

## Engro Corporation and Royal Vopak sign LNG infrastructure agreement

- **Acquisition by Vopak of 29% share in ETPL**

Karachi, Pakistan / Rotterdam, the Netherlands, 20 July 2018

Engro Corporation Ltd, (Engro Corporation) of Pakistan and Royal Vopak of the Netherlands today announce the signing of a Share Purchase Agreement in which Vopak will acquire a 29% share in Elengy Terminal Pakistan Ltd (ETPL).

ETPL's wholly owned subsidiary, Engro Elengy Terminal (Pvt) Ltd (EETPL) owns an LNG facility which is located in Port Qasim in Pakistan, adjacent to the Engro Vopak chemical terminal on the mainland side of the channel into Port Qasim. The facility has been in operation since 2015 and is the first LNG import facility in Pakistan.

The facility consists of an LNG jetty including a 7.5 km high pressure gas pipeline. This pipeline is connected to the grid of EETPL's sole customer Sui Southern Gas Company Ltd, a Pakistan government owned entity. EETPL holds a 15 year Floating Storage and Regasification Unit (FSRU) time charter.

The liquified gas is supplied, under long-term contracts, via LNG carriers from various exporting countries to the FSRU, which is moored to the EETPL jetty and connected to its pipeline. The regasification takes place on the FSRU and the gas is transferred to the mainland where, under high pressure, it enters the grid of the customer.

Pakistan is a market with more than 200 million people and has a growing energy demand in which the share of gas is expected to increase. Gas is mainly used for power supply for the growing population, industrial usage and as feedstock for fertilizers.

After completion of this transaction, the shareholders in ETPL will be Engro Corporation, Vopak and the International Finance Corporation.

This acquisition is subject to certain conditions, including customary regulatory and shareholder approvals, and closing is anticipated to take place in the fourth quarter of 2018.

"Our relationship with industry leader Royal Vopak is over two decades strong, and today's announcement is another step towards further strengthening that relationship. We're excited to enter into this mutually beneficial partnership with Royal Vopak which will allow Vopak to realise their strategy of entering the Pakistan energy market and will pave the way for Engro and Vopak to collaborate in further ventures at home and abroad using their combined resources and expertise," said Ghas Khan, Engro Corporation President and CEO. "Engro has always endeavored to bring the best of the world to Pakistan because we recognize that developing markets require FDI in infrastructure and projects to remain on a path of progress."

Eelco Hoekstra, Chairman of the Executive Board and CEO of Royal Vopak, said “We very much look forward to further build, inside and outside of Pakistan, on our excellent partnership with Engro. This new step in our cooperation gives Vopak an excellent entry in the growing Pakistan LNG market. This fits very well our ambitions to grow and diversify our service offering in LNG.”

Engro’s business relationship with Royal Vopak dates back to 1997, when the then-named Engro Chemicals Limited entered into chemical storage and handling business in a joint venture with a predecessor of Royal Vopak. [Link to more information on this joint venture.](#)

In November 2017 [a Memorandum of Understanding](#) was signed between Engro Corporation and Royal Vopak to explore potential growth opportunities, within Pakistan and abroad, in industries including LNG, chemical storage, and terminal operations.

### **Profile Engro**

Engro Corporation (PSX: ENGRO) is a Pakistani, home-grown multinational corporation widely regarded as one of the largest conglomerates in Pakistan. Engro’s portfolio consists of a variety of businesses including fertilizers, energy, mining, chemicals storage & handling, petrochemicals, and foods. Fueled by the vision of becoming a digital-first group in the country, Engro’s investments are all designed to deploy inclusive business models to pursue an integrated and inclusive growth for all who interact with its businesses. For more information, please visit [www.engro.com](http://www.engro.com).

### **Profile Vopak**

Royal Vopak is the world’s leading independent tank storage company. Vopak operates a global network of terminals located at strategic locations along major trade routes. With a 400-year history and a strong focus on safety and sustainability, Vopak ensures efficient, safe and clean storage and handling of bulk liquid products and gases for its customers. By doing so, Vopak enables the delivery of products that are vital to our economy and daily lives, ranging from oil, chemicals, gases and LNG to biofuels and vegoils. For more information please visit us on [www.vopak.com](http://www.vopak.com)

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