



**FINANCIAL STATEMENTS FOR
THE PERIOD ENDED JUNE 30,
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 Dubai Islamic Bank Pakistan Ltd Faysal Bank Ltd Habib Bank Ltd Habib Metropolitan Bank Ltd 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 The Bank of Punjab 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, Laliek 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 MONTH ENDED JUNE 30TH, 2022

On behalf of the Board of Directors of Engro Polymer & Chemicals Limited (the "Company" or "EPCL"), we would like to present the unaudited Financial Information of the Company for the month ended June 30th, 2022

Business Review

Geopolitical uncertainty owing to ongoing Russia – Ukraine conflict, COVID resurgence in China and inflationary pressures have started to weigh in on PVC demand. South Asian PVC prices declined by 7% on quarter-on-quarter basis and by approx. 3% versus same period last year. Demand from India has contributed to weak market sentiment as seasonality entered the monsoon season, leading to limited agricultural activity. European markets have also started to weaken with reports of YoY volumetric declines as raw material and utilities' price inflation linger. The North American market, on the other hand, has remained strong with healthy orders on the back of 2022 construction season; however, headwinds are expected in coming quarters owing to increasing interest rates and inflation.

The global caustic market remained stable during the quarter as global production levels inched up and some regional demands showed weakness across geographies. Asian caustic prices remained range bound with muted volatility, as demand from textile, pulp, chemical processing and paper sectors provided good support.

In H1 2022, plant performance remained highly encouraging as there were no unplanned outages and plant recorded a smooth run. One of the highlights was commissioning of OVR project which will bring raw material efficiencies in our operations. Our focus remained on maintaining high HSE standards both in base operations and ongoing projects. On the market front, EPCL achieved highest ever H1 domestic sales, on the back of our effective commercial strategy and enhanced consumer base, while ensuring customer satisfaction through timely delivery and service availability.

Domestic PVC sales recorded a volumetric increase of ~27% in Q2 2022 versus same period last year. The growth is attributed to lower sales last year as third wave of COVID-19 swept across the country. The volumes recorded slight decline on quarter-on-quarter basis reflecting a usual slowdown of Ramzan and Eid season. Caustic volumes also reflected a similar trend as that of PVC in Q2 2022 on quarter-on-basis. 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. 22,277 million in Q2 2022, indicating an increase of ~50% compared to the same period last year on the back of higher volumetric sales. During Q2 2022, the Company recorded a Profit After Tax of Rs. 2,339 translating into a basic Earnings Per Share of Rs. 2.45

Outlook

Summer downturn is expected to be prolonged than normal as slowing global GDP growth, rising interest rates and inflationary pressures will continue to effect PVC demand. Asian markets are also expected to remain sluggish with reports of COVID restrictions returning. Slow down of global demand is also expected to keep the pressure on Ethylene prices. Overall commodity markets, both domestic and global, will continue to be impacted by uncertainties caused by geopolitical tensions and COVID-19 which witnessed a resurgence especially in China.

Current macroeconomic indicators of the country do not reflect a very satisfactory picture. Unusually high fuel prices and global tightness in RLNG market is expected to pose a significant challenge on ensuring gas availability towards the end of the year. In addition, significant dollar devaluation, rising interest rates and inflationary environment might impact the market sentiment which could ultimately lead to domestic demand slow down.

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.

On behalf of the Board



Chief Executive



Director

Karachi
August 10, 2022



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Engro Polymer and Chemicals Limited

Report on review of Consolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Engro Polymer and Chemicals Limited and its subsidiaries (the Group) as at June 30, 2022 and the related consolidated condensed interim statement of profit or loss and other comprehensive income, consolidated condensed interim statement of changes in equity, and consolidated condensed interim statement of cash flows, and notes to the consolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "consolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these consolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

The figures of the consolidated condensed interim statement of profit or loss and other comprehensive income and notes thereto for the quarters ended June 30, 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Waqas Aftab Sheikh.

Chartered Accountants
Karachi

Date: August 26, 2022

UDIN: RR2022100696hc3FEoNI

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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**ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022**

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

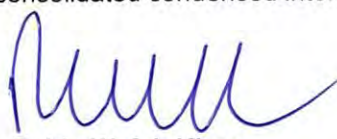
(Amounts in thousand)

	Note	(Unaudited) June 30, 2022	(Audited) December 31, 2021
-----Rupees-----			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	39,069,563	38,703,005
Right-of-use asset		2,040,477	2,036,649
Intangibles		674,395	711,832
Financial assets at amortized cost	6	2,382,081	3,092,784
Long-term loans and advances		169	674
		<u>44,166,685</u>	<u>44,544,944</u>
Current Assets			
Stores, spares and loose tools	7	2,580,974	2,041,839
Stock-in-trade	8	12,112,423	12,590,666
Trade debts - considered good	9	737,897	834,355
Loans, advances, deposits, prepayments and other receivables	10	2,563,823	1,877,418
Short term investments		14,469,262	14,143,236
Cash and bank balances		3,503,536	1,933,582
		<u>35,967,915</u>	<u>33,421,096</u>
TOTAL ASSETS		<u><u>80,134,600</u></u>	<u><u>77,966,040</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital			
- Ordinary shares		9,089,233	9,089,233
- Preference shares		3,000,000	3,000,000
Share premium		3,874,953	3,874,953
Unappropriated profit		11,319,785	14,003,724
		<u>27,283,971</u>	<u>29,967,910</u>
Non-Current Liabilities			
Long term borrowings	11	15,518,447	17,176,747
Deferred income - Government grant	11	231,510	156,700
Lease liabilities	12	2,764,992	2,713,427
Provisions	13	2,104,717	1,808,405
Deferred tax liability	14	2,015,860	2,029,290
		<u>22,635,526</u>	<u>23,884,569</u>
Current Liabilities			
Trade and other payables	15	13,159,799	11,551,643
Service benefit obligations		38,326	98,298
Current portion of long term borrowings	11	4,437,720	3,929,960
Current portion of deferred income - Government grant	11	39,782	26,924
Current portion of lease liabilities	12	1,557,468	1,481,141
Short term borrowings		474,360	474,360
Accrued interest / mark-up		578,744	431,440
Unclaimed dividend		688,719	1,029,514
Taxes payables		5,160,497	1,016,476
Provisions		4,079,688	4,073,805
		<u>30,215,103</u>	<u>24,113,561</u>
		<u>52,850,629</u>	<u>47,998,130</u>
Contingencies and Commitments	16		
TOTAL EQUITY AND LIABILITIES		<u><u>80,134,600</u></u>	<u><u>77,966,040</u></u>

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022


(Amounts in thousand except for earnings per share)


	Quarter ended		Half year ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	-----Rupees-----			
Revenue from contracts with customers - net	22,277,064	14,824,639	45,403,932	30,496,098
Cost of sales	(14,749,463)	(9,606,580)	(30,211,823)	(19,042,334)
Gross profit	7,527,601	5,218,059	15,192,109	11,453,764
Distribution and marketing expenses	(134,493)	(76,595)	(284,827)	(168,540)
Administrative expenses	(274,834)	(169,954)	(503,870)	(336,458)
Other expenses	(1,279,664)	(588,208)	(2,127,859)	(711,116)
Other income	419,617	306,450	851,929	597,661
Operating profit	6,258,227	4,689,752	13,127,482	10,835,311
Finance costs	(737,227)	(512,039)	(1,350,685)	(914,546)
Profit for the period before taxation	5,521,000	4,177,713	11,776,797	9,920,765
Taxation	17 (3,182,826)	(1,055,339)	(4,725,040)	(2,655,421)
Profit for the period after taxation	2,338,174	3,122,374	7,051,757	7,265,344
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,338,174	3,122,374	7,051,757	7,265,344
Earnings per share - basic	2.45	3.35	7.55	7.89
Earnings per share - diluted	1.93	2.58	5.83	6.01

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.

