

gokaldas exports ltd

GEL/SEC/2023-24/43

August 28, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
The Exchange Plaza
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Scrip Code - 532630

Scrip Code: GOKEX

Dear Sir / Madam,

Sub: Press Release

Please find enclosed herewith Press Release dated August 28, 2023 relating to the acquisition. The same is also available on the website of the company at www.gokaldasexports.com.

Please take the same on record.

Thanking you,

Yours truly,
For Gokaldas Exports Limited

Gourish Hegde
Company Secretary & Compliance Officer

Encl: as above



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For Immediate Release

Gokaldas Exports expands its global presence through a US\$ 55 million acquisition

Bangalore (India), 28th August 2023

Gokaldas Exports Limited (GEL) through its wholly owned subsidiaries has entered into an agreement to acquire Atraco Group (Atraco), a leading manufacturer of apparel with a strong market position and customer relationships across U.S. and Europe. Their product range includes shorts, pants, shirts, t-shirts, blouses and dresses catering across age groups.

Atraco was founded in 1986 and has a strong legacy of over three decades of regional leadership in the apparel business. Headquartered in Dubai, UAE, where it has its marketing, sourcing, product development and corporate functions, Atraco operates with a network of four manufacturing units in Kenya and one in Ethiopia producing about 40 million garments annually. The company's key differentiators are:

- Relentless focus on cost and efficiency,
- Emphasis on profitability and scale,
- Strong sales and marketing expertise,
- Access to low-cost duty-free manufacturing locations,
- Long-standing relationships with customers

Atraco Group's revenue is approximately US\$ 107 million with a profit after tax of US\$7.2 million for the calendar year 2022. It has more than 13,000+ workers spread over multiple locations in Kenya, Ethiopia and UAE.

The equity value of the transaction is US\$ 55 million and the same will be funded by a mix of debt and internal accruals. The transaction will comprise of acquisition of shares and assets and will be subject to customary regulatory approvals. The transaction is expected to be closed by Q3 FY24 (Oct-Dec 23).

Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director of Gokaldas Export Limited said, ***"We are very excited to welcome Atraco's admirable leadership team, their employees and their global customers to GEL. We have always believed in continuously adding production capacity at strategic locations enhancing our value proposition to customers. The acquisition of Atraco is an important step in this direction as it is strategically relevant, possesses a good complementary customer base, operationally strong, and above all, a leader in its own sphere. With this acquisition, we will gain access to low-cost duty-free locations for manufacturing. Together, we can deliver a wider choice and value proposition to our global customers. We look forward to welcoming over 13,000 new members into the GEL family."***

Gokaldas Exports was supported by JM Financial Limited as transaction advisor, Khaitan & Co. as legal advisor and BDO UAE, BDO East Africa-Kenya as partner for due diligence.



For Immediate Release

About Gokaldas Exports Limited

Gokaldas Exports Limited (GEL) is a leading readymade garment manufacturer and exporter in India, engaged in the business of design, manufacture and sale of a wide range of readymade garments for men, women and kids, for all seasons. The Company presently exports to more than fifty countries where its customers include prominent international brands in North America, South America, Europe, Africa, Oceania and Asian countries. The Company has 20+ manufacturing facilities, complemented by five integrated ancillary units. It is one of the largest organized apparel manufacturers in India employing over 30,000 people of which 75% are women, and a production capacity of three million apparel pieces per month.

About Atraco

Atraco has been a leading manufacturer apparel since 1986. Headquartered in Dubai, UAE, with a network of five manufacturing units across Kenya and Ethiopia. The company employs over 13,000 people and has strong relationships with global retailers.