Engro Holdings Limited

Corporate Briefing – Q3 2026



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Company Profile: Click here

Agenda



1 Group Overview



2 Pakistan Economy



3 Financial Highlights

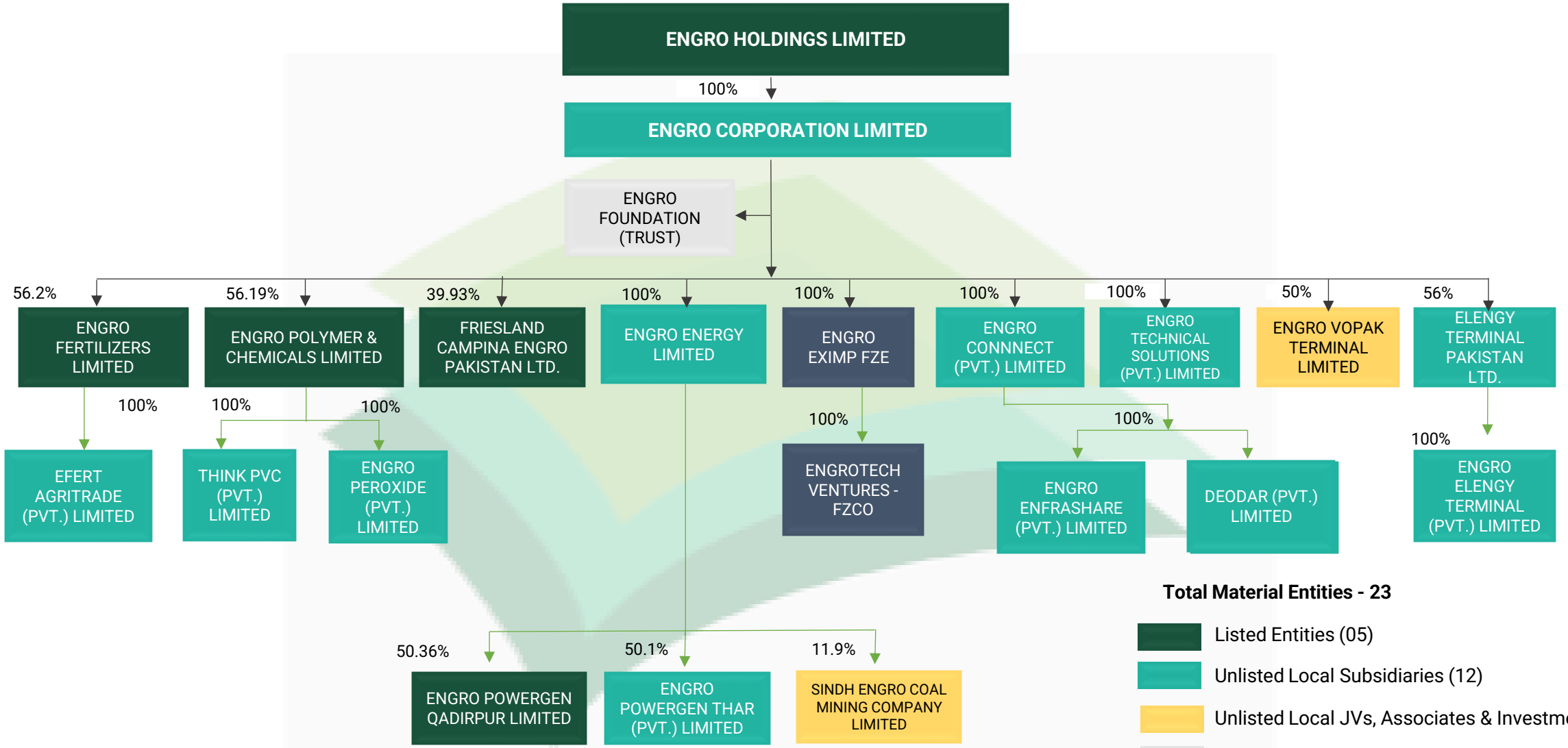


4 Awards & Sustainability



5 Q&A Session

Key Companies and Legal Entities within Engro Holdings Limited



Total Material Entities - 23

- Listed Entities (05)
- Unlisted Local Subsidiaries (12)
- Unlisted Local JVs, Associates & Investments (02)
- Trust / Foundation / Non-Profit Companies (01)
- International Unlisted Subsidiaries (03)

Macroeconomic Progress Sustains Momentum Under Fiscal Discipline

Economic environment demonstrated continued resilience amid global volatility in 2026

