

PRESS RELEASE

GMM Pfaudler completes acquisition of majority stake in the global business of Pfaudler Group

- Revenue of the combined entity estimated to be around Rs. 20 bn (USD 267 mn*)
- Transformational acquisition makes GMM Pfaudler the global leader in corrosion-resistance technologies, systems and services
- This acquisition is expected to be earnings accretive immediately to the shareholders of GMM Pfaudler

February 16th, 2021

GMM Pfaudler Limited (“GMM”) is pleased to announce that it has successfully completed the transaction to acquire a majority stake of its parent, the Pfaudler Group (“Pfaudler”) from the private equity firm Deutsche Beteiligungs AG Fund VI (“DBAG”), after receiving all necessary regulatory approvals.

Pursuant to the acquisition, GMM has become the ultimate holding company of the Pfaudler group, with the entire business of Pfaudler being consolidated into GMM. The combined revenue of the entity is estimated to be around Rs 20 bn (USD 267 million).

GMM is now the world leader in corrosion-resistance technologies, systems and services with 12 manufacturing facilities across 8 countries and 4 continents and employing around 1,500 people.

Management Commentary

Commenting on the successful completion of the transaction:

Tarak Patel, Managing Director, GMM said, “We are delighted to announce the completion of the transaction to acquire a majority stake in the global business of the Pfaudler Group. I would like to express our thanks to all the individuals who worked to complete this complex transaction across multiple jurisdictions.

We are committed to create value for our customers, suppliers, employees and all our stakeholders by ensuring a smooth and seamless integration and by delivering on synergies resulting from our operations, sales and support services. With the acquisition now complete, it will allow us to continue on our exciting journey of making GMM Pfaudler the global leader in corrosion-resistant technologies, systems and services.”

*Assuming an exchange rate of USD:INR 75

About GMM Pfaudler

GMM is a leading supplier of process equipment to the pharmaceutical and chemical industries. It is a market leader and has more than five decades' experience in manufacturing Glass Lined Equipment. Over the years GMM has diversified its product portfolio to include Mixing Systems, Filtration & Drying Equipment, Engineered Systems and Heavy Engineering Equipment and is today a one stop shop for the chemical process industry. The Company has long standing track record of consistent dividends.

For further details please contact www.gmmpfaudler.com

About Pfaudler

Since 1884, Pfaudler has grown to be a truly global, multi-national and diverse company, employing over 1,500 employees and manufacturing facilities on four continents. Pfaudler is present on the market with several branded product lines covering a broad portfolio that includes fluoropolymers, filtration & drying, engineered column systems, lab & process glass, sealing technology and glass-lined & alloy systems. Our Systems and Services capabilities allow us to support our Customers from the lab to the full-scale production plant, including optimizing and improving the whole life cycle of any process equipment normally used in the chemical, pharmaceutical and food industries.

More information is available at www.pfaudler.com

About DBAG

Deutsche Beteiligungs AG, a listed private equity company, initiates closed-end private equity funds, and itself invests alongside those funds predominantly in well-positioned mid-market companies with development potential. DBAG focuses on those industry sectors where Germany's 'Mittelstand' is strong in international comparison. A growing portion of DBAG's equity investments is deployed in its new focus sectors of broadband/telecommunications, IT services/software and healthcare. Its long-term, value-enhancing entrepreneurial investment approach makes DBAG a sought-after investment partner in the German-speaking world. DBAG Group's assets under management or advisory amount to 2.5 billion euros.

For more information please visit: www.dbag.de

Disclaimer:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. GMM Pfaudler Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.