



(HEAD OFFICE)  
Secretariat (Corporate Affairs)

Ref No. 6.12-KSE/S/FFC  
August 01, 2023

To : **Ms. Raeda Latif**  
GM – Mktg & BD  
Pakistan Stock Exchange (Guarantee) Limited  
Stock Exchange Building  
Stock Exchange Road  
**KARACHI**  
Fax: 021-111-573-329

Subject: **Second Corporate Briefing for Year 2023**

1. Fauji Fertilizer Company is holding its Second Corporate Briefing for year 2023 (**hybrid event**) based on company's half-yearly business results (30 June, 2023). Details of the event are as under:

Date	<b>Tuesday, 08 August, 2023</b>
Time	1000 hrs
Venue	Head Office, 156 - The Mall Rawalpindi
Meeting Link	<a href="https://ffc.webex.com/ffc/j.php?MTID=mc8b7e71faec7acc9cf96b1bee6358d9d">https://ffc.webex.com/ffc/j.php?MTID=mc8b7e71faec7acc9cf96b1bee6358d9d</a>
Meeting Number	2554 128 3811
Meeting Password	2735
Join through video conferencing equipment or Application	Dial <a href="mailto:25541283811@ffc.webex.com">25541283811@ffc.webex.com</a> You can also dial 173.243.2.68 and enter your meeting number
Presentation	Attached

2. Participants desirous to attend the briefing **in-person** are advised to bring their original CNICs.

3. **Virtual** attendees are requested to join with their names and institution name. To ease the process of communication, following best practices are encouraged:-

- All participants are requested to join briefing 10 minutes before commencement.
- Participants are urged to join within first 15 minutes, after which meeting room will be locked and access will be denied.



- c. While joining the meeting room, enter your name and institution name in the following format "Full Name - Institution". Only then participant would be allowed to enter the meeting room.
  - d. All participants will be kept on mute during the briefing to maintain decorum.
  - e. Unmute request will be sent to concerned participant by coordinator of the briefing.
  - f. Participants are requested to use "raise hands" functionality from application (Cisco Webex) console to ask a question or type in the question in the chat bar.
  - g. Participants are advised to use applications background and avoid use of any obscene background.
  - h. For Technical Support contact on +92-333-6519169
4. Looking forward to welcome our esteemed guests, please.

Best regards.

  
**Company Secretary**  
for Brig Irfan Khan (Retd)

cc: **Mr. Asghar Abbas Naqvi, PSX**  
**CFO, FFC**

Encl: Briefing presentation



# Corporate Briefing

For the period ended  
June 30, 2023

Presented by: CFO

August 08, 2023



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Challenges  
& Highlights

02

Financial  
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Fertilizer  
Industry  
Snapshot

04

Other  
Businesses

05

Questions &  
Answers  
session

# 01

## Challenges & Highlights



## Challenges

1

### Gas Price Unification

- phenomenal increase in Company's gas cost,
- Gas cost of other manufacturers not to be impacted materially

2

**Highest ever inflation 38%,  
increasing interest rates 23%  
and steep decline of rupee**

3

### Retrospective **increase** in **Super Tax** rate

Impact of PKR 3.9 Bn  
Effective tax rate 49%

4

### **Declining Profitability** in **US Dollar Terms**

US\$ 48 Mn (2022: US\$ 52  
Mn), down by 8%

5

### **Natural Gas Depletion** and **Maintenance** of Aging Plants

1

Significant **cost optimization** measures, **operational efficiency** enhancement initiatives and **record investment income** (PKR 6.3 bn)

2

**Highest ever** Revenue resulting in **highest ever PAT of PKR 13.08 Bn for H1 2023**  
*PKR 9.6 bn (2022)*

**Benefit passed on to farmers**  
Difference in Int vs local urea prices - US\$ 372 Mn

International price of ~ Rs 5,700 compared to FFC price Rs 2,565 per bag.

3

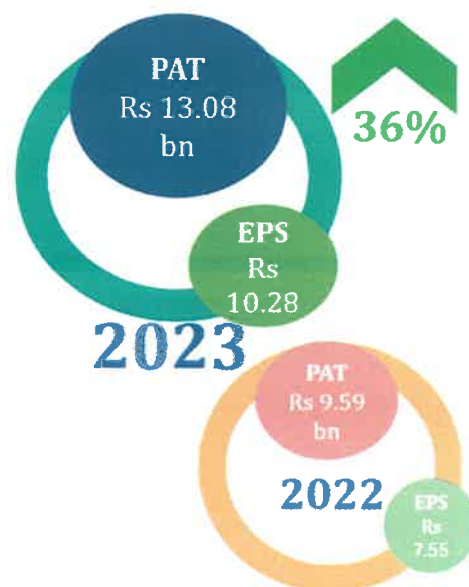
**FFC marketing lowest price** vs local industry (Rs 2,565 vs Rs 3,000 per bag)