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Jahangir Piracha
Chief Executive Officer


Rabia Wafah Khan
Chief Financial Officer


Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2022

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID- UP CAPITAL		RESERVES		Total
	Ordinary shares	Preference shares	CAPITAL Share premium	REVENUE Unappropriated profit	
	-----Rupees-----				
Balance as at January 1, 2021 (Audited)	9,089,233	3,000,000	3,874,953	10,161,945	26,126,131
Transaction with owners					
Final ordinary dividend for the year ended December 31, 2020 - Rs. 1.247 per share	-	-	-	(1,133,562)	(1,133,562)
Final preference dividend for the year ended December 31, 2020 - Rs. 0.042 per share	-	-	-	(12,485)	(12,485)
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)
	-	-	-	(1,954,186)	(1,954,186)
Total comprehensive income for the half year ended June 30, 2021	-	-	-	7,265,344	7,265,344
Balance as at June 30, 2021 (Unaudited)	9,089,233	3,000,000	3,874,953	15,473,103	31,437,289
Transaction with owners					
Second Interim ordinary dividend for the year ended December 31, 2021 - Rs. 7 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)
	-	-	-	(9,264,546)	(9,264,546)
Total comprehensive income for the half year ended December 31, 2021	-	-	-	7,795,167	7,795,167
Balance as at December 31, 2021 (Audited)	9,089,233	3,000,000	3,874,953	14,003,724	29,967,910
Transaction with owners					
Final ordinary dividend for the year ended December 31, 2021 - Rs. 5.5 per share	-	-	-	(4,999,078)	(4,999,078)
Final preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
First interim ordinary dividend for the year ending December 31, 2022 - Rs. 5 per share	-	-	-	(4,544,617)	(4,544,617)
First interim preference dividend for the year ending December 31, 2022 - Rs. 0.37 per share	-	-	-	(111,000)	(111,000)
	-	-	-	(9,735,695)	(9,735,695)
Total comprehensive income for the half year ended June 30, 2022	-	-	-	7,051,757	7,051,757
Balance as at June 30, 2022 (Unaudited)	9,089,233	3,000,000	3,874,953	11,319,786	27,283,972

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director


ENGRO POLYMER AND CHEMICALS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022


(Amounts in thousand)

	Note	Half year ended	
		June 30, 2022	June 30, 2021
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	18	15,924,834	6,900,537
Long-term loans and advances		505	27,858
Retirement benefits paid		(87,323)	(34,706)
Income tax paid		(594,452)	(944,686)
Net cash generated from operating activities		15,243,564	5,949,003
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(1,528,842)	(1,823,024)
Proceeds from disposal of property, plant and equipment		5,338	44
Proceeds from sale of Term Deposit Receipt		4,550,517	6,000
Investment in Term Deposit Receipt		(3,523,500)	(10,500)
Investment in Pakistan Investment Bonds		(108,178,834)	-
Proceeds from sale of Pakistan Investment Bonds		108,047,862	-
Investment in Mutual Funds Units		(14,734,000)	-
Proceeds from sale of Mutual Funds Units		13,249,742	-
Income on short-term investment and bank deposits		721,212	584,275
Net cash utilized in investing activities		(1,390,505)	(1,243,205)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings		217,685	522,108
Repayment of long-term borrowings		(1,930,600)	-
Finance costs paid		(769,074)	(725,820)
Rentals paid		(809,804)	(661,991)
Dividend paid		(10,076,490)	(1,954,731)
Net cash utilized in financing activities		(13,368,283)	(2,820,434)
Net increase in cash and cash equivalents		484,776	1,885,364
Cash and cash equivalents at beginning of the period		5,994,826	14,371,251
Cash and cash equivalents at end of the period	19	6,479,602	16,256,615

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Jahangir Piracha
Chief Executive Officer


Rabia Wafah Khan
Chief Financial Officer


Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL
STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Engro Polymer and Chemicals Limited (the Holding Company) was incorporated in Pakistan in 1997 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Holding Company is listed on the Pakistan Stock Exchange. The Holding Company is a subsidiary of Engro Corporation Limited (the Parent Company) which is a subsidiary of Dawood Hercules Corporation Limited (the Ultimate Parent Company). The Holding 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 Holding Company is also engaged in the supply of surplus power generated from its power plants to Engro Fertilizers Limited, a related party.
- 1.2 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.
- 1.3 The registered office of the Holding Company and its subsidiaries 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-I Eastern Zone, Bin Qasim, Karachi, whereas, the Chlor-Vinyl facility is at Port Bin Qasim Industrial Area, Karachi. The regional sales office of the Holding Company is on the 6th Floor, Haly Tower Office, Lalik Chowk, Phase II, DHA, Lahore. The PVC products showroom (the Branded Outlet) of Think PVC (Private) Limited is located at Plot 41-C, Bukhari Commercial Lane 2, Phase VI, DHA, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for 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 (the Act); and
- Provisions of and the directives issued under the Act.

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

- 2.2 These consolidated condensed interim financial statements for the half year ended June 30, 2022 are unaudited. However, these have been subjected to limited scope review by the statutory auditors of the Holding Company and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange and section 237 of the Act.

These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2021.



(Amounts in thousand)

2.3 These condensed interim financial statements represents the consolidated condensed interim financial statements of the Holding Company. The unconsolidated condensed interim financial statements of the Holding Company and its subsidiary companies have been presented separately.

3. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT POLICIES AND CHANGES THEREIN

3.1 The significant accounting policies and the methods of computation applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Holding Company for the year ended December 31, 2021.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2022. These are considered not to have any significant effect on the Group's financial reporting and operations and are, therefore, not disclosed in these consolidated condensed interim financial statements.

3.2 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4. ACCOUNTING ESTIMATES

The preparation of these consolidated 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 Holding 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 consolidated condensed interim financial statements are the same as those that were applied in the annual audited consolidated financial statements of the Holding Company as at and for the year ended December 31, 2021 unless otherwise specified.

	Unaudited June 30, 2022	Audited December 31, 2021
-----Rupees-----		
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value - notes 5.1 and 5.2	33,194,853	31,389,283
Capital work-in-progress - note 5.3	5,659,153	7,094,887
Capital spares	215,557	218,835
	39,069,563	38,703,005
5.1 Following additions, including transfers from capital work-in-progress, were made during the period / year:		
Building on leasehold land	5,988	644,929
Plant and machinery	2,819,376	13,000,848
Furniture, fixtures and equipment	50,145	98,451
Vehicles	78,993	247,145
	2,954,502	13,991,373

(Amounts in thousand)

5.2 Disposals / write offs made during the period / year are as follows:

	Unaudited June 30, 2022			Audited December 31, 2021		
	Cost	Net book value	Sales proceeds	Cost	Net book value	Sales proceeds
	-----Rupees-----					
Plant and machinery	-	-	-	200,054	72,965	-
Water pipelines	-	-	-	993	191	-
Ethylene pipelines	-	-	-	292	135	-
Furnitures, fixtures and equipment	2,752	252	274	30,169	3,265	80
Vehicles	5,481	4,669	5,063	2,755	2,521	2,630
	<u>8,233</u>	<u>4,921</u>	<u>5,337</u>	<u>234,263</u>	<u>79,077</u>	<u>2,710</u>

5.3 Movement in capital work-in-progress during the period / year is as follows:

	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
Balance as at beginning of the period / year	7,094,887	18,264,204
Add: Additions during the period / year	1,528,842	3,600,670
Add: Borrowing cost capitalized during the period / year	-	27,645
Less: Transferred to:		
- Operating assets - note 5.1	(2,954,502)	(13,991,373)
- Intangible assets	(10,074)	(651,216)
- Capital spares	-	(155,043)
	<u>5,659,153</u>	<u>7,094,887</u>

6. FINANCIAL ASSETS AT AMORTIZED COST

Investment in Term Deposit Receipts - note 6.1	4,767,795	5,179,495
Less: Current maturity shown under current assets	(2,385,714)	(2,086,711)
	<u>2,382,081</u>	<u>3,092,784</u>

6.1 These represent term deposits aggregating to USD 35,000 maintained with Dubai Islamic Bank Pakistan Limited. These carry profit at the rate of LIBOR + 0.89% per annum and are due to mature in six equal semi-annual installments of USD 5,833 starting from July 15, 2021 and ending on January 15, 2024.

7. STORES, SPARES AND LOOSE TOOLS

7.1 During the period, the Holding Company has written-off stores and spares amounting to Nil (December 31, 2021: Rs. 20,594).

8. STOCK-IN-TRADE

8.1 This includes stock held with Engro Vopak Terminal Limited, a related party, amounting to Rs. 1,679,469 (December 31, 2021: Rs. 2,072,238).

8.2 During the period, the Holding Company has written-off stock-in-trade amounting to Nil (December 31, 2021: Rs. 1,665).

(Amounts in thousand)

	Unaudited June 30, 2022	Audited December 31, 2021			
-----Rupees-----					
9. TRADE DEBTS - Considered good					
These include unsecured receivables from the following related parties:					
Engro Corporation limited	2,822	-			
Engro Energy Services Limited	764	787			
Engro Eximp FZE	140,763	-			
Engro Fertilizers Limited	13,228	9,796			
	<u>157,577</u>	<u>10,583</u>			
10. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES					
These include unsecured receivables from the following related parties:					
Engro Corporation Limited	3,387	-			
Engro Fertilizers Limited	935	-			
Engro Energy Limited	524	-			
	<u>4,846</u>	<u>-</u>			
11. LONG-TERM BORROWINGS					
	Mark-up rate per annum	Installments Number	Commencing	June 30, 2022	December 31, 2021
				----- Rupees -----	
Sukuks - note 11.1	3 months KIBOR + 0.9%	5 half yearly	July 10, 2024	8,678,824	8,667,709
Loan from International Finance Corporation (IFC) - note 11.2	6 months LIBOR + 3.25%	6 half yearly	July 15, 2021	4,725,184	5,114,204
Bilateral Loan - note 11.3	6 months KIBOR + 0%	6 half yearly	July 15, 2021	3,614,334	4,517,917
Islamic Long Term Financing Facility (ILTF) - note 11.4	SBP rate + 1.2%	32 quarterly	December 14, 2022	1,928,320	1,927,386
Islamic Temporary Economic Refinance Facility (ITERF) - notes 11.5 and 11.6	Ranging from SBP rate + 0.75% to 1%	32 quarterly	June 12, 2023	880,797	663,115
Loan under Diminishing Musharka Agreement - note 11.7	3 months KIBOR + 0.4%	6 half yearly	June 28, 2023	400,000	400,000
				<u>20,227,459</u>	<u>21,290,331</u>
Less: Current portion shown under current liabilities:					
- Loan from International Finance Corporation				(2,386,881)	(2,061,856)
- Bilateral Loan				(1,807,167)	(1,807,166)
- Islamic Long Term Financing Facility (ILTF)				(182,813)	(60,938)
- Diminishing Musharka Agreement				(60,859)	-
				<u>(4,437,720)</u>	<u>(3,929,960)</u>
Less: Deferred income - Government grant - note 11.5				(271,292)	(183,624)
				<u>15,518,447</u>	<u>17,176,747</u>

(Amounts in thousand)

11.1 In 2019, the Holding 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 Holding Company (excluding land and building) to the extent of Rs. 10,937,500 which shall rank pari passu with the charges created in favour of the existing creditors.

