

# INVESTOR PRESENTATION

September 2020



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# Defining the Standard – Together

**GMM Pfaudler**

**Pfaudler International**

GMM Pfaudler, the Indian leader in Glass Lined Equipment, to acquire a majority stake in the global business of Pfaudler International, the global champion in corrosion-resistant technologies

Building on a trusted relationship of over 30 years between GMM Pfaudler and Pfaudler International, the transaction will form a fully integrated group under the leadership of GMM Pfaudler



Transform GMM Pfaudler into the **undisputed global leader** in the highly attractive Glass Lined industry



Synergistic transaction leveraging GMM Pfaudler's **cost advantages** and Pfaudler International's **innovation** strength



Strong **commitment** by promoters **Patel Family** and **DBAG** to both GMM Pfaudler and Pfaudler International

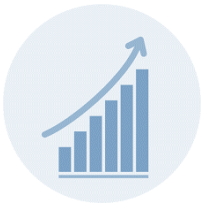


Combined **annual sales** above **USD 267 mn<sup>(1)</sup>** with **dynamic growth outlook** and significant **revenue & profitability upside**

# About GMM Pfaudler



# Well-Established Player with a Dominant Market Share

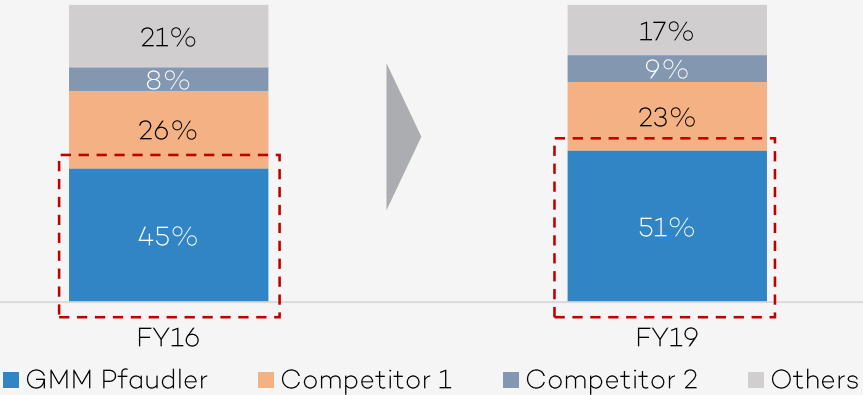


With over **five decades** of manufacturing experience, GMM Pfaudler has established itself as the **market leader** in the Glass Lined technology industry in India

Leveraging three state-of-the-art facilities in India and one in Switzerland, GMM Pfaudler is a one-stop-shop for high-quality corrosion-resistant chemical process equipment for the chemical and pharmaceutical industries

## Market Leader in Glass Lined Equipment (GLE) <sup>(1)</sup>

Growth in Market Share

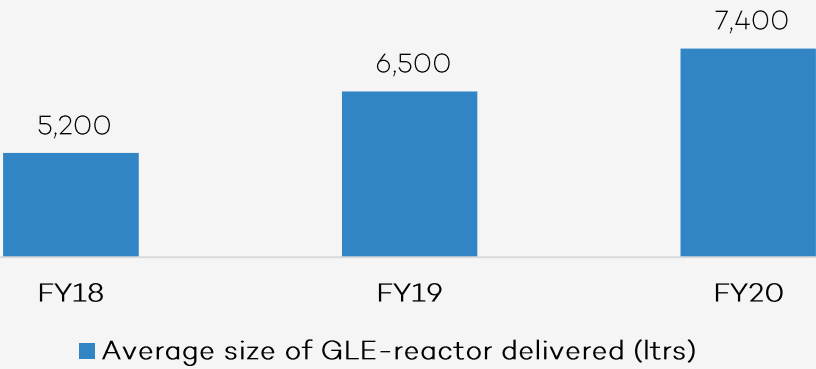


Market leader with > 50% market share



## Preferred choice for Large Reactors

Average size of GLE Reactors (liters)



Preferred choice in high-value large reactors which demand high quality and reliability

Note:  
(1) GLE industry in India

# Our Business Lines – Much More than Glass Lined

1

## GLASS LINED EQUIPMENT

Broad range of technologies, solutions and services in Glasteel®, which have been long-recognized in the pharma and chemical process industries



60.0 %

2

## HEAVY ENGINEERING

Experience in fabricating tailor-made equipment in different materials of construction which include Heat Exchangers, Pressure Vessels and Columns



8.5 %

3

## MIXING SYSTEMS

Innovative mixing solutions to improve efficiencies, yields and reduce costs



8.7 %

4

## FILTRATION & DRYING

Critical and complex equipment and system for Filtration & Drying for Pharma and chemical industries.



20.3 %

5

## ENGINEERED SYSTEMS & ACID RECOVERY

Extensive experience in designing of complete Systems based on process know-how and providing auxiliary equipment for vacuum, heating, pumping and instrumentation.



2.4 %

# Stable and Diversified Customer Base

## PHARMACEUTICALS

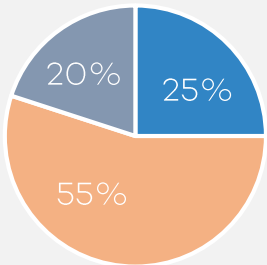


## CHEMICALS



## Diversification across parameters<sup>(1)</sup>

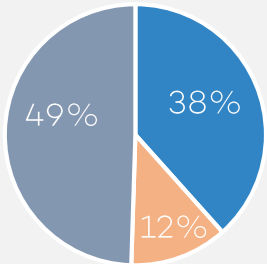
### Revenue Split



■ Pharmaceuticals ■ Chemicals ■ Others

Total: INR 5.9 bn

### GLE Customer Concentration



■ Top 5 ■ 6 to 10 ■ Others

Note:  
(1) Split for Glass Lined Equipment as a % of FY20 revenue

# Expanding Operational Footprint to meet Dynamic Growth Outlook

## Organic growth drivers in key industries served

### PHARMACEUTICALS



~ INR 600 bn  
capex planned  
over FY20 – FY23

- Indian companies moving up the value chain
- India holds a vital position in global pharma
- CRAMS: India to be largest beneficiary
- Reduce dependency on China

### CHEMICALS

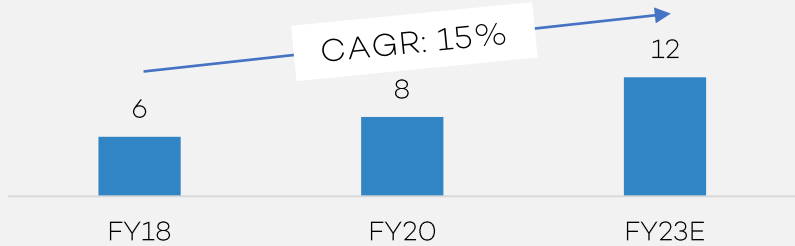


~ INR 140 bn  
capex planned  
over FY20 – FY23

- Implementation of stringent environmental regulations in China likely to accelerate shift of manufacturing to India
- Government impetus
- Supportive structural drivers like local manufacturing