4

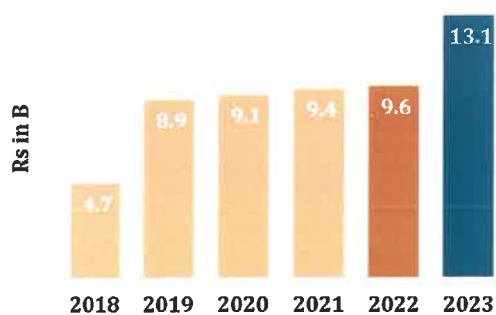
02

Financial  
Overview

	2023	2022
	<b>Thousand Tonnes</b>	
UREA: Production	1,278	1,276
Sales	1,248	1,275
DAP: Sales	50	50
	<b>Rs in Billion</b>	
Revenue	71.96	54.71
Cost of Sales	40.73	33.81
<b>GP</b>	<b>31.23</b>	<b>20.90</b>
Distribution Cost	5.74	4.31
<b>OP</b>	<b>25.49</b>	<b>16.59</b>
Finance Cost	2.66	2.02
Other Income	6.30	7.41
Other Expenses	3.46	3.17
Taxes & Levies	12.59	9.22
<b>PAT</b>	<b>13.08</b>	<b>9.59</b>
<b>EPS - (Rs/ Share)</b>	<b>10.28</b>	<b>7.55</b>
<i>Dollarized PAT (USD Mn)</i>	<i>48</i>	<i>52</i>



