



engro holdings

Engro Holdings Limited (Formerly Dawood Hercules Corporation)

Q3 2025 Analyst Briefing

October 2025





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Company Profile: [Click here](#)

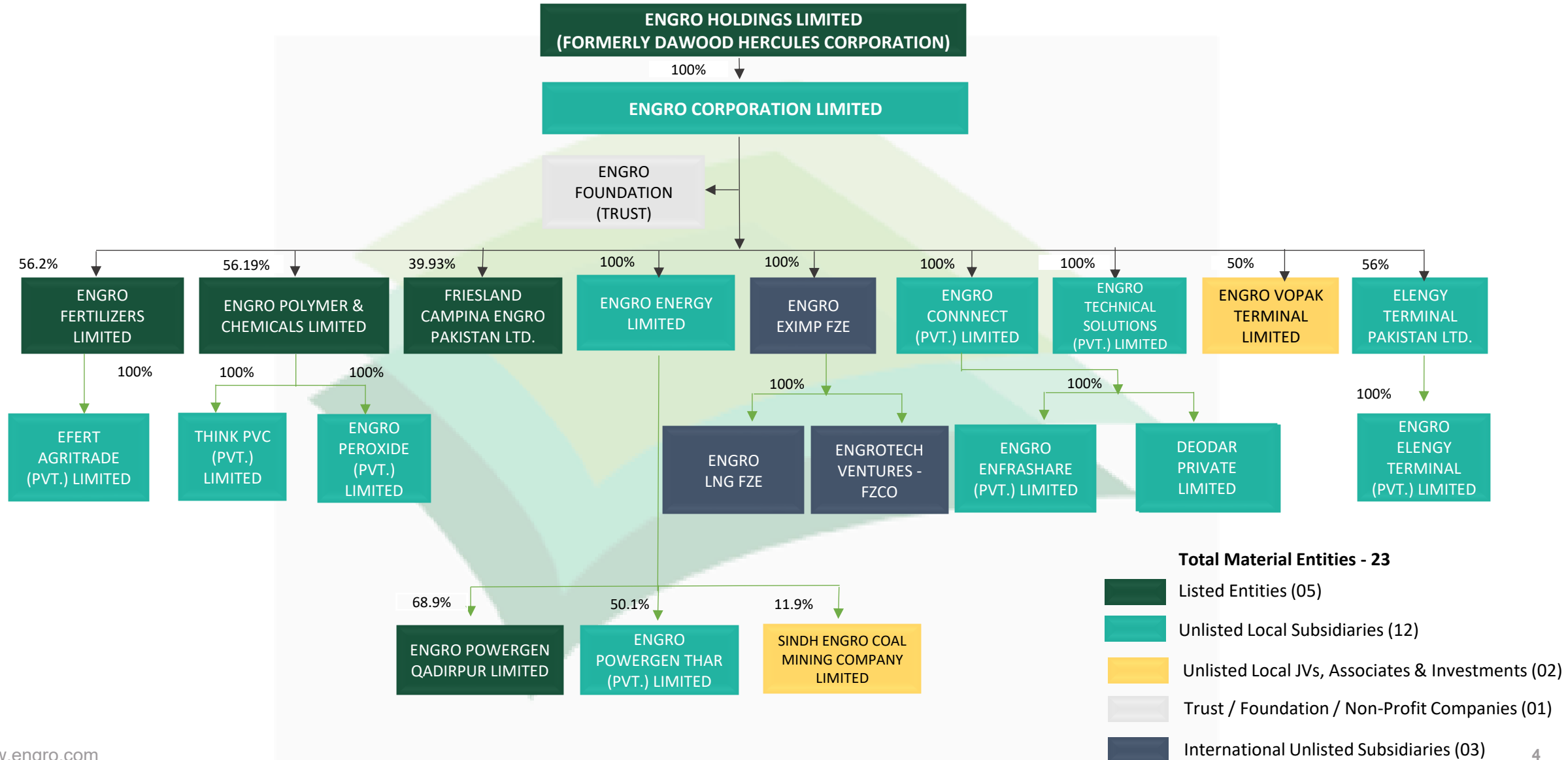
Agenda

| | | |
|---|----------|--|
|  | 1 | Group Overview |
|  | 2 | Pakistan Economy |
|  | 3 | Key Achievements during 9M 2025 |
|  | 4 | Financial Highlights & Other Key Information |
|  | 5 | Awards & Sustainability |
|  | 6 | Q&A Session |





