engro holdings

August 21, 2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi

Dear Sir / Madam,

ANNOUNCEMENT OF FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2026 (CONSOLIDATED AND STANDALONE)

We would like to inform you that the Board of Directors of Engro Holdings Limited (the "Company") in their meeting held on Friday, August 21, 2026, at 2:00 pm (Pak Time) at Karachi, reviewed and approved the un-audited consolidated and standalone financial results of the Company for the half year ended June 30, 2026, and recommended the following:

(i) CASH DIVIDEND
Nil

(ii) BONUS SHARES
Nil

(iii) RIGHT SHARES
Nil

(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION
Nil

(v) ANY OTHER PRICE-SENSITIVE INFORMATION
Nil

FINANCIAL RESULTS

The un-audited financial results of the Company consisting of Consolidated and Standalone (1) Statement of Financial Position; (2) Statement of Profit or Loss Statement; (3) Statement of Other Comprehensive Income; (4) Statement of Changes in Equity and (5) Statement of Cash Flows along with (6) Directors' Report are annexed.

EXPLANATION TO THE CONSOLIDATED FINANCIAL RESULTS

a) The consolidated financial results for the prior period have been restated to conform with the accounting treatment adopted for the year ended December 31, 2025. The restatement of the comparative consolidated profit and loss account primarily reflects the derecognition, in the books of Deodar (Private) Limited ("DPL"), of lease equalization revenue of Rs. 986 million and other income relating to embedded derivative of Rs. 3,004 million, which were previously recognised during the half year ended June 30, 2025.

Engro Holdings Limited
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engro holdings

b) Further, during the current period, the Group completed the Purchase Price Allocation ("PPA") exercise in respect of the acquisition of DPL. IFRS 3 – Business Combinations provides the acquirer a measurement period of up to one year from the date of acquisition to finalise the acquisition-date fair values of the identifiable assets acquired and liabilities assumed including separately identifiable intangible assets. Initially, for the purpose of acquisition accounting, fair values of acquired net assets were determined on a provisional basis at the date of acquisition. Upon completion of the PPA exercise, the Group revised the fair values of net assets acquired and consequently, re-measured the amount of goodwill. In accordance with the requirements of IFRS 3, the effect of these adjustments have been taken from the date of acquisition, and the comparative figures have been restated accordingly.

c) As previously notified to the Pakistan Stock Exchange ("PSX") on May 23, 2025, August 28, 2025, October 30, 2025, February 27, 2026 and April 27, 2026, the Scheme of Arrangement for the amalgamation of Deodar (Private) Limited ("DPL") was sanctioned by the Islamabad High Court with an effective date of June 3, 2025. Accordingly, the consolidated financial results of the Group for the current period include the financial results of DPL for the entire six-month period, whereas the prior period included the financial results for only 28 days.

d) The prior period consolidated financial results for the half year ended June 30, 2025 included the impact of accounting adjustments arising from the termination of Share Purchase Agreement relating to the thermal energy assets as disclosed to PSX on August 28, 2025. These adjustments included reversal of accounting impacts (previously recognized in the years 2023 and 2024) together with other related adjustments aggregating to Rs. 53,756 million (owners' share: Rs. 26,573 million) as the thermal energy assets became part of continuing operations. However, the current period consolidated financial statements for the half year ended June 30, 2026 do not include any comparable accounting adjustments.

The Quarterly Report of the Company for the half year ended June 30, 2026 will be transmitted through PUCARS separately, within the specified time and shall also be made available on our website www.engro.com.

Your sincerely,

For and on behalf of Engro Holdings Limited

MUHAMMAD AMIN
Company Secretary

Copied:
Director / HOD, Listing Companies Department, Supervision Division, SECP
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

(Amounts in thousand)

	Note	(Unaudited) June 30, 2026	Restated (Audited) December 31, 2025
		----Rupees----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	496,503,335	487,843,300
Right-of-use assets		25,007,418	26,180,797
Intangible assets and Goodwill		59,533,087	60,709,239
Long-term investments	6	47,448,706	48,202,409
Deferred taxation		738,968	1,534,786
Financial assets at amortized cost		2,208,392	5,220,538
Derivative financial instruments	7	1,558,941	-
Net investment in leases		33,345,940	38,629,208
Long-term loans, advances, deposits and other receivables		7,295,960	6,586,382
		673,640,747	674,906,659
CURRENT ASSETS			
Derivative financial instruments		-	16,859
Stores, spares and loose tools		15,924,144	15,049,658
Stock-in-trade	8	72,237,872	38,133,228
Trade debts		59,899,110	71,192,485
Loans, advances, deposits and prepayments	9	15,929,018	9,808,859
Other receivables		62,499,698	50,280,994
Accrued income		122,531	216,630
Contract assets		-	8,579,687
Current portion of net investment in leases		9,868,476	9,411,277
Taxes recoverable		37,035,170	27,180,530
Short-term investments		92,705,541	110,653,667
Cash and bank balances		34,485,213	35,592,668
		400,706,773	376,116,542
TOTAL ASSETS		**1,074,347,520**	**1,051,023,201**

