



Third Quarter FINANCIAL STATEMENTS

SEPTEMBER 30, 2026
(Un - Audited)



COVER STORY

Driving Efficiency.
Advancing Sustainability.
Delivering Growth.

CONTENTS

03

Company Information

04

Directors' Review

07

ڈائریکٹرز کا تجزیہ

09

Condensed Interim
Financial Statements

27

Condensed Interim
Consolidated Financial Statements

SAY NO TO CORRUPTION

Company Information

BOARD OF DIRECTORS

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

Chairman

Mr. Jahangir Piracha

Managing Director & Chief Executive Officer

Mr. Saad Amanullah Khan

Ms. Maryam Aziz

Syed Bakhtiyar Kazmi

Mr. Shoaib Javed Hussain

Mr. Yassir Ghiyati Ibn Ziyad

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

Mr. Ahsan Ali Mangi

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 Muhammad Arshad, 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/II-P-1, Eastern Zone, Port Qasim, Karachi 75020

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

MARKETING & SALES OFFICE

Sona Tower, One - H, Gulberg - II,

Lahore, Pakistan

Tel No. +92 423 332 0001-09

KARACHI OFFICE

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

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

AUDITORS

A.F.Ferguson & Co

Chartered Accountants

74-East, Blue Area, Jinnah Avenue, Islamabad

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

SHARES REGISTRAR

CDC Share Registrar Services Limited

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

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



Directors' Review

For the period ended September 30, 2026

Dear Shareholders,

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

Fertilizer Market

Domestic Urea market increased to 4,404 thousand tonnes compared to 4,205 thousand tonnes during last year due to higher demand and advance Rabi stocking by dealers. DAP market at 775 thousand tonnes, however decreased by 3% as opposed to last year due to lower indigenous production and decrease in imports. Supply constraints as well as rising phosphoric acid prices led to decrease local production of DAP while escalating international prices resulted in lower procurement of DAP.

Persistent geopolitical uncertainty continues to exert pressure on operating costs of the fertilizer industry. The Company has undertaken effective cost control measures to partly counter the inflationary impact and achieve its operational and financial targets for 2026.

Operational Performance

Our plants at Goth Machhi and Mirpur Mathelo produced 1,914 thousand tonnes of Prilled Urea during the period with an increase of 2% over corresponding period last year. Shortage of gas led to a decline in production of Granular Urea by 15% to 281 thousand tonnes while Sona DAP production decreased to 586 thousand tonnes compared to 622 thousand tonnes of last year due to supply constraints of raw material.

Urea offtake of the Company increased to 2,160 thousand tonnes, against 1,955 thousand tonnes during corresponding period. DAP sales, including imported product however dipped by 3% to 524 thousand tonnes. Operations of the Sona Centre initiative of the Company also continues to grow with enhanced outreach to farmers with direct provision of fertilizer, nutrients, pesticides etc at prescribed retail prices.

Financial Performance

Aggregate revenue increased by 16% to PKR 327 billion mainly due to higher urea sales volume. The Company further earned higher investment income of PKR 37.5 billion which also contributed significantly towards net profitability of PKR 64.2 billion, with earnings per share of PKR 44.6 as compared to PKR 40.5 in last year.

The Board of Directors is pleased to announce third interim dividend of PKR 18.50 per share, to discharge its commitment to deliver consistent shareholders' returns with a total distribution of PKR 41.50 per share for the nine-months period.

The shareholders shall be pleased to know that the Company has been able to upgrade its long-term credit rating to the highest level of AAA by PACRA. This achievement is attributable to FFC's consolidated leadership in fertilizer sector, supported by a fortified and increasingly diversified investment and financial profile. This rating demonstrates strong financial health, debt raising capacity and the ability to discharge financial obligations in a timely manner by the Company.

Future Outlook

The ongoing geopolitical scenario may continue to pose cost pressures going forward. FFC has implemented prudent cost management and also remains focused towards capitalizing on enhanced efficiency products for improved crop productivity and farmer income.

The Board remains committed to enhancing the Company's competitive position through prudent and strategic investments, contributing to national food security, and delivering sustainable long-term value for shareholders.

On behalf of the Board,



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



Jahangir Piracha
Managing Director &
Chief Executive Officer

Rawalpindi
October 28, 2026

گزشتہ سال کے 40.5 روپے کے مقابلے میں 44.6 روپے رہی۔

بورڈ آف ڈائریکٹرز حصہ داران کو مسلسل منافع فراہم کرنے کے عزم کو پورا کرتے ہوئے فی حصہ 18.50 روپے تیسرے عبوری منافع منقسمہ کا اعلان کرتے ہوئے خوشی محسوس کر رہا ہے، جس کے ساتھ نو ماہ کی مدت کے لیے کل تقسیم 41.50 روپے فی حصہ ہو جائے گی۔

حصہ داران کو یہ جان کر خوشی ہوگی کہ کمپنی PACRA کی جانب سے اپنی طویل المیعاد کریڈٹ ریٹنگ کو اعلیٰ ترین سطح AAA تک اپ گریڈ کرنے میں کامیاب رہی ہے۔ یہ کامیابی کھاد کے شعبے میں ایف ایف سی (FFC) کی مستحکم قیادت، اور ایک مضبوط و متنوع سرمایہ کاری اور مالیاتی حیثیت کی مرہونِ منت ہے۔ یہ ریٹنگ کمپنی کی مضبوط مالیاتی حیثیت، قرض حاصل کرنے کی صلاحیت اور اپنے مالیاتی واجبات کو بروقت ادا کرنے کی صلاحیت کو ظاہر کرتی ہے۔

متوقع مستقبل

موجودہ جغرافیائی سیاسی صورتحال مستقبل میں بھی لاگت کے دباؤ کا باعث بن سکتی ہے۔ ایف ایف سی نے لاگت پر قابو رکھنے کا مستعد نظام وضع کیا ہے اور استعداد بڑھانے والی مصنوعات سے فائدہ اٹھانے پر بھی توجہ مرکوز کیے ہوئے ہے تاکہ فصلوں کی پیداواری صلاحیت اور کسانوں کی آمدنی کو بہتر بنایا جاسکے۔

بورڈ مستعد اور تزویراتی (Strategic) سرمایہ کاریوں کے ذریعے کمپنی کی مسابقتی حیثیت میں اضافے، قومی غذائی تحفظ (Food Security) میں اپنا کردار ادا کرنے، اور حصہ داران کے لیے دیرپا سرمائے کی فراہمی کے لیے پر عزم ہے۔

