FAUJI FERTILIZER
COMPANY LIMITED

Half Yearly
FINANCIAL STATEMENTS
JUNE 30, 2026
(Un - Audited)

FFC

CONTENTS

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: ffcrwp@ffc.com.pk

PLANTSITES

Goth Machhi, Sadiqabad
(Distt: Rahim Yar Khan), Pakistan
Tel No. +92-68-5954550-64, Fax No. +92-68-5954510-11

Mirpur Mathelo
(Distt: Ghotki), Pakistan
Tel No. +92-723-661500-09, Fax No. +92-723-661462

Port Qasim
Plot No. EZ/I/P-1, Eastern Zone, Port Qasim, Karachi 75020
Tel No. +92 21 34724500-29, Fax No. +92-21-34724530-31

MARKETING & 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 period ended June 30, 2026

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the operational and financial review for the six months ended June 30, 2026.

Fertilizer Market

The business environment remained uncertain during the period as regional geopolitical landscape continued to exert pressure on energy market and commodity prices. Against this backdrop, FFC's focused marketing and distribution efforts along with uninterrupted product availability, resulted in higher urea sales during the second quarter compared with the first quarter of 2026. Renewed regional tensions in July 2026 eroded the earlier signs of stability and heightened uncertainty across energy and fertilizer markets.

Operational Performance

Our Urea plants at Goth Machhi and Mirpur Mathelo produced 1,262 thousand tonnes of Prilled Urea during the period, an increase of 3% over corresponding period last year. Granular Urea output by Port Qasim plant stood at 155 thousand tonnes against 192 thousand tonnes last year, while Sona DAP production also declined by 6% to 369 thousand tonnes. This decrease in production is attributable to gas curtailment and shortage of phosphoric acid arising from regional supply constraints.

Urea offtake increased to 1,404 thousand tonnes, against 1,122 thousand tonnes during corresponding period, whereas DAP sales, including imported product, increased from 288 thousand tonnes to 318 thousand tonnes in 2026. Increase in offtake resulted in urea market share improvement to 56% from 48% previously, while DAP market share registered a growth of 3% to 66%.

Financial Performance

All product revenue increased from PKR 155 billion during 2025 to PKR 200 billion, mainly due to higher sales volumes. The rise in revenue, control over operating costs along with investment income of PKR 28 billion, enabled the Company to achieve net profit of PKR 41.8 billion. This profitability translated into Earnings per share of PKR 29.1 as compared to PKR 27.0 in the corresponding period last year.

The Board of Directors is pleased to announce second interim dividend of PKR 14.5 per share, with cumulative distribution of PKR 23 per share for the half year.

Future Outlook

The business environment remains sensitive to regional developments and continued instability may lead to supply chain disruptions and cost escalation for the fertilizer industry as well as the energy sector. The Company shall continue to closely monitor the situation and act prudently to ensure business continuity and operational efficiencies.

The Company entered into a strategic collaboration with Yara International, to introduce plant nutritional products for strengthening crop productivity. The initiative is aimed towards food security while also enhancing Company's value-added product portfolio.

Under the privatization process of Pakistan International Airlines (PIACL), FFC successfully achieved the First Completion under the PIA Share Purchase and Subscription Agreement. FFC invested PKR 30.6 billion, representing 22.6% of the PIACL shareholding through PIA Equity Limited (PIAEL). Total shareholding by PIA Equity Limited in PIACL stands at 66.7%. The Company remains committed to transform the National flag carrier into a successful venture.

The Board remains committed to reinforcing the Company's competitive strengths through prudent capital allocation, while continuing to contribute towards national food security and sustainable value creation for shareholders.

On behalf of the Board,

Lt Gen Anwar Ali Hyder, HI(M), (Retd)	**Jahangir Piracha**
Chairman	**Managing Director & Chief Executive Officer**

Rawalpindi
July 29, 2026

بورڈ آف ڈائریکٹرز کو حصہ داران کے لیے 14.5 روپے فی حصص کے دوسرے عبوری منافع منقسمہ (Interim Dividend) کا اعلان کرتے ہوئے خوشی ہو رہی ہے، جس کے ساتھ ششماہی (نصف سال) کے لیے مجموعی تقسیم 23 روپے فی حصص بنتی ہے۔

متوقع مستقبل

کاروباری ماحول علاقائی حالات و واقعات کے ساتھ مشروط ہے اور مسلسل عدم استحکام کے نتیجے میں رسد میں رکاوٹیں پیدا ہو سکتی ہیں اور کھاد کی صنعت کے ساتھ ساتھ توانائی کے شعبے کے اخراجات میں بھی اضافہ ہو سکتا ہے۔ کمپنی صورتحال کی کڑی نگرانی جاری رکھے گی اور کاروباری تسلسل اور عملیاتی استعداد کار کو یقینی بنانے کے لیے مستعدی سے اقدامات کرے گی۔ کمپنی نے فصلوں کی پیداواری صلاحیت کو بہتر بنانے کے لیے پودوں کی غذائی مصنوعات (Plant Nutritional Products) متعارف کرانے کے لیے 'یارا انٹرنیشنل (Yara International)' کے ساتھ تزویراتی (Strategic) شراکت داری قائم کی ہے۔ اس اقدام کا مقصد غذائی تحفظ (Food Security) کو یقینی بنانا اور ساتھ ہی کمپنی کے ویلیو ایڈڈ پروڈکٹ پورٹ فولیو میں اضافہ کرنا ہے۔

پاکستان انٹرنیشنل ایئرلائنز (PIACL) کے نجکاری کے عمل کے تحت، ایف ایف سی (FFC) نے پی آئی اے شیئر پرچیز اینڈ سبسکرپشن ایگریمنٹ کے تحت کامیابی سے پہلی تکمیل (First Completion) کا ہدف حاصل کر لیا ہے۔ FFC نے 'پی آئی اے ایکویٹی لمیٹڈ (PIAEL)' کے ذریعے پی آئی اے سی ایل (PIACL) کی 22.6 فیصد شیئر ہولڈنگ حاصل کرنے کے لیے 30.6 ارب روپے کی سرمایہ کاری کی ہے۔ پی آئی اے ایکویٹی لمیٹڈ کی پی آئی اے سی ایل میں کل شیئر ہولڈنگ 66.7 فیصد ہے۔ کمپنی قومی فضائی کمپنی کو ایک کامیاب ادارے میں تبدیل کرنے کے لیے پرعزم ہے۔

بورڈ سرمائے کے بہترین استعمال کے ذریعے کمپنی کی مسابقتی صلاحیتوں کو مزید بہتر بنانے کے لیے پرعزم ہے، جبکہ قومی غذائی تحفظ اور حصہ داران کے لیے مستحکم سرمائے کی فراہمی میں اپنا کردار جاری رکھے گا۔

بورڈ کی جانب سے

Anwar Ali Hyder

لیفٹیننٹ جنرل انور علی حیدر
ہلال امتیاز (ملٹری) ریٹائرڈ
چیئرمین

Jahangir Piracha

جہانگیر پراچہ
مینجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

راولپنڈی
29 اپریل 2026

ڈائریکٹرز کا تجزیہ

محترم حصہ داران،

بورڈ آف ڈائریکٹرز کی جانب سے، 30 جون 2026 کو ختم ہونے والی ششماہی کے لیے کمپنی کا عملیاتی اور مالیاتی جائزہ پیش کرتے ہوئے ہمیں مسرت ہو رہی ہے۔

کھاد کی مارکیٹ

زیرِ جائزہ مدت کے دوران کاروباری ماحول غیر یقینی رہا کیونکہ علاقائی جغرافیائی سیاسی صورتحال توانائی کی مارکیٹ اور اشیاء کی قیمتوں پر دباؤ ڈالتی رہی۔ اس پس منظر میں، ایف ایف سی (FFC) کی بھرپور مارکیٹنگ اور ترسیلی کوششوں کے ساتھ ساتھ مصنوعات کی مسلسل دستیابی کے نتیجے میں، 2026 کی پہلی سہ ماہی کے مقابلے میں دوسری سہ ماہی کے دوران یوریا کی فروخت میں اضافہ ہوا۔ جولائی 2026 میں نئی علاقائی کشیدگی نے استحکام کے ابتدائی آثار کو ختم کر دیا اور توانائی اور کھاد کی مارکیٹوں میں غیر یقینی صورتحال کو مزید بڑھا دیا۔

عملیاتی کارکردگی

گوٹھ ماچھی اور میرپور ماتھیلو میں واقع ہمارے یوریا پلانٹس نے اس مدت کے دوران 1,262 ہزار ٹن Prilled یوریا کی پیداوار حاصل کی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 3 فیصد زائد ہے۔ پورٹ قاسم پلانٹ کی جانب سے گرینولر یوریا کی پیداوار 155 ہزار ٹن رہی جبکہ گزشتہ سال یہ 192 ہزار ٹن تھی، جب کہ سوناڈی اے پی کی پیداوار بھی 6 فیصد کمی کے ساتھ 369 ہزار ٹن رہ گئی۔ پیداوار میں اس کمی کی وجہ گیس کی فراہمی میں تخفیف اور رسد کی علاقائی رکاوٹوں کے باعث فاسفورک ایسڈ کی قلت ہے۔

یوریا کی فروخت بڑھ کر 1,404 ہزار ٹن ہوگئی، جبکہ گزشتہ سال کی اسی مدت کے دوران یہ 1,122 ہزار ٹن تھی، دوسری طرف 2026 میں درآمد شدہ پروڈکٹ سمیت ڈی اے پی کی فروخت گزشتہ برس کی 288 ہزار ٹن کے مقابلے میں بڑھ کر 318 ہزار ٹن ہوگئی۔ فروخت میں اس اضافے کے نتیجے میں یوریا کا مارکیٹ شیئر گزشتہ برس کے 48 فیصد سے بہتر ہو کر 56 فیصد ہوگیا، جبکہ ڈی اے پی کے مارکیٹ شیئر میں 3 فیصد اضافہ ریکارڈ کیا گیا جس سے یہ 66 فیصد تک پہنچ گیا۔

مالیاتی کارکردگی

تمام مصنوعات کی آمدن فروخت 2025 (Revenue) کے دوران 155 ارب روپے سے بڑھ کر 200 ارب روپے ہوگئی، جس کی بنیادی وجہ فروخت کے حجم (Sales Volumes) میں اضافہ ہے۔

آمدن فروخت میں اضافہ، عملیاتی اخراجات پر کنٹرول اور اس کے ساتھ 28 ارب روپے کی سرمایہ کاری آمدن (Investment Income) نے کمپنی کو 41.8 ارب روپے کا خالص منافع (Net Profit) حاصل کرنے کے قابل بنایا۔ یہ منافع، گزشتہ سال کی اسی مدت میں 27.0 روپے کے مقابلے میں 29.1 روپے فی حصہ آمدن (Earnings per share) بنتا ہے۔

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Fauji Fertilizer Company Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fauji Fertilizer Company Limited as at June 30, 2026 and the related 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, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for the three months period ended June 30, 2026, and June 30, 2025, have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is Aftab Ahmed.