## GMM Pfaudler well positioned to take advantage of industry growth

India: Glass Lined industry Size (INR bn)

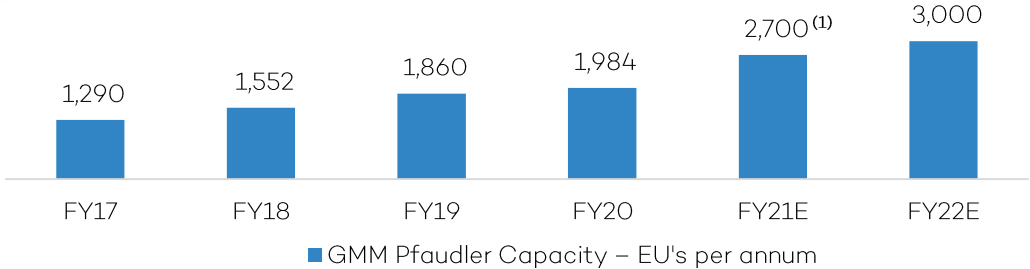


New demand percentage in industry

85%

## Growing production and service footprint to meet demand

### A Capacity addition in sync with industry demand



### B Acquisition of manufacturing facility from De Dietrich Process Systems

- Acquisition of ready-made Glass Lined Equipment manufacturing capacity<sup>(1)</sup> in Hyderabad, Telangana which will further strengthen our presence in the region

### C Additional service centers to drive growth in after-market service revenues

- Plans to open 2 more service centers (total 5) in key chemical and pharma zones to proactively increase after-market business
- After-market revenues associated with attractive profitability margins



# Operational Excellence and a Proven Track Record in Successful M&A Integration



- Operational Excellence a corner stone of improving revenue and profitability over the last 5 years
- Project Shakti completely transformed our production model and significantly improved throughput
- Low cost sourcing from GMM Pfaudler helped Mavag AG increase market share and profitability

Our Operational Excellence Model (Governance , MIS and 5S) has resulted in several benefits



Throughput Improvement



Preventive Maintenance Schedule



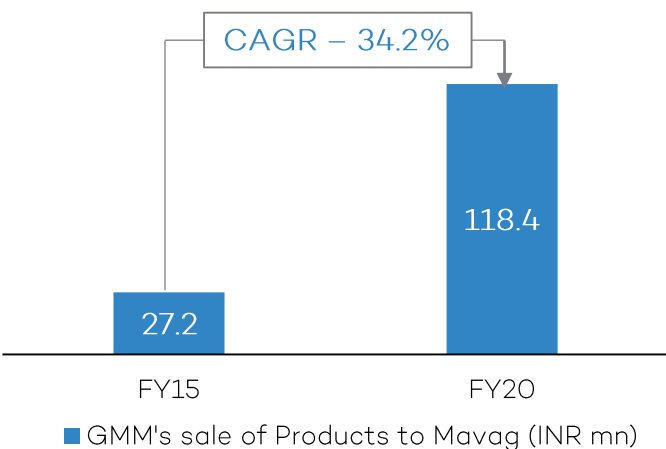
Cost Reduction



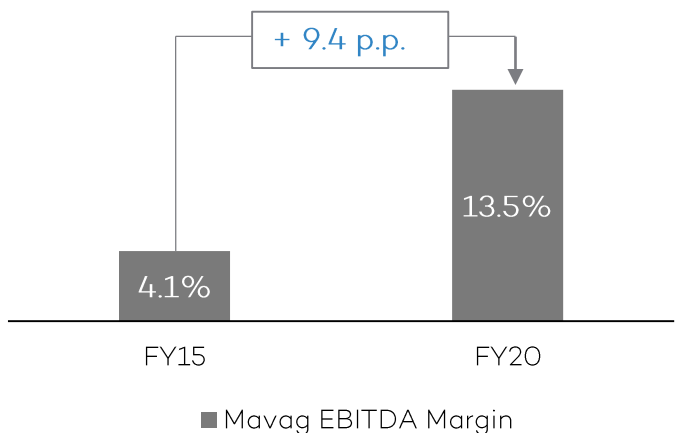
End to End 3-month Rolling Plan

## Mavag's Success Story

*Consistent focus on operational excellence and low-cost sourcing has helped turn-around Mavag AG*

