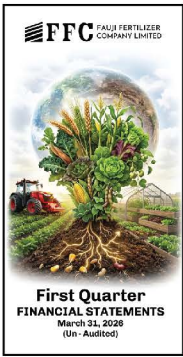




**First Quarter**  
**FINANCIAL STATEMENTS**  
March 31, 2026  
(Un - Audited)



## **COVER STORY**

Rooted in agriculture, driven by innovation. Delivering sustainable growth with lasting value.

# CONTENTS

03

Company Information

04

Directors' Review

07

ڈائریکٹرز کا تجزیہ

09

Condensed Interim  
Financial Statements

27

Condensed Interim  
Consolidated Financial Statements

**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. Saif Anjum

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

Mr. Farhad Shaikh Mohammad

Mr. Mohammad Majid Munir

Syed Shahzad Nabi

Ms. Fatima Asad Khan

### 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: ffcwrp@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/II/P-1, Eastern Zone, Port Qasim, Karachi 75020

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

### MARKETING & SALES OFFICE

Sona Tower, One - H, Gulberg - II,

Lahore, Pakistan

Tel No. +92 423 332 0001-09

### 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**

**for the Quarter Ended March 31, 2026**

### **Dear Shareholders,**

On behalf of the Board of Directors, we are pleased to present the operational and financial overview for the first quarter ended March 31, 2026.

### **Fertilizer Market**

The local fertilizer market witnessed a subdued start to 2026, due to higher inventories at the channel end. Geopolitical situation during the latter part of the quarter led to speculative buying of fertilizers, which resulted in increased fertilizer demand in the Country.

International fertilizer prices also witnessed a sharp rise during March 2026 due to the unrest. FFC, however, kept selling prices of urea broadly unchanged and also ensured uninterrupted supply of fertilizers directly to farmers at Company's prescribed rates through our nationwide network of Sona Centres.

### **Operational Performance**

The Company produced 654 thousand tonnes of urea, compared to 629 thousand tonnes in the same period last year. DAP output stood at 166 thousand tonnes, which was in line with 2025, while 42 thousand tonnes of DAP was also imported during the quarter.

Concerted efforts by the Company and market sentiment enabled FFC to outperform the market with urea offtake of 601 thousand tonnes, against 538 thousand tonnes during corresponding period of 2025, whereas DAP segment recorded sales of 182 thousand tonnes as opposed to 88 thousand tonnes last year. The urea market share, thus improved by 9% to 58% and DAP market share arose to 63% from 59% last year.

### **Financial Performance**

Aggregate revenue of the Company stood at PKR 95 billion compared to PKR 64 billion last year, which is attributable to higher fertilizer sales volumes. Dividend payouts by associated companies also rose to PKR 6.8 billion from PKR 2.8 billion during first quarter of 2025. While Company also exercised tight control over costs in view of the geopolitical scenario. As a result, FFC closed the quarter with net profitability of PKR 17.5 billion, with earnings per share of PKR 12.1, up from PKR 9.3 per share during same period of 2025.

Pursuant to judgment of the Federal Constitutional Court affirming the constitutionality of super tax, the Company settled its liability in respect of prior tax years. As adequate provisions had already been recognized in the financial statements, the settlement had no impact on profitability for the current period.

The Board of Directors is pleased to announce an interim dividend of 85% (PKR 8.50 per share) for the quarter.

**Future Outlook**

International commodity prices including oil and fertilizers remain volatile, and a prolonged geopolitical crisis would result in increased input costs of the Company including transportation and packaging expenditures, besides fertilizer supply chain disruptions and currency instability.

The Company invested PKR 1.7 billion in PIA Equity Limited during the quarter, while in March 2026, the shareholders approved further investment of around PKR 65 billion. The Company along with the Consortium, Privatization Commission and PIA are in the process of completing conditions precedent to the takeover transaction, after which FFC shall contribute a further amount of around PKR 29 billion. The balance amount shall be paid during the next twelve months.

The Board remains focused on sustained fertilizer value chain and operating on enhanced efficiency and economic basis for effectively navigating potential headwinds, while safeguarding national food security in the Country.

On behalf of the Board,



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



**Jahangir Piracha**  
**Managing Director &**  
**Chief Executive Officer**

Rawalpindi  
April 29, 2026

سہ ماہی کا اختتام 17.5 ارب روپے کے خالص منافع کے ساتھ کیا، جبکہ فی حصص آمدن 12.1 روپے رہی، جو گزشتہ سال اسی عرصے میں 9.3 روپے فی حصص تھی۔

وفاقی آئینی عدالت کے سپرنٹنڈنٹ کی آئینی حیثیت کی توثیق کرنے کے فیصلے کی تعمیل میں، کمپنی نے گزشتہ سالوں کے واجب الادا ٹیکس کے حوالے سے اپنی ذمہ داری پوری کر دی۔ چونکہ اس ضمن میں مالیاتی گوشواروں میں پہلے ہی مناسب رقوم مختص کی جا چکی تھیں، اس لیے اس ادائیگی کا حالیہ مدت کے منافع پر کوئی اثر نہیں پڑا۔

بورڈ آف ڈائریکٹرز سہ ماہی کے لیے 85 فیصد (فی حصص 8.50 روپے) عبوری منافع کا اعلان کرتے ہوئے خوشی محسوس کر رہا ہے۔

### متوقع مستقبل

اشیاء کی عالمی قیمتیں، بشمول تیل اور کھاد، بدستور غیر مستحکم ہیں، اور اگر جغرافیائی و سیاسی بحران طویل ہوا تو کمپنی کی لاگتوں، بشمول نقل و حمل اور بیکنگ، میں اضافہ ہو سکتا ہے، اس کے ساتھ ساتھ کھاد کے ترسیلی نظام میں خلل اور کرنسی کے عدم استحکام کا بھی خدشہ ہے۔

کمپنی نے اس سہ ماہی کے دوران پی آئی اے ایکویٹی لمیٹڈ میں 1.7 ارب روپے کی سرمایہ کاری کی، جبکہ مارچ 2026 میں حصہ داران نے تقریباً 65 ارب روپے کی مزید سرمایہ کاری کی منظوری دی۔ کمپنی، کنسورٹیم، نجکاری کمیشن اور پی آئی اے کے ساتھ مل کر حصول کے عمل سے قبل درکار شرائط کی تکمیل کے مراحل میں ہے، جس کے بعد ایف ایف سی مزید تقریباً 29 ارب روپے کی سرمایہ کاری کرے گی۔

بقیہ رقم آئندہ بارہ ماہ کے دوران ادا کی جائے گی۔

بورڈ قومی غذائی تحفظ کو یقینی بنانے کے ساتھ ساتھ ممکنہ مشکلات سے مؤثر طریقے سے نمٹنے کے لیے کھاد کے ترسیلی نظام کو مستحکم رکھنے، استعداد میں اضافے اور اقتصادی بنیادوں پر کام کرنے پر توجہ مرکوز کیے ہوئے ہے۔

بورڈ کی جانب سے

Jalangi Pinachar

Anwar Ali Hayer

لیفٹیننٹ جنرل انور علی حیدر

ہلال امتیاز (ملٹری) ریٹائرڈ

چیئر مین

راولپنڈی

جہانگیر پراچہ

میجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

29 اپریل 2026

## ڈائریکٹرز کا تجزیہ

محترم حصہ داران،

بورڈ آف ڈائریکٹرز کی جانب سے، 31 مارچ 2026 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کا عملیاتی اور مالیاتی جائزہ پیش کرتے ہوئے ہمیں مسرت ہو رہی ہے۔

### کھاد کی مارکیٹ

سال 2026 کے آغاز میں کھاد کی مقامی مارکیٹ میں سست روی دیکھی گئی، جس کی بنیادی وجہ ڈیلرز کے پاس انویٹری کے زائد ذخائر تھے۔ تاہم سہ ماہی کے اواخر میں جغرافیائی و سیاسی صورتحال میں تبدیلی کے باعث کھاد کے ڈیلرز کی جانب سے قیمتوں میں اضافے کی توقعات کے باعث کھادوں کی خریداری دیکھنے میں آئی، جس کے نتیجے میں ملک میں کھاد کی طلب میں اضافہ ہوا۔

