



engro polymer & chemicals

**FINANCIAL STATEMENTS FOR THE
PERIOD ENDED MARCH 31, 2022**

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COMPANY INFORMATION

Chairman	Mr. Ghias Khan
Chief Executive Officer	Mr. Jahangir Piracha
Directors	Mr. Eram Hasan Mr. Feroz Rizvi Mr. Rizwan Masood Raja Mr. Nadir Salar Quershi Mr. Nazoor Ali Baig Mr. Hideki Adachi Ms. Ayesha Aziz
Chief Financial Officer	Ms. Rabia Wafah Khan
Company Secretary	Mr. Khawaja Haider Abbas
Corporate Audit Manager	Mr. Kalimuddin A. Khan
Bankers / Lenders	Allied Bank Ltd. Askari Bank Ltd. Al-Baraka Bank (Pakistan) Ltd. Bank Alfalah Ltd. Bank Al Habib Ltd. Bank Islami Pakistan Ltd. Bank of China Citibank N.A. Dubai Islamic Bank Pakistan Ltd. Faysal Bank Ltd. Habib Bank Ltd. Habib Metropolitan Bank Limited Industrial & Commercial Bank of China Ltd JS Bank Ltd. MCB Bank Ltd. MCB Islamic Bank Ltd. Meezan Bank Ltd. National Bank of Pakistan Standard Chartered Bank Pakistan Ltd. Samba Bank Ltd. Summit Bank Limited The Bank of Punjab The Bank of Khyber United Bank Ltd.
Auditors	A. F. Ferguson & Company Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi-74000, Pakistan. Tel: +92(21) 32426682-6 / 32426711-5 Fax: +92(21) 32415007 / 32427938
Registered Office	12th Floor, Ocean Tower, G-3, Block 9, Clifton, Khayaban-e-Iqbal, Karach
Plant	EZ/1/P-11-1, Eastern Zone, Bin Qasim, Karachi
Regional Sales Office	Office No. 601, 6th Floor, Haly Tower, Lalik Chowk, DHA, Lahore UAN: 111 211 211
Share Registrar	FAMCO Associates (Private) Limited 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S. Shahra-e-Faisal, Karachi-74000 Tel: +92(21) 34380101-5 lines
Website	www.engropolymer.com

**ENGRO POLYMER & CHEMICALS LIMITED
DIRECTOR'S REVIEW TO THE SHAREHOLDERS
ON UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

On behalf of the Board of Directors of Engro Polymer & Chemicals Limited, we would like to present the unaudited Financial Information of the Company for the three months ended March 31, 2022

Business Review

International PVC prices continued their declining trend before facing a reversal from the latter half of February, predominately on the back of supply tightness amidst turnaround season, increases in input costs, and firm demand in the downstream sector in major markets. Industrial activity in India picked up pace, with construction and agriculture sectors driving PVC demand, particularly in the pipes segment for water and sanitation. The North American markets remained stable as converters continue to have an excess of backorders to fulfill. Prices in Europe and Turkey witnessed sharp uptick owing to limited orders from Russia, the lack of Ukrainian material, rising energy costs and overall uncertainty over product avails in Europe.

In the upstream sector, oil and gas prices soared to multi-year highs following the Russian invasion of Ukraine. Brent prices surged to almost \$140 and, despite some softening towards the end of the quarter, are expected to remain high given the uncertainty imposed by the conflict and the associated economic sanctions. Ethylene prices increased significantly in tandem, and the market sentiment remained firm with increased cost pressure on producers and limited spot availability, particularly in Asia. In the US, abundance of Ethylene supply opened arbitrage windows to Asia and Europe as naphtha-based feedstock prices soared, however, trade volumes remained constricted due to deep sea cargo constraints.

Lucrative margins for caustic manufacturers promoted producers to function at high operating levels, resulting in a slight reduction in EDC prices. Higher EDC exports from several suppliers in mainland China sustained the downward price trend whereas increasing energy prices, especially in Europe, effectively supported a price floor.

Domestic PVC market recorded a volumetric increase of 18% quarter-on-quarter basis in Q1'2022 as buying sentiment improved. In order to support the domestic industry, we continue to maintain a competitive pricing policy and an effective channel strategy, which has allowed us to achieve record sales volumes in the recent quarters.

Work on efficiency and other projects is underway with the latest updates as follows:

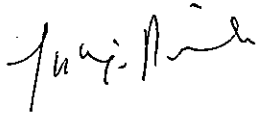
- OVR project has been successfully commissioned
- HTDC project is well underway, and is expected to come online in 2023
- Hydrogen Peroxide is expected to go online in 2023

The Company recorded revenue of Rs. 23,127 million, indicating an increase of 48% compared to the same period last year on the back of higher volumetric sales. During Q1 2022, the Company recorded a Profit After Tax of Rs. 4,714 translating into a basic Earnings Per Share of Rs. 5.19 compared to a Profit After Tax of Rs. 4,143 million, translating into basic Earnings Per Share of Rs. 4.56 for the same period last year.

Future Outlook

Going forward, we expect PVC prices to remain firm due to a complicated supply situation stemming from logistics issues, extensive turnarounds for producers and rising upstream values. Given their close relationship with crude oil, Ethylene prices are expected to track soaring naphtha prices aided by limited availability, while EDC prices are expected to remain flattish in the near term owing to healthy caustic margins. However, commodity markets, both domestic and global, will continue to be impacted by uncertainties caused by geopolitical tensions and COVID-19 which has started witnessing a resurgence especially in China which is moving into lockdown mode.

Our key focus areas for the coming quarter will be to ensure safe and sustainable operations at our Plant, completing on-going projects safely and within communicated timelines, and maintaining the sales momentum to ensure sustained growth.



Chief Executive
Jahangir Piracha



Director
Feroz Rizvi


**ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022**

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

(Amounts in thousand)

	Note	Unaudited March 31, 2022	Audited December 31, 2021
Rupees			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	38,576,258	38,703,005
Right-of-use asset		2,087,796	2,036,649
Intangible assets		696,306	711,832
Financial assets at amortised cost	6	2,140,482	3,092,784
Long-term loans and advances		-	674
		<u>43,500,842</u>	<u>44,544,944</u>
Current Assets			
Stores, spares and loose tools		2,315,147	2,041,839
Stock-in-trade	7	12,328,247	12,590,666
Trade debts - considered good	8	1,101,598	834,355
Loans, advances, deposits, prepayments and other receivables	9	1,643,592	1,568,236
Term Deposit Certificate		2,140,484	2,086,711
Short term investments		15,596,645	12,056,525
Cash and bank balances		4,390,533	2,242,764
		<u>39,516,246</u>	<u>33,421,096</u>
TOTAL ASSETS		<u>83,017,088</u>	<u>77,966,040</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		9,089,233	9,089,233
Preference shares	10	3,000,000	3,000,000
Share premium		3,874,953	3,874,953
Unappropriated profits		13,637,229	14,003,724
		<u>29,601,415</u>	<u>29,967,910</u>
Non-Current Liabilities			
Long-term borrowings	11	15,316,707	17,176,747
Deferred income - Government grant		149,773	156,700
Lease liabilities	12	2,798,827	2,713,427
Provisions	13	1,808,975	1,808,405
Deferred tax liability	14	2,012,318	2,029,290
		<u>22,086,600</u>	<u>23,884,569</u>
Current Liabilities			
Current portion of long term borrowings	11	4,017,673	3,929,960
Current portion of lease liabilities	12	1,362,640	1,481,141
Provisions	13	4,247,392	4,073,805
Service benefit obligations		64,093	98,298
Short-term borrowings		1,597,869	474,360
Trade and other payables	15	13,838,647	11,551,643
Current portion of deferred income- Government grant		28,147	26,924
Accrued interest / mark-up		361,587	431,440
Income tax provision less payments		2,326,451	1,016,476
Unclaimed dividend		3,484,574	1,029,514
		<u>31,329,073</u>	<u>24,113,561</u>
Contingencies and Commitments	16	<u>53,415,673</u>	<u>47,998,130</u>
TOTAL EQUITY AND LIABILITIES		<u>83,017,088</u>	<u>77,966,040</u>

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive
 Jahangir Piracha


Chief Financial Officer
 Rabia Wafah Khan

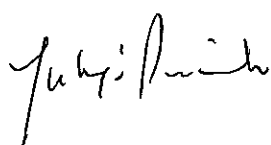

Director
 Feroz Rizvi

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

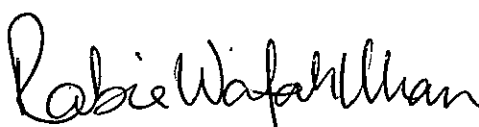
(Amounts in thousand except for earnings per share)

