



engro fertilizers

Q3 2025

Corporate Briefing Session

20th October 2025





Important Disclaimer

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL ANY SECURITIES OR ANY INVESTMENT

This presentation has been prepared by Engro Fertilizers Limited (“EFERT”) solely for information purposes. No representation or warranty express or implied is made thereto, and no reliance should be placed on, the fairness, accuracy, sufficiency, completeness or correctness of the information or any opinion contained herein, or any opinion rendered thereto. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect any developments that may occur after the date of the presentation. Neither Engro nor any of its respective subsidiaries, affiliates, officials, advisors, associates, employees or any person working for, under or on behalf, shall have any responsibility and/or liability of any nature whatsoever (in contract or otherwise) for any loss whatsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

This presentation does not constitute or form part of a prospectus, offering circular or offering memorandum or an offer, solicitation, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of, or be relied upon in connection with, or act as any inducement to enter into any arrangement, agreement, contract, commitment or investment decision in relation to any securities. This presentation shall not at all be intended to provide any disclosure upon which an investment decision could be made. No money, securities or other consideration is being solicited, and, if sent in response to this presentation or the information contained herein, will not be accepted.

The presentation may contain statements that reflect Engro’s own beliefs and expectations about the future. These forward-looking statements are based on a number of assumptions about the future, which are beyond Engro’s control. Such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Engro does not undertake any obligation to update any forward-looking statements to reflect events that occur or circumstances that arise after the date of this presentation and it does not make any representation, warranty (whether express or implied) or prediction that the results anticipated by such forward-looking statements will be achieved. In addition, past performance should not be taken as an indication or guarantee of future results.

Certain data in this presentation was obtained from various external data sources that Engro believes to its knowledge, information and belief to be reliable, but Engro has not verified such data with independent sources and there can be no assurance, representation or warranty as to the accuracy, sufficiency, correctness or completeness of the included data. Accordingly, Engro makes no assurance, representation or warranty as to the accuracy, sufficiency, correctness or completeness of that data, and such data involves risks and uncertainties and is subject to change based on various factors.

You agree to keep the contents of this presentation strictly confidential. All or any part of this presentation may not be taken away, reproduced, copied, redistributed, retransmitted or disclosed in any manner or form and for any purpose whatsoever.

By attending this presentation, you are agreeing to be bound by the foregoing limitations.

Agenda



1

Highlights



2

Business Performance



3

Contributions & Challenges



4

Q&A Session

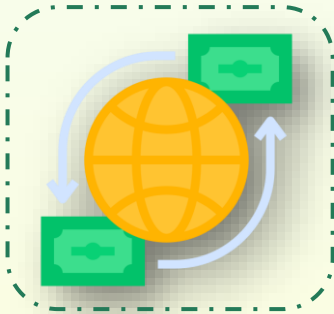


1. Highlights





Macro Economic Overview





Macro Economic Overview



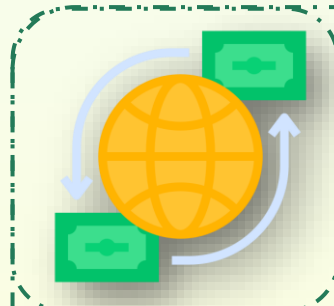
Inflation

Risen to **5.6% YoY**
(3.2% Jun' 25,
6.9% SPLY).



Exchange Rate

Decreased to
~281.3 PKR/USD
(283.8 Jun'25)



Policy Rate

Maintained at **11%**



GDP

3.04% YoY
(2.58% SPLY)



Macroeconomic indicators continued to **stabilize**, supported by low inflation (on a YoY basis) & a steady policy & exchange rate. The outlook for **FY26 remains positive**, with GDP growth projected at **3.6%**.



Q3 2025 – Agricultural Landscape



1. Farmer Economics

Farmer economics have relatively improved for wheat (from PKR 2,600-2800 in Q2 to PKR 3,500-3,800 per maund in Q3), rice, and cotton.



2. Flooding Impact

Initial post-flood assessments indicated that damage to cropped land was less severe than expected, with provincial governments of Sindh & KPK only reporting modest losses.