بورڈ کی جانب سے

Jaung Purocha

جہانگیر پراچہ

مینجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

Amer Ali Hyder

لیفٹیننٹ جنرل انور علی حیدر

ہلال امتیاز (ملٹری) ریٹائرڈ

چیرمین

راولپنڈی

28 اکتوبر 2026

ڈائریکٹرز کا تجزیہ

معزز حصہ داران،

بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 30 ستمبر 2026 کو ختم ہونے والے نو ماہ کے عملیاتی اور مالیاتی جائزے پیش کرتے ہوئے خوشی ہو رہی ہے۔

کھاد کی مارکیٹ

ڈیلرز کی جانب سے زیادہ مانگ اور ریج کی فصل کے لیے اسٹاک اکٹھے کرنے کی وجہ سے مقامی یوریا مارکیٹ گزشتہ سال کے 4,205 ہزار ٹن کے مقابلے میں بڑھ کر 4,404 ہزار ٹن ہو گئی۔ تاہم، مقامی پیداوار اور درآمدات میں کمی کی وجہ سے ڈی اے پی (DAP) کی مارکیٹ 775 ہزار ٹن رہی، جس میں گزشتہ سال کے مقابلے میں 3 فیصد کمی واقع ہوئی۔ سپلائی میں رکاوٹ اور فاسفورک ایسڈ کی بڑھتی ہوئی قیمتوں کے باعث ڈی اے پی کی مقامی پیداوار میں کمی آئی، جبکہ بین الاقوامی قیمتوں میں اضافے کے نتیجے میں ڈی اے پی کی خریداری کم رہی۔

مسلسل غیر یقینی جغرافیائی سیاسی صورتحال کھاد کی صنعت کے عملیاتی اخراجات پر مستقل دباؤ ڈال رہی ہے۔ کمپنی نے لاگت کو قابو کرنے کے مؤثر اقدامات کیے ہیں تاکہ افراط زر کے اثرات کا مقابلہ کرتے ہوئے 2026 کے لیے اپنے عملیاتی اور مالیاتی اہداف حاصل کر سکے۔

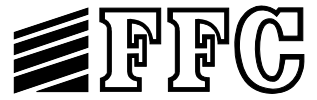
عملیاتی کارکردگی

گوٹھ ماچھی اور میرپور ماتھیلو میں واقع ہمارے کارخانوں نے اس مدت کے دوران 1,914 ہزار ٹن Prilled یوریا کی پیداوار حاصل کی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 2 فیصد زائد ہے۔ گیس کی قلت کے باعث گرینولر یوریا (Granular Urea) کی پیداوار 15 فیصد کم ہو کر 281 ہزار ٹن رہ گئی، جبکہ خام مال کی رسد میں رکاوٹوں کی وجہ سے سوناڈی اے پی کی پیداوار گزشتہ سال کے 622 ہزار ٹن کے مقابلے میں کم ہو کر 586 ہزار ٹن رہ گئی۔

کمپنی کی یوریا کی فروخت گزشتہ سال کی اسی مدت کے 1,955 ہزار ٹن کے مقابلے میں بڑھ کر 2,160 ہزار ٹن ہو گئی۔ تاہم، درآمد شدہ مصنوعات سمیت ڈی اے پی کی فروخت 3 فیصد کمی کے ساتھ 524 ہزار ٹن رہ گئی۔ کمپنی کے "سونا سٹریز" کے آپریشنز میں بھی کسانوں تک وسیع تر رسائی کے ذریعے مسلسل اضافہ ہو رہا ہے، جس کے تحت کسانوں کو کھاد، غذائی اجزاء، اور کیڑے مار ادویات وغیرہ مقررہ پرچون قیمتوں پر براہ راست فراہم کی جا رہی ہیں۔

مالیاتی کارکردگی

مجموعی آمدن فروخت 16 فیصد اضافے کے ساتھ 327 ارب روپے ہو گئی جس کا بنیادی سبب یوریا کی فروخت کے حجم میں اضافہ تھا۔ کمپنی نے 37.5 ارب روپے کی سرمایہ کاری آمدن بھی حاصل کی، جس نے 64.2 ارب روپے کے خالص منافع میں اہم کردار ادا کیا، جبکہ فی حصص آمدن



Condensed Interim Financial Statements

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

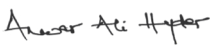
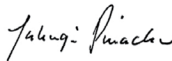
	Note	Un-audited September 30, 2026	Audited December 31, 2025
		(Rupees '000)	
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Share capital	4	14,390,232	14,231,086
Capital reserves		28,000,080	28,000,080
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		103,331,747	84,496,584
		112,134,107	93,298,944
Surplus on remeasurement of investments to fair value - net		47,577	53,415
		154,571,996	135,583,525
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	72,125,000	50,250,000
Deferred tax liability		9,667,733	7,911,767
Compensated leave absences		959,202	3,044,643
		82,751,935	61,206,410
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	12,000,000	11,050,000
Trade and other payables	6	233,811,600	194,053,067
Mark-up and profit accrued		3,268,401	940,275
Short term borrowings - secured	7	18,133,060	18,594,647
Unclaimed dividend		933,879	850,812
Provision for taxation		11,021,435	15,206,397
		279,168,375	240,695,198
TOTAL LIABILITIES		361,920,310	301,901,608
TOTAL EQUITY AND LIABILITIES		516,492,306	437,485,133
CONTINGENCIES AND COMMITMENTS	8		

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

	Note	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	99,553,656	76,550,175
Intangible assets		1,707,191	1,591,378
Long term investments	10	110,430,843	79,070,285
Long term loans and advances - secured		7,182,017	4,529,993
Long term deposits and prepayments		91,021	91,021
		218,964,728	161,832,852
CURRENT ASSETS			
Stores, spares and loose tools		17,892,196	15,566,472
Stock in trade		87,798,454	38,229,377
Trade debts		895,010	20,153,212
Loans and advances - secured		8,041,694	5,682,181
Deposits and prepayments		218,505	1,058,747
Other receivables	11	6,701,736	5,163,143
Short term investments	12	170,668,885	181,455,741
Cash and bank balances		5,311,098	8,343,408
		297,527,578	275,652,281
TOTAL ASSETS		516,492,306	437,485,133