عالمی سطح پر بد امنی کے باعث، مارچ 2026 کے دوران کھاد کی قیمتوں میں تیزی سے اضافہ دیکھنے میں آیا۔ تاہم، کمپنی نے یورپا کی قیمت فروخت کو مجموعی طور پر مستحکم رکھا اور اپنے ملک گیر سونا سینٹرز کے نیٹ ورک کے ذریعے کمپنی کی مقررہ قیمتوں پر کسانوں کو کھاد کی براہ راست اور بلا تعطل فراہمی یقینی بنائی۔

### عملیاتی کارکردگی

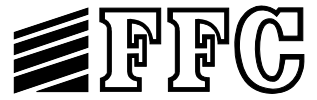
کمپنی نے 654 ہزار ٹن یورپا کی پیداوار حاصل کی، جبکہ گزشتہ برس اسی عرصے میں یہ مقدار 629 ہزار ٹن تھی۔ ڈی اے پی کی پیداوار 166 ہزار ٹن رہی جو گزشتہ برس کے تقریباً برابر تھی، جبکہ سہ ماہی کے دوران 42 ہزار ٹن ڈی اے پی درآمد بھی کی گئی۔

کمپنی کی مربوط کاوشوں اور مارکیٹ میں مثبت رجحان کے باعث ایف ایف سی نے مارکیٹ سے بہتر کارکردگی دکھائی اور یورپا کی 601 ہزار ٹن فروخت حاصل کی، جبکہ 2025 کے اسی عرصے میں یہ مقدار 538 ہزار ٹن تھی۔ اسی طرح ڈی اے پی کے شعبے میں فروخت 182 ہزار ٹن رہی جو گزشتہ سال 88 ہزار ٹن تھی۔ اس طرح یورپا کا مارکیٹ شیئر 9 فیصد اضافے کے ساتھ 58 فیصد ہو گیا جبکہ ڈی اے پی کا مارکیٹ شیئر 59 فیصد سے بڑھ کر 63 فیصد ہو گیا۔

### مالیاتی کارکردگی

کمپنی کی مجموعی آمدن 95 ارب روپے رہی جو گزشتہ سال 64 ارب روپے تھی، جس کی بنیادی وجہ کھاد کی فروخت کے زائد حجم ہیں۔ منسلکہ کمپنیوں کی جانب سے منافع منقسمہ ادائیگیاں بھی بڑھ کر 6.8 ارب روپے ہو گئیں جو کہ 2025 کی پہلی سہ ماہی کے دوران 2.8 ارب روپے تھیں۔ کمپنی نے جغرافیائی و سیاسی صورتحال کے پیش نظر اخراجات پر بھی سخت کنٹرول برقرار رکھا۔ نتیجتاً، ایف ایف سی نے





# Condensed Interim Financial Statements



## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at March 31, 2026


	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY AND RESERVES</b>			
Share capital	4	14,390,232	14,231,086
Capital reserves		28,000,080	28,000,080
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		89,876,986	84,496,584
		98,679,346	93,298,944
Surplus on remeasurement of investments to fair value - net		43,993	53,415
		141,113,651	135,583,525
<b>NON - CURRENT LIABILITIES</b>			
Long term borrowings - secured	5	50,000,000	50,250,000
Deferred liabilities			
- Deferred taxation		8,682,818	7,911,767
- Compensated leave absences		1,108,284	3,044,643
		59,791,102	61,206,410
<b>CURRENT LIABILITIES</b>			
Current portion of long term borrowings - secured	5	9,650,000	11,050,000
Trade and other payables	6	193,936,091	194,053,067
Mark-up and profit accrued		2,397,792	940,275
Short term borrowings - secured	7	20,463,141	18,594,647
Unclaimed dividend		739,770	850,812
Taxation		9,668,355	15,206,397
		236,855,149	240,695,198
<b>TOTAL LIABILITIES</b>		<b>296,646,251</b>	<b>301,901,608</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>437,759,902</b>	<b>437,485,133</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

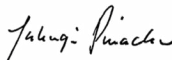
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

As at March 31, 2026

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	9	91,446,592	76,550,175
Intangible assets		1,606,468	1,591,378
Long term investments	10	79,449,935	79,070,285
Long term loans and advances - secured		4,968,527	4,529,993
Long term deposits and prepayments		91,021	91,021
		<b>177,562,543</b>	<b>161,832,852</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		15,629,340	15,566,472
Stock in trade		45,168,986	38,229,377
Trade debts		3,639,533	20,153,212
Loans and advances - secured		8,455,071	5,682,181
Deposits and prepayments		1,052,092	1,058,747
Other receivables	11	5,196,123	5,163,143
Short term investments	12	175,368,886	181,455,741
Cash and bank balances		5,687,328	8,343,408
		<b>260,197,359</b>	<b>275,652,281</b>
<b>TOTAL ASSETS</b>		<b>437,759,902</b>	<b>437,485,133</b>



Chairman



Chief Executive Officer



Director




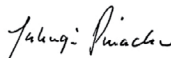
Chief Financial Officer

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

For the three month period ended March 31, 2026

	Note	March 31, 2026	March 31, 2025
(Rupees '000)			
Turnover - net	13	95,293,909	63,636,854
Cost of sales		(66,166,432)	(40,988,198)
<b>GROSS PROFIT</b>		<b>29,127,477</b>	<b>22,648,656</b>
Distribution cost		(7,753,335)	(6,097,876)
		<b>21,374,142</b>	<b>16,550,780</b>
Finance cost		(2,171,281)	(1,699,091)
Other expenses		(2,116,426)	(1,893,093)
Other income		10,669,420	7,445,295
<b>PROFIT BEFORE INCOME TAX AND FINAL TAX</b>		<b>27,755,855</b>	<b>20,403,891</b>
Final taxes - levies		(131)	(6,935)
<b>PROFIT BEFORE INCOME TAX</b>		<b>27,755,724</b>	<b>20,396,956</b>
Provision for taxation		(10,278,898)	(7,119,134)
<b>PROFIT FOR THE PERIOD</b>		<b>17,476,826</b>	<b>13,277,822</b>
Earnings per share - basic and diluted (Rupees)		<b>12.14</b>	<b>9.33</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


**Chairman**

**Chief Executive Officer**

**Director**


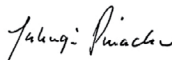
**Chief Financial Officer**

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

For the three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
	(Rupees '000)	
<b>PROFIT FOR THE PERIOD</b>	<b>17,476,826</b>	13,277,822
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>		
Items that may be subsequently reclassified to profit or loss:		
(Deficit) / Surplus on re-measurement of investments to fair value - net	(9,422)	7,740
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>17,467,404</b>	13,285,562

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


**Chairman**

**Chief Executive Officer**

**Director**

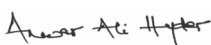
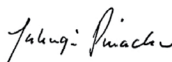
**Chief Financial Officer**

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

For the three month period ended March 31, 2026

	Capital reserves			Revenue reserves		(Deficit) / surplus on re-measurement of investments to fair value - net	Total	
	Share capital	Share premium	Capital redemption reserve	Merger reserve	General reserves			Unappropriated profit
	(Rupees '000)							
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
<b>Total comprehensive income</b>								
Profit for the period	-	-	-	-	-	13,277,822	-	13,277,822
Other comprehensive income - net of tax	-	-	-	-	-	-	7,740	7,740
	-	-	-	-	-	13,277,822	7,740	13,285,562
<b>Transactions with owners of the Company</b>								
<b>Distributions:</b>								
Final dividend 2024: Rs 21 per share	-	-	-	-	-	(29,885,583)	-	(29,885,583)
Balance as at March 31, 2025 (Un-audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	64,142,130	104,440	115,280,096
Balance as at January 1, 2026 (Audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	84,496,584	53,415	135,583,525
<b>Transactions pursuant to FPCL acquisition</b>								
Issuance of shares as consideration	159,146	-	-	-	-	-	-	159,146
<b>Total comprehensive income</b>								
Profit for the period	-	-	-	-	-	17,476,826	-	17,476,826
Other comprehensive loss - net of tax	-	-	-	-	-	-	(9,422)	(9,422)
	-	-	-	-	-	17,476,826	(9,422)	17,467,404
<b>Transactions with owners of the Company</b>								
<b>Distributions:</b>								
Final dividend 2025: Rs 8.50 per share	-	-	-	-	-	(12,096,424)	-	(12,096,424)
Balance as at March 31, 2026 (Un-audited)	14,390,232	40,000	120,000	27,840,080	8,802,360	89,876,986	43,993	141,113,651