	Quarter ended	
	March 31, 2022	March 31, 2021
	Rupees	
Net revenue	23,126,868	15,671,459
Cost of sales	(15,462,360)	(9,435,754)
Gross profit	7,664,508	6,235,705
Distribution and marketing expenses	(150,334)	(91,945)
Administrative expenses	(229,036)	(166,504)
Other expenses	(848,195)	(122,908)
Other income	432,312	291,211
Operating profit	6,869,255	6,145,559
Finance costs	(613,458)	(402,507)
Profit for the period before taxation	6,255,797	5,743,052
Taxation	(1,542,214)	(1,600,082)
Profit for the period after taxation	4,713,583	4,142,970
Other comprehensive income	-	-
Total comprehensive income for the year	4,713,583	4,142,970
Earnings per share - basic	5.19	4.56
Earnings per share - diluted	3.90	3.42

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



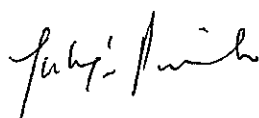
Director
Feroz Rizvi

ENGR POLYMER AND CHEMICALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

(Amounts in thousand)

	Note	Quarter ended	
		March 31, 2022	March 31, 2021
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	17	9,570,441	5,292,100
Long-term loans and advances - net		674	27,495
Retirement benefits paid		(98,298)	(39,141)
Income tax paid		(249,211)	(138,278)
Net cash generated from operating activities		9,223,606	5,142,176
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible asset		(590,746)	(765,178)
Addition in leased liability		171,288	-
Maturity in Term Deposit Receipt		898,529	-
Income on short-term investments and bank deposits		432,312	294,188
Net cash used in investing activities		911,383	(470,990)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings - net of transaction costs		(1,953,227)	311,601
Finance cost paid		(621,486)	(474,285)
Rentals paid during the period		(370,878)	(326,201)
Dividend payment		(2,625,018)	(251)
Net cash generated from financing activities		(5,570,609)	(489,136)
Net (decrease) / increase in cash and cash equivalents		4,564,380	4,182,050
Cash and cash equivalents at beginning of the year		13,824,929	14,371,251
Cash and cash equivalents at end of the year	18	18,389,309	18,553,301

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



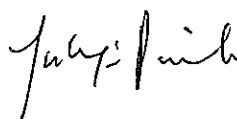
Director
Feroz Rizvi

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		RESERVES		Total
	Share capital	Preference shares	CAPITAL	REVENUE	
			Share premium	Unappropriated profits	
Rupees					
Balance as at January 1, 2021 (Audited)	9,089,233	3,000,000	3,874,953	10,161,945	26,126,131
Total comprehensive income for the period					
Profit for the period ended March 31, 2021	-	-	-	4,142,970	4,142,970
Other comprehensive income for the period ended March 31, 2021	-	-	-	-	-
	-	-	-	4,142,970	4,142,970
Transactions with owners					
Final dividend for the year ended December 31, 2020 - Re. 1.247 per share	-	-	-	(1,133,562)	(1,133,562)
Final preference dividend for the year ended December 31, 2020 - Re. 0.042 per share	-	-	-	(12,485)	(12,485)
	-	-	-	(1,146,047)	(1,146,047)
Balance as at March 31, 2021 (Unaudited)	9,089,233	3,000,000	3,874,953	13,158,868	29,123,054
Total comprehensive income for the nine months ended December 31, 2021					
Profit for the nine months ended December 31, 2021	-	-	-	10,917,541	10,917,541
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-
	-	-	-	10,917,541	10,917,541
Transactions with owners					
First interim ordinary dividend for the year ended December 31, 2021 - Rs. 0.80 per share	-	-	-	(727,139)	(727,139)
First interim preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
Second interim ordinary dividend for the year ended December 31, 2021 - Rs. 7.00 per share	-	-	-	(6,362,463)	(6,362,463)
Second interim preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
Third interim ordinary dividend for the year ended December 31, 2021 - Rs. 3.00 per share	-	-	-	(2,726,770)	(2,726,770)
Third interim preference dividend for the year ended December 31, 2021 - Rs. 0.30 per share	-	-	-	(90,000)	(90,000)
Share issuance cost	-	-	-	(4,313)	(4,313)
	-	-	-	(10,072,685)	(10,072,685)
Balance as at December 31, 2021 (Audited)	9,089,233	3,000,000	3,874,953	14,003,724	29,967,910
Total comprehensive income for the period					
Profit for the period ended March 31, 2022	-	-	-	4,713,583	4,713,583
Other comprehensive income for the period ended March 31, 2022	-	-	-	-	-
	-	-	-	4,713,583	4,713,583
Transactions with owners					
Final ordinary dividend for the year ended December 31, 2021 - Re. 5.50 per share	-	-	-	(4,999,078)	(4,999,078)
Final preference dividend for the year ended December 31, 2021 - Re. 0.27 per share	-	-	-	(81,000)	(81,000)
	-	-	-	(5,080,078)	(5,080,078)
Balance as at March 31, 2022 (Unaudited)	9,089,233	3,000,000	3,874,953	13,637,229	29,601,415

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



Director
Feroz Rizvi

ENGRO POLYMER & CHEMICALS LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 The "Group" consists of Engro Polymer and Chemicals Limited and its wholly owned subsidiary companies, Think PVC (Private) Limited, Engro Peroxide (Private) Limited and Engro Plasticizer (Private) Limited. Engro Polymer and Chemicals Limited (the Company) was incorporated in Pakistan in 1997 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange.
- 1.2 The Company is a subsidiary of Engro Corporation Limited (the Holding Company) which is a subsidiary of Dawood Hercules Corporation Limited (the Ultimate Parent Company). The Company's principal activity is to manufacture, market and sell Poly Vinyl Chloride (PVC), Vinyl Chloride Monomer (VCM), Caustic soda and other related chemicals. The Company is also engaged in the supply of surplus power generated from its power plants to Engro Fertilizers Limited (a related party).
- 1.3 The registered office of the Company is situated at 12th Floor, Ocean Tower, G-3, Block 9, Clifton, Khayaban-e-Iqbal, Karachi. The plant is located at EZ/1/P-II Eastern Zone, Bin Qasim, Karachi, Pakistan, whereas, the Chlor-Vinyl facility is at Port Bin Qasim Industrial Area. The regional sales office of the Company is on the 9th Floor, 301-R Hally Tower Office, Lalik Chowk, Phase II, DHA, Lahore.
- 1.4 Think PVC (Private) Limited being 100% owned (2021: 100%) was incorporated in Pakistan in November 6, 1999, under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a wholly owned subsidiary of the Company. The principal activity of Think PVC (Private) Limited is to purchase, market and sell Poly Vinyl Chloride (PVC), PVC compounds, Caustic soda and other related chemicals and to develop market for PVC downstream products.
- 1.5 Engro Peroxide (Private) Limited being 100% owned (2021: 100%) was incorporated in Pakistan on July 22, 2019 under the Act as a wholly owned subsidiary of the Company. The main objective of Engro Peroxide (Private) Limited is to manufacture and market Hydrogen Peroxide and related chemicals.
- 1.6 Engro Plasticizer (Private) Limited being 100% owned (2021: 100%) was incorporated in Pakistan on July 22, 2019 under the Act as a wholly owned subsidiary of the Company. The main objective of Engro Plasticizer (Private) Limited is to manufacture and market Chlorinated Paraffin Wax and other related chemicals.
- 1.7 These condensed interim financial statements denote the standalone condensed interim financial statements of the Company. The condensed interim consolidated financial statements of the Company and its subsidiaries have been presented separately.

2. BASIS OF PREPARATION

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act 2017 have been followed.

- 2.2 These condensed interim financial statements do not include all the information required to be contained in the annual financial statements and, therefore, should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2021.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of these condensed interim financial statements are the same as those that were applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2021, except for the early adoption of an amendment as set out below.
- 3.2 The financial risk management objectives and policies of the Company are also consistent with those disclosed in the annual audited consolidated financial statements of the Group for the year ended December 31, 2021.

4. ACCOUNTING ESTIMATES

- 4.1 The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgments in the process of applying the Company's accounting policies. Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The significant estimates, judgments and assumptions made by the management in the preparation of the condensed interim financial statements are the same as those that were applied in the annual audited financial statements of the Company as at and for the year ended December 31, 2021.

