



February 26, 2024

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023 (STANDALONE & CONSOLIDATED)

Dear Sir / Madam,

We would like to inform you that the Board of Directors of Engro Corporation Limited (the "Company"), in their meeting held on Friday - February 23, 2024, at 11:00 am (Pak Time) in Karachi via video-link, reviewed and approved the audited standalone and consolidated financial results of the Company for the year ended December 31, 2023, and recommended the following:

(i) CASH DIVIDEND

A Final Cash Dividend for the year ended December 31, 2023 @ Rs. 2.00 per share i.e. 20%. This is in addition to the interim cash dividends already paid at Rs. 46.00 per share i.e. 460%.

(ii) BONUS SHARES

Nil

(iii) RIGHT SHARES

Nil

(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION

Nil

(v) ANY OTHER PRICE-SENSITIVE INFORMATION

PROPOSED DIVESTMENT OF THERMAL ENERGY ASSETS

Referring to the various disclosures made at PSX by the Company regarding the ongoing discussions with Liberty Mills Limited, along with other parties acting in concert, the Company is now evaluating to execute the proposed divestment of the Company's thermal energy assets comprising of shareholding in Engro Powergen Qadirpur Limited, Engro Powergen Thar (Private) Limited and Sindh Engro Coal Mining Company Limited held via Engro Energy Limited through a sale of shares process.

SECP vide SRO 986 (I)/2019 dated September 2, 2019, has granted specific exemptions to Independent Power Producers (IPPs) from applicability of IFRS 9, IFRS 16 and IAS 21. As a result of this, debt component recovered from CPPA-G as part of tariff approved by NEPRA is recorded as revenue in the Profit or Loss Statement over the life of the loan. However, the corresponding depreciation expense related to the IPP is recorded over the term of the Power Purchase Agreement (PPA). The term of the loan being shorter than the term of the PPA results in higher Net Assets in the Consolidated Financial Statements of the Group.

In accordance with the requirements of IAS 36, the Company has carried out an assessment of the recoverable amount of the thermal energy assets for the purpose of Standalone and Consolidated Financial Statements.

Due to the specific accounting treatment for IPPs, as mentioned above, the Net Assets of the thermal energy assets in the Consolidated Financial Statements of the Group are higher than their recoverable amounts. Accordingly, an accounting impact of Rs. 29,950 million (Owners' Share: Rs. 13,295 million) has been recognized in the consolidated financial statements for the year ended December 31, 2023. In the Standalone Financial Statements of the Company for the year ended December 31, 2023, no impact has been recognized as the recoverable amount of thermal energy assets is significantly higher than their carrying amount.



Summary of Consolidated Financial Results of the Company for the year ended December 31, 2023 is as follows:

	2023			2022		
	Consolidated PAT	Owners' Share	Earnings Per Share	Consolidated PAT	Owners' Share	Earnings Per Share
	----- Amount in '000 except for EPS -----					
Profit After Tax – Before Remeasurement of Thermal Energy Assets	66,045,256	34,315,855	63.01	46,111,277	24,332,052	42.23
Accounting Impact of Assessment of Recoverable Amount of Thermal Energy Assets, as above	(29,950,311)	(13,295,493)	(24.41)	-	-	-
Profit After Tax – After Remeasurement of Thermal Energy Assets	36,094,945	21,020,362	38.60	46,111,277	24,332,052	42.23

The Standalone and Consolidated Financial Results of the Company for the year ended December 31, 2023 are enclosed.

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of the Company shall be held at Karachi on Thursday - April 25, 2024 at 11:00 am (Pak Time).

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on Tuesday - April 16, 2024.

BOOK CLOSURE DATES

The Share Transfer Book of the Company will be closed from Wednesday - April 17, 2024 to Thursday - April 25, 2024 (both days inclusive). Transfers received in order at the office of our Registrar, M/s. FAMCO Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Block 6, P.E.C.H.S. Shahrah-e-Faisal, Karachi, PABX No. (+92-21) 34380101-5 and email: info.shares@famcosrs.com by the close of business (05:00 p.m.) on Tuesday - April 16, 2024 will be treated in time for purpose of determining entitlement of final cash dividend, and to attend and vote at the meeting.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before the holding of the Annual General Meeting and shall also be made available on our website www.engro.com.

Best Regards,

For and on behalf of
Engro Corporation Limited

Mohammad Yasir Khan
Company Secretary

Enclosed: As Stated Above

