatory notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements (Un Audited)

for the three months ended March 31, 2026

1 Legal status and nature of business

1.1 Fatima Fertilizer Company Limited (the Holding Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and it is listed on Pakistan Stock Exchange Limited. Fatimafert Limited, Fatima Cement Limited, Pakarab Fertilizers Limited, Fatima Packaging Limited, Fatima Capital Limited, Fatima Petroleum Company Limited are wholly owned subsidiaries incorporated in Pakistan under the Companies Act, 2017 and Pan-Africa Fertilizers Limited is a wholly owned subsidiary, incorporated in Kenya. Collectively, these would be referred to as 'the Group' in these condensed interim consolidated financial statements.

The principal activity of the Group is manufacturing, producing, buying, selling, importing and exporting fertilizers, chemicals, cement and polypropylene sacks, cloth, liner & bags. The registered office of the Holding Company, Fatimafert Limited, Pakarab Fertilizers Limited, Fatima Packaging Limited, Fatima Capital Limited, Fatima Petroleum Company Limited and Fatima Cement Limited is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt, whereas the registered office of Pan-Africa Fertilizers Limited is situated at Westlands District, Nairobi, Kenya.

2 Basis of preparation

2.1 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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 and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim consolidated financial statements do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2025. Comparative condensed interim consolidated statement of financial position is extracted from annual consolidated financial statements for the year ended December 31, 2025 and comparative condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed interim consolidated statement of cash flows are extracted from un audited condensed interim consolidated financial statements for the three months ended March 31, 2025.

2.3 These condensed interim consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

3 Significant accounting policies and estimates

The accounting policies, related judgments, estimates and related assumptions adopted for the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of annual consolidated financial statements of the Group for the year ended December 31, 2025.

	Note	March 31, 2026	Audited December 31, 2025
		(Rupees in thousand)	
4 Reserves			
Capital reserve:			
Share premium		1,790,000	1,790,000
Revenue reserve:			
Unappropriated profit		150,799,247	147,562,792
Post retirement benefit obligation reserve		(488,249)	(488,249)
		152,100,998	148,864,543
5 Long term finances – secured			
Loans from banking companies / financial institutions	5.1	7,503,856	40,332,957
Less: Current portion		2,221,350	37,719,173
		5,282,506	2,613,784
5.1 Movement of long term finances			
Opening balance		40,332,957	44,152,653
Disbursements during the period / year		2,712,811	187,447
Accreditation of loan under SBP Temporary Economic Refinance Scheme		34,985	170,798
Repayments during the period / year		(35,576,897)	(4,177,941)
Closing balance		7,503,856	40,332,957

6 Short term finances – secured

The Group has obtained short term financing facilities from various banks for working capital requirements in the nature of Running Finance, Running Musharakah, Cash Finance, Finance against Trust Receipt and Finance against Imported Merchandise.

The facilities are secured by pari passu charge on present and future current assets of the Group, pledge of raw materials and finished goods.

Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements (Un Audited)

for the three months ended March 31, 2026

These facilities carry mark up ranging from 10.68% to 13.35% (December 31, 2025: 10.63% to 19.31%) per annum for Running Finance, Running Musharakah and Cash Finance and 10.61% to 12.14% (December 31, 2025: 11.60% to 12.85%) per annum for Finance against Trust Receipt and Finance against Imported Merchandise.

	Note	March 31, 2026	Audited December 31, 2025
(Rupees in thousand)			
7	Current portion of long term liabilities		
	Long term finances	2,221,350	37,719,173
	Lease liabilities	62,673	41,238
	Deferred government grant	87,403	90,441
		2,371,426	37,850,852

8 Contingencies and commitments

8.1 Contingencies

As at March 31, 2026, there has been no material change in the status of contingencies as disclosed in the notes to the consolidated financial statements of the Group for the year ended December 31, 2025, except for the following:

Proceedings were initiated by the tax authorities resulting in a sales tax demand of Rs 628.7 million for the period June 2014 to September 2014 through Order-in-Original dated January 26, 2015, which was upheld at the appellate stages. Subsequently, the Appellate Tribunal Inland Revenue, vide rectification order dated January 20, 2025, set aside the earlier orders and deleted the demand. The said order was challenged by the Tax Department before the Lahore High Court, which vide judgment dated January 27, 2026 decided the matter in favour of the Department, thereby restoring the aforesaid tax liability. The Holding Company has filed a Civil Petition for Leave to Appeal (CPLA) before the Supreme Court of Pakistan against the said judgment, which is pending adjudication.