11.2 In 2018, the Holding 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.

The long term facility agreement is subject to interest rate benchmark reforms, which are yet to transition. The consultation between the Holding Company and lenders will commence in due course and transition will be completed by the mid of 2023.

The borrowing is secured by way of hypothecation charge over present and future fixed assets of the Holding Company (excluding land and building) to the extent of USD 43,750 which shall rank pari passu with the charges created in favour of the existing creditors.

11.3 In 2019, the Holding 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 Holding Company (except land and building) to the extent of Rs. 1,199,450, ranking subordinate and subservient to the charges created in favour 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 6.1.

11.4 In 2020, the Holding Company Islamic Long Term Financing Facility (ILTFF) of the State Bank of Pakistan (SBP) 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 and carries markup at a rate of SBP rate plus 1.2%, payable quarterly. ILTFF is secured by way of hypothecation charge over present and future fixed assets of the Company (excluding land and building), to the extent of Rs. 2,437,500 which shall rank pari passu with the charges created in favour of the existing creditors.

11.5 On March 12, 2021, the Holding Company obtained Islamic Temporary Economic Refinance Facility (ITERF) of SBP through Musharaka Agreement entered with financial institutions amounting to Rs. 1,000,000 to finance its capital expenditure. The amount is repayable over 10 years including 2 years grace period, in 32 quarterly installments of Rs. 11,519 each with the first payment commencing from June 2023 and carries markup at SBP Refinance Rate plus 0.75% to 1% per annum, payable quarterly. The borrowing is secured by the way of hypothecation charge over present and future fixed assets of the Holding Company (excluding land and building), to the extent of Rs. 1,250,000 which shall rank pari passu with the charges created in favor of existing creditors.

During the period, the Holding Company has obtained additional loan amounting to Rs. 217,685 on account of ITERF. The value of benefit of below-market interest rate on this additional loan has been accounted for as Government grant.

Mrs.

(Amounts in thousand)

- 11.6 On June 14, 2021, Engro Peroxide (Private) Limited (EPPL) entered into a Musharaka Agreement with MCB Bank and MCB Islamic Bank Limited (MIBL) for Rs. 550,000 and Rs. 100,000 respectively under the ITERF of SBP.

The principal is repayable over 10 years in 32 equal quarterly installments commencing from September 2023 and carries markup at SBP Refinance Rate plus 1.25%, payable quarterly. The borrowing is secured by way of hypothecation charge over present and future moveable fixed assets of EPPL (except land and building), which shall rank pari passu with the charges created in favor of existing creditors.

- 11.7 On December 28, 2021, the Holding 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 six 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 over present and future fixed assets of the Holding Company (excluding land and building), to the extent of Rs. 500,000, which shall rank pari passu with the charges created in favor of existing creditors.

12. LEASE LIABILITIES

These include lease liability outstanding under the storage arrangements with Engro Vopak Terminal Limited, a related party, amounting to Rs. 4,071,149 (December 31, 2021: Rs. 4,172,121).

	Unaudited June 30, 2022	Audited December 31, 2021
-----Rupees-----		
13. PROVISIONS		
Provision for Gas Infrastructure Development Cess (GIDC)	5,667,013	5,364,818
Provision for gas price revision	517,392	517,392
	<u>6,184,405</u>	<u>5,882,210</u>
Less: Current portion of provision for GIDC	(4,079,688)	(4,073,805)
	<u>2,104,717</u>	<u>1,808,405</u>
14. DEFERRED TAX LIABILITY		
Debit balances arising due to:		
- unpaid liabilities	173,370	166,970
- lease liabilities	1,124,328	622,505
- recoupable business losses	18,985	19,245
- Provisions	2,020,445	1,540,239
- share issuance cost, net to equity	65,149	57,830
	<u>3,402,277</u>	<u>2,406,789</u>
Credit balances arising due to:		
- accumulated tax depreciation	5,418,137	4,436,079
	<u>2,015,860</u>	<u>2,029,290</u>

(Amounts in thousand)

	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
15. TRADE AND OTHER PAYABLES		
This includes amounts due to the following related parties:		
- Engro Corporation Limited	325,159	132,834
- Engro Fertilizers Limited	104,585	66,798
- Engro Energy Limited	65	65
- Engro Foundation	8,151	150,000
- Engro Powergen Qadirpur Limited	1,555	613
- Engro Vopak Terminal Limited	204,429	164,591
- Engro Eximp FZE	978,264	-
	<u>1,622,208</u>	<u>514,901</u>
16. CONTINGENCIES AND COMMITMENTS		
16.1	There has been no material change in the contingencies from those disclosed in the annual audited 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 Group as at June 30, 2022 amounts to Rs. 4,948,000 (December 31, 2021: Rs. 4,698,000). The amount utilised there against as at June 30, 2022 is Rs. 4,320,513 (December 31, 2021: Rs. 3,366,166).	
16.3	The facility for opening letters of credit of the Group as at June 30, 2022 aggregates to Rs. 27,683,682 (December 31, 2021: Rs.21,982,934). The amount utilised thereagainst as at June 30, 2022 was Rs. 10,696,767 (December 31, 2021: Rs. 8,252,481).	
16.4	The Holding 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:	
	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
Not later than one year	<u>46,250</u>	<u>2,500</u>
16.5	In 2019, EPPL entered into a contract with Chematur Engineering AB to establish Hydrogen Peroxide manufacturing plant for a consideration of EUR 6,993. During the period, there has been an increase in the project cost by EUR 662 due to increase in price of catalyst. As at June 30, 2022 commitment for civil works and equipment procurement amounts to EUR 1,480 (December 31, 2021: EUR 367).	
16.6	In 2021, EPPL entered into a contract with China National Air Separation Engineering Company Limited for design, procurement and engineering services for Hydrogen Peroxide manufacturing plant at a consideration of CNY 104,400. As at June 30, 2022, outstanding commitment for civil works and equipment procurement amounts to CNY 104,400 (December 31, 2021: CNY 104,400).	
16.7	In 2021, EPPL entered into a contract with Etimaad Engineering (Private) Limited for construction and installation services in respect of Hydrogen Peroxide manufacturing plant at a consideration of Rs. 927,000. As at June 30, 2022, outstanding commitment amounts to Rs. 587,647 (December 31, 2021: Rs. 741,600).	



(Amounts in thousand)

- 16.8 In May 2022, EPPL entered into a contract with Suria Engineering (Private) Limited for purchase of Hydrogen Peroxide Steel Structure in respect of the manufacturing plant for a consideration of Rs. 470,000. As at June 30, 2022, outstanding commitment for equipment procurement amounts to Rs. 376,000.
- 16.9 Commitments of Holding Company in respect of rentals of storage tanks at EVTL for the handling of Ethylene aggregate to USD 26,892 valid till March 31, 2026, Ethylene Di Chloride (EDC) aggregate to USD 9,219 valid till December 31, 2028 and Vinyl Chloride Monomer (VCM) aggregate to USD 1,018 valid till December 31, 2023.

	Unaudited June 30, 2022	Audited December 31, 2021
-----Rupees-----		
16.10 Commitments in respect of other capital expenditure and other operational items	1,740,083	1,941,718

17. TAXATION

This includes provision made by the Holding Company in accordance with section 4C "Super tax on high earning persons" introduced in the Income Tax ordinance, 2001 through the Finance Act (the Act), whereby the super tax at the rate of 10% and at the rate 4%, respectively, has been levied on the income exceeding Rs. 300,000 for the year ended December 31, 2021 (tax year 2022) and the half year ended June 30, 2022 (tax year 2023).