A.F.Ferguson & Co

Chartered Accountants
Islamabad
Date: August 27, 2026
UDIN: RR202610610yDaIqPsbU

Condensed Interim Financial Statements

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
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		**101,878,995**	84,496,584
		110,681,355	93,298,944
Surplus on remeasurement of investments to fair value - net		**49,806**	53,415
		153,121,473	135,583,525
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	**72,375,000**	50,250,000
Deferred tax liability		**8,392,875**	7,911,767
Compensated leave absences		**950,000**	3,044,643
		81,717,875	61,206,410
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	**13,400,000**	11,050,000
Trade and other payables	6	**213,147,480**	194,053,067
Mark-up and profit accrued		**833,440**	940,275
Short term borrowings - secured	7	**18,448,354**	18,594,647
Unclaimed dividend		**862,749**	850,812
Provision for taxation		**11,194,496**	15,206,397
		257,886,519	240,695,198
TOTAL LIABILITIES		**339,604,394**	301,901,608
TOTAL EQUITY AND LIABILITIES		**492,725,867**	437,485,133
CONTINGENCIES AND COMMITMENTS	8		

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	**96,574,989**	76,550,175
Intangible assets		**1,701,758**	1,591,378
Long term investments	10	**109,835,268**	79,070,285
Long term loans and advances - secured		**5,876,587**	4,529,993
Long term deposits and prepayments		**91,021**	91,021
		214,079,623	161,832,852
CURRENT ASSETS			
Stores, spares and loose tools		**15,826,295**	15,566,472
Stock in trade		**64,425,128**	38,229,377
Trade debts		**1,493,943**	20,153,212
Loans and advances - secured		**7,386,611**	5,682,181
Deposits and prepayments		**503,944**	1,058,747
Other receivables	11	**9,627,409**	5,163,143
Short term investments	12	**174,360,789**	181,455,741
Cash and bank balances		**5,022,125**	8,343,408
		278,646,244	275,652,281
TOTAL ASSETS		**492,725,867**	437,485,133

Chairman | Chief Executive Officer | Director | Chief Financial Officer

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

For the six month period ended June 30, 2026

	Note	Three month period ended		Six month period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	**104,319,791**	91,811,688	**199,613,700**	155,448,542
Cost of sales		**(69,740,235)**	(60,853,656)	**(135,906,667)**	(101,841,854)
GROSS PROFIT		**34,579,556**	30,958,032	**63,707,033**	53,606,688
Distribution cost		**(9,968,854)**	(8,719,507)	**(17,722,189)**	(14,817,383)
		24,610,702	22,238,525	**45,984,844**	38,789,305
Finance cost		**(2,118,588)**	(1,707,685)	**(4,289,869)**	(3,406,776)
Other expenses		**(2,651,278)**	(2,857,503)	**(4,767,704)**	(4,750,596)
		19,840,836	17,673,337	**36,927,271**	30,631,933
Other income		**17,568,717**	20,716,206	**28,238,137**	28,161,501
PROFIT BEFORE INCOME TAX AND FINAL TAX		**37,409,553**	38,389,543	**65,165,408**	58,793,434
Final taxes - levies	14	**(4,062)**	(271)	**(4,193)**	(7,206)
PROFIT BEFORE INCOME TAX		**37,405,491**	38,389,272	**65,161,215**	58,786,228
Provision for taxation		**(13,036,510)**	(13,215,292)	**(23,315,408)**	(20,334,426)
PROFIT FOR THE PERIOD		**24,368,981**	25,173,980	**41,845,807**	38,451,802
Earnings per share - basic and diluted (Rupees)		**16.94**	17.69	**29.08**	27.02

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

Chairman	Chief Executive Officer	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the six month period ended June 30, 2026

	Three month period ended		Six month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	**24,368,981**	25,173,980	**41,845,807**	38,451,802
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
Surplus / (deficit) on re-measurement of investments to fair value - net of tax	**5,813**	14,994	**(3,609)**	22,734
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**24,374,794**	25,188,974	**41,842,198**	38,474,536

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

Chairman **Chief Executive Officer** **Director** **Chief Financial Officer**

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

For the six month period ended June 30, 2026

		Capital reserves			Revenue reserves			
	Share capital	Share premium	Capital redemption reserve	Merger reserve	General reserves	Unappropriated profit	surplus / (Deficit) on re-measurement of investments to fair value - net	Total
					(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
Total comprehensive income								
Profit for the period	-	-	-	-	-	38,451,802	-	38,451,802
Other comprehensive income - net of tax	-	-	-	-	-	-	22,734	22,734
	-	-	-	-	-	38,451,802	22,734	38,474,536
Transactions with owners of the Company								
Distributions:								
Final dividend 2024: Rs 21.00 per share	-	-	-	-	-	(29,885,283)	-	(29,885,283)
First interim dividend 2025: Rs 7.00 per share	-	-	-	-	-	(9,961,761)	-	(9,961,761)
	-	-	-	-	-	(39,847,044)	-	(39,847,044)
Balance as at June 30, 2025 (Un-audited)	14,231,086	40,000	120,000	27,840,080	8,802,360	79,354,649	119,434	130,507,609
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**
Total comprehensive income								
Profit for the period	**-**	**-**	**-**	**-**	**-**	**41,845,807**	**-**	**41,845,807**
Other comprehensive (loss) - net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**(3,609)**	**(3,609)**
	-	**-**	**-**	**-**	**-**	**41,845,807**	**(3,609)**	**41,842,198**
Transactions with owners of the Company								
Distributions:								
Final dividend 2025: Rs 8.50 per share	**-**	**-**	**-**	**-**	**-**	**(12,231,698)**	**-**	**(12,231,698)**
First interim dividend 2026: Rs 8.50 per share	**-**	**-**	**-**	**-**	**-**	**(12,231,698)**	**-**	**(12,231,698)**
	-	**-**	**-**	**-**	**-**	**(24,463,396)**	**-**	**(24,463,396)**
Transactions pursuant to further acquisition of FPCL								
Issuance of shares as consideration - note 10.2	**159,146**	**-**	**-**	**-**	**-**	**-**	**-**	**159,146**
Balance as at June 30, 2026 (Un-audited)	**14,390,232**	**40,000**	**120,000**	**27,840,080**	**8,802,360**	**101,878,995**	**49,806**	**153,121,473**

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

Chairman **Chief Executive Officer** **Director** **Chief Financial Officer**

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the six month period ended June 30, 2026

	Note	June 30, 2026	June 30, 2025
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	15	**63,771,033**	(119,543)
Finance cost paid		**(4,396,704)**	(3,261,099)
Income taxes paid		**(26,843,894)**	(30,096,116)
Levies paid		**(2,714,509)**	(5,147)
		(33,955,107)	(33,362,362)
Net cash generated from / (used in) operating activities		**29,815,926**	(33,481,905)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		**(23,554,563)**	(7,186,553)
Proceeds from disposals of property, plant and equipment		**85,275**	47,194
Investment in Agritech Limited		**(432,992)**	(1,588,838)
Loan to Agritech Limited		**(104,085)**	-
Investment in PIA Equity Limited		**(1,699,500)**	-
Advance against issue of shares to PIA Equity Limited		**(28,900,959)**	-
Other investments - net		**-**	32,717
Interest and profit received		**485,129**	881,304
Dividend received		**16,042,293**	11,861,572
Net cash (used in) / generated from investing activities		**(38,079,402)**	4,047,396
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Draw-downs		**30,000,000**	-
Repayments		**(5,525,000)**	(3,450,000)
Dividend paid		**(24,451,459)**	(39,755,616)
Net cash generated from / (used in) financing activities		**23,541**	(43,205,616)
Net (decrease) in cash and cash equivalents		**(8,239,935)**	(72,640,125)
Cash and cash equivalents at beginning of the period		**163,308,997**	176,715,058
Effect of exchange rate changes		**(487,777)**	(382,032)
Cash and cash equivalents at end of the period		**154,581,285**	103,692,901
CASH AND CASH EQUIVALENTS			
Cash and bank balances		**5,022,125**	7,074,262
Short term borrowings - secured		**(18,448,354)**	(26,062,632)
Short term highly liquid investments		**172,334,189**	128,727,259
Bank balance under lien		**(4,326,675)**	(6,045,988)
		154,581,285	103,692,901

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

Chairman	Chief Executive Officer	Director	Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six month period ended June 30, 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, aviation, 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, directives and notifications issued under the Companies Act, 2017.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications 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 six month period ended June 30, 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.