Companies and Legal Entities within Engro Holdings Limited





Q3 2025: Macroeconomic Progress Sustains Momentum Under IMF Program and Fiscal Discipline

Q3 2025 – Economic environment demonstrated continued strengthening

Outlook – Economic outlook reflects cautious optimism



Pakistan's **real GDP grew by ~2.68%** in FY2025, vs govt. target of 3.6%



Monetary policy rate **held at 11.0%**, Pakistan's **rating improved to Caa1** by Moody's



IMF staff level agreement for another \$1.2 bn, pending board approval, raising total **disbursements to ~\$3.3bn**



Headline Inflation **edged up to 5.6%** in Sept 2025, driven by post-flood food price pressures.



Heightened geopolitical volatility stemming from cross-border security risks with Afghanistan.



KSE-100 stormed to an all-time high of 165k points in September, with ~104% gain since September 2024



The economic impact of the **floods appears to be limited outside of Punjab**



World Bank lowers Pakistan's FY26 growth forecast to **2.6%**, while the IMF projects a higher **3.6%**.



SBP likely to **continue cautious easing** if inflation remains under control



Continued **reserve rebuilding expected** from rollovers and inflows



ADP anticipates FY 2026 **average inflation to be at 6%**



Instability could drive up **commodity and logistics costs** and erode investor confidence if conditions worsen.



Momentum may continue coupled with increased FDI, subject to stable geopolitical environment



Emergency response and reconstruction are underway, **improved water avails** to benefit farm economy



Recap: 2025 has been a year of restructuring and strategic repivoting for the Group



Restructuring of Engro Group

On January 1, 2025, the Scheme of Arrangement got effective with following impacts:

- **Impact on Owner's Share:** The profit attributable to owners now reflects **100% ownership** interest in ECORP vs 39.97% last year.
- **Impact on Outstanding Shares:** Post issuance of shares of EngroH, the no. of shares increased from 481,287,116 to 1,204,231,994.

Hence, the consolidated EPS has been tabulated by dividing the profit attributable to owners with increased number of shares.



Termination of SPAs of Thermal Assets

Following this termination, **the assets and liabilities** of thermal assets are no longer classified as held for sale and **have been reclassified back to their respective financial statement** line items.

| | Consol PAT. | Owner's Share | Earnings per Share |
|--|---------------|---------------|--------------------|
| Profit after tax – before related impacts | 31,978 | 15,156 | 12.59 |
| Accounting impacts of SPAs termination | 54,174 | 26,861 | 22.31 |
| Profit after tax – after related impacts | 86,152 | 42,017 | 34.89 |

Above one-off reversal has been recorded, while profitability from thermal assets are now reported as continued business.



Addition of Deodar Tower Portfolio

With effect from June 3, 2025, Deodar has been integrated into ECPL, resulting in an **increase of 10,617 tower sites** to our footprint.

The fair value of the purchase consideration exceeds the provisional fair value of net assets, resulting in **recognition of goodwill**.

All assets and liabilities of Deodar have been recognized at **provisional fair values** in the Group's balance sheet as at September 30, 2025.

The consolidated financial statements include financial results from Deodar from June 3, 2025 onwards.