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


**Chairman**

**Chief Executive Officer**

**Director**

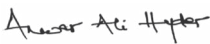
**Chief Financial Officer**

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

For the three month period ended March 31, 2026

Note	March 31, 2026	March 31, 2025
(Rupees '000)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from / (used in) operations	14 33,181,729	(15,028,025)
Finance cost paid	(713,764)	(555,711)
Income taxes and levies paid	(17,753,930)	(18,598,211)
	(18,467,694)	(19,153,922)
Net cash generated from / (used in) operating activities	14,714,035	(34,181,947)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(16,548,359)	(4,419,945)
Proceeds from sale of operating fixed assets	12,489	20,437
Investment in Agritech Limited	-	(306,462)
Interest and profit received	208,322	619,137
Dividend received	6,766,294	2,814,001
Net cash used in investing activities	(9,561,254)	(1,272,832)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing:		
Repayments	(1,650,000)	(950,000)
Dividend paid	(12,207,466)	(13,007,374)
Net cash used in financing activities	(13,857,466)	(13,957,374)
Net decrease in cash and cash equivalents	(8,704,685)	(49,412,153)
<b>Cash and cash equivalents at beginning of the period</b>	<b>163,308,997</b>	<b>176,715,058</b>
Effect of exchange rate changes	(207,154)	(101,718)
<b>Cash and cash equivalents at end of the period</b>	<b>154,397,158</b>	<b>127,201,187</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	5,687,328	7,507,791
Short term borrowings	(20,463,141)	(11,617,603)
Short term highly liquid investments	173,499,971	137,523,737
Bank balance under lien	(4,327,000)	(6,212,738)
	154,397,158	127,201,187

The annexed notes 1 to 19 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 three month period ended March 31, 2026

### 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, 2025. Comparative condensed interim statement of financial position is extracted from annual financial statements as at December 31, 2025 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 three month period ended March 31, 2025.

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, 2025.

### 4. SHARE CAPITAL

#### AUTHORISED SHARE CAPITAL

This represents 3,000,000,000 (December 31, 2025: 3,000,000,000) ordinary shares of Rs 10 each amounting to Rs 30,000,000 thousand (December 31, 2025: Rs 30,000,000 thousand).

#### ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited March 31, 2026	Audited December 31, 2025		Un-audited March 31, 2026	Audited December 31, 2025
(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
15,914,566	-	Shares issued pursuant to FPCL acquisition	159,146	-
<b>1,439,023,262</b>	<b>1,423,108,696</b>		<b>14,390,232</b>	<b>14,231,086</b>

4.1 Fauji Foundation holds 44.32% (December 31, 2025: 43.70%) ordinary shares of the Company at the period end.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>5. LONG TERM BORROWINGS - SECURED</b>			
From conventional banks	5.1	11,150,000	11,550,000
From Islamic banks	5.2	48,500,000	49,750,000
		<b>59,650,000</b>	61,300,000
Less: current portion shown under current liabilities			
From conventional banks		3,650,000	4,050,000
From Islamic banks		6,000,000	7,000,000
		<b>9,650,000</b>	11,050,000
		<b>50,000,000</b>	50,250,000
<b>5.1 Movement during the period / year is as follows:</b>			
Opening balance		11,550,000	14,700,000
Repayments during the period / year		(400,000)	(3,150,000)
Closing balance	5.1.1	<b>11,150,000</b>	11,550,000

**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 6 month KIBOR plus 0.10% per annum (2025: 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.10% per annum) and are repayable up to December 2029.

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>5.2 Movement during the period / year is as follows:</b>			
Opening balance		49,750,000	23,500,000
Draw-downs during the period / year		-	30,000,000
Repayments during the period / year		(1,250,000)	(3,750,000)
Closing balance	5.2.1	<b>48,500,000</b>	49,750,000

**5.2.1** 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 6 month KIBOR plus 0.10% per annum (2025: 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.10% per annum) and are repayable up to December 2030.

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2026

### 6. TRADE AND OTHER PAYABLES

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

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) PAYABLE</b>	6.1	<b>84,977,267</b>	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 pending in Sindh High Court, has now been transferred to Civil Judge, Karachi.

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 financial statements, on GIDC payments against recovery stay granted by SHC.

Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)		

### 7. SHORT TERM BORROWINGS - SECURED

From conventional banks	7.1	<b>11,068,317</b>	9,637,484
From Islamic banks	7.2	<b>9,394,824</b>	8,957,163
		<b>20,463,141</b>	18,594,647

- 7.1 Short term borrowings are available from various banking companies under mark-up arrangements against facilities amounting to Rs. 36,210,586 thousands (2025: Rs. 36,014,037 thousands) 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% to 0.15% (2025: 1 month KIBOR plus 0.05% to 0.25% and 3 month KIBOR plus 0% to 0.25%).

The facilities are secured by pari passu / ranking hypothecation charges on all present and future assets (excluding land and building) of the Company with 25% margin besides lien over mutual funds in certain cases.

- 7.2 Shariah compliant short term borrowings are available from various banking companies under profit arrangement against facilities amounting to Rs. 9,700,000 thousands (2025: Rs. 9,700,000 thousands). The per annum rate of profit is 3 month KIBOR minus 0.15% to plus 0.05% (2025: 3 month KIBOR minus 0.0% to 0.15%).

The facilities are secured by ranking hypothecation charges on current assets of the Company and lien over debt instruments. The facilities have various maturity dates upto September 30, 2026.

Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)		

### 8. CONTINGENCIES AND COMMITMENTS

#### 8.1 Contingencies:

i) Guarantees issued by banks on behalf of the Company	15,229,857	11,378,768
ii) Claims against the Company and / or potential exposure not acknowledged as debt	50,696	50,696

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

- iii) The Company has issued corporate bank guarantee and letters of comfort in favour of its subsidiary company i.e. Fauji Fresh n Freeze Limited amounting to Rs 2,093,096 thousand (2025: Rs 1,960,366 thousand).
- iv) Penalty of Rs 5,500,000 thousand (December 31 2025: 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 10,117 million (2025: Rs 9,724 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 10,117 million as of March 31, 2026. During the period, the Company has recognized the levy amounting to Rs 393 million fully covered by bank guarantee.

	Note	Un-audited March 31, 2026	Audited December 31, 2025
<b>8.2 Commitments in respect of:</b>		(Rupees '000)	
(i) Capital expenditure		26,242,509	34,619,877
(ii) Purchase of fertilizer, stores, spares and other operational items		14,080,469	18,502,685
(iii) Investment in Thar Energy Limited		89,456	89,776
(iv) Contracted out services		906,428	625,737
(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		2,150,000	2,295,000
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	9.1	63,737,279	58,222,376
Capital work in progress	9.2	27,709,313	18,327,799
		<b>91,446,592</b>	<b>76,550,175</b>
<b>9.1 Operating fixed assets</b>			
Opening written down value		58,222,376	44,086,856
Additions during the period / year		7,148,815	19,351,801
Written down value of disposals		(7,723)	(28,514)
Depreciation during the period / year		(1,626,189)	(5,187,767)
		<b>63,737,279</b>	<b>58,222,376</b>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

9.1.1 Additions in and depreciation on operating fixed assets during the three month period ended March 31, 2025 were Rs 1,328,354 thousand and Rs 1,186,214 thousand respectively.