3.1 New and Amended standards and interpretations

3.1.1 There are certain amendments to the accounting and reporting standards which became applicable to the Company on January 1, 2026. However, these amendments do not have any significant impact on the Company's financial statements and, therefore, have not been presented in these condensed interim financial statements.

3.1.2 The following standards or amendments are effective for the accounting periods beginning on or after January 1, 2027 and have not been early adopted by the Company:

IFRS 18 - Presentation and Disclosure in Financial Statements (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced are as follows:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company's management at present is in the process of assessing the full impacts of this new standard and is expecting to complete the assessment in due course.

3.1.3 Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2026. Such standards and amendments are not expected to have any significant impact in the Company's financial reporting and, therefore, have not been presented in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

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 June 30, 2026	Audited December 31, 2025		Un-audited June 30, 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 further acquisition of FPCL - note 10.2	**159,146**	-
1,439,023,262	1,423,108,696		**14,390,232**	14,231,086

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

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
5. LONG TERM BORROWINGS - SECURED			
Conventional borrowings	5.1	**9,525,000**	11,550,000
Islamic borrowings	5.2	**76,250,000**	49,750,000
		85,775,000	61,300,000
Mark-up and profit accrued on:			
Conventional borrowings		**59,306**	76,405
Islamic borrowings		**394,219**	429,705
		453,525	506,110
Less: current portion shown under current liabilities			
Conventional borrowings		**3,650,000**	4,050,000
Islamic borrowings		**9,750,000**	7,000,000
		13,400,000	11,050,000
Less: mark-up and profit accrued on long term borrowings		**453,525**	506,110
		72,375,000	50,250,000
5.1 Movement during the period / year is as follows:			
Opening balance		**11,550,000**	14,700,000
Repayments during the period / year		**(2,025,000)**	(3,150,000)
Closing balance	5.1.1	**9,525,000**	11,550,000

5.1.1 These borrowings are secured by a first pari passu charge over all present and future assets of the Company (excluding land and building) with 25% margin.

These carry mark-up ranging between 6 month KIBOR minus 0.50% to plus 0.08% per annum (December 31, 2025: These carry mark-up ranging between 6 month KIBOR minus 0.50% to plus 0.10% per annum) and are repayable up to December 2029 (December 31, 2025: December 2029).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
5.2 Movement during the period / year is as follows:			
Opening balance		**49,750,000**	23,500,000
Draw-downs during the period / year		**30,000,000**	30,000,000
Repayments during the period / year		**(3,500,000)**	(3,750,000)
Closing balance	5.2.1	**76,250,000**	49,750,000

5.2.1 These borrowings are secured by a first pari passu charge over all present and future assets of the Company (excluding land and building) with 25% margin.

These carry profit rates ranging between 6 month KIBOR minus 0.50% to plus 0.10% per annum (December 31, 2025: 6 month KIBOR minus 0.50% to plus 0.10% per annum) and are repayable up to April 2031 (December 31, 2025: December 2030).

6. TRADE AND OTHER PAYABLES

6.1 Trade and other payables include an amount of Rs 84,977,267 thousand (December 31, 2025: Rs 84,977,267 thousand) relating to 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 SHC, has 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 condensed interim financial statements, on GIDC payments against recovery stay granted by SHC.

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
7. SHORT TERM BORROWINGS - SECURED			
Conventional borrowings	7.1	**16,448,459**	9,637,484
Islamic borrowings	7.2	**1,999,895**	8,957,163
		18,448,354	18,594,647
Mark-up and profit accrued on:			
Conventional borrowings		**285,171**	213,581
Islamic borrowings		**94,744**	220,584
		379,915	434,165
		18,828,269	19,028,812
Less: mark-up and profit accrued on short-term borrowings		**379,915**	434,165
		18,448,354	18,594,647

7.1 These represent short term running finance facilities available from various banking companies under mark-up arrangements amounting to Rs 41,971,250 thousand (December 31, 2025: Rs 36,014,037 thousand) which represent the aggregate of all facility agreements between the Company and respective banks.

The facilities are secured by pari passu / ranking hypothecation charges on assets of the Company besides lien over mutual funds in certain cases. The per annum rates of mark-up are 1 month KIBOR minus 0.10% to 0.25% and 3 month KIBOR plus 0% to 0.15% (December 31, 2025: 1 month KIBOR plus 0.05% to 0.25% and 3 month KIBOR plus 0% to 0.25%).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

7.2 These represent shariah compliant short term running finance facilities available from various banking companies under profit arrangement amounting to Rs 9,700,000 thousand (December 31, 2025: Rs 9,700,000 thousand).

These facilities are secured by ranking hypothecation charge on current assets of the Company and lien over debt instruments. The per annum rate of profit is 1 month KIBOR minus 0.05% to plus 0.05% and 3 month KIBOR minus 0.15% to 0% (December 31, 2025: 3 month KIBOR minus 0.15% to 0.05%).

	Un-audited June 30, 2026	Audited December 31, 2025
8. CONTINGENCIES AND COMMITMENTS	**(Rupees '000)**	
8.1 Contingencies:		
i) Guarantees issued by banks on behalf of the Company	**15,506,900**	11,378,768
ii) Claims against the Company and / or potential exposure not acknowledged as debt	**50,696**	50,696

iii) The Company has issued corporate bank guarantee and letters of comfort in favour of its subsidiary company i.e. Fauji Fresh n Freeze Limited amounting to Rs 1,200,643 thousand (December 31, 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 10,725 million (December 31, 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. Pursuant to the 27th Constituional Amendment, the appeal now stands transferred to the Federal Constitutional Court. On February 13, 2026, Provincial Assembly of Sindh passed the Sindh Development and Maintenance Infrastructure Cess (Amendment) Bill, 2026, wherein it offered a settlement mechanism for companies under litigation. The Company decided not to opt for a settlement under this amendment to Sindh Cess Act.

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 10,725 million as of June 30, 2026. During the period, the Company has recognized the levy amounting to Rs 1,001 million fully covered by bank guarantee.

vi) The Company was liable to repay loans originally obtained from Export Credit Agencies (ECA), amounting to Rs 9,723 million (December 31, 2025: Rs 9,723 million) to the Government of Pakistan (GoP), in 15 annual equal installments, with a 1-year grace period, at zero percent, effective November 30, 2001. As per the restructuring agreement, the final installment was paid in June 2017.

These loans from ECA, which were assumed by the GoP, were initially secured with a guarantee issued by Habib Bank Limited (HBL) on behalf of a local syndicate of banks and financial institutions. The guarantee was secured by a first equitable mortgage created on all immovable properties of the Company, and by way of hypothecation of movable properties of the Company. The charge ranked pari passu with the charges to be created in favor of other foreign and local lenders. The local syndicate had requested the Company to obtain an indemnity from the GoP confirming that it is GoP's absolute obligation to indemnify and keep related banks and financial institutions harmless from any possible exposure on this account. Accordingly, on December 16, 2002, the GoP had conveyed its agreement by assuming the ECA loan liabilities by absolving related banks and financial institutions of their liabilities, for which they earlier issued guarantees to the ECA. As a result, three ECAs have released the guarantee of HBL and have returned the original documents.

Since one ECA is yet to release HBL from its responsibility as guarantor, therefore the charge related to the portion of the said guarantee on the assets of the Company, has not been vacated up to June 30, 2026. The Company is making efforts in getting this guarantee released.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

		Note	Un-audited June 30, 2026	Audited December 31, 2025
8.2	**Commitments in respect of:**		(Rupees '000)	
	(i) Capital expenditure commitments (including share of commitments amounting to Rs 9,782,555 thousand (December 31, 2025: Rs 16,439,474 thousand) relating to PEF joint operations)		**24,513,737**	34,619,877
	(ii) Investment in PIA Equity Limited		**30,590,541**	-
	(iii) Purchase of fertilizer, stores, spares and other operational items		**25,114,668**	18,502,685
	(iv) Investment in Thar Energy Limited		**89,136**	89,776
	(v) Contracted out services		**425,369**	625,737
	(vi) Revolving credit facilities to:			
	- Foundation Wind Energy Limited - I		**1,500,000**	1,500,000
	- FFC Energy Limited		**1,700,000**	1,700,000
	- Fauji Fresh n Freeze Limited		**1,650,000**	2,295,000
9.	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	9.1	**65,784,950**	58,222,376
	Capital work in progress	9.2	**30,790,039**	18,327,799
			96,574,989	76,550,175
9.1	**Operating fixed assets**			
	Opening written down value		**58,222,376**	44,086,856
	Additions during the period / year		**10,967,619**	19,351,801
	Written down value of disposals		**(75,891)**	(28,514)
	Depreciation during the period / year		**(3,329,154)**	(5,187,767)
			65,784,950	58,222,376

9.1.1 Additions in and depreciation on operating fixed assets during the six month period ended June 30, 2025 were Rs 4,775,484 thousand and Rs 2,435,129 thousand respectively.

		Un-audited June 30, 2026	Audited December 31, 2025
9.2	**Capital work in progress**	(Rupees '000)	
	Opening value	**18,327,799**	14,123,873
	Additions during the period / year	**16,594,314**	10,249,541
	Transfers during the period / year	**(4,132,074)**	(6,045,615)
		30,790,039	18,327,799

9.2.1 Capital work in progress include Rs 22,358,818 thousand (December 31, 2025: Rs 7,609,441 thousand) being Company's share in Joint Operation related to Gas Pressure Enhancement Facility (PEF).

		Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
9.3	**Depreciation charge has been allocated as follows:**		
	Cost of sales	**2,992,261**	4,936,867
	Distribution cost	**334,976**	247,591
	Other expenses	**1,917**	3,309
		3,329,154	5,187,767

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
10. LONG TERM INVESTMENTS			
Investments held at cost			
In associates (Quoted)			
Fauji Cement Company Limited		**1,500,000**	1,500,000
Askari Bank Limited		**15,692,912**	15,692,912
Agritech Limited		**7,307,542**	7,307,542
		24,500,454	24,500,454
In associates (Unquoted)			
Thar Energy Limited		**5,986,908**	5,986,908
PIA Equity Limited :			
Investment at cost	10.1	**1,699,500**	-
Advance against issue of shares		**28,900,959**	-
		30,600,459	-
		36,587,367	5,986,908
In joint venture (Unquoted)			
Pakistan Maroc Phosphore S.A., Morocco		**2,117,075**	2,117,075
In subsidiary company (Quoted)			
Fauji Foods Limited			
Investment at cost		**14,055,516**	14,055,516
Less: Impairment loss		**(1,999,000)**	(1,999,000)
		12,056,516	12,056,516
In subsidiary companies (Unquoted)			
FFC Energy Limited		**2,438,250**	2,438,250
Foundation Wind Energy - I Limited		**7,493,051**	7,493,051
Foundation Wind Energy - II Limited		**6,019,288**	6,019,288
FFBL Power Company Limited	10.2	**6,599,771**	6,440,625
OLIVE Technical Services (Private) Limited		**100,000**	100,000
Fauji Fresh n Freeze Limited			
Investment at cost		**11,335,500**	11,335,500
Less: Impairment loss		**(6,100,000)**	(6,100,000)
		5,235,500	5,235,500
		27,885,860	27,726,714

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

For the six month period ended June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
Other long term investments			
Arabian Sea Country Club Limited		**-**	-
		103,147,272	72,387,667
Investments measured at fair value through profit or loss			
Investment in un-listed preference shares		**5,741,717**	5,917,440
Advance against issuance of un-listed preference shares		**283,820**	-
		6,025,537	5,917,440
Investments measured at fair value through other comprehensive income			
Bank Alfalah Term Finance Certificates		**300,000**	300,000
Pakistan Investment Bonds		**459,262**	465,178
		759,262	765,178
		109,932,071	79,070,285
Less: current portion shown under short term			
Investments measured at fair value through other comprehensive income	12	**96,803**	-
Pakistan Investment Bonds		**109,835,268**	79,070,285

10.1 The Company has joined a consortium comprising of Arif Habib Corporation Limited (AHCL), Fatima Capital Limited (FATIMA), The Lake City Holdings (Private) Limited, AKD Group Holdings (Private) Limited and City Group Holdings (Private) Limited (collectively, 'the Consortium'), which successfully acquired the right to purchase a 75% equity stake in Pakistan International Airlines Corporation Limited (PIACL) through PIA Equity Limited (PIAEL), incorporated on January 9, 2026, as a special purpose vehicle (SPV). As at June 30, 2026, the Company has invested Rs 30,600,459 thousand in PIAEL. 169,950,000 ordinary shares of PIAEL, representing 33.99% of its paid-up share capital has been issued to the Company as on period end (shares against remaining amount of Rs 28,900,959 thousand are yet to be issued which has been recognised as advance against issue of shares). Further, the Consortium has also exercised the call option to acquire remaining 25% equity stake in PIACL.

10.2 During the period, the Company acquired 214,687,500 ordinary shares (representing 25% of the issued share capital of FFBL Power Company Limited (FPCL), from its parent company, Fauji Foundation (FF)) through a share swap transaction. Based on the values determined by an independent valuer, one ordinary share of the Company was issued in exchange for every 13.49 shares of FPCL. Accordingly, the Company has issued 15,914,566 ordinary shares to FF as a consideration. Resultantly, the Company's shareholding in FPCL has increased from 75% to 100% during the period.

11. OTHER RECEIVABLES

Other receivables include 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 41,411,700 thousand (December 31, 2025: Rs 40,460,008 thousand) on account of sales tax receivable against which provision amounting to Rs 40,507,244 thousand (December 31, 2025: Rs 39,611,483 thousand) has been recognised.

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

For the six month period ended June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
12. SHORT TERM INVESTMENTS		(Rupees '000)	
Amortised cost - conventional investments			
Term deposits with banks and financial institutions			
Foreign currency		**5,637,432**	5,530,553
Investment in privately placed term finance certificates (PPTFCs)		**1,929,797**	1,831,517
Investments at fair value through profit or loss			
Conventional investments		**46,469,049**	42,157,553
Shariah compliant investments		**120,227,708**	131,936,118
		166,696,757	174,093,671
Current maturity of long term investments			
Fair value through other comprehensive income	10	**96,803**	-
		174,360,789	181,455,741

	Three month period ended		Six month period ended	
	Un-audited June 30, 2026	Un-audited June 30, 2025	Un-audited June 30, 2026	Un-audited June 30, 2025
13. TURNOVER - NET	(Rupees '000)		(Rupees '000)	
Manufactured fertilizers	**109,142,606**	97,601,504	**201,511,146**	160,275,742
Purchased and packaged fertilizers	**3,177,223**	1,294,464	**14,453,559**	7,485,570
	112,319,829	98,895,968	**215,964,705**	167,761,312
Less: Trade discounts	**(694,486)**	(44,406)	**(1,751,437)**	(1,036,650)
Less: Sales tax & excise duty	**(7,305,552)**	(7,039,874)	**(14,599,568)**	(11,276,120)
	104,319,791	91,811,688	**199,613,700**	155,448,542

14. FINAL TAXES - LEVIES

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

14.1 Reconciliation between current tax and levy:

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

	Three month period ended		Six month period ended	
	Un-audited June 30, 2026	Un-audited June 30, 2025	Un-audited June 30, 2026	Un-audited June 30, 2025
	(Rupees '000)		(Rupees '000)	
Current tax liability for the period as per applicable tax laws	**13,332,056**	13,110,060	**22,836,186**	20,595,029
Less:				
Portion of current tax liability as per tax laws, representing income tax under IAS 12	**(13,327,994)**	(13,109,789)	**(22,831,993)**	(20,587,823)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IAS 37/ IFRIC 21	**(4,062)**	(271)	**(4,193)**	(7,206)
	-	-	**-**	-

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

For the six month period ended June 30, 2026

14.2 The aggregate of final tax and income tax amounting to Rs 22,836,186 thousand (June 30, 2025: Rs 20,595,029 thousand) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

	Note	Un-audited June 30, 2026	Un-audited June 30, 2025
		(Rupees '000)	
15. CASH GENERATED FROM OPERATIONS			
Profit before income tax		**65,161,215**	**58,786,228**
Adjustments for:			
Impact of present value of loans and advances to employees		**(237,128)**	(3,352)
Provision for sales tax		**895,761**	3,639,519
Depreciation	9	**3,329,154**	2,435,129
Amortization		**14,324**	1,181
Finance cost		**4,289,869**	3,406,776
Provision for slow moving spares		**69,864**	35,135
(Gain) on disposal of property, plant and equipment		**(9,384)**	(32,825)
Income on loans, deposits and investments		**(615,947)**	(711,624)
Final taxes - levies	14	**4,193**	7,206
Exchange loss		**487,777**	382,032
Remeasurement loss/ (gain) on Agritech Limited		**226,615**	(682,833)
Dividend income		**(19,400,501)**	(18,937,341)
		(10,945,403)	(10,460,997)
Changes in:		**54,215,812**	48,325,231
Stores, spares and loose tools		**(329,687)**	(1,820,292)
Stock in trade		**(26,195,751)**	(32,958,415)
Trade debts		**18,659,269**	(1,506,529)
Loans and advances		**(1,600,345)**	424,268
Deposits and prepayments		**554,803**	803,842
Other receivables		**(1,984,414)**	(1,861,628)
Trade and other payables		**21,804,729**	(11,444,307)
Bank balance under lien		**1,737,313**	60,000
		12,645,917	(48,303,061)
Changes in long term loans and advances		**(996,053)**	(176,943)
Changes in long term deposits and prepayments		**-**	853
Changes in compensated leave absences		**(2,094,643)**	34,377
		63,771,033	(119,543)

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

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

		Note	Balance as at Un-audited June 30, 2026	Audited December 31, 2025
			(Rupees '000)	
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION				
Liabilities				
Long term borrowings obtained as per Islamic mode		5	76,250,000	49,750,000
Short term borrowings obtained as per Islamic mode		7	1,999,895	8,957,163
Lease financing obtained as per Islamic mode			-	-
Interest or mark-up accrued on conventional loans		5 & 7	344,477	289,986
Assets				
Long term shariah compliant investments		10	87,454,360	56,694,755
Short term shariah compliant investments		12	122,157,505	133,767,635
Shariah compliant bank deposits, bank balances and TDRs			31,248	208,861
			Six month period ended	
			Un-audited June 30, 2026	**Un-audited June 30, 2025**
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME			(Rupees '000)	
Revenue earned from a Shariah business segment		13	199,613,700	155,448,542
Break-up of late payments or liquidated damages			-	-
Gains, losses and dividends on Shariah compliant investments			21,596,986	18,836,025
Share of profit from Shariah compliant associates			-	-
Profit earned from shariah compliant bank deposits, bank balances and TDRs			1,362	1,822
Exchange (loss) earned from actual currency			(487,777)	(382,032)
Exchange gain earned using conventional derivative financial instruments			-	-
Profit paid on Islamic mode of financing			3,140,538	1,719,392
Total interest earned on conventional loans or advances			153,102	72,039
Sources and detailed breakup of other income				
Income on loans, deposits and investments	Non - Shariah		614,585	709,802
	Shariah Compliant		1,362	1,822
Gain on investments in mutual funds	Non - Shariah		3,873,002	12,810,744
	Shariah Compliant		6,953,658	2,712,407
(Loss) on re-measurement of investments	Non - Shariah		(1,805,687)	(7,413,336)
classified as fair value through profit or loss	Shariah Compliant		(1,248,231)	-
Dividend income	Non - Shariah		3,519,693	2,834,312
	Shariah Compliant		15,891,559	16,123,618
Other miscellaneous (loss)/ income	Non - Shariah		(137,236)	(211,882)
	Shariah Compliant		575,432	594,014

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 31,248 thousand (December 31, 2025: Rs 208,861 thousand) and availed borrowing facilities along with profit accrued thereon amounting to Rs 78,738,858 thousand (December 31, 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 120,227,708 thousand (December 31, 2025: Rs 131,936,118 thousand).

