August 28, 2025

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

Dear Sir / Madam,

ANNOUNCEMENT OF FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2025 (CONSOLIDATED AND STANDALONE)

We would like to inform you that the Board of Directors of Engro Holdings Limited (the "Company") in their meeting held on Wednesday, August 27, 2025 at 01:00 pm (Pak Time) at the Harbor Front Building, Block 4, Clifton, Karachi, reviewed and approved the un-audited consolidated and standalone financial results of the Company for the half year ended June 30, 2025 and recommended the following:

(i) CASH DIVIDEND
Nil

(ii) BONUS SHARES
Nil

(iii) RIGHT SHARES
Nil

(iv) ANY OTHER ENTITLEMENT / CORPORATE ACTION
Nil

(v) ANY OTHER PRICE-SENSITIVE INFORMATION
Nil

FINANCIAL RESULTS

The financial results of the Company consisting of Consolidated and Standalone (1) Statement of Financial Position; (2) Statement of Profit or Loss Statement; (3) Statement of Other Comprehensive Income; (4) Statement of Changes in Equity and (5) Statement of Cash Flows along-with (6) Directors' Report are annexed.

EXPLANATION TO THE FINANCIAL RESULTS

1. TERMINATION OF SHARE PURCHASE AGREEMENT (SPA) OF THERMAL ENERGY ASSETS

As disclosed to PSX on April 7, 2025, Engro Energy Limited (EEL) has terminated all SPAs relating to sale of thermal energy assets effective from April 5, 2025 since certain joint conditions precedent were not satisfied by the long stop date of April 4, 2025.

Following this termination, the classification criteria under International Financial Reporting Standard 5 – "Non-Current Assets Held for Sale and Discontinued Operations" ("IFRS 5") are no longer met. Accordingly, the financial results of thermal energy assets have now been reported as continuing operations, with their assets and liabilities reclassified from "held for sale" to their respective line items in the consolidated financial statements of the Group for the half year ended June 30, 2025.

Engro Holdings Limited (formerly Dawood Hercules Corporation Limited)
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engro holdings

Consequently, during the period, the Group has reversed the accounting impact (previously recognized in the years 2023 and 2024) and recorded other related adjustments cumulating to Rs. 53,756 million (Owners' Share: Rs. 26,573 million) in its consolidated financial statements for the half year ended June 30, 2025.

Summary of consolidated financial results of the Group for the half year ended June 30, 2025 is as follows:

	Consolidated PAT	Owners' Share	Earnings per share
	------------- Amount in '000 except for EPS	-------------	
Profit after tax – before remeasurement of thermal energy assets and other related adjustments	19,561,718	9,001,523	7.47
Accounting impact of reassessment of recoverable amount and remeasurement gain on carrying value of thermal energy assets and other related adjustments	53,756,054 *	26,573,223 *	22.07
Profit after tax – after remeasurement of thermal energy assets and other related adjustments	**73,317,772**	**35,574,746**	**29.54**
Number of shares for determination of EPS (in '000)		1,204,232	

* This includes other related adjustments amounting to Rs. 6,100,676 thousand (Owners' Share: Rs. 2,993,676 thousand) pertaining to thermal energy assets that have been incorporated in respective line items in consolidated condensed interim profit or loss statement.

2. AMALGAMATION OF DEODAR (PRIVATE) LIMITED

As notified to PSX on May 23, 2025, the Scheme of Arrangement for amalgamation of Deodar (Private) Limited ("DPL") was duly sanctioned by the Islamabad High Court. Following the effective date of June 3, 2025 (the "Effective Date"), Pakistan Mobile Communications Limited's ("PMCL") shareholding in its wholly owned subsidiary, DPL, has vested in Engro Connect (Private) Limited ("ECPL"). Consequently, DPL has now become a wholly owned subsidiary of the Group through ECPL.

Post Effective Date, the financial results of DPL, along with its assets and liabilities, have been incorporated into the Group's consolidated financial statements for the half year ended June 30, 2025.

The Quarterly Report of the Company for the half year ended June 30, 2025 will be transmitted through PUCARS separately, within the specified time and shall also be made available on our website www.engro.com.

Your sincerely,

MUHAMMAD AMIN
Company Secretary

Copied:
Director / HOD, Listing Companies Department, Supervision Division, SECP, Islamabad

Annexure A-1

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

(Amounts in thousand)

