



Unlocking NEW DIMENSIONS OF GROWTH



Unlocking **NEW** **DIMENSIONS** of **GROWTH**

Unlocking new dimensions of growth requires more than ambition, it demands vision, discipline, and the courage to redefine boundaries. In 2025, Fatima Fertilizer Company Limited demonstrated all three, embarking on a transformative journey that extends far beyond its traditional footprint. While continuing to lead in fertilizer production and agricultural support, the Company made significant strides into Aviation, Mining, Real Estate, Oil & Gas (E & P) sectors, thus positioning itself as a diversified force for long term value creation.

This multidimensional growth is underpinned by operational excellence and a steadfast commitment to sustainability. With record production, expanding market share, and enhanced farmer engagement, Fatima Fertilizer continues to strengthen Pakistan's agricultural backbone while aligning its practices with global sustainability frameworks.

As the Company moves forward, it remains focused on transforming opportunities into impact, unlocking new dimensions that not only drive business performance but also contribute to national progress.

Key Highlights 2025



2,856

MT in "000"
Fertilizer Production



2,883

MT in "000"
Fertilizer Sales



276,177

Rs in Million
Revenue



42,059

Rs in Million
Profit After Tax



20.03

Rupees
Earnings Per Share



6.00

Rupees
Dividend Per Share



21.06

Percentage
Return on Capital
Employed



63,909

Rs in Million
Contribution to National
Exchequer





150+

Combined Safe Million
Man Hours



13,387

Numbers
Trees Planted



86

Numbers
Women Development
(Female Staff in Head Office)



136,478

Man Hours
Investing in Manpower



277,793

Numbers
Agriculture Farms Addressed



1,000+

USD in Million
Market Capitalization



1,134

Rs in Million
Investment in CSR

Vision & Mission Statement

Vision

To be a world class manufacturer of fertilizer and ancillary products, with a focus on safety, quality and positive contribution to national economic growth and development. We will care for the environment and the communities we work in, while continuing to create shareholders' value.

Mission

- To be the preferred fertilizer company for farmers, business associates and suppliers by providing quality products and services.
- To provide employees with an exciting, enabling and supportive environment to excel in, be innovative, entrepreneurial in an ethical and safe working place based on meritocracy and equal opportunity.
- To be a responsible corporate citizen with a concern for the environment and the communities we deal with.

Corporate Values

These are the values that Fatima Fertilizer Company Limited epitomizes, and are reflected in all our transactions and interactions. Congruence to these values has been a part of our business strategy. They are bound in the very fabric of our organization, shaped by organizational processes, procedures and practices.



Integrity

Our actions are driven by honesty, ethics, fairness and transparency.



Innovation

We encourage creativity and recognize new ideas.



Teamwork

We work collectively towards a common goal.



Health, Safety, Environment & CSR

We care for our people and the communities around us.



Customer Focus

We believe in listening to our customers and delivering value in our products and services.



Excellence

We strive to excel in everything we do.



Valuing People

We value our people as our greatest resource.





Integrity Risk Management Framework / Code of Conduct

Fatima Fertilizer Company Limited (FATIMA) has established an Integrity Risk Management Framework to provide a foundation for ethical conduct, accountability, and transparency across its operations and stakeholder relationships. The Framework sets out the governance, standards, reporting channels, and response mechanisms through which FATIMA seeks to prevent misconduct, manage integrity-related risks, and promote responsible business practices.

The Framework underscores FATIMA's commitment to:

- a. Upholding human rights, dignity, equality, and fair treatment;
- b. Maintaining zero tolerance for bribery, corruption, fraud, retaliation, harassment, and discrimination;
- c. Promoting responsible customer and supply chain relationships; and
- d. Embedding ethical risk management, oversight, and continuous improvement into business operations.

The Framework applies to all internal and external stakeholders, including employees, third-party personnel, customers, suppliers and other business associates.

Its principal components are:

- Governance and oversight;
- Employee, Customer, and Supplier Codes of Conduct;
- Speak-Up ("Flag-It / Tell Fatima") mechanism;
- Risk assessment and control activities;
- Investigation and disciplinary arrangements; and
- Monitoring, communication, training, and continuous improvement.

Governance, Oversight and Accountability

FATIMA has established a governance structure to ensure effective implementation, oversight, and periodic review of the Integrity Risk Management Framework. Ethical conduct is promoted as a shared responsibility, with leadership expected to set the tone and stakeholders expected to act in line with FATIMA's values and standards.

The Board of Directors promotes an ethical culture and supports dissemination of the Code of Conduct and related policies.



The Ethics Committee plays a central role in administering the Framework. Its responsibilities include promoting a culture of integrity, updating related policies and processes, reviewing whistleblowing reports, overseeing investigations, monitoring fraud risk assessments and recommending remedial actions. Where appropriate, the Committee may involve subject matter experts.

Codes of Conduct

FATIMA's Codes of Conduct set minimum standards of ethical and professional behavior for key stakeholder groups. It guides decision-making, reinforces compliance with laws and company policies, leading practices and ensures that FATIMA's relationships are conducted with honesty, fairness, dignity, and respect.

Employee Code of Conduct

FATIMA requires all employees and internal stakeholders to uphold the highest standards of ethical conduct, guided by its core values. The Employee Code of Conduct sets clear expectations for legal compliance, ethical decision-making, and responsible risk management.

Employees are expected to act honestly, identify risks within their roles, seek clarification where necessary, and report suspected violations in good faith. Managers carry additional responsibility for reinforcing ethical standards within their teams, supporting training and awareness, encouraging speak-up behavior, and maintaining confidentiality.

Human Rights

The Code places strong emphasis on human rights and respect for people, including alignment with the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organization. It prohibits harassment, intimidation, humiliation, discrimination, and workplace violence, and promotes diversity, inclusion, and equal opportunity in workplace interactions and employment decisions.

Compliance

Employees must comply with all applicable laws and internal policies, including those relating to insider dealing, transparency in reporting, conflict of interest, confidentiality, anti-money laundering, competition law, anti-bribery and corruption, and fair business conduct. FATIMA requires disclosure of critical relationships and potential conflicts, particularly where employees or their close relatives have interests or dealings that could influence objectivity or create a perceived conflict in relation

to external stakeholders. Employees must also comply with FATIMA's Gifts and Hospitality Policy, including prescribed compliance reviews and must not offer or accept any gift or hospitality in contravention of the policy.

Anti-Bribery & Anti-Corruption

FATIMA maintains zero tolerance for bribery and corruption. Political contributions also form part of anti-bribery or corruption purview. Employees must not offer, give, seek, or accept bribes, kickbacks, facilitation payments, improper gifts, unlawful commissions, or any other undue advantage. Particular care is required in dealings with government officials, gifts and hospitality, third-party intermediaries, donations, sponsorships, and other situations that may give rise to corruption risk.

FATIMA understands that the exchange or provision of modest gifts may be an indication of fostering productive business relationships. However, such gifts must be associated with a legitimate business purpose, should strictly fall within the value and frequency limits and should not create an appearance of wrongdoing from a prudent point of view.

Anti-Money Laundering

Employees must also comply with anti-money laundering controls, due diligence requirements, and reporting obligations in relation to suspicious transactions or unlawful proceeds.

Confidentiality, HSE & Anti-Competitive Conduct

FATIMA also requires employees to protect confidential information, commercially sensitive data, and intellectual property, and to ensure that company records and public or regulatory disclosures are accurate, complete, fair, and timely. The Code also reinforces FATIMA's expectations regarding health, safety, environment, and corporate social responsibility. The Code further prohibits anti-competitive conduct, including inappropriate exchange of commercially sensitive information, price-fixing, bid-rigging, market sharing, or unlawful dealings with competitors.

Customer Code of Conduct

FATIMA expects customers to conduct business ethically, responsibly, and in compliance with all applicable laws, regulations, and relevant standards. The Customer Code of Conduct outlines minimum expectations and supports commercial relationships based on trust, fairness, transparency, and shared values.

Customers must comply with laws relating to business conduct, bribery, corruption, money laundering, and other regulatory requirements in the jurisdictions in which they operate.

Customers must not seek to improperly influence FATIMA employees or stakeholders for personal or commercial gain, or

enter into arrangements that could adversely affect FATIMA's business, reputation, or relationships. FATIMA also expects customers to respect human rights, promote fair treatment, and maintain workplaces free from discrimination, harassment, and unsafe practices, while complying with laws relating to wages, working hours, minimum age of employment, and workplace health and safety.

Customers are also expected to maintain accurate records, protect confidential information, respect FATIMA's intellectual property rights, avoid insider dealing, and ensure transparency in financial and business dealings. They must disclose any relationship, personal interest, or financial connection involving FATIMA employees or associated companies that could give rise to a conflict of interest.

In addition, customers are expected to comply with FATIMA's requirements regarding gifts and hospitality, protect FATIMA's products and confidential information from misuse or counterfeiting, refrain from making unauthorized public or media statements on FATIMA's behalf, and cooperate fully in any review or investigation of potential violations. FATIMA reserves the right to monitor customer compliance and take corrective action, including termination of the business relationship, where serious violations occur.

Supplier Code of Conduct

FATIMA expects suppliers, contractors, service providers, and other supply chain partners to comply with high standards of legal, ethical, social, and environmental responsibility. The Supplier Code of Conduct applies to suppliers and, where relevant, to their employees, agents, subcontractors, and other representatives.

Suppliers must comply with all applicable laws and regulations in the jurisdictions in which they operate, while also adhering to FATIMA's ethical expectations. The Code places strong emphasis on human rights and labor standards, including dignity, fair treatment, safe working conditions, and compliance with internationally recognized norms and principles.

Suppliers must prohibit forced labor, bonded labor, child labor, human trafficking, and modern slavery, and ensure that all work is voluntary. FATIMA also expects suppliers to avoid confiscating workers' identity documents, charging unlawful recruitment fees, or sourcing raw materials and products through exploitative or conflict-related practices unless responsibly sourced. Suppliers are also expected to uphold fair wages, lawful working hours and benefits, freedom of association, non-discrimination, humane treatment, and appropriate health and safety protections for workers.

The Code requires suppliers to maintain integrity in all business interactions and comply with laws and controls relating to anti-bribery, anti-corruption, money laundering, fair competition, gifts and hospitality, insider trading, export controls, and sanctions. Bribes, kickbacks, extortion, embezzlement, and other improper means of obtaining advantage are strictly prohibited.

Suppliers must also disclose actual or potential conflicts of interest, maintain accurate records, protect confidential information, respect FATIMA's intellectual property, and refrain from unauthorized disclosure or publicity involving FATIMA's name, business, bids, or contracts.

Suppliers are expected to support FATIMA's reporting and investigation arrangements where concerns arise and to establish processes to protect whistleblowers from retaliation. The Supplier Code also addresses environmental responsibility, encouraging suppliers to comply with environmental laws and operate in a manner that supports sustainability and responsible sourcing. FATIMA reserves the right to monitor supplier compliance and take corrective action, including termination of the business relationship, where serious violations occur.

Speak-Up ("Flag-It / Tell Fatima") Mechanism

FATIMA has established a formal whistleblowing mechanism, referred to as the Flag-It Program / Tell Fatima, to support a culture of openness, accountability, and ethical conduct. The mechanism is available to both internal and external stakeholders and provides a safe and credible means of reporting suspected ethical violations, misconduct, fraud, abuse of power, abuse of position, abusive conduct, or other inappropriate acts or omissions that may place FATIMA or its stakeholders at risk.

The Flag-It mechanism is built around the principles of transparency, anonymity, confidentiality, anti-retaliation, evidence-based reporting, and communication. Stakeholders may choose to disclose their identity or remain anonymous, and FATIMA is committed to protecting the identity of any person raising a concern to the fullest extent possible, subject to legal requirements.

FATIMA maintains zero tolerance for retaliation, victimization, or unfair treatment against anyone who reports a concern in good faith, irrespective of the eventual outcome. Concerns may be raised through multiple channels, including email (tellfatima@fatima-group.com), website, direct approach to Ethics Committee members, and post or courier.

Investigation Policy

FATIMA has established a structured process to ensure that reported concerns and allegations of unethical behavior

are assessed and, where required, investigated through an independent, objective, transparent, and confidential process.

All reported concerns are formally recorded and investigated. Investigations are conducted in a manner that preserves independence, fairness and confidentiality. FATIMA's approach also provides management oversight, preservation of evidence where required, an opportunity for the relevant party to be heard, and recommendation of actions based on facts and evidence.

Where misconduct is substantiated, FATIMA may take proportionate disciplinary or corrective action in line with applicable policies and laws.

Risk Assessment and Control Activities

A key component of FATIMA's Integrity Risk Management Framework is the assessment and management of integrity-related risks, including fraud risk. The Framework provides for analysis of inherent, residual, and target risks, together with the deployment of control activities to prevent, detect, and mitigate ethical and fraud-related exposures.

The Ethics Committee is responsible for ensuring that integrity and fraud risk assessments are conducted in line with FATIMA's broader internal control and risk assessment frameworks, and that mitigation plans are developed in response to identified risks within the company's risk appetite. This helps ensure that ethical principles are supported by practical controls and that emerging risks are reviewed and addressed on an ongoing basis.

Monitoring, Reporting, Communication and Training

FATIMA recognizes that the effectiveness of the Integrity Risk Management Framework depends not only on policy design but also on communication, implementation, awareness, and monitoring. The Ethics Committee is therefore responsible for ensuring that the Framework is effectively communicated, periodically reviewed, and monitored through regular reporting and stakeholder engagement. Monitoring includes review of periodic reports, investigation outcomes, residual risks, remedial action plans, and stakeholder feedback.

FATIMA promotes awareness of the Framework through training, onboarding, refresher communication, contract incorporation, website disclosure, and practical guidance for stakeholders. Internal and external stakeholders are provided access to the Framework to promote understanding of FATIMA's ethical expectations. Periodic training and awareness initiatives reinforce the Code of Conduct, the Flag-It Program, and related requirements.

Strategy & Resource Allocation

Sr. No.	Objective	Resource Allocation	KPI Monitored	KPI Future Relevance	Nature of Objective	Strategic Plan
1	Maintain market position in fertilizer business	Human, Financial, Manufactured, Intellectual	Market Share	Will remain relevant in future	Long term	Annual market share increases above main competitors
2	Improve farmer productivity through balanced use of fertilizer	Human, Financial, Manufactured, Intellectual, Social & Relationship	Crop output	Will remain relevant in future	Long term	Educating farmers on the use of Nitrophos and CAN for yield enhancement compared to traditional fertilizers
3	Focus on enhancing sales through new in-roads in distribution and create new businesses and channels	Human, Financial, Manufactured, Intellectual, Social & Relationship	Sales Growth	Will remain relevant in future	Short, Medium term	Through market share enhancement and geographical diversification while nurturing our relationship with existing customers
4	Operational excellence for optimum plant performance	Human, Financial, Manufactured, Intellectual	Capacity Utilization	Will remain relevant in future	Short, Medium, Long term	Ensure continuous improvement in business processes
5	Diversify into value enhancing investments	Human, Financial, Intellectual	Return on Invested Capital	Will remain relevant in future	Medium, Long term	<ul style="list-style-type: none"> • Think globally when evaluating business expansion • Establish strategic alliance and partnerships
6	Investment in human resources and their capacities	Human, Financial	Low turnover of high potential employees	Will remain relevant in future	Long term	Providing career opportunities to talented professionals in an organized and transparent manner
7	Augment profitability with cost effectiveness and lean business	Human, Financial	Net Margin	Will remain relevant in future	Short, Medium term	<ul style="list-style-type: none"> • Continuous improvement of Shared Services operations and consider profit center concepts for certain functions • Implement LSS for cost optimization
8	Operations	Human, Financial, Social & Relationship, Nature	<ul style="list-style-type: none"> • CSR Spend • GHG Emissions reduction 	Will remain relevant in future	Long term	Investments to be focused on maximum impact on our communities Monitor impact on regular basis

Capabilities and resources that provide competitive advantage resulting in value creation

The Company's sustainable competitive advantage is rooted in its strong nationwide presence, reliable brand positioning, and long standing relationships across its distribution network. Its extensive market reach, supported by deep dealer engagement and technical advisory capabilities, enables consistent customer retention and reinforces trust in our products. This strength provides stability in volumes and enhances the Company's ability to respond effectively to changing market dynamics.

As a listed entity and part of a large and diversified group, the Company benefits from experienced leadership, robust governance standards, and financial strength. Its capital-intensive asset base, supported by in-house technical and operational expertise, ensures operational continuity and disciplined execution. The resilience demonstrated during periods of market volatility reflects the strength of its management systems and institutional knowledge.

Looking ahead, the Company's strategic intent to pursue upstream and downstream integration and support national priorities are expected to further enhance value creation. By leveraging its established market position, financial stability, and sector expertise, the Company remains well-positioned to sustain long-term shareholder value and reinforce its competitive standing within the industry.

Strategy on market development, product and service development

The Company's strategy is focused on strengthening its leadership position in the domestic market while building a foundation for selective expansion into new international markets and adjacent segments through strategic partnerships. We continue to deepen market penetration, enhance distribution effectiveness, and strengthen relationships across our value chain. Our partnership led approach to expansion is designed to leverage in house expertise, manage entry risk, and ensure capital efficient growth.

The Company is pursuing upstream and downstream integration to enhance supply chain resilience, improve value capture, and support national priorities of food security and import substitution. We remain committed to continuously improving product quality and operational efficiency, with a directional alignment toward sustainability.

In addition to our product portfolio, we differentiate ourselves through strong technical advisory support and digital platforms that facilitate seamless interaction with dealers and customers. By combining operational excellence, value chain integration, and farmer-centric services, the Company aims to create sustainable long term value and reinforce its position as a market leader.

Impact of changes and challenges on strategic objectives and resource allocation

The Company's objectives are carefully developed with both the external environment and internal resource availability and development in consideration. The Company does not foresee any challenges that would materially impact its ability to progress against the strategic objectives and therefore does not anticipate any changes in them in the near future.

Strategic Objectives alignment with Vision & Mission

The Company's objectives are aligned with its Vision and Mission to be an industry leader, with a focus on safety and quality, creating shareholders' value while being an employer of choice and the preferred brand for farmers and business associates.

Communication of Financial Results

Periodic financial statements of the Company were circulated to Directors duly endorsed by the CEO and the CFO. Half yearly and annual financial statements were initialed by the external auditors for presentation to Board Audit Committee and the Board of Directors for approval.

Furthermore, quarterly unaudited financial statements of the Company along with Directors' Report, were approved, published and circulated to concerned quarters on a timely basis. Half yearly financial statements were subject to a limited scope review by the statutory auditors. These annual financial statements have been audited by the external auditors and approved by the Board and will be presented to the shareholders at the AGM for adoption. The said financial statements circulated on PUCARS well within the statutory prescribed timelines and posted on the Company's website accordingly.

Calendar of Major Financial Events held in 2025

Board Meeting

For the Year Ended 2024 | March 13, 2025

AGM

For the Year Ended 2024 | April 18, 2025

Board Meeting

For Q1 2025 | April 25, 2025

Board Meeting

For Q2 2025 | August 27, 2025

Board Meeting

For Q3 2025 | October 30, 2025

EOGM

December 18, 2025

Corporate Briefing Session

December 24, 2025

Calendar of Major Financial Events held in 2026

Board Meeting

For the Year Ended 2025 | March 6, 2026

AGM

For the Year Ended 2025 | April 17, 2026

Board Meeting

For Q1 2026 | 4th week of April 2026

Board Meeting

For Q2 2026 | 3rd week of August 2026

Board Meeting

For Q3 2026 | 4th week of October 2026

Company Profile

Fatima Fertilizer Company Limited (the Company) is a joint venture between two major business groups in Pakistan namely, Fatima Group and Arif Habib Group, with its head office located in Lahore. The Company has three operating units situated across the province of Punjab at three different strategic locations namely Mukhtar Garh, Sadiqabad (Sadiqabad Plant), Khanewal Road, Multan (Pakarab Fertilizers Limited), and 28-KM Sheikhpura Road, Chichoki Mallian (Fatimafert Limited).

Nature of Business

The principle activity of the Company is manufacturing, production, buying, selling, importing and exporting of fertilizers and chemicals. It is capable of producing two intermediary products, i.e. Ammonia and Nitric Acid and three final products which are Urea, Calcium Ammonium Nitrate (CAN) and Nitrophos. Fatima plays a significant role in nourishing soils and enriching lives through its diverse fertilizer portfolio.

Sadiqabad Plant

The fertilizer complex, producing mixed fertilizer products, is a fully integrated production facility, located at Sadiqabad, District Rahim Yar Khan. The foundation stone was laid on April 26, 2006, by the then Prime Minister of Pakistan. The Complex has a dedicated gas allocation of 110 MMCFD from Mari Gas Field and has 56 MW captive power plants in addition to off sites and utilities. Commercial production commenced on July 01, 2011. The Complex, at its construction peak, engaged over 4,000 engineers and technicians from Pakistan, China, USA, Japan, and Europe.

The Complex has the following original design and current revamped annual capacities as under:

Plant	Original Design Capacity	Current Revamped Capacity
Urea	500,000 metric tons	500,000 metric tons
Calcium Ammonium Nitrate (CAN)	420,000 metric tons	470,000 metric tons
Nitrophos	360,000 metric tons	490,000 metric tons

The Ammonia plant was revamped to enhance its production capacity by 10% from 1500 MTPD to 1650 MTPD along with an improvement in the energy index and reliability at a cost of USD 58 Million in 2015. Improvements made in 2017 and 2019 further elevated daily production capacity to 1713 MTPD. In 2017, the Advanced Process Control project, the first of its kind in Pakistan, was implemented at the Ammonia plant, further enhancing capacity and improving the energy index. Via in house modifications, debottleneckings, Phosphoric Acid based production scheme etc., over the years the Company has managed to increase its production capacity of CAN and Nitrophos by around 12% and 36% i.e. 50K and 130K MT per annum respectively.

The Complex is housed on 8,902 kanals of land, which provides modern housing for its employees with all necessary facilities, including a well managed school, a medical center, and a large number of sports facilities.

Pakarab Fertilizers Limited (Multan Plant)

The Multan Plant operated under the name of Pakarab Fertilizers Limited was acquired by the Company in 2020. It is capable of producing 846,900 metric tons per annum of mixed fertilizer products (Nitrophos, Calcium Ammonium Nitrate and Urea) and is located at at Khanewal Road, Multan.

Fatimafert Limited (Sheikhpura Plant)

The Sheikhpura Plant operated under the name of Fatimafert Limited was acquired by the Company in 2015. It is capable of producing 445,500 metric tons per annum of Urea and is located at 28-KM Sheikhpura Road, Chichoki Mallian.

Fatima Fertilizer Company Limited via its three plants in operations at Sadiqabad, Multan and Sheikhpura is serving the nation and stakeholders with a cumulative nameplate capacity of 2.57 million MT per year.

Landmark Events

2003–2008

- Company Incorporation
- Gas Allocation
- GSA Signing
- Ground Breaking
- Financial Closure

2009

- Ammonia Furnace 1st Fire
- CAN Plant Production

2010

- Initial Public Offering
- Ammonia Plant Production
- Urea Plant Production

2014

- Contract with Dupont signed for PSM
- Basic Engineering Design contract for Ammonia Revamp awarded

2015

- Ammonia Plant Revamped to enhance capacity by 10%
- Strategic acquisition of DH Fertilizers (now Fatimafert Limited)
- Dupont declared Fatima Site OSHA Compliant at level 3.6

2016

- Issuance of Sukuk certificates. IPO over subscribed by more than 4 times
- Successful completion of Ammonia Revamp and Debottlenecking Project with "better than design" results

2020

- Acquisition of production and operating plants from an associated company, resulting in 2.57 Million MT combined production capacity of three plants
- Sadiqabad Plant reliability yielding ever highest on-stream-factor (97.8%)
- Market Share improved from 23% to 24%
- First ever loyalty program, "Sarsabz Royals" executed, engaging our dealer network for the long run
- Launch of Digital Marketing initiatives that provided combined reach of over 300 Million views

2021

- Sadiqabad plant achieved the Guinness World Records title for clocking 60.22 Million Safe Man-Hours
- Sadiqabad plant sustained its Excellence level on DuPont's Process Safety Management System (PSM)
- Sheikhpura Plant achieved Compliance level on DuPont's PSM
- Highest sales revenue across the Fertilizer industry in Pakistan

2022

- Zero Total Recordable Injury Rate (TRIR)
- Sadiqabad Plant successfully secured AWS International Water Stewardship Certification
- A new benchmark of highest annual production, highest ever sales volume
- Acquisition of Fatima Cement Limited, and consolidation of fertilizer business by amalgamating associated company Pakarab Fertilizers subject to requisite approvals.

2011

- Nitrophos Plant Production
- Declaration of Commercial Operations

2012

- Conversion and Redemption of Preference Shares

2013

- Ammonia Revamp Study Completed
- Basic Engineering Design contract for Ammonia Revamp awarded

2017

- Awarded excellence rating by Dupont (Level-4) in safety systems
- Ammonia plant capacity enhanced by 3.5% and efficiency improved by 1.5% through various measures

2018

- Additional 14,000 MT Nitrophos production by Phosphoric Acid route
- Zero Loss Time Injury
- Winner of first ever International Award – MarCom International USA

2019

- Amalgamation of our two fertilizer plants – Fatima Fertilizer and Fatimafert
- Nitrophos revamp by 22%
- EMS 1st Party Audit & L-II Procedures Roll-out
- Urea Sale 811,000 ton
- Agricultural Technology MOUs and Co Sponsorship agreement with Chinese entities signed.
- Launch of Sarsabz Pakistan Salam Kissan – Kissan Day 2019

2023

- 1 Million MT invoicing of Nitrophos
- Sarsabz wins the prestigious "DRUM Award" in London, The epitome of prestige in the global advertising industry
- Highest sales revenue across the fertilizer industry
- Successfully amalgamated Pakarab Fertilizers Limited - an associated company

2024

- Demerger of Sheikhpura plant
- Highest ever Sales Revenue
- 136 combined Safe Million Man-Hours
- Launch of Sarsabz Agri Mart
- 1st Pakistani Company in private sector to Successfully adopt of UNDP SDG Impact Framework
- Highest ever fertilizer production at Multan and Sheikhpura plants since commissioning

2025

- Demerger of Multan plant
- Highest ever Sales Revenue and Profit
- 150+ combined Safe Million Man-Hours
- Strategic Partnership with International Finance Corporation (IFC) for a US dollar based renewable liquidity facility
- Venturing in to Mining & Minerals Sector with partnership with Mari Minerals through Globacore Minerals
- Venturing in E&P Sector through Fatima Petroleum (wholly owned). FPCL has signed farm-out agreements with Mari Energies, Orient Petroleum Inc., Hycarbex American Energy Inc. and Turkish Petroleum Overseas Company (TPOC) with regards to four Onshore and two Offshore blocks.
- Member of the successful Consortium led by AHCL for acquisition of 75% stake in PIACL

Company Information

Board of Directors

Mr. Arif Habib	Chairman
Mr. Fawad Ahmed Mukhtar	Chief Executive Officer
Mr. Fazal Ahmed Sheikh	Director
Mr. Faisal Ahmed Mukhtar	Director
Mr. Muhammad Kashif Habib	Director
Mrs. Julie Jannerup	Independent Director
Mr. Tariq Jamali	Independent Director

Chief Operating Officer

Mr. Asad Murad

Chief Financial Officer

Dr. Syed Hyder Hasan

Director Legal & Company Secretary

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

Key Management

Mr. M. Abad Khan	Advisor to the CEO
Ms. Sadia Irfan	Director Human Resources
Mrs. Rabel Sadozai	Director Marketing and Sales
Mr. Iftikhar Mahmood Baig	Director Business Development
Mr. Ausaf Ali Qureshi	Advisor Projects
Mr. Salman Ahmad	Director Internal Audit

Mr. Wajid Ishaq Bhatti G.M. Manufacturing
Mr. Faisal Jamal Head-Corporate HSE & Technical Services

Audit Committee Members

Mr. Tariq Jamali	Chairman
Mr. Faisal Ahmed Mukhtar	Member
Mrs. Julie Jannerup	Member
Mr. Muhammad Kashif Habib	Member

HR and Remuneration Committee Members

Mrs. Julie Jannerup	Chairperson
Mr. Fawad Ahmed Mukhtar	Member
Mr. Muhammad Kashif Habib	Member

Nomination and Risk Management Committee Members

Mr. Fazal Ahmed Sheikh	Chairman
Mr. Muhammad Kashif Habib	Member
Mr. Tariq Jamali	Member

Legal Advisors

M/s. Chima & Ibrahim Advocates
1-A/245, Tufail Road, Lahore Cantt

Auditors

M/s. Yousuf Adil
Chartered Accountants, Lahore
134-A, Abu Bakar Block, New Garden Town, Lahore
Tel: +92 42 3591 3595-7, +92 42 3544 0520
Fax: +92 42 3544 0521

Registrar and Share Transfer Agent

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi-74400
Tel: Customer Support Services
(Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 3432 6053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Bankers

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank of Khyber
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Makramah Limited
BankIslami Pakistan Limited
Citibank N.A
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial bank of China (ICBC)
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Kuwait Investment Company Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited
Zarai Taraqiati Bank Limited

Registered Office / Head Office

E-110, Khayaban-e-Jinnah,
Lahore Cantt, Pakistan
UAN: 111-FATIMA (111-328-462)
Fax: +92 42 3662 1389

Plant Sites

Mukhtar Garh, Sadiqabad,
Distt. Rahim Yar Khan, Pakistan
Tel: 068 – 5951000
Fax: 068 – 5951166

Khanewal Road, Multan, Pakistan
Tel: 061 – 90610000
Fax: 061 – 92290021

28-KM Sheikhpura Road, Chichoki Mallian, Pakistan
Tel: 042 – 37319200 – 99
Fax: 042 – 33719295

Group Companies

Fatima Fertilizer Company Limited



Fertilizer Sector

Pakarab Fertilizers Limited
(100%)

Fatimafert Limited
(100%)

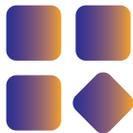


Mining / E&P Sector

Fatima Petroleum Company Limited
(100%)

National Resources (Private) Limited
(33%)

Globacore Minerals Limited
(32%)



Others

Fatima Capital Limited
(100%)

Fatima Cement Limited
(100%)

Fatima Agri Sales & Services (Private) Limited
(49%)

Buraq Bank Pakistan Limited
(25%)

Fatima Packaging Limited
(100%)

Pan-Africa Fertilizers Limited
(100%)

Multan Real Estate Company (Private) Ltd
(28.37%)

Fatima Electric Company Limited
(40%)

Singfert PTE. Limited
(25%)



Fertilizer Sector

Pakarab Fertilizers Limited

Pakarab Fertilizers Limited (PFL) was incorporated in 2024. After receiving approval from the Lahore High Court, Fatima implemented the Scheme of Compromises, Arrangements and Reconstruction to carveout the net assets related of Multan plant to PFL, with effect from January 01, 2025.

PFL operates a fertilizer manufacturing facility in Multan with a total annual production capacity of 846.90 KMT.

Fatimafert Limited

Fatimafert Limited (FFT) was incorporated in 2020. After receiving approval from the Lahore High Court, Fatima implemented the Scheme of Compromises, Arrangements and Reconstruction to carveout the net assets related of Sheikhpura plant to FFT, from July 01, 2024

FFT operates a manufacturing facility located in Sheikhpura with a total annual Urea production capacity of 445.50 KMT.

Mining / E&P Sector



Fatima Petroleum Company Limited

The principal activity of Fatima Petroleum Company Limited is to carry on the business of exploration, extraction, production, processing, marketing, distribution and transportation of oil, gas, petroleum and other related products.

National Resources (Private) Limited

The principal activity of National Resources (Private) Limited is the exploration, development and operation of mines, quarries and related mineral resource activities in the province of Balochistan.

Globacore Minerals Limited

The principal activity of Globacore Minerals Limited (GML) is to explore, acquire, develop, process and operate mines and quarries, and to extract ores, minerals and other natural resources.

Others

Fatima Capital Limited

Fatima Capital Limited (FCL) has been incorporated in 2025. The Shareholders of the Company had approved to transfer of the Investments made by the Company in listed securities through the Pakistan Stock Exchange Limited (net off liabilities) to FCL in exchange for shares to be issued by FCL to the Company.

The principal line of business of FCL is to buy, sell, hold or otherwise acquire or invest the capital of the Company in securities listed on the Pakistan Stock Exchange.

Fatima Packaging Limited

Fatima Packaging Limited (FPL) was acquired by FATIMA w.e.f. July 01, 2022 as a result of merger with Pakarab Fertilizers Limited. The principal line of business of FPL is manufacturing and sale of polypropylene sacks, polypropylene cloth, liners and cement bags.

Fatima Cement Limited

The principal activity is manufacturing, producing, buying, selling, importing and exporting cement. .

Pan-Africa Fertilizers Limited

Pan-Africa Fertilizers Limited is incorporated in Kenya. The principal business of this company is trade marketing services including but not limited to manufacturing and / or sales / provision of fertilizer products or alike or any other business.

Fatima Agri Sales & Services (Private) Limited

The principal activity of Fatima Agri Sales & Services (Private) Limited is to carry on business as a sellers, marketers, importers, exporters, wholesalers, retailers

and dealers in all types of agri inputs including fertilizers, micronutrients, pesticides and insecticides, seeds, vaternity and live stock feeds and feeds supplements, fish feeds and its supplements.

Multan Real Estate Company (Private) Limited

The main business of Multan Real Estate Company (Private) Limited is establishing and designing housing and commercial schemes, to carry on business of civil engineers for construction of private and governmental buildings and infrastructure and provision of labour and building material.

Buraq Bank Pakistan Limited (Formerly KT Bank Limited)

The main business of Buraq Bank Pakistan Limited is of banking as a digital bank and undertake financial transactions.

Fatima Electric Company Limited

The main business of Fatima Electric Company Limited is transmission, manufacture, supply, generation and distribution of electricity and all forms of energy and power.

Singfert PTE. Limited

Singfert PTE. Limited (Singfert) has been formed and registered in the Republic of Singapore. Singfert is a Special Purpose Vehicle (SPV) which will be used to route equity investment in Midwest Fertilizer Company (MFC), USA.

Product Portfolio



Principal Activity of the Company

Fatima Fertilizer Company Limited is primarily engaged in the manufacturing, import, and marketing of high-quality fertilizer products. We drive market expansion, product innovation, and service excellence through a robust distribution network, deep farmer engagement, and our comprehensive product lineup: Sarsabz Nitrophos, Sarsabz Calcium Ammonium Nitrate (CAN), Sarsabz Urea, and Sarsabz DAP. Through continuous investment in R&D, Fatima Fertilizer develops cutting-edge solutions to maximize soil fertility and crop yields. Furthermore, our value-added services, such as expert agronomic support and farmer training, are central to advancing national agricultural productivity and sustaining our industry leadership.

Sarsabz Nitrophos

Sarsabz Nitrophos is formulated as an acidic (pH 3.5) phosphatic (P_2O_5 20%) fertilizer; chemically fused with a balanced 50:50 Nitrate and Ammonical nitrogen (total N 22%), making Nitrophos the most use-efficient source of Phosphatic fertilizer for all crops especially under saline soils (pH~8.3) conditions of Pakistan.

Sarsabz Calcium Ammonium Nitrate (CAN)

Sarsabz CAN, a highly use efficient, slow-release nitrogenous fertilizer (N 26%) chemically balanced with 50:50 Nitrate and Ammonical forms of Nitrogen by fusion in soluble calcium with neutral (pH 7). It is available both in granular and prilled forms. Making it, highly suitable and premium source of Nitrogenous fertilizer for all crops globally and especially under saline soils (pH~8.3) conditions of Pakistan.

Sarsabz & Bubbersher Urea

A highly concentrated nitrogenous fertilizer with 46% Ammonical form of Nitrogen, designed to promote vegetative growth. Its excellent solubility ensures easy application through broadcasting or fertigation.

Sarsabz & Bubbersher DAP

A compound fertilizer with 46% P_2O_5 and 18% nitrogen, used as basal application in crops. It promotes root development, supports in plant energy processes, and ensures balanced vegetative and reproductive growth.

Sarsabz Agri Mart

Fatima Fertilizer Company Limited launched Sarsabz Agri Mart as a purpose-built, one-stop agri-retail platform, designed to provide farmers with seamless access to the complete range of Sarsabz fertilizers under one roof.

Moving beyond a conventional retail model, Sarsabz Agri Mart is structured to deliver integrated value through a combination of high-quality agricultural inputs and expert agronomic guidance. The platform enables farmers to make informed decisions at every stage of the crop cycle, ultimately supporting enhanced productivity, improved operational efficiency and sustainable agricultural growth.

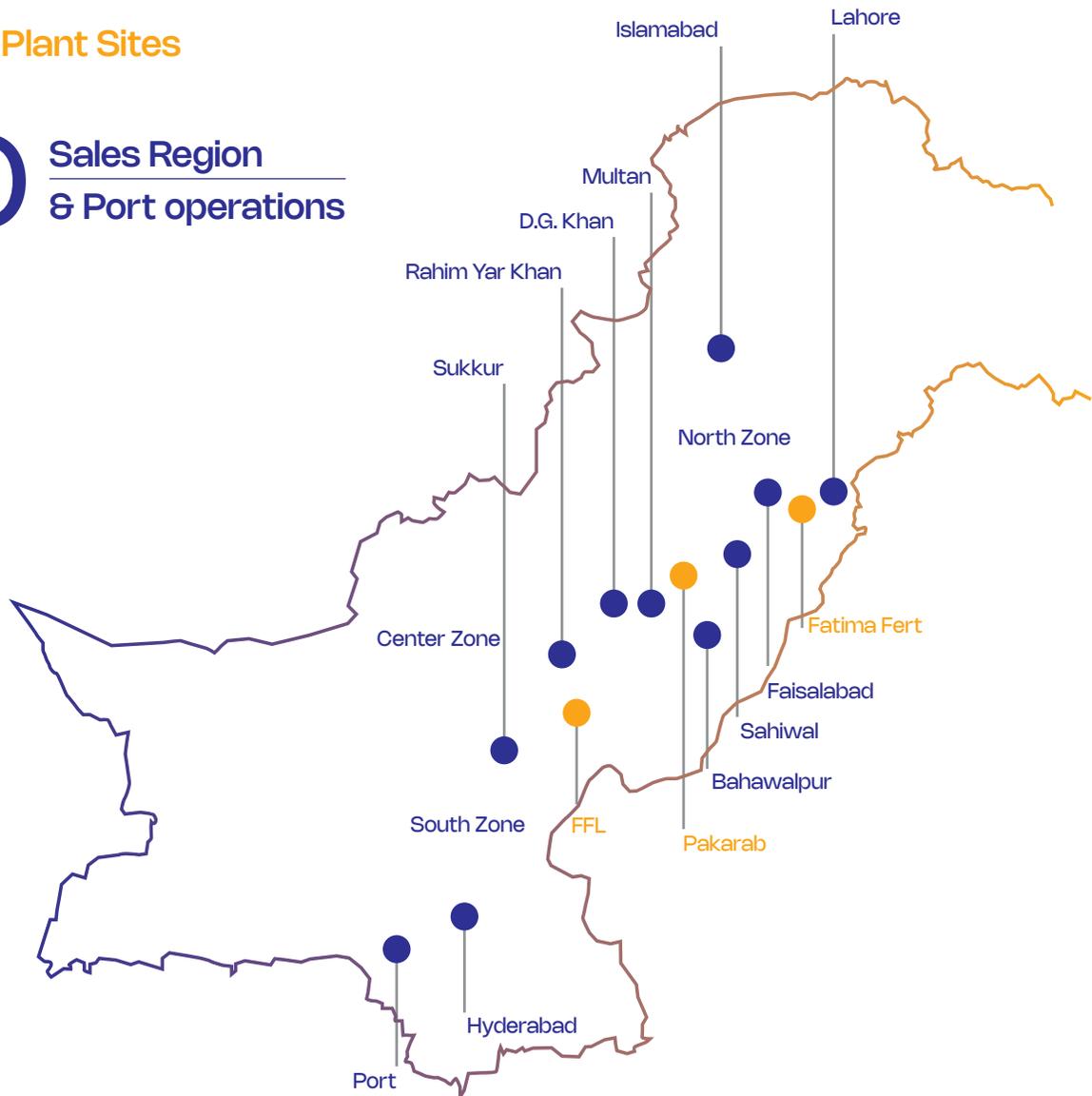
During the year, Sarsabz Agri Mart was successfully established across 7 locations nationwide, including Khori, Sharaqpur, Chishtian, Arifwala, Ghotki and Moro with plans underway to expand the footprint further in the coming years.

Through this initiative, Fatima Fertilizer continues to reinforce its commitment to empowering Pakistan's farming community by delivering trusted, accessible and knowledge-driven solutions that cultivate long-term prosperity and progress.

Geographical Presence

3 Plant Sites

10 Sales Region & Port operations



Our nationwide footprint spans 62 districts across Pakistan, structured into three strategic zones—North, Centre, and South—to ensure efficient market coverage and distribution. The Company operates through 10 key regions, including Islamabad, Lahore, Faisalabad, Sahiwal, Multan, Bahawalpur, D.G. Khan, Rahim Yar Khan, Sukkur, and Hyderabad, enabling strong engagement with the agricultural community.

Our production network is anchored by three major plant sites:

- Fatima Fertilizer Company Limited (Fatima) – Mukhtargarh (Sadiqabad)

- Pakarab Fertilizers Limited (PFL) – Multan
- Fatimafert Limited – Sheikhpura

In addition, we operate 7 Sarsabz Agri Marts—company-owned agri-retail outlets that provide farmers with direct access to high-quality inputs, along with integrated advisory services.

Additionally, imports are managed through the southern port, strengthening our supply chain and enabling efficient nationwide distribution.

Profile of the Directors



Mr. Arif Habib

Chairman

Mr. Arif Habib is the Chairman of Fatima Fertilizer Company Limited (a Joint Venture between Fatima and Arif Habib Groups) and Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Aisha Steel Mills Limited, Power Cement Limited, Javedan Corporation Limited (the owner of Naya Nazimabad), Pakarab Fertilizers Limited, Fatimafert Limited and Sachal Energy Development (Pvt.) Limited.

Mr. Arif Habib remained the elected President/Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatisation Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee. He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He has also remained a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI) and a member of Advisory Committee of Planning Commission.

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI).



Mr. Fawad Ahmed Mukhtar

Chief Executive Officer / Director

Mr. Fawad Ahmed Mukhtar is the Chief Executive Officer and Director of the Company. He has extensive experience in manufacturing and industrial management. In addition to being a successful business leader, he is also a renowned philanthropist. After graduation, he has spent more than 35 years developing his family business into a sizable conglomerate.

Mr. Mukhtar leads several community service initiatives of the Group including the Fatima Fertilizer Trust and Welfare Hospital, Fatima Fertilizer Education Society and School and Mukhtar A. Sheikh Welfare Trust, among others. He is also the Chairman of Reliance Weaving Mills Limited, Fatima Holding Limited, Fatima Sugar Mills Limited, Reliance Commodities (Pvt.) Limited, Air One (Private) Limited and is also the CEO of Fatimafert Limited, Pakarab Fertilizers Limited, Fatima Cement Limited and Fatima Trading Company (Pvt.) Limited. He is also the Director of Fatima Electric Company Limited, Pakarab Energy Limited, Globacore Metals Limited, Fatima Fibres Limited and Reliance Fabrics Limited. In addition, he is a member of the Board of Directors of the National Management Foundation, a sponsoring body of Lahore University of Management Sciences (LUMS).



Mr. Fazal Ahmed Sheikh

Executive Director

Mr. Fazal Ahmed Sheikh is a Director of the Company. He holds a degree in Economics from the University of Michigan, Ann Arbor, USA. He has played a strategic role in Fatima Group's expansion and success. He is the CEO of Fatima Energy Limited, Pakarab Energy Limited, Fatima Electric Company Limited, Fatima Management Company Limited and Air One (Private) Limited. He is also a member of the Board of Directors at Fatimafert Limited, Pakarab Fertilizers Limited, PIA Equity Limited, Fatima Sugar Mills Limited, Fatima Holding Limited, Fatima Cement Limited, Fatima Fibres Limited, Reliance Fabrics Limited and Reliance Commodities (Pvt.) Limited.



Mr. Faisal Ahmed Mukhtar

Non-Executive Director

Mr. Faisal Ahmed Mukhtar is a Director of the Company. He is the former City District Nazim of Multan, and continues to lead welfare efforts in the city. He is the Chief Executive Officer of Reliance Weaving Mills Limited, Fatima Sugar Mills Limited, Farrukh Trading Company Limited, Fatima Holding Limited. He is a member of the Board of Directors at Fatimafert Limited, Pakarab Fertilizers Limited, Fatima Cement Limited, Fazal Cloth Mills Limited, Fatima Electric Company Limited, Pakarab Energy Limited, Fatima Fibres Limited, Reliance Fabrics Limited, Reliance Commodities (Pvt.) Limited and Air One (Private) Limited. Additionally, he was also a member in the Provincial Finance Commission (Punjab), Steering Committee of Southern Punjab Development Project and Decentralization Support Program. Mr. Mukhtar has also served as the Chairman of Multan Development Authority and was also a member of a syndicate of Bahauddin Zakariya University, Multan.



Mr. Muhammad Kashif Habib

Non-Executive Director

Mr. Muhammad Kashif Habib is a Director of the Company. He is also the Chief Executive of Power Cement Limited. As a member of the Institute of Chartered Accountants of Pakistan (ICAP) he completed his articleship from A.F. Ferguson & Co. (a member firm of Price Waterhouse Coopers) gaining invaluable insight across sectors, catering to clients across the Financial, Manufacturing, and Services industries.

He began his career at Arif Habib Corporation Limited, gaining valuable experience, and has since served for over a decade as an Executive Director in the Group's cement and fertilizer companies.

This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

Kashif is deeply committed to enhancing the country's energy landscape. He remains engaged with experts to establish renewable energy as a viable and readily available solution, benefiting not only industries but also the public at large.

He is also the member of Board of Directors of Arif Habib Corporation Limited, Aisha Steel Mills Limited, Javedan Corporation Limited, Arif Habib Equity (Pvt.) Limited, Arif Habib Foundation, Arif Habib Development and Engineering Consultants (Pvt.) Limited, Black Gold Power Limited, Essa Textile and Commodities (Pvt.) Limited, Fatimafert Limited, Fatima Cement Limited, Fatima Packaging Limited, Nooriabad Spinning Mills (Pvt.) Limited, Pakistan Opportunities Limited, Rotocast Engineering Company (Pvt.) Limited, Safemix Concrete Limited, Sachal Energy Development (Pvt) Limited, BioMasdar Pakistan Limited, All Pakistan Cement Manufacturer Association, Siddiqsons Energy Limited, Pakarab Fertilizers Limited, Prime AGTech Solutions (Pvt) Limited, Naya Nazimabad IT Park Limited, Fatima Petroleum Company Limited, Fatima Capital Limited and Fatima Mining Limited.



Mrs. Julie Jannerup

Non-Executive / Independent Director

Mrs. Julie Jannerup is a seasoned professional with a Master's Degree in Chemical Engineering. Her journey began in 2007 at Topsoe, where she swiftly established herself as an adept leader. In 2015, she undertook the challenge of establishing a local technical support group in Malaysia, an achievement accomplished within an impressive four-year timeframe.

In her subsequent role as Business Manager for potassium nitrate and sodium nitrate, Mrs. Julie showcased her strategic prowess. She not only secured a crucial supply agreement but also forged a robust partnership with a third-party company. What truly sets Mrs. Julie apart is her collaborative leadership style. She is celebrated as a team player who places immense value on positive working relationships. Her belief in creating an inclusive environment where every voice is heard and respected is a cornerstone of her success.

With her wealth of experience, Mrs. Julie brings a unique value to the organization, supporting Fatima in its development and growth.



Mr. Tariq Jamali

Non-Executive / Independent Director

Mr. Tariq Jamali is Ex-SEVP / Group Chief Centralized Operations & Administration Group at National Bank of Pakistan (NBP). He also held the charge of President NBP (Acting). He joined NBP in 1987 and has held numerous senior management positions at Regional and Head Office levels.

He headed Assets Recovery Group, Logistics Support Group, Commercial & Retail Banking Group and Compliance Group since 2009. His work experience spans more than 30 years at different key positions. He has diversified work experience, knowledge and knack of working at different levels of management. He holds MBA Degree from University of Dallas, USA and BS (Civil Engineering) from University of Texas at Arlington, USA and DAIBP from Institute of Bankers Pakistan, Karachi.

Board Structure and Committees

Board Structure

Fatima's Board consists of eminent individuals with diverse experience and expertise. Currently, it comprises seven directors including a female director, Mrs. Julie Jannerup. All of the Board members have been elected by the shareholders for a term of three years commenced from September 22, 2023. There are two Executive Directors including the Chief Executive Officer, and five Non-Executive Directors including the Chairman and two Independent Directors.

The Board provides leadership and strategic guidance to the Company; oversees the conduct of business and promotes the interests of all stakeholders. It reviews corporate policies, overall performance, accounting and reporting standards, and other significant areas of management, corporate governance, and regulatory compliance. It also reviews and approves the annual budget and long term strategic plans. The Board is headed by the Chairman who manages the Board's business and acts as its facilitator and guide. The Board is assisted by an Audit Committee, a Human Resource and Remuneration Committee, and a Nomination and Risk Management Committee while the CEO carries responsibility for day to day operations of the Company and execution of Board policies.

The Board of Directors is responsible for the overall governance and oversight of the Company's sustainability strategy, policies and performance. To ensure effective oversight of sustainability matters, the Board has

delegated additional responsibilities to the existing Board Audit Committee in accordance with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Accordingly, the Terms of Reference of the Audit Committee have been amended to incorporate sustainability related oversight responsibilities.

Board Committees

The standing committees of the Board are:

Audit Committee

Composition

The Audit Committee consists of four members of the Board. All of the members of the Audit Committee are Non-Executive Directors. The Committee has two Independent Directors. The Chairman of the Audit Committee is also an Independent Director. The members are:

1. Mr. Tariq Jamali	Chairman
2. Mr. Faisal Ahmed Mukhtar	Member
3. Mrs. Julie Jannerup	Member
4. Mr. Muhammad Kashif Habib	Member

Terms of Reference and Salient Features

In addition to any other responsibilities which may be assigned from time to time by the Board, the main

purpose of the Audit Committee is to assist the Board by performing the following main functions:

- to monitor the quality and integrity of the Company's accounting and reporting practices;
- to oversee the performance of the Company's internal audit function;
- to review the external auditor's qualification, independence, performance and competence; and
- to comply with the legal and regulatory requirements, the Company's by laws and internal regulations.

The Terms of Reference of the Audit Committee have been drawn up and approved by the Board of Directors in compliance with the Code of Corporate Governance. In addition to compliance with the Code of Corporate Governance, the Audit Committee carries out the following duties and responsibilities for the Company as per its Terms of Reference:

- a) determination of appropriate measures to safeguard the Company's assets;
- b) review of preliminary announcements of results prior to publication;
- c) review of quarterly, half yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - major judgemental areas;
 - significant adjustments resulting from the audit;

- the going concern assumption;
 - any changes in accounting policies and practices;
 - compliance with applicable accounting standards; and
 - compliance with listing regulations and other statutory and regulatory requirements.
- d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
 - e) review of management letter issued by external auditors and management's response thereto;
 - f) ensuring coordination between the internal and external auditors of the Company;
 - g) review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
 - h) consideration of major findings of internal investigations and management's response thereto;
 - i) ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;
 - j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors;

- k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
- l) determination of compliance with relevant statutory requirements;
- m) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- n) consideration of any other issue or matter as may be assigned by the Board of Directors.

Duties relating to Sustainability Affairs

Governance: Oversee sustainability and climate-related governance, including roles, responsibilities, accountability structures, and the integration of Diversity, Equity, and Inclusion (DE&I) practices into governance frameworks;

Risk and Opportunity Management: Monitor the identification, assessment, and management of sustainability and climate-related risks and opportunities, including those related to social equity and workforce diversity;

Strategy: Review how sustainability, climate, and DE&I considerations are embedded into the company's strategy and financial planning processes;

Metrics and Targets: Oversee and monitor relevant sustainability, climate, and DE&I-related metrics, targets, and performance indicators; and

Compliance and Reporting: Ensure the completeness, consistency, and accuracy of sustainability-related disclosures in alignment with applicable guidelines and regulations and review the annual sustainability report. Oversee compliance with all relevant regulatory requirements, including those related to DE&I reporting and accountability.

Human Resource and Remuneration Committee

Composition

The Human Resource and Remuneration Committee consists of three members of the Board. The majority of the members of the Committee are Non-Executive Directors. The Chairperson of the Committee is an Independent Director. The members are:

1. Mrs. Julie Jannerup	Chairperson
2. Mr. Fawad Ahmed Mukhtar	Member
3. Mr. Muhammad Kashif Habib	Member

Terms of Reference and Salient Features

The Human Resource Committee is a body through which the Board provides guidance on human resource excellence. The specific responsibilities, authorities and powers that the Committee carries out on behalf of the Board are as follows:

1. Duties and Responsibilities

The Committee shall carry out the duties mentioned below for the Company:

- 1.1 to review and recommend the annual compensation strategy with focus on the annual budget for head count and salaries and wages;
- 1.2 to review and recommend the annual bonus and incentive plan;
- 1.3 to review and recommend the compensation of the Chief Executive and Executive Directors;
- 1.4 to assist the Board in reviewing and monitoring the succession plans of key positions in the Company;
- 1.5 to review and monitor processes and initiatives related to work environment and culture; and
- 1.6 to perform other duties and responsibilities as may be assigned time to time by the Board of Directors.

2. Reporting Responsibilities

- 2.1 the Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;
- 2.2 the Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed; and
- 2.3 the Committee shall, if requested by the Board, compile a report to shareholders on its activities to be included in the Company's Annual Report.

3. Authorities and Powers

The Committee is authorized and empowered:

- 3.1 to seek any information it requires from any employee of the Company in order to perform its duties;
- 3.2 to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and

- 3.3 to call any employee to be questioned at a meeting of the Committee, as and when required.

Nomination and Risk Management Committee

Composition

The Nomination and Risk Management Committee consists of three members of the Board. The Committee comprises one Executive and two Non-Executive Directors including an independent director. The members are:

1. Mr. Fazal Ahmed Sheikh	Chairman
2. Mr. Muhammad Kashif Habib	Member
3. Mr. Tariq Jamali	Member

Terms of Reference and Salient Features

The specific responsibilities and authorities that the Committee carries out on behalf of the Board are as follows:

1 Duties relating to Risk Management Function

- 1.1 To monitor and review of all material controls (financial, operational, compliance);
- 1.2 To make recommendations to the Board on the Company's strategic risks and their mitigation in ensuring the achievement of the Company's overall strategy;
- 1.3 To analyse and provide report to the Board on the results of the material investigations on the risks identified and management's feedback on the investigation and appropriate recommendations;
- 1.4 To monitor and review the process of the risk management and advise to the Board about the improvements to be made;
- 1.5 To provide guidelines to the management on risk management and set up procedures to unveil, assess and manage material risk factors;
- 1.6 To review the internal control policies in respect of the control procedures of risks, including the risk management and the communication;
- 1.7 To ensure the risk management is embedded in the structure and culture of the management team within the Company;
- 1.8 To review the adequacy of the Company's policies and procedures regarding the risk management system in consultation with the Company's management, external auditor and internal auditor;

- 1.9 To consider appropriate extent of disclosure of company's risk framework and internal control system in Directors' report; and
- 1.10 To perform such other duties and responsibilities as may be assigned time to time by the Board of Directors.

2 Duties relating to Nomination Function

- 2.1 To formulate selection policies and evaluation criteria for appointment of members of the Board and Board Committees;
- 2.2 To recommend candidates for directorships for Board approval after evaluating their suitability;
- 2.3 To recommend Directors to fill positions of Board Committees;
- 2.4 To determine the annual assessment criteria and process to assess the effectiveness of the Board, its Committees and each individual Director;
- 2.5 To assess the effectiveness of the Board as a whole;
- 2.6 To develop criteria to assess independence and to assess on an annual basis, the independence of the Independent Directors;
- 2.7 To review Board succession plans;
- 2.8 To review the training need for Directors and ensure Board members receive appropriate training programs; and
- 2.9 To perform such other duties and responsibilities as may be assigned time to time by the Board of Directors.

3 Authorities and Powers

The Committee is authorized and empowered:

- 3.1 To seek any information it requires from any employee of the Company in order to perform its duties;
- 3.2 To constitute sub-committee(s) of the management as and when deemed necessary in order to discharge its duties and responsibilities;
- 3.3 To obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- 3.4 To call any employee to be questioned at a meeting of the Committee as and when required.

Key Management



Mr. M. Abad Khan

Advisor to the CEO

Mr. M. Abad Khan graduated in Mechanical Engineering from UET Lahore and received extensive training in fertilizer manufacturing in France and Switzerland. On return, he worked on county's first Urea Plant of PIDC for 8 years.

Mr. Khan joined Exxon Chemical Pakistan at the time the company started its fertilizer project. During his 15 years of service with Exxon, he received extensive trainings in technical and managerial fields within and outside the country and gained valuable experience in various disciplines on senior positions. He took early retirement from Exxon and joined the newly set up Fauji Fertilizer Company as General Manager Plant. During almost 14 years of his service with FFC, the manufacturing site worked par excellence and the site capacity increased to more than double due to the revamp of the facility and an additional production line. Mr. Khan retired from FFC in 1996.

In 2001, when Fauji Fertilizer Bin Qasim, Karachi faced serious operational challenges with its relocated plant, Mr. Khan took responsibility as General Manager and was instrumental in ensuring smooth Plant operation. Under his leadership, the team conceived and undertook a major revamp of the plant to enhance its capacity and improve energy efficiency during his 4 years of assignment.

Mr. Khan joined Fatima Group in April 2006 as Advisor to CEO and played a significant role in establishing a green field project - Fatima Fertilizer plant Sadiqabad and introducing operational improvements in Pakarab Fertilizers Multan and later Fatimafert Limited Sheikhupura after its acquisition by Fatima Group.

He has extensive international exposure through seminars, symposiums and training including one at Harvard Business School. He is Director of Fatimafert Limited, Fatima Energy Limited, Pakarab Energy Limited, Fatima Ventures (Pvt.) Limited, Fatima Cement Limited and Fatima Electric Company Limited.



Mr. Asad Murad

Chief Operating Officer

Mr. Asad Murad is the Chief Operating Officer of the Company. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan. In an over 28-year career, he has held various senior management positions in the areas of financial management, strategic business planning, risk management and corporate compliance. He joined Fatima Group in 2010 as Group Head of Internal Audit and held the position of Chief Financial Officer of the Company from March 2014 till February 2021 and again from June 2022 till January 2025. As additional roles, he has served as the Head of Marketing & Sales and Director Finance of the Company. He was also involved in Government Relations along with his Finance Director role where he successfully consolidated all three fertilizer plants and also played an instrumental role in revival of Multan plant operations by ensuring sustainable gas supply from Mari Gas among many other contributions. He has also served as Chief Financial Officer at Honda Atlas Cars (Pakistan) Limited, a subsidiary of Honda Motor Company, Japan.



Dr. Syed Hyder Hasan

Group Chief Financial Officer

Dr. Syed Hyder Hasan serves as the Group Chief Financial Officer of Fatima Group. He brings extensive leadership experience and a strong track record of success as a finance leader, with deep expertise in driving shareholder value and developing value-creation strategies that support sustainable revenue growth and margin expansion.

Throughout his career, Dr. Hyder has demonstrated the ability to transform and streamline finance functions into strategic business partners that enable profitable growth. He is recognized for strengthening financial governance, enhancing operational efficiency, and fostering effective communication across the organization to improve overall business performance and profitability. He is also a strong advocate of finance business partnering as a key driver of value creation.

Prior to joining Fatima Group, Dr. Hyder held several senior leadership positions across global, regional, and country roles with Unilever, Ingredion, and Indorama Corporation. He is a seasoned executive with extensive international exposure, having lived and worked in Singapore, Malaysia, Thailand, and the Philippines. His experience spans diverse cultures and industries across both B2B and B2C sectors.

Dr. Hyder's professional achievements have been widely recognized. In 2023, he was named among the Top 10 CFOs in Malaysia, and in 2022 he was included in the list of 100 Power Leaders in Finance.

He is a Fellow Member of the Institute of Cost and Management Accountants of Pakistan (FCMA) and holds an Honorary Professional Doctorate in Finance from European International University.

With a distinguished career in financial leadership and transformation, Dr. Hyder continues to lead the Finance function at Fatima Group in supporting the Group's strategic growth and long-term value creation.



Ms. Sadia Irfan

Director Human Resources

Ms. Sadia Irfan is a passionate HR professional with over three decades of senior leadership experience with top global MNCs in the HR space delivering in multiple operating models across geographies. Sadia thrives in leading Organisational, Talent & Cultural transformation for sustainable impact. Her legacy includes lasting impactful strategic thrust, fostering inclusive & engaged workplaces & strong talent supply enriching pipeline of future leaders, key imperatives for sustainable business growth.

As Director Human Resources at Fatima Group, Ms. Irfan leads enterprise-wide Organization, Talent & Cultural transformation initiatives, while also overseeing Communication and CSR within her leadership portfolio. Her Human Resources vision & strategy is purpose driven, integrated with strategic business priorities, and aligned with the Company's Core Values.

Under her leadership, Fatima Group secured seven national and international awards in 2025 recognizing excellence in Talent Management, Culture, Leadership Development, and Inclusion. Among the most prestigious recognitions were:

- SHRM MENA STAR – Excellence in Inclusion & Diversity Award (2025)
- Global Diversity, Equity & Inclusion Benchmarks (GDEIB) Awards – Wins across 12 categories
- Recognition among the Top 10 Most Inclusive Organizations Globally

These achievements reflect the maturity of Fatima Group's governance framework, leadership architecture, and institutionalized DE&I systems under her stewardship. Internally, the organization achieved an unprecedented Employee Engagement Index (EEI) of 91%, reinforcing a high-performance and engaged culture.

In addition, Ms. Irfan was personally honored with the Women in HR Leadership & Lifetime Achievement Award (SHE Leads by CWI, 2025), recognizing her sustained contribution to advancing inclusive leadership, talent sustainability, and gender diversity within the industry.

Over the years, Ms. Irfan has spearheaded multiple female development initiatives in gender diversity, talent development, and inclusive leadership, resulting in the highest female representation at the Executive level across the industry. She has also actively sponsored and led key digitalization initiatives, establishing a modern, paperless, data-driven HR ecosystem that enhances employee experience and operational efficiency.

As Chairperson of the Fatima Ethics Committee, Ms. Irfan led the launch of "Tell Fatima," a confidential whistleblowing platform aligned with Fatima's commitment to values-based governance and zero tolerance for misconduct.

Prior to joining Fatima Group 8 years ago, Ms. Irfan held senior HR leadership positions at global companies such as PepsiCo and Nestlé across West Asia, the Middle East & Africa, Pakistan, and Afghanistan. As HR Director at PepsiCo, she significantly shaped the company's talent & succession agenda, contributing to multiple accolades including the prestigious Harvey Russell Award for Diversity & Inclusion and Best Place to Work recognitions.

Ms. Irfan is a certified Hogan Executive Coach, recognized Career Coach and Mentor, and a distinction holder in Advanced Board Facilitation Skills from the UK. She holds a Master's degree in English Language & Literature and a degree in Human Psychology, complemented by multiple HR certifications.

Through her strategic foresight, disciplined execution, and commitment to inclusive excellence, Ms. Irfan continues to set industry benchmarks in human capital leadership and organizational transformation.



Mr. Omair Mohsin

Director Legal & Company Secretary

Mr. Mohsin joined Fatima Group in 2019 as Group General Counsel, Company Secretary, and Head of External Affairs. He has over twenty-four years of experience ranging from litigation to corporate experience. He plays a lead role in advising the CEO, the Board, and the Management on Legal, Compliance, and Ethics. He is also integral to the key initiatives of diversification, expansion, and risk management. Prior to joining Fatima Group, Mr. Mohsin worked as Ethics and Legal Head of Pakistan at ENGIE. Mr. Mohsin graduated with a Juris Doctoris from the Washington University in St. Louis.



Mrs. Rabel Sadozai

Director Marketing and Sales

Rabel Sadozai serves as Director Marketing and Sales at Fatima Fertilizer Company Limited and is the first woman to hold this position in Pakistan's fertilizer and agriculture sector. She holds an MBA from the Institute of Business Administration (IBA), Karachi, and brings over 25 years of professional experience across the petrochemical, banking, and fertilizer industries.

In her current role, she leads the company's marketing and sales strategy across fertilizer and specialty products. Her portfolio includes sales, brand management, trade marketing, distribution and logistics, business planning, and farmer engagement, while overseeing a nationwide team of more than 400 professionals across Pakistan.

During her tenure, Fatima Fertilizer has achieved several commercial and organizational milestones. In 2025, the company recorded its Highest Ever Sales volume of 2.9 million metric tons, with sales value equivalent to approximately USD 1 billion. Under her leadership, Sarsabz Fertilizers has been positioned as a premium national brand through structured trade programs, strong channel alignment and farmer-focused communication.

Rabel has also led the company's transition toward digitally enabled farmer- and dealer-centric programs that enhance access to information, improve service delivery, and strengthen long term relationships. She oversaw the launch of Pakistan's first farmer-focused mobile application, Sarsabz Pakistan, which provides agronomic guidance and best-practice recommendations. Additional digital platforms introduced during her tenure include Sarsabz Assan, a dealer-facing order management application, and Sarsabz Connect, an internal health, safety, and environment (HSE) application for employees. Collectively, these initiatives support more efficient, structured, and technology-enabled stakeholder engagement.

She has played a central role in integrating sustainability into Fatima Fertilizer's commercial and brand strategy. The company became Pakistan's first private sector company to formally adopt the United Nations Development Programme's SDG Impact Assessment Framework. Under this initiative, 15 SDGs and 49 targets were mapped across the company's operations, structured around eight impact areas covering agriculture, environment, energy, water, waste, and social development. In 2025, Fatima Fertilizer further expanded its development partnerships through collaboration with The King Charles's Trust International (UK).

Rabel also conceptualized Pakistan's first National Farmers' Day, which the Government of Pakistan subsequently recognized and now observes annually. The initiative reflects a broader emphasis on structured farmer outreach, technical education, recognition and appreciation of the agricultural workforce.

Under her leadership, Sarsabz campaigns and engagement programs have received consistent international and regional recognition for effectiveness and innovation. These include awards from "Mad Stars" (Seoul), "ANA B2 Awards" (USA), "Drum Awards" (UK), "Asian Experience Awards" (Singapore), and "Campaign Asia-Pacific" (Hong Kong). The "Salam Kissan" campaign was also featured as a case study in Philip Kotler's Essentials of Modern Marketing.

Rabel's professional approach is defined by a strong customer-centric focus, addressing the evolving needs of both farmers and dealers as key stakeholders of Fatima Fertilizer. Her work balances operational discipline with long-term brand building and sustainability outcomes.

Her leadership and achievements have been highlighted in featured articles in Dawn Aurora "Substance Over Symbolism" as well as in a special feature article by The News titled "Our Own Trailblazers of 2025," that paid tribute to women, who have delivered commendable impact in their respective fields.

She has also been recognized individually in 2025 with the "Punjab Ki Beti Award" by the Government of Punjab and the "Sustainability Leader Award" by Women Leading Change Awards in Hong Kong.



Mr. Iftikhar Mahmood Baig

Director Business Development

Mr. Iftikhar Mahmood Baig brings over 35 years of distinguished experience in financial, commercial, and strategic leadership and has been associated with Fatima Group for more than three decades. He currently serves as Director – Business Development for Fatima Group and is a member of the Boards of Globacore Minerals Limited, Fatima Petroleum Company Limited, and Fatima Energy Limited.

He plays a pivotal role in advancing the Group's long-term growth strategy, with a focus on energy security, sustainable resource development, and strategic partnerships. Mr. Baig has been instrumental in strengthening relationships with government authorities and key stakeholders, enabling the successful execution of large-scale projects across the fertilizer, energy, mining, and petroleum sectors.

Mr. Baig has contributed to several landmark achievements of the Group, including the development of Fatima Fertilizer Company Limited, where he was instrumental in securing critical gas allocation for the USD 750 million greenfield project and supporting its financial close and commercial operations. He also played a pivotal role in the acquisition and successful revival of Pakarab Fertilizers' Multan plant. Additionally, he facilitated long-term gas supply arrangements through 2029 for all fertilizer plants and contributed to the implementation of Fatima Energy Limited. Mr. Baig continues to support Fatima Group's vision of sustainable growth, operational excellence, and strategic diversification.



Mr. Ausaf Ali Qureshi

Advisor Projects

Mr. Ausaf Ali Qureshi is a Fellow Member of Institute of Chartered Accountants of Pakistan. He joined the Group in May 2010 as Company Secretary with the additional responsibility for investor relations. He has been part of the senior management team involved in developing the MFC project for over a decade. He is serving on the Board of Fatima Energy Limited. He has over 43 years of experience including with Fauji Fertilizer, PIA (Holdings) and the US Pharmaceutical, Bristol Myers Squibb (BMS). In his over 20 year's career at BMS, besides CFO in Pakistan and South Korea, he held various regional management positions in GEMSA (Gulf Eastern Mediterranean and Saudi Arabia) based out of Egypt and Asia Pacific based out of Singapore in the areas of finance, corporate compliance and strategic project planning.



Mr. Salman Ahmad

Director Internal Audit

Mr. Salman Ahmad has been leading the Internal Audit function at Fatima Fertilizer since December 2016. A Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of Pakistan, he brings over 29 years of extensive experience in audit, finance, and risk management.

Over the course of his career, Mr. Ahmad has held senior roles with prominent local and international organizations, including PricewaterhouseCoopers (PwC), Al Rostamani Group (Dubai, UAE), Oasis Group Holdings (South Africa), Gharibwal Cement Limited, and Emaar. His professional exposure spans a wide range of industries, including financial services, real estate (including REITs), specialized manufacturing (cement and fertilizers), automobiles, energy, and general trading.

Under his leadership, Fatima Fertilizer has transitioned to a robust risk-based internal audit framework aligned with the standards of the Institute of Internal Auditors (IIA). This approach has enhanced risk prioritization, strengthened governance, and improved the effectiveness of assurance activities across the organization.

Mr. Ahmad has also spearheaded the comprehensive implementation of the COSO Internal Control Framework, reinforcing the company's control environment and compliance culture. In addition, he has played a key role in establishing enterprise-wide and departmental risk registers, enabling structured risk identification, assessment, and mitigation. His strategic contributions continue to strengthen Fatima Fertilizer's risk management, internal control, and governance practices.



Mr. Wajid Ishaq Bhatti

G.M. Manufacturing

Mr. Wajid Ishaq Bhatti is serving Fatima Fertilizer Company Limited (Fatima) as the General Manager Manufacturing since April 2025.

He holds a Bachelor's degree in Mechanical Engineering from UET, Lahore, and has further honed his leadership capabilities through the prestigious Leadership Development Program at the Centre of Creative Leadership, California, USA.

With over 35 years of extensive experience, Mr. Bhatti is a highly accomplished professional in the fields of Manufacturing and Operations Excellence, General Management, Project Management, Reliability, Inspection, and Maintenance.

Prior to joining Fatima Group, he held key leadership roles at Fauji Fertilizer Company (FFC) as Group General Manager Manufacturing & Operations and also served as the Chief Executive Officer of Olive Technical Services.

He has specific interest and specialization in Reliability Enhancement of Fertilizer Complexes. His depth of experience & leadership in managing complex manufacturing operations make him key pillar in driving operational excellence and contributing to Fatima Group's long-term growth & strategic goals.



Mr. Faisal Jamal

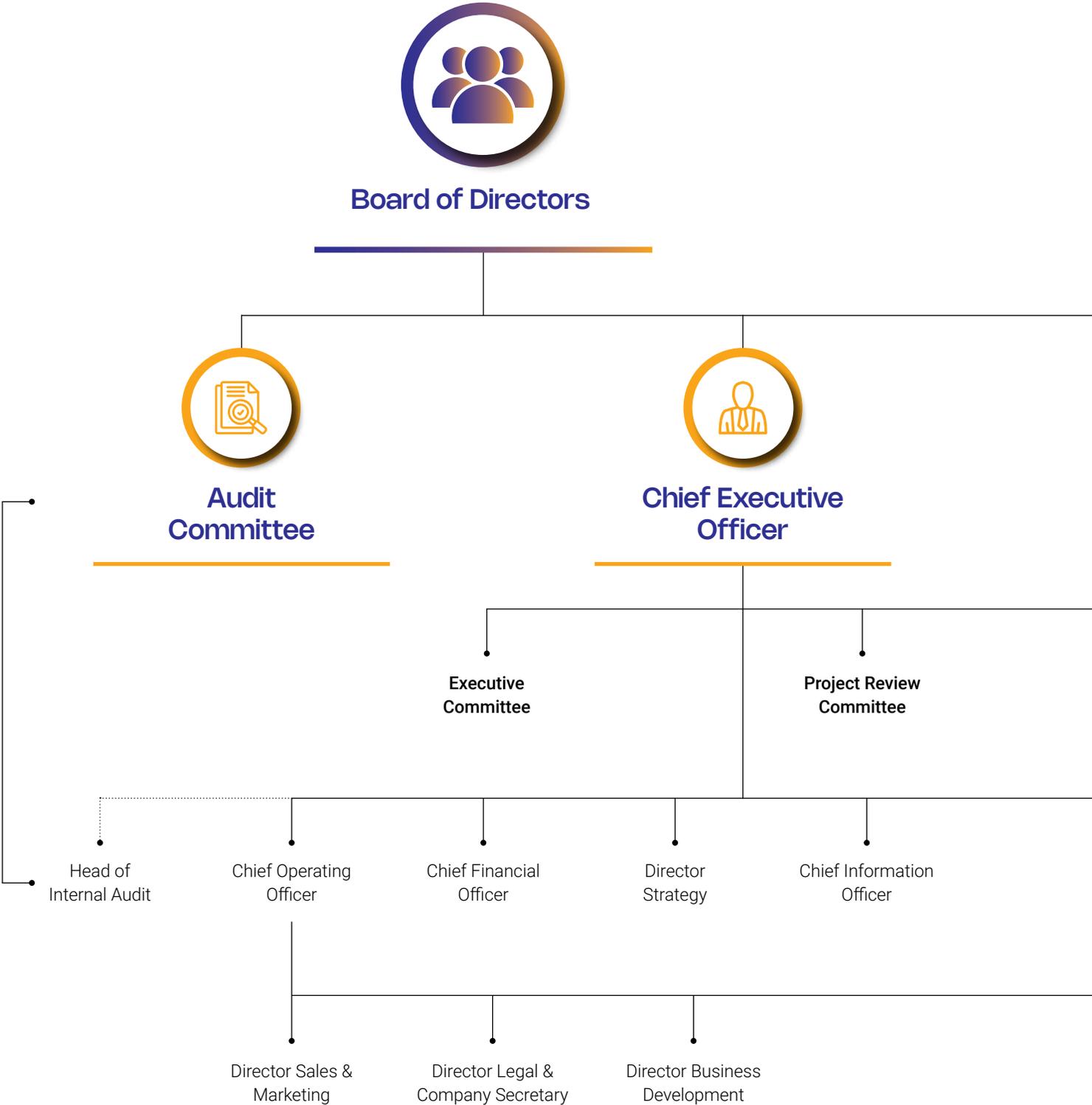
Head - Corporate HSE & Technical Services

Mr. Faisal Jamal oversees the Group's Corporate HSE and Technical Services portfolios, driving the strategic evolution of safety governance and operational risk management. With over 26 years of international experience across the energy and petrochemical value chains, including key roles at British Petroleum, Qatar Energy, Engro Corporation and PARCO, he integrates technical rigor with a holistic sustainability lens.

A qualified Chemical Engineer, Mr. Jamal is a specialist in Process Safety Management (PSM), safety culture transformation and operational excellence. Beyond technical stewardship, he is a vocal advocate for Diversity, Equity, and Inclusion (DE&I), embedding these values into the organizational fabric through visible leadership.

A recognized thought leader, he frequently represents the Group at elite global forums, including AIChE, MIT and the ASSP, contributing to the advancement of international safety standards.

Organizational Chart





HR & Remuneration Committee



Nomination and Risk Management Committee

Enterprise Risk Management Committee

Ethics Committee

Other Management Committees

Advisor Projects

Director Human Resources

Chief Manufacturing Officer

Director Technology

Head of Supply Chain

Head of Lean Six Sigma

Head of Administration

Chairman's Review Report

to the Shareholders for the year ended December 31, 2025



Dear Shareholders,

The year 2025 tested the resilience of Pakistan amid the May '25 conflict with India, severe flooding, and persistent geopolitical tensions. The nation responded with resolve, emerging more confidence and strategic repositioning. Macroeconomic stabilization gained further traction during the year as inflation was contained, the exchange rate kept in check, and growth improved, supported by large scale manufacturing recovery, agricultural resilience, strong remittances, and rising reserves. The external debt-to-GDP ratio declined from 31% to 26%, fiscal consolidation delivered a historic 2.4% primary surplus. Improving fundamentals and consistent reform trajectory resulted in sovereign ratings upgraded by major agencies and while improvement of investor confidence reflected in record levels achieved by the Pakistan Stock Exchange.

Your Company has once again delivered record financial performance, achieving the highest ever revenue and profit in its history. These results reflect years of disciplined execution, sustained commitment to world-class, efficient and reliable operations, and the effective implementation of focused marketing strategies.

2025 was a significant year for the Company in terms of business diversification, strategic investment placement and corporate restructuring. By expanding into complementary avenues while simultaneously reinforcing our core capabilities, we have laid a solid foundation for sustainable growth and enhanced stakeholder value. I am pleased to share that, during the year, the market capitalization of your Company reached 1 billion USD milestone. Overall, the market value of the Company's shares was appreciated by 92% during the year.

The most significant event was the successful bid for privatization of Pakistan International Airlines Corporation Limited by your Company as part of the Consortium. We believe that Almighty has chosen us for this national duty to revive the national flag carrier to restore its former glory. During the year, the Company also made significant strides in large scale mining and oil and gas E&P sectors through partnerships with major players in the industry.

As a part of strategic restructuring, the Company executed the scheme of carve-out of Multan plant to its wholly owned subsidiary Pakarab Fertilizers Limited with effect from January 01, 2025, while, the Company's investment portfolio in equity market was carved out to a wholly owned subsidiary, Fatima Capital Limited, after shareholders' approval in the extraordinary general meeting with effect from July 01, 2025. It is expected that these decisions will provide further growth opportunities with improved returns to shareholders through dedicated and focused management while creating an opportunity for the Company to unlock the inherent potential of its operating units.

In alignment with country's agricultural priorities towards our collective vision of enhancing stability and food security in

Pakistan, your Company has established Strategic Partnership with International Finance Corporation (IFC), a member of the World Bank Group, by signing a US dollar based renewable liquidity facility. At its core, this partnership reflects a shared commitment to standing with Pakistan's farmers - ensuring they have the resources and support needed to feed the nation, strengthen rural economies, and build resilience amid an increasingly uncertain agricultural and economic landscape.

The Board of Directors has recommended a final cash dividend of Rs 2.50 per share, in addition to the interim cash dividend of Rs 3.5 per share declared with half year results. This takes the aggregate payout by the Company to Rs 6 per share (2024: Rs. 7), amounting to Rs 12.60 billion compared to Rs 14.70 billion last year.

During the year, the Board diligently discharged its fiduciary responsibilities in the best interests of shareholders, overseeing the Company's affairs in its customary effectiveness and efficiency, according to the highest standards of corporate governance maintaining zero tolerance for corruption and harassment. The Board and its Committees remained vigilant in ensuring full compliance with all applicable statutory and regulatory requirements.

We pray for an early de-escalation of ongoing geopolitical tensions and regional conflicts. Heightened global uncertainty, disrupted supply chains, and volatility in energy and commodity markets could exert renewed pressure on import costs, exchange rates, and investor sentiment. Such external headwinds may dampen export demand, constrain external financing flows, and moderate the pace of recovery, posing challenges to medium-term growth prospects. Sustained policy discipline, structural reforms, and strategic economic diversification will therefore remain critical to safeguarding macroeconomic stability and reinforcing long-term resilience.

I take this opportunity to place on record my sincere appreciation for the dedication and hard work of all employees of the Company. I also extend my gratitude to our valued stakeholders—including the Government of Pakistan, financial institutions, commercial banks, business partners, customers, and my fellow Board members—for their continued support, guidance, and collaboration in strengthening the Company.

Arif Habib

Chairman

March 06, 2026

چیمبر مین چائزہ رپورٹ برائے شیئر ہولڈرز

برائے سال ختمہ 31 دسمبر 2025

سرے معزز احباب،

اور معافی معترف ہے کے علیٰ عملی خدائی ضروریات پوری کرنے اور دیکھی معافی صورتحال کے اختتام کیلئے درکار وسائل اور معاونت دیکھتے ہیں۔

یورڈ آف ڈائریکٹرز نے 2.50 روپے فی شیئر کے عملی بخش اعلیٰ بخذ کی سفارش کی ہے جو کہ شہنشاہی سطح کی ہے ساتھ اعلان کر رہے 3.5 روپے فی شیئر کے محدود پیش ڈیویڈنڈ کے علاوہ ہے۔ یوں مجموعی طور پر یہ ادا کیے 6 روپے فی شیئر کے حساب سے 12.60 ملین روپے ہے (سال 2024 کے دوران 7 روپے) اور جو کہ شیئر سال 14.70 ملین روپے تھی۔

سال کے دوران یورڈ نے بدتمیزی اور ہراسائی کیلئے مضبوط ادارہ کا مظاہرہ کرتے ہوئے کارپوریٹ گورننس کے عملی ترین معیارات کے مطابق اپنی روایتی اور غیر اور اشعار میں کئی کے معاملات کی گہرائی کرتے ہوئے شیئر ہولڈرز کے بہترین مفاد میں اپنی ذمہ داریاں سمجھتی ہے۔ یورڈ اور اس کی کمپنیاں تمام قابل اطلاق قانونی اور ریگولیٹری تقاضوں پر عملدرآمد کیلئے توجہ دہیں۔

ہم موجودہ ہراسائی سیاسی کشیدگی اور علاقائی تنازعات کے جلد از جلد حل کیلئے دعا گو ہیں۔ عالمی سطح پر بحیرہ چین میں اضافہ، چائے ٹین میں قفل اور توانائی دہاناس کی معز یوں میں آسٹریا چڑھاؤ اور آرمی لاکٹ، شرح مبادلہ اور سرمایہ کار کے اعتماد پر زیادہ دباؤ کا باعث ثابت ہو سکتے ہیں۔ یہ بیرونی دباؤ میں برآمدی طلب میں کمی، بیرونی فنڈنگ خیز میں تخفیف اور بحالی کی رفتار کو متاثر کر سکتی ہیں، جس سے اور بیانی مدت کی ترقی کے امکانات کو متاثر ہو سکتے ہیں۔ متواتر پالیسی نظم و ضبط، ادارہ جاتی اصلاحات اور سٹریٹجک معاشی شرح تکرور کا تاکہ اختتام کی مقبولی اور روپے ڈالنے کو توجہ دینے کیلئے کھینچی کرادار اور کریں گے۔

اس موقع پر میں کمپنی کے برہمزم کی محنت اور گمن پر پائیں شرح حتمین چیل کر رہا ہوں۔ میں کمپنی کے اختتام کیلئے کاوشوں، مسلسل معاونت اور معاونت پر تمام اسٹیک ہولڈرز بشمول حکومت پاکستان، مالیاتی اداروں، گورنمنٹ بینکوں، جی ایس اینیوی ایٹس، اصلاحی اور سماجی ادارہ ممبران کا بھی تہ دل سے شکر گزار ہوں۔

پاکستان کیلئے سال 2025 برآمد کے ساتھ میں 25 کے کاروبار شدیدی سلاہ اور کاروبار خرابی کا خدائی معافی سے سرکار بار بار قوم نے پر ملا ہمارا میں روٹل دیا، اس میں بحری مشاہدہ میں آئی اور سٹریٹجک طور پر اپنی دیہ بندی کا مظاہرہ ہوا۔ سال کے دوران تکرور کا تاکہ اختتام کی رفتار میں کمی کی شرح مبادلہ پر قابو اور بحری ترقی حصول یا سے چنانے کی میٹر سٹریٹجک، معالی ذریعہ پائیداری، مضبوط ترسیلات اور بدستے ذخائر کی بدولت بحری ہوئی۔ سی ڈی پی کے مقابلہ میں بیرونی قرضہ کی شرح میں 31 فیصد سے 28 فیصد تک کی، مالی مجموعہ میں 4 فیصد کا تاریخی سرگرمی، بلحاظی عمل میں بحری اور اصلاحات کے تسلسل کی وجہ سے بیرونی ایکٹیویٹوں کی جانب سے فوائد مان دیے جی میں اپ گریڈیشن ہوئی اور سرمایہ کار کے اعتماد میں اضافہ ہوا۔ جو کہ پاکستان ٹاٹا کیلئے میں تاریخ بلندی سے واضح ہے۔

آئی کی کمپنی نے ایک بار پھر بدتمیزی کا کاروبار کیلئے مظاہرہ کرتے ہوئے اپنی تاریخ کی سب سے زیادہ آمدن اور منافع حاصل کیا۔ یہ نتائج برسوں سے علم و سید پر عملدرآمد، ڈولڈنگ اس سٹریٹجی اور پائیداری پر پھر کے مزاج اور بارکیٹک سخت عملیوں کے بہرہ بردار کی عکاسی کرتے ہیں۔ سال 2025 کوئی کیلئے کاروباری تنوع، سٹریٹجک سرمایہ کاری اور ادارہ جاتی تنظیم نو کے لحاظ سے ایک اہم سال تھا۔ اپنی بیرونی مصلحتوں کو حوالہ دیتے ہوئے اضافی ایجوڈ میں وسیع کے ذریعے ہم نے پائیدار ترقی اور اسٹیک ہولڈرز کیلئے زیادہ منافع ممکن بنانے کی خاطر ایک مضبوط بنیاد رکھی۔ کچھ یہ ثابت ہوئے خوشی برسوں ہو رہی ہے کہ سال کے دوران آئی کی کمپنی کا مارکیٹ کھلا ترسیل 9 ملین امریکی ڈالر کے تک میں تک کھلی کھلا مجموعی طور پر کمپنی کے شیئرز کی مارکیٹ ویلی میں سال کے دوران 9 فیصد اضافہ ہوا۔

سب سے نمایاں واقعہ آئی کی کمپنی کی جانب سے کنورژیم کے حصہ کے طور پر پاکستان انٹرنیشنل ایئر لائنز کی بحالی میں کامیاب بولی (bidding) تھا۔ ہمیں یقین ہے کہ طے دارے بزرگ ورتنے میں اس قومی فریڈ کیلئے منتخب کیا ہے کہ ہم پاکستان کی اس شان کو معاشی کی عظمت سے دوبارہ روٹل اس کر سکیں۔ سال کے دوران کمپنی نے انٹرنیٹ کے بڑے اداروں کے ساتھ شراکت داری کے ذریعے بڑے پیمانے کی کامیابی اور جیل ایس کے E&P شعبوں میں نمایاں پیش رفت کی۔

سٹریٹجک تنظیم نو کے حصہ کے طور پر کمپنی نے 30 جنوری 2025 سے مہان پائٹ کی carve-out تنظیم کو اپنی مکمل ملکیتی ذیلی کمپنی پاک عرب فریڈ ایئر لائنز میں ڈال دیا، جو کہ قومی مارکیٹ میں کمپنی کے سرمایہ کاری پورٹ فولیو کو مکمل ملکیتی ذیلی کمپنی کا طرہ کی شکل میں 2025 سے غیر معمولی اجلاس عام میں شیئر ہولڈرز کی منظوری کے بعد carved-out کر دیا گیا۔ امید ہے کہ یہ جیسے شخص اور توجہ دہنی انتظام کے ذریعے چیمبر ہولڈرز کیلئے بہتر نتائج کے ساتھ مزید ترقی کے مواقع فراہم کریں گے جبکہ کمپنی کیلئے اپنے آپریٹنگ بزنس کی صورت میں معاونت تک رسائی کا موقع بہتر آئے گا۔

مخلصانہ
عارف حسین

106 تاریخ 2026

پاکستان میں عملی ذریعہ ترقی کے مطابق اختتام اور فروڈ سیکورٹی میں اضافہ کے ہمارے اجتماعی رجحان، جن کی جانب قدم بڑھاتے ہوئے آئی کی کمپنی نے عالمی بینک گروپ کے رکن انٹرنیشنل ٹرانس کارپوریشن (IFC) کے ساتھ ایس ڈی این پی رینویشن ایلی ٹی بی پی سیلینی ریڈیو کار کے سٹریٹجک شراکت داری قائم کی ہے۔ یہ شراکت داری پائیداری طور پر پاکستان کے کسانوں کے شانہ بٹانہ کھڑے ہونے کے اجتماعی مزاج کی عکاسی ہے۔ اس بات کی یقین دہانی ہے کہ وہ چیمبر سے گہرے جھانچ کے شکر ہوتے ذریعہ



CEO's Message

Dear Shareholders,

The year 2025 was of unparalleled significance for the Company as we charted the course for its future growth by making tangible strides across multiple fronts. While continuing to strengthen our core fertilizer business, the Company advanced several diversification initiatives and strategic investments across aviation, large scale mining of minerals and oil and gas exploration that will position us for long-term sustainable growth and enhanced value creation for our stakeholders.

Fatima Fertilizer continues to enhance the integration of sustainability considerations into its operations, risk management, and long-term strategy. As a company serving Pakistan's agricultural sector, our priority remains the reliable production and supply of fertilizers that support crop productivity and national food security while maintaining high standards of safety, environmental performance, and operational efficiency.

Operational performance remains the cornerstone of our Strength. During the year, our teams focused on operational reliability, improved efficiency across manufacturing facilities, and maintaining a strong safety culture. All operating plants exceeded their target production levels while maintaining world-class service factors and strict adherence to world class health, safety, and environmental standards. Operational efficiency efforts also helped improve resource management and reduce greenhouse gas emissions. These efforts align with the company's broader sustainability approach and its adoption of the UNDP SDG Impact Framework in 2024, which supports a stronger alignment of Fatima's initiatives with the United Nations Sustainable Development Goals (UN SDGs) as we continue to create sustainable, long-term value for our stakeholders.

We also achieved highest-ever combined fertilizer sales volume by increasing overall market share to 29.3%, compared to 25.3% in the previous year. We also continued to support farmers through technical advisory services and outreach programs, engaging more than 277,000 farmers in 2025 through seminars, field visits, demonstration plots, and agronomic guidance aimed at better crop productivity and responsible fertilizer use. At the same time, we stayed committed to investing in our workforce and contributing to community development through initiatives in healthcare, education, and rural support.

Supported by higher sales volumes, the Company recorded its highest ever consolidated sales revenue of Rs 276,177 million, representing a 7% increase over last year's Rs 256,920 million. The consolidated cost of sales increased by 10%, reflecting higher production volumes as well as the impact of inflationary pressures during the year.

Elevated inventory levels during the year, combined with higher transportation costs associated with increased sales volumes, led to a 20% increase in distribution expenses. Administrative expenses also increased slightly by 6% compared to last year. Consequently, profit from operations declined by 1% to Rs 66,080 million, compared to Rs 66,973 million in the previous year.

Finance costs increased by 56%, primarily due to higher borrowing levels and the utilization of an arbitrage opportunity during the year, while other operating expenses decreased by 46%. Additionally, a 30% increase in other income, driven by valuation gains and dividend income, along with a reduction in the effective tax rate from 42% to 38%, resulted in a 16% increase in profit after tax, which rose to Rs 42,059 million compared to Rs 36,395 million last year.

Accordingly, earnings per share improved to Rs 20.03, compared to Rs 17.33 in the corresponding year.

The board has recommended final dividend of Rs 2.5 per share for approval of the shareholders at the Annual General Meeting. The total payout for the year 2025 will be Rs 6 per share compared to Rs 7 per share for the previous year.

We are grateful to the Government for allocating natural gas to the fertilizer sector, enabling optimal utilization of the country's indigenous fertilizer manufacturing capacity. This support helps ensure reliable domestic fertilizer supply, protects farmers from price volatility, and reduces reliance on imports. The gas pressure enhancement project, which the Company is undertaking in collaboration with other industry participants, is expected to become operational in 2026, ensuring supply of natural gas at sustainable pressure to the fertilizer plants.

