

Day Break

Friday, April 17, 2026



Earnings Preview 1QCY26

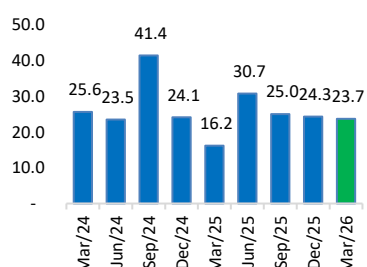
EPS Estimate for 1QCY26

PKR	1Q'26e	y/y	4Q'25	q/q
EFERT	2.4	12%	6.3	-61%
FFC	14.2	54%	11.1	28%

DPS Estimate for 1QCY26

PKR	1Q'26e	1Q'25	4Q'25
EFERT	3.0	2.25	7.5
FFC	11.0	7.0	8.5

Exhibit: Fertilizer Sector Historical Earnings (PKRbn)



Fertilizer

Sector Earnings to surge by +46%/y/y during 1QCY26

- IGI Fertilizer universe earnings are expected to incline by +46%/y/y in 1QCY26 to PKR 23.7bn compared to PKR 16.2bn in the same period last year mainly attributable to higher offtakes. On a sequential basis, earnings are expected to decline marginally by -3%/q/q. During 1QCY26, total industry urea offtakes declined by -6%/y/y while DAP offtakes inclined by +92%/y/y.
- Engro Fertilizer Limited (EFERT) is schedule held its board meeting to announce the financial results of 1QCY26 on April 20th, 2026 in which we expect the Company to report earnings of PKR 3.2bn (EPS: PKR 2.4), -61%/q/q lower compared to PKR 8.4bn (EPS PKR 6.3) in the previous quarter. On yearly basis, earnings are estimated to increase by +12%/y/y due to an incline in offtakes on a y/y basis.
- Fauji Fertilizer Company (FFC) is expected to register earnings of PKR 20.4bn (EPS: PKR 14.2) up by +28%/q/q compared to PKR 15.9bn (EPS: PKR 11.1) in the previous quarter. On a yearly basis, earnings are expected to incline by +54%/y/y.

Fertilizer Sector: Earnings to increase by +46%/y/y to PKR 35.3bn in 4QCY25

IGI Fertilizer universe earnings are expected to incline by +46%/y/y in 1QCY26 to PKR 23.7bn compared to PKR 16.2bn in the same period last year mainly attributable to higher offtakes. On a sequential basis, earnings are expected to decline marginally by -3%/q/q. During 1QCY26, total industry urea offtakes declined by -6%/y/y while DAP offtakes inclined by +92%/y/y.

Exhibit: Fertilizer sector profit after tax preview for 1qCY26					
PKR bn					
Period end = Mar	Mar/26	Dec/25	q/q	Mar/25	y/y
EFERT	2.4	6.3	-61%	2.2	12%
FFC*	14.2	11.1	28%	9.3	54%
Total (in PKRbn)	23.7	24.3	-3%	16.2	46%

Source: Company Accounts, IGI Research

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EFERT: Earnings to witness an increase of +12%/y/y during 1QCY26 to PKR 2.4/share

Engro Fertilizer Limited (EFERT) is schedule held its board meeting to announce the financial results of 1QCY26 on April 20th, 2026 in which we expect the Company to report earnings of PKR 3.2bn (EPS: PKR 2.4), -

61%q/q lower compared to PKR 8.4bn (EPS PKR 6.3) in the previous quarter on the back of decline in urea and DAP offtakes by -73%q/q and -44%q/q respectively in 1QCY26. The decline in offtake on q//q basis was mainly because the Company recorded its highest ever quarterly urea sales in Dec-25 which led to elevated inventory levels with the dealers ahead of the Rabi season. On yearly basis, earnings are estimated to increase by +12%/y/y due to an incline in offtakes on a y/y basis. We expect the Company to announce cash dividend of PKR 3.0/share along with the result.

FFC: Earnings to increase by +54%/y/y to PKR 14.2/share during 1QCY26

Fauji Fertilizer Company (FFC) is expected to register earnings of PKR 20.4bn (EPS: PKR 14.2) up by +28%q/q compared to PKR 15.9bn (EPS: PKR 11.1) in the previous quarter. On a yearly basis, earnings are expected to incline by +54%/y/y. Moreover, FFC's urea offtakes declined by -36%q/q to 602k/tons while DAP offtakes declined by -38%q/q to 182k/tons. We expect the company to announce cash dividend of PKR 11.0/share along with the result.

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