(Amounts in thousand)

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value - notes 5.1	31,225,016	31,389,283
Capital work-in-progress - note 5.2	7,132,407	7,094,887
Capital spares	218,835	218,835
	<u>38,576,258</u>	<u>38,703,005</u>
5.1 Additions to operating assets during the period were as follows:		
Building on leasehold land	4,800	644,929
Plant and machinery	284,304	13,000,848
Furniture, fixtures and equipment	43,407	98,451
Vehicles	41,573	252,741
	<u>374,084</u>	<u>13,996,969</u>
5.2 Movement in capital-work-progress during the period / year is as follows:		
	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Balance as the beginning of the period / year	7,094,887	18,264,204
Add: Additions during the period / year	419,785	3,600,670
Add: Borrowing costs capitalized during the period / year	-	27,645
Less: Write-off of plant and machinery items	-	-
Less Transferred to operating assets during the period / year	(374,084)	(13,991,373)
Less Transferred to intangible assets during the period / year	(8,181)	(651,216)
Less Transferred to right of use assets during the period / year	-	(155,043)
Balance as the end of the period / year	<u>7,132,407</u>	<u>7,094,887</u>
6. FINANCIAL ASSETS AT AMORTIZED COST		
Investment in Term Deposit Receipts - note 6.1	4,280,966	5,179,495
Less: current maturity shown under current assets	<u>(2,140,484)</u>	<u>(2,086,711)</u>
	<u>2,140,482</u>	<u>3,092,784</u>
6.1 These denote term deposits receipts aggregating to USD 35 million maintained with Dubai Islamic Bank Pakistan Limited. These carry profit at the rate of six months Libor + 0.89% per annum and are due to mature in six equal semi-annual installments of USD 5.833 million which started from July 15, 2021 and ends on January 15, 2024.		
7. STOCK-IN-TRADE		
This includes stock held at Engro Vopak Terminal Limited as at March 31, 2022 Rs. 2,346,846 (as at December 31, 2021: 2,072,238).		
8. TRADE DEBTS - considered good		
	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Includes amounts due from the following related parties:		
- Engro Energy Services Limited	787	787
- Engro Fertilizer Limited	18,596	9,796
	<u>19,383</u>	<u>10,583</u>

(Amounts in thousand)

**9. LOANS, ADVANCES, DEPOSITS,
PREPAYMENTS AND OTHER RECEIVABLES**

These include advances and receivables from the following related parties

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Engro Powergen Thar Pvt. Limited	1,079	-
Engro Powergen Qadirpur Limited	66	-
	<u>1,145</u>	<u>-</u>

10. PREFERENCE SHARES

In 2020, the Company issued perpetual, cumulative, callable and convertible listed preference shares of Rs. 3,000,000 by way of pre-IPO placements and public offering at a price of Rs. 10 per share in cash, carrying markup of 6 months KIBOR + 3.5% and the payment of the same shall be at the discretion of Board of Directors. The objective of the preference share issuance is to finance PVC-III expansion and VCM debottlenecking projects. The Company will have an option to call and redeem in full or in part after the expiry of twelve months from the issue date. The preference shares may be convertible into ordinary shares of the Company at the option of the preference shares holder after the expiry of eighty months from December 31, 2020 based on 1:1 ratio. These shares were listed in the year 2020.

11. LONG-TERM BORROWINGS

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
- Sukuks - note 11.1	8,673,237	8,667,709
- Loan from International Finance Corporation (IFC) - note 11.2	4,233,761	5,114,204
- Bilateral Loan - note 11.3	3,614,334	4,517,917
- Islamic Long term financing facility (ILTFF) - note 11.4	1,927,853	1,927,386
- Loan under diminishing musharka agreement - note 11.5	400,000	400,000
- Islamic Temporary Economic Refinance Facility (ITERF) - note 11.6	663,115	663,115
	<u>19,512,300</u>	<u>21,290,331</u>
Less: Current portion shown under current liabilities		
- Loan from International Finance Corporation	(2,143,470)	(2,061,856)
- Bilateral Loan	(1,807,166)	(1,807,166)
- Islamic Long Term Financing Facility (ILTFF)	(67,037)	(60,938)
	<u>(4,017,673)</u>	<u>(3,929,960)</u>
Less: Deferred income - Government grant	(177,920)	(183,624)
	<u>15,316,707</u>	<u>17,176,747</u>

11.1 In 2019, the Company issued sukuk bonds of Rs. 8,750,000 to eligible institutional and other investors by way of private placement. These are repayable over a period of 7.5 years in five equal annual installments of Rs. 1,750,000 each with the first repayment commencing in July 2024. These are secured by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building) which shall rank pari passu with the charges created in favor of the existing creditors.

11.2 In 2018, the Company had entered into a financing agreement with IFC for a total of US Dollars 35,000 the draw down of which was been made in December 2019. The principal is repayable in six equal semi-annual installments commencing from July 2021 and carries markup at the rate of six months LIBOR plus 3.25% payable semi annually.

11.3 In 2019, the Company entered into a musharaka agreement with Dubai Islamic Bank Pakistan Limited (DIBPL). The principal is repayable in six equal semi-annual installments commencing from July 2021 and carries a markup at a rate of six months KIBOR plus 0%, payable semi annually.

The borrowing is secured by way of hypothecation charge of present and future fixed assets of the Company (except land and building), ranking subordinate and subservient to the charges created in favor of the existing creditors, and a lien and a right of set-off over the Term Deposit Receipt maintained with DIBPL as referred to in note 6.

11.4 On September 14, 2020, the Company obtained Islamic Long Term Financing Facility (ILTFF) of the State Bank of Pakistan through Musharaka agreement entered with financial institutions to finance its PVC-III expansion project. The amount is repayable over 10 years in equal quarterly installments of Rs. 60,938 each with the first payment commencing from December 2022. These are secured by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building) which shall rank pari passu with the charges created in favor of the existing creditors.

11.5 On December 28, 2021, the Company made a draw down of Rs. 400,000 under Dimishing Musharka agreement entered with Bank of Khyber to finance its long term expenditure. The principal is repayable in eight equal semi-annual installments commencing from June 2023 and carries markup at the rate of three months KIBOR plus 0.40% payable quarterly. The borrowing is secured by the way of hypothecation charge of present

11.6 During last year, the Company obtained Islamic Temporary Economic Refinance Facility (ITERF) of the State Bank of Pakistan through Musharaka agreement entered with financial institutions to finance its capital expenditure.

(Amounts in thousand)

12. LEASE LIABILITIES

These include lease liability outstanding under the storage arrangements with Engro Vopak Terminal Limited, a related party amounted to Rs. 3,973,901 (December 31, 2021: Rs. 4,172,121).

13. PROVISIONS

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Provision for gas development infrastructure cess	5,538,975	5,364,818
Provision for gas price revision	517,392	517,392
	<u>6,056,367</u>	<u>5,882,210</u>
Less: current portion of provision of GIDC and gas price revision	<u>(4,247,392)</u>	<u>(4,073,805)</u>
	<u>1,808,975</u>	<u>1,808,405</u>

14. DEFERRED TAXATION - NET

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Credit balances arising due to:		
- accumulated depreciation	4,454,254	4,436,079
Debit balances arising due to:		
- unpaid liabilities	174,040	166,970
- leases recognised	595,351	622,505
- recoupable business losses	22,711	19,245
- provision for Gas Infrastructure Development Cess and Special Excise Duty	1,592,004	1,540,239
- shares issuance cost, net to equity	57,830	57,830
	<u>2,441,936</u>	<u>2,406,789</u>
	<u>2,012,318</u>	<u>2,029,290</u>

15. TRADE & OTHER PAYABLES

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Includes amounts due to the following related parties:		
- Engro Corporation Limited	215,401	132,834
- Engro Fertilizers Limited	87,634	66,798
- Engro Energy Limited	65	65
- Engro Foundation	8,000	150,000
- Engro Powergen Thar (Private) Limited	-	613
- Engro Vopak Terminal Limited	13,800	164,591
	<u>324,900</u>	<u>514,901</u>

16. CONTINGENCIES AND COMMITMENTS

- 16.1 There is no change in the status of contingencies as disclosed in the annual unconsolidated financial statements for the year ended December 31, 2021.
- 16.2 The aggregate facilities for issuance of performance guarantees by the banks on behalf of the Company as at March 31, 2022 amounts to Rs. 4,498,000 (December 31, 2021: Rs. 4,698,000). The amount utilized there against as at March 31, 2022 is Rs. 4,251,833 (December 31, 2021: Rs. 3,272,874).
- 16.3 The facility for opening letters of credit as at March 31, 2022 aggregates to Rs. 21,682,934 (December 31, 2021: Rs. 21,982,934). The amount utilized thereagainst as at March 31, 2022 Rs. 4,359,990 (December 31, 2021: Rs. 3,547,197).
- 16.4 The Company has entered into operating lease arrangements with Al-Rahim Trading Company (Private) Limited for the storage and handling of Ethylene Di Chloride (EDC) in respect of which future lease commitments aggregate to Rs. 15,108 (December 31, 2021 : Rs 2,500).
- 16.5 Commitments in respect of rentals of storage tanks at EVTL for the handling of Ethylene aggregate to USD 20,736 valid till 31 March 2026, Ethylene Di Chloride (EDC) aggregate to USD 6,015 and are valid till 31 December 2028 and and Vinyl Chloride Monomer (VCM) aggregate to USD 512 valid till 31 December 2023.

