



February 11, 2025

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

Subject: **Financial Results for the year ended December 31, 2024 – Standalone and Consolidated – Engro Polymer & Chemicals Limited (“Company”)**

Dear Sir,

We would like to inform you that the Board of Directors of our Company, Engro Polymer & Chemicals Limited in their meeting held on Monday, February 10, 2025 at 10:00 am, have reviewed and approved the financial results for the year ended December 31, 2024 and recommended the following:

CASH DIVIDEND

NIL

BONUS SHARES

NIL

RIGHT SHARES

NIL

ANY OTHER ENTITLEMENT / CORPORATE ACTION

NIL

ANY OTHER PRICE-SENSITIVE INFORMATION

The annual financial results are attached herewith.

Financial Performance

1. The Company posted a Consolidated Loss after Tax of PKR 161 million compared to Profit after Tax of PKR 8,932 million in 2023, resulting in Loss per Share of PKR 0.40 as compared to Earnings per Share of PKR 9.12 in 2023. This was on the back of decrease in revenue due to lower PVC prices and increase in cost of sales due to a surge in energy costs.
2. During the year, the Company plant underwent maintenance activity on certain units from August 28 to September 30, to optimize operational efficiency and production levels in the

Engro Polymer & Chemicals Limited

8th Floor, The Harbour Front Building, HC-3, Marine Drive, Block 4, Clifton, Karachi, Pakistan.

UAN: 92 (21) 111-411-411 **FAX:** 92 (21) 35166865

www.engropolymer.com



engro polymer & chemicals

prevalent business environment. As a result, the Company's PVC production decreased by 8% to 212 KT as compared to 230 KT in 2023.

3. The Company's revenue decreased by 7% compared to 2023 due to declining PVC prices on account of adverse global macroeconomic and geopolitical developments. The domestic sales volumes, however, for both PVC and Caustic have exhibited an increase.

4. The Company has generated foreign exchange savings, through USD 81 million in import substitution and USD 13 million in exports.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company is scheduled to be held Wednesday, March 26, 2025, in Karachi, Pakistan.

BOOK CLOSURE DATES FOR ORDINARY SHARES:

The Share Transfer Books of the Company will remain closed from Wednesday, March 19, 2025 to Wednesday, March 26, 2025 (both days inclusive). The transfers received in order at the office of the Company's share registrar, M/s. FAMCO Shares Registration (Private) Limited, 8-F, near hotel Faran, Block 6, PECHS, Shakra-e-Faisal, Karachi PABX Nos. (92-21) 34380101-5 and email info.shares@famcosrs.com by the close of business (3:00 p.m.) on Tuesday, March 18, 2025, will be treated to have been in time for the purposes of attending and vote at the meeting.

The annual report of the Company for the year ended December 31, 2024, will be transmitted through PUCARS separately, within the specified time and shall also be made available on our website www.engropolymer.com.

Sincerely,

For and on behalf of
Engro Polymer & Chemicals Limited

Saqib Rafique, ACA
Company Secretary

Cc: Director/HOD
Listed Companies Department, Supervision Division
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue,
Blue Area, Islamabad

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ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

(Amounts in thousand)

	2024	2023
	Rupees	
ASSETS		
Non-Current Assets		
Property, plant and equipment	60,698,859	53,734,049
Right-of-use asset	711,745	1,206,266
Intangible assets	514,900	620,205
Long-term loans, advances and deposits	8,933	22,637
	<u>61,934,437</u>	<u>55,583,157</u>
Current Assets		
Stores, spares and loose tools	4,911,457	3,311,772
Stock-in-trade	14,438,918	16,985,039
Trade debts	1,262,773	1,629,173
Loans, advances, deposits, prepayments and other receivables	6,387,465	5,527,958
Income tax recoverable	6,807,324	-
Short-term investments	1,574,959	3,459,929
Cash and bank balances	3,534,104	4,100,782
	<u>38,917,000</u>	<u>35,014,653</u>
TOTAL ASSETS	<u><u>100,851,437</u></u>	<u><u>90,597,810</u></u>
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	11,357,393	12,627,899
	<u>27,321,579</u>	<u>28,592,085</u>
Non-Current Liabilities		
Long-term borrowings	29,097,177	22,137,566
Government grant	1,014,922	1,298,853
Lease liabilities	438,115	1,361,414
Deferred tax liability - net	1,782,531	2,982,382
	<u>32,332,745</u>	<u>27,780,215</u>
Current Liabilities		
Trade and other payables	19,736,065	14,660,566
Service benefit obligations	98,860	85,166
Current portion of long-term borrowings	1,302,324	3,070,726
Current portion of government grant	236,872	216,632
Current portion of lease liabilities	853,154	1,173,036
Short-term borrowings	11,848,627	7,526,086
Accrued interest / mark-up	726,146	526,224
Unclaimed dividend	284,462	705,550
Income tax payable	-	150,921
Provisions	6,110,603	6,110,603
	<u>41,197,113</u>	<u>34,225,510</u>
Contingencies and Commitments	<u>73,529,858</u>	<u>62,005,725</u>
TOTAL EQUITY AND LIABILITIES	<u><u>100,851,437</u></u>	<u><u>90,597,810</u></u>

