



engro polymer & chemicals

## **Analyst Briefing – 9M 2025**





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# Key Highlights

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# Key Highlights

## Financial Highlights



**Revenue**  
PKR **57.6** Bn  
↑ **5.8%** vs LY



**Gross Profit**  
PKR **3.7** Bn  
↑ **2.9%** vs LY



**Profitability**  
PKR **(3.45)** Bn  
↓ **50.9%** vs LY



**LPS**  
PKR **(3.80)**  
↓ **38.7%** vs LY

## Scale



**Market Capitalization**  
PKR **27.9** Bn



**Manhours**  
**48.8** Mn



**Total Employees**  
**716**



**Total Assets**  
PKR **100.5** Bn



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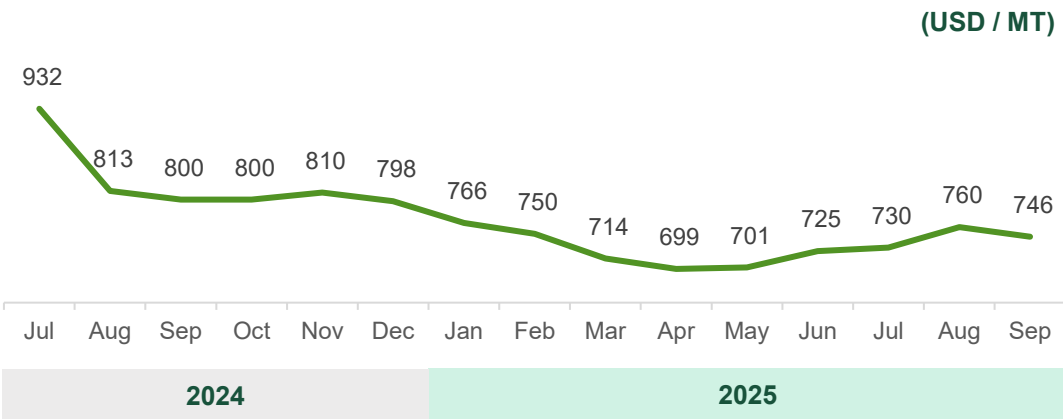
# Key Drivers

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# Key Drivers

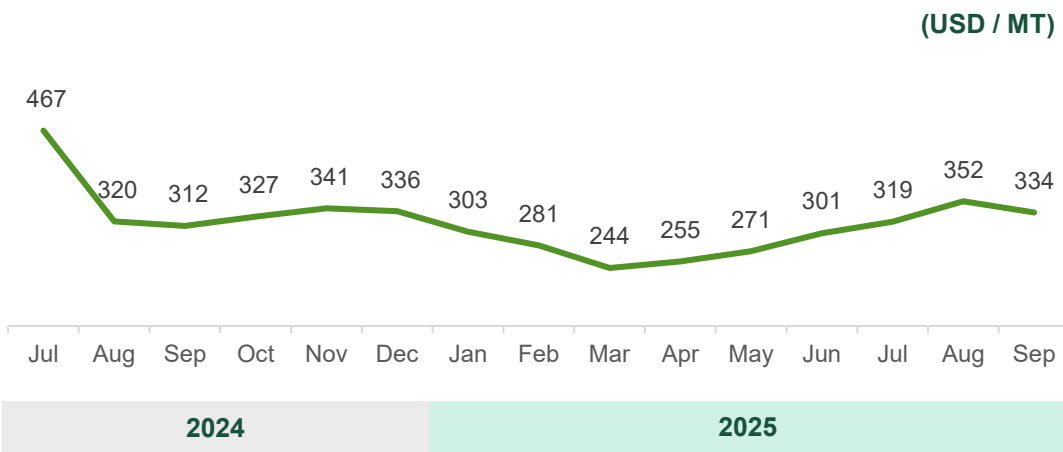
## PVC CFR South Asia



## Highlights

- PVC prices showed resilience in Q3, recovering from the 9M low of \$699/ton to \$746/ton in September, signalling some stabilization
- Domestic demand remained strong, with EPCL leveraging commercial strategies and customer conversions to maintain leadership in a challenging pricing environment.
- Regional fundamentals improving as US export pressure eased and Asian CFR levels began to firm, creating potential for margin recovery.
- Current PVC price at \$715/ton, supported by proactive advocacy on duties and trade schemes to protect local competitiveness.