	(Unaudited) June 30, 2025	(Audited) December 31, 2024
	---Rupees---	
ASSETS		
Non-current assets		
Property, plant and equipment	538,229,210	196,624,590
Right-of-use assets	23,059,425	8,190,888
Intangible assets	27,836,932	5,942,405
Goodwill	2,306,225	-
Long-term investments	44,344,283	30,422,677
Financial assets at amortized cost	5,139,872	4,268,249
Derivative financial instruments	2,978,923	226,087
Net investment in leases	44,093,975	47,783,306
Long-term loans, advances, deposits and other receivables	7,237,709	5,917,192
	695,226,554	299,375,394
Current assets		
Derivative financial instruments	77,018	-
Stores, spares and loose tools	14,753,059	13,521,629
Stock-in-trade	49,585,267	40,567,499
Trade debts	59,888,721	18,827,227
Loans, advances, deposits and prepayments	18,491,562	10,490,824
Other receivables	47,958,150	15,772,729
Accrued income	266,465	272,079
Contract assets	6,177,545	4,015,945
Current portion of net investment in leases	9,029,086	8,500,989
Taxes recoverable	23,330,179	-
Short-term investments	91,770,484	82,072,129
Cash and bank balances	16,897,926	13,061,440
	338,225,462	207,102,490
Assets classified as held for sale	-	262,859,218
TOTAL ASSETS	**1,033,452,016**	**769,337,102**

(Amounts in thousand)

	(Unaudited) June 30, 2025	(Audited) December 31, 2024
	--------------------Rupees--------------------	
EQUITY AND LIABILITIES		
Equity		
Share capital	12,042,320	4,812,871
Reserves		
Reserve arising as a consequence of Scheme of Arrangement	118,339,406	-
Revaluation reserve on business combination	1,665	1,665
Maintenance reserve	318,825	390,074
Exchange revaluation reserve	955,394	832,468
Hedging reserve	(128,005)	46,486
General reserve	700,000	700,000
Remeasurement of investments	172,008	36,812
Remeasurement of post-employment benefits	(56,263)	(56,263)
Unappropriated profit	55,941,966	67,258,071
	176,244,996	69,209,313
	188,287,316	74,022,184
Non-controlling interest	93,792,811	158,096,795
TOTAL EQUITY	282,080,127	232,118,979
Liabilities		
Non-current liabilities		
Borrowings	186,432,543	75,355,002
Long term payable	34,734,660	-
Government grant	1,301,864	1,529,277
Deferred taxation	58,758,534	6,012,113
Lease liabilities	61,917,615	52,243,044
Deferred liabilities	6,132,137	4,494,865
	349,277,353	139,634,301
Current liabilities		
Trade and other payables	243,418,067	102,703,183
Accrued interest / mark-up	3,129,382	2,420,650
Current portion of:		
- borrowings	35,444,569	7,440,812
- government grant	437,805	439,609
- lease liabilities	16,876,836	11,009,770
- deferred liabilities	199,622	454,513
Provisions	28,438,986	27,552,505
Minimum tax payable	1,997,970	1,606,742
Taxation - net	-	1,071,853
Short-term borrowings	66,547,966	33,895,245
Dividend payable	5,603,333	1,989,413
	402,094,536	190,584,295
Liabilities classified as held for sale	-	206,999,527
TOTAL LIABILITIES	751,371,889	537,218,123
TOTAL EQUITY AND LIABILITIES	**1,033,452,016**	**769,337,102**

CONTINGENCIES AND COMMITMENTS

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand except for earnings per share)

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Rupees			
CONTINUING OPERATIONS				
Revenue	146,996,371	114,258,604	248,244,380	248,255,726
Cost of revenue	(122,110,673)	(86,711,436)	(191,712,084)	(186,799,043)
Gross profit	24,885,698	27,547,168	56,532,296	61,456,683
Selling and distribution expenses	(2,499,193)	(1,371,727)	(5,856,463)	(5,118,150)
Administrative expenses	(9,740,043)	(4,074,717)	(13,212,002)	(7,613,274)
Other income	8,313,586	10,113,271	11,786,852	19,299,333
Other operating expenses	(2,107,087)	(1,433,632)	(3,111,226)	(2,898,437)
Gain on subsidy receivable from GoP	182,276	177,508	192,799	235,291
Adjustments in respect of carrying value of thermal assets	43,887,730	1,000	35,757,730	(8,957,000)
Remeasurement gain / (loss) on carrying value of thermal assets	24,099,000	(10,356,000)	24,099,000	(10,356,000)
Operating profit	87,021,967	20,602,871	106,188,986	46,048,446
Finance costs	(11,982,956)	(12,668,661)	(21,033,242)	(24,187,882)
Share of income from joint venture and associates	4,106,551	1,690,727	4,790,730	3,607,203
Profit before income tax, minimum tax and final tax	79,145,562	9,624,937	89,946,474	25,467,767
Minimum tax and final tax	(1,390,179)	(1,094,657)	(2,473,170)	(2,095,937)
Profit before income tax	77,755,383	8,530,280	87,473,304	23,371,830
Taxation	(8,477,513)	(2,333,788)	(13,881,658)	(9,396,900)
Profit from continuing operations	69,277,870	6,196,492	73,591,646	13,974,930
DISCONTINUED OPERATIONS				
Loss from discontinued operations	-	(77,273)	(273,874)	(147,931)
Profit for the period	69,277,870	6,119,219	73,317,772	13,826,999
Profit attributable to:				
- Owners of the Holding Company *	33,748,103	1,938,866	35,574,746	3,891,242
- Non-controlling interest	35,529,767	4,180,353	37,743,026	9,935,757
	69,277,870	6,119,219	73,317,772	13,826,999
Earnings / (Loss) per share (EPS) - basic and diluted *				
- continuing operations	28.02	4.19	29.77	8.39
- discontinued operations	-	(0.16)	(0.23)	(0.30)
	28.02	4.03	29.54	8.09
Weighted average number of ordinary shares for determination of basic and diluted EPS - in thousand *	1,204,232	481,287	1,204,232	481,287