(Amounts in thousand)	Note	(Unaudited) June 30, 2026	Restated (Audited) December 31, 2025
		---Rupees---	
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	11,862,206	12,042,320
Reserves			
Reserve arising as a consequence of Scheme of Arrangement		118,339,406	118,339,406
Capital repurchase reserve account	10.3	180,114	-
Revaluation reserve on business combination		1,665	1,665
Maintenance reserve		287,218	360,320
Exchange revaluation reserve		773,300	830,743
Hedging reserve		1,379,340	(162,743)
General reserve		700,000	700,000
Remeasurement of investments		140,285	223,816
Remeasurement of post-employment benefits		(37,886)	(37,886)
Unappropriated profit		84,881,264	72,321,717
		206,644,706	192,577,038
		218,506,912	204,619,358
Non-controlling interest		100,855,514	95,777,986
TOTAL EQUITY		319,362,426	300,397,344
LIABILITIES			
NON-CURRENT LIABILITIES			
Borrowings	11	254,452,743	234,355,320
Long-term payable	12	-	3,942,473
Government grant		927,598	1,097,127
Deferred taxation		19,969,369	22,456,393
Lease liabilities		52,796,219	58,730,321
Sindh Infrastructure Development Cess	13	3,302,662	-
Deferred liabilities		10,494,504	6,762,931
		341,943,095	327,344,565
CURRENT LIABILITIES			
Trade and other payables		203,469,061	259,598,264
Accrued interest / mark-up		3,844,436	4,321,709
Current portion of:			
- borrowings	11	45,086,440	42,607,440
- government grant		372,994	405,870
- lease liabilities		17,082,220	17,296,290
- deferred liabilities		247,345	102,437
Provisions	14	29,129,869	27,966,674
Refund liability - net		4,063,050	-
Minimum tax payable		4,940,464	3,594,672
Income taxes payable		9,382,747	11,558,302
Short-term borrowings	15	92,390,923	55,169,480
Unclaimed dividend		655,530	660,154
Dividend payable		2,376,920	-
		413,041,999	423,281,292
TOTAL LIABILITIES		754,985,094	750,625,857
CONTINGENCIES AND COMMITMENTS	16		
TOTAL EQUITY AND LIABILITIES		**1,074,347,520**	**1,051,023,201**

The annexed notes from 1 to 29 form an integral part of these consolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

Annexure A-2

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand except for earnings per share)

	Note	Quarter ended		Half year ended	
			Restated		Restated
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		---Rupees---			
CONTINUING OPERATIONS					
Revenue	17	127,293,469	146,010,153	259,264,074	247,258,162
Cost of revenue		(91,476,648)	(122,110,673)	(186,586,081)	(191,712,084)
Gross profit		35,816,821	23,899,480	72,677,993	55,546,078
Selling and distribution expenses		(3,676,604)	(2,499,193)	(6,698,162)	(5,856,463)
Administrative expenses		(4,576,087)	(9,740,043)	(8,457,878)	(13,212,002)
Other income		2,635,052	2,305,402	5,618,806	5,778,668
Other operating expenses		(793,198)	(2,107,087)	(1,686,023)	(3,111,226)
Gain on subsidy receivable from GoP		156,080	182,276	26,521	192,799
Remeasurement gain on provision for SIDC		3,152,789	-	3,152,789	-
Adjustment in respect of carrying value of thermal assets		-	43,887,730	-	35,757,730
Remeasurement gain on carrying value of thermal assets		-	24,099,000	-	24,099,000
Operating profit		32,714,853	80,027,565	64,634,046	99,194,584
Finance costs		(12,626,150)	(8,979,117)	(23,787,922)	(18,029,403)
Share of income from joint venture and associates		2,145,632	4,106,551	4,105,735	4,790,730
Profit before income tax, minimum tax and final tax		22,234,335	75,154,999	44,951,859	85,955,911
Levy- minimum tax and final tax		(3,166,339)	(1,390,179)	(6,134,700)	(2,473,170)
Profit before income tax		19,067,996	73,764,820	38,817,159	83,482,741
Income tax	18	(3,971,446)	(8,477,513)	(8,378,250)	(13,881,658)
Profit from continuing operations		15,096,550	65,287,307	30,438,909	69,601,083
DISCONTINUED OPERATIONS					
Loss from discontinued operations		-	-	-	(273,874)
Profit for the period		15,096,550	65,287,307	30,438,909	69,327,209
Profit attributable to:					
- Owners of the Holding Company		8,972,825	29,757,540	18,623,262	31,584,183
- Non-controlling interest		6,123,725	35,529,767	11,815,647	37,743,026
		15,096,550	65,287,307	30,438,909	69,327,209
Earnings / (Loss) per share - basic and diluted					
- continuing operations		7.47	24.71	15.48	26.46
- discontinued operations		-	-	-	(0.23)
	19	7.47	24.71	15.48	26.23

The annexed notes from 1 to 29 form an integral part of these consolidated condensed interim financial statements.