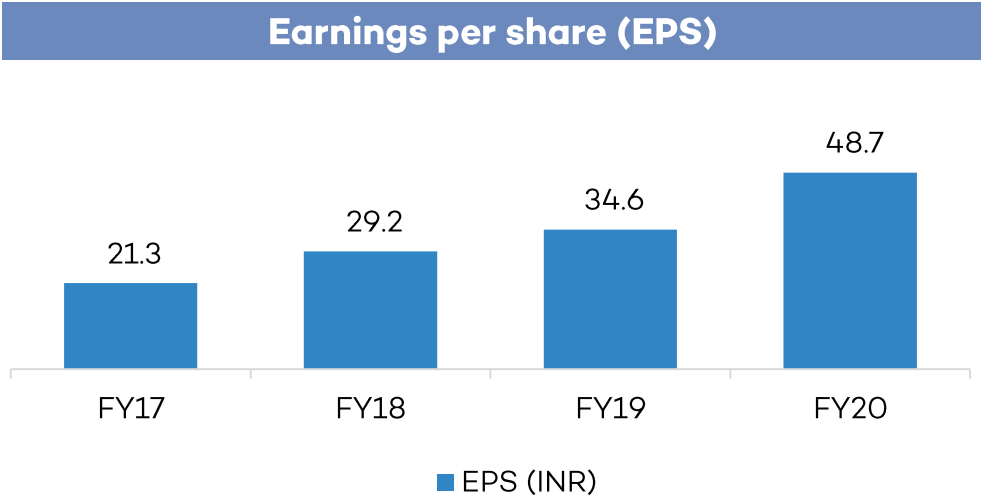
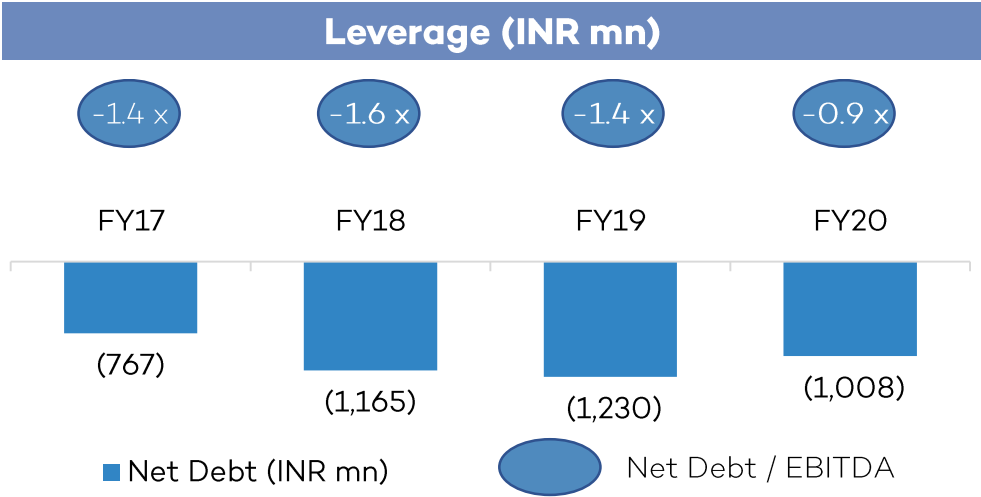
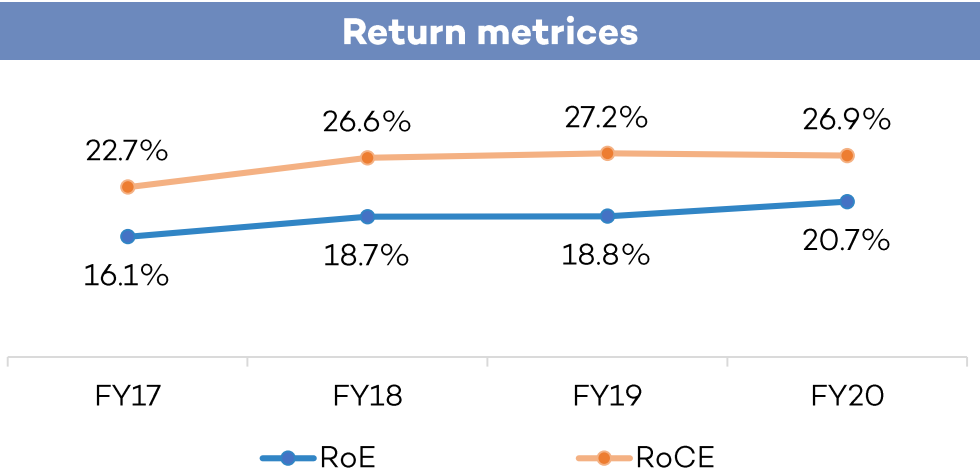
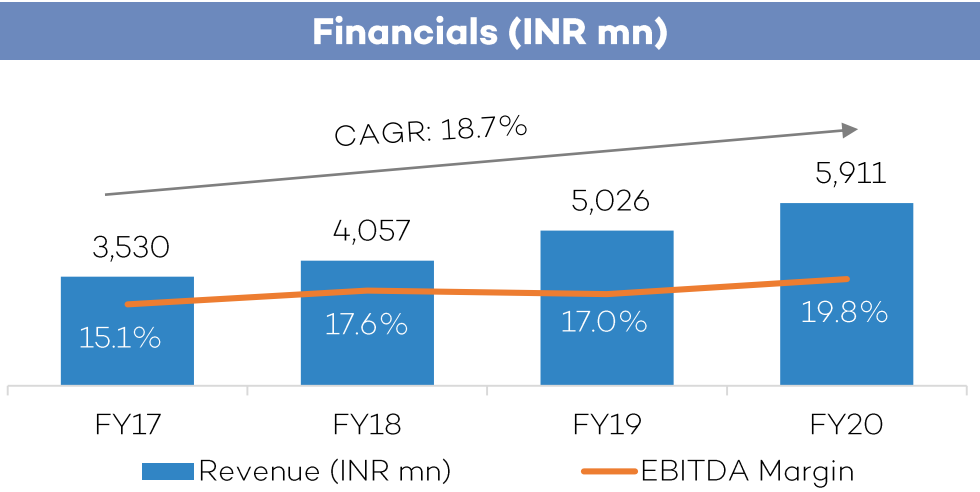


Mavag's share of sourcing from GMM Pfaudler



Mavag's profitability has improved significantly over the last 5 years

# Robust Financial Performance



# About Pfaudler International



# Global Champion in Corrosion-Resistant Technology



Pfautler International is the **global leader for corrosion-resistant technologies, systems and related services** catering to the specific needs of customers in the chemical and pharmaceutical industries



Besides **Pfautler**-branded Glass Lined Equipment, Pfautler International supplies its customers through the following brands: **Edlon** (fluoropolymers), **interseal** (sealing technology) and **Normag** (lab & process glass)



Pfautler International, headquartered in Luxembourg, with annual sales of c. USD 175mn, employs over 1,000 people across four continents



Since Pfautler International's acquisition by DBAG, the Company has made **significant investments in the modernization of its production footprint** and focused on the **strategic re-alignment of operations**

Defining the Standard for Over 130 Years

Modernization of production footprint, broadening of product portfolio incl. through M&A, and initiation of cross-selling initiatives