	Un-audited March 31, 2026	Audited December 31, 2025
<b>9.2 Capital work in progress</b>	(Rupees '000)	
Opening value	18,327,799	14,123,873
Additions during the period / year	14,587,369	10,249,541
Transfers during the period / year	(5,205,855)	(6,045,615)
	27,709,313	18,327,799
<b>9.3 Depreciation charge has been allocated as follows:</b>		
Cost of sales	1,458,585	4,936,867
Distribution cost	166,542	247,591
Other expenses	1,062	3,309
	1,626,189	5,187,767
<b>10. LONG TERM INVESTMENTS</b>		
<b>Investments held at cost</b>		
<b>In associated companies (Quoted)</b>		
Fauji Cement Company Limited	1,500,000	1,500,000
Askari Bank Limited	15,692,912	15,692,912
Agritech Limited (AGL)	7,307,542	7,307,542
	24,500,454	24,500,454
<b>In associated company (Unquoted)</b>		
Thar Energy Limited	5,986,908	5,986,908
<b>In joint venture (Unquoted)</b>		
Pakistan Maroc Phosphore S.A., Morocco	2,117,075	2,117,075
<b>In subsidiary company (Quoted)</b>		
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
<b>In subsidiary companies (Unquoted)</b>		
FFC Energy Limited	2,438,250	2,438,250
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
Fauji Wind Energy Limited - I	7,493,051	7,493,051
Fauji Wind Energy Limited - II	6,019,288	6,019,288
OLIVE Technical Services (Private) Limited (OLIVE)	100,000	100,000
FFBL Power Company Limited (FPCL)	6,599,771	6,440,625
	27,885,860	27,726,714

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)		
<b>Other long term investments</b>		
Arabian Sea Country Club Limited	-	-
	<b>72,546,813</b>	72,387,667
<b>Investments - fair value through profit or loss (FVTPL)</b>		
Investment in un-listed preference shares	<b>6,151,213</b>	5,917,440
<b>Investments measured at fair value through other comprehensive income</b>		
Bank Alfalah Term Finance Certificates	<b>300,000</b>	300,000
Pakistan Investment Bonds	<b>451,909</b>	465,178
	<b>751,909</b>	765,178
	<b>79,449,935</b>	79,070,285

**11. OTHER RECEIVABLES**

Other receivables includes Rs 10,122,870 thousand (December 31, 2025: 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, 2025: Rs 10,083,396 thousand) has been recognised. This also includes Rs 40,176,971 thousand (December 31, 2025: Rs 40,460,008 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 39,956,308 thousand (December 31, 2025: Rs 39,611,483 thousand) has been recognised.

	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)		
<b>12. SHORT TERM INVESTMENTS</b>		
<b>Amortised cost - conventional investments</b>		
Term deposits with banks and financial institutions		
Foreign currency	<b>5,582,898</b>	5,530,553
Investment in privately placed term finance certificates (PPTFCs)	<b>1,868,915</b>	1,831,517
<b>Investments at fair value through profit or loss</b>		
Conventional investments	<b>56,497,678</b>	42,157,553
Shariah compliant investments	<b>111,419,395</b>	131,936,118
	<b>167,917,073</b>	174,093,671
	<b>175,368,886</b>	181,455,741

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

For the three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
<b>13. TURNOVER - NET</b>	(Rupees '000)	
Manufactured fertilizers	92,368,540	61,681,994
Purchased and packaged fertilizers	11,276,336	6,191,106
	103,644,876	67,873,100
Less: Trade discounts	(1,056,951)	-
Less: Sales tax & excise duty	(7,294,016)	(4,236,246)
	<u>95,293,909</u>	<u>63,636,854</u>
<b>14. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before income tax</b>	27,755,724	20,396,956
<b>Adjustments for:</b>		
Depreciation	1,626,189	1,186,214
Amortization	2,940	718
Finance cost	2,171,281	1,699,091
Gain on disposal of operating fixed assets	(4,766)	(15,805)
Interest and profit on loans, deposits and investments	(278,067)	(368,747)
Gain on re-measurement of other investments held at FVTPL	(271,171)	(489,152)
Final taxes - levies	131	6,935
Exchange loss - net	207,154	101,718
Dividend income	(6,766,293)	(2,814,000)
	(3,312,602)	(678,028)
	24,443,122	19,718,928
<b>Changes in:</b>		
Stores, spares and loose tools	(62,868)	(693,714)
Stock in trade	(6,939,609)	(18,893,201)
Trade debts	16,513,679	746,503
Loans and advances	(2,772,890)	516,988
Deposits and prepayments	6,655	416,063
Other receivables	36,764	(519,438)
Bank balance under lien	1,736,988	(106,750)
Trade and other payables	2,594,781	(16,113,891)
	11,113,500	(34,647,440)
Changes in long term loans and advances	(438,534)	(135,045)
Changes in long term deposits and prepayments	-	853
Changes in compensated leave absences	(1,936,359)	34,679
	<u>33,181,729</u>	<u>(15,028,025)</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

**15. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017**

Description	Explanation	Note	Un-audited	Audited
			March 31, 2026	December 31, 2025
			(Rupees '000)	
<b>STATEMENT OF FINANCIAL POSITION</b>				
<b>Assets</b>				
Long term investments	Shariah	10	56,853,901	56,694,755
Loans and advances	Shariah		4,021,809	3,734,147
Short term investments	Shariah	12	113,288,310	133,767,635
Bank balances / instruments	Shariah		660,863	208,861
<b>Liabilities</b>				
Long term borrowings - secured (including current portion)	Shariah	5	48,500,000	49,750,000
Short term borrowings - secured	Shariah	7	9,394,824	8,957,163
Mark-up and profit accrued	Conventional		616,457	289,986
	Shariah		1,781,335	650,289
			<b>Three month period ended</b>	
			<b>Un-audited</b>	<b>Un-audited</b>
			<b>March 31,</b>	<b>March 31,</b>
			<b>2026</b>	<b>2025</b>
<b>(Rupees '000)</b>				
<b>STATEMENT OF PROFIT OR LOSS</b>				
Turnover	Shariah	13	95,293,909	63,636,854
Late Payments or liquidated damages			-	-
Exchange gains on derivative financial instruments			-	-
Profit paid on Islamic mode of financing			1,520,305	850,626
<b>Sources and detailed breakup of other income</b>				
Income on loans, deposits and investments	Conventional		277,664	367,009
	Shariah		403	1,738
Gain on investments	Conventional		851,753	2,671,933
	Shariah		1,960,448	1,432,479
Gain on re-measurement of investments	Conventional		93,363	(181,226)
	Shariah		678,071	210,994
Dividend income	Conventional		1,641,500	2,832,731
	Shariah		5,125,129	1,084
Exchange (loss) / gain	Conventional		(207,154)	(101,718)
Other income	Shariah		248,243	210,271

**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 660,863 thousand (2025: Rs 208,861 thousand) and availed borrowing facilities amounting to Rs 59,676,159 thousand (2025: Rs 59,357,452 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 113,288,310 thousand (2025: Rs 133,767,635 thousand).

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

For the three month period ended March 31, 2026

### 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, 2025. 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, 2025.