We look forward to another promising year for the Company due to the availability of healthy volumes and robust investment strategies put in place to ensure continued sustainable growth. With strong foundations, a clear strategic direction, and a capable team, we remain committed to building a company that delivers sustainable growth and long-term value for all stakeholders.

I would like to express my sincere appreciation to our employees for their dedication and commitment, to our customers and business partners for their continued trust, and to the Board of Directors for their guidance and support. I am also grateful to the Government of Pakistan, regulators, financial institutions, and all stakeholders whose cooperation continues to play an important role in the Company's progress.

Fawad Ahmed Mukhtar

Chief Executive Officer

March 06, 2026

چیف ایگزیکٹو آفیسر کا پیغام

سوزہ حصص داران

کا معمولی اطلاق معاہدے میں آئی۔ نتیجتاً آپریٹنگ سے حاصل ہونے والا منافع 1 لاکھ روپے کے ساتھ 66,080 ملین روپے ہو گیا جو کہ گزشتہ سال کے دوران 66,973 ملین روپے تھا۔

مالیاتی اخراجات بڑی حد تک کم ہوئے اور سال کے دوران 10 لاکھ روپے کے استعمال سے 56 لاکھ روپے تک بڑھے، جبکہ آپریٹنگ اخراجات میں 46 لاکھ روپے کمی واقع ہوئی۔ مزید برآں، ویلجی انڈیا کے منافع اور انڈیا ٹریڈ کی آمدنی کی وجہ سے دیگر آمدن میں 30 لاکھ روپے اضافہ ہوا اور ایک لاکھ روپے کی شرح 20 لاکھ روپے سے 38 لاکھ روپے تک کی ہوئی، جس سے بعد ازاں منافع میں 16 لاکھ روپے اضافہ ہوا، جو گزشتہ سال کے 36,395 ملین روپے کے مقابلے میں بڑھ کر 42,059 ملین روپے تک پہنچ گیا۔

اس امر میں خصوصی حصص آمدن گزشتہ سال کے 17.33 روپے سے بڑھ کر 20.03 روپے ہو گیا۔

یہ آٹھ سالہ فنانس ہاؤس عام میں شیئر ہولڈرز کی حکمروائی کیلئے 25 روپے کی شیئر کے حتمی ایویڈنٹ کی طرف اشارہ ہے۔ سال 2025 کیلئے مجموعی اہلیت 8 روپے کی شیئر ہوگی جو کہ گزشتہ سال 7 روپے کی شیئر تھی۔

ہم حکومت کی جانب سے کھارے کی قیمتوں کی قدرتی گیس قیمتوں پر بھاری اثر ہے، جس سے ملک کی مقامی سطح پر کھارے کی قیمتوں کی صلاحیتوں کو بھر پور انداز میں برہنے کا رونا چاہئے گا۔ یہ تعاون قابل بھروسہ مقامی کھارے کی فراہمی یقینی بنانے، کسانوں کو قیمتوں کے اتار چڑھاؤ سے محفوظ رکھنے اور صحت آمیز کھانوں کی فراہمی میں معاونت فراہم کرنا، حکومت کی جانب سے انٹرنیٹ کے دیگر اداروں کے تعاون سے گیس پر بھاری اثر برائے کھانوں کے منسوب پر 2026 میں کام کا آغاز واضح ہے۔ اس سے کھارے کی فراہمی کو بھاری اثر پر بھاری قدرتی گیس کی فراہمی یقینی بنائی۔

ہم اچھے حتمی دستاویزی اور پائیدار ترقی کا تسلسل یقینی بنانے میں مضبوط حکمت عملیوں کی موجودگی کی وجہ سے یقینی کیلئے ایک اور امیدوار سال کے منتظر ہیں۔ مضبوط فنانس ہاؤس، ایک واضح سٹریٹجک سمت اور قابل بھروسہ ٹیم کے ساتھ ہم ایک ایسی یقینی دیکھنے کیلئے پرعزم ہیں جو تمام اسٹیبل ہولڈرز کیلئے پائیدار ترقی اور خوش آمدنی منافع یقینی بنائے گی۔

میں کھلی ملازمت کی صارفین اور کارکنوں کو باہمی شراکت داریوں کا اہتمام دیکھنے کیلئے مسلسل لگن اور عزم اور بڑا آگے ڈانر کیز کی راہنمائی اور تعاون کا معترف ہوں۔ میں حکومت پاکستان، ریگولیشن، ماہانہ ملازمتی اداروں اور تمام اسٹیبل ہولڈرز کا بھی شکریہ ادا کرتا ہوں، جن کا تعاون کھلی ترقی میں کلیدی کردار ادا کر رہا ہے۔

خواجہ احمد علی
 چیف ایگزیکٹو آفیسر
 2026 5 406

سال 2025 کو یقینی بنانے کے لئے ہم نے تمام اداروں پر خوش اقدامات عمل میں لاتے ہوئے اس کی مستحکم ترقی کے راستے کا یقین کیا۔ کھلی نے کھارے کے اپنے بنیادی کاروبار کو استحکام دینے کے ساتھ ساتھ باہمی شراکت داریوں میں بڑے پیمانے پر کام کیا اور مل، گیس کی فراہمی میں کمی متوقعی اقدامات اور سٹریٹجک سرمایہ کاری کو آگے بڑھایا، جو کہ گیس فراہمی میں پائیدار ترقی اور اسٹیبل ہولڈرز کیلئے منافع میں اضافہ کی پوزیشن میں آئے گا۔

فاخر فریڈا اور اپنے آپریٹنگ، رسک مینجمنٹ اور خوش آمدنی حکمت عملی میں پائیداری پر غور و خوض کی شمولیت میں اضافہ کر رہی ہے۔ پاکستان کے ذریعے شہر کیلئے خدمات سرانجام دینے والی کھلی کے طور پر ایسی کھاروں کی تیاری اور فراہمی جاری رہے جو کہ گیس فراہمی میں صحت آمیز اور قدرتی توانیوں میں معاونت کے ذریعے طاقت، پائیداری اور آپریٹنگ کارکردگی کے اہل معیارات یقینی بنائیں۔

آپریٹنگ کارکردگی جاری طاقت کا بنیادی جز ہے۔ سال کے دوران جاری ٹیبلوں نے آپریٹنگ کو یقینی بنایا، جس میں بھاری کارکردگی اور مضبوط منافع کی بھر پور قرار رکھنے پر توجہ مرکوز کی۔ تمام آپریٹنگ پلانٹس نے عالی معیار کو برقرار رکھتے ہوئے اور صحت، حفاظت اور ماحولیاتی معیارات پر بین الاقوامی اسٹینڈرز کے مطابق عملدرآمد کے ذریعے اہلیت پیدا کرنے سے زیادہ پیداوار یقینی بنائی۔ آپریٹنگ کارکردگی کیلئے عمل میں لائی گئی کارڈمیں رہنمائی مینجمنٹ میں بہتری اور گرین پاور گیس کے اخراجات میں کمی کے ساتھ ساتھ انہیں جیت ہو گئی۔ یہ کوششیں کھلی کے وسیع تر پائیداری کے نکتہ نظر اور 2024 میں اس کے UNDP SDG سٹیٹمنٹس میں بھاری کارکردگی کے ساتھ ساتھ مطابقت رکھتی ہیں، جو کہ طاقت کے اقدامات کا اہم حصہ ہے۔ پائیدار ترقی کے اہل (UN SDGs) کے متن مطابق ہم ظاہر کرتی ہیں کہ ہم اپنے اسٹیبل ہولڈرز کیلئے پائیدار اور خوش آمدنی قدرتی قدرتی معیارات میں ہیں۔

ہم نے شیئر کی کارکردگی میں 29.3 لاکھ روپے کا اضافہ کیا جبکہ اس سال سے زیادہ شیئر کیلئے تمام منافع حاصل کیا جو کہ گزشتہ سال 25.3 لاکھ روپے تھے۔ ہم نے کھلی مشاوری خدمات اور آڈٹ ریٹنگ پروگراموں کے ذریعے کسانوں کی معاونت کا عمل جاری رکھا، سال 2025 کے دوران 277,000 سے زائد کسانوں تک پوزیشن کیلئے سہولت فراہم کی اور زرعی رہنمائی کے ذریعے فصل کی پیداوار میں بہتری اور مزدوں کھارے کے استعمال کیلئے رسائی یقینی بنائی۔ اس دوران ہم اپنی افرادی قوت میں سرمایہ کاری اور صحت شہیم اور دیگر بھی ہونے کے اقدامات کے ذریعے ملتی ترقی میں کردار ادا کرنے کیلئے پرعزم رہے۔

بلڈنگ ٹیم کے ذریعے کھلی نے 276,177 ملین روپے کی باہمی مجموعی بلڈنگ آمدن حاصل کی جو کہ گزشتہ سال کے 258,920 ملین روپے سے 7 لاکھ زیادہ ہے۔ بلڈنگ مجموعی لاگت میں 10 لاکھ اضافہ ہوا جو کہ سال کے دوران زیادہ پیداوار ٹیم کے ساتھ ساتھ فراہم کنندہ کے باڈی کے اثرات ظاہر کرتے ہیں۔

سال کے دوران انویسٹری کی سطح میں اضافہ بلڈنگ کے پانچ سے قسٹم نقل و حمل کے اخراجات میں اضافہ سے قسٹم کے اخراجات 20 لاکھ روپے بڑھے۔ انتظامی اخراجات میں بھی گزشتہ سال کے مقابلے میں 8 لاکھ

Directors' Report

to the Shareholders For the year ended December 31, 2025

We are pleased to present the Directors' Report along with the audited separate and consolidated financial statements of the Company for the year ended December 31, 2025, together with the auditors' report thereon.

The Economy and Market overview

The year 2025 was characterized by significant challenges for Pakistan, including the May 7–10 conflict with India, severe flooding during the July–September period, and ongoing global geopolitical tensions. By the grace of the Almighty, Pakistan navigated these pressures effectively, emerging with renewed confidence, an improved international standing, and strengthened strategic economic and defense partnerships aimed at supporting long-term national security and stability.

Despite these headwinds, the economy continued to make progress toward stabilization. Inflation was successfully contained, the exchange rate stabilized, and economic activity strengthened. Growth prospects improved on the back of rising large-scale manufacturing output, a resilient agricultural sector, strong remittance inflows, and a steady accumulation of foreign exchange reserves. The external debt burden began to ease, with the external debt-to-GDP ratio declining from 31 percent to 26 percent, reversing a prolonged trend of annual increases. Fiscal consolidation also strengthened, as the primary balance reached a historic surplus of 2.4 percent of GDP.



Several major structural and policy developments marked the year. The government launched a new outward-looking trade policy, with the potential to position Pakistan among the world's most ambitious tariff reformers over the past two decades. In addition, the financial close of the Reko Diq copper-and-gold project in Balochistan represented a key milestone. The project is expected to generate approximately USD 2.5 billion annually in export earnings. Another landmark development was the privatization of Pakistan International Airlines Corporation Limited (PIACL). Long emblematic of chronic mismanagement, political interference, and accumulated losses exceeding USD 2.5 billion, PIACL had imposed a sustained burden on the national exchequer. The transaction marks a notable policy shift, signaling the government's willingness to undertake politically difficult reforms to curb losses, improve efficiency, and progressively reduce the state's footprint in commercial activity.

Pakistan's capital markets also delivered an exceptional performance in 2025. The KSE-100 Index reached an all-time high of over 170,000 points, ranking among the world's top-performing equity markets and reflecting improved macroeconomic fundamentals and investor confidence.

As a result of these developments, Pakistan witnessed a marked improvement in global perception during the year. All three major international credit rating agencies aligned their assessments by upgrading the country's sovereign ratings and outlook.

International Fertilizer Market

The 2025 operating environment was defined by supply-driven volatility, elevated input costs, and continued trade fragmentation. Pricing across phosphate and nitrogen segments remained highly sensitive to export policies, seasonal demand cycles, and raw material cost movements.

Phosphate markets strengthened considerably during the first half of the year. DAP and MAP benchmarks rose from early-year levels in the low-to-mid USD 600s per metric ton CFR into the USD 750–800/MT range by mid-year, supported by Kharif season demand in South Asia, constrained Chinese export availability, and rising input costs. Phosphoric acid contract prices increased sequentially through Q2 to Q3, reflecting tight supply conditions and higher upstream costs. From the beginning of the fourth quarter, phosphate prices moderated as key

importers, particularly India, had largely secured seasonal requirements through inventories and term contracts, reducing spot market participation.

Nitrogen markets were similarly influenced by supply disruptions and trade realignments. Ammonia prices rebounded strongly from mid-year lows as production and logistics constraints in parts of the Middle East tightened availability. Urea prices peaked early in the year on expectations of strong seasonal demand, softened during mid-year, and ended modestly above opening levels.

China's export self-regulation remained a structural factor influencing global trade flows. Reduced DAP and MAP exports in the first half tightened international supply, while increased exports of alternative phosphate grades reshaped competitive dynamics in key import markets.

Overall, 2025 reflected a supply-driven market environment marked by trade fragmentation, elevated input costs, and periodic demand surges. While second-half demand normalization moderated finished product prices, the persistence of higher raw material costs and disciplined export supply suggests a firmer underlying market structure heading into 2026.

Local Fertilizer Market

The agriculture sector, the backbone of Pakistan's economy, faced a particularly challenging year. The crop sub-sector contracted 6.82%, primarily driven by a 13.49% decline in major crops such as wheat and cotton. The lingering effects of the 2024 wheat crisis significantly weakened farmer liquidity and purchasing power during the first half of 2025. In addition, adverse weather conditions and localized flooding in key agricultural regions disrupted sowing and crop yields, further constraining farm incomes and input demand.

The sector, however, demonstrated notable resilience in the second half of the year. Targeted government interventions, including the Kissan Card program and interest-free financing schemes, provided much-needed liquidity support and helped restore farmer confidence. As a result, total fertilizer offtake in Pakistan reached 9.857 million MT in 2025, supported by a strong recovery in demand during the final quarter.

Industry-wide urea offtake reached a record high of 6.73 million MT, reflecting a 2% increase over 6.57 million MT in the preceding year. This growth was driven by improved farmer sentiment in the latter half of the year, supported

by government incentives and proactive industry measures to ensure product availability and pricing stability.

In contrast, the phosphatic segment remained under pressure, with DAP offtake declining by 18% year-on-year to 1.34 million MT. The contraction primarily reflected elevated international prices and a shift in farmer preference toward relatively more cost-effective nutrient alternatives.

Business Overview and Developments

The Company remained firmly on its path of sustainable growth, prioritizing operational reliability alongside strategic business expansion. The operational resilience underpinned a robust financial performance during the year.

Plant operations remained optimal during the year, achieving the highest ever annual combined production. This performance reflects our continued commitment to operational efficiency and reliability, maintained in line with world-class Health, Safety, and Environment (HSE) standards. We remain focused on advancing sustainable business practices that drive economic growth, foster social equity, and contribute meaningfully to national development.

Through targeted commercial strategies and dedicated execution, the Company achieved its highest-ever combined fertilizer sales volume of 2.883 million, by increasing its overall market share to 29.3%, compared to 25.3% in the previous year.

Performance in the nitrogen segment was particularly strong, with CAN and Urea sales volumes increasing by 41% and 21%, respectively, over the prior year. In contrast, phosphatic fertilizer sales receded by 9% due to overall industry contraction. Notably, Nitrophos strengthened its position within the phosphatic segment, gaining a 3% market share in the total phosphatic fertilizer category during 2025.

Product	Volume ('000' MT)			
	Production/ Purchase		Sales	
	2025	2024	2025	2024
Nitrophos	878	853	756	813
CAN	872	855	956	679
Urea	1,106	1,087	1,138	941
Trading stock incl. DAP	29	100	32	89
Total	2,885	2,895	2,883	2,522

The agriculture sector, which contributes 24% to the Pakistan's GDP, relies heavily on affordability and availability of fertilizer products. We commend the Government's timely decision to allocate natural gas to the fertilizer sector - a strategic measure aimed at safeguarding food security and reinforcing long-term economic stability. Full use of the indigenous fertilizer manufacturing capability will ensure reliable domestic fertilizer supply, protect farmers from price volatility and curtail import dependence.

During the year the Company achieved a landmark milestone not only for itself but also for Pakistan's agriculture sector, as it locked a renewable liquidity facility of US\$60 million per year with IFC. IFC is a member of the World Bank Group and is the largest global development institution focused on the private sector in emerging markets. Shortages of foreign exchange and delays in clearing imports can disrupt access to key inputs and risk fertilizer shortages. The arrangement addresses this critical risk by providing hard currency liquidity when access to USD financing is limited. Access to dependable liquidity allows the Company to maintain operational resilience, ensure stable delivery of essential nutrients to farmers to foster national food security in alignment with Pakistan's agricultural priorities.

2025 was a significant year for the Company as various restructuring and business diversification initiatives materialized, while many others reached different levels of maturity. By expanding into complementary avenues while simultaneously reinforcing our core capabilities, we have laid a solid foundation for sustainable growth and enhanced stakeholder value. The key projects and initiatives executed during the year were:

The Scheme of arrangement to carve out the net assets related to Multan plant of the Company to its wholly owned Subsidiary, Pakarab Fertilizers Limited, was implemented with effect from January 01, 2025, after receiving approval from the Lahore High Court.

The Company's investment portfolio in equity market was carved out to a wholly owned subsidiary, Fatima Capital Limited, after shareholders' approval in the extraordinary general meeting, with effect from July 01, 2025.

The carve outs are expected to provide further growth opportunities with improved returns to the shareholders through dedicated and focused management while creating an opportunity for the Company to unlock the inherent potential of its operating units. Note 1.2 and 1.3 of the separate and consolidated financial statements includes relevant details of the assets and liabilities.

The Company participated in the bidding process for the privatization of Pakistan International Airlines Corporation Limited as part of the consortium led by Arif Habib Corporation Limited. The consortium was declared the highest ranked bidder, and the consortium signed the Share Purchase and Sale Agreement with the Government of Pakistan on January 29, 2026, committing to acquire 75% of PIACL's share capital for a total consideration of Rs. 135,000 million and announced its intention to exercise the option to acquire the remaining 25% of the share capital for an additional consideration of Rs. 45,000 million at the premium of 12% per annum.

In large scale mining, Globacore Minerals Limited (Globacore), in which the Company holds an equity stake of 32%, entered into a JV Agreement with Mari Minerals (Private) Limited (Mari Minerals), for transfer of 49% of its working interest in mineral exploration licenses EL-322 and EL-323, located in District Chagai, Balochistan, to Globacore, subject to the receipt of requisite corporate, regulatory, and governmental approvals. Mari Minerals shall continue as the Operator of the licenses and will remain responsible for undertaking exploration activities.

Meanwhile, National Resources (Private) Limited (NRL), a joint venture company in which Fatima Fertilizer Company Limited holds 33.33% equity, made a significant copper-gold mineralization discovery at its exploration lease, in District Chagai, Balochistan. NRL has also acquired a Lead-Zinc exploration lease adjacent to a well-known deposit, where a Bankable Feasibility Study has already been conducted. Additional exploration licenses are also being explored.

On the Oil and Gas E&P front, Fatima Petroleum Company Limited (FPCL), a wholly owned subsidiary of Fatima Fertilizer Company Limited made the following strides:

1. FPCL in partnership with Mari Energies and Turkish Petroleum Overseas Company (TPOC) executed agreements covering two offshore blocks with the Government of Pakistan.
2. It entered into a farm-out agreement with Hycarbex American Energy Inc. to acquire 25% working interest (Non-operating) in Peshawar Block located in Khyber Pakhtunkhwa (KP), subject to regulatory clearances, governmental approvals, execution of deeds of assignment and completion of other related formalities.
3. It also entered into farm-out agreements with Orient Petroleum Inc. ("OPI") to acquire:
 - 25% working interest in Marwat block located in KP;
 - 24% working interest in Harnai South block located in Balochistan, and
 - 10.50% working interest in Ratana D&P Lease located in Punjab

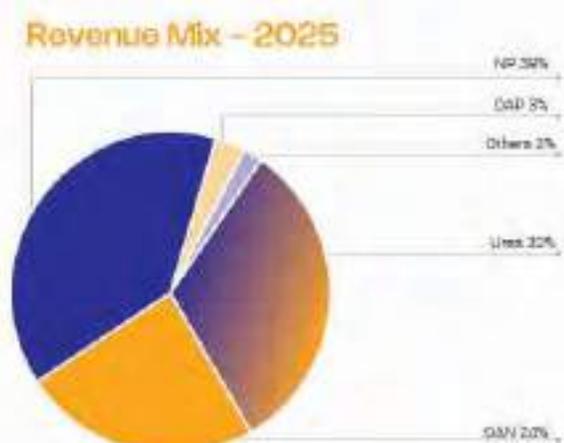
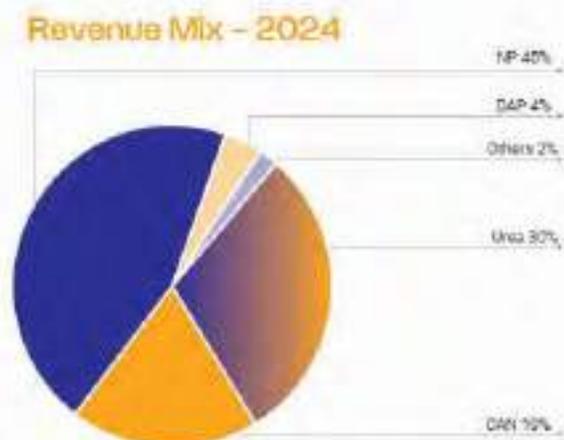
all subject to regulatory clearances, governmental approvals, and execution of deeds of assignment.

Financial Performance

Consolidated Results

During the year the Company managed to increase the combined sales volume of fertilizers by 14% over the previous year. The growth in revenue, however, was restricted to 8% only mainly due to change in product mix. Revenue from fertilizer sales clocked in at Rs 273,686 million, compared to Rs 254,036 million in the preceding year. Revenue from sale of packaging material declined slightly mainly on account of decrease in market prices.

Nitrophos remained the major contributor with 39% of the total sales revenue, followed by Urea and CAN representing 32% and 24% respectively compared to 45%, 30% and 19% respectively for the year before. Higher market prices resulted in 36% decline in sales volume of DAP reducing its share in sales revenue 4% to 3%. The balance revenue was generated from packaging material and mid-products.



The combined cost of sales of own manufactured fertilizers increased by 17% due to higher volumes and inflationary elements. 56% decline in cost of sales of DAP and imported fertilizer due to lower volumes coupled with 8% lower cost of sales of packaging material resulted in 10% decline in consolidated cost of sales.

As a result, consolidated gross profit of the Company clocked at Rs 94,424 million, 3% higher compared to Rs 91,817 million earned for the comparative year.

Distribution expenses increased by 20%, primarily due to elevated inventory levels during the year and increase in transportation costs in line with increase in sales volumes, while administrative expenses increased slightly by 6% over the last year.

Resulting in profit from operations amounting to Rs 66,080 million, lower by 1% over last year's Rs 66,973 million.

Overall finance costs increased by 56% compared to last year, where cost on long term loans increased by 68% due to utilization of an arbitrage opportunity, while cost on short term loans and others increased by 43% owing to elevated utilization of working capital consequent to reducing borrowing rates.

Other operating expenses remained lower by 46% due to booking of brand amortization, plant impairment and other provisions over last.

Consequently, the operating profit for the year inched up by 2% to Rs 52,321 million compared to Rs 51,117 million achieved last year.

Other income increased by 30%, primarily driven by valuation gains and dividends received on short term investments, particularly listed securities, reflecting effective treasury management of surplus funds.

This translated into 9% increase in Profit Before Tax amounting to Rs 68,343 million compared to Rs 62,834 million for previous year. Decrease in effective tax rate from 42% to 38% resulted in 16% increase in Profit After Tax as it rose to Rs 42,059 million, compared to Rs 36,395 million last year. Earnings per share improved by same percentage to Rs 20.03 per share from Rs 17.33 per share in the corresponding year.

Financial Highlights - Consolidated						
	2025		2024		2023	
	Rs in Million	%	Rs in Million	%	Rs in Million	%
Revenue	276,177		256,920		235,423	
Gross Profit	94,424	34.2	91,817	35.7	74,183	31.5
EBITDA	88,273	31.9	81,165	31.6	66,519	28.3
Profit Before Tax	68,343	24.8	62,834	24.5	48,896	20.8
Profit after Tax	42,059	15.2	36,395	14.2	23,008	9.8
EPS (PKR)	20.03		17.33		10.96	



Standalone Results

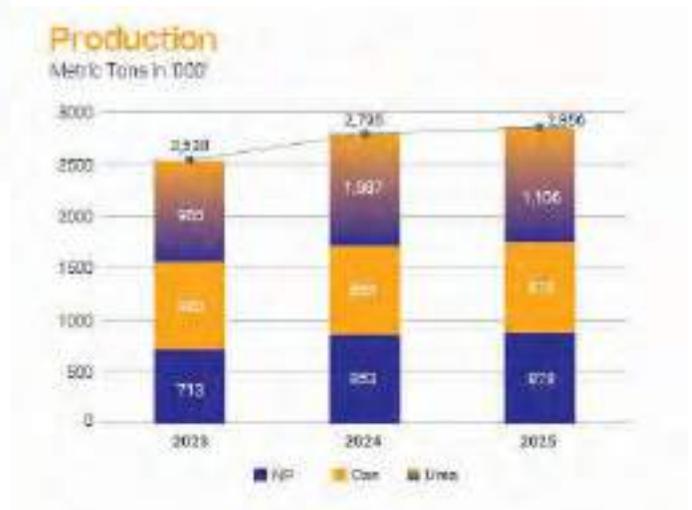
The Company has carved out its Sheikhpura and Multan plant to its wholly owned subsidiaries Fatimafert Limited and Pakarab Fertilizers Limited with effect from July 01, 2024, and January 01, 2025, respectively. While Company's investment portfolio in equity market was carved out to a wholly owned subsidiary, Fatima Capital Limited, after shareholders' approval in the extraordinary general meeting with effect from July 01, 2025.

As a result, the standalone financials for the reporting year mainly represent the results of operations of Sadiqabad plant along with sales of carried over inventory of Multan plant.

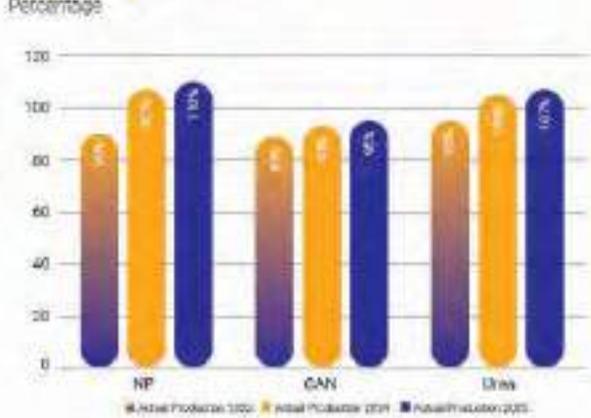
Financial Highlights - Standalone						
	2025		2024		2023	
	Rs in Million	%	Rs in Million	%	Rs in Million	%
Revenue	170,058		238,422		232,755	
Gross profit	71,355	41.9	87,503	36.7	72,409	31.1
EBIDTA	67,473	39.7	48,196	20.2	65,050	27.9
Profit before tax	50,439	29.7	60,556	25.4	47,744	20.5
Profit after tax	30,468	17.9	34,983	14.7	22,399	9.6
EPS (PKR)	14.51		16.66		10.67	

Operational Performance

All the plants operated at optimum level with highest ever cumulative fertilizer production of 2.856 million MT. All the production plants exceeded their targets with world class service factors. This achievement reflects strong operational discipline, effective maintenance planning and highly committed workforce. The combined focus on productivity, reliability and HSE excellence reflect the Company's commitment to responsible and sustainable operations.



Capacity Utilization



The Company holds HSE as a core corporate value. The unwavering commitment of the Company to provide the safe working environment and conditions to its employees is reflected in the achievement of +150 combined Safe Million Man-Hours for all three fertilizer plants and recorded 0.48 Total Recordable Injury Rate (TRIR). Thereby, positioning us among the safest workplaces in the global fertilizer industry. Various digitalization, capability enhancement and risk management projects remain on track. AI is being embedded in site-specific safe work practices for real-time situation-based guidance.

Dividends and Appropriations

The Board of Directors in its meeting held on March 06, 2026, has proposed a final Cash Dividend @ Rs 2.50 per share i.e. 25% for approval of the members at the Annual General Meeting to be held on April 17, 2026. This is in addition to the interim Dividend already paid at Rs 3.50 per share i.e. 35%. The financial statements do not reflect this proposed dividend.

	PKR in '000'	PKR Per Share
Un appropriated profit brought forward	123,169,019	
Final Dividend for the year 2024	(8,925,000)	4.25
Net profit for the year	42,059,025	20.03
Other comprehensive income	(88,501)	
Profit available for appropriations	156,214,543	
Appropriations:		
Interim Dividend for the year 2025	(7,350,000)	3.50
Un appropriated profit carried forward	148,864,543	

Financial Management

Despite marked reduction in inflation, the State Bank of Pakistan adopted a cautious and measured approach toward policy rate reductions and maintained it at 11% for most of the year for macroeconomic consolidation and exchange rate stability.

Firm internal cash generation coupled with effective working capital utilization enabled timely settlement of obligations while supporting operational and strategic requirements and initiatives. The Company remained compliant with all financial covenants and regulatory requirements throughout the year. At December 31, 2025 the Company had Rs 41,697 million (2024: Rs 41,038 million) unutilized borrowing limits from financial institutions.

Taking advantage of its highly favorable gearing position, the Company is investing in a number of diversification and business expansion initiatives in order to provide maximum returns to its stakeholders.

Financial Highlights

Key consolidated operating and financial data of previous years is annexed with this annual report on pages 66 to 71.

Auditors' Report on the Financial Statements

The Company's external auditors, M/s Yousuf Adil, Chartered Accountants, have issued an unqualified opinion on the Company's separate and consolidated financial statements for the year ended December 31, 2025, which comprise of the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

The Auditors' Reports on separate and consolidated financial statements can be found on pages 189 and 263 of the Annual Report respectively.

Contribution to National Exchequer

Being a responsible corporate citizen of the country, the Company continues to contribute heavily towards the National Exchequer. An amount of Rs 63,909 million (2024: Rs 62,342 million) was contributed during the year in respect of duties, taxes and levies.

Statement as to the Value of Investment of Provident Fund

The value of the investment of the provident fund is Rs 5,777 million. The figures are unaudited for the year under review.

Future Outlook

Supported by reforms under the International Monetary Fund (IMF) program and prudent policy measures by the State Bank of Pakistan, the economy is projected to grow in the range of 3–4% in 2026, laying the foundation for more sustainable medium-term growth. Inflation is expected to remain contained within the 5–7% range, supported by easing commodity prices and disciplined monetary management. While energy pricing reforms and external factors may create short-term pressures, overall price stability is anticipated to improve compared to prior years.

The fiscal position is likely to strengthen further through tax reforms, subsidy rationalization, digitization initiatives and continued structural adjustments. The external account is expected to remain manageable, supported by remittance inflows and controlled import growth. However, climate-related disruptions—particularly affecting agriculture—elevated public debt levels, potential delays in structural reform implementation, and geopolitical uncertainty remain key downside risks.

The recent escalation in geopolitical tensions and ongoing regional conflicts have heightened global uncertainty, disrupted supply chains, and contributed to volatility in energy and commodity markets, which could exert renewed pressure on import costs, exchange rates, and investor sentiment. Prolonged conflicts can dampen export demand, constrain external financing flows, and slow the pace of recovery, thereby posing challenges to medium-term growth prospects.

We look forward to another promising year for the Company due to the availability of healthy volumes and robust investment strategies put in place to ensure continued sustainable growth. With the perennial issue of availability of a key raw material - Natural gas – addressed by the Government of Pakistan and satisfactory progress of the gas pressure enhancement project in collaboration with Mari Energies Limited and other fertilizer manufacturers, the Company is poised to deliver full potential of all of its fertilizer manufacturing units and play its role in ensuring the national food security by providing our farmers with high quality plant nutrients to maximize crop yields while minimizing environmental impact.

The Company is actively working on the creation of avenues for indigenous sourcing of raw materials and development of in-house capability for fabrication of numerous items of stores and spares in order to achieve self-reliance and reduce import dependency.

The Company will continue to play a vital role in the economic well-being of the country by actively creating and participating in numerous investment opportunities including aviation, large scale mining, real estate, oil and gas exploration, corporate farming and the financial sector to further solidify and strengthen its financial position to maximize the returns to its stakeholders.

Code of Corporate Governance

The Board and Management are committed to ensuring that the requirements of the Code of Corporate Governance are fully met. The Company has adopted good Corporate Governance practices with an aim to enhance the accuracy, comprehensiveness, and transparency of financial and non-financial information. The Directors are pleased to report that:

- a) The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows, and changes in equity;
- b) Proper books of account of the Company have been maintained;
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment;

Directors' Report cont'd

- d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements;
- e) The system of internal control is sound in design and has been effectively implemented and monitored;
- f) There is no material departure from the best practices of corporate governance, as detailed in the Listing Regulations; and
- g) There are no significant doubts upon the Company's ability to continue as a going concern.

Changes in the Board

During the year under review, there has been no change in the Board members. The names of members of the Board are as follows:

i. Mr. Arif Habib	Non-Executive Director
ii. Mr. Fawad Ahmed Mukhtar	Executive Director
iii. Mr. Fazal Ahmed Sheikh	Executive Director
iv. Mr. Faisal Ahmed Mukhtar	Non-Executive Director
v. Mr. Muhammad Kashif Habib	Non-Executive Director
vi. Mrs. Julie Jannerup	Non-Executive/ Independent Director
vii. Mr. Tariq Jamali	Non-Executive/ Independent Director

Directors' Remuneration

In compliance with regulatory requirements, a transparent and formal process has been established for ascertaining the remuneration of the Directors. All non-executive and independent Directors of the Company are entitled to remuneration for attending Board and Audit Committee meetings along with reimbursement of expenses incurred in connection with these meetings. Any Director who serves on the Committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the statutory duties of a Director, may be paid such remuneration by way of salary, allowances, facilities, perquisites, etc., as the Board may determine. Details of the remuneration paid to executive and non-executive directors during the year are given in note 43 & 44 of the consolidated and standalone financial statements respectively.

Changes in the Audit Committee

During the year under review, there has been no change in the audit committee members. The names of members of audit committee are as follows:

1. Mr. Tariq Jamali	Chairman
2. Mr. Muhammad Kashif Habib	Member
3. Mr. Faisal Ahmed Mukhtar	Member
4. Mrs. Julie Jannerup	Member

Changes in the Human Resource and Remuneration Committee

During the year under review, there has been no change in the human resource and remuneration committee members. The names of members of Human Resource and Remuneration Committee are as follows:

1. Mrs. Julie Jannerup	Chairperson
2. Mr. Muhammad Kashif Habib	Member
3. Mr. Fawad Ahmed Mukhtar	Member

Changes in Nomination and Risk Management Committee

During the year under review, there has been no change in the Nomination and Risk Management Committee members. The names of members of the Nomination and Risk Management Committee are:

1. Mr. Fazal Ahmed Sheikh	Chairman
2. Mr. Muhammad Kashif Habib	Member
3. Mr. Tariq Jamali	Member

Board and Committees' Meetings and Attendance

During the year under review, five meetings of the Board of Directors and four meetings of Audit Committee and one meeting of HR Committee were held from January 01, 2025 to December 31, 2025. The attendance of the Board and Audit Committee and HR Committee members was as follows:

Name of Director	Board Meetings	Audit Committee Meetings	HR & Remuneration Committee Meeting
Mr. Arif Habib	5	N/A	N/A
Mr. Fawad Ahmed Mukhtar	5	N/A	1
Mr. Fazal Ahmed Sheikh	4	N/A	N/A
Mr. Faisal Ahmed Mukhtar	1	0	N/A
Mr. Muhammad Kashif Habib	4	3	1
Mrs. Julie Jannerup	5	4	1
Mr. Tariq Jamali	5	3	N/A

Leave of absence was granted to the members not attending the Board and Committee meetings.

Trading in Shares of the Company by Directors and Executives

Name	No. of shares	Nature of Transaction
Mohammad Abad Khan	250,000	Sell
Abid Ali	9,000	Buy
Abid Ali	9,000	Sell
Rizwan Malik	200	Buy
Rizwan Malik	200	Sell
Muhammad Saqib Khan	1,000	Buy
Aitzaz Khalid	100	Buy
Muhammad Shayan	2,200	Buy
Sardar Sikandar Ali Khan	5,030	Buy
Waqas Akbar	100	Buy
Tofique Ahmed	1,000	Sell

Threshold for Trade in Shares

The Board of Directors, pursuant to Rule 5.6.4 of the Rule Book of the Pakistan Stock Exchange Limited, has approved the threshold for employees of the Company (other than the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary, by whatever name called) to be categorized as "Executives" for the purpose of reporting trading in shares of the Company.

Accordingly, employees in grade M.12 (equivalent to Department Manager) and above are classified as "Executives" and are required to comply with the applicable requirements relating to reporting and

disclosure of trading in the shares of the Company in accordance with the relevant regulatory framework.

Corporate Briefing Session

In compliance with the requirements of the Pakistan Stock Exchange, the Company conducted one (1) Corporate Briefing Session during the financial year.

The Corporate Briefing Session was held on December 24, 2025, and was presented by the Chief Operating Officer and Chief Financial Officer, wherein the Company's financial performance, operational highlights and future outlook were shared with analysts, investors and other stakeholders.

Pattern of Shareholding

The pattern of shareholding and categories of shareholders as of December 31, 2025, as required under the Pakistan Stock Exchange Regulations, have been annexed herewith along with the Proxy Form.

Code of Conduct

As per the Corporate Governance guidelines, the Company has prepared a Code of Conduct and communicated these throughout the Company, as well as placing it on the Company's website.

Credit Ratings

Pakistan Credit Rating Agency and VIS Credit Rating Company Limited have maintained the long-term entity rating of the Company at AA+ (very strong capacity for timely payment of financial commitments which is not vulnerable to foreseeable events) and short-term rating at A1+ (the highest capacity for timely repayment). The ratings reflect strong business fundamentals and sponsor strength. The rating incorporates the Company's sustained operational expansion and improvement over the past two decades, driven by strategic initiatives and continuous BMR activities thereby enhancing resilience and efficiency, supported by a sound governance framework, a strong control environment, a qualified, experienced management team driving consistent execution, significant operating capacity and a nationwide distribution network.

Related Party Transactions

To comply with the requirements of listing regulations, the Company presented all related party transactions

before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in note 42 & 41 of the separate and consolidated audited financial statements respectively.

Internal Audit

Internal Audit function is effectively operating within the framework set out in Code of Corporate Governance and the charter defined by the Audit Committee of the Board of Directors, to provide an independent and objective evaluation on the effectiveness of governance, risk management and control activities. The Internal Audit function is progressing from a conventional function into a business partner and advisory role by following a proactive approach towards effective corporate governance through risk mitigation, adding value within the business process and creating synergies at the group level. The Board relies on the inputs and recommendations of the internal audit function through its Audit Committee on the adequacy and effectiveness of internal controls in the organization and takes appropriate measures.

The function is effectively utilizing risk control matrices, to prioritize and develop its annual plan and to strengthen the internal controls through periodic reviews of all the functions / processes in the organization.

Internal Audit also emphasizes the importance of Business Continuity and completeness of Risk Control means to have seamless operations at entity level that is currently being implemented. Further, Internal Audit also ensures the implementation of Enterprise Risk Management (ERM) Framework as per COSO standards.

External Auditors

M/s Yousuf Adil, Chartered Accountants, the retiring external auditors of the Company, being eligible, offered themselves for re-appointment. The Board Audit Committee and the Board of Directors have recommended their re-appointment by the shareholders at the 23rd Annual General Meeting, as external auditors of the Company for the year ending December 31, 2026, at a fee to be mutually agreed.

Health, Safety, and Environment

Fatima's fertilizer plants continue to foster a robust and proactive safety culture, ensuring a safe and healthy

work environment for all employees and contractors. We remain firmly committed to the implementation and continual enhancement of a world-class Process Safety Management (PSM) framework.

Through sustained leadership focus and disciplined execution, the Sadiqabad, Multan and Sheikhpura plants achieved 87.9, 38.9, and 23.3 million safe man-hours, respectively. During the same period, the Total Recordable Injury Rates (TRIR) stood at 0.03, 0.11, and 0.34, respectively, reflecting our ongoing efforts to strengthen operational controls, risk management and frontline safety ownership.

Corporate HSE at Fatima plays a pivotal role in providing strategic direction, independent assurance through auditing and monitoring, and stewardship over the development and implementation of process safety standards, policies and procedures. During the year, Corporate HSE successfully conducted Risk-Based Process Safety Management (PSM) second-party audits across all fertilizer plants. In addition, Risk-Based Environmental Management System (EMS) second-party audits were carried out at each facility, reaffirming our strong commitment to environmental stewardship, regulatory compliance, and sustainable operations.

Leveraging its depth and diversity of experience, Corporate HSE actively supported plant teams during major Turnarounds, providing hands-on technical expertise and real-time guidance to site HSE departments. To sustain and further strengthen established HSE practices, Corporate HSE continues to deliver structured training programs aimed at enhancing safety culture, technical competence and leadership capability across all sites. During the year, workshops on Incident Investigation and Root Cause Analysis were conducted at multiple locations to reinforce systematic learning from events. In addition, a comprehensive Process Hazard Analysis (PHA) was facilitated at the Sadiqabad plant to proactively identify and mitigate potential risks, further strengthening process safety resilience.

Corporate HSE successfully led the ISO 45001 (Occupational Health & Safety Management System), ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System) surveillance audits for the Lahore Head Offices, ensuring continued compliance with international standards and reinforcing governance rigor.

We actively promote a strong safety culture through regular awareness sessions for Head Office employees,

covering both occupational and home safety. The safety of our workforce remains a top priority and we ensure that established safety standards are consistently implemented and strengthened across office locations.

Office safety is maintained through structured and periodic audits covering fire safety, electrical safety and general workplace safety, complemented by a structured safety talk program, emergency evacuation drills and elevator safety audits. In addition, driving safety awareness sessions were conducted in collaboration with the National Highways & Motorway Police (NH&MP), further extending our commitment to employee wellbeing beyond the workplace.

At the Sadiqabad plant, multiple comprehensive process safety studies were undertaken, including Hazard and Operability Studies (HAZOP), Quantitative Risk Assessments (QRA) and Safety Integrity Level (SIL) assessments, further strengthening the robustness of our risk management framework.

Our Process Safety Management (PSM) program was reinforced through the execution of risk-based first- and second-party audits across the site, including the Mari Gas Compression Facility. In addition, the plant successfully completed its insurance risk survey with no major non-compliances identified, while proactively recognizing opportunities to further elevate process safety standards.

The plant also achieved successful re-certification of its Integrated Management System (IMS), encompassing ISO 45001:2018 (Occupational Health & Safety Management System), ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System), reaffirming our continued commitment to operational excellence, regulatory compliance and sustainable performance.

The Sadiqabad plant presented its Emergency Preparedness Plan against assigned scenarios at the National Disaster Management Authority's (NDMA) National-Level Industrial Disaster Management Simulation Exercise, demonstrating the strength, coordination and responsiveness of its emergency management systems.

During the year, the plant conceptualized and executed a targeted safety campaign titled "Drop Prevention", addressing falling-object hazards, particularly during turnarounds and major outages. This focused initiative further strengthened risk awareness and frontline controls in high-exposure activities.

Multiple digitalization and AI-driven initiatives were implemented to enhance the effectiveness, monitoring capability and predictive strength of site safety systems, reinforcing a proactive and data-driven safety culture.

The HSE team also strengthened the emergency response framework for School and Township workers through structured training programs, awareness sessions and practical mock drills, extending preparedness beyond plant operations and into the broader community ecosystem.

At the Multan plant, bilingual Work Permit and Toolbox Talk formats, including Urdu, were developed to foster an inclusive learning environment and strengthen safety awareness across all workforce levels. This initiative enhanced communication clarity and reinforced ownership of safe work practices.

To further embed HSE culture and empower grassroots creativity, each department was assigned a dedicated month to lead a focused HSE cultural improvement campaign. This approach promoted accountability, engagement and shared ownership of safety excellence across the organization.

A week-long wellness initiative titled "Power-Up Challenge" was launched to promote a healthy and active lifestyle, encouraging employees to integrate wellbeing into their daily routines and reinforcing the connection between health, safety and performance.

An 11-day Turnaround was successfully executed while securing over 0.16 safe million man-hours. Turnaround Safety Management was further strengthened through digitalization, enabling enhanced visibility, real-time performance tracking and data-driven analysis. Additionally, a pocket-sized HSE Awareness Booklet was developed for visitors and contractor personnel, ensuring consistent communication of critical safety expectations and site requirements.

The Sheikhpura plant continued to strengthen its reputation as a safe and high-performing site for all stakeholders. In April 2025, the site organized its Annual Recognition Day to acknowledge outstanding contributions by employees in the domains of HSE, Excellence and Values & Behaviors (V&B). Awards were presented to individuals and teams demonstrating diligence in ensuring that plant operations are conducted safely, seamlessly and in the most optimized manner.

The plant achieved a significant milestone by receiving the highest rating of "Excellence Level" from the OPCW (Organization for the Prohibition of Chemical Weapons) Global Inspection Team, reflecting robust compliance, governance and operational discipline.

As a first-of-its-kind collaboration, a three-day Process Safety Management (PSM) Workshop was organized in Islamabad to strengthen process safety competencies for 53 participants from the Strategic Plans Division (SPD), contributing to broader national capability building.

At the site level, a Leadership HSE Timeout Session was conducted to drive excellence in process safety, highlighting critical leadership, system and behavioral factors that influence HSE performance. An Annual Safety Orientation Refresher Drive was also conducted for over 800 contractor personnel to reinforce site safety expectations and standards.

In addition, a comprehensive Road Safety Campaign was organized to raise awareness of road-related risks and initiate targeted risk-reduction measures. Dedicated Electrical, Mechanical and Production Safety Weeks were also conducted, featuring engaging activities aimed at deepening workforce engagement and strengthening the overall HSE culture at the plant.

Information Technology

In 2025, Fatima Fertilizer's technology landscape entered a new era driven by a bold shift toward enterprise-wide agility, a future ready and robust infrastructure, and the rise of intelligent digital ecosystems designed to power the next generation of growth. The IT function concentrated on shaping a future ready foundation, one capable of adapting instantly to evolving business demands, safeguarding operational continuity, and accelerating enterprise wide value creation through smarter, more agile digital capabilities.

Agile project practices, structured governance, and transparent performance measurement enabled IT to deliver high impact initiatives that improved operational efficiency and empowered business teams. This integrated approach ensured that technology continued to serve as a catalyst for sustainable growth and competitive advantage. Enhanced delivery practices, strengthened project oversight mechanisms, and clearer performance insights enabled IT to generate meaningful enterprise impact while equipping teams with the capabilities needed to advance strategic ambitions. This unified,

value delivery-oriented approach ensured that technology continued to propel long-term growth and reinforce the Company's position in an increasingly digital and competitive landscape.

The year also marked a significant advancement in AI driven digitalization. Intelligent automation, data powered insights, and machine learning enabled solutions were embedded into key processes, improving decision quality, optimizing resource utilization, and elevating user experience. These initiatives reflected the Company's commitment to responsible innovation and long-term digital maturity

A modernized infrastructure became the backbone of this transformation. Scalable platforms, resilient networks, and integrated data systems improved service responsiveness and ensured uninterrupted operations. These upgrades created a flexible environment capable of supporting rapid innovation and future expansion.

With threats becoming more sophisticated, cybersecurity remained a top priority and a central pillar of the technology strategy. Enhanced governance, continuous monitoring, and adaptive security controls strengthened the Company's defense posture. SOC operations, and continuous monitoring ensured comprehensive protection of critical information assets. Adaptive security controls and proactive risk management further reinforced business continuity

Sustainability and CSR Initiatives

At Fatima, we integrate sustainability and corporate social responsibility into our core business strategy, aiming to create positive social and environmental impact alongside economic growth. Our CSR efforts are aligned with global frameworks including UN Sustainable Development Goals (SDGs). Our sustainability and CSR work demonstrates a multifaceted approach improving healthcare access and medical support, advancing education and skill development across age groups and promoting environmental safety and sustainable agriculture, aligned with global goals.



Human Resource Management and Employees Relations

Fatima Fertilizer's Human Resources function remains a strategic enabler of long-term value creation, aligning talent, leadership capability, and organizational culture with the Group's growth agenda. In 2025, we strengthened succession depth, leadership continuity, and workforce agility to ensure business resilience in a dynamic operating environment.

Through structured succession planning, merit-based progression, and data-driven workforce analytics, we enhanced governance oversight and optimized human capital investments. Continued HR digital transformation improved operational efficiency, transparency, and compliance, reinforcing stakeholder confidence.

Leadership development and inclusive talent systems remain embedded within our operating framework, ensuring sustainable capability building and equitable access to opportunity. By institutionalizing a high-performance, future-ready workforce, Fatima Fertilizer continues to support strategic expansion and deliver sustained value to shareholders and stakeholders alike.

Acknowledgments

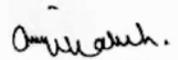
The Board places on record its gratitude for the hard work and dedication of every employee of the Company. The Board also appreciates and acknowledges the assistance, guidance, and cooperation of all stakeholders including the Government of Pakistan, financial institutions, commercial banks, business associates, customers, and all others whose efforts and contributions strengthened the Company and hope that same spirit will prevail in the future as well.

For and on behalf of the Board



Fawad Ahmed Mukhtar

Chief Executive Officer



Arif Habib

Chairman

Lahore
March 06, 2026



لیڈر شپ ڈولپمنٹ اور جامع ٹینٹ سسٹمز ہمارے آپریشنز فریم ورک کا لازمی جزو رہتے ہیں اور یہ پائیدار صلاحیتوں میں اضافہ اور مساوی مواقعوں تک رسائی یقینی بناتے ہیں۔ اعلیٰ کارکردگی، مستحکم کیلئے تیار افرادی قوت کو اپنی طاقت بنا کر فخر فرمایا، نرسٹو ٹیکنیک توسیع کی معاونت کر رہی ہے اور اس سے ٹینکر ہولڈرز اور اسٹیک ہولڈرز کیلئے کھاساں قدر یقینی ہوتی ہے۔

مستقبل کا نظریہ نظر:

بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) پر گرام کے تحت اصلاحات اور اسٹیٹ بینک آف پاکستان کی تیار پالیسی کے اقدامات کے ذریعے سال 2026 میں معاشی ترقی کی شرح 4-3 فیصد رہنے کی توقع ہے، جو زیادہ مضبوط معیاریہ-نرم گرتھ کی بنیاد رکھے گی۔ اجلاس کی تجویزوں میں کمی اور نظم و ضبط پر مبنی مالیاتی انتظام سے افراط زر کی شرح 7-5 فیصد رہے گی۔ اگرچہ توانائی کی قیمتوں پر اصلاحات اور زرعی عوامل کی وجہ سے اس پر کچھ عرصہ دباؤ آسکتا ہے، تاہم گزشتہ سال کے مقابلہ میں مجموعی استحکام میں بہتری کی توقع ہے۔

تعمیرات اصلاحات، سہولتی کی معقولیت، ڈیجیٹائزیشن کے اقدامات اور تسلسل کے ساتھ ڈھانچہ جاتی ایڈجسٹمنٹ کے ذریعے مالیاتی پوزیشن مزید مضبوط ہونے کا امکان ہے۔ ترسیلات زر کی آمد اور کٹروال شدہ درآمدی ترقی کے تعاون سے بیرونی اکاؤنٹ قابل انتظام رہے گا۔ تاہم موسمیاتی رکاوٹیں ذرا صحت کو متاثر کر رہی ہیں۔ عوامی قرضوں میں اضافہ ادارہ جاتی اصلاحات کے نفاذ میں ٹھیک تاخیر اور غیر یقینی صورتحال نمایاں ترقی طفرات ہیں۔

موجودہ غیر یقینی کیفیت کی اور جاری علاقائی تنازعات نے عالمی غیر یقینیت میں اضافہ دیکھا جیمن میں غلط اور توانائی و اجناس کی منڈیوں میں آمار چڑھاؤ میں حصہ ڈالا ہے، جس سے درآمدی لاگت، شرح مبادلہ اور سرمایہ کاروں کی سوچی پرازم نو ہوا دیکھا جاتا ہے۔ طویل تنازعات برآمدی طلب میں کمی، بیرونی مالیاتی قوتوں میں رکاوٹ اور بنیادی کی رفتار درست کر سکتے ہیں، جس سے درمیانی مدت کی ترقی کے امکانات کیلئے چیلنجز پیدا ہو سکتے ہیں۔

ہم اچھے حجم کی دستیابی اور دریا ترقی یقینی بنانے کیلئے سرمایہ کاری کی مضبوط حکمت عملیوں کی بدولت کبھی کیلئے ایک اور امید افزا سال کے منتظر ہیں۔ حکومت پاکستان کی جانب سے ایک اہم خام مال۔ قدرتی گیس کی فراہمی کے سدباب مسئلے کے حل اور ماڈرن انرجی سولوشنز اور دیگر کھار تیار کرنے والے اداروں کے تعاون سے گیس پر بیشر میں اضافہ کے منصوبہ پر عملی پیش پیش رفت کی بدولت کبھی کھلو تیار کیلئے تمام پائپس کی صلاحیتیں بروئے کار لانے اور ہمارے کسانوں کیلئے اعلیٰ نفاذیت کی حامل فصلوں کی تیار سے بیشر نوڈ سکیورٹی کی یقینی دہانی میں اپنا کردار ادا کر رہی ہے تاکہ باہمیاتی اثرات کو کم کر کے زیادہ سے زیادہ پیداوار حاصل کی جاسکے۔

کبھی خود انحصاری کے فروغ اور درآمدات پر انحصار کم کرنے کیلئے تمام ماں کی مقامی سطح پر دستیابی اور سٹورز اور اسپتیرز کی آمدوں ملک تیار کیلئے اپنی صلاحیتیں استعمال میں لانے کیلئے سرگرم ہے۔

کبھی ایوی ایشن، بڑے پیمانے پر کان کنی، ریل اسٹیٹ، ٹیلنگس کی تلاش، کارپوریٹ فارمنگ اور مالیاتی شعبے سمیت سرمایہ کاری کے متعدد مواقعوں کی تشکیل اور ان میں فعال انداز میں شمولیت اختیار کر کے ملکی معاشی ترقی میں اپنا کردار ادا کرتی رہے گی تاکہ اپنے اسٹیک ہولڈرز کیلئے زیادہ سے زیادہ منافع یقینی بنا کر کبھی کی مالی پوزیشن میں استحکام اور مضبوطی عمل میں لائی جاسکے۔

اگلا رنگ:

یورڈ کبھی کے کاروبار کی انتھک محنت اور گمن پر آئیں خراج تحسین پیش کرتا ہے۔ اس کے ساتھ ساتھ یورڈ حکومت پاکستان، مالیاتی اداروں، فنی ٹیکنوں، کاروباری شراکت داروں، سفارتوں اور دیگر تمام اسٹیک ہولڈرز کے تعاون، براہمنائی اور معاونت کو سراہتا ہے۔ جانشینان کی کاوشیں کبھی کے استحکام کیلئے بہترین رہی ہیں اور مستقبل میں ان سے اسی جذبے کی توقع ہے۔

بگم بورڈ

فواد احمد خان
چند روز قبل
لاہور، 06 مارچ 2026

عارف صبیح

کئی کی بنیادی اقدام میں ایچ ایس ای سب سے اہم ہے۔ کئی کی اپنے ملازمین کو کام کی جگہ پر محفوظ ماحول اور صحت کی فراہمی کے پختہ عزم کی بدولت جیوں فریلازہ پائٹس پر مشتمل 150+ مشینری سیف لیٹن میں آڈیٹنگ کامیابی ممکن ہوئی اور مجموعی ریکارڈ اعلیٰ انگری کی شرح 0.48 ریکارڈ کی گئی۔

حصص اور تخصیص:

بورا آف ڈائریکٹرز نے مورچہ 06 مارچ 2026 کو منعقدہ اجلاس میں 2.5 روپے فی شیئر (جو کہ 25 فیصد ہے) کے حقیقی نقد حصص کی تجویز دی ہے جو کہ مورچہ 17 اپریل 2026 کو منعقد ہونے والے سالانہ اجلاس عام میں ممبران کی منظوری کیلئے پیش کیا جائے گا۔ پچھلے سے 17.350 روپے فی شیئر (جو کہ 35 فیصد ہے) کے عبوری حصص کے علاوہ ہے۔ مالی شخصیات اس تجویز کو وہ حصص کو نظر نہیں کرتیں۔

تخصیص

تخصیص	ملاوے	ملاوے
غیر تخصیص شدہ ملاوے آڈیٹنگ	123,169,019	
حقیقی حصص ملاوے سال 2024	(8,925,000)	4.25
سالانہ ملاوے ملاوے	42,059,025	(20.03)
دیگر ملاوے	(88,501)	
تخصیص کیلئے دستیاب ملاوے	156,214,543	
تخصیص		
عبوری ملاوے سال 2025	(7,350,000)	3.50
آڈیٹنگ غیر تخصیص شدہ ملاوے	148,864,543	

قومی خزانہ میں حصہ داری:

ملک کا ایک ذمہ دار کارپوریٹ ادارہ ہونے کے ناطے کئی ملکی خزانے میں نمایاں حصہ ڈال رہی ہے۔ مذکورہ سال کے دوران ڈیولپمنٹ بینکس اور لیویز کی مدد میں 63,909 ملین روپے (سال 2024 کے دوران 62,342 ملین روپے) کو ادا کیے گئے۔

صحت، حفاظت اور ماحول:

فاطیہ گروپ کے فریلازہ پائٹس ایک جامع اور فعال ایچ ایس ای گورننس ڈیسک سے ہے جس میں تمام ملازمین اور مٹھی داروں کیلئے کام کی جگہ پر محفوظ اور صحت مند ماحول یقینی بناتے ہیں۔ ہم ایک بین الاقوامی معیار کے پاس ایچ ایس ای ایچ ایس ای (ایچ ایس ای) گورننس ڈیسک کے نفاذ اور اس میں مسلسل اضافہ کیلئے عمل پر عزم ہیں۔

ایڈریشن کی بھرپور توجہ اور عزم مضبوطی پر عمل جیوا کو تصدیق آباد، ملتان اور شیخوپورہ پائٹس نے بائرنس 38.9، 87.9 اور 23.3 ملین محفوظ میں آڈیٹنگ میں ملے۔ اس دوران مجموعی ریکارڈ کی گئی انگریز کی شرح بائرنس 0.03، 0.11 اور 0.34 رہی، جو آپریشنل کنٹرول، رسک مینجمنٹ اور فرنٹ لائن ایچ ایس ای کو مضبوط بنانے کیلئے ہماری ملکی کاوشوں کی عکاسی کرتی ہے۔

فاطیہ گروپ میں ایچ ایس ای سٹرٹجک سمت کے یقین، آڈیٹنگ اور مانیٹرنگ کے ذریعے خود بخاری کی یقین دہانی اور پائٹس سختی معیارات، پالیسیوں اور طریقہ کار کی تیاری اور نفاذ میں کلیدی کردار ادا کرتا ہے۔ سال کے دوران کارپوریٹ HSE نے تمام فریلازہ پائٹس میں رسک مینجمنٹ پائٹس ایچ ایس ای ایچ ای (PSM) ایچ ایس ای آڈیٹنگ کا کامیابی سے انعقاد یقینی بنایا ہے۔ اس کے علاوہ ہر پلانٹ پر رسک مینجمنٹ اور ایچ ایس ای ایچ ای (EMS) ایچ ایس ای آڈیٹنگ کیلئے ہے، جو ماحولیاتی ذمہ داری قواعد و ضوابط پر عملدرآمد اور پائٹس آڈیٹنگ کیلئے ہماری بھرپور مہم کو عکاسی کا ہر کرتے ہیں۔

پائیداری اور ایس ایس آر کے اقدامات:

فاطیہ گروپ میں پائیداری اور کارپوریٹ سوشل ریسپانسیبلٹی (CSR) کو اپنی بنیادی کاروباری حکمت عملی میں ضم کر کے اقتصادی ترقی کے ساتھ ساتھ مثبت سماجی اور ماحولیاتی اثرات پیدا کر رہے ہیں۔ ہماری ایس ایس آر کی کاوشیں عالمی فریم ورکس بشمول اقوام متحدہ کے پائیدار ترقیاتی اہداف (SDGs) کے متناسب ہیں۔ ہمارا پائیداری اور CSR کی کاوشیں عالمی اہداف کے مطابق صحت کی سہولیات تک رسائی اور طبی امداد کی بھری مختلف عمر کے گروہوں میں تعمیر اور بہتر نکھار اور ماحول کے تحفظ اور پائیدار ذمہ داری کے فروغ پر مبنی ایک کلیدی ترقی نقطہ نظر کو ظاہر کرتی ہیں۔

بیومن ریسورس مینجمنٹ اور ایمپلائمنٹ ریٹینشن:

فاطیہ فریلازہ پائٹس میں ریسورس مینجمنٹ گروپ کی ترقی کے ایجنڈا کے ساتھ ملوث مدتی قدر کی تخلیق، اجرا، قائم رکھنا اور ادارہ جاتی گھمکی ہم آہنگی کیلئے سٹرٹجیک فعالیت ظاہر کرتا ہے۔ سال 2025 کے دوران ہم نے تحریک کاروباری ماحول میں کاروباری استحکام کیلئے گہرائی، قیادت کے تسلسل اور افرادی قوت کی بہتری کا عمل جاری رکھا۔

منظم منصوبہ بندی، ہجرت پر مبنی ترقی اور ڈیٹا پر مبنی افرادی قوت کے تجزیات کے ذریعے ہم نے گورننس کی گہرائی میں اضافہ اور بیومن کیٹل میں سرمایہ کاری کو بہتر بنایا۔ بیومن ریسورس کی ڈیجیٹل لڑائی مشن کے تسلسل نے کاروباری استحکام، سلاطیت اور عملدرآمد کو بہتر بنایا اور اسٹیک ہولڈرز کے ماحول میں اضافہ یقینی بنایا۔

مالی جھلکیاں

2023	2024		2025		آئین
	لکھ روپے	فیصد	لکھ روپے	فیصد	
	235,423		266,920		278,177
31.8	74,183	36.7	91,817	34.2	94,424
26.3	66,519	31.6	81,165	31.0	88,273
20.8	48,896	24.5	62,834	24.8	68,343
9.8	23,008	14.2	36,395	15.2	42,059
10.96		17.33		20.03	

خود مختار نتائج:

کمپنی نے اپنا شیڈولہ اور مٹان پلانٹ اپنی مکمل ملکیٹی آئی سی اینیٹس فائبر فرٹ لیمٹڈ اور پاک عرب فریٹ لیمٹڈ سے بالترتیب 01 جولائی 2024 اور 01 جنوری 2025 سے الگ کر دیا ہے۔ جبکہ ایکویٹی مارکیٹ میں کمپنی کا سرمایہ کاری کا پورٹ فولیو 01 جولائی 2025 سے غیر معمولی اجلاس عام میں شیئر ہولڈرز کی منظوری کے بعد ایک مکمل ملکیٹی آئی سی اینیٹس فائبر فرٹ لیمٹڈ کو منتقل کر دیا گیا ہے۔

نتیجہ زیر جائزہ سال کیلئے خود مختار گوشوارے بنیادی طور پر صادق آباد پلانٹ کے نتائج مع مٹان پلانٹ کی ایسی انویسٹری کی سٹراٹجی کو نظر کرتے ہیں۔

مالی جھلکیاں - خود مختار

2023	2024		2025		آئین
	لکھ روپے	فیصد	لکھ روپے	فیصد	
	232,756		238,422		170,058
31.1	72,409	36.7	87,503	41.9	71,355
27.9	65,050	26.2	48,198	39.7	67,473
20.8	47,744	25.4	60,556	29.7	50,439
9.6	22,395	14.7	34,363	17.9	30,408
10.67		16.66		14.51	

آپریٹنگ کارکردگی:

تمام پلانٹس نے حدودی صلاحیتوں کے ساتھ مجموعی طور پر 2,856 ملین میٹرک ٹن کی بلند ترین پیداوار ممکن بنائی۔ تمام پلانٹس نے عالمی معیار کے مطابق اپنے مقررہ اہداف سے تہاؤ ڈ کیا۔ یہ کامیابی منجولہ کاروباری نظم و ضبط، موثر ویکہ بحال کی منصوبہ بندی اور انتہائی پر عزم افراد قوت کی تربیت پر ہے۔ پیداوار، پائیداری اور HSE ایسی لینس پر مشتمل کو توجہ دینے کے امور کی ذمہ داریاں اور پائیدار امتداد میں انتہائی عزم کی عکاسی کرتی ہے۔

نتیجہ، کمپنی کا مجموعی نتائج 94,424 ملین روپے تک پہنچ گیا، جو گزشتہ سال کے 91,817 ملین روپے سے 3 فیصد زیادہ ہے۔

بنیادی طور پر سال کے دوران انویسٹری اور لروہت کے حجم میں اضافہ کے ساتھ نقل و حمل کے اخراجات بڑھنے سے ایشیائی پورٹس کے اخراجات میں 20 فیصد اضافہ ہوا، جبکہ انتظامی اخراجات میں گزشتہ سال کے مقابلہ میں 6 فیصد کا معمولی اضافہ دیکھنے میں آیا۔

نتیجہ آپریٹنگ کا نتائج 66,080 ملین روپے رہا جو کہ گزشتہ سال کے 66,973 ملین روپے سے 1 فیصد کم ہے۔

گزشتہ سال کے مقابلہ میں مجموعی مالی لاگت میں 56 فیصد اضافہ ہوا، جہاں مالیاتی مواد کو برہنہ کار لانے سے طویل مدتی قرضوں پر لاگت میں 68 فیصد اضافہ ہوا، جبکہ ورکنگ کپٹل کے زیادہ استعمال کے ذریعے قرض لینے کی شرح میں کمی کی بدولت قلیل مدتی قرضوں اور دیگر کی لاگت میں 43 فیصد تک اضافہ ہوا۔

جبکہ دیگر آپریٹنگ اخراجات براہ راست امور انویسٹمنٹ کی بلنگ، پلانٹ کی خرابی اور دیگر عوامل کی وجہ سے 46 فیصد تک کم رہے۔

نتیجہ، سال کیلئے آپریٹنگ نتائج 2 فیصد زیادہ کر 52,321 ملین روپے ہو گیا جو کہ گزشتہ سال 51,117 ملین روپے تھا۔

دیگر آمدن میں بنیادی طور پر قلیل مدتی سرمایہ کاری بالخصوص لٹھ سٹیج ریٹیز سے حاصل ہونے والی نتائج اور ڈیویڈنڈز کی وصولی سے 30 فیصد اضافہ ہوا، جو کہ اضافی فنڈز کے موثر خریداری ٹینجمنٹ کی عکاسی ہے۔

اس کی بدولت ایس این ایچس نتائج 10 فیصد اضافہ کے ساتھ 68,343 ملین روپے تک جا پہنچا جو کہ گزشتہ سال 62,834 ملین روپے تھا۔ لاگو ایچس شرح میں 42 فیصد سے 38 فیصد تک کمی سے بعد ایچس نتائج میں 16 فیصد اضافہ ہوا جو کہ گزشتہ سال کے 36,395 ملین روپے کے مقابلے میں اس سال 42,059 ملین روپے رہا۔ فی فی حصص آمدنی اسی شرح کے ساتھ گزشتہ سال کے 17.33 فیصد سے زیادہ 20.03 روپے فی حصص ہو گئی۔

2025 تک اپنی کیلئے ایک اہم سال تھا کیونکہ اس میں مختلف ری اسٹرکچرنگ اور کاروباری حوالے کے اقدامات کو عملی جامہ پہنایا گیا، جبکہ کئی دیگر عملی کے مختلف مراحل تک پہنچانے گئے۔ Complementary avenues کو تیسری ذمہ داری دے کر ایک وقت اپنی بنیادی ملازمتوں میں تقویت کے ذریعے ہم نے پائیدار ترقی اور اسٹیک ہولڈر کیلئے قدر میں اضافہ کی خاطر ایک مضبوط بنیاد رکھی۔ سال کے دوران مکمل کیے گئے اہم منصوبہ جات اور اقدامات درج ذیل ہیں: کینیڈا کے مٹان پلانٹ سے متعلقہ خاص اجازتوں کو اس کی مکمل ملکیتی ذیلی کینیڈا پاک سرب فریڈائزر لیٹیز کو منتقل کرنے کی سیم 01 جنوری 2025 کو اور ہائیڈروٹ سے منظوری کے بعد نافذ عمل ہو چکی ہے۔

انجینیئر مارکٹ میں کینیڈا انوسٹمنٹ رپورٹ فریڈ غیر معمولی اجلاس عام میں شیئر ہولڈرز کی منظوری کے بعد 01 اپریل 2025 سے مکمل ملکیتی ذیلی ادارہ فائلر کینیڈا لیٹیز کیلئے تیار کر دیا گیا ہے۔ یہ اقدامات شیئر ہولڈرز کیلئے شخص اور توجہ پر مبنی انتظام کے ذریعے بہتر نتائج کے ساتھ ترقی کے مزید مواقع فراہم کریں گے جبکہ اس کینیڈا کے آپریٹنگ پلانٹ کو فٹری صلاحیت میں تعمیر کا موقع بھی ملے گا۔ اگلی اور جامع مالی گوشواروں کے نوٹ 19.2 اور 19.3 کا قیام اور واجبات کی متعلقہ تصدیقات پر مشتمل ہیں۔

کینیڈا نے مارکٹ میں کارپوریٹن لیٹیز کی ذمہ داری سنبھالنے کے حصر ہونے کے اگلے پاکستان انویسٹمنٹ ایڈوائزنگ کارپوریشن لیٹیز کی جگہ کی بولی میں حصہ لیا۔ اس بولی میں سنبھالنے کو سب سے زیادہ بولی دہندہ قرار دیا گیا اور 29 جنوری 2026 کو حکومت پاکستان کے ساتھ حصص کی خرید و فروخت کا معاہدہ عمل میں آیا جس میں PIACL کے حصص کینیڈا 75 لاکھ مجموعی 135,000 ملین روپے کے عوض حاصل کیا گیا اور بقیہ 25 لاکھ شیئر کینیڈا سالانہ 12 فیصد کے پریمیم کے ساتھ 45,000 ملین روپے کے عوض حاصل کرنے کا اختیار استعمال کرنے کا ادارہ بھی ظاہر کیا گیا۔

بڑے پیمانے کی کان کنی میں Globacore Minerals Limited (Globacore)، جس میں کینیڈا 32 فیصد اور بھارتی اسٹیٹ کی مال ہے، شائع پائی، بلوچستان میں واقع معدنیات کی تلاش میں EL-322 اور IEL-323 اسٹریک کے 49 فیصد ورکنگ انٹرسٹ کے Globacore کو سنبھالنے کیلئے ماڈی مینٹری (پرائیویٹ) لیٹیز کے ساتھ ایک جوائنٹ وینچر کیا گیا ہے۔ یہ سب مطلوبہ ادارہ جاتی، ریگولیٹری اور سرکاری منظوری سے مشروط ہے۔ ماڈی مینٹری اسٹریک کے آپریٹنگ کے طور پر اپنا کام جاری رکھے گی اور تلاش کی سرگرمیاں سرانجام دینے کی ذمہ دار ہوگی۔

دریں اثنا، کینیڈا ریسیورسز (پرائیویٹ) لیٹیز (NRL) ایک جوائنٹ وینچر کینیڈا سے جس میں فائلر فریڈائزر کینیڈا لیٹیز 33.33 فیصد اور بھارتی کی مال ہے، نے بلوچستان کے شائع پائی میں شخصیتیں لیز پر تازے اور سونے کی ایک اہم دریافت کی ہے۔ ایچ آر ایل نے ایک معروف ڈیپازٹ کے ساتھ

لیڈ۔ ذمہ داری شخصیتیں لیز بھی حاصل کی ہے، جہاں ایک ورکنگ اپیل فریڈائزر لیٹیز کی سرانجام دہی جا چکی ہے۔ اضافی شخصیتیں اسٹریکس حوالے بھی جاری ہے۔

تیل اور گیس کے E&P شعبوں میں فائلر فریڈائزر کینیڈا لیٹیز کی ذیلی کینیڈا فائلر ہڈیوم کینیڈا لیٹیز (FPCL) نے درج ذیل فٹن ریسٹ کی:

- 1- FPCL نے ماری انرسی اور ڈیپ ہڈیوم اور پیکل (TPOC) کے ساتھ شراکت کے ذریعے حکومت پاکستان کے ساتھ آف شور ڈیکس کے ماہدین پر عملدرآمد کیا
- 2- اس نے نیو برنٹن میں واقع پیکل ڈاک میں 25 فیصد ورکنگ انٹرسٹ (49 ورکنگ) کے حصول کیلئے Hycarbox American Energy Inc کے ساتھ لازم آؤٹ معاہدہ کیا، جو کہ ریگولیٹری کیلینڈر، مٹائی منظوری، انکوائری کر، کام اور دیگر حوالے کی کارروائیوں کی تکمیل سے مشروط ہے۔
- 3- اس نے مٹان پلانٹ کے حصول کیلئے اسٹریٹ ہڈیوم انکوائری پلانٹ (OPI) کے ساتھ لازم آؤٹ معاہدے کیے۔
 - نیو برنٹن میں واقع مٹان پلانٹ میں 25 فیصد ورکنگ انٹرسٹ
 - بلوچستان میں واقع ہائی ماڈیول ڈاک میں 24 فیصد ورکنگ انٹرسٹ
 - مٹان میں واقع ریگولیٹری پلانٹ میں 10.50 فیصد ورکنگ انٹرسٹ

مالی کارکردگی

سال کے دوران کینیڈا نے فریڈائزر کے سیکلر حجم میں گزشتہ سال کی نسبت 14 فیصد اضافہ ممکن بنایا۔ تاہم آمدن میں اضافہ بنیادی طور پر پراڈکٹس میں تبدیلی کی وجہ سے 8 فیصد تک بھدور ہے۔ فریڈائزر سیکلر کے کاروبار سے 273,686 ملین روپے کا ربح نیٹو حاصل کیا جو کہ گزشتہ سال کے 254,036 ملین روپے پر ہے۔ چیکنگ میٹریل کی فروخت سے حاصل ہونے والا ربح نیٹو مارکیٹ کی قیمت میں کمی کی وجہ سے معمولی کم ہوا۔

این پی مجموعی سیکلر میں 39 فیصد حصہ کے ساتھ سربرسٹ رہا، جبکہ یورپ اور چین نے بائرسٹریٹ 32 فیصد اور 24 فیصد کر دارا دیا گیا، جو کہ گزشتہ سال بائرسٹریٹ 45 فیصد، 30 فیصد اور 19 فیصد تھا۔ بلوچستان کی وجہ سے ڈی اے پی کے سیکلر حجم میں 36 فیصد کمی ہوئی جس سے سیکلر ربح نیٹو میں اس کا حصہ 4 فیصد سے کم ہو کر 3 فیصد تک ہو گیا۔ بقیہ ربح نیٹو چیکنگ میٹریل اور ڈی اے پی اڈکس سے حاصل ہوا۔

زیادہ حجم اور افزائش ربحیے حوالے کی وجہ سے اپنی تیار کردہ کھادوں کی مشترکہ سیکلر لاگت 17 فیصد بڑھی۔ کم حجم کی وجہ سے ڈی اے پی اور درآمدی کھاد کی فروخت لاگت میں 56 فیصد کمی اور چیکنگ میٹریل کی فروخت لاگت میں 8 فیصد کمی سے مجموعی فروخت لاگت 10 فیصد کم ہوئی۔

مقامی فریٹلائزر مارکیٹ:

اہداف پر مبنی تجارتی نکتہ عملیوں اور ان پر عملی سے مملو آمد کے ذریعے کمپنی نے اپنے مجموعی مارکیٹ شیئر میں 29.3 فیصد اضافہ کے ساتھ مجموعی طور پر 2,883 ملین فریٹلائزر ڈیلتا ٹن بنانے، جو گزشتہ سال کے مقابلہ میں 25.3 فیصد زیادہ ہے۔

کمپنی اور یورپی کی فروخت کے حجم میں گزشتہ سال کے مقابلہ میں پانچ سو 41 فیصد اور 21 فیصد اضافہ کی وجہ سے انٹرویو جن کے شعبہ کی کارکردگی مضبوط رہی اس کے برعکس شعبہ میں مجموعی سٹاک کی وجہ سے فاسٹیک کھاد کی فروخت میں 9 فیصد تک کمی واقع ہوئی۔ تاہم فاسٹیک نے فاسٹیک شعبہ میں اپنی وجہ بندی کو مستحکم کیا اور سال 2025 کے دوران کل فاسٹیک کھاد کے زمرے میں 3 فیصد مارکیٹ شیئر حاصل کیا۔

معلومات	کم (000 ڈیلتا ٹن)			
	2024	2025	2024	2025
ڈیلتا ٹن	813	756	853	878
کمپنی	679	956	855	872
دیگر	941	1,138	1,087	1,106
ڈیلتا ٹن شامل ڈیلتا ٹن	89	32	100	29
مجموعی	2522	2,883	2,895	2,885

پاکستان کے جی ڈی پی میں 24 فیصد حصہ داری کا حامل زرعی شعبہ دستی کھاد مصنوعات اور آبی دستیابی پر انحصار کرتا ہے۔ ہم حکومت کے فریٹلائزر سیکٹر کیلئے قدرتی گیس منتقلی کرنے کے بروقت فیصلہ کو سراہتے ہیں۔ اس سٹرٹجک اقدام کا متعدد قدرتی تھقلے کی یقین دہانی اور طویل مدتی اقتصادی استحکام کو تقویت دینا ہے۔ مقامی سطح پر کھاد تیار کرنے کی صلاحیت کا مکمل استعمال قابل بھروسہ مقامی کھاد کی دستیابی یقینی بنانے کے ساتھ ساتھ کاشتکاروں کو قیمتوں میں اتار چڑھاؤ سے محفوظ اور درآمدی انحصار کم کرنے میں مددگار ثابت ہوگا۔

سال کے دوران کمپنی نے نہ صرف ذاتی بلکہ آئی ایف سی کے ساتھ سالانہ 60 ملین امریکی ڈالر کی ریڈیو ایٹل لیکویڈ پینی سہولت لاک کر کے پاکستان کے زرعی شعبہ کیلئے بھی ایک اہم سنگ میل عبور کیا۔ آئی ایف سی عالمی بینک گروپ کا رکن ہے اور ابھرتی ہوئی مارکیٹس میں نئی شعبہ پر توجہ مرکوز رکھنے والا سب سے بڑا عالمی ترقیاتی ادارہ ہے۔ ذمہ داری کی کمی اور درآمدات کی کمیٹریٹس میں تاخیر کلیدی ان چیلنجز تک رسائی میں نفل اور کھاد کی قلت کا باعث بن سکتی ہے۔ یہ انتظام پالیسی ڈی فنانسنگ تک محدود رسائی کی صورت میں ہلڈ کرٹی لیکویڈ پینی کی فراہمی سے اس جدیدہ خطرے سے نمٹنے کا قابل بھروسہ لیکویڈ پینی تک رسائی کمپنی کو کاروباری چیلنجز پر تیار رکھے، کسانوں کو ضروری نقدی باجرام کی مستحکم ترسیل یقینی بناتی ہے تاکہ پاکستان کی زرعی ترقیاتی کے مطابق قومی نقدی تھقلے کو فروغ دیا جاسکے۔

پاکستانی معیشت کیلئے ریڈیو ایٹل کی حیثیت رکھنے والے زرعی شعبہ کو سال کے دوران مشکلات کا سامنا رہا۔ فصل کا ڈیپٹی شعبہ 6.82 فیصد کمی کا شکار ہوا، جو بنیادی طور پر گندم اور کپاس جیسی بڑی فصلوں میں 13.49 فیصد کم پیداوار کے مرہون منت تھا۔ سال 2024 کے گندم کے بحران کے دور پانچ ماہوں نے سال 2025 کی پہلی ششماہی کے دوران کاشتکاروں کی لیکویڈ پینی اور قوت خرید کو نمایاں طور پر کم کر دیا۔ اس کے علاوہ اہم زرعی علاقوں میں سخت موسمی حالات اور سیلاب نے پھائی اور پیداوار میں رکاوٹ ڈالی، جس سے فارم کی آمد اور ان پٹ ڈیمانڈ میں نفل آیا۔

تاہم سال کی دوسری ششماہی میں اس شعبہ میں واضح چمک کا مظاہرہ کیا۔ کسان کارڈ پروگرام اور سود سے پاک فنانسنگ سیکسوں پر مشتمل امدادی سرکاری انٹرو وینشن نے انتہائی ضروری لیکویڈ پینی معاوضت فراہم کی اور کسان بھائیوں کا استحصال کرنے میں مدد ملی۔ نتیجتاً سال 2025 کے دوران پاکستان میں کھاد کی فروخت 9,857 ملین میٹرک ٹن تک جا پہنچی، جس میں دوسری ششماہی کے دوران طلب میں اضافے نے بھر پور کردار ادا کیا۔

صنعتی سطح پر پیریا کی قیمت 6.73 ملین میٹرک ٹن کی تاریخی سطح پر ترقی گئی جو گزشتہ سال کی 6.57 ملین میٹرک ٹن سے 2 فیصد زیادہ ہے۔ یہ موسمیاتی دوسری ششماہی میں کسانوں کے بہتر نقطہ نظر کی بدولت تھی، جو حکومتی مراعات، مصنوعات کی دستیابی اور قیمتوں میں استحکام یقینی بنانے کیلئے شعبہ جاتی اقدامات کی معاوضت پہنچی تھی۔

اس کے برعکس فاسٹیک کا شعبہ 9.4 کا کارڈ رہا، جہاں ڈی اے پی کی پیداوار سالانہ 18 کی 18 فیصد کمی کے ساتھ 9.34 ملین میٹرک ٹن تک آئی۔ یہ کمی بنیادی طور پر بین الاقوامی قیمتوں میں اضافے اور کسان کی سہما کھلائی تعاقبیت جیسے قابل توجہ وجوہات کی عکاس ہے۔

کاروباری چیلنجز اور اقدامات:

کمپنی سٹرٹجک کاروباری توسیع کے ساتھ ملٹی پائیداری کو ترجیح دیتے ہوئے پائیدار ترقی کی راہ پر مشغولی ہے گا جن میں کاروباری چیلنجز کی بدولت سال کے دوران مضبوط مالی کارکردگی کی بنیاد رکھی گئی۔

سال بھر پالیسی کے امور بہترین انداز میں جاری رہے، جس کی وجہ سے سب سے زیادہ سالانہ مجموعی پیداوار ممکن ہوئی۔ یہ کارکردگی صحت کے عالمی معیار، حفاظت اور ماحولیاتی کے معیارات کے مطابق ہماری آپریشنل استعداد اور پائیداری کے حزم کی ترجمان ہے۔ ہم مقامی ترقی کی ترویج، سماجی مساوات کے فروغ اور ملکی ترقی میں اپنی شہرہ آفاق کردار ادا کرنے والے پائیدار کاروباری طریقوں تک رسائی پر توجہ مرکوز رکھے ہوئے ہیں۔

ڈائریکٹرز رپورٹ

ڈائریکٹرز رپورٹ برائے ختم ہونے والے مالی سال 31 دسمبر 2025

اہم کمیٹی کی ڈائریکٹرز رپورٹ مع آڈٹ شدہ جامع اور اضافی اے سی ایف کے برائے سال 31 دسمبر 2025 بعد از پانچویں رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معیشت اور مارکیٹ کا جائزہ:

سال 2025 پاکستان کی نمایاں چیلنجز سے بھرپور تھا، جس میں بھارت کے ساتھ 7-10 مئی کا تنازعہ، جولائی تا ستمبر کے دوران شدید سیلاب اور موجودہ عالمی معرانی کی کاؤ شامل ہیں۔ اللہ تعالیٰ کے فضل و کرم سے پاکستان نے طویل مدتی قومی سلامتی اور استحکام میں معاہدے جینی ہائے کیلئے ایک نئے اہتمام، بہترین الاقوامی مؤقف، مضبوط سٹرٹیجک معیشت اور قومی شراکت داری سے ابھر کر اس وباؤ سے مؤثر انداز میں نرسا۔

ان مشکلات کے باوجود معیشت استحکام کی جانب گامزن رہی۔ اخراجات زبردستی سے قابو پایا گیا، زرمبادلہ کی شرح میں استحکام آیا اور معاشی سرگرمیاں مضبوط ہوئیں۔ بڑے پیمانے پر پیڑھی بچھری گئی آڈٹ پلٹ میں اضافہ، گھٹا زرعی شعبے، ترسیلات زرمیں بڑھوتری اور غیر ملکی زرمبادلہ کے ذخائر میں مسلسل اضافہ کی وجہ سے ترقی کے امکانات بہتر ہوئے۔ بیرونی قرضوں کے بوجھ میں کمی شروع ہوئی، بیرونی قرض اور سی ڈی پی کا تناسب 31 فیصد سے کم ہو کر 26 فیصد تک ہو گیا، جس سے سالانہ اضافہ کے طویل رجحان میں تبدیلی ممکن ہوئی۔ پراثری پالیسی ڈی ڈی پی کے 2.4 فیصد کے تاریخی سرچس تک پہنچنے سے مایاتی استحکام میں بھی اضافہ ہوا۔

سال کے دوران کئی اہم الاقوامی اور پالیسی ڈیٹا پبلسٹکس دیکھنے میں آئیں۔ حکومت نے ایک نئی outward-looking ٹریڈ پالیسی حصارف کردائی، جو پاکستان کو گزشتہ دو دہائیوں کے سب سے پرجوش لیورڈ ریچارجرز میں شامل کرنے کی مصلحت سے ہلا مال ہے۔ اس کے علاوہ بلوچستان میں ریگڈ ڈک کا پراڈنگولڈ پراجیکٹ کی مایاتی تکمیل ایک اہم سنگ میل کی نمائندگی ہے۔ اس منصوبہ سے سالانہ تقریباً 2.5 بلین امریکی ڈالر برآمدات کی مدد سے آمدن متوقع ہے۔ ایک اور اہم پیش رفت پاکستان انٹرنیشنل ایئر لائنز کارپوریشن لمیٹڈ (پی آئی اے سی ایل) کی چھوڑی تھی۔ طویل عرصے کی یاد الاقوامی سیاسی مداخلت اور مجموعی طور پر 2.5 بلین امریکی ڈالر سے زائد کے نقصان کے ساتھ پی آئی اے قومی خزانے پر مسلسل بوجھ رہی۔ یہ چھوڑی پالیسی میں ایک نمایاں تبدیلی کی نشاندہی ہے جو نقصانات کو کم کرنے کیلئے سیاسی طور پر سخت اصلاحات، کارکردگی میں بہتری اور تجارتی سرگرمیوں میں ریاستی مداخلت بند راج کم کرنے میں کلیدی رشا بندی کی جانب اشارہ ہے۔

پاکستان کی کپٹل مارکیٹس نے بھی سال 2025 میں غیر معمولی کارکردگی کا مظاہرہ کیا۔ کے ایس ای-100 انڈیکس 170,000 پوائنٹس کی بلند ترین سطح تک پہنچا، جو دنیا کی دلی کارکردگی کا مظاہرہ کرنے والی انڈیکسوں میں شمار ہوتی ہے۔ پی ٹیکر واکا تک کے بنیادی اصولوں اور سرمایہ کاروں کے اعتماد میں بہتری کی عکاسی کرتا ہے۔

ان پیش رفت کے نتیجے میں سال کے دوران پاکستان کی عالمی سطح پر اہمیت میں نمایاں بہتری دیکھنے میں آئی۔ جی 20 میں بین الاقوامی کریڈٹ ریٹنگ ایجنسیوں نے ملک کی خود مختار دوہہ بندی اور آڈٹ لگ کو اپ گریڈ کر کے سب سے زیادہ جائزوں میں شامل کیا۔

بین الاقوامی فریڈیا زرم مارکیٹ:

سال 2025 کا کاروباری ماحول سیلابی یعنی اتار چڑھاؤ، بلند لگتی اخراجات اور مسلسل تجارتی تقسیم کا عکاس رہا۔ قاسمیت اور بائزر و جن ٹیکسٹس میں قیمت کا تعین بڑا مدی پالیسیوں، موکی طلب اور خام مال کی لاگت میں رو ویدل پر مضمہ رہا۔

سال کی پہلی ششماہی کے دوران قاسمیت کی مارکیٹس کافی مضبوط رہیں۔ ڈی ای اے پی اور ایم اے پی کے بیٹج مارک اہدائی سال کی 600 امریکی ڈالرنی میٹرک ٹن سی ایف آئی کم سطح سے سال کے وسط تک 800-750 امریکی ڈالرنی میٹرک ٹن تک چاہیچھ، جس میں بنیادی عوامل جنوبی ایشیا، میں خریف سیزن کے دوران طلب، چینی برآمدات کی محدود دستیابی اور بیٹجے لگتی اخراجات تھے۔ قاسمیت کی قیمتیں دوسری سہ ماہی سے تیسری سہ ماہی تک مہلدار بڑھیں، جو سپلائی کی سخت صورتحال اور بلند قیمت کی جانب رجحان کی عکاس ہیں۔ پونجی سہ ماہی کے آغاز سے قاسمیت کی قیمت میں احتمال آیا، کیونکہ کلیدی درآ مددکنگان خاص طور پر بھارت نے انویٹریز اور نرم معاہدوں کے ذریعے موکی ضروریات کو کافی حد تک پوری کر لیں۔ جس سے سپائٹ مارکیٹ میں شمولیت کم ہوئی۔

اسی طرح بائزر و جن مارکیٹس بھی سپلائی میں رکاوٹوں اور تجارتی تبدیلیوں سے متاثر ہیں۔ امونیا کی قیمتیں وسط سال کی کم ترین سطح سے مضبوط انداز میں اچھیں آئیں کیونکہ مشرق وسطیٰ کے کچھ حصوں میں پیداوار اور رسد میں رکاوٹوں کی وجہ سے دستیابی مشکل ہوئی۔ یورپ کی قیمتیں سال کے آغاز میں موکی طلب کی وجہ سے مزمن برچھیں، جو سال کے وسط میں کم ہوئیں اور سال کے اختتام پر ابتدائی سطح سے معمولی اضافہ کے ساتھ برقرار ہیں۔

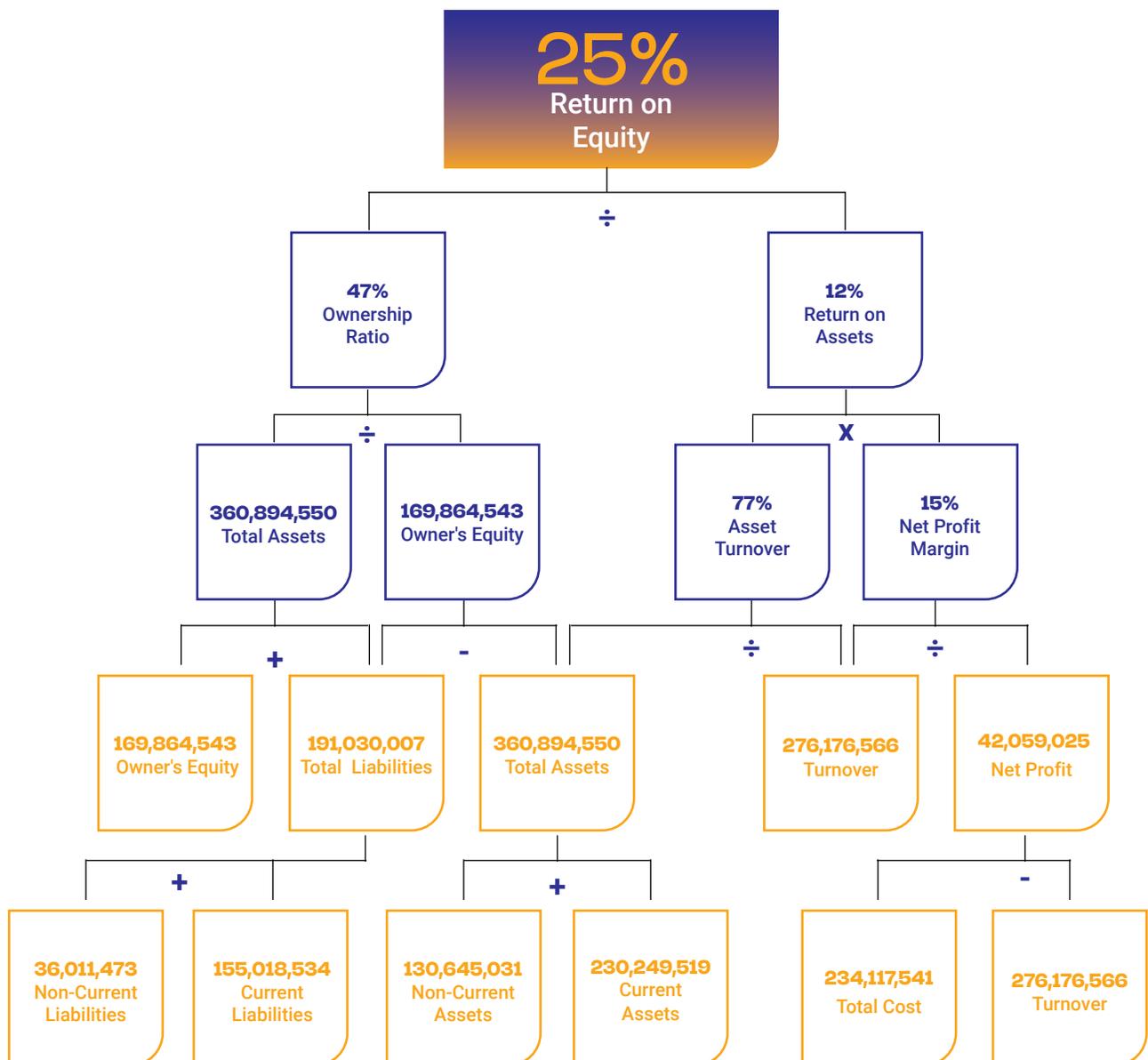
بین کارآمدی خود ساختہ شاہیلہ عالمی تجارتی براد کو متاثر کرنے والا ایک ساتھی عمل رہا۔ پہلی ششماہی کے دوران ڈی ای اے پی اور ایم اے پی کی برآمدات میں کمی نے بین الاقوامی سپلائی میں تناؤ پیدا کیا، جبکہ قاسمیت کے مقابل گریڈنگی بدھتی برآمدات نے اہم درآمدی منڈیوں میں مسابقتی تحریکات کی تکمیل کو کی۔

مجموعی طور پر سال 2025 نے رسد پر مبنی کاروباری ماحول کی عکاسی کی، جس میں تجارتی تقسیم، بلند لاگت اور دیکھا فو قتا طلب میں اضافہ شامل مال رہا۔ جبکہ دوسری ششماہی میں طلب معمول پر آنے سے تیار مصنوعات کی قیمتوں میں احتمال آیا۔ جبکہ سال 2026 کی جانب بڑھتے ہوئے خام مال کی زیادہ قیمتیں اور درآمدی رسد میں تقم و جبکہ مارکیٹ کے مضبوط ڈھانچے کی نشاندہی کرتی ہیں۔

Cash Flow Statement – Direct Method

	2025	2024
	(Rupees in thousand)	
Cash flows from operating activities		
Cash receipts from customers	264,712,404	248,094,082
Payment to suppliers	(199,180,757)	(209,002,362)
Workers Profit Participation Fund paid	(3,757,871)	(872,640)
Workers Welfare Fund paid	(1,360,360)	(1,020,553)
Finance cost paid	(8,016,516)	(3,692,087)
Taxes paid	(24,231,160)	(28,019,957)
Employee retirement benefits paid	(232,497)	(189,573)
Net cash generated from operating activities	27,933,243	5,296,910
Cash flows from investing activities		
Additions in property, plant and equipment	(8,724,802)	(9,821,480)
Additions in intangible assets	(171,225)	(41,437)
Proceeds from disposal of property, plant and equipment	96,575	50,765
Purchase of short term investments	(30,796,807)	(19,445,700)
Long term loan given to a associated company	(100,000)	-
Short term loans to associated companies - net	(946,564)	4,671,692
Purchase of long term investments	(3,303,473)	(39,932,110)
Proceeds from long term investments	-	4,017,502
Proceeds from short term investments	17,768,424	13,763,956
Profit received on loans and saving accounts	5,923,001	5,420,933
Dividend income received	2,439,607	760,844
Net increase in long term advances and deposits	(9,043,234)	(3,873,903)
Net cash used in investing activities	(26,858,498)	(44,428,938)
Cash flows from financing activities		
Proceeds from long term finances	187,447	39,159,225
Repayment of long term finances	(4,177,941)	(3,280,536)
Repayment of short term loans from related parties	-	(1,626,307)
Repayment of lease liabilities	(110,120)	(109,358)
Dividend paid	(16,255,437)	(11,535,186)
Increase / (decrease) in short term finances - net	6,581,178	2,557,277
Net cash generated from / (used in) financing activities	(13,774,873)	25,165,115
Net (decrease) / increase in cash and cash equivalents	(12,700,128)	(13,966,913)
Cash and cash equivalents at the beginning of the year	(6,741,279)	7,225,634
Cash and cash equivalents at the end of the year	(19,441,407)	(6,741,279)
Cash and cash equivalents comprises of following:		
Cash and bank balances	2,987,501	9,390,886
Running finance and musharakah	(22,428,908)	(16,132,165)
Cash and cash equivalents at the end of the year	(19,441,407)	(6,741,279)

Dupont Analysis



Analysis of Financial Performance

Equity and Reserves	
2025	2024
Rs 169,865 million	Rs 144,169 million

The consolidated equity increased by 17.82% during the year, primarily driven by the profit generated during the year, net off dividend distribution. The break-up value per share stands at Rs 80.89 (2024: Rs 68.65).

