



# connecting Pakistan for a better tomorrow

Second Quarter Accounts 2018



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## Engro’s investments in agriculture, foods, energy and petrochemicals are designed to take advantage of Pakistan’s economic needs.

### About Us

Engro Corporation Limited is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, a bulk liquid chemical terminal, foods, power generation and commodity trade. At Engro, our ambition is to become the premier Pakistani enterprise with a global reach.

The management team at Engro is responsible for conceptualizing and articulating goals that bring our people together in pursuit of our objectives. It leads the company with a firm commitment to the values and spirit of Engro. In our journey to become a profitable, growth-oriented and sustainable company, our management structure has evolved to create a more transparent and accessible organization.

Our growth is driven by our people. Our culture is dynamic and energetic, with emphasis on our core values and loyalty of our employees. Our work environment promotes leadership, integrity, teamwork, diversity and excellence.

### Our History

Today, Engro is one of Pakistan's most progressive, growth oriented organizations, managed under a holding structure that works towards better managing and oversight of subsidiaries and affiliates that are part of Engro's capital investments in Pakistan.

The company is also defined by its history, which reflects a rich legacy of innovation and growth. The seeds for the company were sown following the discovery of the Mari gas field by Esso / Mobil in 1957. Esso proposed the establishment of a urea plant, and the Esso Pakistan Fertilizer Company Limited was established in 1965 and began production in 1968. At US \$43 million with an annual production capacity of 173,000 tons, this was the single largest foreign investment by a multinational corporation in Pakistan at the time. As the nation's first fertilizer brand, the company also pioneered the education of farmers in Pakistan, helping to modernize traditional farming practices to boost farm yields, directly impacting the quality of life for farmers and the nation.

In 1978, Esso was renamed Exxon globally, and the company became Exxon Chemical Pakistan Limited. The business continued to prosper as it relentlessly pursued productivity gains and strived to attain professional excellence.

In 1991, following a decision by Exxon to divest its fertilizer business on a global basis, the employees of Exxon Chemical Pakistan Limited decided to buy out Exxon's share. This was, and perhaps still is, the most successful employee buy-out in the corporate history of Pakistan. Renamed Engro Chemical Pakistan Limited, the company continued to go from strength to strength, reflected in its consistent financial performance, growth and diversification.

In 2009 a decision was made to demerge the fertilizer business into an independent operating company to ensure undivided focus on the business's expansion and growth. In the best interests of a multi category business, expansion strategy and growth vision, the management decided that the various businesses would be better served if the company was converted to a holding company; Engro Corporation Limited.

From its inception as Esso Pakistan Fertilizer Company Limited in 1965 to Engro Corporation Limited in 2010, Engro has come a long way and will continue working towards its vision of becoming a premier Pakistani company with a global reach.

### Engro Corporation Limited

Engro Corporation Limited is a holding company, created following the conversion of Engro Chemical Pakistan Limited on January 1, 2010. Engro Corp is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, bulk liquid terminal, LNG terminal, foods processing and power generation.

### Engro Fertilizers Limited

Engro Fertilizers Limited is a 56% owned subsidiary of Engro Corporation – is a premier fertilizer manufacturing and marketing company having a portfolio of fertilizer products with significant focus on balanced crop nutrition and increased yield. As one of the 50 largest fertilizer manufacturers of the world we have close to 5 decades of operations as a world class facility with a wide range of fertilizer brands, besides urea, which include some of the most trusted brand names by Pakistani farmers. These include brands like Engro Zarkhez, Zingro, Engro DAP and Envy amongst others.

### Engro Foods Limited

Engro Foods Limited is an 40% owned associated company engaged in the manufacturing, processing and marketing of dairy products, frozen desserts and fruit drinks. The business owns two milk processing plants in Sukkur and Sahiwal and operates a dairy farm in Nara, Sindh. In its continued efforts to 'elevate consumer delight worldwide', the business has established several brands that have already become household names in Pakistan such as Olper's (UHT milk, low-fat milk, cream, desi ghee, lassi and flavored drinks), Omoré (frozen desserts), Tarang (tea whitener) and Dairy Omung (UHT dairy liquid and dessert cream).

### Engro Polymer & Chemicals Limited

Engro Polymer & Chemicals Limited-a 56% owned subsidiary of Engro – is the only fully integrated chlor-vinyl chemical complex in Pakistan and produces poly-vinyl chloride, caustic soda, sodium hypochlorite, hydrochloric acid and other chlorine by-products. The business was setup as a state-of-the-art plant in 1997, as a 50:50 joint venture, with Mitsubishi and Asahi Glass with Asahi subsequently divesting its shareholding in 2006.

### Engro Eximp Agri Products (Private) Limited

Engro Eximp Agriproducts is a wholly owned subsidiary of the holding company and it manages the procurement, processing and marketing of rice. The company owns and operates a state-of-the-art paddy processing plant near Muridke and has an installed capacity of 144KT.

### Engro Energy Limited

Engro Energy Limited is a wholly owned subsidiary of Engro Corporation and it owns and operates Engro Powergen Qadirpur Limited, a 224 megawatt power plant and the group's first initiative in the power sector of Pakistan. Engro Powergen Qadirpur Limited was listed on the Karachi Stock Exchange in October 2014 where 25% of the shares were offered to the public. As of now Engro Powergen Qadirpur Limited is 69% owned by Engro Energy Limited whereas the remainder is owned by International Finance Corporation (IFC) and employees.

Engro Energy Limited is also involved in the Thar Coal project. The project envisages a coal mine under Sindh Engro Coal Mining Company (SECMC) and development of

two 330 MW mine mouth power plants under Engro Powergen Thar Limited (EPTL) in the first phase. SECMC is a joint venture company formed in 2009 between the Government of Sindh (GoS) and Engro Energy Limited & Affiliates. SECMC's shareholders include Government of Sindh, Engro Energy Limited, Thal Limited, Habib Bank Ltd, CMEC Thar Mining Investment Limited, Huolinhe Open Pit Coal Investment Company Limited and Hub Power Company Limited (HUBCO). The Sindh Coal Authority has awarded a 95.5 square kilometer area of the coalfield, known as Block II, to SECMC for exploration and development of coal deposits. Within this block, there is an estimated amount of exploitable lignite coal reserves of 1.57 billion tons. In 2010, SECMC completed the Bankable Feasibility Study (BFS) for Thar Block II Coal Mining Project by engaging internationally renowned Consultants such as RWE-Germany, Sinocoal-China, SRK-UK and HBP Pakistan, meeting all national / international standards. The first phase of the Project is underway, as financial close of both the power and mining projects was achieved during first half 2016.

### Engro Vopak Terminal Limited

Engro Vopak is a joint venture with Royal Vopak of the Netherlands – the world's largest bulk liquid chemical handling company. The business is engaged in handling, storage and regasification of liquid & gaseous chemicals, Liquefied Petroleum Gas (LPG), petrochemicals and bio-fuels. Engro Vopak's terminal is Pakistan's first cryogenic facility that handles 70% of all liquid chemical imports into Pakistan including Paraxylene (PX), Acetic Acid (AA), Vinyl Chloride Monomer (VCM), Ethylene Dichloride (EDC), Mono Ethylene Glycol (MEG), Ethylene along with Phosphoric Acid (PA) imports, which are pumped directly to customer's facilities.

### Elengy Terminal Pakistan Limited

Elengy Terminal Pakistan Limited (ETPL) is an 80% owned subsidiary of Engro Corporation. The company won the contract to handle liquefied natural gas (LNG) and thereafter acquired FSRU vessel on lease from a US-based company - Excelerate Energy. Engro Elengy Terminal Limited, a wholly owned subsidiary of ETPL, set up the first state of the art LNG terminal, at Port Qasim. The terminal – which is also one of the most cost efficient terminals in the region – has the capacity for regasification of up to 600 mmcf/d.

# directors’ report

The Directors of Engro Corporation Limited are pleased to submit their half-yearly report along with the condensed interim un-audited financial statements of the Company for the half-year ended June 30, 2018.

On a consolidated basis, the revenue for 1H 2018 was PKR 71,733 million - 37% higher than PKR 52,241 million for the similar period last year. Increase was primarily driven by improved fertilizers and petrochemicals performance. The consolidated Profit-After-Tax (PAT) for 1H 2018 was PKR 11,055 million – up by 65%, while PAT attributable to the shareholders increased to PKR 6,091 million from PKR 3,777 million during comparative period last year. On a standalone basis, the Company posted a PAT of PKR 3,773 million against PKR 4,105 million for the similar period last year, translating into an EPS of PKR 7.20 per share (higher PAT in the previous period was due to the one-off super dividend from Engro Foods amounting to PKR 2,602 million). The Board is pleased to announce 2nd interim cash dividend of PKR 7.00 per share for FY 2018.

During the period, Pakistan Credit Rating Agency Limited (PACRA) has upgraded the long-term credit rating of the Company to AA+ and maintained the short-term rating at A1+, which is a testament to our strong balance sheet and robust performance with consistent dividend payouts. It is our pleasure to report that PACRA has also upgraded the long-term credit rating of Engro Fertilizers to AA and of Engro Polymer & Chemicals to AA-. Both subsidiaries’ short-term rating is maintained at A1+, which is the highest rating.

Subsequent to the half-year, the Company signed a Share Purchase Agreement with Vopak LNG Holding B.V. for the divestment of up to 29% of share capital of Elengy Terminal Pakistan Ltd against USD 38 million, subject to statutory approvals. Further, post half-year, the Company also subscribed to the right issue by Engro Polymer & Chemicals, a subsidiary company, aggregating to PKR 3 billion.

A brief review of significant business segments is as follows:

## Fertilizers

Fertilizer business revenues grew by 51% whilst PAT for the

current period increased by 74% versus comparative period and stood at PKR 7,149 million. Higher profitability was led by higher urea offtake including exports as well as higher domestic prices on the back of reduced inventory levels, lower financial charges and one-off tax effects arising due to phased reduction in corporate tax rate from 30% to 25%.

## Petrochemicals

1H 2018 witnessed the highest-ever PVC production during a half-year. The business recorded revenue growth of 31% over similar period last year. PAT for the half year was PKR 2,784 million against PKR 1,046 million for the comparative period. Primary drivers of profitability can be attributed to successful de-bottlenecking of PVC which enabled the business to enhance its profitable sales volume as well as improved domestic caustic market dynamics.

## Coal Mining and Power Generation

Qadirpur Power Plant: The Plant dispatched a Net Electrical Output of 803 GwH to the national grid with a load factor of 87% compared to 94% during similar period last year. Decline in load factor was primarily due to gas supplier’s compressor issues which resulted in supply disruptions. The business posted a PAT of PKR 1,590 million in 1H 2018 as compared to PKR 1,546 million in 1H2017.

