SECP

Corporate Supervision Department
Company Law Division

Say No to Corruption

No. CSD/CI/39/2020 - 301

June 15, 2020

Mr. Khawaja Haider Abbas,
Company Secretary,
Engro Polymer & Chemicals Limited,
12th Floor, Ocean Tower, G-3, Block No. 9,
Clifton, Khayaban-e-Iqbal,
Karachi.

Subject: **PERMISSION FOR ISSUANCE OF PREFERENCE SHARES BY WAY OF OTHER THAN RIGHT OFFER**

Dear Sir,

Please refer to the correspondence resting with Engro Polymer & Chemicals Limited (the Company)'s letter dated June 01, 2020 on the subject noted above.

2. In this regard, I am pleased to inform you that the Commission on the basis of special resolution passed by the shareholders of the Company in Extraordinary General Meeting held on February 14, 2020 and facts of the case shared with the Commission, has granted approval to the Company as under:

(i) to issue 300 million convertible preference shares of Rs.10/- each in terms of clause 6(iv) of the Companies (Further Issue of Shares) Regulations, 2020; and

(ii) to issue upto 300 million ordinary shares of Rs.10/- each, upon conversion, if required, of the aforesaid convertible preference shares in terms of clause (b) of sub-section (1) of Section 83 of the Companies Act, 2017.

3. The afore-mentioned approval is however, subject to the following conditions:

(a) the Company shall, before publication of the prospectus, submit to the Commission amended copy of its Memorandum and Articles of Association containing the clause(s) authorizing issuance of preference shares by the Company;

(b) the Company shall submit approval of the Commission for issue, circulation and publication of the prospectus for issue of the said 300 million preference shares, before publication of the same in the Newspapers;

(c) the Company shall not amend, alter, vary or reassess the terms and conditions of such preference shares without approval of the preference shares holders and the Commission; and

(d) the Company shall within 30 days from the date of issuance of preference shares submit a report to the Commission along with the allotment register clearly indicating names of the directors, associated companies, banks and financial institutions.

3. Please acknowledge receipt.

Regards,

Amir M. Khan Afridi
Director (CSD)

Copy for information to:

(i) The CEO, PSX, Stock Exchange Building, Stock Exchange Road, Karachi – 74000.
(ii) The CEO, CDC House, 99-B, Block B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi.
(iii) Office copy.