Chairman

Chief Executive Officer

Director

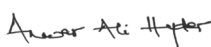
Chief Financial Officer

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

For the nine month period ended September 30, 2026

	Note	Three month period ended		Nine month period ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	127,685,554	127,251,321	327,299,254	282,699,863
Cost of sales		(84,746,056)	(88,031,925)	(220,652,723)	(189,873,779)
GROSS PROFIT		42,939,498	39,219,396	106,646,531	92,826,084
Distribution cost		(10,230,603)	(8,601,378)	(27,952,792)	(23,418,761)
		32,708,895	30,618,018	78,693,739	69,407,323
Finance cost		(3,003,255)	(1,555,420)	(7,293,124)	(4,962,196)
Other expenses		(3,240,825)	(3,072,849)	(8,008,529)	(7,823,445)
		26,464,815	25,989,749	63,392,086	56,621,682
Other income		9,271,779	6,271,877	37,509,916	34,433,378
PROFIT BEFORE INCOME TAX AND FINAL TAX		35,736,594	32,261,626	100,902,002	91,055,060
Final taxes - levies	14	(24)	(824)	(4,217)	(8,030)
PROFIT BEFORE INCOME TAX		35,736,570	32,260,802	100,897,785	91,047,030
Provision for taxation		(13,417,981)	(13,076,263)	(36,733,389)	(33,410,689)
PROFIT FOR THE PERIOD		22,318,589	19,184,539	64,164,396	57,636,341
Earnings per share - basic and diluted (Rupees)		15.51	13.48	44.59	40.50

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



Chairman



Chief Executive Officer



Director



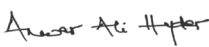
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

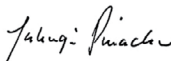
For the nine month period ended September 30, 2026

	Three month period ended		Nine month period ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	22,318,589	19,184,539	64,164,396	57,636,341
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
Deficit on remeasurement of investments to fair value - net of tax	(2,229)	(100,149)	(5,838)	(77,415)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	22,316,360	19,084,390	64,158,558	57,558,926

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



Chairman



Chief Executive Officer



Director



Chief Financial Officer

For the nine month period ended September 30, 2026

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

Iskang: Pinacken



S. J. L.

Chief Executive Officer

Director

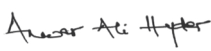
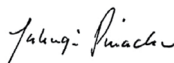
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine month period ended September 30, 2026

	Note	September 30, 2026	September 30, 2025
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	93,517,666	44,694,379
Finance cost paid		(4,964,998)	(4,251,516)
Income taxes paid		(39,158,231)	(37,496,003)
Levies paid		(2,718,164)	(5,971)
		(46,841,393)	(41,753,490)
Net cash generated from operating activities		46,676,273	2,940,889
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(28,176,089)	(11,946,461)
Proceeds from disposals of property, plant and equipment		139,700	57,543
Investment in Agritech Limited		(432,992)	(5,177,092)
Loan to Agritech Limited		(104,085)	-
Investment in PIA Equity Limited		(31,200,459)	-
Other investments - net		-	2,178,254
Interest and profit received		665,749	1,403,450
Dividend received		23,719,160	20,813,342
Net cash (used in) / generated from investing activities		(35,389,016)	7,329,036
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Drawdowns		30,000,000	-
Repayments		(7,175,000)	(5,275,000)
Dividend paid		(45,246,166)	(56,781,727)
Net cash used in financing activities		(22,421,166)	(62,056,727)
Net decrease in cash and cash equivalents		(11,133,909)	(51,786,802)
Cash and cash equivalents at beginning of the period		163,308,997	176,715,058
Effect of exchange rate changes		(701,211)	(547,079)
Cash and cash equivalents at end of the period		151,473,877	124,381,177
CASH AND CASH EQUIVALENTS			
Cash and bank balances		5,311,098	6,703,077
Short term borrowings - secured		(18,133,060)	(18,634,355)
Short term highly liquid investments		168,641,514	142,358,443
Bank balance under lien		(4,345,675)	(6,045,988)
		151,473,877	124,381,177

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


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 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 comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the nine month period ended September 30, 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 nine month period ended September 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 September 30, 2026	Audited December 31, 2025		Un-audited September 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 September 30, 2026	Audited December 31, 2025
(Rupees '000)		

5. LONG TERM BORROWINGS - SECURED

Conventional borrowings	5.1	9,125,000	11,550,000
Islamic borrowings	5.2	75,000,000	49,750,000
		84,125,000	61,300,000
Mark-up and profit accrued on:			
Conventional borrowings		324,051	76,405
Islamic borrowings		2,558,997	429,705
		2,883,048	506,110
Less: current portion shown under current liabilities			
Conventional borrowings		3,250,000	4,050,000
Islamic borrowings		8,750,000	7,000,000
		12,000,000	11,050,000
Less: mark-up and profit accrued on long term borrowings		2,883,048	506,110
		72,125,000	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		(2,425,000)	(3,150,000)
Closing balance	5.1.1	9,125,000	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 0.05% 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 June 2031 (December 31, 2025: December 2029).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Note	Un-audited September 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		(4,750,000)	(3,750,000)
Closing balance	5.2.1	75,000,000	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 0.01% 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 2030 (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. During the period, no payments were made by the Company on account of GIDC due to the stay granted by SHC.

	Note	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)			
7. SHORT TERM BORROWINGS - SECURED			
Conventional borrowings	7.1	9,877,522	9,637,484
Islamic borrowings	7.2	8,255,538	8,957,163
		18,133,060	18,594,647
Mark-up and profit accrued on:			
Conventional borrowings		215,625	213,581
Islamic borrowings		169,728	220,584
		385,353	434,165
		18,518,413	19,028,812
Less: mark-up and profit accrued on short-term borrowings		385,353	434,165
		18,133,060	18,594,647

- 7.1** These represent short term running finance facilities available from various banking companies under mark-up arrangements amounting to Rs 27,359,250 thousand (December 31, 2025: Rs 36,014,037 thousand) which represent the aggregate of all facility agreements between the Company and respective banks.

These 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 nine month period ended September 30, 2026

- 7.2** These represent shariah compliant short term running finance facilities available from various banking companies under profit arrangement amounting to Rs 11,200,000 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 0.05% (December 31, 2025: 3 month KIBOR minus 0.15% to 0.05%).