Profitability excluding one-time adjustments relating to Thermal assets

Amounts in
PKR MN

EPS
Impact

34.89

22.31

12.59

13.21

42,017

26,861

1,204.2mn shares

481.3mn shares

100% Owners' Share

15,156

100% ECORP Owners' Share

13,552

39.97% Owners' Share

7,193

6,359

Owner's Share PAT

Accounting impact
of Thermal Assets and
other adjustments

Owner's Share PAT –
before remeasurement of
thermal energy assets

YTD Sept 2024 (LY)
Comparable Owners' Share PAT



Engro Holdings: Financial Highlights – YTD Sept 2025

Consolidated Financial Highlights

Statutory Results

| Revenue | Profitability Consolidated | Profitability Owners' share | EPS |
|------------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| PKR 407 bn ↑ Vs 381bn LY | PKR 86.2 bn ↑ Vs 24.3bn LY | PKR 42 bn ↑ Vs 6.4bn LY | PKR 34.89 ↑ Vs 13.21 LY |

Operating Results – excl. adjustment in thermal assets

| Revenue | Profitability – Consolidated | Profitability – Owners' share | EPS |
|-------------------|------------------------------|-------------------------------|------------------|
| PKR 407 bn | PKR 32 bn | PKR 15.2 bn | PKR 12.59 |

Standalone Financial Highlights

| Dividend Income | Profitability | EPS |
|--------------------------------------|--------------------------------------|------------------------------------|
| PKR 537 mn ↓ vs 5,274mn LY | PKR 370 mn ↓ vs 6,114mn LY | PKR 0.31 ↓ PKR. 12.70 LY |

Highlights

Consolidated

Higher profitability is attributable to:

- Accounting impact of reversal of adjustments in thermal energy assets
- Profit contribution from Deodar and improved operational performance from Enfrashare
- Lower financial charges due to lower interest rates

Partially netted off by:

- Lower urea volumes, higher urea discounts, lower core-delta
- Increased rate of minimum tax on Elengy and Connectivity businesses.

Increase in owners' share also includes impact of change in ownership % from 39.97% to 100%

Standalone

Lower profitability mainly due to:

- Reduced dividends from Engro Corp due to reallocation of funds towards growth projects; and
- Transfer of income generating portfolio to DH Partners post effectiveness of the Scheme



Key Operational Achievements during nine months ended September 30, 2025

Leveraging improving macroeconomic conditions, the Group is resiliently positioned to remain on course to deliver exceptional performance



Performance Excellence

- Fertilizer business delivered **urea sales of 1,280 KT** vs 1,379 KT while providing **discount of 36%** to international urea prices.
- Polymer business delivered improved domestic PVC **volumes of 174 KT** vs 146KT last year
- Telecom business reached a **total of 15,078 tower sites**
- LNG terminal contributed **13-15% towards gas supply** of Country
- The Group contributed **PKR 62 bn to government** exchequer
- Thermal assets contributed **3,359 GWH to the national grid**
- Mining operations continued **uninterrupted coal supply**
- Chemical terminal handled **902 KT**



Awards & Recognition

- Engro Group won **40 group-wide awards for DE&I by HR Metrics**
- Engro Group won **11 group-wide awards by Pakistan Digital Awards 2025**
- 6th OICCI Women Empowerment Award for **'Conductive Workplace Environment'** and **2nd Runner Up Award for Overall Category**
- Global recognition for Talent development by **ATD Best Awards 2025**
- **Effie Awards 2025** secured for Influencer Marketing and Social Media Campaign
- **Distinction by the British Safety Council**, recognized for world-class HSE standards.
- **PBC-IFC Gender Diversity Award 2025** for inclusive workplace practices.
- **Black Dragon Award 2025** for Engro Fertilizers' Zabardast Urea campaign.