Long Term Finances	
2025	2024
Rs 40,333 million	Rs 44,153 million

Long term finances, including the current portion, decreased by 8.65% during the year. Financing obtained during the year was Rs 187 million, while repayments amounted to Rs 4,178 million. The consolidated debt equity ratio stands at 19:81 (2024: 23:77).

Short Term Finances	
2025	2024
Rs 32,393 million	Rs 19,515 million

Short term finances increased by 66% during the year, primarily to support the working capital requirements.

Property, Plant and Equipment	
2025	2024
Rs 107,156 million	Rs 110,850 million

Property, plant and equipment decreased by 3.45% during the year. Additions net of disposals during the year were Rs 8,665 million while the depreciation / provision charged during the year was Rs 12,359 million.

Long Term Investments	
2025	2024
Rs 10,748 million	Rs 41,889 million

Long Term Investments decreased by 74.34% during the year, mainly due to the reclassification of Ijarah Sukuks amounting to Rs 38,607 million from long term to short term, based on the maturity period of the investment.

Additionally, new investments in large scale mining and Real Estate among others were made during the year.

Stock in Trade	
2025	2024
Rs 64,220 million	Rs 59,785 million

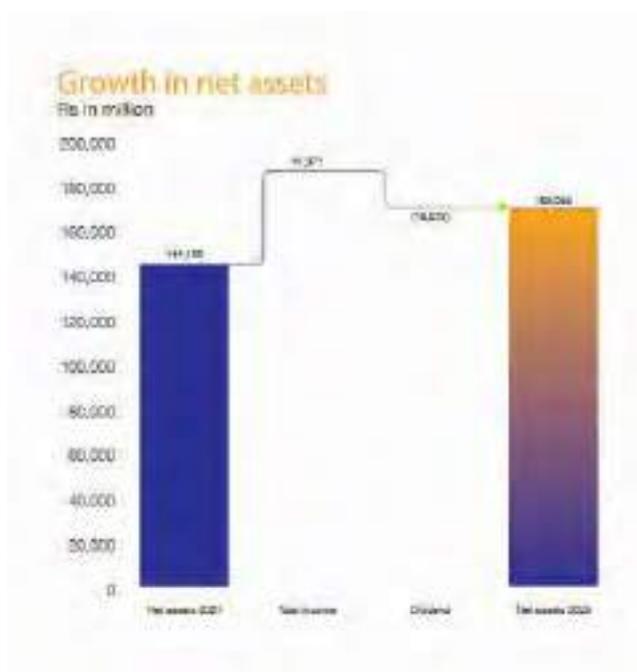
Inventory rose by 7.42% during the year, mainly driven by change in mix and inflationary impact.

Trade Debts	
2025	2024
Rs 32,270 million	Rs 18,595 million

Trade debts increased by 73.54% during the year, primarily as a result of higher sales volumes towards the year end.

Short term investments	
2025	2024
Rs 90,018 million	Rs 30,744 million

Short term investments increased by 192.80% during the year, due to the reclassification of Ijarah Sukuks from long term to short term, price appreciation of listed equity securities and additional investments in mutual funds.



Cost of Sales	
2025	2024
Rs 181,753 million	Rs 165,103 million

Cost of sales increased by 10.08% during the year. This increase was primarily attributable to higher sales volumes, offset partially by higher cost of Urea imported by NFML last year.

Distribution cost	
2025	2024
Rs 7,938 million	Rs 5,083 million

Finance cost increased by 56.18% during the year where cost on long term loans increased by 68% due to utilization of an arbitrage opportunity, while cost on short term loans and others increased by 43% owing to elevated utilization of working capital consequent to reducing borrowing rates.

Other operating expenses	
2025	2024
Rs 5,820 million	Rs 10,773 million

Other operating expenses decreased by 45.98% during the year, mainly due to a reduction in exchange loss, late payment surcharge on payables and one off impairment of brand and plant and machinery during the last year.

Other income	
2025	2024
Rs 16,192 million	Rs 12,502 million

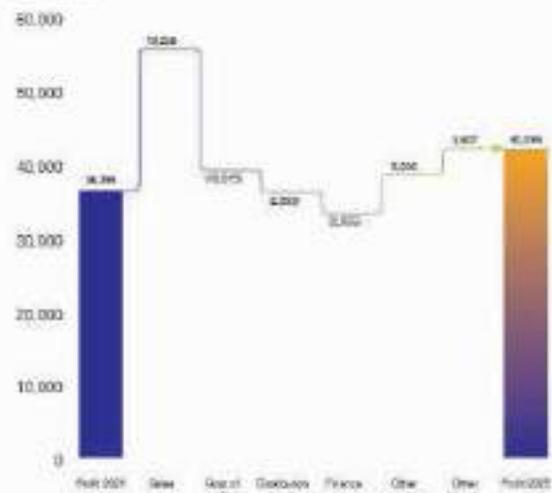
Other income increased by 29.52% during the year, primarily due to higher gain on investments resulting from an upward trend in capital market prices, along with an increase in dividend income.

Taxation	
2025	2024
Rs 26,284 million	Rs 26,439 million

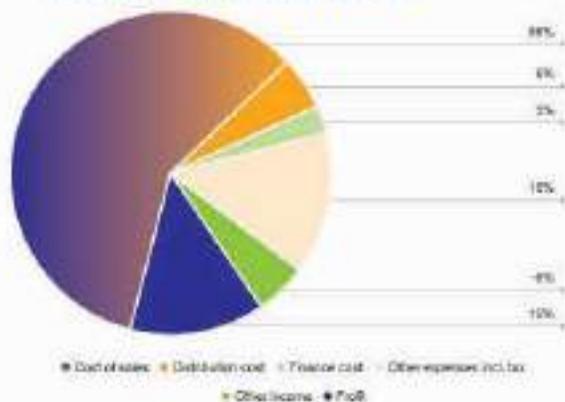
The effective tax rate has decreased from 42% to 38% during the year mainly due to increase in other income taxed at lower rate.

Profit or loss waterfall

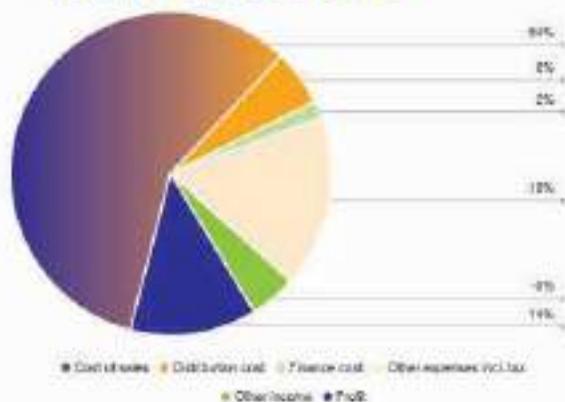
Rs in million



Income Utilization 2025



Income Utilization 2024



Key Performance Indicators

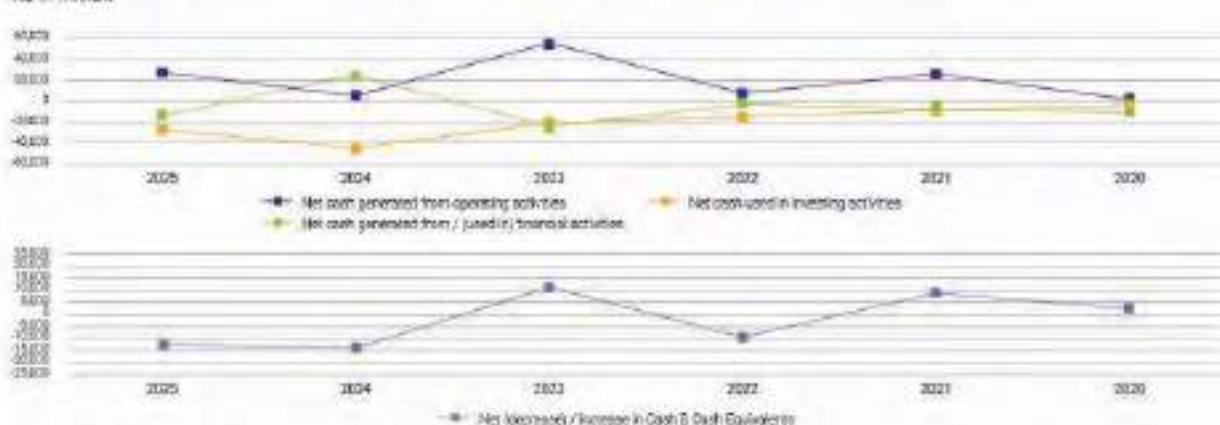
	Unit	Consolidated					
		2025	2024	2023	2022	2021	2020
PROFITABILITY							
Gross profit	%	34.19	35.74	31.51	32.98	38.30	40.40
Operating profit	%	27.62	26.71	23.30	21.76	27.26	30.44
Profit before tax	%	24.75	24.46	20.77	19.33	25.06	26.30
Net profit	%	15.23	14.17	9.77	9.21	16.42	18.63
Operating leverage	%	180.02	183.27	205.23	201.89	198.06	155.89
Return on equity / shareholders' funds	%	24.76	25.24	19.27	13.69	18.43	15.24
Return on capital employed	%	21.06	22.97	18.57	12.96	18.15	14.23
Return on total assets	%	11.65	11.49	9.84	6.30	9.99	8.43
EBIT	Rs in M	76,281	67,916	53,798	34,340	30,191	22,212
EBITDA	Rs in M	88,273	81,165	66,519	39,793	37,840	25,180
EBTDA	Rs in M	80,335	76,082	61,616	36,327	35,833	21,711
Growth in EBIT	%	12.32	26.24	56.67	13.74	35.92	6.00
Growth in EBITDA	%	8.76	22.02	67.16	5.16	50.28	5.90
Growth in EBTDA	%	5.59	23.48	69.61	1.38	65.05	8.47
Growth in Revenue	%	7.50	9.13	47.37	42.01	57.84	(4.93)
EBITDA Margin	%	31.96	31.59	28.25	24.91	33.64	35.33
Capital Expenditure to total Assets	%	2.47	3.11	2.84	4.08	3.12	1.41
Shareholders' Funds ratio	%	47.07	45.50	51.05	46.01	54.23	55.28
Total Shareholder Return	%	101.34	140.29	19.02	3.08	35.70	18.84
Growth in earnings	%	15.56	58.18	56.37	(20.35)	39.17	9.98
LIQUIDITY / ACTIVITY							
Current ratio	Times	1.49	1.61	1.42	1.22	1.32	1.03
Quick / Acid test Ratio	Times	0.93	0.80	0.81	0.52	0.77	0.50
Cash and Cash Equivalents to current liabilities	Times	0.02	0.10	0.10	0.03	0.14	0.01
Debt to Assets	Times	0.53	0.55	0.49	0.54	0.46	0.45
Cash from Operations to Sales	Times	0.10	0.02	0.24	0.05	0.23	0.23
Cash flow coverage ratio	Times	0.15	0.03	0.49	0.06	0.31	0.24
Cash flow to capital expenditures	Times	3.14	0.54	8.41	0.83	4.56	7.47
Inventory turnover	Times	2.93	3.54	4.07	3.34	4.36	3.39
Stock holding period	Days	124.52	102.98	89.59	109.27	83.78	107.63
Debtors turnover	Times	10.86	17.75	19.50	13.63	15.95	12.23
No of days in receivables	Days	43	26	16	32	31	23
Creditors turnover	Times	3.35	3.36	3.29	2.72	3.20	2.31
No of days in payables	Days	124	126	120	197	190	213
LIQUIDITY / ACTIVITY							
Operating cycle	Days	49	15	(2)	2	(7)	(20)
Fixed assets turnover	Times	2.58	2.32	2.09	1.36	1.07	0.68
Total assets turnover	Times	0.77	0.81	1.01	0.68	0.61	0.45
CAPITAL STRUCTURE							
Debt : Equity	Ratio	19.81	23.77	7.93	10.90	7.93	9.91
Interest cover	Times	9.61	13.36	10.97	9.91	15.05	6.40
Financial Leverage	Times	0.43	0.45	0.09	0.28	0.14	0.24
Debt service coverage	Times	9.01	11.07	8.00	7.43	4.85	2.60
Total liabilities to net worth	Times	1.12	1.20	0.96	1.17	0.84	0.81
Net asset per share	Times	80.89	68.65	56.85	51.19	47.74	41.48
Weighted average cost of debt	%	11.16	16.44	19.83	7.93	7.93	10.61
INVESTMENT/MARKET							
Market price per share	Rs.	151.61	78.28	35.49	33.60	35.99	29.10
Book value per share	Rs	80.89	68.65	56.85	51.19	47.74	41.48
Market to book value per share	Times	1.87	1.14	0.62	0.66	0.75	0.70
Basic and diluted earnings per share	Rs	20.03	17.33	10.96	7.01	8.80	6.32
Price earning	Times	7.57	4.52	3.24	4.80	4.09	4.60
Dividend per share	Rs	6.00	7.00	4.50	3.50	3.50	2.50
Dividend cover	%	333.80	247.58	243.48	200.19	251.35	252.85
Dividend yield	%	3.96	8.94	12.68	10.42	9.72	8.59
Dividend payout	%	29.96	40.39	41.07	49.95	39.79	39.55
NON FINANCIAL RATIOS							
%age of plant availability	%	96.91	96.48	84.81	97.06	80.10	74.31
Production per employee	MTN	531.54	538.58	507.53	728.77	881.05	757.91
Revenue per employee	Rs in M	51.40	49.51	47.08	42.86	40.90	28.48
Staff turnover ratio	%	12.11	11.71	14.82	10.76	11.23	12.34
Spares Inventory to Total Assets	%	5.93	6.07	5.93	6.84	6.26	5.25
Maintenance Cost to Operating Expenses	%	3.12	5.80	5.66	4.90	1.83	4.23

Cash Flows Summary

Rs in million	Consolidated					
	2025	2024	2023	2022	2021	2020
Cash Flows From Operating Activities						
Cash Generated from Operations	61,922	37,168	74,874	22,322	31,427	24,988
Net increase / (decrease) in long term deposits	(402)	31	31	157	65	49
Finance costs paid	(8,016)	(3,692)	(5,295)	(3,464)	(1,963)	(3,736)
Taxes paid	(25,338)	(28,019)	(13,463)	(10,916)	(2,988)	(4,664)
Employee retirement benefits paid	(233)	(190)	(362)	(221)	(242)	(79)
Net cash generated from operating activities	27,933	5,297	55,785	7,878	26,299	16,559
Cash Flows From Investing Activities						
Fixed capital expenditure	(8,897)	(9,863)	(6,633)	(9,526)	(5,771)	(2,217)
Proceeds from disposal of property, plant & equipment	97	51	8	31	3	45
Long term investments – net	(3,303)	(35,915)	(4,018)	(750)	(600)	-
Loans to related parties – net	(1,047)	4,672	(100)	-	(3,758)	-
Short term investments – net	(13,028)	(5,682)	(12,305)	(2,702)	(98)	(1,575)
Profit received on short term loans and saving accounts	5,923	5,421	2,324	1,541	1,977	289
Cash and cash equivalents acquired as a result of asset acquisition	-	-	-	(2,220)	-	-
Cash & cash equivalents acquired as a result of acquisition of subsidiary	-	-	-	(299)	-	-
Payment for acquisition of subsidiary – net of bank balance	-	-	-	(291)	-	-
Dividend income received	2,440	761	575	308	-	-
Net (increase)/decrease in long term loans and deposits	(9,043)	(3,874)	(457)	(532)	(405)	(32)
Net cash used in investing activities	(26,859)	(44,429)	(20,606)	(14,440)	(8,652)	(3,489)
Cash Flows From Financing Activities						
Repayment of long term finances	(4,178)	(3,281)	(3,641)	(2,853)	(5,857)	(4,967)
Proceeds from long term finance	187	39,159	-	5,623	3,920	1,462
Repayment of short term loans from related parties	-	(1,626)	-	-	-	-
(Repayment of) / proceeds from loan from directors	-	-	(18)	18	-	-
Repayment of lease liabilities	(110)	(109)	(88)	(203)	(731)	(354)
Dividend Paid	(16,255)	(11,535)	(11,016)	(9,087)	(3,507)	(4,349)
(Decrease) / increase in short term finance – net	6,581	2,557	(9,096)	3,619	(2,584)	(2,410)
Net cash (used in) / generated from financing activities	(13,775)	25,165	(23,859)	(2,883)	(8,759)	(10,617)
Net cash (used in) / generated from financing activities	(13,775)	25,165	(23,859)	(2,883)	(8,759)	(10,617)
Net (decrease) / increase in cash and cash equivalents	(12,700)	(13,966)	11,320	(9,445)	8,888	2,453
Cash and cash equivalents at beginning of the year	(6,741)	7,226	(4,095)	5,350	(3,538)	(5,991)
Cash and cash equivalents at end of the year	(19,441)	(6,741)	7,225	(4,095)	5,351	(3,538)

Cash Flows from Operating, Investing and Financing Activities

Rs in Million



Vertical Analysis

Statement of Financial Position

	Consolidated											
	2025		2024		2023		2022		2021		2020	
	Rs M	%										
Non current assets												
Property, plant and equipment	107,156	30%	110,850	35%	112,899	48%	117,220	50%	105,422	57%	104,938	67%
Intangible assets	213	0%	195	0%	2,008	1%	3,786	2%	3,609	2%	5,991	4%
Investment Property	163	0%	164	0%	165	0%	165	0%	775	0%	756	0%
Long term investments	10,749	3%	41,889	13%	5,827	2%	1,469	1%	796	0%	202	0%
Long term loan to associated Company	280	0%	180	0%	–	0%	–	0%	1,999	1%	2,999	2%
Long term advances and deposits	12,085	3%	7,530	2%	3,973	2%	3,516	2%	518	0%	114	0%
Total non current assets	130,645	36%	160,808	51%	124,872	53%	126,157	54%	113,120	61%	114,999	73%
Current assets												
Stores and Spares	21,397	6%	19,235	6%	13,868	6%	15,991	7%	11,566	6%	8,274	5%
Stock in trade	64,220	18%	59,786	19%	33,377	14%	45,775	20%	18,332	10%	13,531	9%
Trade debts	32,270	9%	18,595	6%	10,355	4%	13,794	6%	9,654	5%	4,450	3%
Short term loans to related parties	1,195	0%	248	0%	5,100	2%	5,000	2%	7,000	4%	3,242	2%
Loans, advances, deposits and prepayments and other receivables	18,162	5%	18,083	6%	20,005	9%	19,970	9%	15,636	8%	8,676	6%
Short term investments	90,018	25%	30,744	10%	18,965	8%	4,519	2%	2,243	1%	2,524	2%
Advance Income Tax	–	0%	–	0%	–	0%	–	0%	–	0%	1,305	1%
Cash and bank balances	2,988	1%	9,391	3%	7,338	3%	2,450	1%	7,343	4%	556	0%
Total current assets	230,250	64%	156,081	49%	109,006	47%	107,499	46%	71,773	39%	42,558	27%
Total assets	360,895	100%	316,889	100%	233,878	100%	233,656	100%	184,893	100%	157,557	100%
Capital and reserves												
Issued, subscribed and paid up capital	21,000	6%	21,000	7%	21,000	9%	21,000	9%	21,000	11%	21,000	13%
Reserves	148,865	41%	123,169	39%	98,386	42%	86,501	37%	79,263	43%	66,103	42%
Total capital and reserves	169,865	47%	144,169	45%	119,386	51%	107,501	46%	100,263	54%	87,103	55%
Non current Liabilities												
Long term finances	2,614	1%	42,291	13%	5,866	3%	8,766	4%	5,172	3%	3,114	2%
Subordinated redeemable preference Class A shares	1,995	1%	1,714	1%	1,473	1%	1,266	1%	–	0%	–	0%
Lease liabilities	616	0%	649	0%	115	0%	163	0%	1,437	1%	1,901	1%
Deferred taxation	27,506	8%	27,656	9%	27,534	12%	24,692	11%	20,274	11%	19,542	12%
Deferred liabilities	3,185	1%	2,848	1%	2,451	1%	2,966	1%	3,248	2%	4,635	3%
Long term deposits	96	0%	498	0%	467	0%	435	0%	175	0%	110	0%
Total non current liabilities	36,011	10%	75,656	24%	37,906	16%	38,289	16%	30,307	16%	29,303	19%
Current liabilities												
Trade and other payables	68,973	19%	61,804	20%	57,352	25%	59,652	26%	38,469	21%	22,871	15%
Accrued finance cost	1,705	0%	1,843	1%	571	0%	1,144	0%	307	0%	451	0%
Income tax payable	11,809	3%	9,662	3%	11,405	5%	3,170	1%	4,968	3%	–	0%
Short term finance – secured	32,393	9%	19,515	6%	938	0%	16,467	7%	6,466	3%	11,444	7%
Short term loans from related parties	–	0%	–	0%	1,626	1%	1,626	1%	–	0%	–	0%
Loan from Directors	–	0%	–	0%	–	0%	18	0%	–	0%	–	0%
Unclaimed dividend	90	0%	71	0%	56	0%	46	0%	1,784	1%	41	0%
Payable to Privatization Commission of Pakistan	2,198	1%	2,198	1%	2,198	1%	2,198	1%	–	0%	–	0%
Current portion of long term liabilities	37,851	10%	1,972	1%	2,441	1%	3,543	2%	2,329	1%	6,345	4%
Total current liabilities	155,019	43%	97,064	31%	76,586	33%	87,865	38%	54,323	29%	41,151	26%
Total liabilities and equity	360,895	100%	316,889	100%	233,878	100%	233,656	100%	184,893	100%	157,557	100%

Horizontal Analysis

Statement of Financial Position

	Consolidated										
	2025	25 vs 24	2024	24 vs 23	2023	23 vs 22	2022	22 vs 21	2021	21 vs 20	2020
	Rs M	Change	Rs M	Change	Rs M	Change	Rs M	Change	Rs M	Change	Rs M
Non current Assets											
Property, plant and equipment	107,156	-3%	110,850	-2%	112,899	-4%	117,220	11%	105,422	0%	104,938
Intangible assets	213	9%	195	-90%	2,008	-47%	3,786	5%	3,609	-40%	5,991
Investment Property	163	-1%	164	-1%	165	-1%	165	-79%	775	3%	756
Long term investments	10,749	-74%	41,889	619%	5,827	297%	1,469	85%	796	295%	202
Long term loan to associated Company	280	56%	180	0%	-	0%	-	-100%	1,999	-33%	2,999
Long term advances and deposits	12,085	60%	7,530	89%	3,973	13%	3,516	578%	518	356%	114
Total non current assets	130,645	-19%	160,808	29%	124,872	-1%	126,157	12%	113,120	-2%	114,999
Current assets											
Stores and Spares	21,397	11%	19,235	39%	13,868	-13%	15,991	38%	11,566	40%	8,274
Stock in trade	64,220	7%	59,786	79%	33,377	-27%	45,775	150%	18,332	35%	13,531
Trade debts	32,270	74%	18,595	80%	10,355	-25%	13,794	43%	9,654	117%	4,450
Short term loans to related parties	1,195	382%	248	-95%	5,100	2%	5,000	-29%	7,000	116%	3,242
Loans, advances, deposits and prepayments and other receivables	18,162	0%	18,083	-10%	20,005	0%	19,970	28%	15,636	80%	8,676
Short term investments	90,018	193%	30,744	62%	18,965	320%	4,519	101%	2,243	-11%	2,524
Advance Income Tax	-	0%	-	0%	-	0%	-	0%	-	-100%	1,305
Cash and bank balances	2,988	-68%	9,391	28%	7,338	200%	2,450	-67%	7,343	1221%	556
Total current assets	230,250	48%	156,081	43%	109,006	1%	107,499	50%	71,773	69%	42,558
Total assets	360,895	14%	316,889	35%	233,878	0%	233,656	26%	184,893	17%	157,557
Capital and reserves											
Issued, subscribed and paid up capital	21,000	0%	21,000	0%	21,000	0%	21,000	0%	21,000	0%	21,000
Reserves	148,865	21%	123,169	25%	98,386	14%	86,501	9%	79,263	20%	66,103
Total capital and reserves	169,865	18%	144,169	21%	119,386	11%	107,501	7%	100,263	15%	87,103
Non current liabilities											
Long term finances	2,614	-94%	42,291	621%	5,866	-33%	8,766	69%	5,172	66%	3,114
Subordinated redeemable preference Class A shares	1,995	16%	1,714	16%	1,473	16%	1,266	100%	-	0%	-
Lease liabilities	616	-5%	649	463%	115	-29%	163	-89%	1,437	-24%	1,901
Deferred taxation	27,506	-1%	27,656	0%	27,534	12%	24,692	100%	20,274	4%	19,542
Deferred liabilities	3,185	12%	2,848	16%	2,451	-17%	2,966	-9%	3,248	-30%	4,635
Long term deposits	96	-81%	498	7%	467	7%	435	149%	175	59%	110
Total non current liabilities	36,011	-52%	75,656	100%	37,906	-1%	38,289	26%	30,307	3%	29,303
Current liabilities											
Trade and other payables	68,973	12%	61,804	8%	57,352	-4%	59,652	55%	38,469	68%	22,871
Accrued finance cost	1,705	-7%	1,843	223%	571	-50%	1,144	272%	307	-32%	451
Income tax payable	11,809	22%	9,662	-15%	11,405	260%	3,170	-36%	4,968	0%	-
Short term finance – secured	32,393	66%	19,515	1981%	938	-94%	16,467	155%	6,466	-43%	11,444
Short term loans from related parties	-	0%	-	-100%	1,626	0%	1,626	100%	-	0%	-
Loan from Directors	-	0%	-	0%	-	-100%	18	100%	-	0%	-
Unclaimed dividend	90	28%	71	27%	56	20%	46	-97%	1,784	4266%	41
Payable to Privatization Commission of Pakistan	2,198	0%	2,198	0%	2,198	0%	2,198	100%	-	0%	-
Current portion of long term liabilities	37,851	1820%	1,972	-19%	2,441	-31%	3,543	52%	2,329	-63%	6,345
Total current liabilities	155,019	60%	97,064	27%	76,586	-13%	87,865	62%	54,323	32%	41,151
Total liabilities and equity	360,895	14%	316,889	35%	233,878	0%	233,656	26%	184,893	17%	157,557

Vertical Analysis

Statement of Profit or Loss

	Consolidated											
	2025		2024		2023		2022		2021		2020	
	Rs M	%										
Sales	276,177	100%	256,920	100%	235,423	100%	159,745	100%	112,488	100%	71,267	100%
Cost of sales	(181,753)	-66%	(165,103)	-64%	(161,240)	-68%	(107,067)	-67%	(69,404)	-62%	(42,473)	-60%
Gross profit	94,424	34%	91,817	36%	74,183	32%	52,678	33%	43,084	38%	28,795	40%
Distribution cost	(17,306)	-6%	(14,407)	-6%	(10,532)	-4%	(8,054)	-5%	(5,049)	-4%	(3,891)	-5%
Administrative expenses	(11,038)	-4%	(10,437)	-4%	(8,280)	-4%	(6,047)	-4%	(3,900)	-3%	(3,369)	-5%
	66,080	24%	66,973	26%	55,370	24%	38,577	24%	34,136	30%	21,535	30%
Finance cost	(7,938)	-3%	(5,083)	-2%	(4,902)	-2%	(3,465)	-2%	(2,007)	-2%	(3,469)	-5%
Other operating expenses	(5,820)	-2%	(10,773)	-4%	(7,752)	-3%	(6,409)	-4%	(4,677)	-4%	(1,678)	-2%
	52,322	19%	51,117	20%	42,716	18%	28,702	18%	27,452	24%	16,389	23%
Other income	16,192	6%	12,502	5%	7,228	3%	2,667	2%	1,210	1%	1,810	3%
Share of (loss) / profit from Associate	(171)	0%	(88)	0%	(1)	0%	(68)	0%	-	0%	27	0%
- (Loss) / gain on remeasurement of GIDC	-	0%	(70)	0%	(220)	0%	(311)	0%	(368)	0%	878	1%
- Loss allowance on subsidy receivable from GoP	-	0%	(628)	0%	(826)	0%	(115)	0%	(110)	0%	(360)	-1%
Profit before tax	68,343	25%	62,834	24%	48,896	21%	30,874	19%	28,185	25%	18,743	26%
Taxation	(26,284)	-10%	(26,439)	-10%	(25,887)	-11%	(16,161)	-10%	(9,711)	-9%	(5,468)	-8%
Profit for the year	42,059	15%	36,395	14%	23,008	10%	14,714	9%	18,474	16%	13,275	19%

Horizontal Analysis

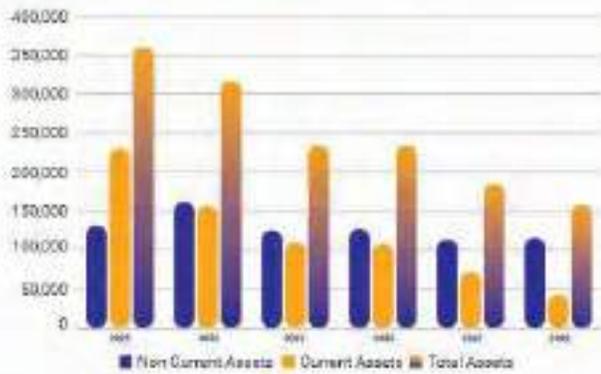
Statement of Profit or Loss

	Consolidated											
	2025	25 vs 24	2024	24 vs 23	2023	23 vs 22	2022	22 vs 21	2021	21 vs 20	2020	
	Rs M	Change	Rs M	Change	Rs M							
Sales	276,177	7%	256,920	9%	235,423	47%	159,745	42%	112,488	58%	71,267	
Cost of sales	(181,753)	10%	(165,103)	2%	(161,240)	51%	(107,067)	54%	(69,404)	63%	(42,473)	
Gross profit	94,424	3%	91,817	24%	74,183	41%	52,678	22%	43,084	50%	28,795	
Distribution cost	(17,306)	20%	(14,407)	37%	(10,532)	31%	(8,054)	60%	(5,049)	30%	(3,891)	
Administrative expenses	(11,038)	6%	(10,437)	26%	(8,280)	37%	(6,047)	55%	(3,900)	16%	(3,369)	
	66,080	-1%	66,973	21%	55,370	44%	38,577	13%	34,136	59%	21,535	
Finance cost	(7,938)	56%	(5,083)	4%	(4,902)	41%	(3,465)	73%	(2,007)	-42%	(3,469)	
Other operating expenses	(5,820)	-46%	(10,773)	39%	(7,752)	21%	(6,409)	37%	(4,677)	179%	(1,678)	
	52,322	2%	51,117	20%	42,716	49%	28,702	5%	27,452	68%	16,389	
Other income	16,192	30%	12,502	73%	7,228	171%	2,667	120%	1,210	-33%	1,810	
Share of (loss) / profit from Associate	(171)	95%	(88)	6135%	(1)	-98%	(68)	100%	-	-100%	27	
- (Loss) / gain on remeasurement of GIDC	-	-100%	(70)	-68%	(220)	-29%	(311)	-15%	(368)	-142%	878	
- Loss allowance on subsidy receivable from GoP	-	-100%	(628)	-24%	(826)	621%	(115)	5%	(110)	-70%	(360)	
Profit Before Tax	68,343	9%	62,834	29%	48,896	58%	30,874	10%	28,185	50%	18,743	
Taxation	(26,284)	-1%	(26,439)	2%	(25,887)	60%	(16,161)	66%	(9,711)	78%	(5,468)	
Profit for the year	42,059	16%	36,395	58%	23,008	56%	14,714	-20%	18,474	39%	13,275	

Graphical Presentation

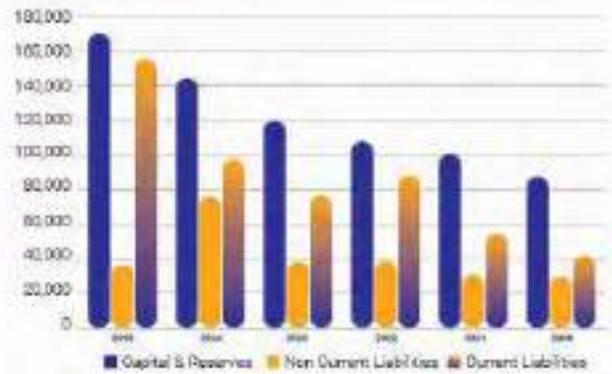
Balance Sheet Analysis (Assets)

Rs in Million



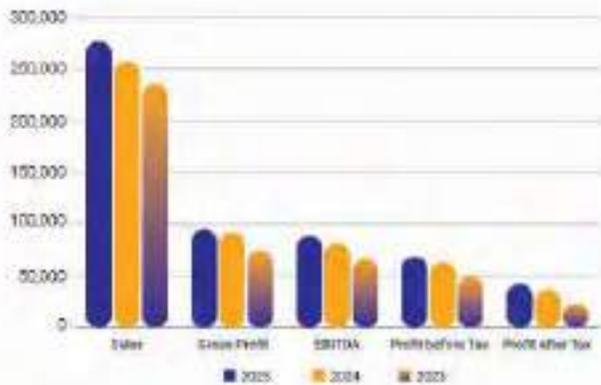
Balance Sheet Analysis (Equity & Liabilities)

Rs in Million



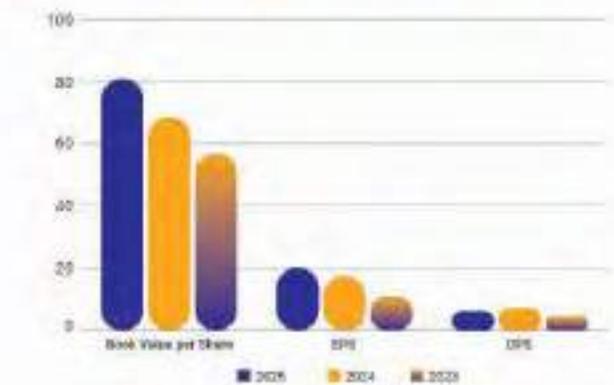
Profit or Loss

Rs in Million



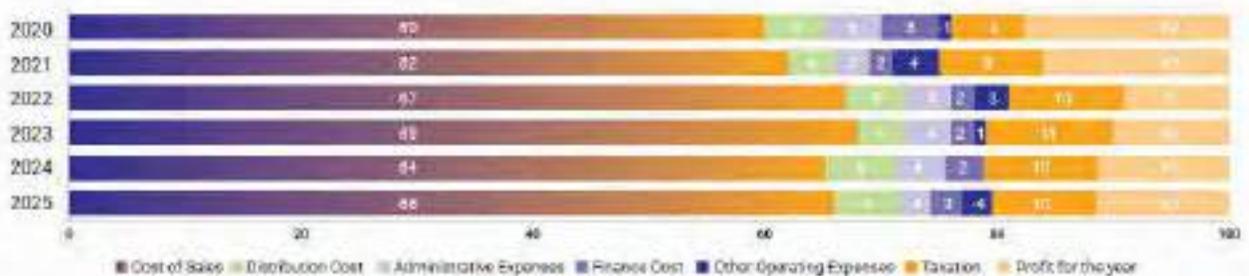
Book Value, Earnings & Dividend Per Share

Rs



Profit and Loss Analysis

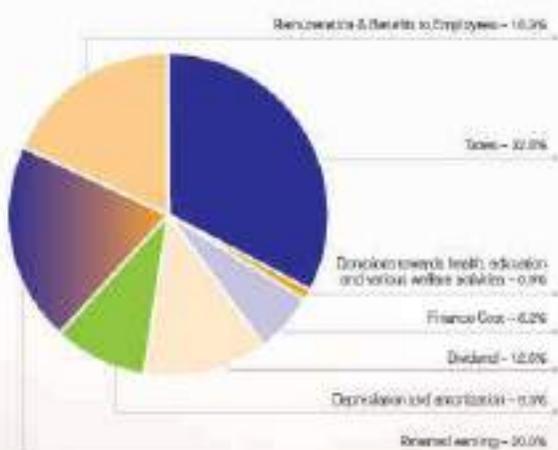
Percentage



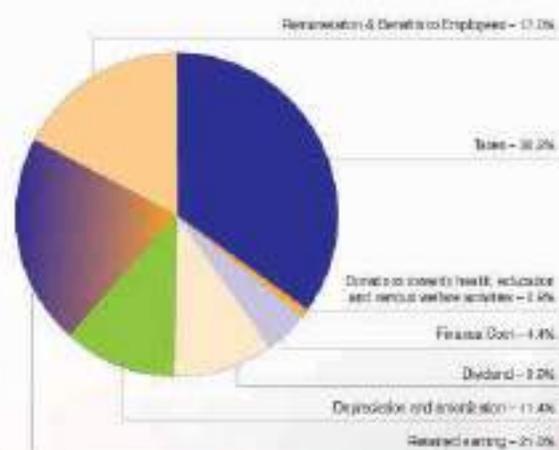
Statement of Value Added

	2025		2024		2023	
	Rs in Million	%	Rs in Million	%	Rs in Million	%
Wealth Generated						
Sales Including GST	292,168	226.6%	271,556	232.8%	244,468	265.8%
Other Income	16,022	12.4%	11,717	10.0%	6,179	6.7%
	308,189	239.0%	283,273	242.9%	250,647	272.5%
Materials & Services Bought In	179,248	139.0%	166,644	142.9%	158,662	172.5%
Value Addition	128,941	100.0%	116,629	100.0%	91,985	100.0%
Wealth Distributed						
Remuneration & Benefits to Employees	23,542	18.3%	19,792	17.0%	15,527	16.9%
Taxes	42,275	32.8%	41,075	35.2%	34,932	38.0%
Donations towards health, education and various welfare activities	1,134	0.9%	1,036	0.9%	896	1.0%
Finance Cost	7,938	6.2%	5,083	4.4%	4,902	5.3%
Dividend on ordinary and preference shares	16,275	12.6%	11,550	9.9%	11,025	12.0%
Retained for future growth						
Depreciation	11,992	9.3%	13,249	11.4%	12,721	13.8%
Retained earning	25,784	20.0%	24,845	21.3%	11,983	13.0%
	128,941	100%	116,629	100%	91,985	100%

2025 Percentage



2024 Percentage



SWOT Analysis

Strengths:

1. Diversified and distinguished product portfolio (Urea, Nitrophos & CAN / value added products)
2. Strong financial standings with healthy cash flows
3. Skilled and experienced technical, engineering and support teams
4. Operational excellence in terms of service factor and safety standards
5. Strategically located facilities augmenting farmer outreach
6. High performing farmer technical support teams for unique farmer and customer services
7. Reputation as a socially responsible Company



Weaknesses:

1. Limited suppliers for key raw materials
2. Logistic support still evolving



Opportunities

1. Business diversification - local and international markets
2. Agrarian Economy having substantial growth potential
3. High tech mechanized / precision agriculture – corporate farming
4. Fintech and crop insurance
5. Digitization of business processes



Threats

1. Uncertain Government policy outlook particularly regarding the fertilizer sector
2. Shortage of gas and diminishing gas reserves
3. Weak economic situation of farmers
4. Volatile Tax Regime and Long pending tax refunds
5. Supply chain disruptions due to Global events
6. Climate change disrupting fertilizer consumption



Corporate Governance

Identification of Risks and Opportunities

Managing risk effectively has always been a touchstone of most successful companies. Like any commercial organization which operates in the market, Fatima is exposed to multiple risks and opportunities; the most significant ones are identified in the following sections. The Company is fully aware of the uncertainties attached with these risks and thus has designed prudent strategies to mitigate them. In today's risk filled business environment, the Strategic, Commercial, Operational and Financial risks can arise from uncertainties not only from our business environment but also from key business decisions.

Strategic Risk: Strategic risks can emanate from internal or external events and scenarios that inhibit or prevent an organization from achieving its strategic objectives. Broadly strategic risks emerge from business strategy decisions. This form of risks can affect an entity's performance by giving rise to challenges that may consequently cause a particular business strategy to produce unexpected results.

Commercial Risk: Commercial risks are related to the commercial operations of the entity. These may arise from circumstances that affect the business and/or product viability of the entity, thus impairing the shareholders' value proposition.

Operational Risk: Operational risk is the risk that operations are inefficient and ineffective in executing the entity's business model, satisfying customers and achieving entity's quality, cost and time performance objectives.

Financial Risk: Financial risk is the risk that cash flows and other monetary risks are not managed cost-effectively to (a) maximize cash availability, (b) reduce uncertainty of currency, interest rate, credit and other risks, or (c) move cash funds quickly and without loss of value to wherever they are needed most.

Risk Mitigation Strategies: The Company's Risk Mitigation Strategy includes reduction of the likelihood that a risk event will occur and/or reduction of the impact of a risk event if it does occur. For this purpose, the Board, through its Audit Committee and Risk Committee, reviews the potential risks and the adequacy of internal controls and risk management procedures.

Also, Structured Policies and Procedures for each department, as 1st Line of Defense, exhibit an imperative component of the Company's risk governance framework and ensure adequate management of financial, operational and compliance risks, through Risk Champions. In addition, Senior management assesses these risks and places appropriate controls in order to mitigate and respond thereto through preventive, detective and corrective actions, where required.

Further, as 2nd line of defense, an Enterprise Risk Management (ERM) function is operating to oversee all the business risks and develop appropriate and effective mitigation strategies. In this regard, for efficient monitoring, a detailed Risk profiling matrix and complete adherence to Risk Management Dimension/Practices have been implemented at the Company, as per ERM framework and best practices, which include Risk Identification, Risk Assessments, Risk Prioritization, Risk Responses and Monitoring and Reporting, as its core components.

Issues Raised in the Last AGM

Queries of the shareholders were properly addressed on the Company's published audited financial statements and other agenda items during the 22nd Annual General Meeting held on April 18, 2025 and no significant issues were raised.

Review of Related Party Transactions

The Code requires the Company to place before the Audit Committee, and upon recommendation of Audit Committee, place before the Board of Directors for their review and approval, its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. The Company has duly ensured compliance of this requirement and has obtained approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. The related party transactions are also presented before the shareholders in each annual general meeting of the Company for their approval/ratification.

Policy and Procedure for Stakeholders' Engagement

Fatima believes in a collaborative long term relationship with its stakeholders at all levels. The Company treats its shareholders as its partners and ensures that all possible means of effective communication/engagement are adapted to bring them up to date with disclosures and other valuable information.

The following table elaborates how Fatima engages its stakeholders. These stakeholders have been identified based on, firstly, their influence on the Company, and secondly, their dependence on the Company.

Stakeholders	Why do we Engage	Nature of Engagement	Frequency	Value Added
Institutional Investors / Lenders	To further strengthen Fatima's image by maintaining a professional and transparent relationship	<ol style="list-style-type: none"> Investor Meetings Financial reporting Head Office / Plant visits Circulation of Minutes Circulation of Company Reports 	<ol style="list-style-type: none"> As and when required Periodic Basis As and when required Periodic Basis Periodic Basis 	Financing requirements are met for expansion projects
Customers	<ol style="list-style-type: none"> Enhance farmer knowledge base about technological advancements in Agri sector Educate farmer about potential benefits of balanced fertilizer use 	<ol style="list-style-type: none"> Farmer call center Farmer education events Demonstration plots Corporate website Effective reward system place for customers and distributors Office meetings 	<ol style="list-style-type: none"> Continuous Occasionally Continuous Continuous Occasionally Occasionally 	<ol style="list-style-type: none"> Valuable feedback helps in understanding what farmers want Helps in bridging the gap between farmers and Company
Media	To benefit from the most effective means of communication with our customers and other stakeholders	<ol style="list-style-type: none"> Advertisements through print and electronic media campaigns Announcements through Company website and social media 	<ol style="list-style-type: none"> Continuous Continuous 	<ol style="list-style-type: none"> Helps in building Company's image, resulting in maximizing shareholders wealth Engagement of all stakeholders
Employees		<ol style="list-style-type: none"> Sale and other events Cultural activities Trainings Workshops 	<ol style="list-style-type: none"> Annually Occasionally Annually As and when required 	Satisfied and engaged employees become valuable assets for the Company resulting in higher efficiency and productivity
Shareholders	<ol style="list-style-type: none"> Timely delivery of material and price sensitive information in a transparent manner To address concerns and queries in a timely manner 	<ol style="list-style-type: none"> Annual general meetings Annual report Quarterly reports One-on-One meetings with investors Investor relations section on website 	<ol style="list-style-type: none"> Annually Annually Quarterly As and when required Continuous 	<ol style="list-style-type: none"> Results in the stock price trading at intrinsic value To encourage equity participation in expansion project
Regulators	<ol style="list-style-type: none"> Ensure full compliance with legal and regulatory requirements To develop and sustain transparent means of communication with the regulator 	<ol style="list-style-type: none"> Filing of statutory returns Annual / Quarterly reports submission Written communication with respect to queries One-on-one meetings with representatives of regulators 	<ol style="list-style-type: none"> Periodic basis As and when required As and when required As and when required 	<ol style="list-style-type: none"> Full compliance leads to positive projection of Company's image, in turn maximizing shareholders' value Responsible corporate citizen

Investor Relations Section on the Corporate Website

Comprehensive information and a dedicated investor relations section is available on our corporate website i.e. <https://www.fatima-group.com/investor-relations/#fatima-fertilizer> for its investors to facilitate existing and prospective investor queries and concerns with regards to information related to financial results and highlights, financial calendar, and share value. Moreover, the investor relations desk at Fatima ensures that the information under this section is updated on regular basis, by complying with the guidelines provided by SECP. Investors can also use the investor relations desk to contact the Company for any grievance using the email; investor.relations@fatima-group.com

Annual Report Accessibility

Annual and quarterly reports are available on the corporate website at <https://fatimafertilizer.com/investor-relations/#financial-report>

Investor Grievance Policy

Fatima's core values stress on ethical business practices with transparency and accountability, devoted investor service and frugal productive policies since commencement. As one of the leading fertilizer company, we believe in establishing and preserving interests of our investors. Therefore, the Investors' Grievance Policy has been drafted with the sole purpose to protect the interests of the investors.

Process:

1. All investor grievances received are handled by an Investor Relations Officer at the Corporate Head Office. An email ID i.e. investor.relations@fatima-group.com has been created for this purpose and is also mentioned on the Company's website.
2. Investors can lodge their complaints by sending via soft copy on the said email ID and can also send their complaints / grievances via hard copy addressed to Corporate Head Office.
3. All investor grievances that are received are incorporated in the Register of Grievance and are appropriately considered and action is initiated immediately.
4. The complainant is informed about the time that the compliance department will take to resolve within a span of 5–7 working days from the date of receipt of grievance / complaints, as the case may be.
5. The Investor Relation's Officer ensures that all complaints / grievances and recorded in the Register of Grievance and resolved within the stipulated time period and its record is kept for future reference.

Annual Evaluation of Board's Performance

Fatima constantly finds ways to make its directors become more strategic, make better decisions and be seen to be undertaking best practice governance. The primary purpose of this exercise is for our board members to want to be even better at what they do. Board performance is assessed by the Pakistan Institute of Corporate Governance (PICG) annually. The annual evaluation encompasses the following broad areas:

- Board Composition
- Board Committees
- Board Procedures
- Board Interaction

- Strategic Planning
- Board and CEO Effectiveness
- Board Information
- Board and CEO Compensation

The Board assesses the effectiveness of its own collective working and that of its individual members. Board evaluations are based around directors rating the board as collective. This represents a true picture as rating is done on a series of questions related to their responsibilities and functions as a Board. As part of this exercise, Capabilities and Constraints are identified and the next part involves the Board members meeting and discussing the findings of the data gathered and analysis to reach an agreement on governance challenges facing the Board and the development of appropriate action plans designed to address the problems. The results are then compiled and analyzed, and the report is delivered to the Chairman. The results also serve as a benchmark for Fatima for the next time a board evaluation is held. It helps the Company to gauge whether improvements which were suggested in the last report were taken forward and changes were implemented or not.

Role and Responsibilities of the Chairman and Chief Executive

The role of the Chairman and the Chief Executive are segregated and they have distinct responsibilities.

The Chairman of the Board has responsibilities and powers vested in him by law and the Articles of Association of the Company, as well as duties assigned to him by the Board. In particular, the Chairman coordinates the activities of the Board and presides over the meetings of the Board of Directors and shareholders. The Chairman also controls all meetings procedures and processes, guiding discussion and decision making along with enhancing relations with members and staff. The Chairman's role and responsibilities are briefly described as under:

- I. Leadership and control of Board of Directors;
- II. Ensuring that the Board as a whole plays an effective role in the determination of the Company strategy and overall business objectives;
- III. Guardian of the Board's decision making process;
- IV. Promoting highest level of morale, integrity, excellence, corporate governance and ethics to assure investors that the money invested by them is put to appropriate and profitable use;
- V. Approval of Company policies;
- VI. Approves risk mitigation plan; and
- VII. Leads and motivates CEO and Management Team.

The Chief Executive Officer (CEO) is responsible for all day

to day management decisions and ensures that effective internal controls and management information systems are in place. The CEO also communicates on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public. The primary role and responsibilities of the CEO are given as under:

- I. Effective running of the Company affairs;
- II. Development of Company's strategy and business objectives;
- III. Conducting the affairs of the Company with the highest standards of integrity and Corporate Governance;
- IV. Policy formulation;
- V. Risk assessment and risk management; and
- VI. Sound financial management

Conflicts of Interests Relating to Members of the Board and How Such Conflicts are Managed

Fatima's Board of Directors is held to the highest level of conflict of interest standards, as members have ultimate responsibility for all activities of the Company and have the highest public visibility as representatives. Conflict of Interest Policy for its Board of Directors provides general guidelines on avoiding conflicts of interest with the Company. The Board has adopted the following policies and procedures with respect to any potential or actual conflict of interest involving directors:

Policy: A director owes certain fiduciary duties, including the duties of loyalty, diligence, and confidentiality to Fatima, which requires a director to act in good faith on behalf of Fatima and to exercise the powers conferred upon his / her by its shareholder's interest and not for him / her own or others' interest.

Disclosure: A director shall promptly disclose to the Board any personal or outside interest, relationship or responsibility (financial, professional or otherwise) held by the director with respect to any potential or actual transaction, agreement or other matter which is or may be presented to the Board for consideration, even if such interest, relationship or responsibility has otherwise generally been disclosed to Fatima or the Board.

Board Action: For any potential conflict, the Board, with the abstention of the interested director, may decide whether such director may participate in any reporting, discussion or vote on the issue that gave rise to the potential conflict.

Whistle Blowing Policy

Fatima encourages its associates to raise a matter at any appropriate time. To give guidance on how to raise concerns, a "Whistle Blowing Policy and Procedure" is in place which is primarily for concerns where, due to malpractice, fraud, abuse or other inappropriate acts / omissions, the interest of Fatima or its associates is at risk. The objective of having this policy is to ensure that employees highlight and share any suspicious or illegal act being carried out to harm the Company immediately or in the long run so that damages caused to the Company, if any, are minimized. The scope of the Whistle Blowing Policy covers the concerns for behavior / practice conflicting with the principles set out in Fatima's Code of Conduct.

Formal Orientation at the induction of New Directors and Director's Training Program from Institutes approved from SECP

The Company is fully aware of the requirement of the Code of Corporate Governance. Directors having the requisite experience and qualifications are exempt from the Directors' Training Program. Furthermore, appropriate arrangements are made by Fatima for detailed orientation of new Directors to familiarize them with their duties and responsibilities. A formal acclimatization program primarily includes amongst other things giving briefings relating to the Company's visions and strategies, the Company's core competencies, organizational structure, role and responsibility of the director as per the Companies' Act, including the Code of Corporate Governance and any other regulatory laws applicable in Pakistan.

Share Price Sensitivity Analysis

Share price of the Company can be influenced by variable internal and external factors, some of which are discussed in the table below:

Factor	Change	Impact on Share Price
Sales Volume	Increase	Would lead to economies of scales resulting in higher profitability leaving a positive impact on the share price through higher EPS
Cost of Raw Material	Increase	Would negatively affect the profitability which in turn would have a negative impact of the share price
Discount Rate	Increase	Finance cost of the Company would increase, impacting the shareholder value negatively. The lower EPS would negatively affect share price.
Government Policies	Increase in political stability	Would lead to consistent policies resulting in higher confidence of buyers and investors. Share price may move upwards in times of political stability.

Notice of the 23rd Annual General Meeting

Notice is hereby given that the 23rd Annual General Meeting of the shareholders of FATIMA FERTILIZER COMPANY LIMITED ("Fatima" or the "Company") will be held on Friday, April 17, 2026, at 11:00 a.m. at Avari Hotel 87-Shahrah-e-Quaid-e-Azam, Lahore as well as through electronic means to transact the following business:

Ordinary Business

1. To confirm the minutes of the Extraordinary General Meeting held on December 18, 2025.
2. To receive, consider and adopt the standalone and consolidated audited financial statements of the Company for the year ended December 31, 2025, together with the Directors' and Auditors' Reports thereon and the Chairman's review report.

In accordance with Section 223 of the Companies Act, 2017 and SECP S.R.O No. 389(I)/2023 dated March 21, 2023, the annual audited financial statements of the Company have been uploaded on the website of the Company which can be accessed using the following weblink and QR enabled code:



<https://fatimafertilizer.com/investor-relations/#financial-report>

3. To consider and approve the final cash dividend for the year ended December 31, 2025, at PKR 2.50 per share i.e., 25% as recommended by the Board of Directors. This is in addition to the interim dividend already paid during the year at Rs. 3.50 per share i.e., 35%, thus making a total cash dividend of Rs. 6.00 per share i.e., 60% for the year ended December 31, 2025.
4. To appoint Auditors for the year ending December 31, 2026, and to fix their remuneration. The Audit Committee and the Board of Directors have recommended for reappointment of M/s Yousuf Adil Chartered Accountants as external auditors.
7. To approve transactions with related parties and to authorize the Board of Directors of the Company to carry out such related party transactions from time to time which require approval of shareholders u/s 207 and/or 208 of the Companies Act, 2017 and to pass the following Special Resolution(s) with or without modification(s):

“Resolved, that the Company may carry out transactions including but not limited to sale and purchase of stores and spares, shared expenses, toll manufacturing, lease, sale and purchase of products/mid-products/raw material/assets and purchase of packaging material, payment against sales collections, lease rentals and license fee, fee for services, with related parties from time to time including but not limited to Fatimafert Limited, Fatima Cement Limited, Pakarab Fertilizers Limited, Fatima Packaging Limited, Fatima Capital Limited, Fatima Petroleum Company Limited, Fatima Mining Limited, PIA Equity Limited and other such related parties during the year ending December 31, 2026.

Resolved further, that details of transactions incurred up to date of the next meeting of shareholders shall be presented in the next meeting of shareholders for ratification.

Resolved further, that within the parameters approved above by the shareholders of the Company, the Board of Directors of the Company may approve specifically related party transactions from time to time in compliance with the Company's policy pertaining to related party transactions and notwithstanding any interest of the directors of the Company in any related party transaction(s) which has been noted by the shareholders and the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and/or 208 of the Companies Act, 2017.”

Special Business

5. To consider and approve renewal of running finance facility limit extended to associated company namely Reliance Commodities (Pvt) Limited for a further period of one year and to pass the following Special Resolution(s) with or without modification(s):

“Resolved, that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for renewal of Running Finance Facility limit of up-to an aggregate amount of PKR 5,000 million extended to Reliance Commodities (Pvt) Limited, an associated company, for a further period of one year on terms as are noted in Annexure-A of the statement of material facts under Section 134(3) of the Companies Act, 2017. The limit in the nature of Running Finance Facility shall be renewable in the next general meeting(s) for a further period(s) of one year.

Resolved further, that the Chief Executive Officer, any director, Chief Operating Officer, Chief Financial Officer, Company Secretary and GM Finance, be and are hereby authorized singly to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/ documents, and any ancillary matters thereto.”

6. To ratify and approve the transactions carried out by the Company with related parties for the year ended December 31, 2025, and to pass the following Special Resolution(s) with or without modification(s):

“Resolved, that related party transactions carried out by the Company with all the related parties during the year ended December 31, 2025, and as disclosed in Financial Statements for the year ended December 31, 2025, be and are hereby ratified and approved.”

8. To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s):

Renewal of unutilized equity Investments in REITS under management of Arif Habib Dolmen REIT Management Limited (an associated company):

“Resolved, that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for renewal of following unutilized limit of equity investment for REIT Schemes under management of Arif Habib Dolmen REIT Management Limited, for which approval has been sought in previous general meeting, as mentioned in detail in the Annexure-B of statement under Section 134(3) of the Companies Act, 2017, for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable thereon for further period(s) as specified.

Sr. No.	Name of Associated Companies & Undertakings	Renewal requested for unutilized Equity Portion
1.	REITS under management of Arif Habib Dolmen REIT Management Ltd.	Rs 2,250 million

Resolved further, that the Chief Executive Officer, any director, Chief Operating Officer, Chief Financial Officer, Company Secretary and GM Finance, be and are hereby authorized singly to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/ documents, and any ancillary matters thereto."

9. To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s):

Approval of investment of up to PKR 50,000 million in PIA Equity Limited, an associated company, either directly or indirectly through a wholly owned subsidiary, for the acquisition of Pakistan International Airlines Corporation Limited (PIACL):

"**Resolved**, that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for investment of up to PKR 50,000 million in PIA Equity Limited, an associated company, either directly or indirectly through a wholly owned subsidiary or special purpose vehicle (SPV) of the Company, for the purpose of acquisition by PIA Equity Limited of shares of Pakistan International Airlines Corporation Limited (PIACL), to be utilised in any form / nature of investment including equity, loan, advances, standby letters of credit, guarantee etc., on terms and conditions as mentioned in the Annexure-C of Statement under Section 134(3) of the Companies Act, 2017 and subject to all applicable approvals, consents and permissions.

Resolved further, that the Chief Executive Officer, any director, Chief Operating Officer, Chief Financial Officer, Company Secretary and GM Finance, be and are hereby authorized singly to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when

required at the time of investment, including but not limited to negotiating and executing any necessary agreements/ documents, and any ancillary matters thereto."

Other Business

10. To transact any other business with the permission of the Chair.

The statements under Section 134(3) of the Companies Act, 2017 setting out the material facts are annexed herewith.

By order of the Board



Anil Zia

Deputy Company Secretary

Lahore

March 27, 2026

Notes:

1. Book Closure Dates:

a) For entitlement of dividend:

The Share Transfer Books of the Company will be closed from March 31, 2026 to April 02, 2026 (both days inclusive) for the purpose of entitlement of final cash dividend of 25%.

Transfers received at the office of our Shares Registrar, CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahr-e-Faisal, Karachi-74400, at the close of business on March 30, 2026 will be treated in time for the aforesaid purpose.

b) For attending AGM:

The Share Transfer Books of the Company will be closed from April 10, 2026 to April 17, 2026 (both days inclusive) for the purpose of attending Annual General Meeting.

Transfers received at the office of our Shares Registrar, CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahr-e-Faisal, Karachi-74400, at the close of business on April 09, 2026 will be treated in time for the aforesaid purpose.

2. A member entitled to attend and vote may appoint another person as his/her proxy to attend and vote instead of him/her.

3. An individual beneficial owner of shares from CDC must bring his/her original CNIC or Passport, Account, and Participant's I.D. numbers to prove his/her identity. A representative of corporate members from CDC, must bring the Board of Directors' Resolution and/or Power of Attorney and the specimen signature of the nominee.

4. Online participation in the Annual General Meeting

- a) For online participation in the Annual General Meeting, the shareholders are requested to get themselves registered with the Company's Share Registrar latest by April 16, 2026 till 05:00 p.m. on cdcsr@cdcsrsl.com by providing the following details:

Full Name of Shareholder / Proxy Holder	Company	CNIC Number	Folio / CDC A/c No.	** Email ID	** Mobile Phone No.
	Fatima Fertilizer Company Limited				

**Shareholders/proxyholders are requested to provide active email addresses and mobile phone number.

Login facility will be opened thirty minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

- b) Shareholders may send their comments and suggestions relating to the agenda items of the AGM to the Company latest by April 16, 2026 till 05:00 p.m, at corporate.affairs@fatima-group.com. Shareholders are required to mention their full name, CNIC No and Folio No., for this purpose.
- c) Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.

5. Withholding Tax on Dividends

Prevailing rates prescribed for deduction of withholding tax on the amount of dividend paid by the Company is as under:

- (a) For persons appearing on active taxpayer's list: 15%
- (b) For persons not appearing on active taxpayer's list: 30%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, all the shareholders whose names do not appear on the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL by March 30, 2026 otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Withholding tax exemption from the dividend income, shall only be allowed if a copy of the valid tax exemption certificate is made available to Company's Share Registrar by Close of Business day as on March 30, 2026.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold an equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Folio/CDC Account No.	Name of Shareholder	CNIC	Shareholding	Total Shares	Principal/Joint Shareholder

For any further assistance, the members may contact the Share Registrar at the following phone numbers, email addresses:

CDC Share Registrar Services Limited, CDC House 99-B, Block 'B' S.M.C.H.S, Main Shahra-e-Faisal Karachi-74400. Telephone: 0800-23275, Email: info@cdcsrsl.com

The corporate shareholders having CDC accounts are required to have their National Tax Numbers (NTNs) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar i.e. CDC Share Registrar Services Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective folio numbers.

6. Payment of Cash Dividend through Electronic Mode

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay a cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to provide their IBAN by filling the Electronic Credit Mandate Form provided in the Annual Report and also available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company CDC Share Registrar Services Limited, CDC House 99-B, Block 'B' S.M.C.H.S, Main Shahra-e-Faisal Karachi-74400 in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to the shareholder's broker/ participant/CDC account services.

7. E-Voting / Postal ballot

The Members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), as amended through SRO 2192(1)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business. Accordingly, the shareholders of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in the AGM to be held on Friday, April 17, 2026 at 11:00 a.m.

For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website <https://fatimafertilizer.com/investor-relations/> to download.

i. Procedure for e-Voting

- a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on April 09, 2026.
- b) The web address, and login details, will be communicated to members via email on April 10, 2026. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- c) Identity of the Members intending to cast vote through e Voting shall be authenticated through electronic signature or authentication for login.
- d) Members shall cast vote online at any time from April 11, 2026, 9:00 a.m. to April 16, 2026. Voting shall close on April 16, 2026, at 5:00 p.m. Once the vote on the resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

ii. Procedure for voting through postal ballot paper

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's address at E 110 Khayaban e Jinnah Lahore Cantt. or email corporate.affairs@fatima-group.com one day before the day of poll, during working hours i.e., till 5:00 pm. April 16, 2026. The signature on the ballot paper shall match with the signature on CNIC.

iii. Appointment of Scrutinizer

In accordance with the Regulation 11 of the Companies (Postal Ballot) Regulations, 2018 (the Regulations) the Board of the Company has appointed M/s Yousuf Adil Chartered Accountants, (a QCR rated audit firm and external auditors of the Company) to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Companies (Postal Ballot) Regulations, 2018.

8. Dissemination of Annual Audited Accounts and Notice of Annual General Meeting

The audited financial statements of the Company together with the auditors' report, directors' report and the chairman's review report for the year ended December 31, 2025 (Annual Report) have been made available on the Company's website (<https://fatimafertilizer.com/investor-relations/#financial-report>). In accordance with the requirements of section 223 of Companies Act 2017, the Company has electronically transmitted the Annual Report through email to shareholders whose email addresses are available with Company's Share Registrar (CDCSRSL). In those cases, where email addresses are not available with Company's Share Registrar (CDCSRSL), Annual Report can be accessed using the weblink and QR enabled code mentioned on the printed notice of the AGM circulated to the members.

9. Conversion of physical shares into the Book-Entry Form

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017.

The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form.

10. Unclaimed dividend / shares

Shareholders who have not collected their dividend / physical shares are advised to contact our shares registrar to collect / enquire about their unclaimed dividend or shares, if any.

11. Change of Address

1. Members having physical shareholding are requested to notify changes in address immediately, if any, in their registered addresses to our Share Registrar, CDC Share Registrar Services Limited, CDC House 99-B, Block 'B' S.M.C.H.S, Main Shakra-e-Faisal Karachi-74400.
2. In case shares are held in CDC then the request notifying the change in address must be submitted directly to broker/participant/CDC Investor Account Services.

12. Submission of Copy of CNIC

1. Individual members having physical shareholding and who have not yet submitted photocopy of their valid CNIC are requested to send notarized copy of their valid CNIC immediately to our Share Registrar, CDC Share Registrar Services Limited.
2. In case shares are held in CDC then the request to update CNIC must be submitted directly to broker/participant/CDC Investor Account Services.

13. Proxy

1. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a attested copy of power of attorney must be deposited at the Registered Office of the Company situated at E 110 Khayaban e Jinnah Lahore Cantt. at least 48 hours before the time of the meeting.
2. For appointing proxies, the shareholders will further have to follow the under mentioned guidelines:
 - a. In case of individuals having physical shareholding or the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form accordingly.
 - b. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
 - c. Notarized copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - d. In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

14. Code of Conduct for Shareholders in General Meeting

Section 215 of the Companies Act, 2017 ("the Act") and Regulation 55 of the Companies Regulations, 2024, "Conduct of Shareholders at Meetings" state as follows:

- i) shall not bring such material that may cause threat to participants or premises where meeting is being held;
- ii) shall confine themselves to the agenda items covered in the notice of meeting;
- iii) shall keep comments and discussion restricted to the affairs of the company; and
- iv) shall not conduct in a manner to disclose any political affiliation or offend religious susceptibility of other members.

15. Prohibition of Gifts

In compliance with section 185 of the Companies Act, 2017 and SRO 452(I)/2025 dated March 17, 2025 issued by SECP, it is hereby notified that no gifts in any form or manner, shall be distributed to shareholders at the Annual General Meeting.

Marketing & Sales Review

Fatima Fertilizer's Marketing & Sales department accomplished numerous milestones and achievements during 2025. It strengthened its position as a purpose-driven, innovation-led organization, closely aligned with Fatima's vision of building resilient businesses that drive sustainable economic progress at both community and national levels. Anchored in our core values, Marketing & Sales function continued its evolution beyond conventional brand-building. It transformed into an integrated impact ecosystem, one that empowers farmers, strengthens trade and institutional partnerships, and delivers measurable value across the agricultural value chain while contributing meaningfully to Pakistan's food security and socio-economic development.

Brand Campaigns & Engagement

Pakistan Super League (PSL) Partnership

For the ninth consecutive year, Fatima Fertilizer strengthened its association with the Pakistan Super League (PSL) as sponsor of the Multan Sultans franchise, reinforcing Fatima Fertilizer and Sarsabz's brand visibility at a national scale. The integrated campaign featured a co-produced anthem, high-impact digital content, starring Multan Sultans players, generating 40 million views on Sarsabz digital handles on YouTube, Meta and TikTok. Campaign was supported by extensive nationwide marketing activations, including on-ground engagement across South Punjab and Meet & Greet for our dealers and farmers with Multan Sultan players.





Sarsabz Dua – Ramadan Campaign

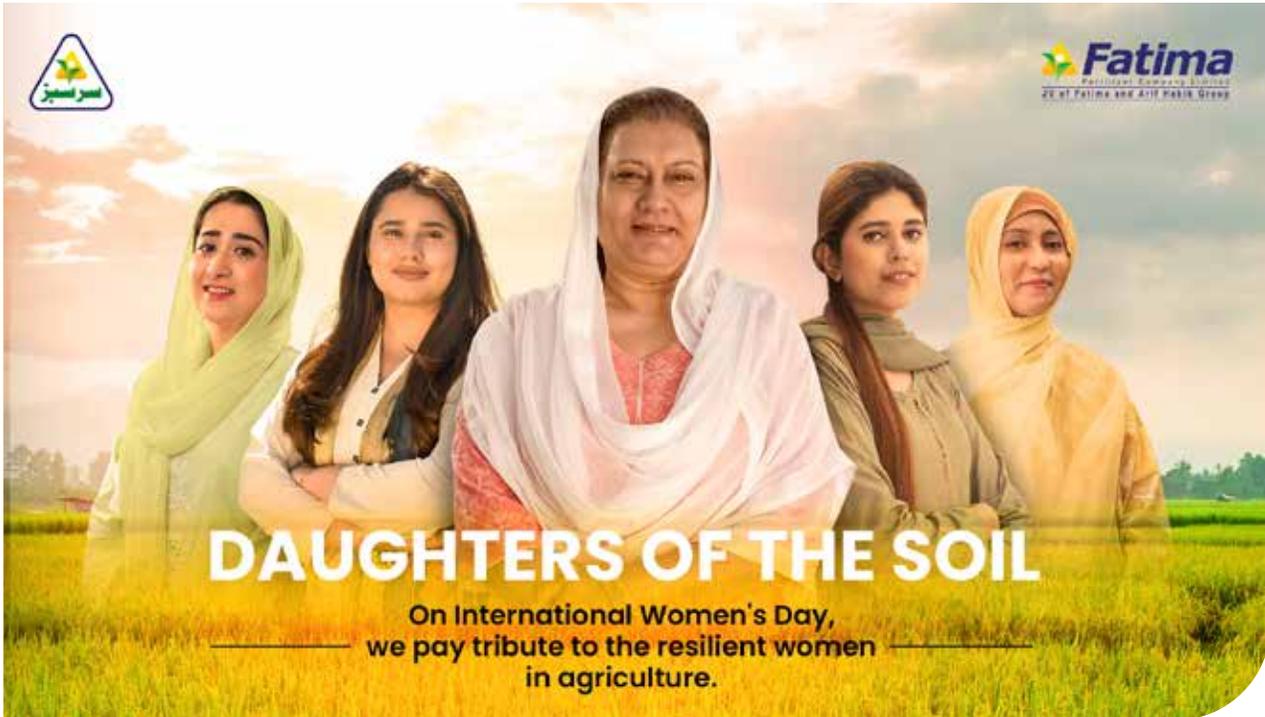
Building on the strong success of “Allah Hu Allah”, our brand, Sarsabz, sustained momentum by once again collaborating with Atif Aslam for “Faaslon Ko Takalluf” for Ramadan 2025, launching “Sarsabz Dua”. This strategic continuity reinforced brand recall and deepened emotional equity with audiences during Ramadan. The campaign delivered high-impact engagement, achieving approximately 134 million cumulative views across the digital platforms, and further cemented Sarsabz’s leadership in purpose-led, culturally rooted storytelling.

Iss Mitti Ki Beti – Women Empowerment Campaign

In alignment with Fatima Fertilizer’s commitment to diversity, inclusion, and community empowerment, the Company launched a flagship digital campaign, “Iss Mitti Ki Beti”, to commemorate International Women’s Day 2025. The campaign was conceptualized to recognize and celebrate the resilience, contribution, and evolving role of women across Pakistan’s agricultural value chain.



Anchored in authentic storytelling, the campaign showcased real-life narratives of women who are actively transforming the agricultural ecosystem through their determination, leadership, and innovation. Among the featured individuals was Dr. Samad Yazdani, a female farmer and qualified medical professional who chose to transition into agriculture, reflecting a powerful commitment to national food security and rural development. The campaign also highlighted Ms. Sania Akbar, a pioneering logistics entrepreneur successfully operating a fertilizer transportation business in a predominantly male dominated sector, demonstrating operational excellence and leadership resilience.



In addition to external stakeholders, the campaign prominently featured Fatima Fertilizer’s own female workforce, including industry first female warehouse in-charges and professionals across various operational and support functions. By doing so, the initiative reinforced the Company’s internal commitment to fostering an inclusive workplace and enabling women to take on critical roles across the value chain.

Through authentic storytelling and a powerful narrative, “Iss Mitti Ki Beti” not only celebrated these remarkable women but also challenged societal norms and inspired broader inclusion within the agricultural ecosystem. The campaign achieved a significant milestone by becoming the only initiative from Pakistan to be officially recognized and reshared by the International Fertilizer Association on International Women’s Day 2025. On digital platforms, the campaign delivered strong engagement and reach, generating 1.3 million views on Meta (Facebook and Instagram), 1.1 million views on YouTube, and 1.3 million views on TikTok, reflecting its widespread resonance and impact.

Dil Se Sarsabz – Independence Day Campaign

For Sarsabz, Independence Day is not just a date on the calendar, it is a moment of reflection, gratitude, and renewed commitment to the land and the people it serves. Rooted in agriculture and deeply connected to Pakistan’s soil, Sarsabz has consistently honored this occasion by celebrating the spirit of the nation. In 2025, this tradition was carried forward through “Dil Se Sarsabz”, a campaign designed to bring the voice of the people to the forefront and celebrate patriotism in its most genuine form. Dil Se Sarsabz was positioned as a user-generated content (UGC) campaign to celebrate Pakistan’s Independence Day by harnessing the collective voice of the nation. Participants from across the country created and shared their own renditions of patriotic songs on TikTok, generating over 1,300 entries. The initiative culminated in a grand finale in Islamabad, where renowned singer Haroon, widely recognized for his contributions to Pakistan’s patriotic music, served as a key judge, adding credibility and cultural depth to the platform. The top 10 performers showcased their talent live, successfully transforming digital engagement into a high-impact, on-ground celebration of national pride.



Product Portfolio & Agronomic Positioning

On product front, Sarsabz continued to uphold its promise of delivering 10% higher yield versus conventional fertilizers, reinforcing its identity as Pakistan’s only nitrate-based fertilizer brand developed specifically for local soil and climate conditions. Multiple integrated campaigns launched across Kharif and Rabi seasons in the form of documentaries and farmer testimonials for various crops reached views of 23 million on Facebook, 17 million on YouTube and 25 million on TikTok.

This performance was further reinforced through our extensive farmer engagement initiatives across the country.

Farmer Engagement & Technical Services

Farmer Education & Outreach

In 2025, approximately 2.8 million farmers utilized the Company’s products across nearly 14 million acres, aligned with industry benchmarks and farmer practice-based consumption patterns. In parallel, our technical team conducted structured, one-on-one engagement sessions on sustainable agricultural practices with 277,793 farmers nationwide.

The Technical Team delivers farmer education through a multi-channel model, integrating on-farm advisory, group engagement, and digital platforms. Technical Services Officers also provide complimentary soil and water testing through an internationally accredited laboratory, enabling site-specific fertilizer recommendations aligned with the 4R Nutrient Stewardship Framework. Advisory programs

are focused on balanced nutrient management, soil health enhancement, water-use efficiency, and climate risk mitigation.

During 2025, the Technical Team conducted 52 mega seminars in collaboration with Federal and Provincial Government authorities. These events were attended by ministers, secretaries, and senior officials from Agriculture Extension departments, research institutions, and academia, with approximately 500 farmers participating per event. Testimonial farmers shared their experiences using Sarsabz Nitrophos and CAN, reporting yield improvements of 10% or more across major crops, which were further endorsed by government officials.

As part of the annual Technical Services Plan, the team executed 206 product demonstrations and facilitated 1,074 high-profile farmer testimonials at field level across key crops including wheat, cotton, rice, maize, sugarcane, and potato. These demonstrations consistently validated the agronomic and economic superiority of Sarsabz Nitrophos and CAN over conventional fertilizer sources, delivering yield improvements of 10% or more nationwide. These outcomes reinforce the effectiveness of their combined application.

From a service delivery perspective, free-of-cost soil and water testing, coupled with on-farm advisory, enabled site-specific nutrient management, improved input efficiency, and enhanced farmer profitability through data-driven, evidence-based practices.

Government-led crop yield competitions further validated these results. Under the Punjab Government Wheat Yield Competition (2024–25), the Technical Team supported and guided high-profile Sarsabz farmers throughout the

crop lifecycle, ensuring adherence to 4R principles and optimal use of Sarsabz products. As a result, Sarsabz farmers secured all top three provincial positions along with 97 district-level placements (34 first positions, 32 second positions, and 31 third positions), demonstrating superior yields and stronger returns on investment.

Agronomic Partnerships & Stewardship

The Company continues to strengthen sustainable agriculture through strategic partnerships with international organizations, government extension services, research institutions and academia. All operations maintain 'Excellence' status under the International Fertilizer Association's Product Stewardship Certification.

Collaborations with provincial extension departments and research agencies support farmer outreach, product validation trials, and development of crop- and soil-specific solutions. Partnerships with international testing providers ensure accredited soil and water analysis, while engagement with academia and technology partners drives innovation in fertilizer efficiency, climate resilience, and data-driven agriculture.

Flood-affected farmers Rehabilitation support; Rabi 2025:

In collaboration with the Government of Punjab, the Company's Technical Team supported the rehabilitation

of farmers in 15 severely flood-affected villages by distributing certified wheat and vegetable seeds. This initiative enabled affected farmers to resume agricultural activities post-devastation, reinforcing the Company's commitment to community resilience and livelihood restoration during national emergencies.

Digital Farmer Engagement – Sarsabz Pakistan App

The Sarsabz Pakistan Farmer App continued its strong growth in 2025, significantly increasing its user base to 850K users & with more than 50% returning users have strengthened its position as a leading digital engagement platform for farmers.

Key enhancements included an AI-powered chatbot for real-time, localized advisory, along with a weather feature offering 5-day hourly forecasts to support informed decision-making. The platform further expanded its integrated ecosystem and on-ground support.

These advancements reinforce Fatima Fertilizer's commitment to driving technology-led efficiency and empowering farmers across the Agri value chain.

These digital capabilities further strengthened farmer engagement and played a key role in amplifying on-ground success stories and seasonal campaigns.





Campaign Amplification & Farmer Success Stories

Sarsabz Ki Jeet – Farmer Success Campaign

The Rabi 2025 season marked a defining moment for Sarsabz, as the brand brought to life the campaign “Sarsabz Ki Jeet” a celebration of farmer success, resilience, and the power of the right agricultural choices, rooted on the Success of Sarsabz Farmers in Punjab Yield Competition, the campaign told a story that was not built in boardrooms, but in the fields. Sarsabz farmers secured an outstanding 100 out of 123 winning positions, including first place in 34 out of 40 districts. These were not just statistics; they were proof points of trust, consistency, and performance delivered where it matters most on the ground, at the center of the campaign were the farmers who made this success possible. The top three provincial winners became the faces of a nationwide TVC, not as actors, but as authentic voices of progress. Their journeys marked by hard work, risk-taking, and belief in better practices gave the campaign a sense of honesty that resonated far beyond traditional advertising, what truly set “Sarsabz Ki Jeet” apart was its strong presence within farming communities. Rather than limiting the celebration to media platforms, the Sarsabz team went directly to the source engaging district-level winners in their own areas. At their deras, surrounded by fellow farmers, their success was acknowledged and shared. These gatherings were more than events; they became moments of pride, inspiration, and collective aspiration, encouraging others to follow in their footsteps.

The campaign was supported by a well-rounded national rollout, including a TVC, widespread digital outreach generating approximately 23 million views, print supplements, extensive mandi branding, and on-ground activations across 34 districts. Each touchpoint reinforced the same message real farmers, real results most importantly, the campaign gave meaningful, visible validation to Sarsabz’s promise of “10 feesad se bhi ziada izafi paedavar.” For farmers, this was no longer just a claim it was something they could see in their own communities, in the success of people they know and trust.

Community Engagement & Social Impact

Salam Kissan – National Farmer Engagement Platform

At Fatima Fertilizer, our relationship with agriculture goes beyond products. It is rooted in respect for the land and in deep gratitude for the people who bring it to life. The farmer is not just our end-user; he is the heartbeat of our nation, the silent force behind every harvest, and the reason Pakistan continues to thrive. It was this belief that gave birth to “Salam Kissan” a movement created to honor, celebrate, and give voice to those who have long remained unseen, yet indispensable. Sarsabz started this revolution 7 years ago by introducing Farmers Day in Pakistan and designated December 18 as Farmer Day. What started as an initiative by Sarsabz, soon became a moment of pride for the entire country when Government of Pakistan officially recognized December 18 as “Kissan Day” right



after it was launched. For Sarsabz, it reaffirmed a simple but profound belief: when you stand with farmers, you stand with Pakistan.

“Salam Kissan” continued to evolve as a scalable social-impact platform, extending its reach from fields to households, and from rural communities to urban consciousness. The Salam Kissan anthem became a unifying thread, echoing across platforms and communities, while a diversified content ecosystem brought new energy to the narrative. AI-powered animated films, influencer collaborations, and partnerships with food creators collectively highlighted the journey from “soil to plate” reconnecting consumers with the origin of their sustenance.

The campaign’s scale matched its purpose. Across conventional channels, Salam Kissan reach expanded significantly delivering an accumulated reach of over 100 million across Conventional and Digital platforms. This year in a strategic step towards future audiences, Sarsabz also leveraged Snapchat for the first time, engaging Gen-Z and Gen Alpha and ensuring that the message of respect for farmers resonates with the next generation of Pakistan.

Yet, the true success of Salam Kissan cannot be measured in numbers alone. It lies in the pride of a farmer who feels seen, in the awareness of a consumer who understands the value behind every meal and in the emergence of a narrative where agriculture is not just an industry but a source of national identity.

Sarsabz Tabeer – Women Empowerment Initiative

Our rural women initiative, Sarsabz Tabeer, continues to strengthen our commitment to empowering female farmers across Pakistan. Built on four foundational pillars

- Education, Health, Finance, and Skill Development - the program aims to create long-term, meaningful changes in rural communities.

With a clear focus on enhancing income-generating capabilities, we have trained over 4,000+ rural women in farm-based food processing. These women are now able to utilize their skills to improve household nutrition, diversify income streams, and take greater control of their economic futures.

Last year, in response to the overwhelming interest from local communities, we have expanded the initiative by facilitating microfinance loans for female farmers through partnerships with leading financial institutions including Akhuwat. This support has already enabled numerous women to start and successfully manage their own sustainable enterprises positioning them as drivers of change within their communities.

To further uplift rural women and their families, this year we launched the Sarsabz Tabeer Medical Camps in collaboration with the Government of Punjab and Mukhtar A. Sheikh Hospital. To date, multiple medical camps have been organized across Southern Punjab, providing essential health consultations, medication and awareness sessions to underserved populations.

Trade Marketing & Channel Engagement

Sarsabz Royals – Loyalty Program

The Sarsabz Royals program, a flagship loyalty program of Fatima Fertilizer for all our business associates successfully concluded its sixth year. It is a point-based system, which is a testament to demonstrate robust engagement and growing loyalty with our business partners. This program continues to strengthen our network of business associates and creates long-



term partnerships with them. Fatima Fertilizer also organized the Long Association Awards Ceremony for its esteemed Business Associates. This first-of-its-kind industry initiative honored long-standing partnerships of 10, 15, and 20 years with Business Associates from across Pakistan. The events reinforced our commitment to further strengthening partnerships and working collectively toward sustained success and growth.

Trade Activation & Retail Visibility Excellence

Special target-based schemes for business associates were also implemented, including international tours where the efforts of our business partners were formally recognized. These initiatives are designed to deliver an elevated customer experience while reinforcing our positioning as a market pioneer through industry-first initiatives at the point of sale.

Brand visibility is the forte of our company. Investing in innovative visibility solutions is at the core. Structured retail transformation has converted traditional shops into exclusive Sarsabz-branded outlets for our farmers, significantly enhancing market visibility and creating competitive differentiation across Pakistan.

One of the prominent flagship initiatives at Fatima Fertilizer is the National Display Competition which is executed in both Rabi and Kharif. More than 1,000 retail-based business associates participated in this competition. Those who scored high on KPIs such as unique and prominent displays received an award from a range of electronics and household appliances. These activities fuel growth and increase brand offtake from their farmers facing retail outlets. Having said that, Fatima Fertilizer continues to invest in traditional visibility solutions also, where a total revamp of more than 1,000 retail stores is in process. A bouquet of visibility elements

for their shop both instore and on store are being installed. This activity ensures that the brand is prominently displayed on a long-term basis at the point of sale and is always visible to the farmer.

Such activities for business associates set Fatima Fertilizer apart by establishing new benchmarks for modernization and demand generation in the sector.

Sarsabz Agri Mart – Retail Transformation

Fatima Fertilizer proudly introduced Sarsabz Agri Mart as a purpose-built, one-stop Agri-retail platform, designed to provide farmers with seamless access to the complete range of Sarsabz fertilizers under one roof.

Moving beyond a conventional retail model, Sarsabz Agri Mart is structured to deliver integrated value through high-quality agricultural inputs and expert agronomic guidance. During the year, the platform drove strong farmer engagement, with over 12,000 farmers engaged, 4,550 field visits conducted and 18 farm meetings organized, enabling informed decision-making across the crop cycle.

Sarsabz Agri Mart is successfully established across 7 locations, including Khori, Sharaqpur, Chishtian, Arifwala, Ghotki, and Moro, with plans to further expand the footprint in 2026 and beyond.

Through this initiative, Fatima Fertilizer continues to reinforce its commitment to empowering Pakistan's farming community by delivering accessible, knowledge-driven solutions that enhance productivity and support sustainable agricultural growth.



Strategic Partnerships & Collaborations

Fatima Fertilizer signs MOUs with SEED Ventures and King's Trust International

Fatima Fertilizer signed a Memorandum of Understanding (MoU) with SEED Ventures and King's Trust International, to support Enterprise Challenge Pakistan (ECP), a youth-entrepreneurship and skills-development initiative targeting 14–18-year-olds. Under the partnership, ECP engaged nearly 3,000 students across 100–120 public and private rural schools in Pakistan, with an emphasis on gender equality, inclusion, children with disabilities, and underprivileged communities. The program fostered entrepreneurial thinking, business skills and innovation among youth, contributing to broader sustainable-development goals like quality education (SDG 4), decent work & economic growth (SDG 8), and industry/innovation (SDG 9). Through this collaboration, Fatima Fertilizer reinforced its commitment to holistic sustainability and inclusive growth beyond agriculture by bridging youth empowerment, education, and social equity as part of its SDG-based impact agenda.

Fatima Fertilizer signs MOUs with Mobilink Microfinance Bank & EFU Life

Fatima Fertilizer signed strategic MOUs with Mobilink Microfinance Bank and EFU Life to enhance financial access and risk protection for farmers, driving greater inclusion within the Agri ecosystem.

The partnership with Mobilink Microfinance Bank enables access to Agri-focused lending, digital wallets and branchless banking to facilitate seamless and secure transactions. In parallel, the collaboration with EFU Life introduces crop and health insurance solutions, strengthening farmer resilience against financial shocks.

Leveraging Fatima's extensive dealer network and Agri Marts, these initiatives provided farmers with a unified platform for credit, insurance, and digital payments.

Despite a dynamic operating environment, the Marketing & Sales team sustained strong growth momentum, reinforcing trust across the value chain and positioning the business for continued impact in 2026 and beyond.

Sustainability & SDG Impact

As part of Fatima's 90-year legacy and its forward-looking marketing initiatives, Fatima Fertilizer reinforced its commitment to responsible growth. Being the first company in Pakistan to adopt the UNDP SDG Impact Framework, we continued embedding sustainability across operations, marketing, and community programs.

In 2025, Fatima Fertilizer's sustainability journey entered a defining phase, marked by strong recognition across leading global and national platforms, reinforcing its position as a purpose-driven and impact-led organization, a historic milestone was achieved as Fatima Fertilizer became the first company from Pakistan to be nominated at the Reuters Global Sustainability Awards (UK) in two categories.

- a) SDG Pioneer Award
- b) Sustainability Trailblazer Awards

Overall, our Marketing and Sales initiatives directly contributed to 15 SDGs, particularly below mentioned 9 SDGs:



This alignment positioned Sarsabz not only as a fertilizer brand, but as a catalyst for systematic agricultural transformation.

