



GFL LIMITED

QUARTERLY INVESTOR UPDATE
Q1FY21

DISCLAIMER



This presentation and the following discussion may contain “forward looking statements” by GFL Limited (“GFL” or “the Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future state of affairs, results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of GFL about the business, industry and markets in which GFL operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond GFL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not, and should not be construed, as a representation as to future performance or achievements of GFL. In particular, such statements should not be regarded as a projection of future performance of GFL. It should be noted that the actual performance or achievements of GFL may vary significantly from such statements.

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COMPANY BACKGROUND



- INOX Group is a diversified conglomerate engaged in the business of industrial gases, fluorochemicals, multiplexes, renewable energy and cryogenic engineering
- Gujarat Fluorochemicals Limited (GFL) had been engaged in the business of manufacturing of chemicals (caustic soda, chlorine, chloromethanes), refrigerants (HCFC22), fluoropolymers (PTFE) and other fluorochemicals
- GFL has also been carrying on other businesses through its investments in two listed entities:
 - 51% stake in INOX Leisure Limited (ILL) – engaged in operating a national chain of multiplex cinema theatres
 - 57% stake in INOX Wind Limited (IWL) – engaged in the business of providing wind energy solutions to its customers, who are primarily IPPs
 - 100% stake in INOX Renewables Limited (IRL) – engaged in the business in generation of sale of electricity through renewable sources
- The Chemicals Business Undertaking of GFL has been demerged into another mirror-image company, GFCL, under a Scheme duly approved by all regulatory and other authorities, including the Board of Directors, Shareholders, Creditors, BSE, NSE, SEBI and the NCLT, with effect from 1 April, 2019, being the Appointed Date.
- Post demerger, the name of GFL is changed from Gujarat Fluorochemicals Limited to GFL Limited, and the name of the mirror image company to which the chemical business undertaking is transferred, to Gujarat Fluorochemicals Limited
- All shareholders of GFL holding 1 fully paid up equity share of GFL were given 1 fully paid up equity share of GFCL. The shares of GFCL are separately listed

DEMERGER SCHEME



- GFL Limited (GFL) owns following major businesses through its subsidiaries:
 - Entertainment Business, through 51% stake in ILL
 - Renewable Energy Business, through 57% stake in IWL and 100% stake in IRL
- The Board of Directors of GFL, as a part of further business restructuring, at their Meeting held on 13th March, 2020 have approved, subject to approval of its shareholders and creditors, and other regulatory approvals as may be required, including those of the Stock Exchanges, SEBI and the Hon'ble National Company Law Board Tribunal, a Scheme of Arrangement ("the Scheme") which envisages the following:
 - Part A** - Amalgamation of its wholly-owned subsidiary IRL into GFL w.e.f. 1st April 2020, and
 - Part B** - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) of GFL into its wholly-owned subsidiary, Inox Wind Energy Limited (IWEL), a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 1st July 2020
- As a consideration for Part B of the Scheme, all the shareholders of GFL will be issued one fully paid-up equity share of Rs. 10 each in IWEL, for every ten fully paid- up equity shares of Re. 1 each held by them in GFL
- The shares of IWEL will be separately listed

RATIONALE AND BENEFITS OF DEMERGER SCHEME



- Each of the varied businesses being carried on by GFL, have significant potential for growth and profitability
- The nature of risk, competition, challenges, opportunities and business methods for the Renewable Energy Business is separate and distinct from other businesses being carried out by GFL. Hence, each of the businesses of GFL are capable of attracting a different set of investors, strategic partners, lenders and other stakeholders
- There are also differences in the manner in which the different businesses of GFL are required to be handled and managed. Segregating these businesses would therefore lend greater/enhanced focus to the operations of each of the said businesses
- The proposed arrangement would enable consolidation of same line of businesses into IWEL which will result in unlocking of value and creation of additional liquidity for the shareholders of GFL
- The proposed arrangement would enable pooling of homogenous assets and expertise across the group resulting in a business/asset/vertical specific corporate structure for better synergy realization, administrative efficiencies, independent collaboration and expansion
- The proposed arrangement would provide better management focus and specialization for sustained growth
- The proposed arrangement would provide opportunity for investors to invest only in the combined renewable energy business
- The proposed arrangement would enhance shareholder value by creating leaner and focused organizations