Glasteel invented by Casper Pfautler

JV with GMM, India

DBAG Acquisition of Pfautler International

Acquisition Montz

Acquisition PEAS

Acquisitions Normag, interseal, Glasskem assets

Acquisition acid-recovery team, Tantec sales partnership

New plants Germany, China

1884

1987

2014

2015

2016

2017

2018

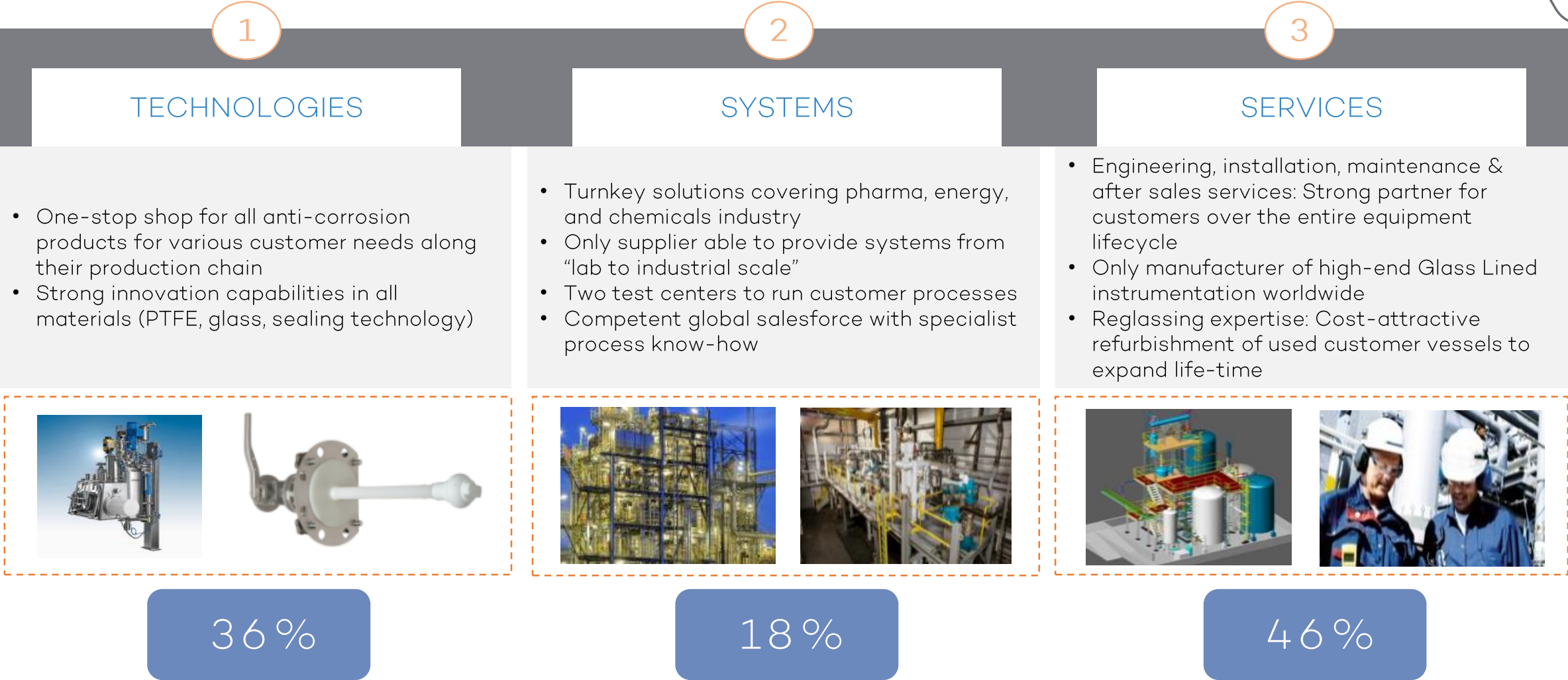
2019

2020



# Broad and High-Quality Product Portfolio

Ability to combine technologies, systems and services to provide holistic solutions to the customer



Share of Total 9m'May-2020 Revenue

# Key Investment Highlights



Global leader in an attractive and growing market

- Global leader in an oligopolistic niche market with >20% market share
- Attractive market dynamics with expected annual growth of 3-5% in the global chemical industry and 6% in the global pharmaceutical industry



Fully integrated solution provider, one-stop-shop concept

- Covers full value chain
- Broad and well-diversified product and equipment solutions range
- Largest field service team in the industry



Large installed base with recurring revenues

- Largest installed base of c. 45,000 systems
- Recurring service revenues account for c. 30% of total revenue
- Order backlog of USD 110m as of May-2020



Technology and quality leadership

- Technology and process leadership
- Highly reputable brands
- Innovative company spirit

# Loyal and diversified customer base

Low concentration of top customers and established relationships to key customers over decades

Blue chip customer base

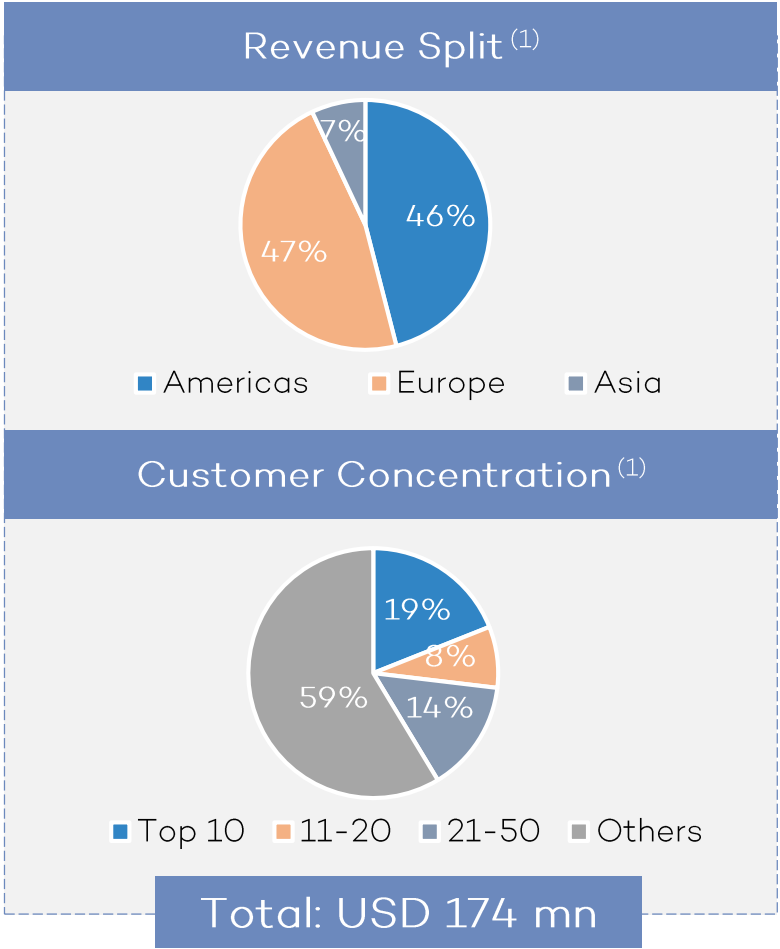




- Steady and long-lasting customer relationships – about 70% of top customers are served for more than 20 years



- Approx. 30% of Top 20 customers have been acquired in the last 10 years



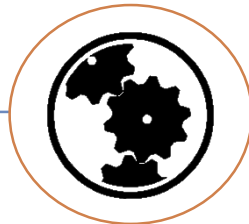
# Significantly Modernized Plant Footprint



Global production footprint with 10 Pfaudler International plants across 4 continents



Significant investments in modernization of production footprint with over USD 23 mn capex spent during last 4 years on new plants in Germany, Italy and China



New state-of-the-art production facilities provide a strong basis for future growth and profitability improvements