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

For the six month period ended June 30, 2026

	Six month period ended	
	Un-audited June 30, 2026	Un-audited June 30, 2025
	(Rupees '000)	
18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend paid	**10,842,229**	17,337,449
Cost recharge	**670,162**	577,960
Others	**269**	88,118
Balances		
Balances payable - unsecured*	**831,288**	537,059
SUBSIDIARY COMPANIES		
Transactions		
(Decrease) in letters of comfort/ guarantees against loan	**(759,723)**	(356,498)
Advance under revolving credit facility	**995,000**	1,390,000
Payment received under revolving credit facility	**350,000**	560,000
Interest income	**14,938**	20,076
Rental income	**22,533**	18,580
Dividend income	**7,400,000**	9,047,572
Services and materials provided	**673,062**	552,592
Services and materials received	**10,797,539**	9,476,512
Expenses incurred on behalf of subsidiary companies	**130,275**	90,721
Balances		
Balances receivable - unsecured *	**2,371,105**	970,112
Balances payable - unsecured *	**1,850,587**	1,568,678
ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	**183,116**	186,842
Commission on sale of products	**3,887**	1,011
Sale of fertilizer	**47,646**	77,861
Payments under consignment account - net	**21,187,477**	3,732,457
Payments against purchase of gas and PEF project	**29,650,937**	28,238,829
Purchase of raw materials and others	**40,437,273**	44,799,474
Investment during the period	**2,132,492**	1,588,838
Advance against issue of shares	**28,900,959**	-
Loan provided during the year	**104,085**	-
Services and materials provided	**14,337**	17,771
Donations	**1,252,680**	1,237,510
Interest expense	**324,182**	441,542
Interest income	**74,049**	32,545
Dividend income	**12,000,501**	9,889,769

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

For the six month period ended June 30, 2026

	Six month period ended	
	Un-audited June 30, 2026	Un-audited June 30, 2025
	(Rupees '000)	
Balances		
Short term borrowings *	**8,355,438**	7,969,117
Dividend receivable *	**3,358,209**	-
Cash and bank balances *	**51,376**	21,008
Balance receivable - unsecured *	**4,686,876**	2,169,150
Balance payable - unsecured *	**97,395,783**	94,410,799
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	**457,064**	396,330
Employees' Gratuity Fund - I Trust	**233,914**	394,051
Employees' Pension Fund Trust	**67,983**	28,507
Employees' Funds as dividend on equity holding of 0.18% (2025: 0.24%)	**44,510**	91,648
Balances		
Balances receivable - Gratuity Fund - I*	**603,886**	486,929
Balances receivable - Gratuity Fund - II*	**266,606**	266,606
Balances receivable - Pension Fund Trust*	**858,319**	824,327
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (No. of person(s): 24 (2025: 32))	**626,135**	567,899
Balances		
Loans and advances*	**109,582**	153,322

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

19. OPERATING SEGMENTS

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

20. INTEREST IN JOINT ARRANGEMENTS

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

21. NON ADJUSTING EVENTS AFTER REPORTING DATE

21.1 The Board of Directors of the Company in its meeting held on July 29, 2026 proposed second interim dividend of Rs 14.50 per share.

22. GENERAL

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

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

Anwar Ali Hyder

Chairman | **Chief Executive Officer** | **Director** | **Chief Financial Officer**

Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4	**14,390,232**	14,231,086
Capital reserves		**44,717,112**	44,630,739
Revenue reserves			
General reserves		**10,656,191**	8,802,360
Unappropriated profit		**201,415,665**	184,276,548
		212,071,856	193,078,908
Surplus on remeasurement of investments to fair value - net		**2,310,213**	7,559,791
Non-controlling interest		**3,544,405**	4,937,686
		277,033,818	264,438,210
Share in revaluation reserve of associates - net		**366,742**	366,742
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	**72,791,740**	50,817,992
Lease liabilities		**417,506**	396,531
Deferred government grant		**38,359**	48,222
Deferred tax liability		**34,171,272**	35,930,184
Compensated leave absences		**1,036,300**	3,398,553
		108,455,177	90,591,482
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	**13,857,146**	11,636,683
Current portion of lease liabilities		**132,710**	105,626
Current portion of deferred government grant		**21,514**	25,058
Trade and other payables	6	**225,668,319**	206,886,556
Mark-up and profit accrued		**842,073**	987,536
Short term borrowings - secured	7	**20,508,044**	22,009,674
Unclaimed dividend		**863,715**	851,778
Provision for taxation		**11,262,965**	15,398,817
		273,156,486	257,901,728
TOTAL EQUITY AND LIABILITIES		**659,012,223**	613,298,162
CONTINGENCIES AND COMMITMENTS	8		

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	**151,002,990**	132,494,031
Intangible assets		**2,142,257**	2,037,672
Long term investments	10	**169,653,907**	146,225,194
Long term loans and advances - secured		**5,876,587**	4,529,993
Long term deposits and prepayments		**136,740**	146,962
		328,812,481	285,433,852
CURRENT ASSETS			
Stores, spares and loose tools		**18,384,654**	18,100,523
Stock in trade		**75,619,958**	45,350,440
Trade debts		**18,755,337**	33,901,558
Loans and advances		**7,274,493**	7,554,482
Deposits and prepayments		**1,200,751**	1,515,730
Other receivables	11	**11,799,843**	8,442,339
Short term investments	12	**186,252,364**	199,033,962
Cash and bank balances		**10,912,342**	13,965,276
		330,199,742	327,864,310
TOTAL ASSETS		**659,012,223**	613,298,162

Chairman	Chief Executive Officer	Director	Chief Financial Officer

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

For the six month period ended June 30, 2026

	Note	Three month period ended June 30, 2026	Three month period ended June 30, 2025	Six month period ended June 30, 2026	Six month period ended June 30, 2025
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	**120,572,798**	106,594,788	**230,125,752**	182,292,183
Cost of sales		**(79,308,393)**	(69,474,372)	**(154,528,914)**	(119,492,217)
GROSS PROFIT		**41,264,405**	37,120,416	**75,596,838**	62,799,966
Administrative and distribution expenses		**(11,565,362)**	(10,318,798)	**(20,961,290)**	(17,752,085)
		29,699,043	26,801,618	**54,635,548**	45,047,881
Finance cost		**(2,225,883)**	(1,899,216)	**(4,502,899)**	(3,823,944)
Other expenses		**(2,797,535)**	(2,635,816)	**(5,039,239)**	(4,631,670)
Other income		**5,301,585**	4,797,691	**9,661,622**	9,974,819
Share of profit of associates and joint venture		**5,581,988**	6,689,482	**11,162,244**	13,225,048
PROFIT BEFORE INCOME TAX AND FINAL TAX		**35,559,198**	33,753,759	**65,917,276**	59,792,134
Final taxes - levies		**(18,593)**	20,958	**(68,859)**	(21,980)
PROFIT BEFORE INCOME TAX		**35,540,605**	33,774,717	**65,848,417**	59,770,154
Provision for taxation		**(13,088,553)**	(13,457,590)	**(23,431,654)**	(21,816,833)
PROFIT FOR THE PERIOD		**22,452,052**	20,317,127	**42,416,763**	37,953,321
ATTRIBUTABLE TO:					
Equity Holders of Fauji Fertilizer Company Limited		**22,202,165**	19,683,730	**41,797,067**	37,084,539
Non - Controlling Interest		**249,887**	633,397	**619,696**	868,782
		22,452,052	20,317,127	**42,416,763**	37,953,321
Earnings per share - basic and diluted (Rupees)		**15.43**	13.83	**29.05**	26.06

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

Anwar Ali Hyder

Chairman | Chief Executive Officer | Director | Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the six month period ended June 30, 2026

	Three month period ended		Six month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	**22,452,052**	20,317,127	**42,416,763**	37,953,321
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
(Deficit) / surplus on re-measurement of investments to fair value - net of tax	**5,813**	14,994	**(3,609)**	22,734
Share of equity accounted investees - share of OCI, net of tax	**(7,763,120)**	(83,262)	**(5,586,292)**	(1,845,880)
	(7,757,307)	(68,268)	**(5,589,901)**	(1,823,146)
Items that will not be subsequently reclassified to profit or loss:				
Equity accounted investees - share of OCI, net of tax	**(694,007)**	262,425	**411,505**	1,047,999
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**14,000,738**	20,511,284	**37,238,367**	37,178,174

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 six month period ended June 30, 2026

