

Flash Note

Monday, April 20, 2026



Fertilizer

Engro Fertilizer Limited (EFERT)

Earnings: Engro Fertilizer Limited (EFERT) announced its 1QCY26 result. The Company reported consolidated earnings of PKR 3.3bn (EPS PKR 2.49) during 1QCY26, up by +14%/y/y, compared to profit of PKR 2.9bn (EPS PKR 2.17) in the same period last year.

Dividend/Payout: The Company announced a cash dividend of PKR 2.0/share along with the result.

Operating Performance: During 1QCY26, Company's net sales inclined by +25%/y/y clocking in at PKR 37.8bn as compared to PKR 30.3bn in the same period of last year. However, net sales were down by -63%q/q on the back of lower Urea and DAP offtakes. Gross margins decreased to 31% during the quarter compared to 35% in the same period last year. Company's administrative expenses increased by +57%/y/y while selling costs remained flat. Other Income increased by +39%/y/y to PKR 435mn. Company's finance cost increased by +44%/y/y to PKR 1.8bn during 2QCY25 likely due to higher borrowings. Tax charge clocked in at PKR 1.4bn as compared to PKR 1.1bn charged in 1QCY25. Effective tax rate during 1QCY26 stood at 40% as compared to 41% in the same period last year.

Exhibit: Engro Fertilizers Limited (EFERT)					
in PKRbn					
Period end (Mar)	1Q'26	1Q'25	y/y	4Q'25	q/q
Net Sales	37.8	30.3	25%	101.7	-63%
Cost of Sales	26.1	19.6	33%	73.5	-65%
Gross Profit	11.7	10.7	10%	28.2	-58%
Gross Profit margin	31%	35%		28%	
Admin	1.3	0.8	57%	1.1	19%
Selling & Dist.	3.3	3.2	1%	8.3	-61%
EBIT	7.1	6.0	19%	17.9	-60%
EBIT margin	19%	20%		18%	
Finance Cost	1.4	1.1	31%	2.0	-30%
Profit before tax	5.6	4.9	13%	16.3	-66%
Tax	2.2	2.0	11%	8.0	-72%
Effective tax rate	40%	41%		49%	
Profit after tax	3.3	2.9	14%	8.4	-60%
Net Margins	9%	10%		8%	
EPS	2.5	2.2		6.3	
DPS	2.0	2.3		7.5	

Source: Company Accounts, IGI Research

No. of Shares: 1335.3mn.

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