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand except for (loss) / earnings per share)

	2024	2023
	Rupees	
Revenue from contracts with customers - net	75,707,941	81,269,534
Cost of sales	(69,117,230)	(60,717,562)
Gross profit	6,590,711	20,551,972
Distribution and marketing expenses	(701,386)	(650,479)
Administrative expenses	(2,082,398)	(1,618,143)
Other expenses	(215,569)	(1,863,187)
Other income	795,042	1,550,517
Operating profit	4,386,400	17,970,680
Finance costs	(7,531,973)	(4,214,708)
(Loss) / profit before minimum tax differential, final tax and income tax	(3,145,573)	13,755,972
Minimum tax differential	(38,248)	(1,019)
Final tax	77,965	(224,066)
(Loss) / profit before income tax	(3,105,856)	13,530,887
Income tax	2,945,273	(4,598,593)
(Loss) / profit for the year	(160,583)	8,932,294
Other comprehensive income for the year	-	-
Total comprehensive (loss) / income for the year	(160,583)	8,932,294
(Loss) / Earnings per share - basic	(0.40)	9.12
(Loss) / Earnings per share - diluted	(0.40)	7.39

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		RESERVES		Total
	Ordinary share capital	Preference shares	CAPITAL Share premium	REVENUE Unappropriated profits	
	Rupees				
Balance as at December 31, 2022	9,089,233	3,000,000	3,874,953	11,157,529	27,121,715
Total comprehensive income for the year	-	-	-	8,932,294	8,932,294
Transactions with owners					
Final dividend for the year ended December 31, 2022					
- Rs. 2.5 per ordinary share	-	-	-	(2,272,308)	(2,272,308)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
First interim dividend for the year ended December 31, 2023					
- Rs. 1 per ordinary share	-	-	-	(908,923)	(908,923)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
Second interim dividend for the year ended December 31, 2023					
- Rs. 1.5 per ordinary share	-	-	-	(1,363,385)	(1,363,385)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
Third interim dividend for the year ended December 31, 2023					
- Rs. 2.5 per ordinary share	-	-	-	(2,272,308)	(2,272,308)
- Rs. 0.65 per preference share	-	-	-	(195,000)	(195,000)
	-	-	-	(7,461,924)	(7,461,924)
Balance as at December 31, 2023	9,089,233	3,000,000	3,874,953	12,627,899	28,592,085
Total comprehensive loss for the year	-	-	-	(160,583)	(160,583)
Transactions with owners					
Final dividend for the year ended December 31, 2023					
- Rs. 1 per ordinary share	-	-	-	(908,923)	(908,923)
- Rs. 0.67 per preference share	-	-	-	(201,000)	(201,000)
	-	-	-	(1,109,923)	(1,109,923)
Balance as at December 31, 2024	9,089,233	3,000,000	3,874,953	11,357,393	27,321,579

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand)