Farooq Barkat Ali
Chief Financial Officer

Abdul Samad Dawood
Chief Executive Officer

Muhammed Amin
Director

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Quarter ended		Half year ended	
		Restated		Restated
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	----------Rupees----------			
Profit for the period	15,096,550	65,287,307	30,438,909	69,327,209
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Gain / (loss) arising during the period on hedging reserves	(1,156,032)	(44,598)	1,542,083	(174,491)
Exchange differences on translation of foreign operations	(29,165)	75,243	(57,443)	122,926
(Loss) / gain on remeasurement of short-term investment classified at fair value through other comprehensive income	159,864	107,432	(159,345)	161,112
Items that will not be reclassified subsequently to profit or loss				
Gain / (loss) on remeasurement of long-term investments classified at fair value through other comprehensive income	112,646	1,083	75,814	(25,916)
Other comprehensive income / (loss) for the period, net of tax	(912,687)	139,160	1,401,109	83,631
Total comprehensive income for the period	14,183,863	65,426,467	31,840,018	69,410,840
Total comprehensive income attributable to:				
- Owners of the Holding Company	8,060,138	29,896,700	20,024,371	31,667,814
- Non-controlling interest	6,123,725	35,529,767	11,815,647	37,743,026
	14,183,863	65,426,467	31,840,018	69,410,840
Total comprehensive income attributable to:				
- continuing operations	14,183,863	65,426,467	31,840,018	69,684,714
- discontinued operations	-	-	-	(273,874)
	14,183,863	65,426,467	31,840,018	69,410,840

The annexed notes from 1 to 29 form an integral part of these consolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

Annexure A-4

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Attributable to Owners of the Holding Company																	
		Reserves																
		Capital reserves									Revenue reserves							
		Reserves arising as a consequence of Schemes of Arrangement																
	Share capital	Share premium	Acquisition reserve	Demerger reserve	Against transfer of distributable reserves	Sub-total	Capital repurchase reserve account	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Remeasurement of investments	Unappropriated profit	Remeasurement of post employment benefits	Sub-total	Non-controlling interest	Total
	Rupees																	
Balance as at January 1, 2025 (Audited)	4,812,871	-	-	-	-	-	-	1,665	390,074	832,468	46,486	700,000	36,812	67,258,071	(56,263)	69,209,313	158,096,795	232,118,979
Effects of Schemes of Arrangement (notes 1.2 and 1.7)	7,229,449	136,220,468	(53,817,783)	(10,063,279)	46,000,000	118,339,406	-	-	-	-	-	-	-	(46,000,000)	-	72,339,406	(89,632,134)	(10,063,279)
Total comprehensive income for half year ended June 30, 2025 - restated																		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	31,584,183	-	31,584,183	37,743,026	69,327,209
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-	122,926	(174,491)	-	135,196	-	-	83,631	-	83,631
	-	-	-	-	-	-	-	-	-	122,926	(174,491)	-	135,196	31,584,183	-	31,667,814	37,743,026	69,410,840
Adjustment for allocation of profit from owners to NCI preference dividend shares	-	-	-	-	-	-	-	-	-	-	-	-	-	(901,436)	-	(901,436)	901,436	-
Transactions with owners																		
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,316,312)	(13,316,312)
Transfer from unappropriated profit to maintenance reserve	-	-	-	-	-	-	-	-	(71,249)	-	-	-	-	71,249	-	-	-	-
Share issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,664)	-	(60,664)	-	(60,664)
	-	-	-	-	-		-	-	(71,249)	-	-	-	-	10,585	-	(60,664)	(13,316,312)	(13,376,976)
Balance as at June 30, 2025 (Unaudited) - restated	12,042,320	136,220,468	(53,817,783)	(10,063,279)	46,000,000	118,339,406	-	1,665	318,825	955,394	(128,005)	700,000	172,008	51,951,403	(56,263)	172,254,433	93,792,811	278,089,564
Total comprehensive income for the half year ended December 31, 2025 - restated																		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	21,359,038	-	21,359,038	13,655,006	35,014,044
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-	(124,651)	(34,738)	-	51,808	-	18,377	(89,204)	13,704	(75,500)
	-	-	-	-	-	-	-	-	-	(124,651)	(34,738)	-	51,808	21,359,038	18,377	21,269,834	13,668,710	34,938,544
Adjustment for allocation of profit from owners to NCI preference dividend shares	-	-	-	-	-	-	-	-	-	-	-	-	-	(947,229)	-	(947,229)	947,229	-
Transactions with owners																		
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,630,764)	(12,630,764)
Transfer from unappropriated profit to maintenance reserve	-	-	-	-	-	-	-	-	41,495	-	-	-	-	(41,495)	-	-	-	-
	-	-	-	-	-		-	-	41,495	-	-	-	-	(41,495)	-	-	(12,630,764)	(12,630,764)
Balance as at December 31, 2025 (Audited) - restated	12,042,320	136,220,468	(53,817,783)	(10,063,279)	46,000,000	118,339,406	-	1,665	360,320	830,743	(162,743)	700,000	223,816	72,321,717	(37,886)	192,577,038	95,777,986	300,397,344

