

PRESS RELEASE

Engro Corporation to inject PKR 21.5 billion in its Telecom Infrastructure Vertical

KARACHI – August 25, 2021: Pakistan's premier conglomerate, Engro Corporation (PSX: ENGRO), has announced that it would enhance its total equity investment in the Telecom Infrastructure vertical to PKR 21.5 billion. Engro has also formed a dedicated platform for connectivity and telecom infrastructure related initiatives by the name of Engro Connect (Pvt.) Limited (EConnect).

EConnect is a wholly owned subsidiary of Engro and will hold complete ownership of Engro Enfrashare (Pvt.) Limited (Enfrashare), which is now Pakistan's largest independent telecom tower company in terms of operationalized and active towers.

The total equity injection of PKR 21.5 billion in EConnect will be mainly utilized to expand the Build-to-Suite (BTS) tower business under Enfrashare including but not limited to provision of efficient energy solutions, modernization of operations, installation of state-of-the-art network monitoring solutions and exploration of other investment avenues within the connectivity value chain.

Today, Enfrashare has over 1,800 operational sites with a current tenant base of 1,963 tenants and has framework agreements in place with all 4 Mobile Network Operators (MNOs) in the country. Engro envisages to make Enfrashare a 5,000 BTS tower company by the year 2025.

While discussing this recent announcement, Ghias Khan - President & CEO of Engro Corporation, said, "We believe that robust connectivity initiatives and best-in-class telecom infrastructure are the need of the hour for the country as the world is now moving swiftly towards digitalization and infrastructure sharing. While being focused on Engro's purpose of solving some of Pakistan's most pressing issues, we would utilize our considerable balance sheet and quality human capital to support our MNOs in their passive infrastructure requirements while creating an ecosystem for the deployment of next generation networks."

A promising growth story is seen for the telecom sector in Pakistan with the 3G / 4G subscriber base expanding beyond 100 million and registering an annual growth of 28%, coupled with exponential data growth that has more than doubled from FY 2018 to FY 2020. With such strong development on the horizon, Enfrashare and its tower infrastructure will be a critical enabler for the MNOs to expand their networks while ensuring quality of services.

For further queries, please send an email to investor.relations@engro.com.

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