engro polymer & chemicals

The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Karachi

22 Oct 2019

Subject: **Right Issue of Engro Polymer & Chemicals Limited – Quarterly progress report on implementation of PVC expansion/VCM debottlenecking for the quarter ended September 30, 2019**

Dear Sir,

This is further to Engro Polymer & Chemical Limited's (the "**Company**") announcement of Right Shares issuance on 18th May 2018 to partially 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 30th September 2019, as under:

Engineering works for both the PVC 3 and new utilities plant have been completed. Civil works are now nearing completion. PVC 3 and new utilities plant consignments continue arriving at site. Factory Acceptance Tests of all Key Equipment have been completed at overseas vendor locations.

Equipment to be used in VCM plant debottlenecking including furnace along with other process equipment is being prepared for erection. EPC contractor for the VCM plant DBN is expected to be mobilized in October 2019. New EDC Tank mechanical works are completed. Piping connections in progress. Pre commissioning works have started.

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

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