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

	March 31, 2026	March 31, 2025
	(Rupees '000)	

### 17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Significant transactions and balances with the related parties are as follows:

#### HOLDING COMPANY

##### Transactions

Dividend	5,421,115	13,004,324
Cost recharge	337,500	250,002
Others	153	175

##### Balances

Balances payable - unsecured*	874,559	537,059
-------------------------------	---------	---------

#### SUBSIDIARY COMPANIES

##### Transactions

Payment received under revolving credit facility	100,000	45,000
Advance under revolving credit facility	245,000	370,000
Interest income	950	733
Rental income	10,239	9,290
Services and materials provided	305,331	208,654
Services and materials received	4,538,395	4,729,695
Expenses incurred on behalf of subsidiary companies	69,966	6,151

##### Balances

Balances payable - unsecured*	1,533,310	1,568,678
Balances receivable - unsecured*	1,175,463	970,112

#### ASSOCIATED UNDERTAKINGS / COMPANIES

##### DUE TO COMMON DIRECTORSHIP

##### Transactions

Expenses charged on account of marketing of fertilizer on behalf of associated company	109,387	-
Commission on sale of products	1,809	-
Sale of fertilizer	41,117	4,879
Payments under consignment account - net	9,260,183	-
Payments against purchase of gas and PEF project	13,750,214	13,319,782
Purchase of raw materials and others	8,061,596	7,520,198
Investment in Agritech Limited	-	306,462
Services and materials provided	6,317	9,526
Donations	980,430	216,000
Interest expense	195,153	304,140
Interest income	35,499	8,535
Dividend income	6,766,293	2,814,000

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

For the three month period ended March 31, 2026

	Three month period ended	
	March 31, 2026	March 31, 2025
	(Rupees '000)	
<b>Balances</b>		
Short term borrowings*	8,287,342	7,969,117
Cash and Bank Balances*	21,985	21,008
Balances receivable - unsecured*	3,727,842	2,169,150
Balances payable - unsecured*	89,714,827	94,410,799
<b>STAFF RETIREMENT BENEFITS</b>		
<b>Contributions</b>		
Employees' Provident Fund Trust	230,039	201,966
Employees' Gratuity Fund Trust	233,914	394,051
Employees' Pension Fund Trust	67,983	28,507
<b>Balances</b>		
Balances receivable - Gratuity Fund - I*	662,365	486,929
Balances receivable - Gratuity Fund - II*	266,606	266,606
Balances receivable - Pension Fund Trust*	875,314	824,327
<b>OTHERS</b>		
<b>Transactions</b>		
Remuneration and benefits of key management personnel (Number of person(s): 23 (2025: 32))	407,512	258,955
<b>Balances</b>		
Loans and advances*	118,872	153,322

\*Comparative figures of receivable / payable balances are as at December 31, 2025.

**18. NON ADJUSTING EVENTS AFTER REPORTING DATE**

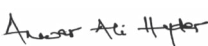
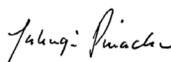
**18.1** The Board of Directors in its meeting held on April 29, 2026 proposed first interim dividend of Rs 8.50 per share.

**19. GENERAL**

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

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

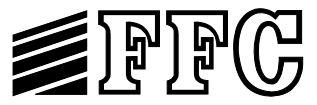
**19.3** These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on April 29, 2026.


**Chairman**

**Chief Executive Officer**

**Director**

**Chief Financial Officer**





# Condensed Interim Consolidated Financial Statements



**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at March 31, 2026


	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	4	14,390,232	14,231,086
Capital reserves		44,805,416	44,630,739
Revenue reserves			
General reserves		10,656,191	8,802,360
Unappropriated profit		192,534,332	184,276,548
		203,190,523	193,078,908
Surplus on remeasurement of investments to fair value - net		10,319,363	7,559,791
Non-controlling interest		3,294,518	4,937,686
		276,000,052	264,438,210
Share in revaluation reserve of associates - net		366,742	366,742
<b>NON - CURRENT LIABILITIES</b>			
Long term borrowings - secured	5	50,527,779	50,817,992
Lease liabilities		370,880	396,531
Deferred government grant		42,956	48,222
Deferred tax liability		37,655,629	35,930,184
Compensated leave absences		1,215,319	3,398,553
		89,812,563	90,591,482
<b>CURRENT LIABILITIES</b>			
Current portion of long term borrowings - secured	5	10,236,683	11,636,683
Current portion of lease liabilities		119,351	105,626
Current portion of deferred government grant		23,433	25,058
Trade and other payables	6	206,595,565	206,886,556
Mark-up and profit accrued		2,391,571	987,536
Short term borrowings - secured	7	22,481,426	22,009,674
Unclaimed dividend		740,736	851,778
Provision for taxation		9,678,770	15,398,817
		252,267,535	257,901,728
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>618,446,892</b>	<b>613,298,162</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	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 March 31, 2026

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	9	146,788,179	132,494,031
Intangible assets		2,045,110	2,037,672
Long term investments	10	150,196,962	146,225,194
Long term loans and advances - secured		4,968,527	4,529,993
Long term deposits and prepayments		144,518	146,962
		<b>304,143,296</b>	<b>285,433,852</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		18,124,109	18,100,523
Stock in trade		55,082,557	45,350,440
Trade debts		20,336,464	33,901,558
Loans and advances		9,047,764	7,554,482
Deposits and prepayments		1,773,032	1,515,730
Other receivables	11	7,120,939	8,442,339
Short term investments	12	193,907,058	199,033,962
Cash and bank balances		8,911,673	13,965,276
		<b>314,303,596</b>	<b>327,864,310</b>
<b>TOTAL ASSETS</b>		<b>618,446,892</b>	<b>613,298,162</b>



Chairman



Chief Executive Officer



Director



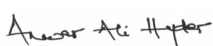
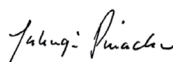
Chief Financial Officer

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

For the three month period ended March 31, 2026

	Note	March 31, 2026	March 31, 2025
(Rupees '000)			
Turnover - net	13	109,552,954	75,697,395
Cost of sales		(75,220,521)	(50,017,845)
<b>GROSS PROFIT</b>		<b>34,332,433</b>	25,679,550
Administrative and distribution expenses		(9,395,928)	(7,433,287)
		<b>24,936,505</b>	18,246,263
Finance cost		(2,277,016)	(1,924,728)
Other expenses		(2,241,704)	(1,995,854)
Other income		4,360,037	5,177,128
Share of profit of associates and joint venture		5,580,256	6,535,566
<b>PROFIT BEFORE INCOME TAX AND FINAL TAX</b>		<b>30,358,078</b>	26,038,375
Final taxes - levies		(50,266)	(42,938)
<b>PROFIT BEFORE INCOME TAX</b>		<b>30,307,812</b>	25,995,437
Provision for taxation		(10,343,101)	(8,359,243)
<b>PROFIT FOR THE PERIOD</b>		<b>19,964,711</b>	17,636,194
<b>ATTRIBUTABLE TO:</b>			
Equity Holders of Fauji Fertilizer Company Limited		19,594,902	17,400,809
Non - Controlling Interest		369,809	235,385
		<b>19,964,711</b>	17,636,194
Earnings per share - basic and diluted (Rupees)		<b>13.62</b>	12.23

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 three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
	(Rupees '000)	
<b>PROFIT FOR THE PERIOD</b>	<b>19,964,711</b>	17,636,194
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>		
Items that may be subsequently reclassified to profit or loss:		
(Deficit) / Surplus on re-measurement of investments to fair value - net of tax	(9,422)	7,740
Share of equity accounted investees - share of OCI, net of tax	2,176,828	(1,762,618)
	<b>2,167,406</b>	(1,754,878)
Items that will not be subsequently reclassified to profit or loss:		
Equity accounted investees - share of OCI, net of tax	1,105,512	785,574
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>23,237,629</b>	16,666,890

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 three month period ended March 31, 2026