	Capital reserves							Revenue reserves					
	Share capital	Share premium	Capital redemption reserve	Merger reserve	Translation reserve	Statutory reserve	Acquisition reserve	General reserve	Unappropriated profit	(Deficit) / surplus on remeasurement of investments to fair value- net	Share in revaluation reserve of associates - net	Non - Controlling interest	Total
							(Rupees '000)						
Balance as at January 1, 2025 (Audited)	14,231,086	40,000	120,000	27,047,377	7,701,637	7,866,404	(1,440,369)	8,802,360	172,169,158	4,132,721	297,678	3,922,535	244,890,587
Total comprehensive income													
Profit for the period	-	-	-	-	-	-	-	-	37,084,539	-	-	868,782	37,953,321
Other comprehensive income - net of tax	-	-	-	-	333,651	-	-	-	978,935	(2,156,797)	69,064	-	(775,147)
	-	-	-	-	333,651	-	-	-	38,063,474	(2,156,797)	69,064	868,782	37,178,174
Effect of reclassification on adoption of IFRS - 9 by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	(56,796)	(4,417)	-	-	(61,213)
Effect of adoption of IFRS - 9 - ECL by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	197,475	-	-	-	197,475
Gain on disposal of equity securities measured at FVTOCI by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	96,611	(96,611)	-	-	-
Transactions with owners of the Group													
Distributions:													
FFC Dividends:													
Final dividend 2024: Rs 21 per share	-	-	-	-	-	-	-	-	(29,885,283)	-	-	-	(29,885,283)
First interim dividend 2025: Rs 7 per share	-	-	-	-	-	-	-	-	(9,961,761)	-	-	-	(9,961,761)
	-	-	-	-	-	-	-	-	(39,847,044)	-	-	-	(39,847,044)
FWEL-II dividends to non-controlling interest holders:													
Interim dividend 2025: Rs 10.4 per share	-	-	-	-	-	-	-	-	(754,926)	-	-	-	(754,926)
Other changes in equity													
Transfer to statutory reserve	-	-	-	-	-	914,182	-	-	(914,182)	-	-	-	-
Balance as at June 30, 2025 (Un-audited)	14,231,086	40,000	120,000	27,047,377	8,035,288	8,780,586	(1,440,369)	8,802,360	168,953,770	1,874,896	366,742	4,791,317	241,603,053
Balance at January 1, 2026 (Audited)	**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**	**7,559,791**	**366,742**	**4,937,686**	**264,804,952**
Transactions pursuant to FPCL acquisition	**159,146**	-	-	-	-	-	-	**1,853,831**	-	-	-	**(2,012,977)**	-
Total comprehensive income													
Profit for the period	-	-	-	-	-	-	-	-	**41,797,067**	-	-	**619,696**	**42,416,763**
Other comprehensive income - net of tax	-	-	-	-	**(652,685)**	-	-	-	**931,823**	**(5,457,534)**	-	-	**(5,178,396)**
	-	-	-	-	**(652,685)**	-	-	-	**42,728,890**	**(5,457,534)**	-	**619,696**	**37,238,367**
Effect of reclassification on adoption of IFRS - 9 by an associate - net of tax	-	-	-	-	-	-	-	-	-	**432,484**	-	-	**432,484**
Effect of adoption of IFRS - 9 - ECL by an associate - net of tax	-	-	-	-	-	-	-	-	**(11,847)**	-	-	-	**(11,847)**
Gain on disposal of equity securities measured at FVTOCI by an associate - net of tax	-	-	-	-	-	-	-	-	**224,528**	**(224,528)**	-	-	-
Transactions with owners of the Group													
Distributions:													
FFC Dividends:													
Final dividend 2025: Rs 8.5 per share	-	-	-	-	-	-	-	-	**(12,231,698)**	-	-	-	**(12,231,698)**
First interim dividend 2026: Rs 8.5 per share	-	-	-	-	-	-	-	-	**(12,231,698)**	-	-	-	**(12,231,698)**
	-	-	-	-	-	-	-	-	**(24,463,396)**	-	-	-	**(24,463,396)**
FWEL-II dividends to non-controlling interest holders:													
Interim dividend 2026: Rs 8.5 per share	-	-	-	-	-	-	-	-	**(600,000)**	-	-	-	**(600,000)**
Other changes in equity													
Transfer to statutory reserve	-	-	-	-	-	**739,058**	-	-	**(739,058)**	-	-	-	-
Balance As at June 30, 2026 (Un-audited)	**14,390,232**	**40,000**	**120,000**	**27,047,377**	**8,729,837**	**10,220,267**	**(1,440,369)**	**10,656,191**	**201,415,665**	**2,310,213**	**366,742**	**3,544,405**	**277,400,560**

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

Anwar Ali Hyder

Chairman

Chief Executive Officer

Director

Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
For the six month period ended June 30, 2026

	Note	June 30, 2026	June 30, 2025
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	**70,134,770**	7,437,788
Finance cost paid		**(4,604,467)**	(3,498,777)
Income taxes and levies paid		**(30,518,570)**	(31,344,138)
		(35,123,037)	(34,842,915)
Net cash generated from / (used in) operating activities		**35,011,733**	(27,405,127)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		**(24,468,574)**	(8,666,066)
Proceeds from sale of operating fixed assets		**268,794**	74,950
Investment in Agritech Limited		**(432,992)**	(1,588,838)
Loan to Agritech Limited		**(104,085)**	-
Investment in PIA Equities Limited		**(1,699,500)**	-
Advance against issue of shares to PIA Equity Limited		**(28,900,959)**	-
Other investments - net		**-**	426,549
Interest and profit received		**959,222**	1,493,022
Dividend received		**8,642,294**	2,814,000
Net cash used in investing activities		**(45,735,800)**	(5,446,383)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Drawdowns		**30,013,409**	11,442
Repayments		**(5,819,198)**	(3,744,211)
Repayment of lease liabilities		**(114,655)**	(92,396)
Dividend paid		**(25,051,459)**	(40,510,542)
Net cash used in financing activities		**(971,903)**	(44,335,707)
Net decrease in cash and cash equivalents		**(11,695,970)**	(77,187,217)
Cash and cash equivalents at beginning of the period		**182,486,134**	191,619,934
Effect of exchange rate changes		**(487,777)**	(386,887)
Cash and cash equivalents at end of the period		**170,302,387**	114,045,830
CASH AND CASH EQUIVALENTS			
Cash and bank balances		**10,912,342**	12,290,042
Short term highly liquid investments		**184,225,764**	139,087,808
Short term borrowings - secured		**(20,508,044)**	(31,286,032)
Bank balance held under lien		**(4,327,675)**	(6,045,988)
		170,302,387	114,045,830

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 six month period ended June 30, 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, aviation, 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 six month period ended June 30, 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 six month period ended June 30, 2026

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited June 30, 2026	Audited December 31, 2025		Un-audited June 30, 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 further FPCL acquisition - note 4.2	**159,146**	-
1,439,023,262	1,423,108,696		**14,390,232**	14,231,086

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

4.2 During the period, FFC acquired 214,687,500 ordinary shares (representing 25% of the issued share capital of FFBL Power Company Limited (FPCL), from Fauji Foundation (FF)) through a share swap transaction. Based on the values determined by an independent valuer, one ordinary share of FFC was issued in exchange for every 13.49 shares of FPCL. Accordingly, FFC has issued 15,914,566 ordinary shares to FF as a consideration. Resultantly, FFC's shareholding in FPCL has increased from 75% to 100% during the period.

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
5. LONG TERM BORROWINGS - SECURED			
From conventional banks			
Fauji Fertilizer Company Limited	5.1	**9,525,000**	11,550,000
Fauji Fresh n Freeze Limited	5.2	**873,886**	1,154,675
From Islamic banks			
Fauji Fertilizer Company Limited	5.3	**76,250,000**	49,750,000
		86,648,886	62,454,675
Less: Current portion shown under current liabilities			
From conventional banks		**4,107,146**	4,636,683
From Islamic banks		**9,750,000**	7,000,000
		13,857,146	11,636,683
		72,791,740	50,817,992

5.1 Movement during the period / year is as follows:

	Un-audited June 30, 2026	Audited December 31, 2025
Opening balance	**11,550,000**	14,700,000
Draw-downs during the period / year	**-**	-
Repayments during the period / year	**(2,025,000)**	(3,150,000)
Closing balance	**9,525,000**	11,550,000

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

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

	Un-audited June 30, 2026	Audited December 31, 2025
5.2 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	**1,154,675**	1,708,990
Draw-downs during the period / year	**13,409**	34,094
Repayments during the period / year	**(294,198)**	(588,409)
Closing balance	**873,886**	1,154,675

5.2.1 The borrowings are secured by way of parri 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 + 0.5% to 6 month KIBOR + 0.5% (2025: 3 month KIBOR + 0.5% to 6 month KIBOR + 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 June 30, 2026	Audited December 31, 2025
	(Rupees '000)	
5.3 Movement during the period / year is as follows:		
Opening balance	**49,750,000**	23,500,000
Draw-downs during the period / year	**30,000,000**	30,000,000
Repayments during the period / year	**(3,500,000)**	(3,750,000)
Closing Balance	**76,250,000**	49,750,000

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

These carry mark-up ranging between 6 month KIBOR minus 0.50% to 6 month KIBOR + 0.10% per annum (2025: 6 month KIBOR minus 0.50% to 6 month KIBOR + 0.10% per annum) and are repayable up to December 2030.