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
16.6 Commitments in respect of capital commitments and other operational items	<u>3,729,538</u>	<u>1,941,718</u>

(Amounts in thousand)

	Unaudited	
	Quarter ended	
	March 31, 2022	March 31, 2021
	----- Rupees -----	
17. CASH GENERATED FROM OPERATIONS		
Profit before taxation	6,255,797	5,743,052
Adjustments for non cash charges and other items:		
Provision for staff retirement and other service benefits	64,093	13,628
Provision for GIDC		-
Depreciation on property, plant and equipment	538,024	380,459
Depreciation on right of use asset	120,141	109,924
Amortization	23,707	6,942
Income on short term investments and bank deposits	(432,312)	(285,498)
Finance costs on lease liability	61,825	64,200
Finance costs	551,633	337,041
Amortization of transaction cost	10,673	10,673
Foreign exchange (gain) / loss of financial liabilities and asset - net	269,187	(198,485)
Unwinding of GIDC	94,922	96,170
Default surcharge on GIDC	79,235	22,823
Working capital changes - note 17.1	1,933,516	(1,008,829)
	<u>9,570,441</u>	<u>5,292,100</u>
17.1 WORKING CAPITAL CHANGES		
(Increase) in current assets		
Stores, spares and loose tools	(273,308)	(121,413)
Stock-in-trade	262,419	(127,299)
Trade debts - considered good	(267,243)	(198,101)
Loans, advances, deposits, prepayments and other receivables	(75,356)	(228,855)
	<u>(353,488)</u>	<u>(675,668)</u>
(Decrease) / Increase in current liabilities		
Trade and other payables	2,287,004	(333,161)
	<u>1,933,516</u>	<u>(1,008,829)</u>
18. CASH AND CASH EQUIVALENTS		
Cash and bank balances	4,390,533	697,031
Financial assets at fair value through profit and loss	15,596,645	17,922,270
Short-term borrowings - Export Refinance Facility	(1,597,869)	(66,000)
	<u>18,389,309</u>	<u>18,553,301</u>

(Amounts in thousand)

19. SEGMENT INFORMATION

19.1 The basis of segmentation and reportable segments presented in these consolidated condensed interim financial statements are same as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

	March 31, 2022 (Unaudited)				March 31, 2021 (Unaudited)			
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power supply	Total
Rupees								
Revenue								
- At a point	21,312,422	1,779,293		23,091,715	14,214,761	1,397,042		15,611,803
- Over time			35,154	35,154			19,576	19,576
	21,312,422	1,779,293	35,154	23,126,869	14,214,761	1,397,042	19,576	15,631,379
Less:								
Cost of sales	(14,596,802)	(846,224)	(19,334)	(15,462,360)	(8,264,886)	(1,106,643)	(10,677)	(9,382,206)
Distribution and marketing expenses	(112,584)	(37,750)		(150,334)	(68,008)	(23,540)	-	(91,548)
Administrative expenses	(195,497)	(33,540)		(229,036)	(151,124)	(14,954)	-	(166,078)
Other expenses	(807,288)	(40,117)	(790)	(848,196)	(267,146)	(28,663)	(561)	(296,370)
Other income	392,082	39,583	648	432,312	142,869	147,897	345	291,211
Finance costs	(595,898)	(17,521)	(39)	(613,458)	(326,772)	(11,079)	(456)	(338,307)
Taxation	(1,423,612)	(116,255)	(2,347)	(1,542,214)	(1,421,643)	(81,218)	(2,250)	(1,505,111)
Profit after tax	3,972,824	727,469	13,290	4,713,583	3,858,051	278,942	5,977	4,142,970

	March 31, 2022 (Unaudited)				December 31, 2021 (Audited)			
	Poly Vinyl Chloride and Allied Chemicals	Caustic soda and Allied Chemicals	Power supply	Total	Poly Vinyl Chloride and Allied Chemicals	Caustic soda and Allied Chemicals	Power supply	Total
Total segment assets - note 19.2	49,603,408	7,459,191	25,185	57,087,784	49,603,408	7,459,191	25,185	57,087,784
Unallocated Assets	-	-	-	25,929,304	-	-	-	20,878,256
Total assets				83,017,088				77,966,040
Total segment liabilities	22,001,802	2,800,652	59,661	24,862,115	22,001,802	2,800,652	59,661	24,862,115
Unallocated liabilities	-	-	-	28,553,558	-	-	-	23,136,015
Total liabilities				53,415,673				47,998,130

19.2 Segment assets consist primarily of property, plant and equipment, stores & spares, stock-in-trade and trade debts.

(Amounts in thousand)

20. TRANSACTIONS WITH RELATED PARTIES

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

<u>Nature of relationship</u>	<u>Nature of transactions</u>	<u>Unaudited</u>	
		<u>March 31, 2022</u>	<u>March 31, 2021</u>
		<u>----- Rupees -----</u>	
Holding company			
- Engro Corporation Limited	Reimbursement made	151,834	69
	Reimbursement received	68,400	2,862
	Subordinated Loan	2,000,000	32,716
Members of the Group			
- Engro Fertilizers Limited	Reimbursement received	210	184
	Sale of goods	5,658	8,936
	Sale of steam and electricity	34,913	31,861
	Reimbursement made	12,466	433
	Purchase of services	45,606	7,532
- Engro Vopak Terminal Limited	Purchase of services	489,427	394,754
	Reimbursement made	23,512	3,872
- Engro Energy Limited	Reimbursement received	-	571
- Engro Energy Services Limited	Sale of goods	-	516
- Engro Powergen Qadirpur Limited	Reimbursement received	66	-
- Engro Powergen Thar (Private) Limited	Reimbursement received	1,079	-

(Amounts in thousand)

Directors Fees		4,920	600
Key management personnel	Managerial remuneration	34,294	34,567
	Retirement benefits	5,428	4,820
	Bonus	13,020	13,215
	Other benefits	5,259	5,774
Contribution to staff retirement benefits	Managed & operated by the Holding Company		
	Provident fund	26,175	19,441
	Gratuity fund	21,681	14,158
	Pension fund	845	773

21. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within the level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

As at March 31, 2022	Level 1	Level 2	Level 3	Total
-----Rupees-----				
Financial assets at fair value through profit or loss				
Units of mutual funds	-	6,023,716	-	6,023,716
	-	6,023,716	-	6,023,716
As at December 31, 2021	Level 1	Level 2	Level 3	Total
-----Rupees-----				
Financial assets at fair value through profit or loss				
Units of mutual funds	-	7,972,732	-	7,972,732
	-	7,972,732	-	7,972,732

(Amounts in thousand)

22. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in its meeting held on April 18, 2022 has approved an interim dividend of Rs. 5.00 per share for the period ended March 31, 2022.

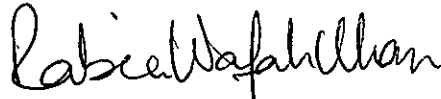
The Board of Directors in its meeting held on April 18, 2022 has approved an interim preference dividend of Rs. 0.37 per share for the period ended March 31, 2022.

23. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 18, 2022 by the Board of Directors of the Company.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



Director
Feroz Rizvi

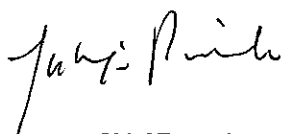
**ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022**

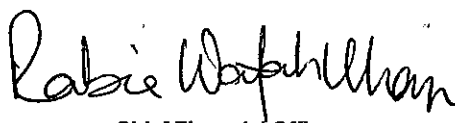
ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

(Amounts in thousand)

	Note	Unaudited March 31, 2022	Audited December 31, 2021
Rupees			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	36,646,722	36,792,644
Right-of-use asset		2,087,796	2,036,649
Intangible assets		696,306	711,832
Long-term investments		2,465,000	2,465,000
Financial assets at amortised cost	6	2,140,482	3,092,784
Long-term loans and advances		-	674
		44,036,306	45,099,583
Current Assets			
Stores, spares and loose tools		2,315,147	2,041,839
Stock-in-trade	7	12,328,247	12,590,666
Trade debts - considered good	8	1,101,598	834,355
Loans, advances, deposits, prepayments and other receivables	9	1,280,242	1,507,325
Term Deposit Certificate		2,140,484	2,086,711
Short term investments		15,314,297	11,744,138
Cash and bank balances		4,371,371	1,916,986
		38,851,386	32,722,020
TOTAL ASSETS		82,887,692	77,821,603
EQUITY AND LIABILITIES			
Equity			
Share capital		9,089,233	9,089,233
Preference shares	10	3,000,000	3,000,000
Share premium		3,874,953	3,874,953
Unappropriated profits		13,635,776	13,994,903
		29,599,962	29,959,089
Non-Current Liabilities			
Long-term borrowings	11	15,220,736	17,081,828
Deferred income - Government grant		118,013	124,661
Lease liabilities	12	2,798,827	2,713,427
Provisions	13	1,808,975	1,808,405
Deferred tax liability	14	2,035,029	2,048,549
		21,981,580	23,776,870
Current Liabilities			
Current portion of long term borrowings	11	4,017,673	3,929,960
Current portion of lease liabilities	12	1,362,640	1,481,141
Provisions	13	4,247,392	4,073,805
Service benefit obligations		64,093	98,298
Short-term borrowings		1,597,869	474,360
Trade and other payables	15	13,825,062	11,533,192
Current portion of deferred income- Government grant		23,562	21,566
Accrued interest / mark-up		360,091	429,944
Income tax provision less payments		2,323,194	1,013,864
Unclaimed dividend		3,484,574	1,029,514
		31,306,150	24,085,644
Contingencies and Commitments	16	53,287,730	47,862,514
TOTAL EQUITY AND LIABILITIES		82,887,692	77,821,603

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive
 Jahangir Piracha


Chief Financial Officer
 Rabia Wafah Khan

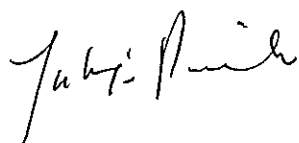

Director
 Feroz Rizvi

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

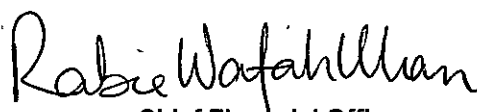
(Amounts in thousand except for earnings per share)

	Quarter ended	
	March 31, 2022	March 31, 2021
	Rupees	
Net revenue	23,126,868	15,671,459
Cost of sales	(15,462,360)	(9,435,754)
Gross profit	7,664,508	6,235,705
Distribution and marketing expenses	(150,334)	(74,451)
Administrative expenses	(224,365)	(166,382)
Other expenses	(843,346)	(122,793)
Other income	425,348	281,534
Operating profit	6,871,811	6,153,613
Finance costs	(606,077)	(402,507)
Profit for the period before taxation	6,265,734	5,751,106
Taxation	(1,544,783)	(1,603,700)
Profit for the period after taxation	4,720,951	4,147,406
Other comprehensive income	-	-
Total comprehensive income for the year	4,720,951	4,147,406
Earnings per share - basic	5.19	4.56
Earnings per share - diluted	3.91	3.42

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



Director
Feroz Rizvi

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

(Amounts in thousand)

	Note	Quarter ended	
		March 31, 2022	March 31, 2021
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	17	9,887,144	5,310,938
Long-term loans and advances - net		674	27,494
Retirement benefits paid		(98,298)	(39,141)
Income tax paid		(248,973)	(138,204)
Net cash generated from operating activities		9,540,547	5,161,087
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible asset		(571,449)	(746,846)
Proceeds from disposal of property, plant and equipment		-	-
Addition in leased liability		171,288	-
Maturity in Term Deposit Receipt		898,529	-
Income on short-term investments and bank deposits		425,348	284,512
Net cash used in investing activities		923,716	(462,334)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings - net of transaction costs		(1,953,227)	311,601
Finance cost paid		(614,105)	(137,244)
Rentals paid during the period		(370,878)	(326,201)
Dividend payment		(2,625,018)	(251)
Net cash generated from financing activities		(5,563,228)	(152,095)
Net (decrease) / increase in cash and cash equivalents		4,901,035	4,546,658
Cash and cash equivalents at beginning of the year		13,186,764	14,115,493
Cash and cash equivalents at end of the year	18	18,087,799	18,662,151

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



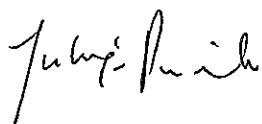
Director
Feroz Rizvi

ENGRO POLYMER AND CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

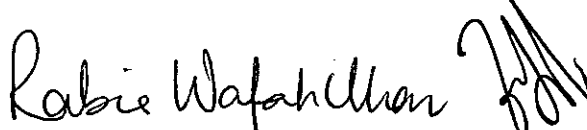
(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		RESERVES		Total
	Share capital	Preference shares	CAPITAL	REVENUE	
			Share premium	Unappropriated profits	
Rupees					
Balance as at January 1, 2021 (Audited)	9,089,233	3,000,000	3,874,953	10,106,711	26,070,897
Total comprehensive income for the period					
Profit for the period ended March 31, 2021	-	-	-	4,147,406	4,147,406
Other comprehensive income for the period ended March 31, 2021	-	-	-	-	-
	-	-	-	4,147,406	4,147,406
Transactions with owners					
Final dividend for the year ended December 31, 2020 - Re. 1.247 per share	-	-	-	(1,133,562)	(1,133,562)
Final preference dividend for the year ended December 31, 2020 - Re. 0.042 per share	-	-	-	(12,485)	(12,485)
	-	-	-	(1,146,047)	(1,146,047)
Balance as at March 31, 2021 (Unaudited)	9,089,233	3,000,000	3,874,953	13,108,070	29,072,256
Total comprehensive income for the nine months ended December 31, 2021					
Profit for the nine months ended December 31, 2021	-	-	-	10,955,205	10,955,205
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-
	-	-	-	10,955,205	10,955,205
Transactions with owners					
First interim ordinary dividend for the year ended December 31, 2021 - Rs. 0.80 per share	-	-	-	(727,139)	(727,139)
First interim preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
Second interim ordinary dividend for the year ended December 31, 2021 - Rs. 7.00 per share	-	-	-	(6,362,463)	(6,362,463)
Second interim preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
Third interim ordinary dividend for the year ended December 31, 2021 - Rs. 3.00 per share	-	-	-	(2,726,770)	(2,726,770)
Third interim preference dividend for the year ended December 31, 2021 - Rs. 0.30 per share	-	-	-	(90,000)	(90,000)
	-	-	-	(10,068,372)	(10,068,372)
Balance as at December 31, 2021 (Audited)	9,089,233	3,000,000	3,874,953	13,994,903	29,959,089
Total comprehensive income for the period					
Profit for the period ended March 31, 2022	-	-	-	4,720,951	4,720,951
Other comprehensive income for the period ended March 31, 2022	-	-	-	-	-
	-	-	-	4,720,951	4,720,951
Transactions with owners					
Final ordinary dividend for the year ended December 31, 2021 - Re. 5.50 per share	-	-	-	(4,999,078)	(4,999,078)
Final preference dividend for the year ended December 31, 2021 - Re. 0.27 per share	-	-	-	(81,000)	(81,000)
	-	-	-	(5,080,078)	(5,080,078)
Balance as at March 31, 2022 (Unaudited)	9,089,233	3,000,000	3,874,953	13,635,776	29,599,962

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan

Director
Feroz Rizvi

ENGRO POLYMER & CHEMICALS LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2022

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Engro Polymer and Chemicals Limited (the Company) was incorporated in Pakistan in 1997 under the repealed Companies Ordinance, 1984. The Company is listed on Pakistan Stock Exchange Limited.
- 1.2 The Company is a subsidiary of Engro Corporation Limited (the Holding Company) which is a subsidiary of Dawood Hercules Corporation Limited (the Ultimate Parent Company). The Company's principal activity is to manufacture, market and sell Poly Vinyl Chloride (PVC), Vinyl Chloride Monomer (VCM), Caustic soda and other related chemicals. The Company is also engaged in the supply of surplus power generated from its power plants to Engro Fertilizers Limited (a related party).
- 1.3 The registered office of the Company is situated at 12th Floor, Ocean Tower, G-3, Block 9, Clifton, Khayaban-e-Iqbal, Karachi. The plant is located at EZ/II-P-II Eastern Zone, Bin Qasim, Karachi, Pakistan, whereas, the Chlor-Vinyl facility is at Port Bin Qasim Industrial Area. The regional sales office of the Company is on the 9th Floor, 301-R Hally Tower Office, Lalik Chowk, Phase II, DHA, Lahore.
- 1.4 These condensed interim financial statements denote the standalone condensed interim financial statements of the Company. The condensed interim consolidated financial statements of the Company and its subsidiaries have been presented separately.

