



# engro polymer & chemicals

March 14, 2018

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

**Subject: Disclosure of Material Information**

Dear Sirs,

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.19.13(c) of the Rule Book of the Pakistan Stock Exchange Limited, we hereby convey the following:

At a meeting of the Board of Directors of Engro Polymer and Chemicals Limited (hereinafter referred to as the "**Company**") held at 3:00 p.m. on March 13, 2018 at the Board Room, 12<sup>th</sup> Floor, Ocean Tower, G-3, Block-9, Clifton, Khayaban-e-Iqbal, Karachi, the Board of Directors resolved that the Company intends, in the near future, to carry out a right issue of ordinary shares at a premium.

The aggregate amount of proposed right issue will be utilized to fund the addition of new PVC Plant of 100,000 MT & VCM Plant debottlenecking of 50,000 MT per annum (hereinafter referred to as the "**Project**"). The estimated overall CAPEX of the said Project is approximately Rs. 7.6 billion, which is intended to be partially funded through issuance of right shares of approximately Rs. 5.4 billion (Pak Rupees Five Billion Four Hundred Million).

The share price (to be determined in the future) for the proposed right issue will not exceed Rs. 30 per share.

The purpose of the same is to enable the Sponsor(s) of the Company to obtain shareholders' approval to invest in the potential right issue and provide an undertaking to the Company to subscribe to its entitlement (once the same is resolved) in accordance with the provisions of the Companies (Issue of Capital) Rules 1996, which would in turn allow the Company to carry out a right issue of shares. The Board further resolved that it shall approve and announce the actual right issue at a future date in accordance with the applicable laws once the Sponsor(s) of the Company has/have obtained the necessary approvals.

You may please inform the TREC holders accordingly.

Yours faithfully,

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**Shazeb Siddiki**  
**Company Secretary**