	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)		
8. CONTINGENCIES AND COMMITMENTS		
8.1 Contingencies:		
i) Guarantees issued by banks on behalf of the Company	12,522,027	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 1,143,460 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 11,606 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 Constitutional 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 11,606 million as of September 30, 2026. During the period, the Company has recognized the levy amounting to Rs 1,882 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 September 30, 2026. The Company is making efforts in getting this guarantee released.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Note	Un-audited September 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 8,243,623 thousand (December 31, 2025: Rs 16,439,474 thousand) relating to PEF joint operations)		20,601,617	34,619,877
(ii) Investment in PIA Equity Limited		30,590,541	-
(iii) Purchase of fertilizer, stores, spares and other operational items		19,652,937	18,502,685
(iv) Investment in Thar Energy Limited		88,800	89,776
(v) Contracted out services		936,342	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		1,900,000	2,295,000
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	65,754,525	58,222,376
Capital work in progress	9.2	33,799,131	18,327,799
		99,553,656	76,550,175
9.1 Operating fixed assets			
Opening written down value		58,222,376	44,086,856
Additions during the period / year		12,554,954	19,351,801
Written down value of disposals		(88,489)	(28,514)
Depreciation during the period / year		(4,934,316)	(5,187,767)
		65,754,525	58,222,376
9.1.1 Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2025 were Rs 8,216,424 thousand and Rs 3,766,739 thousand respectively.			
		Un-audited September 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		19,381,010	10,249,541
Transfers during the period / year		(3,909,678)	(6,045,615)
		33,799,131	18,327,799
9.2.1 Capital work in progress include Rs 23,654,698 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 September 30, 2026	Audited December 31, 2025
		(Rupees '000)	
9.3 Depreciation charge has been allocated as follows:			
Cost of sales		4,461,789	4,936,867
Distribution cost		469,819	247,591
Other expenses		2,708	3,309
		4,934,316	5,187,767

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Note	Un-audited September 30, 2026	Audited December 31, 2025
		(Rupees '000)	
10. LONG TERM INVESTMENTS			
Investments held at cost			
In associated companies (Quoted)			
Fauji Cement Company Limited		1,500,000	1,500,000
Askari Bank Limited		15,692,912	15,692,912
Agritech Limited		7,307,542	7,307,542
		24,500,454	24,500,454
In associated companies (Unquoted)			
Thar Energy Limited		5,986,908	5,986,908
PIA Equity Limited	10.1	31,200,459	-
		37,187,367	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

For the nine month period ended September 30, 2026

	Note	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)			
Other long term investments			
Arabian Sea Country Club Limited		-	-
		103,747,272	72,387,667
Investments measured at fair value through profit or loss			
Investment in un-listed preference shares		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		455,608	465,178
		755,608	765,178
		110,528,417	79,070,285
Less: Current portion shown under short term investments measured at fair value through other comprehensive income			
Pakistan Investment Bonds	12	97,574	-
		110,430,843	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 September 30, 2026, the Company has invested Rs 31,200,459 thousand in PIAEL. 3,120,045,901 ordinary shares of PIAEL, representing 34.67% of its paid-up share capital has been issued to the Company as on period end. 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 41,674,564 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

For the nine month period ended September 30, 2026

	Note	Un-audited September 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		5,679,318	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		40,859,509	42,157,553
Shariah compliant investments		122,102,687	131,936,118
		162,962,196	174,093,671
Current maturity of long term investments			
Fair value through other comprehensive income	10	97,574	-
		170,668,885	181,455,741

	Three month period ended		Nine month period ended	
	Un-audited September 30, 2026	Un-audited September 30, 2025	Un-audited September 30, 2026	Un-audited September 30, 2025
13. TURNOVER - NET	(Rupees '000)		(Rupees '000)	
Manufactured fertilizers	131,969,493	139,178,387	333,480,639	299,454,129
Purchased and packaged fertilizers	6,628,156	430,960	21,081,715	7,916,530
	138,597,649	139,609,347	354,562,354	307,370,659
Less: Trade discounts	(1,201,680)	(2,665,063)	(2,953,117)	(3,701,713)
Less: Sales tax & excise duty	(9,710,415)	(9,692,963)	(24,309,983)	(20,969,083)
	127,685,554	127,251,321	327,299,254	282,699,863

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		Nine month period ended	
	Un-audited September 30, 2026	Un-audited September 30, 2025	Un-audited September 30, 2026	Un-audited September 30, 2025
	(Rupees '000)		(Rupees '000)	
Current tax liability for the period as per applicable tax laws	12,141,300	13,866,776	34,977,486	34,461,805
Less:				
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(12,141,276)	(13,865,952)	(34,973,269)	(34,453,775)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IAS 37/ IFRIC 21	(24)	(824)	(4,217)	(8,030)
	-	-	-	-

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

For the nine month period ended September 30, 2026

- 14.2** The aggregate of final tax and income tax amounting to Rs 34,977,486 thousand (September 30, 2025: Rs 34,461,805 thousand) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

	Note	September 30, 2026	September 30, 2025
(Rupees '000)			
15. CASH GENERATED FROM OPERATIONS			
Profit before income tax		100,897,785	91,047,030
Adjustments for:			
Impact of present value of loans and advances to employees		(226,615)	(3,352)
Provision for sales tax		895,761	6,639,519
Depreciation	9	4,934,316	3,766,739
Amortization		33,990	1,928
Finance cost		7,293,124	4,962,196
Provision for slow moving spares		69,864	35,135
Gain on disposal of property, plant and equipment		(51,211)	(36,474)
Income on loans, deposits and investments		(665,749)	(1,136,698)
Final taxes - levies	14	4,217	8,030
Exchange loss		701,211	547,079
Remeasurement loss/ (gain) on Agritech Limited		226,615	(682,833)
Dividend income		(23,877,363)	(20,945,177)
		(10,661,840)	(6,843,908)
Changes in:		90,235,945	84,203,122
Stores, spares and loose tools		(2,395,588)	(2,134,668)
Stock in trade		(49,569,077)	(36,656,709)
Trade debts		19,258,202	(5,058,900)
Loans and advances		(2,255,428)	(2,318,250)
Deposits and prepayments		840,242	828,433
Other receivables		(2,400,077)	(833,951)
Trade and other payables		42,472,058	6,962,794
Bank balance under lien		1,718,313	60,000
		7,668,645	(39,151,251)
Changes in long term loans and advances		(2,301,483)	(422,190)
Changes in long term deposits and prepayments		-	853
Changes in compensated leave absences		(2,085,441)	63,845
		93,517,666	44,694,379

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 (UN-AUDITED)

For the nine month period ended September 30, 2026

Nine month period ended	
September 30, 2026	September 30, 2025
(Rupees '000)	

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

HOLDING COMPANY**Transactions**

Dividend paid	20,090,013	24,769,021
Cost recharge	1,124,612	1,017,683
Sale of fertilizer	10,643	-
Others	383	123,563

Balances

Balances payable - unsecured*	22,500	537,059
-------------------------------	--------	---------