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Attributable to Owners of the Holding Company																Non-controlling interest	Total
		Reserves																
		Capital reserves									Revenue reserves							
		Reserves arising as a consequence of Schemes of Arrangement																
	Share capital	Share premium	Acquisition reserve	Demerger reserve	Against transfer of distributable reserves	Sub-total	Capital repurchase reserve account	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Remeasurement of investments	Unappropriated profit	Remeasurement of post employment benefits	Sub-total		
	Rupees																	
Balance as at January 1, 2026 (Audited) - restated	12,042,320	136,220,468	(53,817,783)	(10,063,279)	46,000,000	118,339,406	-	1,665	360,320	830,743	(162,743)	700,000	223,816	72,321,717	(37,886)	192,577,038	95,777,986	300,397,344
Total comprehensive income for half year ended June 30, 2026																		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	18,623,262	-	18,623,262	11,815,647	30,438,909
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-	(57,443)	1,542,083	-	(83,531)	-	-	1,401,109	-	1,401,109
	-	-	-	-	-	-	-	-	-	(57,443)	1,542,083	-	(83,531)	18,623,262	-	20,024,371	11,815,647	31,840,018
Effect of partial disposal of shares held in subsidiary company (note 1.3)	-	-	-	-	-		-	-	(256,169)	-	-	-	-	135,296	-	(120,873)	1,620,873	1,500,000
Own shares purchased for cancellation (note 10.3)	(180,114)	-	-	-	-	-	180,114	-	-	-	-	-	-	(5,123,228)	-	(4,943,114)	-	(5,123,228)
Adjustment for allocation of profit from owners to NCI preference dividend shares	-	-	-	-	-	-	-	-	-	-	-	-	-	(892,716)	-	(892,716)	892,716	-
Transactions with owners																		
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,251,708)	(9,251,708)
Transfer from unappropriated profit to maintenance reserve									183,067					(183,067)		-	-	-
	-	-	-	-	-	-	-	-	183,067	-	-	-	-	(183,067)	-	-	(9,251,708)	(9,251,708)
Balance as at June 30, 2026 (Unaudited)	11,862,206	136,220,468	(53,817,783)	(10,063,279)	46,000,000	118,339,406	180,114	1,665	287,218	773,300	1,379,340	700,000	140,285	84,881,264	(37,886)	206,644,706	100,855,514	319,362,426

The annexed notes from 1 to 29 form an integral part of these consolidated condensed interim financial statements.

Farooq Barkat Ali
Chief Financial Officer

Abdul Samad Dawood
Chief Executive Officer

Muhammed Amin
Director

ENGRO HOLDINGS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Note	Half year ended June 30, 2026	Restated June 30, 2025
		----Rupees----	
Cash flows from operating activities			
Cash generated from operations	20	27,644,960	54,823,613
Retirement and other service benefits paid - net		(282,508)	(470,930)
Off-the-grid levy paid		(596,434)	-
Sindh Infrastructure Development Cess paid		(1,360,804)	-
Proceeds from net investment in leases		4,499,958	4,168,169
Finance income received on net investment in leases		2,519,355	3,013,035
Deferred income		171,107	244,068
Financial charges paid		(19,658,552)	(14,758,405)
Levy - minimum and final tax paid		(4,788,908)	(2,081,942)
Income taxes paid		(22,099,651)	(17,420,512)
Long-term loans and advances - net		(709,578)	353,629
Bank balance held under lien		(3,347,141)	(166,028)
Net cash (utilized in) / generated from operating activities		(18,008,196)	27,704,697
Cash flows from investing activities			
Capital expenditure incurred		(24,153,612)	(10,314,973)
Sale proceeds on disposal of property, plant and equipment		190,658	1,852,550
Sale proceeds on disposal of subsidiary		-	2,406,754
Payment to Pakistan Mobile Communications Limited (PMCL) against acquisition of Deodar (Private) Limited		(20,745,237)	-
Investments redeemed during the period - net		17,839,327	1,521,375
Income on deposits / other financial assets		5,246,300	5,621,022
Dividends received		4,921,487	1,418,941
Net cash generated from investing activities		(16,701,077)	2,505,669
Cash flows from financing activities			
Borrowings / deferred liabilities - net		51,188,177	32,558,180
Payment for own shares purchased for cancellation		(5,123,228)	-
Loan note paid to PMCL		(12,769,033)	(52,110,525)
Proceeds against partial disposal of subsidiary		1,500,000	-
Lease rentals paid		(6,968,881)	(5,062,095)
Finance cost paid on lease liability		(3,980,874)	(3,042,599)
Shares issuance costs paid during the period		-	(60,664)
Dividends paid		(6,879,412)	(8,721,412)
Net cash generated from / (utilized in) financing activities		16,966,749	(36,439,115)
Net (decrease) in cash and cash equivalents		(17,742,524)	(6,228,749)
Effect of exchange rate changes on cash and cash equivalents		(93,842)	315,023
Cash and cash equivalents at beginning of the period		62,907,427	42,389,173
Adjustment of initial application of amendment to IFRS 9 at beginning of the period		1,238,378	-
Cash and bank balances transferred to DHPL		-	(260,773)
Cash and bank balances acquired from DPL	1.7.1	-	2,046,794
Cash and cash equivalents at end of the period	21	46,309,439	38,261,468

