

journey to building character

company information

Chief Executive Officer Mr. Abdul Qayoom Chief Financial Officer Ms. Rabia Wafah Khan Company Secretary Mr. Saqib Rafique

board of directors

Mr. Ahsan Zafar Syed I Mr. Athar Abrar Khawaja I Mr. Tariq Nisar I Mr. Muhammad Bilal Ahmed Ms. Ayesha Aziz I Mr. Kamran Nishat I Mr. Nazoor Ali Baig I Mr. Abdul Qayoom

bankers

Al Baraka Bank (Pakistan) Limited (Islamic)

Allied Bank Limited

Allied Bank Limited (Islamic)

Askari Bank Limited

Bank Alfalah Limited

Bank Alfalah Limited (Islamic)

Bank Al-Habib Limited

Bank Al-Habib Limited (Islamic)

Bank Islami Pakistan Limited

Bank of Khyber

Dubai Islamic Bank Pakistan Limited

Faysal Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

Habib Metropolitan Bank Limited (Islamic)

Industrial & Commercial Bank of China

JS Bank Limited

MCB Bank Limited

MCB Islamic Bank Limited

Meezan Bank Limited

National Bank of Pakistan

SAMBA Bank Limited

Standard Chartered Bank (Pakistan) Limited

Summit Bank Limited / Bank Makramah Limited

The Bank of Punjab

United Bank Limited (Islamic)

United Bank Limited

shares registrar

M/s. FAMCO Share Registration Services (Pvt)

Limited 8-F, Near Hotel Faran, Block-6,

PECHS, Shahrah-e-Faisal, Karachi, Pakistan

Tel: +92(21) 34380104-5, 34384621-3

Fax: +92(21)34380106

registered office

8th Floor, The Harbour Front Building,

Block 4, Clifton, Karachi-75600

PABX: +92-21-35166863-6

UAN: 111 411 411

Website: www.engropolymer.com

plant

EZ/I/P-II-I, Eastern Zone, Bin Qasim, Karachi

auditors

A. F. Ferguson & Company Chartered Accountants

State Life Building No. 1-C,

I.I. Chundrigar Road, Karachi-74000, Pakistan

Tel: +92(21) 32426682-6 / 32426711-5 Fax: +92(21) 32415007 I 32427938

ENGRO POLYMER & CHEMICALS LIMITED DIRECTORS' REVIEW TO THE SHAREHOLDERS ON UNAUDITED CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

On behalf of the Board of Directors of Engro Polymer & Chemicals Limited (the "Company"), we would like to present the unaudited financial information of the Company for the nine months ended September 30, 2025.

Business Review

The global Polyvinyl Chloride (PVC) market stayed fundamentally long in Q3 2025, with Asian prices continuing to weaken amid soft demand and new capacities. Over one million metric ton of new capacity has come online, primarily in China, while additional startups including Qatar's 350 KT unit, are expected by year-end. Regional trade continues to be shaped by rising Chinese exports and influx of surplus US volumes. On the other hand, Ethylene prices eased amid improved cracker availability and subdued derivative demand, averaging around \$820/MT, providing partial relief to raw material costs.

The domestic PVC market continues to show resilience. The market grew by 23% YoY on the back of gradual recovery in the construction and infrastructure demand, driven by improved policy rates, recovery in the real estate sector, and stabilized inflation, supporting demand for pipes & fittings and profiles. Similarly, the Company's PVC sales remained stable despite decrease in custom duties and influx of low-cost imports. Sales were supported by strategic pricing and targeted market development.

Global caustic soda prices trended downwards, amid continued oversupply and weak regional demand, with new capacities in Northeast and Southeast Asia adding to spot export availability. Domestically, textile demand stayed subdued due to soft global apparel imports, although seasonal recovery in local processing offered support. Elevated energy tariffs and the pending gas levy kept margins tight, prompting continued focus on efficiency and cost control.

The global hydrogen peroxide market also remained well supplied, with demand weakness across pulp, paper, and textile sectors. The South Asian market continued to face surplus capacity, keeping prices on the lower end. The domestic market faced similar challenges as imports, particularly from Bangladesh, continued to dominate volumes. Despite these challenges, the Company remains focused on strengthening its market position by onboarding key textile customers, driving quality differentiation and taking strategic measures to displace imports.

The Company recorded a revenue of Rs. 57,626 million for the nine months ended September 30, 2025, an increase of ~6% compared to the same period last year on the back of higher volumetric sales and commencement of HPO sales. During the period, the Company recorded Loss After Tax of Rs. 3,452 million, due to persistently low PVC prices and higher energy cost, translating into a basic Loss Per Share of Rs. 3.8, compared to a Loss After Tax of Rs. 2,288 million, translating into basic Loss Per Share of Rs. 2.74 for the same period last year.

Outlook

Going forward, PVC prices are expected to follow a stable-to-soft trend as new capacities continue to ramp up. While, ethylene prices are expected to remain soft, supported by ample cracker availability and lower feedstock cost, offering some cost relief and support to core delta.

Our focus remains on maintaining safe and reliable operations, optimizing costs, and navigating prolonged margin pressure across the chlor-vinyl chain. Furthermore, we are actively engaging with the Government of Pakistan to promote a fair competitive environment and ensure long-term sustainability of the industry.

Abdul Qayoom Chief Executive Officer October 21, 2025 Kamran Nishat Director

consolidated condensed interim financial statements (unaudited) for the nine months ended September 30, 2025

ENGRO POLYMER AND CHEMICALS LIMITED CONSOLIDATED CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2025

(Amounts in thousand)

(Amounts in thousand)	Note	Unaudited September 30, 2025	Audited December 31, 2024
		Rupe	es
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	61,724,496	61,307,859
Right-of-use asset	6	343,352	711,745
Intangible assets		477,160	514,900
ong-term loans, advances and deposits		16,789	8,933
Current Assets		62,561,797	62,543,437
Stores, spares and loose tools		4,808,087	4,911,457
Stock-in-trade	7	9,279,353	13,829,918
Frade debts	8	1,956,060	1,262,773
oans, advances, deposits, prepayments and other receivables	9	6,789,537	6,387,465
ncome tax recoverable		8,168,865	6,807,324
Short-term investments		273,050	1,574,959
Cash and bank balances		6,700,092	3,534,104
		37,975,044	38,308,000
TOTAL ASSETS		100,536,841	100,851,437
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital		9,089,233	9,089,233
Preference shares		3,000,000	3,000,000
Share premium		3,874,953	3,874,953
Jnappropriated profits		7,884,419	11,357,393
		23,848,605	27,321,579
Non-Current Liabilities			
Long-term borrowings	10	30,246,769	29,097,177
Government grant		841,193	1,014,922
_ease liabilities	11	214,741	438,115
Deferred tax liability - net	12	2,564,563	1,782,531
Current Liabilities		33,867,266	32,332,745
Trade and other payables	13	20,450,960	19,736,065
Service benefit obligations			98,860
Current portion of long-term borrowings	10	3,308,739	1,302,324
Current portion of government grant		235,284	236,872
Current portion of lease liabilities	11	437,210	853,154
Short-term borrowings		10,190,958	11,848,627
Accrued interest / mark-up		515,522	726,146
Inclaimed dividend		277,922	284,462
Provisions	14	7,404,375	6,110,603
		42,820,970	41,197,113
long all he is the transfer of		76,688,236	73,529,858
Contingencies and Commitments	15	400 500 5 1 1	400.054 :
FOTAL EQUITY AND LIABILITIES		100,536,841	100,851,437

The annexed notes 1 to 24 form an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand except for loss per share)

		Quarter ended		Nine months ended		
	Note	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024	
		Rup	ees	Rup	ees	
Revenue from contracts with customers - net		20,015,076	20,067,017	57,625,619	54,451,693	
Cost of sales		(17,761,536)	(18,969,291)	(53,922,052)	(50,852,269)	
Gross profit		2,253,540	1,097,726	3,703,567	3,599,424	
Distribution and marketing expenses		(221,552)	(164,753)	(523,523)	(494,247)	
Administrative expenses		(487,757)	(512,413)	(1,676,730)	(1,732,299)	
Other expenses		(242,528)	(97,980)	(640,593)	(151,453)	
Other income		35,271	194,439	248,875	489,456	
Operating profit		1,336,974	517,019	1,111,596	1,710,881	
Finance costs		(1,437,727)	(1,964,200)	(4,430,447)	(5,757,856)	
Loss before minimum tax differential, final tax and income tax		(100,753)	(1,447,181)	(3,318,851)	(4,046,975)	
Minimum tax differential		(1,125)	(398)	(5,298)	(677)	
Final tax			(10,975)	45,089	(52,863)	
Loss before income tax		(101,878)	(1,458,554)	(3,279,060)	(4,100,515)	
Income tax		(120,091)	760,111	(173,037)	1,812,396	
Loss for the period		(221,969)	(698,443)	(3,452,097)	(2,288,119)	
Other comprehensive income for the period			Q=A*			
Total comprehensive loss for the period		(221,969)	(698,443)	(3,452,097)	(2,288,119)	
Loss per share - basic	16	(0.24)	(0.77)	(3.80)	(2.74)	
Loss per share - diluted	16	(0.24)	(0.77)	(3.80)	(2.74)	
Substitution of state and a substitution of the substitution of th						