- Pakistan's **real GDP grew by ~3.65%** in FY2026, short of the government's ~4.2% target; Q4 slowed to 2.0%
- Policy rate remained unchanged at 11.5% in Q3 2026, raised by **50 bps to 12%** on Oct 26, first hike since April amid renewed inflationary pressure
- IMF staff-level agreement **reached on 8 Oct 2026** on the 4th EFF / 3rd RSF review, paving the way for ~US$1.2bn
- Inflation eased to 10.3% in September from 11.1% in August. Average inflation reached 10.2% in Q1 FY2027.
- **US–Iran attacks renewed in Q3**, disrupting the Strait of Hormuz and adding Houthis tensions in the Red Sea, with Brent crossing US$100
- SBP FX reserves **at ~US$21.5bn** (total ~US$26.9bn) as of 9 Oct 2026, incl. US$3bn Eurobond

Outlook — Economic trajectory reflects cautious optimism amid external risks

- IMF projects FY2027 **GDP growth at ~3.5%,** while SBP's target is in the range 3.5%-4.5%, indicating moderate but stable recovery momentum.
- **Easing unlikely** in the near term amid elevated inflation and energy prices, with the next MPC on 14 Dec 2026
- IMF Board approval expected **~late Nov 2026**, unlocking ~US$1.2bn and lifting total disbursements to ~US$5.7bn
- IMF sees FY2027 inflation **averaging ~9.9%** (govt: 8.2%); SBP is targeting medium-term inflation of 5 – 7%
- **Economic stability hinges** on Middle East de-escalation, including Hormuz reopening and lower oil prices
- **Reserve rebuilding to continue** via remittances, Eurobonds and IMF disbursements; SBP targets ~3 months of import cover by June 2027

Operating Segments: Products and Services/ Geographical Areas/ Owner's Share PAT

	Fertilizers	Polymer	Terminal	Power and Mining	Connectivity and Telecom	Trading	Others
Products and Services	Manufactures and markets fertilizers, along with agronomic support services for farmers.	Produces and markets PVC, VCM, Caustic soda and related chemical products.	Operates and maintains liquid chemical terminal and storage farm, and LNG terminal.	Generates and sell power. Also includes investments made in coal mining business.	Buys, builds, maintains and operates telecommunications infrastructure and ancillary products and services.	Engaged in trading of commodities.	Foods, dairy, technical solutions and holding companies net of eliminations.
Geographical Areas	Pakistan	Pakistan and internationally	Pakistan	Pakistan	Pakistan	Pakistan and internationally	Pakistan
Owner's Share PAT 2026 (PKR mn)	↑ 9,140	↑ 176	↓ 1,094	↑ 13,049	↑ 5,758	↑ 1,426	-1,552
Restated Owner's Share PAT 2025 (PKR mn)	8,032	-1,940	1,625	10,229	2,280*	1,220	-20

**This excludes one-off impact of restatement primarily reflecting the derecognition with respect to embedded derivatives and lease equalization revenue amounting to PKR 3,990 million.*

Total Owner's Share PAT (excluding one-offs)
PKR 29,092 mn
vs PKR 21,427 mn LY

Engro Holdings: Financial Highlights – YTD September 2026

Consolidated Financial Highlights

Statutory Results

Revenue	Profitability Consolidated	Profitability Owners' share	EPS
PKR **426**** bn ⬆	PKR **48.4** bn ⬆	PKR **29.1** bn ⬆	PKR **24.33** ⬆
Vs 371** bn LY	vs 38.2 bn LY*	Vs 21.4 bn LY*	Vs 17.79 LY*

***Excluding discontinued operations*

Standalone Financial Highlights

Dividend Income	Profitability	EPS
PKR **9,772** mn ⬆	PKR **9,347** mn ⬆	PKR **7.82** ⬆
vs 537 mn LY	vs 370 mn LY	PKR. 0.31 LY

Highlights

Owners' Share

Owner's share profitability improved due to:

- Inclusion of financial results of Deodar for the entire period in CY vs 4 months LY
- Better performance of group companies like:
  - EPCL because of higher PVC margins and increase in other income due to remeasurement gain on SIDC
  - EFERT because of higher urea sales and remeasurement gain on SIDC
- Improved performance of SECMC due to MYT adjustments and Pre-COD sales

Partially netted off by:

- Lower profitability of terminal business amid geopolitical disruptions

Standalone

Higher profitability mainly due to higher dividend income from Engro Corp related to share buyback.

**LY numbers are excluding one-off impacts*

Engro Holdings: Financial Position Overview September 2026 vs December 2025

Balance Sheet Overview



Total Assets

PKR **1,112,659** MN
vs 1,051,023 MN LY

Total Assets increased primarily due to increase in Stock in Trade due to higher Urea inventory



Total Liabilities

PKR **782,281** MN
vs 750,626 MN LY

Total Liabilities increase pertains to increase in borrowings of EFERT, ECORP and Connect, partially offset by decrease in Other Payables due to payment to PMCL



Total Equity

PKR **330,379** MN
vs 300,397 MN LY

Total Equity increase mainly attributable to the increase in **profitability** partially netted off with dividends to NCIs and cancellation of own shares due to buy back.