STATUS OF DEMERGER



- GFL had applied to BSE and NSE, under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015
- Pursuant to this application, GFL has received 'No Observation Letter' from BSE and NSE
- GFL has filed the scheme before the Hon'ble National Company Law Board Tribunal, Ahmedabad Bench (NCLT) for seeking its direction to:
 - Convene Meeting of Equity Shareholders of GFL to approve the Scheme and
 - Waive the Meetings of the Shareholders of IRL and IWEL
 - Waive the Meeting of the Creditors of GFL, IRL and IWEL
- The Company will take further action in this matter in accordance with the prescribed regulatory requirements

BIFURCATION OF ASSETS AND LIABILITIES AS ON 30TH JUNE 2020



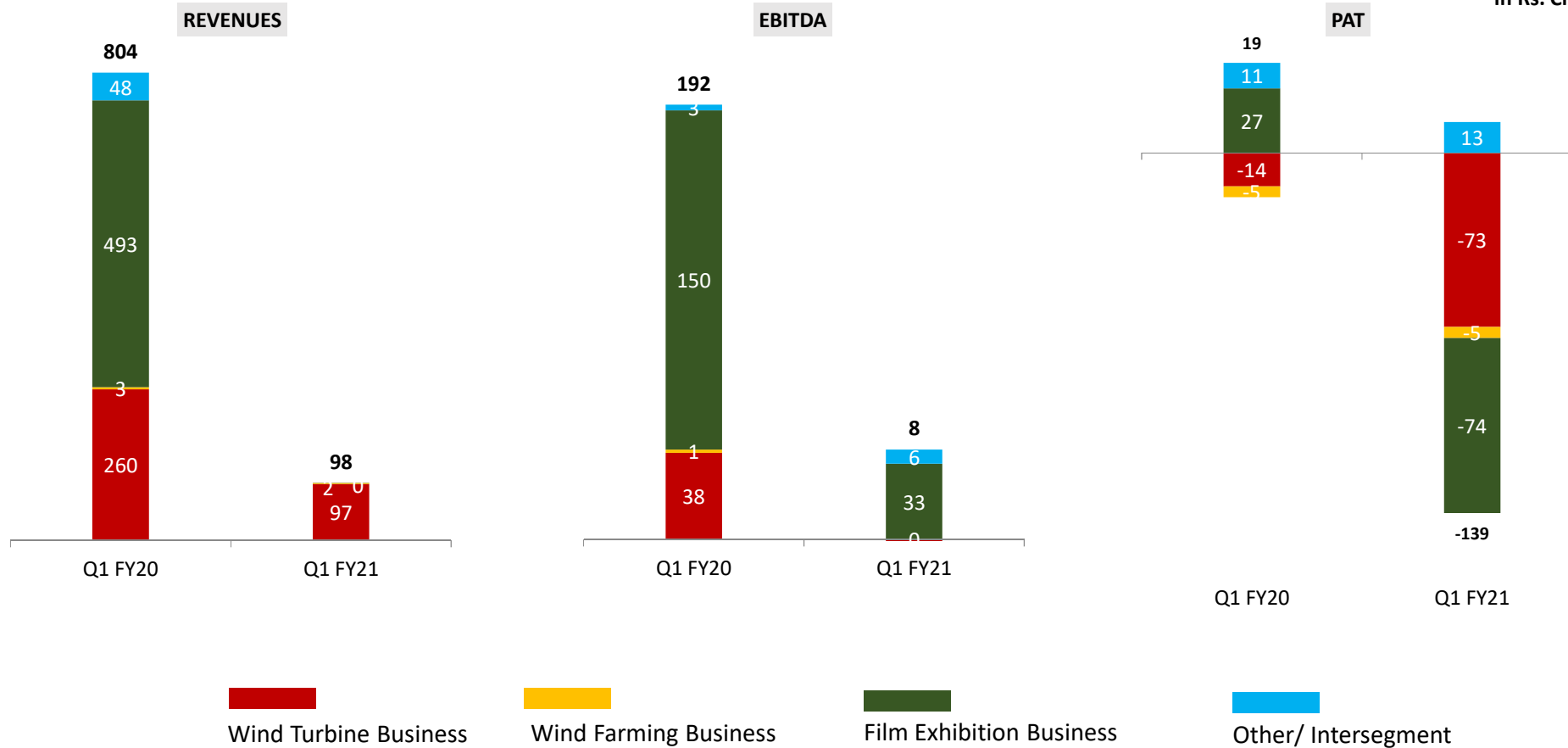
Rs. Crores

<u>Particulars</u>	<u>GFL Merger with IRL & IWEL</u>	<u>Non-Wind</u>	<u>Wind</u>
Fixed Assets	180.06	-	180.06
Strategic Investments	531.13	300.12	231.01
Treasury Investments	116.99	115.08	1.91
Current Assets	379.05	0.57	378.48
Asset held for sale	173.90	-	173.90
Total assets	1,381.13	415.77	965.36
Capital	1,174.79	296.56	878.23