SUBSIDIARY COMPANIES**Transactions**

Advance under revolving credit facility	1,645,000	1,660,000
Payment received under revolving credit facility	1,250,000	1,310,000
Interest income	28,555	11,802
Rental income	33,799	31,716
Dividend income	7,400,000	9,047,572
Services and materials provided	1,088,639	919,290
Services and materials received	17,257,049	14,677,680
Expenses incurred on behalf of subsidiary companies	199,958	146,395

Balances

Balances receivable - unsecured*	1,855,744	970,112
Balances payable - unsecured*	1,596,220	1,568,678

ASSOCIATED UNDERTAKINGS / COMPANIES**DUE TO COMMON DIRECTORSHIP****Transactions**

Expenses charged on account of marketing of fertilizer on behalf of associated company	277,384	348,420
Commission on sale of products	5,299	3,879
Sale of fertilizer	103,673	100,681
Payments under consignment account - net	27,251,269	14,470,792
Payments against purchase of gas and PEF project	45,919,102	44,516,526
Purchase of raw materials and others	99,157,511	82,536,521
Investment during the period	31,633,451	5,177,092
Loan provided during the year	104,085	-
Services and materials provided	31,501	26,639
Donations	1,427,636	1,238,692
Interest expense	373,737	624,841
Interest income	120,031	33,520
Dividend income	16,477,363	11,897,605

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

For the nine month period ended September 30, 2026

	Nine month period ended	
	September 30, 2026	September 30, 2025
	(Rupees '000)	
Balances		
Short term borrowings*	2,305,120	7,969,117
Dividend receivable*	158,203	-
Cash and bank balances*	14,000	21,008
Balance receivable - unsecured*	5,471,343	2,169,150
Balance payable - unsecured*	114,077,825	94,410,799
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	712,369	598,722
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: 0.23%)	82,435	133,170
Balances		
Balances receivable - Gratuity Fund - I*	606,769	486,929
Balances receivable - Gratuity Fund - II*	205,245	266,606
Balances receivable - Pension Fund Trust*	841,323	824,327
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (No. of person(s): 28 (2025: 34))	864,340	806,474
Balances		
Loans and advances*	156,768	153,322

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

18. 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.

19. 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.

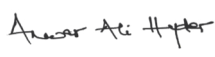
20. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on October 28, 2026 proposed third interim dividend of Rs 18.50 per share.

21. GENERAL

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

21.2 These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on October 28, 2026.



Chairman



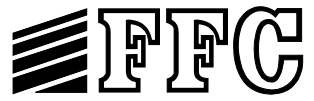
Chief Executive Officer



Director



Chief Financial Officer



Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

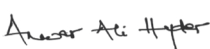
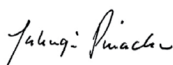
	Note	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4	14,390,232	14,231,086
Capital reserves		44,955,647	44,630,739
Revenue reserves			
General reserves		10,656,191	8,802,360
Unappropriated profit		208,089,260	184,276,548
		218,745,451	193,078,908
Surplus on remeasurement of investments to fair value - net		6,663,954	7,559,791
Share in revaluation reserve of associates - net		366,742	366,742
Non-controlling interest		3,766,282	4,937,686
		288,888,308	264,804,952
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	72,513,383	50,817,992
Lease liabilities		448,506	396,531
Deferred government grant		38,359	48,222
Deferred tax liability		37,188,422	35,930,184
Compensated leave absences		1,055,114	3,398,553
		111,243,784	90,591,482
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	12,438,396	11,636,683
Current portion of lease liabilities		129,868	105,626
Current portion of deferred government grant		21,514	25,058
Trade and other payables	6	247,005,628	206,886,556
Mark-up and profit accrued		3,292,233	987,536
Short term borrowings - secured	7	18,133,060	22,009,674
Unclaimed dividend		934,845	851,778
Provision for taxation		11,120,114	15,398,817
		293,075,658	257,901,728
TOTAL EQUITY AND LIABILITIES		693,207,750	613,298,162
CONTINGENCIES AND COMMITMENTS	8		

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

	Note	Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	153,161,170	132,494,031
Intangible assets		2,159,378	2,037,672
Long term investments	10	177,495,527	146,225,194
Long term loans and advances - secured		7,182,017	4,529,993
Long term deposits and prepayments		136,740	146,962
		340,134,832	285,433,852
CURRENT ASSETS			
Stores, spares and loose tools		20,472,858	18,100,523
Stock in trade		96,984,221	45,350,440
Trade debts		18,544,913	33,901,558
Loans and advances		9,603,171	7,554,482
Deposits and prepayments		751,946	1,515,730
Other receivables	11	8,325,884	8,442,339
Short term investments	12	187,512,112	199,033,962
Cash and bank balances		10,877,813	13,965,276
		353,072,918	327,864,310
TOTAL ASSETS		693,207,750	613,298,162


Chairman

Chief Executive Officer

Director

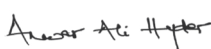
Chief Financial Officer

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

For the nine month period ended September 30, 2026

	Note	Three month period ended		Nine month period ended	
		September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	143,111,277	140,204,750	373,237,029	322,496,933
Cost of sales		(94,072,745)	(94,556,627)	(248,601,659)	(214,048,844)
GROSS PROFIT		49,038,532	45,648,123	124,635,370	108,448,089
Administrative and distribution expenses		(11,592,095)	(9,852,672)	(32,553,385)	(27,604,757)
		37,446,437	35,795,451	92,081,985	80,843,332
Finance cost		(3,099,429)	(1,723,061)	(7,602,328)	(5,547,005)
Other expenses		(3,389,739)	(3,606,105)	(8,428,978)	(8,237,775)
Other income		5,161,273	4,414,138	14,822,895	14,388,957
Share of profit of associates and joint venture		6,715,239	4,189,884	17,877,483	17,414,932
PROFIT BEFORE INCOME TAX AND FINAL TAX		42,833,781	39,070,307	108,751,057	98,862,441
Final taxes - levies		(66,615)	(7,044)	(135,474)	(29,024)
PROFIT BEFORE INCOME TAX		42,767,166	39,063,263	108,615,583	98,833,417
Provision for taxation		(14,167,274)	(13,974,755)	(37,598,928)	(35,791,588)
PROFIT FOR THE PERIOD		28,599,892	25,088,508	71,016,655	63,041,829
ATTRIBUTABLE TO:					
Equity Holders of Fauji Fertilizer Company Limited		28,378,015	24,534,605	70,175,082	61,619,144
Non - Controlling Interest		221,877	553,903	841,573	1,422,685
		28,599,892	25,088,508	71,016,655	63,041,829
Earnings per share - basic and diluted (Rupees)		19.72	17.24	48.77	43.30

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

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

For the nine month period ended September 30, 2026

	Three month period ended		Nine month period ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
	(Rupees '000)		(Rupees '000)	
PROFIT FOR THE PERIOD	28,599,892	25,088,508	71,016,655	63,041,829
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that may be subsequently reclassified to profit or loss:				
Deficit on remeasurement of investments to fair value - net of tax	(2,229)	(100,149)	(5,838)	(77,415)
Share of equity accounted investees - share of OCI, net of tax	3,649,402	6,186,701	(1,936,890)	4,340,821
	3,647,173	6,086,552	(1,942,728)	4,263,406
Items that will not be subsequently reclassified to profit or loss:				
Equity accounted investees - share of OCI, net of tax	346,717	317,518	758,222	1,365,517
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	32,593,782	31,492,578	69,832,149	68,670,752

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.