GERMANY

ITALY

CHINA

Relocation from Schwetzingen to Waghäusel in 2019

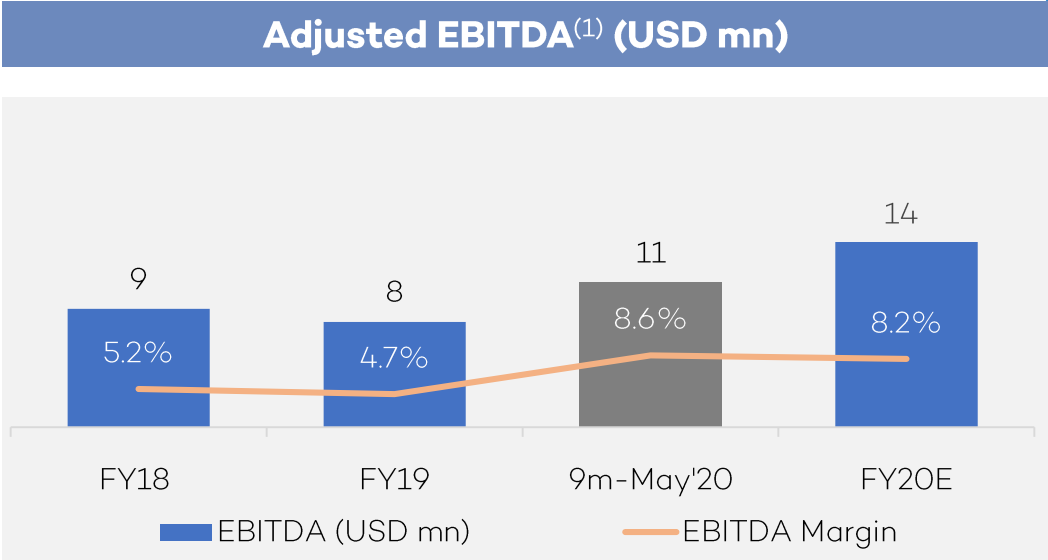
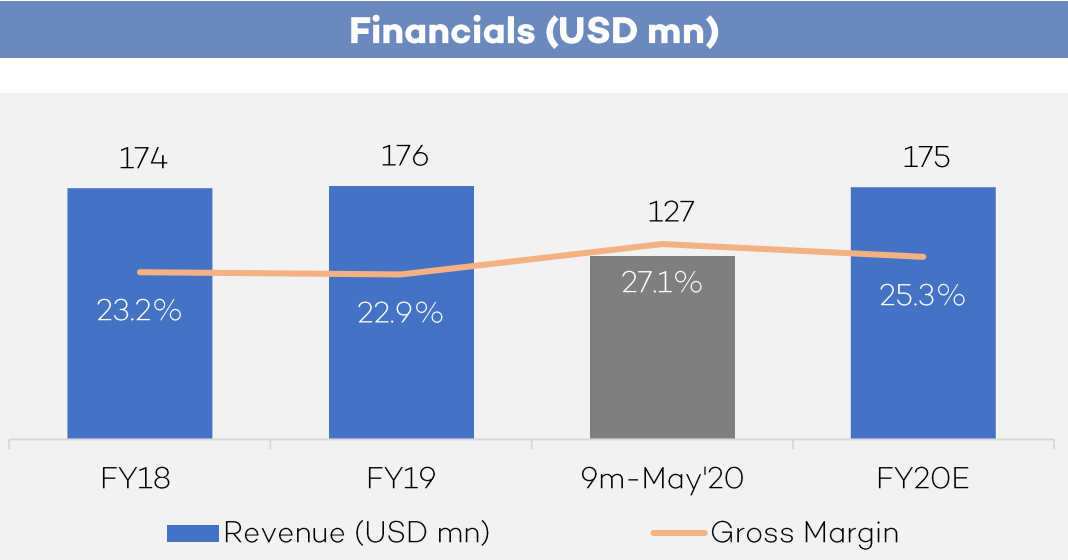
Acquisition from Glasskem plant in 2017 and subsequent relocation of existing Italian operations to new site

Relocation from Suzhou to new plant in Changzhou (Li Yang) in 2019

- ✓ Cost saving modernization of manufacturing equipment and concept
- ✓ Foundation for turnaround of German operation and sustainable profitable growth
- ✓ Newly built plant (2016) with best-in-class equipment and expertise
- ✓ Opportunity to consolidate Pfaudler International's Italian operations in the core Glass Lined business
- ✓ New Chinese plant in line with Pfaudler's Asia growth strategy
- ✓ USD 6.5 mn compensation fee from local authorities



# Financial Overview <sup>(2)</sup>



- Limited revenue growth in recent years , as operational focus during last two years was on site modernization projects (Germany, China, Italy) with large capex program
- Gross profit margin increased to 27.1% for FY20 May YTD, significantly above recent years (average 23.1%)
- Improved gross margins and strict control on other functional costs leading to improved Adj. EBITDA margins, increasing from 4.7% in FY19 to 7.7% for FY20 (8.6% for FY20 May YTD)
- FY21 revenue is expected to be in the region of USD 190 mn with an EBITDA margin of ~10%

Note: Fiscal year ending August 31  
(1) EBITDA before exceptional items  
(2) Financials as per management estimates