Portfolio Performance – Fertilizers & Connectivity

Company	KPI			Highlights
Engro Fertilizers Limited 	Revenue PKR.	150 bn	135 bn vs LY	• The improvement in profitability was mainly driven by higher urea margins following the rollback of discounts / subsequent price increases and remeasurement gain on SIDC, which offsets higher input costs due to regional conflict.
	Profitability PKR.	16 bn	14 bn vs LY	**Outlook**
	Urea Volumes (KT)	1,248 KT	1,280 KT vs LY	• Demand is expected to remain healthy during the Rabi season, supported by wheat cultivation and potential wheat support prices. • DAP prices are expected to marginally ease during the off-season, while elevated sulphur costs and continued disruption around the Strait of Hormuz are likely to keep fertilizer markets volatile.
Connectivity 	Revenue	62 bn	vs. 31 bn LY	• Leading the ITC market in Pakistan with over 15,000 sites and a tenancy ratio above 1.35x. • Significant opportunity to increase colocation across the existing footprint, supporting profitable growth with limited incremental capital investment.
	Profitability PKR.	5.8 bn	vs. 2.3 bn LY*	**Outlook**
	Site Count	15,418	15,078 vs LY	• Continue to increase colocation and maximize utilization of the existing footprint while supporting sector consolidation opportunities. • Support growing demand for 5G and fiber connectivity through ongoing investment in digitalization, predictive maintenance and energy efficiency initiatives.

**excluding one-off impact*

Portfolio Performance – Energy & Polymers

Company	KPI		Highlights
Engro Energy Limited	Revenue PKR.	94 bn 92 bn vs LY	• Stable earnings supported by healthy collections and availability-based returns across the portfolio. • EPTL continues to benefit from its position as one of Pakistan's lowest-cost thermal baseload producers. EPQL operated at a higher load factor at 47% vs 41% SPLY due to higher grid demand. • SECMC commenced Phase III expansion, increasing mine capacity to 11.2 million tons and supporting the long-term growth of the Thar ecosystem.
	Profitability PKR.	24.6 bn 21.6 bn vs LY*	
	Dispatch GWH	3,607 vs 3,359 LY	
Engro Polymers Limited	Revenue PKR.	65 bn 58 bn vs LY	• Improved profitability supported by higher PVC sales volumes, with unprecedented sales recorded in Q3. • Revision in the captive gas levy formula provided cost relief and supported margins. • Hydrogen Peroxide achieved highest monthly sales in Q3, benefiting from supply constraints in Bangladesh and stronger local pricing.
	Profitability PKR.	0.3 bn -3.5 bn vs LY	
	PVC Domestic Sales	182 KT vs. 174 KT LY	**Outlook** • Lower PVC prices and feedstock supply disruptions remain key risks. • Import pressure from Bangladesh is expected to continue weighing on HPO commercials. • Focus on cost optimization and reducing dependence on gas through alternative energy initiatives.





*excluding one-off impact

Portfolio Performance – Terminals & Trading

Company	KPI		Highlights
Engro Elengy & Vopak	Revenue PKR.	11.0 bn 14.6 bn vs LY	• Profitability was impacted by lower LNG imports and reduced terminal throughput amid regional geopolitical disruptions. • EVTL's Implementation Agreement was renewed for a further 30 years, providing long-term operating certainty and supporting future growth opportunities. **Outlook** • Throughput and profitability remain dependent on LNG / LPG / chemicals import volumes, cargo availability and regional geopolitical developments.
	Profitability PKR.	1.6 bn 2.3 bn vs LY	
	Chemical handled	770 KT vs -14% LY	
	LPG Market Share (adj.)	57% vs. 71% LY	
Engro Eximp FZE	Revenue (USD Mn)	$548 mn[1] 19% vs LY	• Strong profitability driven by higher trading volumes and improved margins. • Resilient performance despite supply chain disruptions and geopolitical volatility. **Outlook** • Commodity market volatility and supply availability remain key factors influencing performance. • Focus on expanding product offerings, supplier relationships and market presence across geographies.
	Profitability (USD Mn)	$5.1 mn 19% vs LY	
	Total trade Volume (KT)	668 KT Vs 637 KT LY	





[1] Includes captive revenue of $264 mn

Portfolio Performance – Foods

Company	KPI		Highlights
Friesland Campina Engro	Revenue PKR.	88 bn 80 bn vs LY ↑	• Strong profitability driven by favorable portfolio mix, growth in value-added products, in-market execution and efficiency initiatives across sourcing and manufacturing.
	Profitability PKR.	6.5 bn 2.1 bn vs. LY ↑	**Outlook** • Near-term demand may remain subdued amid pressured consumer purchasing power. • Continued advocacy for equitable taxation of UHT milk to improve affordability and formal sector growth.