	Capital reserves				Revenue reserves		(Deficit) / surplus on remeasurement of investments to fair value- net	Share in reserve of associates - net	Non - Controlling interest	Total
	Share capital	Share premium	Capital redemption reserve	Merger reserve	Translation reserve	Statutory reserve				
<b>Balance as at January 1, 2025 (Audited)</b>	14,231,086	40,000	120,000	27,047,377	7,701,637	7,866,404	(1,440,369)	8,802,360	172,189,158	244,890,587
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(893,631)	716,510	-	-	17,400,809	17,636,194
Other comprehensive income - net of tax	-	-	-	-	(893,631)	-	-	-	(1,071,247)	(969,304)
Effect of reclassification on adoption of IFRS - 9 by equity accounted investee - net of tax	-	-	-	-	(893,631)	-	-	-	(1,071,247)	(16,666,850)
Effect of adoption of IFRS - 9 - ECL by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	(56,796)	(61,213)
Gain on disposal of equity securities measured at FVTOCI by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	197,475	197,475
<b>Transactions with owners of the Group</b>	-	-	-	-	-	-	-	-	11,051	-
<b>Distributions:</b>	-	-	-	-	-	-	-	-	-	-
Final dividend 2024: Rs 21 per share	-	-	-	-	-	-	-	-	(29,885,283)	(29,885,283)
<b>Other changes in equity</b>	-	-	-	-	-	453,070	-	-	(453,070)	-
Transfer to statutory reserve	-	-	-	-	-	8,319,474	-	-	160,099,854	178,418,928
<b>Balance as at March 31, 2025 (Un-audited)</b>	14,231,086	40,000	120,000	27,047,377	7,018,006	8,319,474	(1,440,369)	8,802,360	160,099,854	231,808,456
<b>Balance as at January 1, 2026 (Audited)</b>	14,231,086	40,000	120,000	27,047,377	9,382,522	9,481,209	(1,440,369)	8,802,360	184,276,548	264,804,582
<b>Transactions pursuant to FPCL acquisition</b>	159,146	-	-	-	-	-	-	1,853,831	-	2,012,977
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(139,419)	-	-	-	19,594,902	19,964,711
Other comprehensive income - net of tax	-	-	-	-	(139,419)	-	-	-	931,823	3,272,518
Effect of reclassification on adoption of IFRS - 9 by an associate - net of tax	-	-	-	-	(139,419)	-	-	-	2,480,514	2,341,095
Effect of adoption of IFRS - 9 - ECL by an associate - net of tax	-	-	-	-	-	-	-	-	432,484	432,484
Gain on disposal of equity securities measured at FVTOCI by an associate - net of tax	-	-	-	-	-	-	-	-	(11,847)	(11,847)
<b>Transactions with owners of the Group</b>	-	-	-	-	-	-	-	-	153,426	-
<b>Distributions:</b>	-	-	-	-	-	-	-	-	-	-
Final dividend 2025: Rs 6.5 per share	-	-	-	-	-	-	-	-	(12,096,424)	(12,096,424)
<b>Other changes in equity</b>	-	-	-	-	-	314,096	-	-	(314,096)	-
Transfer to statutory reserve	-	-	-	-	-	9,795,305	-	-	192,534,332	202,329,637
<b>Balance as at March 31, 2026 (Un-audited)</b>	14,390,232	40,000	120,000	27,047,377	9,243,103	9,795,305	(1,440,369)	10,656,191	192,534,332	276,366,784

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

**Chairman**

**Chief Executive Officer**

**Director**

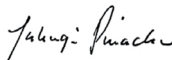
**Chief Financial Officer**

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

For the three month period ended March 31, 2026

Note	March 31, 2026	March 31, 2025
	(Rupees '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from / (used in) operations	15 34,848,469	(14,018,679)
Finance cost paid	(852,124)	(768,785)
Income taxes and levies paid	(18,332,393)	(19,477,982)
	(19,184,517)	(20,246,767)
Net cash generated from / (used in) operating activities	15,663,952	(34,265,446)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(17,139,988)	(5,039,668)
Proceeds from sale of operating fixed assets	28,778	35,628
Investment in Agritech Limited	-	(306,462)
Other investments - net	-	557,362
Interest and profit received	492,803	1,093,687
Dividend received	6,766,293	2,814,000
Net cash used in investing activities	(9,852,114)	(845,453)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing:		
Drawdowns	6,893	8,278
Repayments	(1,697,106)	(997,106)
Repayment of lease liabilities	(52,749)	(43,647)
Dividend paid	(12,207,466)	(13,007,374)
Net cash used in financing activities	(13,950,428)	(14,039,849)
Net decrease in cash and cash equivalents	(8,138,590)	(49,150,748)
<b>Cash and cash equivalents at beginning of the period</b>	<b>182,486,134</b>	<b>191,619,934</b>
Effect of exchange rate changes	(207,154)	(101,718)
<b>Cash and cash equivalents at end of the period</b>	<b>174,140,390</b>	<b>142,367,468</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	8,911,673	9,208,227
Short term highly liquid investments	192,038,143	156,017,099
Short term borrowings - secured	(22,481,426)	(16,645,120)
Bank balance held under lien	(4,328,000)	(6,212,738)
	174,140,390	142,367,468

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 three month period ended March 31, 2026

### 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, 2025. Comparative figures of condensed interim statement of financial position is extracted from audited consolidated financial statements as at December 31, 2025 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 three month period ended March 31, 2025.
- 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, 2025.

### 4. SHARE CAPITAL

#### AUTHORISED SHARE CAPITAL

This represents 3,000,000,000 (December 31, 2025: 3,000,000,000) ordinary shares of Rs 10 each amounting to Rs 30,000,000 thousand (December 31, 2025: Rs 30,000,000 thousand).

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

Un-audited March 31, 2026	Audited December 31, 2025		Un-audited March 31, 2026	Audited December 31, 2025
(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
15,914,566	-	Shares issued pursuant to FPCL acquisition	159,146	-
<b>1,439,023,262</b>	<b>1,423,108,696</b>		<b>14,390,232</b>	<b>14,231,086</b>

- 4.1 Fauji Foundation (FF) holds 44.32% (December 31, 2025: 43.70%) ordinary shares of the Company at the period end.

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>5. LONG TERM BORROWINGS - SECURED</b>			
<b>From conventional banks</b>			
Fauji Fertilizer Company Limited	5.1	11,150,000	11,550,000
Fauji Fresh n Freeze Limited	5.2	1,114,462	1,154,675
<b>From Islamic banks</b>			
Fauji Fertilizer Company Limited	5.3	48,500,000	49,750,000
		<b>60,764,462</b>	<b>62,454,675</b>
<b>Less: Current portion shown under current liabilities</b>			
From conventional banks		4,236,683	4,636,683
From Islamic banks		6,000,000	7,000,000
		<b>10,236,683</b>	<b>11,636,683</b>
		<b>50,527,779</b>	<b>50,817,992</b>
<b>5.1 Movement during the period / year is as follows:</b>			
Opening balance		11,550,000	14,700,000
Repayments during the period / year		(400,000)	(3,150,000)
Closing balance		<b>11,150,000</b>	<b>11,550,000</b>

- 5.1.1 The borrowings are secured by way of hypothecation of FFC'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 0.10% per annum (2025: 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.10% per annum) and are repayable up to December 2029.

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2026

	Un-audited March 31, 2026	Audited December 31, 2025
<b>5.2 Movement during the period / year is as follows:</b>	(Rupees '000)	
Opening balance	1,154,675	1,708,990
Draw-downs during the period / year	6,893	34,094
Repayments during the period / year	(47,106)	(588,409)
Closing balance	1,114,462	1,154,675

- 5.2.1 The borrowings are secured by way of pari passu hypothecation charge over all present and future fixed assets (excluding land and building) of FFF and certain corporate guarantees by FFC.

These carry mark-up ranging between 3 month KIBOR plus 0.5% to 6 month KIBOR plus 0.5% (2025: 3 month KIBOR plus 0.5% to 6 month KIBOR plus 0.5%), additionally TERF facilities included have markup ranging between 2.5% to 3.5%. (2025: 2.5% to 3.5%) and are repayable up to September 2031 (2025: September 2031).

	Un-audited March 31, 2026	Audited December 31, 2025
<b>5.3 Movement during the period / year is as follows:</b>	(Rupees '000)	
Opening balance	49,750,000	23,500,000
Draw-downs during the period / year	-	30,000,000
Repayments during the period / year	(1,250,000)	(3,750,000)
Closing Balance	48,500,000	49,750,000

- 5.3.1 The borrowings are secured by way of hypothecation of FFC'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 0.10% per annum (2025: 6 month KIBOR minus 0.50% to 6 month KIBOR plus 0.10% per annum) and are repayable up to December 2030.

## 6. TRADE AND OTHER PAYABLES

This includes amount payable on account of Gas Infrastructure Development Cess (GIDC) amounting to Rs 84,977,267 thousand (2025: Rs 84,977,267 thousand) under Gas Infrastructure Development Cess Act, 2015 (GIDC Act) up to July 31, 2020. The Group 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 Group 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 Group, till the finalisation of matter by SHC. The matter pending in Sindh High Court, has now been transferred to Civil Judge, Karachi.