Thar Coal Mining Project: Project progress remained ahead of plan with approx. 91 M BCM of overburden having been removed as of June 30, 2018. Since the beginning of full-scale dewatering operations during April 2017, approx. 32 million cubic meters of water has been discharged till June 2018. During June, coal from the first seam of the open-pit mine was extracted from a depth of 140 meters below the surface.

Thar Power Generation Project: Development on all project fronts continues at a steady pace throughout the period. Post half-year end, both units of Thar Powergen project were successfully connected to the national grid for the back-feed power supply required for the plant start-up.

## Terminal Operations

Profitability of both LNG and chemicals terminals remained challenged for the half year. The LNG terminal handled 36 cargoes as compared to 34 cargoes during similar period last year. However, Chemicals terminal witnessed a volumetric improvement over corresponding period last year.

## Near-Term Outlook

Engro Corporation is committed to working towards delivering on projects, to focus on future investments and to maintain the strength of its balance sheet, while maintaining optimal debt levels.

## Fertilizers

Water shortage, in spite of recent rains, is still a concern going forward and may impact domestic fertilizer market. Further, the fertilizer sector continues to face challenge in the form of subsidy receivable and long lead time, and the industry will continue to engage with the government for payment of outstanding dues.

## Petrochemicals

International PVC and ethylene prices will remain reliant on regional demand supply dynamics. Domestic market for PVC as well as caustic soda is expected to remain stable during the second half of the year. The business will continue to focus on optimizing and achieving operational excellence and concluding expansion projects safely, within budget and on schedule.



Hussain Dawood  
Chairman

## Coal Mining and Power Generation

Engro remains on the forefront to help alleviate the energy crisis in the country. In partnership with the government, the Thar mining and power projects are expected to remain on track for completion by June 2019. Our Energy business segment continues to explore opportunities in the renewable energy sector.

## Terminal Operations

The LNG terminal is positively playing its role in alleviating some of the energy shortage faced by the country. Chemical industry is expected to remain stable and the terminal looks forward to retaining its market share, along with availing expansion opportunities.

## Acknowledgement

The Directors would like to express their deep appreciation to our shareholders who have always shown their confidence in the Company. We would like to record our appreciation towards the outgoing Board of Directors for their invaluable input and guidance, and welcome the new Board of Directors. We would also like to place on record our sincere appreciation for the commitment, dedication and innovative thinking put in by each member of the Engro family and are confident that they will continue to do so in the future.



Ghias Khan  
President and Chief Executive

# Independent Auditors' Review Report

## To the members of Engro Corporation Limited

### Report on review of Condensed Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Engro Corporation Limited as at June 30, 2018 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended June 30, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2018.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Waqas A. Sheikh.



Chartered Accountants  
Karachi

Date: 30th August 2018

Engagement Partner: Waqas A. Sheikh



condensed interim statement  
of financial position (unaudited)  
as at june 30, 2018

(Amounts in thousand)

(Amounts in thousand)	Note	(Unaudited) June 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	479,208	464,128
Intangible assets	5	23,753	8,514
Long term investments	6	21,116,636	21,171,987
Long term loans and advances		46,800	32,425
Deferred taxation		10,059	9,878
		21,676,456	21,686,932
Current assets			
Loans, advances and prepayments	7	298,647	1,234,859
Receivables		435,251	574,159
Accrued interest / mark-up		216,260	456,972
Short term investments	8	62,879,784	63,916,579
Cash and bank balances		2,697,097	810,916
		66,527,039	66,993,485
Investment classified as 'held for sale'	9	587,751	-
		88,791,246	88,680,417
TOTAL ASSETS			
EQUITY & LIABILITIES			
Equity			
Share capital		5,237,848	5,237,848
Share premium		13,068,232	13,068,232
General reserve		4,429,240	4,429,240
Remeasurement of post employment benefits - Actuarial loss		(12,656)	(12,656)
Unappropriated profit		60,766,002	60,660,171
Total equity		83,488,666	83,382,835
Liabilities			
Non-current liabilities			
Retirement and other service benefit obligations		35,706	35,459
Current liabilities			
Trade and other payables		415,417	1,319,426
Provision		2,980,197	2,354,637
Taxes payable		527,819	274,696
Borrowings		996,446	994,841
Accrued interest / mark-up		63,248	64,358
Unclaimed dividends		283,747	254,165
		5,266,874	5,262,123
Total liabilities		5,302,580	5,297,582
Contingencies and Commitments			
	10		
		88,791,246	88,680,417
TOTAL EQUITY & LIABILITIES			

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

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

condensed interim statement  
of profit or loss and other comprehensive income (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand except for earnings / (loss) per share)

	Note	Quarter ended		Half year ended	
		June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
		----- Rupees -----			
Dividend income		392,254	225,000	3,169,615	5,479,040
Royalty income		218,347	216,203	436,638	349,460
		610,601	441,203	3,606,253	5,828,500
Administrative expenses		(310,134)	(360,662)	(514,085)	(506,297)
		300,467	80,541	3,092,168	5,322,203
Other income	11	1,265,499	1,101,778	2,272,604	2,152,429
Other operating expenses		(1,562)	(2,858)	(1,575)	(2,980)
Operating profit		1,564,404	1,179,461	5,363,197	7,471,652
Finance cost		(34,031)	(143,662)	(69,011)	(277,355)
Profit before taxation		1,530,373	1,035,799	5,294,186	7,194,297
Taxation	12	(904,414)	(2,230,714)	(1,521,861)	(3,089,268)
Profit / (Loss) for the period		625,959	(1,194,915)	3,772,325	4,105,029
Other comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		625,959	(1,194,915)	3,772,325	4,105,029
Earnings / (Loss) per share - basic and diluted	13	1.20	(2.28)	7.20	7.84

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

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

condensed interim statement  
of changes in equity (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

	Capital Reserve		Revenue Reserves			Total
	Share capital	Share premium	General reserve	Remeasurement of post employment benefits - Actuarial loss	Unappropriated profit	
	------(Rupees)-----					
Balance as at January 01, 2017 (Audited)	5,237,848	13,068,232	4,429,240	(2,262)	61,307,059	84,040,117
Total comprehensive income for the half year ended June 30, 2017	-	-	-	-	4,105,029	4,105,029
Transactions with owners						
Final cash dividend for the year ended December 31, 2016 @ Rs. 4.00 per share	-	-	-	-	(2,095,138)	(2,095,138)
First Interim cash dividend for the year ended December 31, 2017 @ Rs. 5.00 per share	-	-	-	-	(2,618,924)	(2,618,924)
	-	-	-	-	(4,714,062)	(4,714,062)
Balance as at June 30, 2017 (Unaudited)	5,237,848	13,068,232	4,429,240	(2,262)	60,698,026	83,431,084
Total comprehensive income for the half year ended December 31, 2017	-	-	-	(10,394)	7,295,135	7,284,741
Transactions with owners						
Interim cash dividends for the year ended December 31, 2017:						
- 2nd interim @ Rs. 7.00 per share	-	-	-	-	(3,666,495)	(3,666,495)
- 3rd interim @ Rs. 7.00 per share	-	-	-	-	(3,666,495)	(3,666,495)
	-	-	-	-	(7,332,990)	(7,332,990)
Balance as at December 31, 2017 (Audited)	5,237,848	13,068,232	4,429,240	(12,656)	60,660,171	83,382,835
Total comprehensive income for the half year ended June 30, 2018	-	-	-	-	3,772,325	3,772,325
Transactions with owners						
Final cash dividend for the year ended December 31, 2017 @ Rs. 2.00 per share	-	-	-	-	(1,047,570)	(1,047,570)
First Interim cash dividend for the year ending December 31, 2018 @ Rs. 5.00 per share	-	-	-	-	(2,618,924)	(2,618,924)
	-	-	-	-	(3,666,494)	(3,666,494)
Balance as at June 30, 2018 (Unaudited)	5,237,848	13,068,232	4,429,240	(12,656)	60,766,002	83,488,666

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

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

condensed interim statement  
of cash flows (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

	Note	Half year ended	
		June 30, 2018	June 30, 2017
		------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	14	(1,308,029)	(2,111,656)
Royalty received		406,426	280,606
Taxes paid		(643,359)	(1,263,002)
Retirement and other service benefits paid		(28,133)	(33,625)
Long term loans and advances - net		(14,375)	1,320
Net cash utilized in operating activities		(1,587,470)	(3,126,357)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		3,529,555	5,479,040
Income on deposits / other financial assets including income earned on subordinated loan to subsidiaries		2,142,831	1,783,192
Purchase of term finance certificates from subsidiary company		-	(3,560,000)
Investment in shares of subsidiary company		(532,400)	-
Loan granted to subsidiary companies		-	(600,000)
Repayment of loan by subsidiary companies		896,542	3,560,000
Purchase of Pakistan Investment Bonds and Treasury bills		(796,337)	(24,521,808)
Proceeds from sale of Treasury bills		24,881,497	37,870,394
Purchases of property, plant and equipment		(60,579)	(56,910)
Sale proceeds on disposal of property, plant and equipment		80	167
Net cash generated from investing activities		30,061,189	19,954,075
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of financial charges		(68,516)	(272,118)
Dividends paid		(3,636,912)	(4,693,574)
Net cash utilized in financing activities		(3,705,428)	(4,965,692)
Net increase in cash and cash equivalents		24,768,291	11,862,026
Cash and cash equivalents at beginning of the period		35,986,713	24,213,198
Cash and cash equivalents at end of the period	15	60,755,004	36,075,224

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

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

notes to the condensed interim financial statements (unaudited) for the half year ended june 30, 2018

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

Engro Corporation Limited (the Company), is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:
- International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements represents the condensed interim financial statements of the Company on a standalone basis. The consolidated condensed interim financial statements of the Company and its subsidiary companies is presented separately. The cumulative figures for the half year ended June 30, 2018 presented in these condensed interim financial statements have been subjected to limited scope review by the auditors of the Company, as required under section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2017.
- 2.3 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to annual financial statements of the Company for the year ended December 31, 2017.

(Amounts in thousand)

3. ACCOUNTING POLICIES

- 3.1 The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2017.
- 3.2 There are certain new International Financial Reporting Standards (IFRS), amendments to IFRS and interpretations that are mandatory for the financial year beginning on January 1, 2018. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements. Further, Third and Fourth Schedules to the Companies Act, 2017 will be applicable to the Company for the first time in the preparation of annual financial statements for the year ending December 31, 2018 which have added / amended certain disclosure requirements.
- 3.3 Taxes on income in the interim periods are accrued using the tax rates that would be applicable to expected total annual profit or loss of the Company.

(Unaudited)	(Audited)
June 30,	December 31,
2018	2017
------(Rupees)-----	

4. PROPERTY, PLANT AND EQUIPMENT

Operating assets (note 4.1)	142,559	166,742
Capital work in progress (note 4.2)	336,649	297,386
	<u>479,208</u>	<u>464,128</u>

- 4.1 Additions to operating assets during the period / year amounted to Rs. 2,575 (December 31, 2017: Rs. 112,164). Operating assets costing Rs. 296 (December 31, 2017: Rs. 1,412) having a net book value of Rs. 93 (December 31, 2017: Rs. 984), were disposed off during the period / year for Rs. 80 (December 31, 2017: Rs. 444).
- 4.2 This mainly represents advance paid to suppliers for purchase of operating assets and internally generated intangible assets.