6. TRADE AND OTHER PAYABLES

Trade and other payables include an amount of Rs 84,977,267 thousand (December 31, 2025: Rs 84,977,267 thousand) relating to Gas Infrastructure Development Cess (GIDC) under Gas Infrastructure Development Cess Act, 2015 (GIDC Act) up to July 31, 2020. FFC along with other industrial gas consumers had previously challenged the GIDC Act on constitutional grounds. The Honorable Supreme Court of Pakistan (SCP) in its judgment dated August 13, 2020 declared GIDC Act a valid legislation. As per the latest orders from Government of Pakistan (GoP), this cess is recoverable in 48 equal monthly installments, instead of 24 equal monthly installments. FFC also filed a suit with the Sindh High Court (SHC) in September 2020 against collection of GIDC, and SHC granted a stay against recovery of GIDC from FFC, till the finalisation of matter by SHC. The matter pending in SHC, has been transferred to Civil Judge, Karachi.

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

		Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
7.	**SHORT TERM BORROWINGS - SECURED**		
	From conventional banks	**17,619,324**	11,364,914
	From Islamic banks	**2,888,720**	10,644,760
		20,508,044	22,009,674
8.	**CONTINGENCIES AND COMMITMENTS**		
8.1	**Contingencies:**		
	i) Guarantees issued by banks on behalf of the Group companies	**15,949,478**	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 March 31, 2026 (2025: September 30, 2025)	**547,020**	547,020
	iv) Group's share of contingencies in Agritech Limited as at June 30, 2026 (2025: December 31, 2025)	**2,754,103**	8,543,076
	v) Group's share of contingencies in Fauji Cement Company Limited as at March 31, 2026 (2025: September 30, 2025)	**491,577**	329,134
	vi) Group's share of contingencies in Askari Bank Limited as at March 31, 2026 (2025: September 30, 2025)	**214,207,008**	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 10,725 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 10,725 million as of June 30, 2026. During the period, FFC has recognized the levy amounting to Rs 1,001 million fully covered by bank guarantee.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

		Note	Un-audited June 30, 2026	Audited December 31, 2025
			(Rupees '000)	
8.2	**Commitments in respect of:**			
	i) Capital expenditure		**25,205,036**	35,297,488
	ii) Commitments for further investment in PIA Equities Limited		**30,590,541**	-
	iii) Purchase of fertilizer, stores, spares and other operational items		**25,708,183**	19,303,191
	iv) Investment in Thar Energy Limited		**89,136**	89,232
	v) Contracted out services		**425,369**	625,737
	vi) Group's share of commitments of PMP as at March 31, 2026 (2025: September 30, 2025)		**37,217**	38,527
	vii) Group's share of commitments of FCCL as at March 31, 2026 (2025: September 30, 2025)		**36,489**	31,017
	viii) Group's share of commitments of AGL as at June 30, 2026 (2025: December 31, 2025)		**47,443**	75,191
	ix) Group's share of commitments of Askari Bank Limited as at March 31, 2026 (2025: September 30, 2025)		**273,410,930**	371,205,172
	x) Group's share of commitments of TEL as at March 31, 2026 (2025: September 30, 2025)		**2,145,723**	2,145,723
9.	**PROPERTY PLANT AND EQUIPMENT**			
	Operating fixed assets	9.1	**118,117,456**	112,044,008
	Capital work in progress	9.2	**32,113,242**	19,742,742
	Right of use assets	9.3	**772,292**	707,281
			151,002,990	132,494,031
9.1	**Operating fixed assets**			
	Opening written down value		**112,044,008**	100,454,154
	Additions during the period / year		**11,967,911**	21,652,962
	Written down value of disposals / adjustments		**(178,786)**	(122,791)
	Depreciation during the period / year		**(5,715,677)**	(9,995,317)
	Reversal of impairment charge		**-**	55,000
			118,117,456	112,044,008

9.1.1 Additions in and depreciation on operating fixed assets during the six month period ended June 30, 2025 were Rs 5,464,333 thousand and Rs 4,734,667 thousand respectively.

		Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
9.2	**Capital work in progress**		
	Opening value	**19,742,742**	15,397,691
	Additions during the period / year	**17,236,124**	11,419,112
	Transfers during the period / year	**(4,865,624)**	(7,074,061)
		32,113,242	19,742,742

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

		Note	Un-audited June 30, 2026	Audited December 31, 2025
			(Rupees '000)	
9.3	**Right of use assets**			
	Opening balance		**707,281**	567,905
	Additions during the period / year		**118,819**	249,706
	Written down value of disposals		**-**	(2,539)
	Depreciation during the period / year		**(53,808)**	(107,791)
			772,292	707,281
9.4	**Depreciation charge has been allocated as follows:**			
	Cost of sales		**5,323,875**	9,675,724
	Administrative and distribution expenses		**443,693**	424,075
	Other expenses		**1,917**	3,309
			5,769,485	10,103,108
10.	**LONG TERM INVESTMENTS**			
	Equity accounted investments	10.1	**162,965,911**	139,542,576
	Other long term investments	10.2	**6,687,996**	6,682,618
			169,653,907	146,225,194
10.1	**Equity accounted investments**			
	Investment in associated companies - under equity method			
	Fauji Cement Company Limited			
	Balance at the beginning		**4,133,311**	3,691,749
	Share of profit for the period / year		**321,289**	573,398
	Dividend		**-**	(131,836)
			4,454,600	4,133,311
	Askari Bank Limited			
	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		**7,424,067**	16,014,064
	Share of OCI for the period / year		**(6,063,626)**	5,102,583
	Dividend		**(3,517,500)**	(5,862,499)
			87,362,150	88,958,360
	Thar Energy Limited			
	Balance at the beginning		**14,332,579**	10,899,478
	Share of profit for the period / year		**1,928,240**	3,733,325
	Share of OCI for the period / year		**-**	(879)
	Dividend		**(5,124,793)**	(299,345)
			11,136,026	14,332,579
	PIA Equity Limited:			
	Investment at cost	10.3	**1,699,500**	-
	Advance against issue of shares		**28,900,959**	-
			30,600,459	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

	Un-audited June 30, 2026	Audited December 31, 2025
	(Rupees ‘000)	
Agritech Limited (AGL)		
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	**(851,021)**	1,207,861
Share of OCI for the period / year	**-**	(914)
	8,152,030	9,003,051
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	**2,339,669**	3,660,015
Gain on translation of net assets	**(836,089)**	2,190,161
Dividend	**(3,358,209)**	(7,075,769)
	21,260,646	23,115,275
	162,965,911	139,542,576

10.2 Other long term investments

	Un-audited June 30, 2026	Audited December 31, 2025
Investments measured at fair value through profit or loss		
Investment in un-listed preference shares	**5,741,717**	5,917,440
Advance against issuance of un-listed preference shares	**283,820**	-
	6,025,537	5,917,440
Investment at fair value through other comprehensive income		
Bank Alfalah Term Finance Certificates	**300,000**	300,000
Pakistan Investment Bonds	**459,262**	465,178
	759,262	765,178
Less: Current portion shown under short term investments		
Investment at fair value through other comprehensive income		
Pakistan Investment Bonds	**96,803**	-
	6,687,996	6,682,618

10.3 FFC has joined a consortium comprising of Arif Habib Corporation Limited (AHCL), Fatima Capital Limited (FATIMA), The Lake City Holdings (Private) Limited, AKD Group Holdings (Private) Limited and City Group Holdings (Private) Limited (collectively, ‘the Consortium’), which successfully acquired the right to purchase a 75% equity stake in Pakistan International Airlines Corporation Limited (PIACL) through PIA Equity Limited (PIAEL), incorporated on January 9, 2026, as a special purpose vehicle (SPV). As at June 30, 2026, FFC has invested Rs 30,600,459 thousand in PIAEL. 169,950,000 ordinary shares of PIAEL, representing 33.99% of its paid-up share capital has been issued to FFC as on period end (shares against remaining amount of Rs 28,900,959 thousand are yet to be issued which has been recognised as advance against issue of shares). Further, the Consortium has also exercised the call option to acquire remaining 25% equity stake in PIACL.

Identified assets acquired, liabilities assumed or incurred have been currently carried at provisional fair values determined by the management’s expert as at the acquisition date. The fair value exercise of identifiable assets and liabilities is currently in progress and will be completed within the allowed measurement period of one year specified under IFRS - 3. The carrying value of the below balances may change as a result of the fair value exercise as required under IFRS - 3. Any adjustment arising at the time finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

Summary of provisional fair values as at June 30, 2026 and notional goodwill arising on acquisition of 33.99% stake in PIA Equity Limited is as follows:

	Provisional values - June 30 (Rupees '000)
Assets	
Non-current assets	
Property, plant and equipment	84,832,800
Goodwill	15,469,096
Investment property	741,466
Intangibles	67,286
Deferred taxation	29,657,163
Long-term deposits	5,872,148
	136,639,959
Current assets	
Stores and spares	6,228,085
Trade debts	18,773,657
Advances	8,763,670
Trade deposits and short-term prepayments	9,987,921
Other receivables	7,000,192
Cash and bank balances	86,204,905
	136,958,430
Total assets	**273,598,389**
Non current liabilities	
Lease liabilities	8,257,233
Long term liability	13,200,000
Deferred liabilities	30,463,649
	51,920,882
Current liabilities	
Trade and other payables	81,915,301
Taxation - net	2,275,084
Current maturity of non-current liabilities	10,365,269
	94,555,654
Total liabilities	**146,476,536**
Fair value of net assets - provisional	127,121,853

	Provisional values - June 30 (Rupees '000)
Notional goodwill - provisional	
Cost of investment in associate	1,699,500
Advance against issue of shares	28,900,959
	30,600,459
Fair value of net assets - provisional	127,121,853
Less: Non-controlling interest	37,267,214
	89,854,639
Percentage shareholding in associate	33.99%
Group's share of net assets	30,541,592
Notional goodwill	58,867

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

11. OTHER RECEIVABLES

Other receivables include 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 43,285,378 thousand (December 31, 2025: Rs 41,625,859 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 40,507,244 thousand (December 31, 2025: Rs 39,611,483 thousand) has been recognised.