2. BASIS OF PREPARATION

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act 2017 have been followed.

- 2.2 These condensed interim financial statements do not include all the information required to be contained in the annual financial statements and, therefore, should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2021.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of these condensed interim financial statements are the same as those that were applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2021, except for the early adoption of an amendment as set out below:
- 3.2 The financial risk management objectives and policies of the Company are also consistent with those disclosed in the annual audited consolidated financial statements of the Group for the year ended December 31, 2021.

4. ACCOUNTING ESTIMATES

- 4.1 The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgments in the process of applying the Company's accounting policies. Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The significant estimates, judgments and assumptions made by the management in the preparation of the condensed interim financial statements are the same as those that were applied in the annual audited financial statements of the Company as at and for the year ended December 31, 2021.

(Amounts in thousand)

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value - notes 5.1	31,224,563	31,388,709
Capital work-in-progress - note 5.2	5,203,324	5,185,100
Capital spares	218,835	218,835
	<u>36,646,722</u>	<u>36,792,644</u>
5.1 Additions to operating assets during the period were as follows:		
Building on leasehold land	4,800	644,929
Plant and machinery	284,304	13,000,848
Furniture, fixtures and equipment	43,407	98,451
Vehicles	41,573	252,741
	<u>374,084</u>	<u>13,996,969</u>
5.2 Movement in capital-work-progress during the period / year is as follows:		
	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Balance as the beginning of the period / year	5,185,100	16,837,591
Add: Additions during the period / year	400,489	3,117,496
Add: Borrowing costs capitalized during the period / year	-	27,645
Less: Write-off of plant and machinery items	-	-
Less Transferred to operating assets during the period / year	(374,084)	(13,991,373)
Less Transferred to intangible assets during the period / year	(8,181)	(651,216)
Less Transferred to right of use assets during the period / year	-	(155,043)
Balance as the end of the period / year	<u>5,203,324</u>	<u>5,185,100</u>
6. FINANCIAL ASSETS AT AMORTIZED COST		
Investment in Term Deposit Receipts - note 6.1	4,280,966	5,179,495
Less: current maturity shown under current assets	<u>(2,140,484)</u>	<u>(2,086,711)</u>
	<u>2,140,482</u>	<u>3,092,784</u>
6.1 These denote term deposits receipts aggregating to USD 35 million maintained with Dubai Islamic Bank Pakistan Limited. These carry profit at the rate of six months Libor + 0.89% per annum and are due to mature in six equal semi-annual installments of USD 5.833 million which started from July 15, 2021 and ends on January 15, 2024.		
7. STOCK-IN-TRADE		
This includes stock held at Engro Vopak Terminal Limited as at March 31, 2022 Rs. 2,346,846 (as at December 31, 2021: 2,072,238).		
8. TRADE DEBTS - considered good		
	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Includes amounts due from the following related parties:		
- Engro Energy Services Limited	787	787
- Engro Fertilizer Limited	18,596	9,796
	<u>19,383</u>	<u>10,583</u>

(Amounts in thousand)

**9. LOANS, ADVANCES, DEPOSITS,
PREPAYMENTS AND OTHER RECEIVABLES**

These include advances and receivables from the following related parties

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Engro Powergen Thar Pvt. Limited	1,079	-
Engro Powergen Qadirpur Limited	66	-
Engro Peroxide (Private) Limited	6,441	8,454
Engro Plasticizer (Private) Limited	116	116
	<u>7,702</u>	<u>8,570</u>

10. PREFERENCE SHARES

In 2020, the Company issued perpetual, cumulative, callable and convertible listed preference shares of Rs. 3,000,000 by way of pre-IPO placements and public offering at a price of Rs. 10 per share in cash, carrying markup of 6 months KIBOR + 3.5% and the payment of the same shall be at the discretion of Board of Directors. The objective of the preference share issuance is to finance PVC-III expansion and VCM debottlenecking projects. The Company will have an option to call and redeem in full or in part after the expiry of twelve months from the issue date. The preference shares may be convertible into ordinary shares of the Company at the option of the preference shares holder after the expiry of eighty months from December 31, 2020 based on 1:1 ratio. These shares were listed in the year 2020.

11. LONG-TERM BORROWINGS

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
- Sukuks - note 11.1	8,673,237	8,667,709
- Loan from International Finance Corporation (IFC) - note 11.2	4,233,761	5,114,204
- Bilateral Loan - note 11.3	3,614,334	4,517,917
- Islamic Long term financing facility (ILTFF) - note 11.4	1,927,853	1,927,386
- Loan under diminishing musharka agreement - note 11.5	400,000	400,000
- Islamic Temporary Economic Refinance Facility (ITERF) - note 11.6	530,799	530,799
	<u>19,379,984</u>	<u>21,158,015</u>
Less: Current portion shown under current liabilities		
- Loan from International Finance Corporation	(2,143,470)	(2,081,856)
- Bilateral Loan	(1,807,166)	(1,807,166)
- Islamic Long Term Financing Facility (ILTFF)	(67,037)	(60,938)
	<u>(4,017,673)</u>	<u>(3,929,960)</u>
Less: Deferred income - Government grant	(141,575)	(146,227)
	<u>15,220,736</u>	<u>17,081,828</u>

11.1 In 2019, the Company issued sukuk bonds of Rs. 8,750,000 to eligible institutional and other investors by way of private placement. These are repayable over a period of 7.5 years in five equal annual installments of Rs. 1,750,000 each with the first repayment commencing in July 2024. These are secured by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building) which shall rank pari passu with the charges created in favor of the existing creditors.

11.2 In 2018, the Company had entered into a financing agreement with IFC for a total of US Dollars 35,000 the draw down of which was been made in December 2019. The principal is repayable in six equal semi-annual installments commencing from July 2021 and carries markup at the rate of six months LIBOR plus 3.25% payable semi annually.

11.3 In 2019, the Company entered into a musharaka agreement with Dubai Islamic Bank Pakistan Limited (DIBPL). The principal is repayable in six equal semi-annual installments commencing from July 2021 and carries a markup at a rate of six months KIBOR plus 0%, payable semi annually.

The borrowing is secured by way of hypothecation charge of present and future fixed assets of the Company (except land and building), ranking subordinate and subservient to the charges created in favor of the existing creditors, and a lien and a right of set-off over the Term Deposit Receipt maintained with DIBPL as referred to in note 6.

11.4 On September 14, 2020, the Company obtained Islamic Long Term Financing Facility (ILTFF) of the State Bank of Pakistan through Musharaka agreement entered with financial institutions to finance its PVC-II expansion project. The amount is repayable over 10 years in equal quarterly installments of Rs. 60,938 each with the first payment commencing from December 2022. These are secured by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building) which shall rank pari passu with the charges created in favor of the existing creditors.

11.5 On December 28, 2021, the Company made a draw down of Rs. 400,000 under Dimishing Musharka agreement entered with Bank of Khyber to finance its long term expenditure. The principal is repayable in eight equal semi-annual installments commencing from June 2023 and carries markup at the rate of three months KIBOR plus 0.40% payable quarterly. The borrowing is secured by the way of hypothecation charge of present

11.6 During the period, the Company obtained Islamic Temporary Economic Refinance Facility (ITERF) of the State Bank of Pakistan through Musharaka agreement entered with financial institutions to finance its capital expenditure. The amount is repayable over 10 years including 2 years grace period, in 32 quarterly installments of Rs. 9,264 each with the first payment commencing from December 2022.

(Amounts in thousand)

12. LEASE LIABILITIES

These include lease liability outstanding under the storage arrangements with Engro Vopak Terminal Limited, a related party amounted to Rs. 3,973,901 (December 31, 2021: Rs. 4,172,121).