Chairman

Chief Executive Officer

Director

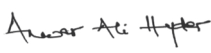
Chief Financial Officer

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

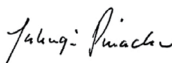
For the nine month period ended September 30, 2026

	Share capital	Share premium	Capital redemption reserve	Merger reserve	Translation reserve	Statutory reserve	Acquisition reserve	General reserve	Unappropriated profit	Surplus / (Deficit) on remeasurement of investments to fair value - net	evaluation of 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	-	-	-	-	-	-	-	-	61,619,144	-	-	1,422,685	63,041,829
Other comprehensive income - net of tax	-	-	-	-	2,026,472	-	-	-	2,296,453	2,236,934	69,064	-	5,628,923
	-	-	-	-	2,026,472	-	-	-	62,915,597	2,236,934	69,064	1,422,685	68,670,752
Effect of reclassification on adoption of IFRS - 9 by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	(56,796)	205,469	-	-	148,673
Effect of adoption of IFRS - 9 - ECL by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	(16,401)	-	-	-	(16,401)
Gain on disposal of equity securities measured at FVTOCI by equity accounted investee - net of tax	-	-	-	-	-	-	-	-	92,984	(92,984)	-	-	-
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)
Second interim dividend 2025: Rs 12.00 per share	-	-	-	-	-	-	-	-	(17,077,304)	-	-	-	(17,077,304)
	-	-	-	-	-	-	-	-	(56,924,348)	-	-	-	(56,924,348)
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	-	-	-	-	-	1,141,536	-	-	(1,141,536)	-	-	-	-
Balance as at September 30, 2025 (Un-audited)	14,231,086	40,000	120,000	27,047,377	9,728,109	9,007,940	(1,440,369)	8,802,360	176,283,732	6,482,140	366,742	5,345,220	256,014,337
Balance as at January 1, 2026 (Audited)	14,231,086	40,000	120,000	27,047,377	9,362,522	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	-	-	-	-	-	-	-	-	70,175,082	-	-	841,573	71,016,655
Other comprehensive income - net of tax	-	-	-	-	(852,182)	-	-	-	723,760	(1,056,084)	-	-	(1,041,950)
	-	-	-	-	(852,182)	-	-	-	70,896,842	(1,056,084)	-	841,573	69,832,149
Effect of reclassification on adoption of IFRS - 9 by an associate - net of tax	-	-	-	-	-	-	-	-	(240,197)	432,484	-	-	192,287
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	-	-	-	-	-	-	-	-	272,237	(272,237)	-	-	-
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)
Second interim dividend 2026: Rs 14.5 per share	-	-	-	-	-	-	-	-	(20,865,837)	-	-	-	(20,865,837)
	-	-	-	-	-	-	-	-	(45,328,233)	-	-	-	(45,328,233)
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	-	-	-	-	-	1,177,090	-	-	(1,177,090)	-	-	-	-
Balance as at September 30, 2026 (Un-audited)	14,390,232	40,000	120,000	27,047,377	8,530,340	10,658,299	(1,440,369)	10,656,191	208,089,260	6,463,954	366,742	3,766,282	288,888,308

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.



Chairman



Chief Executive Officer



Director



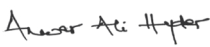
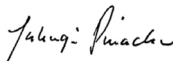
Chief Financial Officer

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

For the nine month period ended September 30, 2026

	Note	September 30, 2026	September 30, 2025
(Rupees '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	107,764,798	59,099,495
Finance cost paid		(5,229,605)	(4,776,810)
Income taxes and levies paid		(43,160,649)	(34,696,862)
		(48,390,254)	(39,473,672)
Net cash generated from operating activities		59,374,544	19,625,823
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(29,739,221)	(13,819,064)
Proceeds from sale of operating fixed assets		333,820	90,761
Investment in Agritech Limited		(432,992)	(5,177,092)
Loan to Agritech Limited		(104,085)	-
Investment in PIA Equity Limited		(31,200,459)	-
Other investments - net		-	(1,719,939)
Interest and profit received		1,039,251	1,753,639
Dividend received		16,319,160	11,765,769
Net cash used in investing activities		(43,784,526)	(7,105,926)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Drawdowns		30,013,408	11,442
Repayments		(7,516,304)	(5,616,317)
Repayment of lease liabilities		(143,022)	(79,211)
Dividend paid		(45,846,166)	(57,536,653)
Net cash used in financing activities		(23,492,084)	(63,220,739)
Net decrease in cash and cash equivalents		(7,902,066)	(50,700,842)
Cash and cash equivalents at beginning of the period		182,486,134	191,619,934
Effect of exchange rate changes		(701,249)	(547,027)
Cash and cash equivalents at end of the period		173,882,819	140,372,065
CASH AND CASH EQUIVALENTS			
Cash and bank balances		10,877,813	11,302,891
Short term highly liquid investments		185,484,741	156,183,131
Short term borrowings - secured		(18,133,060)	(21,067,969)
Bank balance held under lien		(4,346,675)	(6,045,988)
		173,882,819	140,372,065

The annexed notes 1 to 20 form an integral part of these condensed interim consolidated financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 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 comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim consolidated financial information of the Group for the nine month period ended September 30, 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 nine month period ended September 30, 2026

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited September 30, 2026	Audited December 31, 2025		Un-audited September 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 acquisition of FPCL- 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 September 30, 2026	Audited December 31, 2025
		(Rupees '000)	
5. LONG TERM BORROWINGS - SECURED			
From conventional banks			
Fauji Fertilizer Company Limited	5.1	9,125,000	11,550,000
Fauji Fresh n Freeze Limited	5.2	826,779	1,154,675
From Islamic banks			
Fauji Fertilizer Company Limited	5.3	75,000,000	49,750,000
		84,951,779	62,454,675
Less: Current portion shown under current liabilities			
From conventional banks		3,688,396	4,636,683
From Islamic banks		8,750,000	7,000,000
		12,438,396	11,636,683
		72,513,383	50,817,992
5.1 Movement during the period / year is as follows:			
Opening balance		11,550,000	14,700,000
Repayments during the period / year		(2,425,000)	(3,150,000)
Closing balance		9,125,000	11,550,000

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

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

These carry mark-up ranging between 6 month KIBOR minus 0.50% to plus 0.05% 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 June 2031 (December 31, 2025: December 2029).