The annexed notes from 1 to 29 form an integral part of these consolidated condensed interim financial statements.

Farooq Barkat Ali	Abdul Samad Dawood	Muhammed Amin
Chief Financial Officer	Chief Executive Officer	Director

ENGRO HOLDINGS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

(Amounts in thousand)

	Note	Unaudited June 30, 2026	Audited December 31, 2025
		-------Rupees-------	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		713	1,359
Long-term investments	3	166,758,844	166,758,844
		166,759,557	166,760,203
CURRENT ASSETS			
Advances and prepayments		31,731	43,980
Other receivables		18,438	13,731
Taxation - net		-	1,100
Short-term investments	4	1,074,763	226,178
Cash and bank balances		5,561	4,708
		1,130,493	289,697
TOTAL ASSETS		167,890,050	167,049,900
EQUITY			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	5	11,862,206	12,042,320
Reserves		155,931,023	154,909,014
TOTAL EQUITY		167,793,229	166,951,334
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		96,761	98,566
Accrued interest		55	-
Taxation - net		5	-
TOTAL LIABILITIES		96,821	98,566
TOTAL EQUITY AND LIABILITIES		167,890,050	167,049,900
CONTINGENCIES AND COMMITMENTS	6		

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

ENGRO HOLDINGS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand except for earnings per share)

	Note	Quarter ended		Half year ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		---Rupees---			
Dividend income		6,267,797	-	6,267,797	134,150
Other income		24,327	62	28,544	155
Total revenue		6,292,124	62	6,296,341	134,305
Administrative expenses	7	(182,968)	(40,379)	(297,118)	(67,386)
Gross profit / (loss)		6,109,156	(40,317)	5,999,223	66,919
Finance costs		(26,354)	(20)	(26,360)	(21)
Profit / (loss) before taxation		6,082,802	(40,337)	5,972,863	66,898
Taxation		(7,274)	-	(7,740)	-
Profit / (loss) for the period		6,075,528	(40,337)	5,965,123	66,898
Other comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		6,075,528	(40,337)	5,965,123	66,898
Earnings / (loss) per share - basic and diluted	8	5.06	(0.03)	4.96	0.06

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

ENGRO HOLDINGS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Share Capital	Reserves						
		Capital Reserves			Revenue reserves			
	Issued, subscribed and paid-up capital	Reserve arising as a consequence of Scheme of Arrangement					Sub-total	Total
		Share premium	Demerger reserve	Capital repurchase reserve account	General reserve	Unappropriated profit		
	----------Rupees----------							
Balance as at January 1, 2025 (Audited)	**4,812,871**	**-**	**-**	**-**	**700,000**	**27,859,335**	**28,559,335**	**33,372,206**
Total comprehensive income								
Profit for the period	-	-	-	-	-	66,898	66,898	66,898
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2025	-	-	-	-	-	66,898	66,898	66,898
Effect of Scheme of Arrangement (note 1.2)	7,229,449	136,220,468	(10,063,279)	-	-	-	126,157,189	133,386,638
Shares issuance costs	-	-	-	-	-	(60,664)	(60,664)	(60,664)
Balance as at June 30, 2025 (Unaudited)	**12,042,320**	**136,220,468**	**(10,063,279)**	**-**	**700,000**	**27,865,569**	**154,722,758**	**166,765,078**
Total comprehensive income								
Profit for the period	-	-	-	-	-	186,256	186,256	186,256
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended December 31, 2025	-	-	-	-	-	186,256	186,256	186,256
Balance as at December 31, 2025 (Audited)	**12,042,320**	**136,220,468**	**(10,063,279)**	**-**	**700,000**	**28,051,825**	**154,909,014**	**166,951,334**
Total comprehensive income								
Profit for the period	-	-	-	-	-	5,965,123	5,965,123	5,965,123
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2026	-	-	-	-	-	5,965,123	5,965,123	5,965,123
Own shares purchased for cancellation (note 5.2.1)	(180,114)	-	-	180,114	-	(5,123,228)	(4,943,114)	(5,123,228)
Balance as at June 30, 2026 (Unaudited)	**11,862,206**	**136,220,468**	**(10,063,279)**	**180,114**	**700,000**	**28,893,720**	**155,931,023**	**167,793,229**

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

ENGRO HOLDINGS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

(Amounts in thousand)