5. INTANGIBLE ASSETS

Additions to intangible assets during the period / year amounted to Rs. 18,741 (December 31,2017: Nil), which mainly represents investment / development of various softwares.

6. LONG TERM INVESTMENTS

- 6.1 During the period, the Company has made investments in Engro Infiniti (Private) Limited, a wholly owned subsidiary, through:
- subscription of 100,000 ordinary shares of Rs. 10 each at par;

- subscription of 30,000 ordinary shares of Rs. 10 each at a premium of Rs. 9,990 per share; and

- payment of advance against subscription of 23,140 ordinary shares of Rs. 10 each at a premium of Rs. 9,990 per share, the shares in respect thereof shall be issued after completion of legal formalities.



(Amounts in thousand)

6.2 During the period, Engro Polymer and Chemicals Limited (EPCL), a subsidiary company, offered 37% of its issued, subscribed and paid-up ordinary shares as right shares at Rs. 22 per ordinary share. Last date of acceptance of rights offer by the shareholders was July 23, 2018. Subsequent to the period end, on July 3, 2018, the Company fully subscribed to its entitled right shares aggregating to 137,923,461 ordinary shares, amounting to Rs. 3,034,316. Further, the Board of Directors of EPCL in its meeting held on August 2, 2018, has allocated unsubscribed portion of 6,965,028 ordinary shares aggregating to Rs. 153,231 to Mitsubishi Corporation. In case Mitsubishi Corporation does not subscribe to the allocated portion, the Company will subscribe for the same.

7. LOANS, ADVANCES AND PREPAYMENTS

7.1 During the period, subordinated loans extended to Elengy Terminal Pakistan Limited, a subsidiary company, amounting to Rs. 896,542 have been repaid.

8. SHORT TERM INVESTMENTS

	(Unaudited) June 30, 2018	(Audited) December 31, 2017
Fair value through profit or loss		
- Treasury bills	58,057,907	60,007,819
- Pakistan Investment Bonds	746,861	-
Held to maturity		
- Fixed income placement	36,500	36,500
Available for sale		
- Term Finance Certificates (note 8.1)	4,038,516	3,872,260
	<u>62,879,784</u>	<u>63,916,579</u>

8.1 Represents privately placed, unsecured and non-convertible zero coupon Term Finance Certificates (TFCs) issued by Engro Energy Limited, a subsidiary company. These TFCs have been issued at a discounted value of Rs. 3,560,000 and have a tenure of one year extendable annually upon mutual consent for upto a maximum period of 24 months. Under the terms of TFCs, the Company is entitled to redeem these TFC's at any time during the term at a price to be computed using an effective interest rate of 8.77% per annum.

9. INVESTMENT CLASSIFIED AS 'HELD FOR SALE'

During the period, the Company entered into negotiations with Vopak LNG Holding B.V. (the buyer) with respect to sale of up to 36.25% of the Company's investment in Elengy Terminal Pakistan Limited (ETPL), a subsidiary company. A notification to the effect was also given to Pakistan Stock Exchange Limited on June 29, 2018.

Subsequent to the reporting date, on July 19, 2018, the Company executed a Share Purchase Agreement (SPA) with the buyer in respect of the proposed sale against a consideration of US\$ 38,297, which is subject to certain adjustments. Accordingly, 36.25% of the Company's investment in ETPL representing 58,775,127 ordinary shares of Rs. 10 each, has been classified as held for sale.

(Amounts in thousand)

10. CONTINGENCIES AND COMMITMENTS

Significant changes in the status of contingencies and commitments reported in the annual financial statements for the year ended December 31, 2017 are as follows:

10.1 Contingencies

- Subsequent to equity injections / submission of Equity Stand by Letter of Credit (SBLCs) by sponsors the amount of Equity SBLCs, as explained in note 16.1.3 of the annual financial statements for the year ended December 31, 2017, have been reduced during the period to USD 12,599 (December 31, 2017: USD 14,027) and USD 26,509 (December 31, 2017: USD 36,619) (in PKR equivalent) in respect of Sindh Engro Coal Mining Company Limited and Engro Powergen Thar (Private) Limited, respectively.
- In respect of Engro Elengy Terminal (Private) Limited, a subsidiary company, the Company had issued Corporate and Performance guarantees amounting to USD 20,700 and USD 10,000, respectively. These guarantees were secured against the shares of Engro Fertilizers Limited and Engro Foods Limited. During the period, these securities have been replaced by Treasury Bills. Further, the Company pledged Treasury Bills against SBLC of USD 5,000 during the period.
- During the period, the Company has pledged Treasury Bills against funded and non-funded facilities of Engro Fertilizers Limited, Engro Powergen Qadirpur Limited, Engro Polymer & Chemicals Limited and Engro Vopak Terminal Limited amounting to Rs. 5,300,000, Rs. 1,500,000, Rs. 1,360,000 and Rs 150,000, respectively.

	(Unaudited) June 30, 2018	(Audited) December 31, 2017
	------(Rupees)-----	
10.2 Commitments		
Commitments in respect of capital expenditure	<u>238,900</u>	<u>146,732</u>

11. OTHER INCOME

During 2016, Supreme Court of Pakistan issued a judgement dated November 11, 2016, as a result of which changes made through the Finance Acts of 2006 and 2008 in the Workers' Welfare Ordinance, 1971 were held to be ultra-vires to the Constitution. In this respect, till December 2014, the Company had accrued for Workers' Welfare Fund (WWF) charge based on the amendments brought through Finance Act 2008, however, no payments were made thereagainst. Subsequently, a civil review petition against the aforementioned judgement has been filed by the taxation authorities which has been dismissed during the period.

In light of above and based on the advice of legal advisor provision for WWF amounting to Rs. 204,229 has been reversed during the period.

(Amounts in thousand)

12. TAXATION

	Quarter ended		Half year ended	
	June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
	-----Rupees-----			
Current				
- for the period (note 12.1)	389,736	234,071	1,009,185	1,089,092
- for prior years (note 12.1)	512,857	1,998,840	512,857	1,998,840
	902,593	2,232,911	1,522,042	3,087,932
Deferred	1,821	(2,197)	(181)	1,336
	904,414	2,230,714	1,521,861	3,089,268
12.1	Includes provision for 'Super Tax for rehabilitation of temporarily displaced persons', levied through Finance Act, 2018 on the income for the financial year ending December 31, 2018 and retrospectively on the income for the financial year ended December 31, 2017. The Company intends to challenge the levy of this tax in the High Court of Sindh and obtain a stay in this respect, as done in the past against similar tax levied through Finance Act, 2017. The Company, based on the opinion of its legal advisor, believes that there is a reasonable case in this respect in the Company's favour. However, based on prudence, the Company has made provision for Super Tax in these condensed interim financial statements.			

13. EARNINGS / (LOSS) PER SHARE

	Quarter ended		Half year ended	
	June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
	-----Rupees-----			
There is no dilutive effect on the basic earnings per share of the Company, which is based on the following:				
Profit / (Loss) for the period	625,959	(1,194,915)	3,772,325	4,105,029
	-----			
	----- (Number of shares) -----			
Weighted average number of ordinary shares (in thousand)	523,785	523,785	523,785	523,785

(Amounts in thousand)

14. CASH UTILIZED IN OPERATIONS

	Half year ended	
	June 30, 2018	June 30, 2017
	----- (Rupees) -----	
Profit before taxation	5,294,186	7,194,297
Adjustment for non-cash charges and other items:		
Depreciation	26,665	16,742
Amortization	3,502	2,057
Loss on disposal of property, plant and equipment	13	242
Provision for retirement and other service benefits	28,379	30,748
Income on deposits / other financial assets	(2,068,375)	(2,152,671)
Reversal of provision of Workers Welfare Fund	(204,229)	-
Dividend income	(3,169,615)	(5,479,040)
Royalty income	(436,638)	(349,460)
Financial charges	69,011	277,355
Working capital changes (note 14.1)	(850,928)	(1,651,926)
	(1,308,029)	(2,111,656)
14.1 Working capital changes		
(Increase) / Decrease in current assets		
- Loans, advances, deposits and prepayments	39,670	(34,816)
- Other receivables (net)	(190,818)	(53,415)
	(151,148)	(88,231)
Decrease in current liabilities		
- Trade and other payables including other service benefits (net)	(699,780)	(1,563,695)
	(850,928)	(1,651,926)
15. CASH AND CASH EQUIVALENTS		
Short term investments	58,057,907	35,684,998
Cash and bank balances	2,697,097	390,226
	60,755,004	36,075,224

(Amounts in thousand)

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

16.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the risk management policies of the Company during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

16.2 Fair value estimation

The carrying value of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

The table below analyses financial instruments carried at fair value by valuation method. The different level have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
	------(Rupees)-----			
Assets				
Financial assets at fair value through profit or loss				
- Treasury Bills / Pakistan Investment Bonds	-	58,804,768	-	58,804,768
Available for sale				
- Term Finance Certificates	-	4,038,516	-	4,038,516

Level 2 fair valued instruments have been valued using discounted cash flow model.

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

(Amounts in thousand)

17. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise subsidiaries, joint venture companies, associated companies, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Half Year ended	
	June 30, 2018	June 30, 2017
	------(Rupees)-----	
Parent Company		
Dividend paid	1,160,087	1,535,409
Reimbursements of expenses	7,646	248
Subsidiary companies		
Purchases and services	516,168	275,041
Mark-up from subsidiaries	17,334	171,281
Disbursement of loan to subsidiary	-	600,000
Repayment of loan by subsidiaries	896,542	3,560,000
Dividend received	2,552,184	1,878,281
Investment in TFCs of a subsidiary company	-	3,560,000
Royalty income	436,638	349,460
Reimbursements	321,017	183,417
Investment made in subsidiary	532,400	-
Associated companies		
Purchases and services	153,547	128,551
Dividend received	122,430	3,060,759
Contribution for Corporate Social Responsibility	12,000	14,000
Reimbursements	20,852	9,345
Dividend paid	215,399	267,142
Others	19	24
Joint venture		
Services rendered	21,138	3,577
Dividend received	495,000	540,000
Reimbursements	8,709	2,286
Others		
Remuneration of key management personnel	158,476	115,281
Reimbursements to key management personnel	296	3,414
Profit on Engro Islamic Rupiya Certificates	9,784	18,970
Contribution to staff retirement benefit funds	39,934	23,542
Dividend paid	36,245	55,639
Directors' Fee	26,444	18,745

(Amounts in thousand)

18. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

- 18.1 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on July 31, 2018 has declared dividend of Rs. 5 per share for the year ending December 31, 2018. These condensed interim financial statements do not reflect the dividend receivable.
- 18.2 The Board of Directors of Engro Fertilizers Limited in its meeting held on August 10, 2018 has declared an interim cash dividend of Rs. 4 per share for the year ending December 31, 2018. These condensed interim financial statements do not reflect the dividend receivable.
- 18.3 The Board of Directors of Engro Polymer and Chemicals Limited in its meeting held on August 02, 2018 has declared an interim cash dividend of Rs. 0.8 per share for the year ending December 31, 2018. These condensed interim financial statements do not reflect the dividend receivable.
- 18.4 The Board of Directors of the Company in its meeting held on August 16, 2018 has approved an interim cash dividend of Rs. 7 per share for the year ending December 31, 2018. These condensed interim financial statements do not reflect the dividend payable.