## Core Delta



## Highlights

- Core delta averaged around \$335/ton in Q3 2025, supported by firmer PVC prices and softened ethylene costs.
- Ethylene prices remained stable in Q3, moving from \$823/ton in July to \$825 in September. The slight recovery reflects temporary supply adjustments, though demand fundamentals remain weak.

### Outlook

- Core Delta improved in Q3 as Ethylene softened and PVC recovered to \$746/ton.
- Future core delta stability depends on regional demand pickup and further easing in Ethylene pricing.
- Domestic PVC demand may gradually improve with market development activities and recovery in construction activity expected in coming periods.



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# Business Updates

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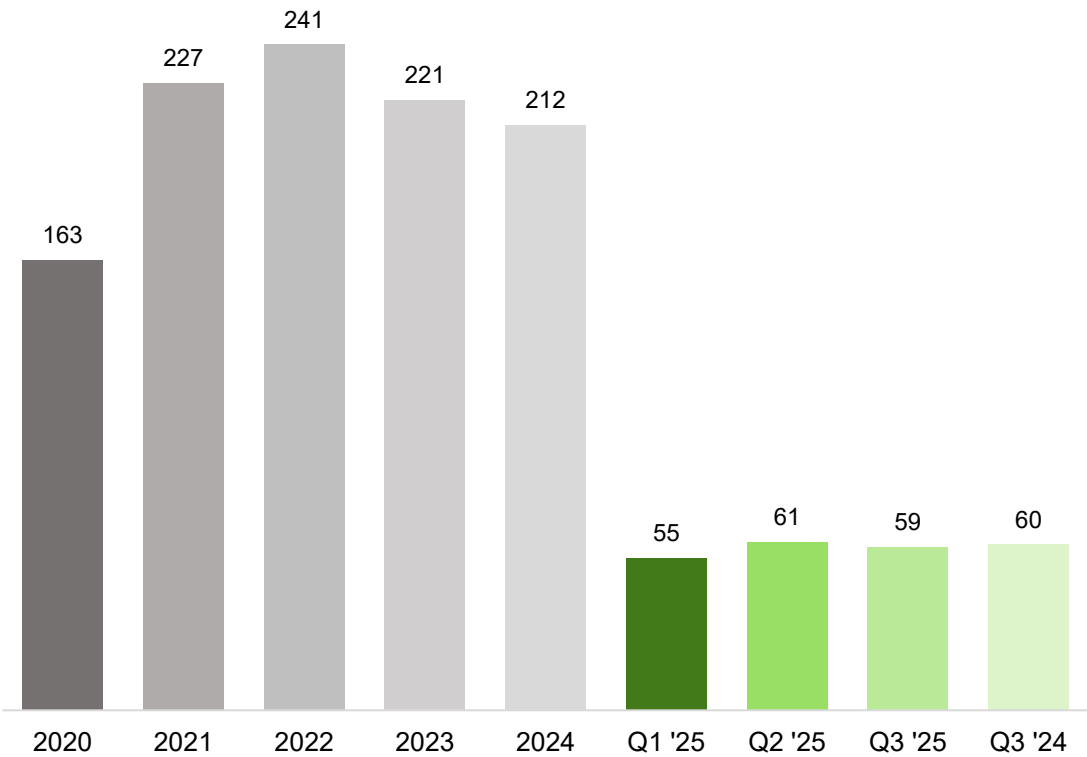
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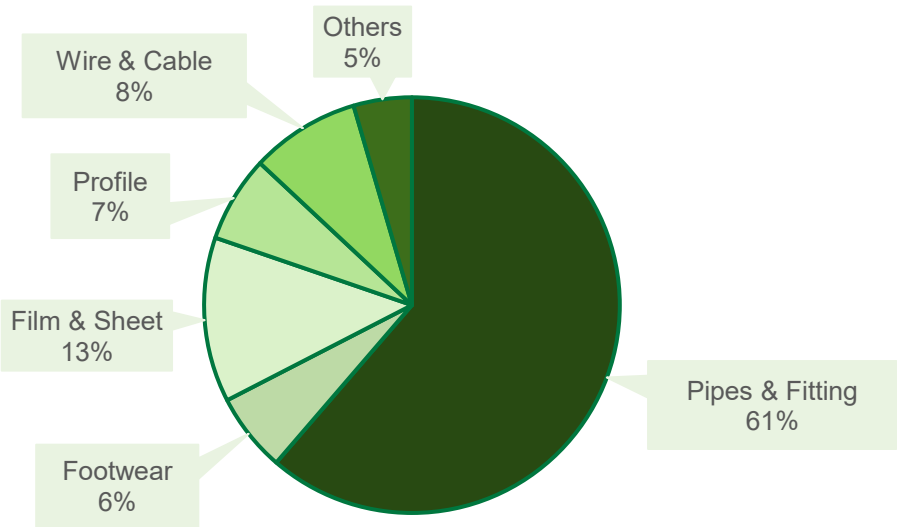
# Business Updates - Poly Vinyl Chloride (PVC)