	Note	Half year ended June 30, 2026	Half year ended June 30, 2025
		------Rupees------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	9	(290,703)	(58,300)
Finance costs paid		(26,305)	(21)
Taxes paid		(6,635)	(20)
Income on deposits and other financial assets		28,506	155
Short-term investments - net		(848,547)	-
Dividends received		6,267,797	134,150
Net cash generated from operating activities		5,124,113	75,964
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(32)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for own shares purchased for cancellation		(5,123,228)	-
Shares issuance costs paid during the period		-	(60,664)
Net cash utilized in financing activities		(5,123,228)	(60,664)
Net increase in cash and cash equivalents		853	15,300
Cash and cash equivalents at the beginning of the period		4,708	260,773
Cash and bank balances transferred to DHPL	1.2	-	(260,773)
Cash and cash equivalents at the end of the period	10	5,561	15,300

The annexed notes 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Farooq Barkat Ali	**Abdul Samad Dawood**	**Muhammed Amin**
Chief Financial Officer	Chief Executive Officer	Director

Directors' Report for the half year ended June 30, 2026

The Directors of Engro Holdings Limited (the "Company") are pleased to present their report for the half year ended June 30, 2026.

The first half of 2026 was marked by heightened geopolitical uncertainty, with Middle East tensions disrupting energy markets and pushing oil prices above US$100 per barrel. While the April ceasefire provided temporary stability, renewed hostilities in July underscored the continued fragility of the global environment. Despite these challenges, Pakistan's economy remained resilient, with growth estimated at 3.7%, supported by stronger remittances, improving external balances and currency stability. Inflation rose amid higher energy costs, prompting the State Bank to raise the policy rate to 11.5% in April and maintain it thereafter.

The KSE-100 Index reflected this volatility, reaching record highs early in the year before correcting sharply and subsequently recovering following the ceasefire. The Federal Budget 2026 provided targeted relief through adjustments to super tax and minimum tax rates; however, the unchanged taxation of inter-corporate dividends continues to constrain efficient capital allocation and shareholder returns.

In periods such as these, uncertainty naturally commands attention. Yet, volatility often obscures a more important question: how effectively is capital being deployed over long periods of time? While external conditions influence outcomes in the short run, sustainable value creation ultimately depends on disciplined capital allocation, sound operating businesses, and the patience to allow compounding to work overtime.

Our Central Goal

Engro Holdings remains focused on disciplined stewardship of shareholder capital, with the objective of generating sustainable, compounding cashflows per share over the long term.

We do not measure success solely through earnings growth. Our aim is to continuously improve the quality, durability and resilience of the underlying cashflows generated by our portfolio while maintaining the flexibility to deploy capital into opportunities that offer attractive risk-adjusted returns.

This commitment remains grounded in Character and Good Manners (CGM), encompassing Truthfulness, Trustworthiness, Humility, Integrity, and Striving in Hardship (TTHIS). These principles continue to guide our decisions, relationships and responsibilities as stewards of shareholder capital.

Financial Performance

For the half year ended June 30, 2026, the Company reported consolidated profit after tax (PAT) of PKR 30,439 million (owners' share: PKR 18,623 million), compared to PKR 69,327 million (owners' share: PKR 31,584 million) in the corresponding period last year, translating into an EPS of PKR 15.48 versus PKR 26.23. Following is the business segment-wise breakdown of PAT:

	Consolidated PAT		Owners' Share	
	June 30, 2026	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Fertilizer	7,119	8,464	4,006	4,763
Polymer	1,628	(3,230)	915	(1,815)
Terminal	865	2,314	679	1,516
Power and mining	16,609	14,185	8,806	6,708
Connectivity and telecom	3,872	(2,699)	3,872	(2,699)
Trading	884	604	884	604
Other operations	19,299	11,251	19,299	11,251
Elimination - net	(19,836)	(9,918)	(19,836)	(9,918)
	30,439	**20,969**	**18,623**	**10,409**
One off Impacts	-	48,358	-	21,175
	30,439	**69,327**	**18,623**	**31,584**

One off Impacts represents prior period reversal of impairment recognized previously during 2023 and 2024 on our thermal energy assets (owners' share: PKR 26,573 million) partially offset by Deodar transaction cost (owners' share: PKR 5,398 million). Excluding these one-off impacts, owners' share PAT improved from PKR 10,409 million to PKR 18,623 million during the current period. The increase in core earnings is driven by full-period inclusion of Deodar and better performance of other group companies.

On a standalone basis, the Company reported a PAT of PKR 5,965 million, compared to a profit after tax (PAT) of PKR 67 million in the corresponding period last year, translating into an EPS of PKR 4.96 versus PKR 0.06. Consolidated cashflow per share remains the measure by which we ask to be judged. Standalone results move with the timing of upstream dividends and should not be read as a trend.