The annexed notes 1 to 24 form an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND		RESERVES		
	PAID-UP	CAPITAL	CAPITAL	REVENUE	
	Ordinary share capital	Preference shares	Share premium	Unappropriated profits	Total
			Rupees_		
Balance as at January 1, 2024 (Audited)	9,089,233	3,000,000	3,874,953	12,627,899	28,592,085
Total comprehensive loss for the nine months ended September 30, 2024		+	4	(2,288,119)	(2,288,119)
Transactions with owners					
Final dividend for the year ended December 31, 2023 - Rs. 1 per ordinary share - Rs. 0.67 per preference share				(908,923) (201,000)	(908,923) (201,000)
				(1,109,923)	(1,109,923)
Balance as at September 30, 2024 (Unaudited)	9,089,233	3,000,000	3,874,953	9,229,857	25,194,043
Total comprehensive income for the three months ended December 31, 2024		4		2,127,536	2,127,536
Balance as at December 31, 2024 (Audited)	9,089,233	3,000,000	3,874,953	11,357,393	27,321,579
Total comprehensive loss for the nine months ended September 30, 2025	4		(A)	(3,452,097)	(3,452,097)
Share issuance cost				(20,877)	(20,877)
Balance as at September 30, 2025 (Unaudited)	9,089,233	3,000,000	3,874,953	7,884,419	23,848,605

The annexed notes 1 to 24 form an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)

(Amounts in thousand)		Allowed Society		
		Nine months ended		
		September 30, 2025	September 30, 2024	
		Rup	ees	
	Note	(E		
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from operations	17	9,443,419	7,944,856	
Long-term loans and advances, net		(7,804)	(10,658)	
Retirement benefits paid		(98,860)	(78,464)	
Minimum tax differential paid		(5,361)	(612)	
Final tax adjusted / (paid)		45,089	(52,835)	
Income tax paid		(2,127,909)	(3,333,059)	
Proceeds from sale of tax loss		1,375,426	-	
Net cash generated from operating activities		8,624,000	4,469,228	
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property, plant and equipment and intangible assets		(2,792,058)	(7,115,293)	
Proceeds from disposal of property, plant and equipment		36,630	62,483	
Purchase of short-term investments			(738,851)	
Proceeds on sale / maturity of short-term investments		1,284,971	3,052,094	
Income on short-term investments, intercompany balances and bank depo	sits	154,890	201,984	
Net cash utilised in investing activities		(1,315,567)	(4,537,583)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from long-term borrowings - net of transaction costs		4,000,000	2,000,000	
Repayments of long-term borrowings		(1,092,380)	(2,906,773)	
Proceeds from short-term borrowings		4,500,000	525,000	
Repayment of short-term borrowings		(5,305,000)	(477,282)	
Proceeds of subordinated loan from the parent company		1,000,000	1,500,000	
Repayment of subordinated loan to the parent company		(1,000,000)	(1,500,000)	
Share issuance cost paid		(20,877)		
Finance costs paid		(4,565,730)	(4,560,827)	
Lease rentals paid		(684,232)	(1,032,437)	
Dividend paid		(6,541)	(1,527,121)	
Net cash utilised in financing activities		(3,174,760)	(7,979,440)	
Net increase / (decrease) in cash and cash equivalents		4,133,673	(8,047,795)	
Net foreign exchange differences on cash and cash equivalents		(114,855)	(7,847)	
Cash and cash equivalents at beginning of the period		150,370	(2,695,581)	
Cash and cash equivalents at end of the period	18	4,169,188	(10,751,223)	

The annexed notes 1 to 24 form an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 The "Group" consists of Engro Polymer and Chemicals Limited (here-in-after referred to as the 'Holding Company') and its wholly owned subsidiary companies, Think PVC (Private) Limited and Engro Peroxide (Private) Limited (here-in-after referred to as 'the Group').
- 1.2 During the period, Engro Plasticizer (Private) Limited (EPPL) was amalgamated with Think PVC (Private) Limited (TPVC), both wholly owned subsidiaries of the Holding Company, pursuant to a Scheme of Amalgamation duly approved by their respective Boards of Directors on September 18, 2025. The Scheme was acknowledged by the Securities and Exchange Commission of Pakistan (SECP) on October 17, 2025, with a retrospective effective date of September 29, 2025. This represents an internal restructuring within the Group and has no impact on the consolidated financial position and results of the Group.
- 1.3 The Holding Company was incorporated in Pakistan in 1997 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Holding Company is listed on the Pakistan Stock Exchange Limited (PSX). The Holding Company is a subsidiary of Engro Corporation Limited (the Parent Company) which is a wholly owned subsidiary of Engro Holdings Limited (formerly Dawood Hercules Corporation Limited) (the Ultimate Parent Company). The Parent Company owns 56.19% shareholding in the Holding Company. The Holding Company's principal activity is to manufacture, market and sell Poly Vinyl Chloride (PVC), Vinyl Chloride Monomer (VCM), Caustic soda and other related chemicals and by-products. The Holding Company is also engaged in the supply of surplus power generated from its power plants to Engro Fertilizers Limited, a related party and Engro Peroxide (Private) Limited (EPPL).
- 1.4 During the period, EPPL achieved commercial operations of its plant on February 17, 2025. EPPL's plant is situated at EZ/I/P-II-I Eastern Zone, Port Bin Qasim Industrial Area, Karachi.
- 1.5 The geographical location and addresses of all business units of the Group are as follows:

Business unit	Geographical location
Head office	8th Floor, The Harbour Front Building, Marine Drive, Block 4, Clifton, Karachi, Pakistan
Manufacturing plant	EZ/I/P-II-I Eastern Zone, Port Bin Qasim Industrial Area, Karachi, Pakistan
Branded Outlet - Kara	chi Plot 41 -C, Bukhari Commercial Lane 2, Phase VI, DHA, Karachi, Pakistan
Branded Outlet and re sales unit - Lahore	gional Plot 184, Block CCA, Phase 4C, DHA, Lahore, Pakistan

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IAS 34, the provisions of and directives issued under the Act have been followed.

- 2.2 These consolidated condensed interim financial statements do not include all the information required to be contained in the annual financial statements and, therefore, should be read in conjunction with the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024.
- 2.3 These condensed interim financial statements represents the consolidated condensed interim financial statements of the Holding Company. The unconsolidated condensed interim financial statements of the Holding Company and its subsidiary companies have been presented separately.

3. MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

3.1 The material accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are same as those applied in the preparation of the audited annual consolidated financial statements of the Holding Company for the year ended December 31, 2024.

3.2 Initial application of standards and amendments to existing standards

 a) Standards and amendments to approved accounting and reporting standards that became effective during the period

There are amendments or improvements to existing standards which became applicable to the Group for the financial year beginning on January 1, 2025, however, these do not have a material impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

b) Standards, amendments and interpretations to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Group

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Group for the financial year beginning on January 1, 2025. These are not expected to have a material impact on the Group's financial reporting, except for those disclosed in note 3.5.2 of the annual audited consolidated financial statements and, therefore, have not been presented in these consolidated condensed interim financial statements.

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

4. ACCOUNTING ESTIMATES

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgments in the process of applying the Group's accounting policies. Estimates and judgment 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.

The significant estimates, judgments and assumptions made by the management in the preparation of these consolidated condensed interim financial statements are the same as those that were applied in the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024.

		Unaudited September 30, 2025	Audited December 31, 2024
		Rupees	
5.	PROPERTY, PLANT AND EQUIPMENT		
	Operating assets - notes 5.1 and 5.2	57,146,137	37,910,115
	Capital work-in-progress - note 5.3	4,337,315	23,156,700
	Capital spares	241,044	241,044
		61,724,496	61,307,859

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

	Unaudited	Audited
	September 30, 2025	December 31, 2024
	Rupe	뭐라면 하다 살림을 하다 하는 것이다.
Building on leasehold land,		
including civil works and pipeline	1,133,228	212,336
Plant and machinery	19,455,762	4,713,429
Catalyst and chemicals	609,000	
Furniture, fixtures and equipment	233,410	190,119
Vehicles	138,175	442,727
	21,569,575	5,558,611
	* , ** ************ *	

5.2 Operating assets costing Rs. 51,576 (December 31, 2024: Rs. 754,976) having net book value of Rs. 28,707 (December 31, 2024: Rs. 112,515) were disposed / written off for Rs. 36,630 (December 31, 2024: Rs. 94,822).

		Unaudited	Audited
		September 30, 2025	December 31, 2024
		Rupe	es
5.3	The movement in capital work-in-progress is as follows:		
	Balance at beginning of the period / year	23,156,700	18,921,324
	Additions during the period	2,794,375	9,811,916
	Transferred from capital spares		48,967
	Transferred to:	in the second second second	
	- operating assets - note 5.1	(21,569,575)	(5,558,611)
	- intangible assets	(44,185)	(22,312)
	- capital spares		(44,584)
		(21,613,760)	(5,625,507)
	Balance at end of the period / year	4,337,315	23,156,700
		N	

6. RIGHT-OF-USE ASSET

During the period, the Holding Company has derecognized right-of-use asset in respect of regional sales unit, having net book value of Rs. 7,031 and corresponding lease liability of Rs. 14,064.