# Transaction Overview

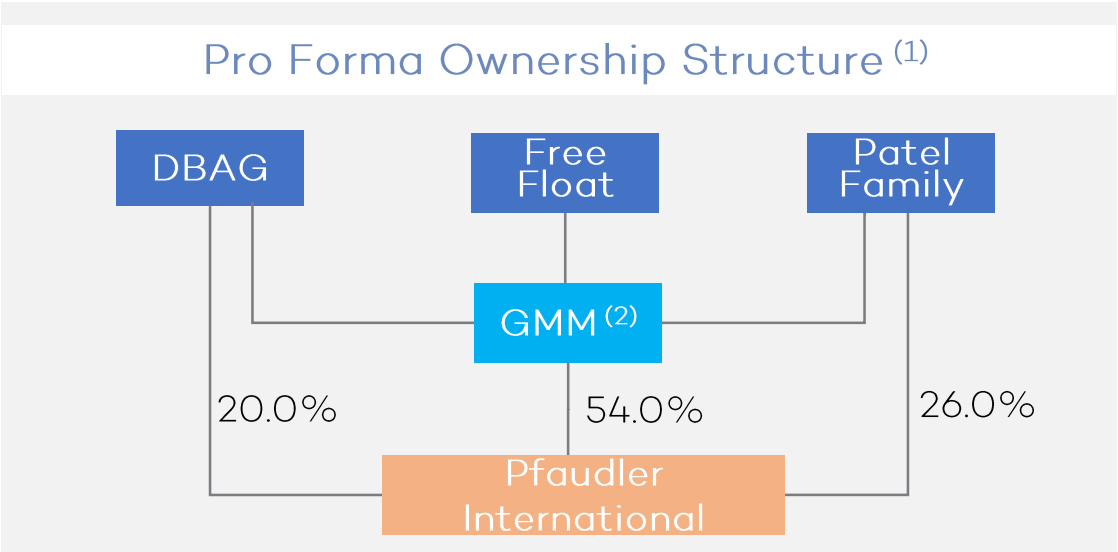
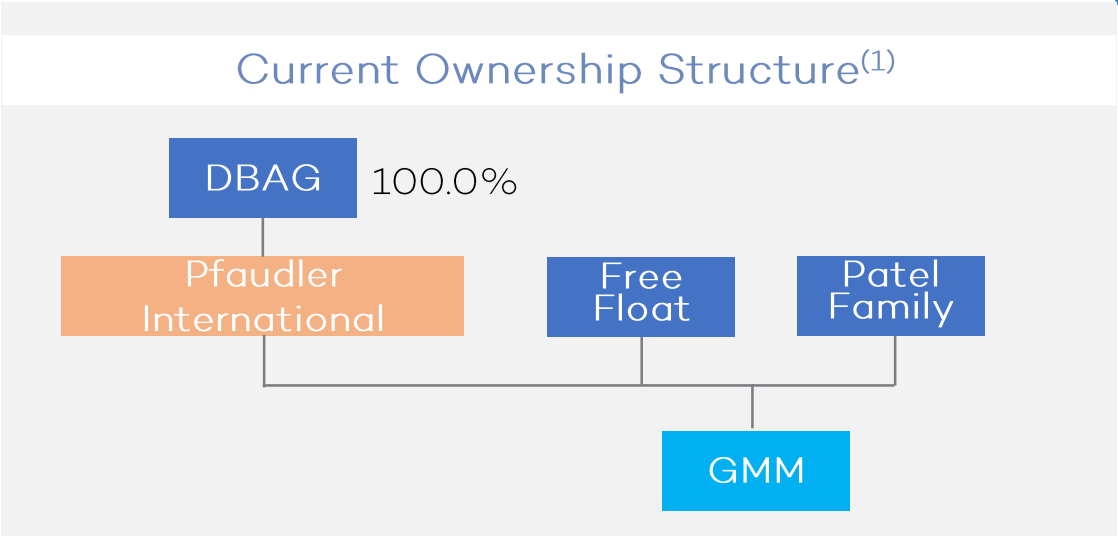
# GMM Pfaudler Acquisition of Pfaudler International

GMM Pfaudler (“GMM”) to acquire 54% of Pfaudler International (excl. stake in GMM)

Patel family, currently largest shareholders in GMM apart from Pfaudler International, to acquire a 26% stake in Pfaudler International

DBAG Fund VI (“DBAG”) to maintain a 20% stake in Pfaudler International , showing continued strong commitment to Pfaudler International

The transaction will form a fully integrated global group under the leadership of GMM and underlines the excellent relationship between GMM and Pfaudler International for over 30 years as well as the trusted collaboration between the Patel family and DBAG



# Transaction Overview

No equity dilution in GMM Pfaudler for the acquisition

Valuation	USD mn
Total Equity Value	50.8
Stake acquired by GMM Pfaudler	54.0%
Stake value acquired by GMM Pfaudler	27.4
- Stake acquired directly	34.4%
- Stake acquired via subsidiary, Mavag	19.6%
- Stake value acquired directly	17.4
- Stake value acquired via subsidiary, Mavag	10.0
Cash accruals used by GMM Pfaudler for transaction	~10.0
Debt raised by GMM Pfaudler for acquisition	~ 17.4

The transaction is subject to shareholder's approval, the satisfaction of certain closing conditions, and customary regulatory approvals

The transaction is projected to close in November - 2020

Note:  
Target to pay interest of USD 1 mn. between signing and closing in lieu of the profits generated during this period  
Earnout of USD 1.3 mn upon realisation of balance consideration from sale of Montz  
Earnout payable of an equivalent amount received as proceeds (net of taxes) for sale of erstwhile manufacturing facility in Italy



# Compelling Transaction Rationale – Key Highlights

1

Transform GMM Pfaudler into the **undisputed global leader** in the highly attractive market for anti-corrosion technologies

2

Realize synergies through **cross-selling initiatives** and **GMM's lean-production model and low steel vessel costs** to improve profitability across the entire group

3

Combine **complementary portfolio** of adjacent businesses to diversify the strong Glass Line business

4

Join forces in R&D to secure the group's **global innovation leadership**

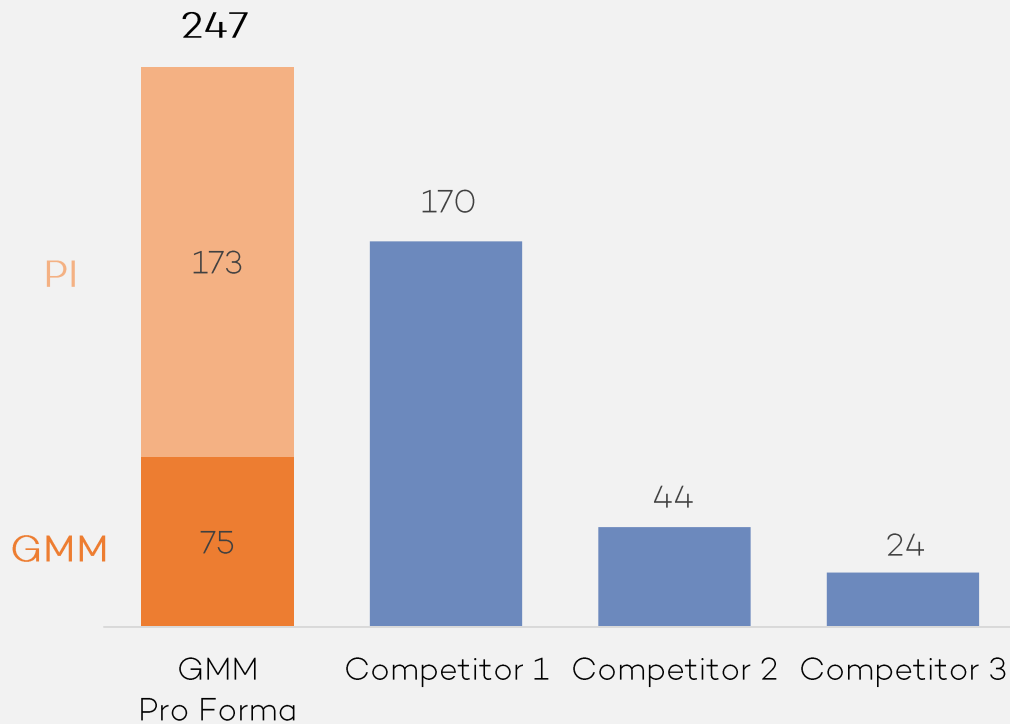
5

Combine Pfaudler International's and GMM's **experienced management teams** to execute a joint vision for the group's future