* In accordance with the Scheme of Arrangement, 722,945 thousand shares have been issued to shareholders of Engro Corporation Limited (ECORP), other than the Company, resulting in an increase of Company's ownership in ECORP from 39.97% to 100%. Consequently, in the consolidated financial statements for the half year ended June 30, 2025, the profit attributable to owners reflects 100% ownership interest in ECORP as compared to 39.97% in same period of 2024.

Resultantly, the consolidated EPS for the half year ended June 30, 2025, has been tabulated by dividing the profit attributable to owners with increased number of shares.

Annexure A-3

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	---Rupees---			
Profit for the period	69,277,870	6,119,219	73,317,772	13,826,999
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Loss arising during the period on hedging reserves	(44,598)	(40,762)	(174,491)	(229,759)
Exchange differences on translation of foreign operations	75,243	(15,828)	122,926	(45,706)
Gain on remeasurement of short-term investment classified at fair value through other comprehensive income	107,432	73,228	161,112	231,798
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of post employment benefits obligation	-	806	-	806
(Loss) / Profit on remeasurement of long-term investments classified at fair value through other comprehensive income	1,083	(667)	(25,916)	(13,916)
Other comprehensive income / (loss) for the period, net of tax	139,160	16,777	83,631	(56,777)
Total comprehensive income for the period	69,417,030	6,135,996	73,401,403	13,770,222
Total comprehensive income attributable to:				
- Owners of the Holding Company	33,887,263	1,955,643	35,658,377	3,834,465
- Non-controlling interest	35,529,767	4,180,353	37,743,026	9,935,757
	69,417,030	6,135,996	73,401,403	13,770,222
Total comprehensive income attributable to:				
- continuing operations	69,417,030	6,213,269	73,675,277	13,918,153
- discontinued operations	-	(77,273)	(273,874)	(147,931)
	69,417,030	6,135,996	73,401,403	13,770,222

Annexure A-4

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Attributable to Owners of the Holding Company														Non-controlling interest	Total
		Reserves														
		Capital reserves								Revenue reserves						
		Reserves arising as a consequence of Schemes of Arrangement														
	Share capital	Share premium	Acquisition reserve	Demerger reserve	Against transfer of distributable reserves	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Remeasurement of investments	Unappropriated profit	Remeasurement of post employment benefits	Sub-total		
	Rupees															
Balance as at January 1, 2024 (Audited)	4,812,871	-	-	-	-	1,665	258,607	854,909	341,085	700,000	(524,630)	61,974,905	(57,912)	63,548,630	166,592,488	234,953,989
Total comprehensive income for the half year ended June 30, 2024																
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	3,891,242	-	3,891,242	9,935,757	13,826,999
Other comprehensive income / (loss)	-	-	-	-	-	-	-	(18,269)	(91,835)	-	87,087	-	806	(22,211)	(34,566)	(56,777)
	-	-	-	-	-	-	-	(18,269)	(91,835)	-	87,087	3,891,242	806	3,869,031	9,901,191	13,770,222
Transactions with owners																
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21,156,928)	(21,156,928)
First interim cash dividend for the year ended December 31, 2024 @ Rs. 5.00 per share	-	-	-	-	-	-	-	-	-	-	-	(2,406,436)	-	(2,406,436)	-	(2,406,436)
	-	-	-	-	-	-	-	-	-	-	-	(2,406,436)	-	(2,406,436)	(21,156,928)	(23,563,364)
Balance as at June 30, 2024 (Unaudited)	4,812,871	-	-	-	-	1,665	258,607	836,640	249,251	700,000	(437,543)	63,459,711	(57,106)	65,011,225	155,336,751	225,160,847
Total comprehensive income for the half year ended December 31, 2024																
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	8,999,237	-	8,999,237	20,418,659	29,417,896
Other comprehensive income / (loss)	-	-	-	-	-	-	-	(4,172)	(202,765)	-	474,355	-	843	268,261	404,160	672,421
	-	-	-	-	-	-	-	(4,172)	(202,765)	-	474,355	8,999,237	843	9,267,498	20,822,819	30,090,317
Adjustment for allocation of profit from owners to NCI preference dividend shares	-	-	-	-		-	-	-	-	-	-	(2,224,854)	-	(2,224,854)	2,224,854	-
Transactions with owners																
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,485,106)	(20,485,106)
Second interim cash dividend for the year ended December 31, 2024 @ Rs. 3.00 per share	-	-	-	-	-	-	-	-	-	-	-	(1,443,861)	-	(1,443,861)	-	(1,443,861)
Third interim cash dividend for the year ended December 31, 2024 @ Rs. 2.50 per share	-	-	-	-	-	-	-	-	-	-	-	(1,203,218)	-	(1,203,218)	-	(1,203,218)
Transfer from unappropriated profit to maintenance reserve	-	-	-	-	-	-	131,467	-	-	-	-	(328,944)	-	(197,477)	197,477	-
	-	-	-	-	-	-	131,467	-	-	-	-	(2,976,023)	-	(2,844,556)	(20,287,629)	(23,132,185)
Balance as at December 31, 2024 (Audited)	4,812,871	-	-	-	-	1,665	390,074	832,468	46,486	700,000	36,812	67,258,071	(56,263)	69,209,313	158,096,795	232,118,979