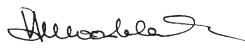
19. CORRESPONDING FIGURES

- 19.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary, the effect of which is not material.
- 19.2 In order to comply with the requirements of International Accounting Standards 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas the condensed interim statement of profit and loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

20. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on August 16, 2018 by the Board of Directors of the Company.

  
Hussain Dawood  
Chairman

  
Hasnain Moomhala  
Chief Financial Officer

  
Ghias Khan  
President and Chief Executive



consolidated condensed  
interim financial information.

# Independent Auditors' Review Report

## To the members of Engro Corporation Limited

### Report on review of Consolidated Condensed Interim Financial Statements

#### Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Engro Corporation Limited and its subsidiary companies as at June 30, 2018 and the related consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity, consolidated condensed interim statement of cash flows and notes to the consolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "consolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these consolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

The figures of the consolidated condensed interim statement of profit or loss and consolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2018.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Waqas A. Sheikh.



Chartered Accountants  
Karachi  
Date: 30th August 2018

Engagement Partner: Waqas A. Sheikh



consolidated condensed interim statement of  
financial position as at june 30, 2018

(Amounts in thousand)

(Amounts in thousand)	Note	(Unaudited) June 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	5	178,443,863	157,355,119
Intangible assets		262,761	252,852
Long term investments	6	31,554,535	32,195,681
Deferred taxation		190,179	23,765
Long term loans, advances, deposits and other receivables		5,292,214	6,809,735
		215,743,552	196,637,152
Current assets			
Stores, spares and loose tools		7,805,673	7,638,801
Stock-in-trade		13,629,034	13,065,877
Trade debts		14,244,846	13,641,538
Loans, advances, deposits and prepayments		2,079,001	2,012,582
Other receivables		9,930,946	10,899,951
Accrued income		265,917	528,242
Taxes recoverable		-	92,881
Short term investments		72,242,750	69,878,637
Cash and bank balances		11,797,811	9,557,587
		131,995,978	127,316,096
TOTAL ASSETS		347,739,530	323,953,248

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

consolidated condensed interim statement of  
financial position as at june 30, 2018

(Amounts in thousand)

(Amounts in thousand)	Note	(Unaudited) June 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
EQUITY & LIABILITIES			
Equity			
Share capital		5,237,848	5,237,848
Share premium		13,068,232	13,068,232
Revaluation reserve on business combination		28,183	33,284
Maintenance reserve		156,301	156,301
Exchange revaluation reserve		203,105	82,112
Hedging reserve		(24,664)	(68,921)
General reserve		4,429,240	4,429,240
Unappropriated profit		111,009,661	108,586,694
Remeasurement of post-employment benefits		(73,613)	(69,056)
		128,796,445	126,217,886
		134,034,293	131,455,734
Non-Controlling Interest	7	42,504,957	39,618,743
Total Equity		176,539,250	171,074,477
Liabilities			
Non-Current liabilities			
Borrowings	8	96,665,005	78,350,858
Deferred taxation		8,934,260	10,589,936
Retirement and other service benefit obligations		147,653	224,263
		105,746,918	89,165,057
Current Liabilities			
Trade and other payables		41,174,186	36,216,878
Provisions		4,111,376	2,354,637
Accrued interest / mark-up		1,502,791	1,461,114
Current portion of:			
- borrowings		8,254,940	12,392,265
- retirement and other service benefit obligations		88,443	103,235
Deferred taxation		110,914	92,779
Taxes payable		3,652,416	-
Short term borrowings	9	6,172,546	10,085,382
Unpaid dividends		-	670,088
Unclaimed dividends		385,750	337,336
		65,453,362	63,713,714
Total Liabilities		171,200,280	152,878,771
Contingencies and Commitments	10		
TOTAL EQUITY AND LIABILITIES		347,739,530	323,953,248

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

Hussain Dawood  
Chairman

Hasnain Moochhala  
Chief Financial Officer

Ghias Khan  
President and Chief Executive

consolidated condensed interim  
statement of profit or loss (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand except for earnings per share)

Note	Quarter ended		Half year ended	
	June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
-----Rupees-----				
Net revenue	38,208,202	29,664,369	71,733,077	52,241,332
Cost of revenue	(27,941,446)	(21,778,991)	(49,908,340)	(37,566,034)
Gross profit	10,266,756	7,885,378	21,824,737	14,675,298
Selling and distribution expenses	(1,724,916)	(1,982,928)	(3,564,360)	(3,463,816)
Administrative expenses	(896,165)	(914,409)	(1,780,071)	(1,646,840)
	7,645,675	4,988,041	16,480,306	9,564,642
Other income	2,331,908	3,224,888	4,971,619	5,617,874
Other operating expenses	(1,662,406)	(467,467)	(2,260,049)	(756,690)
Finance cost	(1,221,027)	(1,264,324)	(2,444,152)	(2,579,841)
Share of (loss) / income from joint ventures and associates	(917,656)	230,904	(501,605)	681,268
Profit for the period before taxation	6,176,494	6,712,042	16,246,119	12,527,253
Taxation	(1,958,935)	(4,291,372)	(5,191,198)	(5,809,961)
Profit for the period	4,217,559	2,420,670	11,054,921	6,717,292
Profit for the period attributable to:				
- Owners of the Holding Company	1,897,765	874,050	6,091,417	3,777,120
- Non-controlling interest	2,319,794	1,546,620	4,963,504	2,940,172
	4,217,559	2,420,670	11,054,921	6,717,292
Earnings per share - basic and diluted	3.62	1.67	11.63	7.21

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
Hussain Dawood  
Chairman

  
Hasnain Moochhala  
Chief Financial Officer

  
Ghias Khan  
President and Chief Executive

consolidated condensed interim  
statement of comprehensive income (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

Note	Quarter ended		Half year ended	
	June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
-----Rupees-----				
Profit for the period	4,217,559	2,420,670	11,054,921	6,717,292
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Hedging reserve - cash flow hedges				
Profit / (Loss) arising during the period	46,379	(448)	64,679	(10,907)
Reclassification adjustments for loss / (profit) included in profit or loss	(839)	1,575	(432)	4,003
Adjustments for amounts transferred to initial carrying amount of hedged items	-	703	-	10,886
	45,540	1,830	64,247	3,982
Revaluation reserve on business combination	(5,251)	(5,251)	(10,501)	(10,501)
Exchange differences on translation of foreign operations	94,625	(6,208)	176,958	875
	134,914	(9,629)	230,704	(5,644)
Income tax relating to:				
- Hedging reserve - cash flow hedges	-	(264)	-	(632)
- Revaluation reserve on business combination	1,680	1,680	3,360	3,360
	1,680	1,416	3,360	2,728
Items that will not be reclassified to profit or loss				
Deferred tax charge relating to revaluation of equity related items - share issuance cost	(1,651)	-	(1,651)	-
Other comprehensive income / (loss) for the period, net of tax	134,943	(8,213)	232,413	(2,916)
Total comprehensive income for the period	4,352,502	2,412,457	11,287,334	6,714,376
Total comprehensive income attributable to:				
- Owners of the Holding Company	1,990,772	869,102	6,250,639	3,775,010
- Non-controlling interest	2,361,730	1,543,355	5,036,695	2,939,366
	4,352,502	2,412,457	11,287,334	6,714,376

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
Hussain Dawood  
Chairman

  
Hasnain Moochhala  
Chief Financial Officer

  
Ghias Khan  
President and Chief Executive

consolidated condensed interim  
statement of changes in equity (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

	Attributable to owners of the Holding Company											
	Capital reserves						Revenue reserves					
	Share capital	Share premium	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Un-appropriated profit	Remeasurement of post employment benefits - Actuarial (loss)	Sub total	Non-controlling interest	Total
	-----Rupees-----											
Balance as at January 1, 2017 (audited)	5,237,848	13,068,232	43,486	156,301	15,767	(83,397)	4,429,240	111,008,100	(38,154)	133,837,423	35,253,333	169,090,756
Total comprehensive income / (loss) for the half year ended June 30, 2017 (unaudited)	-	-	-	-	-	-	-	3,777,120	-	3,777,120	2,940,172	6,717,292
Profit for the period	-	-	(5,101)	-	870	2,121	-	-	-	(2,110)	(806)	(2,916)
Other comprehensive (loss) / income	-	-	(5,101)	-	870	2,121	-	3,777,120	-	3,775,010	2,939,366	6,714,376
Transactions with owners	-	-	-	-	-	-	-	-	-	-	-	-
Share issued to IFC by subsidiary company	-	-	-	-	-	-	-	221,601	-	221,601	74,792	296,393
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(1,611,096)	(1,611,096)
Shares issued during the period and shares issuance cost accounted for as a deduction from equity	-	-	-	-	-	-	-	(2,841)	-	(2,841)	563,025	560,184
Preference shares issued to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	499,510	499,510
Final cash dividend for the year ended December 31, 2016 @ Rs.4.00 per share	-	-	-	-	-	-	-	(2,095,140)	-	(2,095,140)	-	(2,095,140)
First interim cash dividend for the year ending December 31, 2017 @ Rs.5.00 per share	-	-	-	-	-	-	-	(2,618,925)	-	(2,618,925)	-	(2,618,925)
	-	-	-	-	-	-	-	(4,495,305)	-	(4,495,305)	(473,769)	(4,969,074)
Balance as at June 30, 2017 (Unaudited)	5,237,848	13,068,232	38,385	156,301	16,637	(81,276)	4,429,240	110,289,915	(38,154)	133,117,128	37,718,930	170,836,058
Total comprehensive income / (loss) for the half year ended December 31, 2017	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	(5,101)	-	65,475	12,355	-	5,629,965	-	5,629,965	3,942,490	9,572,455
Other comprehensive income / (loss)	-	-	(5,101)	-	65,475	12,355	-	(161)	(30,902)	41,666	35,190	76,856
	-	-	(5,101)	-	65,475	12,355	-	5,629,804	(30,902)	5,671,631	3,977,680	9,649,311
Transactions with owners	-	-	-	-	-	-	-	-	-	-	-	-
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(4,189,131)	(4,189,131)
Advance received against issue of share capital	-	-	-	-	-	-	-	-	-	-	2,111,264	2,111,264
Second interim cash dividend for the year ended December 31, 2017 @ Rs.7.00 per share	-	-	-	-	-	-	-	(3,666,494)	-	(3,666,494)	-	(3,666,494)
Third interim cash dividend for the year ended December 31, 2017 @ Rs.7.00 per share	-	-	-	-	-	-	-	(3,666,494)	-	(3,666,494)	-	(3,666,494)
Shares issued during the period and shares issuance cost accounted for as a deduction from equity	-	-	-	-	-	-	-	(37)	-	(37)	-	(37)
	-	-	-	-	-	-	-	(7,333,025)	-	(7,333,025)	(2,077,867)	(9,410,892)
Balance as at December 31, 2017 (Audited)	5,237,848	13,068,232	33,284	156,301	82,112	(68,921)	4,429,240	108,586,694	(69,056)	131,455,734	39,618,743	171,074,477
Total comprehensive income / (loss) for the half year ended June 30, 2018 (Unaudited)	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	(5,101)	-	120,993	44,257	-	6,091,417	-	6,091,417	4,963,504	11,054,921
Other comprehensive income / (loss)	-	-	(5,101)	-	120,993	44,257	-	(927)	159,222	73,191	232,413	232,413
	-	-	(5,101)	-	120,993	44,257	-	6,090,490	-	6,250,639	5,036,695	11,287,334
Transactions with owners	-	-	-	-	-	-	-	-	-	-	-	-
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(2,135,612)	(2,135,612)
Reclassification of actuarial gain on withdrawal / curtailment of gratuity scheme	-	-	-	-	-	-	-	4,557	(4,557)	-	-	-
Share issuance cost	-	-	-	-	-	-	-	(5,586)	-	(5,586)	(14,869)	(20,455)
Final cash dividend for the year ended December 31, 2017 @ Rs. 2.00 per share	-	-	-	-	-	-	-	(1,047,570)	-	(1,047,570)	-	(1,047,570)
First Interim cash dividend for the year ending December 31, 2018 @ Rs.5.00 per share	-	-	-	-	-	-	-	(2,618,924)	-	(2,618,924)	-	(2,618,924)
	-	-	-	-	-	-	-	(3,667,523)	(4,557)	(3,672,080)	(2,150,481)	(5,822,561)
Balance as at June 30, 2018 (Unaudited)	5,237,848	13,068,232	28,183	156,301	203,105	(24,664)	4,429,240	111,009,661	(73,613)	134,034,293	42,504,957	176,539,250