MARCON 2025 – Leadership Alignment & Capability Building

Fatima Fertilizer successfully hosted MARCON 2025 in Bali, convening the Marketing & Sales team for strategic alignment and forward planning. In a first for the industry, a collaboration between Fatima Fertilizer and Argus Fertilizer was hosted on Fatima Fertilizer platform, delivering dedicated knowledge-sharing sessions on Nitrogen and Phosphate markets, providing global insights and outlooks to strengthen commercial decision-making.

The conference enabled leadership alignment, cross-functional collaboration, and a unified execution roadmap, reinforcing organizational agility and market responsiveness. MARCON 2025 reaffirmed the Company's commitment to building a high-performance culture and driving sustained growth through informed, insight-led strategies.



These integrated initiatives collectively reinforced Fatima Fertilizer's leadership across the agricultural value chain, delivering sustained impact for farmers, partners, and the broader economy.

Awards & Recognition – 2025

The year was marked by prestigious global accolades:

- SDG Pioneer Award at the 14th Annual CSR Awards 2025
- Corporate Non-Profit Partnership Award at the 14th Annual CSR Awards 2025 for impactful community collaborations.
- Green Digital Advertising Campaign Award at PDA 2025 for Leading Sustainable Change for Pakistan
- Gold at Dragons of Pakistan 2025 in the Influencer/Content Creation category
- Silver at Dragons of Asia 2025 in the Influencer/Content Creation category in Kuala Lumpur, Malaysia.
- Best Content of the Year at PDA 2025 for Ramazan Campaign

- Global Tech Award (USA) 2025 in the AgriTech category for the innovation by Sarsabz Pakistan App
- Marketing HSE won HSE Performance Award at the 11th International Awards on HSE 2025 under the UN Environment Program.
- Director Sales and Marketing Rabel Sadozai won Sustainability Leader of the Year at the Women Leading Change Awards Hong Kong 2025
- Four prestigious accolades at the Drum Awards 2025 in London, including a Silver in Social Purpose: User-Generated Content for Social Change for Salam Kissan (TikTok); a Silver in Social Purpose: Sustainability & Climate Action; a Silver in Social: Social Media for Good for Salam Kissan; and a Bronze in Social: Cause-Led Influencer Campaign for the same initiative.

These awards validate our integrated approach to brand-building, sustainability, and digital innovation.



Information Technology

The year 2025 marked a pivotal phase in Fatima Fertilizer Company Limited's digital transformation journey, characterized by accelerated innovation, strengthened governance, and the deployment of modern technology solutions across the enterprise. The IT function played a central role in enabling operational excellence, regulatory compliance, and data driven decision making

Value Creation Model

Inputs	Digital Platforms & AI	Modern Infrastructure	Skilled Workforce & Governance
Outputs	AI automation, chatbots, analytics	99.99% uptime, SOC, Secure infrastructure	ISO 27001 certification, EPMO governance
Outcomes	Faster decisions, reduced cycle times	Improved resilience, cost savings	Stronger compliance, transparency
Value Creation	Innovation, operational excellence	Reliability, efficiency	Risk reduction, strategic alignment



Enterprise-Wide Impact

- 99,000+ manhours saved annually
- 96,000+ sheets of paper eliminated
- Multi million rupees in annualized financial benefits
- 65–75% efficiency gains across targeted processes
- Exceeded uptime commitments of 99.99%
- Successful live disaster recovery exercises

AI Strategy, Governance, and Enterprise Adoption

A structured AI strategy has been defined to guide responsible innovation and enterprise-wide value realization. The strategy emphasizes business aligned AI deployment, operational efficiency, risk management, and long-term capability building.

Targeted AI capability-building programs were conducted to upskill technical teams and empower business users, strengthening enterprise-wide digital maturity. Multiple AI use cases were deployed across finance, HR, procurement, and operations, delivering measurable efficiency gains, improved decision-making, and enhanced transparency.

The organization's leadership in AI innovation was powerfully affirmed when its AI application was selected and recognized at Google AI leaders fellowship program.. This milestone not only validates the strength and impact of its AI capabilities but also reinforces its standing as a forward-looking technology-driven enterprise operating at global standards of innovation.

An internally developed AI Governance Framework is being refined to align with global standards. The framework ensures responsible, explainable, and secure AI adoption across the enterprise, reinforcing trust, transparency, and compliance.



Capability development remained a strategic priority. More than 1000+ hours were invested in strengthening core IT competencies, complemented by 800+ hours dedicated to upskilling broader teams in AI, IT service management, project management, RPA, cloud platforms, cybersecurity, and emerging technologies.

Enterprise Project Management and Governance

The company Enterprise Project Management Office delivered enterprise-wide value by institutionalizing standardized governance frameworks, strengthening benefit realization practices, and enhancing project visibility across strategic initiatives. Through structured methodologies, data driven dashboards, and disciplined execution, the EPMO significantly improved transparency, accountability, and value delivery.

During the year, the EPMO expanded its role beyond IT by implementing a digitalized project management platform across multiple divisions. This enterprise-wide initiative strengthened cross-functional collaboration, improved leadership visibility, and established a centralized framework for structured planning, performance tracking, and value realization.

In a landmark achievement, Fatima Fertilizer became the first organization from Pakistan to reach the Regional Semi-Finals of the 2025 PMI PMO Global Awards, a prestigious recognition by the Project Management Institute, reflecting global alignment and excellence in project governance.

Digitalization and Artificial Intelligence

The year 2025 marked a significant acceleration in Fatima's digital transformation journey, with technology firmly positioned as a strategic enabler of business value, operational excellence, and regulatory compliance.

Intelligent Process Automation and Agents

Artificial intelligence played a transformative role across multiple business functions. The AI driven monthly closing engine automated the end to end monthly cycle, with intelligent agents autonomously determining required actions and delivering approximately 98%-time savings. Under the Empower to Lead (E2L) initiative, robotic process automation was deployed to streamline candidate screening, filtering, and offer issuance processing for

more than thousands of candidates providing 5 times faster results.

Generative AI

A Generative AI Supplier Chatbot, integrated with procurement systems, automated responses to supplier queries related to purchase orders, invoices, and payments, reducing query-handling workload by 50%. A Generative AI HR Employee Chatbot was also launched to support a self-service model, providing consistent and timely guidance on organizational policies and procedures, with response validation underway by the HR team.

Other digitalization initiatives include:

- FBR digital invoicing;
- Trans-shipment process;
- Enhancing Document Management System;
- PHA-PSM Recommendation Stewardship System;
- Leasing and Invoicing;
- Rock Phosphate Movement System; and
- Safety Critical Defeat System.

IT Infrastructure Development and Operations

Enterprise Email Platform

Significant progress was made in strengthening the organization's technology backbone. The enterprise email platform was upgraded to the latest Exchange version, complemented by AI driven security controls such as sandboxing and advanced threat protection. This modernization enhanced reliability, fortified defenses against spoofing and impersonation, and delivered millions in cumulative cost savings.

Data Center Upgrade

Data Center resilience was further enhanced through core network link aggregation, improving redundancy and ensuring uninterrupted operations. A dedicated generator was deployed to strengthen power continuity for critical infrastructure. The complete in-house upgrade of the SharePoint platform improved security, performance, and availability for key enterprise applications including SMIS, Exception Capturing System, LC/CAD, Travel Desk, Asset Reliability Management System, Inspection System, and Reliability Incident Reporting—resulting in sustainable business operations.

Web Application Firewall

Cybersecurity posture was strengthened through the deployment of a Web Application Firewall and the implementation of controlled internet access measures, significantly enhancing protection against web-based threats and reinforcing a secure, compliant digital environment. These initiatives collectively improved IT resilience, elevated security standards, and positioned the organization for scalable, sustainable digital growth.

Cybersecurity

ISO 27001:2022

Fatima has successfully retained its ISO/IEC 27001:2022 certification for the 10th consecutive year, demonstrating a sustained commitment to information security excellence and positioning itself among the most consistently certified organizations in its industry.

The cybersecurity framework was strengthened through quarterly vulnerability assessments, regular internal and external audits, and comprehensive employee awareness programs, including an organization wide AI cybersecurity awareness initiative.

Geopolitical Escalation

During recent geopolitical escalations, IT security team in collaboration with Infrastructure team, proactively took numerous initiatives to ensure the cyber resilience of Fatima digital eco system including review and strengthening of network architecture, implementation of cyber advisories, email security, next generation firewalls, web application firewalls, user awareness etc.



IT Governance, Cybersecurity and Board Oversight Disclosures

1. Board Responsibility on Cyber Risks and Breach Response

The Board of Directors recognizes the strategic importance of cybersecurity in safeguarding the company's assets, operations, and the interests of its stakeholders. Committed to upholding the highest standards of security and compliance, the Board actively monitors, evaluates, and enforces adherence to all relevant legal and regulatory requirements governing cybersecurity and data protection.

The Board has adopted a formal information security policy that defines its responsibilities for assessing legal and regulatory implications of cyber risks, ensuring that adequate governance structures are in place for monitoring, managing, and mitigating these risks. In the event of a cyber breach, there exists well defined response and escalation protocols, including immediate notification to the Board and relevant cyber compliance committees that involve CEO, CIO and other relevant compliance team members.

The Board also ensures that periodic updates on the regulatory landscape and emerging cyber threats are provided to enable proactive decision-making and alignment with global best practices

2. IT Governance, Cybersecurity Programs, and Industry

At Fatima Fertilizers, we have implemented a comprehensive IT governance framework that clearly defines roles, responsibilities, and accountabilities across the organization. Our IT Security framework is aligned with ISO 27001:2022, ensuring compliance with globally recognized best practices for information security management.

We have established core cybersecurity policies and procedures covering key areas, including but not limited to data protection, access management, incident response, vulnerability management, risk assessment for IT assets and services, annual third-party testing and business continuity planning.

To stay ahead of evolving cyber threats and regulatory developments, our cybersecurity controls and processes are subject to regular reviews and continuous enhancement, reinforcing our commitment to a secure and resilient IT environment.

Fatima Fertilizers is proud to achieve and maintain ISO/IEC 27001:2022 certification for the 10th consecutive year, setting a benchmark for information security management system in the industry. This milestone reflects our commitment to upholding the highest security standards and ensuring compliance with the latest ISO security requirements. This also underscores organizations' dedication to safeguarding its systems, data, and digital environment, reinforcing trust, credibility, and resilience in an increasingly complex cybersecurity landscape.

3. Cybersecurity in the Board's Risk Oversight Function

Cybersecurity is a core component of the Fatima Fertilizers Board's risk oversight function and is fully integrated into the company's COSO Enterprise Risk Management (ERM) framework. This framework is continuously monitored to ensure a unified and robust approach to risk management.

ISO 27001:2022 sets the foundation of our information security practices. This ensures that IT and cybersecurity risks are effectively identified, assessed, and managed in compliance with international standards.

The Board receives regular updates on the cyber risk landscape, ongoing security initiatives, threat intelligence, and the overall effectiveness of the cybersecurity program. To facilitate proactive risk identification and timely mitigation, a comprehensive IT risk assessment exercise is conducted every year and presented to Board for setting the direction for future. To maintain a comprehensive and balanced approach to risk management, the Board ensures that cybersecurity is integrated within the company's corporate risk management framework, aligning technology, operational, and compliance risks for enhanced resilience and governance.

4. Board-Level Committee Oversight of IT Governance and Cybersecurity

The Board actively engages with the senior leadership team, including the CIO, Head of Governance and Security, Head of Infrastructure, and other key stakeholders, to ensure continuous oversight and monitoring. Regular meetings are conducted to update the Board on the latest cybersecurity trends, emerging threats, and ongoing action plans. This engagement is critical for reviewing IT and cybersecurity policies, assessing key cyber risks, and strengthening incident response preparedness to safeguard the organization's digital assets.

5. Early Warning System and Incident Communication Protocols

A comprehensive early warning system is in place to facilitate the timely identification, assessment, escalation, and response to cybersecurity risks and incidents. This system ensures prompt communication with senior management and the Board, enhancing proactive risk management and oversight.

Fatima Fertilizers has established and deployed a specialized Security Operations Center (SOC) team that continuously monitors our IT environment. The SOC utilizes an advanced Security Information and Event Management (SIEM) platform, which consolidates logs from all critical systems across the organization. Predefined use cases within the SIEM enable the detection of suspicious activities, potential threats, and indicators of compromise (IOCs) for early threat identification.

To enhance real-time security visibility, interactive dashboards within the SIEM provide continuous analysis of security events. The platform is further strengthened with Security Orchestration, Automation, and Response (SOAR) and a Security Incident Response Platform (SIRP), enabling seamless incident reporting, response coordination, and automated containment actions.

An in-depth forensic analyses and root cause identification mechanism also exist to investigate the incidents in detail. This structured, multi-layered approach ensures that cybersecurity risks are effectively managed, with timely disclosures and communications to senior leadership, supporting informed decision-making and robust governance.

6. Independent Security Assessments and Third-Party Risk Management

Fatima Fertilizers has established a formal policy that mandates annual security assessments that include risk assessment, vulnerability assessment, penetration testing etc., of its technology environment to evaluate the effectiveness of cybersecurity controls and proactively identify potential risks, actions steps, including those associated with third-party vendors and service providers.

These comprehensive assessments encompass IT infrastructure, critical business applications, data protection mechanisms, cloud environments, and third-party integrations. Conducted by certified and reputable cybersecurity firms, these evaluations follow ISO 27001:2022 and globally recognized best practice frameworks, ensuring rigorous benchmarking against industry standards.

Findings from independent security reviews are presented to board, with any identified risks and improvement recommendations are integrated into Fatima Fertilizers ongoing risk management and cybersecurity enhancement programs, reinforcing its commitment to excellence in information security.

7. Resilient Contingency and Disaster Recovery Plans (DRP) and Cyber Insurance

Fatima Fertilizers has established comprehensive IT contingency and disaster recovery plan to ensure rapid recovery from cyber incidents, technology failures, and data breaches. These plans are designed to minimize downtime, protect critical assets, and maintain business continuity.

To validate the effectiveness of recovery strategies, Fatima successfully conducted 2 DR drills in 2025. The results are thoroughly reviewed by leadership team, ensuring alignment with organizational resilience goals.

8. Digital Transformation and Use of Industry 4.0 Technologies

Fatima Fertilizer continues to progress on its digital transformation journey, with a strategic focus on embracing AI-driven solutions. In line with this vision, we introduced its

inaugural AI policy and framework, reinforcing transparency, governance, and operational resilience.

Several new digitalization initiatives were launched, resulting in significant multi million cost savings in rupees, worth thousands of man-hours and papers savings.

Key initiatives included Robotic Process Automation (RPA) in different business functions, AI-powered predictive analytics and threat protection, strengthening Fatima Fertilizers security posture, development and advancement of mobile applications, digitalization of multiple processes bringing efficiencies, leveraging business intelligence and analytics, Salesforce automation and numerous initiatives for plant sustainability, productivity and reliability.

These advancements have fortified internal controls, improved reporting accuracy, and enhanced governance capabilities, positioning Fatima Fertilizers at the forefront of technological innovation.

9. Cybersecurity Education and Training Programs

At Fatima Fertilizer, cybersecurity awareness is deeply ingrained in our corporate culture, ensuring that every employee recognizes his/her responsibility in safeguarding company assets and data.

To reinforce this commitment, the IT Security team conducts numerous annual cybersecurity awareness and training programs, strengthening the human firewall across the organization.

Recent initiatives included:

- Mandatory cybersecurity training for all new employees to instill best practices from day one.
- Live phishing simulations and incident response drills to enhance preparedness against cyber threats.
- Specialized training for high-risk user groups, including finance, IT, and executive leadership, to address industry-specific risks.

By fostering a security-first mindset, Fatima Fertilizers continue to elevate its cybersecurity posture, ensuring resilience against evolving threats.

10. AI Governance and Cybersecurity Excellence at Fatima Fertilizers

An AI Governance framework has been developed internally and is currently being refined to ensure alignment with global standards and regulatory compliance requirements. The framework covers explainable use of AI across the organization while enabling business value. To strengthen our cybersecurity posture.

Operational Performance

Sadiqabad Plant

Production and Operational Excellence

Sadiqabad Plant achieved Annual Production 1,464 kMT, surpassing annual production target by 23 kMT. Ammonia Plant delivered On Stream Factor of 98.7% (Top 25% International Plants averages at 97.3%) enabled by disciplined operations and the safe, effective management of maintenance and operational challenges throughout the year.

Key Projects:

- Ammonia Plant achieved highest ever daily production of 1776 MT and lowest every Energy Index of 7.69GCal/MT, a remarkable feat of operational excellence and process optimization.
- Commissioned first ever Closed Loop Artificial Intelligence Project for optimization of Nitrophos Nutrients adding decent sums in annual savings.
- Successfully commissioned Steam-Fired Chiller for Natural Gas conservation.
- HRL Pressure Enhancement Facility project progressed in line with agreed timelines, aiming to arrest declining Natural Gas pressure.
- Ammonia DBN Phase-II Project kicked-off.
- 100 kMT On-Premises Marketing Warehouse Project initiated.
- Rs 602 million savings were achieved through local fabrication of spares.

CSR

Free diagnosis, treatment and follow-up care for hepatitis patients were provided at Fatima Fertilizer Welfare Trust Hospital, helping address the region's high disease burden. Dialysis Centre at Welfare Trust Hospital continued delivering free dialysis services to around 70 registered patients on a regular basis. General consultations and medical treatment remained available through Fatima Fertilizer Welfare Dispensary, ensuring access to primary healthcare for nearby residents. Company sustained its program of providing free monthly medicines for hypertension and diabetes, along with follow-up consultations for patients from surrounding communities through Welfare Dispensary. Targeted community sessions on hepatitis prevention, personal hygiene and chronic disease management were conducted to strengthen long-term health awareness among the local population.

Pakarab Fertilizers Limited (Multan Plant)

Production and Operational Excellence

Multan Plant had a remarkable year. Fertilizer production of 871 kMT was achieved (+3.3% higher than the budget). Mari Gas Compression Facility operated at a 100% Service Factor with effective Gas Balance Management.

Ammonia Plant Service Factor remained at 99.7% which is exemplary and demonstrates operational excellence. Ammonia Plant operated at peak load of 988 MTPD, highest since 2015.

Key Projects

- Mari Booster Compressors ordering completed to ensure sustained gas supply.
- 50 kMT On-Premises Marketing Warehouse Project kicked off.
- 52 kWh Solar Power Project successfully commissioned.
- 407 MPKR savings achieved through local fabrication of spares.

CSR

Al-Shifa Dispensary remained operational and made meaningful contributions to the community. A total of 357 patients were treated during the period. Additionally, a two-day Al-Shifa Free Medical General Checkup Camp was conducted, benefiting 77 patients. Medical examinations were also carried out for 25 third-party food handlers.

Fatimafert Limited (Sheikhupura Plant)

Production and Operational Excellence

Sheikhupura Plant had a great year. Produced 521 kMT Urea (12 kMT, ~ 2.4%, higher than budgeted) with a service factor of 98.6%. The Plant produced ever highest daily production of 1,639 MT Urea since plant commissioning.

Ammonia Plant production was 314 kMT (15 kMT, ~4.86%, higher than budgeted) with service factor of 99.1%. Site achieved Ever highest Ammonia Sales of 10 kMT in 2025 safely.

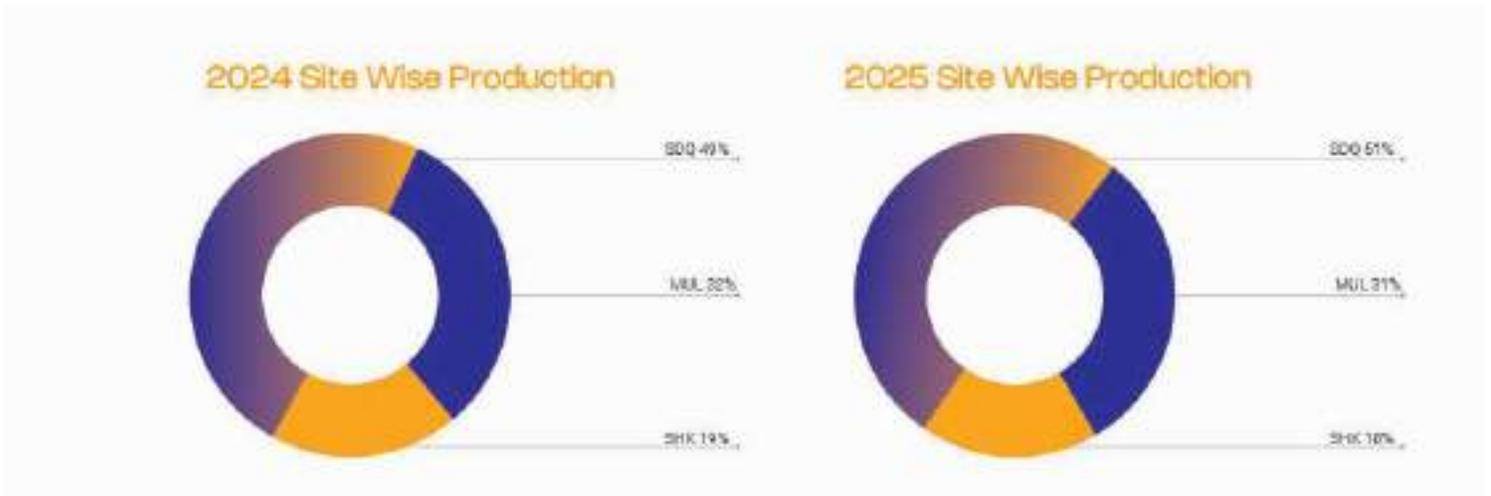
Key Projects:

- Significant progress made in Energy conservation and DBN projects. Feasibility studies by process licensors are in progress.
- Solar project of 1.25 MW was commissioned at Fatimafert Limited (FFT) as part of sustainable green initiatives.
- Reliability critical Projects including Emergency Shut Down (ESD), DCS & Gas Turbine Control System Upgradation approved for implementation.
- Cost saving of Rs. 777 million was realized through local fabrication, exceeding the target of Rs. 600 million.

- Rs. 107 million cost saving realized through FES Thermal Spray Coating project.

CSR

- Monthly Free Medical Camp remained operational and made meaningful contributions to the community. A total of ~1200 patients were supported for free check-up & medicine during the period. Blood Donation Camp was organized in collaboration at site and 48 employees donated blood during the campaign.



Site Training Hours

Manufacturing Site	Total	HSE	Technical	Soft Skills
Hours				
Sadiqabad	51,756	8,940	31,482	11,334
Multan	34,419	1,987	24,111	8,321
Sheikhupura	29,445	5,521	17,613	6,311

Health, Safety and Environment Standards, Systems and Policies

Fatima places the highest priority on the health and safety of its employees, contractors, customers and all other stakeholders. We systematically benchmark our policies, procedures and operational controls against leading global industry standards and best practices to ensure excellence across our businesses.

Our ambition extends beyond compliance. While we are committed to implementing internationally recognized standards and guidelines, we continuously strive to surpass them, positioning ourselves as an industry leader in Health, Safety & Environment (HSE) and Process Safety Management (PSM) performance. Through disciplined execution, proactive risk management and a culture of continuous improvement, we aim to set new benchmarks in operational safety and sustainable excellence.

Certifications and Awards

- British Safety Council International Safety Awards (with distinction)
- "Best in Country" Award for exceptional health & safety performance by British Safety Council in International Safety Awards – 2025
- Gold Award for exceptional performance in HSE by The Royal Society for the Prevention of Accidents (RoSPA)
- OHSMS ISO 45001, QMS ISO 9001, and EMS ISO 14001 Certification
- TPN (The Professionals Network) 11th International EHS Award 2025
- NFEH (National Forum for Environment and Health) Fire safety award 2025
- NFEH Annual Environment Excellence Award 2025
- NFEH Best tree plantation award 2025
- Best HSE Initiative, Environmental Excellence, Management Road Safety, and Excellence in CSR Awards by Pakistan Safety council
- NSC Safety Leadership, Perfect Record, and Hazard Recognition awards
- Global 5S Housekeeping Certification
- WWF Green Office Diploma

Every award and certification has a dedicated team behind it, whose efforts made the achievement possible.

Training and Development

Training is a cornerstone of Health, Safety & Environment excellence, playing a critical role in sustaining both process and occupational safety standards across the organization. In 2025, the fertilizer plants collectively invested over 40,000 on-site man-hours in structured HSE training programs to strengthen workforce competence, risk awareness and operational discipline. Some of the notable training programs delivered during the year are outlined below:

- Process Hazard Analysis (PHA) methodology
- Safety Integrity Level (SIL) study
- Quantitative Risk Assessment (QRA)
- Simultaneous Operations (SIMOPs)
- Incident Investigations and Root Cause Analysis
- Emergency Response Team external trainings with Rescue 1122
- Risk Based Process Safety Approach
- HAZOP Capability Enhancement
- Waste Management (Hazardous and Non-Hazardous Waste)
- Risk Based Leading Indicators Training
- Health Risk Assessment Training & Workshop

Process Safety Improvement

Fatima has achieved a high standard of excellence in Process Safety Management (PSM) implementation at the Sadiqabad plant, aligned with the principles and requirements of Occupational Safety and Health Administration (OSHA) guidelines. The organization has adopted a risk-based management philosophy, supported by annual first- and second-party PSM audits to verify compliance with established procedures and operational safeguards.

During the year, comprehensive Process Hazard Analysis (PHA) studies were completed for the Mari Site, Offsite & Utilities, and Nitrophos plants. In addition, a Quantitative Risk Assessment (QRA) was conducted for the Ammonium Nitrate plant, complemented by a Safety Integrity Level (SIL) assessment for the Nitric Acid plant to enhance functional safety assurance.

Furthermore, a risk-based audit framework was institutionalized for conducting first- and second-party PSM audits, strengthening continuous compliance monitoring and reinforcing the overall process safety governance model.



The Sadiqabad plant carried out the following benchmarking initiatives:

- Leading and lagging indicators benchmarked against API RP 754
- Fire Extinguishers Hydrotesting benchmarked against NFPA 10

As a step forward in the PSM Excellence Journey, the Multan Plant undertook extensive benchmarking initiatives throughout the year to strengthen alignment of process safety systems with the risk-based philosophy of the Center for Chemical Process Safety (CCPS) framework. Stewardship of insignificant Loss of Primary Containment (LOPC) events was initiated to ensure early identification and prevention of potential process safety escalation into major release incidents.

Alarms benchmarking was completed in alignment with American National Standards Institute (ANSI)/ISA-18.2-2016 and International Electrotechnical Commission (IEC) 62682 standards. In addition, key performance indicators were developed and an Alarm Management Program was institutionalized to strengthen site-level operational monitoring and governance.

At the Sheikhpura Plant, monthly Risk-Based Leading and Lagging Indicators (RBLIs) were analyzed for trend monitoring and reviewed in the Monthly Executive HSE Committee forum under site leadership oversight. A comprehensive risk survey was also conducted by Marsh McLennan - Marsh in July 2025. Furthermore, an Ammonia Release Drill was organized in collaboration with nearby industries and Rescue 1122, simulating a major ammonia leak scenario with defined dispersion zones to validate emergency response readiness.

Policy on Quality, Health, Safety and Environment (QHSE):

The Company considers the Health, Safety, and Environment of its employees, stakeholders, contractors, and the community equal to its production targets. The long-term business success of the organization depends on the ability to continually improve the quality of the products while protecting people and the environment. The Company emphasizes ensuring quality enhancement, occupational health, operational and process safety, environmental protection, and community well-being.

The Company is committed to:

- Conduct its business in a manner that protects the health and safety of employees, contractors, and others involved in our operations and the community in which we live and operate.
- Conform to the requirements of all legislation, regulations, and codes of practice pertaining to quality, health, safety, and environment.
- Implement environmental protection measures that address pollution prevention in all aspects of our business.
- Prevent injuries, occupational illnesses, safety incidents, and environmental excursions.

- Encourage off-the-job safety awareness among employees and their families.
- Ensure that quality, health, safety, and environment is a major responsibility of appropriately trained, empowered, and accountable employees and management.
- Encourage and promote a culture where best quality, health, safety, and environment practices and lessons learned from internal and external incidents are transparently shared with the stakeholders.
- Reaffirm its corporate sustainability commitments towards business excellence and be a responsible global corporate organization throughout its lifecycle.
- Maintain a high standard of quality, health, safety, and environment in all aspects of its business conduct and continuously improve its performance.
- Recognize and reward outstanding quality, health, safety, and environmental performance.

Fatima's Contribution to the International and National Process Safety and HSE Forums

SITE	EVENT 2025	Paper/Topic (Presented/ Reviewed)
Corporate HSE & Technical Services and Sheikhpura Plant	AIChE Annual Safety in Ammonia Plants and Related Facilities Symposium, USA	Paper presentation on "High Temperature exposure of HTS Catalyst at SOR."
Sadiqabad Plant	AIChE PSP (Journal for Process Safety Professionals)	Peer review of technical papers for the AIChE Process Safety Progress journal
Sadiqabad Plant	CCPS Book of Beacons (Book on Process Safety Beacons)	Preparation and technical review of content for the CCPS Book of Beacons
Sadiqabad Plant	CCPS Golden Rules-AN Safety	Development of safety guidelines and best practices for Ammonium Nitrate handling
Sheikhpura Plant	3-Day PSM Workshop for SPD organizations, Islamabad	DuPont Process Safety Model
Sheikhpura Plant	AIChE Global Congress on Process Safety, USA	Paper presentation on "Operational Excellence Initiative for Risk Communication and Mapping in an Ammonia Plant"

Human Capital Strategy & Value Creation

Fatima Fertilizer's (the Company) Human Resources function remains a strategic enabler of long-term value creation, aligning talent, leadership capability, and organizational culture with the Group's growth agenda. In 2025, we strengthened succession depth, leadership continuity, and workforce agility to ensure business resilience in a dynamic operating environment.

Through structured succession planning, merit-based progression, and data-driven workforce analytics, we enhanced governance oversight and optimized human capital investments. Continued HR digital transformation improved operational efficiency, transparency, and compliance, reinforcing stakeholder confidence.

Leadership development and inclusive talent systems remain embedded within our operating framework, ensuring sustainable capability building and equitable access to opportunity. By institutionalizing a high-performance, future-ready workforce, Fatima Fertilizer continues to support strategic expansion and deliver sustained value to shareholders and stakeholders alike.

Ensuring Robust Career Progression and Sustained Leadership Bench

At the Company, we remain committed to strengthening structured career progression and building a resilient leadership pipeline aligned with long-term business strategy. In 2025, we formalized our approach through the approval of a comprehensive **Career Progression Policy**, reinforcing transparency, meritocracy, and governance in advancement decisions across the Group.

Structured Talent Review Meetings (TRMs) were conducted across functions to evaluate performance and potential, enabling disciplined succession planning and informed internal mobility decisions. Cross-functional rotations and capacity-building interventions further strengthen bench strength across critical roles, ensuring leadership continuity and reduced dependency risk.



Through this structured and data-driven approach, the Company continues to reinforce a performance-led culture where high-potential talent is systematically identified, developed, and strategically deployed to drive sustainable growth.

360° Assessment & Talent Calibration

To further enhance leadership effectiveness and succession accuracy, Fatima introduced a **360-degree assessment framework** supported by a Talent Calibration Board.

This structured evaluation mechanism provides multi-dimensional leadership insights, strengthens objectivity in talent decisions, and enhances developmental clarity for identified successors. The integration of 360 assessments into the talent review process ensures more robust leadership benchmarking, targeted development planning, and improved readiness for expanded responsibilities.

By embedding assessment rigor within our succession architecture, we continue to elevate leadership quality and organizational resilience.

Leadership & Capability Development

Continuous capability enhancement remains central to our talent sustainability agenda. In 2025, the Company delivered **46,824 learning hours**—an 11% increase over 2024—training over **1,600 employees** across leadership, management, and individual contributor levels.

Our structured five-category development framework continues to provide differentiated learning pathways aligned with career stages. Dedicated tracks for High-Potential (HiPo) leaders and emerging professionals strengthen both foundational capability and succession depth.

Strategic interventions during the year included MD & TP programs, LUMS Advanced Leadership, Stanford Impact Coaching, Emotional Intelligence programs, Harvard ManageMentor, and business simulations. Digital capability initiatives focused on AI literacy and productivity tools further enhanced workforce agility and future readiness.

These investments ensure that the Company's leadership and workforce capabilities remain aligned with evolving business demands, strengthening execution discipline and long-term value creation.



Employee Engagement & Manager Effectiveness (MQPI)

The Manager Quality & Performance Index (MQPI) was conducted across Fertilizers, HB, OSOL, and Fintech, delivering structured insights at CEO, EXCOM, and divisional levels.

By generating over **1,000+ analytical reports internally**, the Group strengthened data-driven decision-making while achieving meaningful cost efficiencies through reduced reliance on external consultants.

MQPI continues to serve as a leadership intelligence mechanism, supporting governance transparency and targeted managerial development.

Talent Acquisition – Building a Future-Ready Workforce:

The Company's Talent Acquisition strategy is deliberately aligned with long-term business priorities, ensuring a sustainable pipeline of high impact talent critical to organizational growth and operational excellence. Through proactive workforce planning, strategic talent mapping for pivotal roles, and expansion of global and digital sourcing channels, we have strengthened access to specialized and internationally benchmarked talent pools.

Our selection philosophy emphasizes quality, objectivity, and capability depth. By integrating psychometric assessments, competency-based evaluations, and structured governance mechanisms, we ensure hiring decisions are data driven and aligned with leadership and technical capability requirements.

At the same time, our employer branding strategy has been positioned as a competitive differentiator, strengthening the Company's value proposition through targeted engagement across key HR and career forums. A structured focus on candidate experience has enhanced brand perception and talent conversion rates in priority segments. Enabled by real time analytics, quality of hire indicators, and robust governance frameworks, our Talent Acquisition model ensures measurable impact, reinforcing our commitment to building a high performing, diverse, and future ready workforce aligned with business strategy.

Empower to Lead

The Company continues to prioritize leadership development and succession planning to ensure a robust talent pipeline for the future. Now in its ninth year, the Empower to Lead Program remains a key initiative, attracting top-tier business and engineering graduates from leading local and international universities, reinforcing our commitment to nurturing young talent and preparing them for leadership roles.

In line with this commitment, the Company introduced Pakistan's first-ever Gamified Assessment Centre as part of the Empower to Lead selection process, bringing a fresh and innovative approach to identifying future leaders. Through a real-time, strategy-based simulation set in a dynamic and fast-changing environment, candidates worked in groups to

solve challenges that tested their decision-making, teamwork, adaptability to technology, and ability to stay focused under pressure. Developed entirely in-house by leveraging internal expertise at zero external cost, this initiative reflects our culture of innovation and our dedication to selecting and developing capable young professionals who can confidently lead in an evolving business landscape.

Inclusive Growth & DE&I Governance

In 2025, the Company further institutionalized its Diversity, Equity, and Inclusion (DE&I) strategy under Sab Saath, transitioning from initiative-led implementation to structured governance and measurable execution. Our DE&I framework is embedded within our talent, leadership, and organizational systems, reinforcing equitable opportunity, representation, and inclusive leadership across the Group.

The DE&I Corporate Council and Site Councils across plant locations and commercial functions continued to drive execution aligned with our five-year roadmap. During the year, we conducted four quarterly review sessions to assess progress against defined objectives, monitor representation metrics, evaluate implementation effectiveness, and ensure leadership accountability. This structured cadence strengthened governance oversight and improved transparency in DE&I performance tracking.

Our DE&I strategy remains aligned with global benchmarks and sustainability expectations, reinforcing our positioning as a progressive and investment-ready organization committed to inclusive growth.

Gender Diversity

We continue to advance gender representation as a strategic business priority, recognizing its direct link to innovation, stronger decision-making, and long-term sustainability. Our 13% Group-wide gender diversity target remains in focus, supported by structured leadership acceleration platforms including:

- Her Power – Accelerating women's leadership readiness
- Female Coaching Circle – Structured mentorship and career progression support
- Women Leadership Today – Leadership capability development for emerging women leaders

These initiatives strengthen the pipeline of women leaders and reinforce merit-based progression within the organization.

Generational Diversity

Recognizing the strength of a multi-generational workforce, we continued to enhance collaboration and knowledge continuity through:

- Time Bridge – Structured cross-generational mentorship and knowledge transfer
- Gen Blend – Intergenerational collaboration initiatives fostering innovation and organizational cohesion

These programs promote shared learning and strengthen institutional capability across age cohorts.

Differently Abled Inclusion

Our commitment to workplace accessibility and equitable employment opportunities remains a key pillar of Sab Saath. In 2025, we continued to advance:

- Workplace position mapping and infrastructure accessibility enhancements
- Structured induction of differently abled interns and apprentices
- Expanded hiring of differently abled employees across plant operations

These measures reinforce our commitment to inclusive workforce participation across all operational environments.

Industry-First DE&I Policy Framework

In 2025, the Company formalized and secured CEO approval for its comprehensive DE&I Policy Framework, becoming one of the first organizations in the industry to institutionalize inclusion through a structured, enterprise-level policy.

This milestone represents a significant step in embedding inclusion within our governance architecture. The policy establishes clear principles, defined leadership accountability, measurable objectives, and standardized practices across recruitment, promotion, succession planning, performance management, and workplace culture.

By formally codifying DE&I into policy, we strengthened organizational transparency, reinforced regulatory alignment, and ensured that inclusion is embedded as a leadership responsibility rather than a standalone initiative. This advancement further positions Fatima as a benchmark organization for inclusive governance within the industry.

DE&I E-Learning Certification Program

In 2025, the Company launched a dedicated DE&I E-Learning Module to institutionalize inclusive leadership behaviors and standardize awareness across the management cadre.

The program was designed to embed practical understanding of bias awareness, inclusive decision-making, and equitable talent practices within day-to-day leadership responsibilities.

We achieved a significant milestone with 100% certification of management employees, reinforcing leadership accountability and cultural alignment. This initiative ensures that inclusion is not only a strategic priority but also an operational expectation across all management levels.

Value-Based Culture

At Fatima, our values stand as the foundation of our organizational philosophy, representing a persistent commitment to continuous business improvement and strategic vision. We firmly assert that these values serve as the guiding principles of our organization, encapsulating

our brand and culture. To fortify this commitment, we have implemented a governance mechanism, demonstrating a "Zero" tolerance policy for any corporate values violations.

Our strategic initiatives include the creation of a specialized module on Values and Behavior. This module serves as a meticulous framework, designed to deeply integrate our values into the behavior and decision-making processes of our workforce. A significant achievement in this regard is the certification of 100% of our management employees. This certification program was strategically crafted not only to instill values but to tangibly demonstrate our organizational commitment to upholding and reinforcing this fundamental principle.

Digital HR Excellence: FG BOLT – AI-Powered HR Companion

As part of our HR Digital Excellence journey, Fatima Fertilizer introduced FG BOLT, an AI-powered chatbot. Designed to enhance employee self-service, FG BOLT enables employees to access instant answers to all HR policy-related queries. By providing real-time guidance and support, FG BOLT fosters a culture of continuous improvement and informed decision-making. This initiative reinforces our commitment to leveraging AI responsibly to empower our people and strengthen organizational performance.

Robotic Process Automation (RPA) Implementation

To further drive operational efficiency and accuracy, the Company expanded the use of Robotic Process Automation (RPA) across critical HR processes. RPA solutions were deployed to automate high-volume, repetitive activities such as interview scheduling, offer creation & extension, and training enrolments. These automations significantly reduced manual effort and improved turnaround times, resulting in substantial man-hour savings. By freeing HR teams from transactional activities, RPA has enabled greater focus on strategic initiatives, reinforcing HR's role as a business enabler.

Tell Fatima – Strengthening Ethical Governance and Transparency

In alignment with our value-based culture and zero-tolerance stance on ethical violations, the Company launched "Tell Fatima", a secure and confidential online reporting platform. A key pillar of the LOVE² (Living Our Values Every Day, Every Time) initiative, Tell Fatima provides employees and external stakeholders with seamless access to report concerns related to values, ethics, or conduct without fear of retaliation. Benchmarked against Fortune 500 best practices and supported by a robust Anti-Retaliation Policy, the platform strengthens governance, accountability, and trust across the organization. Tell Fatima reflects our unwavering commitment to transparency, ethical excellence, and responsible business practices.

Strategic Value Enhancement: Total Reward and People Excellence Strategy

Fatima remains steadfast in fostering a high-performance, employee-centric culture through the implementation of a comprehensive Total Rewards Strategy and targeted Organizational Development initiatives. Our structured Compensation Philosophy and Rewards Framework are designed to enhance employee engagement and strengthen long-term retention.

In line with our commitment to people excellence, we refined our Career Progression and Performance Management philosophy. Additionally, a comprehensive Job Analysis and Job Evaluation exercise was conducted for critical core roles to ensure role clarity, internal equity, and market alignment. Further, we launched the CA Mentorship Program, creating a more structured and professional development environment for our CA trainees.

To sustain market competitiveness, we conducted a periodic Total Rewards Survey to benchmark remuneration structures. These initiatives reinforce the Company's strategic commitment to employee well-being, competitive rewards, and organizational excellence—strengthening our position as an employer of choice while driving sustainable value creation for stakeholders and investors.

Employee Well-being Initiative: FG Wellness 360

At Fatima, employee well-being remains central to our organizational values. Building on the success of our comprehensive Wellness 360 program, we continue to cultivate a culture that prioritizes mental, physical, financial, psychological, professional, and social wellness—ensuring our employees feel supported both personally and professionally.

This year, we further strengthened our wellness framework by introducing dynamic initiatives focused on physical health, knowledge-sharing, and meaningful engagement. We proudly launched FatimaMag, a bi-annual magazine designed to represent and connect our people across all locations in Pakistan. From promoting active lifestyles and fostering a culture of appreciation to enhancing financial literacy and encouraging community engagement, each initiative was thoughtfully designed to create a balanced and engaging work environment.

In addition, we reinforced our commitment to open communication through structured dialogues between employees and leadership with our dedicated podcast series. These efforts collectively reflect our vision of building a resilient, empowered workforce.

By continuously evolving our wellness strategy, we aim to cultivate a workplace where employees can thrive, contribute meaningfully, and feel valued in every dimension of their well-being.

The ITLEM Leadership Model: Driving Performance and Growth

The Individual Team Leaders Effectiveness Model (ITLEM), based on Harvard research and insights from a diverse global study, serves as a strategic framework to cultivate and assess leadership capabilities across Fatima.

Through its focus on direction setting, team development, and demonstration of 360 leadership, ITLEM drives the formation of high-performing teams and fosters innovation, collaboration, and performance excellence. Integrated seamlessly within our HR ecosystem, ITLEM utilizes the Leadership Competency (LC) framework to holistically manage talent from recruitment to ongoing development and performance assessments. By leveraging ITLEM's attributes, we identify high-potential leaders, deliver targeted training, and invest in our leadership pipeline, ensuring our organization's agility and readiness to navigate the complexities of the business landscape with resilience and efficacy.

Employee Development Committees at Fatima

At Fatima, our commitment to employee development is exemplified through the establishment of three focused Executive Development Committees (EDCs). Chaired respectively by our CEO, Advisor to CEO, and Director HR, these committees convene quarterly to review training programs, development plans, and promotions for our workforce. EDC-1, led by our CEO, oversees career progression initiatives for management employees, while EDC-2, under the guidance of the Advisor to CEO, concentrates on Tier 3 employees within Manufacturing and Technology. EDC-3, chaired by the Director of HR, addresses the needs of Tier 3 employees in other functional domains. Through strategic decision-making and a focus on continuous learning, these committees play a vital role in nurturing talent and driving organizational success at Fatima. Their outcomes are reflected in Talent Reviews and Succession moves, ensuring a seamless transition and advancement of our employees across all levels of the organization.

Fostering Ethical Governance: The Strategic Role of the Ethics Committee

At Fatima, integrity and ethical conduct are foundational to our operations, and to uphold these principles, we have established an Ethics Committee chaired by the CEO. Comprised of key stakeholders including the Director of Human Resources, CFO, Director of Internal Audit & Risk Assurance, and Director of Corporate & Legal Affairs, this committee operates transparently and independently, ensuring strict compliance with our Code of Conduct and fostering a culture of integrity throughout the organization. In alignment with our zero-tolerance policy towards ethical violations, we have instituted the Flag It program, allowing individuals to report concerns anonymously or by identification. Additionally, our Anti-Retaliation Policy protects whistleblowers with positive intent from any form of retaliation. Through proactive policy development, risk assessment, and investigation of ethical breaches, the Ethics Committee plays a strategic role in safeguarding our reputation and promoting trust among stakeholders. At Fatima, we are unwavering in our commitment to ethical excellence and accountability.

External Benchmarking & Recognition

In 2025, Fatima's talent and inclusion frameworks received significant regional and global recognition, including:

- SHRM MENA STAR – Excellence in Inclusion & Diversity Award 2025
- Global Diversity, Equity & Inclusion Benchmarks (GDEIB) Awards 2025 – Wins across 12 categories
- Recognition among the Top 10 Most Inclusive Organizations Globally
- Multiple CWI and EFP recognitions for talent, leadership, and gender equality

These achievements validate the maturity of our governance, leadership development, and inclusion systems, strengthening the Company's positioning as an employer of choice and a benchmark organization in talent sustainability.

Society for Human Resource Management (SHRM) – Diversity & Inclusive Award 2025

In 2025, the Company was honored with the Society for Human Resource Management (SHRM - MENA) Diversity & Inclusive Award, recognizing our structured, enterprise-wide approach to embedding inclusion into talent processes, leadership practices, and organizational culture.

This recognition highlights the strength of initiatives such as Sab Saath, inclusive hiring practices, leadership acceleration programs for women, and data-driven diversity governance mechanisms. The award reinforces our position as a forward-looking organization that integrates inclusion not as an initiative, but as a business imperative.

GDEIB Awards 2025 – A Global Benchmark of Inclusive Excellence

The Company achieved a landmark milestone at the Global Diversity, Equity & Inclusion Benchmarks (GDEIB) Awards 2025, securing wins across 12 categories and earning recognition among the Top 10 Most Inclusive Organizations Globally.

This achievement reflects the maturity and institutionalization of our DE&I framework across governance, talent management, community engagement, and business integration. By embedding inclusion into strategic decision-making and operational execution, we continue to set new benchmarks for inclusive growth and sustainable value creation.

Gender Pay Gap Statement under Circular 10 of 2024

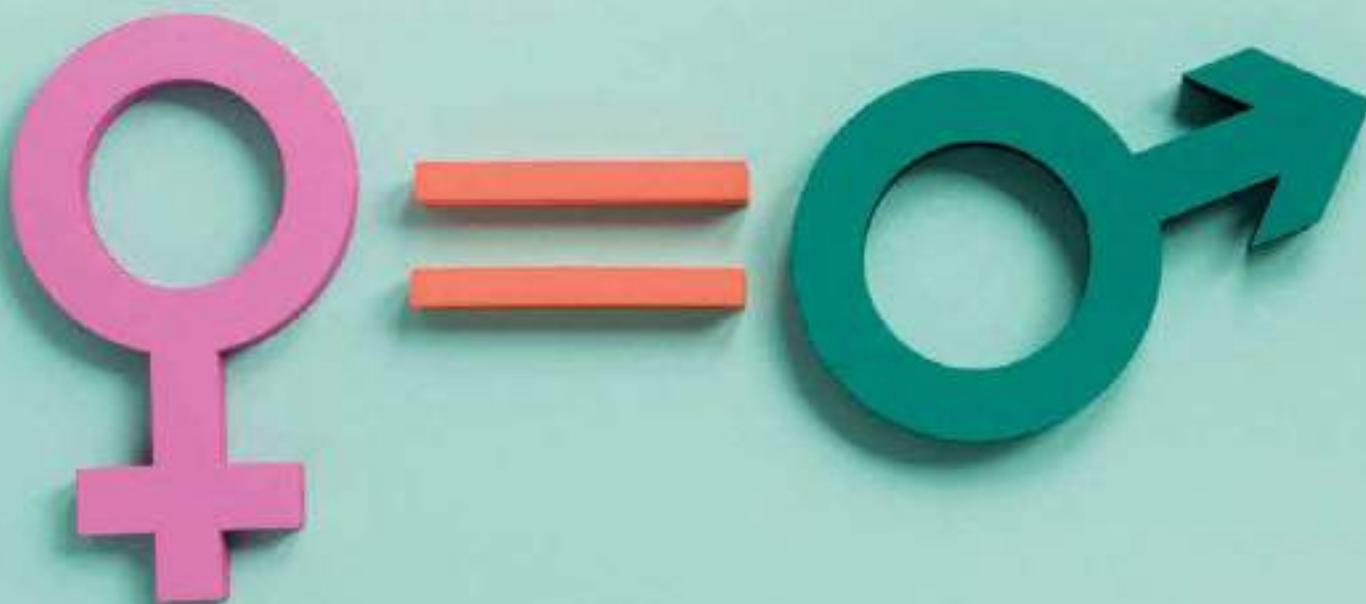
Following is the gender pay gap for the year ended December 31, 2025:

i) Mean gender pay gap:	13.4%
ii) Median gender pay gap:	27.3%*

*This represents gap in the comparative working experience and grade of the employees falling in the median. The increase in the gender pay gap during the year is primarily attributable to a higher proportion of female employees joining at entry-level positions relative to male employees.

Fatima Fertilizer is an equal opportunity employer, and no gender pay gap exists across all levels of our organization—whether at the entrant, middle, or leadership levels. Our compensation structure is strictly based on merit, performance, and role responsibilities, ensuring equal opportunities and fair remuneration for all employees, regardless of gender.

This commitment reflects our core values of our dedication to a diverse and inclusive workplace.



Corporate Social Responsibility

Sustainability and CSR Initiatives

At Fatima, we integrate sustainability and corporate social responsibility into our core business strategy, aiming to create positive social and environmental impact alongside economic growth. Our CSR efforts are aligned with global frameworks including UN Sustainable Development Goals (SDGs). Our sustainability and CSR work demonstrates a multifaceted approach improving healthcare access and medical support, advancing education and skill development across age groups and promoting environmental safety and sustainable agriculture, aligned with global goals.

Fatima Flagship Health Project — Mukhtar A. Sheikh Hospital

Strategically located in the heart of Southern Punjab, Mukhtar A. Sheikh Hospital (MASH) is a leading multidisciplinary tertiary care institution committed to delivering exceptional healthcare through its advanced, state-of-the-art facilities. MASH is dedicated to setting new benchmarks in patient care by integrating innovative medical technologies with the expertise of distinguished healthcare professionals from both Pakistan and abroad. Upholding the highest international quality standards, the hospital strives to provide value-driven, patient-centric healthcare, redefining the standard of medical excellence in Southern Punjab.

Fatima Fertilizer Welfare Trust Hospital

At our largest plant site in Sadiqabad, we operate the Fatima Fertilizer Welfare Hospital along with a range of healthcare and educational facilities, including a dedicated dialysis center serving local communities. A primary focus of these initiatives is the eradication of hepatitis in the surrounding plant areas and across Rahim Yar Khan district.

Our commitment to healthcare extends well beyond our plant vicinity. We actively support leading hospitals and organizations to broaden access to quality medical services, creating a tangible, positive impact on the lives of those in need. Key initiatives include:

- Lahore Institute of Health Sciences (LIHS)
- Shaukat Khanum Memorial Cancer Hospital and Research (SKMCH)
- Sindh Institute Of Urology And Transplantation (SIUT)
- Multan Diabetic
- Al Shifa Trust
- Foundation for International Education in Neurological Surgery (FIENS)



Contributions to the Education Sector

At Fatima, we are committed to making quality education accessible and affordable for underprivileged communities. Recognizing the critical importance of investing across all levels—primary, secondary, and higher education—we continually channel resources to integrate advanced technologies and adopt innovative, creative teaching methodologies. By empowering our youth with knowledge and skills, we aim to foster their growth and contribute to unlocking the full potential of our nation.

In 2025, Fatima actively sponsored the following institutions and organizations:

- Pakarab Public School
- Habib University
- The Citizens Foundation (TCF)
- Punjab Education Network (PEN)
- Aitchison College Old Boys Association (ACOBA)
- Lahore University of Management Sciences (LUMS)
- Hunar Foundation
- Ghulam Ishaq Khan Institute of Engineering Sciences (GIKI)
- NAMAL University
- University of Engineering and Technology (UET)

Empowering Communities

We take pride in supporting organizations that empower vulnerable communities, including individuals with diverse

abilities. Through strategic partnerships with leading NGOs, we champion initiatives that foster inclusivity, deliver vocational training, and strengthen community resilience. These endeavors reflect our unwavering commitment to dignity, equal opportunity, and social equity for all.

Key supported organizations include:

- LABARD
- SOS
- Rising Sun
- Pakistan Foundation Fighting Blindness (PFFB)
- Deaf Reach

We also extend our support to diverse causes through targeted contributions to grassroots organizations. Our past initiatives include collaborations with DAR UL Safqat, Mir Khalil Foundation, National Tennis Academy, and several other organizations, reflecting our commitment to fostering positive social impact across multiple spheres.

Disaster Relief and Emergency Response

In moments of national crisis, Fatima rises to provide timely relief and meaningful support. Whether responding to natural disasters, humanitarian emergencies, or urgent community needs, we swiftly mobilize resources to help affected communities recover and rebuild with resilience and hope. Our initiatives encompass significant contributions to major flood relief efforts and emergency response campaigns across Pakistan, underscoring our commitment to social responsibility and community welfare.





Sustainability Report

Introduction

Enabling Food Security Through Responsible Growth

Agriculture remains central to Pakistan's economic stability, food security and rural livelihoods. As one of the country's leading fertilizer producers, Fatima Fertilizer Company Limited (the Company) is committed to supporting agricultural productivity while recognizing the importance of protecting the natural resources that underpin sustainable growth.

Sustainability is a growing focus for the Company as we continue to enhance operational practices and strengthen long-term value creation. Beyond delivering high-quality fertilizers, we acknowledge our broader responsibility to improve resource efficiency, strengthen environmental management, uphold safety standards and promote ethical business conduct.

Operating in a resource-intensive industry, we understand the importance of disciplined management of energy, water and emissions. During the year, we undertook initiatives to enhance operational efficiency, reinforce environmental management systems and incorporate climate-related considerations into governance and risk oversight processes. These steps reflect foundational progress in building a structured sustainability approach.

We are reinforcing a workplace culture centered on safety, capability development and accountability. Through farmer engagement, agronomic support, and community initiatives, we aim to improve farming practices and rural development.

The reporting year represents a significant milestone as we formalize our sustainability framework and performance disclosures. Focused efforts in responsible resource use, regulatory compliance, stakeholder engagement and community investment have laid the groundwork for greater transparency and continuous improvement.

This Sustainability Report 2025 presents our approach, priorities, and performance across the economic, environmental, and social dimensions. Prepared in accordance with GRI standards, it outlines how we identify material sustainability matters and strengthen stakeholder engagement.

As we move forward, the Company remains committed to progressively advancing its sustainability practices, supporting agricultural development and managing resources responsibly in line with evolving stakeholder expectations.

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About this Report

Fatima Fertilizer Company Limited presents its first Sustainability Report for the year 2025, released on March 27, 2026. This inaugural report reflects our commitment to responsible business practices and alignment with recognized reporting standards, while providing stakeholders with a clear overview of our priorities, management approach, and performance during the reporting year.

Scope and reporting period

This Sustainability Report covers Fatima Fertilizer Company Limited and its subsidiaries, Pakarab Fertilizers Limited and Fatimafert Limited, representing its Fertilizer operations in Pakistan (referred in this sustainability report as “the Company”). Sustainability performance data for other subsidiaries and external supply chain entities are not included within the current reporting boundary. The reporting period spans from January 01, 2025 to December 31, 2025.

All Manufacturing Sites and the Head Office are located in Pakistan. “Significant locations of operations” refer to the main Manufacturing Sites and the Head Office, which are vital for core activities, revenue, and strategy.

As this is our first standalone sustainability report, no restatements of prior year data have been made.

Report Structure and Reporting Frameworks

This Sustainability Report has been prepared in accordance with the Global Reporting Initiative Standards 2021. In addition, relevant guidance from the Sustainability Accounting Standards Board standards for the Chemicals industry and references issued by the International Fertilizer Association have been considered to enhance sector relevance and comparability.

Sustainability-related disclosures aligned with the IFRS Sustainability Disclosure Standards S1 and S2, issued by the International Sustainability Standards Board, are presented in a separate section.

The content reflects our performance on the material topics identified through materiality assessment. Further details on the materiality methodology and identified topics are provided on page 128.

Commitment to the Sustainable Development Goals (SDGs)

The Company has partnered with the United Nations Development Program to adopt the SDG Impact Framework, becoming the first private sector entity in Pakistan to formally align its operations with the United Nations Sustainable Development Goals. This collaboration supports the integration of sustainable development considerations into our strategy, operations and performance management.

In line with this commitment, the report outlines our contributions to relevant national and global development priorities, highlighting areas where our activities directly support the achievement of the Sustainable Development Goals.

External Assurance & Verification

To enhance transparency and credibility, this report has been reviewed by the Company’s Audit Committee and senior management prior to publication. The report has been externally assured by BDO Ebrahim & Co. Chartered Accountants, an independent assurance provider, in accordance with the GRI Standards and ISAE 3000 Revised. The Company’s management actively participated in the assurance process to ensure clarity and integrity in our disclosures. Further details of the scope and conclusions of the external assurance are provided on pages 160 to 161.

Stakeholder feedback is integral to strengthening our sustainability practices and disclosures. We welcome your comments and suggestions on the Sustainability Report 2025 and encourage you to share your feedback at: sustainability.reporting@fatima-group.com, or visit <https://www.fatima-group.com/un-partnership/>.

Key Highlights 2025



3,044,770 MT

(2024: 3,008,229 MT)
GHG Emissions



Rs 1,134 M

(2024: Rs.1,036 m)
Investment in CSR



58,001,215 GJ

(2024: 55,341,802 GJ)
Energy Consumption



4,000

(2024: 2,300)
Women empowered under the Sarsabz
Tabeer Program



25,199 ML

(2024: 25,206 ML)
Water Consumption



2.856 million MT

(2024: 2.795 million MT)
Fertilizer Production



2.8 million

(2024: 1.7 million)
Farmers outreach





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Message from the Chairman Audit Committee

Fatima Fertilizer's sustainability journey continues to develop as we strengthen the integration of environmental, social, and governance considerations across our operations and decision-making processes.

The Sustainability Report 2025 marks an important milestone in this journey, reflecting our efforts to improve transparency, enhance data systems, and align our practices with internationally recognized reporting frameworks.

This year, we focused on improving the processes used to identify, manage, and report our significant impacts across environmental stewardship, responsible operations, workforce development, and community engagement. These efforts are supported by cross-functional collaboration within the organization, ensuring that sustainability considerations are included in operational planning, risk management, and performance monitoring.

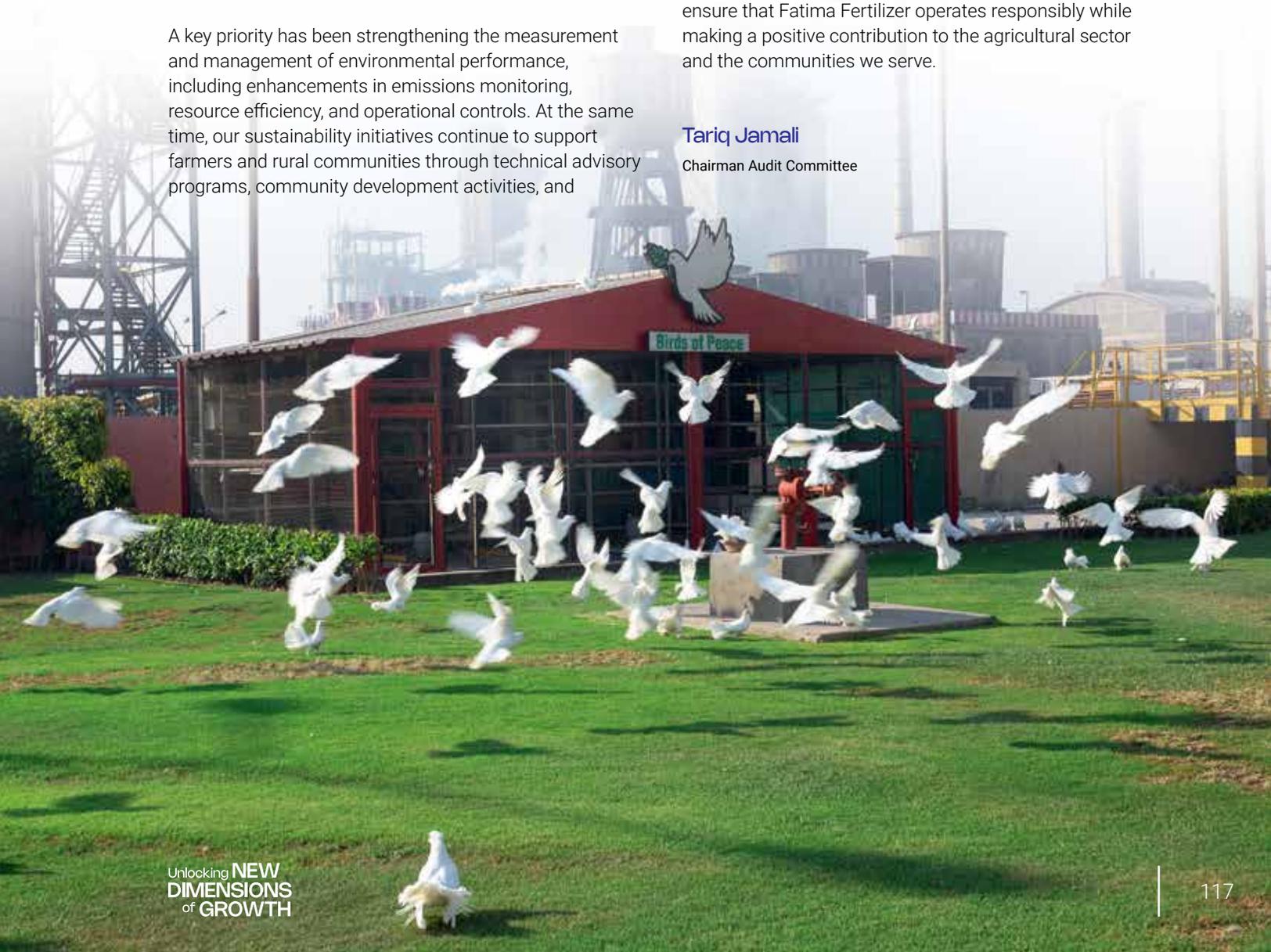
A key priority has been strengthening the measurement and management of environmental performance, including enhancements in emissions monitoring, resource efficiency, and operational controls. At the same time, our sustainability initiatives continue to support farmers and rural communities through technical advisory programs, community development activities, and

partnerships with reputable institutions in healthcare and education.

The adoption of the UNDP SDG Impact Framework in 2024 has further aligned our initiatives with the United Nations Sustainable Development Goals, allowing a more structured approach to connecting business activities with broader development priorities.

Looking ahead, we remain committed to strengthening internal systems, improving data quality, and further integrating sustainability into business strategy and governance processes. Through ongoing improvement and collaboration across the organization, we aim to ensure that Fatima Fertilizer operates responsibly while making a positive contribution to the agricultural sector and the communities we serve.

Tariq Jamali
Chairman Audit Committee



About Fatima Fertilizer

Fatima Fertilizer Company Limited is a public listed company operating as a joint venture between the Fatima Group and the Arif Habib Group. The Company was established as the first greenfield fertilizer project under Fertilizer Policy 2001. The Company and its subsidiaries, Pakarab Fertilizers Limited and Fatimafert Limited, together form one of Pakistan's leading fertilizer companies.

Operational Footprint

The Company's head office is in Lahore, with three operating units situated across the province of Punjab at three different strategic locations:

Sadiqabad Plant – Fatima Fertilizer Company Limited (Fatima)

A fully integrated fertilizer complex producing Ammonia, Nitric Acid, Nitrophos, CAN and Urea. The plant has undergone capacity enhancements and efficiency improvements since commissioning, strengthening operational reliability and energy performance.

Multan Plant – Pakarab Fertilizers Limited (PFL)

Acquired in 2020 and subsequently reorganized as a wholly owned subsidiary, this facility produces Ammonia, Nitric Acid, Nitrophos, CAN and Urea, contributing significantly to the overall capacity.

Sheikhupura Plant – Fatimafert Limited (FFT)

Acquired in 2015, this plant primarily produces urea and supports the regional supply footprint.

See pages 13, 18 & 19 of the Annual Report for extensive details of subsidiaries and operational footprint.

Collectively, the three plants provide a cumulative nameplate fertilizer production capacity of approximately 2.57 million metric tons per annum. Through its integrated manufacturing platform and nationwide distribution network, the Company contributes to enhancing farm productivity, strengthening rural livelihoods and supporting Pakistan's food security objectives, while progressively strengthening environmental and social management practices across its operations.

Value Chain and Business Relationships

Fatima Fertilizer Company Limited operates an integrated fertilizer value chain that spans from feedstock sourcing to delivery of crop nutrients to farmers across Pakistan.

Upstream

The Company sources natural gas, utilities, chemicals, catalysts, packaging, and technical services for plant operations. Connections with energy suppliers, contractors, technology providers, and financial institutions are crucial for operational continuity and efficiency.

Core operations

Core Operations involve converting natural gas into ammonia and nitric acid as key intermediate products. These intermediates are then processed into finished fertilizers, including Urea, Calcium Ammonium Nitrate, Nitrophos, and other nutrient products.

Downstream

Products are distributed through an established dealer and retailer network supported by logistics partners. The Company also works with farmers through agronomic support programs to promote responsible fertilizer use and better agricultural practices.

Beyond the operational value chain, the Company maintains key relationships with regulators, investors, lenders, employees, local communities, and industry associations, all of which support responsible business conduct and long-term value creation.

Our Products

Our diversified product portfolio includes nitrogen and phosphate-based fertilizers supported by integrated in-house production of key intermediates. Core intermediate products include ammonia and nitric acid, which serve as essential building blocks in the manufacturing process.



Sarsabz Nitrophos

Sarsabz Nitrophos is formulated as an acidic (pH 3.5) phosphatic (P_2O_5 20%) fertilizer; chemically fused with a balanced 50:50 Nitrate and Ammonical nitrogen (total N 22%), making Nitrophos the most use-efficient source of Phosphatic fertilizer for all crops especially under saline soils (pH~8.3) conditions of Pakistan.



Sarsabz Calcium Ammonium Nitrate (CAN)

Sarsabz CAN, a highly use efficient, slow-release nitrogenous fertilizer (N 26%) chemically balanced with 50:50 Nitrate and Ammonical forms of Nitrogen by fusion in soluble calcium with neutral (pH 7). It is available both in granular and prilled forms. Making it, highly suitable and premium source of Nitrogenous fertilizer for all crops globally and especially under saline soils (pH~8.3) conditions of Pakistan.



Sarsabz & Bubbersher Urea

A highly concentrated nitrogenous fertilizer with 46% Ammonical form of Nitrogen, designed to promote vegetative growth. Its excellent solubility ensures easy application through broadcasting or fertigation.



Sarsabz & Bubbersher DAP

A compound fertilizer with 46% P_2O_5 and 18% nitrogen, used as basal application in crops. It promotes root development, supports in plant energy processes, and ensures balanced vegetative and reproductive growth.

Through our diversified fertilizer portfolio, we support balanced soil nutrition and enhanced farm productivity, positioning ourselves beyond a single product focus. See page 155 to 157 for details on our initiatives to improve agricultural outcomes through products and advisory services.

Specialty Chemical Products



Ammonia

An essential industrial chemical used in fertilizer production and various downstream applications, including chemical synthesis and refrigeration. Supplied to industrial customers requiring high-purity ammonia for manufacturing processes.



Nitric Acid

A key chemical used in the production of nitrates, explosives, dyes and other industrial compounds. Marketed to domestic industries requiring nitric acid for chemical processing and specialized applications.



LC02

Recovered as a byproduct from ammonia production, CO_2 is supplied for use in the beverage industry, food processing and other industrial applications.



Ammonium Nitrate Crystal

Utilized in industrial and mining applications, this intermediate product supports the production of explosives and other nitrogen-based compounds.

Commitments and External Initiatives

Demonstrating our ongoing commitment to responsible business practices, we actively endorse the international initiatives, charters and principles presented below:



ISO 45001 Certification
(Occupational Health and Safety Management System)



ISO 9001 Certification
(Quality Management Assurance)



ISO 14001 Certification
(Environmental Management System)



ISO/IEC 27001:2022
(Information Security Management)



ISO/IEC 17025:2017
(International Standard for Testing & Calibration Laboratories)

- 5S Certification by NPO
- IFA Protect and Sustain Product Stewardship Programme by SGS
- HACCP Certificate by Bureau Veritas
- Green Office Diploma by WWF Pakistan
- Sustainable Development Goals (SDGs)
- GRI and IFRS S1 and S2 Sustainability Reporting Standards

The Company continues to foster collaboration within the industry by maintaining membership in key associations and supporting their initiatives through sponsorships and active participation.

- International Fertilizer Association (IFA)
- Federation of Pakistan Manufacturers & Agriculture Chemicals (FMPAC)
- Lahore Chamber of Commerce and Industry (LCCI)
- Federation of Pakistan Chambers of Commerce and Industry (FPCCI)
- Pakistan Business Council (PBC)

Awards & Accolades Received During 2025

The Company's outstanding performance and progressive management approach earned it several distinguished industry accolades, both global and national, in 2025, recognizing excellence in capital efficiency, profitability, transparency, governance, investor relations, and adherence to the Listing of Companies and Securities Regulations.

- "Best in Country Award" by British Safety Council
- Fire Safety Award by National Forum for Environment & Health (NFEH)
- Drum Awards – Fatima Fertilizer won four awards at The Drum Awards 2025 in London, UK.

Social Purpose:

- Sustainability & Climate Action – Leading Sustainable Change for Pakistan Fatima Fertilizer in partnership with UNDP
- User-Generated Content for Social Change Salam Kissan

Social:

- Social Media for Good Salam Kissan
- Cause-Led Influencer Campaign Salam Kissan
- "Green Digital Advertising Campaign Award" and "Best Content of the Year Award" by Pakistan Digital Awards 2025
- "Dragons of Asia Awards 2025" by the Dragons of Asia Marketing Services, Malaysia
- "Global Tech Awards 2025" (US) in AgriTech
- "Best Place to Work Award 2025" by the Pakistan Society for Human Resource Management
- "Global Diversity, Equity and Inclusion Benchmarks (GDEIB) Awards 2025"
- "Sustainability Leader of the Year" at the Women Leading Change Awards 2025 in Hong Kong.
- "SDG Pioneer Award" and "Corporate Non-Profit Partnership Award" at Corporate Social Responsibility Awards 2025 by the Professional Network, Karachi



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Strengthening our Sustainability Journey

At Fatima Fertilizer Company Limited, sustainability is being progressively structured through the strengthening of governance systems, operational controls and responsible business practices. While the Company is formalizing a standalone sustainability strategy, environmental, social, and ethical considerations are embedded in its existing policies, management systems, and oversight mechanisms.

Our framework is anchored in established foundations, including a formal Environmental Policy supported by certified management systems, occupational health and safety standards, a code of conduct, anti-corruption controls and defined Board and management oversight structures. These elements guide regulatory compliance, risk management and responsible operations across our production facilities.

During the reporting year, we took meaningful steps to consolidate these efforts under a more coordinated sustainability framework. This included conducting a formal materiality assessment, strengthening alignment with internal governance, and enhancing transparency in sustainability disclosures. These actions mark a transition from policy-based compliance to a more structured, performance-oriented sustainability approach.

As we move forward, our focus is on further integrating sustainability considerations into strategic planning, risk management, and operational decision-making. By building on existing strengths and progressively formalizing targets and performance monitoring mechanisms, we are committed to advancing responsible growth while contributing to agricultural development and environmental stewardship.



SDGs and Fatima Fertilizer

Responsible business practices are an important part of our role as a major participant in Pakistan's agricultural sector. Last year, we became the first private Company in Pakistan to adopt the United Nations Development Program (UNDP) SDG Impact Framework, demonstrating our commitment to aligning our business practices with the United Nations Sustainable Development Goals (SDGs) and embedding sustainability considerations into our strategy and operations. As part of this initiative, UNDP collaborated with Fatima Fertilizer to develop the Company's sustainability framework using the UNDP SDG Impact Lab tool, enabling a structured mapping of our initiatives and operations against the SDGs. The Company also published its SDG Impact Report in association with UNDP, further strengthening transparency and accountability in communicating our contribution to sustainable development.

The global challenges of food insecurity, climate change and social inequality require coordinated action from industry and society. As a fertilizer producer serving farming communities nationwide, we recognize that our role extends beyond product supply. Our operations influence agricultural productivity, resource efficiency and rural livelihoods, positioning us to contribute meaningfully to national and global development priorities.

Through collaboration with the United Nations Development Program and the SDG Impact Assessment process, we have enhanced our understanding of how our activities align with priority goals, including Zero Hunger, Responsible Consumption and Production, Climate Action, and Gender Equality. This engagement provides a structured pathway to assess impacts, strengthen accountability and identify opportunities for improvement.

Our approach focuses on advancing sustainable agriculture, improving resource efficiency, supporting farmer resilience and promoting inclusive growth. By embedding relevant SDG considerations into decision making and performance monitoring, we aim to progressively translate global goals into measurable business actions.

Governance

The Company's governance framework is designed to ensure accountability, transparency, and ethical conduct across all activities. We operate in compliance with the Companies Act 2017, the Listed Companies (Code of Corporate Governance) Regulations 2019, and other applicable laws in Pakistan. Governance practices are supported by clearly defined roles, structured oversight mechanisms, and established internal controls that promote responsible decision-making and long-term value creation.

Governance Structure

The Board of Directors is the top governance body responsible for setting strategic direction, overseeing management, and monitoring performance. The Board consists of seven members, including two Independent Directors (one female director). The Chairman of the Board is a Non-Executive Director. Directors are elected in accordance with statutory requirements to ensure transparency, accountability, and shareholder representation.

See page 24 to 27 of the Annual Report 2025 for the Director's profile.

The Board collectively has expertise in finance and business administration, allowing effective oversight of strategy, risk management, financial performance, and sustainability issues. Although the Company does not set specific quotas based on nationality, ethnicity, or age, appointments are made in accordance with regulatory requirements and competency considerations.

Board Committees

To support the discharge of its responsibilities, the Board has established several committees operating under approved Terms of Reference. These include the Audit Committee, the Human Resource and Remuneration Committee, and the Nomination and Risk Management Committee.

See page 28 to 31 of the Annual Report 2025 for extensive details on Board committees.

ESG Governance

In 2025, the Board formally approved integrating sustainability-related roles into the Audit Committee's responsibilities. The Committee is headed by an independent non-executive director and operates under defined Terms of Reference, providing structured oversight of sustainability strategy, material ESG risks and opportunities, and related disclosures. It reviews sustainability initiatives, evaluates policies and performance trends, and provides strategic guidance to management to ensure alignment with corporate objectives and long-term value creation.

The Audit Committee reports to the Board and engages formally at least once every quarter, in addition to meetings convened as required. This governance structure strengthens Board-level oversight of ESG priorities and reinforces accountability for integrating sustainability considerations into business strategy and risk management. Management level committees support implementation and operational oversight, while the Board retains ultimate accountability. Board members periodically participate in relevant conferences, seminars and training programs, including those related to sustainability and governance, to enhance their knowledge and support informed oversight of the Company's strategic priorities.

Executive authority for managing daily operations and impacts is delegated to the Chief Executive Officer, who is responsible for executing the strategy and reporting performance to the Board quarterly. The Company manages material impacts through an enhanced Enterprise Risk Management framework that incorporates environmental, social and governance considerations. Risk identification, assessment and mitigation responsibilities are assigned to relevant functional heads, with consolidated reporting to executive management and the Board. Performance and sustainability matters are reviewed in structured executive forums and formally reported to the Board. The Board reviews progress against strategic objectives, financial performance and key risk indicators on a quarterly basis.

Performance Evaluation and Remuneration

The Board conducts an annual self-evaluation of its performance against defined objectives and governance responsibilities. It also evaluates the effectiveness of its committees against their approved Terms of Reference (ToRs) to ensure accountability and continuous improvement in Board oversight. Executive remuneration is structured to align with long-term strategic priorities, financial performance and risk management considerations. Oversight of remuneration policies rests with the Human Resource and Remuneration Committee, ensuring transparency and alignment with shareholder interests. The Company is progressively integrating sustainability considerations into its governance and performance management processes as part of its evolving sustainability framework. However, health, safety and environmental performance indicators form part of the executive performance evaluation framework. Relevant KPIs, including safety performance and environmental compliance, are considered in determining variable compensation, reinforcing management accountability for operational discipline, regulatory adherence and responsible risk management.

Conflict of Interest and Whistleblowing

Directors are held to fiduciary duties of loyalty, diligence, and confidentiality. A formal Conflict of Interest Policy requires immediate disclosure of any personal or external interests related to matters under review. When a conflict arises, the affected director must abstain from deliberation and decision-making, and the Board will choose the appropriate action to maintain impartiality.

Critical concerns regarding financial integrity, sustainability, risk exposures, ethical issues, or compliance are communicated to the Board through established governance

channels. Management escalates significant issues to the relevant Board Committees, depending on the nature of the issue. These Committees review the matter within their respective mandates and report to the full Board, ensuring prompt oversight, appropriate corrective actions, and transparent documentation of discussions. Urgent or material concerns may be directly brought to the Chairman or addressed at special meetings, if necessary, to protect the Company's interests and stakeholder confidence.

The Company maintains a Whistleblowing Policy that allows employees and stakeholders to report suspected misconduct, fraud, or Code of Conduct violations through confidential channels. The policy offers protection against retaliation, outlines specific investigation procedures, and ensures corrective action when needed. The Ethics Committee oversees ethical compliance.

Grievance Mechanisms

The Company maintains structured grievance and ethics mechanisms to report suspected violations and seek guidance on ethical or compliance-related matters. These mechanisms are anchored in the Company's Whistleblowing Policy and Conflict of Interest framework, which provides clear procedures for disclosure, investigation, and resolution of concerns. Employees and relevant stakeholders can raise issues confidentially and without fear of retaliation through designated reporting channels. All reported matters are reviewed in accordance with established protocols, with oversight by the Audit Committee and, when appropriate, escalation to senior management or other Board Committees.

The creation and regular review of these mechanisms are guided by internal stakeholder consultation, including feedback from management, functional leaders, and governance bodies, to ensure accessibility, fairness, and compliance with regulatory standards and best practices. Ongoing improvement of these processes enhances transparency, accountability, and stakeholder trust.

Our Commitments

Fatima Fertilizer Company Limited is committed to conducting its operations in a lawful, ethical and responsible manner. This commitment is reflected through Board-approved policies and management systems that guide decision-making, operational practices and stakeholder engagement across the organization. These policies align with internationally recognized principles such as the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The policies apply across the Company's operations and are overseen by management and the Board through defined governance structures.

Policies

- Code of Conduct
- Health, Safety & Environment (HSE) policies
- Anti-Harassment Policy
- Human resource policies governing fair employment practices

Embedding Policy Commitments

Policy commitments are implemented through organizational policies, operational procedures and internal controls, supported by management oversight. These policies are communicated to employees through HR frameworks, onboarding programs, internal

communication platforms and structured training initiatives. Reporting mechanisms further support awareness and accountability. Business partners and suppliers are also expected to adhere to the Company's ethical and operational standards in their engagement with the organization.

Remediation of Negative Impacts

The Company recognizes the importance of identifying and addressing potential negative impacts arising from its operations and business relationships. Mechanisms to manage and remediate such impacts include employee grievance channels, incident reporting systems for health, safety, and environmental matters, and corrective action procedures triggered by internal audits or regulatory inspections. Where incidents or non-compliance issues are identified, management reviews the matter, implements corrective measures and monitors follow-up actions to prevent recurrence.

Employees and external stakeholders may also raise concerns or seek guidance on business conduct through the Company's Grievance Policy and the "Tell Fatima" Whistleblowing platform, accessible on the Company's website. These channels enable confidential reporting of concerns related to workplace conduct, ethics or compliance with company policies. Reported matters are reviewed and investigated by the relevant functions in accordance with established procedures, with corrective actions implemented where required.



Stakeholders' Engagement

We understand the importance of engaging with stakeholders whose interests relate to our operations and long-term goals. Stakeholders are identified based on their relationship with the Company, their potential to influence business results, and the extent to which they may be affected by the Company's operations. This includes farmers, employees, shareholders, suppliers, regulators, local communities, dealers, transporters, government bodies and financial institutions. Stakeholders are prioritized primarily based on relevance, dependency and level of engagement.

Engagement occurs through routine business interactions, meetings, consultations, surveys, and feedback mechanisms. These channels offer insights into stakeholder expectations and emerging concerns, which management reviews and considers in planning and risk management discussions.

During the reporting year, key topics raised included the long-term availability and pricing of natural gas as a critical feedstock, operational continuity and the Company's investment plans.

Stakeholder Group	Engagement Method	Frequency	Issues/Concerns	Our Response
Shareholders and capital providers	Annual reports, AGM/Extra-Ordinary General Meeting (EOGM), investor briefing, Corporate Affairs Department	Ongoing	Financial returns, new products launch, market competitiveness and sustainability initiatives	Innovation and investment to launch new and improved products for sustained economic returns and community investments
Customers/ Farmers	Surveys, field visits, farmer call centers surveys, demonstration plots, digital platforms, meetings	Ongoing	Customer technical guidance, soil health, crop yield, product specification, product availability and price	Agronomic advisory services, farmer education events to apprise on balanced fertilizer use
Suppliers/ Contractors	Supplier meetings, contractual reviews, Annual Suppliers Conference	Reliability, efficiency	Business continuity and demand stability, Timely payments and contract clarity, Health, safety and compliance expectations	Regular engagement with key suppliers, transparent procurement processes, supplier code of conduct
Transporters	Transporter meetings, operational coordination reviews, periodic safety briefings	Ongoing	Safe and timely delivery of products, compliance with transport safety requirements, vehicle and driver safety standards	Regular engagement with transport partners, adherence to safety protocols and regulatory requirements, monitoring of transport operations and contractor compliance
Dealers/ Distributors	Dealers/Distributors meeting, training programs, feedback survey	Ongoing	Product availability, sales targets, customer satisfaction	Incentive programs, sales support, regular communication
Employees	Staff meetings, training, performance appraisal, annual get-togethers, consultation with employees' representative groups, employee satisfaction surveys, grievance redressal system	Ongoing	Operational performance, career development opportunities, diversity & inclusion, training and education, employee health and safety	Investment in training and education of workforce, transparent HR policies, equal opportunity programs, maintaining excellent health and safety standards for a safe and productive workplace
Local Community	On-site visits, surveys and focus group meetings, CSR initiatives and social media updates	Ongoing	Employment opportunities, environmental impact, community development	Investing in schools, healthcare, clean water projects, prioritizing local hiring, environmental monitoring
Regulators	Meetings, annual reports, compliance reporting, consultations, industry forums	Ongoing/ Need basis	Regulatory compliance, environmental standards, taxation	Compliance with SECP, NEQS, EPA requirements, proactive engagement in policy dialogues; transparent disclosures
Government bodies	Meetings, policy consultations, industry forums, development program coordination	Ongoing/ Need basis	Alignment with national development priorities, agricultural productivity, regulatory compliance, and sectoral policy support	Engagement with relevant ministries, participation in policy discussions and agricultural initiatives, and compliance with applicable government regulations
Media	Interviews, briefings, press releases and plant visits	Ongoing /Need basis	Insights on business, market and industry, financial performance, corporate reputation and crisis communication	Provide regular updates on business developments, timely press releases, proactive media engagement, transparent communication during incidents
NGOs/ Civil Society	Partnerships, roundtables, sustainability dialogues	Program basis	Environmental footprint, social responsibility, transparency	Collaboration on sustainability projects, open dialogue, third-party audits

Materiality Analysis

The Company defines material topics as environmental, social, and governance issues that reflect the Company's most significant impacts on the economy, environment and people. Since this is the Company's first standalone sustainability report, a structured materiality assessment was conducted during the year to identify and prioritize relevant topics. The process followed four key steps.



As part of its ongoing sustainability journey, the Company plans to further improve stakeholder participation and impact assessment processes in upcoming reporting cycles to enhance transparency and align with evolving best practices.

Sustainability-related Risks and Opportunities

The sustainability-related risks and opportunities aligned with the IFRS S1 and S2 are detailed in a dedicated section on sustainability-related financial disclosures, available on pages 171 to 182.

Material topics	Sub-topic	Relevant SDGs
Climate Change	GHG Emissions, Energy	
Materials	-	
Waste	-	
Water and effluents	-	
Health & Safety	-	
Employment practices	Employment practices Training & Education Diversity, Equity & Inclusion	
Economic impacts	-	
Local communities	-	
Human rights	Child Labor and Freedom of association and collective bargaining	
Sustainable Farm Management	-	
Anti-corruption	-	
Supply chain impact	-	
Procurement practices	-	



Environmental

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Our Approach

Our operations generate environmental impacts associated with energy consumption, emissions, water use, material management and waste generation. As a responsible fertilizer manufacturer, our focus is to manage these impacts through structured management systems, compliance with applicable regulatory requirements and a commitment to continuous improvement.

Our approach is guided by environmental policy and implemented through an Environmental Management System at the plant level. Production facilities operate under certified management systems, providing a structured framework for identifying, monitoring, and managing environmental aspects and compliance obligations.

Environmental risks and operational impacts are evaluated through internal procedures, monitoring systems, and regular reviews. Key focus areas include energy efficiency, greenhouse gas emissions, air emissions, water usage,

effluent management, waste handling, and material efficiency. Responsibilities for environmental performance are assigned at the plant and management levels, with oversight ensured through established governance structures.

Environmental performance is tracked through operational data collection, compliance evaluations, and internal reporting procedures. The Company's certified management systems undergo periodic third-party audits that provide independent verification of adherence to established standards. The findings from internal reviews and external audits guide corrective actions, which are implemented and monitored.

During the reporting year, the Company did not record any significant instances of non-compliance with applicable environmental laws and regulations.



Climate Change

Climate Change is transforming industrial operations worldwide, including the fertilizer industry. As the shift toward lower-carbon and more energy-efficient production accelerates, the Company recognizes the importance of managing greenhouse gas emissions and improving energy performance across its operations. Our approach aligns with international climate frameworks, including mechanisms established under the Kyoto Protocol, the broader goals of the Paris Agreement, and Sustainable Development Goals 7 on clean energy and 13 on climate action.

Energy use and greenhouse gas emissions are inherent to fertilizer production, where natural gas serves as both a primary feedstock and a fuel. The Company primarily relies on natural gas for process energy, supplemented by grid electricity and limited diesel for backup power and auxiliary operations. Energy and emission impacts are managed through the Environmental Management System, which integrates energy conservation, emissions monitoring, and regulatory compliance into operational controls. Emission levels are continuously tracked and monitored by the Punjab Environmental Protection Agency, with any deviations addressed through timely corrective actions and follow-up monitoring. While maintaining strict compliance with applicable environmental standards, the Company also undertakes initiatives that go beyond regulatory requirements to improve efficiency and reduce emission intensity. The Company acknowledges that climate change may affect its operations and supply chain. However, it currently lacks a formal system to quantify the financial implications of climate-related risks and opportunities.

Energy efficiency and emission reduction initiatives are integrated into plant optimization programs, capital planning, and performance review processes. These include participating in Clean Development Mechanism projects that deliver measurable and verifiable emission reductions, installing waste gas recovery systems to capture and reuse process gases, and engaging in structured energy benchmarking initiatives to improve performance tracking.

During the reporting year, the Company further increased efficiency through process improvements, equipment reliability upgrades, and enhanced performance monitoring. Energy audits and regular reviews were conducted to identify additional opportunities, including optimizing process controls and heat-recovery systems to reduce fuel use.

Emission performance is assessed through Environmental Management System audits and internal oversight processes, guided strategically by executive committees responsible for health, safety, and environmental concerns. Regulatory inspections and third-party verification using approved methods offer further assurance of compliance and reported emission reductions.

Performance is monitored using indicators such as energy intensity, emission intensity, and compliance status, with audit and monitoring insights guiding corrective actions and operational improvements. Emissions remained within regulatory limits during the reporting year. Lessons learned from internal reviews, regulatory interactions, and cross-functional collaboration are integrated into ongoing planning cycles to support continuous improvement.

Energy Efficiency and Emission Reduction Initiatives

The Company is committed to improving energy efficiency and reducing greenhouse gas emissions as part of its broader environmental responsibilities. Forward-looking objectives have been established to increase the share of renewable energy in total final energy consumption and progressively reduce non-renewable energy intensity per unit of product and overall greenhouse gas emissions, to support a structured transition toward lower-carbon, more energy-efficient operations.

During the reporting year, emission-reduction initiatives resulted in approximately 349,085 metric tons of CO₂ reduction at PFL, primarily attributable to efficiency improvements and emission-control measures.

Renewable Energy Initiatives

As part of its efforts to enhance energy efficiency and reduce greenhouse gas emissions, the Company has gradually increased the proportion of renewable energy in its energy mix. A 2.5 MW solar power system was installed at the Sadiqabad plant (Fatima) to reduce reliance on traditional

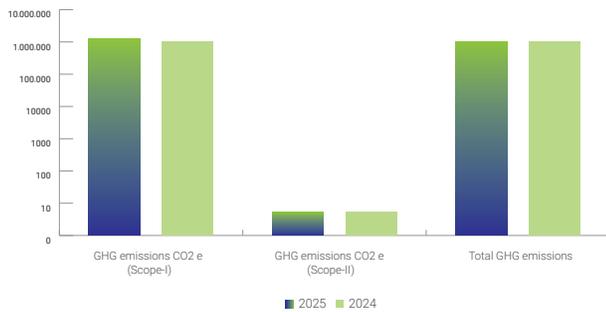
energy sources and generate clean electricity for operations. Multan Plant has also installed and commissioned 52.2 KW solar project. Commissioned in August 2025, the project offset around 11 tons of CO₂ emissions. Additionally, a 1.25 MW solar power system was installed at the Sheikhpura plant to complement gas based captive generation with renewable energy. These initiatives support diversification of the Company's energy mix, reduce dependence on fossil-fuel-based power, and lower overall operational carbon intensity, while strengthening long-term energy resilience and environmental performance. Collectively, these initiatives resulted in cost savings of PKR 119.9 million by replacing 43,456 MMBTU of fuel gas per year.

GHG Emissions

GHG emissions (Metric Tons CO ₂ e)	2025					2024				
	Total	Ho	Fatima	PFL	FFT	Total	Ho	Fatima	PFL	FFT
GHG emissions CO ₂ e (Scope-I)	3,044,404	170	1,159,789	1,501,146	383,299	3,007,859	153	1,109,112	1,530,594	368,000
GHG emissions CO ₂ e (Scope-II)	366	268	-	98	-	370	260	-	110	-
Total GHG emissions	3,044,770	438	1,159,789	1,501,244	383,299	3,008,229	413	1,109,112	1,530,704	368,000
GHG emissions intensity (MT CO ₂ e equivalent/ Ton)	1.066	-	0.792	1.723	0.736	1.076	-	0.809	1.710	0.696

GHG Emissions

GHG Emissions (Metric Tons CO₂)



The emissions intensity metric includes both Scope 1 and Scope 2 emissions, excluding indirect Scope 3 emissions. Currently, the Company does not measure Scope 3 emissions; these will be reported starting next year.

Scope 1 emissions primarily comprise carbon dioxide (CO₂) from fuel combustion and process-related activities across the Company's operations. However, at Pakarab Fertilizers Limited, Scope 1 emissions also include nitrous oxide (N₂O) and hydrofluorocarbons (HFCs) arising from specific production processes and equipment use.

Greenhouse gas emissions are estimated using established methods. Emission factors and Global Warming Potential values are obtained from the 2006 Intergovernmental Panel on Climate Change Guidelines 2019. CO₂ emissions from process reactions are calculated using stoichiometric methods; N₂O emissions are measured with analyzer-based systems supported by flow-rate data; and fuel-related emissions are estimated using combustion-based calculation approaches. Scope 2 emissions are calculated using the IFI Dataset of Default Grid Factors V3.1 UNFCCC and CPPA-G / IGES CDM Database (Combined Margin for NTDC).

The Company has established base years to track greenhouse gas (GHG) emissions performance and monitor progress against internal environmental management indicators. For two manufacturing sites, 2022 has been chosen as the baseline year for emissions tracking, with reported Scope 1 emissions of 1,150,966 metric tons of CO₂ (Fatima) and 282,965 metric tons of CO₂ (FFT), respectively. The baseline has remained unchanged since its establishment, and the methodology used for emissions estimation has remained consistent.