Current Liabilities	206.34	119.21	87.13
Total liabilities	1,381.13	415.77	965.36
No of Shares (in Crores)	10.99	-	10.99
Book Value Per Share	106.95	27.00	79.95
%	100.00%	25.24%	74.76%

CONSOLIDATED FINANCIAL RESULTS Q1FY21



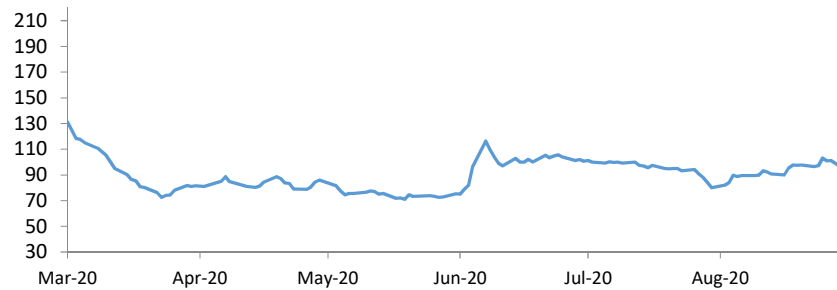
In Rs. Cr



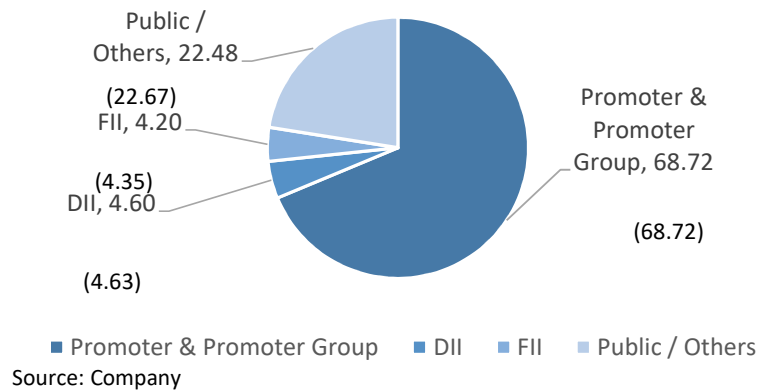
SHAREHOLDING STRUCTURE



Share Price Performance



% Shareholding – June 2020



Market Data	As on 31.08.2020 (BSE)
Market capitalization (Rs Cr)	1039.73
Price (Rs.)	94.65
No. of shares outstanding (Cr)	10.99
Face Value (Rs.)	1.0
52 week High-Low (Rs.)	163.35-58.00
Key Investors – June 2020	
	% Holding
HDFC Trustee Company Ltd	2.41%
Aditya Birla Sun Life Trustee Private Limited A/c Aditya Birla Sun Life Midcap Fund	2.18%
Premier Investment Fund Limited	2.18%
Bavaria Industries Group AG	0.65%
Dimensional Emerging Markets Value Fund	0.27%
India Opportunities Growth Fund Ltd - Pinewood Strategy	0.26%
DFA Investment Dimensions Group	0.22%
Government Pension Fund Global	0.21%
Blue Lotus Investment Fund	0.14%
Resonance Opportunities Fund	0.06%

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