	March 31, 2026	Audited December 31, 2025
(Rupees in thousand)		
8.2 Commitments in respect of:		
(i) Contracts for capital expenditure	11,229,575	12,186,667
(ii) Contracts other than capital expenditure	8,042,138	11,094,015
(iii) The amount of future payments under ijarah rentals and short term / low value leases:		
- Not later than one year	1,977,478	1,957,572
- Later than one year but not later than five years	2,145,244	2,011,769
	4,122,722	3,969,341
(iv) Bank guarantees issued	9,737,043	9,829,155

		March 31, 2026	Audited December 31, 2025	
	Note	(Rupees in thousand)		
9	Property, plant and equipment			
	Operating fixed assets	9.1	93,882,670	95,916,067
	Capital work in progress	9.2	12,445,998	11,240,036
			106,328,668	107,156,103

9.1 Movement of operating fixed assets

	Opening book value		95,916,067	101,819,894
	Additions during the period / year	9.1.1	1,040,493	6,054,230
			96,956,560	107,874,124
	Less: Depreciation charged during the period / year		3,034,918	11,892,020
	Book value of disposals during the period / year		38,972	66,037
	Closing book value		93,882,670	95,916,067

9.1.1 Additions during the period / year

	Freehold land		43,203	327,922
	Building on freehold land		105,287	591,578
	Plant and machinery		641,161	3,457,161
	Catalysts		–	169,542
	Furniture and fixtures		28,220	44,752
	Office equipment		12,259	37,348
	Electrical installations and appliances		134,129	613,483
	Computers		2,059	402,104
	Vehicles		74,175	404,262
	Right of use assets		–	6,078
			1,040,493	6,054,230

9.1.2 Operating fixed assets include right of use assets amounting to Rs 542.44 million (December 31, 2025: Rs 562.49 million).

		March 31, 2026	Audited December 31, 2025	
		(Rupees in thousand)		
9.2	Capital work in progress			
	Civil works		1,552,056	971,020
	Plant and machinery		4,199,458	3,849,946
	Intangibles		4,310	4,310
	Capital stores		7,493,723	7,218,309
			13,249,547	12,043,585
	Less: Provision for slow moving capital stores		803,549	803,549
			12,445,998	11,240,036

Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements (Un Audited)

for the three months ended March 31, 2026

	March 31, 2026	Audited December 31, 2025
	(Rupees in thousand)	
9.2.1 Movement of capital work in progress		
Opening balance	12,043,585	9,366,933
Additions during the period / year	1,905,473	5,944,788
	13,949,058	15,311,721
Less: Capitalization during the period / year	699,511	3,268,136
	13,249,547	12,043,585
Less: Provision for slow moving capital stores	803,549	803,549
Closing balance	12,445,998	11,240,036
10 Intangible assets		
Opening book value	212,637	195,113
Additions during the period / year	3,439	171,225
	216,076	366,338
Less: Amortization charged during the period / year	23,105	99,294
Book value of disposals during the period / year	–	54,407
Closing book value	192,971	212,637
11 Investment property		
Opening book value	162,701	163,607
Less: Depreciation charged during the period / year	226	906
Closing book value	162,475	162,701

12 Long term investments

12.1 This includes additional purchase of 71,666,673 shares of National Resources (Pvt) Limited, a related party, during the period against rights offer at the face value of Rs 10 each.

12.2 This also includes additional investment of 7,422,500 in units issued by Sapphire Bay Islamic Development Reit (REIT) at issue price of Rs 10 each.

12.3 This also includes purchase of 24,999,967 shares of PIA Equity Limited, a related party, during the period as initial subscription at the face value of Rs 10 each.

13 Long term advances and deposits

13.1 This includes advances aggregating to Rs 1,956.67 million (December 31, 2025: Rs 1,815.08 million) paid for investments in shariah compliant development REIT schemes which are managed by Arif Habib Dolmen REIT Management Company Limited (RMC), a related party.

13.2 This also includes advances to related parties, comprising Rs 898.08 million (December 31, 2025: Rs 898.08 million) to Globacore Minerals Limited, Nil (December 31, 2025: Rs 333.33 million) to National Resources (Pvt) Limited, and Rs 735.22 million (December 31, 2025: Rs 595.22 million) to Buraq Bank Pakistan Limited, as share deposit money.

	March 31, 2026	Audited December 31, 2025
	(Rupees in thousand)	
14 Stores and spares		
Stores	2,587,861	2,324,774
Spares	19,658,746	18,220,729
Catalyst and chemicals	5,025,242	5,527,322
	27,271,849	26,072,825
Less: Provision for slow moving stores and spares	4,676,029	4,676,029
	22,595,820	21,396,796
15 Stock in trade		
Raw materials {including in transit Rs 9,479.62 million (December 31, 2025: Rs 7,788.15 million)}	17,996,080	16,681,954
Packing materials	146,826	193,687
	18,142,906	16,875,641
Work in progress	131,294	111,619
Mid products		
Ammonia	302,220	283,510
Nitric acid	72,660	51,926
Others	5,971	5,746
	380,851	341,182
Finished goods		
Own manufactured		
Urea	13,827,922	6,332,312
Nitrophos	38,190,576	32,526,727
CAN	8,984,199	5,680,009
Others	115,778	94,009
	61,118,475	44,633,057
Purchased for resale	1,123,686	2,258,665
	80,897,212	64,220,164

16 Trade debts

This includes balance of Rs 262.98 million (December 31, 2025: Rs 329.23 million), Rs 219.54 million (December 31, 2025: Rs 73.56 million), Rs 11.91 million (December 31, 2025: Rs 14.57 million) and Nil (December 31, 2025: Rs 0.03 million) receivable from Power Cement Limited, Fatima Sugar Mills Limited, Reliance Commodities (Private) Limited and Reliance Weaving Mills Limited (related parties) respectively, in the normal course of business.

Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements (Un Audited)

for the three months ended March 31, 2026

	Note	For the three months ended	
		March 31, 2026	March 31, 2025
		(Rupees in thousand)	
17 Sales			
Revenue from contracts with customers			
Local sales	17.1	46,748,082	51,906,301
Export sales		105,380	53,491
		46,853,462	51,959,792
17.1 Local sales			
Own manufactured		48,278,881	53,797,196
Purchased for resale		1,249,505	1,616,312
Mid products		1,003,690	978,532
		50,532,076	56,392,040
Less: Sales tax		468,513	513,564
Federal excise duty		2,259,941	2,519,742
Discounts		1,055,540	1,452,433
		46,748,082	51,906,301

18 Administrative expenses

This includes donation amounting to Rs 161.47 million (March 31, 2025: Rs 131.66 million) to Mian Mukhtar A. Sheikh Trust, a related party.

	For the three months ended	
	March 31, 2026	March 31, 2025
		(Rupees in thousand)
19 Finance cost		
Markup on:		
- long term finances	171,893	1,231,014
- short term finances	1,008,833	203,570
Interest on lease liabilities	19,204	19,976
Bank charges and others	550,458	446,856
	1,750,388	1,901,416

		For the three months ended	
		March 31, 2026	March 31, 2025
		(Rupees in thousand)	
20 Earnings per share – basic and diluted			
Profit attributable to ordinary shareholders (Rupees in thousand)		3,236,455	8,374,587
Weighted average number of shares (Number of shares)		2,100,000,000	2,100,000,000
Basic and diluted earnings per share (Rupees)		1.54	3.99

21 Transactions with related parties

The related parties comprise the associated undertakings, directors and other key management personnel of the Group. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under other receivables, trade and other payables. Significant transactions with related parties are as follows:

		For the three months ended	
		March 31, 2026	March 31, 2025
		(Rupees in thousand)	
Relationship with the Group	Nature of transaction		
Associated companies	Fee for services	718,662	539,531
	Repayment of loan to related parties	329,946	248,031
	Markup income	46,718	10,729
	Lease rental	349,140	349,140
	Sale of finished goods	362,146	388,499
	Miscellaneous expenses	3,833	8,384
Directors and key management personnel	Remuneration including benefits and perquisites	589,533	494,756
Retirement benefit plans	Retirement benefits	291,654	252,543

Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements (Un Audited)

for the three months ended March 31, 2026

Note	For the three months ended	
	March 31, 2026	March 31, 2025
	(Rupees in thousand)	
22 Cash generated from operations		
Profit before tax	6,047,038	13,617,454
Adjustments for:		
Depreciation on property, plant and equipment	9.1 3,034,918	2,944,626
Amortization of intangible assets	10 23,105	23,675
Depreciation on investment property	11 226	226
Finance cost	19 1,750,388	1,901,416
Unwinding of payable against subordinated redeemable preference Class A shares	76,955	66,332
Provision for staff retirement benefits	184,931	159,282
Loss / (gain) on remeasurement of investments classified as FVTPL	3,175,559	(891,527)
Profit on loans to related parties	(46,719)	(10,729)
Dividend income	(93,941)	(133,398)
Profit on short term investments and saving accounts	(127,179)	(1,068,981)
Gain on disposal of property, plant and equipment	(3,207)	(522)
	7,975,036	2,990,400
Operating cash flows before working capital changes	14,022,074	16,607,854
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets:		
Stores and spares	(1,199,024)	(1,030,063)
Stock in trade	(16,677,048)	(9,067,146)
Trade debts	12,397,085	7,766,719
Advances, deposits, prepayments and other receivables	(2,298,431)	(2,140,662)
Increase / (decrease) in creditors, accrued and other liabilities	2,333,053	(2,668,174)
	(5,444,365)	(7,139,326)
	8,577,709	9,468,528

23 Financial instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table presents the Group's financial assets which are carried at fair value:

	March 31, 2026 (Un audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets at fair value				
Investment - FVTPL	41,032,823	–	9,075,705	50,108,528
Total assets at fair value	41,032,823	–	9,075,705	50,108,528
	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets at fair value				
Investment - FVTPL	51,929,300	–	9,001,480	60,930,780
Total assets at fair value	51,929,300	–	9,001,480	60,930,780

24 Date of authorization of issue

These condensed interim consolidated financial statements have been authorized for issue on April 24, 2026 by the Board of Directors of the Holding Company.

25 General

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



Chief Executive Officer



Director




Chief Financial Officer




www.fatima-group.com



 E-110, Khayaban-e-Jinnah
Lahore Cantt., Pakistan

 PABX : +92 42 111 328 462

 Fax : +92 42 3662 1389