Portfolio Performance – Petrochemicals

| Company | KPI | Highlights |
|---------|-----|------------|
|---------|-----|------------|



Engro Fertilizers Limited

| | | |
|---|----------------------|---|
|  Revenue PKR. | 135bn -21% vs LY | ↓ |
|  Profitability PKR. | 14.3bn -21% vs LY | ↓ |
|  Urea Volumes (KT) | 1,280KT -3% vs LY | ↓ |


- Lower profitability due to **lower urea volumes primarily due to weak farmers' economics.**
- Ensuring availability of urea to farmers at a discount of **36% over int. prices**

Outlook

- **Demand is expected to strengthen** on the back of potential government support prices and improved water availability.
- Challenge of **elevated inventory level** will continue to persist.



Engro Polymers Limited

| | | |
|---|------------------------|---|
|  Revenue PKR. | 58bn 6% vs LY | ↑ |
|  Profitability PKR. | -3.5bn -2.3bn vs LY | ↓ |
|  Domestic Sales | 174KT vs. 146KT LY | ↑ |

- Loss due to significant decline in **global commodity prices, and higher energy cost**
- Despite these challenges, EPCL delivered higher revenue due to **higher volumetric sales and commencement of HPO**

Outlook

- **International prices are expected to remain bearish**
- **Domestic PVC demand shows signs of recovery** supported by stabilizing inflation and easing monetary policy.






Portfolio Performance – Terminals & Connectivity

| Company | KPI | Highlights |
|---------|-----|------------|
|---------|-----|------------|

Engro Elengy & Vopak



| | | | |
|---|-------------------------|--------------------|---|
|  | Chemical handled | 899KT -3% vs LY | ↓ |
|  | LPG Market Share (adj.) | 70% vs. 60% LY | ↑ |
|  | % of total gas demand | 13% - 15% | ↔ |

- Lower chemical volumes handled driven by **lower demand from the customers**
- The LNG terminal **handled 55 cargoes** this year with availability over 98%
- Profitability remains strong driven by **dollar denominated earnings**

Outlook

- Chemical handling **likely to improve on the back of resumed demand from the customers**
- Profitability to constrain by **increased taxation under Finance Act 2025**

Connectivity



| | | | |
|---|------------|----------------------|---|
|  | Site Count | 15,078 4,143vs LY | ↑ |
|  | Revenue | 32 bn vs. 12bn LY | ↑ |















- Amongst **top 20 independent tower companies** in the World
- **Leading the ITC market** in Pakistan

Outlook

- Continue to **increase footprint** across Pakistan
- **Leveraging our site portfolio to drive colocation**, allowing MNOs to extend their reach
- Continued focus to **bridge the digital divide** in Pakistan



Portfolio Performance – Energy & FZE (Trading)