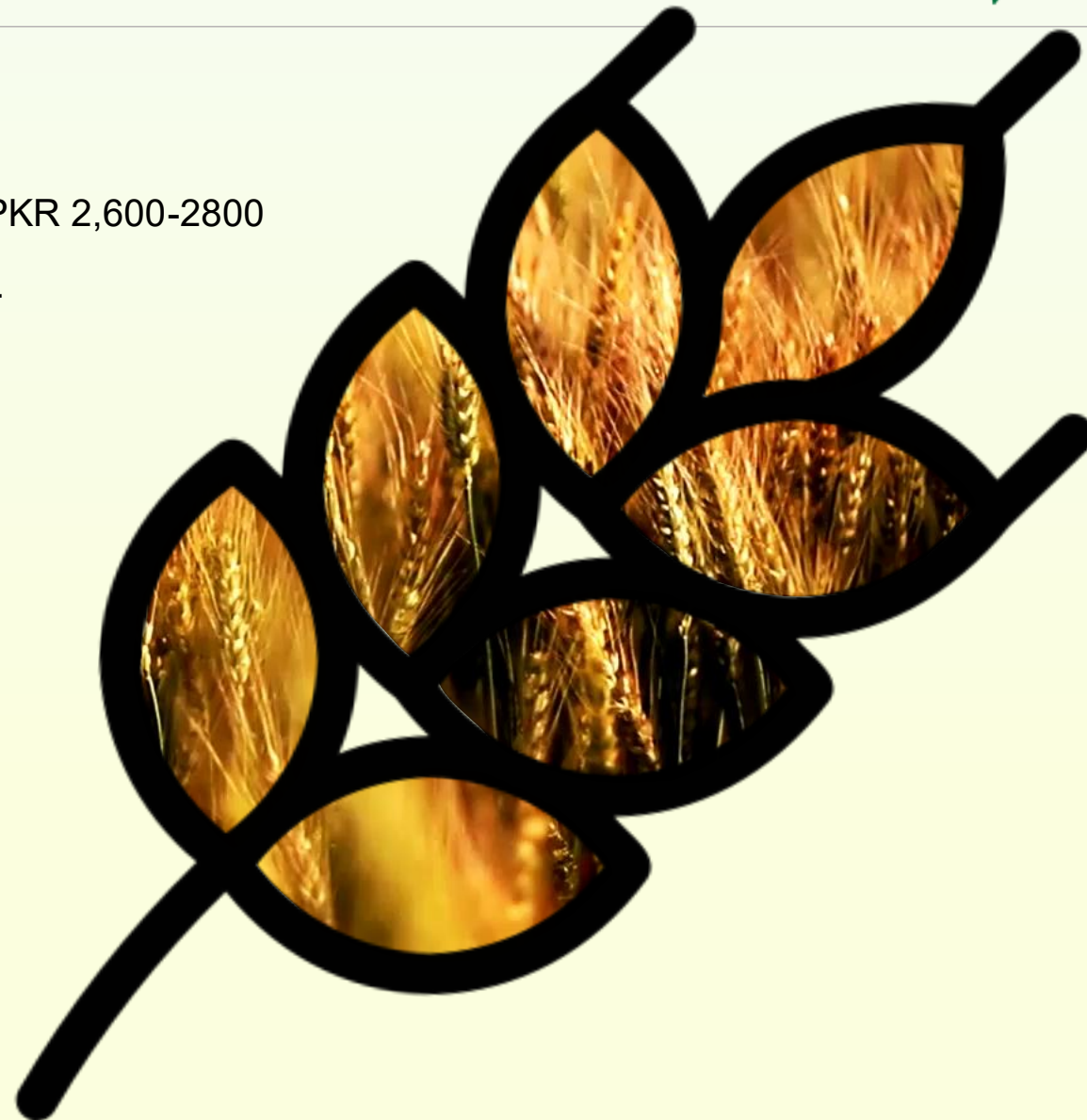
3. Water Avails

Rabi water availability is projected to be above average, primarily due to heavy monsoon inflows that, despite causing flooding and crop losses in certain regions have replenished reservoirs and improved irrigation prospects.



4. Input Costs

Pressure on farmer input costs is expected to ease with Provincial Governments in Punjab and Sindh likely to disburse subsidies for fertilizers & seeds.