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
Hussain Dawood  
Chairman

  
Hasnain Moochhala  
Chief Financial Officer

  
Ghias Khan  
President and Chief Executive

consolidated condensed interim  
statement of cash flows (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

Note	Half year ended	
	June 30, 2018	June 30, 2017
	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	26,476,982	4,792,312
Retirement and other service benefits paid	(112,480)	(126,463)
Finance cost paid	(3,598,289)	(2,852,721)
Taxes paid	(2,640,115)	(2,190,874)
Long term loans and advances - net	(107,989)	(10,425)
Net cash generated from / (utilized in) operating activities	20,018,109	(388,171)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles	(18,476,495)	(7,138,306)
Proceeds from disposal of:		
- property, plant and equipment	20,336	21,998
- short term investments - net	24,688,661	13,348,586
Income on deposits / other financial assets	2,638,801	1,756,004
Investments made during the period	(462,170)	(909,918)
Dividends received	617,430	3,600,759
Net cash generated from investing activities	9,026,563	10,679,123
Cash flows from financing activities		
Proceeds from borrowings - net	10,605,397	391,632
Repayments of short term borrowings - net	-	(1,100,000)
Proceeds from issuance of shares - net	-	1,067,874
Share issuance costs	(20,455)	(8,180)
Dividends paid	(6,423,780)	(6,305,120)
Net cash generated from / (utilized in) financing activities	4,161,162	(5,953,794)
Net increase in cash and cash equivalents	33,205,834	4,337,158
Cash and cash equivalents at beginning of the period	43,876,320	28,479,540
Cash and cash equivalents at end of the period	77,082,154	32,816,698

The annexed notes 1 to 22 form an integral part of these consolidated condensed interim financial statements.

  
Hussain Dawood  
Chairman

  
Hasnain Moochhala  
Chief Financial Officer

  
Ghias Khan  
President and Chief Executive

notes to the consolidated condensed  
interim financial statements (unaudited)  
for the half year ended june 30, 2018

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

1.1 Engro Corporation Limited (the Holding Company), is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The Holding Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Holding Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Holding Company's registered office is situated at 7th and 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

1.2 The "Group" consists of:

Holding Company - Engro Corporation Limited

Subsidiary Companies - Companies in which the Holding Company owns over 50% of voting rights, or companies directly controlled by the Holding Company:

	%age of direct holding	
	June 30, 2018	December 31, 2017
- Engro Energy Limited (note 1.2.1)	100	100
- Engro Eximp Agriproducts (Private) Limited	100	100
- Engro Infiniti (Private) Limited (note 1.2.2)	100	100
- Elengy Terminal Pakistan Limited (note 1.2.3)	80	80
- Engro Fertilizers Limited	56.27	56.27
- Engro Polymer and Chemicals Limited (note 1.2.4)	56.19	56.19
Joint Venture Company:		
- Engro Vopak Terminal Limited	50	50
Associated Company:		
- Engro Foods Limited	39.9	39.9

1.2.1 Engro Energy Limited (EEL)

During the period:

- Engro Energy Services (Private) Limited (EESL) has been incorporated as a wholly owned subsidiary of EEL; and

- EEL entered into a Joint Venture Agreement (JVA), dated May 04, 2018 with Siddiqsons Limited (SL) and Arif Habib Equity (Private) Limited (AHEPL) for the joint development of approximately 330 MW coal-fired power generation facility in Thar Coal Block - II, District Tharparkar, Sindh through a joint venture company, i.e. Siddiqsons Energy Limited (SEL). The JVA became effective from May 26, 2018 as per the terms of which EESL, AHEPL and SL were initially required to have shareholding proportions equal to 19%, 19% and 62%, respectively, in their capacity as the subscribing members of SEL. Accordingly, EEL has advanced an amount of Rs. 262,676 against the issuance of 26,267,639 ordinary shares constituting the required 19% of the share capital of SEL to be allotted to EEL. Ordinary shares thereagainst have been issued subsequent to the period end after the completion of the requisite legal formalities.

(Amounts in thousand)

1.2.2 Engro Infiniti (Private) Limited (EIPL)

During the period, the Holding Company has made investments in Engro Infiniti (Private) Limited, a wholly owned subsidiary, through:

- subscription of 100,000 ordinary shares of Rs. 10 each at par;
- subscription of 30,000 ordinary shares of Rs. 10 each at a premium of Rs. 9,990 per share; and
- payment of advance against subscription of 23,140 ordinary shares of Rs. 10 each at a premium of Rs. 9,990 per share, the shares in respect thereof shall be issued after completion of legal formalities.

1.2.3 Elengy Terminal Pakistan Limited (ETPL)

During the period, the Holding Company entered into negotiations with Vopak LNG Holding B.V. (the buyer) with respect to sale of up to 36.25% of the Holding Company's investment in Elengy Terminal Pakistan Limited (ETPL), a subsidiary company. A notification to the effect was also given to Pakistan Stock Exchange Limited on June 29, 2018.

Subsequent to the reporting date, on July 19, 2018, the Holding Company executed a Share Purchase Agreement (SPA) with the buyer in respect of the proposed sale against a consideration of US\$ 38,297, which is subject to certain adjustments.

1.2.4 Engro Polymer and Chemicals Limited (EPCL)

During the period, Engro Polymer and Chemicals Limited (EPCL) offered 37% of its issued, subscribed and paid up ordinary shares as right shares at Rs. 22 per ordinary share. Last date of acceptance of rights offer by the shareholders was July 23, 2018. Subsequent to the period end, on July 3, 2018, the Holding Company fully subscribed to its entitled right shares aggregating to 137,923,461 ordinary shares, amounting to Rs. 3,034,316. Further, the Board of Directors of EPCL in its meeting held on August 2, 2018, has allocated unsubscribed portion of 6,965,028 ordinary shares aggregating to Rs. 153,231 to Mitsubishi Corporation. In case Mitsubishi Corporation does not subscribe to the allocated portion, the Holding Company will subscribe for the same.

2. BASIS FOR PREPARATION

2.1 These consolidated condensed interim financial statements are unaudited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 The cumulative figures for the half year ended June 30, 2018 presented in these consolidated condensed interim financial statements have been subjected to limited scope review by the auditors of the Holding Company, as required under section 237 of the Companies Act, 2017. These consolidated condensed interim financial statements do not include all the information required for consolidated annual financial statements and therefore should be read in conjunction with the audited consolidated annual financial statements of the Group for the year ended December 31, 2017.

(Amounts in thousand)

2.3 The preparation of these consolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. During the preparation of these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the consolidated financial statements of the Group for the year ended December 31, 2017, except for the matter explained in note 6.2.

3. BASIS OF CONSOLIDATION

3.1 The condensed interim financial statements of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves.

3.2 Non-controlling interest has been presented as a separate item in these consolidated condensed interim financial statements. All material intercompany balances and transactions have been eliminated.

3.3 The Group's interest in jointly controlled and associated entities, i.e. Engro Vopak Terminal Limited (EVTL), Sindh Engro Coal Mining Company Limited, GEL Utility Limited, Siddiqsons Energy Limited and Engro Foods Limited has been accounted for using the equity method.

3.4 The consolidated condensed interim financial statements have been prepared based on the reviewed condensed interim financial statements of the Holding Company, subsidiary companies and associated companies, except for the joint venture company i.e. EVTL, which has been consolidated on the basis of management's interim condensed financial statements.

3.5 The consolidated condensed interim financial statements are presented in Pakistan Rupees, which is the Holding Company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income, except where such gains and losses are directly attributable to the acquisition, construction or production of a qualifying asset, in which case, such gains and losses are capitalized as part of the cost of that asset.

4. ACCOUNTING POLICIES

4.1 The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the year ended December 31, 2017.

4.2 There are certain new International Financial Reporting Standards (IFRS) and amendments and interpretations to published IFRS that are mandatory for the financial year beginning on January 1, 2018. These are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations and are, therefore, not disclosed in these consolidated condensed interim financial statements.

4.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

(Amounts in thousand)

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets, at net book value (notes 5.1 and 5.2)  
Capital work in progress - Expansion and other projects (notes 5.3 and 5.4)  
Capital spares and standby equipment

5.1 Following additions, including transfers from capital work in progress, were made to operating assets during the period / year:

Freehold land  
Leasehold land  
Building on free hold land  
Building on lease hold land  
Plant and machinery including capitalization of exchange loss  
Catalyst  
Furniture, fixture and equipment  
Jetty  
Vehicles

5.2 During the period, assets costing Rs.51,282 (December 31, 2017: Rs. 899,452), having net book value of Rs. 6,833 (December 31, 2017: Rs. 39,961) were disposed-off for Rs. 20,336 (December 31, 2017: Rs. 743,014).