Recognitions: Engro Group's Commitment to Excellence resonates Globally

FinanceAsia Best Managed Companies Awards 2026
ENGROH: Gold for ESG, Silver for Best Managed Company (Conglomerates), and Bronze for DEI

International Safety Award 2026
EFERT, EPQL, EPTL and SECMC received distinction by the British Safety Council for safety excellence.

OICCI Climate Excellence awards 2026
EPCL, EVTL and EPTL Recognized for leadership in biodiversity, climate action, and sustainability.

RoSPA Gold Award 2026
Awarded to EFERT, EPQL and EPTL for commitment to safety and protecting lives.

GDEIB Awards 2026
EFERT, EVTL Recognized for advancing diversity, equity, inclusion and workplace culture.

Dragons of Pakistan Awards 2026
EFERT received the Silver and Black Dragon awards for excellence in public relations and business & trade marketing.

Pakistan Digital Awards 2026
EPCL, EVTL, Connect, SECMC Recognized for innovation in AI, machine learning, and digital transformation.

PBC-IFC Gender Diversity Awards 2026
EPCL, EFERT, ECORP and EVTL were recognized for their efforts to advance inclusion, diversity and equitable opportunities in the workplace.

UN GCNP Sustainability Awards 2026
Multiple awards and recognitions received for sustainability excellence and responsible business practices across Engro companies.

Effie Pakistan Awards 2026
EFERT secured Bronze in Influencer Marketing for Engro Kahaniyan & Engro Shandaar Kissan

Sustainability Initiatives (1/2)

Environment



Water Conservation



Biodiversity Preservation & Nature-based Solutions



Energy Efficiency & Emissions Reduction



Waste Management

Social



Agriculture & Food Security



Education & Skills Development



Livelihood & Capacity Building



Healthcare Services & Infrastructure

Governance



Ethics & Compliance



Policies



Sustainability & Climate Risk Assessments



Sustainability Strategy & Targets

Our People & Business



Employee Wellbeing & Benefits



Health & Safety



Diversity, Equity & Inclusion



Digitalisation & Technology

Click on these links for details: Sustainability Report and Website

Sustainability Initiatives (2/2)

As a diversified holding company, we are committed to responsible capital allocation and portfolio resilience while contributing to food and energy security, industrial development, critical infrastructure, and digital connectivity to support economic growth and societal well-being

PLANET

We manage our environmental footprint through:

- **Energy efficiency and Emissions reduction projects** (e.g. feed gas enrichment unit at EFERT)
  - **Renewable energy projects** (e.g. solar energy for telecom towers)
- **Water conservation** (e.g. effluent treatment plants at plant sites and cooling tower optimization at EPCL)
- **Waste management** (e.g. responsible disposal)
- **Biodiversity conservation** (e.g. Indus river dolphin conservation)
- **Nature based solution** (e.g. mangrove forest restoration)

PEOPLE

Our employees are our key resource that we empower through:

- **Employee wellbeing programs and benefits**
- **Learning and development opportunities** (e.g. leadership development and functional trainings)
- **Talent and culture** (e.g. talent development program)
- **DE&I initiatives** (e.g. RISE series - a leadership development initiative for Engro women)
- **Health and safety** (e.g. robust HSE systems, implementation of Risk based assessment (RBA))

COMMUNITY DEVELOPMENT

We strive for inclusive growth and prosperity by deploying philanthropic capital through Engro Foundation for:

- **Education and skills development**
- **Livelihood programs**
- **Health facilities and infrastructure**
- **Value chain projects** (e.g. farmer trainings)

PRINCIPLES OF GOVERNANCE

We manage robust governance through:

- **Board oversight and management committees**
- **Sustainability & Climate related risk assessments, strategy, metrics and targets**
- **Focus on ethics and compliance, and character and good manners (CGM)**
- **Robust systems and policies**
- **Sustainability reporting**
- **Awards and Recognition:**

UNGCP Awards 2026

- **EHL:** Sustainability Commitment Recognition
- **EPQL: 1st Position**, Environment – MSME
- **EPTL: 2nd Position**, Sustainability Award – Four Pillar Excellence
- **EFERT: 3rd Position**, Sustainability Award – Four Pillar Excellence

Click on these links for details: Sustainability Report and Website



Session