



engro polymer & chemicals

08 Jan 2020

The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Karachi

Subject: Right Issue of Engro Polymer & Chemicals Limited – Quarterly progress report on implementation of PVC expansion/VCM debottlenecking for the quarter ended December 31, 2019

Dear Sir,

This is further to Engro Polymer & Chemical Limited's (the "**Company**") announcement of Right Shares issuance on 18th May 2018 to fund the Company's PVC expansion/VCM debottlenecking project. In compliance with Rule 5(ix) of the Companies (Issue of Capital) Rules, 1996 and clause 24 of Annexure I of the PSX letter no PSX/C-297-C-2424 dated 21st May 2018, we are pleased to present the update of our project until 31st December 2019, as under:

Engineering works for both the PVC-3 and new utilities plant have been completed. Major Civil works are complete. Bulk equipment has been installed on their foundations. Piping works and installation is now in progress. All long lead equipment has arrived safely on site. Overseas training of operating team has been carried out by licensor at one of their licensed plants.

Equipment to be used in VCM plant debottlenecking including furnace along with other process equipment have arrived at the plant and is being prepared for erection. EPC contractor for the VCM plant DBN has been mobilized and civil works for VCM DBN are now in progress. New EDC line and tank have been mechanically completed and also taken into service.

Overall the Company is on track to meet the announced completion timelines. We will keep the Exchange updated about the further status of expansion on a quarterly basis as required under Rule 5(ix) of Companies (Issue of Capital) Rules, 1996.

Best Regards

Khawaja Haider Abbas
Company Secretary