5.3 Capital work in progress - Expansion and other projects

Balance at beginning of the period / year  
Additions during the period / year  
Transferred to:  
- operating assets  
- intangible assets  
- capital spares  
Balance at end of the period / year

5.4 Includes capital work-in-progress of Engro Energy Limited and its subsidiary, Engro Powergen Thar (Private) Limited (EPTL) amounting to Rs. 68,818,223 (December 31, 2017: Rs. 48,326,561) which represents directly attributable expense for the development, construction and operation of 2 x 330 MW mine mouth coal fired power plants being established at Thar Coal Block II.

(Unaudited) (Audited)  
June 30, December 31,  
2018 2017  
------(Rupees)-----

101,511,900	102,952,156
75,506,343	52,994,469
1,425,620	1,408,494
178,443,863	157,355,119
-	6,200
26,938	-
21,269	124,511
8,473	91,707
2,217,868	3,638,189
-	8,978
91,259	339,367
5,400	-
114,501	178,171
2,485,708	4,387,123

(Unaudited) (Audited)  
June 30, December 31,  
2018 2017  
------(Rupees)-----

52,994,469	23,789,784
25,005,558	33,359,378
(2,462,923)	(4,052,759)
(30,761)	(81,616)
-	(20,318)
75,506,343	52,994,469



(Amounts in thousand)

6. LONG TERM INVESTMENTS

	(Unaudited) June 30, 2018	(Audited) December 31, 2017
	------(Rupees)-----	
Balance at beginning of the period / year	32,195,681	34,700,708
Add:		
- Investment in associates (note 6.1)	199,494	144,839
- Advance against issue of share capital (note 1.2.1)	262,676	154,818
- Exchange gain on revaluation of foreign investment	15,719	7,980
- Share of (loss) / profit for the period / year (note 6.2)	(501,605)	1,463,095
Less: Dividend received during the period / year (note 6.3)	(617,430)	(4,275,759)
Balance at end of the period / year	31,554,535	32,195,681

- 6.1

This represents investment made during the period by EEL in Sindh Engro Coal Mining Company Limited.
- 6.2

Cases for the tax year 2003 to tax year 2011 of Engro Vopak Terminal Limited (EVTL) to determine as to whether the income of EVTL is liable to be taxed under the Normal Tax Regime (NTR) or the Final Tax Regime (FTR) are pending in the Honorable Supreme Court (HSC) and the Sindh High Court (SHC). During the period, on the basis of prudence, the Holding Company has recognized its share of provision for potential additional tax liability for tax years 2003 to 2018 that EVTL might have to settle if the pending cases are decided against EVTL.
- 6.3

During the period, the Holding Company received dividends from Engro Foods Limited and Engro Vopak Terminal Limited amounting to Rs. 122,430 and Rs. 495,000, respectively.

7. NON - CONTROLLING INTEREST

Engro Powergen Thar (Private) Limited (EPTL), a subsidiary of EEL, has issued 99,000,000 fully paid preference shares of Rs. 10 each as fully paid right shares during the period. These preference shares are cumulative, non-redeemable, non-convertible, non-participatory, non-voting and carry dividend at the rate of 11% US Dollars internal rate of return. These preference shares have been classified in equity as per the requirements of the Companies Act, 2017.

Under the Articles of Association of EPTL, the dividend in respect of preference shares shall be paid, only if in any half financial year:

- ETPL has made a profit after tax;
- any and all losses incurred by ETPL have been fully recouped; and
- the Board of Directors has made a good faith determination setting aside out of the available profits for distribution, a sum for EPTL's investment and other cash needs over the next two financial half-years.

In addition, there would be no payment of dividend before the commencement of commercial operations. As per the arrangement with the preference shareholder, coupon rate will be determined after Commercial Operation Date such that the preference shareholder gets 11% IRR in US Dollar terms over the term of investment. If no adjustment is made in preference shares coupon and 11% annual return is assumed on preference shares from the date of investment, the cumulative dividend on preference shares as at June 30, 2018 amounts to Rs. 1,657,671 (December 31, 2017: Rs. 1,076,912) which has not been recognized in these consolidated condensed interim financial statements.

(Amounts in thousand)

8. BORROWINGS

- 8.1

Engro Fertilizers Limited (EFERT)

During the period, EFERT, a subsidiary company, fully repaid its long term loans from various banks amounting to Rs. 6,666,667 and obtained a loan from MCB Bank Limited amounting to Rs. 3,000,000.
- 8.2

Engro Polymer and Chemicals Limited (EPCL)

During the period, EPCL, a subsidiary company, fully repaid its long term loans from Faysal Bank Limited amounting to Rs. 1,250,000.
- 8.3

Engro Powergen Thar (Private) Limited (EPTL)

8.3.1

As at June 30, 2018, under the USD Facility Agreement with foreign banks, EPTL has made draw down of USD 431,581 (December 31, 2017: USD 324,516), while the undrawn amount is USD 189,419 (December 31, 2017: USD 296,484).

8.3.2

As at June 30, 2018, EPTL has made the total draw down in respect of its local currency long term financing facilities amounts to Rs. 12,583,079 (December 31, 2017: Rs. 7,157,099) while the undrawn amounts are equal to Rs. 11,566,921 (December 31, 2017: Rs. 16,992,900).
- 8.4

Elengy Terminal Pakistan Limited (ETPL)

The principal amounts for repayment at June 30, 2018 for foreign currency denominated loans obtained by ETPL, a subsidiary company, are USD 13,250 (December 31, 2017: USD 14,600) due to International Finance Corporation and USD 19,875 (December 31, 2017: USD 21,900) due to Asian Development Bank.

9. SHORT TERM BORROWINGS

The short-term running finances available to the Group from various banks under mark-up arrangements amounts to Rs. 35,275,000 (December 31, 2017: Rs. 39,602,000). The rates of mark-up on these finances are KIBOR based and range from 1 to 3 months KIBOR plus 0.2% to 1.5% per annum (December 31, 2017: 0.5% to 1.5% per annum over 1-month KIBOR). The aggregate running finances are secured by way of hypothecation of ranking floating charge over present and future loans, advances, receivables, stocks, book debts, and other current assets and pledge over shares.

10. CONTINGENCIES AND COMMITMENTS

- 10.1

Contingencies

Significant changes in the status of contingencies reported in the annual consolidated financial statements for the year ended December 31, 2017 are as follows :
- 10.1.1

Subsequent to equity injections / submission of Equity Stand by Letter of Credit (SBLCs) by sponsors the amount of Equity SBLCs, as disclosed in note 24.1.2 of the consolidated annual financial statements for the year ended December 31, 2017, have been reduced during the period to USD 12,599 (December 31, 2017: USD 14,027) and USD 26,509 (December 31, 2017: USD 36,619) (in PKR equivalent) in respect of Sindh Engro Coal Mining Company Limited and Engro Powergen Thar (Private) Limited, respectively.

(Amounts in thousand)

- 10.1.2 In respect of Engro Elengy Terminal (Private) Limited, a subsidiary company, the Holding Company had issued Corporate and Performance guarantees amounting to USD 20,700 and USD 10,000, respectively. These guarantees were secured against the shares of Engro Fertilizers Limited and Engro Foods Limited. During the period, these securities have been replaced by Treasury Bills. Further, the Holding Company pledged Treasury Bills against SBLC of USD 5,000 during the period.
- 10.1.3 During the period, the Holding Company has pledged Treasury Bills against funded and non-funded facilities of Engro Fertilizers Limited, Engro Powergen Qadirpur Limited, Engro Polymer & Chemicals Limited and Engro Vopak Terminal Limited amounting to Rs. 5,300,000, Rs. 1,500,000, Rs. 1,360,000 and Rs 150,000, respectively.
- 10.1.4 On February 09, 2018 Engro Energy Limited (EEL), furnished 7 bank guarantees amounting to Rs. 5,530 each, expiring on February 8, 2020, to Baluchistan Power Development Board (BPDB). These were issued to acquire LOIs / development rights for 50MW x 7 project sites located in Kuchlak, Khuzdar and Punjgur areas of Baluchistan.
- 10.1.5 As per the terms of the Operations and Maintenance Agreement entered into between Engro Power Service Holding B.V, (EPSH), a subsidiary of EEL, and CHD Power Plant Operation Company Limited (CHD), EPSH is required to pay a pre-commercial operations date mobilisation fee amounting to USD 4,460 to CHD (December 31 2017: Nil). The project is expected to achieve Commercial Operations Date by June 3, 2019.
- 10.1.6 The Commissioner Inland Revenue (CIR) through an order dated January 12, 2017 as a result of audit of income tax affairs under section 122 (5A) and 214C of the Income Tax Ordinance, 2001 raised a tax demand of Rs. 268,584 against EEL. EEL contested the demand and filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] which was last heard on April 3, 2018 and was reserved for order. In the meantime, EEL has also obtained a stay of demand from the Honourable High Court of Sindh (SHC). The SHC while disposing of the suit has directed the department to refrain from taking any coercive action against EEL till the adjudication of appeal by the CIR(A). Furthermore, a period of seven days after the order of the CIR(A) has been granted to seek remedy before the Appellate Tribunal Inland Revenue. Considering the remedy available with EEL, which the management intends to avail if so required, no provision has been made in respect of the aforementioned demand in these consolidated condensed interim financial statements.
- 10.1.7 The Additional Commissioner Inland Revenue (ACIR), through separate show cause notices dated December 11, 2017 in respect of tax years 2015 and 2016 and notices dated December 12, 2017 in respect of tax years 2012 and 2013, rejected the inter-corporate dividend exemption claimed by EEL during these tax years. The ACIR also levied super tax on dividend income for tax years 2015 and 2016. EEL challenged these notices before the Honourable High Court of Sindh, which has restrained the tax authorities from taking any coercive action against EEL. Based on the views of tax advisor and legal consultant of EEL, the management believes that EEL has a good case on merits and expects a favourable outcome. In the unlikely event that the matter is decided against EEL, the management can challenge the decision in appeal. Accordingly, no provision has been made in this respect in these consolidated condensed interim financial statements.

10.2 Commitments

- 10.2.1 Commitments in respect of capital expenditure contracted for but not incurred amounts to Rs. 38,945,431 (December 31, 2017: Rs. 45,297,632).
- 10.2.2 Other commitments in respect of subsidiary companies amounts to Rs. 2,819,498 (December 31, 2017: Rs. 2,943,637).

11. OTHER INCOME

- 11.1 This includes income from sales under Government subsidy amounting to Rs. 1,304,329 (June 30, 2017: Rs. 3,180,154).