At PFL, 2024 has been designated as the baseline year for emissions reporting. This year was chosen because the Company's emissions data collection systems and calculation methods have reached a higher level of maturity, allowing for more reliable and consistent measurement.

Other Emissions

Other emissions (Metric Tons CO ₂)	2025				2024			
	Stakeholder Group	Total	Fatima	PFL	FFT	Total	Fatima	PFL
PM	4,328	-	4,328	-	5,906	-	5,906	-
NOX	11,660	-	-	11,660	9,210	-	-	9,210
Other	4,360	-	-	4,360	5,439	-	-	5,439

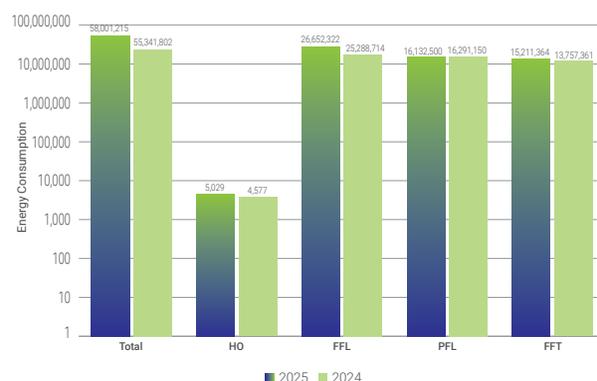
Greenhouse Gas Reduction Through N₂O Abatement

The Company's N₂O Abatement Project, implemented at the 1,500 MTPD Nitric Acid plant, utilizes a tertiary catalytic reactor to decompose approximately 98% of nitrous oxide (N₂O) and more than 99% of nitrogen oxides (NOx) generated during the nitric acid production process. The initiative results in the reduction of over one million tCO₂e annually, representing one of the most significant greenhouse gas mitigation measures within the Company's operations. The project is registered under the Clean Development Mechanism (CDM) and demonstrates the adoption of the best available emission-reduction technology in Pakistan's fertilizer sector, supporting the Company's commitment to responsible environmental management and climate change mitigation.

Energy

GHG emissions (Metric Tons CO ₂)	2025					2024				
	Stakeholder Group	Total	HO	Fatima	PFL	FFT	Total	HO	Fatima	PFL
Energy consumption (GJ)	58,001,215	5,029	26,652,322	16,132,500	15,211,364	55,341,802	4,577	25,288,714	16,291,150	13,757,361
Energy intensity GJ/Ton	20.31		18.15	18.55	30.71	19.80		18.41	18.22	30.30

Energy Consumption per Year



Most energy consumption today comes from non-renewable sources, while renewable energy accounts for only a small share of the total energy mix. No significant energy reduction was carried out during the year. Energy consumption is determined using a combination of site metering systems, utility records and operational logs. Natural gas consumption, which serves as the primary energy source for production, is measured using gas flow meters. Meter readings recorded in MMBtu or MMSCF units are converted into gigajoules (GJ) using standard energy conversion factors. At certain plants, additional feed gas and fuel gas flow transmitters are used to capture detailed consumption data.

Electricity consumption is based on utility billing records and site meters, including facilities such as pumping stations. Diesel use for generators and operational equipment is tracked through issuance and inventory records. Renewable energy generation, including solar power at operational sites, is monitored through dedicated generation meters. The combination of direct measurements and operational records ensures that reported energy consumption reflects actual site-level usage.

Materials

The Company's fertilizer manufacturing operations rely on essential raw materials for production at its plant facilities. Key raw materials include natural gas, which serves as the primary feedstock and energy source, along with phosphate rock, phosphoric acid, catalysts, and other process chemicals used in producing fertilizers such as Urea, CAN, and Phosphate-based products.

Natural gas is sourced mostly from domestic suppliers, while some inputs, such as phosphate rock and phosphoric acid, are obtained from international suppliers in regions with suitable mineral reserves. Raw materials are acquired through established procurement agreements to ensure a steady supply and the necessary quality for manufacturing operations.

Raw material consumption 2025

Description	Unit	Total	Fatima	PFL	FFT
Natural Gas	MMSCF	69,921	38,656	15,241	16,024
Rock Phosphate	Tons	569,184	300,554	268,630	-
HCL	Tons	4,068	960	-	3,108
H2SO4	Tons	2,297	1,497	155	645
NaOH	Tons	3,720	671	2,099	950
Bags & Liner	kg	8,237,747	4,213,300	2,530,000	1,494,447

Raw material consumption 2024

Description	Unit	Total	Fatima	PFL	FFT
Natural Gas	MMSCF	68,237	36,678	15,654	15,905
Rock Phosphate	Tons	563,486	286,939	276,547	-
HCL	Tons	4,085	886	-	3,198.70
H2SO4	Tons	2,217	1,400	210	607.49
NaOH	Tons	3,651	600	2,098	952.91
Bags & Liner	kg	8,153,831	4,168,000	2,468,000	1,517,831

During the reporting period, no recycled input materials were used in the production processes, and no packaging materials were reclaimed.

Water and Effluents

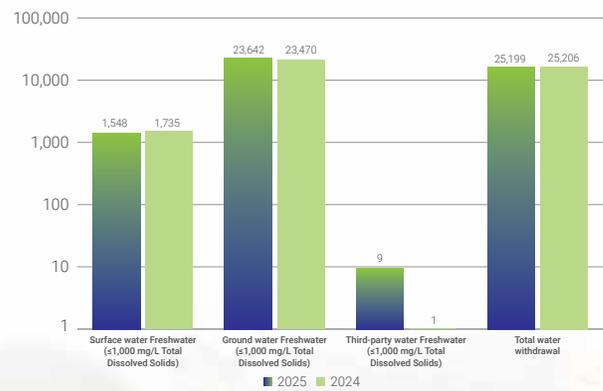
Water is an essential resource in fertilizer production, mainly used for cooling systems, steam generation, and process operations. Fatima Fertilizer Company Limited recognizes water as a shared resource and is dedicated to responsible withdrawal, efficient use, and proper discharge to protect nearby ecosystems and communities.

Water is withdrawn in accordance with approved canal water quotas and relevant groundwater regulations. Most consumption occurs through evaporation in cooling systems and steam generation processes. Effluent discharge is controlled through dedicated Effluent Treatment Plants to ensure the treated wastewater complies with the Punjab Environmental Quality Standards before being released to designated discharge bodies.

Compliance with provincial environmental rules supports the Company's water management system. Monthly discharge checks are conducted by EPA-approved third-party labs, and reports are submitted to the Punjab Environmental Protection Agency. If any deviations occur, corrective actions are taken and tracked to avoid future problems. Beyond regulatory compliance, the Company has implemented the Alliance for Water Stewardship Core Certification at the Fatima plant, incorporating structured water stewardship principles and international

best practices into operational management, in line with Sustainable Development Goal 6 on Clean Water and Sanitation. Water efficiency initiatives include partial recycling and reuse systems, continuous monitoring of withdrawal and discharge volumes, and structured conservation projects aimed at reducing freshwater intensity per ton of production. Water-related performance is tracked through KPIs and reviewed periodically to support continuous improvement.

Water withdrawal by source in ML/year

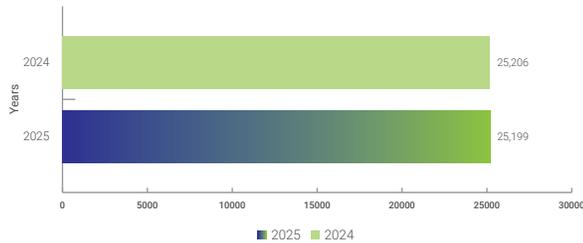


Water withdrawal by source in ML/year	2025				2024			
	Total	Fatima	PFL	FFT	Total	Fatima	PFL	FFT
Surface water								
Freshwater (≤1,000 mg/L Total Dissolved Solids)	1,548	-	7	1,541	1,735	-	6	1,729
Ground water								
Freshwater (≤1,000 mg/L Total Dissolved Solids)	23,642	10,026	7,990	5,626	23,470	8,994	8,200	6,276
Third-party water								
Freshwater (≤1,000 mg/L Total Dissolved Solids)	9	-	9	-	1	-	1	-
Total water withdrawal	25,199	10,026	8,006	7,167	25,206	8,994	8,207	8,005

Water Consumption

Water consumption in ML/year	2025				2024			
	Total	Fatima	PFL	FFT	Total	Fatima	PFL	FFT
Total water consumption	25,199	10,026	8,006	7,167	25,206	8,994	8,207	8,005

Water consumption in ML/year

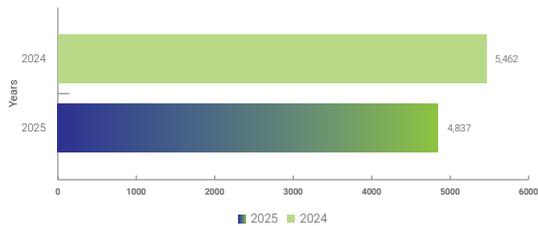


Groundwater and canal withdrawals are estimated based on the operating hours of tube wells and canal pumps, using standard capacity factors. This method combines direct measurements with controlled operational estimates to ensure that reported data accurately reflects site-specific conditions and established monitoring practices.

Water Discharge by Destination

Water discharge by destination in ML/year	2025				2024			
	Total	Fatima	PFL	FFT	Total	Fatima	PFL	FFT
Total water discharged (>1,000 mg/L Total Dissolved Solids)	4,837	529	2,510	1,798	5,462	1,042	2,570	1,850

Water discharge by destination in ML/year



The Company monitors priority substances in its industrial effluent, including temperature, pH, total suspended solids, ammonia, cadmium, and fluorides, in accordance with the requirements for Category A industries under the National Environmental Quality Standards Self-Monitoring and Reporting by Industry Rules 2001. These parameters are included in plant-level discharge controls and are routinely monitored. No instances of non-compliance with the applicable limits for these substances were recorded during the reporting period.

Waste

Waste is produced during fertilizer manufacturing, including both process-related and general operational waste streams. Common wastes consist of used lubricants from equipment maintenance, spent catalysts from process units, calcium carbonate residues from production, and routine office waste from administrative tasks. Waste streams are managed to prevent environmental contamination, protect worker health, and ensure regulatory compliance.

The Company manages waste through structured operational controls under its QHSE framework. Production sites operate under ISO 14001-certified environmental management systems, providing a systematic approach to identifying, handling, and monitoring waste-related impacts. Waste management responsibilities are clearly defined within the HSEQT Department, with the Environment and Occupational Health functions overseeing hazardous waste compliance, monitoring, documentation and reporting.

Waste is separated at the source into hazardous and non-hazardous categories to reduce risk and ensure proper handling. Designated storage areas are set up with appropriate containment, labeling, and access controls to minimize the chance of spills and leaks. Hazardous waste is managed in accordance with relevant environmental laws and disposed of only by licensed and authorized waste contractors. Before engaging, third-party waste handlers undergo a structured due diligence process. This involves verifying valid operating licenses, reviewing disposal permits, and confirming that treatment and disposal facilities comply with regulatory standards. Contract clauses mandate compliance with environmental laws and proper documentation of waste handling and disposal activities. This process ensures traceability and strengthens accountability throughout the waste management chain.

Waste quantities are recorded through inventory logs and internal tracking systems. Data on waste generated, stored, and disposed of is reviewed internally and cross-verified against documentation provided by licensed contractors. This verification process supports reporting accuracy, regulatory compliance, and management oversight. Waste-related data are analyzed to assess performance trends and identify opportunities for improvement.

Monitoring mechanisms include internal audits, contractor performance assessments, and structured incident reporting procedures. When deviations, handling issues, or other incidents occur, investigations and root cause analyses are conducted to identify contributing factors. Corrective and preventive actions are implemented and monitored to ensure effective remediation.

We emphasize process optimization and resource efficiency to reduce waste generation at source. Responsible recycling practices are applied where feasible, and regulated disposal pathways are maintained for residual waste streams. In line with our commitment to operational resilience and environmental protection, we also evaluate technically and economically viable opportunities to enhance circularity while maintaining compliance with applicable regulatory requirements.

No significant regulatory non-compliance related to waste management was recorded during the reporting period.







Empowering Lives

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Our Approach

The Company recognizes that a capable, engaged, and well-treated workforce is critical for operational reliability and long-term value creation. We are committed to fair employment practices, non-discrimination, the elimination of forced and compulsory labor and respect for freedom of association. These principles are incorporated into our Human Resources policies, Code of Conduct, and Diversity, Equity, and Inclusion framework and are aligned with applicable labor laws and internationally recognized labor standards adopted in Pakistan.

Our HR framework encourages merit-based recruitment, transparent performance management, and equal opportunity throughout the employment lifecycle. Employment decisions regarding hiring, promotion, training, and compensation are based on qualifications, performance, and organizational needs.

Structured processes, including standardized HR procedures, documented employment contracts, and periodic policy reviews, help to handle potential and actual workforce impacts. Preventive measures include:

- Merit-based recruitment and structured interview processes
- Leadership sensitization and awareness programs
- Clear performance evaluation criteria
- Defined grievance handling and escalation protocols

In case of concerns, investigations are conducted in accordance with established procedures, and appropriate corrective actions are taken. Insights from cases and employee feedback are used to improve policies and training programs.

The effectiveness of HR management is measured using metrics such as workforce composition, turnover rates, training hours, and grievance-resolution trends. Employee engagement surveys, performance reviews, and leadership assessments offer additional qualitative insights into workplace culture and inclusion. Findings from surveys, internal reviews, and management reports are discussed at appropriate leadership forums and guide ongoing improvement efforts. Feedback from employees and leadership through structured forums and review sessions helps in the design, refinement, and assessment of employment and inclusion initiatives. Through structured policies, measurable indicators, and continuous engagement, we strive to create a fair, respectful, and performance-focused workplace that supports both individual growth and organizational objectives.

Nurturing Workforce

We focus on building operational capability through disciplined hiring, targeted skill development and sustained employee engagement. Recruitment is merit-based and aligned with defined technical and functional requirements. Where feasible, priority is given to hiring from communities surrounding operational sites, supporting local employment and strengthening regional workforce participation. Employee engagement mechanisms, such as surveys and structured feedback forums, offer practical insights to guide workforce planning and development initiatives and enhance employee satisfaction. This ensures that people practices stay aligned with operational priorities and workforce expectations.

Workers who are not employees include contractors, outsourced service personnel such as security and housekeeping staff, and interns or trainees engaged through structured development programs. These individuals operate at company facilities under contractual arrangements with third-party service providers and are not included in the Company's employee headcount. During the reporting year, 150 non-employee workers were engaged at the Lahore Office through contracted service providers to support day-to-day administrative and operational functions. Support workers were also engaged at the Fatima, PFL, and FFT plant sites during the reporting period, supporting operational activities.

Workforce on December 31, 2025

Stakeholder Group	2025				
	Total	HO and Other	Fatima	PFL	FFT
2025	4,431	422	1,731	1,009	1,269

Remuneration and benefits

The Company offers compensation and benefits designed to attract, retain, and motivate a skilled workforce. Employees receive competitive salaries supplemented by benefits such as provident fund contributions, gratuity, medical coverage, group life insurance, and leave entitlements in accordance with Company policy and legal requirements. The Company maintains defined contribution retirement plans and fulfills its obligations through regular contributions to approved funds. Fatima and PFL contribute 8.3% while FFT contributes 15% of employees' salaries to the provident fund. See pages 203 and 277 in the Annual report for further details of defined benefit plans. The ratio of women's salary and remuneration to men's salary and remuneration is available on page 109.

Employees across management and staff categories receive a structured benefits package designed to support their well-being and financial security. These benefits include group life insurance, medical coverage, disability or invalidity protection, parental leave entitlements, and retirement benefits. Leave Fare Assistance is also available to both employee categories. Residential accommodations at plant sites are provided, where applicable, to management and staff to meet operational needs. Additionally, company-maintained vehicles are provided to eligible management personnel in accordance with established policy provisions, while this benefit does not extend to staff positions.



Parental Leave

Parental leave is granted to all eligible employees in compliance with applicable laws and regulations. The Company showed strong support for employees taking parental leave, with all eligible staff utilizing the benefit, returning to work, and remaining employed 12 months after their return. In 2025, 116 employees (107 men and 9 women) took parental leave; 115 returned to work, and 111 (104 men and 7 women) remained employed. In comparison, 74 employees (62 men and 12 women) took parental leave in 2024; all resumed their duties, and 65 (55 men and 10 women) were retained one year later. Across both years, return-to-work rates stayed consistently high for both men and women, reflecting the effectiveness of the Company's supportive leave policies and reintegration practices.

Training and Education

The Company continues to invest in enhancing employees' skills through a structured, forward-looking development framework aligned with operational priorities and long-term business continuity. Annual training plans drive capability development across the organization, covering technical, functional, and leadership competencies aligned with business-unit requirements. Programs are created to improve plant reliability, operational efficiency, safety results, and management effectiveness. Training needs are determined through performance reviews and functional assessments to ensure focused skill growth and readiness for succession. The Company does not provide transition assistance programs. During the reporting year, all employees participated in structured performance and career development reviews conducted in accordance with the Company's established appraisal framework.

Along with core technical training, the Company emphasizes targeted leadership development programs to nurture internal talent. High-potential employees are guided through structured leadership pathways, including HiPo initiatives, the LUMS Advance Program, and the CEO Signature Series, to prepare them for strategic and operational roles.

Functional capability programs equip employees with specialized skills aligned with manufacturing excellence and corporate functions. Digital capability-building initiatives, including Digital and GenAI programs, further enhance workforce readiness for evolving technologies and process innovation.

Annual training hours per employee

	2025				2024			
	Total	Fatima	PFL	FFT	Total	Fatima	PFL	FFT
Training hours	115,620	51,756	29,445	34,419	94,722	46,204	32,069	16,449
Training hours per employee per year	32.5	30.02	37.31	33	26.65	26.8	40.65	15.76

Diversity, Equity and Inclusion

The Company remains dedicated to creating an inclusive workplace that offers equal opportunities and values diverse perspectives at every level of the organization. Building on the progress made in previous years, the Company continues to advance its Diversity, Equity, and Inclusion efforts through Sab Saath, a structured strategy that integrates inclusive practices across all business functions.

During the reporting year, efforts to implement initiatives continued across plant sites and the Lahore office, supported by capability-building workshops aimed at strengthening inclusive leadership and improving organizational effectiveness. A DE&I Corporate Council, along with site-level councils, remained active to guide execution in accordance with the multi-year roadmap and support accountability at the operational level.

The Company continues to pursue the gender diversity goal of 13% percent throughout the organization. Initiatives like Her Power, the Female Coaching Circle, and Women Leadership Today remain key to enhancing leadership readiness, offering structured mentorship, and increasing female representation across all levels. To promote collaboration across a multigenerational workforce, programs such as Time Bridge and Gen Blend continue to facilitate knowledge transfer, mentorship, and cross-generational engagement, thereby supporting organizational resilience and continuity.

In line with its inclusion priorities, the Company continued initiatives related to workplace accessibility, position mapping, and structured onboarding for differently abled interns, apprentices and employees.

Human Rights

The Company is committed to upholding internationally recognized human rights standards across its operations and business relationships. The Company's expectations are outlined in its Employee Code of Conduct and Supplier Code of Conduct, which reference globally recognized human rights principles, including the Universal Declaration of Human Rights, International Labor Organization Conventions, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact. Human rights oversight is supported through established governance structures, including dedicated Industrial Relations functions at plant sites. These teams oversee compliance with applicable labor legislation and facilitate structured engagement between management and workforce representatives.

Eligible employees are represented through recognized collective bargaining agents in accordance with Pakistani labor laws. Formal collective bargaining agreements are in place covering the eligible workforce, defining terms related to working conditions, compensation frameworks and mutual obligations. These agreements provide a structured platform for dialogue and dispute resolution, supporting stable industrial relations and operational continuity. Although forced and compulsory labor have not been identified as significant risks in the Company's operations, compliance with national laws banning such practices is mandatory. No instances of child labor forced or compulsory labor were found during the reporting period.

Human rights standards are also extended to the supply chain through the mandatory Supplier Code of Conduct. Under the Vendor Prequalification Policy, suppliers must formally acknowledge their adherence to these standards as a condition of engagement. The Code explicitly prohibits forced labor and includes provisions for corrective action or disqualification in cases of violations.



Health and Safety

Fatima Fertilizer places occupational health and safety at the center of its operational philosophy. It operates a certified Occupational Health and Safety Management System aligned with ISO 45001, supported by an ISO 14001-certified Environmental Management System, to ensure an integrated approach to risk and environmental control. The system complies with applicable labor and environmental regulations. Beyond compliance, the Company has voluntarily adopted a structured Process Safety Management framework aligned with DuPont PSM principles and Risk-Based Process Safety methodologies to strengthen hazard prevention and operational reliability.

The OHS Management System applies to all permanent employees and on-site contractors whose work and workplace fall under the Company's operational control. Its effectiveness is regularly evaluated through structured internal audits and independent external certification audits, reinforcing accountability and continual improvement. Governance is led by the HSEQT Department with oversight from senior management and the Executive HSE Committee. HSE performance is reviewed periodically, and dedicated budgets are allocated for training, engineering safeguards and system improvements.

Hazard Identification and Risk Management

Hazards are systematically identified and assessed using structured methodologies, including Hazard Identification and Risk Assessment (HIRA), Process Hazard Analysis, HAZOP studies, Job Safety Analysis, and Permit-to-Work systems. These tools address both routine and non-routine activities across manufacturing, maintenance and support operations.

High-consequence hazards inherent to fertilizer manufacturing include high-pressure ammonia and carbamate systems, toxic release potential, confined space entry, work at height, rotating equipment, steam systems, and electrical risks. Risk controls are implemented in accordance with the hierarchy of controls, prioritizing elimination and engineering safeguards such as gas detection systems, interlocks and process containment measures, supported by administrative controls and appropriate personal protective equipment.

Risk assessments are conducted by trained personnel who have completed certification and skill validation programs for safety-critical roles. Regular audits and management reviews maintain ongoing process integrity and system effectiveness. The Company maintains multiple channels for hazard reporting, including digital reporting platforms, near-miss systems, safety meetings, and direct supervisor escalation. Workers are authorized under the HSE Policy to stop work and remove themselves from situations involving imminent danger, without fear of retaliation. Supervisors must assess reported hazards before work resumes.

Health and safety risks associated with business relationships, including contractors and outsourced activities, through structured risk evaluations prior to and during engagement, particularly for high-risk operations such as maintenance, shutdowns and chemical handling. All work-related incidents, unsafe conditions and near misses are investigated using structured root cause analysis methodologies to identify immediate, underlying and systemic causes. Corrective and preventive actions are determined using the hierarchy of controls and tracked through the digital Safety Management Information System. Trends from risk assessments, audits, and investigations are analyzed to update SOPs, enhance training programs, and strengthen preventive controls for continual improvement.

Occupational Health Services and Worker Wellbeing

Occupational health services are available through on-site medical facilities, including a 24-hour clinic at plant townships. Services encompass health surveillance, exposure monitoring, fitness assessments, and emergency medical response to manage work-related health risks. Workers also have access to non-occupational medical services through company-supported healthcare facilities, medical insurance coverage, and referral arrangements with outside hospitals and specialists. These services include outpatient consultations, emergency treatments, and hospitalization support, in accordance with Company policy.

Personal medical information is maintained in secure records with access restricted to authorized healthcare personnel. Health data reported to management is aggregated and anonymized. Participation in occupational or wellness programs does not influence employment decisions. Beyond occupational health management, the Company promotes preventive healthcare and lifestyle management through voluntary wellness initiatives that address major non-work-related health risks, including cardiovascular health, diabetes, hypertension, and mental well-being. Programs such as the "Fit for Life" initiative support physical activity, healthy lifestyle choices and awareness through health screenings, vaccination drives and wellness campaigns. Participation is voluntary and accessible to employees through on-site sessions and communication platforms.

Worker Participation and Consultation

The Company ensures active worker participation in developing, implementing, and continuously improving its Occupational Health and Safety Management System. Employees are involved through structured methods, including toolbox talks, safety meetings, risk assessment workshops, and consultation during the development and revision of Standard Operating Procedures. Workers are encouraged to identify hazards, suggest control measures, and engage in emergency preparedness planning.

Formal joint management-worker HSE committees operate across sites, including D-level and EHSE forums. These HSE committees, consisting of management and worker representatives, review safety performance, incident investigations, audit findings, and monitor the implementation of corrective actions. Meetings are held periodically with documented minutes and action tracking, and recommendations are escalated to senior management when necessary. Occupational health and safety information, including policies, procedures, risk assessments, and lessons from incident investigations, is shared through regular training, safety bulletins, digital platforms, and workplace notice boards to promote transparency and accessibility. OHS matters are also addressed within formal worker representation arrangements in compliance with legal requirements.

Safety Training

All employees and on-site contractors undergo mandatory HSE induction training covering safety policies, emergency response procedures, hazard reporting systems, and individual legal responsibilities. Refresher courses are regularly held to reinforce safe practices and ensure regulatory compliance.

In addition to general safety awareness, structured task-specific training is provided for high-risk activities, including confined space entry, hot work, work at height, chemical handling, and permit-to-work execution. The training content is based on risk assessment outputs, including Job Safety Analysis, Process Hazard Analysis, and Job Cycle Check reviews, ensuring that workers understand hazard controls, safe operating procedures, and emergency preparedness requirements relevant to their roles. Competency is further supported through defined skill certification mechanisms for safety-critical positions, with periodic validation to maintain capability standards.

The effectiveness of training programs is monitored through risk-based leading indicators that assess both engagement and performance outcomes. These include total training man-hours delivered, training effectiveness evaluations, worker participation in hazard-identification activities, near-miss reporting frequency, Management Safety Audit coverage, and timely closure of corrective actions. Collectively, these indicators enable proactive monitoring of safety culture and support continuous improvement in occupational health and safety performance.



In 2025, HSE practices were strengthened through systematic safety engagement, improved reporting discipline, and data-driven monitoring. Regular safety talks, drills, inspections, and audits were carried out across regional offices, warehouses, and distribution sites. These efforts ensured consistent awareness, hazard identification, and timely corrective actions, leading to improved overall safety performance.

The effectiveness of the Company's HSE approach is reviewed through a structured evaluation framework that includes internal and external audits, digital incident-tracking systems, monitoring of leading and lagging performance indicators, management reviews, and trend analysis of near misses and corrective actions. Insights from investigations, audits and performance reviews are systematically analyzed and integrated into procedural enhancements, competency development initiatives and engineering improvements, ensuring continual strengthening of the HSE management system.

Health and Safety Performance

Work-related injuries

	2025					
	Fatima		PFL		FFT	
	Permanent	Contractor	Permanent	Contractor	Permanent	Contractor
Fatality	Nil	Nil	Nil	Nil	Nil	Nil
Number and rate of high-consequence work-related injuries	Nil	Nil	3 (0.11)	3 (0.18)	Nil	Nil
Number and rate of recordable work-related injuries	Nil	1	3 (0.11)	3 (0.18)	Nil	5 (0.45)
Man-hours worked	1.3 million	4.07 million	2.21 million	3.33 million	0.77 million	2.16 million

Work-related Ill Health

	2025					
	Fatima		PFL		FFT	
	Permanent	Contractor	Permanent	Contractor	Permanent	Contractor
Fatality	Nil	Nil	Nil	Nil	Nil	Nil
Recordable work-related ill health cases	Nil	Nil	6	6	Nil	Nil

Reported injuries were limited to isolated Medical Treatment Cases and Restricted Work Cases, with a small number of First Aid Cases. In one location, chemical exposure was identified as the primary cause of recordable injuries. Other work-related hazards observed across operations included falls and occasional animal or insect bites. During the reporting year, isolated cases of heat stress were reported at the PFL plant and were managed through medical attention, adjusted working hours and reinforced hydration and heat exposure controls.

Injury rates were calculated using the standard 200,000 work-hour denominator in line with international reporting practice, covering all permanent employees and on-site contractors under operational control. Data were compiled from internal incident reporting systems, medical records and formal investigation findings. All reported cases were investigated and appropriate corrective actions implemented to prevent recurrence.



Contributing to Communities

The Company recognizes that responsible operations require ongoing engagement with communities around its manufacturing and operational sites. The Company's approach emphasizes identifying, assessing, and managing actual and potential community impacts while supporting local socio-economic development.

Community needs and concerns are identified through structured engagement with local stakeholders, institutional partners, and established grievance channels. Environmental and social considerations are incorporated into project planning based on regulatory Environmental Impact Assessments, ongoing environmental monitoring, and compliance mechanisms. The Health, Safety, and Environment team oversees the management of environmental and safety risks that could impact surrounding populations, including emissions, effluents, and resource use. Our voluntary community development efforts focus on improving access to healthcare, education, and livelihood opportunities. The effectiveness of our programs is evaluated through partner reports, field assessments, and internal reviews. Lessons learned are incorporated into future program planning and prioritization to ensure lasting impact and responsible operations.

A significant portion of the Company's operational sites are supported by structured community engagement and development programs. Community involvement is promoted through institutional partnerships, local consultations, and established liaison mechanisms. In 2025, community development efforts were further enhanced, with expanded outreach to vulnerable groups and ongoing support for healthcare access, vocational training, and local welfare initiatives. Impact tracking is carried out through partner reporting, beneficiary reach assessments, and internal evaluations. During the reporting year, no significant unaddressed negative impacts on local communities were found. Potential health and environmental

risks were managed by adhering to relevant environmental standards and implementing ongoing monitoring and preventive measures. Community health was also supported through company-provided healthcare services and medical outreach programs in nearby areas.

Community Development Programs

Sarsabz Tabeer – Rural Empowerment

Sarsabz Tabeer continues to be a flagship rural empowerment initiative, promoting women's socio-economic participation nationwide. The program rests on four distinct verticals i.e. vocational training, health, finance and education.

Sarsabz Tabeer offers hands-on vocational training in food processing technologies and waste management, allowing rural women to increase the value of local agricultural products and develop income-generating skills. The program expanded significantly, training over 4,000 women by the end of 2025, compared to 2,300 in 2024, demonstrating accelerated outreach and impact. The program promotes pathways to entrepreneurship, self-reliance, and household income stability.

To promote financial inclusion, we teamed up with Akhuwat to provide access to interest-free microfinance. Akhuwat Foundation is a leading non-profit microfinance institution in Pakistan dedicated to promoting financial inclusion through interest-free lending. The foundation provides small, collateral-free loans to underserved communities, enabling individuals to start or expand small businesses and improve their livelihoods. This partnership helped beneficiaries start and maintain small businesses, supporting long-term economic resilience.



Recognizing the connection between livelihoods and health, the Company also partnered with MASH (Mukhtar A Sheikh Hospital) and the Government of Punjab to establish Sarsabz Tabeer Medical Clinics in underserved rural areas. These clinics, along with multiple nationwide medical camps held during the year, provided free medical consultations and essential medicines, enhancing access to primary healthcare and boosting community wellbeing. By focusing on skills development, financial empowerment, and improved access to healthcare, Sarsabz Tabeer steadily supports inclusive rural growth and sustainable community advancement.

In 2025, Fatima Fertilizer strengthened its commitment to youth development through its partnership with King Charles Trust International (UK) under the Enterprise Challenge Pakistan (ECP) initiative. As Pakistan's first Company to implement the UNDP SDG Impact Framework, the Company maintained its focus on aligning CSR efforts with tangible sustainability results. During the 9th cycle (2025–2026) of ECP, around 3,000 students from 100–120 rural schools in Pakistan participated in organized entrepreneurial training programs. The program provides young participants aged 14–18 years with entrepreneurship, innovation, and problem-solving skills to support early-stage business growth and long-term economic engagement.

Fatima Flagship Health Platform

Mukhtar A Sheikh Hospital (MASH)

Mukhtar A. Sheikh Hospital remains a key part of Fatima's long-term healthcare efforts in Southern Punjab. As a multidisciplinary tertiary care center, MASH delivers advanced, patient-focused care through modern infrastructure and specialized medical expertise. The hospital functions according to recognized international healthcare standards and aims to expand access to quality medical services in underserved areas.

Spring Clinic – Institute of Psychiatry

Spring Clinic provides dedicated psychiatric and psychological care for adults and children. Services include psychiatric consultations, clinical psychology and speech therapy support. In 2025, the clinic expanded outreach programs focused on mental health awareness.

Fatima Fertilizer Welfare Hospital

Located near the Sadiqabad plant site, Fatima Fertilizer Welfare Hospital continues to provide healthcare to surrounding communities through subsidized, accessible services. The facility features a dialysis center that supports patients with chronic kidney disease and contributes to public health efforts to reduce hepatitis rates in the Rahim Yar Khan district.

Friends of Mayo Hospital

The Company supported Friends of Mayo Hospital (FOMH) with annual contributions to help renovate and improve facilities at Mayo Hospital Lahore, one of the country's largest public healthcare institutions serving thousands of underprivileged patients. The initiative contributed to SDG 3 (Good Health & Well-Being) by improving access to healthcare and patient care within the public health system.

Strategic Healthcare and Education Partnerships

Beyond its own platforms, we continued to support reputable healthcare and education institutions to enhance access to quality services. These partnerships focused on subsidized medical treatment, access to education, and support for vulnerable populations.





Ethical Practices

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Responsible Business Conduct

As a leading participant in Pakistan's fertilizer sector, we are committed to maintaining the highest standards of integrity, transparency and compliance across our operations and business relationships.

As a publicly listed company, the Company and its subsidiaries adhere to all applicable legal and regulatory requirements, including the Companies Act, 2017, Pakistan Stock Exchange listing regulations, employment laws, environmental and safety legislation, and competition laws. Ethical conduct is embedded within corporate governance frameworks and reinforced through internal controls, risk management processes, and oversight mechanisms.

Our approach to responsible business conduct emphasizes preventing corruption, ensuring legal compliance, and maintaining fair competition practices. Oversight is carried out by senior management and the Board, with enforcement and monitoring managed by the Audit Committee, which includes senior management representatives. The effectiveness of responsible business conduct controls is assessed through internal audits, compliance reviews, fraud risk assessments, whistleblowing reports, and periodic ERM reviews. Insights from investigations and monitoring activities are used to improve policies, update procedures, and strengthen awareness initiatives.

Anti-Corruption

The Company upholds a strict zero-tolerance policy against corruption, bribery, and unethical behavior. This stance is outlined in the Code of Conduct and supported by structured, risk-based controls, mandatory ethics awareness sessions, conflict-of-interest disclosures, and a confidential whistleblowing system accessible to employees and relevant stakeholders.

Corruption risks are managed through regular risk assessments conducted by process owners, compliance reviews by the Risk Management team, and internal audits. In 2025, a Fraud Risk Assessment was launched to further strengthen preventive controls across business functions. Findings from risk reviews and investigations are integrated into improved procedures, control mechanisms, and training initiatives to reduce the likelihood of recurrence.

Allegations received through formal reporting channels are investigated in accordance with established protocols. When confirmed, corrective and disciplinary actions are taken, and control weaknesses are addressed. Monitoring includes internal audits, Enterprise Risk Management reviews, and whistleblowing reports. Anti-corruption performance indicators are being incorporated into departmental and individual annual targets to strengthen accountability. During the reporting period, no significant corruption incidents were identified, and no specific training on anti-corruption policies and procedures was conducted.

Fair Competition and Anti-Competitive Conduct

We are dedicated to complying with competition laws and promoting fair market practices. Procedures are in place to ensure compliance with relevant regulations, supported by legal review and oversight mechanisms. During the reporting period, the Competition Commission of Pakistan imposed monetary penalties on the Fertilizer Association of Pakistan and certain industry participants. This decision has been appealed and is currently under review.

In 2025, no significant instances of non-compliance with laws and regulations resulting in finalized monetary or non-monetary sanctions were recorded.



Supply Chain Practices

The Company manages its supply chain through a structured, risk-based procurement framework that ensures operational reliability, cost savings, and responsible sourcing. Supplier selection and engagement are guided by established qualification criteria, contractual safeguards, and category-specific due diligence processes. Environmental, health, safety and regulatory considerations are integrated into procurement decisions, especially for high-risk categories such as bulk chemicals, catalysts and logistics involving hazardous materials. Long-term and short-term contractual arrangements are in place for strategic inputs and critical services, while operational procurement is managed through controlled processes and designated approval mechanisms.

Our organized approach allows us to balance global sourcing needs for specialized raw materials with solid domestic procurement for services and operational support, thereby boosting supply resilience while supporting national economic growth.

In 2025, we collaborated with 1,288 suppliers, of which 77 percent were local (based in Pakistan), and 23 percent were international. The supply chain includes providers of direct raw materials such as phosphate rock, phosphoric acid, catalysts, and bulk chemicals, as well as suppliers of plant machinery and equipment, engineering and maintenance contractors, manpower service providers, logistics operators, port and inspection agents and digital service providers. The sourcing of phosphate-based raw materials is driven by sector-specific technical requirements. Phosphate rock and phosphoric acid are mainly sourced from North Africa, shipped to Pakistan by sea freight, and then transported by rail or road to plant sites. Indirect materials and operational services are mostly sourced from domestic suppliers, including plant maintenance services, manpower contractors, and logistics providers.

Our procurement orders placed for 2025 was Rs 112.9 billion, of which about 66.3 percent was covered under contractual agreements, primarily for direct commodities and logistics

services. A large part of operational and support costs was paid to local suppliers, promoting domestic industrial participation and ensuring supply continuity.

Environmental and Social Considerations in the Supply Chain

Environmental considerations are part of the supplier evaluation and engagement process, especially for categories with higher environmental risks. New suppliers must demonstrate compliance with applicable environmental regulations and provide the required documentation. Contractors working on company-controlled sites must follow internal environmental and HSE guidelines.

Key environmental risk areas in the supply chain include upstream mining and extraction of phosphate resources, marine and inland transportation of hazardous materials, and contractor activities at plant sites. These risks are managed through contractual compliance clauses, oversight by internal HSE teams during inbound logistics and unloading operations, and performance monitoring of contractors.

Social risk management within the supply chain focuses primarily on contractor workforce conditions, occupational health and safety performance and compliance with labor requirements. Suppliers and service providers, particularly manpower contractors, engineering contractors and logistics operators, are subject to defined qualification and compliance checks prior to engagement.

When gaps are identified, corrective actions are communicated and tracked to ensure resolution. During the reporting year, no supplier relationships were terminated due to material non-compliance with environmental or social criteria. Procedural improvements identified were addressed through engagement and corrective actions in accordance with contractual and operational controls.





Economic Performance

Economic Returns

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Sustainable Farm Management

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Economic Returns

The Company recognizes that sustained economic performance underpins its strategic role in Pakistan's agricultural value chain and its responsibility to deliver long-term value to shareholders while ensuring a reliable fertilizer supply to the farming community. Financial resilience, operational efficiency and disciplined capital allocation remain central to the Company's long-term sustainability.

Economic performance is governed through a robust oversight structure. The Board of Directors provides strategic direction on financial sustainability, while the Audit Committee oversees the integrity of financial reporting and the effectiveness of internal controls. Executive management is accountable for operational and financial outcomes, supported by an independent Internal Audit function and a control environment aligned with recognized governance frameworks. The financial and compliance risks are managed through disciplined cost management, prudent capital investment decisions and structured liquidity oversight. Where control gaps or performance deviations are identified, corrective measures are implemented to strengthen processes and reinforce financial discipline. At the same time, we enhance positive economic impacts by maintaining operational reliability, ensuring uninterrupted fertilizer availability and promoting responsible procurement practices that support local supply chains and domestic economic activity.

Performance is reviewed regularly at management and Board levels, supported by financial reporting, audit insights and forward-looking planning processes. Transparent communication through statutory reporting, investor engagements and regulatory disclosures ensures accountability and alignment with stakeholder expectations.

Economic value generated and distributed

	Rs. in million	
	2025	2024
Direct economic value generated	308,189	283,273
Revenues	308,189	283,273
Economic value distributed	270,413	229,781
Business partners	179,248	166,644
Employees	23,542	19,792
Capital providers	24,213	16,633
Government	42,275	41,075
Community	1,134	1,036
Economic value retained	37,776	38,093

During 2025, the Company did not receive any financial assistance or subsidies from the government.

Product Sales 2025

Product	MT in '000
Nitrophos	756
CAN	956
Urea	1,138
DAP	32



Sustainable Farm Management

We recognize that responsible nutrient management and farmer capacity building are vital for long-term agricultural productivity, soil health, and climate resilience. Through our Technical Services function, the Company promotes safe handling, balanced fertilizer use, and sustainable crop management practices across its operational areas.

We have adopted the International Fertilizer Association Product Stewardship framework and aligned our farmer engagement programs with the “4R Nutrient Stewardship” principles, promoting the fertilizer application based on “Right source, Right rate, Right time and Right place” principle. This framework supports improved nutrient-use efficiency, enhanced soil fertility, and optimized all other inputs while reducing environmental risks associated with nutrient imbalances.

The Technical Services Department holds primary responsibility for implementing sustainable agriculture initiatives, operating under executive oversight and structured budgetary controls. Performance is monitored through defined targets, field reporting systems and periodic internal reviews. Field officers’ performance objectives are aligned with farmer outreach, productivity enhancement and responsible product use, with

outcomes integrated into the annual performance appraisal framework.

Farmer Education and Outreach

Based on industry benchmark and farmer practice-based consumption, during 2025, around 2.8 million farmers consumed FG products on around 14 million acres of land. As an industry first, the technical team had specific one on one sessions on sustainable agricultural practices through structured farmer engagement activities with 277,793 farmers across Pakistan.

We provide farmer education through a multi-channel engagement model that combines on-farm advisory services, group interactions, and digital platforms. Technical Services Officers offer free of cost soil and water testing facility through an international accredited laboratory: based on analysis reports, tech team recommends site-specific fertilizer recommendations as per “4R Nutrient Stewardship framework”. Farm advisory programs focus on balanced nutrient management, improved soil health, enhanced water-use efficiency, and mitigation of climate risks.

Farmer Outreach and Sustainable Agriculture Activities

Activity	Description	2025	2024
Mega Farmer Seminars	Large-scale farmer awareness and education seminars	52	42
High-Profile Farmer Meetings	Targeted engagement sessions with progressive and lead farmers	159	100
Village-Level Farmer Meetings	Community-based farmer gatherings for crop and product awareness	1,355	1,113
Individual Farm Visits	One-on-one advisory visits providing site-specific agronomic guidance	26,222	25,985
Group Discussions	Structured small-group technical discussions	1,686	1,678
Soil and Water Testing Samples	Samples analyzed to support site-specific fertilizer recommendations	21,497	28,378
Field Days	Practical field demonstrations showcasing best practices	203	207
Demonstration Plots	Crop demonstration plots to validate balanced nutrient application	206	205
Collaborative Research Trials (CRT)	Joint research trials with agricultural institutions	35	34
Agri Staff Trainings	Technical capacity-building sessions for agricultural field staff	139	136
Sugar Mill / Rice Sheller / Ginning Staff Trainings	Awareness and technical sessions for allied agricultural value chain stakeholders	-	68
High profile farmer testimonials	High profile testimonials farmers testing Sarsbz Nitrophos and CAN at their field	1,074	1,094

In 2025, a total of 206 product demonstration trials were conducted across major crops, including wheat, cotton, rice, maize, sugarcane, and potato, compared to 205 demonstrations in 2024. Over both years, the trials consistently confirmed the agronomic and economic benefits of balanced nutrient application with Nitrophos and CAN compared with conventional DAP and Urea combinations. The demonstration data reveals that by using Nitrophos and CAN, more than 10 % incremental yield was observed versus traditional fertilizer products in all major crops across Pakistan. The increased yield showcases the effectiveness of FG's value-added fertilizer products, site-specific nutrient management, optimizing input efficiency, and boosting farmer profitability through evidence-based agronomic practices.

The same is endorsed through independent recognition in government-organized yield competitions. In Punjab during 2025, wheat yield competition was held & Sarsabz testimonial farmers achieved top 03 positions at provincial & 97 positions at district level, demonstrating improved yields and better ROIs.

District	Name of The Farmer	Yield mds/acre	Provincial Position
Jhang	Muzaffar Mehmood	69.96	1st
Kasur	Muhammad Afzal	69.87	2nd
DG Khan	Shahid Abbas Khan	69.73	3rd

Sarsabz Nitrophos & Calcium Ammonium Nitrate user farmers produced highest yield of wheat and won top three provincial positions.

Moreover, out of 40 districts of Punjab, Sarsabz Nitrophos & CAN users won:

- 34 Sarsabz Testimonial farmers won top districts' positions
- 32 declared 2nd in their respective districts
- 31 stood 3rd in their respective districts.

Crop	Yield with Conventional Fertilizers (DAP + Urea) (mds/acre)	Yield with Balanced Nutrient Application (Nitrophos + CAN) (mds/acre)	Additional Yield (mds/acre)	Yield Increase (%)	Additional Income (PKR/acre)
Wheat	45.28	51.30	6.02	13.30%	8,185
Cotton	24.20	28.60	4.40	18.19%	17,498
Rice (Coarse)	73.30	85.00	11.67	15.91%	21,132
Rice (Fine)	56.30	63.50	7.21	12.80%	28,927
Spring Maize	93.40	103.90	10.44	11.18%	15,657
Autumn Maize	68.00	80.80	12.75	18.75%	25,028
Sugarcane	948.60	1096.80	148.19	15.62%	42,658
Potato	316.30	352.70	36.33	11.49%	54,227



Yield and income improvements observed through balanced nutrient management using Nitrophos and CAN compared to conventional fertilizer combinations.

The Sarsabz Farmers App and Call Centre serve as digital support platforms, enabling farmers to access agronomic information, ask questions, and receive follow-up advisory support. Field activity data are integrated into reporting systems, while customer satisfaction feedback is collected through structured call centre interactions and ticket-based resolution processes. The Sarsabz Pakistan farmer application continued to grow, reaching 850,000 total downloads by the end of 2025. It allows farmers to access crop advisory services, best management practices, and agricultural updates through a digital platform.

Strategic Partnerships and Stewardship

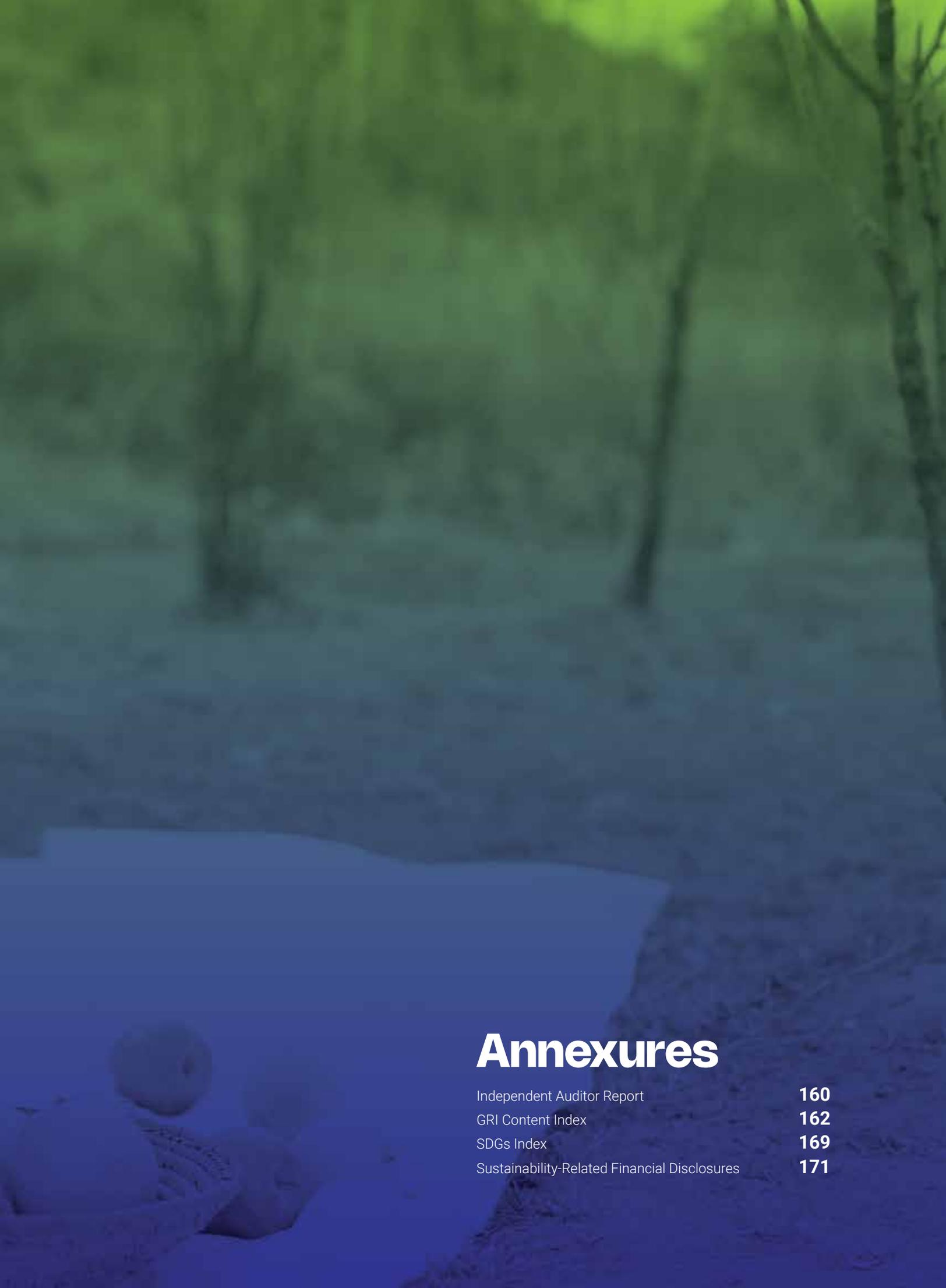
The Company strengthens sustainable farm management through collaboration with international organizations, government extension services, research institutions and academia. All fertilizer manufacturing units, including

marketing and head office functions, retain excellence status under the International Fertilizer Association Product Stewardship certification program. The Company collaborates with provincial agricultural extension departments to run farmer awareness programs and productivity improvement initiatives. Government officials attend seminars and field activities to support coordinated outreach efforts. Strategic partnerships with crop-specific government research agencies enable joint product trials, development of crop production technologies, and soil-specific fertilizer recommendations.

Moreover, various partnerships at both national & international level are made, viz-e-viz, collaboration with US based proficiency testing providers for accreditation of soil and water testing laboratory to ensure that free of cost soil and water testing services through an accredited laboratory are provided to farmers as per international standards. Additionally, partnerships with academia & research institutions support in advancement in research and development in fertilizer industry, including crop response studies & climate resilience aspects. Collaborations with technology providers enable the use of GIS tools and data-driven crop monitoring to reduce the impacts of climate stress.







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Independent Auditor Report on the Sustainability Report

To the Board of Directors of Fatima Fertilizer Company Limited

We have been engaged to perform limited assurance engagement on the sustainability report of Fatima Fertilizer Company Limited (the "Company") for the year ended on December 31, 2025.

Management's Responsibility on the Sustainability Report

The Management of the Company is responsible for the preparation of sustainability report in accordance with GRI sustainability reporting standards (GRI Standards) issued in 2021 by Global Reporting Initiative (GRI).

The Management is responsible for that part of the internal control that they consider necessary in order to enable the preparation of sustainability report that is free from material misstatement whether due to fraud or unintentional behavior or event.

The Management is also responsible for the definition of the objectives regarding the sustainability performance and the report of the achieved results as well as for the identification of the stakeholders and significant matters to report.

Auditor's Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board of Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

It is our responsibility to express a opinion, based on the procedures performed, regarding whether the disclosures in the sustainability report comply with the GRI Standards. We conducted our work in accordance with the principle included in International Standard on Assurance Engagement 3000^o (ISAE 3000 Revised), issued by International Audit and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires the planning and execution of procedures in order to obtain limited assurance that sustainability report is free from material misstatement.

Therefore, the extend of work performed in our examination was lower than that required for a full examination in accordance with ISAE 3000 Revised ("reasonable assurance engagement") and hence it does not provide assurance that we have become aware of all significant matters and event that would have been identified during the reasonable assurance engagement.

The procedures performed on the sustainability report were based on our professional judgement and included inquiries, primarily with the Company's personnel responsible for the preparation of information included in the sustainability report, document analysis, reconciliation and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

- Conducted interviews with few of the key personnel responsible for the activities mentioned, under the different areas, in the sustainability report to understand Company's commitment with regards to sustainability;
- Reviewed relevant documents to understand Company's approach to stakeholder engagement and mechanism to identify material issues through interviews and review of relevant documents;
- Performed limited substantive testing on sample basis to check that the data had been appropriately measured, recorded, collated and reported; and
- Discussed with ESG department of the Company about future plans and projects pertaining to social, environmental and sustainable development.

Limitations

Our scope of work did not involve the following:

- Aspect of the reports other those mentioned above.
- Data and information outside the defined reporting period.
- Technical information which required an expert for its verification.
- The Company's statement that describe expression of interest, brief, aspiration, expectation, aim or future intention and national or global social – economic and environmental aspects.
- Data and information on economic and financial performance of the Company, which, we are informed, are from the company's financial records.
- Information for which independence evidences were not available, the management of the Company has provided a written representation regarding the authentication of that information.
- The verification of financial figures and sustainability performance data and the review of the Annual Report, which is referenced in the Sustainability Report 2025.

Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the disclosures included in the report are not fairly presented, in all material respects, in line with the sustainability reporting guidelines of Global Reporting Initiatives (GRI) and supported by Company's internally defined procedures.



BDO EBRAHIM & CO.

Chartered Accountants

Lahore

Date: March 27, 2026

GRI Content Index

Statement of use	Fatima Fertilizer Company Ltd has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No dedicated sector standard exists for our sector at this time.

GRI Standard/Other Source	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
General Disclosures					
Gri 2: General Disclosures 2021	2-1 Organizational details	118			
	2-2 Entities included in the organization's sustainability reporting	114			
	2-3 Reporting period, frequency and contact point	114			
	2-4 Restatements of information	114, 160			
	2-5 External assurance	118, 119			
	2-6 Activities, value chain and other business relationships	141			
	2-7 Employees	141	2-7 a and b	Information not available as per GRI requirements	
	2-8 Workers who are not employees	124			
	2-9 Governance structure and composition	124			
	2-10 Nomination and selection of the highest governance body	124			
	2-11 Chair of the highest governance body	124			
	2-12 Role of the highest governance body in overseeing the management of impacts	124			
	2-13 Delegation of responsibility for managing impacts	124			
	2-14 Role of the highest governance body in sustainability reporting	125			
	2-15 Conflicts of interest	125			
	2-16 Communication of critical concerns	124			
	2-17 Collective knowledge of the highest governance body	124			
	2-18 Evaluation of the performance of the highest governance body	124			

GRI Standard/Other Source	Disclosure	Omission			
		Location	Requirement(s) Omitted	Reason	Explanation
	2-19 Remuneration policies	124			
	2-20 Process to determine remuneration	124			
	2-21 Annual total compensation ratio	-	a, b, c	Sensitive information	
	2-22 Statement on sustainable development strategy	40, 117, 123			
	2-23 Policy commitments	126			
	2-24 Embedding policy commitments	126			
	2-25 Processes to remediate negative impacts	126			
	2-26 Mechanisms for seeking advice and raising concerns	125-126			
	2-27 Compliance with laws and regulations	150			
	2-28 Membership associations	120			
	2-29 Approach to stakeholder engagement	127			
	2-30 Collective bargaining agreements	143	2-30 a	Information not available as per GRI requirements	
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	128			
	3-2 List of material topics	128			
Economic Performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	154			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	154			
	201-2 Financial implications and other risks and opportunities due to climate change	171-182			
	201-3 Defined benefit plan obligations and other retirement plans	141			
	201-4 Financial assistance received from government	154			

GRI Standard/Other Source	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Procurement Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	151			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	151			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	150			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	150			
	205-2 Communication and training about anti-corruption policies and procedures	150			
	205-3 Confirmed incidents of corruption and actions taken	150			
Sustainable Farm Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	155			
FFCL Disclosure	Farmers' outreach through Agri-services	155			
FFCL Disclosure	Value cost ratio for minor and major crops	157			
GHG Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	130, 131			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	132			
	305-2 Energy indirect (Scope 2) GHG emissions	132			
	305-3 Other indirect (Scope 3) GHG emissions	132			
	305-4 GHG emissions intensity	132			
	305-5 Reduction of GHG emissions	133			
	305-6 Emissions of ozone-depleting substances (ODS)	-	Not applicable		
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	133			

GRI Standard/Other Source	Disclosure	Omission			
		Location	Requirement(s) Omitted	Reason	Explanation
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	130, 131			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	133			
	302-2 Energy consumption outside of the organisation	-			
	302-3 Energy intensity	133			
	302-4 Reduction of energy consumption	133			
	302-5 Reduction in energy requirements of products and services	-			
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	130, 134			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	134			
	301-2 Recycled input materials used	134			
	301-3 Reclaimed products and their packaging materials	134			
Water and Effluent					
GRI 3: Material Topics 2021	3-3 Management of material topics	130, 135			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	135			
	303-2 Management of water discharge-related impacts	135, 136			
	303-3 Water withdrawal	135			
	303-4 Water discharge	136			
	303-5 Water consumption	136			

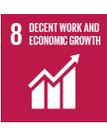
GRI Standard/Other Source	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	130,137			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	137			
	306-2 Management of significant waste-related impacts	137			
	306-3 Waste generated	-	306-3 a-b	Information not available as per GRI requirements	
	306-4 Waste diverted from disposal	-	306-4 a-e	Information not available as per GRI requirements	
	306-5 Waste directed to disposal	-	306-5 a-e	Information not available as per GRI requirements	
Supply Chain Impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	151			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	151			
	308-2 Negative environmental impacts in the supply chain and actions taken	151			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	151			
	414-2 Negative social impacts in the supply chain and actions taken	151			
Employment Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	140			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	-	401 a-b	Information not available as per GRI requirements	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	141			
	401-3 Parental leave	142			

GRI Standard/Other Source	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	142	405 a-b	Information not available as per GRI requirements	
	405-2 Ratio of basic salary and remuneration of women to men	141			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	143, 151			
Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	144-145			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	144			
	403-2 Hazard identification, risk assessment and incident investigation	144			
	403-3 Occupational health services	144			
	403-4 Worker participation, consultation and communication on occupational health and safety	144			
	403-5 Worker training on occupational health and safety	145			
	403-6 Promotion of worker health	144			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	144			
	403-8 Workers covered by an occupational health and safety management system	144			
	403-9 Work-related injuries	146			
	403-10 Work-related ill health	146			

GRI Standard/Other Source	Disclosure	Location	Omission		
			Requirement(s) Omitted	Reason	Explanation
Training & Education					
GRI 3: Material Topics 2021	3-3 Management of material topics	140			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	142	404-1 a	Information not available as per GRI requirements	
	404-2 Programs for upgrading employee skills and transition assistance programs	142			
	404-3 Percentage of employees receiving regular performance and career development reviews	142			
Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	143			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	143			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	143			
Local Communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	147			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	147-148			
	413-2 Operations with significant actual and potential negative impacts on local communities	147			

SDGs index

Fatima Fertilizer is dedicated to integrating the UN Sustainable Development Goals (SDGs) into its core business strategy, recognizing the fertilizer sector's vital role in promoting sustainable agriculture and national progress. Guided by the belief that sustainability is crucial for long-term business growth and community well-being, the Company continues to adapt its operations to meet the evolving needs of farmers while making meaningful contributions to key SDGs such as Zero Hunger, Responsible Consumption and Production, Climate Action, and Gender Equality. These focus areas direct our efforts to minimize environmental impacts, address social challenges, and foster inclusive and resilient progress throughout our value chain.

SDGs		Page No.	GRI Standards Disclosure
	End poverty in all its forms everywhere	147-148	413-1, 413-2
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	147, 154	201-1, 413-2
	Ensure healthy lives and promote well-being for all at all ages	132, 133, 137, 144, 146	305-1, 305-2, 305-3, 305-7, 306-1, 306-2, 306-3, 306-4, 403-8, 403-9, 403-10
	Ensure inclusive and quality education for all and promote lifelong learning	124, 142	2-17, 404-1
	Achieve gender equality and empower all women and girls	124, 141, 142, 151, 154	2-9, 2-10, 201-1, 401-1, 401-3, 404-1, 405-1, 405-2, 414-1, 414-2
	Ensure access to water and sanitation for all	135, 136, 137	303-3, 303-4, 303-5, 306-1, 306-2
	Ensure access to affordable, reliable, sustainable and modern energy for all	133, 154	201-1, 302-1, 302-2, 302-3
	Promote inclusive and sustainable economic growth, employment and decent work for all	133, 136, 141, 142, 143, 144, 146, 151, 154	2-7, 2-8, 2-30, 201-1, 302-1, 302-2, 302-3, 303-5, 401-1, 401-2, 401-3, 403-8, 403-9, 403-10, 404-1, 404-2, 405-1, 405-2, 407-1, 408-1, 409-1, 414-1, 414-2
	Build resilient infrastructure, promote sustainable industrialization and foster innovation	154	201-1

SDGs		Page No.	GRI Standards Disclosure
	Reduce inequality within and among countries	141	405-2
	Make cities inclusive, safe, resilient and sustainable	147-148	413-1
	Ensure sustainable consumption and production patterns	132, 133, 137	302-1, 302-2, 302-3, 305-1, 305-2, 305-3, 305-7, 306-1, 306-2
	Take urgent action to combat climate change and its impacts	132, 133, 171-182	201-2, 302-1, 302-2, 302-3, 305-1, 305-2, 305-3, 305-4
	Conserve and sustainably use the oceans, seas and marine resources	132, 133, 137	305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1
	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	132, 133, 137	305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1
	Promote just, peaceful and inclusive societies	124, 125, 126, 143, 150, 151	2-9, 2-10, 2-11, 2-12, 2-15, 2-20, 2-23, 2-26, 2-27, 205-1, 205-2, 205-3, 408-1, 414-1, 414-2
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	123, 148, 157	Not Applicable

Sustainability-Related Financial Disclosures

Prepared With Reference To IFRS Sustainability Disclosure Standards (IFRS S1 And IFRS S2)

Disclaimer Statement

The Securities and Exchange Commission of Pakistan (SECP), through its adoption order dated 31 December 2024, has mandated the listed companies to disclose sustainability-related financial information in accordance with IFRS "Sustainability Disclosure Standards" IFRS S1 and IFRS S2 (referred as "SDS").

These sustainability-related financial disclosures ("the Disclosures") have been prepared for Fatima Fertilizer Company Limited and its wholly owned subsidiaries in the fertilizer business (combinedly referred as "the Company") for the financial year ended 31 December 2025.

These Sustainability-related Financial Disclosures are prepared with reference to the IFRS S1 and IFRS S2, without voluntary or mandatory adoption. The Disclosures are intended to demonstrate the Company's readiness efforts towards future compliance.

Fatima Fertilizer Company Limited is subject to mandatory disclosures of its sustainability-related financial information from the annual reporting period commencing January 01, 2026.

1. The Reporting Entity

1.1 Reporting entity and relationship with financial statements

The sustainability-related financial disclosures ("the Disclosures") are prepared for the year ended December 31, 2025 on a consolidated basis, encompassing Fatima Fertilizer Company Limited (the Parent company or "Fatima") and its wholly owned subsidiaries Pakarab Fertilizers Limited ("PFL") and Fatimafert Limited ("FFT").

- Fatima Fertilizer Company Limited (Parent company) operating "Sadiqabad plant"
- Pakarab Fertilizers Limited (wholly owned subsidiary) operating "Multan plant".
- Fatimafert Limited (wholly owned subsidiary) operating "Sheikhupura plant".

Other wholly owned subsidiaries of the parent company are presently excluded from sustainability-related disclosures due to limited availability of sustainability-related data. The company is working to integrate processes and controls to ensure data availability during next reporting cycle.

The sustainability-related financial disclosures relate to the Company's Consolidated Financial Statements with exception that the excluded-subidiaries are not yet part of the sustainability-related disclosures (despite being consolidated in financial statements). Therefore, the scope of sustainability-related information and assessments does not fully align with the Company's financial reporting boundary for FY 2025.

The Company's Annual Report 2025 includes separate financial statements of Fatima Fertilizer Company Limited (the parent company) as well as the consolidated financial statements (comprising parent company and its wholly owned subsidiaries).

1.2 Group's overview of fertilizer business

Fatima Fertilizer Company Limited, together with its fertilizer manufacturing subsidiaries Pakarab Fertilizers Limited and Fatimafert Limited, operates fertilizer production facilities in Pakistan and plays an important role in supporting agricultural productivity and food security in the country. The Company manufactures nitrogen and phosphate based fertilizers using natural gas as the primary feedstock and energy source, and rock phosphate.

Fertilizer production, particularly ammonia and urea manufacturing, is an energy-intensive industrial activity that relies on natural gas for both feedstock and process energy. As a result, the Company's operations are closely linked to issues relating to energy efficiency, greenhouse gas emissions, and responsible management of environmental impacts. Climate-related developments, including evolving environmental regulations, energy transition trends, and potential physical climate risks, may therefore influence the Company's operating environment over time.

The Company operates its manufacturing facilities in a manner that promotes operational efficiency, responsible resource use, and compliance with applicable environmental requirements. Plant operations incorporate monitoring of energy consumption, emissions, and environmental performance, while operational improvement initiatives focus on maintaining efficient production processes and optimizing the use of energy and other resources.

There were no material changes in the nature of the Company's principal activities during the reporting period.

2. GHG Reporting Boundary

The Company's boundary for greenhouse gas (GHG) emissions consists of its organizational and operational boundaries, as described below.

2.1 Greenhouse gas emissions organisational boundary (reporting approach)

The Company has established its reporting boundary using the Operational Control Approach in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). Under this approach, the Company accounts for the GHG emissions from operations over which the Company or its subsidiaries have full authority to introduce and implement operating policies regardless of their legal ownership. This boundary encompasses all manufacturing facilities, administrative offices, and distribution centres managed by:

Fatima Fertilizer Company Limited (Sadiqabad Plant).
Pakarab Fertilizers Limited (Multan Plant).
Fatimafert Limited (Sheikhupura Plant).

By adopting the operational control approach, the Company ensures that the reported data reflects the areas where it has direct influence to implement emission reduction strategies and climate-mitigation initiatives.

2.2 Operational boundary for GHG Emissions

Within the organisational boundary (defined using operational control approach), the operational boundary defines the scope of GHG emissions. The Company applies the definitions of Scope 1, Scope 2, and Scope 3 emissions as set out in the GHG Protocol Corporate Accounting and Reporting Standard 2004.

Scope 1 (Direct Emissions): These include all direct GHG emissions from sources owned or controlled by the reporting entities, primarily resulting from:

- The use of natural gas and RLNG as feedstock for ammonia and urea production.
- Process emissions from chemical synthesis within the fertilizer manufacturing units.
- Fuel consumption for on-site power generation and the company-owned vehicle fleet.
- Fugitive GHG emissions intentional and unintentional venting and leakages etc.

Scope 2 (Indirect Emissions): These include indirect GHG emissions from the generation of purchased electricity, consumed by the company's facilities. These are calculated based on the grid emission factors applicable for national grid.

Scope 3 (Indirect Value Chain Emissions): Scope 3 emissions comprise of indirect emission occurring in the upstream and downstream of the value chain.

For the current reporting period, the Company has disclosed its Scope 1 and Scope 2 GHG emissions. Scope 3 (comprising of relevant material categories) will be measured in accordance with the GHG Protocol Corporate Value Chain Standard and when reported in future reporting cycles.

3. Sustainability Governance

The governance of sustainability-related risks and opportunities are integrated into the Company's broader corporate governance and risk oversight framework. Oversight is exercised by the Board

of Directors, with support from Board's Audit Committee and senior management through established reporting, monitoring, and internal control mechanisms. These structures enable the Board to oversee emerging sustainability considerations, including climate-related matters, within the context of the Company's overall strategic planning, risk management, and operational decision-making processes.

Oversight by the Board

The Board of Directors of the Company has overall responsibility for overseeing sustainability-related risks and opportunity. The Board exercises its oversight role through review of performance, regulatory compliance, enterprise risk management and reports and recommendations received from Board Audit Committee.

Role of the Board's Audit Committee

The Board of Directors has assigned its specific oversight role for Sustainability and climate-related matters to its the Board's Audit Committee. The Committee operates under approved terms of reference and is responsible for, among other matters, oversight of the Company's sustainability strategy and policies, monitoring sustainability targets and performance, reviewing sustainability-related disclosures and reports and overseeing management initiatives relating to environmental and social matters. The Audit Committee reports to the Board on its activities and observations. The Audit Committee meets on quarterly basis.

The existing committee of the Board namely the "Audit Committee" was assigned oversight role of sustainability-related matters on March 13, 2025 while its formal terms of reference (TORs) were approved on August 27, 2025 mandating the oversight function. At this stage, emphasis is being placed on strengthening internal processes and developing the necessary institutional capacity to support more structured monitoring and oversight of sustainability-related risks, opportunities, and disclosures in future reporting periods. Detailed TORs of the Audit Committee and their meeting frequency is provided on pages 28 to 30.

Management's role in sustainability oversight

At the management level, responsibility for sustainability-related matters is currently addressed through existing operational and functional structures within the Company. For the current year, the Company has not yet established a dedicated sustainability council or a standalone sustainability function. Instead, sustainability-related initiatives and monitoring activities are being advanced primarily through the Marketing and Health, Safety and Environment (HSE) departments within the framework of their existing responsibilities.

These functions support the implementation of sustainability initiatives, coordination of relevant operational data, and monitoring of environmental performance across the Company's fertilizer manufacturing operations. Management oversight is exercised through regular internal reporting and coordination among operational, technical, and corporate functions.

As the Company continues to strengthen its sustainability-related internal processes, it intends to progressively enhance management structures for sustainability governance. This may include establishing more formalized management roles and coordination mechanisms to support the identification, monitoring, and management of sustainability-related risks and opportunities in line with emerging reporting expectations and the evolving requirements. The Company is progressively looking to enhance its capability, systems and cross functional coordination to align its governance practices with the objectives of the standards.

4. Risk Management

The Company maintains an established Enterprise Risk Management (ERM) framework designed to support the systematic identification, assessment, monitoring, and management of risks that may affect its operations and strategic objectives. This framework forms an integral part of the Company's governance structure and supports informed decision-making across operational and strategic levels.

As the Company continues to align its internal processes with emerging sustainability disclosure

expectations, the integration of sustainability and climate-related risks into the existing ERM framework is currently at an early stage of development.

For the year ended 31 December 2025, the identification and assessment of climate and sustainability-related risks have primarily been undertaken through a qualitative evaluation process. At this stage, the assessment has focused on identifying key areas of potential exposure rather than conducting detailed quantitative modelling or granular risk analysis. The preliminary risk identification process has been carried out with the involvement of relevant internal functions and external subject-matter expertise to support the preparation of the Company's initial sustainability-related disclosures.

Since the sustainability-related disclosure standards introduced more structured approach, the Company's prioritisation of climate-related risks during the current reporting period is primarily based on qualitative judgement and management experience. Even prior to the adoption of sustainability-related financial disclosures, certain climate-related considerations particularly those associated with energy use, environmental compliance, and operational efficiency were already monitored within existing operational and environmental management practices. Accordingly, the initial prioritisation process has focused on climate-related matters that are most relevant to the Company's operations, including energy consumption, greenhouse gas emissions, and potential regulatory developments affecting energy-intensive industrial activities.

As internal capabilities, data systems, and reporting processes continue to evolve, the Company intends to progressively refine its approach to sustainability risk management. The Company continues to enhance its sustainability-related risk assessment processes and integrate these considerations more formally within the Enterprise Risk Management framework, climate-related factors are expected to be progressively incorporated into longer-term business planning, investment evaluation, and operational performance monitoring. This gradual integration is intended to support a more structured evaluation of potential financial implications arising from climate-related risks and opportunities in future reporting periods.

5. Strategy

Pakistan is recognized as one of the countries most vulnerable to climate change due to its exposure to climate hazards such as floods, heatwaves, droughts, and water stress. According to the World Bank climate studies and reports of Pakistan's National Disaster Management Authority, the country faces growing exposure to extreme weather events, including more intense monsoon rainfall, prolonged heatwaves, and increasing drought conditions. Flooding remains the most frequent natural hazard in Pakistan, historically affecting millions of people each year and causing significant economic losses, while climate projections indicate that flood risk, drought frequency, and heat extremes are likely to increase over the coming decades effecting various sectors including agriculture.

For industrial sectors such as fertilizer manufacturing, these climatic trends present both acute physical risks and chronic environmental pressures. Acute risks may arise from extreme weather events such as floods or intense storms that could disrupt plant operations, transportation networks, supply chains and downstream farm areas. At the same time, chronic climate trends such as rising temperatures, increasing water stress, and changing rainfall patterns may influence the long-term availability of water resources and workforce productivity under extreme heat conditions. Critically, these dynamics are also introducing significant volatility in fertilizer demand. Unpredictable weather patterns are disrupting traditional planting windows and nutrient application cycles, while longer-term climatic shifts may drive crop migration or undermine the economic viability of input-intensive farming in regions vulnerable to desertification.

In parallel, transition toward a lower-carbon economy is also influencing the regulatory, technological, and market environment in which fertilizer producers operate. The production of both nitrogenous and phosphatic fertilizers is intrinsically energy-intensive and dependent on distinct raw material streams. Nitrogen fertilizer production relies heavily on natural gas as both feedstock and fuel in ammonia synthesis, whereas phosphate manufacturing entails chemical processing of phosphate rock. As a result, developments related to climate

policy, energy transition pathways, emissions management expectations, and potential carbon pricing mechanisms may influence operating costs, new technology integration and long-term competitiveness. The Company acknowledges that the disclosure requirements under IFRS S2 represent new regulatory landscape which needs structured efforts to comply. The Company is embarking on enhanced climate risk assessment within next reporting cycle to inform its future strategy including capital allocation decisions.

Below are the Company's assessment of climate-related risks and opportunities across its operations and value chain considering given time horizon (see section 8.2), categorized in accordance with the risk classifications outlined under IFRS S2.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Policy and Legal Risks	Medium and Long-term	Production operations	6.1 and 6.5

Description of risk

Global climate policies are focused on reducing GHG emissions. Ammonia production, which forms the core of nitrogen fertilizer manufacturing, is a carbon-intensive industrial process due to its reliance on fossil fuels and energy-intensive reforming processes. Similarly, the phosphate value chain involves substantial energy consumption for chemical processing required for phosphate rock synthesis. International climate commitments (Paris Goal) and domestic developments (i.e. National Determined Commitments) continue to strengthen with increasing expectation regarding regulatory frameworks aimed at reducing industrial emissions. Emission policies may influence the regulatory environment governing fertilizer production. Policy measures already have introduced expanded emissions monitoring and reporting requirements (e.g. introduced by IFRS S2).

Effects on business model and value chain and financial implications

Significant exposure for the Company arises in the production stage, where natural gas is used both as feedstock and as a fuel source for ammonia synthesis, while the phosphate value chain is centered on the chemical processing and granulation

of rock phosphate. Regulatory measures targeting emissions or fossil fuel consumption would result in higher compliance costs, additional capital expenditure for emissions monitoring or process optimization, and changes in operating costs associated with fertilizer production. These risks may arise over medium to long-term horizons.

Our strategic response

The Company continues to pursue operational improvements aimed at reducing emissions. Several emission reduction and efficiency initiatives have been implemented, including optimization of plant operations and utilization of Clean Development Mechanism (CDM)-related efficiency improvements that contribute to significant reductions in process emissions. Waste gas boiler systems have also been installed to recover energy from methane-containing waste gases, thereby reducing emissions and improving fuel efficiency. In addition, the Company continues to enhance energy efficiency across its operations and has initiated deployment of renewable energy sources, including solar power installations at manufacturing facilities.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Technology Risk	Long-term	Operations (Manufacturing plants)	6.4

Description of risk

Technological innovation is emerging as a key driver of transition within the fertilizer sector. Globally, there is increasing investment in alternative ammonia production technologies, including hydrogen-based ammonia production, renewable-powered electrolysis processes, and carbon capture solutions aimed at reducing the carbon intensity of conventional ammonia production alongside technological innovations in the phosphate sector focused on rock phosphate processing and enhancing the nutrient-use efficiency (NUE) of processed rock. Although most of these technologies are still developing and may require significant infrastructure and energy system transformation before large-scale adoption, they may influence long-term expectations for industrial emissions performance. As these technologies mature and become commercially viable, fertilizer producers may face increasing pressure to adopt lower-carbon production pathways.

Effects on business model and value chain and financial implications

For the Company, this transition risk is concentrated primarily in the core production segment, where existing plants rely on established natural gas-based ammonia synthesis technologies. Over time, the emergence of new technologies may require investment in plant upgrades, modernization programs, or efficiency improvements to maintain competitiveness and align with evolving industry standards. The financial implications may include increased capital expenditure requirements or accelerated technology replacement cycles. These risks are considered relevant over the long term.

Our strategic response

To address these risks, the Company continues to focus on improving operational efficiency and maintaining the reliability of its existing manufacturing infrastructure through continuous plant optimization and technological upgrades. Regular catalyst replacement programs, heat exchanger cleaning, and operational improvements contribute to improved process efficiency. The Company has introduced steam-fired chillers that utilize process steam for cooling applications, thereby reducing natural gas consumption and reliance on electricity-powered systems with improving energy utilization. The Company continues its monitoring of technological developments within the fertilizer industry.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Market Risk	Long-term	Downstream	To be monitored

Description of risk

Market risks may arise from evolving agricultural and food value chain expectations associated with climate change and sustainable farming practices. Increasing attention to greenhouse gas emissions from agricultural systems may influence fertilizer demand patterns, including greater emphasis on nutrient efficiency, optimized fertilizer application, and the gradual emergence of lower-carbon fertilizer products.

Effects on business model and value chain and financial implications

Changes could affect the downstream portion of the value chain of the Company, particularly in relation to fertilizer product demand, nutrient efficiency requirements, and evolving farmer practices. Greater emphasis on optimized fertilizer application or sustainable nutrient management may gradually influence product preferences or encourage demand for fertilizers designed to improve nutrient utilization efficiency or fertilizers conserving water requirements. The financial implications of such market developments may include shifts in product demand, the need for continued product innovation, or adjustments in marketing and agronomic support services to align with evolving agricultural practices.

Our strategic response

In response, the Company continues to engage with the agricultural sector through farmer outreach and agronomic support programs aimed at promoting efficient fertilizer use and improving crop productivity. Product development and innovation efforts are also pursued to support improved nutrient utilization and maintain the Company’s fertilizer portfolio. Through these initiatives, the Company seeks to ensure that its products continue to support agricultural productivity while remaining aligned with evolving sustainability expectations within the agricultural value chain.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Reputational risk	Short, medium and long term	Own operations	6.1, 6.5 and 6.6

Description of risk

Stakeholder expectations regarding environmental performance and corporate transparency are increasing across global capital markets. Investors, lenders, regulators, and other stakeholders are evaluating companies based on environmental performance indicators, climate risk disclosures, and alignment with emerging sustainability reporting frameworks.

Effects on business model and value chain and financial implications

For the Company, reputational risks relate primarily to corporate credibility, stakeholder trust, and access to financial markets. As sustainability disclosures become more widely adopted across global industries, companies may face increasing expectations to demonstrate transparency in climate-related risk management and environmental performance. Failure to adequately respond to evolving stakeholder expectations could influence investor confidence or access to competitive financing conditions. Conversely, strengthening climate-related governance, disclosures, and operational transparency may enhance stakeholder confidence and support the Company’s long-term corporate reputation. Reputational risks are therefore relevant across all time horizons.

Our strategic response

Reputational risks associated with stakeholder expectations on environmental transparency are addressed through the gradual development of sustainability-related governance structures and disclosure practices. The Company intends to strengthen environmental management practices across its operations and implements community and environmental initiatives, including plantation programs around operational areas, which contribute to improved environmental stewardship and stakeholder confidence.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Acute physical risks (Extreme weather events: catastrophic floods, heavy rains)	Short, medium and long term	Operations and downstream (Distribution network and support infrastructure at plants)	6.2

Description of risk

Acute physical climate risks primarily relate to the increasing frequency and intensity of extreme weather events such as heavy rainfall and flooding, which are recognized climate hazards in Pakistan.

Such events may disrupt transportation infrastructure, agricultural activities, and supply chains within the fertilizer value chain. Widespread flooding can inundate agricultural land for extended periods, delaying crop cycles and limiting farmers’ ability to apply fertilizers during normal planting seasons.

Effects on business model and value chain and financial implications

Severe flooding may disrupt transportation infrastructure used for the distribution of fertilizers and supply of inputs, potentially affecting logistics networks that connect manufacturing facilities with agricultural markets. Flooding may also temporarily affect surrounding areas near plant locations, potentially creating operational challenges for workforce access, utilities, and site logistics. In addition, when agricultural lands remain submerged for extended periods, farming activities may be delayed, which can disrupt fertilizer application cycles and influence seasonal demand patterns. The potential financial implications may include temporary disruptions in fertilizer sales cycles, inventory fluctuations due to delayed market demand, and additional logistics costs associated with transportation disruptions. In extreme cases, severe weather events could also require temporary operational adjustments at manufacturing sites or result in increased maintenance or infrastructure protection costs.

Our strategic response

In response, the Company maintains operational preparedness and infrastructure measures designed to manage potential extreme weather impacts. Plant facilities incorporate basic engineered drainage systems and rainwater channel infrastructure to manage heavy rainfall events and reduce site-level flooding risks. Preventive maintenance programs, operational monitoring systems, and contingency planning processes are in place to support operational continuity during adverse weather conditions. The Company will further review its processes and procedures in next reporting cycles using refined inputs.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Chronic physical risks (systemic change of climatic conditions)	Long-term	Operations and downstream	6.3 and 6.6

Description of risk

In addition to extreme weather events, Pakistan is also experiencing long-term climatic changes such as rising temperatures, increasing heatwaves, and growing water scarcity. Studies indicate that the country has already crossed the threshold for water stress, with per-capita water availability falling below internationally recognized scarcity levels. These gradual environmental changes may influence operations that rely on stable environment and water availability. Fertilizer production requires reliable water for cooling, steam generation, and operational needs. Systemic climate changes may disrupt farming patterns and crop preferences.

Effects on business model and value chain and financial implications

Chronic physical risks may therefore affect production and end use of products, particularly in relation to water availability under higher ambient temperatures. Rising temperatures may also affect workforce productivity and increase cooling requirements within industrial facilities. In addition, climate impacts on agriculture including drought conditions or changing rainfall patterns may indirectly influence fertilizer demand patterns over time. Chronic physical risks are therefore expected to become more significant over long-term, as gradual climate trends continue to evolve. Though the current year has no costs associated with chronic climate changes, the future implications may involve investment in water conservation initiatives.

Our strategic response

The Company has implemented several initiatives aimed at strengthening operational resilience and improving resource efficiency at its manufacturing facilities. Infrastructure design at plant sites incorporates natural ventilation systems that support operations under high temperature conditions and improve workplace comfort. The Company has also implemented water stewardship and conservation initiatives, including water recycling, effluent optimization programs, and reuse of cooling water blowdown for horticulture and landscaping purposes. At certain facilities, sustainable water management practices have been strengthened through alignment with international water stewardship standards. In addition, plantation initiatives around plant sites and nearby communities contribute to improving local environmental conditions, supporting carbon sequestration, and mitigating localized heat stress impacts.

Climate-related Opportunities

Climate change, specially transition to low carbon economy provides opportunities influencing our operational efficiency, product innovation and long-term resilience.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics
Resource Efficiency and Low Carbon Energy Source	Short, medium and long-term	Production operations	6.4

Opportunity: Leveraging on resource efficiency and use of low carbon energy sources

Resource efficiency and the gradual transition toward lower-carbon energy sources present opportunities for improving operational performance while reducing the environmental footprint of fertilizer production. As fertilizer manufacturing are energy-intensive processes, improvements in energy efficiency and energy sourcing can contribute to lower operating costs, reduced greenhouse gas emissions, and enhanced long-term competitiveness. Primarily initiatives relate to the production stage of the value chain, where natural gas consumption, process heat, and electricity demand represent significant operational inputs. Energy efficiency and the use of alternative energy sources can contribute to reduced energy costs, improved plant efficiency, and lower exposure to future energy price volatility.

Our strategic response

The Company continues to implement several initiatives aimed at improving resource efficiency and diversifying energy sources within its operations. These include process optimization and operational efficiency programs designed to reduce energy consumption and emissions intensity across manufacturing facilities. Waste gas recovery systems have been installed to capture and utilize methane-containing waste gases, improving energy utilization and reducing emissions. Steam-based cooling systems have also been introduced to repurpose process steam for cooling applications, thereby reducing reliance on electricity-powered chillers and enhancing overall energy efficiency. In addition, the Company has initiated the deployment of solar energy at its manufacturing sites, with solar installations contributing renewable electricity generation and supporting reductions in natural gas consumption and operational emissions.

Cumulative financial effect of climate-related risks and opportunities

The Company is in the process of improving its processes and data systems to identify financial implications of sustainability and climate-related risks and opportunities.

Climate resilience and scenario analysis

Currently, the Company has not yet undertaken formal climate resilience testing or scenario analysis. However, based on the preliminary qualitative assessment conducted by management, the overall business model of the Company is considered reasonably resilient to climate-related risks in the near term.

Management's assessment is informed by several operational and structural factors. Fertilizer production remains an essential component of the agricultural value chain and continues to play a critical role in supporting food security and crop productivity. Demand for fertilizers is therefore expected to remain structurally stable in the near term. In addition, the Company operates established industrial facilities that are designed to operate under higher temperatures.

Operational resilience is further supported by established systems for energy management, water supply management, preventive maintenance, and operational monitoring across production facilities. The Company also continues to pursue efficiency improvements within its manufacturing processes, which contribute to maintaining operational reliability and cost competitiveness. The Company has implemented a range of operational initiatives aimed at improving energy efficiency, reducing greenhouse gas emissions, and strengthening the

resilience of its manufacturing operations. These initiatives address both transition risks associated with emissions management and physical risks linked to changing environmental conditions.

Based on these considerations and the qualitative assessment of both physical and transition-related climate risks, management considers the Company's operations to be resilient in the short term and medium term.

The Company recognizes that climate-related risks are evolving in nature. Accordingly, it intends to progressively strengthen its climate risk assessment processes, including the potential introduction of climate scenario analysis and resilience testing in line with the expectations of IFRS S2 as internal capabilities and data systems continue to develop.

6. Metrics

Following cross industry and industry-based metrics are disclosed for the current year.

Cross industry metrics (IFRS-S2)

6.1 GHG Emission

Gross GHG Emission	Unit	FY 2025	FY 2024	% Decrease
Scope 1	Tons CO ₂ e	3,044,404	3,007,859	1.21
Scope 2		366	370	<1.08>
Total Scope 1 and 2		3,044,770	3,008,229	1.21
Emissions intensity (Scope 1 and 2)	Tons CO ₂ e / Ton production	1.066	1.076	

There are no biogenic emissions included in Scope 1 & 2.

Measurement approach: In line with GHG Protocol Corporate Standard 2004, the Company applies the operational control approach for consolidating GHG emissions under which the Scope 1 and Scope 2 emissions are reported for own operations, subsidiaries, assets and facilities where the company has operational control (authority to introduce and implement policies) regardless of ownership share. (See section 2 for details). The company believes that this approach aligns with company ability to manage the GHG emissions in its boundary of influence. Due to the group's 100% ownership and management of its subsidiaries, present boundary is also consistent with the Financial Control approach.

Emission sources:

Scope 1 emissions primarily arise from combustion, arising from the burning of fuel gas in boilers, primary reformers, and gas turbines to generate steam and electricity for plant operations. Process emissions are another source at manufacturing plants where CO₂ is released during the chemical transformation of raw materials as a byproduct of ammonia synthesis and during the production of Nitric

Acid and Nitrophos. Emissions are also generated due to use of vehicles (mobile combustion) and office heating/ air conditioning systems.

Scope 2 emissions arise from consumption of purchased electricity for use at offices and facilities.

Scope 3 emissions relate to value chain (upstream and downstream). These are not reported for current year.

Calculation and estimation methodologies: GHG emissions are measured using tiered calculations consistent with the GHG Protocol. Mass Balance is utilized for Ammonia synthesis to account for CO₂ recovery in urea production. Fuel analysis using specific values is applied to stationary combustion, while stoichiometric methods are used for process-related nitrous oxide (N₂O) emissions, adjusted for abatement technology efficiencies. Metered fuel data is used for mobile combustion sources (vehicles owned or controlled by the company). Fugitive emissions (leaks) will be conculcated in next reporting cycles.

Emission factors: Emission factors were determined using a tiered approach: (1) In-house facility-specific factors for fuel combustions at manufacturing plants (2) Recognised default factors such as US EPA GHG Emission Factors Hub (January 2025), 2006 IPCC Guidelines -2019 Refinement for other emissions (such as vehicles combustion, air conditioning etc). Scope 2 emissions factors are drawn from CPPA-G/IGES CDM Database (Combined Margin for NTDC) and Harmonized IFI Default Grid Factors (Version 3.1-2021)-UNFCCC.

Gases included: The GHG emissions reported comprise emissions of carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Emissions of fluorinated gases (HFCs, PFCs, SF₆, or NF₃) have been identified or measured for the current reporting period.

Source of GWP: Global warming potentials (GWPs) have been applied using values from Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

Estimates and assumptions and uncertainties: Preparation of GHG emissions data involves the use of estimates and assumptions, particularly process emissions and fugitive sources. The estimation of process emissions is based on best available information and industry practices. For the current year, emissions from use of vehicles, fugitive emissions including leaks from air-conditioning are not fully disclosed due to data limitations. The company is working to improve the data quality during the next report cycles.

Carbon credits and offsets: GHG emission presented in the report are absolute gross values measured as per stated methodology without any offset.

Internal carbon price: The Company does not use internal carbon prices for analysis or decision making.

Emission Limits: The scope 1 and 2 emissions are not subject to any mandatory or voluntary limiting regulations.

Discussion and analysis

Abatement Strategies: Nitrous Oxide (N₂O) with GWP potential of 273 times (to CO₂) is a major byproduct of Nitric Acid production. Fatima Fertilizer used Clean Development Mechanism (CDM) initiatives to install catalysts that breaks down N₂O before it is released, significantly reducing Scope 1 footprint (process emissions). The abatement project implemented at the 1500 MTPD Nitric Acid plant, employs a tertiary catalytic reactor to decompose ~98% of N₂O, and additionally more than 99% NOx (NO+NO₂), reducing emissions by more than 1 million tCO₂e annually.

The Company continues to implement operational initiatives aimed at reducing greenhouse gas emissions and improving the energy efficiency of its fertilizer production processes. These initiatives include the optimization of plant operations, recovery and utilization of waste gases, deployment of energy-efficient cooling systems, and gradual integration of renewable energy sources such as solar power at manufacturing facilities.

Continued - Cross industry metrics (IFRS-S2)

S No	Metric category	Measuring Unit	FY 2025
		% of manufacturing assets	Being assessed
6.2	<p>Assets vulnerable to Physical risk</p> <p>Comments</p> <p>The Company has qualitatively assessed the exposure of its manufacturing assets to acute physical climate risks, considering factors such as geographic location, plant design, historical operating performance, and existing mitigation measures across the operations. The Company considers vulnerability of its manufacturing plants to acute physical climate risks to be limited in the short term. The manufacturing facilities are designed to operate under high-temperature industrial conditions and are supported by established systems for water management, energy reliability, and preventive maintenance. These operational controls contribute to the overall resilience of plant operations. Accordingly, no material exposure to acute or chronic physical climate effects were identified. The Company continues to monitor climate trends to assess potential impacts and will improve its assessment of both acute and chronic climate risks in the coming reporting cycles.</p>		
6.3	<p>Assets vulnerable to Transition risk</p> <p>Comments</p> <p>The Company has assessed its exposure to climate-related transition risks, including potential developments in policy and regulation, technological change, and evolving market expectations using qualitative information. As a natural gas-intensive manufacturer operating in a strategically important agricultural sector, the Company may over time be exposed to changes in energy pricing, environmental regulations, and broader decarbonisation policies. Based on the current assessment, transition-related exposure is considered limited in the short to medium term. This reflects the essential role of fertilizer production in supporting agricultural productivity, the absence of explicit carbon pricing mechanisms affecting industrial sectors in Pakistan, and the Company's ongoing efforts to improve operational energy efficiency and product performance. The Company will further refine its assessment during next reporting cycle.</p>		

		PKR (million) expenditure	Tracking system under development
6.4	Capital deployed towards climate-related risks and opportunities		
	Comments		
	The Company has been traditionally spending on climate mitigation and adaptations initiatives, however these spending have been part of combined plans aimed at addressing various risks. The Company is developing processes to track this metric separately online with requirements of IFRS S2.		