| Company | KPI | Highlights | | | | |
|--|--|--|--|--|---|--|
| <p>Engro Energy Limited</p>  | <table border="1"> <tr> <td data-bbox="606 364 896 511">  <p>EPQL Profitability PKR.</p> </td> <td data-bbox="896 364 1217 511"> <p>851mn vs 2,875 LY</p> <p style="text-align: right;">↓</p> </td> </tr> <tr> <td data-bbox="606 511 896 668">  <p>Dispatch GWH</p> </td> <td data-bbox="896 511 1217 668"> <p>3,359 vs 3,222 LY</p> <p style="text-align: right;">↑</p> </td> </tr> </table> |  <p>EPQL Profitability PKR.</p> | <p>851mn vs 2,875 LY</p> <p style="text-align: right;">↓</p> |  <p>Dispatch GWH</p> | <p>3,359 vs 3,222 LY</p> <p style="text-align: right;">↑</p> | <ul style="list-style-type: none"> • EPQL lower profitability mainly attributable to lower dispatch and decrease in capacity payments owing to implementation of Hybrid Take and Pay mechanism post Power Purchase amendment. • EPTL investment is yielding dividends, underpinned by structural tailwinds as the lowest-cost thermal baseload producer • Mining operations continued smoothly |
|  <p>EPQL Profitability PKR.</p> | <p>851mn vs 2,875 LY</p> <p style="text-align: right;">↓</p> | | | | | |
|  <p>Dispatch GWH</p> | <p>3,359 vs 3,222 LY</p> <p style="text-align: right;">↑</p> | | | | | |
| <p>Engro Eximp FZE</p>  | <table border="1"> <tr> <td data-bbox="606 892 896 1039">  <p>Revenue (USD Mn)</p> </td> <td data-bbox="896 892 1217 1039"> <p>461¹ 1% vs LY</p> <p style="text-align: right;">↑</p> </td> </tr> <tr> <td data-bbox="606 1039 896 1196">  <p>Total trade Volume (KT)</p> </td> <td data-bbox="896 1039 1217 1196"> <p>707 Vs 635 LY</p> </td> </tr> </table> |  <p>Revenue (USD Mn)</p> | <p>461¹ 1% vs LY</p> <p style="text-align: right;">↑</p> |  <p>Total trade Volume (KT)</p> | <p>707 Vs 635 LY</p> | <ul style="list-style-type: none"> • Strong focus on securing third party trades – 3P ratio improved to 48% versus 22% last year. • Expanded 3rd Party product portfolio by trading in several new categories <p>Outlook</p> <ul style="list-style-type: none"> • Continue to expand our footprint in the Global Trade Market. • Actively pursuing opportunities in the non-captive space |
|  <p>Revenue (USD Mn)</p> | <p>461¹ 1% vs LY</p> <p style="text-align: right;">↑</p> | | | | | |
|  <p>Total trade Volume (KT)</p> | <p>707 Vs 635 LY</p> | | | | | |



Portfolio Performance – Foods

| Company | KPI | Highlights |
|---------|-----|------------|
|---------|-----|------------|

Friesland Campina Engro



Revenue
PKR.

80bn

-3% vs LY



Profitability
PKR.

2.1bn

4% vs. LY



- Post implementation of Sales Tax on UHT Milk, the **packaged milk category has declined significantly**
- Increase in profitability is mainly on the back of **better product mix and cost optimization.**

Outlook

- The imposition of **sales tax** on packaged milk will continue to add **financial strain** on consumers
- **Continue driving efficiencies** across the value chain to deliver growth in challenging macro environment.



Recognition in 2025: Engro Group's Commitment to Excellence resonates Globally

40 awards for DE&I

Global Diversity, Equity & Inclusion Benchmarks (GDEIB) 2025 by HR Metrics.



11 Pakistan Digital awards

Pakistan Digital Awards on digital transformation, industrial tech, and sustainable innovation



OICCI Women Empowerment

Winner for conducive workplace environment (EPCL) 2nd Runner-Up overall



Effie Pakistan Awards 2025

Secured Gold in Influencer Marketing and Silver in Social Media campaign



International Safety Award 2025

Distinction by the British Safety Council for world-class HSE standards at Daharki Plant.



ATD Best Awards 2025

Global recognition for talent development



Black Dragon

Secured for Engro Fertilizers' Zabardast Urea campaign



PBC-IFC Gender Diversity Award

2025 Award for inclusive workplace practices





Sustainability Initiatives





Sustainability Initiatives



PLANET

We manage our environmental footprint through

- **Energy efficiency projects** (e.g. feed gas enrichment unit at EFERT)
- **Renewable energy projects** (e.g. solar energy for telecom towers)
- **Waste management** (e.g. responsible disposal)
- **Water conservation** (e.g. effluent treatment plants at plant sites and cooling tower optimization at EPCL)
- **Biodiversity conservation** (e.g. Indus river dolphin conservation)
- **Nature based solution** (e.g. tree plantations and 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. Break ke Baad returnship program, 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 to

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



PRINCIPLES OF GOVERNANCE

We manage robust governance structures through

- **Board oversight and committees**
- **Focus on ethics and compliance, and character and good manners (CGM)**
- **Robust systems and policies**
- **Sustainability reporting**