	Un-audited September 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
Drawdowns during the period / year	13,408	34,094
Repayments during the period / year	(341,304)	(588,409)
Closing balance	826,779	1,154,675

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

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

	Un-audited September 30, 2026	Audited December 31, 2025
5.3 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	49,750,000	23,500,000
Drawdowns during the period / year	30,000,000	30,000,000
Repayments during the period / year	(4,750,000)	(3,750,000)
Closing Balance	75,000,000	49,750,000

- 5.3.1** These borrowings are secured by a first pari passu charge over all present and future assets of FFC (excluding land and building) with 25% margin.

These carry profit rates ranging between 6 month KIBOR minus 0.50% to plus 0.01% 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 2030 (December 31, 2025: 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. During the period, no payments were made by FFC on account of GIDC due to the stay granted by SHC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

Un-audited September 30, 2026	Audited December 31, 2025
(Rupees '000)	

7. SHORT TERM BORROWINGS - SECURED

From conventional banks	9,877,522	11,364,914
From Islamic banks	8,255,538	10,644,760
	18,133,060	22,009,674

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

i) Guarantees issued by banks on behalf of the Group companies	13,136,919	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 June 30, 2026 (2025: September 30, 2025)	368,400	547,020
iv) Group's share of contingencies in Agritech Limited as at September 30, 2026 (2025: December 31, 2025)	2,600,989	8,543,076
v) Group's share of contingencies in Fauji Cement Company Limited as at June 30, 2026 (2025: September 30, 2025)	668,153	329,134
vi) Group's share of contingencies in Askari Bank Limited as at June 30, 2026 (2025: September 30, 2025)	250,963,168	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 11,606 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 11,606 million as of September 30, 2026. During the period, FFC has recognized the levy amounting to Rs 1,882 million fully covered by bank guarantee.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Note	Un-audited September 30, 2026	Audited December 31, 2025
		(Rupees '000)	
8.2 Commitments in respect of:			
i) Capital expenditure		21,333,856	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		22,111,888	19,303,191
iv) Investment in Thar Energy Limited		88,800	89,232
v) Contracted out services		936,342	625,737
vi) Group's share of commitments of PMP as at June 30, 2026 (2025: September 30, 2025)		447,153	38,527
vii) Group's share of commitments of FCCL as at June 30, 2026 (2025: September 30, 2025)		105,706	31,017
viii) Group's share of commitments of AGL as at September 30, 2026 (2025: December 31, 2025)		150,080	75,191
ix) Group's share of commitments of Askari Bank Limited as at June 30, 2026 (2025: September 30, 2025)		327,272,031	371,205,172
x) Group's share of commitments of TEL as at June 30, 2026 (2025: September 30, 2025)		1,912,531	2,145,723
9. PROPERTY PLANT AND EQUIPMENT			
Operating fixed assets	9.1	116,937,163	112,044,008
Capital work in progress	9.2	35,463,611	19,742,742
Right of use assets	9.3	760,396	707,281
		153,161,170	132,494,031
9.1 Operating fixed assets			
Opening written down value		112,044,008	100,454,154
Additions during the period / year		13,630,658	21,652,962
Written down value of disposals / adjustments		(188,830)	(122,791)
Depreciation during the period / year		(8,548,673)	(9,995,317)
Reversal of impairment charge		-	55,000
		116,937,163	112,044,008
9.1.1 Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2025 were Rs 10,272,806 thousand and Rs 7,273,702 thousand respectively.			
		Un-audited September 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		20,405,319	11,419,112
Transfers during the period / year		(4,684,450)	(7,074,061)
		35,463,611	19,742,742

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Note	Un-audited September 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		151,213	249,706
Written down value of disposals		(12,958)	(2,539)
Depreciation during the period / year		(85,140)	(107,791)
		760,396	707,281
9.4 Depreciation charge has been allocated as follows:			
Cost of sales		7,849,583	9,675,724
Administrative and distribution expenses		781,522	424,075
Other expenses		2,708	3,309
		8,633,813	10,103,108
10. LONG TERM INVESTMENTS			
Equity accounted investments	10.1	170,811,956	139,542,576
Other long term investments	10.2	6,683,571	6,682,618
		177,495,527	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		553,259	573,398
Share of OCI for the period / year		(723)	-
Dividend		(158,203)	(131,836)
		4,527,644	4,133,311
Askari Bank Limited			
Balance at the beginning		88,958,360	73,508,398
Share of impact of adoption of IFRS - 9		240,586	195,814
Share of profit for the period / year		11,772,283	16,014,064
Share of OCI for the period / year		(481,892)	5,102,583
Dividend		(5,393,499)	(5,862,499)
		95,095,838	88,958,360
Thar Energy Limited			
Balance at the beginning		14,332,579	10,899,478
Share of profit for the period / year		3,060,295	3,733,325
Share of OCI for the period / year		(1,717)	(879)
Dividend		(7,567,452)	(299,345)
		9,823,705	14,332,579
PIA Equity Limited			
Investment at cost	10.3	31,200,459	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026

	Un-audited September 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	(1,484,581)	1,207,861
Share of OCI for the period / year	-	(914)
	7,518,470	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	3,976,227	3,660,015
(Loss) / gain on translation of net assets	(1,087,453)	2,190,161
Dividend	(3,358,209)	(7,075,769)
	22,645,840	23,115,275
	170,811,956	139,542,576
10.2 Other long term investments		
Investments measured at fair value through profit or loss		
Investment in un-listed preference shares	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	455,608	465,178
	755,608	765,178
Less: Current portion shown under short term investments		
- fair value through other comprehensive income		
Pakistan Investment Bonds	97,574	-
	6,683,571	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 September 30, 2026, FFC has invested Rs 31,200,459 thousand in PIAEL. 3,120,045,901 ordinary shares of PIAEL, representing 34.67% of its paid-up share capital has been issued to FFC as on period end. Further, the Consortium has also exercised the call option to acquire remaining 25% equity stake in PIACL.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 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 41,674,564 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.