		Unaudited	Audited
		September 30, 2025	December 31, 2024
		Rupe	es
7.	STOCK-IN-TRADE		
	Raw and packing materials - notes 7.1 and 7.2	6,551,091	7,856,343
	Less: Provision against stock-in-trade	(90,154)	(90,154)
		6,460,937	7,766,189
	Work-in-process	428,855	327,376
	Finished goods - manufactured products - note 7.2	2,389,561	5,736,353
		9,279,353	13,829,918
7.1	This includes stocks held at storage facilities of following parties:		
	- Engro Vopak Terminal Limited, a related party	1,441,656	2,149,078
	- Al-Noor Petroleum (Private) Limited	10,791	12,198
	- Al-Rahim Trading Company (Private) Limited	15,724	1,649,632
	and the state of the fact of the state of th	1,468,171	3,810,908

- 7.2 This includes goods in transit amounting to Rs. 1,644,731 (December 31, 2024: Rs. 214,575).
- 7.3 During the period / year, the Group has written off stock-in-trade amounting to Nil (December 31, 2024 : Rs. 114,647)

		Unaudited	Audited
		September 30, 2025	December 31, 2024
		Rupe	es
8.	TRADE DEBTS - Considered good		
	Includes amounts due from the following		
	related parties:		
	- Engro Fertilizers Limited	13,246	10,869
	- Engro Eximp FZE	105,939	138,280
	- FrieslandCampina Engro Pakistan Limited	5,874	10,753
	The state of the s	125,059	159,902
9.	LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	- 1	
	These include advances to and receivables from		
	the following related parties		
	Engro Corporation Limited	93,657	2,061
	Engro Fertilizers Limited	238,403	24,769
	Elengy Terminal (Private) Limited		34
	Engro Energy Limited	508	49
	Engro Energy Services Limited		205
	Engro Enfrashare (Private) Limited	3	3
	Engro Eximp FZE	1,137	24,297
	Engro Powergen Qadirpur Limited	645	6,794
	Engro Powergen Thar (Private) Limited	2,410	3,888
	Engro Vopak Terminal Limited		2,165
	Engro Elengy Terminal (Private) Limited		925
	Sindh Engro Coal Mining Company Limited	117	822
		336,880	65,963
		No.	

10. LONG-TERM BORROWINGS

Title	Mark-up rate	Ins	stallments	Unaudited September 30, 2025	Audited December 31, 2024
	per annum	Number	Commencing	Rupe	
Islamic Long Term Financing Facility (ILTFF)	SBP rate + 1.2%	32 quarterly	December 14, 2022	1,211,988	1,392,830
Islamic Temporary Economic Refinance Facilities (ITERF)	Ranging from SBP rate + 0.75% to 1%	32 quarterly	June 2023 to September 2023	2,975,329	3,219,955
Loan under diminishing musharka agreement I	3 months KIBOR + 0.4%	8 half yearly	June 28, 2023	150,000	200,000
Syndicated Long Term Islamic Financing Facility	3 months KIBOR + 0.3%	12 quarterly	March 27, 2028	8,738,786	8,736,621
Loan under diminishing musharka agreement II	3 months KIBOR + 0.3%	16 quarterly	March 21, 2026	6,000,000	6,000,000
ljarah Facility from International Finance Corporation (IFC)	SOFR + 3.68%	7 half yearly	July 15, 2025	3,555,882	4,101,889
Bilateral Loan II	3 months KIBOR + 0.4%	20 quarterly	April 19, 2026	2,000,000	2,000,000
Loan under diminishing musharka agreement III	3 months KIBOR + 0.03%	20 quarterly	March 13, 2027	6,000,000	6,000,000
Loan under diminishing musharka agreement IV	3 months KIBOR + 0.4%	28 quarterly	October 1, 2028	2,000,000	
Loan under running musharka agreement	Tenor KIBOR + 0.3%	1 lumpsum	March 31, 2027	2,000,000	
				34,631,985	31,651,295
Less: Current portion shown under current liabilities - Islamic Long Term Financing Facility (ILTFF) - Islamic Temporary Economic Refinance Facility (ITERF) - Loan under diminishing musharka agreement I - Loan under diminishing musharka agreement II - Ijarah Facility from International Finance Corporation (IFC) - Bilateral Loan II				(243,750) (433,508) (100,000) (1,125,000) (1,206,481) (200,000)	(243,750) (361,182) (100,000) - (597,392)
				(3,308,739)	(1,302,324)
Less: Deferred income - Government grant				(1,076,477)	(1,251,794)
				30,246,769	29,097,177

- 10.1 As at September 30, 2025, there is no material change in the terms and conditions of the borrowings as disclosed in the note 18 of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024.
- During the period, the Holding Company entered into a diminishing musharaka agreement with MCB Islamic Bank Limited (DIBPL) for a loan facility amounting to Rs. 2,000,000 for a period of 10 years. The borrowing is secured by way of hypothecation charge of present and future fixed assets of the Company (except land and building) with 25% margin, ranking subordinated and subservient to the charges created in favour of the existing creditors.
- During the period, the Holding Company entered into a running musharaka agreement with Faysal Bank Limited for a loan facility amounting to Rs. 2,000,000 for a period of 18 months. This was secured by way of hypothecation charge over the current assets of the Company to the extent of Rs. 2,400,960 with a 16.67% margin.
- In respect of the above facilities, as stated in notes 18.16 of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024, the Holding Company is required to comply with certain financial covenants at the end of each annual reporting period and on a quarterly basis incase of ljarah facility from IFC. During the period, operating losses caused by subdued PVC demand and rising raw material costs led to increased short-term borrowing requirements as market conditions did not practically allow the Holding Company to pass additional costs to its customers through price increases in the short term. The Holding Company has sought waivers and relaxations under which covenant compliance will not be assessed as at the reporting date. The Holding Company based on its projections anticipates challenges in meeting certain financial covenants. However, the Holding Company is confident that it will be able to negotiate further relaxation or waivers, if required, before next testing date.
- As stated in note 18.17 of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024, the financial covenants with respect to facilities obtained by EPPL became applicable on February 17, 2025. However, EPPL is required to comply with these covenants at the end of each annual reporting period thus not requiring compliance at the current interim period. EPPL based on its projections remains confident that there are no indicators that EPPL will have difficulties in complying with the required financial covenants when these will be next tested.

11. LEASE LIABILITIES

This includes lease liability in respect of storage arrangements with Engro Vopak Terminal Limited, a related party, amounting to Rs. 578,354 (December 31, 2024: Rs. 1,186,100).

		Unaudited September 30,	Audited December 31,
		2025	2024
		Rupe	es
12.	DEFERRED TAX LIABILITY - net		
	Credit balance arising due to:		
	- accumulated depreciation	8,538,020	7,569,430
	Debit balances arising due to:		
	- unpaid liabilities	618,492	535,115
	- leases	122,059	226,184
	- provisions	2,181,352	2,181,352
	- shares issuance cost	77,771	77,771
	- tax losses	2,389,205	2,039,122
	- minimum turnover tax	584,578	727,355
		(5,973,457)	(5,786,899)
		2,564,563	1,782,531

Unaudited Audited September 30, December 31, 2025 2024 Rupees 13. TRADE AND OTHER PAYABLES Includes amounts due to following related parties: Engro Corporation Limited 752,309 80,318 Engro Fertilizers Limited 380,922 176,211 Engro Energy Limited 160,139 156,899 Engro Elengy Terminal (Private) Limited 22 Engro Vopak Terminal Limited 137,733 Engro Eximp FZE 9,122,972 6,986,584 Engro Powergen Qadirpur Limited 403 Sindh Engro Coal Mining Company Limited 4,550 26,390 Provident Fund 84 **Gratuity Fund** 12,544 2,406 Pension Fund 1,775 1,775 10,249,100 7,755,020

14. PROVISIONS

- 14.1 In respect of the matter stated in note 20.2 of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024, during the period, the judgment reserved by the Sindh High Court (SHC) in respect of gas price revision has been announced in the Holding Company's favour. However, the same has been challenged by the Oil and Gas Regulatory Authority (OGRA) in the Supreme Court of Pakistan. Accordingly, the Holding Company, on account of prudence, has continued to recognise the provision of Rs. 517,392 for the period from December 2017 to September 2018 in these consolidated condensed interim financial statements.
- 14.2 During the period, the Federal Government (FG) promulgated the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 (the Gas Levy Ordinance) on January 30, 2025, with an aim to address the disparity in gas energy costs supplied to captive power plant. The FG vide SRO (I)/ 2025 dated March 7, 2025, set the rate of levy at Rs. 791/MMBTU. The Holding Company, being aggrieved challenged the notification at the Islamabad High Court (IHC) and secured a stay order on March 26, 2025. This stay was vacated by the IHC on April 8, 2025, allowing the FG to collect gas levy from the Holding Company. In light of the vacated stay order, SSGC demanded retrospective payment of the levy from February 2025 in May 2025 bills. The Holding Company being aggrieved has filed a constitutional petition CP No. 1802 of 2025 in SHC praying that impugned notification, being an executive action, cannot be given retrospective effect. Furthermore, the Holding Company had filed a petition CP No. 1259 of 2025 in the Balochistan High Court (BHC) to challenge the Gas Levy Ordinance itself, as well as the levy amounts for March 2025 and onward. On 12th August 2025, the BHC granted a stay on the levy subject to submission of post-dated cheques equal to the levy amount while the case remains pending. The Holding Company, based on the advice of its legal advisor, is confident of a favourable decision. However, the Holding Company on account of prudence has recorded a provision of Rs. 1,293,772 in these consolidated condensed interim financial statements in respect of gas cost.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

As at September 30, 2025, there is no material change in the status of matters reported as contingencies in notes 26 and 27 of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2024, except for the below.

15.1.1 In respect of the matter stated in note 26.7 of the annual audited consolidated financial statements, during the period, the Honourable Supreme Court of Pakistan (SCP) disposed of the suit filed by the Holding Company in 2020, which had challenged the order dated February 6, 2020, passed by the SHC. The said order pertained to the notice issued by the income tax department in relation to disallowances made in respect of tax year 2019, mainly pertaining to the adjustment of minimum tax carried forward.

As previously disclosed, the income tax department had amended the assessment for tax year 2019 during 2023, raising a demand of Rs. 532,754 in respect of the said disallowances, against which the Holding Company had paid Rs. 400,000 under protest. In light of the aforementioned judgment of the SCP, which is final and without recourse, the Holding Company has recognised a prior year tax provision amounting to Rs. 975,000 during the period which pertains to the minimum turnover tax adjusted in TY 2019.