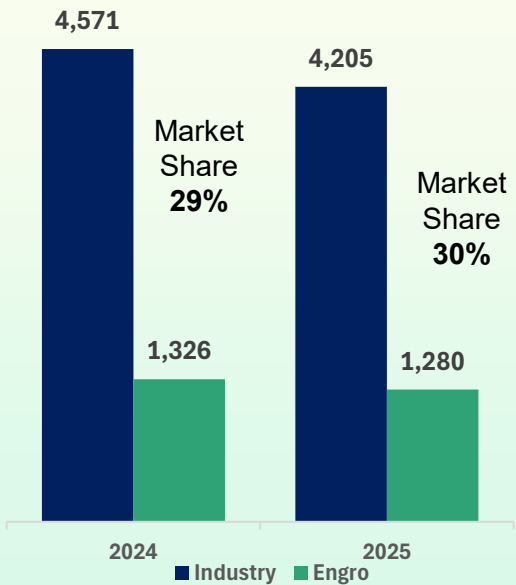
2. Business Performance



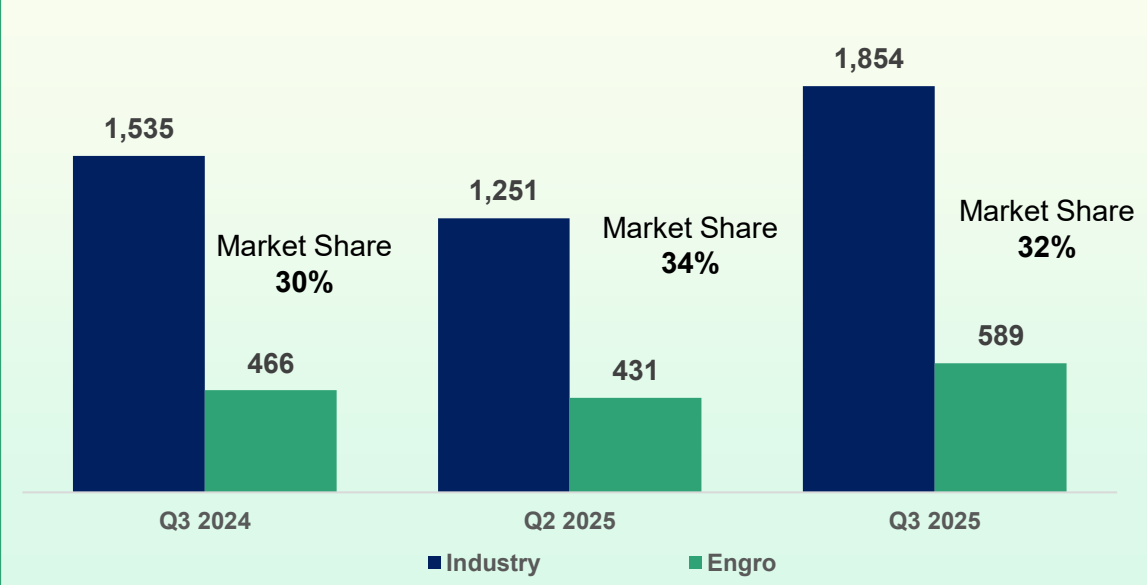
Urea Business



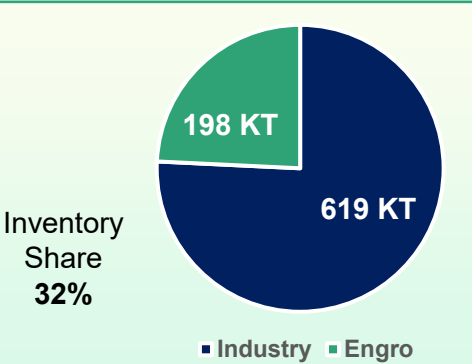
YTD Sales (KT)



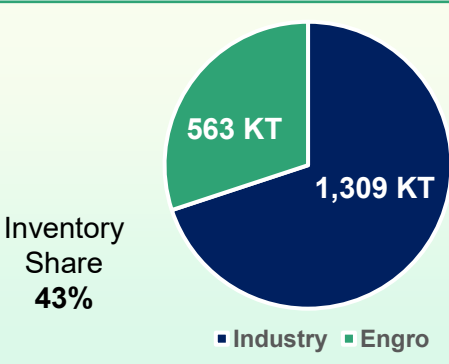
Sales – Q3 2024 vs Q2 & Q3 2025 (KT)



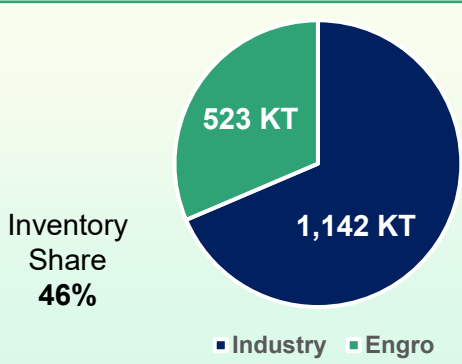
Q3 2024 Inventory*



Q2 2025 Inventory*



Q3 2025 Inventory*



Considering the uptick in Q3 offtakes, the industry is expected to go beyond **6 million tons**.