Our Assets

Fertilizers

Despite disruptions in the international fertilizer market, the domestic urea market remained resilient, underscoring the significance of Pakistan's domestic urea manufacturing capacity in ensuring food security and supply reliability. The industry demonstrated a year-on-year growth in offtake supported by favorable farm economics on the back of improved water availability. The business continued to operate under a comparatively higher gas cost structure, which required commercial discipline on pricing. Inventory levels increased during the period and remain an area to monitor. Margins continue to be influenced by input costs, particularly phosphates and packaging, and by the pace of offtake through the Rabi season.

In contrast, the global phosphate market remained under significant pressure, with DAP prices increasing sharply due to disruption in international trade flows, production curtailments at OCP in Morocco and the continuation of Chinese export restrictions. The elevated price environment adversely affected farmer affordability and moderated demand, particularly during the second quarter. Against this backdrop, the business ensured uninterrupted product availability through timely imports and adopted a cautious pricing approach to cushion the impact on farmers. The business also continues to engage proactively with industry stakeholders and the Government on potential policy interventions, including targeted subsidy mechanisms, aimed at improving fertilizer affordability and reinforcing Pakistan's long-term food security.

Polymers
The polymers business delivered a substantial improvement in profitability during the first half of the year. The recovery was driven primarily by improved PVC margins and higher HPO sales.

The business navigated a volatile global PVC and ethylene market environment during the period, with geopolitical developments resulting in supply disruptions and elevated prices. Market conditions subsequently stabilized, with pricing trends moderating towards the end of the period.

During the first quarter, Lotte Chemical Pakistan Limited expressed interest in acquiring Engro Corporation's shareholding in EPCL. Currently, we are in discussion with Lotte about this opportunity and will update the market as appropriate.

Telecom Infrastructure (Towers)
Engro's telecom infrastructure portfolio comprises over 15,000 tower sites, with focus on increasing colocation and maximizing utilization of the existing footprint. The tenancy ratio stood at 1.35x, with business returns primarily driven by adding tenancies on existing sites rather than only expanding the tower portfolio.

On the industry side, consolidation of passive infrastructure can improve pricing discipline and support higher average revenue per user (ARPU), enabling greater investment in network quality, coverage and capacity. While consolidation may result in some near-term network rationalization, it is expected to strengthen the sector's ability to invest over the longer term.

The rollout of 5G further reinforces the growth outlook for the business. Growing data consumption and demand for reliable, high-speed connectivity are expected to drive network densification, built to suit and colocation opportunities, higher power requirements and increased fibre connectivity. The business is well positioned to support customers in efficient network rollout, optimize utilization of existing infrastructure and lower the overall cost of network expansion.

The business remains committed to sustainability and energy efficiency initiatives, particularly through solarization of tower sites. Approximately 50% of Enfrashare's sites have been solarized, while Deodar solarized 1,000 sites during the last year. These initiatives improve energy resilience, reduce carbon emissions and support long term operating efficiencies.

Energy
The energy portfolio continues to generate stable cashflows, supported by strong collection trends and availability-based return.

Our assets are anchored in domestic resource utilization. The Thar value chain and Qadirpur power plant contribute to Pakistan's energy security by reducing reliance on imported fuels, an important advantage during a period of heightened geopolitical uncertainty and volatility in global energy markets.

The Phase III expansion at SECMC is progressing in line with plan and is expected to strengthen the long-term value proposition of the Thar ecosystem. At a system level, opportunities remain to improve utilization of existing generation capacity through the resolution of transmission bottlenecks and stimulating growth in electricity demand.

Terminals
The terminals portfolio continues to play an important role in Pakistan's energy infrastructure, supporting approximately 15% of the country's gas supply and facilitating the handling of essential energy products and industrial raw materials.

Profitability during the period was impacted by lower LNG imports, reduced terminal utilization and lower chemical handling volumes along with increased minimum tax rate on Engro Elengy. Throughput remains exposed to LNG supply patterns and lower cargo availability amid the prevailing regional geopolitical environment. If these conditions persist, infrastructure utilization may remain under pressure in the near to medium term, impacting Company's financial performance.

A significant milestone during the period was the renewal of Engro Vopak's Implementation Agreement for a further 30 years. The renewal provides a long-term framework for the continued operation of the terminal, which serves as an important component of Pakistan's port, energy and industrial infrastructure. The terminal supports the import and handling of products required by the country's energy and industrial sectors and contributes to continuity of supply for domestic businesses and consumers.

While near-term volumes may fluctuate with market conditions, the strategic relevance of these assets remains anchored in their role as critical infrastructure within Pakistan's broader energy ecosystem.

Trading
The trading business operated in a challenging environment characterized by geopolitical tensions, supply chain disruptions and commodity market volatility, resulting in constrained cargo availability across several product categories. Despite these challenges, the business delivered strong topline performance during the first half of the year, supported by higher trading volumes and improved margins across key product categories. The business remained focused on diversifying its product portfolio, broadening its sourcing channels and expanding market access, which supported growth.

Foods
The business recorded an improvement in profitability during the period, supported by growth in value-added products, pricing interventions across key brands, lower finance costs and continued efficiency gains across the value chain.