Note	Un-audited September 30, 2026	Audited December 31, 2025
	(Rupees '000)	

12. SHORT TERM INVESTMENTS**Amortized cost - conventional instruments**

Local currency	2,100,750	2,694,890
Foreign currency	5,679,318	5,530,553
	7,780,068	8,225,443

Investment in privately placed term finance certificates (PPTFCs)

1,929,797	1,831,517
9,709,865	10,056,960

Investments at fair value through profit or loss

Conventional investments	53,217,926	55,473,242
Shariah compliant investments	124,486,747	133,503,760
	177,704,673	188,977,002

Current maturity of long term investments

Fair value through other comprehensive income	10	97,574	-
		187,512,112	199,033,962

Three month period ended		Nine month period ended	
September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025

13. TURNOVER - NET

	(Rupees '000)		(Rupees '000)	
Fertilizer	138,597,649	139,609,347	354,562,354	307,370,659
Power	7,064,505	5,326,083	18,409,916	15,520,436
Food	11,768,816	10,408,463	37,186,769	32,961,667
Technical services	503,692	265,566	1,415,192	586,267
	157,934,662	155,609,459	411,574,231	356,439,029
Sales tax and excise duty	(12,643,461)	(11,953,573)	(32,642,916)	(27,902,572)
Trade discount	(2,179,924)	(3,451,136)	(5,694,286)	(6,039,524)
	(14,823,385)	(15,404,709)	(38,337,202)	(33,942,096)
	143,111,277	140,204,750	373,237,029	322,496,933

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 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)				
September 30, 2026 (Un-audited)					
Assets					
Segment assets (Total)	401,309,484	89,607,991	29,595,828	1,882,491	522,395,794
Equity accounted investees	170,811,956	-	-	-	170,811,956
Liabilities					
Segment liabilities (Total)	385,138,419	4,568,692	13,978,493	633,838	404,319,442
Capital expenditure	28,026,286	533,447	789,262	2,532	29,351,527
Depreciation	4,934,316	2,806,234	892,221	1,042	8,633,813
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 nine month period ended September 30, 2026

	September 30, 2026	September 30, 2025
15. CASH GENERATED FROM OPERATIONS	(Rupees '000)	
Profit before income tax	108,615,583	98,833,417
Adjustments for:		
Depreciation	8,633,813	7,328,205
Amortization	278,946	15,666
Impact of present value of loans and advances to employees	(237,128)	(3,352)
Provision for sales tax	895,761	6,639,519
Finance cost	7,602,328	5,547,005
Provision for slow moving spares	69,864	35,190
Gain on disposal of operating fixed assets	(144,990)	(36,628)
Income on loans, deposits and investments	(1,109,455)	(1,231,931)
Share of profit of associates and joint venture	(17,877,483)	(17,414,932)
Amortization of government grant	(13,407)	(8,276)
Final and minimum taxes - levies	135,474	29,024
Exchange loss - net	701,249	547,027
Loss / (gain) on remeasurement of other investments held at FVTPL	226,615	(682,833)
	(838,413)	763,684
	107,777,170	99,597,101
Changes in:		
Stores, spares and loose tools	(2,442,199)	(2,374,658)
Stock in trade	(51,633,781)	(38,288,155)
Trade debts	15,356,645	(7,763,726)
Loans and advances	(1,944,604)	(671,801)
Deposits and prepayments	763,784	415,475
Other receivables	(550,899)	50,116
Trade and other payables	42,861,557	8,382,720
Bank balances under lien	2,325,238	110,673
	4,735,741	(40,139,356)
Changes in long term loans and advances	(2,414,896)	(422,190)
Changes in long term deposits and prepayments	10,222	5,383
Changes in compensated leave absences	(2,343,439)	58,557
	107,764,798	59,099,495

16. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Groups's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended December 31, 2025. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited consolidated financial statements of the Company for the year ended December 31, 2025.

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

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

For the nine month period ended September 30, 2026

	September 30, 2026	September 30, 2025
17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES	(Rupees '000)	
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend	20,090,013	24,769,021
Cost recharge	1,142,452	1,017,683
Sale of fertilizer	10,643	-
Others	297,558	347,528
Balances		
Balance payable - unsecured*	22,500	6,445,614
Balance receivable - unsecured*	186,240	-
ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	277,384	348,420
Commission on sale of products	5,299	3,879
Sale of Fertilizer	103,673	100,681
Payments under consignment account - net	27,251,269	14,470,792
Payments against purchase of gas and PEF project	45,919,102	44,516,526
Purchase of raw materials and others	99,187,604	82,696,234
Investment during the period	31,633,451	5,177,092
Loan provided during the year	104,085	-
Services and materials provided	752,021	563,364
Donations	1,483,356	1,238,692
Interest expense	385,355	650,554
Interest income	208,121	269,515
Dividend income	16,477,363	11,897,605
Balances		
Long term borrowings*	280,469	320,536
Dividend receivable*	158,203	-
Short term borrowings*	2,305,120	7,969,117
Bank Balances*	188,991	2,650,350
Balances receivable - unsecured*	5,589,245	2,174,034
Balances payable - unsecured*	114,138,442	94,498,517
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	847,152	726,244
Employees' Gratuity Fund Trust	313,837	470,566
Employees' Pension Fund Trust	67,983	28,507
Employees' Funds as dividend on equity holding of 0.18% (2025: 0.23%)	82,435	133,170
Balances		
Balance payable - Gratuity Fund - I and others*	587,986	540,974
Balance receivable - Gratuity Fund - II*	205,245	266,606
Balance receivable - Pension Fund Trust*	841,323	824,327
Balance payable - Provident Fund*	132	237

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

For the nine month period ended September 30, 2026

	September 30, 2026	September 30, 2025
	(Rupees '000)	
OTHERS		
Transactions		
Remuneration and benefits of key management personnel (Number of person(s): 41 (September 30, 2025: 47))	1,174,235	1,201,117
Balances		
Loans and Advances*	156,768	143,027

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

18. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on October 28, 2026 proposed third interim dividend of Rs 18.50 per share.

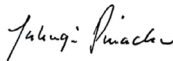
19. GENERAL

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

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

20. DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of the Company on October 28, 2026.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

SAY NO TO CORRUPTION

If Undelivered please return to:

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

Tel: +92 (51) 8450001

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

Website: www.ffc.com.pk



Askari Bank Ltd



FFBL POWER COMPANY LIMITED



Fauji Cement Company Ltd



TECHNICAL SERVICES (PVT.) LTD.