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

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	Un-audited March 31, 2026	Audited December 31, 2025
	(Rupees '000)	
<b>7. SHORT TERM BORROWINGS - SECURED</b>		
From conventional banks	11,093,197	11,364,914
From Islamic banks	11,388,229	10,644,760
	<b>22,481,426</b>	<b>22,009,674</b>
<b>8. CONTINGENCIES AND COMMITMENTS</b>		
<b>8.1 Contingencies:</b>		
i) Guarantees issued by banks on behalf of the Group companies	15,666,935	11,378,768
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 December 31, 2025 (2025: September 30, 2025)	547,020	547,020
iv) Group's share of contingencies in Agritech Limited as at March 31, 2026 (2025: December 31, 2025)	2,614,970	8,543,076
v) Group's share of contingencies in Fauji Cement Company Limited December 31, 2025 (2025: September 30, 2025)	380,337	329,134
vi) Group's share of contingencies in Askari Bank Limited as at December 31, 2025 (2025: September 30, 2025)	190,635,356	187,488,227
vii) Penalty of Rs 5,500,000 thousand (December 31, 2025: 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. FFC 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 10,117 million (2025: Rs 9,724 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.		
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 10,117 million as of March 31, 2026. During the period, FFC has recognized the levy amounting to Rs 393 million fully covered by bank guarantee.		

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>8.2 Commitments in respect of:</b>			
i) Capital expenditure		26,685,288	35,297,488
ii) Purchase of fertilizer, stores, spares and other operational items		14,385,714	19,303,191
iii) Investment in Thar Energy Limited		89,456	89,232
iv) Contracted out services		906,428	625,737
v) Group's share of commitments of PMP as at December 31, 2025 (2025: September 30, 2025)		37,058	38,527
vi) Group's share of commitments of FCCL as at December 31, 2025 (2025: September 30, 2025)		117,596	31,017
vii) Group's share of commitments of AGL as at March 31, 2026 (2025: December 31, 2025)		17,121	75,191
viii) Group's share of commitments of Askari Bank Limited as at December 31, 2025 (2025: September 30, 2025)		289,781,572	371,205,172
ix) Group's share of commitments of TEL as at December 31, 2025 (2025: September 30, 2025)		2,145,723	2,145,723
<b>9. PROPERTY PLANT AND EQUIPMENT</b>			
Operating fixed assets	9.1	116,579,050	112,044,008
Capital work in progress	9.2	29,505,347	19,742,742
Right of use assets	9.3	703,782	707,281
		<b>146,788,179</b>	<b>132,494,031</b>
<b>9.1 Operating fixed assets</b>			
Opening written down value		112,044,008	100,454,154
Additions during the period / year		7,359,111	21,652,962
Written down value of disposals / adjustments		(12,954)	(122,791)
Depreciation during the period / year		(2,811,115)	(9,995,317)
Reversal of impairment charge		-	55,000
		<b>116,579,050</b>	<b>112,044,008</b>
<b>9.1.1 Additions in and depreciation on operating fixed assets during the three month period ended March 31, 2025 were Rs 1,519,129 thousand and Rs 2,332,664 thousand respectively.</b>			
(Rupees '000)			
<b>9.2 Capital work in progress</b>			
Opening value		19,742,742	15,397,691
Additions during the period / year		12,333,308	11,419,112
Transfers during the period / year		(2,570,703)	(7,074,061)
		<b>29,505,347</b>	<b>19,742,742</b>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	Note	Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)			
<b>9.3 Right of use assets</b>			
Opening balance		707,281	567,905
Additions during the period / year		19,966	249,706
Written down value of disposals		-	(2,539)
Depreciation during the period / year		(23,465)	(107,791)
		<b>703,782</b>	<b>707,281</b>
<b>9.4 Depreciation charge has been allocated as follows:</b>			
Cost of sales		2,612,355	9,675,724
Administrative and distribution expenses		221,163	424,075
Other expenses		1,062	3,309
		<b>2,834,580</b>	<b>10,103,108</b>
<b>10. LONG TERM INVESTMENTS</b>			
Equity accounted investments	10.1	143,293,840	139,542,576
Other long term investments	10.2	6,903,122	6,682,618
		<b>150,196,962</b>	<b>146,225,194</b>
<b>10.1 Equity accounted investments</b>			
<b>Investment in associated companies - under equity method</b>			
<b>Fauji Cement Company Limited</b>			
Balance at the beginning		4,133,311	3,691,749
Share of profit for the period / year		172,891	573,398
Dividend received		-	(131,836)
		<b>4,306,202</b>	<b>4,133,311</b>
<b>Askari Bank Limited</b>			
Balance at the beginning		88,958,360	73,508,398
Share of impact of adoption of IFRS - 9		560,849	195,814
Share of profit for the period / year		3,178,168	16,014,064
Share of OCI for the period / year		4,542,154	5,102,583
Dividend		(1,641,500)	(5,862,499)
		<b>95,598,031</b>	<b>88,958,360</b>
<b>Thar Energy Limited</b>			
Balance at the beginning		14,332,579	10,899,478
Share of profit for the period / year		1,079,394	3,733,325
Share of OCI for the period / year		-	(879)
Dividend		(5,124,793)	(299,345)
		<b>10,287,180</b>	<b>14,332,579</b>
<b>Agritech Limited (AGL)</b>			
Balance at the beginning		9,003,051	5,343,667
Investment during the period / year		-	2,452,437
Share of (loss) / profit for the period / year		(454,139)	1,207,861
Share of OCI for the period / year		-	(914)
		<b>8,548,912</b>	<b>9,003,051</b>

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2026

Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)	

### Investment in joint venture - under equity method

#### Pakistan Maroc Phosphore S.A., Morocco

Balance at the beginning	23,115,275	24,340,868
Share of profit for the period / year	1,603,942	3,660,015
Gain on translation of net assets	(165,702)	2,190,161
Dividend received	-	(7,075,769)
	<b>24,553,515</b>	<b>23,115,275</b>
	<b>143,293,840</b>	<b>139,542,576</b>

## 10.2 Other long term investments

### Investment at fair value through profit or loss (FVTPL)

Investment in un-listed preference shares	6,151,213	5,917,440
---	-----------	-----------

### Investment at fair value through other comprehensive income

Term Finance Certificates - from conventional bank	300,000	300,000
Pakistan Investment Bonds	451,909	465,178
	<b>751,909</b>	<b>765,178</b>
	<b>6,903,122</b>	<b>6,682,618</b>

## 11. OTHER RECEIVABLES

Other receivables includes Rs 10,122,870 thousand (December 31, 2025: 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, 2025: Rs 10,083,396 thousand) has been recognised. This also includes Rs 40,176,971 thousand (December 31, 2025: Rs 40,460,008 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 39,956,308 thousand (December 31, 2025: Rs 39,611,483 thousand) has been recognised.

Un-audited March 31, 2026	Audited December 31, 2025
(Rupees '000)	

## 12. SHORT TERM INVESTMENTS

### Amortized cost - conventional instruments

Local currency	2,294,889	2,694,890
Foreign currency	5,582,898	5,530,553
	<b>7,877,787</b>	<b>8,225,443</b>
Investment in privately placed term finance certificates (PPTFCs)	1,868,915	1,831,517
	<b>9,746,702</b>	<b>10,056,960</b>

### Investments at fair value through profit or loss

Conventional investments	71,184,202	55,473,242
Shariah compliant investments	112,976,154	133,503,760
	<b>184,160,356</b>	<b>188,977,002</b>
	<b>193,907,058</b>	<b>199,033,962</b>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
<b>13. TURNOVER - NET</b>	(Rupees '000)	
Fertilizer	103,644,876	67,873,100
Power	4,388,872	2,902,177
Food	12,944,267	10,439,020
Technical services	235,285	143,178
	<b>121,213,300</b>	<b>81,357,475</b>
Sales tax & excise duty	(9,715,998)	(5,396,324)
Trade discount	(1,944,348)	(263,756)
	<b>(11,660,346)</b>	<b>(5,660,080)</b>
	<b>109,552,954</b>	<b>75,697,395</b>