	Unaudited Half year ended	
	June 30, 2022	June 30, 2021
-----Rupees-----		

18. CASH GENERATED FROM OPERATIONS

18.1 Profit for the period before taxation	11,776,797	9,920,765
Adjustments for non-cash charges and other items:		
Provision for staff retirement and other service benefits	27,351	25,157
Depreciation of operating assets	1,148,940	799,049
Write-off of operating assets	-	76,460
Depreciation of right-of-use asset	241,635	224,240
Amortization of intangible assets	47,512	14,061
Unwinding of remeasurement gain on provision against GIDC	107,161	149,961
Write-off of stores and spares	-	414
Write-off of stock-in-trade	-	1,665
Income on short-term investments and bank deposits	(832,437)	(580,965)
Exchange loss / (gain) on revaluation of financial asset and liabilities	1,196,887	(70,542)
Amortization of transaction cost on borrowings	21,345	21,344
Interest expense on lease liabilities	124,117	133,853
Provision for default surcharge on GIDC	195,033	54,512
Finance costs	921,200	704,837
Loss on disposal of operating assets	416	-
Working capital changes - note 18.2	948,877	(4,574,274)
	<u>15,924,834</u>	<u>6,900,537</u>

(Amounts in thousand)

	Unaudited	
	Half year ended	
	June 30, 2022	June 30, 2021
-----Rupees-----		
18.2 Working capital changes		
Increase / (Decrease) in current assets		
Stores, spares and loose tools	(539,135)	(432,385)
Stock-in-trade	478,243	(3,004,011)
Trade debts - considered good	96,398	(1,349,463)
Loans, advances, deposits, prepayments and other receivables - net	<u>(697,978)</u>	<u>(888,316)</u>
	<u>(662,472)</u>	<u>(5,674,175)</u>
Increase in current liabilities		
Trade and other payables	1,611,349	1,099,901
	<u>948,877</u>	<u>(4,574,274)</u>
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,503,536	1,286,350
Short term investments	<u>2,976,066</u>	<u>14,970,265</u>
	<u>6,479,602</u>	<u>16,256,615</u>
20. SEGMENT INFORMATION		
20.1 The basis of segmentation and reportable segments presented in these consolidated condensed interim financial statements are same as disclosed in the annual financial statements of the Holding Company for the year ended December 31, 2021.		

	June 30, 2022 (Unaudited)				June 30, 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 in time	41,832,135	3,502,214	-	45,334,349	27,559,911	2,894,519	-	30,454,430
- Over time	-	-	69,583	69,583	-	-	41,668	41,668
	<u>41,832,135</u>	<u>3,502,214</u>	<u>69,583</u>	<u>45,403,932</u>	<u>27,559,911</u>	<u>2,894,519</u>	<u>41,668</u>	<u>30,496,098</u>
Less:								
Cost of sales	(28,529,032)	(1,633,106)	(49,685)	(30,211,823)	(16,518,361)	(2,496,375)	(27,598)	(19,042,334)
Distribution and marketing expenses	(198,608)	(86,219)	-	(284,827)	(121,962)	(46,578)	-	(168,540)
Administrative expenses	(438,367)	(65,503)	-	(503,870)	(321,361)	(15,097)	-	(336,458)
Other expenses	(2,006,850)	(118,652)	(2,357)	(2,127,859)	(632,594)	(77,594)	(928)	(711,116)
Other income	786,105	64,541	1,283	851,929	314,595	282,333	733	597,661
Finance costs	(1,283,488)	(65,888)	(1,309)	(1,350,685)	(889,108)	(25,020)	(418)	(914,546)
Taxation	(4,353,663)	(364,138)	(7,239)	(4,725,040)	(2,561,912)	(90,502)	(3,007)	(2,655,421)
Profit after taxation	<u>5,808,232</u>	<u>1,233,249</u>	<u>10,276</u>	<u>7,051,757</u>	<u>6,829,208</u>	<u>425,686</u>	<u>10,450</u>	<u>7,265,344</u>

	June 30, 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
Rupees								
Total segment assets - Note 20.2	28,487,757	7,595,646	7,690,589	43,773,992	49,603,408	7,459,191	25,185	57,087,784
Unallocated assets				36,360,608				20,878,256
Total assets				<u>80,134,600</u>				<u>77,966,040</u>
Total segment Liabilities	44,855,001	1,220,467	895,785	46,971,253	22,001,802	2,800,652	59,661	24,862,115
Unallocated Liabilities				5,879,376				23,136,015
Total Liabilities				<u>52,850,629</u>				<u>47,998,130</u>

(Amounts in thousand)

20.2 Segment assets consist primarily of property, plant and equipment, right-of-use assets, stores and spares, stock-in-trade and trade debts.

21. TRANSACTIONS WITH RELATED PARTIES

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

		Unaudited	Unaudited
		Half year ended	Half year ended
		June 30,	June 30,
		2022	2021
		-----Rupees-----	
Nature of relationship	Nature of transactions		
Holding Company			
- Engro Corporation Limited	Reimbursements made	440,281	273,414
	Reimbursements received	73,561	6,808
	Expenses paid		
	on behalf of the Group	1,010	-
	Intangible asset - software	-	74,731
	Subordinated loan proceeds	2,000,000	-
	Subordinated loan repaid	2,000,000	-
	Markup on subordinated loan	20,137	-
Members of the Group			
- Engro Fertilizers Limited	Sale of goods	7,270	-
	Sale of steam and electricity	65,684	85,449
	Reimbursement received	434	2,339
	Reimbursement made	52,139	1,417
	Purchase of services	69,454	21,756
- Engro Vopak Terminal Limited	Reimbursement made	31,092	11,912
	Purchase of services	1,018,388	812,547
- Engro Energy Limited	Reimbursements received	524	-
	Contribution for onward donation	49,728	-
- Engro Foundation	Donation	6,351	35,018
- Engro Elengy Terminal (Pvt.) Limited	Reimbursement made	53	-
- Engro Powergen Qadirpur Limited	Reimbursement received	2,364	-
	Reimbursement made	1,555	-
- Engro Eximp FZE	Purchased goods	3,447,086	-
	Sale of goods	243,306	-
	Reimbursement made	30,848	-
- Engro Energy Services Limited	Reimbursement received	-	571
	Sale of goods	-	1,371
- Engro PowerGen Thar (Pvt.) Limited	Reimbursement received	1,861	-
Associated Companies			
- Pakistan Oxygen Limited	Purchased goods	4,638	-
	Purchase of services	385	-
	Sale of goods	43,177	-
- Arabian Sea Country Club	Purchase of services	296	-
- Overseas Investors Chamber of Commerce & Industry	Purchase of services	500	-

(Amounts in thousand)

		Unaudited	Unaudited
		Half year ended	Half year ended
		June 30,	June 30,
		2022	2021
-----Rupees-----			
Nature of relationship	Nature of transactions		
- Pak Brunei Investment Company	Purchase of services	1,500	-
- KSB Pumps Company Limited	Purchased goods	1,594	-
- Pakistan Chemical Manufacturers Association	Purchase of services	4,471	-
	Donation	1,400	-
Directors	Fee	10,052	1,300
Contribution to staff retirement benefits	Managed and operated by the Holding Company		
	-Provident fund	53,751	42,146
	-Gratuity fund	41,661	32,671
	-Pension fund	2,080	1,617
Key management personnel	Managerial remuneration	74,444	71,516
	Retirement benefit funds	12,017	10,060
	Bonus	28,647	27,043
	Other benefits	12,939	12,424

22. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently these consolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

23. 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 consolidated condensed interim 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

(Amounts in thousand)

- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
As at June 30, 2022				
Short term investments				
Financial assets at fair value				
through profit or loss				
- Mutual Funds units	-	8,847,269	-	8,847,269
- Pakistan Investment Bonds	-	130,971	-	130,971
	-	8,978,240	-	8,978,240

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
As at December 31, 2021				
Short term investments				
Financial assets at fair value				
through profit or loss				
- Mutual Funds units	-	7,972,732	-	7,972,732

For the remaining financial assets and financial liabilities, the fair values are considered not to be materially different from their respective carrying amounts since the instruments are either short-term in nature or are periodically re-priced.

24. NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

- 24.1 The Board of Directors in its meeting held on August 10, 2022 has approved an interim cash dividend of Rs. 2.5 per share for the period ended June 30, 2022 amounting to Rs. 2,272,308 . These consolidated condensed interim financial statements do not include the effect of the said interim dividend.
- 24.2 The Board of Directors in its meeting held on August 10, 2022 has approved an interim cash dividend for preference share holders of Rs. 0.37 per share for the period ended June 30, 2022 amounting to Rs. 11,100 . These consolidated condensed interim financial statements do not include the effect of the said interim dividend.

25. CORRESPONDING FIGURES

- 25.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas the consolidated condensed interim profit or loss and other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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(Amounts in thousand)

25.2 Corresponding figures have been rearranged and reclassified for better presentation, wherever, considered necessary. Following is the major reclassification that has been made during the period;

Description	Reclassified		Amount
	From	To	
Bank guarantees	Cash and bank balances	Loans, advances, deposits, prepayments and other receivables	309,182

26. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on August 10, 2022 by the Board of Directors of the Holding Company.




Jahangir Piracha
 Chief Executive Officer


Rabia Wafah Khan
 Chief Financial Officer


Feroz Rizvi
 Director



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Engro Polymer and Chemicals Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Engro Polymer and Chemicals Limited as at June 30, 2022 and the related unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and other comprehensive income and notes thereto for the quarters ended June 30, 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Waqas Aftab Sheikh.