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Attributable to Owners of the Holding Company															
		Reserves													Non-controlling interest	Total
		Capital reserves							Revenue reserves							
		Reserves arising as a consequence of Schemes of Arrangement														
	Share capital	Share premium	Acquisition reserve	Demerger reserve	Against transfer of distributable reserves	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Remeasurement of investments	Unappropriated profit	Remeasurement of post employment benefits	Sub-total		
	Rupees															
Balance as at January 1, 2025 (Audited)	4,812,871	-	-	-	-	1,665	390,074	832,468	46,486	700,000	36,812	67,258,071	(56,263)	69,209,313	158,096,795	232,118,979
Effects of schemes of arrangement	7,229,449	136,220,468	(53,817,783)	(10,063,279)	46,000,000	-	-	-	-	-	-	(46,000,000)	-	72,339,406	(89,632,134)	(10,063,279)
Total comprehensive income for the half year ended June 30, 2025																
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	35,574,746	-	35,574,746	37,743,026	73,317,772
Other comprehensive income / (loss)	-	-	-	-	-	-	-	122,926	(174,491)	-	135,196	-	-	83,631	-	83,631
	-	-	-	-	-	-	-	122,926	(174,491)	-	135,196	35,574,746	-	35,658,377	37,743,026	73,401,403
Adjustment for allocation of profit from owners to NCI preference dividend shares	-	-	-	-	-	-	-	-	-	-	-	(901,436)		(901,436)	901,436	-
Transactions with owners																
Dividend by subsidiaries allocable to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,316,312)	(13,316,312)
Transfer from unappropriated profit to maintenance reserve	-	-	-	-	-	-	(71,249)	-	-	-	-	71,249	-	-	-	-
Share issuance costs	-	-	-	-	-	-	-	-	-	-	-	(60,664)	-	(60,664)	-	(60,664)
	-	-	-	-	-	-	(71,249)	-	-	-	-	10,585	-	(60,664)	(13,316,312)	(13,376,976)
Balance as at June 30, 2025 (Unaudited)	12,042,320	136,220,468	(53,817,783)	(10,063,279)	46,000,000	1,665	318,825	955,394	(128,005)	700,000	172,008	55,941,966	(56,263)	176,244,996	93,792,811	282,080,127

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Half year ended	
	June 30, 2025	**June 30, 2024**
	---Rupees---	
Cash flows from operating activities		
Cash generated from operations	57,827,452	33,706,529
Retirement and other service benefits paid - net	(470,930)	(240,640)
Proceeds from net investment in leases	4,168,169	4,627,448
Finance income received on net investment in leases	3,013,035	3,416,030
Deferred incentive	244,068	(77,141)
Financial charges paid	(17,762,244)	(20,950,574)
Minimum taxes and final taxes paid	(2,081,942)	(1,600,400)
Taxes paid	(17,420,512)	(26,316,025)
Long-term loans and advances - net	353,629	285,806
Bank balance held as margin	(166,028)	-
Net cash generated from / (utilized in) operating activities	27,704,697	(7,148,967)
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(10,314,973)	(14,655,080)
Sale proceeds on disposal of property, plant and equipment	1,852,550	1,660,331
Payments for acquisition of shares of DHPL	-	(1,000)
Sale proceeds on disposal of subsidiary - net	2,406,754	-
Investments redeemed during the period - net	1,521,375	28,708,588
Income on deposits / other financial assets	5,621,022	10,394,182
Dividends received	1,418,941	6,858,333
Net cash generated from investing activities	2,505,669	32,965,354
Cash flows from financing activities		
Proceeds from / (repayment of) borrowings - net	32,558,180	(8,132,468)
Loan note paid to PMCL	(52,110,525)	-
Repayment of lease liability	(5,062,095)	(4,883,412)
Finance cost paid on lease liability	(3,042,599)	(2,355,479)
Shares issuance costs paid during the period	(60,664)	-
Dividends paid	(8,721,412)	(37,929,989)
Net cash utilized in financing activities	(36,439,115)	(53,301,348)
Net decrease in cash and cash equivalents	(6,228,749)	(27,484,961)
Effect of exchange rate changes on cash and cash equivalents	315,023	(198,910)
Cash and cash equivalents at beginning of the period	42,389,173	46,760,981
Cash and bank balances transferred to DHPL	(260,773)	-
Cash and bank balances acquired from DPL	2,046,794	-
Cash and cash equivalents at end of the period	38,261,468	19,077,110