Industry-Based Metrics

The Company has considered the industry-based Guidance on Implementing IFRS S2 (Volume 47- Chemicals) to disclose relevant climate-specific metrics. The Company is establishing data systems to report the other relevant metrics which may be necessary metrics to monitor performance.

S No	Metric category	Metric description	Unit	FY 2025	FY 2024	Comments
6.5	Energy Management	Total energy consumed (excluding energy consumed outside organisation)	Gigajoules (GJ)	58,001,215	55,341,802	Fossil based energy is being gradually reduced over time with renewable integration
		Energy Intensity	(Gigajoules per ton)	20.30	19.80	
		Data on share of energy from renewable sources and % use from national grid will be measured and disclosed in the next reporting cycles.				
S No	Metric category	Metric description	Unit	FY 2025	FY 2024	Comments
6.5	Water Management	Total water withdrawn	Mega Litres	25,199	25,206	Fossil based energy is being gradually reduced over time with renewable integration
		% withdrawn from high water stress	%	0	0	
		Number of incidents of non-compliance of water related regulations	Number	0.00	0.00	

7. Targets

The Company is establishing its base line data and will consider set-up targets in the future reporting cycles.

The current remuneration policies do not include performance evaluation linked to sustainability-related performance.

8. General Disclosures

8.1 Basis of preparation

a) IFRS Sustainability Disclosure Standards

These disclosures are prepared with reference to IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) and do not represent voluntary or mandatory adoption.

b) Reporting period

The sustainability-related disclosures cover a 12 month period ended December 31, 2025, aligning with the Company's financial reporting period.

c) Presentation currency

The sustainability-related financial disclosures are presented in Pakistan Rupees, consistent with the

currency used for reporting of financial statements, with amounts rounded to the nearest thousand unless stated otherwise.

8.2 Time Horizons

In assessing climate-related risks and opportunities, the Company considers different time horizons to evaluate how climate-related developments may influence its operations, strategy, and financial planning over time. For these disclosures, the Company has adopted the following time horizons:

Short term (up to 3 years)

This horizon aligns with the Company's operational planning cycles and reflects the period over which immediate operational and regulatory developments may influence business performance. Climate-related considerations within this timeframe may include evolving environmental regulations, climate-related disruptions and near-term efficiency initiatives at production facilities.

Medium term (3–10 years)

The medium-term horizon reflects the period over which strategic investment decisions, operational optimization projects, and technology upgrades typically materialize

within the fertilizer industry. Within this timeframe, the Company may experience evolving regulatory frameworks related to climate policy, changes in energy markets, advancements in industrial process efficiency, and increasing expectations regarding emissions management and environmental performance.

Long term (beyond 10 years)

The long-term horizon reflects the extended operating life of fertilizer manufacturing assets and the structural transformation that may occur in energy systems and industrial production pathways as part of the global transition. Over this timeframe, developments such as large-scale technological shifts in ammonia production, potential carbon pricing mechanisms, and broader policy measures may influence industry competitiveness, investment decisions, and long-term business strategy.

8.3 Judgements and uncertainties

The preparation of this sustainability-related financial disclosure involves the application of management's judgment in several key areas. Significant judgment has been applied in determining the scope of disclosures and identifying sustainability-related risks and opportunities.

Estimates have been applied where information is not directly measurable, is subject to data limitations, or involves forward-looking assumptions. These judgements and estimates reflect management's assessment of the relevance and potential financial impact of sustainability-related factors on the Company's strategy, business model, and cash flows over the short, medium, and long term.

Use of significant judgements

Significant areas of judgement and estimation uncertainty are highlighted below, with further details provided in the referenced note disclosures.

Nature	Description	Section
Materiality Process	Management exercised judgement in identifying sustainability-related risks and opportunities relevant to the Company and the group and in determining the material information to be disclosed in relation to those matters. This assessment considered which issues could reasonably be expected to affect the Company's prospects or influence the decisions of primary users.	5 Strategy
	Judgement is also applied in evaluating the applicability of metrics including Industry-based Guidance on Implementing IFRS S2 (Volume B47-Chemicals) considering context of our business.	6.2 to 6.6

Emissions Measurement Approach	The Company has used judgment in selecting its GHG emissions measurement and consolidation in line with GHG Protocol Corporate Standard. This selected approach is considered most appropriate.	6.1
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Key area of measurement uncertainty

The following metrics are subject to measurement uncertainty.

Nature	Description	Section
GHG Emissions Metrics	The Company measures its greenhouse gas (GHG) emissions in accordance with the GHG Protocol. The reported emissions metrics are subject to inherent estimation uncertainty due to the reliance on activity data, emission factors and assumptions regarding combustion efficiency. Where activity data is incomplete or unavailable, management applies estimation techniques, which may introduce a degree of measurement uncertainty into the disclosures. Fugitive and process related emissions have more element of measurement uncertainty than other sources of emissions in the Scope 1. The Company intends to adopt all feasible means to improve measurement techniques in the future reporting cycles. The Company has not yet reported Scope3 emissions, however estimation involved in measuring Scope 3 emissions also involves uncertainty due to data limitations.	6.1

8.4 Restatement and errors

There are no changes due to estimates or restatement required due to material errors.

8.5 Events after the reporting period

No transactions, events, or conditions that require further disclosure have occurred after the reporting period and up to the date of presenting this report.

8.6 Approval

These disclosures have been prepared for inclusion in the Annual Report 2025 and are subject to internal approval processes. SECP requires that sustainability-related disclosure will require same approval and authorization process as applicable to the financial statements. The Company will comply with approval requirements from its mandatory reporting year.

Separate Financial Statements

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Report of the Audit Committee

on Adherence to the Listed Companies (Code of Corporate Governance), Regulations, 2019.

The Audit Committee has concluded its annual review of the conduct and operations of the Company during 2025, and reports that:

- The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" which has also been reviewed and certified by the External Auditors of the Company.
- The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures. Equitable treatment of shareholders has also been ensured.
- The Board has developed a Vision / Mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- The Company has complied with all the corporate and financial reporting requirements. Appropriate accounting policies have been consistently applied. All core & other applicable International Accounting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended December 31, 2025, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equities of the Company.
- The Directors' Report for this year has been prepared in compliance with the requirements of the Listed Companies (Code of Corporate Governance), Regulations, 2019 and fully describes the salient matters required to be disclosed.
- The Chief Executive and the CFO have reviewed the financial statements of the Company and the Directors' Report.
- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017. The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and the external reporting is consistent with Management processes and adequate for shareholder needs.
- Directors, CEO and executives or their spouses do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
- Closed periods were duly determined and announced by the Company, precluding the Directors, the Chief Executive and executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.

INTERNAL AUDIT

- The internal control framework has been effectively implemented through an independent in-house Internal Audit function established by the Board which is independent of the External Audit function.
- The Internal Audit function has carried out its duties under the charter defined by the Audit Committee. The Audit Committee has reviewed material Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention where required.
- The Company's system of internal control is adequate and effective. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders wealth at all levels within the Company.

- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

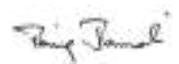
EXTERNAL AUDITORS

- The statutory Auditors of the Company, Yousuf Adil, Chartered Accountants have completed their Audit assignment of the "Company's Financial Statements" and Review of the "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019" for the financial year ended December 31, 2025 and shall retire on the conclusion of the 23rd Annual General Meeting.
- The Audit Committee has reviewed and discussed Audit observations and Draft Audit Management Letter with the External Auditors. Final Management Letter is required to be submitted within 45 days of the date of the Auditors' Report on financial statements under the listing regulations and shall therefore accordingly be discussed in the next

Audit Committee Meeting.

- The Auditors have been allowed direct access to the Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. The Audit Committee had a meeting with the external auditors without the presence of the CFO and the Head of Internal Audit. The Auditors attended the General Meeting of the Company during the Year and have confirmed attendance at the 23rd Annual General Meeting scheduled for April 17, 2026 and have indicated their willingness to continue as Auditors.
- Being eligible for reappointment as Auditors of the Company, the Audit Committee recommends their reappointment for the financial year ending December 31, 2026.
- The Firm has no financial or other relationship of any kind with the Company except that of External Auditors.

For and on behalf of Audit Committee



Lahore
March 06, 2026

Tariq Jamali
Chairman-Audit Committee

Statement of Compliance

With Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended December 31, 2025

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:
 - a. Male: 6 members
 - b. Female: 1 member
2. The composition of the Board is as follows:

i	Independent directors (excluding female director)	Mr. Tariq Jamali
ii	Other Non-executive directors	Mr. Arif Habib Mr. Faisal Ahmed Mukhtar Mr. Muhammad Kashif Habib
iii	Executive directors	Mr. Fawad Ahmed Mukhtar Mr. Fazal Ahmed Sheikh
iv	Female directors (Independent)	Mrs. Julie Jannerup

For a Board comprising of seven members, one-third equates to 2.33. Two independent directors have been appointed, however, the fraction of 0.33 in such one-third is not rounded up as one since the fraction is below half (0.5). Furthermore, the two independent directors have the requisite skills, knowledge and are capable of protecting the interests of minority shareholders.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Three directors of the Company, Mr. Tariq Jamali (Independent/Non Executive Director), Mr. Muhammad Kashif Habib (Non Executive Director) and Mrs. Julie Jannerup (Independent/Non Executive Director) have already completed the formal Directors Training Program ("DTP"), whereas the remaining four directors fall under the exemption from the mandatory requirement for acquiring DTP certification.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. There is no new appointment of Company Secretary or Head of Internal Audit during the year;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:
 - a) **Audit Committee**
 1. Mr. Tariq Jamali Chairman
 2. Mr. Muhammad Kashif Habib Member
 3. Mr. Faisal Ahmed Mukhtar Member
 4. Mrs. Julie Jannerup Member
 - b) **HR and Remuneration Committee**
 1. Mrs. Julie Jannerup Chairperson
 2. Mr. Muhammad Kashif Habib Member
 3. Mr. Fawad Ahmed Mukhtar Member

c) Nomination and Risk Management Committee

- 1. Mr. Fazal Ahmed Sheikh Chairman
- 2. Mr. Muhammad Kashif Habib Member
- 3. Mr. Tariq Jamali Member

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee

Four meetings of the Audit Committee were held during the year prior to approval of interim and final results of the Company during first, second, third and fourth quarter of the financial year.

b) HR and Remuneration Committee

The meeting of the HR and Remuneration Committee was held once during the year.

c) Nomination and Risk Management Committee

There was no meeting of the Nomination and Risk Management Committee during the year.

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

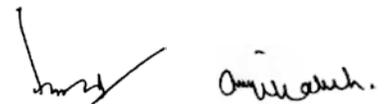
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these

regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation with respect to compliance with non-mandatory requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 is specified below:

Sr. No.	Requirement	Explanation	Regulation No.
1.	The board may constitute a separate committee, designed as the nomination committee of such number and class of Directors, as it may deem appropriate in its circumstances.	The board has constituted a joint Nomination and Risk Management Committee and the functions of both these committees i.e., Nomination Committee, and Risk Management Committee are being performed by the joint "Nomination and Risk Management Committee".	29



Place: Lahore Fawad Ahmed Mukhtar Arif Habib
 March 06, 2026 CEO Chairman

Independent Auditor's Review Report

To the members of Fatima Fertilizer Company Limited

On the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

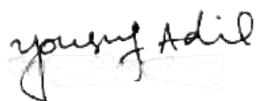
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Fatima Fertilizer Company Limited (the Company) for the year ended December 31, 2025 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.



Chartered Accountants

Lahore

Date: March 13, 2026

UDIN: CR2025101808aZGkKghv

Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of Fatima Fertilizer Company Limited ("the Company") which comprise the statement of financial position as at December 31, 2025 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

Report on the Audit of Financial Statements

Following are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
1. Scheme of arrangement with Pakarab Fertilizers Limited	
<p>As disclosed in Note 1.2 to the financial statements, during the year, the Honorable Lahore High Court sanctioned the Scheme of Arrangement between the Company and Pakarab Fertilizers Limited (PFL) through its order dated November 11, 2025. Under this Scheme, the Multan Plant of the Company has been demerged and vested into Pakarab Fertilizers Limited with effect from January 01, 2025.</p> <p>The demerger was significant to our audit due to the complexity of the transaction and the extent of judgement involved in determining the correct accounting treatment, including identification and measurement of assets and liabilities transferred, effective date considerations, and presentation and disclosure of the demerger in accordance with applicable financial reporting standards.</p> <p>Such schemes of arrangement under common control involve a high level of judgement regarding accounting treatment, classification, comparative presentation, and adequacy of disclosures</p>	<p>Our audit procedures to address this Key Audit Matter included the following:</p> <ul style="list-style-type: none"> Reviewed the minutes of the Board of Directors and the Extraordinary General Meeting related to approval of the demerger, and inspected the Lahore High Court order sanctioning the Scheme of Arrangement. Based on this and other supporting documentation, we assessed the appropriateness of the effective date of the demerger. Read the Scheme of Arrangement to understand the key terms, conditions, asset and liability carve-out criteria, and allocation methodologies, and discussed our understanding with management. Checked the accounting method applied by management, including identification and measurement of the assets and liabilities transferred to Pakarab Fertilizers Limited, to determine whether the treatment is in accordance with the applicable financial reporting framework for transactions under common control. Verified corresponding figures, including whether comparative information has been restated or appropriately presented in accordance with the requirements of the Scheme and the relevant accounting standards. Assessed the adequacy of disclosures in the financial statements relating to the demerger, including nature of the transaction, accounting policy applied, impact on the Company's financial position and performance, and cross references to relevant notes.

Key audit matters	How the matter was addressed in our audit
<p>2. Revenue Recognition</p> <p>The Company's revenue comprises sales generated from the manufacturing, production, purchase, sale, and import of fertilizers and chemicals, as disclosed in note 33 of the financial statements. Revenue from sales is recognised when the Company fulfills its performance obligations under the contract by delivering the promised goods to customers. The criteria for revenue recognition are detailed in note 4.22 of the financial statements.</p> <p>Revenue recognition has been identified as a key audit matter due to its significance as a key performance indicator for the Company and the inherent risk that revenue transactions may not be recognised based on the fulfillment of performance obligations in accordance with the contract. Additionally, there is a risk that revenue may not have been recorded in accordance with the accounting policy or within the appropriate reporting period.</p>	<p>Our audit procedures to address this Key Audit Matter included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of and assessed the design and operational effectiveness of key internal controls related to revenue recognition. • Evaluated the appropriateness of the Company's accounting policies for revenue recognition and their compliance with applicable accounting standards. • Performed sample testing of recorded sales transactions by verifying them against underlying sales invoices. • Verified that sales prices were approved by the designated personnel. • Assessed the timeliness of revenue recognition by comparing individual sales transactions before and after the year-end to supporting documentation. • Evaluated the adequacy and appropriateness of disclosures related to revenue in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management of the Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies

Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

Report on the Audit of Financial Statements

Act, 2017 (XIX of 2017) and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAS as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

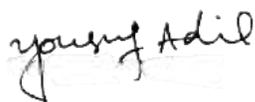
From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

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



Chartered Accountants

Lahore

Date: March 13, 2026

UDIN: AR202510180NjqGTxO9M

Statement of Financial Position

as at December 31, 2025

	Note	2025 (Rupees in thousand)	2024
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital 3,100,010,000 (2024: 3,700,010,000) shares of Rs 10 each	5	31,000,100	37,000,100
Issued, subscribed and paid up share capital 2,100,000,000 (2024: 2,100,000,000) ordinary shares of Rs 10 each	6	21,000,000	21,000,000
Reserves	7	134,864,597	120,732,919
		155,864,597	141,732,919
NON CURRENT LIABILITIES			
Long term finances – secured	8	2,426,337	42,291,109
Subordinated redeemable preference Class A shares	9	1,994,677	1,714,210
Lease liabilities	10	599,942	636,185
Deferred taxation	11	13,868,864	23,668,521
Deferred liabilities	12	2,796,526	2,725,767
Long term advances and deposits		94,912	497,354
		21,781,258	71,533,146
CURRENT LIABILITIES			
Trade and other payables	13	50,219,527	55,422,205
Accrued finance cost	14	1,681,470	1,806,013
Income tax payable	15	8,669,192	10,140,497
Short term finances – secured	16	29,735,596	17,959,728
Unclaimed dividend		90,146	70,583
Payable to Privatization Commission of Pakistan	17	2,197,901	2,197,901
Current portion of long term liabilities	18	37,847,416	1,968,866
		130,441,248	89,565,793
CONTINGENCIES & COMMITMENTS			
	19		
		308,087,103	302,831,858

The annexed explanatory notes from 1 to 53 form an integral part of these financial statements.

	Note	2025 (Rupees in thousand)	2024
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	20	65,935,348	96,202,487
Intangible assets	21	194,426	195,113
Investment property	22	162,701	163,607
		66,292,475	96,561,207
Long term investments	23	49,273,747	51,170,793
Long term loans to related parties	24	505,000	480,000
Long term advances and deposits	25	11,562,955	7,485,482
		61,341,702	59,136,275
		127,634,177	155,697,482
CURRENT ASSETS			
Stores and spares	26	9,077,384	15,058,608
Stock in trade	27	35,432,363	53,169,508
Trade debts	28	31,543,020	17,569,721
Short term loans to related parties	29	17,417,566	3,477,539
Advances, loans, deposits, prepayments and other receivables	30	16,202,177	18,484,806
Short term investments	31	68,102,743	30,286,530
Cash and bank balances	32	2,677,673	9,087,664
		180,452,926	147,134,376
		308,087,103	302,831,858



Chief Executive Officer



Director



Chief Financial Officer

Statement of Profit or Loss

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Sales	33	170,057,696	238,422,133
Cost of sales	34	(98,702,737)	(150,919,315)
Gross profit		71,354,959	87,502,818
Distribution cost	35	(11,663,785)	(13,952,445)
Administrative expenses	36	(7,667,283)	(10,035,133)
		52,023,891	63,515,240
Finance cost	37	(7,766,511)	(4,750,109)
Other operating expenses	38	(4,327,942)	(10,568,880)
		39,929,438	48,196,251
Other income	39	10,679,825	13,133,253
Share of loss from associates	23.1	(170,707)	(87,543)
Other losses:			
– Unwinding of provision for GIDC	13.2	–	(58,700)
– Loss allowance on subsidy receivable from GoP	30.2	–	(627,648)
		–	(686,348)
Profit before tax		50,438,556	60,555,613
Taxation	40	(19,970,502)	(25,572,375)
Profit for the year		30,468,054	34,983,238
Earnings per share – basic and diluted (Rupees)	41	14.51	16.66

The annexed explanatory notes from 1 to 53 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Comprehensive Income

for the year ended December 31, 2025

	2025 (Rupees in thousand)	2024
Profit for the year	30,468,054	34,983,238
Other comprehensive income:		
Items that may not be reclassified subsequently to profit or loss:		
Remeasurement of post retirement benefits obligation	(100,616)	(108,691)
Related tax thereon	39,240	42,389
Other comprehensive income – net of tax	(61,376)	(66,302)
Total comprehensive income for the year	30,406,678	34,916,936

The annexed explanatory notes from 1 to 53 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Changes In Equity

for the year ended December 31, 2025

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

(Rupees in thousand)

Balance at December 31, 2023	21,000,000	1,790,000	95,913,335	(337,352)	118,365,983
Profit for the year	–	–	34,983,238	–	34,983,238
Other comprehensive income	–	–	–	(66,302)	(66,302)
Total comprehensive income	–	–	34,983,238	(66,302)	34,916,936
Transaction with owners:					
– Final dividend for the year ended December 31, 2023 @ Rs 2.75 per share	–	–	(5,775,000)	–	(5,775,000)
– Interim dividend for the year ended December 31, 2024 @ Rs 2.75 per share	–	–	(5,775,000)	–	(5,775,000)
Balance at December 31, 2024	21,000,000	1,790,000	119,346,573	(403,654)	141,732,919
Profit for the year	–	–	30,468,054	–	30,468,054
Other comprehensive income	–	–	–	(61,376)	(61,376)
Total comprehensive income	–	–	30,468,054	(61,376)	30,406,678
Transaction with owners:					
– Final dividend for the year ended December 31, 2024 @ Rs 4.25 per share	–	–	(8,925,000)	–	(8,925,000)
– Interim dividend for the year ended December 31, 2025 @ Rs 3.5 per share	–	–	(7,350,000)	–	(7,350,000)
Balance at December 31, 2025	21,000,000	1,790,000	133,539,627	(465,030)	155,864,597

The annexed explanatory notes from 1 to 53 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Cash Flows

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Cash flows from operating activities			
Cash generated from operations	45	68,376,127	39,182,374
Net (decrease) / increase in long term deposits		(402,442)	30,696
Finance cost paid		(7,835,469)	(3,344,933)
Taxes paid		(23,522,764)	(27,402,839)
Employee retirement benefits paid		(113,806)	(245,748)
Net cash generated from operating activities		36,501,646	8,219,550
Cash flows from investing activities			
Additions in property, plant and equipment		(4,397,185)	(9,239,113)
Additions in intangible assets		(151,473)	(41,437)
Proceeds from disposal of property, plant and equipment		90,354	50,671
Purchase of long term investments		(3,438,493)	(39,933,110)
Proceeds from long term investments		–	4,017,502
Long term loans given to related parties		(100,000)	(380,000)
Net increase in long term advances and deposits		(8,565,591)	(3,934,446)
Short term loans to related parties – net		(13,940,027)	1,522,184
Purchase of short term investments		(30,796,807)	(19,184,322)
Proceeds from short term investments		17,507,046	13,763,956
Profit received on loans and saving accounts		7,213,080	5,623,792
Dividend income received		2,429,056	755,028
Net cash used in investing activities		(34,150,040)	(46,979,295)
Cash flows from financing activities			
Proceeds from long term finances	8.1	–	39,159,225
Repayment of long term finances	8.1	(4,177,941)	(3,100,841)
Repayment of short term loans from related parties		–	(1,626,307)
Repayment of lease liabilities	10	(104,087)	(104,075)
Dividend paid		(16,255,437)	(11,535,186)
Increase in short term finances – net		6,778,341	2,082,713
Net cash (used in) / generated from financing activities		(13,759,124)	24,875,529
Net decrease in cash and cash equivalents		(11,407,518)	(13,884,216)
Cash and cash equivalents at the beginning of the year		(6,789,351)	7,094,865
Cash and cash equivalents at the end of the year		(18,196,869)	(6,789,351)
Cash and cash equivalents comprises of following:			
Cash and bank balances	32	2,677,673	9,087,664
Running finance and musharakah	16	(20,874,542)	(15,877,015)
Cash and cash equivalents at the end of the year		(18,196,869)	(6,789,351)

The annexed explanatory notes from 1 to 53 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

1 Legal Status and nature of business

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

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

- 1.2 During the year, after receiving approval from the Lahore High Court, the Company implemented the Scheme of Compromises, Arrangements and Reconstruction to carveout the net assets related to Multan plant of the Company to Pakarab Fertilizers Limited (PFL), a wholly owned subsidiary, with effect from January 01, 2025.

The authorized share capital amounting Rs 6,000 million has been transferred to PFL under the Scheme of Compromises, Arrangements and Reconstruction.

Subsequent to implementation of the Scheme effective from Jan 01, 2025, following assets and liabilities were transferred by the Company to PFL, a wholly owned subsidiary:

ASSETS	(Rupees in thousand)
Operating fixed assets	23,536,573
Capital work in progress	1,583,002
Stores and spares	7,195,638
Stock in trade	2,791,716
Advances, deposits, prepayments and other receivables	13,280
Total (A)	35,120,209
LIABILITIES	
Deferred taxation	(6,410,156)
Deferred liabilities	(174,871)
Payable to holding company	(3,877,506)
Trade and other payables	(8,922,903)
Total (B)	(19,385,436)
Net assets transferred (A + B)	15,734,773
799,900,000 ordinary shares of Rs 10 each issued in favor of the Company	7,999,000
Demerger reserve as a result of transfer of operations	7,735,773
Long term investment recognised in the Company	15,734,773

- 1.3 The Shareholders of the Company in the Extra Ordinary General Meeting held on December 18, 2025 had approved to the transfer of the Investments made by the Company in listed securities through the Pakistan Stock Exchange Limited to Fatima Capital Limited, a wholly owned subsidiary, in exchange for shares to be issued by the subsidiary to the Company as consideration other than cash.

Following assets and liabilities were transferred by the Company to Fatima Capital Limited, a wholly owned subsidiary:

NET ASSETS TRANSFERRED	Rupees in thousand
Short term investments	15,147,658
Deferred taxation	(1,774,005)
Total	13,373,653
1,337,365,274 ordinary shares of Rs 10 each issued in favor of the Company	13,373,653
Long term investment recognised in the Company	13,373,653

1.4 These financial statements are the separate financial statements of the Company in which investment in subsidiary companies is accounted for on the basis of actual cost incurred to acquire subsidiary and investment in associates are accounted for under equity method. Consolidated financial statements are prepared separately.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards and IFAS, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 New amendments that are effective for the year ended December 31, 2025

The following amendments are effective for the year ended December 31, 2025. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

**Effective from
accounting period
beginning on or after:**

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability

January 01, 2025

2.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

**Effective from
accounting period
beginning on or after:**

Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' – Classification and measurement of financial instruments January 01, 2026

Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' – Contracts Referencing Nature-dependent Electricity January 01, 2026

Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) January 01, 2026

IFRS 17 - Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17) January 01, 2027

IFRS 18 - Presentation and Disclosures in Financial Statements January 01, 2027

IFRS 19 - Subsidiaries without Public Accountability: Disclosures January 01, 2027

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 – First Time Adoption of International Financial Reporting Standards

3 Basis of measurement

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

3.2 Critical accounting estimates and judgements

The Company's material accounting policies are stated in note 4. Not all of these material policies require the management to make difficult, subjective or complex judgements or estimates.

The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgement of estimation involved in their application and their impact on these financial statements. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgements involve assumptions or estimates in respect of future events and the actual results may differ from these estimates.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

a) Employee retirement benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 4.2 (a).

b) Useful life and residual values of property, plant and equipment and intangible assets

The Company reviews the useful lives of property, plant and equipment and intangible assets on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment and intangible assets with a corresponding effect on the depreciation / amortization charge.

c) Provision for taxation

In making the estimates for income taxes payable by the Company, the management considers the applicable laws and the decisions of the appellate tax authorities on certain issues in the past.

4 Material accounting policy information

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

4.1 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the period if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the period for such years.

Further, the Company has adopted the guidance on accounting for minimum and final taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP). However, this has no impact on these financial statements.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the statement of profit or loss, except in the case of items recognised in other comprehensive income or directly in equity in which case it is included in other comprehensive income or equity, as the case may be.

The Company and its wholly owned subsidiary, Fatimafert Limited, have opted for Group taxation under section 59AA of the Income Tax Ordinance, 2001.

4.2 Employee retirement benefits

The main features of the schemes operated by the Company for its employees are as follows:

a) Defined benefit plan – Gratuity

The Company operates gratuity scheme for its employees, according to the terms of employment, subject to a minimum qualifying period of service. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits.

The latest actuarial valuation for gratuity scheme was carried out as at December 31, 2025. Projected unit credit method is used for valuation of the scheme.

All actuarial gains and losses are recognised in 'Other Comprehensive Income' as they occur.

Notes to and Forming Part of the Financial Statements

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b) Accumulating compensated absences

Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to the statement of profit or loss.

c) Defined contribution plan - Provident Fund

The Company operates provident fund for all its permanent employees. Equal monthly contributions are made both by the Company and the employees. Retirement benefits are payable to employees on completion of prescribed qualifying period of service under these schemes.

4.3 Property, plant and equipment

Property, plant and equipment except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to own manufactured assets includes direct cost of materials, labour and applicable manufacturing overheads. Cost also includes capitalized borrowing costs as referred to in note 4.17.

Depreciation on property, plant and equipment is charged to the statement of profit or loss on straight line method so as to write off the depreciable amount of an asset over its estimated useful life at the rates given in note 20.1.

Depreciation on additions to property, plant and equipment is charged from the month in which an asset is acquired or made available for use, while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted prospectively, if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

4.4 Capital work in progress

Capital work in progress and stores held for capital expenditure are stated at cost less any recognised impairment loss. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific assets as and when these assets are available for use. Provision is made in the financial statements for obsolete and slow moving items based on management estimate.

4.5 Intangibles assets

An intangible asset is recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Company and that the cost of such an asset can also be measured reliably. Subsequently asset is measured as follows:

With indefinite useful life

Intangibles assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the intangible is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment / reversal of impairment is recognised in the statement of profit or loss immediately.

With finite useful life

Expenditure incurred to acquire intangible assets are capitalized and stated at cost less accumulated amortisation and any identified impairment loss. Computer software is amortised using the straight line method over a period of four years. Amortisation on additions to computer software is charged from the month in which the asset is available for use while no amortisation is charged for the month in which asset is disposed off.

4.6 Investment property

Investment property, which is property held to earn rentals and / or for capital appreciation, is valued using the cost method i.e. at cost less any accumulated depreciation and any identified impairment loss. Depreciation on buildings is charged to profit or loss on straight line method at the rate of 4%. Depreciation on additions to investment property is charged from the month in which a property is acquired or capitalized while no depreciation is charged for the month in which the property is disposed. The difference between present value of the proceeds from disposal and the carrying amount is recognised in the statement of profit or loss.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of profit or loss on a straight line basis over the lease term and is included in 'other income'.

4.7 Investments in associates - at equity method

The Company's long term investments are investments in associates, entities over which the Company exercise significant influence. These investments are initially recognised at cost and subsequently carrying amount is increased or decreased to recognise the Company's share of the profit or loss or other comprehensive income or loss of the associates using the equity method. The Company's share of the associates profit or loss is recognised in the Company's statement of profit or loss and the Company's share of other comprehensive income or loss is recognised in the Company's other comprehensive income. At each reporting date, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as expense in the statement of profit or loss.

4.8 Investments in subsidiaries - at cost

Investments in subsidiaries are initially valued at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The profits and losses of subsidiaries are carried forward in their financial statements and not dealt within these financial statements except to the extent of dividend declared by the subsidiaries which are recognised in other income.

4.9 Government grant

The Company recognises the benefit of a government loan at below market rate of interest as a Government grant. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in the statement of profit or loss is done on a systematic basis over the period of the loan.

4.10 Leases

As a lessee, the Company recognises right of use asset and lease liability at the lease commencement date.

Right of use asset

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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The right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of the property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for the certain remeasurement of the lease liability.

Lease liability

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index, or a rate, initially measured using the index or rate as at commencement date;
- amount expected to be payable under a residual guarantee; and
- the exercise under purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero.

4.11 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

4.11.1 Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- (i) Amortised cost, where the effective interest rate method will apply;
- (ii) Fair value through profit or loss (FVTPL);
- (iii) Fair value through other comprehensive income (FVTOCI).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset. Further, assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of profit or loss.

Debt instruments

a) Debt instruments measured at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

The financial asset is held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured subsequently at FVTOCI.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating gains / (losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Impairment expenses are presented as a separate line item in the statement of profit or loss.

c) Debt instruments designated as at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in statement of profit or loss and presented net within other operating gains / losses in the period in which it arises.

Equity instruments

On initial recognition, the Company may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI.

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The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the statement of profit or loss as other operating income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains / losses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debts, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the trade debts, using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors and other direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets general 3 stage approach is used i.e. to measure ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a Company of financial instruments has not increased significantly since initial recognition.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

The Company recognises an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in the statement of other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

4.11.2 Financial liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- 1- At fair value through profit or loss; and
- 2- Amortised cost.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss.

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortised cost, using the effective interest rate method. Gain and losses are recognised in the statement of profit or loss, when the liabilities are derecognised as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

4.12 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognised amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.13 Stores and spares

Stores and spares are valued at moving average cost. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made in the financial statements for obsolete and slow moving stores and spares based on management estimate.

4.14 Stock in trade

All stocks are valued at the lower of cost and net realizable value. Cost in relation to raw and packing materials, except for those in transit, signifies moving average cost and that relating to mid products and finished goods, monthly average cost comprising cost of direct materials, labour and appropriate manufacturing overheads based on normal operating capacity. Materials in transit are stated at cost comprising invoice value plus other charges incurred thereon. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make the sale. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

4.15 Trade debts and other receivables

These are recognised and carried at the original invoice amounts, being the fair value and subsequently measured at amortised cost using the effective interest rate method, less loss allowance, if any. For measurement of loss allowance for trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses.

4.16 Cash and cash equivalents

Cash and bank balances are carried in the statement of financial position at amortised cost. For the purpose of cash flow statement, cash and cash equivalents comprises of cash in hand, bank balances, short term running finances and short term highly liquid investments that are readily convertible to known amounts of cash.

4.17 Borrowings and their costs

Borrowings are initially recorded at the proceeds received. They are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

4.18 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Company.

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for the year ended December 31, 2025

4.19 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Future operating losses are not provided for in financial statements.

4.20 Derivative financial instruments

These are initially recorded at cost on the date a derivative contract is entered into and are remeasured to fair value at subsequent reporting dates. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit or loss. Amounts accumulated in equity are recognised in statement of profit or loss in the periods when the hedged item will affect profit or loss.

4.21 Impairment of non financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

4.22 Revenue recognition

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when or as performance obligations are satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. Scrap sales and miscellaneous receipts are recognised on realized amounts.

Revenue from sale of goods is recognised at the point in time when control of the fertilizers products and chemical is transferred to the customer, generally on delivery of the goods.

Government subsidy on sale of fertilizer is recognised when the right to receive such subsidy has been established and the underlying conditions are met.

Revenue from sale of Certified Emission Reductions (CERs) is recognised on the satisfaction of performance obligation i.e. generation of the Emission Reductions when a firm commitment for sale of CERs exists with a buyer.

Return on deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return. Interest income is recognised on accrual basis.

4.23 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date. Foreign exchange gain and losses on retranslation are recognised in the statement of profit or loss. All non monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.24 Dividend

Dividend distribution to the Company's members is recognised as a liability in the reporting period in which dividends are declared.

4.25 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit by weighted average number of shares outstanding during the period. Diluted EPS is determined by adjusting for the effects of all dilutive potential ordinary shares.

4.26 Acquisition of group of assets

The group of assets (including the liabilities assumed) acquired as a result of any arrangement that does not meet the definition of a business are recognised under the asset acquisition method.

Upon the acquisition of net assets, the Company identifies and recognises the assets acquired and liabilities assumed at their fair values as of the acquisition date. Any difference between the net assets acquired and the fair value of the consideration is allocated to non monetary long lived assets, and no gain or loss is recorded on the date of acquisition, whereas the current assets and liabilities are measured at fair values on the acquisition date.

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4.27 Redeemable preference shares

Redeemable preference shares are classified as financial liability if they meet the criteria of liability as per relevant accounting standard.

Upon issuance, the Company recognises redeemable preference shares as a financial liability in its statement of financial position at the present value of the future cash outflows associated with the redemption. Subsequent to the initial recognition, these are measured at amortised cost and the effect of unwinding is recognised in the statement of profit or loss.

4.28 Joint arrangements

Joint arrangements are arrangements in which the Company has contractually agreed sharing of control, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint arrangements are classified as joint operations or joint ventures depending upon the rights and obligations arising from the joint arrangement. The Company classifies a joint arrangement as joint operation when the Company has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company classifies a joint arrangement as a joint venture when the Company has the rights to the net assets of the arrangement.

In respect of an interest in a joint operation, the Company recognises its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its expenses, including its share of any expenses incurred jointly.

5 Authorized share capital

The authorized share capital amounting Rs 6,000 million has been transferred to Pakarab Fertilizers Limited under the Scheme of Compromises, Arrangements and Reconstruction as explained in note 1.2 to the financial statements.

6 Issued, subscribed and paid up share capital

2025 (Number of shares)		2024		2025 (Rupees in thousand)		2024	
2,000,000,000	2,000,000,000	Ordinary shares of Rs 10 each fully paid in cash		20,000,000		20,000,000	
100,000,000	100,000,000	Ordinary shares of Rs 10 each issued on conversion of fully paid preference shares @ Rs 20 each		1,000,000		1,000,000	
2,100,000,000	2,100,000,000			21,000,000		21,000,000	

6.1 Ordinary shares of the Company held by associates at year end are as follows:

	2025	2024
	(Number of shares)	
Arif Habib Corporation Limited	319,000,206	319,000,206
Arif Habib Limited	10,000	210,000
Fatima Holding Limited	–	14,276,000
Fazal Cloth Mills Limited	69,114,031	69,114,031
Reliance Weaving Mills Limited	2,625,166	2,625,166
Farrukh Trading Company Limited	174,688,927	169,930,261
Fatima Management Company Limited	174,759,815	170,001,149
Fatima Trading Company (Private) Limited	176,632,684	171,874,016
Reliance Commodities (Private) Limited	562,903	500,000
	917,393,732	917,530,829

6.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

	Note	2025	2024
		(Rupees in thousand)	
7 Reserves			
Capital reserve:			
Share premium	7.1	1,790,000	1,790,000
Revenue reserve:			
Unappropriated profit		133,539,627	119,346,573
Post retirement benefit obligation reserve	7.2	(465,030)	(403,654)
		134,864,597	120,732,919

7.1 This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

7.2 This represents cumulative actuarial adjustments in measurement of employee retirement benefits.

	Note	2025	2024
		(Rupees in thousand)	
8 Long term finances – secured			
Loans from banking companies / financial institutions	8.1 & 8.2	40,145,510	44,152,653
Less: Current portion		37,719,173	1,861,544
		2,426,337	42,291,109
8.1 Movement of long term finances			
Opening balance		44,152,653	7,935,333
Disbursements during the year		–	39,159,225
Accreditation of loan under SBP Temporary Economic Refinance Scheme		170,798	158,936
Repayments during the year		(4,177,941)	(3,100,841)
		40,145,510	44,152,653

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8.2 Secured loans from banking companies / financial institutions

Lender	Nature of financing	Effective rate of markup per annum	Remaining Instalments	Markup payment frequency	2025	2024
					(Rupees in thousand)	
Faysal Bank Limited	Diminishing Musharakah	11.51% to 12.94%	Three half yearly, ending on June 14, 2027.	Semi annual	750,000	1,250,000
Meezan Bank Limited	Diminishing Musharakah-I	11.94% to 16.28%	Two half yearly, ending on September 30, 2026.	Semi annual	1,000,000	1,500,000
Meezan Bank Limited	Diminishing Musharakah-II	11.23% to 12.80%	Five half yearly, ending on June 21, 2028.	Semi annual	1,666,666	2,000,000
Meezan Bank Limited	Running Musharakah	10.31% to 15.23%	Repayable in its entirety on January 05, 2026.	Semi annual	35,000,000	37,159,224
Pak Kuwait Investment Company Limited	Diminishing Musharakah	12.29% to 14.73%	Three half yearly, ending on May 19, 2027.	Quarterly	562,500	937,500
Askari Bank Limited	SBP Temporary Economic Refinance Facility (TERF)	11.65% to 13.42%	Eleven half yearly, ending on March 31, 2031.	Quarterly	305,724	345,530
National Bank of Pakistan	SBP Temporary Economic Refinance Facility (TERF)	12.29% to 14.73%	Eleven half yearly, ending on June 21, 2031.	Quarterly	518,408	580,906
Bank Al Habib Limited	SBP Temporary Economic Refinance Facility (TERF)	11.65% to 16.91%	Thirteen half yearly, ending on February 15, 2032.	Quarterly	342,212	379,493
					40,145,510	44,152,653

8.3 The aggregate unavailed long term financing facilities amounts to nil (2024: nil).

8.4 These borrowings are secured through a pari passu charge over the Company's plant and machinery, except for Meezan Bank Limited – Running Musharakah, which is secured against a lien and pledge over Government of Pakistan Ijarah Sukuks and Trust Receipts.

	Note	2025 (Rupees in thousand)	2024
9 Subordinated redeemable preference Class A shares			
Opening balance		1,714,210	1,473,323
Unwinding for the year	38	280,467	240,887
		1,994,677	1,714,210

- 9.1** This represents the present value of 270,000,000 subordinated redeemable preference Class A shares of Rs 10 each to be issued by the Company pursuant to the scheme of Compromises, Arrangements and Reconstruction, sanctioned by the Lahore High Court, for amalgamation of its associated company, Pakarab Fertilizers Limited ('PFL') with effect from July 01, 2022.

The liability is carried at present value in accordance with the provisions of IFRS 9 using effective interest rate of 16.35% per annum.

As per the sanctioned scheme, the assets and liabilities of PFL have been acquired by the Company and in consideration, the receivables from PFL comprising trade receivable, loans and the accrued markup thereon as at June 30, 2022, stands relinquished. Further, capital contributories and the shareholders of PFL relinquished their right in the Company against which they shall be compensated in the form of Subordinated Redeemable Preference Shares of the Company under the following terms and conditions:

- i) Subordinated Redeemable Preference Class A Shares of the Company: Shareholders of PFL shall be issued one (1) Class A Share of the Company against each ordinary share of PFL aggregating to 270,000,000 shares. Face value of such shares will be Rs 10 each. These shares are non-voting, neither non-cumulative nor cumulative fixed yield and have no dividend or other right. The redemption date shall be December 31, 2027, modifiable upon mutual consent of the Board of Directors of the Company and at least 90% of Class A Shareholders. Redemption value shall be lower of the (i) value as determined by the Company's Board of Directors unanimously, (ii) aggregate face value of Class A Shares or (iii) calculated values of assets and liabilities acquired from PFL as defined in the sanctioned Scheme; and
- ii) Subordinated Redeemable Preference Class B Shares of the Company: These shares shall be issued subject to fulfilment of conditions precedent to issue as defined in the sanctioned Scheme i.e. full redemption of Class A shares and unanimous approval of the Company's Board of Directors for issuance. These shares shall be issued to the shareholders and capital contributories of PFL up to a maximum number of 567,369,293 shares having face value of Rs 10 each. These shares are non voting, neither non cumulative nor cumulative fixed yield and have no dividend or other right. Aggregate redemption value of entire set of Class B Shares shall be in accordance with the sanctioned scheme.

	2025 (Rupees in thousand)	2024
10 Lease liabilities		
Opening balance	666,295	219,083
Addition during the year	–	516,407
Interest on lease liabilities	75,536	34,880
Payments made during the year	(104,087)	(104,075)
Closing balance	637,744	666,295
Less: Current portion of lease liabilities	37,802	30,110
	599,942	636,185

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
11 Deferred taxation			
The balance of deferred tax is in respect of the following:			
Taxable temporary differences:			
Accelerated tax depreciation		13,482,537	21,912,121
Investment in subsidiary		77,497	77,497
Investment in Defense Saving Certificates		17,788	17,788
Short term investments		788,086	1,652,476
Long term investments		26,100	64,800
		14,392,008	23,724,682
Deductible temporary differences:			
Investment in associates		(35,605)	(9,687)
Provisions		(487,539)	(46,474)
		(523,144)	(56,161)
		13,868,864	23,668,521
11.1	Movement in temporary differences for the year is as follows:		
Opening balance		23,668,521	27,110,658
Charged to statement of profit or loss:			
Accelerated tax depreciation		(2,019,376)	(2,128,258)
Gas Infrastructure Development Cess (GIDC)		(441,065)	(19,215)
Investments in associates		(25,970)	(13,552)
Short term investments		909,615	1,393,927
Long term investments		(38,700)	(68,346)
Provisions		–	868,061
Remeasurement of defined benefit obligation		–	239,868
		(1,615,496)	272,485
Transfer as a result of transfer of operations	1.2 & 1.3	(8,184,161)	(3,714,621)
		13,868,864	23,668,521
12 Deferred liabilities			
Employee retirement benefits	12.1	2,575,041	2,300,305
Deferred government grant	12.2	221,485	425,462
		2,796,526	2,725,767
12.1 Employee retirement benefits			
Gratuity	12.1.1	2,510,052	2,166,992
Accumulated compensated absences	12.1.2	64,989	133,313
		2,575,041	2,300,305

	Note	2025 (Rupees in thousand)	2024
12.1.1 Gratuity			
a) Amount recognised in the statement of financial position			
Present value of defined benefit obligations	(f)	2,478,873	2,855,963
Payables		31,179	
Fair value of plan assets	(g)	–	(688,971)
Net liability at the end of the year		2,510,052	2,166,992
b) Movement in net liability			
Net liability at the beginning of the year		2,166,992	1,730,603
Charge for the year	(c)	461,516	531,470
Transfer to subsidiary companies		(12,293)	–
Benefits paid during the year		(100,127)	(220,488)
Charged to other comprehensive income	(e)	100,616	108,692
Transfer as a result of transfer of operations		(106,652)	16,715
Net liability at the end of the year		2,510,052	2,166,992
c) Charge for the year			
Current service cost		218,704	269,944
Past service cost		2,802	1,889
Net interest cost		240,010	259,637
		461,516	531,470
d) Charge for the year has been allocated as follows:			
Cost of sales		296,615	360,676
Administrative expenses		77,871	89,249
Distribution expenses		87,030	81,545
		461,516	531,470
e) Total remeasurement chargeable to other comprehensive income			
Remeasurement of plan obligation:			
Actuarial gains from changes in financial assumptions		11,384	(17,338)
Experience adjustments		65,029	123,222
Remeasurements of fair value of plan assets		24,203	2,808
		100,616	108,692
f) Movement in the present value of defined benefit obligations			
Defined benefit obligations at beginning of the year		2,855,963	2,510,516
Current service cost		218,704	269,944
Past service cost		2,802	1,889
Interest cost		240,010	367,166
Benefits due but not paid		(28,932)	(5,177)
Benefit paid during the year		(114,666)	(122,920)
Remeasurement of plan obligation		100,616	126,965
Transfer as a result of transfer of operations		(795,624)	(292,420)
Defined benefit obligations at end of the year		2,478,873	2,855,963

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
g) Movement in the fair value of plan assets			
Fair value at beginning of the year		(688,971)	(779,913)
Contributions		–	(140,494)
Interest income on plan assets		–	(107,529)
Return on plan assets excluding interest income		–	(18,273)
Benefits due but not paid		–	3,432
Benefits paid		–	44,671
Transfer as a result of transfer of operations		688,971	309,135
Fair value at end of the year		–	(688,971)
h) Plan assets comprise of:			
Deposit with banks		–	38,865
Mutual funds		–	34,119
Sukuks		–	118,265
Investment in TDRs / T-Bills / TFCs		–	497,722
		–	688,971
		2025	2024
i) The principal assumptions used in the actuarial valuation are as follows:			
Discount rate for interest cost		12.00%	16.00%
Discount rate for year end obligation		11.25%	12.25%
Salary increase used for year end obligation		12.00%	12.25%
Retirement assumption		60 years	60 years
		Impact on defined benefit obligation	
		Change in assumption	Increase in assumption
		% age	(Rupees in thousand)
j) Sensitivity analysis			
Discount rate	1%	(203,536)	233,197
Salary growth rate	1%	235,195	(209,090)
k) The expected contribution to defined benefit obligation for the next 10 years and beyond are as follows:			
			(Rupees in thousand)
FY 2026			201,755
FY 2027			182,877
FY 2028			198,310
FY 2029			241,447
FY 2030			225,270
FY 2031			351,507
FY 2032			463,168
FY 2033			453,013
FY 2034			346,567
FY 2035			420,320
FY 2036 and onwards			19,996,598

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	% age	(Rupees in thousand)	
g) Sensitivity analysis			
Discount rate	1%	(5,982)	3,425
Salary growth rate	1%	2,777	(6,336)

12.2 Deferred government grant

This represents deferred government grant in respect of Temporary Economic Refinance Facility by SBP as disclosed in note 8.2 to these financial statements. These facilities carry markup at subsidised rates, as specified by SBP. These loans have been recognised at their fair value which is the present value of the loan proceeds received discounted at the market interest rates for similar instruments. The differential between the fair value and the present value is recognised as deferred government grant, which is being amortised over the term of the respective facilities at the effective interest rate.

	Note	2025 (Rupees in thousand)	2024
13 Trade and other payables			
Creditors	13.1	4,138,638	6,427,065
Provision for Gas Infrastructure Development Cess (GIDC)	13.2	4,022,406	5,799,870
Contract liabilities	13.3 & 13.4	15,578,789	10,039,537
Accrued liabilities		13,536,242	18,618,280
Withholding tax		511,899	324,694
Workers Profit Participation Fund	13.5	9,591,576	10,604,426
Workers Welfare Fund	13.6	1,334,641	1,705,726
FED payable		–	1,286,523
Retention money payable		135,726	126,147
Provident fund payable		42,610	92,737
Others		1,327,000	397,200
		50,219,527	55,422,205

13.1 This includes balance of Rs 76.22 million (2024: Rs 126.95 million) due to Fatima Packaging Limited (a wholly owned subsidiary), in the normal course of business.

	2025 (Rupees in thousand)	2024
13.2 Provision for GIDC		
Opening balance	5,799,870	7,576,270
Unwinding of provision for GIDC	–	58,700
Transfer as a result of transfer of operations	(1,777,464)	(1,835,100)
	4,022,406	5,799,870

13.2.1 On August 13, 2020 the Supreme Court of Pakistan (SCP) through its order declared GIDC Act as intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly instalments starting from August 01, 2020.

Subsequently, SCP also dismissed all review petitions on November 2, 2020, against the gas consumers including the Company and stated that the Government of Pakistan is agreeable to recover the arrears in forty eight monthly instalments instead of twenty four equal monthly instalments.

Although, the Company has filed a suit for declaration and injunction in the Sindh High Court (SHC) and obtained a stay on October 06, 2020 against collection / recovery of GIDC by Mari Energies Limited on fuel stock on account of issues of computation of the liability. On a prudent basis, the Company has continued to recognise the provision against GIDC on fuel stock.

The Company has not booked GIDC on feed stock received at Sadiqabad Plant as it was entitled to receive feed stock at fixed price inclusive of all taxes, duties, levies, fees and charges under Sovereign Commitment from Government of Pakistan pursuant to Fertilizer Policy 2001. The Company has also filed a suit for declaration and permanent injunction in the High Court of Sindh on these grounds on September 29, 2020 and obtained a stay on October 06, 2020 against collection / recovery of GIDC on feed stock.

13.3 This includes amount payable to Fatimafert Limited under sales collection agreement, aggregating to Rs 3,642.16 million (2024: nil), in the normal course of business.

13.4 Contract liabilities as at the beginning of the year, aggregating to Rs 10,032.35 million (2024: Rs 10,639.18 million), have been recognised as revenue upon meeting the performance obligations.

	Note	2025 (Rupees in thousand)	2024
13.5 Workers Profit Participation Fund			
Opening balance		10,604,426	8,185,168
Charge for the year	38	2,699,771	3,261,498
Payments made during the year		(3,712,621)	(842,240)
		9,591,576	10,604,426
13.6 Workers Welfare Fund			
Opening balance		1,705,726	1,273,661
Charge for the year		993,617	1,512,412
Prior year impact		(136,512)	(99,570)
Net charge for the year	38	857,105	1,412,842
Provision relating to a subsidiary company		87,916	39,777
Payments made during the year		(1,316,106)	(1,020,554)
		1,334,641	1,705,726
14 Accrued finance cost			
On long term finances		1,104,403	1,317,083
On short term finances		577,067	488,930
		1,681,470	1,806,013

15 Income tax payable

This includes the income tax payable of Rs 504.70 million on behalf of Fatimafert Limited, a wholly owned subsidiary, due to the application of group taxation as disclosed in note 4.1 to the financial statements.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	2025	2024
	(Rupees in thousand)	
16 Short term finances - secured		
Secured loans from banking companies		
Cash finance	300,000	–
Finance against trust receipt	1,272,783	2,082,713
Finance against imported merchandise	7,288,271	–
	8,861,054	2,082,713
Running musharakah	20,098,337	15,877,015
Running finance	776,205	–
	20,874,542	15,877,015
	29,735,596	17,959,728

16.1 These facilities have been obtained from various banks for working capital requirements, and are secured by pari passu charge of Rs 39,074.67 million (2024: Rs 39,074.67 million) and a ranking charge of Rs 34,916 million on present and future current assets. These facilities carry markup on cash finance ranging from 11.44% to 14.29%, FATR/FIM ranging 11.60% to 12.85% and running finance / running musharakah ranging 10.63% to 14.35% and per annum respectively.

16.2 The aggregate unavailed short term borrowing facilities amount to Rs 36,846.71 million (2024: Rs 39,006.27 million).

17 Payable to Privatization Commission of Pakistan

Reliance Exports (Pvt) Limited ('REL'), under the terms and conditions stated in the 'Share Purchase Agreement' ('the Agreement'), acquired 100% shares in Pakarab Fertilizers Limited (PFL) on July 14, 2005 through the process of privatization. Under the terms of the Agreement, the purchase consideration, in addition to lump sum cash payment, included a further payment equivalent to 90% of PFL's claim of tax refund aggregating to Rs 2,814.51 million for the assessment years 1993–94, 1995–96 through 2002–2003 and tax years 2003 and 2004. The amount is payable to the Privatization Commission ('PC') in the event of and at the time of acceptance of refund claim by concerned tax authorities.

The amount recognised in the financial statements as payable to PC is net off Rs 240.12 million which, according to the management, has already been withdrawn by the previous members as part of the dividend distribution for the year ended June 30, 2005. The management felt that the Agreement as presently worded, if executed, would result into double payment of the same amount to PC / previous members, firstly, as part of the profits for the year ended June 30, 2005 (computed without recognition of the tax expense for the years for which when the refund is issued, an amount equivalent to 90% would be the right of PC / previous members) and secondly, at the time the refund is received from the tax authorities when an amount equivalent to 90% of such refund is paid off to PC, as agreed. The management felt that such double payment is neither the intention nor warranted under the specific provisions of the Agreement. Upon dissolution of REL and its amalgamation with PFL on July 14, 2005, this liability was recognised in the books of PFL being the surviving entity upon REL's amalgamation with PFL in accordance with the Scheme of Arrangement for Amalgamation. Since the amalgamation of PFL into the Company, this liability has now been recognised in the books of the Company.

	Note	2025	2024
		(Rupees in thousand)	
18 Current portion of long term liabilities			
Long term finances	8	37,719,173	1,861,544
Lease liabilities	10	37,802	30,110
Deferred government grant	12.2	90,441	77,212
		37,847,416	1,968,866

19 Contingencies and commitments

19.1 Contingencies

- (i) Uptill the application under section 65 of the Sales Tax Act, 1990 is decided by the Federal Government, the Honorable Lahore High Court (the Court) through its order dated September 11, 2024 has stopped the proceedings of impugned show cause notice issued by the Department. Earlier the Court had suspended the operation of the impugned order of Commissioner Inland Revenue Appeals [CIR(A)] Multan, who rejected the Company's application under section 65 of the Sales Tax Act, 1990 (STA) regarding the exemption of sales tax estimating Rs 690 Million inadvertently short levied / paid on its fertilizer product, Calcium Ammonium Nitrate (CAN) for the period from April 18, 2011 to December 31, 2011.
- (ii) The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) dated August 5, 2020 against the order passed by CIR(A) whereby the order passed under section 11 of STA by the assessing officer amounting to Rs 501 Million was set aside. CIR(A), through its order dated June 8, 2020, set aside the impugned order instead of 'deleting /annulling' the same and resultantly the Company assailed the same before ATIR. The assessing officer had raised the demand by charging sales tax on advances received from customers.
- (iii) The Company's appeal filed before CIR(A) dated July 13, 2022 against the impugned order u/s 11 of STA has not been succeeded. Resultantly, the Company has filed an appeal before the ATIR in May 2023 against the adverse order of CIR(A) which is pending for adjudication as of date. The assessing officer had earlier raised a demand of Rs 122 Million against the Company by disallowing the admissibility of sales tax on various items claimed during July 2020 to June 2021 and invoking the provisions of section 8 of STA.
- (iv) The Company has preferred an appeal before ATIR in June 2021 against the order passed by the CIR(A), whereby the adverse order passed u/s 122(5A) of ITO 2001 by the assessing officer amounting to Rs 1,577 Million was confirmed. The assessing officer disallowed and added back various admissible deductions and credits claimed by the Company towards its taxable income for Tax Year 2016.
- (v) Through an order dated June 30, 2025, the Deputy Commissioner Inland Revenue (DCIR) created an income tax demand of Rs 29,035 million for tax year 2019 by treating bank credit entries as income and disallowing various expenses and tax credits. The Company has filed an appeal before Tribunal against the said order which is pending adjudication. The Company has also obtained stay from the Tribunal against the recovery proceedings of the income tax demand initiated by DCIR.
- (vi) Through an order dated August 29, 2025, passed under section 221(1), the DCIR reduced the income tax demand for the tax year 2014 to Rs 93 million, following rectification proceedings. This demand had previously been set at Rs 1,579 million through an order dated June 30, 2025 as a result of remand proceedings initiated by the Commissioner Inland Revenue. The Company has filed an appeal before the CIR—appeals against the said order, which is currently pending adjudication.
- (vii) An amendment order dated November 26, 2025, issued under section 122(5A), resulted in the creation of an income tax demand of Rs 521 million by the ACIR for the tax year 2020. The demand comprises treating Gas Infrastructure Development Cess (GIDC) payable for over three years as income having tax impact of Rs 440.80 million, tax credit on donations having tax impact of Rs 5.0 million, and tax credit under section 65B of Rs 75.12 million. The Company has paid the demand under protest and has filed an appeal before the CIR(A). The matter is currently under adjudication.
- (viii) The Company has filed appeal before LHC against the following cases decided against the Company by the Custom Appellate Tribunal Lahore:
 - Alleged irregular claim of exemption under SRO 575 on import of 20 consignments of seamless pipes. Demand raised Rs 113.96 million.
 - Alleged irregular claim of exemptions under SRO 575 on import of 7 consignments of deformed steel bars. Demand raised Rs 150.60 million.

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- (ix) The Company has netted off an amount of Rs 240.12 million from the amount payable to Privatization Commission, as part of purchase consideration, at the time and in the event the refund is received from the tax authorities. In case, the Company's contention relating to possible double payment is not acceded to by the other party to the Share Purchase Agreement, the Company is contingently liable to the aforesaid amount of Rs 240.12 million. In case, the amount becomes payable, the corresponding effect would be reflected in the computation of goodwill. Furthermore, the Company issued a bank guarantee amounting to Rs 240 million in favour of PC in this respect, which will expire on November 1, 2024.
- (x) As at June 30, 2004, the Company had investment of 140,000 ordinary shares of Rs 10 each valuing Rs 100,000 in National Fertilizer Marketing Limited, being the associated company on that date. On May 20, 2005, this investment was transferred to National Fertilizer Corporation of Pakistan (Private) Limited by the management of the Company. However, the new buyer, REL filed an application before PC challenging this transfer on the grounds that such transfer had been carried out against the terms and conditions of the bid documents. In case of a positive outcome to the application, this investment would be reinstated.
- (xi) An amount of Rs 129.17 million was withdrawn by the previous members of the Company as part of dividend for the year ended June 30, 2005 under the Share Purchase Agreement ('the Agreement'). Out of the aggregate amount, Rs 89.39 million represents the value of certain catalysts recovered in consequence of clean down operations of the plant prior to undertaking the process of privatization, which was accounted for as income in the consolidated financial statements for the year ended June 30, 2005 in the light of applicable financial reporting framework. The management of the Company feels that notwithstanding the applicability of the financial reporting framework, on the consolidated financial statements for the year ended June 30, 2005, the amount was not distributable as part of dividend for that year in view of the clear understanding behind the execution of the Agreement as categorically confirmed, in writing, by PC prior to signing of the Agreement. Similarly, the balance amount of Rs 39.78 million is considered to be dividend distribution out of the then available reserves which was also not distributable to the previous members in terms of other covenants of the Agreement. The Company has filed a claim for the recovery of the aforesaid aggregate amount on the grounds that in the present form, the distribution has been made out of the accumulated reserves, for the years up to June 30, 2004, which, under the specific provisions of the Agreement were not distributable to the previous members of the Company. In case of a positive outcome to the Company's claim, the excess dividend withdrawn by the previous members of the Company would be recovered.
- (xii) Included in trade debts is an amount of Rs 18.88 million which has not been acknowledged as debts by its customers due to a dispute regarding the discount on the product's price. The Company's customers had collectively filed an appeal regarding the price dispute before the Honourable Civil Court, Multan, which decided the case in favour of the Company's customers. The Company preferred an appeal before the Honourable District and Sessions Court, Multan which set aside the order of the Civil Court. The Company's customers filed a revised petition before the Honourable Lahore High Court against the order of the District and Sessions Court, which is pending for adjudication.
- (xiii) Through a show cause notice, the tax department raised the issue of short payment of output sales tax on supplies of the Company's fertilizer product, Calcium Ammonium Nitrate (CAN) for the period from April 18, 2011 to December 31, 2011 involving a principal sales tax demand of Rs 500 million. Such issue was raised on the grounds that notification SRO 15(I)/2006, providing for levy of sales tax on the basis of 'notified price' of CAN, was withdrawn through notification SRO 313(I)/ 2011 dated April 18, 2011 and hence, the Company was legally required to recover output sales tax on supplies of CAN on the basis of actual consideration received there against. The Company had already approached the Federal Board of Revenue ('FBR') on the issue for condonation in terms of section 65 of the Sales Tax Act, 1990, which was not entertained. The Company had assailed such order through institution of a writ petition before the LHC on the grounds that relevant powers have been exercised in an arbitrary manner without referring the matter to competent authority as required under the law. Such petition was allowed by the Honourable LHC through its order dated June 21, 2017 and the Company was thereby directed to make a fresh application under section 65 of the Sales Tax Act, 1990. In compliance with the directions issued by the Honourable LHC in the aforementioned petition, the Commissioner Inland Revenue examined the fresh application

made by the Company in accordance with the procedure laid down in Para 50 of the Sales Tax General Order No. 3 of 2004. However, the application was rejected and the same was therefore not referred to the FBR. Being aggrieved, the Company filed a writ petition before the Court whereby operation of the impugned order shall remain suspended till final decision. The Court through its order dated September 11, 2024 has stopped further proceedings until the decision of application filed under section 65 of the Sales Tax Act 1990, by the Federal Government.

- (xiv) An income tax demand of Rs 203 million for tax year 2015 has arisen pursuant to an order dated December 12, 2025, passed by the Lahore High Court against the Company. The demand comprises disallowance of WPPF as deductible allowance due to non payment having tax exposure of Rs 202.37 million under section 60B and disallowance of initial allowance on additions to aircraft and aero engines having tax exposure amounting to Rs 0.61 million. The Company has filed a Civil Petition for Leave to Appeal (CPLA) before the Supreme Court of Pakistan, which is pending adjudication. The Tribunal had earlier ruled in favour of the Company, and the tax department had filed a reference application with the Lahore High Court.
- (xv) The Deputy Commissioner Inland Revenue ('DCIR'), through an order dated January 20, 2011, passed under sections 122 and 182 of the Income Tax Ordinance, 2001 ('Ordinance'), had raised a demand of Rs 451.42 million, including penalty of Rs 169.20 million, for tax year 2006 by disallowing certain expenses and adding into income amount representing 'service charges'. The Company had preferred an appeal before the CIR(A) against the order of the DCIR, which was annulled by the CIR(A) through order dated June 25, 2011. Being dissatisfied, the department filed an appeal before the ATIR which annulled the aforementioned order of the CIR(A) through its order dated October 23, 2020 and restored the DCIR's order. The Company assailed the aforementioned order of the ATIR in the usual appellate course before the LHC wherein LHC through order dated May 19, 2022 remanded back the issue to ATIR for denovo proceedings. The remand back proceedings have not yet been started.
- (xvi) Based on audit proceedings conducted under section 25 of the Sales Tax Act, 1990 ('STA') for tax periods July 2016 to June 2017, the Assistant Commissioner Inland Revenue, Audit, Large Taxpayers Office, Multan raised a sales tax demand of Rs 1,176 million in the Company's case, through assessment order dated July 29, 2021 passed under section 11 of the STA, inter alia on account of alleged suppression of production and sale of fertilizers. The Company has assailed such order in appeal before CIR(A) under relevant legal provisions. CIR(A) through order dated February 24, 2022 decided the case in the favour of Company on legal grounds for selection of audit under section 25 of STA. The department has assailed the order of CIR(A) before ATIR for which adjudication is pending as of date.
- (xvii) The Assistant Commissioner Inland Revenue (ACIR) through order dated February 25, 2022 passed under section 11 of the STA and raised a sales tax demand of Rs 1,800 million on the grounds that since the Company had sold its manufacturing plant & machineries, it was no longer classifiable as a manufacturer and thus, input sales tax of Rs 898.73 million claimed by it during the tax periods of January 2021 through November 2021 was disallowed. Further, the ACIR also imposed penalty of Rs 898.73 million against the Company in terms of section 33 of the STA. The Company being aggrieved, assailed such order in appeal before the CIR(A) which was decided against the Company by the CIR(A) through order dated November 15, 2022. The Company has challenged the said appellate order in appeal before the ATIR which is pending adjudication. The management considers that since subject input tax was incurred on goods and services acquired for the business purposes, the same was duly admissible to the Company.
- (xviii) The concerned assessing officer amended the Company's assessment through order dated June 26, 2020 passed for tax year 2014, as rectified through order dated January 20, 2021, and in consequence thereof, income tax refunds of Rs 257.71 million declared for such tax year stood curtailed to Rs 110 million. The Company's appeal against aforesaid amendment order was dismissed by the CIR(A) through appellate order dated June 7, 2021. Being aggrieved, the Company has further assailed the decision of CIR(A) in appeal before the ATIR, which has not yet been taken up for hearing. The issues forming basis of subject amendment primarily include disallowance of brought forward losses of Rs 2,298.54 million, addition of various capital expenditures aggregating Rs 182.80 million towards Company's taxable income in terms of

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section 111 of the Ordinance, imposing tax of Rs 133.721 million on preference dividend and disallowance of tax credit of Rs 10.90 million claimed by Company under section 65B of the Income Tax Ordinance, 2001. In this respect, the management considers that such issues were framed/upheld by concerned officials in a disregard to the relevant legal/factual position of the case.

Based on the advice of the Company's legal counsels and tax advisor, management considers that reasonable grounds exist that all the above appeals will succeed. Consequently, no provision has been recognised for the above mentioned amounts.

	Note	2025 (Rupees in thousand)	2024
19.2 Commitments in respect of:			
(i) Contracts for capital expenditure		12,186,667	3,653,373
(ii) Contracts for other than capital expenditure		10,655,085	1,392,490
(iii) The amount of future payments under ijarah rentals and short term / low value leases:			
– Not later than one year		1,938,938	1,765,529
– Later than one year but not later than five years		1,961,627	1,723,047
		3,900,565	3,488,576
(iv) Bank guarantees issued		9,767,055	9,702,175
20 Property, plant and equipment			
Operating fixed assets	20.1	58,439,578	87,780,937
Capital work in progress	20.2	7,495,770	8,421,550
		65,935,348	96,202,487

20.1 Operating fixed assets

2025

Note	Cost			Accumulated depreciation			Book value		Depreciation rate
	December 31, 2024	Transfer of operations	December 31, 2025	December 31, 2024	Charge/(deletions/impairment)	Transfer of operations	December 31, 2025	December 31, 2025	
	(Rupees in thousand)								
									%
Freehold land	6,899,532	327,922	7,227,454	–	–	–	–	7,227,454	–
Building on freehold land	6,416,819	575,233	6,300,366	2,378,537	244,973	(69,022)	2,554,488	3,745,878	4
Building on leasehold land	30,445	–	30,445	20,297	3,044	–	23,341	7,104	10
Plant and machinery	108,449,653	1,733,433	85,423,744	38,571,818	7,837,718	(3,491,448)	42,918,088	42,505,656	6
Aircraft	1,567,285	–	1,567,285	522,428	78,365	–	600,793	966,492	10
Catalysts	4,526,281	–	4,000,837	2,938,504	304,208	(222,179)	3,020,533	980,304	10 – 33.33
Furniture and fixtures	302,061	20,294	184,088	125,557	11,230	(23,594)	111,022	73,066	10
Office equipment	215,783	11,580	120,042	76,754	8,561	(21,809)	63,506	56,536	10
Electrical installations and appliances	3,232,874	175,272	2,188,064	1,430,209	128,025	(235,860)	1,320,099	867,965	10
Computers	1,330,436	252,090	1,362,712	785,761	181,781	(68,276)	856,749	505,963	25
Vehicles	1,897,750	333,540	2,008,616	858,972	294,153	(37,104)	1,049,454	959,162	20
Right of use assets – land and building	972,199	–	972,199	351,344	76,857	–	428,201	543,998	10 – 15.38
	135,841,118	3,429,364	111,385,852	48,060,181	9,168,915	(4,169,292)	52,946,274	58,439,578	
		(178,764)			(113,530)				

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Note	Cost				Accumulated depreciation			Book value		Depreciation rate
		December 31, 2023	Additions/ (deletions/ impairment)	Transfer of operations	December 31, 2024	December 31, 2023	Charge/ (deletions/ impairment)	Transfer of operations	December 31, 2024	December 31, 2024	
											%
			(Rupees in thousand)								
Freehold land		7,219,437	844,095	(1,164,000)	6,899,532	-	-	-	-	6,899,532	-
Building on freehold land		7,041,955	74,926	(700,062)	6,416,819	2,328,019	269,675	(219,157)	2,378,537	4,038,282	4
Building on leasehold land		30,445	-	-	30,445	17,252	3,045	-	20,297	10,148	10
Plant and machinery	20.1.1	120,580,604	1,959,310	(13,065,792)	108,449,653	32,538,200	9,484,333	(3,367,287)	38,571,818	69,877,835	6
			(1,024,469)				(83,428)				
Aircraft		1,567,285	-	-	1,567,285	444,064	78,364	-	522,428	1,044,857	10
Catalysts		3,778,883	1,106,885	(314,963)	4,526,281	3,106,975	188,180	(312,127)	2,938,504	1,587,777	10 - 33.33
			(44,524)				(44,524)				
Furniture and fixtures		263,042	42,267	(3,247)	302,061	105,432	22,940	(2815)	125,557	176,504	10
			(1)				-				
Office equipment		170,834	62,218	(17,269)	215,783	77,706	16,317	(17,269)	76,754	139,029	10
Electrical installations and appliances		2,516,566	770,833	(54,409)	3,232,874	1,217,346	223,139	(10,254)	1,430,209	1,802,665	10
			(116)				(22)				
Computers		989,091	502,459	(136,062)	1,330,436	671,888	210,069	(73,113)	785,761	544,675	25
			(25,052)				(23,083)				
Vehicles		1,426,997	568,594	(86,570)	1,897,750	620,091	257,842	(13,380)	868,972	1,038,778	20
			(11,271)				(5,581)				
Right of use assets – land and building		455,792	516,407	-	972,199	270,926	80,418	-	351,344	620,855	10 - 15.38
		146,040,931	6,447,994	(15,542,374)	135,841,118	41,397,899	10,834,322	(4,015,402)	48,060,181	87,780,937	
			(1,105,433)				(156,638)				

20.1.1 During 2024, the Company had reassessed recoverable amount of its idle utility plant and recognised an impairment charge of Rs 941.04 million as disclosed in note 38 to the financial statements.

20.1.2 Particulars of land in the name of the Company are as follows:

Descriptions	Location	Land Area		
			2025	2024
			(Rupees in thousand)	
Free hold Land	Sadiqabad, District Rahim Yar Khan	8,902 kanals		
Free hold Land	Jahangirabad, District Multan	3,169 kanals		
Free hold Land	Dherki, District Ghotki, Sindh	340 kanals		
	Note			
20.2 Capital work in progress				
Civil works		491,401		1,066,816
Plant and machinery	20.3	3,316,106		2,712,067
Capital stores		4,222,510		4,951,352
		8,030,017		8,730,235
Less: Provision for slow moving capital stores		534,247		308,685
		7,495,770		8,421,550
20.2.1 Movement of capital work in progress				
Opening balance		8,730,235		5,666,503
Additions during the year		2,867,119		3,485,284
		11,597,354		9,151,787
Less: Capitalization during the year		1,899,297		177,758
Transfer as a result of transfer of operations		1,668,040		243,794
		8,030,017		8,730,235
Less: Provision for slow moving capital stores	20.2.2	534,247		308,685
		7,495,770		8,421,550
20.2.2 Movement of provision for slow moving capital stores				
Opening balance		308,685		284,245
Charge for the year		310,600		52,427
Transfer as a result of transfer of operations		(85,038)		(27,987)
		534,247		308,685

20.3 This includes Rs 2,645.32 million (2024: Rs 1,070.55 million) being the Company's share in joint operation relating to Gas Pressure Enhancement Facility (PEF), as disclosed in note 50 to the financial statements.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	2025	2024
	(Rupees in thousand)	
20.4 The depreciation charge for the year has been allocated as follows:		
Cost of sales	8,612,536	10,330,110
Administrative expenses	530,427	483,373
Distribution cost	25,952	20,839
	9,168,915	10,834,322

20.5 Disposal of property, plant and equipment

	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Relationship	Mode of disposal
	(Rupees in thousand)						
Items having net book value above Rs 5,000,000							
Vehicle – Toyota Land Cruiser	81,409	23,066	58,343	62,000	3,657	None	Negotiation
Vehicle–Range Rover	40,451	34,383	6,068	10,000	3,932	None	Negotiation
Items having net book value below Rs 5,000,000	56,904	56,081	823	18,354	17,531		Company policy
2025	178,764	113,530	65,234	90,354	25,120		
2024	80,964	73,210	7,754	50,671	42,917		

21 Intangible assets

	2025								
	Cost			Accumulated amortization / impairment			Book value		
	December 31, 2024	Additions / (deletion)	December 31, 2025	December 31, 2024	Amortization / (deletion)	Impairment	December 31, 2025	December 31, 2025	Amortization rate
(Rupees in thousand)									%
Bubber Sher brand	5,900,000	–	5,900,000	5,900,000	–	–	5,900,000	–	–
Computer software	465,270	151,473	616,743	346,139	76,178	–	422,317	194,426	25
Mining rights	145,642	–	–	69,660	21,575	–	–	–	10 – 33
		(145,642)			(91,235)	–	–	–	
	6,510,912	151,473	6,516,743	6,315,799	97,753	–	6,322,317	194,426	
		(145,642)			(91,235)				

2024

	Cost			Accumulated amortization / impairment			Book value		Amortization rate
	December 31, 2023	Additions	December 31, 2024	December 31, 2023	Amortization	Impairment	December 31, 2024	December 31, 2024	
(Rupees in thousand)									%
Bubber Sher brand	5,900,000	–	5,900,000	4,130,000	–	1,770,000	5,900,000	–	–
Computer software	423,833	41,437	465,270	291,083	55,056	–	346,139	119,131	25
Mining rights	145,642	–	145,642	40,396	29,264	–	69,660	75,982	10 – 33
	6,469,475	41,437	6,510,912	4,461,479	84,320	1,770,000	6,315,799	195,113	

21.1 Disposal of intangible

During the year, mining rights were transferred to Grand Exploration & Mining Company (Private) Limited, a related party, at net book value.

21.2 The amortization / impairment charge for the year has been allocated to administrative / other operating expenses.

22 Investment property

2025

Note	Cost			Accumulated depreciation			Book value		Depreciation rate
	December 31, 2024	Additions	December 31, 2025	December 31, 2024	Charge for the year	December 31, 2025	December 31, 2025		
(Rupees in thousand)									%
Freehold land	145,563	–	145,563	–	–	–	145,563	–	
Building	22,650	–	22,650	4,606	906	5,512	17,138	4	
	168,213	–	168,213	4,606	906	5,512	162,701		

2024

	Cost			Accumulated depreciation			Book value		Depreciation rate
	December 31, 2023	Additions	December 31, 2024	December 31, 2023	Charge for the year	December 31, 2024	December 31, 2024		
(Rupees in thousand)									%
Freehold land	145,563	–	145,563	–	–	–	145,563	–	
Building	22,650	–	22,650	3,700	906	4,606	18,044	4	
	168,213	–	168,213	3,700	906	4,606	163,607		

22.1 Freehold land consists of 8,127.78 Kanals situated in District Dera Ismail Khan, Khybar Pakhtunkhwa. The land is in possession and control of the Company and currently it is in the name of the three Directors of the Company, Mr. Fawad Ahmed Mukhtar, Mr. Fazal Ahmed Sheikh and Mr. Faisal Ahmed Mukhtar, which will be transferred in the name of the Company in due course of time.

22.2 Latest valuation of investment property was carried by an independent professional valuator on December 24, 2022. The fair value of these investment properties is determined to be Rs 394.13 million.

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	Note	2025 (Rupees in thousand)	2024
23 Long term investments			
In associates – equity method			
Fatima Agri Sales & Services (Private) Limited (FASS)	23.3	34,648	32,220
Multan Real Estate Company (Private) Limited (MREC)	23.4	94,933	92,868
Fatima Electric Company Limited (FECL)	23.5	–	–
Buraq Bank Pakistan Limited (Formerly KT Bank Limited) (BBPL)	23.6	25	25
Singfert PTE. Limited	23.7	–	–
National Resources (Private) Limited (NRL)	23.8	739,793	607,337
Globacore Minerals Limited (GML)	23.9	37,057	–
		906,456	732,450
In wholly owned subsidiary companies – at cost			
Fatima Cement Limited	23.10	1,400,030	1,400,030
Fatimafert Limited (FFT)	23.11	7,195,099	7,195,099
Pan–Africa Fertilizers Limited	23.12	–	–
Fatima Packaging Limited	23.13	685,279	685,279
Pakarab Fertilizers Limited (PFL)	23.14	15,735,773	1,000
Fatima Petroleum Company Limited (FPCL)	23.15	125,020	–
Fatima Capital Limited	23.16	13,383,653	–
		38,524,854	9,281,408
Debt instrument - Fair value through profit or loss (FVTPL)			
Silk Islamic Development REIT (SIDR)	23.17	704,400	859,200
Pakistan Corporate CBD REIT	23.18	2,703,994	–
Emerald Bay Islamic Developmental REIT	23.19	4,920,757	468,500
		8,329,151	1,327,700
Equity instrument - Fair value through profit or loss (FVTPL)			
Sapphire Bay Islamic Development REIT	23.20	672,329	472,659
Debt instrument - Amortised cost			
Agritech Preference Shares Class-A	23.21	90,957	–
Bank Al-Habib Limited - Term Finance Certificate	23.22	750,000	750,000
Government of Pakistan Ijarah Sukuk	31.4	–	38,606,576
		840,957	39,356,576
		49,273,747	51,170,793

23.1 Movement in investment in associates

	2025				Closing
	Opening	Purchased during the year	Share of profit / (loss)	Share of other comprehensive income	
	(Rupees in thousand)				
Fatima Agri Sales & Services (Private) Limited	32,220	–	2,428	–	34,648
Multan Real Estate Company (Private) Limited	92,868	–	2,065	–	94,933
Fatima Electric Company Limited	–	–	–	–	–
Buraq Bank Pakistan Limited (Formerly KT Bank Limited)	25	–	–	–	25
Singfert PTE. Limited	–	–	–	–	–
National Resources (Private) Limited	607,337	258,333	(125,877)	–	739,793
Globacore Minerals Limited (GML)	–	86,380	(49,323)	–	37,057
	732,450	344,713	(170,707)	–	906,456

	2024				Closing
	Opening	Purchased during the year	Share of profit / (loss)	Share of other comprehensive income	
	(Rupees in thousand)				
Fatima Agri Sales & Services (Private) Limited	28,661	–	3,559	–	32,220
Multan Real Estate Company (Private) Limited	89,114	–	3,754	–	92,868
Fatima Electric Company Limited	–	–	–	–	–
Buraq Bank Pakistan Limited (Formerly KT Bank Limited)	25	–	–	–	25
Singfert PTE. Limited	–	–	–	–	–
National Resources (Private) Limited	–	702,193	(94,856)	–	607,337
	117,800	702,193	(87,543)	–	732,450

23.2 Summarized statement of financial position

	2025				
	Fatima Agri Sales & Services (Pvt) Limited	Multan Real Estate Company (Pvt) Limited	Buraq Bank Pakistan Limited	National Resources (Pvt) Limited	Globacore Minerals Limited (GML)
	(Rupees in thousand)				
Current assets	80,530	118,365	65,968	1,039,175	66,683
Non current assets	–	217,479	10,142	1,648,190	2,806,500
Total assets	80,530	335,844	76,110	2,687,365	2,873,183
Current liabilities	9,234	1,318	237,236	988	161
Non current liabilities	–	–	–	268,386	–
Total liabilities	9,234	1,318	237,236	269,374	161
Net assets	71,296	334,526	(161,126)	2,417,991	2,873,022

Notes to and Forming Part of the Financial Statements

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	2024				
	Fatima Agri Sales & Services (Pvt) Limited	Multan Real Estate Company (Pvt) Limited	Buraq Bank Pakistan Limited	National Resources (Pvt) Limited	Globacore Minerals Limited (GML)
	(Rupees in thousand)				
Current assets	75,724	113,501	1,860	357,673	–
Non current assets	–	217,479	1,773	278,362	–
Total assets	75,724	330,980	3,633	636,035	–
Current liabilities	8,801	3,733	29,122	97,383	–
Non current liabilities	–	–	–	70,606	–
Total liabilities	8,801	3,733	29,122	167,989	–
Net assets	66,923	327,247	(25,489)	468,046	–

23.3 This represents investment in 196,000 (2024: 196,000) fully paid ordinary shares of Rs 10 each of Fatima Agri Sales & Services (Private) Limited (FASS). The investment represents 49% (2024: 49%) of the total issued, subscribed and paid up share capital of FASS.

The principal activity of FASS is to carry on business as a sellers, marketers, importers, exporters, wholesalers, retailers and dealers in all types of agri inputs including fertilizers, micronutrients, pesticides and insecticides, seeds, vaterinity and live stock feeds and feeds supplements, fish feeds and its supplements. The registered office of FASS is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

23.4 This represents investment in 858,056 (2024: 858,056) fully paid ordinary shares of Rs 100 each of Multan Real Estate Company (Private) Limited (MREC). The investment represents 28.37% (2024: 28.37%) of the total issued, subscribed and paid up share capital of MREC. The main business of MREC is establishing and designing housing and commercial schemes, to carry on business of civil engineers for construction of private and governmental buildings and infrastructure and provision of labour and building material. The registered office of MREC is located at 2nd floor, Trust Plaza, L.M.Q Road, Multan.

23.5 This represents investment in 14,000 fully (2024: 14,000) paid ordinary shares of Rs 10 each of Fatima Electric Company Limited (FECL). The investment represents 40% (2024: 40%) of the total issued, subscribed and paid up share capital of FECL.

The main business of FECL is transmission, manufacture, supply, generation and distribution of electricity and all forms of energy and power. The registered office of FECL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

23.6 This represents investment in 2,500 (2024: 2,500) fully paid ordinary shares of Rs 10 each of Buraq Bank Pakistan Limited (formerly KT Bank Limited) (BBPL). The investment represents 25% (2024: 25%) of the total issued, subscribed and paid up share capital of BBPL.

The main business of BBPL is of banking as a digital bank and undertake financial transactions. The registered office of BBPL is located at Smart Tower, C-10/2, Off Shahrah-e-Faisal, Lines Area, Sector 8/A, Opposite Finance & Trade Centre Building, Karachi, Pakistan.

23.7 This represents investment in 1 (2024: 1) fully paid ordinary share of SGD 1 each of Singfert PTE. Limited (Singfert), a company formed and registered in the Republic of Singapore. The investment represents 25% (2024: 25%) of the total issued, subscribed and paid up share capital of Singfert.

Singfert is a Special Purpose Vehicle (SPV) which will be used to route equity investment in Midwest Fertilizer Company (MFC), USA. MFC is setting up a nitrogen fertilizer project in the State of Indiana, USA.

23.8 This represents investment in 105,666,666 fully paid ordinary shares (2024: 79,833,833) of National Resources (Private) Limited (NRL). During the year, 25,833,300 shares were additionally acquired as rights, amounting to Rs 258 million. The investment represents 33% of the total issued, subscribed, and paid-up share capital of NRL. Subsequent to the year end, 333,333,340 shares were additionally acquired as rights by the Company.

The principal activity of NRL is to carry on business of exploring, operating and working on mines, quarries and other related activities in the province of Balochistan. The registered office of NRL is located at Flay No. 1, Plot No. 34-C, Yousaf Homes, Essa Khan Road, Quetta, Pakistan.

23.9 This represents investment in 8,638,000 (2024: nil) fully paid ordinary shares of Rs 10 each of Globacore Minerals Limited (GML). The investment represents 32% (2024: nil) of the total issued, subscribed and paid up share capital of GML.

The principal line of business of GML shall be to explore for, acquire, develop, process, and operate mines and quarries and to extract ores, minerals, and natural resources. The address of the registered office of GML is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt, Pakistan.

23.10 This represents investment in 140,003,000 (2024: 140,003,000) fully paid ordinary shares of Rs 10 each of Fatima Cement Limited (FCL), a wholly owned subsidiary company.

The principal activity of FCL is manufacturing, producing, buying, selling, importing and exporting cement. The registered office of FCL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Lahore, Pakistan.

23.11 This represents investment of Rs 7,195.10 million (2024: Rs 7,195.10 million) in Fatimafert Limited (FFT), a wholly owned subsidiary company.

The principal line of business of FFT is to carry on business of manufacture, produce, treat, refine, reduce and process all kinds of artificial manures and fertilizers, chemicals and minerals and any products and by-products which may be prepared therefrom. The registered office of the FFT is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

23.12 This represents incorporation of a wholly owned subsidiary company in Kenya. The principal business of this company is trade marketing services including but not limited to manufacturing and / or sales / provision of fertilizer products or alike or any other business. The registered address of this company is located at Westlands District, Nairobi, Kenya.

23.13 This represents investment in 16,863,277 (2024: 16,863,277) fully paid ordinary shares of Rs 10 each of Fatima Packaging Limited (FPL), a wholly owned subsidiary company.

The principal line of business of FPL is manufacturing and sale of polypropylene sacks, polypropylene cloth, liners and cement bags. The registered office of the FPL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Lahore, Pakistan while its manufacturing facility is located at Mukhtargarh - Sadiqabad.

23.14 This represents investment of Rs 15,735.77 million (2024: Rs 1.0 million) in PFL, a wholly owned subsidiary company, as a result of transfer of operations related to the Multan plant as explained in note 1.2.

The principal activity is to carry on the business of manufacturing, producing, buying, selling, importing and exporting all kinds of chemicals and fertilizers, and by-products which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom, and any substances obtained by mixing any of the foregoing with other substances; and to preserve, pack and transport the said products, and to acquire, own, use and dispose of plant, machinery, equipment, materials, properties, agencies and warehouses required for the business. The registered office of PFL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

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- 23.15** This represents investment of 12,502,000 (2024: nil) fully paid ordinary shares of Rs 10 each of Fatima Petroleum Company Limited (FPCL), as approved by the Board of Directors of the Company in their meeting held on July 10, 2025.

The principal activity of the FPCL shall be to carry on the business of discovering, exploring, extracting, drilling, pumping, drawing, treating, purifying, blending, marketing, distributing, supplying and transporting of oil, gas, petroleum and other related products and for that purpose to setup, install, erect, establish, run, operate and maintain plant, machinery, apparatus and equipments and other facilities to construct, drill, explore, dig and pump wells for extraction of petroleum, gas and other related products and to do all such acts, deeds or things as would be required for effective fulfillment of the said objective. The registered office of the FPCL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

- 23.16** This represents investment of Rs 13,383.65 million (2024: nil) in Fatima Capital Limited, a wholly owned subsidiary company, as a result of transfer of assets and liabilities as explained in note 1.3.

The principal line of business of the Company is to buy, sell, hold or otherwise acquire or invest the capital of the Company in securities listed on the Pakistan Stock Exchange Limited and to undertake all such lawful activities as are incidental or conducive to the attainment of the foregoing objects, provided that the Company shall not engage in any activity requiring a license or registration under applicable law, without obtaining such license or registration. The registered office of the Fatima Capital Limited is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

- 23.17** This represents 60,000,000 (2024: 60,000,000) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme which constitutes 20% (2024: 20%) of the total 300 million units issued (the Investment). This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited.

The Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from the Investment, discounted using a risk adjusted discount rate which is taken at 17.92%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 10 years from the date of statement of financial position. Further, discounting due to lack of marketability factor is taken at 25% on the present value of all future proceeds. Further, the Company has estimated a fair value of Rs 704.40 million (2024: Rs 859.20 million) of its investment in the REIT and therefore recorded a loss of Rs 154.80 million during the year as disclosed in note 38 to the financial statements.

The Company being strategic investor of the REIT has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.

- 23.18** This represents 270,399,441 (2024: nil) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme with an expected life of 7 years which constitutes 33% (2024: nil) of the total 830 million units issued (the Investment). This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited.

The purpose of the trust shall be to develop the REIT Project and to sell its end product to the customers. The Scheme has acquired two immovable properties from the Lahore Central Business District Development Authority against the agreed consideration payable as per the payment plan. As at the reporting date, the face value of the units is equal to market value of the units.

The Company being strategic investor of the REIT has 33% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.

23.19 This represents 492,075,700 (2024: 46,850,000) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme with an expected life of 10 years which constitutes 27.82% (2024: 27.82%) of the total 1,769 million units issued. The Real Estate situated in the vicinity of Ravi River Urban Development Project.

The purpose of the trust shall be to develop the REIT Project and to sell its end product to the customers. The registered office of the REIT is located at 121 The Forum, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan.

23.20 This represents 67,232,870 (2024: 47,265,876) units of Rs 10 each held in a privately placed closed - end shariah compliant developmental (PPP) REIT Scheme with perpetual life which constitutes 6.25% (2024: 6.22%) of the total 1,075 million units issued. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited, a related party and has entered into a Public Private Partnership Agreement with Ravi Urban Development Authority for development, marketing and sale of Phase 1 Zone 3 Sapphire Bay at Ravi City (measuring 2,000 acres of land). As at the reporting date, the face value of the units is equal to market value of the units.

23.21 These are cumulative, redeemable Class A preference shares issued on December 31, 2013, carrying a floating cumulative dividend at 1Y KIBOR minus 1% for the first seven years (subject to a floor of 9%) and KIBOR plus 4% from the eighth year onward (subject to a floor of 12%), payable only out of distributable profits with unpaid dividends carried forward; the shares rank ahead of ordinary shares for dividend payments, carry limited voting rights exercisable only on specified reserved matters, and are redeemable at the issuer's option, subject to statutory requirements, at a price equal to the issue price plus any accumulated unpaid dividends. The dividends have been initially recognised at their present value and subsequently measured using the effective interest rate method as per IFRS 9. The effective interest rate charged during the period was 12.16%.

23.22 These term finance certificates (TFCs) are classified as a financial asset measured at amortized cost in accordance with IFRS 9 - Financial Instruments. The TFCs carry a profit rate of 6MK + 1.65%. Effective rate of profit during the year was 12.83% to 15.89% (2024: 15.89% to 23.67%).

	Note	2025 (Rupees in thousand)	2024
24 Long term loans to related parties			
Fatima Packaging Limited	24.1	300,000	300,000
Silk Islamic Development REIT	24.2	280,000	180,000
		580,000	480,000
Less: Current portion		(75,000)	—
		505,000	480,000

24.1 This represents loan of Rs 300 million as per agreement dated September 05, 2024 in favour of Fatima Packaging Limited, a wholly owned subsidiary company. As per the terms of the agreement, the loan is repayable in 5 years including one year grace period. Interest is to be settled semi annually. The loan carries markup rate at 6 months KIBOR plus 0.75% per annum. Effective rate of profit during the year was 11.80% to 18.66% (2024: 18.66%).

24.2 This represents shariah compliant Musharaka finance facility being extended to Silk Islamic Development REIT (SIDR), a related party. This loan carries a fixed return of KIBOR + 200 basis points per annum which is accrued and recognised over time using the effective interest rate. Upon the expiration of the Musharaka tenor, the Company has the option to convert the outstanding Musharaka investment into units of the SIDR. Effective rate of profit during the year was 13.04% to 19.10% (2024: 17.20 to 23.63%). The maximum amount of loan outstanding during the year was Rs 280 million.

Notes to and Forming Part of the Financial Statements

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	Note	2025 (Rupees in thousand)	2024
25 Long term advances and deposits			
Advance against investments in REITs	25.1	5,043,832	5,571,551
Capital advances:			
- Freehold land		1,792,953	192,665
- Plant and machinery		1,586,050	1,001,900
		3,379,003	1,194,565
Other advances and deposits	25.2 & 25.3	3,140,120	719,366
		11,562,955	7,485,482

25.1 This includes advances amounting to Rs 1,815.08 million (2024: Rs 3,895.55 million) paid for investments in shariah compliant development REIT schemes which are managed by Arif Habib Dolmen REIT Management Company Limited (RMC), a related party.