	Note	Un-audited June 30, 2026	Audited December 31, 2025
		(Rupees '000)	
12. SHORT TERM INVESTMENTS			
Amortized cost - conventional instruments			
Local currency		**600,750**	2,694,890
Foreign currency		**5,637,432**	5,530,553
		6,238,182	8,225,443
Investment in privately placed term finance certificates (PPTFCs)		**1,929,797**	1,831,517
		8,167,979	10,056,960
Investments at fair value through profit or loss			
Conventional investments		**55,415,507**	55,473,242
Shariah compliant investments		**122,572,075**	133,503,760
		177,987,582	188,977,002
Current maturity of long term investments			
Fair value through other comprehensive income	10	**96,803**	-
		186,252,364	199,033,962

	Three month period ended		Six month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
13. TURNOVER - NET	(Rupees '000)		(Rupees '000)	
Fertilizer	**112,319,829**	99,888,212	**215,964,705**	167,761,312
Power	**6,956,539**	7,292,176	**11,345,411**	10,194,353
Food	**12,473,686**	12,114,184	**25,417,953**	22,553,204
Technical services	**676,215**	177,523	**911,500**	320,701
	132,426,269	119,472,095	**253,639,569**	200,829,570
Sales tax and excise duty	**(10,283,457)**	(10,552,675)	**(19,999,455)**	(15,948,999)
Trade discount	**(1,570,014)**	(2,324,632)	**(3,514,362)**	(2,588,388)
	(11,853,471)	(12,877,307)	**(23,513,817)**	(18,537,387)
	120,572,798	106,594,788	**230,125,752**	182,292,183

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the six month period ended June 30, 2026

14. SEGMENT INFORMATION

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

	Reportable segments				
	Fertilizers*	Power	Food	Technical Services	Total
	(Rupees '000)				
June 30, 2026 (Un-audited)					
Assets					
Segment assets (Total)	**377,349,636**	**87,356,673**	**29,565,843**	**1,774,160**	**496,046,312**
Equity accounted investees	**162,965,911**	**-**	**-**	**-**	**162,965,911**
Liabilities					
Segment liabilities (Total)	**360,325,572**	**6,560,082**	**14,149,744**	**576,265**	**381,611,663**
Capital expenditure	**23,429,859**	**418,104**	**489,247**	**1,201**	**24,338,411**
Depreciation	**3,329,154**	**1,851,555**	**588,109**	**667**	**5,769,485**
December 31, 2025 (Audited)					
Assets					
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
Liabilities					
Segment liabilities (Total)	326,596,838	7,981,126	13,565,471	349,775	348,493,210
Capital expenditure	23,555,727	921,539	1,767,738	2,715	26,247,719
Depreciation	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 six month period ended June 30, 2026

	June 30, 2026	June 30, 2025
15. CASH GENERATED FROM OPERATIONS	(Rupees '000)	
Profit before income tax	**65,848,417**	59,770,154
Adjustments for:		
Depreciation	**5,769,485**	4,767,694
Amortization	**25,578**	11,051
Impact of present value of loans and advances to employees	**(237,128)**	(3,352)
Provision for input tax disallowance	**895,761**	3,639,519
Finance cost	**4,502,899**	3,823,944
Provision for slow moving spares	**69,864**	35,135
Gain on disposal of operating fixed assets	**(90,008)**	(29,903)
Interest and profit on loans, deposits and investments	**(879,419)**	(1,035,666)
Share of profit of associates and joint venture	**(11,162,244)**	(13,225,048)
Amortization of government grant	**(13,407)**	(8,276)
Final and minimum taxes - levies	**68,859**	21,980
Exchange loss - net	**487,777**	386,887
Gain on remeasurement of other investments held at FVTPL	**226,615**	(682,833)
	(335,368)	(2,298,868)
	65,513,049	57,471,286
Changes in:		
Stores and spares	**(353,995)**	(2,073,450)
Stock in trade	**(30,269,518)**	(34,471,330)
Trade debts	**15,146,221**	(3,676,798)
Loans and advances	**384,074**	2,237,620
Deposits and prepayments	**314,979**	794,237
Other receivables	**(974,860)**	(1,656,868)
Trade and other payables	**21,492,079**	(11,138,729)
Bank balances held under lien	**2,344,238**	110,673
	8,083,218	(49,874,645)
Changes in long term loans and advances	**(1,109,466)**	(176,943)
Changes in long term deposits and prepayments	**10,222**	5,383
Changes in compensated leave absences	**(2,362,253)**	12,707
	70,134,770	7,437,788

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2026

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

	Note	Balance as at Un-audited June 30, 2026	Balance as at Audited December 31, 2025
		(Rupees '000)	
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
Liabilities			
Long term borrowings obtained as per Islamic mode	5	**76,250,000**	49,750,000
Short term borrowings obtained as per Islamic mode	7	**2,888,720**	10,644,760
Lease financing obtained as per Islamic mode		**-**	-
Interest or mark-up accrued on conventional loans	5 & 7	**353,110**	337,247
Assets			
Long term shariah compliant investments	10	**75,603,761**	50,584,216
Short term shariah compliant investments	12	**124,501,872**	135,335,277
Shariah compliant bank deposits, bank balances and TDRs		**36,208**	211,085

		Note	Six month period ended Un-audited June 30, 2026	Six month period ended Un-audited June 30, 2025
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			(Rupees '000)	
Revenue earned from a Shariah business segment		13	**230,125,752**	182,292,183
Break-up of late payments or liquidated damages			**-**	-
Gains, losses and dividends on Shariah compliant investments			**5,792,182**	2,729,802
Share of profit from Shariah compliant associates			**3,738,177**	4,217,208
Profit earned from shariah compliant bank deposits, bank balances and TDRs			**41,552**	1,822
Exchange (loss) earned from actual currency			**(487,777)**	(386,887)
Exchange gain earned using conventional derivative financial instruments			**-**	-
Profit paid on Islamic mode of financing			**3,140,538**	2,148,753
Total interest earned on conventional loans or advances			**138,164**	66,609
Sources and detailed breakup of other income				
Income on loans, deposits and investments	Non - Shariah		**837,867**	1,033,844
	Shariah Compliant		**41,552**	1,822
Gain on investments in mutual funds	Non - Shariah		**4,488,543**	13,462,647
	Shariah Compliant		**7,031,735**	2,726,555
Loss on re-measurement of investments	Non - Shariah		**(1,805,687)**	(7,413,336)
classified as fair value through profit or loss	Shariah Compliant		**(1,248,231)**	-
Dividend income	Non - Shariah		**2,449**	28,077
	Shariah Compliant		**8,678**	3,247
Share of profit of associates and joint venture	Non - Shariah		**7,424,067**	9,007,840
	Shariah Compliant		**3,738,177**	4,217,208
Other miscellaneous (loss)/ income	Non - Shariah		**(137,236)**	(216,737)
	Shariah Compliant		**441,952**	348,700

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

For the six month period ended June 30, 2026

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 36,208 thousand (December 31, 2025: Rs 211,085 thousand) and availed borrowing facilities along with profit accrued thereon amounting to Rs 79,138,720 thousand (December 31, 2025: Rs 60,394,760 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 122,572,075 thousand (December 31, 2025: Rs 133,503,760 thousand).

17. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

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

	June 30, 2026	June 30, 2025
18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES	(Rupees '000)	
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend	**10,842,229**	17,337,449
Cost recharge	**686,467**	577,960
Others	**275,809**	376,230
Balances		
Balance payable - unsecured*	**838,384**	6,445,614
Balance receivable - unsecured*	**185,888**	-
ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	**183,116**	186,842
Commission on sale of products	**3,887**	1,011
Sale of Fertilizer	**47,646**	77,861
Payments under consignment account - net	**21,187,477**	3,732,457
Payments against purchase of gas and PEF project	**29,650,937**	28,238,829
Purchase of raw materials and others	**40,465,804**	44,799,474
Investment during the period	**2,132,492**	1,588,838
Advance against issue of shares	**28,900,959**	-
Loan provided during the year	**104,085**	-
Services and materials provided	**512,257**	137,452
Donations	**1,308,400**	1,237,510
Interest expense	**332,033**	452,270
Interest income	**132,234**	232,494
Dividend income	**12,000,501**	9,889,769

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

For the six month period ended June 30, 2026

	June 30, 2026	June 30, 2025
	(Rupees '000)	
Balances		
Long term borrowings *	**293,825**	320,536
Dividend receivable *	**3,358,209**	-
Short term borrowings *	**8,355,438**	7,969,117
Bank Balances *	**2,294,924**	2,650,350
Balances receivable - unsecured *	**4,766,511**	2,174,034
Balances payable - unsecured *	**97,454,433**	94,498,517
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	**548,791**	474,600
Employees' Gratuity Fund Trust	**309,141**	451,596
Employees' Pension Fund Trust	**67,983**	28,507
Employees' Funds as dividend on equity holding of 0.18% (2025: 0.24%)	**44,510**	91,648
Balances		
Balance payable - Gratuity Fund - I and others*	**617,973**	540,974
Balance receivable - Gratuity Fund - II*	**266,606**	266,606
Balance receivable - Pension Fund Trust*	**858,319**	824,327
Balance payable - Provident Fund*	**121**	237
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (Number of person(s): 37 (June 30, 2025: 39))	**837,755**	857,236
Balances		
Loans and Advances*	**109,582**	143,027

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

19. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on July 29, 2026 proposed first interim dividend of Rs 14.50 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 July 29, 2026.

Anwar Ali Hyder

Chairman | **Chief Executive Officer** | **Director** | **Chief Financial Officer**

If Undelivered please return to:

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