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Annexure B-1

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

(Amounts in thousand)

	Unaudited June 30, 2025	Audited December 31, 2024
	---Rupees---	
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	-	39,921
Right-of-use assets	-	5,735
Investment properties	-	48,268
Long-term investments	166,758,844	23,309,927
	166,758,844	23,403,851
CURRENT ASSETS		
Advances, deposits and prepayments	-	12,015
Other receivables	16,975	28,516
Taxation - net	20	-
Short-term investments	-	16,546,268
Cash and bank balances	15,300	260,773
	32,295	16,847,572
TOTAL ASSETS	166,791,139	40,251,423
EQUITY		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid-up capital	12,042,320	4,812,871
Reserves	154,722,758	28,559,335
TOTAL EQUITY	166,765,078	33,372,206
LIABILITIES		
NON-CURRENT LIABILITIES		
Defined benefit liabilities	-	7,633
Deferred taxation	-	2,012,564
	-	2,020,197
CURRENT LIABILITIES		
Current portion of lease liabilities	-	7,870
Trade and other payables	26,061	1,095,892
Unclaimed dividend	-	1,000,870
Taxation - net	-	2,754,388
	26,061	4,859,020
TOTAL LIABILITIES	26,061	6,879,217
TOTAL EQUITY AND LIABILITIES	166,791,139	40,251,423

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand except for earnings per share)

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----------Rupees----------			
Dividend income	-	3,034,591	134,150	3,318,943
Other income	62	2,189,401	155	2,421,637
Administrative expenses	(40,379)	(73,923)	(67,386)	(114,370)
Gross profit / (loss)	(40,317)	5,150,069	66,919	5,626,210
Finance costs	(20)	(1,689)	(21)	(1,755)
Profit / (loss) before taxation and levy	(40,337)	5,148,380	66,898	5,624,455
Levy	-	(108,944)	-	(132,709)
Profit / (loss) before taxation	(40,337)	5,039,436	66,898	5,491,746
Taxation	-	(1,208,943)	-	(1,314,866)
Profit / (loss) for the period *	(40,337)	3,830,493	66,898	4,176,880
Earnings / (loss) per share (EPS) - basic and diluted	(0.03)	7.96	0.06	8.68
Weighted average number of ordinary shares for determination of basic and diluted EPS - in thousand	1,204,232	481,287	1,204,232	481,287

* The decline in profitability is due to transfer of other income-generating investments to DH Partners Limited under the Scheme of Arrangement that became effective on January 1, 2025 coupled with reduction in dividends from Engro Corporation Limited where earnings are being retained to fund the towers' acquisition.

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Rupees			
Profit / (loss) for the period	(40,337)	3,830,493	66,898	4,176,880
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss				
Remeasurements of post-retirement benefit liabilities	-	806	-	806
Total comprehensive income / (loss) for the period	(40,337)	3,831,299	66,898	4,177,686

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Share Capital	Reserves					
	Issued, subscribed and paid-up capital	Capital Reserves		Revenue reserves		Sub-total	Total
		Reserve arising as a consequence of Scheme of Arrangement					
		Share premium	Demerger reserve	General reserve	Unappropriated profit		
	-----Rupees-----						
Balance as at January 1, 2024 (Audited)	**4,812,871**	**-**	**-**	**700,000**	**23,060,295**	**23,760,295**	**28,573,166**
Total comprehensive Income							
Profit for the period	-	-	-	-	4,176,880	4,176,880	4,176,880
Other comprehensive income	-	-	-	-	806	806	806
Total comprehensive income for the half year ended June 30, 2024	-	-	-	-	4,177,686	4,177,686	4,177,686
Interim cash dividends for the year ended December 31, 2024:							
- 1st interim @ Rs. 5.00 per share					(2,406,436)	(2,406,436)	(2,406,436)
Balance as at June 30, 2024 (Unaudited)	**4,812,871**	**-**	**-**	**700,000**	**24,831,545**	**25,531,545**	**30,344,416**
Profit for the period	-	-	-	-	5,677,511	5,677,511	5,677,511
Other comprehensive loss	-	-	-	-	(2,642)	(2,642)	(2,642)
Total comprehensive income for the half year ended December 31, 2024	-	-	-	-	5,674,869	5,674,869	5,674,869
Transactions with owners:							
Interim cash dividends for the year ended December 31, 2024:							
- 2nd interim @ Rs. 3.00 per share	-	-	-	-	(1,443,861)	(1,443,861)	(1,443,861)
- 3rd interim @ Rs. 2.50 per share	-	-	-	-	(1,203,218)	(1,203,218)	(1,203,218)
	-	-	-	-	(2,647,079)	(2,647,079)	(2,647,079)
Balance as at December 31, 2024 (Audited)	**4,812,871**	**-**	**-**	**700,000**	**27,859,335**	**28,559,335**	**33,372,206**
Total comprehensive Income							
Profit for the period	-	-	-	-	66,898	66,898	66,898
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2025	-	-	-	-	66,898	66,898	66,898
Effect of Scheme of Arrangement	7,229,449	136,220,468	(10,063,279)	-	-	126,157,189	133,386,638
Shares issuance costs	-	-	-	-	(60,664)	(60,664)	(60,664)
Balance as at June 30, 2025 (Unaudited)	**12,042,320**	**136,220,468**	**(10,063,279)**	**700,000**	**27,865,569**	**154,722,758**	**166,765,078**

