

GMM Pfaudler Ltd to increase stake in GMM International S.à.r.l to 100%

Mumbai, August 4, 2022: GMM Pfaudler Ltd ('GMMP') has announced that it will increase its stake in GMM International S.à.r.l ('GMMI') to 100% by acquiring the balance 46% stake i.e., 26% held by Millars Concrete Technologies Pvt. Ltd. (Patel family) and 20% held by Pfaudler International S.à.r.l (which is controlled by funds managed by Deutsche Beteiligungs AG under DBAG Fund VI). With this transaction, GMMI will become a wholly owned subsidiary of GMMP.

The proposed acquisition will be subject to the approval of the Secretary of State for Business, Energy and Industrial Strategy, United Kingdom and the public shareholders of the Company.

Highlights

- Total consideration of ₹ 344 crore to be paid in cash and equity shares
- Simplified shareholding structure
- EPS accretive (~12% LTM June 2022)
- Earlier than expected improvement in business performance, record high backlog and strong outlook
- No integration risks with synergies gaining momentum
- Recent acquisition and joint venture will further improve business performance

Management Comment

Speaking about the acquisition, **Mr. Tarak Patel, Managing Director** said, "Our international business is now fully integrated and our expected efficiency levels are playing out in terms of growth and margins. Therefore, this is a natural conclusion to our original transaction by which we are completely consolidating the shareholding to fully accrue earnings and synergies."

He further added, "The Patel family reiterates its commitment to the business by increasing our stake through this transaction."

About GMM Pfaudler Ltd

GMM Pfaudler Ltd delivers corrosion-resistant technologies, systems, and services worldwide and remains the preferred choice by consistently providing its customers in the chemical and pharmaceutical industries with innovative and cost-effective solutions. GMM Pfaudler has 14 manufacturing locations with an extensive sales and service network and employs more than 1800 people across 4 continents. As part of our global ambitions, we continue to make Big Moves that will allow our people, customers, and the communities we operate in to grow.

More information is available at www.gmmpfaudler.com

Contact details

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