

The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Karachi

April 27, 2021

Subject: Right Issue of Engro Polymer & Chemicals Limited – Quarterly progress report on implementation of PVC expansion/VCM debottlenecking for the quarter ended March 31, 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 and our letters dated 28-Jan-21, 28-Oct-20, 20-Jul-20, 23-Apr-20, 08-Jan-20, 22-Oct-19, 08-Jul-19, 22-Apr-19, 10-Jan-19 and 16-Oct-18. 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 as of 31st March 2021:

Despite the challenges posed by the pandemic, the PVC plant has attained Commercial Operations as of March 1st, 2021.

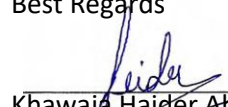
On the VCM debottlenecking front, construction work remained in progress but has experienced challenges due to Covid wave 3. Mechanical completion along with COD is now expected in Q2, 2021.

Additionally, please find below an approximate schedule of our right issue's component-wise utilization which is based on our best estimate:

Expenditure Heads	Amount in PKR Million	Percentage
PVC III equipment	2,800	52%
Licensing & engineering	1,000	19%
PVC III construction	400	7%
VCM DBM equipment	850	16%
VCM Construction	100	2%
Duties, taxes, salaries, etc	250	5%
Total	5,400	100%

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, ACA
Company Secretary

Cc: Director/HOD, Surveillance Supervision and Enforcement Department, Securities & Exchange Commission of Pakistan, NIC Building, 63 Jinnah Avenue, Blue Area Islamabad.