Chartered Accountants
Karachi

Date: August 26, 2022

UDIN: RR202210069BrEFTct05

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**ENGRO POLYMER AND CHEMICALS LIMITED
UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022**

ENGRO POLYMER AND CHEMICALS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

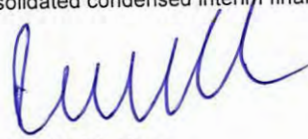
(Amounts in thousand)

	Note	(Unaudited) June 30, 2022	(Audited) December 31, 2021
-----Rupees-----			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	36,897,900	36,792,644
Right-of-use asset		1,966,303	2,036,649
Intangible		674,395	711,832
Long-term investments		2,465,000	2,465,000
Financial assets at amortized cost	6	2,382,081	3,092,784
Long-term loans and advances		169	674
		<u>44,385,848</u>	<u>45,099,583</u>
Current Assets			
Stores, spares and loose tools	7	2,580,974	2,041,839
Stock-in-trade	8	12,112,423	12,590,666
Trade debts - considered good	9	737,957	834,355
Loans, advances, deposits, prepayments and other receivables	10	2,184,340	1,507,325
Short term investments		14,457,888	13,830,849
Cash and bank balances		3,446,734	1,916,986
		<u>35,520,316</u>	<u>32,722,020</u>
TOTAL ASSETS		<u><u>79,906,164</u></u>	<u><u>77,821,603</u></u>
EQUITY AND LIABILITIES			
Equity			
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 profit		11,319,141	13,994,903
		<u>27,283,327</u>	<u>29,959,089</u>
Non-Current Liabilities			
Long term borrowings	11	15,420,203	17,081,828
Deferred income - Government grant	11	202,474	124,661
Lease liabilities	12	2,707,350	2,713,427
Provisions	13	2,104,717	1,808,405
Deferred tax liability	14	2,034,845	2,048,549
		<u>22,469,589</u>	<u>23,776,870</u>
Current Liabilities			
Trade and other payables	15	13,119,102	11,533,192
Service benefit obligations		38,326	98,298
Current portion of long term borrowings	11	4,437,720	3,929,960
Current portion of lease liabilities	12	1,545,674	1,481,141
Short term borrowings		474,360	474,360
Current portion of deferred income - Government grant	11	34,748	21,566
Accrued interest / mark-up		577,248	429,944
Unclaimed dividend		688,720	1,029,514
Taxes payable		5,157,663	1,013,864
Provisions		4,079,687	4,073,805
		<u>30,153,248</u>	<u>24,085,644</u>
		<u>52,622,837</u>	<u>47,862,514</u>
Contingencies and Commitments	16		
TOTAL EQUITY AND LIABILITIES		<u><u>79,906,164</u></u>	<u><u>77,821,603</u></u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022

(Amounts in thousand except for earnings per share)

	Note	Quarter ended		Half year ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
-----Rupees-----					
Revenue from contracts with customers - net		22,277,064	14,822,863	45,403,932	30,494,322
Cost of sales		(14,749,463)	(9,605,116)	(30,211,823)	(19,040,870)
Gross profit		7,527,601	5,217,747	15,192,109	11,453,452
Distribution and marketing expenses		(117,824)	(73,170)	(268,158)	(147,621)
Administrative expenses		(279,504)	(169,832)	(503,869)	(336,214)
Other expenses		(1,283,730)	(559,692)	(2,127,076)	(682,485)
Other income		411,386	306,522	836,734	588,056
Operating profit		6,257,929	4,721,575	13,129,740	10,875,188
Finance costs		(739,785)	(512,024)	(1,345,862)	(914,531)
Profit for the period before taxation		5,518,144	4,209,551	11,783,878	9,960,657
Taxation	17	(3,179,162)	(1,067,748)	(4,723,945)	(2,671,448)
Profit for the period after taxation		2,338,982	3,141,803	7,059,933	7,289,209
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		2,338,982	3,141,803	7,059,933	7,289,209
Earnings per share - basic		2.45	3.37	7.56	7.92
Earnings per share - diluted		1.93	2.60	5.84	6.03

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



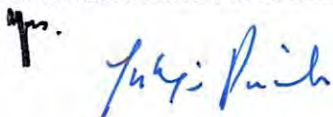
Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2022

(Amounts in thousand)

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		RESERVES		Total
			CAPITAL	REVENUE	
	Ordinary Share capital	Preference shares	Share premium	Unappropriated profit	
Balance as at January 1, 2021 (Audited)	9,089,233	3,000,000	3,874,953	10,106,711	26,070,897
Transaction with owners					
Final ordinary dividend for the year ended December 31, 2020 - Rs. 1.247 per share	-	-	-	(1,133,562)	(1,133,562)
Final preference dividend for the year ended December 31, 2020 - Rs. 0.042 per share	-	-	-	(12,485)	(12,485)
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)
Total comprehensive income for the half year ended June 30, 2021	-	-	-	7,289,209	7,289,209
Balance as at June 30, 2021 (Unaudited)	9,089,233	3,000,000	3,874,953	15,441,734	31,405,920
Transaction with owners					
Second Interim ordinary dividend for the year ended December 31, 2021 - Rs. 7 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)
Total comprehensive income for the half year ended December 31, 2021	-	-	-	7,813,402	7,813,402
Balance as at December 31, 2021 (Audited)	9,089,233	3,000,000	3,874,953	13,994,903	29,959,089
Transaction with owners					
Final ordinary dividend for the year ended December 31, 2021 - Rs. 5.5 per share	-	-	-	(4,999,078)	(4,999,078)
Final preference dividend for the year ended December 31, 2021 - Rs. 0.27 per share	-	-	-	(81,000)	(81,000)
First interim ordinary dividend for the year ending December 31, 2022 - Rs. 5 per share	-	-	-	(4,544,617)	(4,544,617)
First interim preference dividend for the year ending December 31, 2022 - Rs. 0.37 per share	-	-	-	(111,000)	(111,000)
Total comprehensive income for the half year ended June 30, 2022	-	-	-	7,059,933	7,059,933
Balance as at June 30, 2022 (Unaudited)	9,089,233	3,000,000	3,874,953	11,319,141	27,283,327

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2022

(Amounts in thousand)

	Note	Half year ended	
		June 30, 2022	June 30, 2021
-----Rupees-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	18	15,927,257	7,231,816
Long-term loans and advances		505	27,858
Retirement benefits paid		(87,323)	(34,706)
Income tax paid		(593,851)	(944,444)
Net cash generated from operating activities		15,246,588	6,280,524
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(1,267,297)	(1,599,339)
Proceeds from disposal of property, plant and equipment		5,338	44
Disbursement of subordinated loan to subsidiary company		-	(300,000)
Proceeds from sale of Term Deposit Receipt		4,550,517	6,000
Investment in Term Deposit Receipt		(3,523,500)	(10,500)
Investment in Pakistan Investment Bonds		(108,178,834)	-
Proceeds from sale of Pakistan Investment Bonds		108,047,862	-
Investment in Mutual Funds units		(14,734,000)	-
Proceeds from sale of Mutual Funds units		13,249,742	-
Income on short-term investment and bank deposits		706,017	571,098
Net cash utilized in investing activities		(1,144,155)	(1,332,697)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings		217,685	402,419
Repayment of long-term borrowings		(1,930,600)	-
Finance costs paid		(767,004)	(725,806)
Rentals paid		(800,442)	(661,991)
Dividend paid		(10,076,489)	(1,954,731)
Net cash utilized in financing activities		(13,356,850)	(2,940,109)
Net increase in cash and cash equivalents		745,583	2,007,718
Cash and cash equivalents at beginning of the period		5,665,843	14,115,493
Cash and cash equivalents at end of the period	19	6,411,426	16,123,211

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director

ENGRO POLYMER AND CHEMICALS LIMITED
NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL
STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 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 now 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/II/P-II-I 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 6th Floor, Haly Tower Office, Lalik Chowk, Phase II, DHA, Lahore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for 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 (the Act); and
- Provisions of and the directives issued under the Act.

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

- 2.2 These unconsolidated condensed interim financial statements for the half year ended June 30, 2022 are unaudited. However, these have been subjected to limited scope review by the statutory auditors of the Company and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange and section 237 of the Act.

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

- 2.3 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investment in subsidiary companies namely Think PVC (Private) Limited, Engro Peroxide (Private) Limited and Engro Plasticizer (Private) Limited have been accounted for at cost less accumulated impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiary companies have been presented separately.

(Amounts in thousand)

3. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

- 3.1 The significant accounting policies and the methods of computation applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2021.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2022. These are considered not to have any significant effect on the Company's financial reporting and operations and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

- 3.2 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4. ACCOUNTING ESTIMATES

The preparation of these unconsolidated 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 unconsolidated condensed interim financial statements are the same as those that were applied in the audited financial statements of the Company as at and for the year ended December 31, 2021 unless otherwise specified.