(Amounts in thousand)

- 11.2 During 2016, Supreme Court of Pakistan issued a judgement dated November 11, 2016, as a result of which changes made through the Finance Acts of 2006 and 2008 in the Workers' Welfare Ordinance, 1971 were held to be ultra-vires to the Constitution. In this respect, the Group had accrued for Workers' Welfare Fund (WWF) charge based on the amendments brought through Finance Act 2008, however, no payment were made thereagainst. Subsequently, a civil review petition against the aforementioned judgement was filed by the taxation authorities which has been dismissed during the period.

In light of above and based on the advice of legal advisor, provision for WWF amounting to Rs. 509,766 has been reversed during the period

12. TAXATION

Includes provision for 'Super Tax for rehabilitation of temporarily displaced persons', levied through Finance Act, 2018 on the income for the financial year ending December 31, 2018 and retrospectively on the income for the financial year ended December 31, 2017. The Group intends to challenge the levy of this tax in the High Court of Sindh and obtain a stay in this respect, as done in the past against similar tax levied through Finance Act, 2017. The Group, based on the opinion of its legal advisor, believes that there is a reasonable case in this respect in the Group's favour. However, based on prudence, the Group has made provision for Super Tax for tax year 2018 and 2019 in these consolidated condensed interim financial statements.

(Amounts in thousand)

13. EARNINGS PER SHARE - BASIC AND DILUTED

	------(Unaudited)-----			
	Quarter ended		Half year ended	
	June 30, 2018	June 30 2017	June 30, 2018	June 30, 2017
	-----Rupees-----			
Profit for the period, attributable to the owners of the Holding Company:	1,897,765	874,050	6,091,417	3,777,120
The information necessary to calculate basic and diluted earnings per share is as follows:				
Profit for the period from continuing operations	1,897,765	874,050	6,091,417	3,777,120
Add:				
- Finance cost related to IFC loan and derivative - net of tax	-	-	-	326
- Gain on revaluation of IFC loan conversion option	-	-	-	(1,235)
	1,897,765	874,050	6,091,417	3,776,211
	-----Number in thousands-----			
Weighted average number of ordinary shares for basic and diluted EPS	523,785	523,785	523,785	523,785

14. CASH GENERATED FROM OPERATIONS

Profit for the period before taxation	16,246,119	12,527,253
Adjustment for non-cash charges and other items:		
Depreciation and amortization	3,905,700	3,680,118
Gain on disposal of property, plant and equipment and biological assets	(13,503)	(16,236)
Provision for retirement and other service benefits	84,152	85,503
Income on deposits / other financial assets	(2,317,418)	(1,951,511)
Reversal of provision for Workers Welfare Fund	(509,766)	-
Share of loss / (income) from joint venture and associates	501,605	(681,268)
Finance cost	1,830,554	2,372,411
Loss on foreign currency translations	564,877	1,129
Working capital changes (note 14.1)	6,184,662	(11,225,087)
	26,476,982	4,792,312

(Amounts in thousand)

	------(Unaudited)-----	
	2018	2017
	-----Rupees-----	
14.1 Working capital changes		
(Increase) / Decrease in current assets		
- Stores, spares and loose tools	(172,091)	(290,656)
- Stock-in-trade	(552,728)	(6,585,946)
- Trade debts	(593,450)	(1,733,264)
- Loans, advances, deposits and prepayments	(368,698)	(155,292)
- Other receivables - net	1,170,659	(1,153,197)
	(516,308)	(9,918,355)
Increase / (Decrease) in current liabilities		
- Trade and other payables, including other service benefits - net	6,700,970	(1,306,732)
	6,184,662	(11,225,087)

15. CASH AND CASH EQUIVALENTS

Cash and bank balances	11,797,811	6,521,602
Short term investments	71,456,889	37,963,504
Short term borrowings	(6,172,546)	(11,668,408)
	77,082,154	32,816,698

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

16.1 Financial risk factors

The Group's activities expose it to a variety of financial risks including market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently these consolidated condensed interim financial statements does not include all the financial risk management information and disclosures required in the annual financial statements.

16.2 Fair value estimation

The table below analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (Level 3)

	Level 1	Level 2	Level 3
	----- Rupees -----		
Assets			
Financial assets at fair value through profit and loss			
- Short term investments	-	72,206,250	-

(Amounts in thousand)

- There were no transfers between Levels during the period. Further, there were no changes in valuation techniques during the period.  
Level 2 fair valued instruments comprise of fixed income placements and treasury bills which have been valued using discounted cash flow model.

16.3 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these consolidated condensed interim financial statements approximate their fair value.

17. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of parent company, joint venture companies, associates, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	------(Unaudited)----- Half year ended June 30, June 30, 2018 2017 -----Rupees-----	
Parent Company		
Dividend paid	1,160,087	1,535,409
Reimbursements to Parent Company	7,646	248
Associated companies and joint ventures		
Purchases and services	2,503,163	2,056,279
Dividends received	617,430	3,600,759
Dividends paid	888,813	267,142
Payment of interest on Term Finance Certificates and repayment of principal amount	-	5,966
Contribution for Corporate Social Responsibility	62,000	55,500
Payment against EPC contract	12,535,052	5,822,567
Reimbursements from	102,124	118,752
Reimbursements to	109,619	29,232
Loan received	393,187	25,362
Loan paid	165,915	561,111
Mark-up on borrowings	98,680	89,726
Others	19	24
Finance cost paid	62,633	57,819
Share capital issued	1,982,350	1,067,873
Key Management Personnel		
Remuneration paid to key management personnel / Directors	522,296	464,779
Reimbursement of expenses	559	3,414
Directors fees	29,094	20,245
Dividend paid	36,245	55,639
Profit on Engro Islamic Rupiya Certificates	9,784	18,970
Contribution for retirement benefits	324,496	244,643

(Amounts in thousand)

18. SEGMENT REPORTING

18.1 A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments.

Type of segments	Nature of business
Fertilizer	Manufacture, purchase and market fertilizers.
Polymer	Manufacture, market and sell Poly Vinyl Chloride (PVC), PVC compounds, Caustic Soda and related chemicals.
Food	Manufacture, process and trade all kinds of raw and processed agricultural products.
Power and mining	Includes Independent Power Projects (IPP).
Other operations	Includes chemical terminal and storage services.

18.2 Liabilities are reported segment-wise to the Board of Directors on an annual basis. Hence, segment-wise details of liabilities have not been presented in these consolidated condensed interim financial statements.

18.3 Information regarding the Group's operating segments is as follows:

	------(Unaudited)----- Quarter ended Half year ended June 30, June 30, June 30, June 30, 2018 2017 2018 2017 -----Rupees-----			
Revenue				
Fertilizer	22,897,535	17,247,288	41,116,414	27,311,019
Polymer	8,414,411	6,233,294	17,101,613	13,045,657
Food	691,096	550,061	1,649,019	847,247
Power and mining	3,206,786	3,183,533	6,063,364	6,167,972
Other operations	3,628,400	2,923,965	9,461,284	10,751,613
Elimination - net	(630,026)	(473,772)	(3,658,617)	(5,882,176)
Consolidated	38,208,202	29,664,369	71,733,077	52,241,332
Profit / (Loss) for the period				
Fertilizer	3,259,781	2,478,958	7,149,376	4,116,472
Polymer	1,335,562	200,284	2,783,671	1,046,170
Food	100,543	(133,499)	226,891	(50,973)
Power and mining	888,998	594,885	1,315,171	1,150,920
Other operations	702,691	(728,590)	4,369,335	5,081,458
Elimination - net	(2,070,016)	8,632	(4,789,523)	(4,626,755)
Consolidated	4,217,559	2,420,670	11,054,921	6,717,292

(Amounts in thousand)

	(Unaudited) June 30, 2018	(Audited) December 31, 2017
	-----Rupees-----	
Assets		
Fertilizer	114,045,463	111,816,249
Polymer	25,579,983	24,364,326
Food	30,908,400	31,112,561
Power and mining	104,662,251	82,494,582
Other operations	103,162,728	104,441,368
Elimination - net	(30,619,295)	(30,275,838)
Consolidated	<u>347,739,530</u>	<u>323,953,248</u>

## 19. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

- 19.1 The Board of Directors of the Holding Company in its meeting held on August 16, 2018 has approved an interim cash dividend of Rs. 7 per share for the year ending December 31, 2018. These consolidated condensed interim financial statements does not include the effect of the said interim dividend.
- 19.2 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on July 31, 2018 has declared an interim cash dividend of Rs. 5 per share for the year ending December 31, 2018. These consolidated condensed interim financial statements does not include the effect of the said interim dividend.

## 20. SEASONALITY

- 20.1 The Group's fertilizer business is subject to seasonal fluctuations as a result of two different farming seasons viz, Rabi (from October to March) and Kharif (from April to September). On an average fertilizer sales are more tilted towards Rabi season. The Group manages seasonality in the business through appropriate inventory management.
- 20.2 The Group's agri business is subject to seasonal fluctuation as majority of paddy / unprocessed rice is procured during the last quarter of the year which is the harvesting period for all rice varieties grown in Pakistan. However, rice is sold evenly throughout the year. The Group manages seasonality in the business through appropriate inventory management.

## 21. CORRESPONDING FIGURES

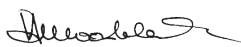
- 21.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, the consolidated condensed interim statement of comprehensive income, the consolidated condensed interim statement of changes in equity and the consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.
- 21.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

## 22. DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue on August 16, 2018 by the Board of Directors of the Holding Company.



