engro polymer & chemicals

20 July 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 June 30, 2020**

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 Regulation 10(2) of the Companies (Further Issue of Capital) Regulations, 2020 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 June 2020, as under:

Construction works related to PVC-III were resumed on 21st May 2020, post easing of lock down restrictions by the GOS. We are in the process of building manpower despite the challenges posed by the Pandemic in Pakistan to expedite the progress and conclude the pending works related to construction. At the same time efforts are being made to develop a plan for bringing in equipment suppliers and vendors for supporting commissioning works that are expected to start in the fourth quarter.

On the VCM plant debottlenecking, detailed engineering works are nearing completion while procurement activities pertaining to order placements are also in their final stages. On the construction front work has been resumed at site in June and measures are being taken to expedite the output.

Due to the above, the announced completion timeline will extend, and we are now targeting COD of PVC Expansion and VCM DBN in the first quarter of year 2021.

We will update the Exchange accordingly as required under Regulation 10(2) of the Companies (Further Issue of Capital) Regulations 2020.

Best Regards

Khawaja Haider Abbas
Company Secretary

Cc: Securities & Exchange Commission of Pakistan

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