ENGRO HOLDINGS LIMITED (FORMERLY DAWOOD HERCULES CORPORATION LIMITED)
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

(Amounts in thousand)

	Half year ended	
	June 30, 2025	**June 30, 2024**
	---Rupees---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash utilized in operations	(58,300)	(46,426)
Finance costs paid	(21)	(229)
Taxes and levy paid	(20)	(509,198)
Defined benefit liabilities paid	-	(854)
Income on deposits and other financial assets	155	15,591
Short-term investments - net	-	(437,660)
Dividend received	134,150	3,318,943
Net cash generated from operating activities	75,964	2,340,167
CASH FLOWS FROM INVESTING ACTIVITIES		
Long-term investment made in DHPL	-	(1,000)
Purchase of property and equipment	-	(2,506)
Sale proceeds from disposal of property and equipment	-	101
Net cash utilized in investing activities	-	(3,405)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid during the period	-	(10,916)
Shares issuance costs paid during the period	(60,664)	-
Dividends paid	-	(2,343,026)
Net cash utilized in financing activities	(60,664)	(2,353,942)
Net increase / (decrease) in cash and cash equivalents	15,300	(17,180)
Cash and cash equivalents at the beginning of the period	260,773	51,130
Cash and bank balances transferred to DHPL	(260,773)	-
Cash and cash equivalents at the end of the period	15,300	33,950

Directors' Report for the half year ended June 30, 2025

Dear Shareholders,

Opening Compass

At Engro, our central goal is to be responsible stewards of your capital. We measure success not by quarter-to-quarter fluctuations, but by our ability to compound cashflows per share sustainably over time. This is the compass that guides every decision we make on your capital - whether to reinvest, to return it, or to reshape the portfolio.

Our responsibility is to share how we are progressing on that journey with openness and transparency, for the trust you place in us is our single biggest strength. We know that mistakes are inevitable in any long journey, and when they happen, our commitment is to report them with the clarity you deserve. Without this lens, financial results risk becoming a set of disconnected numbers. With it, they form part of a story we are still building; one where discipline and resilience are goals we strive for, and long-term compounding of value is the destination.

Financial Performance

For the half year ended June 30, 2025, the Company posted a consolidated profit after tax (PAT) of PKR 73,318 million (of which PKR 35,575 million was attributable to Engro shareholders), with an EPS of PKR 29.54 this year versus PKR 8.09 last year. At first glance, these numbers look exceptional. But these needs to be looked at with the right context. Much of the increase arises from reversal of previously recognized impairment during 2023 and 2024, linked to our thermal energy assets, which were previously classified as "held for sale." Excluding this one-off impact, consolidated PAT attributable to shareholders stood at PKR 9,002 million, the earnings that really matter.

On a standalone basis, the Company posted a PAT of PKR 67 million compared with PKR 4,176 million in the same period last year, translating into an EPS of PKR 0.06 versus PKR 8.68. At first glance, these numbers look disappointing. But they do not reflect a decline in the underlying health of the business. The drop is primarily due the transfer of income-generating investments to DH Partners under the Scheme of Arrangement that became effective on January 1, 2025, coupled with reduction in dividends from Engro Corp as it retains its earnings to fund the towers acquisition.

Note on Consolidated vs. Standalone Accounts

As owners, the better way to view your Company's performance is through the consolidated accounts rather than the standalone results. The consolidated view captures the full breadth of our portfolio across fertilizers, polymers, telecom infrastructure, energy, terminals, food, and international trading, and therefore reflects the true state of the enterprise. Standalone accounts, by contrast, are now heavily shaped by structural shifts such as the transfer of investments under the Scheme, and no longer provide a reliable picture of operating strength.