13. PROVISIONS

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Provision for gas development infrastructure cess	5,538,975	5,364,818
Provision for gas price revision	517,392	517,392
	<u>6,056,367</u>	<u>5,882,210</u>
Less: current portion of provision of GIDC and gas price revision	<u>(4,247,392)</u>	<u>(4,073,805)</u>
	<u>1,808,975</u>	<u>1,808,405</u>

14. DEFERRED TAXATION - NET

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Credit balances arising due to: - accumulated depreciation	4,454,254	4,436,093
Debit balances arising due to:		
- unpaid liabilities	174,040	166,970
- leases recognised	595,351	622,505
- provision for Gas Infrastructure Development Cess and Special Excise Duty	1,592,004	1,540,239
- shares issuance cost, net to equity	57,830	57,830
	<u>2,419,225</u>	<u>2,387,544</u>
	<u>2,035,029</u>	<u>2,048,549</u>

15. TRADE & OTHER PAYABLES

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
Includes amounts due to the following related parties:		
- Engro Corporation Limited	215,401	132,834
- Engro Fertilizers Limited	87,634	66,798
- Engro Energy Limited	65	65
- Engro Foundation	8,000	150,000
- Engro Powergen Thar (Private) Limited	-	613
- Think PVC (Private) Limited	-	390
- Engro Vopak Terminal Limited	13,800	164,591
	<u>324,900</u>	<u>515,291</u>

16. CONTINGENCIES AND COMMITMENTS

- 16.1 There is no change in the status of contingencies as disclosed in the annual unconsolidated financial statements for the year ended December 31, 2021.
- 16.2 The aggregate facilities for issuance of performance guarantees by the banks on behalf of the Company as at March 31, 2022 amounts to Rs. 4,448,000 (December 31, 2021: Rs. 4,648,000). The amount utilized there against as at March 31, 2022 is Rs. 3,936,560 (December 31, 2021: Rs. 3,057,000).
- 16.3 The facility for opening letters of credit as at March 31, 2022 aggregates to Rs. 17,800,000 (December 31, 2021: Rs. 18,100,000). The amount utilized thereagainst as at March 31, 2022 Rs. 4,359,990 (December 31, 2021: Rs. 5,197,717).
- 16.4 The Company has entered into operating lease arrangements with Al-Rahim Trading Company (Private) Limited for the storage and handling of Ethylene Di Chloride (EDC) in respect of which future lease commitments aggregate to Rs. 15,108 (December 31, 2021 : Rs 2,500).
- 16.5 Commitments in respect of rentals of storage tanks at EVTL for the handling of Ethylene aggregate to USD 20,736 valid till 31 March 2026, Ethylene Di Chloride (EDC) aggregate to USD 6,015 and are valid till 31 December 2028 and and Vinyl Chloride Monomer (VCM) aggregate to USD 512 valid till 31 December 2023.

	Unaudited March 31, 2022	Audited December 31, 2021
	-----Rupees-----	
16.6 Commitments in respect of capital commitments and other operational items	<u>3,729,538</u>	<u>1,941,718</u>

(Amounts in thousand)

	Unaudited	
	Quarter ended	
	March 31, 2022	March 31, 2021
	----- Rupees -----	
17. CASH GENERATED FROM OPERATIONS		
Profit before taxation	6,265,734	5,751,106
Adjustments for non cash charges and other items:		
Provision for staff retirement and other service benefits	64,093	13,628
Provision for GIDC		-
Depreciation on property, plant and equipment	537,902	380,338
Depreciation on right of use asset	120,141	109,924
Amortization	23,707	6,942
Income on short term investments and bank deposits	(425,348)	(275,821)
Finance costs on lease liability	61,825	64,200
Finance costs	544,252	337,041
Amortization of transaction cost	10,673	10,673
Foreign exchange (gain) / loss of financial liabilities and asset - net	269,187	(198,485)
Unwinding of GIDC	94,922	96,170
Default surcharge on GIDC	79,235	22,823
Working capital changes - note 17.1	2,240,821	(1,007,601)
	<u>9,887,144</u>	<u>5,310,938</u>
17.1 WORKING CAPITAL CHANGES		
(Increase) in current assets		
Stores, spares and loose tools	(273,308)	(121,413)
Stock-in-trade	262,419	(127,299)
Trade debts - considered good	(267,243)	(198,101)
Loans, advances, deposits, prepayments and other receivables	227,083	(227,834)
	<u>(51,049)</u>	<u>(674,647)</u>
(Decrease) / Increase in current liabilities		
Trade and other payables	2,291,870	(332,954)
	<u>2,240,821</u>	<u>(1,007,601)</u>
18. CASH AND CASH EQUIVALENTS		
Cash and bank balances	4,371,371	692,332
Financial assets at fair value through profit and loss	15,314,297	17,698,778
Short-term borrowings - Export Refinance Facility	(1,597,869)	(66,000)
	<u>18,087,799</u>	<u>18,325,110</u>

(Amounts in thousand)

19. SEGMENT INFORMATION

19.1 The basis of segmentation and reportable segments presented in these consolidated condensed interim financial statements are same as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

	March 31, 2022 (Unaudited)				March 31, 2021 (Unaudited)			
	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power Supply	Total	Poly Vinyl Chloride (PVC) and allied chemicals	Caustic soda and allied chemicals	Power supply	Total
Rupees								
Revenue								
- At a point	21,312,422	1,779,293		23,091,715	14,214,761	1,397,042	-	15,611,803
- Over time			35,154	35,154	-	-	19,576	19,576
	21,312,422	1,779,293	35,154	23,126,869	14,214,761	1,397,042	19,576	15,631,379
Less:								
Cost of sales	(14,596,802)	(846,224)	(19,334)	(15,462,360)	(8,264,886)	(1,106,643)	(10,677)	(9,382,206)
Distribution and marketing expenses	(112,584)	(37,750)		(150,334)	(50,514)	(23,540)	-	(74,054)
Administrative expenses	(195,278)	(29,088)		(224,365)	(151,124)	(14,832)	-	(165,956)
Other expenses	(802,557)	(39,999)	(790)	(843,347)	(267,095)	(28,599)	(561)	(296,255)
Other income	391,976	32,725	648	425,348	142,390	138,799	345	281,534
Finance costs	(595,897)	(10,141)	(39)	(606,077)	(328,772)	(11,079)	(456)	(338,307)
Taxation	(1,423,586)	(118,850)	(2,347)	(1,544,783)	(1,426,641)	(79,838)	(2,250)	(1,508,729)
Profit after tax	3,977,695	729,966	13,290	4,720,951	3,870,119	271,310	5,977	4,147,406

	March 31, 2022 (Unaudited)				December 31, 2021 (Audited)			
	Poly Vinyl Chloride and Allied Chemicals	Caustic soda and Allied Chemicals	Power supply	Total	Poly Vinyl Chloride and Allied Chemicals	Caustic soda and Allied Chemicals	Power supply	Total
Total segment assets - note 19.2	49,658,524	7,606,366	25,013	57,289,903	49,658,524	7,606,366	25,185	57,290,075
Unallocated Assets	-	-	-	25,597,789	-	-	-	20,531,528
Total assets				82,887,692				77,821,603
Total segment liabilities	18,369,814	2,467,737	7,589	20,845,140	22,002,192	2,666,840	59,661	24,728,693
Unallocated liabilities	-	-	-	32,442,590	-	-	-	23,133,821
Total liabilities				53,287,730				47,862,514

19.2 Segment assets consist primarily of property, plant and equipment, stores & spares, stock-in-trade and trade debts.

(Amounts in thousand)

20. TRANSACTIONS WITH RELATED PARTIES

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

<u>Nature of relationship</u>	<u>Nature of transactions</u>	<u>Unaudited</u>	
		<u>March 31, 2022</u>	<u>March 31, 2021</u>
		<u>----- Rupees -----</u>	
Holding company			
- Engro Corporation Limited	Reimbursement made	151,717	69
	Reimbursement received	68,400	2,862
	Subordinated Loan	2,000,000	32,716
Subsidiary Company			
- Engro Plasticizer (Private) Limited	Expenses paid	-	189
	Reimbursement made	-	65
- Engro Peroxide (Private) Limited	Reimbursement received	19,296	17,587
- Think PVC (Private) Limited	Expenses paid	-	13,090
	Reimbursement made	-	13,465
	Reimbursement received	256	-
Members of the Group			
- Engro Fertilizers Limited	Reimbursement received	210	184
	Sale of goods	5,658	8,936
	Sale of steam and electricity	34,913	31,861
	Reimbursement made	12,466	433
	Purchase of services	45,606	7,532
- Engro Vopak Terminal Limited	Purchase of services	489,427	394,754
	Reimbursement made	23,512	3,872
- Engro Energy Limited	Reimbursement received	-	571
- Engro Energy Services Limited	Sale of goods	-	516
- Engro Powergen Qadirpur Limited	Reimbursement received	66	-
- Engro Powergen Thar (Private) Limited	Reimbursement received	1,079	-

(Amounts in thousand)

Directors Fees		4,920	600
Key management personnel	Managerial remuneration	34,294	34,567
	Retirement benefits	5,428	4,820
	Bonus	13,020	13,215
	Other benefits	5,259	5,774
Contribution to staff retirement benefits	Managed & operated by the Holding Company		
	Provident fund	26,175	19,441
	Gratuity fund	21,681	14,158
	Pension fund	845	773

21. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within the level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

As at March 31, 2022	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Financial assets at fair value through profit or loss				
Units of mutual funds	-	6,023,716	-	6,023,716
	-	6,023,716	-	6,023,716
As at December 31, 2021	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Financial assets at fair value through profit or loss				
Units of mutual funds	-	7,972,732	-	7,972,732
	-	7,972,732	-	7,972,732

(Amounts in thousand)


22. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in its meeting held on April 18, 2022 has approved an interim dividend of Rs. 5.00 per share for the period ended March 31, 2022.