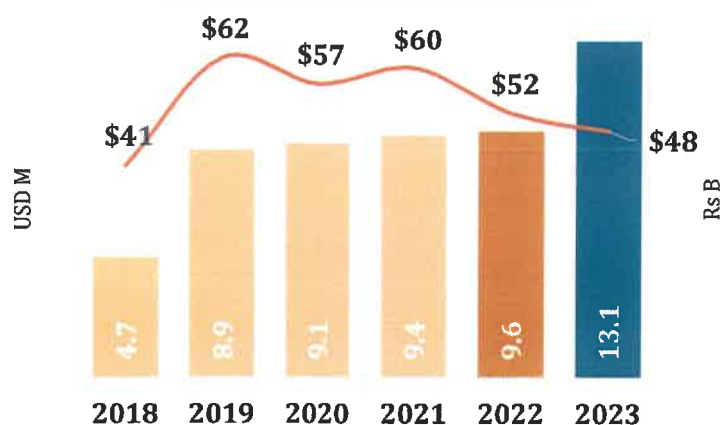
6 years PAT

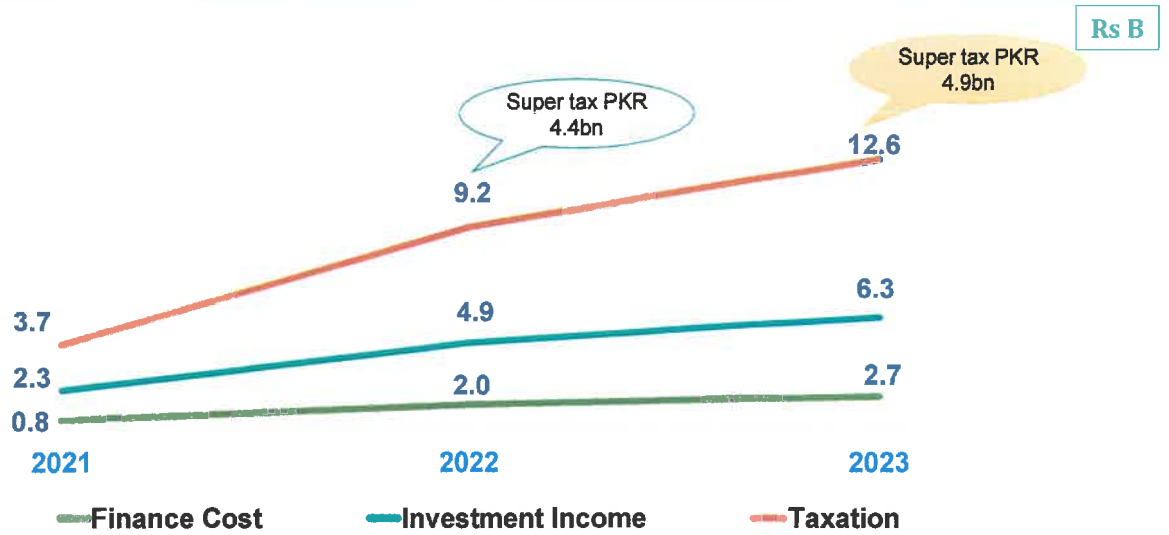


6 years Quarterly Profitability

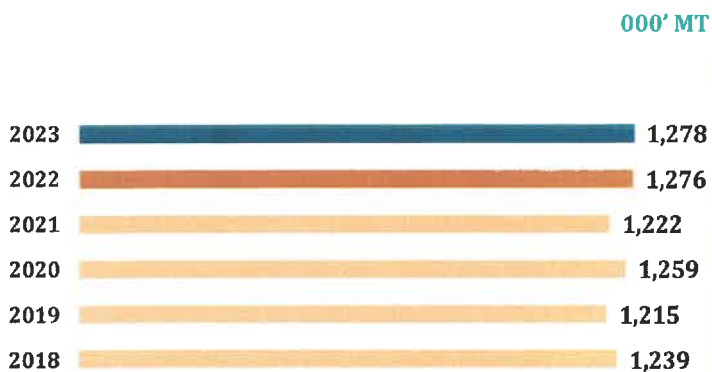


Declining Dollarized Profitability



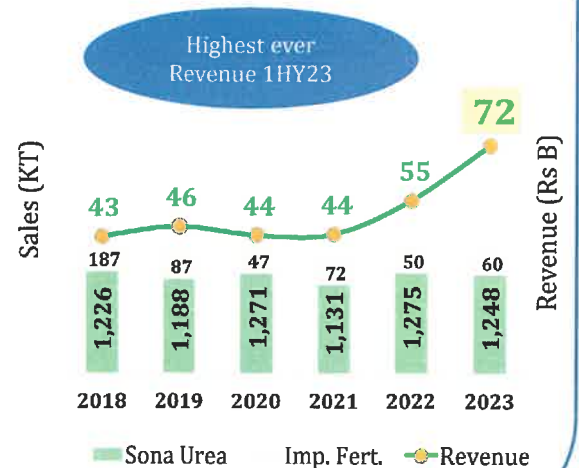


### Sona Urea Production



Remained in line with 2022

### Fertilizer Sales & Aggregate Revenue

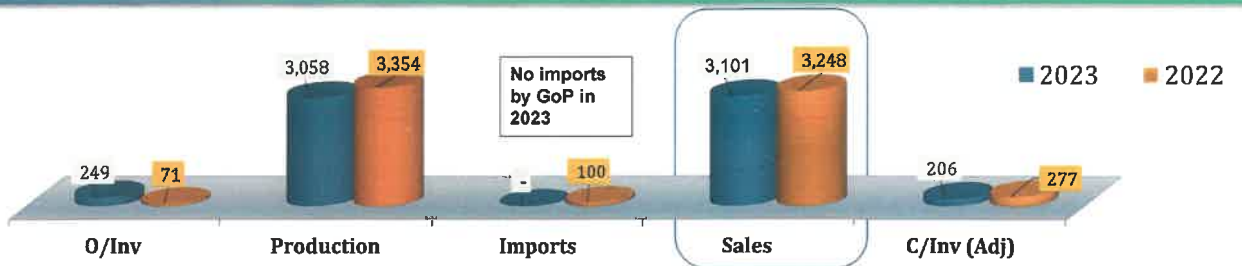


# 03

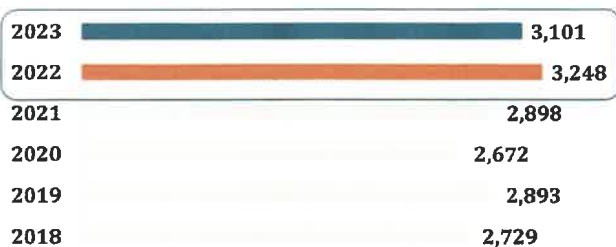
## Fertilizer Industry Snapshot



### Local Urea Industry 1HY 2023

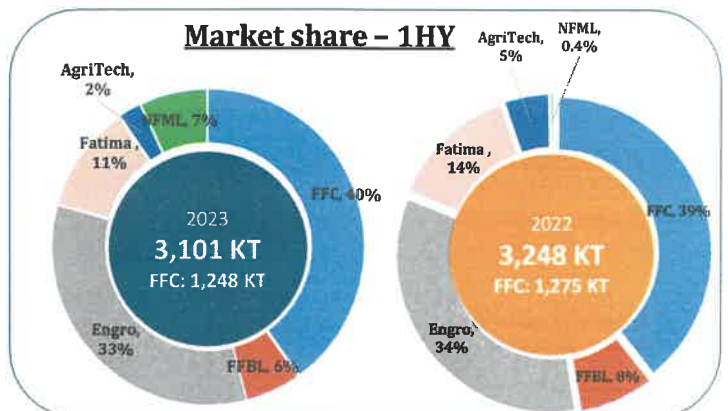


