



July 31, 2024

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

**Subject: ANNOUNCEMENT OF FINANCIAL RESULTS FOR
THE SIX MONTHS ENDED JUNE 30, 2024**

Dear Sir/Madam,

We would like to inform you that the Board of Directors of Engro Fertilizers Limited ("the Company") in their meeting held on July 30, 2024 at 10:00 a.m. at Karachi, reviewed and approved the un-audited financial results of the Company for the half year ended June 30, 2024, and recommended the following:

(i) CASH DIVIDEND

An interim Cash Dividend for the second quarter ended June 30, 2024 at Rs. 3.00 per share i.e. 30%. This is in addition to the interim cash dividend already paid at Rs. 8.00 per share i.e. 80%.

(ii) BONUS SHARES

NIL

(iii) RIGHT SHARES

NIL

(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION

NIL

(v) ANY OTHER PRICE-SENSITIVE INFORMATION

The un-audited consolidated and standalone financial results of the Company for the second quarter ended June 30, 2024 are attached as Annexure "A" & "B".

In January 2024, Ministry of Industries and Production ("MoIP") requested the fertilizer industry to procure higher cost GoP ("Government of Pakistan") imported urea and sell it at a lower price, similar to locally produced urea. To recover the additional cost of imported urea, the fertilizer manufacturers increased the price of locally produced urea to the extent that additional cost is recovered in 12 months. Although Engro Fertilizers sold its entire stock of imported urea during March quarter, the additional cost of imported urea was amortized on a pro-rata basis in the profit and loss and unamortized portion of Rs. 5,319,500,000/- was retained in the balance sheet as at March 31, 2024, to be amortized over the remaining period.



engro fertilizers

Engro Fertilizers Limited
6th Floor, Harbor Front Building
Marine Drive, Block 4, Clifton
Karachi, Pakistan

T +9221 111 211 211

During review of half-year financial statements, the management reassessed the above treatment and in order to better reflect the transaction in accounting terms, the entire unamortized portion of Rs. 5,319,500,000/- (post tax impact of Rs. 3,023,485,000/-) has been charged in the profit or loss for the period ended March 31, 2024.

BOOK CLOSURE DATES

The Share Transfer Books of the Company will be closed from Tuesday, August 13, 2024 to Wednesday, August 14, 2024 (both days inclusive). The transfers received in order at the office of the Company's share registrar, M/s. FAMCO Share Registration Services (Private) Limited, 8-F, near hotel Faran, Block 6, PECHS, Shakra-e-Faisal, Karachi PABX Nos. (92-21) 34380101-5 and email info.shares@famcosrs.com.pk by the close of business (05:00 p.m.) on Monday, August 12, 2024 will be treated in time for the purposes of payment of an interim cash dividend to the transferees.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on Monday, August 12, 2024.

QUARTERLY REPORT

The Quarterly Report of the Company for the period ended June 30, 2024 will be transmitted through PUCARS separately, within the specified time and shall also be made available on our website www.engrofertilizers.com.

Yours faithfully,

For and on behalf of
ENGRO FERTILIZERS LIMITED


Sunaib Barkat, ACA
Company Secretary



Copied to:
Director / HOD
Listed Companies Department, Supervision Division
Securities & Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad

ENGRO FERTILIZERS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

Annexure A

(Amounts in thousand except for earnings per share)

	Quarter ended		Half year ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
-----Rupees-----				
Net sales	39,420,771	38,375,077	113,204,214	82,366,176
Cost of sales	(32,287,207)	(26,951,020)	(88,872,496)	(60,167,043)
Gross profit	7,133,564	11,424,057	24,331,718	22,199,133
Selling and distribution expenses	(1,655,412)	(2,223,068)	(6,044,543)	(4,690,714)
Administrative expenses	(1,771,491)	(819,561)	(2,876,489)	(1,374,353)
	3,706,661	8,381,428	15,410,686	16,134,066
Other income	745,281	446,662	2,031,633	1,163,695
Other operating expenses	(844,927)	(669,656)	(1,625,959)	(1,280,921)
Finance cost	(1,225,275)	(702,305)	(1,385,765)	(1,137,623)
Other gains / (losses):				
- Remeasurement loss on provision for GIDC	-	(255,768)	-	(456,276)
- Gain / (loss) allowance on subsidy receivable from GoP	177,508	(71,896)	235,291	(504,345)
	177,508	(327,664)	235,291	(960,621)
Profit before taxation	2,559,248	7,128,465	14,665,886	13,918,596
Taxation	(893,452)	(6,068,796)	(5,239,725)	(8,454,719)
Profit for the period	1,665,796	1,059,669	9,426,161	5,463,877
Earnings per share - basic and diluted	1.25	0.79	7.06	4.09

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ENGRO FERTILIZERS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

Annexure B

(Amounts in thousand except for earnings per share)

	Quarter ended		Half year ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	-----Rupees-----			
Net sales	29,700,415	30,451,702	83,504,803	63,779,109
Cost of sales	(24,122,655)	(20,493,618)	(65,017,782)	(45,234,023)
Gross profit	5,577,760	9,958,084	18,487,021	18,545,086
Selling and distribution expenses	(1,299,502)	(2,073,175)	(5,150,615)	(4,333,927)
Administrative expenses	(1,770,294)	(816,456)	(2,874,555)	(1,369,465)
	2,507,964	7,068,453	10,461,851	12,841,694
Other income	5,995,372	2,063,286	7,696,800	5,230,132
Other operating expenses	(784,282)	(545,532)	(1,487,926)	(1,136,644)
Finance cost	(1,127,142)	(639,170)	(1,285,509)	(1,096,209)
Other gains / (losses):				
- Remeasurement loss on provision for GIDC	-	(255,768)	-	(456,276)
- Gain / (loss) allowance on subsidy receivable from GoP	177,508	(71,896)	235,291	(504,345)
	177,508	(327,664)	235,291	(960,621)
Profit before taxation	6,769,420	7,619,373	15,620,507	14,878,352
Taxation	(683,830)	(5,079,990)	(3,758,941)	(6,818,710)
Profit for the period	6,085,590	2,539,383	11,861,566	8,059,642
Unappropriated profit brought forward			28,666,858	26,356,179
Final cash dividend for the year ended December 31, 2022 @ Rs. 5.00 per share				(6,676,497)
1st interim dividend for the year ended December 31, 2023 @ Rs. 3.50 per share				(4,673,548)
Final cash dividend for the year ended December 31, 2023 @ Rs. 8.00 per share			(10,682,395)	
1st interim dividend for the year ending December 31, 2024 @ Rs. 8.00 per share			(10,682,395)	
Profit available for appropriation			19,163,634	23,065,776
Earnings per share - basic and diluted	4.56	1.90	8.88	6.04

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