	Unaudited June 30, 2022	Audited December 31, 2021
-----Rupees-----		

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets, at net book value - notes 5.1 and 5.2	33,194,522	31,388,709
Capital work-in-progress - note 5.3	3,487,821	5,185,100
Capital spares	215,557	218,835
	36,897,900	36,792,644

- 5.1 Following additions, including transfers from capital work-in-progress were made during the period / year:

Building on leasehold land	5,988	644,929
Plant and machinery	2,819,376	13,000,848
Furniture, fixtures and equipment	50,145	98,451
Vehicles	78,993	247,145
	2,954,502	13,991,373



(Amounts in thousand)

5.2 Disposals / write offs made during the period / year are as follows:

	Unaudited June 30, 2022			Audited December 31, 2021		
	Cost	Net book value	Sales proceeds	Cost	Net book value	Sales proceeds
	----- Rupees -----					
Plant and machinery	-	-	-	200,054	72,965	-
Water pipelines	-	-	-	993	191	-
Ethylene pipelines	-	-	-	292	135	-
Furnitures, fixtures and equipment	2,752	252	274	30,169	3,265	80
Vehicles	5,481	4,669	5,063	2,755	2,521	2,630
	<u>8,233</u>	<u>4,921</u>	<u>5,337</u>	<u>234,263</u>	<u>79,077</u>	<u>2,710</u>

5.3 Movement in capital work-in-progress during the period / year is as follows:

	Unaudited June 30, 2022	Audited December 31, 2021
	----- Rupees -----	
Balance as at beginning of the period / year	5,185,100	16,837,591
Add: Additions during the period / year	1,267,297	3,117,496
Add: Borrowing cost capitalized during the period / year	-	27,645
Less: Transferred to:		
- Operating assets - note 5.1	(2,954,502)	(13,991,373)
- Intangible assets	(10,074)	(651,216)
- Capital spares	-	(155,043)
	<u>3,487,821</u>	<u>5,185,100</u>

6. FINANCIAL ASSETS AT AMORTIZED COST

Investment in Term Deposit Receipts - note 6.1	4,767,795	5,179,495
Less: Current maturity shown under current assets	<u>(2,385,714)</u>	<u>(2,086,711)</u>
	<u>2,382,081</u>	<u>3,092,784</u>

6.1 These denote term deposits aggregating to USD 35,000 maintained with Dubai Islamic Bank Pakistan Limited. These carry profit at the rate of LIBOR + 0.89% per annum and are due to mature in six equal semi-annual installments of USD 5,833 starting from July 15, 2021 and ending on January 15, 2024.

7. STORES, SPARES AND LOOSE TOOLS

7.1 During the period, the Company has written-off stores and spares amounting to Nil (December 31, 2021: Rs. 20,594).

8. STOCK-IN-TRADE

8.1 This includes stock held with Engro Vopak Terminal Limited, a related party, amounting to Rs. 1,679,469 (December 31, 2021: Rs. 2,072,238).

8.2 During the period, the Company has written-off stock-in-trade amounting to Nil (December 31, 2021: Rs. 1,665).

(Amounts in thousand)

				Unaudited June 30, 2022	Audited December 31, 2021
-----Rupees-----					
9. TRADE DEBTS - Considered good					
	These include unsecured receivables from following related parties:				
	Engro Corporation limited			2,822	-
	Engro Energy Services Limited			764	787
	Engro Eximp FZE			140,763	-
	Engro Fertilizers Limited			13,228	9,796
	Engro Peroxide (Private) Limited			60	-
				<u>157,637</u>	<u>10,583</u>
10. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES					
	These include unsecured receivables from following related parties:				
	Engro Plasticizer (Private) Limited			176	116
	Engro Peroxide (Private) Limited			11,526	8,454
	Engro Corporation Limited			3,387	-
	Engro Fertilizers Limited			935	-
	Engro Energy Limited			524	-
				<u>16,548</u>	<u>8,570</u>
11. LONG-TERM BORROWINGS					
				Unaudited June 30, 2022	Audited December 31, 2021
	Mark-up rate per annum	Installments Number	Commencing	----- Rupees -----	
Sukuks - note 11.1	3 months KIBOR + 0.9%	5 half yearly	July 10, 2024	8,678,824	8,667,709
Loan from International Finance Corporation (IFC) - note 11.2	6 months LIBOR + 3.25%	6 half yearly	July 15, 2021	4,725,184	5,114,204
Bilateral Loan - note 11.3	6 months KIBOR + 0%	6 half yearly	July 15, 2021	3,614,334	4,517,917
Islamic Long Term Financing Facility (ILTF) - note 11.4	SBP rate + 1.2%	32 quarterly	December 14, 2022	1,928,320	1,927,386
Islamic Temporary Economic Refinance Facility (ITERF) - notes 11.5	Ranging from SBP rate + 0.75% to 1%	32 quarterly	June 12, 2023	748,483	530,799
Loan under Diminishing Musharka Agreement - note 11.6	3 months KIBOR + 0.4%	6 half yearly	June 28, 2023	400,000	400,000
				<u>20,095,145</u>	<u>21,158,015</u>
Less: Current portion shown under current liabilities:					
- Loan from International Finance Corporation				(2,386,881)	(2,061,856)
- Bilateral Loan				(1,807,167)	(1,807,166)
- Islamic Long Term Financing Facility (ILTF)				(182,813)	(60,938)
- Diminishing Musharka Agreement				(60,859)	-
				(4,437,720)	(3,929,960)
Less: Deferred income - Government grant - note 11.5				(237,222)	(146,227)
				<u>15,420,203</u>	<u>17,081,828</u>

(Amounts in thousand)

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) to the extent of Rs. 10,937,500 which shall rank pari passu with the charges created in favour of the existing creditors.

11.2 In 2018, the Company entered into a financing agreement with IFC for a total of US Dollars 35,000, the draw down of which was 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.

The long term facility agreement is subject to interest rate benchmark reforms, which are yet to transition. The consultation between the Company and lenders will commence in due course and transition will be completed by the mid of 2023.

The borrowing is by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building) to the extent of USD 43,750 which shall rank pari passu with the charges created in favour of the existing creditors.

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 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) to the extent of Rs. 1,199,450, ranking subordinate and subservient to the charges created in favour 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 6.1.

11.4 In 2020, the Company obtained Islamic Long Term Financing Facility (ILTFF) of the State Bank of Pakistan (SBP) 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 and carries markup at a rate of SBP rate plus 1.2%, payable quarterly. These are secured by way of hypothecation charge of present and future fixed assets of the Company (excluding land and building), to the extent of Rs. 2,437,500 which shall rank pari passu with the charges created in favour of the existing creditors.

11.5 On March 12, 2021, the Company obtained Islamic Temporary Economic Refinance Facility (ITERF) of SBP through Musharaka Agreement entered with financial institutions amounting to Rs. 1,000,000 to finance its capital expenditure. The amount is repayable over 10 years including 2 years grace period, in 32 quarterly installments of Rs. 11,519 each with the first payment commencing from June 2023 and carries markup at SBP Refinance Rate plus 0.75% to 1% per annum, payable quarterly. The borrowing is secured by the way of hypothecation charge of present and future fixed assets of the Company (excluding land and building), to the extent of Rs. 1,250,000 which shall rank pari passu with the charges created in favor of existing creditors.

During the period, the Company received additional Rs. 217,685 on account of ITERF loan facility. The value of benefit of below-market interest rate on this additional loan has been accounted for as Government grant.

(Amounts in thousand)

- 11.6 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 six 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 and future fixed assets of the Company (excluding land and building), to the extent of Rs. 500,000, which shall rank pari passu with the charges created in favor of existing creditors.

12. LEASE LIABILITIES

These include lease liability outstanding under the storage arrangements with Engro Vopak Terminal Limited, a related party, amounting to Rs. 4,071,149 (December 31, 2021: Rs. 4,172,121).

	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
13. PROVISIONS		
Provision for Gas Infrastructure Development Cess (GIDC)	5,667,012	5,364,818
Provision for gas price revision	517,392	517,392
	<u>6,184,404</u>	<u>5,882,210</u>
Less: Current portion of provision for GIDC	<u>(4,079,687)</u>	<u>(4,073,805)</u>
	<u>2,104,717</u>	<u>1,808,405</u>
14. DEFERRED TAX LIABILITY		
Debit balances arising due to:		
- unpaid liabilities	173,370	166,970
- lease liabilities	1,124,328	622,505
- provisions	2,020,445	1,540,239
- share issuance cost, net to equity	65,149	57,830
	<u>3,383,292</u>	<u>2,387,544</u>
Credit balances arising due to:		
- accumulated tax depreciation	5,418,137	4,436,093
	<u>2,034,845</u>	<u>2,048,549</u>
15. TRADE AND OTHER PAYABLES		
This Includes amounts due to the following related parties:		
- Engro Corporation Limited	324,765	132,834
- Engro Fertilizers Limited	104,585	66,798
- Engro Energy Limited	65	65
- Engro Foundation	8,151	150,000
- Engro Powergen Qadirpur Limited	1,555	613
- Think PVC (Private) Limited	-	390
- Engro Vopak Terminal Limited	204,429	164,591
- Engro Eximp FZE	978,264	-
	<u>1,621,814</u>	<u>515,291</u>

(Amounts in thousand)

16. CONTINGENCIES AND COMMITMENTS

- 16.1 There has been no material change in the contingencies from those as disclosed in the annual audited 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 June 30, 2022 amounts to Rs. 4,448,000 (December 31, 2021: Rs. 4,648,000). The amount utilized there against as at June 30, 2022 is Rs. 4,005,151 (December 31, 2021: Rs. 3,057,000).
- 16.3 The facility for opening letters of credit as at June 30, 2022 aggregates to Rs. 24,309,000 (December 31, 2021: Rs.18,100,000). The amount utilized thereagainst as at June 30, 2022 was Rs. 7,330,000 (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:

	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
Not later than one year	46,250	2,500

- 16.5 Commitments in respect of rentals of storage tanks at EVTL for the handling of Ethylene aggregate to USD 26,892 valid till 31 March 2026, Ethylene Di Chloride (EDC) aggregate to USD 9,219 valid till 31 December 2028 and Vinyl Chloride Monomer (VCM) aggregate to USD 1,018 valid till December 31, 2023.