15.1.2 The aggregate facilities for issuance of performance guarantees by the banks on behalf of the Group as at September 30, 2025 amount to Rs. 10,921,500 (December 31, 2024: Rs. 10,046,000). The amount utilised there against as at September 30, 2025 is Rs. 9,332,828 (December 31, 2024: Rs. 8,326,369).

The performance guarantees of Rs. 102,180 and Rs. 286,682 have been given in respect of Sindh Development and Maintenance of Infrastructure Cess (SIDC) and greenfield application status of EPPL, respectively. With regard to greenfield status, EPPL is of the view that if payment on account of sales tax and income tax amounting to Rs. 149,620 is required to be made to the Government authorities, the same will be recoupable in its tax returns for future periods. Accordingly, no provision has been recognised in this respect.

15.2 Commitments

- 15.2.1 The facility for opening letter of credits as at September 30, 2025 aggregates to Rs. 46,258,000 (December 31, 2024: Rs. 46,285,500) out of which Rs. 12,200,573 (December 31, 2024: Rs. 16,010,399) have been utilised.
- 15.2.2 In 2022, EPPL entered into a contract with Suria Engineering (Private) Limited for purchase of Hydrogen Peroxide steel structure in respect of the Hydrogen Peroxide manufacturing plant for a consideration of Rs. 470,000. As at September 30, 2025, outstanding commitment for equipment procurement amounts to Nil (December 31, 2024: Rs. 15,000).
- 15.2.3 In 2024, EPPL entered into a contract with Descon Engineering Limited for engineering services in respect of Hydrogen Peroxide manufacturing plant at a consideration of Rs. 270,000. As at September 30, 2025, outstanding commitment amounts to Nil (December 31, 2024: Rs. 45,000).
- 15.2.4 Commitments in respect of rentals of storage tanks at EVTL for the handling of (i) Ethylene aggregating to USD 1,548 (December 31, 2024: USD 3,870) are valid till March 31, 2026, (ii) Ethylene Di Chloride (EDC) aggregating to USD 1,807 (December 31, 2024: USD 2,224) are valid till December 31, 2028 and (iii) Vinyl Chloride Monomer (VCM) aggregating to USD 152 (December 31, 2024: USD 644) are valid till December 31, 2025.

		Unaudited	Audited
		September 30, 2025	December 31, 2024
		Rupe	es
15.2.5	Commitments in respect of expenditure of capital		
	and other operational items	5,937,118	6,035,471
	and other operational items	5,937,118	6,035,47

16. LOSS PER SHARE - BASIC AND DILUTED

- 16.1 Basic loss per share has been calculated by dividing the loss attributable to ordinary share holders of the Group by weighted average number of ordinary shares in issue during the period.
- 16.2 Diluted earnings per share presents the effect of conversion of potential ordinary shares (preference shares) where it leads to decrease in earnings per share or increase in loss per share.

		Unaudited	Unaudited
		September 30, 2025	September 30, 2024
17.	CASH GENERATED FROM OPERATIONS	Rupe	es
	Loss before income tax	(3,279,060)	(4,100,515)
	Adjustments for non cash-charges and other items:		
	Staff retirement and other service benefits	1.00	74,287
	Depreciation:		14,201
	- operating assets	2,304,846	2,450,087
	- right-of-use asset	361,362	358,084
	Amortisation of intangible assets	81,925	80,872
	Provision against slow moving stores and spares	61,925	(8,834)
	Write-off of stock-in-trade	. 1	
		3.0	3,272
	Write-off of slow moving stores and spares	7.7	13,170
	Unrealised foreign exchange (gain) / loss on	407.050	(00,000)
	financial assets and liabilities	167,352	(92,960)
	Income on financial assets	(135,949)	(307,118)
	Finance costs	4,430,447	5,757,856
	Provision for off-the-grid levy - note 14.2	1,293,772	
	Gain on disposal of:		(15,462)
	- operating assets	(7,923)	
	- right-of-use asset	(7,033)	
	Write-off of operating assets		2,161
	Minimum tax differential	5,298	677
	Final tax	(45,089)	52,863
	Working capital changes - note 17.1	4,273,471	3,676,416
		9,443,419	7,944,856
		Unaudited	Unaudited
		September 30, 2025	September 30, 2024
		Rupe	es
17.1	WORKING CAPITAL CHANGES		
	(Increase) / Decrease in current assets		
	Stores, spares and loose tools	103,370	(1,154,262)
	Stock-in-trade	4,550,565	(514,439)
	Trade debts	(693,287)	201,807
	Loans, advances, deposits, prepayments and	(400.070)	(4.040.400)
	other receivables - net	(402,072)	(1,318,430)
	Increase in current liabilities	3,558,576	(2,785,324)
	Trade and other payables	714,895	6,461,740
		4,273,471	3,676,416
18.	CASH AND CASH EQUIVALENTS		
	Short-term investments	160,196	660,034
	Cash and bank balances	6,700,092	3,008,393
	Running finances	(2,691,100)	(14,419,650)
		4,169,188	(10,751,223)
			

19. SEGMENT INFORMATION

The basis of segmentation and reportable segments presented in these consolidated condensed interim financial statements are same as disclosed in the audited consolidated annual financial statements for the year ended December 31, 2024.

								(Restated)		
	. <u></u>	September	30, 2025 (Ur	naudited)		Control Section	Septembe	r 30, 2024 (U	naudited)	- 9
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Unallocated	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Unallocated	Total
		STATIS			Ru	pees				
Revenue from contract with customers - net										
- At a point	46,169,697	11,013,240	7 - 5		57,182,937	43,561,949	10,725,519		4.00	54,287,468
- Over time			442,682		442,682			164,225		164,225
	46,169,697	11,013,240	442,682		57,625,619	43,561,949	10,725,519	164,225		54,451,693
Less:										
Cost of sales	(44,294,914)	(9,229,670)	(397,468)		(53,922,052)	(43,071,419)	(7,644,132)	(136,718)		(50,852,269)
Distribution and marketing expenses	(259,342)	(263,408)	(773)	100	(523,523)	(295,543)	(198,240)	(464)		(494,247)
Administrative expenses	(1,355,668)	(308,058)	(13,004)	10	(1,676,730)	(1,385,773)	(341,300)	(5,226)	1.2	(1,732,299)
Other expenses	(515,247)	(120,418)	(4,928)	1.4	(640,593)	(92,434)	(58,680)	(339)		(151,453)
Other income	91,345	23,398	876	133,256	248,875	124,036	81,130	1,242	283,048	489,456
Finance costs Minimum tax differential, final tax	(3,580,896)	(815,270)	(34,281)		(4,430,447)	(4,605,969)	(1,134,535)	(17,352)		(5,757,856)
and income tax	(180,764)	49,730	(1,720)	(492)	(133,246)	1,866,234	(105,650)	(1,728)	(1,758,856
(Loss) / profit for the period	(3,925,789)	349,544	(8,616)	132,764	(3,452,097)	(3,898,919)	1,324,112	3,640	283,048	(2,288,119)
		September	30, 2025 (Ur	naudited)			Decemb	er 31, 2024 (/	Audited)	
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Unallocated	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power supply	Unallocated	Total
Segment assets					Ru	pees				
Total segment assets	62,066,257	31,193,730	303,712	6,973,142	100,536,841	65,702,794	29,983,081	56,499	5,109,063	100,851,437

- 19.2 Segment assets consist primarily of property, plant and equipment, stores and spares, stock in trade and trade debts.
- 19.3 Comparative figures of other assets have been reclassified to align with current internal reporting.

20. TRANSACTIONS WITH RELATED PARTIES

20.1 Transactions with related parties, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

		Unaudited September 30, 2025	Unaudited September 30, 2024
		Rup	ees
Nature of relationship	Nature of transactions		
Parent Company	Reimbursement made	1,093,549	1,136,271
	Reimbursement received	116,333	20,590
	Subordinated loan disbursed by the holding company	1,000,000	1,500,000
	Subordinated loan repaid by the holding company	1,000,000	1,500,000
	Mark-up on subordinated loan	6,415	12,190
	Dividend paid		510,733
Associated Companies	Dividend paid		100,054
	Sales of utilities	162,533	164,225
	Sales of goods	4,250,896	7,097,853
	Purchase of services	1,176,594	1,289,364
	Purchase of goods	21,912,702	25,450,404
	Reimbursement made	231,774	372,971
	Reimbursement received	304,212	139,317
	Sale of tax loss	1,375,426	
Directors	Fee	6,650	14,555
	Dividend paid		6
Contribution to staff	Managed and operated by the		
retirement benefits	Holding Company		
	- Provident fund	105,735	101,642
	- Gratuity fund	87,993	74,530
	- Pension fund		1,394
Key management personnel	Managerial remuneration	117,901	121,316
	Retirement benefit funds	17,979	19,280
	Bonus	57,663	48,799
	Other benefits	31,745	42,020

21. FINANCIAL RISK MANAGEMENT

The Group'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 during the period, consequently these consolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual consolidated financial statements.

22. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. As at September 30, 2025 and 2024, the carrying value of all financial assets and liabilities reflected in the consolidated condensed interim financial statements approximate to their fair values.

23. CORRESPONDING FIGURES

23.1 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 consolidated financial statements of preceding financial year, whereas the consolidated condensed interim statement of profit or loss and other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

23.2 Corresponding figures have been rearranged and reclassified for better presentation, wherever, considered necessary. The material reclassification made during the period are as follows:

Description	Rec	Audited		
	from	to	December 31, 2024 Rupees	
Catalyst and chemicals	Stock-in-trade	Property, plant and equipment	609,000	
Goods in tansit	Stock-in-trade - Raw and packing materials	Stock-in-trade - Finished goods	193,869	

24. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 21, 2025 by the Board of Directors of the Holding Company.