**14. SEGMENT INFORMATION**

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

	Reportable segments				Total
	Fertilizers*	Power	Food	Technical Services	
	(Rupees '000)				
<b>March 31, 2026 (Un-audited)</b>					
<b>Assets</b>					
Segment assets (Total)	354,594,329	90,220,803	29,046,859	1,291,061	475,153,052
Equity accounted investees	143,293,840	-	-	-	143,293,840
<b>Liabilities</b>					
Segment liabilities (Total)	321,982,243	5,655,441	14,108,508	333,906	342,080,098
<b>Capital expenditure</b>	16,530,329	300,638	289,973	776	17,121,716
<b>Depreciation</b>	1,626,189	921,688	286,403	300	2,834,580
<b>December 31, 2025 (Audited)</b>					
<b>Assets</b>					
Segment assets (Total)	354,745,794	89,744,185	28,039,169	1,226,438	473,755,586
Equity accounted investees	139,542,576	-	-	-	139,542,576
<b>Liabilities</b>					
Segment liabilities (Total)	326,596,838	7,981,126	13,565,471	349,775	348,493,210
<b>Capital expenditure</b>	23,555,727	921,539	1,767,738	2,715	26,247,719
<b>Depreciation</b>	5,214,301	3,654,860	1,232,874	1,073	10,103,108

\*net of consolidated adjustments / eliminations

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

For the three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
<b>15. CASH GENERATED FROM OPERATIONS</b>		
	(Rupees '000)	
<b>Profit before income tax</b>	<b>30,307,812</b>	25,995,437
<b>Adjustments for:</b>		
Depreciation and impairment	2,834,580	2,333,061
Amortization	10,834	5,806
Finance cost	2,277,016	1,924,728
Gain on disposal of operating fixed assets	(15,824)	(16,291)
Interest and profit on loans, deposits and investments	(392,608)	(546,240)
Share of profit of associated companies and joint venture	(5,580,256)	(6,535,566)
Amortization of government grant	(6,891)	(8,276)
Final and minimum taxes - levies	50,266	42,938
Exchange loss - net	207,154	101,718
Gain on remeasurement of other investments held at FVTPL	(271,171)	(489,152)
	<b>(886,900)</b>	<b>(3,187,274)</b>
	<b>29,420,912</b>	22,808,163
<b>Changes in:</b>		
Stores and spares	(23,586)	(785,856)
Stock in trade	(9,732,117)	(20,767,758)
Trade debts	13,565,094	(784,515)
Loans and advances	(1,493,282)	1,806,819
Deposits and prepayments	(257,302)	11,263
Other receivables	1,221,205	571,434
Trade and other payables	2,422,956	(16,692,490)
Bank balances held under lien	2,343,913	(56,077)
	<b>8,046,881</b>	<b>(36,697,180)</b>
Changes in long term loans and advances	(438,534)	(135,045)
Changes in long term deposits and prepayments	2,444	5,383
Changes in compensated leave absences	(2,183,234)	-
	<b>34,848,469</b>	<b>(14,018,679)</b>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2026

**16. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017**

Description	Explanation	Un-audited	Audited
		March 31, 2026	December 31, 2025
		(Rupees '000)	
<b>i) Consolidated Statement of Financial Position</b>			
<b>Assets</b>			
Long term investments	Shariah	47,695,809	50,584,216
Long term loans and advances	Shariah	12,509,065	9,425,252
Short term investments	Shariah	114,845,069	135,335,277
Bank balances / instruments	Shariah	664,748	212,568
<b>Liabilities</b>			
Long term borrowings - secured (including current portion)	Shariah	48,500,000	49,750,000
Short term borrowings - secured	Shariah	11,388,229	10,644,760
Mark-up and profit accrued	Conventional	1,357,648	337,247
	Shariah	1,033,923	650,289
		Three month period ended	
		Un-audited	Un-audited
		March 31, 2026	March 31, 2025
		(Rupees '000)	
<b>ii) Consolidated Statement of Profit or Loss</b>			
Turnover	Shariah	109,552,954	75,697,395
Late payments or liquidated damages		-	-
Exchange gains on derivative financial instruments		-	-
Profit paid on Islamic mode of financing		1,520,305	850,626
Income on loans, deposits and investments	Conventional	392,205	544,502
	Shariah	403	1,738
Gain on investments	Conventional	1,994,258	2,707,061
	Shariah	1,973,818	1,643,473
Dividend income on mutual funds	Conventional	-	165,633
	Shariah	336	1,084
Exchange (loss) / gain	Conventional	(207,154)	(101,718)
Other income	Shariah	206,171	215,355
Share of profit of associates and joint venture	Conventional	3,178,168	4,396,714
	Shariah	2,402,088	2,138,852

**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 664,748 thousand (2025: Rs 212,568 thousand) and availed borrowing facilities amounting to Rs 60,922,152 thousand (2025: Rs 61,045,049 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 114,845,069 thousand (2025: Rs 135,335,277 thousand).

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

For the three month period ended March 31, 2026

### 17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Groups's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended December 31, 2025. 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, 2025.

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

	March 31, 2026	March 31, 2025
<b>18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>		
(Rupees '000)		
Significant transactions and balances with the related parties are as follows:		
<b>HOLDING COMPANY</b>		
<b>Transactions</b>		
Dividend	5,421,115	13,004,324
Cost recharge	339,000	250,002
Others	103,931	15,661
<b>Balances</b>		
Balance payable - unsecured*	874,559	6,445,614
Balance receivable - unsecured*	183,803	-
<b>ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP</b>		
<b>Transactions</b>		
Expenses charged on account of marketing of fertilizer on behalf of associated company	109,387	-
Commission on sale of products	1,809	-
Sale of fertilizer	41,117	4,879
Payments under consignment account - net	9,260,183	-
Payments against purchase of gas and PEF project	13,750,214	13,319,782
Purchase of raw materials and others	8,067,500	7,521,639
Investment in Agritech Limited	-	306,462
Services and materials provided	308,119	16,388
Donations	980,430	269,010
Interest expense	199,040	306,772
Interest income	62,371	103,591
Dividend income	6,766,293	2,814,000
<b>Balances</b>		
Long term borrowings*	307,180	320,536
Short term borrowings*	8,287,342	7,969,117
Bank balances*	1,642,466	2,650,350
Balances receivable - unsecured*	3,773,916	2,174,034
Balances payable - unsecured*	89,725,483	94,498,517

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

For the three month period ended March 31, 2026

	March 31, 2026	March 31, 2025
<b>STAFF RETIREMENT BENEFITS</b>	(Rupees '000)	
<b>Contributions</b>		
Employees' Provident Fund Trust	273,751	238,716
Employees' Gratuity Fund Trust	278,762	401,133
Employees' Pension Fund Trust	67,983	28,507
<b>Balances</b>		
Balance payable - Gratuity Fund - I and others*	669,409	540,974
Balance receivable - Gratuity Fund - II*	266,606	266,606
Balance receivable - Pension Fund Trust*	875,314	824,327
Balance payable - Provident Fund*	44	237
<b>OTHERS</b>		
<b>Transactions</b>		
Remuneration and benefits of key management personnel (Number of person(s): 37 (March 31, 2025: 32))	588,917	258,955
<b>Balances</b>		
Loans and Advances*	118,872	153,322

\*Comparative figures of receivable / payable balances are as of December 31, 2025.

**19. NON ADJUSTING EVENTS AFTER REPORTING DATE**


The Board of Directors in its meeting held on April 29, 2026 proposed first interim dividend of Rs 8.50 per share.

**20. GENERAL**

- 20.1** Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.
- 20.2** 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 April 29, 2026.


**Chairman**

**Chief Executive Officer**

**Director**

**Chief Financial Officer**

If Undelivered please return to:

**FAUJI FERTILIZER COMPANY LIMITED**  
**Sona Tower, 156 The Mall, Rawalpindi.**

**Tel: +92 (51) 8450001**

**UAN: +92 (51) 111-332-111**

**Website: [www.ffc.com.pk](http://www.ffc.com.pk)**



Askari Bank Ltd



FFBL POWER COMPANY LIMITED



Fauji Cement Company Ltd



TECHNICAL SERVICES (PVT.) LTD.