# Transform GMM Pfaudler into the undisputed global leader in the highly attractive market for anti-corrosion technologies (1/2)

## #1 Global Glass Lined Equipment Producer

Revenues<sup>(1)(2)</sup> (USD mn)



## Global Production and Sales Footprint

- 12 well-invested production sites in 8 countries across 4 continents
- Approx. 1,500 employees globally



Note:

(1) Based on LTM financials as of May 2020 for Pfaudler International and GMM, based on latest available financial data / estimates for competitors

(2) Competitor information only includes comparable business where available

# Transform GMM Pfaudler into the undisputed global leader in the highly attractive market for anti-corrosion technologies (2/2)

## State-of-the-Art Production Facilities

### AMERICAS



#### Rochester, USA

- Glass Lined Equipment



#### Avondale, USA

- Fluoropolymers



#### Taubate, Brazil

- Glass Lined Equipment

### EUROPE



#### Waghäusel, Germany

- Glass Lined Equipment
- Large 2019 capex program



#### Hofheim, Germany

- Sealing technology



#### Ilmenau, Germany

- Glassware parts/systems



#### Leven, UK

- Glass Lined Equipment & fluoropolymers



#### Torre di Mosto, Italy

- Glass Lined Equipment
- Large recent capex program



#### Neunkirch, Switzerland

- Filters, dryers, agitators

### ASIA



#### Karamsad, India

- Glass Lined Equipment, alloy agitators, vessels



#### Nacharam, India

- Glass Lined Equipment
- Plant acquired from De Dietrich in Jul-2020



#### Li Yang, China

- Glass Lined Equipment
- New plant inaugurated 2019

Over USD 52 mn invested in Pfaudler International facilities<sup>1</sup> during 2017-2020 financed by cash on Balance Sheet and equity from DBAG

Note:

(1) Includes USD 23 mn capex and one-time costs related to plant relocations (Germany, China, Italy), USD 23 mn in acquisitions incl. transaction costs (Normag, Interseal) and USD 6 mn in other capex.

# Realize synergies through cross-selling initiatives and GMM's lean-production model and low steel vessel costs to improve profitability across the entire group

## Lean Production



### Operational Excellence

- ✓ GMM developed and implemented own operational excellence model based on lean manufacturing, minimizing cost and increasing profitability
- ✓ Pfaudler International to implement GMM's operational excellence model globally
- ✓ The creation of "**Centers of Excellence and Competitiveness**" will rationalize manufacturing process globally

## Steel Cost Savings



### Production Cost Advantages

- ✓ Pfaudler International to leverage the lower steel vessel production costs in India utilizing GMM Pfaudler's large installed base
- ✓ Savings of around 34% of total production cost per vessel
- ✓ Synergistic relocation of steel vessel production from Europe and the Americas to India to leverage competitive cost advantages while maintaining highest quality standards through European Glass Lining excellence

## Cross-Selling



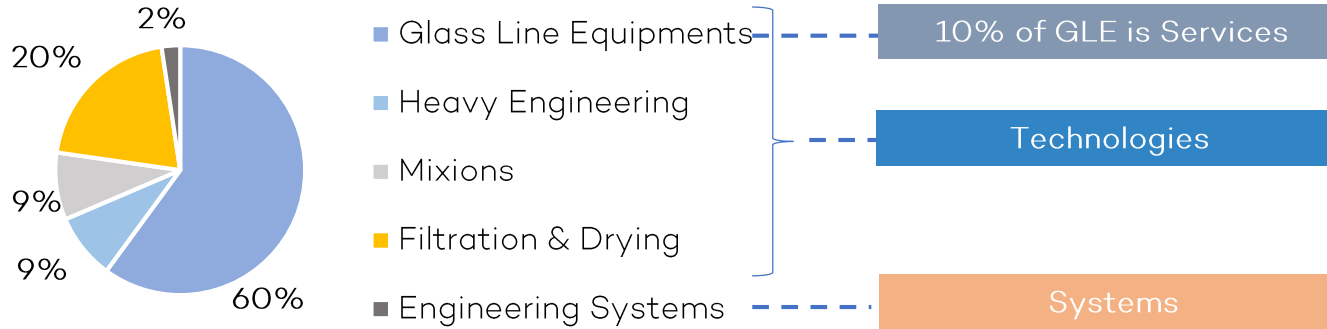
### Collaboration and Expansion

- ✓ Eliminate all sales restrictions on GMM Pfaudler for international sales
- ✓ Expansion of product offerings from Pfaudler International's portfolio like Acid Recovery to help widen the product portfolio and offerings
- ✓ One-stop shop to fulfil the production needs of customers throughout their production chain across countries
- ✓ Cross-selling of products through Pfaudler's global network to help GMM Pfaudler increase high-value exports and hence increase profitability



## Combine complementary portfolio of adjacent businesses to diversify the strong Glass Line business

FY20 GMM  
Revenue Split

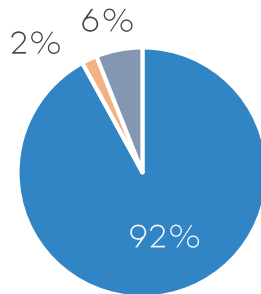


**GMM Pfaudler**

- ✓ Leadership in Technologies segment to be reinforced
- ✓ Complementary adjacent products provide cross-selling opportunities based on comparative strengths:
  - Heavy engineering, Mixions from GMM Pfaudler to be added to Pfaudler International's portfolio
  - Systems from Pfaudler International to be added to GMM Pfaudler's portfolio

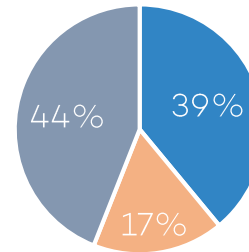
Estimated Revenue Split

**GMM Pfaudler**



Total: ~INR 7 bn

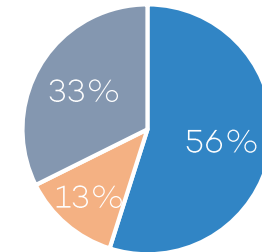
**Pfaudler International**



■ Technologies ■ Systems ■ Services

Total: ~INR 13 bn

**GMM Group**



Total: ~INR 20 bn



Coordinated approach to combine Pfaudler International's strong **innovation tradition** with GMM's **successes in expanding into adjacent product categories**



Strong innovation pipeline with several new products to be launched in the next 1-2 years