Chief Executive Officer

Chief Financial Officer

condensed interim financial statements (unaudited) for the nine months ended September 30, 2025

ENGRO POLYMER AND CHEMICALS LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2025

(Amounts in thousand)

	Note	Unaudited September 30, 2025	Audited December 31, 2024
	Note	Rup	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	49,389,048	49,486,262
Right-of-use asset	6	293,553	645,943
Intangible assets		477,160	514,900
Long-term investments	7	12,787,000	6,837,000
Long-term loans and advances		15,470	7,666
Current Assets		62,962,231	57,491,771
Stores, spares and loose tools		4,387,425	4,506,168
Stock-in-trade	8	8,603,619	13,420,730
Trade debts	9	1,511,685	1,248,473
Loans, advances, deposits, prepayments and other receivables	10	7,317,568	10,909,610
Income tax recoverable		8,064,919	6,708,309
Short-term investments		160,197	1,445,006
Cash and bank balances		6,567,675	3,341,190
		36,613,088	41,579,486
TOTAL ASSETS		99,575,319	99,071,257
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital		9,089,233	9,089,233
Preference shares		3,000,000	3,000,000
Share premium		3,874,953	3,874,953
Unappropriated profits		9,605,161	12,438,639
Non Correct Linkilling		25,569,347	28,402,825
Non-Current Liabilities	44	20 454 027	07.044.000
Long-term borrowings Government grant	11	29,151,037 124,382	27,941,832 135,872
Lease liabilities	12	183,185	395,199
Deferred tax liability - net	13	2,748,398	1,865,647
		32,207,002	30,338,550
Current Liabilities		40.000.055	10.110.505
Trade and other payables	14	19,983,055	19,446,527
Service benefit obligations	44	0.000.004	98,860
Current portion of long-term borrowings	11	2,986,921	1,047,520
Current portion of government grant		42,871	45,090
Current portion of lease liabilities	12	411,488	830,704
Short-term borrowings		10,190,958	11,848,627
Accrued interest / mark-up		501,380	617,488
Unclaimed dividend	- 2 <u>-2-</u> 2	277,922	284,463
Provisions	15	7,404,375	6,110,603
		41,798,970	40,329,882
Contingencies and Commitments	16	74,005,972	70,668,432
Contingencies and Communicate	10		
TOTAL EQUITY AND LIABILITIES		99,575,319	99,071,257

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand except for loss per share)

		Quarter ended		Nine months ended		
	Note	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024	
				oees		
Revenue from contracts with customers - net		19,679,826	20,063,368	57,078,918	54,440,058	
Cost of sales		(17,227,242)	(18,967,652)	(52,922,342)	(50,843,025)	
Gross profit		2,452,584	1,095,716	4,156,576	3,597,033	
Distribution and marketing expenses		(208,279)	(159,493)	(487,141)	(481,360)	
Administrative expenses		(487,757)	(512,413)	(1,676,730)	(1,732,299)	
Other expenses		(240,952)	(87,797)	(752,857)	(112,244)	
Other income		55,213	391,865	568,951	976,280	
Operating profit		1,570,809	727,878	1,808,799	2,247,410	
Finance costs		(1,421,061)	(1,962,321)	(4,420,116)	(5,752,253)	
Profit / (loss) before minimum tax differential, final tax and income tax		149,748	(1,234,443)	(2,611,317)	(3,504,843)	
Minimum tax differential		(30)		(3,576)		
Final tax			(10,974)	45,711	(52,835)	
Profit / (loss) before income tax		149,718	(1,245,417)	(2,569,182)	(3,557,678)	
Income tax		(158,520)	757,763	(264,296)	1,805,222	
Loss for the period		(8,802)	(487,654)	(2,833,478)	(1,752,456)	
Other comprehensive income for the period						
Total comprehensive loss for the period		(8,802)	(487,654)	(2,833,478)	(1,752,456)	
Loss per share - basic	17	(0.01)	(0.54)	(3.12)	(2.15)	
Loss per share - diluted	17	(0.01)	(0.54)	(3.12)	(2.15)	

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND		RE	RESERVES		
	PAID-UP	CAPITAL	CAPITAL	REVENUE		
	Ordinary share capital	Preference shares	Share premium	Unappropriated profits	Total	
			Rupees			
Balance as at January 01, 2024 (Audited)	9,089,233	3,000,000	3,874,953	12,938,222	28,902,408	
Total comprehensive loss for the nine months ended September 30, 2024	-	-	4	(1,752,456)	(1,752,456)	
Transactions with owners						
Final dividend for the year ended December 31, 2023						
Rs. 1 per ordinary shareRs. 0.67 per preference share			- 10	(908,923) (201,000)	(908,923) (201,000)	
				(1,109,923)	(1,109,923)	
Balance as at September 30, 2024 (Unaudited)	9,089,233	3,000,000	3,874,953	10,075,843	26,040,029	
Total comprehensive income for the three months ended December 31, 2024	d -		4	2,362,796	2,362,796	
Balance as at December 31, 2024 (Audited)	9,089,233	3,000,000	3,874,953	12,438,639	28,402,825	
Total comprehensive loss for the nine months ended September 30, 2025				(2,833,478)	(2,833,478)	
Balance as at September 30, 2025 (Unaudited)	9,089,233	3,000,000	3,874,953	9,605,161	25,569,347	
	or there is no		y = y y - E - 1	· · · · · · · · · · · · · · · · · · ·	- 4	

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)		Nine mont	hs ended
		September 30, 2025	September 30, 2024
	Note	Rup	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	18	10,043,424	9,030,539
Long-term loans and advances, net		(7,804)	(9,458)
Retirement benefits paid		(98,860)	(78,464)
Minimum tax differential paid		(3,576)	
Final tax paid		45,711	(52,835)
Income tax paid		(2,113,581)	(3,321,346)
Proceeds from sale of tax loss		1,375,426	
Net cash generated from operating activities		9,240,740	5,568,436
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible assets		(2,003,126)	(5,447,170)
Proceeds from disposal of property, plant and equipment		36,630	62,461
Investment made in subsidiary companies		(6,000,000)	1 2 3 2 3
Disbursement of subordinated loan to subsidiary companies		(1,894,150)	(2,796,800)
Repayment of subordinated loan from subsidiary companies		6,285,000	
Purchase of short-term investments			(626,851)
Proceeds on sale / maturity of short-term investments		1,284,971	2,940,094
Income on short-term investments, subordinated loan,			
intercompany balances and bank deposits		126,637	194,070
Net cash utilised in investing activities		(2,164,038)	(5,674,196)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings - net of transaction costs		4,000,000	2,000,000
Repayments of long-term borrowings		(938,173)	(2,855,230)
Proceeds from short-term borrowings		4,500,000	525,000
Repayment of short-term borrowings		(5,305,000)	(477,282)
Proceeds of subordinated loan from the holding company		1,000,000	1,500,000
Repayment of subordinated loan to the holding company		(1,000,000)	(1,500,000)
Finance costs paid		(4,463,814)	(4,550,914)
Lease rentals paid		(669,003)	(1,024,145)
Dividend paid		(6,541)	(1,527,121)
Net cash utilised in financing activities		(2,882,531)	(7,909,692)
Net increase / (decrease) in cash and cash equivalents		4,194,171	(8,015,452)
Net foreign exchange differences on cash and cash equivalents		(114,855)	(7,847)
Cash and cash equivalents at beginning of the period		(42,544)	(2,810,868)
Cash and cash equivalents at end of the period	19	4,036,772	(10,834,167)

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements

Chief Executive Officer Chief Financial Officer

ENGRO POLYMER AND CHEMICALS LIMITED UNCONSOLIDATED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Engro Polymer and Chemicals Limited (the Company) was incorporated in Pakistan in 1997 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange Limited (PSX).
- 1.2 The Company is a subsidiary of Engro Corporation Limited (the Holding Company) which is a wholly owned subsidiary of Engro Holdings Limited (formerly Dawood Hercules Corporation Limited) (the Ultimate Parent Company). The Holding Company owns 56.19% of shareholding in the Company. The Company's principal activity is to manufacture, market and sell Poly Vinyl Chloride (PVC), Vinyl Chloride Monomer (VCM), Caustic soda and other related chemicals and by-products. The Company is also engaged in the supply of surplus power generated from its power plants to Engro Fertilizers Limited (a related party) and Engro Peroxide (Private) Limited (a wholly owned subsidiary).
- 1.3 The geographical location and addresses of all business units of the Company are as follows:

Business unit	Geographical location
Head office	8th Floor, The Harbour Front Building, Marine Drive, Block 4, Clifton, Karachi, Pakistan
Manufacturing plant	EZ/I/P-II-I Eastern Zone, Port Bin Qasim Industrial Area, Karachi, Pakistan
Regional sales unit	Plot 184, Block CCA, Phase 4C, DHA, Lahore, Pakistan

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where provisions of and directives issued under the Act differ from the IAS 34, the provisions of and directives issued under the Act have been followed.

- 2.2 These unconsolidated condensed interim financial statements do not include all the information required to be contained in the annual financial statements and, therefore, should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2024.
- 2.3 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiary companies namely Think PVC (Private) Limited and Engro Peroxide (Private) Limited have been accounted for at cost less accumulated impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiary companies have been presented separately.

3. MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

3.1 The material accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2024.

3.2 Initial application of standards and amendments to existing standards

a) Standards and amendments to approved accounting and reporting standards that became effective during the period

There are amendments or improvements to existing standards which became applicable to the Company for the financial year beginning on January 1, 2025, however, these do not have a material impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

b) Standards, amendments and interpretations to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2025. These are not expected to have a material impact on the Company's financial reporting and, therefore, have not been presented in these unconsolidated condensed interim financial statements other than those disclosed in note 2.5.2 of the annual audited financial statements.