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Note on Major Accounting Impacts

This period was shaped by three major impacts:

1. **Creation of Engro Holdings:** Effective January 1, 2025, the Scheme of Arrangement made Engro Corporation a wholly owned subsidiary of Engro Holdings. As a result, profit attributable to owners now reflects 100% of Engro Corporation's earnings compared with 39.97% in the same period last year. In addition, 722,944,878 new shares were issued, increasing the Company's outstanding shares from 481 million to 1.2 billion. This expanded base impacts EPS comparisons.

2. **Thermal Energy Assets:** Earlier, Engro Energy had signed agreements to divest its thermal assets. When those agreements were terminated in April 2025, the assets were reclassified back into continuing operations under IFRS 5. This resulted in the reversal of previously recognized impairment and other related adjustments amounting to PKR 53,756 million (Owners' Share: PKR 26,573 million).

3. **Acquisition of Deodar Towers:** On June 3, 2025, the Group consolidated Deodar (~10,600 towers) into its accounts following completion of the transaction with PMCL. The assets and liabilities were recognised at provisional fair values of PKR 220,612 million and PKR 167,679 million respectively, and Deodar's results for the 28-day period to June 30 are included in this half year.

Each of these adjustments are material to reported numbers. While fully compliant with accounting standards, they complicate comparisons with last year. For shareholders, the important takeaway is that reported EPS and PAT swings largely reflect structural changes and one-off impairment reversal, not the underlying health of the businesses.

Portfolio Performance

Fertilizers

The importance of our fertilizer business to our portfolio mirrors the importance of food security for Pakistan. This half year, industry off-takes were weighed down by a combination of varying water availability and weaker farmer economics. These pressures have subdued short-term demand, but fertilizers, urea in particular, remain essential to sustaining the productivity our farmers need to feed the nation.

For shareholders, fertilizer remains a cornerstone of Engro's portfolio. It provides scale, relevance, and resilient cashflows that support our ability to invest in growth elsewhere. While the near-term environment is challenging, our management teams are focused on operational discipline and efficiency, ensuring the business remains well positioned for the long term.

Polymers

Polymers continue to face the toughest environment in our portfolio. By nature, commodity businesses are cyclical. What we are seeing today is a combination of several adverse factors arriving at once: historically low core delta, sharp increases in gas prices, softer demand, and tariff rationalisation. Together, these have kept margins under severe pressure. Whilst we were prepared to face each of these significant risks individually, we were caught off guard not only by all of them materialising together, but by the magnitude of their combined impact, which was significantly greater than what we had anticipated.

The priority of our management is clear which is to focus relentlessly on cashflows, reduce the cash breakeven per ton and strengthen our balance sheet. Downturns, while painful, are often the best time to sharpen discipline and improve efficiency - lessons that pay off when the cycle inevitably turns.

One complexity in polymers is that, as a chemical process plant, reliable and affordable energy is not optional, it is the foundation of competitiveness. The uncertainty in government policy on energy make it harder to take long-term decisions with confidence. Yet this is precisely the challenge our management is working to solve, as finding the right energy solution is critical to the future of this business.

Recent changes around the Indus Water Treaty and the growing effects of climate change make water security urgent. With the economy now on a steadier footing, this is the right time for the government to invest in water infrastructure. Doing so while PVC prices are low means each rupee spent achieves more, and for our shareholders this is important because water projects use PVC products, which directly increases demand for polymers.

Telecom Infrastructure (Towers)
Our decision to acquire Deodar and scale into a 15,000-tower portfolio is one of the most important capital allocation call we have made. Towers are essential assets for Pakistan's digital future. By enabling shared infrastructure, they lower the cost of connectivity and allow mobile operators to serve customers more efficiently. As these benefits translate into stronger networks and better service delivery, our share of that value becomes the source of enduring cashflows for Engro.

Our immediate priorities are clear: integrate the business effectively, invest in efficiency, provide better solutions to our customers that translate into higher tenancy, and build new infrastructure profitably where networks need strengthening. This disciplined approach will allow the business to compound value for years to come.

There are challenges as well. The recent increase in minimum taxes on the sector makes it harder to invest, which in turn slows down the pace at which society can benefit from shared infrastructure. We will continue to engage with stakeholders to address this, while maintaining focus on the fundamentals we control.

Energy
Our energy businesses remain stable and resilient. EPTL continues to perform as one of the lowest-cost thermal baseload plant in the system, providing reliable operations and cash generation for the Group. While debt service obligations will continue until 2029, the reduction in tariff after repayment will make Thar power an even cheaper source of energy for the country.

EPQL remains under evaluation for monetization, which would allow us to transition the asset to an owner better positioned for its long-term optimization. SECMC's Phase III expansion is progressing, enhancing both the durability of returns and Pakistan's long-term energy security.

The power sector has been undergoing adjustments as the government works to address structural challenges in the market. In this environment, our focus remains on being a reliable partner, operating efficiently, honouring commitments, and ensuring our assets continue to serve both national needs and shareholder interests.