	2024	(Restated) 2023
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	12,172,662	11,953,642
Long-term loans and advances, net	13,704	(21,837)
Retirement benefits paid	(70,168)	(67,404)
Minimum tax differential paid	(24,083)	(1,019)
Final tax paid	(8,906)	(224,066)
Income tax paid	(5,140,117)	(6,483,209)
Net cash generated from operating activities	6,943,092	5,156,107
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment and intangible assets	(9,174,643)	(11,366,384)
Proceeds from disposal of property, plant and equipment	94,822	44,328
Purchase of short-term investments	(2,285,818)	(40,754,094)
Proceeds on sale / maturity of short-term investments	3,967,847	53,928,691
Income on short-term investments, intercompany balances and bank deposits	510,760	731,039
Net cash (utilised in) / generated from investing activities	(6,887,032)	2,583,580
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings - net of transaction costs	8,000,000	5,909,581
Repayments of long-term borrowings	(3,061,487)	(5,162,637)
Proceeds from short-term borrowings	15,160,598	324,360
Repayment of short-term borrowings	(7,180,100)	(474,360)
Proceeds of subordinated loan from the intermediate parent company	1,500,000	1,700,000
Repayment of subordinated loan to the intermediate parent company	(1,500,000)	(1,700,000)
Finance costs paid	(7,228,186)	(4,595,554)
Lease rentals paid	(1,358,021)	(2,393,582)
Dividend paid	(1,531,010)	(7,930,739)
Net cash generated from / (utilised in) financing activities	2,801,794	(14,322,931)
Net increase / (decrease) in cash and cash equivalents	2,857,854	(6,583,244)
Net foreign exchange differences	(11,903)	434,307
Cash and cash equivalents at beginning of the year	(2,695,581)	3,453,356
Cash and cash equivalents at end of the year	150,370	(2,695,581)

ENGRO POLYMER AND CHEMICALS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

(Amounts in thousand)

	2024	2023
	Rupees	
ASSETS		
Non-Current Assets		
Property, plant and equipment	49,486,262	44,794,643
Right-of-use asset	645,943	1,156,505
Intangible assets	514,900	620,205
Long-term investments	6,837,000	6,837,000
Long-term loans and advances	7,666	21,837
	<u>57,491,771</u>	<u>53,430,190</u>
Current Assets		
Stores, spares and loose tools	4,506,168	3,311,772
Stock-in-trade	13,420,730	16,620,634
Trade debts	1,248,473	1,612,111
Loans, advances, deposits, prepayments and other receivables	10,909,610	5,817,368
Income tax recoverable	6,708,309	-
Short-term investments	1,445,006	3,345,457
Cash and bank balances	3,341,190	3,985,495
	<u>41,579,486</u>	<u>34,692,837</u>
TOTAL ASSETS	<u><u>99,071,257</u></u>	<u><u>88,123,027</u></u>
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	12,438,639	12,938,222
	<u>28,402,825</u>	<u>28,902,408</u>
Non-Current Liabilities		
Long-term borrowings	27,941,832	20,927,785
Government grant	135,872	195,232
Lease liabilities	395,199	1,331,168
Deferred tax liability	1,865,647	3,048,430
	<u>30,338,550</u>	<u>25,502,615</u>
Current Liabilities		
Trade and other payables	19,446,527	14,390,425
Service benefit obligations	98,860	85,166
Current portion of long-term borrowings	1,047,520	3,002,001
Current portion of government grant	45,090	49,053
Current portion of lease liabilities	830,704	1,155,904
Short-term borrowings	11,848,627	7,526,086
Accrued interest / mark-up	617,488	456,994
Unclaimed dividend	284,463	705,550
Income taxes payable	-	236,222
Provisions	6,110,603	6,110,603
	<u>40,329,882</u>	<u>33,718,004</u>
Contingencies and Commitments	70,668,432	59,220,619
TOTAL EQUITY AND LIABILITIES	<u><u>99,071,257</u></u>	<u><u>88,123,027</u></u>

ENGRO POLYMER AND CHEMICALS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand except for earnings per share)

	2024	(Restated) 2023
	Rupees	
Revenue from contracts with customers - net	75,677,747	81,224,448
Cost of sales	(69,107,918)	(60,676,547)
Gross profit	6,569,829	20,547,901
Distribution and marketing expenses	(663,793)	(629,409)
Administrative expenses	(2,054,981)	(1,617,264)
Other expenses	(206,494)	(1,713,102)
Other income	1,511,370	1,706,456
Operating profit	5,155,931	18,294,582
Finance costs	(7,522,720)	(4,197,208)
(Loss) / profit before minimum tax differential, final tax and income tax	(2,366,789)	14,097,374
Minimum tax differential	(35,563)	-
Final tax	77,965	(224,008)
(Loss) / profit before income tax	(2,324,387)	13,873,366
Income tax	2,934,727	(4,642,706)
Profit for the year	610,340	9,230,660
Other comprehensive income for the year	-	-
Total comprehensive income for the year	610,340	9,230,660
Earnings per share - basic	0.45	9.45
Earnings per share - diluted	0.45	7.64

