

Day Break

Monday, January 26, 2026



Earnings Preview 4QCY25

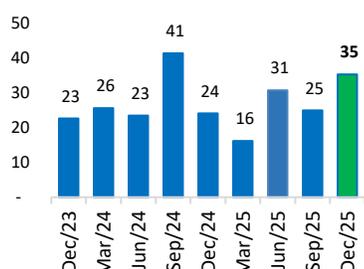
EPS Estimate for 4QCY25

PKR	4Q'25e	y/y	3Q'25	q/q
EFERT	7.8	1%	4.4	79%
FFC	17.5	80%	13.5	30%

DPS Estimate for 4QCY25

PKR	4Q'25e	3Q'25	CY'25
EFERT	7.5	4.5	18.5
FFC	12.0	9.5	40.5

Exhibit: Fertilizer Sector Historical Earnings (PKRbn)



Fertilizer

Sector Earnings to surge by +46%/y/y during 4QCY25

- IGI Fertilizer universe earnings are expected to incline by +46%/y/y in 4QCY25 to PKR 35.3bn compared to PKR 24.1bn in the same period last year mainly attributable to higher offtakes. On a sequential basis, earnings are expected to increase by +41%q/q. During 4QCY25, total industry urea offtakes inclined by +26%/y/y while DAP offtakes declined by -58%/y/y.
- In 4QCY25, we expect Engro Fertilizers Limited's (EFERT) to report earnings of PKR 10.4bn (EPS: PKR 7.8) +79%q/q higher compared to PKR 5.8bn (EPS PKR 4.4) in the previous quarter on the back of surge in urea and DAP offtakes by +2.8xq/q and +5.0xq/q respectively in 4QCY25. On yearly basis, earnings are estimated to increase by a meagre +1%/y/y.
- Fauji Fertilizer Company (FFC) board meeting is scheduled to be held on 29-Jan-26 to announce the financial results for 4QCY25 where we expect FFC to register earnings of PKR 25.0bn (EPS: PKR 17.5) up by +30%q/q compared to PKR 19.2bn (EPS: PKR 13.5) in the previous quarter. On a yearly basis, earnings are expected to incline by +80%/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 4QCY25 to PKR 35.3bn compared to PKR 24.1bn in the same period last year mainly attributable to higher offtakes. On a sequential basis, earnings are expected to increase by +41%q/q. During 4QCY25, total industry urea offtakes inclined by +26%/y/y while DAP offtakes declined by -58%/y/y.

Exhibit: Fertilizer sector profit after tax preview for 4qCY25								
PKR per share								
Period end = Dec	Dec/25	Sep/25	q/q	Dec/24	y/y	CY25e	CY24a	y/y
EFERT	7.8	4.4	79%	7.7	1%	18.5	23.4	-21%
FFC	17.5	13.5	30%	9.7	80%	58.0	45.5	28%
Total (in PKRbn)	35.3	25.0	41%	24.1	46%	107.2	96.0	12%

Source: Company Accounts, IGI Research

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EFERT: Earnings to witness a minor uptick of +1%/y/y during 4QCY25e to PKR 7.8/share

In 4QCY25, we expect Engro Fertilizers Limited's (EFERT) to report earnings of PKR 10.4bn (EPS: PKR 7.8) +79%q/q higher compared to PKR 5.8bn (EPS PKR 4.4) in the previous quarter on the back of surge in urea and DAP offtakes by +2.8xq/q and +5.0xq/q respectively in 4QCY25. On yearly

basis, earnings are estimated to increase by a meagre +1%/y due to a slowdown in offtakes in the previous quarters on the back of weak farm economics. With this, the Company is estimated to post earnings of PKR 24.7bn (EPS PKR 18.5) as compared to PKR 31.3bn (EPS PKR 23.4) in CY24, down by -21%/y. We expect the Company to announce cash dividend of PKR 7.5/share along with the result taking the cumulative dividend to PKR 18.5/share for the year.

FFC: Earnings to increase by +80%/y to PKR 17.5/share during 4QCY25

Fauji Fertilizer Company (FFC) board meeting is scheduled to be held on 29-Jan-26 to announce the financial results for 4QCY25 where we expect FFC to register earnings of PKR 25.0bn (EPS: PKR 17.5) up by +30%q/q compared to PKR 19.2bn (EPS: PKR 13.5) in the previous quarter. On a yearly basis, earnings are expected to incline by +80%/y. Moreover, FFC's urea offtakes inclined by +12%q/q to 934k/tons while DAP offtakes inclined by +16%q/q to 293k/tons. With this, the Company is estimated to post earnings of PKR 82.6bn (EPS PKR 58.0) as compared to PKR 64.7bn (EPS PKR 45.5) in CY24, up by +28%/y. We expect the company to announce cash dividend of PKR 12.0/share along with the result taking the cumulative dividend to PKR 40.5/share for the year.

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