25.2 This includes advances to related parties, comprising Rs 2.00 million (2024: nil) to FPCL, Rs 898.08 million (2024: nil) to GML, Rs 333.33 million (2024: nil) to NRL, and Rs 595.22 million (2024: Rs 200.00 million) to BBPL, as share deposit money.

25.3 This also includes Rs 666.67 million, the Company's proportionate contribution as a member of consortium, towards earnest money submitted to the Privatisation Commission of Pakistan in connection with the bidding process for the privatisation of Pakistan International Airlines Corporation Limited (PIACL). The consortium was declared the highest bidder on December 23, 2025 and a letter of acceptance was received subsequent to the period end. The earnest money is to be adjusted against the purchase consideration upon completion of the due process of shares issuance.

Further, subsequent to the year end, the consortium signed the Share Purchase Agreement with the Government of Pakistan on January 29, 2026, committing to acquire 75% of PIACL's share capital for a total consideration of Rs 135,000 million and announced its intention to exercise the option to acquire the remaining 25% of the share capital for an additional consideration of Rs 45,000 million at the premium of 12% per annum.

	Note	2025 (Rupees in thousand)	2024
26 Stores and spares			
Stores		832,379	918,615
Spares		7,539,981	12,468,849
Catalyst and chemicals		3,277,152	4,772,104
		11,649,512	18,159,568
Less: Provision for slow moving stores and spares	26.1	2,572,128	3,100,960
		9,077,384	15,058,608
26.1 Movement of provision for slow moving stores and spares			
Opening balance		3,100,960	2,865,771
Charge for the year		678,863	455,845
Transfer as a result of transfer of operations		(1,207,695)	(220,656)
		2,572,128	3,100,960

	Note	2025 (Rupees in thousand)	2024
27 Stock in trade			
Raw materials {including in transit Rs 7,425.79 million (2024: Rs 12,363.64 million)}		12,694,376	19,641,266
Packing materials		106,612	180,965
		12,800,988	19,822,231
Mid products			
Ammonia		65,565	146,437
Nitric acid		38,405	33,257
Others		5,093	5,438
		109,063	185,132
Finished goods			
Own manufactured			
Urea		4,904,701	4,043,351
Nitrophos		15,285,860	18,763,565
CAN		70,671	7,851,808
Others		2,415	2,415
		20,263,647	30,661,139
Purchased for resale		2,258,665	2,501,006
		35,432,363	53,169,508
28 Trade debts			
Secured against bank guarantees		31,229,020	17,306,305
Unsecured – considered good		314,000	263,416
		31,543,020	17,569,721
29 Short term loans to related parties			
Reliance Commodities (Pvt) Limited	29.1	1,194,595	248,031
Fatimafert Limited	29.2	–	3,229,508
Pakarab Fertilizers Limited	29.3	16,222,971	–
		17,417,566	3,477,539

29.1 This represents loan given to an associated company Reliance Commodities (Private) Limited (RCL), against an approved limit of Rs 5,000 million. The loan is repayable within 30 business days notice of demand. The markup rate on the said loan is 6 months KIBOR plus 1.25% per annum. Effective rate of markup charged during the year ranged from 11.91% to 15.37% (2024: 15.37% to 23.25%). The loan is fully secured against a ranking charge over the present and future current assets of RCL. The maximum amount of loan outstanding during the year was Rs 1,194.60 million.

29.2 This represents loan given to Fatimafert Limited, a wholly owned subsidiary, against an approved limit of Rs 15,000 million. The loan is repayable within 30 business days notice of demand. The markup rate on the said loan is 6 months KIBOR plus 1.25% per annum. Effective rate of markup charged during the period ranged from 12.35% to 13.36%. The maximum amount of loan outstanding during the year was Rs 10,569.15 million.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

29.3 This balance was created post court order dated November 11, 2025 sanctioning the Scheme of Compromises, Arrangements and Reconstruction to carveout the net assets related to Multan plant of the Company to PFL to fulfill working capital requirements of PFL. The loan is repayable within 30 business days notice of demand. The markup rate on the said loan is 6 months KIBOR plus 1.25% per annum. Effective rate of markup charged during the period is 12.43%. The maximum amount outstanding during the year was Rs 29,393.22 million.

	Note	2025 (Rupees in thousand)	2024
30 Advances, deposits, prepayments and other receivables			
Advances - considered good			
- to employees		69,782	43,104
- to suppliers	30.1	2,723,567	2,793,390
		2,793,349	2,836,494
Margin deposits held by banks		1,122,457	1,977,749
Prepayments		906,703	176,485
Receivable from Government of Pakistan (GoP)			
- Sales tax		9,093,476	11,941,141
- Federal excise duty		692,871	-
- Subsidy receivable		1,630,501	1,884,585
- Loss allowance on subsidy receivable	30.2	(1,630,501)	(1,884,585)
		9,786,347	11,941,141
Markup receivable		535,357	681,260
Current portion of long term loans to related parties	24	75,000	-
Others	30.3	982,964	871,677
		16,202,177	18,484,806

30.1 This includes balance of Rs 3.95 million (2024: Rs 2.85 million) to Fatima Agri Sales & Services (Private) Limited, a related party, in the nature of normal course of business. The maximum amount outstanding during the year was Rs 3.95 million.

30.2 This represents loss allowance on subsidy receivable from GoP in accordance with requirement of IFRS 9. However, management is confident of recovering the full amount from GoP.

30.3 This includes a balance receivable of Rs 140.92 million (2024: Rs 183.49 million) from OSOL (Private) Limited, a related party, in the nature of normal course of business.

	Note	2025 (Rupees in thousand)	2024
31 Short term investments			
At fair value through profit or loss (FVTPL)			
Equity investments	1.3	-	11,872,674
Mutual fund	31.1	30,115,922	18,411,706
At amortised cost			
Term Finance Certificates	31.2	41,468	-
Term deposit receipts	31.3	1,105,333	2,150
Ijarah Sukuks	31.4	36,840,020	-
		68,102,743	30,286,530

- 31.1** These consist of mutual funds measured at FVTPL. The fair value of the fund is determined based on the publicly available net asset value (NAV) quotes published by the Mutual Funds Association of Pakistan (MUFAP) as at the reporting date.
- 31.2** These Term Finance Certificates (TFCs) have been issued by Agritech Limited. The certificates carry a zero-coupon rate and are redeemable at the face value of Rs 46.51 million upon maturity date of December 31, 2026. The TFCs have been initially recognised at their present value and subsequently measured using the effective interest rate method. The effective interest rate charged during the period was 12.16%.
- 31.3** The term deposit receipts carry markup ranging from 8.0% to 9.93% (2024: 12.3% to 17.50%) per annum.
- 31.4** This represent investment in Government of Pakistan Ijarah Sukuk, which is classified as a financial asset measured at amortized cost in accordance with IFRS 9 – Financial Instruments. The Sukuk carries a variable rental rate that is subject to biannual adjustments based on market conditions. The range of rate during the year was 10.64% to 11.64% (2024: 19.69%). The Sukuk was issued by the Government on January 05, 2023 and has a maturity date of January 05, 2026.

	Note	2025 (Rupees in thousand)	2024
32 Cash and bank balances			
Cash in hand		5,751	7,804
At banks			
- saving accounts	32.1	2,221,465	5,345,201
- current accounts		450,457	3,734,659
		2,677,673	9,087,664

- 32.1** The balances in saving accounts carry markup ranging from 2.54% to 11.50% (2024: 6.07% to 20.75%) per annum.

	Note	2025 (Rupees in thousand)	2024
33 Sales			
Revenue from contracts with customers			
Local sales	33.1	170,057,696	238,419,908
Export sales - Certified Emission Reductions		–	2,225
		170,057,696	238,422,133
33.1 Local sales			
Own manufactured		175,277,925	238,917,597
Mid products		3,086,903	2,591,536
Purchased for resale		7,923,556	14,612,004
		186,288,384	256,121,137
Less: Sales tax		867,317	963,151
Federal excise duty		8,339,500	11,681,875
Discounts		7,023,871	5,056,203
		170,057,696	238,419,908

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
34 Cost of sales			
Raw material consumed		44,930,444	93,199,267
Packing material consumed		2,439,481	4,550,020
Salaries, wages and other benefits	34.1	8,105,694	11,471,858
Fuel and power		6,497,945	14,716,015
Chemicals and catalyst consumed		1,665,150	4,389,732
Stores and spares consumed		3,414,479	5,076,138
Depreciation	20.4	8,612,536	10,330,110
Technical assistance		251,354	562,847
Repair and maintenance		2,888,203	10,511,474
Insurance		918,619	1,856,431
Travelling and conveyance		240,005	361,805
Rent, rates and taxes	34.2	742,302	765,625
Vehicle running and maintenance		274,067	347,553
Others		168,775	267,857
Subsidy on RLNG released by GoP to SNGPL	34.3	–	(8,456,399)
Manufacturing cost		81,149,054	149,950,333
Opening stock of mid products		185,132	389,887
Transfer as a result of transfer of operations		(89,470)	(223,301)
Closing stock of mid products		(109,063)	(185,132)
Cost of goods manufactured		81,135,653	149,931,787
Opening stock of finished goods		30,661,139	15,733,886
Closing stock of finished goods		(20,263,647)	(30,661,139)
Cost of sales - own manufactured		91,533,145	135,004,534
Cost of sales - purchased for resale		7,169,592	15,914,781
		98,702,737	150,919,315

34.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 417.15 million (2024: Rs 579.25 million).

34.2 This includes rental paid for short term leases aggregating to Rs 9.77 million (2024: Rs 24.22 million) and ijarah lease rentals aggregating to Rs 288.31 million (2024: Rs 462.13 million).

34.3 This represents subsidy related to prior year, released by Government of Pakistan (GoP) to SNGPL, as the difference between full RLNG price billed to the Company (Sheikhupura plant) by SNGPL and the gas price capped by GoP for fertilizer plants operating on RLNG.

	Note	2025 (Rupees in thousand)	2024
35 Distribution cost			
Salaries, wages and other benefits	35.1	1,946,408	2,254,155
Rent, rates and taxes	35.2	1,155,557	917,641
Advertisement and sales promotion		954,737	1,235,468
Transportation and freight		6,998,764	8,729,307
Technical services to farmers		87,902	110,677
Insurance		58,245	70,328
Travelling and conveyance		78,023	106,035
Others		384,149	528,834
		11,663,785	13,952,445

35.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 132.12 million (2024: Rs 119.31 million).

35.2 This includes rental paid for short term leases aggregating to Rs 989.89 million (2024: Rs 662.5 million) and ijarah lease rentals aggregating to Rs 147.05 million (2024: Rs 259.23 million).

	Note	2025 (Rupees in thousand)	2024
36 Administrative expenses			
Salaries, wages and other benefits	36.1	2,881,832	4,292,736
Travelling and conveyance		644,133	474,478
Vehicles' running and maintenance		124,125	146,814
Insurance		34,122	47,609
Communication and postage		36,480	54,527
Printing and stationery		23,892	19,806
Repair and maintenance		157,467	221,055
Rent, rates and taxes	36.2	157,102	501,658
Fees and subscription		256,023	331,275
Entertainment		97,418	102,913
Legal and professional		630,221	1,287,532
Auditors' remuneration	36.3	12,999	13,709
Utilities		43,327	55,441
Aircraft operating expenses		562,362	399,466
Depreciation on operating fixed assets	20.4	530,427	483,373
Depreciation on investment property	22	906	906
Amortization	21	97,753	84,320
Charity and donation	36.4	1,124,782	1,035,654
Others		251,912	481,861
		7,667,283	10,035,133

36.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 138.08 million (2024: Rs 154.49 million).

36.2 This includes rental paid amounting to Rs 65.06 million (2024: Rs 63.68 million) and ijarah lease rentals amounting to Rs 89.7 million (2024: Rs 166.05 million).

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for the year ended December 31, 2025

36.3 The breakup of statutory auditors' remuneration is as follows:

	Note	2025 (Rupees in thousand)	2024
Annual audit fee		6,380	5,830
Half yearly review fee		800	730
Others	36.3.1	4,690	5,902
Out of pocket expenses		1,129	1,247
		12,999	13,709

36.3.1 Others include special audits fee of Rs 3.95 million (2024: Rs 5.38 million).

36.4 Donations

	2025 (Rupees in thousand)	2024
36.4.1 The name of donee to whom donation amount exceeded 10% of total donations is as follow:		
Fatima Fertilizer Welfare Trust	170,000	154,000
Mian Mukhtar A. Sheikh Trust	596,299	488,717

36.4.2 Donations include the following in which certain directors are interested:

Name of director	Interest in donee	Name of donee	2025 (Rupees in thousand)	2024
Mr. Fawad Ahmed Mukhtar	Trustees	Mian Mukhtar	596,299	488,717
Mr. Faisal Ahmed Mukhtar		A. Sheikh Trust		
Mr. Fazal Ahmed Sheikh				
Mr. Fawad Ahmed Mukhtar	Member of the Board of Governors of National Management Foundation (NMF) the sponsoring body of LUMS.	Lahore University of Management Sciences (LUMS)	31,200	36,000

	2025 (Rupees in thousand)	2024
37 Finance cost		
Markup on:		
- long term finances	4,463,381	2,626,315
- short term finances	1,826,302	998,209
- short term loans from related parties	—	94,567
Interest on lease liabilities	75,536	34,880
Bank charges and others	1,401,292	996,138
	7,766,511	4,750,109

	Note	2025 (Rupees in thousand)	2024
38 Other operating expenses			
Workers Profit Participation Fund	13.5	2,699,771	3,261,498
Workers Welfare Fund	13.6	857,105	1,412,842
Late payment surcharge on payables		–	655,530
Impairment of brand		–	1,770,000
Unwinding of payable against subordinated redeemable preference Class A shares	9	280,467	240,887
Exchange loss – net		335,799	778,997
Loss on remeasurement of long term investment	23.17	154,800	82,200
Impairment of plant and machinery	20.1.1	–	941,041
Others		–	1,425,885
		4,327,942	10,568,880
39 Other income			
Income from financial assets			
Profit on loans to related parties		1,269,968	1,556,840
Gain on sale of investment classified as FVTPL		695,723	384,300
Gain on remeasurement of short term investments classified as FVTPL		2,138,368	5,662,311
Profit on investments and saving accounts		4,030,652	4,283,407
Dividend income		2,429,056	755,028
		10,563,767	12,641,886
Income from non financial assets			
Scrap sales		–	86,748
Gain on disposal of property, plant and equipment	20.5	25,120	42,917
Markup on credit sale of fertilizer		69,171	231,014
Others		21,767	130,688
		116,058	491,367
		10,679,825	13,133,253
40 Taxation			
Current tax			
- Current year		21,133,891	26,319,157
- Prior year		452,107	(1,019,267)
		21,585,998	25,299,890
Deferred tax		(1,615,496)	272,485
		19,970,502	25,572,375

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for the year ended December 31, 2025

	2025	2024
	(%)	
40.1 Tax charge reconciliation		
Numerical reconciliation between the average tax rate and the applicable tax rate:		
Applicable tax rate	29.00	29.00
Tax effect of:		
Income exempt from income tax or taxed at lower rate	(1.07)	(1.47)
Super tax	10.00	10.00
Prior year	1.54	0.45
Deductions disallowed	–	4.18
Others	0.12	0.07
	10.59	13.23
Average effective tax rate charged to statement of profit or loss	39.59	42.23

	2025	2024
41 Earnings per share – basic and diluted		
Profit attributable to ordinary shareholders (Rupees in thousand)	30,468,054	34,983,238
Weighted average number of shares (Number of shares)	2,100,000,000	2,100,000,000
Basic and diluted earnings per share (Rupees)	14.51	16.66

42 Transactions with related parties

The related parties comprise the associated undertakings, directors and other key management personnel of the Company. Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties have been disclosed in the relevant notes to the financial statements. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	2025	2024
	(Rupees in thousand)	
Relationship with the Company		
Subsidiary companies		
Payment against sales collection agreement	44,677,505	16,240,006
Transfer of net assets	29,108,425	7,194,899
Profit on loans to related parties	1,198,188	746,373
Miscellaneous expenses	4,839,978	789,058
Purchase of packing material	3,837,566	4,210,183
Associated companies		
Lease rental	349,140	343,068
Fee for services	1,019,596	611,538
Repayment of short term loans from related parties	–	1,626,307
Miscellaneous expenses	15,718	3,849
Profit on loans to related parties	71,780	810,468
Dividend paid	7,654,249	5,490,205
Markup expense	–	94,567

		2025 (Rupees in thousand)	2024
Directors & key management personnel	Remuneration including benefits & perquisites	801,854	842,555
	Dividend paid	4,923,737	3,497,634
Retirement benefit plans	Retirement benefit expense	687,351	853,051

42.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Name	Basis of Relationship	Aggregate % of shareholding in the Company
Fatimafert Limited	Subsidiary company	Nil
Fatima Cement Limited	Subsidiary company	Nil
Fatima Packaging Limited	Subsidiary company	Nil
Pakarab Fertilizers Limited	Subsidiary company	Nil
Fatima Capital Limited	Subsidiary company	Nil
Fatima Petroleum Company Limited	Subsidiary company	Nil
Fatima Mining Limited	Subsidiary company	Nil
Fatima Agri Sales & Services (Private) Limited	Associated company	Nil
Multan Real Estate Company (Private) Limited	Associated company	Nil
Fatima Electric Company Limited	Associated company	Nil
Buraq Bank Pakistan Limited	Associated company	Nil
Singfert PTE. Limited	Associated company	Nil
National Resources (Private) Limited	Associated company	Nil
Globacore Minerals Limited	Associated company	Nil
Air One (Private) Limited	Common directorship	Nil
Arif Habib Equity (Private) Limited	Common directorship	Nil
HerBeauty (Private) Limited	Common directorship	Nil
OSOL (Private) Limited	Common directorship	Nil
Fatima AG Solutions Limited	Common directorship	Nil
Prime Agtech Solutions (Private) Limited	Common directorship	Nil
Innogrow (Private) Limited	Common directorship	Nil
Sapphire Bay Islamic Development REIT	Common directorship	Nil
Silk Islamic Development REIT	Common directorship	Nil
Pakistan Corporate CBD REIT	Common directorship	Nil
Reliance Commodities (Private) Limited	Common directorship	0.03%
Reliance Weaving Mills Limited	Common directorship	0.13%
Fatima Holding Limited	Common directorship	0.00%
Arif Habib Limited	Common directorship	0.00%
Fazal Cloth Mills Limited	Common directorship	3.29%
Farrukh Trading Company Limited	Common directorship	8.32%
Fatima Management Company Limited	Common directorship	8.32%
Fatima Trading Company (Private) Limited	Common directorship	8.41%
Arif Habib Corporation Limited	Common directorship	15.19%

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42.2 The Company considers its Chief Executive Officer, Executive Director, and Functional Heads as its key management personnel.

	2025	2024
	Metric ton	
43 Capacity and production		
Urea		
Designed production capacity	500,000	815,150
Actual production	487,657	811,771
CAN		
Designed production capacity	420,000	870,000
Actual production	496,865	854,557
Nitrophos		
Designed production capacity	360,000	664,500
Actual production	479,610	852,490

43.1 Operations related to Multan plant have been transferred to Pakarab Fertilizers Limited with effect from Jan 01, 2025.

44 Remuneration of chief executive, directors and executives

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to full time working Directors and Executives of the Company are as follows:

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)					
Short term employee benefits						
Managerial remuneration	65,129	61,217	67,597	64,341	2,301,681	2,792,561
Housing allowance	29,308	27,547	25,509	22,695	916,573	1,003,818
Utilities allowance	–	–	–	–	203,654	275,362
Conveyance and site allowance	–	–	–	–	473,452	451,599
Leave fare assistance and bonus	33,103	31,034	34,922	32,853	2,470,635	2,482,506
Others	23,866	47,326	13,936	12,239	434,769	219,812
	151,406	167,124	141,964	132,128	6,800,764	7,225,658
Retirement benefits						
Contribution to provident fund and gratuity	–	–	–	–	168,139	206,107
Accumulating compensated absences	–	–	–	–	320	7,731
	151,406	167,124	141,964	132,128	6,969,223	7,439,496
Number of persons	1	1	2	2	525	742

44.1 Non Executive Directors were paid meeting fee aggregating to nil (2024: Rs 3.25 million).

44.2 The Company also provides the Chief Executive, Executive Director and some of the Executives with Company maintained cars.

	Note	2025 (Rupees in thousand)	2024
45 Cash generated from operations			
Profit before tax		50,438,556	60,555,613
Adjustments for:			
Depreciation on property, plant and equipment	20.4	9,168,915	10,834,322
Impairment of plant	20.1.1	–	941,041
Depreciation on investment property	22	906	906
Amortization of intangible assets	21	97,753	84,320
Impairment of brand	21	–	1,770,000
Finance cost	37	7,766,511	4,750,109
Provision for staff retirement benefits		462,797	562,393
Provision for slow moving stores and spares		989,463	508,272
Profit on loans to related parties	39	(1,269,968)	(1,556,840)
Gain on investments classified as FTVPL		(2,834,091)	(6,046,611)
Loss on remeasurement of long term investment	23.17	154,800	82,200
Loss allowance on subsidy receivable from GoP		–	627,648
Unwinding of payable against subordinated redeemable preference Class A shares	9	280,467	240,887
Unwinding of provision for GIDC	13.2	–	58,700
Dividend income	39	(2,429,056)	(755,028)
Share of loss from associates	23.1	170,707	87,543
Profit on short term investments and saving accounts	39	(4,030,652)	(4,283,407)
Late payment surcharge on payables	38	–	655,530
Gain on disposal of property, plant and equipment	20.5	(25,120)	(42,917)
		8,503,432	8,519,068
Operating cash flows before working capital changes		58,941,988	69,074,681
Effect on cash flow due to working capital changes:			
(Increase) / decrease in current assets:			
Stores and spares		(1,893,277)	(4,449,535)
Stock in trade		14,945,429	(21,020,687)
Trade debts		(13,973,299)	(8,062,796)
Loans, advances, deposits, prepayments and other receivables		2,198,446	1,220,850
Net decrease in creditors, accrued and other liabilities		8,156,840	2,419,861
		9,434,139	(29,892,307)
		68,376,127	39,182,374

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

46 Financial risk management

46.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions with foreign buyers and suppliers.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD) and Euro (EUR). Currently, the Company's foreign exchange risk exposure is restricted to bank balances, the amounts receivable / payable from / to the foreign entities. The Company's exposure to currency risk was as follows:

	2025	2024
	(In thousand)	
Cash at banks and in hand - USD	13	20
Trade and other payables - USD	(1,916)	(1,592)
Net exposure - USD	(1,903)	(1,572)
Cash at banks and in hand - EUR	–	–
Trade and other payables - EUR	(418)	(979)
Net exposure - EUR	(418)	(979)

The following significant exchange rates were applied during the year:

	2025	2024
Rupees per USD		
Average rate	281.09	280.63
Reporting date rate	280.12	278.85
Rupees per EUR		
Average rate	318.10	301.39
Reporting date rate	328.85	289.66

If the functional currency, at reporting date, had fluctuated by 5% against the USD and EUR with all other variables held constant, the impact on profit after taxation for the year would have been Rs 33.53 million (2024: Rs 36.10 million), respectively higher / lower, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is also exposed to equity price risk since there are investments in equity securities. The Company is also not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

Fair value sensitivity analysis – Investments through Profit or Loss

In case of 5% change in value as at December 31, 2025, with all other variables held constant, net profit for the year would increase / decrease by Rs 918.54 million (2024: Rs 923.67 million) as a result of gains / losses on equity securities classified as at fair value through profit or loss.

(iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has significant interest bearing assets. The Company's interest rate risk arises from long term financing. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2025	2024
	(Rupees in thousand)	
Fixed rate instruments		
Term deposit receipt	1,105,333	2,150
Term Finance Certificate	41,468	–
Floating rate instruments		
Financial assets		
Cash at bank - saving accounts	2,221,465	5,345,201
Short term loans to related parties	17,417,566	3,657,539
Long term loans to related parties	580,000	480,000
Term Finance Certificate	750,000	750,000
Government of Pakistan Ijarah Sukuk	36,840,020	38,606,576
Financial liabilities		
Long term finances - secured	40,145,510	44,152,653
Short term finances - secured	29,735,596	17,959,728

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect the statement of profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If the markup rate on net finance at reporting date, had fluctuated by 100 basis points with all other variables held constant, the impact on profit after taxation for the year would have been Rs 73.64 million (2024: Rs 80.97 million) respectively higher / lower.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from deposits with banks and loans, advances, deposits, prepayments and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	(Rupees in thousand)	
Long term advances and deposits	8,183,952	6,290,917
Long term loans to related parties	580,000	480,000
Short term loan to associated companies	17,417,566	3,657,539
Advances, deposits and other receivables	2,640,778	3,530,686
Trade debts	31,543,020	17,569,721
Short term investments	68,102,743	30,286,530
Bank balances	2,671,922	9,079,860
	131,139,981	70,895,253

The credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency	2025	2024
	Short term	Long term		(Rupees in thousand)	
Bank balances					
Al Baraka Bank (Pakistan) Limited	AA-	A1	VIS	–	17
Allied Bank Limited	AAA	A1+	PACRA	562	143,005
Askari Bank Limited	AA+	A1+	PACRA	8,578	153,106
Bank Alfalah Limited	AAA	A1+	PACRA	10,742	321,336
Bank Al Habib Limited	AAA	A1+	PACRA	1,336,637	4,026,648
BankIslami Pakistan Limited	AA-	A1	PACRA	639	15
Bank Makramah Limited			VIS	788,590	1,677,778
Citibank N.A	A+	F1	Fitch Rating	44	44
Dubai Islamic Bank Limited	AA	A1+	VIS	–	150,765
Faysal Bank Limited	AA	A1+	PACRA	77,218	554,454
Habib Bank Limited	AAA	A1+	VIS	196,161	682,371
Habib Metropolitan Bank Limited	AA+	A1+	PACRA	665	5,843
Industrial and Commercial Bank of China	A	F1+	Fitch Rating	677	677
JS Bank Limited	AA	A1+	PACRA	90	174,350
MCB Bank Limited	AAA	A1+	PACRA	47,451	36,016
MCB Islamic Bank Limited	A+	A1	PACRA	61,387	–
Meezan Bank Limited	AAA	A1+	VIS	2,511	3,169
National Bank of Pakistan	AAA	A1+	PACRA	67,264	463,700
Sindh Bank Limited	AA	A1+	VIS	–	–
Soneri Bank Limited	AA-	A1+	PACRA	549	18,131
Standard Chartered Bank (Pakistan) Limited	AAA	A1+	PACRA	910	1,348
The Bank of Punjab	AA+	A1+	PACRA	24,312	606,487
Bank of Khyber	A+	A1	PACRA	3,798	4,523
United Bank Limited	AAA	A1+	VIS	–	29,924
Term deposit receipts					
Askari Bank Limited	AA+	A1+	PACRA	5,333	2,150
Faysal Bank Limited	AA	A1+	PACRA	600,000	–
National Bank of Pakistan	AAA	A1+	PACRA	500,000	–
Term finance certificate					
Bank Al Habib Limited	–	AA+	PACRA	750,000	750,000
Agritech Limited				41,468	–

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

The Company is not exposed to credit risk on its Government of Pakistan Ijarah Sukuk and Defence saving certificates.

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The following are the carrying values of financial liabilities as at December 31, 2025:

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term finances - secured	40,145,510	37,719,173	2,237,456	188,881
Short term finances - secured	29,735,596	29,735,596	–	–
Subordinated redeemable preference Class A shares	1,994,677	–	1,994,677	–
Lease liabilities	637,744	37,802	229,589	370,353
Trade and other payables	34,759,005	34,759,005	–	–
Unclaimed dividend	90,146	90,146	–	–
Long term deposits	94,912	–	94,912	–
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901	–	–
Accrued finance cost	1,681,470	1,681,470	–	–
	111,336,961	106,221,093	4,556,634	559,234

The following are the carrying values of financial liabilities as at December 31, 2024:

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term finances - secured	44,152,653	1,861,544	42,109,447	181,662
Short term finances - secured	17,959,728	17,959,728	–	–
Subordinated redeemable preference Class A shares	1,714,210	–	1,714,210	–
Lease liabilities	666,295	30,110	267,234	368,951
Trade and other payables	36,894,752	36,894,752	–	–
Unclaimed dividend	70,583	70,583	–	–
Long term deposits	497,354	–	497,354	–
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901	–	–
Accrued finance cost	1,806,013	1,806,013	–	–
	105,959,489	60,820,631	44,588,245	550,613

46.2 Fair values of financial assets and liabilities

The carrying amounts of all financial assets and liabilities reflected in the financial statement approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value hierarchy

The Company is required to classify financial instruments using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Investments of the Company carried at fair value are categorised as follows:

	2025			
	(Rupees in thousand)			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment - FVTPL	30,115,922	–	9,001,480	39,117,402
Total financial assets at fair value	30,115,922	–	9,001,480	39,117,402
	2024			
	(Rupees in thousand)			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment - FVTPL	30,284,380	–	1,800,359	32,084,739
Total financial assets at fair value	30,284,380	–	1,800,359	32,084,739

46.3 Financial instruments by categories

	2025			2024		
	Amortized Cost	Fair value Through P & L	Fair value Through OCI	Amortized Cost	Fair value Through P & L	Fair value Through OCI
	(Rupees in thousand)					
Financial assets as per statement of financial position						
Long term investments	840,957	9,001,480	–	39,356,576	1,800,359	–
Long term advances and deposits	8,183,952	–	–	6,290,917	–	–
Long term loans to related parties	580,000	–	–	480,000	–	–
Short term loan to related parties	17,417,566	–	–	3,657,539	–	–
Advances, deposits and other receivables	2,640,778	–	–	3,530,686	–	–
Trade debts	31,543,020	–	–	17,569,721	–	–
Short term investments	37,986,821	30,115,922	–	2,150	30,284,380	–
Cash and bank balances	2,677,673	–	–	9,087,664	–	–
	101,870,767	39,117,402	–	79,975,253	32,084,739	–

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	2025	2024
	(Rupees in thousand)	
Financial liabilities as per statement of financial position - at amortised cost		
Long term finances - secured	40,145,510	44,152,653
Short term finances - secured	29,735,596	17,959,728
Unclaimed dividend	90,146	70,583
Lease liabilities	637,744	666,295
Long term deposits	94,912	497,354
Trade and other payables	34,759,005	36,894,752
Subordinated redeemable preference Class A shares	1,994,677	1,714,210
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901
Accrued finance cost	1,681,470	1,806,013
	111,336,961	105,959,489

46.4 Capital risk management

The Company's objectives when managing capital are to safeguard Company's ability to continue as a going concern in order to provide maximum return to shareholders and benefits for other stakeholders and to maintain an optimal capital structure as required by the lenders. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of debt to equity ratio.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, issue new ordinary / preference shares, or obtain / repay loans.

	2025	2024
Total debt (Rupees in thousand)	72,513,527	64,492,886
Total equity (Rupees in thousand)	155,864,597	141,732,919
Debt to equity ratio	46.52%	45.50%

	2025	2024
	(Rupees in thousand)	
47 Provident fund		
The following information is based on latest un audited financial statements of the fund:		
Size of the fund (Rupees in thousand)	3,688,095	4,178,690
Cost of investments made (Rupees in thousand)	3,309,199	3,480,281
Fair value of investments (Rupees in thousand)	3,403,380	3,597,236
Percentage of investments made	89.73%	83.29%

	2025		2024	
	(Rupees in thousand)	%age	(Rupees in thousand)	%age
47.1 The breakup of fair value of investments is as follows:				
Mutual funds	3,154,967	93%	2,299,229	64%
Scheduled banks	248,413	7%	1,298,007	36%
	3,403,380	100%	3,597,236	100%

47.2 The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

47.3 An amount of Rs 224.55 million (2024: Rs 290.66 million) has been contributed during the year to the provident fund.

	2025	2024
	(Number)	
48 Number of employees		
Average number of employees during the year	3,213	4,562
Number of employees at end of the year	3,232	4,498

	Note	2025	2024
		(Rupees in thousand)	
49 Shariah compliance disclosure			
Financing as per Islamic mode			
Long term loans	8	38,979,167	42,846,724
Short term loans	16	22,965,302	15,877,015
Accrued finance cost as per Islamic mode			
Long term loans	14	1,104,403	1,317,083
Short term loans	14	439,495	481,411
Investments as per Islamic mode			
Long term investments	23	9,001,480	40,406,935
Short term investments	31	58,415,343	4,880,480
Bank balances	32	1,072,072	712,352
Gain from shariah compliant investments			
Dividend income earned on Islamic mode of investments	39	565,386	205,734
Unrealized gain on remeasurement of investments at FVTPL	39	919,133	1,839,894
Realized gain on investments at FVTPL	39	32,864	181,038
Profit on investments and saving accounts	39	3,795,213	1,615,750
Profit on loans to related parties	39	31,786	25,985
Finance cost accrued as per Islamic mode			
Finance cost accrued	37	5,561,430	2,896,784

Notes to and Forming Part of the Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Profit earned on conventional loans			
Profit on loans to related parties	39	1,238,182	1,530,855
Profit on investments and saving accounts	39	235,439	2,667,657
Finance cost accrued on conventional loans			
Finance cost accrued	37	2,205,081	1,853,325
Revenue earned as per Islamic mode			
Revenue earned from shariah compliant business	33	170,057,696	238,422,133
Other income earned from shariah compliant business	39	104,861	376,610

Relationship with shariah compliant banks and financial institutions

Name	Relationship
Al Baraka Bank (Pakistan) Limited	Bank balance
BankIslami Pakistan Limited	Bank balance
Dubai Islamic Bank Limited	Bank balance
Faysal Bank Limited	Bank balance and long term finance
Meezan Bank Limited	Bank balance, short term and long term finance
Pak Kuwait Investment Company Limited	Long term finance

50 Interest in joint arrangements

The Company, Fauji Fertilizer Company Limited (FFC) and Engro Fertilizers Limited (EFERT) entered into a Framework Agreement (the Agreement) for Gas Pressure Enhancement Facilities (PEF) project on November 30, 2022. Under the Agreement, the Company, FFC and EFERT have decided to jointly develop and install pressure enhancement facilities at the Mari Energies Limited (MEL) delivery node to sustain the current level of pressure of gas supply from Habib Rahi Limestone (HRL) reservoir of MEL.

All decisions with respect to development and operations of PEF would be made only with unanimous consent of the Company, FFC and EFERT. Accordingly, PEF arrangement would be classified as a 'Joint Arrangement' in accordance with IFRS – 11. Further, PEF would not be established through a separate legal entity and consists of an asset i.e. PEF facility which will be jointly owned and operated by the Company, FFC and EFERT, hence, the joint arrangement for establishment and operations of PEF has been classified as a 'Joint Operations' in these financial statements. Current cost sharing percentages in PEF of the Company, FFC and EFERT are 18.4%, 47.7% and 33.9%, respectively.

The Company has recognised its share of jointly held assets of the joint operation under the appropriate heads and disclosed the same in related note to the financial statements.

51 Non adjusting events after reporting date

The Board of Directors of the Company in its meeting held on March 06, 2026 proposed a final dividend of Rs 2.50 (2024: Rs 4.25) per share for the year ended December 31, 2025, aggregating to Rs 5,250 million (2024: Rs 8,925 million) for approval of the members at the Annual General Meeting to be held on April 17, 2026.

52 Date of authorization of issue

These financial statements have been authorised for issue on March 06, 2026 by the Board of Directors of the Company.

53 General

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



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Financial Statements

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Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

Opinion

We have audited the annexed consolidated financial statements of Fatima Fertilizer Company Limited and its subsidiaries ("the Group") which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

Following are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>The Group's sales comprise of revenue from the manufacturing, production, purchase, sale, and import of fertilizers and chemicals, as disclosed in note 32 of the consolidated financial statements. Revenue from sales is recognised when the Group fulfills its performance obligations under the contract by delivering the promised goods to customers. The criteria for revenue recognition are detailed in note 4.22 of the consolidated financial statements.</p> <p>Revenue recognition has been identified as a key audit matter due to its significance as a key performance indicator for the Group and the inherent risk that revenue transactions may not be recognised based on the fulfillment of performance obligations in accordance with the contract. Additionally, there is a risk that revenue may not have been recorded in accordance with the accounting policy or within the appropriate reporting period.</p>	<p>Our audit procedures to address this Key Audit Matter included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of and assessed the design and operational effectiveness of key internal controls related to revenue recognition. • Evaluated the appropriateness of the Group's accounting policies for revenue recognition and their compliance with applicable accounting standards. • Performed sample testing of recorded sales transactions by verifying them against underlying sales invoices. • Verified that sales prices were approved by the designated personnel. • Assessed the timeliness of revenue recognition by comparing individual sales transactions before and after the year-end to supporting documentation. • Evaluated the adequacy and appropriateness of disclosures related to revenue in the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management of the Group is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal controls as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAS as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report

To the members of Fatima Fertilizer Company Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



Chartered Accountants

Lahore

Date: March 13, 2026

UDIN: AR202510180BbkCRthcT

Consolidated Statement of Financial Position

as at December 31, 2025

	Note	2025 (Rupees in thousand)	2024
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital 3,100,010,000 (2024: 3,700,010,000) shares of Rs 10 each	5	31,000,100	37,000,100
Issued, subscribed and paid up share capital 2,100,000,000 (2024: 2,100,000,000) ordinary shares of Rs 10 each	6	21,000,000	21,000,000
Reserves	7	148,864,543	123,169,019
		169,864,543	144,169,019
NON CURRENT LIABILITIES			
Long term finances – secured	8	2,613,784	42,291,109
Subordinated redeemable preference Class A shares	9	1,994,677	1,714,210
Lease liabilities	10	615,612	648,616
Deferred taxation	11	27,506,194	27,656,479
Deferred liabilities	12	3,185,196	2,847,575
Long term advances and deposits		96,010	497,663
		36,011,473	75,655,652
CURRENT LIABILITIES			
Trade and other payables	13	68,972,625	61,803,834
Accrued finance cost	14	1,704,720	1,842,511
Income tax payable		11,809,071	9,662,283
Short term finances – secured	15	32,393,219	19,515,298
Unclaimed dividend		90,146	70,583
Payable to Privatization Commission of Pakistan	16	2,197,901	2,197,901
Current portion of long term liabilities	17	37,850,852	1,971,882
		155,018,534	97,064,292
CONTINGENCIES & COMMITMENTS			
	18		
		360,894,550	316,888,963

The annexed explanatory notes from 1 to 52 form an integral part of these consolidated financial statements.

	Note	2025 (Rupees in thousand)	2024
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	19	107,156,103	110,850,155
Intangible assets	20	212,637	195,113
Investment property	21	162,701	163,607
		107,531,441	111,208,875
Long term investments	22	10,748,893	41,889,385
Long term loans to related parties	23	280,000	180,000
Long term advances and deposits	24	12,084,697	7,529,582
		23,113,590	49,598,967
		130,645,031	160,807,842
CURRENT ASSETS			
Stores and spares	25	21,396,796	19,234,739
Stock in trade	26	64,220,164	59,785,874
Trade debts	27	32,269,779	18,594,936
Short term loans to related parties	28	1,194,595	248,031
Advances, deposits, prepayments and other receivables	29	18,162,463	18,082,898
Short term investments	30	90,018,221	30,743,757
Cash and bank balances	31	2,987,501	9,390,886
		230,249,519	156,081,121
		360,894,550	316,888,963



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Profit or Loss

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Sales	32	276,176,566	256,920,236
Cost of sales	33	(181,752,607)	(165,103,137)
Gross profit		94,423,959	91,817,099
Distribution cost	34	(17,306,053)	(14,406,838)
Administrative expenses	35	(11,038,045)	(10,437,249)
		66,079,861	66,973,012
Finance cost	36	(7,937,925)	(5,082,522)
Other operating expenses	37	(5,820,240)	(10,773,368)
		52,321,696	51,117,122
Other income	38	16,192,282	12,501,906
Share of loss from associates	22.1	(170,707)	(87,543)
Other losses:			
– Unwinding of provision for GIDC	13.1	–	(70,207)
– Loss allowance on subsidy receivable from GoP	29.2	–	(627,648)
		–	(697,855)
Profit before tax		68,343,271	62,833,630
Taxation	39	(26,284,246)	(26,438,835)
Profit for the year		42,059,025	36,394,795
Earnings per share – basic and diluted (Rupees)	40	20.03	17.33

The annexed explanatory notes from 1 to 52 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Comprehensive Income

for the year ended December 31, 2025

	2025	2024
	(Rupees in thousand)	
Profit for the year	42,059,025	36,394,795
Other comprehensive loss:		
Items that may not be reclassified subsequently to profit or loss:		
Remeasurement of post retirement benefits obligation	(145,083)	(100,665)
Related tax thereon	56,582	39,259
Other comprehensive loss – net of tax	(88,501)	(61,406)
Total comprehensive income for the year	41,970,524	36,333,389

The annexed explanatory notes from 1 to 52 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended December 31, 2025

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

(Rupees in thousand)

Balance at December 31, 2023	21,000,000	1,790,000	96,933,972	(338,342)	119,385,630
Profit for the year	–	–	36,394,795	–	36,394,795
Other comprehensive income	–	–	–	(61,406)	(61,406)
Total comprehensive income	–	–	36,394,795	(61,406)	36,333,389
Transaction with owners:					
– Final dividend for the year ended December 31, 2023 @ Rs 2.75 per share	–	–	(5,775,000)	–	(5,775,000)
– Interim dividend for the year ended December 31, 2024 @ Rs 2.75 per share	–	–	(5,775,000)	–	(5,775,000)
Balance at December 31, 2024	21,000,000	1,790,000	121,778,767	(399,748)	144,169,019
Profit for the year	–	–	42,059,025	–	42,059,025
Other comprehensive income	–	–	–	(88,501)	(88,501)
Total comprehensive income	–	–	42,059,025	(88,501)	41,970,524
Transaction with owners:					
– Final dividend for the year ended December 31, 2024 @ Rs 4.25 per share	–	–	(8,925,000)	–	(8,925,000)
– Interim dividend for the year ended December 31, 2025 @ Rs 3.50 per share	–	–	(7,350,000)	–	(7,350,000)
Balance at December 31, 2025	21,000,000	1,790,000	147,562,792	(488,249)	169,864,543

The annexed explanatory notes from 1 to 52 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Cash Flows

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Cash flows from operating activities			
Cash generated from operations	44	61,922,336	37,167,522
Net increase in long term deposits		(401,653)	31,005
Finance cost paid		(8,016,516)	(3,692,087)
Taxes paid		(25,338,428)	(28,019,957)
Employee retirement benefits paid		(232,497)	(189,573)
Net cash generated from operating activities		27,933,242	5,296,910
Cash flows from investing activities			
Additions in property, plant and equipment		(8,724,802)	(9,821,480)
Additions in intangible assets		(171,225)	(41,437)
Proceeds from disposal of property, plant and equipment		96,575	50,765
Purchase of long term investments		(3,303,473)	(39,932,110)
Proceeds from long term investments		–	4,017,502
Long term loan given to related party		(100,000)	–
Net increase in long term advances and deposits		(9,043,233)	(3,873,903)
Short term loans to related parties – net		(946,564)	4,671,692
Purchase of short term investments		(30,796,807)	(19,445,700)
Proceeds from short term investments		17,768,424	13,763,956
Profit received on loans and saving accounts		5,923,001	5,420,933
Dividend income received		2,439,607	760,844
Net cash used in investing activities		(26,858,497)	(44,428,938)
Cash flows from financing activities			
Proceeds from long term finances	8.1	187,447	39,159,225
Repayment of long term finances	8.1	(4,177,941)	(3,280,536)
Repayment of short term loans from related parties		–	(1,626,307)
Repayment of lease liabilities	10	(110,120)	(109,358)
Dividend paid		(16,255,437)	(11,535,186)
Increase in short term finances – net		6,581,178	2,557,277
Net cash (used in) / generated from financing activities		(13,774,873)	25,165,115
Net decrease in cash and cash equivalents		(12,700,128)	(13,966,913)
Cash and cash equivalents at the beginning of the year		(6,741,279)	7,225,634
Cash and cash equivalents at the end of the year		(19,441,407)	(6,741,279)
Cash and cash equivalents comprises of following:			
Cash and bank balances	31	2,987,501	9,390,886
Running finance and musharakah	15	(22,428,908)	(16,132,165)
Cash and cash equivalents at the end of the year		(19,441,407)	(6,741,279)

The annexed explanatory notes from 1 to 52 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

1 Legal Status and nature of business

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

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

1.2 During the year, after receiving approval from the Lahore High Court, the Holding Company implemented the Scheme of Compromises, Arrangements and Reconstruction to carveout the net assets related to Multan plant of the Holding Company to Pakarab Fertilizers Limited (PFL), a wholly owned subsidiary, with effect from January 01, 2025.

The authorized share capital amounting Rs 6,000 million has been transferred to Pakarab Fertilizers Limited under the Scheme of Compromises, Arrangements and Reconstruction

Subsequent to implementation of the Scheme effective from January 01, 2025, following assets and liabilities were transferred by the Holding Company to Pakarab Fertilizers Limited, a wholly owned subsidiary:

ASSETS	(Rupees in thousand)
Operating fixed assets	23,536,573
Capital work in progress	1,583,002
Stores and spares	7,195,638
Stock in trade	2,791,716
Advances, deposits, prepayments and other receivables	13,280
Total (A)	35,120,209
LIABILITIES	
Deferred taxation	(6,410,156)
Deferred liabilities	(174,871)
Payable to Holding Company	(3,877,506)
Trade and other payables	(8,922,903)
Total (B)	(19,385,436)
Net assets transferred (A + B)	15,734,773
799,900,000 ordinary shares of Rs 10 each issued in favor of the Holding Company	7,999,000
Share premium	7,735,773
Long term investment recognised in the Holding Company	15,734,773

- 1.3** The Shareholders of the Holding Company, in its Extra Ordinary General Meeting held on December 18, 2025, approved the transfer of investments made by the Holding Company in listed securities through the Pakistan Stock Exchange Limited to Fatima Capital Limited, a wholly owned subsidiary. The transfer has been executed as a transaction other than cash, whereby consideration has been settled through the issuance of shares by Fatima Capital Limited to the Holding Company.

Following assets and liabilities were transferred by the Holding Company to Fatima Capital Limited, a wholly owned subsidiary:

NET ASSETS TRANSFERRED	Rupees in thousand
Short term investments	15,147,658
Total (A)	15,147,658
Liabilities	
Deferred taxation	(1,774,005)
Total (B)	13,373,653
1,337,365,274 ordinary shares of Rs 10 each issued in favor of the Holding Company	13,373,653
Long term investment recognised in the Holding Company	13,373,653

2 Basis of preparation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards and IFAS, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 New amendments that are effective for the year ended December 31, 2025

The following amendments are effective for the year ended December 31, 2025. These amendments are either not relevant to the Group's operations or are not expected to have significant impact on the Group's financial statements other than certain additional disclosures.

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

2.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Group's operations or are not expected to have significant impact on the Group's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026
Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2027
IFRS 18 - Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027
Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
IFRS 1 - First Time Adoption of International Financial Reporting Standards	

3 Basis of measurement

3.1 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

3.2 Critical accounting estimates and judgements

The Group's material accounting policies are stated in note 4. Not all of these material policies require the management to make difficult, subjective or complex judgements or estimates.

The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgement of estimation involved in their application and their impact on these consolidated financial statements. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgements involve assumptions or estimates in respect of future events and the actual results may differ from these estimates.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

a) Employee retirement benefits

The Group uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 4.2 (a).

b) Useful life and residual values of property, plant and equipment and intangible assets

The Group reviews the useful lives of property, plant and equipment and intangible assets on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment and intangible assets with a corresponding effect on the depreciation / amortization charge.

c) Provision for taxation

In making the estimates for income taxes payable by the Group, the management considers the applicable laws and the decisions of the appellate tax authorities on certain issues in the past.

4 Material accounting policy information

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

4.1 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the period if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the period for such years.

Further, the Group has adopted the guidance on accounting for minimum and final taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP). However, this has no impact on these consolidated financial statements.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the consolidated statement of profit or loss, except in the case of items recognised in consolidated other comprehensive income or directly in equity in which case it is included in consolidated other comprehensive income or equity, as the case may be.

4.2 Employee retirement benefits

The main features of the schemes operated by the Group for its employees are as follows:

a) Defined benefit plan - Gratuity

The Group operates gratuity scheme for its employees, according to the terms of employment, subject to a minimum qualifying period of service. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits.

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

The latest actuarial valuation for gratuity scheme was carried out as at December 31, 2025. Projected unit credit method is used for valuation of the scheme.

All actuarial gains and losses are recognised in 'Consolidated Other Comprehensive Income' as they occur.

b) Accumulating compensated absences

Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to the consolidated statement of profit or loss.

c) Defined contribution plan - Provident Fund

The Group operates provident fund for all its permanent employees. Equal monthly contributions are made both by the Group and the employees. Retirement benefits are payable to employees on completion of prescribed qualifying period of service under these schemes.

4.3 Basis of consolidation

These consolidated financial statements include the financial statements of Holding Company and its wholly owned subsidiaries.

Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. These consolidated financial statements include Fatima Fertilizer Company Limited and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the Subsidiaries).

Inter company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

4.3.1 Business Combination

The Holding Company owns the 100% equity shares of Fatimafert Limited, Fatima Cement Limited, Pakarab Fertilizers Limited, Fatima Packaging Limited, Fatima Capital Limited, Fatima Petroleum Company Limited and Pan Africa Fertilizers Limited. The control of Fatimafert Limited, Fatima Cement Limited, Pakarab Fertilizers Limited, Fatima Capital Limited, Fatima Petroleum Company Limited and Pan Africa Fertilizers Limited was obtained on January 01, 2021, May 27, 2022, August 06, 2024, November 27, 2025, July 10, 2025 and September 02, 2021 respectively and the control of Fatima Packaging Limited was obtained with effect from July 01, 2022 as a result of asset acquisition from PFL.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any non controlling interest in the acquiree either at fair value or at the non controlling interest's proportionate share of the acquiree's identifiable net assets.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability

is recognised in accordance with IFRS 9 either in profit or loss or as a change to the consolidated statement of other comprehensive income. Contingent consideration that is classified as equity is not re measured, and its subsequent settlement is accounted for within equity.

4.4 Property, plant and equipment

Property, plant and equipment except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to own manufactured assets includes direct cost of materials, labour and applicable manufacturing overheads. Cost also includes capitalized borrowing costs as referred to in note 4.17.

Depreciation on property, plant and equipment is charged to the consolidated statement of profit or loss on straight line method so as to write off the depreciable amount of an asset over its estimated useful life at the rates given in note 19.

Depreciation on additions to property, plant and equipment is charged from the month in which an asset is acquired or made available for use, while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted prospectively, if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the consolidated statement of profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

4.5 Capital work in progress

Capital work in progress and stores held for capital expenditure are stated at cost less any recognised impairment loss. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific assets as and when these assets are available for use. Provision is made in the consolidated financial statements for obsolete and slow moving items based on management estimate.

4.6 Intangibles assets

An intangible asset is recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Group and that the cost of such an asset can also be measured reliably. Subsequently asset is measured as follows:

With indefinite useful life

Intangibles assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the intangible is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment / reversal of impairment is recognised in the consolidated statement of profit or loss immediately.

With finite useful life

Expenditure incurred to acquire intangible assets are capitalized and stated at cost less accumulated amortisation and any identified impairment loss. Computer software is amortised using the straight line method over a period of four years. Amortisation on additions to computer software is charged from the month in which the asset is available for use while no amortisation is charged for the month in which asset is disposed off.

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

4.7 Investment property

Investment property, which is property held to earn rentals and / or for capital appreciation, is valued using the cost method i.e. at cost less any accumulated depreciation and any identified impairment loss. Depreciation on buildings is charged to profit or loss on straight line method at the rate of 4%. Depreciation on additions to investment property is charged from the month in which a property is acquired or capitalized while no depreciation is charged for the month in which the property is disposed. The difference between present value of the proceeds from disposal and the carrying amount is recognised in the consolidated statement of profit or loss.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the consolidated statement of profit or loss on a straight line basis over the lease term and is included in 'other income'.

4.8 Investments in associates - at equity method

The Group's long term investments are investments in associates, entities over which the Group exercise significant influence. These investments are initially recognised at cost and subsequently carrying amount is increased or decreased to recognise the Group's share of the profit or loss or other comprehensive income or loss of the associates using the equity method. The Group's share of the associates profit or loss is recognised in the Group's consolidated statement of profit or loss and the Group's share of other comprehensive income or loss is recognised in the Group's other comprehensive income. At each reporting date, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as expense in the statement of profit or loss.

4.9 Government grant

The Group recognises the benefit of a government loan at below market rate of interest as a Government grant. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in the consolidated statement of profit or loss is done on a systematic basis over the period of the loan.

4.10 Leases

As a lessee, the Group recognises right of use asset and lease liability at the lease commencement date.

Right of use asset

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of the property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for the certain remeasurement of the lease liability.

Lease liability

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index, or a rate, initially measured using the index or rate as at commencement date;
- amount expected to be payable under a residual guarantee; and
- the exercise under purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in consolidated statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero.

4.11 Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

4.11.1 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- (i) Amortised cost, where the effective interest rate method will apply;
- (ii) Fair value through profit or loss (FVTPL);
- (iii) Fair value through other comprehensive income (FVTOCI).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit or loss or consolidated other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits to purchase or sell the asset. Further, assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the consolidated statement of profit or loss.

Debt instruments

a) Debt instruments measured at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

The financial asset is held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured subsequently at FVTOCI.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating gains / (losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.

c) Debt instruments designated as at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the consolidated statement of profit or loss and presented net within other operating gains / losses in the period in which it arises.

Equity instruments

On initial recognition, the Group may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the consolidated statement of profit or loss as other operating income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains / losses in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debts, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the trade debts, using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and other direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets general 3 stage approach is used i.e. to measure ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a Group of financial instruments has not increased significantly since initial recognition.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

The Group recognises an impairment gain or loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in the consolidated statement of other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

4.11.2 Financial liabilities

Classification, initial recognition and subsequent measurement

The Group classifies its financial liabilities in the following categories:

- 1- At fair value through profit or loss; and
- 2- Amortised cost.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss.

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortised cost, using the effective interest rate method. Gain and losses are recognised in the consolidated statement of profit or loss, when the liabilities are derecognised as well as through effective interest rate amortisation process.

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Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

4.12 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated financial statements only when there is a legally enforceable right to set off the recognised amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.13 Stores and spares

Stores and spares are valued at moving average cost. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made in the consolidated financial statements for obsolete and slow moving stores and spares based on management estimate.

4.14 Stock in trade

All stocks are valued at the lower of cost and net realizable value. Cost in relation to raw and packing materials, except for those in transit, signifies moving average cost and that relating to mid products and finished goods, monthly average cost comprising cost of direct materials, labour and appropriate manufacturing overheads based on normal operating capacity. Materials in transit are stated at cost comprising invoice value plus other charges incurred thereon. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make the sale. Provision is made in the consolidated financial statements for obsolete and slow moving stock in trade based on management estimate.

4.15 Trade debts and other receivables

These are recognised and carried at the original invoice amounts, being the fair value and subsequently measured at amortised cost using the effective interest rate method, less loss allowance, if any. For measurement of loss allowance for trade debts, the Group applies IFRS 9 simplified approach to measure the expected credit losses.

4.16 Cash and cash equivalents

Cash and bank balances are carried in the consolidated statement of financial position at amortised cost. For the purpose of cash flow statement, cash and cash equivalents comprises of cash in hand, bank balances, short term running finances and short term highly liquid investments that are readily convertible to known amounts of cash.

4.17 Borrowings and their costs

Borrowings are initially recorded at the proceeds received. They are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

4.18 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Group.

4.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Future operating losses are not provided for in the consolidated financial statements.

4.20 Derivative financial instruments

These are initially recorded at cost on the date a derivative contract is entered into and are remeasured to fair value at subsequent reporting dates. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss. Amounts accumulated in equity are recognised in consolidated statement of profit or loss in the periods when the hedged item will affect profit or loss.

4.21 Impairment of non financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss.

4.22 Revenue recognition

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when or as performance obligations are satisfied by transferring control of promised goods or services to a customer and control either transfers overtime or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. Scrap sales and miscellaneous receipts are recognised on realized amounts.

Revenue from sale of goods is recognised at the point in time when control of the fertilizers products and chemical is transferred to the customer, generally on delivery of the goods.

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Government subsidy on sale of fertilizer is recognised when the right to receive such subsidy has been established and the underlying conditions are met.

Revenue from sale of Certified Emission Reductions (CERs) is recognised on the satisfaction of performance obligation i.e. generation of the Emission Reductions when a firm commitment for sale of CERs exists with a buyer.

Return on deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return. Interest income is recognised on accrual basis.

4.23 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date. Foreign exchange gain and losses on retranslation are recognised in the consolidated statement of profit or loss. All non monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.24 Dividend

Dividend distribution to the Group's members is recognised as a liability in the reporting period in which dividends are declared.

4.25 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit by weighted average number of shares outstanding during the period. Diluted EPS is determined by adjusting for the effects of all dilutive potential ordinary shares.

4.26 Acquisition of group of assets

The group of assets (including the liabilities assumed) acquired as a result of any arrangement that does not meet the definition of a business are recognised under the asset acquisition method.

Upon the acquisition of net assets, the Group identifies and recognises the assets acquired and liabilities assumed at their fair values as of the acquisition date. Any difference between the net assets acquired and the fair value of the consideration is allocated to non monetary long lived assets, and no gain or loss is recorded on the date of acquisition, whereas the current assets and liabilities are measured at fair values on the acquisition date.

4.27 Redeemable preference shares

Redeemable preference shares are classified as financial liability if they meet the criteria of liability as per relevant accounting standard.

Upon issuance, the Group recognises redeemable preference shares as a financial liability in its consolidated statement of financial position at the present value of the future cash outflows associated with the redemption. Subsequent to the initial recognition, these are measured at amortised cost and the effect of unwinding is recognised in the consolidated statement of profit or loss.

4.28 Joint arrangements

Joint arrangements are arrangements in which the Group has contractually agreed sharing of control, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint arrangements are classified as joint operations or joint ventures depending upon the rights and obligations arising from the joint arrangement. The Group classifies a joint arrangement as joint operation when the Group has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group classifies a joint arrangement as a joint venture when the Group has the rights to the net assets of the arrangement.

In respect of an interest in a joint operation, the Group recognises its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its expenses, including its share of any expenses incurred jointly.

5 Authorized share capital

The authorized share capital amounting Rs 6,000 million has been transferred to Pakarab Fertilizers Limited under the Scheme of Compromises, Arrangements and Reconstruction as explained in note 1.2 to the consolidated financial statements.

6 Issued, subscribed and paid up share capital

	2025 (Number of shares)	2024		2025 (Rupees in thousand)	2024
	2,000,000,000	2,000,000,000	Ordinary shares of Rs 10 each fully paid in cash	20,000,000	20,000,000
	100,000,000	100,000,000	Ordinary shares of Rs 10 each issued on conversion of fully paid preference shares @ Rs 20 each	1,000,000	1,000,000
	2,100,000,000	2,100,000,000		21,000,000	21,000,000

6.1 Ordinary shares of the Holding Company held by associates at year end are as follows:

	2025 (Number of shares)	2024
Arif Habib Corporation Limited	319,000,206	319,000,206
Arif Habib Limited	10,000	210,000
Fatima Holding Limited	–	14,276,000
Fazal Cloth Mills Limited	69,114,031	69,114,031
Reliance Weaving Mills Limited	2,625,166	2,625,166
Farrukh Trading Company Limited	174,688,927	169,930,261
Fatima Management Company Limited	174,759,815	170,001,149
Fatima Trading Company (Private) Limited	176,632,684	171,874,016
Reliance Commodities (Private) Limited	562,903	500,000
	917,393,732	917,530,829

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6.2 All ordinary shares rank equally with regard to the Group's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Holding Company.

	Note	2025 (Rupees in thousand)	2024
7 Reserves			
Capital reserve:			
Share premium	7.1	1,790,000	1,790,000
Revenue reserve:			
Unappropriated profit		147,562,792	121,778,767
Post retirement benefit obligation reserve	7.2	(488,249)	(399,748)
		148,864,543	123,169,019

7.1 This reserve can be utilised by the Group only for the purposes specified in section 81 of the Companies Act, 2017.

7.2 This represents cumulative actuarial adjustments in measurement of employee retirement benefits.

	Note	2025 (Rupees in thousand)	2024
8 Long term finances – secured			
Secured loans from banking companies / financial institutions	8.1 & 8.2	40,332,957	44,152,653
Less: Current portion		37,719,173	1,861,544
		2,613,784	42,291,109
8.1 Movement of long term finances			
Opening balance		44,152,653	8,115,028
Disbursements during the year		187,447	39,159,225
Accreditation of loan under SBP Islamic Refinance Scheme		170,798	158,936
Repayments during the year		(4,177,941)	(3,280,536)
		40,332,957	44,152,653

8.2 Secured loans from banking companies / financial institutions

Lender	Nature of financing	Effective rate of markup per annum	Remaining Instalments	Markup payment frequency	2025	2024
					(Rupees in thousand)	
Faysal Bank Limited	Diminishing Musharakah	11.51% to 12.94%	Three half yearly, ending on June 14, 2027.	Semi annual	750,000	1,250,000
Meezan Bank Limited	Diminishing Musharakah-I	11.94% to 16.28%	Two half yearly, ending on September 30, 2026.	Semi annual	1,000,000	1,500,000
Meezan Bank Limited	Diminishing Musharakah-II	11.23% to 12.80%	Five Half yearly, ending on June 21, 2028.	Semi annual	1,666,666	2,000,000
Meezan Bank Limited	Diminishing Musharakah-III	11.19% to 11.30%	Eight half yearly instalments with one year grace period ending on December 11, 2030.	Semi annual	187,447	–
Meezan Bank Limited	Running Musharakah	10.31% to 15.23%	Repayable in its entirety on January 05, 2026.	Semi annual	35,000,000	37,159,224
Pak Kuwait Investment Company Limited	Diminishing Musharakah	12.29% to 14.73%	Three half yearly, ending on May 19, 2027.	Quarterly	562,500	937,500
Askari Bank Limited	SBP Temporary Economic Refinance Facility (TERF)	11.65% to 13.42%	Eleven half yearly, ending on March 31, 2031.	Quarterly	305,724	345,530
National Bank of Pakistan	SBP Temporary Economic Refinance Facility (TERF)	12.29% to 14.73%	Eleven half yearly, ending on June 21, 2031.	Quarterly	518,408	580,906
Bank Al Habib Limited	SBP Temporary Economic Refinance Facility (TERF)	11.65% to 16.91%	Thirteen half yearly, ending on February 15, 2032.	Quarterly	342,212	379,493
					40,332,957	44,152,653

8.3 The aggregate unavailed long term facilities amounts to Rs 2.52 million (2024: nil).

8.4 These borrowings are secured through a pari passu charge over the Company's plant and machinery, except for Meezan Bank Limited – Running Musharakah, which is secured against a lien and pledge over Government of Pakistan Ijarah Sukuks and Trust Receipts.

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	Note	2025 (Rupees in thousand)	2024
9 Subordinated redeemable preference Class A shares			
Opening balance		1,714,210	1,473,323
Unwinding for the year	37	280,467	240,887
		1,994,677	1,714,210

- 9.1** This represents the present value of 270,000,000 subordinated redeemable preference Class A shares of Rs 10 each to be issued by the Holding Company pursuant to the scheme of Compromises, Arrangements and Reconstruction, sanctioned by the Lahore High Court, for amalgamation of its associated company, Pakarab Fertilizers Limited ('PFL') with effect from July 01, 2022.

The liability is carried at present value in accordance with the provisions of IFRS 9 using effective interest rate of 16.35% per annum.

As per the sanctioned scheme, the assets and liabilities of PFL have been acquired by the Holding Company and in consideration, the receivables from PFL comprising trade receivable, loans and the accrued markup thereon as at June 30, 2022, stands relinquished. Further, capital contributories and the shareholders of PFL relinquished their right in the Holding Company against which they shall be compensated in the form of Subordinated Redeemable Preference Shares of the Holding Company under the following terms and conditions:

- i)** Subordinated Redeemable Preference Class A Shares of the Holding Company: Shareholders of PFL shall be issued one (1) Class A Share of the Holding Company against each ordinary share of PFL aggregating to 270,000,000 shares. Face value of such shares will be Rs 10 each. These shares are non-voting, neither non-cumulative nor cumulative fixed yield and have no dividend or other right. The redemption date shall be December 31, 2027, modifiable upon mutual consent of the Board of Directors of the Holding Company and at least 90% of Class A Shareholders. Redemption value shall be lower of the (i) value as determined by the Holding Company's Board of Directors unanimously, (ii) aggregate face value of Class A Shares or (iii) calculated values of assets and liabilities acquired from PFL as defined in the sanctioned Scheme; and
- ii)** Subordinated Redeemable Preference Class B Shares of the Holding Company: These shares shall be issued subject to fulfilment of conditions precedent to issue as defined in the sanctioned Scheme i.e. full redemption of Class A shares and unanimous approval of the Holding Company's Board of Directors for issuance. These shares shall be issued to the shareholders and capital contributories of PFL up to a maximum number of 567,369,293 shares having face value of Rs 10 each. These shares are non voting, neither non cumulative nor cumulative fixed yield and have no dividend or other right. Aggregate redemption value of entire set of Class B Shares shall be in accordance with the sanctioned scheme.

	2025 (Rupees in thousand)	2024
10 Lease liabilities		
Opening balance	681,742	229,567
Addition during the year	6,078	524,423
Interest on lease liabilities	79,150	37,110
Payments made during the year	(110,120)	(109,358)
Closing balance	656,850	681,742
Less: Current portion of lease liabilities	41,238	33,126
	615,612	648,616

	Note	2025 (Rupees in thousand)	2024
11 Deferred taxation			
The balance of deferred tax is in respect of the following:			
Taxable temporary differences:			
Accelerated tax depreciation		23,821,462	25,992,136
Investment in Defense Saving Certificates		17,788	17,788
Short term investments		4,187,071	1,652,476
Long term investments		26,100	64,800
		28,052,421	27,727,200
Deductible temporary differences:			
Remeasurement of defined benefit obligation		(7,943)	(5,492)
Investment in associates		(35,605)	(9,687)
Provisions		(502,679)	(55,542)
		(546,227)	(70,721)
		27,506,194	27,656,479
11.1	Movement in temporary differences for the year is as follows:		
Opening balance		27,656,479	27,534,188
Charged to statement of profit or loss:			
Accelerated tax depreciation		(2,170,622)	(2,275,975)
Gas Infrastructure Development Cess (GIDC)		(447,137)	(21,324)
Investments in associates		(25,970)	(13,554)
Short term investments		2,534,595	1,393,927
Long term investments		(38,700)	(68,346)
Provisions		–	868,060
Remeasurement of defined benefit obligation		–	239,019
		(147,834)	121,807
Charged to other comprehensive income:			
Remeasurement of defined benefit obligation		(2,451)	484
Workers Welfare Fund		–	–
		27,506,194	27,656,479
12 Deferred liabilities			
Employee retirement benefits	12.1	2,963,711	2,422,113
Deferred government grant	12.2	221,485	425,462
		3,185,196	2,847,575
12.1 Employee retirement benefits			
Gratuity	12.1.1	2,746,038	2,222,258
Accumulating compensated absences	12.1.2	217,673	199,855
		2,963,711	2,422,113

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	Note	2025 (Rupees in thousand)	2024
12.1.1 Gratuity			
a) Amount recognised in the statement of financial position			
Present value of defined benefit obligations	(f)	3,914,898	3,236,294
Payables		31,179	–
Fair value of plan assets	(g)	(1,200,039)	(1,014,036)
Net liability at the end of the year		2,746,038	2,222,258
b) Movement in net liability			
Net liability at the beginning of the year		2,222,258	1,769,318
Charge for the year	(c)	595,066	579,377
Benefits paid during the year		(216,368)	(227,103)
Charged to other comprehensive income	(e)	145,082	100,666
Net liability at the end of the year		2,746,038	2,222,258
c) Charge for the year			
Current service cost		342,740	299,557
Past service cost		2,802	15,853
Net interest cost		249,524	263,967
		595,066	579,377
d) Charge for the year has been allocated as follows:			
Cost of sales		407,800	401,704
Administrative expenses		98,754	94,359
Distribution expenses		88,512	83,314
		595,066	579,377
e) Total remeasurement chargeable to other comprehensive income			
Remeasurement of plan obligation:			
Actuarial gains from changes in financial assumptions		18,474	(18,336)
Experience adjustments		133,101	135,771
Return on plan assets excluding interest income		(18,897)	–
Remeasurements of fair value of plan assets		12,404	(16,769)
		145,082	100,666
f) Movement in the present value of defined benefit obligations			
Defined benefit obligations at beginning of the year		3,236,294	2,549,231
Current service cost		342,740	299,557
Past service cost		2,802	15,853
Interest cost		375,752	394,395
Benefits due but not paid		(32,651)	(5,225)
Benefit paid during the year		(198,109)	(154,791)
Remeasurement of plan obligation		175,777	137,274
Transfer as a result of transfer of operations		12,293	–
Defined benefit obligations at end of the year		3,914,898	3,236,294

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	Note	2025 (Rupees in thousand)	2024
12.1.2 Accumulating compensated absences			
a) Amount recognised in the statement of financial position			
Present value of defined benefit obligations	(e)	217,673	199,855
Net liability payable at the end of the year		217,673	199,855
b) Movement in net liability			
Net liability at the beginning of the year		199,855	179,310
Charge for the year	(c)	33,946	48,864
Benefits due but not paid (payables)		–	–
Benefits paid during the year		(16,128)	(28,319)
Net liability at the end of the year		217,673	199,855
c) Charge for the year			
Current service cost		12,990	27,362
Remeasurement of fair value of plan settlements		(6,980)	(6,878)
Interest cost		23,031	27,065
Experience adjustment		4,905	1,315
		33,946	48,864
d) Charge for the year has been allocated as follows:			
Cost of sales		29,313	42,857
Administrative expenses		3,754	4,741
Distribution expenses		879	1,266
		33,946	48,864
e) Movement in the present value of obligation			
Obligation at beginning of the year		199,855	179,310
Current service cost		12,990	27,362
Interest cost		23,031	27,065
Benefits due but not paid (payables)		(645)	(697)
Benefit paid during the year		(15,483)	(27,622)
Actuarial loss from changes in financial assumptions		559	(658)
Experience adjustment		(2,634)	(4,905)
Defined benefit obligations at end of the year		217,673	199,855
		2025	2024
f) The principal assumptions used in the actuarial valuation are as follows:			
Discount rate for interest cost		12.25%	15.50%
Discount rate for year end obligation		11.25%	12.00%
Salary increase used for year end obligation		12.00%	12.00%
Retirement assumption		60 years	60 years

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	% age	(Rupees in thousand)	
g) Sensitivity analysis			
Discount rate	1%	(15,629)	16,471
Salary growth rate	1%	16,302	(15,903)

12.2 Deferred government grant

This represents deferred government grant in respect of Temporary Economic Refinance Facility by SBP as disclosed in note 8.2 to these consolidated financial statements. These facilities carry markup at subsidised rates, as specified by SBP. These loans have been recognised at their fair value which is the present value of the loan proceeds received discounted at the market interest rates for similar instruments. The differential between the fair value and the present value is recognised as deferred government grant, which is being amortised over the term of the respective facilities at the effective interest rate.

	Note	2025 (Rupees in thousand)	2024
13 Trade and other payables			
Creditors		7,947,364	8,158,551
Provision for Gas Infrastructure Development Cess (GIDC)	13.1	7,646,477	7,646,477
Contract liabilities	13.2	12,313,705	10,103,024
Accrued liabilities		27,375,560	20,590,675
Withholding tax		575,797	376,590
Workers Profit Participation Fund	13.3	10,416,249	10,844,741
Workers Welfare Fund	13.4	1,535,238	1,781,344
FED payable		–	1,649,927
Retention money payable		140,757	128,400
Provident fund payable		64,833	103,892
Others		956,645	420,213
		68,972,625	61,803,834
13.1 Provision for GIDC			
Opening balance		7,646,477	7,576,270
Unwinding of provision for GIDC		–	70,207
		7,646,477	7,646,477

13.1.1 On August 13, 2020 the Supreme Court of Pakistan (SCP) through its order declared GIDC Act as intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly instalments starting from August 01, 2020.

Subsequently, SCP also dismissed all review petitions on November 2, 2020, against the gas consumers including the Group and stated that the Government of Pakistan is agreeable to recover the arrears in forty eight monthly instalments instead of twenty four equal monthly instalments.

Although, the Group has filed a suit for declaration and injunction in the Sindh High Court (SHC) and obtained a stay on October 06, 2020 against collection / recovery of GIDC by Mari Energies Limited on fuel stock on account of issues of computation of the liability. On a prudent basis, the Group has continued to recognise the provision against GIDC on fuel stock.

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The Holding Company has not booked GIDC on feed stock received at Sadiqabad Plant as it was entitled to receive feed stock at fixed price inclusive of all taxes, duties, levies, fees and charges under Sovereign Commitment from Government of Pakistan pursuant to Fertilizer Policy 2001. The Holding Company has also filed a suit for declaration and permanent injunction in the High Court of Sindh on these grounds on September 29, 2020 and obtained a stay on October 06, 2020 against collection / recovery of GIDC on feed stock.

- 13.2** Contract liabilities as at the beginning of the year, aggregating to Rs 10,094.26 million (2024: Rs 10,650.90 million), have been recognised as revenue upon meeting the performance obligations.

	Note	2025 (Rupees in thousand)	2024
13.3 Workers Profit Participation Fund			
Opening balance		10,844,741	8,320,567
Charge for the year	37	3,329,379	3,379,936
Interest accrued for the year		–	16,878
Payments made during the year		(3,757,871)	(872,640)
		10,416,249	10,844,741
13.4 Workers Welfare Fund			
Opening balance		1,781,344	1,331,505
Charge for the year		1,252,830	1,569,962
Prior year impact		(138,576)	(99,570)
Net charge for the year	37	1,114,254	1,470,392
Payments made during the year		(1,360,360)	(1,020,553)
		1,535,238	1,781,344
14 Accrued finance cost			
On long term finances		1,151,439	1,317,083
On short term finances		553,281	525,428
		1,704,720	1,842,511
15 Short term finances - secured			
Secured loans from banking companies			
Cash finance		300,000	1,300,420
Term finance		1,103,257	–
Finance against imported merchandise (FIM)		7,288,271	–
Finance against trust receipt (FATR)		1,272,783	2,082,713
		9,964,311	3,383,133
Running Musharakah		21,587,738	–
Running finance		841,170	16,132,165
		22,428,908	16,132,165
	15.1	32,393,219	19,515,298

- 15.1** These facilities have been obtained from various banks for working capital requirements, and are secured against joint pari passu and hypothecation charge over all present and future current assets of the Group. These facilities carry markup on cash finance ranging from 11.44% to 14.29%, term finance ranging from 11.44% to 19.31%, FATR/FIM ranging from 11.6% to 12.85%, running musharakah ranging from 10.63% to 14.35% and running finance ranging 10.63% to 14.6% per annum respectively.

15.2 The aggregate unavailed short term borrowing facilities amount to Rs 41,694.08 million (2024: Rs 41,037.70 million).

16 Payable to Privatization Commission of Pakistan

Reliance Exports (Pvt) Limited ('REL'), under the terms and conditions stated in the 'Share Purchase Agreement' ('the Agreement'), acquired 100% shares in Pakarab Fertilizers Limited (PFL) on July 14, 2005 through the process of privatization. Under the terms of the Agreement, the purchase consideration, in addition to lump sum cash payment, included a further payment equivalent to 90% of PFL's claim of tax refund aggregating to Rs 2,814.51 million for the assessment years 1993–94, 1995–96 through 2002–2003 and tax years 2003 and 2004. The amount is payable to the Privatization Commission ('PC') in the event of and at the time of acceptance of refund claim by concerned tax authorities.

The amount recognised in the consolidated financial statements as payable to PC is net off Rs 240.12 million which, according to the management, has already been withdrawn by the previous members as part of the dividend distribution for the year ended June 30, 2005. The management felt that the Agreement as presently worded, if executed, would result into double payment of the same amount to PC / previous members, firstly, as part of the profits for the year ended June 30, 2005 (computed without recognition of the tax expense for the years for which when the refund is issued, an amount equivalent to 90% would be the right of PC / previous members) and secondly, at the time the refund is received from the tax authorities when an amount equivalent to 90% of such refund is paid off to PC, as agreed. The management felt that such double payment is neither the intention nor warranted under the specific provisions of the Agreement. Upon dissolution of REL and its amalgamation with PFL on July 14, 2005, this liability was recognised in the books of PFL being the surviving entity upon REL's amalgamation with PFL in accordance with the Scheme of Arrangement for Amalgamation. Since the amalgamation of PFL into the Holding Company, this liability has now been recognised in the books of the Group.

	Note	2025 (Rupees in thousand)	2024
17 Current portion of long term liabilities			
Long term finances	8	37,719,173	1,861,544
Lease liabilities	10	41,238	33,126
Deferred government grant	12.2	90,441	77,212
		37,850,852	1,971,882

18 Contingencies and commitments

18.1 Contingencies

- (i) Uptill the application under section 65 of the Sales Tax Act, 1990 is decided by the Federal Government, the Honorable Lahore High Court (the court) through its order dated September 11, 2024 has stopped the proceedings of impugned show cause notice issued by the Department. Earlier the Honorable Lahore High Court (the Court) had suspended the operation of the impugned order of Commissioner Inland Revenue Appeals [CIR(A)] Multan, who rejected the Holding Company's application under section 65 of the Sales Tax Act, 1990 (STA) regarding the exemption of sales tax estimating Rs 690 Million inadvertently short levied / paid on its fertilizer product, Calcium Ammonium Nitrate (CAN) for the period from April 18, 2011 to December 31, 2011.
- (ii) The Holding Company has filed an appeal before the ATIR dated August 5, 2020 against the order passed by CIR(A) whereby the order passed under section 11 of STA by the assessing officer amounting to Rs 501 Million was set aside. CIR(A), through its order dated June 8, 2020, set aside the impugned order instead of 'deleting /annulling' the same and resultantly the Holding Company assailed the same before ATIR. The assessing officer had raised the demand by charging sales tax on advances received from customers.

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- (iii) The Holding Company's appeal filed before CIR(A) dated July 13, 2022 against the impugned order u/s 11 of STA has not been succeeded. Resultantly, the Holding Company has filed an appeal before the ATIR in May 2023 against the adverse order of CIR(A) which is pending for adjudication as of date. The assessing officer had earlier raised a demand of Rs 122 Million against the Holding Company by disallowing the admissibility of sales tax on various items claimed during July 2020 to June 2021 and invoking the provisions of section 8 of STA.
- (iv) The Holding Company has preferred an appeal before ATIR in June 2021 against the order passed by the CIR(A), whereby the adverse order passed u/s 122(5A) of ITO 2001 by the assessing officer amounting to Rs 1,577 Million was confirmed. The assessing officer disallowed and added back various admissible deductions and credits claimed by the Holding Company towards its taxable income for Tax Year 2016.
- (v) Through an order dated June 30, 2025, the Deputy Commissioner Inland Revenue (DCIR) created an income tax demand of Rs 29,035 million for tax year 2019 by treating bank credit entries as income and disallowing various expenses and tax credits. The Holding Company has filed an appeal before Tribunal against the said order which is pending adjudication. The Holding Company has also obtained stay from the Tribunal against the recovery proceedings of the income tax demand initiated by DCIR.
- (vi) Through an order dated August 29, 2025, passed under section 221(1), the DCIR reduced the income tax demand for the tax year 2014 to Rs 93 million, following rectification proceedings. This demand had previously been set at Rs 1,579 million through an order dated June 30, 2025 as a result of remand proceedings initiated by the Commissioner Inland Revenue. The Holding Company has filed an appeal before the CIR—appeals against the said order, which is currently pending adjudication.
- (vii) An amendment order dated November 26, 2025, issued under section 122(5A), resulted in the creation of an income tax demand of Rs 521 million by the ACIR for the tax year 2020. The demand comprises treating Gas Infrastructure Development Cess (GIDC) payable for over three years as income having tax impact of Rs 440.8 million, tax credit on donations having tax impact of Rs. 5 million, and tax credit under section 65B of Rs 75.117 million. The Holding Company has paid the demand under protest and has filed an appeal before the CIR(A). The matter is currently under adjudication.
- (viii) The Holding Company has filed appeal before LHC against the following cases decided against the Holding Company by the Custom Appellate Tribunal Lahore:
- Alleged irregular claim of exemption under SRO 575 on import of 20 consignments of seamless pipes. Demand raised Rs 113.96 million.
 - Alleged irregular claim of exemptions under SRO 575 on import of 7 consignments of deformed steel bars. Demand raised Rs 150.60 million.
- (ix) The Holding Company has netted off an amount of Rs 240.12 million from the amount payable to Privatization Commission, as part of purchase consideration, at the time and in the event the refund is received from the tax authorities. In case, the Holding Company's contention relating to possible double payment is not acceded to by the other party to the Share Purchase Agreement, the Holding Company is contingently liable to the aforesaid amount of Rs 240.12 million. In case, the amount becomes payable, the corresponding effect would be reflected in the computation of goodwill. Furthermore, the Holding Company issued a bank guarantee amounting to Rs 240 million in favour of PC in this respect, which will expire on November 1, 2024.
- (x) As at June 30, 2004, the Holding Company had investment of 140,000 ordinary shares of Rs 10 each valuing Rs 100,000 in National Fertilizer Marketing Limited, being the associated company on that date. On May 20, 2005, this investment was transferred to National Fertilizer Corporation of Pakistan (Private) Limited by the management of the Holding Company. However, the new buyer, REL filed an application before PC challenging this transfer on the grounds that such transfer had been carried out against the terms and conditions of the bid documents. In case of a positive outcome to the application, this investment would be reinstated.

- (xi) An amount of Rs 129.17 million was withdrawn by the previous members of the Holding Company as part of dividend for the year ended June 30, 2005 under the Share Purchase Agreement ('the Agreement'). Out of the aggregate amount, Rs 89.39 million represents the value of certain catalysts recovered in consequence of clean down operations of the plant prior to undertaking the process of privatization, which was accounted for as income in the consolidated financial statements for the year ended June 30, 2005 in the light of applicable financial reporting framework. The management of the Holding Company feels that notwithstanding the applicability of the financial reporting framework, on the consolidated financial statements for the year ended June 30, 2005, the amount was not distributable as part of dividend for that year in view of the clear understanding behind the execution of the Agreement as categorically confirmed, in writing, by PC prior to signing of the Agreement. Similarly, the balance amount of Rs 39.78 million is considered to be dividend distribution out of the then available reserves which was also not distributable to the previous members in terms of other covenants of the Agreement. The Holding Company has filed a claim for the recovery of the aforesaid aggregate amount on the grounds that in the present form, the distribution has been made out of the accumulated reserves, for the years up to June 30, 2004, which, under the specific provisions of the Agreement were not distributable to the previous members of the Company. In case of a positive outcome to the Holding Company's claim, the excess dividend withdrawn by the previous members of the Holding Company would be recovered.
- (xii) Included in trade debts is an amount of Rs 18.88 million which has not been acknowledged as debts by its customers due to a dispute regarding the discount on the product's price. The Holding Company's customers had collectively filed an appeal regarding the price dispute before the Honourable Civil Court, Multan, which decided the case in favour of the Holding Company's customers. The Holding Company preferred an appeal before the Honourable District and Sessions Court, Multan which set aside the order of the Civil Court. The Holding Company's customers filed a revised petition before the Honourable Lahore High Court against the order of the District and Sessions Court, which is pending for adjudication.
- (xiii) Through a show cause notice, the tax department raised the issue of short payment of output sales tax on supplies of the Holding Company's fertilizer product, Calcium Ammonium Nitrate (CAN) for the period from April 18, 2011 to December 31, 2011 involving a principal sales tax demand of Rs 500 million. Such issue was raised on the grounds that notification SRO 15(l)/2006, providing for levy of sales tax on the basis of 'notified price' of CAN, was withdrawn through notification SRO 313(l)/ 2011 dated April 18, 2011 and hence, the Holding Company was legally required to recover output sales tax on supplies of CAN on the basis of actual consideration received there against. The Holding Company had already approached the Federal Board of Revenue ('FBR') on the issue for condonation in terms of section 65 of the Sales Tax Act, 1990, which was not entertained. The Holding Company had assailed such order through institution of a writ petition before the LHC on the grounds that relevant powers have been exercised in an arbitrary manner without referring the matter to competent authority as required under the law. Such petition was allowed by the Honourable LHC through its order dated June 21, 2017 and the Holding Company was thereby directed to make a fresh application under section 65 of the Sales Tax Act, 1990. In compliance with the directions issued by the Honourable LHC in the aforementioned petition, the Commissioner Inland Revenue examined the fresh application made by the Holding Company in accordance with the procedure laid down in Para 50 of the Sales Tax General Order No. 3 of 2004. However, the application was rejected and the same was therefore not referred to the FBR. Being aggrieved, the Holding Company filed a writ petition before the Honourable LHC whereby operation of the impugned order shall remain suspended till final decision. The Honourable Lahore High Court (the Court) through its order dated September 11, 2024 has stopped further proceedings until the decision of application filed under section 65 of the Sales Tax Act 1990, by the Federal Government.
- (xiv) An income tax demand of Rs 203 million for tax year 2015 has arisen pursuant to an order dated December 12, 2025, passed by the Lahore High Court against the Holding Company. The demand comprises disallowance of WPPF as deductible allowance due to non payment having tax exposure of Rs 202.367 million under section 60B and disallowance of initial allowance on additions to aircraft and aero engines having tax exposure amounting to Rs 0.608 million. The Holding Company has filed a Civil Petition for Leave to Appeal (CPLA) before the Supreme Court of Pakistan, which is pending adjudication. The Tribunal had earlier ruled in favour of the Holding Company, and the tax department had filed a reference application with the Lahore High Court.

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- (xv) The Deputy Commissioner Inland Revenue ('DCIR'), through an order dated January 20, 2011, passed under sections 122 and 182 of the Income Tax Ordinance, 2001 ('Ordinance'), had raised a demand of Rs 451.42 million, including penalty of Rs 169.20 million, for tax year 2006 by disallowing certain expenses and adding into income amount representing 'service charges'. The Holding Company had preferred an appeal before the CIR(A) against the order of the DCIR, which was annulled by the CIR(A) through order dated June 25, 2011. Being dissatisfied, the department filed an appeal before the ATIR which annulled the aforementioned order of the CIR(A) through its order dated October 23, 2020 and restored the DCIR's order. The Holding Company assailed the aforementioned order of the ATIR in the usual appellate course before the LHC wherein LHC through order dated May 19, 2022 remanded back the issue to ATIR for denovo proceedings. The remand back proceedings have not yet been started.
- (xvi) Based on audit proceedings conducted under section 25 of the Sales Tax Act, 1990 ('STA') for tax periods July 2016 to June 2017, the Assistant Commissioner Inland Revenue, Audit, Large Taxpayers Office, Multan raised a sales tax demand of Rs 1,176 million in the Holding Company's case, through assessment order dated July 29, 2021 passed under section 11 of the STA, inter alia on account of alleged suppression of production and sale of fertilizers. The Holding Company has assailed such order in appeal before CIR(A) under relevant legal provisions. CIR(A) through order dated February 24, 2022 decided the case in the favour of Holding Company on legal grounds for selection of audit under section 25 of STA. The department has assailed the order of CIR(A) before ATIR for which adjudication is pending as of date.
- (xvii) The Assistant Commissioner Inland Revenue (ACIR) through order dated February 25, 2022 passed under section 11 of the STA and raised a sales tax demand of Rs 1,800 million on the grounds that since the Holding Company had sold its manufacturing plant & machineries, it was no longer classifiable as a manufacturer and thus, input sales tax of Rs 898.73 million claimed by it during the tax periods of January 2021 through November 2021 was disallowed. Further, the ACIR also imposed penalty of Rs 898.73 million against the Holding Company in terms of section 33 of the STA. The Holding Company being aggrieved, assailed such order in appeal before the CIR(A) which was decided against the Holding Company by the CIR(A) through order dated November 15, 2022. The Holding Company has challenged the said appellate order in appeal before the ATIR which is pending adjudication. The management considers that since subject input tax was incurred on goods and services acquired for the business purposes, the same was duly admissible to the Holding Company.
- (xviii) The concerned assessing officer amended the Holding Company's assessment through order dated June 26, 2020 passed for tax year 2014, as rectified through order dated January 20, 2021, and in consequence thereof, income tax refunds of Rs 257.71 million declared for such tax year stood curtailed to Rs 110 million. The Holding Company's appeal against aforesaid amendment order was dismissed by the CIR(A) through appellate order dated June 7, 2021. Being aggrieved, the Holding Company has further assailed the decision of CIR(A) in appeal before the ATIR, which has not yet been taken up for hearing. The issues forming basis of subject amendment primarily include disallowance of brought forward losses of Rs 2,298.541 million, addition of various capital expenditures aggregating Rs 182.80 million towards Holding Company's taxable income in terms of section 111 of the Ordinance, imposing tax of Rs 133.721 million on preference dividend and disallowance of tax credit of Rs 10.904 million claimed by Holding Company under section 65B of the Income Tax Ordinance, 2001. In this respect, the management considers that such issues were framed/upheld by concerned officials in a disregard to the relevant legal/factual position of the case.
- (xix) Pursuant to a Show Cause Notice dated January 7, 2025, the Assistant Commissioner Inland Revenue (ACIR) raised a Federal Excise Duty demand of Rs 920 million from Fatimafert Limited (FFT) (a wholly owned subsidiary), alleging the presence of unstamped and unverified fertilizer bags mixed with properly stamped bags during a warehouse inspection of FFT for the period from August 2024 to October 2024. FFT has filed a writ petition before the Court, and by order dated October 28, 2025, the Court directed the Federal Board of Revenue (FBR) to release the seized stock, subject to the payment of Federal Excise Duty, along with the provision of a bank guarantee to cover the penalty referred to in the Show Cause Notice. Accordingly, FFT deposited a sum of Rs 68.29 million into the government's exchequer. By order dated December 22, 2025, the Court disposed of the writ petition in favor of FFT, remanding the matter back to the ACIR for further proceedings.

- (xx) During the previous year, the Sales Tax authorities had raised a demand to Fatima Packaging Limited (FPL) of Rs 40.60 million for the tax period July 2018 to June 2019 on account of inadmissibility of input sales tax, inadmissibility of debit notes, default surcharge and penalties. FPL had filed an appeal against the said order before the Appellate Tribunal Inland Revenue (ATIR).

During the year, the Honourable Appellate Tribunal Inland Revenue, through its order dated September 12, 2025, has disposed of FPL's appeal in its favour, holding that the very selection of FPL's case for sales tax audit was ab initio invalid due to non-compliance with the statutory requirements under section 25 of the Act. Accordingly, the impugned order has been declared unlawful, and the entire sales tax demand amounting to Rs 40.60 million stands deleted.

- (xxi) FPL has received an assessment order dated February 28, 2025 issued under sections 161 and 205 of the Income Tax Ordinance, 2001, creating a demand of Rs 16.40 million, including default surcharge of Rs 6.27 million, in respect of alleged withholding tax defaults on various matters.

FPL has filed an appeal against the said assessment before the Commissioner Inland Revenue (Appeals), which is currently pending adjudication.

Based on the advice of the Holding Company's legal counsels and tax advisor, management considers that reasonable grounds exist that all the above appeals will succeed. Consequently, no provision has been recognised for the above mentioned amounts.