ENGRO POLYMER AND CHEMICALS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		RESERVES		Total
	Ordinary share capital	Preference shares	CAPITAL	REVENUE	
			Share premium	Unappropriated profits	
	Rupees				
Balance as at December 31, 2022	9,089,233	3,000,000	3,874,953	11,169,486	27,133,672
Total comprehensive income for the year	-	-	-	9,230,660	9,230,660
Transactions with owners					
Final dividend for the year ended December 31, 2022					
- Rs. 2.5 per ordinary share	-	-	-	(2,272,308)	(2,272,308)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
First interim dividend for the year ended December 31, 2023					
- Rs. 1 per ordinary share	-	-	-	(908,923)	(908,923)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
Second interim dividend for the year ended December 31, 2023					
- Rs. 1.5 per ordinary share	-	-	-	(1,363,385)	(1,363,385)
- Rs. 0.5 per preference share	-	-	-	(150,000)	(150,000)
Third interim dividend for the year ended December 31, 2023					
- Rs. 2.5 per ordinary share	-	-	-	(2,272,308)	(2,272,308)
- Rs. 0.65 per preference share	-	-	-	(195,000)	(195,000)
	-	-	-	(7,461,924)	(7,461,924)
Balance as at December 31, 2023	9,089,233	3,000,000	3,874,953	12,938,222	28,902,408
Total comprehensive income for the year	-	-	-	610,340	610,340
Transactions with owners					
Final dividend for the year ended December 31, 2023					
- Rs. 1 per ordinary share	-	-	-	(908,923)	(908,923)
- Rs. 0.67 per preference share	-	-	-	(201,000)	(201,000)
	-	-	-	(1,109,923)	(1,109,923)
Balance as at December 31, 2024	9,089,233	3,000,000	3,874,953	12,438,639	28,402,825

ENGRO POLYMER AND CHEMICALS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in thousand)

	2024	(Restated) 2023
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	13,617,761	13,282,584
Long-term loans and advances, net	14,171	(21,837)
Retirement benefits paid	(70,168)	(67,404)
Minimum tax differential paid	(22,930)	-
Final tax paid	(8,906)	(180,797)
Income tax paid	(5,118,349)	(6,457,956)
Net cash generated from operating activities	8,411,579	6,554,590
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment and intangible assets	(6,929,702)	(6,803,718)
Proceeds from disposal of property, plant and equipment	94,799	44,320
Investment made in subsidiary companies	-	(2,953,000)
Disbursement of subordinated loan to subsidiary companies	(3,885,830)	(5,050,800)
Repayment of subordinated loan from subsidiary companies	-	3,630,300
Purchase of short-term investments	(2,173,818)	(40,642,094)
Proceeds on sale / maturity of short-term investments	3,855,847	53,928,691
Income on short-term investments, subordinated loan, intercompany balances and bank deposits	500,513	852,743
Net cash (utilised in) / generated from investing activities	(8,538,191)	3,006,442
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings - net of transaction costs	8,000,000	4,293,727
Repayments of long-term borrowings	(2,992,762)	(5,128,274)
Proceeds from short-term borrowings	15,160,598	324,360
Repayment of short-term borrowings	(7,180,100)	(474,360)
Proceeds of subordinated loan from the holding company	1,500,000	1,700,000
Repayment of subordinated loan to the holding company	(1,500,000)	(1,700,000)
Proceeds of loan from subsidiary company	-	400,000
Repayment of loan to subsidiary company	-	(400,000)
Finance costs paid	(7,215,388)	(4,531,992)
Lease rentals paid	(1,334,499)	(2,372,703)
Dividend paid	(1,531,010)	(7,930,739)
Net cash generated from / (utilised in) financing activities	2,906,839	(15,819,981)
Net increase / (decrease) in cash and cash equivalents	2,780,227	(6,258,949)
Net foreign exchange differences	(11,903)	434,307
Cash and cash equivalents at beginning of the year	(2,810,868)	3,013,774
Cash and cash equivalents at end of the year	(42,544)	(2,810,868)