Engro Markaz - What We Achieved in Q3 2025



What is Markaz?

- Retail outlets for fertilizers offering real-time pricing, digital payments, and end-to-end farmer empowerment.

 **200%**

Increase in sales during Q3 2025 through this channel.

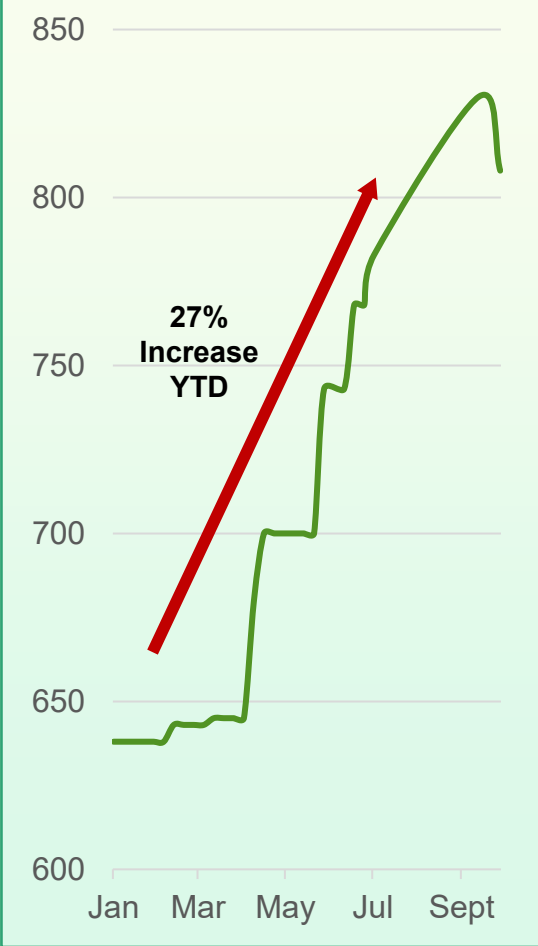
We remain focused on scaling alternative platforms to deepen farmer engagement and expand value-added service offerings