Poly Vinyl Chloride Sales Volumes (kT)



Highlights

- EPCL achieved its highest ever 9M PVC sales, with sales reaching 173 KT, up 19% year-on-year, supported by strong domestic demand and effective commercial strategies that secured market leadership despite challenging global conditions.
- The domestic PVC market also grew in 9M'25, driven by strong demand in construction-related segments such as pipes, wire & cable, and profiles.
- EPCL ensured product availability and engaged closely with channel partners through strategic customer interventions





## Business Update – Chlor-Alkali

### Highlights

- Caustic soda prices stayed largely stable in the first half, supported by steady demand from core sectors and a balanced domestic market.
- Regionally, new capacities in China and Southeast Asia are adding supply, though downstream demand from alumina and textiles may absorb part of the surplus.
- Margin pressure persisted due to high energy costs, especially gas, which remains a critical input across the value chain.
- Domestic competition remained orderly, with no major supply disruptions among key players.
- The business continues to prioritize cost discipline and value chain integration to safeguard margins in a volatile energy and pricing environment.

### HPO Highlights

- EPCL continued to expand its presence in the domestic HPO segment.
- Sales momentum improved steadily through the year, with consistent month-on-month growth.
- Low-cost, dumped imports from Bangladesh continue to disrupt the Pakistani market—as the Bangladesh industry receives subsidized gas, creating an uneven playing field



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# Looking Forward

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# Looking Forward

Key Areas	Outlook
 <b>Safety</b>	<ul style="list-style-type: none"> <li>• EPCL continues to lead with a strong safety culture, focusing on proactive risk mitigation and behavioral reinforcement.</li> <li>• Future efforts will drive zero-incident performance through enhanced contractor safety management &amp; rigorous process safety audits.</li> </ul>
 <b>PVC</b>	<ul style="list-style-type: none"> <li>• Domestic PVC demand is expected to remain robust, supported by infrastructure and construction activity.</li> <li>• EPCL aims to build on its current performance by deepening customer engagement and expanding into high-growth segments</li> </ul>
 <b>Caustic</b>	<ul style="list-style-type: none"> <li>• While regional oversupply persists, demand from alumina and textiles offers opportunities to absorb volumes.</li> <li>• Rising energy cost continues to be a challenge for the business. EPCL will strengthen margins through cost optimization and efficiency initiatives, ensuring resilience against energy cost volatility.</li> </ul>
 <b>Hydrogen Peroxide</b>	<ul style="list-style-type: none"> <li>• The Company will focus on expanding its presence in the market</li> <li>• The business will target key textile players and explore export opportunities to maximize utilization and profitability.</li> </ul>
 <b>Gas</b>	<ul style="list-style-type: none"> <li>• Third-party gas sourcing is progressing, with multiple partnerships under evaluation to secure competitive supply.</li> <li>• Strategic energy roadmap to position EPCL for long-term cost stability and sustainability.</li> </ul>
 <b>Cash Conversion</b>	<ul style="list-style-type: none"> <li>• EPCL continues to focus on cash conversion measures, driven by disciplined working capital management, cost optimization and strategic financing</li> </ul>



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# Q&A

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**THANK YOU**