Foods

Our foods business has continued to demonstrate resilience despite a difficult operating environment. The imposition of sales tax on the formal dairy sector, combined with weak legislation, has distorted the market in favour of the informal sector. This reduces our ability to scale, limits investment in productivity, and ultimately constrains the sector's contribution to both national growth and shareholder returns.

Dairy is more than 5% of Pakistan's GDP, yet yields remain among the lowest in the world. The formal sector offers the best path to improvement, and with our partners at FrieslandCampina, one of the world's top five dairy companies and a cooperative owned by farmers, we are uniquely positioned to deliver solutions that raise yields and expand market potential.

Against these headwinds, management has responded with operational improvements and cost discipline, ensuring performance remains stable. Over the longer term, the real value opportunity lies in sector formalisation. That would not only deliver affordable nutrition to a growing population but also unlock higher farmer productivity, exportable surpluses, and stronger, more sustainable returns for our shareholders.

Terminals

Our terminal businesses continue to provide stable cashflows and remain strategically important to Pakistan's energy and industrial value chains. They play a critical role in ensuring the country's gas and chemical supply chains function smoothly, which reinforces their importance both to the nation and to our portfolio.

For shareholders, terminals represent consistency: predictable returns, long-term relevance, and a platform that anchors Engro's presence in Pakistan's energy infrastructure. Management's focus remains on operational excellence, reliability, and maintaining the high standards of safety and efficiency that have long defined these assets.

Eximp FZE (Trading)

Our international trading arm, Engro Eximp FZE, continued to scale during the half year, delivering topline growth on the back of improved activity and higher volumes. Beyond earnings, this business provides us with a valuable international presence, diversifying the Group's portfolio and creating exposure to global markets.

For shareholders, Eximp plays a complementary role: it broadens our revenue base, enhances resilience by reducing dependence on purely domestic earnings, and strengthens our ability to leverage trading opportunities across the region. Importantly, trading also acts as a power lever - giving us optionality to develop more meaningful relationships with counterparties. As these relationships deepen, they

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provide a bridge to potential strategic partnerships that can support Engro's longer-term international growth ambitions.

Dividend Policy

Your Board has chosen not to declare an interim dividend for 2025. At first glance, this may seem like a departure from past practice. In reality, it reflects a deliberate choice about where your capital creates the most value.

Our immediate priority is to fund the remaining requirements of the towers acquisition. We believe this is one of the most important investments in Engro's history, with the potential to generate durable cashflows for years to come. Retaining earnings to support this investment is, in our view, the best way to build long-term value for shareholders.

It is also important to remember that dividends are not returns in themselves. They are simply a way for owners to monetise returns. The true return is created inside the business - through the assets we build, the cashflows we generate, and the decisions we make about allocating capital. At this stage, reinvestment offers a superior path to compounding value compared to distribution.

Outlook

As we look ahead, Pakistan's economy shows signs of cautious optimism. Inflation is easing, reserves are more stable, and growth could strengthen if reforms continue. Yet risks remain: from water scarcity to global commodity volatility and the need for deeper structural reforms.

For us, these uncertainties only reinforce the importance of our compass: every decision we make on your capital is aimed at delivering sustainable, compounding cashflows per share.

- **Fertilizers** will continue to face near-term headwinds from water availability and farmer economics. Our discipline here is about protecting cashflows today while safeguarding relevance for the future, since fertilizer is foundational to food security.
- **Polymers** will remain under pressure until energy costs and global demand stabilise. Here, our capital discipline is about optimizing cashflows, reduce the cash breakeven per ton and strengthen our balance sheet so that returns can compound when the cycle inevitably turns.
- **Telecom infrastructure** is a growth engine. Integration, tenancy growth, and disciplined investment will turn towers into one of the most reliable sources of long-term cashflows in our portfolio.
- **Energy** will continue to deliver stable operations. EPTL will become even cheaper source of power post-2029 as debt is repaid, while monetisation of EPQL and expansion at SECMC will help rebalance the portfolio in line with our priorities.
- **Foods** faces distorted policy headwinds, but we remain confident in the long-term opportunity as sector formalisation unlocks demand, improves yields, and positions Pakistan for export potential.
- **Terminals and Trading** provide stability and diversification. They may not always be the largest contributors, but they are important in anchoring resilience and expanding our strategic reach internationally.

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Looking forward, we believe Engro's portfolio is positioned at the intersection of several national priorities - food security, water infrastructure, digital connectivity, and energy resilience. These are not just societal imperatives but also long-term demand drivers for our businesses. By aligning with them, we aim to create enduring value for both Pakistan and our shareholders.

Closing

We thank our shareholders for their trust, our colleagues for their dedication, our regulators and government partners for their support, and our customers for their confidence. Together, you enable us to build an Engro that is disciplined, diversified, and designed for long-term value creation.

Hussain Dawood
Chairman

Abdul Samad Dawood
Chief Executive Officer