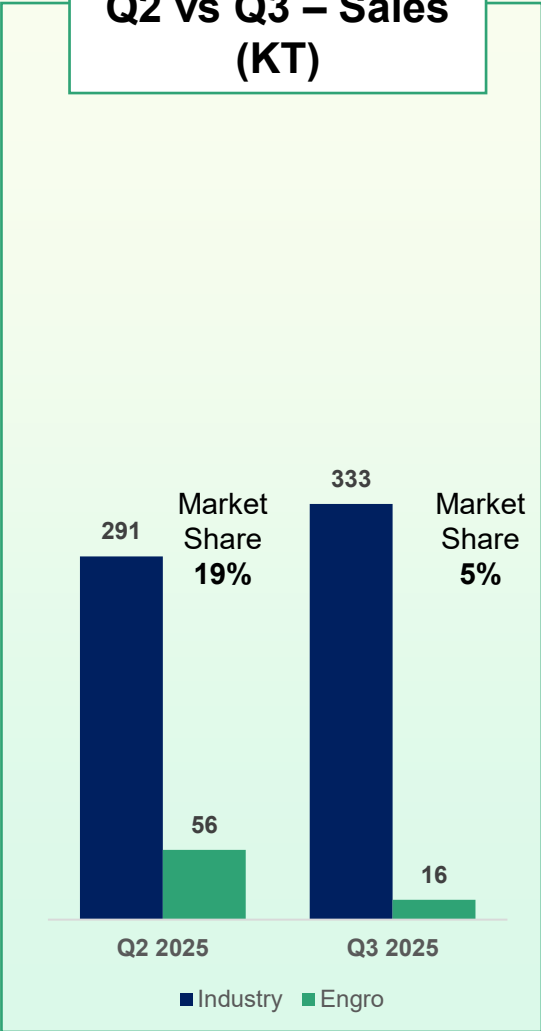
DAP Business



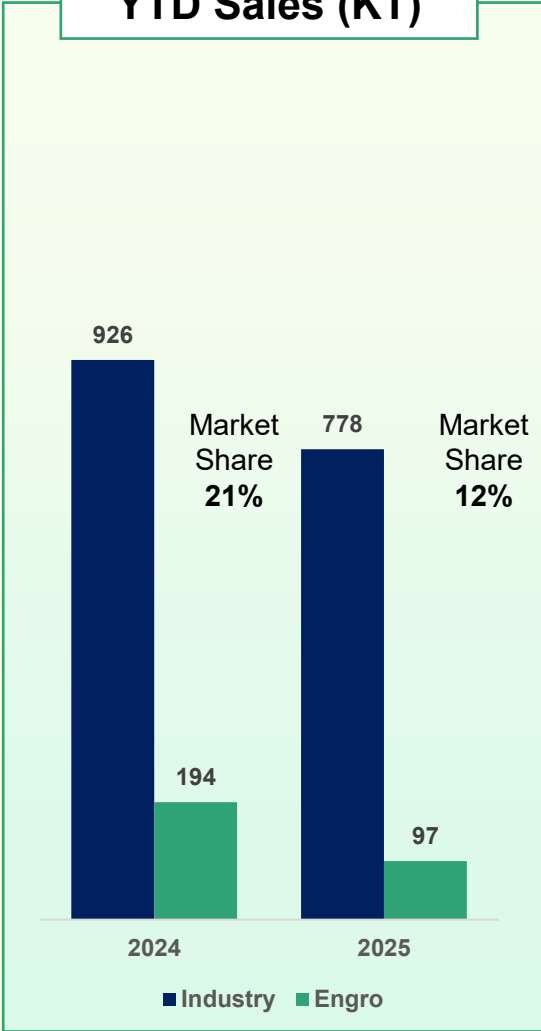
DAP International Prices (USD/MT)



Q2 vs Q3 – Sales (KT)



YTD Sales (KT)



Local DAP market has not reciprocated to the sharp rise in international DAP pricing. For the most part of Q3, local prices remained lower than prevailing import prices.



Launch of Triple Super Phosphate (TSP)



- In light of rising prices of DAP, Engro Fertilizers **introduced TSP** in Pakistan as an alternate product with the same phosphoric content as DAP.
- TSP offers a **significant cost advantage** over DAP, making it a compelling choice for phosphorus-centric applications.
- Through this initiative, Engro strives to champion **farmer wellbeing** by ensuring access to affordable and efficient nutrient solutions.



Financial Highlights – 1/2



Quarterly Financial Highlights

Revenue
↓
PKR **54.8** Bn
-7% vs SPLY

Profitability
↓
PKR **5.8** Bn
-32% vs SPLY

EPS
↓
PKR **4.35**
vs. 6.41 SPLY

Year To Date Financial Highlights

Revenue
↓
PKR **135.5** Bn
-21% vs SPLY

Profitability
↓
PKR **14.3** Bn
-21% vs SPLY

EPS
↓
PKR **10.69**
vs. 13.47 SPLY

EFERT has announced third interim dividend of **PKR 4.5/share** for **Q3'25** vs **PKR 2.50/share** for **Q3'24**.
YTD Dividend PKR 11.0/share.



Financial Highlights – 9M 2025 vs 9M 2024 – 2/2



Revenue has decreased by 7%

Reduced sales volumes, primarily due to lower offtake of DAP and Urea discounts.



Gross profit margin has rose by 6%

Gross profit margin rose primarily due to certain costs incurred last year, including imported urea and turnaround-related costs, netted off with higher discounts in the current year.



Net Profit Margin remained at 10.5%

Although higher financial charges and inventory holding costs exerted pressure on the net profit margin, higher gross profit margin and effective cost optimization measures contributed to keeping the margins stable.



Gearing ratio at 64% vs 57% on 1H 2025
Debt to EBITDA 1.45 vs 1.02 (1H 2025)

Increase in borrowings is primarily due to high working capital requirement.
Debt to EBITDA remains at healthy levels.

3. Contributions & Challenges





Contributing to the Nation



Contribution to the National Exchequer

The Company contributed ~**PKR 20 Bn** towards the National Exchequer by way of Government taxes, duties, and levies.

Import Substitution - shielding farmers from higher costing international Urea

	International Urea	Local Urea
MRP PKR / Bag	7,210	4,649
Discount to international pricing PKR / Bag	~2,561 (36%)	



Pressure Enhancement Facility

- **Approximately USD 300Mn CAPEX** by the fertilizer industry to enhance gas pressure from Mari field, thereby securing long-term sustainability of company operations
- **Phase 1**
 - **Scope 1:** Completed with realized benefit of stable pressure.
 - **Scope 2:** In Progress, Expected completion has moved from Q3 to Q4 2025; no negative impact on gas pressures is expected.
- **Phase 2:** Procurement of compressors and other activities are in progress.





Thank you