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

4. ACCOUNTING ESTIMATES

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgements in the process of applying the Company's accounting policies. Estimates and judgement 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.

The significant estimates, judgements and assumptions made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those that were applied in the annual audited financial statements of the Company for the year ended December 31, 2024.

		Unaudited September 30, 2025	Audited December 31, 2024
		Rupees	
5.	PROPERTY, PLANT AND EQUIPMENT		
	Operating assets - notes 5.1 and 5.2	44,904,722	37,910,080
	Capital work-in-progress - note 5.3	4,243,282	11,335,138
	Capital spares	241,044	241,044
		49,389,048	49,486,262

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

	Unaudited September 30, 2025	Audited December 31, 2024
	Rup	ees
Building on leasehold land		
including civil works and pipeline	713,852	212,336
Plant and machinery	8,121,055	4,713,429
Furniture, fixtures and equipment	77,715	190,119
Vehicles	138,175	442,727
	9,050,797	5,558,611

Audited

Unaudited

5.2 Operating assets costing Rs. 51,576 (December 31, 2024: Rs. 754,530) having net book value of Rs. 28,707 (December 31, 2024: Rs. 112,493) were disposed / written off for Rs. 36,630 (December 31, 2024: Rs. 94,799).

		September 30, 2025	December 31, 2024
		Rup	ees
5.3	The movement in capital work-in-progress is as follows:		
	Balance at beginning of the period / year	11,335,138	9,981,976
	Additions during the period / year	2,003,126	6,929,702
	Transferred from capital spares		48,967
	Transferred to:		
	- operating assets - note 5.1	(9,050,797)	(5,558,611)
	- intangible assets	(44,185)	(22,312)
	- capital spares	. ((44,584)
		(9,094,982)	(5,625,507)
	Balance at end of the period / year	4,243,282	11,335,138
		and the same of th	

6. RIGHT-OF-USE ASSET

During the period, the Company has derecognized right-of-use asset in respect of regional sales unit, having net book value of Rs. 7,031 and corresponding lease liability of Rs. 14,064.

7. LONG TERM INVESTMENT

- 7.1 During the period, the Company made further investment in Engro Peroxide (Private) Limited (wholly owned subsidiary of the Company) through subscription of right shares amounting to Rs. 6,000,000.
- During the period, Engro Plasticizer (Private) Limited (EPPL) was amalgamated with Think PVC (Private) Limited (TPVC), both wholly owned subsidiaries of the Company, pursuant to a Scheme of Amalgamation duly approved by their respective Boards of Directors on September 18, 2025. The Scheme was acknowledged by the Securities and Exchange Commission of Pakistan (SECP) on October 17, 2025, with a retrospective effective date of September 29, 2025. Consequently, the Company has derecognized its investment in EPPL, having a carrying amount of Rs. 15,000, and transferred the same to its investment in TPVC.
- 7.3 During the period, the Company recognised an impairment of Rs. 50,000 against its investment in Think PVC (Private) Limited (TPPL), a wholly-owned subsidiary since TPPL is not able to generate sufficient cashflows for the Company to recover its investment.

		Unaudited September 30, 2025	Audited December 31, 2024
		Rupe	ees
8.	STOCK-IN-TRADE		
	Raw and packing materials - notes 8.1 and 8.2	6,209,014	7,447,155
	Less: Provision against stock-in-trade	(90,154)	(90,154)
		6,118,860	7,357,001
	Work-in-process	345,187	327,376
	Finished goods - manufactured products - note 8.2	2,139,572	5,736,353
		8,603,619	13,420,730
8.1	This includes stocks held at storage locations of following parties:		
	- Engro Vopak Terminal Limited, a related party	1,441,656	2,149,078
	- Al-Noor Petroleum (Private) Limited	10,791	12,198
	- Al-Rahim Trading Company (Private) Limited	15,724	1,649,632
		1,468,171	3,810,908
8.2	This includes goods in transit amounting to Rs. 1,644,731 ((December 31, 2024: Rs. 2	14,575).

- During the period / year, the Company has written off stock-in-trade amounting to Nil (December 31, 8.3 2024: Rs. 114,647).

		Unaudited September 30, 2025	Audited December 31, 2024
		Rup	ees
9.	TRADE DEBTS - Considered good		
	This includes amounts due from the following related parties:		
	Engro Fertilizers Limited	13,246	10,869
	Engro Eximp FZE	105,939	138,280
	FrieslandCampina Engro Pakistan Limited	5,874	10,753
		125,059	159,902

Audited Unaudited September 30, December 31, 2025 2024 Rupees 10. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES 10.1 This include advances to and receivables from the following related parties: 93,657 2,061 **Engro Corporation Limited** 636,118 218,660 Engro Peroxide (Private) Limited 13,383 10,920 Think PVC (Private) Limited 1,593 Engro Plasticizer (Private) Limited 238,403 24,769 Engro Fertilizers Limited 34 Elengy Terminal (Private) Limited 508 **Engro Energy Limited** 205 Engro Energy Services Limited 3 3 Engro Enfrashare (Private) Limited 1,137 24,297 Engro Eximp FZE 645 6,794 Engro Powergen Qadirpur Limited 2,410 3,888 Engro Powergen Thar (Private) Limited 2,165 Engro Vopak Terminal Limited 925 Engro Elengy Terminal (Private) Limited 117 822 Sindh Engro Coal Mining Company Limited 986,381 297,136

10.2 This includes loans and interest accrued thereon due from the subsidiaries, as follows:

	Septemb	er 30, 2025 (U	naudited)	Decemb	er 31, 2024 (Audited)		
	Engro Peroxide (Private) Limited	Think PVC (Private) Limited	Total	Engro Peroxide (Private) Limited	Think PVC (Private) Limited	Total	
	Rupees						
Balance at the beginning of the period / year	6,035,309	126,537	6,161,846	1,565,829	20,618	1,586,447	
Interest accrued during the period / year	322,859	6,477	329,336	679,950	9,619	689,569	
Disbursed during the period / year	1,877,050	17,100	1,894,150	3,789,530	96,300	3,885,830	
Repayments received during the period / year	(6,220,000)	(65,000)	(6,285,000)				
Provision for impairment - note 10.2.1		(67,400)	(67,400)	-		-	
Balance at the end of the period / year	2,015,218	17,714	2,032,932	6,035,309	126,537	6,161,846	

10.2.1 As explained in note 7.3, the Company has also recognised a provision for impairment of Rs. 67,400 against loan receivable from TPPL.

11. LONG-TERM BORROWINGS

Title	Mark-up rate	Ins	tallments	Unaudited September 30, 2025	Audited December 31, 2024
Title	per annum	Number			es
Islamic Long Term Financing Facility (ILTFF)	SBP rate + 1.2%	32 quarterly	December 14, 2022	1,211,988	1,392,830
Islamic Temporary Economic Refinance Facility (ITERF)	Ranging from SBP rate + 0.75% to 1%	32 quarterly	June 12, 2023	648,555	738,974
Loan under diminishing musharka agreement I	3 months KIBOR + 0.4%	8 half yearly	June 28, 2023	150,000	200,000
Syndicated Long Term Islamic Financing Facility	3 months KIBOR + 0.3%	12 quarterly	March 27, 2028	8,738,786	8,736,621
Loan under diminishing musharka agreement II	3 months KIBOR + 0.3%	16 quarterly	March 21, 2026	6,000,000	6,000,000
ljarah facility from International Finance Corporation (IFC)	SOFR + 3.68%	7 half yearly	July 15, 2025	3,555,882	4,101,889
Bilateral Loan II	3 months KIBOR + 0.4%	20 quarterly	April 19, 2026	2,000,000	2,000,000
Loan under diminishing musharka agreement III	3 months KIBOR + 0.03%	20 quarterly	March 13, 2027	6,000,000	6,000,000
Loan under diminishing musharka agreement IV	3 months KIBOR + 0.4%	28 quarterly	October 1, 2028	2,000,000	
Loan under running musharka agreement	Tenor KIBOR + 0.3%	1 lumpsum	March 31, 2027	2,000,000	
				32,305,211	29,170,314
Less: Current portion shown under current liabilities					
- Islamic Long Term Financing Facility (ILTFF)				(243,750)	(243,750)
- Islamic Temporary Economic Refinance Facility (ITERF)				(111,690)	(106,378)
- Loan under diminishing musharka agreement I				(100,000)	(100,000)
- Loan under diminishing musharka agreement II				(1,125,000)	YSYS
- Ijarah facility from International Finance Corporation (IFC)				(1,206,481)	(597,392)
- Bilateral Loan II				(200,000)	
				(2,986,921)	(1,047,520)
Less: Deferred income - Government grant				(167,253)	(180,962)
				29,151,037	27,941,832

- 11.1 As at September 30, 2025, there is no material change in the terms and conditions of the borrowings as disclosed in the note 18 of the annual audited financial statements of the Company for the year ended December 31, 2024.
- During the period, the Company entered into a diminishing musharaka agreement with MCB Islamic Bank Limited (DIBPL) for a loan facility amounting to Rs. 2,000,000 for a period of 10 years. The borrowing is secured by way of hypothecation charge of present and future fixed assets of the Company (except land and building) with 25% margin, ranking subordinated and subservient to the charges created in favour of the existing creditors.
- During the period, the Company entered into a running musharaka agreement with Faysal Bank Limited for a loan facility amounting to Rs. 2,000,000 for a period of 18 months. This was secured by way of hypothecation charge over the current assets of the Company to the extent of Rs. 2,400,960 with a 16.67% margin.
- In respect of the above facilities, as stated in note 18.14 of the annual audited financial statements of the Company for the year ended December 31, 2024, the Company is required to comply with certain financial covenants at the end of each annual reporting period and on a quarterly basis incase of Ijarah facility from IFC. During the period, operating losses caused by subdued PVC demand and rising raw material costs led to increased short-term borrowing requirements as market conditions did not practically allow the Company to pass additional costs to its customers through price increases in the short term. The Company has sought waivers and relaxations under which covenant compliance will not be assessed as at the reporting date. The Company based on its projections anticipates challenges in meeting certain financial covenants. However, the Company is confident that it will be able to negotiate further relaxation or waivers, if required, before next testing date.