		2025	2024
		(Rupees in thousand)	
18.2 Commitments in respect of:			
(i) Contracts for capital expenditure		12,186,667	3,653,373
(ii) Contracts for other than capital expenditure		11,094,015	1,461,434
(iii) The amount of future payments under ijarah rentals and short term / low value leases:			
- Not later than one year		1,957,572	1,775,461
- Later than one year but not later than five years		2,011,769	1,743,451
		3,969,341	3,518,912
(iv) Bank guarantees issued		9,829,155	9,764,275
19 Property, plant and equipment			
Operating fixed assets	19.1	95,916,067	101,819,894
Capital work in progress	19.2	11,240,036	9,030,261
		107,156,103	110,850,155

2024

	Note	Cost		Accumulated depreciation		Book value		Depreciation rate %
		December 31, 2023	December 31, 2024	December 31, 2023	Charge/ (deletions)/ December 31, 2024	December 31, 2024	December 31, 2024	
(Rupees in thousand)								
Freehold land		8,358,118	9,202,214	-	-	-	9,202,214	-
Building on freehold land		7,041,955	7,116,881	2,328,019	283,676	2,611,695	4,505,186	4
Building on leasehold land		410,245	410,245	33,097	13,575	46,672	363,573	2.48 – 10
Plant and machinery		121,952,757	123,045,889	32,598,331	9,982,834	42,497,737	80,548,152	2.78 – 6
	19.1.1		(1,024,469)		(83,428)			
Aircraft		1,567,285	1,567,285	444,064	78,364	522,428	1,044,857	10
Catalysts		3,778,883	4,841,244	3,106,975	188,764	3,251,215	1,590,029	10 – 33.33
			(44,524)		(44,524)			
Furniture and fixtures		267,692	309,967	109,594	23,126	132,720	177,247	10
			(1)		-			
Office equipment		182,453	245,813	87,027	18,397	105,004	140,809	10
			(420)		(420)			
Electrical installations and appliances		2,516,566	3,298,243	1,217,346	226,839	1,444,163	1,854,080	10
			(116)		(22)			
Computers		989,091	1,479,098	671,888	223,117	859,428	609,670	25
			(27,682)		(25,577)			
Vehicles		1,428,039	2,034,174	621,133	271,184	886,736	1,147,438	20
			(11,271)		(5,581)			
Right of use assets – land and building		471,238	995,661	275,487	83,535	359,022	636,639	10 – 15.38
		148,964,322	154,546,714	41,492,961	11,393,411	52,726,820	101,819,894	
			(1,108,483)		(159,552)			

19.1.1 During 2024, the Group had reassessed recoverable amount of its idle utility plant and recognised an impairment charge of Rs 941.04 million as disclosed in note 37 to the consolidated financial statements.

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19.1.2 Particulars of land in the name of the Group are as follows:

Descriptions	Location	Land Area
Free hold Land	Sadiqabad, District Rahim Yar Khan	8,902 kanals
Free hold Land	Chichoki Mallian, District Sheikhpura	2,656 kanals
Free hold Land	Jahangirabad, District Multan	3,169 kanals
Free hold Land	Dherki, District Ghotki, Sindh	340 kanals
Free hold Land	Pie Khail, District Mianwali	5,017 kanals
Free hold Land	Umer Khail, District Dera Ismail Khan	3,372 kanals

	Note	2025 (Rupees in thousand)	2024
19.2 Capital work in progress			
Civil works		971,020	1,128,135
Plant and machinery	19.3	3,849,946	2,988,626
Intangibles		4,310	402
Capital stores		7,218,309	5,249,770
		12,043,585	9,366,933
Less: Provision for slow moving capital stores		803,549	336,672
		11,240,036	9,030,261
19.2.1 Movement of capital work in progress			
Opening balance		9,366,933	5,711,905
Additions during the year		5,944,788	3,965,972
		15,311,721	9,677,877
Less: Capitalization during the year		3,268,136	310,944
		12,043,585	9,366,933
Less: Provision for slow moving capital stores		803,549	336,672
		11,240,036	9,030,261
19.2.2 Movement of provision for slow moving capital stores			
Opening balance		336,672	284,245
Charge for the year		466,876	52,427
		803,548	336,672

19.3 This includes Rs 2,645.32 million (2024: Rs 1,070.55 million) being the Group's share in joint operation relating to Gas Pressure Enhancement Facility (PEF), as disclosed in note 49 to the consolidated financial statements.

	2025	2024
	(Rupees in thousand)	
19.4 The depreciation charge for the year has been allocated as follows:		
Cost of sales	11,289,624	10,873,626
Administrative expenses	576,497	497,987
Distribution cost	25,899	21,798
	11,892,020	11,393,411

19.5 Disposal of property, plant and equipment

	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Relationship	Mode of disposal
	(Rupees in thousand)						
Items having net book value above Rs 500,000							
Vehicle – Toyota Land Cruiser	81,409	23,066	58,343	62,000	3,657	None	Negotiation
Vehicle–Range Rover	40,451	34,383	6,068	10,000	3,932	None	Negotiation
Items having net book value below Rs 500,000	76,979	75,355	1,624	24,575	22,951	Employees	Company Policy
2025	198,839	132,804	66,035	96,575	30,540		
2024	84,014	76,124	7,890	50,765	42,875		

20 Intangible assets

	2025								
	Cost			Accumulated amortization / impairment			Book value		
	December 31, 2024	Additions / Deletion	December 31, 2025	December 31, 2024	Amortization	Impairment	December 31, 2025	December 31, 2025	Amortization rate
(Rupees in thousand)									%
Bubber Sher brand	5,900,000	–	5,900,000	5,900,000	–	–	5,900,000	–	–
Computer software	465,270	171,225	636,495	346,139	77,719	–	423,858	212,637	25
Mining rights	145,642	–	–	69,660	21,575	–	–	–	10 – 33
		(145,642)			(91,235)				
	610,912	171,225	636,495	415,799	99,294	–	423,858	212,637	
		(145,642)			(91,235)				

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2024

	Cost			Accumulated amortization / impairment			Book value		Amortization rate
	December 31, 2023	Additions	December 31, 2024	December 31, 2023	Amortization	Impairment	December 31, 2024	December 31, 2024	
(Rupees in thousand)									
Bubber Sher brand	5,900,000	–	5,900,000	4,130,000	–	1,770,000	5,900,000	–	–
Computer software	423,833	41,437	465,270	291,083	55,056	–	346,139	119,131	25
Mining rights	145,642	–	145,642	40,396	29,264	–	69,660	75,982	10 – 33
	6,469,475	41,437	6,510,912	4,461,479	84,320	1,770,000	6,315,799	195,113	

20.1 Disposal of intangible

During the period, mining rights were transferred to Grand Exploration & Mining Company (Private) Limited, a related party, at net book value.

20.2 The amortization / impairment charge for the year has been allocated to administrative / other operating expenses.

21 Investment property

2025

Note	Cost			Accumulated depreciation			Book value		Depreciation rate
	December 31, 2024	Additions	December 31, 2025	December 31, 2024	Charge for the year	December 31, 2025	December 31, 2025		
(Rupees in thousand)									
Freehold land	21.1	145,563	–	145,563	–	–	–	145,563	–
Building		22,650	–	22,650	4,606	906	5,512	17,138	4
		168,213	–	168,213	4,606	906	5,512	162,701	

2024

	Cost			Accumulated depreciation			Book value		Depreciation rate
	December 31, 2023	Additions	December 31, 2024	December 31, 2023	Charge for the year	December 31, 2024	December 31, 2024		
(Rupees in thousand)									
Freehold land		145,563	–	145,563	–	–	–	145,563	–
Building		22,650	–	22,650	3,700	906	4,606	18,044	4
		168,213	–	168,213	3,700	906	4,606	163,607	

21.1 Freehold land consists of 8,127.78 Kanals situated in District Dera Ismail Khan, Khybar Pakhtunkhwa. The land is in possession and control of the Holding Company and currently it is in the name of the three Directors of the Holding Company, Mr. Fawad Ahmed Mukhtar, Mr. Fazal Ahmed Sheikh and Mr. Faisal Ahmed Mukhtar, which will be transferred in the name of the Holding Company in due course of time.

21.2 Latest valuation of investment property was carried by an independent professional valuator on December 24, 2022. The fair value of these investment properties is determined to be Rs 394.13 million.

	Note	2025 (Rupees in thousand)	2024
22 Long term investments			
In associates - equity method			
Fatima Agri Sales & Services (Private) Limited (FASS)	22.3	34,648	32,220
Multan Real Estate Company (Private) Limited (MREC)	22.4	94,933	92,868
Fatima Electric Company Limited (FECL)	22.5	—	—
Buraq Bank Pakistan Limited (Formerly KT Bank Limited) (BBPL)	22.6	25	25
Singfert PTE. Limited	22.7	—	—
National Resources (Private) Limited (NRL)	22.8	37,057	607,337
Globacore Minerals Limited (GML)	22.9	739,793	
		906,456	732,450
Debt instrument - Fair value through profit or loss (FVTPL)			
Silk Islamic Development REIT (SIDR)	22.10	704,400	859,200
Pakistan Corporate CBD REIT	22.11	2,703,994	
Emerald Bay Islamic Developmental REIT	22.12	4,920,757	468,500
		8,329,151	1,327,700
Equity instrument - Fair value through profit or loss (FVTPL)			
Sapphire Bay Islamic Development REIT	22.13	672,329	472,659
Debt instrument - Amortised cost			
Agritech Preference Shares Class-A	22.14	90,957	—
Bank Al-Habib Limited - Term Finance Certificate	22.15	750,000	750,000
Government of Pakistan Ijarah Sukuk	30.50	—	38,606,576
		840,957	39,356,576
		10,748,893	41,889,385

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for the year ended December 31, 2025

22.1 Movement in investment in associates

	2025				Closing
	Opening	Purchased during the year	Share of profit / (loss)	Share of other comprehensive income	
	(Rupees in thousand)				
Fatima Agri Sales & Services (Private) Limited	32,220	–	2,428	–	34,648
Multan Real Estate Company (Private) Limited	92,868	–	2,065	–	94,933
Fatima Electric Company Limited	–	–	–	–	–
Buraq Bank Pakistan Limited (Formerly KT Bank Limited)	25	–	–	–	25
Singfert PTE. Limited	–	–	–	–	–
National Resources (Private) Limited	607,337	258,333	(125,877)	–	739,793
Globacore Minerals Limited (GML)	–	86,380	(49,323)	–	37,057
	732,450	344,713	(170,707)	–	906,456

	2024				Closing
	Opening	Purchased during the year	Share of profit / (loss)	Share of other comprehensive income	
	(Rupees in thousand)				
Fatima Agri Sales & Services (Private) Limited	28,661	–	3,559	–	32,220
Multan Real Estate Company (Private) Limited	89,114	–	3,754	–	92,868
Fatima Electric Company Limited	–	–	–	–	–
Buraq Bank Pakistan Limited (Formerly KT Bank Limited)	25	–	–	–	25
Singfert PTE. Limited	–	–	–	–	–
National Resources (Private) Limited	–	702,193	(94,856)	–	607,337
	117,800	702,193	(87,543)	–	732,450

22.2 Summarized statement of financial position

	2025				
	Fatima Agri Sales & Services (Pvt) Limited	Multan Real Estate Company (Pvt) Limited	Buraq Bank Pakistan Limited	National Resources (Pvt) Limited	Globacore Minerals Limited (GML)
	(Rupees in thousand)				
Current assets	80,530	118,365	65,968	1,039,175	66,683
Non current assets	–	217,479	10,142	1,648,190	2,806,500
Total assets	80,530	335,844	76,110	2,687,365	2,873,183
Current liabilities	9,234	1,318	237,236	988	161
Non current liabilities	–	–	–	268,386	–
Total liabilities	9,234	1,318	237,236	269,374	161
Net assets	71,296	334,526	(161,126)	2,417,991	2,873,022

	2024				
	Fatima Agri Sales & Services (Pvt) Limited	Multan Real Estate Company (Pvt) Limited	Buraq Bank Pakistan Limited	National Resources (Pvt) Limited	Globacore Minerals Limited (GML)
	(Rupees in thousand)				
Current assets	75,724	113,501	1,860	357,673	–
Non current assets	–	217,479	1,773	278,362	–
Total assets	75,724	330,980	3,633	636,035	–
Current liabilities	8,801	3,733	29,122	97,383	–
Non current liabilities	–	–	–	70,606	–
Total liabilities	8,801	3,733	29,122	167,989	–
Net assets	66,923	327,247	(25,489)	468,046	–

22.3 This represents investment in 196,000 (2024: 196,000) fully paid ordinary shares of Rs 10 each of Fatima Agri Sales & Services (Private) Limited (FASS). The investment represents 49% (2024: 49%) of the total issued, subscribed and paid up share capital of FASS.

The principal activity of FASS is to carry on business as a sellers, marketers, importers, exporters, wholesalers, retailers and dealers in all types of agri inputs including fertilizers, micronutrients, pesticides and insecticides, seeds, vaternity and live stock feeds and feeds supplements, fish feeds and its supplements. The registered office of FASS is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

22.4 This represents investment in 858,056 (2024: 858,056) fully paid ordinary shares of Rs 100 each of Multan Real Estate Company (Private) Limited (MREC). The investment represents 28.37% (2024: 28.37%) of the total issued, subscribed and paid up share capital of MREC. The main business of MREC is establishing and designing housing and commercial schemes, to carry on business of civil engineers for construction of private and governmental buildings and infrastructure and provision of labour and building material. The registered office of MREC is located at 2nd floor, Trust Plaza, L.M.Q Road, Multan.

22.5 This represents investment in 14,000 fully (2024: 14,000) paid ordinary shares of Rs 10 each of Fatima Electric Company Limited (FECL). The investment represents 40% (2024: 40%) of the total issued, subscribed and paid up share capital of FECL.

The main business of FECL is transmission, manufacture, supply, generation and distribution of electricity and all forms of energy and power. The registered office of FECL is located at E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.

22.6 This represents investment in 2,500 (2024: 2,500) fully paid ordinary shares of Rs 10 each of Buraq Bank Pakistan Limited (Formerly KT Bank Limited) BBPL. The investment represents 25% (2024: 25%) of the total issued, subscribed and paid up share capital of BBPL.

The main business of BBPL is of banking as a digital bank and undertake financial transactions. The registered office of BBPL is located at Smart Tower, C-10/2, Off Shahrah-e-Faisal, Lines Area, Sector 8/A, Opposite Finance & Trade Centre Building, Karachi, Pakistan.

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- 22.7** This represents investment in 1 (2024: 1) fully paid ordinary share of SGD 1 each of Singfert PTE. Limited (Singfert), a company formed and registered in the Republic of Singapore. The investment represents 25% (2024: 25%) of the total issued, subscribed and paid up share capital of Singfert.

Singfert is a Special Purpose Vehicle (SPV) which will be used to route equity investment in Midwest Fertilizer Company (MFC), USA. MFC is setting up a nitrogen fertilizer project in the State of Indiana, USA.

- 22.8** This represents investment in 105,666,666 fully paid ordinary shares (2024: 79,833,833) of National Resources (Private) Limited (NRL). During the year, 25,833,300 shares were additionally acquired as rights, amounting to Rs 258 million. The investment represents 33% of the total issued, subscribed, and paid-up share capital of NRL. Subsequent to the year end, 333,333,340 shares were additionally acquired as rights by the Holding Company.

The principal activity of NRL is to carry on business of exploring, operating and working on mines, quarries and other related activities in the province of Balochistan. The registered office of NRL is located at Flay No. 1, Plot No. 34-C, Yousaf Homes, Essa Khan Road, Quetta, Pakistan.

- 22.9** This represents investment in 8,638,000 (2024: nil) fully paid ordinary shares of Rs 10 each of Globacore Minerals Limited (GML). The investment represents 32% (2024: nil) of the total issued, subscribed and paid up share capital of GML.

The principal line of business of GML shall be to explore for, acquire, develop, process, and operate mines and quarries and to extract ores, minerals, and natural resources. The address of the registered office of GML is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt, Pakistan.

- 22.10** This represents 60,000,000 (2024: 60,000,000) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme which constitutes 20% (2024: 20%) of the total 300 million units issued (the Investment). This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited.

The Group has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from the Investment, discounted using a risk adjusted discount rate which is taken at 17.92%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 10 years from the date of statement of financial position. Further, discounting due to lack of marketability factor is taken at 25% on the present value of all future proceeds. Further, the Group has estimated a fair value of Rs 704.40 million (2024: Rs 859.20 million) of its investment in the REIT and therefore recorded a loss of Rs 154.80 million during the year as disclosed in note 38 to the financial statements.

The Group being strategic investor of the REIT has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.

- 22.11** This represents 242,496,816 (2024: nil) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme with an expected life of 7 years which constitutes 33% (2024: nil) of the total 800 million units issued (the Investment). This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited.

The purpose of the trust shall be to develop the REIT Project and to sell its end product to the customers. The Scheme has acquired two immovable properties from the Lahore Central Business District Development Authority against the agreed consideration payable as per the payment plan. As at the reporting date, the face value of the units is equal to market value of the units.

The Group being strategic investor of the REIT has 33% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.

- 22.12** This represents 492,075,700 (2024: 46,850,000) units of Rs 10 each held in a privately placed closed - end shariah compliant apartment development REIT scheme with an expected life of 10 years. The Real Estate situated in the vicinity of Ravi River Urban Development Project.

The purpose of the trust shall be to develop the REIT Project and to sell its end product to the customers. The registered office of the REIT is located at 121 The Forum, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan.

- 22.13** This represents 67,232,870 (2024: 47,265,876) units of Rs 10 each held in a privately placed closed - end shariah compliant developmental (PPP) REIT Scheme with perpetual life which constitutes 6.25% (2024: 6.22%) of the total 1,075 million units issued. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Company Limited, a related party and has entered into a Public Private Partnership Agreement with Ravi Urban Development Authority for development, marketing and sale of Phase 1 Zone 3 Sapphire Bay at Ravi City (measuring 2,000 acres of land). As at the reporting date, the face value of the units is equal to market value of the units.

- 22.14** These are cumulative, redeemable Class A preference shares issued on December 31, 2013, carrying a floating cumulative dividend at 1Y KIBOR minus 1% for the first seven years (subject to a floor of 9%) and KIBOR plus 4% from the eighth year onward (subject to a floor of 12%), payable only out of distributable profits with unpaid dividends carried forward; the shares rank ahead of ordinary shares for dividend payments, carry limited voting rights exercisable only on specified reserved matters, and are redeemable at the issuer's option, subject to statutory requirements, at a price equal to the issue price plus any accumulated unpaid dividends. The dividends have been initially recognised at their present value and subsequently measured using the effective interest rate method as per IFRS 9. The effective interest rate charged during the period was 12.16%.

- 22.15** These term finance certificates (TFCs) are classified as a financial asset measured at amortized cost in accordance with IFRS 9 - Financial Instruments. The TFCs carry a profit rate of 6MK + 1.65%. Effective rate of profit during the year was 12.83% to 15.89% (2024: 15.89% to 23.67%).

	2025	2024
	(Rupees in thousand)	
23 Long term loans to related parties		
Silk Islamic Development REIT	280,000	180,000

- 23.1** This represents shariah compliant Musharaka finance facility being extended to Silk Islamic Development REIT (SIDR), a related party. This loan carries a fixed return of KIBOR + 200 basis points per annum which is accrued and recognised over time using the effective interest rate. Upon the expiration of the Musharaka tenor, the Group has the option to convert the outstanding Musharaka investment into units of the SIDR. Effective rate of profit during the year was 13.04% to 19.10% (2024: 17.20 to 23.63%). The maximum amount of loan outstanding during the year was Rs 280 million.

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	Note	2025 (Rupees in thousand)	2024
24 Long term advances and deposits			
Advance against investments in REITs	24.1	5,043,832	5,571,551
Capital advances:			
- Freehold land		1,792,953	194,513
- Building		128,851	–
- Plant and machinery		1,834,406	1,001,900
		3,756,210	1,196,413
Other advances and deposits	24.2 & 24.3	3,284,655	761,618
		12,084,697	7,529,582

24.1 This includes advances aggregating to Rs 1,815.08 million (2024: Rs 3,895.55 million) paid for investments in shariah compliant development REIT schemes which are managed by Arif Habib Dolmen REIT Management Company Limited (RMC), a related party.

24.2 This includes advances to related parties, comprising Rs 898.08 million (2024: nil) to GML, Rs 333.33 million to NRL, and Rs 595.22 million (2024: Rs 200 million) to BBPL, as share deposit money.

24.3 This also includes Rs 666.67 million, the Group's proportionate contribution as a member of consortium, towards earnest money submitted to the Privatisation Commission of Pakistan in connection with the bidding process for the privatisation of Pakistan International Airlines Corporation Limited (PIACL). The consortium was declared the highest bidder on December 23, 2025 and a letter of acceptance was received subsequent to the period end. The earnest money is to be adjusted against the purchase consideration upon completion of the due process of shares issuance.

Further, subsequent to the year end, the consortium signed the Share Purchase Agreement with the Government of Pakistan on January 29, 2026, committing to acquire 75% of PIACL's share capital for a total consideration of Rs 135,000 million and announced its intention to exercise the option to acquire the remaining 25% of the share capital for an additional consideration of Rs 45,000 million at the premium of 12% per annum.

	Note	2025 (Rupees in thousand)	2024
25 Stores and spares			
Stores		2,324,774	1,495,615
Spares		18,220,729	15,525,170
Catalyst and chemicals		5,527,322	5,535,570
		26,072,825	22,556,355
Less: Provision for slow moving stores and spares	25.1	4,676,029	3,321,616
		21,396,796	19,234,739
25.1 Movement of provision for slow moving stores and spares			
Opening balance		3,321,616	2,865,771
Charge for the year		1,354,413	455,845
		4,676,029	3,321,616

	Note	2025 (Rupees in thousand)	2024
26 Stock in trade			
Raw materials {including in transit Rs 7,788.15 million (2024: Rs 12,738.90 million)}		16,681,954	20,605,106
Packing materials		193,687	197,050
		16,875,641	20,802,156
Work in progress		111,619	102,497
Mid products			
Ammonia		283,510	364,078
Nitric acid		51,926	33,257
Others		5,746	5,438
		341,182	402,773
Finished goods			
Own manufactured			
Urea		6,332,312	9,265,054
Nitrophos		32,526,727	18,763,565
CAN		5,680,009	7,851,808
Others		94,009	97,015
		44,633,057	35,977,442
Purchased for resale		2,258,665	2,501,006
		64,220,164	59,785,874
27 Trade debts			
Foreign			
Unsecured – considered good		21,424	–
Local			
Secured against bank guarantees		31,229,020	17,342,267
Unsecured – considered good	27.1	1,019,335	1,252,669
		32,269,779	18,594,936

27.1 This includes balance of Rs 329.23 million (2024: Rs 408.05 million), Rs 73.56 million (2024: Rs 75.21 million), Rs 14.57 million (2024: Rs 1.26 million) and Rs 0.03 million (2024: nil) receivable from Power Cement Limited, Fatima Sugar Mills Limited, Reliance Commodities (Private) Limited and Reliance Weaving Mills Limited (related parties) respectively, in the normal course of business.

	Note	2025 (Rupees in thousand)	2024
28 Short term loans to related parties			
Reliance Commodities (Private) Limited	28.1	1,194,595	248,031
		1,194,595	248,031

28.1 This represents loan given to an associated company Reliance Commodities (Private) Limited (RCL), against an approved limit of Rs 5,000 million. The loan is repayable within 30 business days notice of demand. The markup rate on the said loan is 6 months KIBOR plus 1.25% per annum. Effective rate of markup charged during the year ranged from 11.91% to 15.37% (2024: 15.37% to 23.25%). The loan is fully secured against a ranking charge over the present and future current assets of RCL. The maximum amount of loan outstanding during the year was Rs 1,194.60 million.

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	Note	2025 (Rupees in thousand)	2024
29 Advances, deposits, prepayments and other receivables			
Advances - considered good			
- to employees		75,024	43,785
- to suppliers	29.1	3,235,219	2,905,218
		3,310,243	2,949,003
Margin deposits held by banks		1,190,984	1,979,829
Prepayments		1,634,626	220,881
Receivable from Government of Pakistan (GoP)			
- Sales tax		9,038,677	11,895,337
- Income tax		1,107,268	-
- Federal excise duty		738,311	-
- Subsidy receivable		2,092,158	2,092,159
- Loss allowance on subsidy receivable	29.2	(2,092,158)	(2,092,159)
		10,884,256	11,895,337
Markup receivable		130,542	169,799
Others	29.3	1,011,812	868,049
		18,162,463	18,082,898

29.1 This includes balance of Rs 3.95 million (2024: Rs 2.85 million) to Fatima Agri Sales & Services (Private) Limited, a related party, in the nature of normal course of business. The maximum amount outstanding during the year was Rs 3.95 million.

29.2 This represents loss allowance on subsidy receivable from GoP in accordance with requirement of IFRS 9. However, management is confident of recovering the full amount from GoP.

29.3 This includes balance of Rs 140.92 million (2024: Rs 183.49 million) to OSOL (Private) Limited, a related party, in the nature of normal course of business.

	Note	2025 (Rupees in thousand)	2024
30 Short term investments			
At fair value through profit or loss (FVTPL)			
Equity investments	30.1	21,813,378	11,966,423
Mutual fund	30.2	30,115,922	18,411,706
At amortised cost			
Term Finance Certificates	30.3	41,468	-
Term deposit receipts	30.4	1,207,433	365,628
Ijarah Sukuks	30.5	36,840,020	-
		90,018,221	30,743,757

30.1 These consist of investments made in equity instruments of various listed companies.

30.2 These consist of mutual funds measured at FVTPL. The fair value of the fund is determined based on the publicly available net asset value (NAV) quotes published by the Mutual Funds Association of Pakistan (MUFAP) as at the reporting date.

30.3 These Term Finance Certificates (TFCs) have been issued by Agritech Limited. The certificates carry a zero-coupon rate and are redeemable at the face value of Rs 46.51 million upon maturity date of December 31, 2026. The TFCs have been initially recognised at their present value and subsequently measured using the effective interest rate method. The effective interest rate charged during the period was 12.16%.

30.4 The term deposit receipts carry markup ranging from 7.00% to 11.50% (2024: 12.30% to 17.50%) per annum.

30.5 This represent investment in Government of Pakistan Ijarah Sukuk, which is classified as a financial asset measured at amortized cost in accordance with IFRS 9 - Financial Instruments. The Sukuk carries a variable rental rate that is subject to biannual adjustments based on market conditions. The range of rate during the year was 10.64% to 11.64% (2024: 19.69%). The Sukuk was issued by the Government on January 05, 2023 and has a maturity date of January 05, 2026.

	Note	2025 (Rupees in thousand)	2024
31 Cash and bank balances			
Cash in hand		7,277	8,280
At banks			
- saving accounts	31.1	2,242,456	5,508,638
- current accounts		737,768	3,873,968
		2,987,501	9,390,886

31.1 The balances in saving accounts carry markup ranging from 2.54% to 11.50% (2024: 6.07% to 20.75%) per annum.

	Note	2025 (Rupees in thousand)	2024
32 Sales			
Revenue from contracts with customers			
Local sales	32.1	275,914,618	256,765,122
Export sales		261,948	155,114
		276,176,566	256,920,236
32.1 Local sales			
Own manufactured		293,066,075	259,363,048
Mid products		4,396,832	2,927,600
Purchased for resale		8,345,581	14,612,004
		305,808,488	276,902,652
Less: Sales tax		2,243,505	2,184,761
Federal excise duty		13,747,441	12,451,306
Discounts		13,902,924	5,501,463
		275,914,618	256,765,122

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
33 Cost of sales			
Raw material consumed		115,124,976	108,927,959
Packing material consumed		835,072	1,232,452
Salaries, wages and other benefits	33.1	14,989,825	12,849,490
Fuel and power		17,701,730	17,560,673
Chemicals and catalyst consumed		4,510,712	4,601,015
Stores and spares consumed		8,166,513	5,819,070
Depreciation	19.4	11,289,624	10,873,626
Technical assistance		432,659	599,562
Repair and maintenance		6,530,937	11,413,939
Insurance		1,917,842	2,053,235
Travelling and conveyance		460,749	435,031
Rent, rates and taxes	33.2	1,062,282	803,007
Vehicle running and maintenance		402,741	367,275
Others		348,620	316,612
Subsidy on RLNG released by GoP to SNGPL	33.3	(588,121)	(8,456,399)
Manufacturing cost		183,186,161	169,396,547
Opening stock of work in process		102,497	115,941
Closing stock of work in process		(111,619)	(102,497)
Opening stock of mid products		402,773	389,887
Closing stock of mid products		(341,182)	(402,773)
Cost of goods manufactured		183,238,630	169,397,105
Opening stock of finished goods		35,977,442	15,768,693
Closing stock of finished goods		(44,633,057)	(35,977,442)
Cost of sales - own manufactured		174,583,015	149,188,356
Cost of sales - purchased for resale		7,169,592	15,914,781
		181,752,607	165,103,137

33.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 694.41 million (2024: Rs 598.62 million).

33.2 This includes ijarah lease rentals aggregating to Rs 485.31 million (2024: Rs 463.16 million).

33.3 This represents subsidy related to prior year, released by Government of Pakistan (GoP) to SNGPL, as the difference between full RLNG price billed to the Sheikhpura plant by SNGPL and the gas price capped by GoP for fertilizer plants operating on RLNG.

	Note	2025 (Rupees in thousand)	2024
34 Distribution cost			
Salaries, wages and other benefits	34.1	3,262,045	2,421,768
Rent, rates and taxes	34.2	1,594,811	936,943
Advertisement and sales promotion		1,260,569	1,238,767
Transportation and freight		10,152,883	8,926,028
Technical services to farmers		147,414	128,175
Insurance		99,749	78,214
Travelling and conveyance		134,978	116,261
Others		653,604	560,682
		17,306,053	14,406,838

34.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 135.1 million (2024: Rs 122.37 million).

34.2 This includes rental paid for short term leases aggregating to Rs 1,323.76 million (2024: Rs 662.5 million) and ijarah lease rentals aggregating to Rs 246.9 million (2024: Rs 261.72 million).

	Note	2025 (Rupees in thousand)	2024
35 Administrative expenses			
Salaries, wages and other benefits	35.1	5,290,439	4,520,935
Travelling and conveyance		717,156	481,392
Vehicles' running and maintenance		185,184	154,707
Insurance		53,844	50,205
Communication and postage		65,739	60,090
Printing and stationery		45,096	20,156
Repair and maintenance		199,253	234,586
Rent, rates and taxes	35.2	274,616	520,345
Fees and subscription		515,542	381,578
Entertainment		122,883	106,287
Legal and professional		740,321	1,292,455
Auditors' remuneration	35.3	18,519	17,067
Utilities		52,881	56,210
Aircraft operating expenses		562,362	399,466
Depreciation on operating fixed assets	19.4	576,497	497,987
Depreciation on investment property	21	906	906
Amortization	20	99,294	84,320
Charity and donation	35.4	1,134,268	1,035,654
Others		383,245	522,903
		11,038,045	10,437,249

35.1 This includes charge on account of employees' retirement benefits namely gratuity, leave encashment and provident fund contribution amounting to Rs 179.24 million (2024: Rs 161.64 million).

35.2 This includes rental paid for low value leases amounting to Rs 71.72 million (2024: Rs 337.93 million) and ijarah lease rentals amounting to Rs 152.31 million (2024: Rs 174.73 million).

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35.3 The breakup of statutory auditors' remuneration is as follows:

	Note	2025 (Rupees in thousand)	2024
Annual audit fee		11,325	8,491
Half yearly review fee		800	730
Others	35.3.1	4,795	6,550
Out of pocket expenses		1,599	1,296
		18,519	17,067

35.3.1 Others include special audits fee of Rs 3.95 million (2024: Rs 5.89 million).

35.4 Donations

	2025 (Rupees in thousand)	2024
35.4.1 The name of donee to whom donation amount exceeded 10% of total donations is as follow:		
Fatima Fertilizer Welfare Trust	170,000	154,000
Mian Mukhtar A. Sheikh Trust	596,299	488,717

35.4.1 Donations include the following in which certain directors are interested:

Name of director	Interest in donee	Name of donee	2025 (Rupees in thousand)	2024
Mr. Fawad Ahmed Mukhtar	Trustees	Mian Mukhtar	596,299	488,717
Mr. Faisal Ahmed Mukhtar		A. Sheikh Trust		
Mr. Fazal Ahmed Sheikh				
Mr. Fawad Ahmed Mukhtar	Member of the Board of Governors of National Management Foundation (NMF) the sponsoring body of LUMS.	Lahore University of Management Sciences (LUMS)	31,200	36,000

	2025 (Rupees in thousand)	2024
36 Finance cost		
Markup on:		
- long term finances	4,463,381	2,650,503
- short term finances	1,978,708	1,273,389
- short term loans from related parties	—	94,567
Interest on lease liabilities	79,150	37,110
Bank charges and others	1,416,686	1,026,953
	7,937,925	5,082,522

	Note	2025 (Rupees in thousand)	2024
37 Other operating expenses			
Workers Profit Participation Fund	13.3	3,329,379	3,379,936
Workers Welfare Fund	13.4	1,114,257	1,470,392
Late payment surcharge on payables		93,236	702,531
Impairment of brand		–	1,770,000
Unwinding of payable against subordinated redeemable preference Class A shares	9	280,467	240,887
Exchange loss – net		323,166	760,224
Loss on remeasurement of long term investment	22.10	154,800	82,200
Impairment of plant and machinery	19.1.1	–	941,041
Other provisions		524,935	1,426,157
		5,820,240	10,773,368
38 Other income			
Income from financial assets			
Profit on loans to related parties		71,779	810,467
Gain on sale of investment classified as FVTPL		695,723	384,300
Gain on remeasurement of short term investments classified as FVTPL		8,710,339	5,712,858
Profit on investments and saving accounts		4,045,408	4,315,483
Dividend income		2,439,607	760,844
		15,962,856	11,983,952
Income from non financial assets			
Scrap sales		51,788	109,524
Gain on disposal of property, plant and equipment		30,540	42,875
Markup on credit sale of fertilizer		79,577	234,269
Others		67,521	131,286
		229,426	517,954
		16,192,282	12,501,906
39 Taxation			
Current tax			
- Current year		25,984,550	27,343,430
- Prior year		448,366	(1,026,401)
		26,432,916	26,317,029
Deferred tax		(148,670)	121,806
		26,284,246	26,438,835

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	2025	2024
	(%)	
39.1 Tax charge reconciliation		
Numerical reconciliation between the average tax rate and the applicable tax rate:		
Applicable tax rate	29.00	29.00
Tax effect of:		
Income exempt from income tax or taxed at lower rate	(2.14)	(1.62)
Super tax	10.00	10.00
Prior year	1.18	0.45
Deductions disallowed	0.36	4.18
Others	0.06	0.07
	9.46	13.08
Average effective tax rate charged to statement of profit or loss	38.46	42.08

	2025	2024
40 Earnings per share – basic and diluted		
Profit attributable to ordinary shareholders (Rupees in thousand)	42,059,025	36,394,795
Weighted average number of shares (Number of shares)	2,100,000,000	2,100,000,000
Basic and diluted earnings per share (Rupees)	20.03	17.33

41 Transactions with related parties

The related parties comprise the associated undertakings, directors and other key management personnel of the Group. Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties have been disclosed in the relevant notes to the consolidated financial statements. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

	2025	2024
	(Rupees in thousand)	
Relationship with the Group		
Associated companies		
Lease rental	349,140	343,068
Sales of packing material	1,461,863	1,278,477
Fee for services	1,019,596	611,538
Repayment of short term loans from related parties	–	1,626,307
Miscellaneous expenses	15,718	3,849
Profit on loans to related parties	71,780	810,467
Dividend paid	7,654,249	5,490,205
Markup expense	–	94,567

		2025	2024
		(Rupees in thousand)	
Directors & key management personnel	Remuneration including benefits & perquisites	989,265	921,090
	Dividend paid	4,923,737	3,497,634
Retirement benefit plans	Retirement benefit expense	1,008,956	937,351

41.1 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place.

Name	Basis of Relationship	Aggregate % of shareholding in the Holding Company
Fatima Agri Sales & Services (Private) Limited	Associated company	Nil
Multan Real Estate Company (Private) Limited	Associated company	Nil
Fatima Electric Company Limited	Associated company	Nil
Buraq Bank Pakistan Limited (KT Bank)	Associated company	Nil
Singfert PTE. Limited	Associated company	Nil
National Resources (Private) Limited	Associated company	Nil
Globacore Minerals Limited	Associated company	Nil
Air One (Private) Limited	Common directorship	Nil
Arif Habib Equity (Private) Limited	Common directorship	Nil
HerBeauty (Private) Limited	Common directorship	Nil
OSOL (Private) Limited	Common directorship	Nil
Fatima AG Solutions Limited	Common directorship	Nil
Prime Agtech Solutions (Private) Limited	Common directorship	Nil
Innogrow (Private) Limited	Common directorship	Nil
Sapphire Bay Islamic Development REIT	Common directorship	Nil
Silk Islamic Development REIT	Common directorship	Nil
Pakistan Corporate CBD REIT	Common directorship	Nil
Fatima Sugar Mills Limited	Common directorship	Nil
Power Cement Limited	Common directorship	Nil
Reliance Commodities (Private) Limited	Common directorship	0.03%
Reliance Weaving Mills Limited	Common directorship	0.13%
Fatima Holding Limited	Common directorship	0.00%
Arif Habib Limited	Common directorship	0.00%
Fazal Cloth Mills Limited	Common directorship	3.29%
Farrukh Trading Company Limited	Common directorship	8.32%
Fatima Management Company Limited	Common directorship	8.32%
Fatima Trading Company (Private) Limited	Common directorship	8.41%
Arif Habib Corporation Limited	Common directorship	15.19%

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41.2 The Group considers its Chief Executive Officer, Executive Director, and Functional Heads as its key management personnel.

	Note	2025 Metric ton	2024
42 Capacity and production			
Urea			
Designed production capacity		1,037,900	1,037,900
Actual production		1,106,253	1,087,620
CAN			
Designed production capacity		870,000	870,000
Actual production		871,877	854,557
Nitrophos			
Designed production capacity		664,500	664,500
Actual production		877,825	852,490
Kilograms			
Tapeline			
Designed production capacity		10,595,585	10,624,614
Actual production		9,732,476	9,768,476
Liner			
Designed production capacity		2,874,375	2,882,250
Actual production		2,255,834	2,255,847

43 Remuneration of chief executive, directors and executives

The aggregate amount charged in the consolidated financial statements for the year for remuneration, including certain benefits, to full time working Directors and Executives of the Group are as follows:

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)					
Short term employee benefits						
Managerial remuneration	65,129	61,217	67,597	64,341	3,543,062	2,968,900
Housing allowance	29,308	27,547	25,509	22,695	1,211,309	1,015,405
Utilities allowance	–	–	–	–	400,882	330,581
Conveyance and site allowance	–	–	–	–	543,247	451,599
Leave fare assistance and bonus	33,103	31,034	34,922	32,853	3,138,337	2,502,011
Others	23,866	47,326	13,936	12,239	572,828	236,799
	151,406	167,124	141,964	132,128	9,409,665	7,505,295
Retirement benefits						
Contribution to provident fund and gratuity	–	–	–	–	275,843	231,953
Accumulating compensated absences	–	–	–	–	12,462	9,421
	151,406	146,355	141,964	132,589	9,697,970	7,746,669
Number of persons	1	1	2	2	835	748

43.1 Non Executive Directors were paid meeting fee aggregating to nil (2024: Rs 3.25 million).

43.2 The Group also provides the Chief Executive, Executive Director and some of the Executives with Group maintained cars.

43.3 Executives as mentioned above include Directors and Chief Executive of subsidiary companies.

	Note	2025 (Rupees in thousand)	2024
44 Cash generated from operations			
Profit before tax		68,343,271	62,833,630
Adjustments for :			
Depreciation on property, plant and equipment	19.4	11,892,020	11,393,411
Impairment of Plant	19.1.1	–	941,041
Depreciation on investment property	21	906	906
Amortization of intangible assets	20	99,294	84,320
Impairment of brand	20	–	1,770,000
Finance cost	36	7,937,925	5,082,522
Provision for staff retirement benefits		629,012	562,393
Provision for slow moving stores and spares		1,354,413	508,272
Profit on loans to related parties	38	(71,779)	(810,467)
Gain on investments classified as FTVPL		(9,406,062)	(6,097,158)
Loss on remeasurement of long term investment	22.10	154,800	82,200
Loss allowance on subsidy receivable from GoP		–	627,648
Unwinding of payable against subordinated redeemable preference Class A shares		280,467	240,887
Unwinding of provision for GIDC	13.1	–	70,207
Dividend income	38	(2,439,607)	(760,844)
Share of loss from associates	22.1	170,707	87,543
Profit on short term investments and saving accounts	38	(4,045,408)	(4,315,483)
Late payment surcharge on payables	37	93,236	702,531
Gain on disposal of property, plant and equipment	19.5	(30,540)	(42,875)
		6,619,384	10,127,054
Operating cash flows before working capital changes		74,962,655	72,960,684
Effect on cash flow due to working capital changes:			
(Increase) / decrease in current assets:			
Stores and spares		(3,049,593)	(5,822,866)
Stock in trade		(4,434,290)	(26,408,872)
Trade debts		(13,674,843)	(8,240,189)
Loans, advances, deposits, prepayments and other receivables		988,446	999,574
Net decrease in creditors, accrued and other liabilities		7,129,961	3,679,191
		(13,040,319)	(35,793,162)
		61,922,336	37,167,522

Notes to and Forming Part of the Consolidated Financial Statements

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45 Financial risk management

45.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions with foreign buyers and suppliers.

The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Euro (EUR) and Great British Pound (GBP). Currently, the Group's foreign exchange risk exposure is restricted to bank balances, the amounts receivable / payable from / to the foreign entities. The Group's exposure to currency risk was as follows:

	2025	2024
	(In thousand)	
Cash at banks and in hand - USD	13	20
Trade and other payables - USD	(2,006)	(1,632)
Net exposure - USD	(1,993)	(1,612)
Cash at banks and in hand - EUR	-	-
Trade and other payables - EUR	(418)	(1,011)
Net exposure - EUR	(418)	(1,011)

The following significant exchange rates were applied during the year:

	2025	2024
Rupees per USD		
Average rate	281.09	280.63
Reporting date rate	280.12	278.85
Rupees per EUR		
Average rate	318.10	301.39
Reporting date rate	328.85	289.66

If the functional currency, at reporting date, had fluctuated by 5% against the USD and EUR with all other variables held constant, the impact on profit after taxation for the year would have been Rs 21.22 million (2024: Rs 37.12 million), respectively higher / lower, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is also not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

Fair value sensitivity analysis – Investments through Profit or Loss

In case of 5% change in KSE 100 index on December 31, 2024, with all other variables held constant, net profit for the year would increase / decrease by Rs 818 million (2024: Rs 926.53 million) as a result of gains / losses on equity securities classified as at fair value through profit or loss.

(iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has significant interest bearing assets. The Group's interest rate risk arises from long term financing. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk.

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At the reporting date, the interest rate profile of the Group's interest bearing financial instruments was:

	2025	2024
	(Rupees in thousand)	
Fixed rate instruments		
Term deposit receipt	1,207,433	365,628
Ijarah Sukuks	36,840,020	–
Floating rate instruments		
Financial assets		
Cash at bank – saving accounts	2,242,456	5,508,638
Short term loans to related parties	1,194,595	428,031
Long term loans to related parties	280,000	180,000
Term Finance Certificate	750,000	750,000
Government of Pakistan Ijarah Sukuk	36,840,020	38,606,576
Financial liabilities		
Long term finances – secured	40,332,957	44,152,653
Short term finances – secured	32,393,219	19,515,298

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect the consolidated statement of profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

If the markup rate on net finance at reporting date, had fluctuated by 100 basis points with all other variables held constant, the impact on profit after taxation for the year would have been Rs 191.66 million (2024: Rs 112.06 million) respectively higher / lower.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from deposits with banks and loans, advances, deposits, prepayments and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	(Rupees in thousand)	
Long term advances and deposits	8,328,487	6,333,169
Long term investments	10,748,893	41,889,385
Short term loan to associated companies	1,194,595	428,031
Advances, deposits and other receivables	2,333,338	3,017,677
Trade debts	32,269,779	18,594,936
Short term investments	90,018,221	30,743,757
Bank balances	2,980,224	9,382,606
	147,873,537	110,389,561

The credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency	2025	2024
	Short term	Long term		(Rupees in thousand)	
Bank balances					
Al Baraka Bank (Pakistan) Limited	AA-	A1	VIS	–	17
Allied Bank Limited	AAA	A1+	PACRA	715	143,987
Askari Bank Limited	AA+	A1+	PACRA	176,305	226,914
Bank Alfalah Limited	AAA	A1+	PACRA	10,842	321,336
Bank Al Habib Limited	AAA	A1+	PACRA	1,348,326	4,027,321
BankIslami Pakistan Limited	AA-	A1	PACRA	706	82
Bank Makramah Limited			VIS	860,381	1,879,351
Citibank N.A	A+	F1	Fitch Rating	44	44
Dubai Islamic Bank Limited	AA	A1+	VIS	–	150,765
Faysal Bank Limited	AA	A1+	PACRA	77,705	555,471
Habib Bank Limited	AAA	A1+	VIS	198,530	414,144
Habib Metropolitan Bank Limited	AA+	A1+	PACRA	665	5,843
Industrial and Commercial Bank of China	A	F1+	Fitch Rating	677	677
JS Bank Limited	AA	A1+	PACRA	90	174,350
MCB Bank Limited	AAA	A1+	PACRA	47,451	36,016
MCB Islamic Bank Limited	A+	A1	PACRA	61,387	–
Meezan Bank Limited	AAA	A1+	VIS	52,103	22,537
National Bank of Pakistan	AAA	A1+	PACRA	67,668	464,854
Sindh Bank Limited	AA	A1+	VIS	–	–
Soneri Bank Limited	AA-	A1+	PACRA	549	18,131
Standard Chartered Bank (Pakistan) Limited	AAA	A1+	PACRA	910	302,603
The Bank of Punjab	AA+	A1+	PACRA	27,208	607,416
Bank of Khyber	A+	A1	PACRA	3,798	4,523
United Bank Limited	AAA	A1+	VIS	76	76
Term deposit receipts					
Askari Bank Limited	AA+	A1+	PACRA	5,333	2,150
Bank Al Habib Limited	AAA	A1+	PACRA	50,000	50,000
Bank Makramah Limited			VIS	52,100	52,100
Faysal Bank Limited	AA	A1+	PACRA	600,000	–
Meezan Bank Limited	AAA	A1+	VIS	–	261,378
National Bank of Pakistan	AAA	A1+	PACRA	500,000	–
Term finance certificate					
Bank Al Habib Limited	AAA	A1+	PACRA	750,000	750,000
Agritech Limited				41,468	–

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counterparties on their obligations to the Group. Accordingly, the credit risk is minimal.

The Group is not exposed to credit risk on its Government of Pakistan Ijarah Sukuk and Defence saving certificates.

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(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At December 31, 2025 the Group has Rs 41,697 million (2024: Rs 41,037.70 million) unutilized borrowing limits from financial institutions and Rs 4,893.57 million (2024: Rs 10,472.09 million) cash and bank balances.

The following are the carrying values of financial liabilities as at December 31, 2025:

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term finances - secured	40,332,957	37,719,173	2,424,903	188,881
Lease liabilities	656,850	41,238	245,259	370,353
Short term finances - secured	32,393,219	32,393,219	—	—
Subordinated redeemable preference Class A shares	1,994,677	—	1,994,677	—
Trade and other payables	48,734,031	48,734,031	—	—
Unclaimed dividend	90,146	90,146	—	—
Long term deposits	96,010	—	96,010	—
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901	—	—
Accrued finance cost	1,704,720	1,704,720	—	—
	128,200,511	122,880,428	4,760,849	559,234

The following are the carrying values of financial liabilities as at December 31, 2024:

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term finances - secured	44,152,653	1,861,544	42,109,447	181,662
Lease liabilities	681,742	33,126	267,234	381,382
Short term finances - secured	19,515,298	19,515,298	—	—
Subordinated redeemable preference Class A shares	1,714,210	—	1,714,210	—
Trade and other payables	41,050,790	41,050,790	—	—
Short term loans from related parties	—	—	—	—
Unclaimed dividend	70,583	70,583	—	—
Long term deposits	497,663	—	497,663	—
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901	—	—
Accrued finance cost	1,842,511	1,842,511	—	—
	111,723,351	66,571,753	44,588,554	563,044

45.2 Fair values of financial assets and liabilities

The carrying amounts of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value hierarchy

The Group is required to classify financial instruments using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Investments of the Group carried at fair value are categorised as follows:

	2025			
	(Rupees in thousand)			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Investment - FVTPL	51,929,300	–	9,001,480	60,930,780
Total financial assets at fair value	51,929,300	–	9,001,480	60,930,780
	2024			
	(Rupees in thousand)			
	Level 1	Level 2	Level 3	Total

Financial assets at fair value				
Investment - FVTPL	30,378,129	–	3,128,059	33,506,188
Total financial assets at fair value	30,378,129	–	3,128,059	33,506,188

45.3 Financial instruments by categories

	2025			2024		
	Amortized Cost	Fair value Through P & L	Fair value Through OCI	Amortized Cost	Fair value Through P & L	Fair value Through OCI
	(Rupees in thousand)					
Financial assets as per statement of financial position						
Long term investments	840,957	9,001,480	–	39,356,576	1,800,359	–
Long term loans to related parties	280,000	–	–	180,000	–	–
Long term advances and deposits	8,328,487	–	–	6,333,169	–	–
Short term loan to related parties	1,194,595	–	–	428,031	–	–
Advances, deposits and other receivables	2,333,338	–	–	3,017,677	–	–
Trade debts	32,269,779	–	–	18,594,936	–	–
Short term investments	38,088,921	51,929,300	–	365,628	30,378,129	–
Cash and bank balances	2,987,501	–	–	9,390,886	–	–
	86,323,578	60,930,780	–	77,666,903	32,178,488	–

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

	2025	2024
	(Rupees in thousand)	
Financial liabilities as per statement of financial position - at amortised cost		
Long term finances - secured	40,332,957	44,152,653
Short term finances - secured	32,393,219	19,515,298
Unclaimed dividend	90,146	70,583
Lease liabilities	656,850	681,742
Long term deposits	96,010	497,663
Trade and other payables	36,485,159	41,050,790
Subordinated redeemable preference Class A shares	1,994,677	1,714,210
Payable to Privatization Commission of Pakistan	2,197,901	2,197,901
Accrued finance cost	1,704,720	1,842,511
	115,951,639	111,723,351

45.4 Capital risk management

The Group's objectives when managing capital are to safeguard Group's ability to continue as a going concern in order to provide maximum return to shareholders and benefits for other stakeholders and to maintain an optimal capital structure as required by the lenders. Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of debt to equity ratio.

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, issue new ordinary / preference shares, or obtain / repay loans.

	2025	2024
Total debt (Rupees in thousand)	75,377,703	66,063,903
Total equity (Rupees in thousand)	169,864,543	144,169,019
Debt to equity ratio	44.38%	45.82%

	2025	2024
	(Rupees in thousand)	
46 Provident fund		
The following information is based on latest un audited financial statements of the fund:		
Size of the fund (Rupees in thousand)	6,164,206	5,246,056
Cost of investments made (Rupees in thousand)	5,651,464	4,488,216
Fair value of investments (Rupees in thousand)	5,776,875	4,646,543
Percentage of investments made	91.68%	85.55%

	2025		2024	
	(Rupees in thousand)	%age	(Rupees in thousand)	%age
46.1 The breakup of fair value of investments is as follows:				
Mutual funds	3,831,983	66%	2,844,371	61%
Scheduled banks	1,944,892	34%	1,802,172	39%
	5,776,875	100%	4,646,543	100%

46.2 The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

46.3 An amount of Rs 367.71 million (2024: Rs 325.56 million) has been contributed during the year to the provident fund.

	2025	2024
	(Number)	
47 Number of employees		
Average number of employees during the year	5,373	5,189
Number of employees at end of the year	5,402	5,344

	Note	2025	2024
		(Rupees in thousand)	
48 Shariah compliance disclosure			
Financing as per Islamic mode			
Long term loans	8	39,166,613	42,846,724
Short term loans	15	25,035,684	16,376,841
Accrued finance cost as per Islamic mode			
Long term loans	14	1,114,390	1,317,083
Short term loans	14	444,692	491,660
Investments as per Islamic mode			
Long term investments	22	9,001,480	40,406,935
Short term investments	30	71,735,102	5,159,522
Bank balances	31	1,129,131	732,804
Gain from shariah compliant investments			
Dividend income earned on Islamic mode of investments	38	572,799	206,253
Unrealized gain on remeasurement of investments at FVTPL	38	7,465,256	1,845,228
Realized gain on investments at FVTPL	38	32,864	181,038
Profit on investments and saving accounts	38	3,806,716	1,629,738
Finance cost accrued on Islamic mode of financing	36	5,657,991	2,972,072

Notes to and Forming Part of the Consolidated Financial Statements

for the year ended December 31, 2025

	Note	2025 (Rupees in thousand)	2024
Profit earned or interest accrued on conventional loans			
Finance cost	36	2,279,934	2,110,450
Profit on loans to related parties	38	71,779	810,467
Profit on investments and saving accounts	38	238,692	2,685,745
Revenue earned from shariah compliant business			
	32	276,176,566	256,920,236
Other income earned from shariah compliant business			
	38	232,401	475,079

Relationship with shariah compliant banks and financial institutions

Name	Relationship
Al Baraka Bank (Pakistan) Limited	Bank balance
BankIslami Pakistan Limited	Bank balance
Dubai Islamic Bank Limited	Bank balance
Faysal Bank Limited	Bank balance and long term finance
Meezan Bank Limited	Bank balance, short term and long term finance
Pak Kuwait Investment Company Limited	Long term finance

49 Interest in joint arrangements

The Holding Company, Fauji Fertilizer Company Limited (FFC) and Engro Fertilizers Limited (EFERT) entered into a Framework Agreement (the Agreement) for Gas Pressure Enhancement Facilities (PEF) project on November 30, 2022. Under the Agreement, the Holding Company, FFC and EFERT have decided to jointly develop and install pressure enhancement facilities at the Mari Energies Limited (MEL) delivery node to sustain the current level of pressure of gas supply from Habib Rahi Limestone (HRL) reservoir of MEL.

All decisions with respect to development and operations of PEF would be made only with unanimous consent of the Holding Company, FFC and EFERT. Accordingly, PEF arrangement would be classified as a 'Joint Arrangement' in accordance with IFRS – 11. Further, PEF would not be established through a separate legal entity and consists of an asset i.e. PEF facility which will be jointly owned and operated by the Holding Company, FFC and EFERT, hence, the joint arrangement for establishment and operations of PEF has been classified as a 'Joint Operations' in these financial statements. Current cost sharing percentages in PEF of the Holding Company, FFC and EFERT are 18.4%, 47.7% and 33.9%, respectively.

The Group has recognised its share of jointly held assets of the joint operation under the appropriate heads and disclosed the same in related note to the consolidated financial statements.

50 Non adjusting events after reporting date

The Board of Directors of the Holding Company in its meeting held on March 06, 2026 proposed a final dividend of Rs 2.50 (2024: Rs 4.25) per share for the year ended December 31, 2025, aggregating to Rs 5,250 million (2024: Rs 8,925 million) for approval of the members at the Annual General Meeting to be held on April 17, 2026.

51 Date of authorization of issue

These consolidated financial statements have been authorised for issue on March 06, 2026 by the Board of Directors of the Holding Company.

52 General

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



Chief Executive Officer



Director



Chief Financial Officer

Our Reporting Parameters

This report contains the Directors' Report to shareholders along with the audited financial statements as per the statutory requirements for disclosure for listed companies in Pakistan. Additionally, the report also contains the voluntary reporting on sustainability in alignment with the ISSB's IFRS S1 (General Sustainability-Related Disclosures) and S2 (Climate-Related Disclosures) standards and is published as part with the Company Annual Report. The Company also considered the requirements of Association of Chartered Certified Accountants (ACCA), World Wide Fund for Nature – Pakistan (WWF-P) and Pakistan Environment Reporting Awards (PERA) in order to adopt best sustainability reporting practices within the Country.

Report Boundary

This report covers all fertilizer production facilities and the Corporate Head Office in Lahore.

Reporting Period

The reporting period is January 01, 2025 to December 31, 2025 and the data has mainly been obtained from Finance, Operations, Marketing and Sales, Human Resources, Corporate Secretarial, Internal Audit, Information Technology, Supply Chain, External Auditors, HSE and CSR Functions.

Report Content

The Company identified key issues to be responded on as corporate strategy by using its materiality matrix. The purpose of the engagement was to prioritize the materiality of outcomes for management attention and further actions. All the issues which are significant in nature considering the concerns of the stakeholders and the Company are analysed and covered in detail in the report.

Data Measurement Techniques

All numeric indicators are reported on actual basis except for a few environmental KPIs which are reported on management best estimates in accordance with international standards and best practices.

Contact Us

Feedback on the Company's annual and sustainability reporting is encouraged. For comments and feedback, please contact the Corporate HSE / Corporate Communications Department at: sustainability.reporting@fatima-group.com and communications@fatima-group.com

Statements Under Section

134(3) of the Companies Act, 2017

Item 5 of the Agenda:

Annexure – A

As per the disclosure requirement of Para 4(1) of the S.R.O. 1240(I)/2017 dated December 06, 2017, it is informed that the following directors of the Company are also the directors in the investee company, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship in the investee company:

Directors

- 1) Mr. Fawad Ahmed Mukhtar
- 2) Mr. Fazal Ahmed Sheikh
- 3) Mr. Faisal Ahmed Mukhtar

The Directors have carried out the required due diligence for the purpose of this loan.

The information required under S.R.O 1240(I)/2017 is provided below:

Sr. No.	Description	Information Required
(a)	Disclosure for all types of Investments	
(A)	Disclosure regarding associated company	
(i)	Name of associated company or associated undertaking	Reliance Commodities (Pvt) Limited (RCL)
(ii)	Basis of relationship	Due to common directorship by the following: 1) Mr. Fawad Ahmed Mukhtar 2) Mr. Fazal Ahmed Sheikh 3) Mr. Faisal Ahmed Mukhtar
(iii)	Earnings per share for the last three years	PKR 7.01 for the year 2023 PKR 176.73 for the year 2024 PKR 95.81 for the year 2025
(iv)	Break-up value per share, based on latest audited financial statements	PKR 732.93
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As per the audited Financial Statements for the year ended June 30, 2025 PKR in Million Authorized Capital 350 Paid-up capital and reserves 5,305 Surplus on revaluation of property, plant and equipment 562 Non-Current Liabilities 1,207 Current Liabilities 5,365 Current Assets 10,704 Non-Current Assets 1,735 Revenue 4,760 Gross Profit 870 Finance Cost 308 Profit After Tax 767

Sr. No.	Description	Information Required
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: (I) Description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; and (V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts	Not applicable
(B)	General Disclosures	
(i)	Maximum amount of investment to be made	Loan Investment in the nature of running finance facility up to PKR 5,000 Million (Already made).
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	To support the functionality and operations of the associated undertaking and to continue investment of the Company's funds at an attractive rate of mark-up for a further period of one year.
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis	Already given/Own sources of the Company.
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	Salient terms of the agreement to be entered as follows: 1. The parties agree to extend the repayment period of the Running Finance Facility to be repaid within 30 days of the notice of demand for a further period of one year. The limit in the nature of Running Finance Facility shall be renewable in the next general meeting(s) for a further period(s) of one year. 2. Markup will be charged on the entire loan at the rate of 6M KIBOR+0.5% but not less than the borrowing cost of Fatima. Markup is payable on a six monthly basis.

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134(3) of the Companies Act, 2017

Sr. No.	Description	Information Required
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	The following directors of the Company are also the directors in the investee company, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship in the investee company. Directors 1) Mr. Fawad Ahmed Mukhtar 2) Mr. Fazal Ahmed Sheikh 3) Mr. Faisal Ahmed Mukhtar
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	A loan of an aggregate amount of up to PKR 5,000 million in the nature of a renewable running finance facility has already been granted to RCL. The Company is now seeking renewal of this running finance facility for a further period of one year at the mark-up rate of 6M KIBOR + 0.5% but not less than the borrowing cost of Fatima and to be repaid within 30 days of the notice of demand. There is no impairment or write-offs for this loan.
(vii)	Any other important details necessary for the members to understand the transaction	None
(b)	Additional Disclosures regarding Loan Investment	
(i)	Category-wise amount of investment	Loan Investment in the nature of running finance facility up to PKR 5,000 Million (Already made).
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	The average borrowing cost of investing company is 11.16%.
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	6M KIBOR+0.50% per annum but not less than the borrowing cost of Fatima.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	The security for the loan shall continue in the form of a charge over the present and future current assets of RCL and the charge shall be vacated on the repayment of the entirety of the loan.
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	None
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The Loan will be repayable within a year within 30 days of the notice of demand unless renewed by mutual consent of the parties, provided shareholders of Fatima approve any renewal.

Item 6 of the Agenda:

The transactions carried out with associated companies/related parties have been approved by the Board as recommended by the Audit Committee on a quarterly basis pursuant to provisions of applicable laws. However, as majority of Company Directors were interested in certain related party transactions due to their common directorship and holding of shares in the associated companies/related parties, the Board has recommended for placement of the same before the shareholders of the Company in general meeting for ratification/approval.

All these related party transactions during the mentioned period were executed at Arm's Length Price/agreed commercial terms in a fair and transparent manner and there was no departure from the guidelines mentioned in the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 and Code of Corporate Governance for such transactions.

Pursuant to the above, these transactions have to be approved/ratified by the shareholders in the General Meeting.

The directors and their relatives have no direct or indirect interest in the aforesaid except to the extent of their shareholding/common directorship with associated companies/related parties.

Item 7 of the Agenda:

Due to the composition of the Board of Directors of the Company, many Directors may be deemed to be treated as interested in transactions with certain related parties due to their common directorships and/or shareholding. Therefore the shareholders are being approached to grant a broad and prior approval for such transactions to be entered into by the Company, from time to time, at the discretion of the Board and irrespective of its composition and interest of directors due to their common directorship and holding of shares in the associated companies/related parties, triggering approval of shareholders under section 207 and/or 208 of the Companies Act, 2017, for the year ending December 31, 2026, which transactions shall be deemed to be approved by the shareholders. The Company shall ensure that such transactions with related parties, if needed, continue to be carried out in a fair and transparent manner and at Arm's Length Basis/agreed commercial terms.

Transactions intended to be carried out by the Company include, but are not limited to, sale and purchase of stores and spares, shared expenses, toll manufacturing, lease, sale and purchase of products/mid-products/raw material/assets, and purchase of packaging material with the following related parties but are not limited to:

Company Name and Nature of Relationship

1. Fatimafert Limited - Wholly owned subsidiary
2. Fatima Cement Limited - Wholly owned subsidiary
3. Fatima Packaging Limited - Wholly owned subsidiary
4. Pakarab Fertilizers Limited - Wholly owned subsidiary
5. Fatima Capital Limited - Wholly owned subsidiary
6. Fatima Petroleum Company Limited - Wholly owned subsidiary
7. Fatima Mining Limited - Wholly owned subsidiary
8. PIA Equity Limited

The shareholders should note that it is not possible for the Company or the directors to accurately predict the nature of related party transaction or the specific related party(ies) with which the transaction(s) shall be carried out. In view of the same, the Company seeks the broad/ prior approval of the shareholders that the Board may cause the Company to enter into related party transactions in its discretion and in accordance with the policy of the Company. Such transactions shall be presented in the next annual general meeting of shareholders for their formal approval/ratification.

The following directors of the Company are also the directors in Fatimafert Limited and Fatima Cement Limited, however, the directors have no direct or indirect interest except to the extent of their shareholding/directorship in Fatimafert Limited and Fatima Cement Limited:

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Directors

- 1) Mr. Muhammad Arif Habib
- 2) Mr. Fawad Ahmed Mukhtar
- 3) Mr. Fazal Ahmed Sheikh
- 4) Mr. Faisal Ahmed Mukhtar
- 5) Mr. Muhammad Kashif Habib

Mr. Muhammad Kashif Habib, director of the Company and Mr. Asad Murad, COO of the Company, are also the directors in Fatima Packaging Limited, however, they have no direct or indirect interest except to the extent of their shareholding/directorship in Fatima Packaging Limited.

Further, the following directors/shareholders of Fatima are also the directors/shareholders in Pakarab Fertilizers Limited, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship as aforesaid.

Directors:

- 1) Mr. Muhammad Arif Habib
- 2) Mr. Fawad Ahmed Mukhtar
- 3) Mr. Fazal Ahmed Sheikh
- 4) Mr. Faisal Ahmed Mukhtar
- 5) Mr. Muhammad Kashif Habib
- 6) Mr. Abdus Samad Habib
- 7) Mr. Rehman Naseem

Mr. Muhammad Kashif Habib, director of the Company and Syed Hyder Hasan, CFO of the Company, are also the directors in Fatima Capital Limited, however, they have no direct or indirect interest except to the extent of their shareholding/directorship in Fatima Capital Limited.

Mr. Muhammad Kashif Habib, director of the Company, Mr. Asad Murad, COO and Syed Hyder Hasan, CFO of the Company, are also the directors in Fatima Petroleum Company Limited, however, they have no direct or indirect interest except to the extent of their shareholding/directorship in Fatima Petroleum Company Limited.

Mr. Muhammad Kashif Habib, director of the Company, Mr. Asad Murad, COO and Syed Hyder Hasan, CFO of the Company, are also the directors in Fatima Mining Limited, however, they have no direct or indirect interest except to the extent of their shareholding/directorship in Fatima Mining Limited.

Mr. Muhammad Arif Habib, Chairman/director of the Company and Mr. Fazal Ahmed Sheikh, Director of the Company, are also the directors in PIA Equity Limited, however, they have no direct or indirect interest except to the extent of their shareholding/directorship in PIA Equity Limited.

The Directors/Key managerial personnel are interested in the resolution only to the extent of their shareholding and/or directorships in such related parties.

Item 8 of the Agenda:

Annexure – B

As per the disclosure requirement of Para 4(1) of the S.R.O. 1240(I)/2017 dated December 06, 2017, it is informed that Mr. Muhammad Arif Habib, Director/Chairman of the Company is also the Director/Chairman of Arif Habib Dolmen REIT Management Limited (which is the RMC of proposed REIT Schemes), however, he has no interest except to the extent of shareholding/directorship in the investee companies:

The information required under S.R.O. 1240(I)/2017 is provided below:

Investment in Securities - Existing and / or proposed REIT Schemes

Sr. No.	Description	Information Required
(a)	Disclosure for all types of Investments	
(A)	Disclosure regarding associated company	
(i)	Name of associated company or associated undertaking	Existing and / or proposed REIT Schemes under the management of Arif Habib Dolmen REIT Management Limited ("AHDRML"). This approval is being sought for the sake of good corporate governance to enable the Company to be in ready position to capitalize on investment opportunities as and when available.
(ii)	Basis of relationship	REIT Schemes managed / to be managed by Arif Habib Dolmen REIT Management Limited (AHDRML) (an associated company).
(iii)	Earnings per share for the last three years	As this approval is being sought for various existing / proposed funds under management of AHDRML, EPS of such entities is not available at the time of this statement.
(iv)	Break-up value per share, based on latest audited financial statements	As this approval is being sought for various existing / proposed funds under management of AHDRML, Break-up value of such entities is not available at the time of this statement.
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As this approval is being sought for various existing / proposed funds under management of AHDRML, financial position of such entities is not available at the time of this statement.
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: (I) Description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; and (V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts	Various existing / proposed funds under management of AHDRML are launched or are in pipeline under different stages of launching. These include Dolmen City REIT, Globe Residency REIT, Silk World Islamic REIT, Naya Nazimabad Apartments REIT, Rahat Residency REIT, DHA Dolmen Lahore REIT, Signature Residency REIT, Meezan Center REIT, Gymkhana Apartment REIT, Park View Apartment REIT and Taj Boulevard REIT. This approval is being sought for other proposed REITS as specified above and any other REITS that may be launched under the management of AHDRML, for which required information is not presently available.

Statements Under Section

134(3) of the Companies Act, 2017

Sr. No.	Description	Information Required
(B)	General Disclosures	
(i)	Maximum amount of investment to be made	Renewal of unutilized limit of PKR 2.250 billion is requested for approval.
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	For the benefit of the Company and to earn better returns in the long run on strategic investment. Approval of limit shall remain valid for a period upto next annual general meeting and shall be renewable thereon for further period(s).
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis	The investment may be made from Company's own available liquidity and/or credit lines. (I) Higher rate of return (II) Pledge of listed securities and / or charge over assets of the Company, if and where needed. (III) Company expects to time the investment to earn return over and above the borrowing cost.
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	There is no agreement to date for proposed REIT Schemes.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Directors of the Company have no interest in the investee entity except in their capacity as sponsor / director / shareholder of the RMC or possibility of being a unitholder of the REIT Scheme.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	N/A
(vii)	Any other important details necessary for the members to understand the transaction	None
(b)	Additional Disclosures regarding Equity Investment	
(i)	Maximum price at which securities will be acquired	At par / premium / offered / negotiated price prevailing on the date of transaction / investment.
(ii)	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
(iii)	Maximum number of securities to be acquired	No. of securities purchasable under approved limit in accordance with / bases on Sr. Nos. (B) i & (b) i
(iv)	Number of securities and percentage thereof held before and after the proposed investment	N/A
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	N/A
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	N/A

Item 9 of the Agenda:

Annexure – C

Investment in PIA Equity Limited for the acquisition of Pakistan International Airlines Corporation Limited (PIACL):

Arif Habib Corporation Limited (AHCL) led consortium comprising Fatima Fertilizer Company Limited, AHCL, The Lake City Holdings (Private) Limited, AKD Group Holdings (Private) Limited and City Schools (Private) Limited (the Consortium) was declared the successful bidder with a bid of PKR 135 billion for the step-wise acquisition of 75% equity stake in Pakistan International Airlines Corporation Limited (PIACL) under the privatisation process of the Government of Pakistan.

Pursuant to the execution of the relevant transaction agreements with the Privatisation Commission and other stakeholders, the Consortium has incorporated a special purpose vehicle, PIA Equity Limited (PIAEL), to undertake the acquisition. The Consortium has also requested the Privatisation Commission to include Fauji Fertilizer Company Limited as a nominated person to subscribe to a portion of the shareholding in PIAEL, in accordance with the transaction documents.

Fatima, as subscriber to the Memorandum of Association of PIAEL, has made an initial equity investment of PKR 249,999,670 in PIAEL. In order to meet its funding obligations under the transaction documents and to enable PIAEL to complete the acquisition of PIACL, the Board of Directors has approved, subject to the approval of members under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, a consolidated limit for further investments in PIAEL. Such investments may be made in any form, including equity, loans, advances, standby letters of credit, guarantee etc.

Completion of the transaction is subject to satisfaction of the agreed conditions precedent, following which transfer of management control of PIACL is expected. In accordance with the transaction documents, the Consortium also intends to exercise its option to acquire the remaining 25% shareholding of PIACL held by the Government of Pakistan.

The proposed investment aligns with the Company's strategic objective of expanding its portfolio in key sectors and is expected to facilitate operational, financial and governance improvements in PIACL under private sector management, with the aim of enhancing efficiency and long-term value. The Board confirms that necessary due diligence has been carried out and considers the proposed investment to be in the best interest of the Company and its shareholders.

As per the disclosure requirement of Para 4(1) of the S.R.O. 1240(I)/2017 dated December 06, 2017, it is informed that the following directors/shareholders of the Company are also the directors/shareholders in the investee company, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship in the investee company:

Directors

- 1) Mr. Muhammad Arif Habib
- 2) Mr. Fazal Ahmed Sheikh

The Directors have carried out the required due diligence for the purpose of this investment.

The information required under S.R.O 1240(I)/2017 is provided below:

Sr. No.	Description	Information Required
(a)	Disclosure for all types of Investments	
(A)	Disclosure regarding associated company	
(i)	Name of associated company or associated undertaking	PIA Equity Limited (PIAEL)
(ii)	Basis of relationship	Associated due to common directorship/ shareholding between the investing company (or its subsidiary/SPV) and the investee company. Common directors are as under: 1) Mr. Muhammad Arif Habib 2) Mr. Fazal Ahmed Sheikh

Statements Under Section

134(3) of the Companies Act, 2017

Sr. No.	Description	Information Required
(iii)	Earnings per share for the last three years	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period.
(iv)	Break-up value per share, based on latest audited financial statements	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period. Face value of PIAEL share is Rs.10 per share.
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period.
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: (I) Description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; and (V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts	PIAEL has been incorporated as a special purpose vehicle (SPV) pursuant to the requirements of the Privatisation Commission, Government of Pakistan through its Letter of Acceptance dated 2 nd January 2026 and Transaction Documents, in connection with the privatisation of Pakistan International Airlines Corporation Limited (PIACL). The sole and exclusive principal business of PIAEL shall be to acquire the shares / equity stake in PIACL in accordance with the applicable Transaction Documents, and not to undertake any other business.
(B)	General Disclosures	
(i)	Maximum amount of investment to be made	Up to PKR 50 billion, to be utilized in any form, including equity, standby letters of credit, guarantees etc.
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The investment forms part of the Company's strategic diversification and participation in the acquisition and turnaround of PIACL through PIA Equity Limited. Approval shall remain valid until the next general meeting unless renewed.
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis	The investment may be made from Company's own available liquidity and/or credit lines. (I) Higher rate of return (II) Pledge of listed securities and / or charge over assets of the Company, if and where needed. (III) Company expects to make the investment to earn return over and above the borrowing cost.

Sr. No.	Description	Information Required
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	<p>On 29th January 2026, following agreements were executed:</p> <ol style="list-style-type: none"> 1- Share Purchase and Subscription Agreement (SPSA) among the President of the Islamic Republic of Pakistan, Privatisation Commission, PIA Holding Company Limited (PIAHCL), PIA Equity Limited (PIAEL), Arif Habib Corporation Limited (AHCL), Fatima Fertilizer Company Limited (FATIMA), The Lake City Holdings (Private) Limited (LCHPL), City Schools (Private) Limited (CSPL), AKD Group Holdings (Private) Limited (AKDGHPL), and Pakistan International Airlines Corporation Limited (PIACL) to record the terms and conditions relating to issuance and transfer of shares and management control to PIAEL on the terms and subject to the conditions of SPSA and the Shareholders' Agreement. 2- Shareholders' Agreement (SHA) among the PIAHCL, PIAEL, AHCL, FATIMA, LCHPL, CSPL, AKDGHPL, and PIACL, to set forth their mutual understanding with respect to the affairs of PIACL and matters inter se the Shareholders.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	<p>The following directors/shareholders of the Company are also the directors/shareholders in the investee company, however, the directors have no direct or indirect interest except to the extent of directorship/ shareholding in the investee company:</p> <p>Directors</p> <ol style="list-style-type: none"> 1) Mr. Muhammad Arif Habib 2) Mr. Fazal Ahmed Sheikh
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	PIAEL was recently incorporated on 9th January 2026. Fatima Fertilizer Company Limited, being a subscriber to the Memorandum of Association of PIAEL, has made an initial equity contribution of PKR 249,999,670 towards its share capital.
(vii)	Any other important details necessary for the members to understand the transaction	None
(b)	Additional Disclosures regarding Equity Investment	
(i)	Maximum price at which securities will be acquired	At par, premium, or such price as may be offered or negotiated at the time of the transaction/investment, in accordance with applicable laws and the terms of the relevant transaction or any agreements.
(ii)	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not applicable

Statements Under Section

134(3) of the Companies Act, 2017

Sr. No.	Description	Information Required
(iii)	Maximum number of securities to be acquired	No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. B(i) & b(i)
(iv)	Number of securities and percentage thereof held before and after the proposed investment	Before: Fatima, as subscriber to the Memorandum of Association of PIAEL, presently holds 24,999,967 ordinary shares representing 7.57% of the issued share capital of PIAEL. After: Increase in securities / percentage in accordance with Sr. Nos. Nos. B(i), b(i) and b(iii).
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	Not applicable
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable – PIAEL was recently incorporated in January 2026. Face value of PIAEL share is Rs.10 per share.
(c)	Additional Disclosures regarding Investment in the form of loans, advances, standby letters of credit, guarantee etc.	
(i)	Category-wise amount of investment	As disclosed in Sr. B(i) above
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	The average borrowing cost of investing company is 11.16%.
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by the investing company.	If applicable, at least Average Borrowing Cost of the investing company.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment.	Not Applicable
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable.	If applicable will be mutually agreed at the relevant time.
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	As and when applicable will be mutually agreed.

Statement under Section 134(3) of the Companies Act, 2017, in compliance with Regulation 4(2) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for decision to make investment under the authority of a resolution passed pursuant to provisions of section 199 of the Companies Act, 2017 is not fully implemented:

The Company in its annual general meeting held on April 18, 2025 had sought approval under section 199 of the Companies Act, 2017 for investments in the following Associated Companies and Associated Undertakings in which investment has not been fully made so far. Approval of renewal of unutilized portion of equity investments is also being sought for the associated undertakings as mentioned above. The directors of the Company have no interest except in their capacity as director/shareholder:

Name of associated company / undertaking: REIT Schemes under management of Arif Habib Dolmen REIT Management Limited (AHDRML)

Sr. No.	Description	Information Required
		Equity investment in existing and / or proposed REIT Schemes under management of Arif Habib Dolmen REIT Management Limited.
(a)	Total Investment approved	PKR 2,250 million
(b)	Amount of Investment made to date	Nil
(c)	Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time	Waiting for an appropriate time in the interest of the shareholders for complete utilization. The limit of investment was approved by the shareholders on April 18, 2025 for a period upto next annual general meeting. Accordingly, renewal of unutilized investment limit out of already approved limit is now being sought.
(d)	Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company	Nil. Details relating to REIT Schemes are disclosed in Annexure B above.

Pattern of Shareholding

as at December 31, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children			
MR. FAWAD AHMED MUKHTAR	3	80,900,389	3.85
MR. FAZAL AHMED SHEIKH	4	101,016,205	4.81
MR. FAISAL AHMED MUKHTAR	4	131,932,979	6.28
MR. MUHAMMAD ARIF HABIB	3	258,944,773	12.33
MRS. FATIMA FAZAL	2	1,884,311	0.09
MRS. AMBREEN FAWAD	2	15,473,526	0.74
MRS. FARAH FAISAL	2	56,250	0.00
MR. MOHAMMAD KASHIF	2	62,293,675	2.97
MRS. JULIE JANNERUP	1	1	0.00
MR. TARIQ JAMALI	1	1	0.00
Associated Companies, undertakings and related parties	9	917,383,732	43.68
Sponsors	52	258,401,726	12.30
Executives	20	328,000	0.02
NIT and ICP	2	596	0.00
Banks Development Financial Institutions, Non-Banking Financial Institutions	15	14,635,023	0.70
Insurance Companies	10	13,025,768	0.62
Modarabas and Mutual Funds	60	66,517,787	3.17
General Public			
a. Local	19,272	85,070,041	4.05
b. Foreign	1,015	2,167,600	0.10
Foreign Companies	4	1,114,430	0.05
Others	219	88,853,187	4.23
Totals	20,702	2,100,000,000	100.00
Share holders holding 10% or more		Shares Held	Percentage
MR. MUHAMMAD ARIF HABIB		258,944,773	12.33
ARIF HABIB CORPORATION LIMITED		319,000,206	15.19

No. of Shareholders	From	Having Shares	To	Shares Held
7934	1	to	100	286,667
6503	101	to	500	2,216,051
2098	501	to	1000	1,758,002
2553	1001	to	5000	6,314,784
634	5001	to	10000	4,909,730
217	10001	to	15000	2,735,007
129	15001	to	20000	2,362,949
98	20001	to	25000	2,284,720
51	25001	to	30000	1,439,696
35	30001	to	35000	1,146,610
19	35001	to	40000	725,114
23	40001	to	45000	987,437
40	45001	to	50000	1,966,991
19	50001	to	55000	1,002,033
21	55001	to	60000	1,219,223
12	60001	to	65000	763,441
12	65001	to	70000	820,121
10	70001	to	75000	724,963
6	75001	to	80000	471,200
4	80001	to	85000	332,485
9	85001	to	90000	790,223
3	90001	to	95000	278,400
24	95001	to	100000	2,394,234
3	100001	to	105000	309,275
6	105001	to	110000	643,937
3	110001	to	115000	337,140
7	115001	to	120000	828,529
5	120001	to	125000	618,225
3	125001	to	130000	387,383
2	130001	to	135000	264,894
2	135001	to	140000	275,460
2	140001	to	145000	284,008
9	145001	to	150000	1,335,511
1	150001	to	155000	151,350
3	155001	to	160000	473,501
2	160001	to	165000	323,200
2	165001	to	170000	335,781
2	180001	to	185000	369,720
1	185001	to	190000	185,566
1	190001	to	195000	190,400
3	195001	to	200000	595,115
2	200001	to	205000	410,000
2	205001	to	210000	416,181
3	220001	to	225000	675,000
3	225001	to	230000	685,570
2	230001	to	235000	464,395
1	235001	to	240000	237,294

Pattern of Shareholding

as at December 31, 2025

No. of Shareholders	From	Having Shares	To	Shares Held
2	240001	to	245000	485,784
3	245001	to	250000	750,000
1	250001	to	255000	250,171
1	255001	to	260000	260,000
1	260001	to	265000	265,000
1	270001	to	275000	275,000
1	275001	to	280000	279,000
1	280001	to	285000	285,000
1	285001	to	290000	285,003
1	290001	to	295000	295,000
5	295001	to	300000	1,493,827
1	300001	to	305000	305,000
2	305001	to	310000	613,464
1	310001	to	315000	310,960
2	320001	to	325000	643,500
1	325001	to	330000	325,203
1	335001	to	340000	335,581
2	340001	to	345000	687,667
2	345001	to	350000	697,000
1	350001	to	355000	355,000
1	355001	to	360000	355,161
2	360001	to	365000	724,158
1	375001	to	380000	379,000
1	415001	to	420000	418,490
2	425001	to	430000	856,865
2	435001	to	440000	877,500
3	445001	to	450000	1,348,760
2	475001	to	480000	958,000
2	485001	to	490000	972,883
1	490001	to	495000	490,500
3	495001	to	500000	1,500,000
3	500001	to	505000	1,513,882
1	530001	to	535000	530,993
1	560001	to	565000	562,903
1	565001	to	570000	570,000
2	585001	to	590000	1,176,361
1	590001	to	595000	593,937
1	600001	to	605000	604,869
1	605001	to	610000	609,292
1	640001	to	645000	644,049
1	670001	to	675000	675,000
1	695001	to	700000	700,000
1	725001	to	730000	725,716
1	750001	to	755000	753,687
1	755001	to	760000	758,797
1	765001	to	770000	768,000
1	775001	to	780000	776,266

No. of Shareholders	From	Having Shares	To	Shares Held
2	780001	to	785000	1,567,950
1	795001	to	800000	799,857
1	805001	to	810000	809,225
1	815001	to	820000	818,743
1	825001	to	830000	825,618
1	830001	to	835000	831,577
1	845001	to	850000	845,805
1	880001	to	885000	883,441
1	950001	to	955000	955,000
1	955001	to	960000	960,000
1	1030001	to	1035000	1,035,000
1	1045001	to	1050000	1,049,155
1	1070001	to	1075000	1,075,000
1	1095001	to	1100000	1,095,270
1	1110001	to	1115000	1,113,629
1	1200001	to	1205000	1,205,000
1	1235001	to	1240000	1,235,916
1	1335001	to	1340000	1,335,399
2	1345001	to	1350000	2,699,050
1	1370001	to	1375000	1,374,823
1	1375001	to	1380000	1,375,623
1	1425001	to	1430000	1,430,000
2	1495001	to	1500000	3,000,000
1	1525001	to	1530000	1,527,865
2	1540001	to	1545000	3,081,895
1	1590001	to	1595000	1,590,862
1	1595001	to	1600000	1,600,000
1	1695001	to	1700000	1,698,357
1	1760001	to	1765000	1,763,098
1	1835001	to	1840000	1,836,704
1	1860001	to	1865000	1,863,218
1	1930001	to	1935000	1,934,652
1	1995001	to	2000000	2,000,000
2	2015001	to	2020000	4,030,430
1	2125001	to	2130000	2,130,000
1	2255001	to	2260000	2,257,276
2	2345001	to	2350000	4,699,962
1	2400001	to	2405000	2,403,669
1	2605001	to	2610000	2,610,000
1	2625001	to	2630000	2,625,166
1	2920001	to	2925000	2,925,000
1	2980001	to	2985000	2,981,177
1	3215001	to	3220000	3,217,800
1	3415001	to	3420000	3,419,344
1	3815001	to	3820000	3,816,299
2	3895001	to	3900000	7,795,500
1	3920001	to	3925000	3,924,459

Pattern of Shareholding

as at December 31, 2025

No. of Shareholders	From	Having Shares	To	Shares Held
1	3995001	to	4000000	4,000,000
1	4030001	to	4035000	4,034,535
1	4170001	to	4175000	4,174,136
1	4245001	to	4250000	4,250,000
1	4720001	to	4725000	4,720,350
1	5115001	to	5120000	5,116,285
3	5155001	to	5160000	15,474,978
2	5355001	to	5360000	10,718,543
1	5370001	to	5375000	5,373,907
3	5375001	to	5380000	16,125,084
1	5655001	to	5660000	5,658,075
1	6135001	to	6140000	6,140,000
1	7425001	to	7430000	7,429,576
2	7735001	to	7740000	15,474,978
1	7965001	to	7970000	7,966,429
1	8035001	to	8040000	8,038,869
1	8120001	to	8125000	8,124,337
1	8865001	to	8870000	8,866,946
1	9245001	to	9250000	9,249,934
2	10015001	to	10020000	20,039,578
1	10065001	to	10070000	10,066,585
1	10135001	to	10140000	10,139,270
1	12490001	to	12495000	12,492,349
2	16625001	to	16630000	33,254,639
1	17910001	to	17915000	17,913,706
2	18785001	to	18790000	37,579,583
1	20475001	to	20480000	20,475,255
1	20790001	to	20795000	20,793,500
1	26795001	to	26800000	26,800,000
1	39255001	to	39260000	39,258,014
1	39510001	to	39515000	39,512,487
1	41160001	to	41165000	41,163,375
1	41500001	to	41505000	41,500,175
1	46610001	to	46615000	46,610,769
1	53875001	to	53880000	53,878,336
1	64520001	to	64525000	64,521,043
1	69110001	to	69115000	69,114,031
2	84890001	to	84895000	169,784,446
1	89795001	to	89800000	89,796,704
1	89865001	to	89870000	89,867,592
1	91900001	to	91905000	91,900,380
1	176630001	to	176635000	176,632,684
1	232140001	to	232145000	232,144,772
1	319000001	to	319005000	319,000,206
20702				2,100,000,000

Form of Proxy

23rd Annual General Meeting



I/We _____
of _____
being a member(s) of Fatima Fertilizer Company Limited hold _____
Ordinary Shares hereby appoint Mr. / Mrs. / Miss _____
of _____ or falling him / her _____
of _____ as my / our proxy in my / our absence to attend and vote for me / us and on
my / our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, April 17, 2026 and / or any
adjournment thereof.

As witness my/our hand/seal this _____ 2026.

Signed by _____
in the presence of _____

Folio No.	CDC Account No.	
	Participant I.D.	Account No.

Signature on
Fifty Rupees
Revenue Stamp

The Signature should
agree with the
specimen registered
with the Company

IMPORTANT:

1. This Proxy Form, duly completed and signed, must be received at the office of our Shares Registrar not later than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. For CDC Account Holders / Corporate Entities
In addition to the above the following requirements have to be met.
 - (i) Attested copies of CNIC or the passport of the beneficial owner(s) and the proxy shall be provided with the proxy form.
 - (ii) The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
 - (iii) In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier alongwith proxy form to the Company).

Company Secretary
FATIMA FERTILIZER COMPANY LIMITED
E-110, Khayaban-e-Jinnah,
Lahore Cantt., Pakistan.

AFFIX
CORRECT
POSTAGE

Company Secretary
FATIMA FERTILIZER COMPANY LIMITED
E-110, Khayaban-e-Jinnah,
Lahore Cantt., Pakistan.

AFFIX
CORRECT
POSTAGE

If undelivered, please return to:
The Company Secretary
Fatima Fertilizer Company Limited
E-110, Khayaban-e-Jinnah, Lahore Cantt., Pakistan.
UAN: 111FATIMA (111-328-462) Fax: 042-36621389
www.fatima-group.com

**MANDATORY REQUIREMENT OF BANK ACCOUNT DETAILS FOR ELECTRONIC CREDIT OF CASH
DIVIDEND PAYMENT AS PER THE COMPANIES ACT, 2017**

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Please note that giving bank mandate for dividend payments is **mandatory** and in order to comply with this regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide the following information to your respective CDC Participant / CDC Investor Account Services (**in case your shareholding is in Book Entry Form**) OR to our Share Registrar CDC Share Registrar Services Limited, CDC House, 99-B, Block B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi – 74400 (**in case your shareholding is in Physical Form**):

Details of Shareholder	
Name of shareholder	
Folio / CDS Account No.	
CNIC No. (Copy attached)	
Cell number of shareholder	
Landline number of shareholder, if any	
Email	
Details of Bank Account	
Title of Bank Account	
International Bank Account Number (IBAN) “Mandatory”	PK _____ (24 digits) (Kindly provide your accurate IBAN number after consulting with your respective bank branch since in case of any error or omission in given IBAN, the company will not be held responsible in any manner for any loss or delay in your cash dividend payment).
Bank's name	
Branch name and address	
It is stated that the above mentioned information is correct and in case of any change therein, I /we will immediately intimate Participant / Share Registrar accordingly.	
_____ Signature of shareholder	

موصول نہ ہونے کی صورت میں، براہ کرم یہاں واپس بھیج دیں:

کمپنی سیکرٹری

فاطمہ فریڈا سٹریٹ کمپنی لینڈ

E-110، خیابان جناح لاہور کینٹ، پاکستان

یو اے این: (111-328-462) FATIMA، فیکس: 042-36621389

www.fatima-group.com

کمپنیز ایکٹ 2017 کے مطابق کمپنی منافع (ڈیویڈنڈ) کی نقد ادائیگی کے واسطے الیکٹرانک کریڈٹ کے بینک اکاؤنٹ تفصیلات کی لازمی شرائط

معزز شیئر ہولڈر،

آپ کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 242 کے مطابق، نقد کی صورت میں ادا کیے جانے والے کسی بھی کمپنی منافع کو (ڈیویڈنڈ) صرف الیکٹرانک ذریعہ سے حقدار شیئر ہولڈر کی طرف سے نامزد کردہ بینک اکاؤنٹ میں براہ راست ادا کیا جائیگا۔ براہ مہربانی نوٹ فرمائیں کہ کمپنی منافع (ڈیویڈنڈ) ادائیگیوں کے لئے بینک مینڈیٹ کا دیا جانا لازمی ہے اور اس انضباطی شرط کے مطابق عمل درآمد کے لئے نیز کمپنی منافع (ڈیویڈنڈ) کی رقم کی اپنے بینک میں براہ راست منتقلی کی سہولت سے بہرہ مند ہونے کے لئے، آپ سے درخواست کی جاتی ہے کہ براہ مہربانی اپنے متعلقہ سی ڈی سی حصہ دار / سی ڈی سی سرمایہ کار اکاؤنٹ سرورمز (آپ کے شیئر ہولڈنگ کے بک انٹری فارم میں ہونے کی صورت میں) یا ہمارے شیئر رجسٹرار سی ڈی سی شیئر رجسٹرار سرورمز لینڈ، سی ڈی سی حصہ دار، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل کراچی۔ 74400 (آپ کا شیئر ہولڈنگ فزیکل فارم میں ہونے کی صورت میں) کو درج ذیل معلومات فراہم کریں:

شیئر ہولڈر کی تفصیلات	
شیئر ہولڈر کا نام	
فولیو / سی ڈی ایس اکاؤنٹ نمبر	
کمپیوٹرائزڈ شناختی کارڈ نمبر (لف شدہ کاپی)	
شیئر ہولڈر کا سیل فون نمبر	
شیئر ہولڈر کا لینڈ لائن نمبر، اگر کوئی ہو تو	
ای میل	
بینک اکاؤنٹ کی تفصیلات	
بینک اکاؤنٹ کا عنوان	
بین الاقوامی بینک اکاؤنٹ نمبر (آئی بین)	(24 حرف) PK
"لازمی"	(براہ مہربانی اپنے متعلقہ بینک برانچ سے مشورہ کر کے اپنا درست آئی بین نمبر فراہم کریں کیونکہ آئی بین نمبر میں کسی بھی غلطی یا بھول چوک کے باعث آپ کے نقد کمپنی منافع (ڈیویڈنڈ) ادائیگی میں نقصان یا دیر ہو جانے کی صورت میں کمپنی کسی بھی طرح ذمہ دار نہ ہوگی)
بینک کا نام	
برانچ کا نام اور پتہ	
فراہم کی گئی درج بالا تمام معلومات بالکل درست ہیں اور ان میں کسی بھی قسم کی تبدیلی واقع ہونے کی صورت میں، میں / ہم فوری طور پر حصہ دار / شیئر رجسٹرار کو مطلع کریں گے۔	
دستخط شیئر ہولڈر	



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