Hussain Dawood  
Chairman



Hasnain Moomhala  
Chief Financial Officer



Ghias Khan  
President and Chief Executive



## ڈائریکٹرز رپورٹ

اینگرو کارپوریشن لمیٹڈ کے ڈائریکٹرز 30 جون 2018 کو ختم ہونے والے ششماہی سال کیلئے ششماہی رپورٹ اور عبوری غیر آڈٹ شدہ مالیاتی نتائج پیش کرنے پر مسرت محسوس کرتے ہیں۔

مجموعی بنیادوں پر 2018 کی پہلی سہ ماہی کیلئے کارپوریشن کی آمدن 71,733 ملین پاکستانی روپے رہی جو کہ گزشتہ سال اسی مدت کیلئے کارپوریشن کی آمدن 52,241 ملین پاکستانی روپے سے 37 فیصد زیادہ ہے۔ اس اضافے کی اہم وجوہات میں بہتر فرمیلانرزز اور میٹرو کیمیکلز میں اعلیٰ کارکردگی ہے۔ کمپنی نے 2018 کی پہلی سہ ماہی میں 65 فیصد اضافے کے ساتھ 11,055 ملین روپے کا مجموعی منافع بعد از ٹیکس حاصل کیا۔ جبکہ شیئر ہولڈرز کو دیا جانے والا مجموعی منافع بعد از ٹیکس اسی مدت میں اضافے کے ساتھ 6,091 ملین پاکستانی روپے رہا، جو کہ گزشتہ سال اسی مدت میں 3,777 ملین پاکستانی روپے تھا۔ اینگرو کارپوریشن کا کل منافع بعد از ٹیکس 3,773 ملین پاکستانی روپے رہا جو کہ گزشتہ سال کی اسی مدت میں 4,105 ملین پاکستانی روپے تھا، جس کی بنیاد پر منافع فی شیئر 7.20 پاکستانی روپے ہو گئی (اینگرو فوڈز کی جانب سے دیئے جانے والے ڈیویڈنڈ کی وجہ سے پچھلے سال اس مدت میں منافع بعد از ٹیکس زیادہ تھا، جو کہ 2,602 ملین پاکستانی روپے تھا)۔ بورڈ مالی سال 2018 کیلئے 7.00 پاکستانی روپے فی شیئر دوسرا عبوری کیش ڈیویڈنڈ دینے کا مسرت کے ساتھ اعلان کرتا ہے۔

اس مدت میں، پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے کمپنی کی طویل المیعاد کریڈٹ ریٹنگ بڑھا کر AA+ کر دی ہے اور قلیل المدت ریٹنگ کو A1+ پر برقرار رکھا ہے، جو کہ ہماری مستحکم بیلنس شیٹ اور متواتر منافع منقسمہ کی ادائیگیوں کے باعث بہترین کارکردگی کا نتیجہ ہے۔ ہمیں یہ بتاتے ہوئے نہایت خوشی ہے کہ PACRA نے اینگرو فرمیلانرزز کی طویل المیعاد کریڈٹ ریٹنگ بڑھا کر AA+ اور اینگرو پولیمر اینڈ کیمیکلز کی - AA کر دی ہے۔ دونوں ذیلی اداروں کی قلیل المیعاد ریٹنگ A1+ پر برقرار ہے، جو کہ سب سے بہترین ریٹنگ ہے۔

30 جون 2018 کے بعد کمپنی نے وویک ایل این جی ہولڈنگ لی۔وی کے ساتھ ایلمنٹی ٹرمنٹل پاکستان لمیٹڈ سے 29 فیصد شیئر کمپنیل کی واپسی کیلئے 38 ملین امریکی ڈالر کے عوض، قانونی منظور یوں سے مشروط شیئر پریچر ایگریمنٹ پر دستخط کئے۔ مزید یہ کہ، 30 جون 2018 گزرنے کے بعد کمپنی کے ایک ذیلی ادارے اینگرو پولیمر اینڈ کیمیکلز کے رائٹ ایٹو خریدے جن کی مالیت تقریباً 3 ملین پاکستانی روپے ہے۔

اینگرو کارپوریشن کے اہم کاروباروں کی مختصر اکارکردگی مندرجہ ذیل ہے:

### فرمیلانرزز

فرمیلانرزز کاروبار کی آمدن میں 51 فیصد کا اضافہ دیکھا گیا اور منافع بعد از ٹیکس حالیہ مدت میں 74 فیصد کے اضافے کے ساتھ 7,149 ملین پاکستانی روپے رہا۔ یوریا کی مقامی قیمت میں اضافہ و فروخت اور ایکسپورٹ میں اضافے کی وجہ سے انویسٹری کو کم کرنے میں معاونت ہوئی اور کارپوریٹ ٹیکس کی شرح میں 30 فیصد سے 25 فیصد مرحلہ وار کمی سے مثبت اثرات مرتب ہوئے۔

### میٹرو کیمیکلز

2018 کے پہلے چھ ماہ کے دوران سب سے زیادہ پی وی سی کی پیداوار دیکھنے میں آئی۔ آمدن میں گزشتہ سال کی پہلی سہ ماہی کے مقابلے میں 31 فیصد اضافہ دیکھا گیا۔ اسی مدت میں کاروبار کا منافع بعد از ٹیکس گزشتہ سال کی اسی مدت میں حاصل کئے جانے والے منافع 1,046 ملین پاکستانی روپے کے مقابلے میں بڑھ کر 2,784 ملین پاکستانی روپے ہو گیا۔ منافع کی بنیادی وجوہات میں پی وی سی کی ڈی۔یوٹل نینگیٹ شامل ہے، جس کے باعث کاروبار کے حجم میں منافع بخش فروخت کا حجم بڑھانے کے ساتھ ساتھ مقامی کاسٹک کی مارکیٹ بہتر بنانے میں بھی مدد ملی۔

### کونسلہ کان کنی اور توانائی منصوبے

### قادر پور پلانٹ

اینگرو کے توانائی کے کاروباروں میں قادر پور نے 803 میگا واٹ کی نیٹ الیکٹریکل آؤٹ پٹ قومی گرڈ میں شامل کی جس کا لوڈ فیکٹر 87 فیصد رہا جبکہ گزشتہ سال کی اسی مدت میں قادر پور کا لوڈ فیکٹر 94 فیصد تھا۔ اس کی کمی کی وجہ گیس پلائز کے کپریٹر سے جڑے معاملات تھے جس کی وجہ سے ترسیل میں رکاوٹیں حائل رہیں۔ کاروبار نے 2018 کے پہلے چھ ماہ میں 1,590 ملین پاکستانی روپے کا منافع بعد از ٹیکس ریکارڈ کیا جو کہ 2017 کے پہلے چھ ماہ میں 1,546 ملین پاکستانی روپے تھا۔

### تھر کونسلہ کان کنی منصوبہ

تھر کونسلہ کان کنی منصوبہ اپنے منصوبے سے آگے ہے اور ترقیاتی کام تیزی سے جاری ہے۔ 30 جون 2018 تک تقریباً 91 ملین ٹی سی ایم ملے بنایا جا چکا ہے۔ جیسا کہ اپریل 2017 کے دوران پانی کے اخراج کے آپریشن شروع کئے جائے ہیں، جون 2018 تک تقریباً 32 ملین کیوبک میٹر پانی کا اخراج کیا جا چکا ہے۔ جون کے دوران، پہلی بار تقریباً 140 میٹر گہری زمین سے کونسلہ نکالا گیا۔

### تھر توانائی کے منصوبے

پوری سہ ماہی میں تھر میں قائم کئے جانے والے توانائی کے منصوبوں کی ترقی کا کام تسلسل سے جاری رہا۔ چھ ماہ کے اختتام پر، پلانٹ کو چلانے کیلئے درکار بیک فیڈ پاور سپلائی کیلئے تھر پاور جن پروجیکٹ کے دونوں یونٹوں کو کامیابی سے قومی گرڈ سے منسلک کر دیا گیا۔

### ٹرمنٹل آپریشنز

چھ ماہ کے دوران ہمارے ایل این جی ٹرمنٹل اور کیمیکلز ٹرمنٹل کی کارکردگی دشوار رہی۔ ایل این جی ٹرمنٹل نے 36 کارگو ہینڈل کئے جبکہ گزشتہ سال کی اسی مدت میں 34 کارگو ہینڈل کئے گئے تھے۔ البتہ کیمیکلز ٹرمنٹل میں گزشتہ سال کی اسی مدت کے مقابلے میں حجم میں بہتری دیکھی گئی۔

### مستقبل قریب کا منظر نامہ

اینگرو کارپوریشن منصوبوں کی تکمیل کیلئے آپٹیمیل ڈیٹ لیولز قائم رکھتے ہوئے مستقبل کی سرمایہ کاری پر توجہ مرکوز رکھنے اور اپنی مستحکم بیلنس شیٹ برقرار رکھنے کیلئے مصروف عمل ہے۔

### فرمیلانرزز

حالیہ بارشوں کے باوجود، پانی کی قلت اب بھی ایک اہم مسئلہ ہے اور مقامی فرمیلانرز مارکیٹ کو متاثر کر سکتا ہے۔ مزید یہ کہ، فرمیلانرز سیکٹر کو سبڈی کی وصولی اور طویل انتظار جیسے چیلنجوں کا سامنا رہے گا اور انڈسٹری کو حکومت سے بقایا جات کی ادائیگی کیلئے کوششیں جاری رکھنی ہوں گی۔

### میٹرو کیمیکلز

پی وی سی اور اتھلین کی عالمی قیمتوں پر علاقائی صورتحال اور طلب اور رسد سے جڑے متفرق زاویے اثر انداز ہو سکتے ہیں۔ سال کی دوسری ششماہی میں مقامی سطح پر پی وی سی اور کاسٹک کی قیمتوں میں استحکام متوقع ہے۔ کاروبار کی صلاحیتوں میں اضافے اور آپریشنل عمل کی کو برقرار رکھنے پر توجہ مرکوز رکھی جائے گی اور اپنے منصوبے کے محفوظ پھیلاؤ کو بجٹ اور شیڈول کے مطابق کیا جائے گا۔

### کونسلہ کان کنی اور توانائی کے منصوبے

اینگرو ملک میں جاری توانائی کے بحران کے خاتمے کیلئے کوشاں ہے۔ حکومت پاکستان کے ساتھ پارٹنر شپ میں اینگرو نے تھر میں کونسلہ کی کان کنی اور توانائی کے منصوبوں کا آغاز کیا ہے جن پر ترقیاتی کام تیزی سے جاری ہے اور یہ منصوبے جون 2019 میں مکمل کر لئے جائیں گے۔ اس کے علاوہ بھی ہمارا توانائی کا شعبہ نئے مواقعوں کی تلاش میں سرگرم ہے۔

### ٹرمنٹل آپریشنز

ایل این جی ٹرمنٹل ملک میں جاری توانائی کے بحران کو کم کرنے میں اپنا بھرپور کردار ادا کر رہا ہے۔ کیمیکل صنعت کے مستحکم رہنے کی توقع کی جا رہی ہے اور اینگرو اپنے کاروبار کو وسعت دینے کے ساتھ اپنا مارکیٹ شیئر برقرار رکھنے کی تگ و دو میں مصروف عمل ہے۔

### اعتراف

کمپنی کے ڈائریکٹرز اپنے شیئر ہولڈرز کی جانب سے کمپنی پر ان کے اعتماد کیلئے تہہ دل سے ان کے مشکور ہیں۔ ہم سبکدوش ہونے والے بورڈ آف ڈائریکٹرز کی گراں قدر خدمات، انمول کاوشوں اور رہنمائی کیلئے ان کے مشکور ہیں اور نئے آنے والے بورڈ آف ڈائریکٹرز کو خوش آمدید کہتے ہیں۔ ہم اپنی اینگرو فیملی کے ہر رکن کا ان کی محنت، جدوجہد اور جدت سے مزین سوچ کو ادارے کی بہتری کیلئے بروئے کار لانے پر دل کی گہرائیوں سے شکریہ ادا کرتے ہیں اور امید کرتے ہیں کہ وہ مستقبل میں بھی ایسا ہی کریں گے۔



حسین داؤد  
چیئر مین



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