14.

12. LEASE LIABILITIES

This includes lease liability in respect of storage arrangements with Engro Vopak Terminal Limited, a related party, amounting to Rs. 578,354 (December 31, 2024: Rs. 1,186,100).

		Unaudited September 30, 2025	Audited December 31, 2024
		Rup	ees
13.	DEFERRED TAX LIABILITY - net		
	Credit balance arising due to: - accumulated depreciation	8,071,771	7,569,455
	Debit balances arising due to:		
	- unpaid liabilities	122,059	535,115
	- leases	618,492	226,184
	- provisions	2,181,352	2,181,352
	- shares issuance cost	77,771	77,771
	- tax losses	1,749,203	1,956,031
	- minimum turnover tax	574,496	727,355
		(5,323,373)	(5,703,808)
		2,748,398	1,865,647

During the period, the Company has surrendered its taxable business loss to Engro Fertilizers Limited, an associated company, for the year ended December 31, 2024 (tax year 2025) under Section 59B of the Ordinance against cash consideration of Rs 1,375,426 equivalent to tax benefit / effect surrendered thereof.

	September 30, 2025	December 31, 2024
	Rup	ees
TRADE AND OTHER PAYABLES		
This includes amounts due to the following related parties:		
Engro Corporation Limited	752,309	80,223
Engro Fertilizers Limited	176,211	380,922
Engro Energy Limited	156,899	160,139
Engro Vopak Terminal Limited		137,733
Engro Eximp FZE	9,122,972	6,986,584
Engro Powergen Qadirpur Limited	1.00	403
Engro Elengy Terminal (Private) Limited		22
Sindh Engro Coal Mining Company Limited		4,550
Provident Fund	26,390	84
Gratuity Fund	12,544	2,406
Pension fund	1,775	1,775
	10,249,100	7,754,841

Unaudited

Audited

15. PROVISIONS

- In respect of the matter stated in note 20.2 of the annual audited financial statement of the Company for the year ended December 31, 2024, during the period, the judgment reserved by the Sindh High Court in respect of gas price revision has been announced in the Company's favour. However, the same has been challenged by the Oil and Gas Regulatory Authority (OGRA) in the Supreme Court of Pakistan. Accordingly, the Company, on account of prudence, has continued to recognise the provision of Rs. 517,392 for the period from December 2017 to September 2018 in these unconsolidated condensed interim financial statements.
- 15.2 During the period, the Federal Government (FG) promulgated the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 (the Gas Levy Ordinance) on January 30, 2025, with an aim to address the disparity in gas energy costs supplied to captive power plant. The FG vide SRO (I)/ 2025 dated March 7, 2025, set the rate of levy at Rs. 791/MMBTU. The Company, being aggrieved challenged the notification at the Islamabad High Court (IHC) and secured a stay order on March 26, 2025. This stay was vacated by the IHC on April 8, 2025, allowing the FG to collect gas levy from the Company. In light of the vacated stay order, SSGC demanded retrospective payment of the levy from February 2025 in May 2025 bills. The Company being aggrieved has filed a constitutional petition CP No. 1802 of 2025 in SHC praying that impugned notification, being an executive action, cannot be given retrospective effect. Furthermore, the Company had filed a petition CP No. 1259 of 2025 in the Balochistan High Court (BHC) to challenge the Gas Levy Ordinance, as well as the levy amounts for March 2025 and onward. On 12th August 2025, the BHC granted a stay on the levy subject to submission of post-dated cheques equal to the levy amount while the case remains pending. The Company, based on the advice of its legal advisor, is confident of a favourable decision. However, the Company on account of prudence has recorded a provision of Rs. 1,293,772 in these unconsolidated condensed interim financial statements in respect of gas cost.

16. CONTINGENCIES AND COMMITMENTS

- As at September 30, 2025, there is no material change in the status of matters reported as contingencies in notes 26 and 27 of the audited annual financial statements of the Company for the year ended December 31, 2024, except for the below.
- In respect of the matter stated in note 26.7 of the annual audited financial statements of the Company, during the period, the Honourable Supreme Court of Pakistan (SCP) disposed of the suit filed by the Company in 2020, which had challenged the order dated February 6, 2020, passed by the Sindh High Court (SHC). The said order pertained to the notice issued by the income tax department in relation to disallowances made in respect of tax year 2019, mainly pertaining to the adjustment of minimum tax carried forward.
 - As previously disclosed, the income tax department had amended the assessment for tax year 2019 during 2023, raising a demand of Rs. 532,754 in respect of the said disallowances, against which the Company had paid Rs. 400,000 under protest. In light of the aforementioned judgment of the SCP, which is final and without recourse, the Company has recorded a prior year tax provision amounting to Rs. 975,000 during the period which pertains to the minimum turnover tax adjusted in TY 2019.
- The aggregate facilities for issuance of performance guarantees by the banks on behalf of the Company as at September 30, 2025 amounts to Rs. 10,221,500 (December 31, 2024: Rs. 9,346,000). The amount utilised thereagainst as at September 30, 2025 is Rs. 8,833,766 (December 31, 2024: Rs. 7,831,507).
- The facility for opening letter of credits as at September 30, 2025 aggregates to Rs. 43,500,000 (December 31, 2024: Rs. Rs. 42,085,500). The amount utlised thereagainst as at September 30, 2025 is Rs. 12,056,016 (December 31, 2024: Rs. 15,843,340).

16.5 Commitments in respect of rentals of storage tanks at EVTL for the handling of (i) Ethylene aggregating to USD 1,548 (December 31, 2024: USD 3,870) are valid till March 31, 2026, (ii) Ethylene Di Chloride (EDC) aggregating to USD 1,807 (December 31, 2024: USD 2,224) are valid till December 31, 2028 and (iii) Vinyl Chloride Monomer (VCM) aggregating to USD 152 (December 31, 2024: USD 644) are valid till December 31, 2025.

		Unaudited September 30, 2025	Audited December 31, 2024
		Rup	ees
16.6	Commitments in respect of expenditure of capital capital and other operational items	5,495,407	6,035,471

17. LOSS PER SHARE - BASIC AND DILUTED

- 17.1 Basic loss per share has been calculated by dividing the loss attributable to ordinary share holders of the Company by weighted average number of ordinary shares in issue during the period.
- Diluted earnings per share presents the effect of conversion of potential ordinary shares (preference shares) where it leads to decrease in earnings per share or increase in loss per share.

		Unaudited September 30, 2025	Unaudited September 30, 2024
		Rup	
18.	CASH GENERATED FROM OPERATIONS		
	Loss before income tax	(2,569,182)	(3,557,678)
	Adjustments for non cash-charges and other items:		
	Staff retirement and other service benefits		74,287
	Depreciation:		
	- operating assets	2,027,448	2,450,087
	- right-of-use asset	345,359	345,542
	Amortisation of intangible assets	81,925	80,872
	Reversal of provision for slow moving stores and spares	<u>-</u>	(8,834)
	Write-off of slow moving stores and spares		13,170
	Write-off of stock-in-trade	•	3,272
	Unrealised foreign exchange (gain) / loss on		
	financial assets and liabilities	167,352	(92,960)
	Income on financial assets	(455,973)	(793,942)
	Finance costs	4,420,116	5,752,253
	Provision for off-the-grid levy - note 15.2	1,293,772	-
	Provision for impairment against:		
	- long-term investment	50,000	-
	- loan to subsidiary company	67,400	
	Gain on disposal of:		
	- operating assets	(7,923)	(15,462)
	- right-of-use asset	(7,033)	
	Write-off of operating assets		2,161
	Minimum tax differential	3,576	
	Final tax	(45,711)	52,835
	Working capital changes - note 18.1	4,672,298	4,724,936
		10,043,424	9,030,539

		Unaudited September 30, 2025	Unaudited September 30, 2024
		Rup	ees
18.1	WORKING CAPITAL CHANGES		
	(Increase) / Decrease in current assets		
	Stores, spares and loose tools	118,743	(869,280)
	Stock-in-trade	4,817,111	96,445
	Trade debts	(263,212)	206,536
	Loans, advances, deposits, prepayments and		
	other receivables - net	(536,872)	(1,123,859)
		4,135,770	(1,690,158)
	Increase in current liabilities		
	Trade and other payables	536,528	6,415,094
		4,672,298	4,724,936
19.	CASH AND CASH EQUIVALENTS		
	Short-term investments	160,197	660,034
	Cash and bank balances	6,567,675	2,925,449
	Running finances	(2,691,100)	(14,419,650)
		4,036,772	(10,834,167)
20.	SEGMENT INFORMATION	,	

20.1 The basis of segmentation and reportable segments presented in these unconsolidated condensed interim financial statements are same as disclosed in the annual financial statements of the Company for the year ended December 31, 2024.