	Unaudited June 30, 2022	Audited December 31, 2021
	-----Rupees-----	
16.6 Commitments in respect of capital expenditure and other operational items	1,740,083	1,941,718

17. TAXATION

This includes provision made in accordance with section 4C "Super tax on high earning persons" introduced in the Income Tax ordinance, 2001 through the Finance Act (the Act), whereby the super tax at the rate of 10% and at the rate of 4%, respectively, has been levied on the income exceeding Rs. 300,000 for the year ended December 31, 2021 (tax year 2022) and the half year ended June 30, 2022 (tax year 2023).



(Amounts in thousand)

	Unaudited	
	Half year ended	
	June 30, 2022	June 30, 2021
	-----Rupees-----	
18. CASH GENERATED FROM OPERATIONS		
Profit for the period before taxation	11,783,878	9,960,657
Adjustments for non-cash charges and other items:		
Provision for staff retirement and other service benefits	27,351	25,157
Depreciation of operating assets	1,140,455	798,805
Write-off of operating assets	-	76,460
Depreciation of right-of-use assets	241,635	224,240
Amortization of intangible assets	47,512	14,061
Unwinding of remeasurement gain on provision against GIDC	107,161	149,961
Write-off of stores and spares	-	414
Write-off of stock-in-trade	-	1,665
Income on short-term investments and bank deposits	(817,242)	(567,788)
Interest on subordinated loan to subsidiary company	-	(3,572)
Exchange loss / (gain) on revaluation of financial assets and liabilities	1,196,887	(70,542)
Amortization of transaction cost on borrowings	21,345	21,344
Interest expense on lease liabilities	124,117	133,853
Provision for default surcharge on GIDC	195,033	54,512
Finance costs	914,308	704,822
Loss on disposal of operating assets	416	-
Working capital changes - note 18.1	944,401	(4,292,233)
	<u>15,927,257</u>	<u>7,231,816</u>
18.1 Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(539,135)	(432,385)
Stock-in-trade	478,243	(3,004,011)
Trade debts - considered good	96,398	(1,349,463)
Loans, advances, deposits, prepayments and other receivables - net	(677,015)	(613,969)
	<u>(641,509)</u>	<u>(5,399,828)</u>
Increase in current liabilities		
Trade and other payables	1,585,910	1,107,595
	<u>944,401</u>	<u>(4,292,233)</u>
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,446,734	1,278,005
Short term investments	2,964,692	14,845,206
	<u>6,411,426</u>	<u>16,123,211</u>

(Amounts in thousand)

20. SEGMENT INFORMATION

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

	June 30, 2022 (Unaudited)				June 30, 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 in time	41,832,135	3,502,214	-	45,334,349	27,558,135	2,894,519	-	30,452,654
- Over time	-	-	69,583	69,583	-	-	41,668	41,668
	<u>41,832,135</u>	<u>3,502,214</u>	<u>69,583</u>	<u>45,403,932</u>	<u>27,558,135</u>	<u>2,894,519</u>	<u>41,668</u>	<u>30,494,322</u>
Less:								
Cost of sales	(28,529,032)	(1,633,106)	(49,685)	(30,211,823)	(16,516,897)	(2,496,375)	(27,598)	(19,040,870)
Distribution and marketing expenses	(181,920)	(86,238)	-	(268,158)	(101,043)	(46,578)	-	(147,621)
Administrative expenses	(438,367)	(65,502)	-	(503,869)	(321,361)	(14,853)	-	(336,214)
Other expenses	(2,006,067)	(118,652)	(2,357)	(2,127,076)	(631,991)	(49,566)	(928)	(682,485)
Other income	770,910	64,541	1,283	836,734	528,517	58,806	733	588,056
Finance costs	(1,278,665)	(65,888)	(1,309)	(1,345,862)	(889,107)	(25,006)	(418)	(914,531)
Taxation	(4,352,326)	(364,380)	(7,239)	(4,723,945)	(2,567,771)	(100,670)	(3,007)	(2,671,448)
Profit after taxation	<u>5,816,668</u>	<u>1,232,989</u>	<u>10,276</u>	<u>7,059,933</u>	<u>7,058,482</u>	<u>220,277</u>	<u>10,450</u>	<u>7,289,209</u>

	June 30, 2022 (Unaudited)				December 31, 2021 (Unaudited)			
	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
	Rupees							
Total segment assets - note 20.2	32,056,752	5,424,043	7,690,589	45,171,384	49,658,524	7,606,366	25,185	57,290,075
Unallocated assets				<u>34,734,780</u>				<u>20,531,528</u>
Total assets				<u>79,906,164</u>				<u>77,821,603</u>
Total segment Liabilities	45,678,700	1,184,438	895,785	47,758,923	22,002,192	2,666,840	59,661	24,728,693
Unallocated Liabilities				<u>4,863,913</u>				<u>23,133,821</u>
Total Liabilities				<u>52,622,836</u>				<u>47,862,514</u>

20.2 Segment assets consist primarily of property, plant and equipment, right-of-use assets, stores and spares, stock-in-trade and trade debts.

(Amounts in thousand)

21. TRANSACTIONS WITH RELATED PARTIES

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

		Unaudited	Unaudited
		Half year ended	Half year ended
		June 30,	June 30,
		2022	2021
-----Rupees-----			
Nature of relationship	Nature of transactions		
Holding Company			
- Engro Corporation Limited	Reimbursements made	439,686	271,964
	Reimbursements received	73,561	6,808
	Intangible asset - software	-	74,731
	Subordinated loan proceeds	2,000,000	-
	Subordinated loan repaid	2,000,000	-
	Markup on subordinated loan	20,137	-
Subsidiary Company			
- Think PVC (Private) Limited	Expenses incurred on behalf of the subsidiary	558	13,609
	Reimbursements received	1,068	13,983
- Engro Plasticizer (Private) Limited	Expenses incurred on behalf of the subsidiary	60	254
- Engro Peroxide (Private) Limited	Expenses incurred on behalf of the subsidiary	19,296	52,909
	Reimbursements received	61,793	52,909
Members of the Group			
- Engro Fertilizers Limited	Sale of goods	7,270	-
	Sale of steam and electricity	65,684	85,449
	Reimbursement received	434	2,339
	Reimbursement made	52,139	1,417
	Purchase of services	69,454	21,756
- Engro Vopak Terminal Limited	Reimbursement made	31,092	11,912
	Purchase of services	1,018,388	812,547
- Engro Energy Limited	Reimbursements received	524	-
	Contribution for onward donations	49,728	-
- Engro Foundation	Donation	6,351	35,018
- Engro Elengy Terminal (Pvt.) Limited	Reimbursement made	53	-
- Engro Powergen Qadirpur Limited	Reimbursement received	2,364	-
	Reimbursement made	1,555	-
- Engro Eximp FZE	Purchase of goods	3,447,086	-
	Sale of goods	243,306	-
	Reimbursement made	30,848	-
- Engro Energy Services Limited	Reimbursement received	-	571
	Sale of goods	-	1,371
- Engro PowerGen Thar (Pvt.) Limited	Reimbursement received	1,861	-

(Amounts in thousand)

		Unaudited	Unaudited
		Half year ended June 30, 2022	Half year ended June 30, 2021
		-----Rupees-----	
Nature of relationship	Nature of transactions		
Associated Companies			
- Pakistan Oxygen Limited	Purchased goods	4,638	-
	Purchase of services	385	-
	Sale of goods	43,177	-
- Arabian Sea Country Club	Purchase of services	296	-
- Overseas Investors Chamber of Commerce & Industry	Purchase of services	500	-
- Pak Brunei Investment Company	Purchase of services	1,500	-
- KSB Pumps Company Limited	Purchased goods	1,594	-
- Pakistan Chemical Manufacturers Association	Purchase of services	4,471	-
	Donation	1,400	-
Directors	Fee	10,052	1,300
Contribution to staff retirement benefits	Managed and operated by the Holding Company		
	- Provident fund	53,751	42,146
	- Gratuity fund	41,661	32,671
	- Pension fund	2,080	1,617
Key management personnel	Managerial remuneration	74,444	71,516
	Retirement benefit funds	12,017	10,060
	Bonus	28,647	27,043
	Other benefits	12,939	12,424

22. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

23. 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 unconsolidated condensed interim 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);

(Amounts in thousand)

- 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).

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
As at June 30, 2022				
Short term investments:				
Financial assets at fair value through profit or loss				
- Mutual Funds units	-	8,847,269	-	8,847,269
- Pakistan Investment bonds	-	130,971	-	130,971
	-	8,978,240	-	8,978,240
As at December 31, 2021				
Short term investments:				
Financial assets at fair value through profit or loss				
- Mutual Funds units	-	7,972,732	-	7,972,732

For the remaining financial assets and liabilities, the fair values are considered not to be materially different from their respective carrying amounts since these are either short-term in nature or are periodically re-priced.