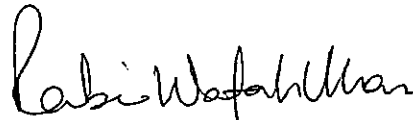
The Board of Directors in its meeting held on April 18, 2022 has approved an interim preference dividend of Rs. 0.37 per share for the period ended March 31, 2022.

23. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 18, 2022 by the Board of Directors of the Company.



Chief Executive
Jahangir Piracha



Chief Financial Officer
Rabia Wafah Khan



Director
Feroz Rizvi

اینٹگر و پولیمر اینڈ کیمیکلز لمیٹڈ

حصص یافتگان (شیئر ہولڈرز) کے لئے 31 مارچ 2022 کو ختم شدہ تین ماہ

کے حوالے سے غیر آڈٹ شدہ مجموعی عبوری مالیاتی گوشواروں پر ڈاریکٹرز کا جائزہ

ہم اینٹگر و پولیمر اینڈ کیمیکلز لمیٹڈ کے بورڈ آف ڈاریکٹرز کی جانب سے 31 مارچ 2022 کو ختم شدہ تین ماہ کے حوالے سے غیر آڈٹ شدہ مجموعی عبوری مالیاتی معلومات کو پیش کرنا چاہتے ہیں۔

کاروبار کا جائزہ

بین الاقوامی PVC قیمتوں نے فروری کے نصف آخر سے بڑھنے سے پہلے اپنے گرتے ہوئے رجحان کو جاری رکھا، جس کی وجہ بنیادی طور پر ٹرانز انڈیزین کے درمیان سپلائی میں سختی، ان پٹ لاگت میں اضافہ، اور مانگ میں اضافہ ہیں۔ بھارت میں صنعتی سرگرمیوں نے رفتار پکڑی، تعمیراتی اور زراعت کے شعبوں نے PVC کی مانگ کو بڑھایا، جس میں خاص طور پر پانی اور صفائی کے شعبہ شامل ہیں۔ شمالی امریکہ کی مارکیٹیں مستحکم رہیں کیونکہ کنورٹرز کے پاس اضافی بیک آرڈرز کی زیادتی جاری رہی۔ روس سے محدود آرڈرز، پوکرائٹی مواد کی کمی، توانائی کے بڑھتے ہوئے اخراجات اور یورپ میں مصنوعات کی دستیابی پر مجموعی طور پر غیر یقینی صورتحال کی وجہ سے یورپ اور ترکی میں قیمتوں میں زبردست اضافہ دیکھا گیا۔

اپ اسٹریٹجکس میں، یوکرین پر روسی حملے کے بعد تیل اور گیس کی قیمتیں کئی سالوں کی بلند ترین سطح پر پہنچ گئیں۔ برینٹ کی قیمتیں تقریباً \$140 تک بڑھ گئیں اور سہ ماہی کے اختتام تک کچھ نرمی کے باوجود، تنازعات اور اس سے منسلک اقتصادی پابندیوں کی وجہ سے عالمی غیر یقینی صورتحال کے پیش نظر زیادہ رہنے کی توقع ہے۔ آتھیلیس کی قیمتوں میں نمایاں اضافہ ہوا، اور خاص طور پر ایشیا میں، پروڈیوسر پر لاگت کے بڑھتے ہوئے دباؤ اور محدود دستیابی کے ساتھ مارکیٹ مستحکم رہی۔ امریکہ میں، آتھیلیس کی سپلائی کی کثرت نے ایشیا اور یورپ کے لیے arbitrage کی کھڑکیاں کھول دیں کیونکہ نیفٹھا پر مبنی فیڈ اسٹاک کی قیمتیں بڑھ گئیں، تاہم، گہرے سمندر میں کارگو کی رکاوٹوں کی وجہ سے تجارتی حجم محدود رہا۔

کاسٹک مینوفیکچررز کے لیے منافع بخش مارجن نے پروڈیوسروں کو زیادہ آپریٹنگ سطحوں پر کام کرنے کے لیے فروغ دیا، جس کے نتیجے میں EDC کی قیمتوں میں معمولی کمی واقع ہوئی۔ سرزمین چین میں کئی سپلائرز کی اعلیٰ EDC برآمدات نے قیمتوں میں کمی کے رجحان کو برقرار رکھا جبکہ توانائی کی قیمتوں میں اضافہ، خاص طور پر یورپ میں، نے قیمتوں کی سطح کو مؤثر طریقے سے سپورٹ کیا۔

اندرونی PVC مارکیٹ نے Q1'2022 میں سہ ماہی کی بنیاد پر 18% کا صحیحی اضافہ ریکارڈ کیا کیونکہ خریداری کے جذبات میں بہتری آئی۔ اندرونی صنعت کو سپورٹ کرنے کے لیے، ہم مسابقتی قیمتوں کی پالیسی اور مؤثر چینل کی حکمت عملی کو برقرار رکھتے ہیں، جس نے ہمیں حالیہ سہ ماہیوں میں ریکارڈ سیلز و ایوم حاصل کرنے میں مدد دی ہے۔

منصوبوں پر جاری کام کی تازہ ترین اپڈیٹس مندرجہ ذیل ہیں:

• OVR پروجیکٹ کامیابی کے ساتھ شروع کر دیا گیا ہے۔

• HTDC پروجیکٹ اچھی طرح سے چل رہا ہے، اور 2023 میں آن لائن آنے کی امید ہے۔

• 2023 میں ہائیڈروجن پیرو آکسائیڈ کے آن لائن ہونے کی امید ہے۔

کمپنی نے، 23127 ملین روپے کی آمدنی ریکارڈ کی جو زیادہ والیو میٹرک سیلز کی پشت پر پچھلے سال کی اسی مدت کے مقابلے میں 48 فیصد اضافے کی نشاندہی کرتا ہے۔ Q1 2022 کے دوران، کمپنی نے 4,714 ملین روپے ٹیکس کے بعد منافع ریکارڈ کیا۔ جو بنیادی آمدنی فی شیئر 5.19 روپے کی کمائی ہے۔ جو گزشتہ سال اسی مدت میں 4,143 ملین ٹیکس کے بعد منافع اور بنیادی آمدنی فی شیئر 4.56 تھا۔

مستقبل کا منظر نامہ

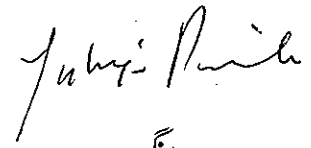
آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ لاجسٹکس کے مسائل اور پروڈیوسروں کے لیے وسیع turnaround کی وجہ سے سپلائی کی ایک پیچیدہ صورتحال کی وجہ سے PVC کی قیمتیں مستحکم رہیں گی۔ خام تیل کے ساتھ ان کے قریبی تعلق کو دیکھتے ہوئے، آئیٹھیلیس کی قیمتوں سے توقع کی جاتی ہے کہ وہ نیفتھا کی بڑھتی ہوئی قیمتوں کا پیچھا کریں گے جبکہ محدود دستیابی کی وجہ سے EDC کی قیمتیں قریبی مدت میں فلیٹ رہنے کی توقع ہے جس کی وجہ صحت مند کانسٹک مارجن ہے۔ تاہم، اجناس کی منڈیاں، اندرونی اور عالمی دونوں ہی جغرافیائی سیاسی تناؤ اور COVID-19 کی وجہ سے پیدا ہونے والی غیر یقینی صورتحال سے متاثر رہیں گی۔

آنے والی سہ ماہی کے لیے ہمارے کلیدی فوکس محفوظ اور پائیدار آپریشنز کو یقینی بنانا ہوں گے اور جاری منصوبوں کو محفوظ طریقے سے اور مقررہ ٹائم لائنز کے اندر مکمل کرنا ہے۔



فیروز زیدی

ڈائریکٹر



جہانگیر پراچہ

چیف ایگزیکٹو آفیسر