						(Restated)				
		September	r 30, 2025 (Una	udited)			September	30, 2024 (Una	audited)	
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Unallocated	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power supply	Unallocated	Total
	CHECK!	YE I'M			Ru	oees	ar, tilar			
Revenue from contract with customers - net										
- At a point	46,149,387	10,486,849			56,636,236	43,550,314	10,725,519	1	1.144	54,275,833
- Over time			442,682	<u>— 48.,</u>	442,682			164,225		164,225
	46,149,387	10,486,849	442,682		57,078,918	43,550,314	10,725,519	164,225		54,440,058
Less:										
Cost of sales	(44,291,018)	(8,233,857)	(397,467)		(52,922,342)	(43,062,175)	(7,644,132)	(136,718)		(50,843,025)
Distribution and marketing expenses	(227,893)	(258,475)	(773)		(487,141)	(282,656)	(198,240)	(464)	G PR	(481,360)
Administrative expenses	(1,355,668)	(308,058)	(13,004)	1.0	(1,676,730)	(1,385,773)	(341,300)	(5,226)	7.4	(1,732,299)
Other expenses	(631,179)	(116,750)	(4,928)		(752,857)	(89,791)	(22,114)	(339)		(112,244)
Other income	97,822	343,616	876	126,637	568,951	610,903	81,087	1,242	283,048	976,280
Finance costs	(3,573,747)	(812,088)	(34,281)		(4,420,116)	(4,601,620)	(1,133,281)	(17,352)		(5,752,253)
Final tax and income tax	(179,224)	(40,726)	(1,719)	(492)	(222,161)	1,866,939	(112,824)	(1,728)	- 4	1,752,387
(Loss) / profit for the period	(4,011,520)	1,060,511	(8,614)	126,145	(2,833,478)	(3,223,769)	1,465,970	5,343	283,048	(1,752,456)
		September	r 30, 2025 (Una	udited)		December 31, 2024 (Audited)		ıdited)		
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Unallocated	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power	Unallocated	Total
Comment access					Ru	oees				
Segment assets Total segment assets	62,036,488	30,507,247	303,712	6,727,872	99,575,319	65,815,546	28,413,016	56,499	4,786,196	99,071,257

- 20.2 Segment assets consist primarily of property, plant and equipment, stores and spares, stock in trade, trade debts and long-term investments..
- As detailed in notes 7.3 and 10.2.1, the Company has recognised impairment losses aggregating to Rs. 117,400 which is attributable to the PVC and allied chemicals segment.

21. TRANSACTIONS WITH RELATED PARTIES

21.1 Transactions with related parties, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

		Unaudited September 30, 2025	Unaudited September 30, 2024
		Rup	
Nature of relationship	Nature of transactions		
Holding Company			
	Reimbursement made	1,093,459	1,135,896
	Reimbursement received	116,333	20,590
	Subordinated loan disbursed by		
	the Holding Company	1,000,000	1,500,000
	Subordinated loan repaid to		
	the Holding Company	1,000,000	1,500,000
	Mark-up on subordinated loan	6,415	12,190
	Dividend paid		510,733
Subsidiary Companies			
	Investment made	6,000,000	2.0
	Reimbursement received	398,241	104,297
	Reimbursement made	13,413	
	Sales of utilities	327,047	4 12
	Sale of goods	365	
	Subordinated loan made to	000	
	the Subsidiary Companies	1,894,150	2,796,800
	Subordinated loan repaid by	1,001,100	2,700,000
	the Subsidiary Companies	6,285,000	
	Mark-up on subordinated loan	329,336	487,735
Associated Companies			
	Dividend paid	Asiati	100,054
	Sales of utilities	162,533	164,225
	Sales of goods	4,232,832	7,097,853
	Purchase of services	1,176,594	1,289,364
	Purchase of goods	21,912,702	25,278,346
	Reimbursement made	231,936	372,971
	Reimbursement received	304,212	139,317
	Sale of tax loss	1,375,426	1111
Directors	Fee	6,650	14,555
	Dividend paid		6
Contribution to staff retirement benefits	Managed and operated by the Holding Company		
	- Provident fund	105,735	101,642
	- Gratuity fund	87,993	74,530
	- Pension fund		1,394
Key management personnel	Managerial remuneration	117,901	121,316
	Retirement benefit funds	17,979	19,280
	Bonus	57,663	48,799
	Other benefits	31,745	42,020
	Caron Donomo	31,743	12,020

22. FINANCIAL RISK MANAGEMENT

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 during the period, consequently these unconsolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

23. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. As at September 30, 2025, the carrying values of all financial assets and liabilities reflected in the unconsolidated condensed interim financial statements approximate to their fair values.

24. CORRESPONDING FIGURES

- 24.1 In order to comply with the requirements of International Accounting Standard 34 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas the unconsolidated condensed interim statement of profit or loss and other comprehensive income, the unconsolidated condensed interim statement of changes in equity and the unconsolidated condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.
- 24.2 Corresponding figures have been rearranged and reclassified for better presentation, wherever, considered necessary. The material reclassification made during the period are as follows:

Description	Reclassified		Audited
	from	to	December 31, 2024 Rupees
Goods in tansit	Stock-in-trade - Raw and packing materials	Stock-in-trade - Finished goods	193,869

25. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 21, 2025 by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

اینگرو پالیمر اینڈ کیمیکازلمیٹڈ ڈائر کیٹرز کا جائزہ برائے شیئر ہولڈرز غیرآ ڈٹشدہ مشتر کہ مالیاتی گوشوارے برائے 9 ماہ ختم شدہ 30 ستبر 2025

ایگردیائیراید کیمیکزلیند (مسمین) کے بورد آف ڈائر کیٹرزی جانب، م 30 متبر 2025 کوختم و فرالے والے کا مک لئے فیرآؤٹ شد دالیاتی سانی چیش کرے ہیں۔

كاروبارى جائزه

مقال PVC مارکیٹ میں اشتخام رہا۔ یہ مارکیٹ میں استخام رہا۔ یہ مارکیٹ میں استخام رہائے ان اور افر اطوار میں کی ہے مکن ہوگی۔ نیتے بیمی پائپ وفنگل ورپر وفائلز کی طاب میں اضافہ ورکھا گیا۔ ای طوری، مین کا PVC فروخت بھی متخام موں معالم کا سند کشم او لائی میں کی اورستی ورآ ہمات میں اضافہ اول ایسے میں اسٹر حنجگ پر افسکل کی اور اسکون کے دوخت بھی متخام موں معالم کا سند کھی ہوگی میں کی اورستی ورآ ہمات میں اضافہ اول ایسے میں اسٹر حنجگ پر افسکل کی اور اسکون کی اور سکون کی کھیا۔

بائیڈروجن پرآ کسائیڈ کی عالی مارکیٹ بھی ٹی اضانی سپائی کار بخان رہا ہے اور ٹیکٹ کا گریکٹرز میں طلب کروروئل یے جنوبی ایٹیا میں اضافی بیداواری صلاحت کے باعث ٹینٹیں کم کھی پر بیس میں تک اوروکٹ کا مشکاروں کا کھی کا مشکاروں کا کھی کہ کوئیر کروں کا مصرف کا کھی دور کھی ہے، جس میں ٹیکٹ کا کسکروکن ٹولیٹ میں میں تک بادروں کے باقد ہور کیٹن نے اپنی مارکیٹ پوزیشن مضوط کرنے پونوجر مرکوزر کی ہے، جس میں ٹیکٹ کاکسکروکن ٹولیٹ سے مدید میں میں تک بادروں کو کہت کی اور کیٹ کے اپنی مارکیٹ پوزیشن مضوط کرنے پونوجر مرکوزر کی ہے، جس میں ٹیکٹ کاکسکروکن ٹولیٹ سے مدید کرنے ہوئی کا مشکار رہا تھا کی بیداوار میں اضافہ مشال کے مقال میں کا مسال کے اسال کے اس کے مسال کی مسال کی مسال کی مسال کے مسال کی مسال کے مسال کی مسال کے مسال کی مسال کی مسال کی مسال کی مسال کی مسال کے مسال کے مسال کی مسال کی مسال کے مسال کی مسال کی مسال کے مسال کی مسال کی مسال کی مسال کے مسال کی مسال کردیں کی مسال کی مسال کی مسال کے مسال کی مسال کر مسال کو مسال کی مسال کو مسال کی مسال

مستقبل برنظر

مستقبل قریب میں PVC کی قینوں کا متحکم تا کرورد بخان افتیار کرنے کی تو تع ہے کیوکدئی بیداداری سائعیتی مسلس بر درجی ہیں۔ دوسری طرف، استحاکمین کی قینیس کرور دینے کو قع ہے کیوکد کی درنیابی میں بہتری اور فیڈ اسٹاک لاگٹ میں کی متوقع ہے نیجاً الاگٹ میں گذرے دیلیف اور منافع کے خیاری ارجی گوفتر ہے گئی۔

سیخی کی فتہ پیخوظ اور پائٹدار آپیشنز ما گھت کی بہتری اور کلورو یکا کی چین میں سافع کے طویل مدتی دباؤ کوموڑ انداز میں کم کرنے پر ہے گی سنز بدرا کس کہنی مکوست پاکستان کے ساتھ سلسل را بیطے میں ہے تاکہ سمانتی ماحول کوفروغ و یاجائے اور سنعت کی بائد ہو کہ کا میں انتخاب کے ۔ پائٹدار تی کوچین نابتا جا سکے۔

> عبدالقيوم حدة ما مكن مكثرة فليم

كرا جي: 21 كوبر 2025

کامران نشاط ڈائر یکٹر



Head Office

8th Floor, The Harbour Front Building, Marine Drive, Block 4, Clifton. Karachi-75600

UAN: +92-21-111-411-411 www.engropolymer.com

Plant

EZ/I/P-II-I, Eastern Zone, Bin Qasim, Karachi, Pakistan.