Pakistan's dairy sector remains one of the country's most significant consumer categories. However, consumer preference for loose milk, which is often perceived as fresher and of higher quality, continues to influence category dynamics and makes conversion to packaged milk gradual in nature. This challenge is further compounded by the sales tax differential between packaged and loose milk, which affects affordability and limits the competitiveness of the formal dairy sector. As a result, growth in packaged dairy remains dependent not only on consumer perception but also on creating a more level playing field for documented processors. In this regard, the business continues to engage with policymakers and advocate for a rationalized tax regime to support greater formalization, affordability and sustainable sector growth.

The business continues to focus on strengthening its value-added dairy portfolio, expanding distribution capabilities and improving market reach and penetration. While recent performance provides confidence that the strategic direction is delivering results, further progress will need to be supported by disciplined execution and sustained consumer adoption over the longer term.

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Capital Allocation

The Board has elected not to declare an interim cash dividend for the period ended June 30, 2026. Consistent with the capital allocation framework set out last quarter, which prioritises balance sheet strength, reinvestment in high-return internal opportunities, external growth, buybacks and dividends, capital was returned this period through repurchases rather than a cash dividend.

During the period, the Company commenced execution of the share buyback program approved by shareholders at the Annual General Meeting held on April 28, 2026. As of July 27, 2026, approximately 21.0 million shares had been repurchased at an average price of PKR 281.68 per share, representing approximately 47% of the approved buyback mandate.

We view the buyback as more than a means of returning capital. It provides the Company with flexibility to act when its shares trade meaningfully below their intrinsic value. In such periods, repurchasing our own shares enables us to increase each continuing shareholder's participation in the portfolio's future cashflows without requiring additional investment.

Business Outlook

The external environment remains influenced by a combination of geopolitical uncertainty, energy market volatility and evolving trade dynamics. While these factors may continue to influence demand, input costs and supply chains across parts of the portfolio, our businesses operate in sectors that serve essential needs across food, energy and infrastructure. In this environment, our focus remains on operational discipline, prudent capital allocation and preserving the long-term earning power of the portfolio. We believe that resilience is built not by predicting external events, but by maintaining flexibility and financial strength to navigate them.

Fertilizers: Domestic urea demand is expected to remain robust, supported by favourable crop prospects ahead of the upcoming Rabi season, barring any weather-related disruption. The business remains committed to adequate product supply of urea and phosphate to meet market requirements, while margins remain sensitive to cost pressures and DAP prices.

Polymers: While PVC and ethylene prices have stabilized following the volatility experienced during the first half of the year, market conditions remain challenging due to regional oversupply and continued pressure from Chinese exports. Further pressure on profitability will arise from expensive feedstock procured during the period of heightened conflict-related supply disruption.

Towers: The Company will continue to build on its strong foundation through disciplined growth, high network availability and consistent service standards. Focus will remain on maximizing utilization of the existing tower footprint, while unlocking further efficiencies through integration and digital initiatives, while maintaining disciplined capital allocation and supporting the expansion of digital connectivity across Pakistan.

Energy: The energy portfolio is expected to remain stable, supported by strong collection trends and the continued utilization of domestic energy resources. The Phase III expansion at SECMC remains on track and is expected to further strengthen the Thar value chain while supporting Pakistan's long-term energy security. Our focus remains on maintaining operational reliability, disciplined cost management and navigating ongoing regulatory and sector developments.

Terminals: Near-term revenue performance could be affected by interruptions to LNG cargo supply and conflict-related force majeure scenarios in the Middle East, resulting in weaker throughput and underutilization of terminal capacity.

Trading: The trading business will continue to operate in an environment shaped by commodity market volatility, supply availability and changing trade flows. The focus remains on diversifying products, suppliers and geographic exposure, while maintaining disciplined risk management and capital efficiency. While these initiatives are expected to support resilience, cargo availability constraints, price-driven demand pressures and ongoing supply chain disruptions may impact the business moving forward.

Foods: Demand is expected to remain sensitive to consumer purchasing power and affordability. Consumer preference for loose milk, coupled with the sales tax differential between packaged and loose milk, continues to influence category dynamics and formal market growth. The business remains focused on expanding value-added products, improving efficiency and increasing market penetration.

Closing

Our portfolio remains aligned with long-term demand across food, energy, infrastructure and industrial development. While external conditions will continue to evolve, our objective remains unchanged: to increase sustainable cashflow per share through disciplined capital allocation and thoughtful stewardship of shareholder capital.

We remain committed to strengthening the quality and resilience of our portfolio and maintaining financial flexibility. We do not promise the absence of mistakes but we do commit to honest accountability, disciplined learning, and allocating capital where it creates the greatest long-term value per share. We thank our shareholders for their continued trust and support as we work towards building a stronger enterprise capable of compounding value over time.

Hussain Dawood
Chairman

Abdul Samad Dawood
Chief Executive Officer

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