24. NON-ADJUSTING EVENT AFTER THE REPORTING DATE

- 24.1 The Board of Directors in its meeting held on August 10, 2022 has approved an interim cash dividend of Rs. 2.5 per share for the period ended June 30, 2022 amounting to Rs. 2,272,308 . These unconsolidated condensed interim financial statements do not include the effects of the said interim dividend.
- 24.2 The Board of Directors in its meeting held on August 10, 2022 has approved an interim cash dividend for preference share holders of Rs. 0.37 per share for the period ended June 30, 2022 amounting to Rs. 111,000 . These unconsolidated condensed interim financial statements do not include the effects of the said interim dividend.

25. CORRESPONDING FIGURES

- 25.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas the unconsolidated condensed interim profit or loss and other comprehensive income, the unconsolidated condensed interim statement of changes in equity and the unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.
- 25.2 Corresponding figures have been rearranged and reclassified for better presentation, wherever, considered necessary.

(Amounts in thousand)

26. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on August 10, 2022 by the Board of Directors of the Company.



Jahangir Piracha
Chief Executive Officer



Rabia Wafah Khan
Chief Financial Officer



Feroz Rizvi
Director

اینڈرو پولیمر اینڈ کیمیکلز لمیٹڈ

حصص یافتگان (شیئرہولڈرز) کے لیے 30 جون 2022 کو ختم شدہ چھ ماہ کے حوالے سے غیر آڈٹ شدہ مجموعی عبوری مالیاتی گوشواروں پر ڈائریکٹرز کا جائزہ

اینڈرو پولیمر اینڈ کیمیکلز لمیٹڈ ("کمپنی" یا "EPCL") کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 جون 2022 کو ختم ہونے ششماہی کے لیے کمپنی کی غیر آڈٹ شدہ مالیاتی معلومات پیش کرنا چاہیں گے۔

کاروباری جائزہ

حالیہ جاری روس - یوکرین تنازعہ، چین میں COVID کی بحالی اور افراط زر کے دباؤ کی وجہ سے جغرافیائی سیاسی غیر یقینی صورتحال PVC کی وجہ سے طلب میں کمی واقع ہوئی ہے۔ جنوبی ایشیائی PVC کی قیمتوں میں سہ ماہی کی بنیاد پر تقریباً 7% کی کمی واقع ہوئی ہے جبکہ پچھلے سال کی اسی مدت کے مقابلے میں 3% کمی واقع ہوئی ہے۔ بھارت کی مانگ نے مارکیٹ کے کمزور جذبات میں اہم کردار ادا کیا ہے کیونکہ موسم مون سون میں داخل ہو گیا ہے، جس کی وجہ سے زرعی سرگرمیاں محدود ہو گئیں ہیں۔ خام مال اور یوٹیلٹیز کی قیمتوں میں اضافے کے ساتھ volumetric کمی کی اطلاعات کے ساتھ یورپی منڈیوں نے بھی کمزور ہونا شروع کر دیا ہے۔ دوسری طرف، شمالی امریکہ کی مارکیٹ 2022 کے تعمیراتی سیزن کے پیش نظر صحت مند آرڈرز کے ساتھ مضبوط رہی ہے۔ تاہم، شرح سود اور مہنگائی میں اضافے کی وجہ سے آنے والی سہ ماہیوں میں تیزی کی توقع ہے۔

عالمی کاسٹک مارکیٹ سہ ماہی کے دوران مستحکم رہی کیونکہ عالمی پیداوار کی سطح میں اضافہ ہوا اور کچھ علاقائی مطالبات نے تمام جغرافیوں میں کمزوری ظاہر کی۔ ایشیائی کاسٹک قیمتیں خاموش اتار چڑھاؤ کے ساتھ پابند رہیں، کیونکہ ٹیکسٹائل، گودا، کیمیکل پروسیسنگ اور کاغذ کے شعبوں کی مانگ نے اچھی مدد فراہم کی۔

2022 H1 میں، پلانٹ کی کارکردگی انتہائی حوصلہ افزا رہی کیونکہ وہاں کوئی غیر منصوبہ بند بندش نہیں تھی اور پلانٹ صحیح سے چلتا رہا۔ ایک اہم بات یہ کہ OVR پروجیکٹ کو شروع کیا ہے جو ہمارے خام مال میں افادیت لائے گا۔ ہماری توجہ Base operations اور جاری projects دونوں میں اعلیٰ HSE معیارات کو برقرار رکھنے پر مرکوز رہی۔ مارکیٹ کے محاذ پر، EPCL نے ہماری موثر تجارتی حکمت عملی اور بہتر صارفین کی بنیاد پر، بروقت فراہمی اور خدمات کی

دستیابی کے ذریعے صارفین کی اطمینان کو یقینی بناتے ہوئے، اب تک کی سب سے زیادہ H1 domestic sales حاصل کی۔

Domestic PVC Sales میں گزشتہ سال کی اسی مدت کے مقابلے میں Q2 2022 میں ~27% کا حجمی اضافہ ریکارڈ کیا گیا۔ اس نمو کی وجہ گزشتہ سال COVID-19 کی تیسری لہر تھی جو ملک بھر میں پھیلی ہوئی تھی۔ حجم میں سہ ماہی کی بنیاد پر معمولی کمی ریکارڈ کی گئی جو رمضان اور عید کے حوالے سے معمول کی سست روی کی عکاسی کرتی ہے۔ کاسٹک volumes بھی سہ ماہی کی بنیاد پر Q2 2022 میں PVC کی طرح کے رجحان کی عکاسی کرتے ہیں۔ Domestic صنعت کو سپورٹ کرنے کے لیے، ہم مسابقتی قیمتوں کے تعین کی پالیسی اور مؤثر چینل کی حکمت عملی کو برقرار رکھتے ہیں، جس نے ہمیں حالیہ سہ ماہیوں میں ریکارڈ سیلز والیوم حاصل کرنے میں مدد کی۔

مندرجہ ذیل تازہ ترین اپڈیٹس کے ساتھ کارکردگی اور دیگر منصوبوں پر کام جاری ہے:

- OVR پروجیکٹ کامیابی کے ساتھ شروع کیا گیا ہے۔
- HTDC پروجیکٹ پر کام 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 Q2 2022 میں 22,277 ملین روپے کی آمدنی ریکارڈ کی جو کہ زیادہ والیومیٹرک فروخت کی وجہ سے پچھلے سال کی اسی مدت کے مقابلے میں ~50% کا اضافہ ظاہر کرتا ہے۔ Q2 2022 کے دوران، کمپنی نے 2,339 ملین روپے کا ٹیکس کے بعد منافع ریکارڈ کیا جو کہ 2.45 روپے کی فی شیئر بنیادی کمائی ہے۔ پچھلے سال کمپنی نے 3,122 ملین روپے کا ٹیکس کے بعد منافع ریکارڈ کیا تھا، جو کہ 3.35 روپے کی فی شیئر بنیادی آمدنی ہے۔ منافع میں کمی کی وجہ حکومت کی جانب سے پچھلے اور موجودہ سال پر عائد کردہ سپر ٹیکس چارجز کے اثرات ہیں۔ مزید برآں، جاری اقتصادی غیر یقینی صورتحال کے پیش نظر، PKR سے ڈالر کی برابری میں عدم استحکام، ایندھن کی بلند قیمتوں اور KIBOR کی بڑھتی ہوئی شرحوں کی وجہ سے کمپنی افراط زر کے دباؤ کا سامنا کر رہی ہے۔

مستقبل کا منظرنامہ

Summer downturn میں معمول سے زیادہ طویل ہونے کی توقع ہے جسکی وجہ عالمی GDP کی نمو میں کمی، بڑھتی ہوئی شرح سود اور افراط زر کا دباؤ PVC کی طلب کو متاثر کرتا رہے گا۔ COVID 19 کی پابندیوں کی واپسی کی

اطلاعات کے وجہ سے ایشیائی منڈیوں میں بھی سست رہنے کی توقع ہے۔ عالمی طلب میں کمی سے بھی Ethylene کی قیمتوں پر دباؤ برقرار رہنے کی توقع ہے۔ مجموعی طور پر اجناس کی منڈیاں، Domestic اور عالمی طلب میں جغرافیائی اور سیاسی تناؤ اور COVID 19 کی وجہ سے پیدا ہونے والی غیر یقینی صورتحال سے متاثر ہوتی رہیں گی جس نے خاص طور پر چین میں دوبارہ سر اٹھانے کا مشاہدہ کیا ہے۔

ملک کے موجودہ macroeconomic indicators بہت اطمینان بخش تصویر کی عکاسی نہیں کرتے۔ ایندھن کی غیر معمولی بڑھتی ہوئی قیمتیں اور RLNG مارکیٹ میں عالمی سطح پر restrictions کی وجہ سے سال کے آخر تک گیس کی دستیابی کو یقینی بنانے میں ایک اہم چیلنج ہونے کی توقع ہے۔ اس کے علاوہ، ڈالر کی قدر میں نمایاں کمی، بڑھتی ہوئی شرح سود اور افراط زر کا ماحول مارکیٹ کے جذبات کو متاثر کر سکتا ہے جو بالآخر Domestic طلب میں کمی کا باعث بن سکتا ہے۔



فیروز رضوی
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