#### 6 years Industry Sales - KT



4.5% lower vs 2022

#### Market share - 1HY

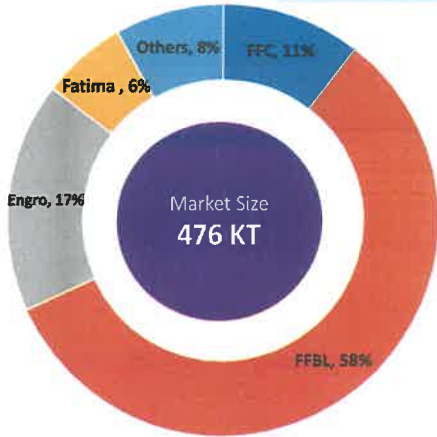




# DAP Market Share

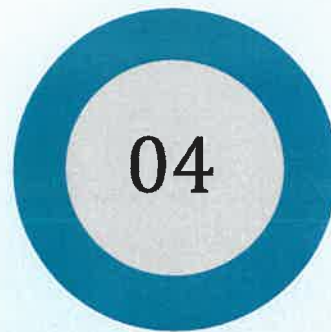
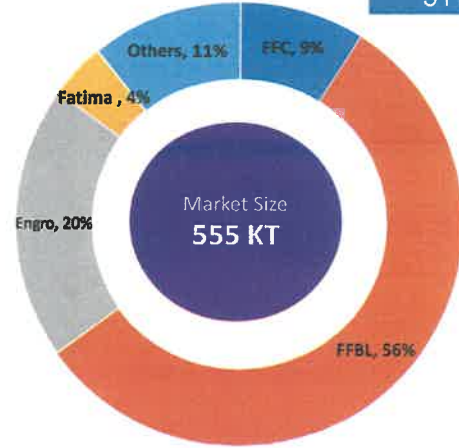
H1-2023,  
FFC+FFBL=69%

FFC: 50KT  
FFBL:  
274KT

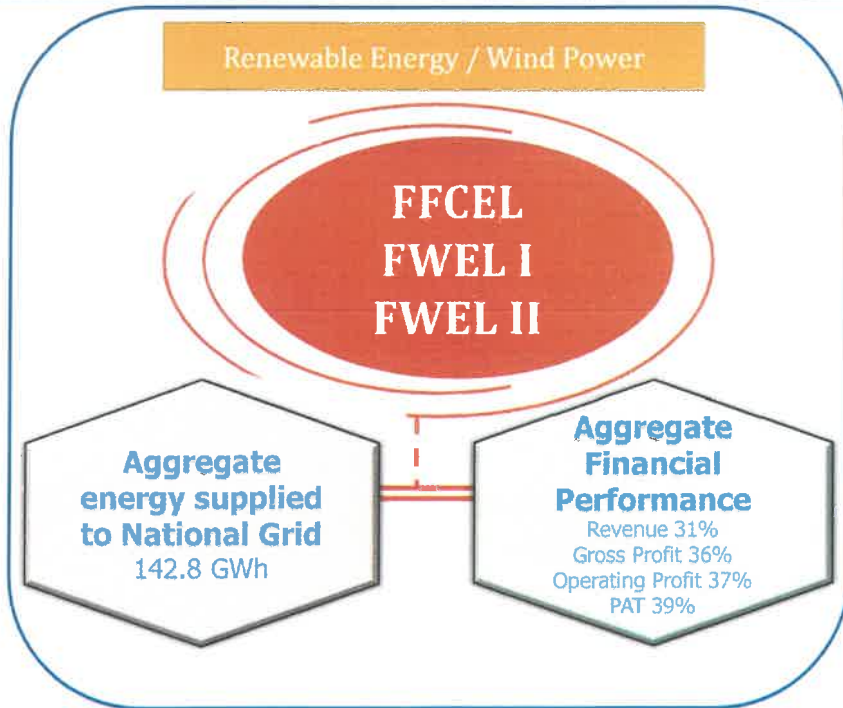


H1-2022,  
FFC+FFBL=65%

FFC: 50KT  
FFBL:  
311KT



Other  
Businesses



Questions &  
Answers session

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