Opportunity to **strengthen leadership position in the Glass Lined reactor market** (e.g. Smart Glass) and **enter adjacent markets** (e.g. cathode sheets, water probes)

## Strong Innovation Pipeline with Several Upcoming Product Launches

### Smart Glass

- Innovative, patent-pending Glass Lining technology for reactors with thinner adhesive layer
- Energy savings for customers of up to 18% through improved heat transfer
- Improved sustainability based on cobalt-free Glass Lining

### Corrosion-resistant cathode sheets for metal extraction

- Novelty Glass Lined stainless-steel cathode sheets used in acid baths – prototypes currently successfully in operation by anchor customer
- New adjacent product application with significant revenue potential based on existing technological expertise

### Corrosion-resistant probes for groundwater monitoring

- Development of innovative pH-probes for groundwater applications, combining leadership in corrosion resistance with measuring know-how
- Additional revenue potential from possible future application to probes used in battery technology

# Combine GMM's and Pfaudler International's experienced management teams to execute the joint vision

## Highly Experienced Management Team



Tarak Patel , Managing Director, GMM Pfaudler

- Managing Director of GMM Pfaudler since 2015
- Executive Director at GMM Pfaudler since 2007



Thomas Kehl, CEO Pfaudler International

- CEO of Pfaudler International since 2016
- Previously President and CEO of Coperion Group, CEO of Freudenberg Nonwovens, executive positions at Hoechst Group



Manish Poddar, CFO, GMM Pfaudler

- CFO of GMM Pfaudler since January 2021
- Previously worked at Diversey India (Wholly owned by global PE firm Bain Capital), Sun Pharma (Ranbaxy) and Louis Dreyfus, India



Alexander Pömpner, CFO Pfaudler International

- CFO of Pfaudler International since 2020
- Previously CFO of Vision Ophthalmology Group, CFO of BBI Group, executive positions at Azelis and Mauser



Trusted relationship between GMM and Pfaudler International management teams based on several years of close co-operation, facilitating full integration of Pfaudler International into GMM

Secure the current position as the preferred supplier of engineered equipment and systems to the pharmaceutical and chemical process industries globally

Continue pioneering into new adjacent products

Consolidate the industry and integrate specialized companies with high potential



# Pro Forma Financials of Combined Business (Unaudited)

Particulars August financial year <sup>(3)</sup> <sup>(4)</sup>	FY18	FY19	9 months as on May 2020
Revenue <sup>(1)</sup>	15,375	17,492	13,161
YoY Growth (%)		13.8%	NA
Adj. EBITDA <sup>(2)</sup>	1,313	1,480	1,569
EBITDA Margin (%)	8.5%	8.5%	11.9%
Net Income <sup>(1)</sup>	(94)	(70)	643
Net Margin (%)	(0.6%)	(0.4%)	4.9%
Net Income excluding Non- controlling interest <sup>(1)</sup>	43	70	472
Net Margin (%)	0.3%	0.4%	3.6%

**Expectations on future performance  
per management**

- Consolidated revenue of ~INR 20 bn and EBITDA margin over 13% in FY21<sup>(6)</sup>
- Consolidated revenue in the region of INR 28 bn by 2024
- Consolidated EBITDA in the region of 16% by 2024 without considering synergies
- Synergies of at least INR 0.4 bn p.a. by 2024 to result in further EBITDA expansion
- Additional cross-selling revenue synergies
- ROCE of over 20% for combined business by FY24; ROE<sup>(5)</sup> in the region of 24% from FY22 onwards

Note:

(1) Numbers extracted from Pro Forma Condensed Combined Financial Information (Unaudited) on which Independent Practitioner's has issued an assurance report in accordance with SAE 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus" issued by the Institute of Chartered Accountants of India

(2) This Adjusted EBITDA is computed based on numbers extracted from Pro Forma Condensed Combined Financial Information (Unaudited) on which Independent Practitioner's has issued an assurance report in accordance with SAE 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus" issued by the Institute of Chartered Accountants of India.

(3) All figures in INR mn

(4) Financial year ending August 31 presented for pro forma; will be consolidated after Transaction according to March financial year of GMM Pfaudler

(5) ROE attributable to owners of the company (excluding minority interest)

(6) Full-year consolidated pro-forma for FY21E

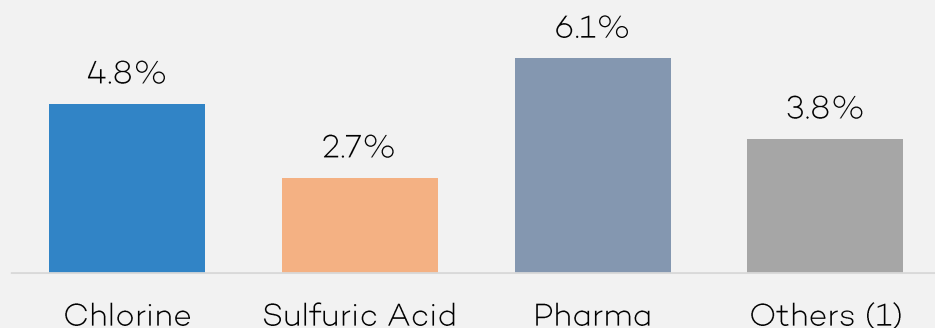
# Appendix A: Additional Information on Pfaudler International



# Strong Mid-Term Growth Expected Across End-Markets Globally

## End-Customer Industry Forecasts

### Annual Average Growth



- Strong current momentum in global Chemicals and Pharmaceutical industries
  - Expected mid-term growth of 3-6% p.a. across sectors
- Limited Covid-19 impact shows resilience through the cycle
  - Chemical and Pharma companies playing an essential role during Covid-19 crisis, shifting production processes and adapting to current requirements
  - Focus on relocations towards Europe/USA

Source: Management Estimates

Note:

(1) Includes pectins, vitamins, agricultural protection chemicals (biopesticides, herbicides, fungicides, insecticides), among others.



# Pfautler Technologies (1/2)

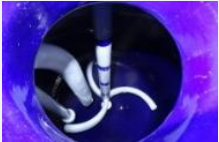
Pfautler offers a wide range of Glass Lined and alloy technologies

## Selected Glass Lined technologies



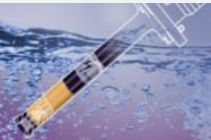
**REACTORS**

DIN standard,  
pharma,  
laboratory



**MIXING  
TECHNOLOGY**

Drives, sealing  
units



**PROBES,  
SENSORS**

Temperature, pH /  
ORP, conductivity



**OTHERS**


Storage vessels,  
heat exchangers,  
columns, conical  
tumble dryers

## Selected alloy technologies



**PRESSURE  
VESSELS**

Solid / liquid  
separation, reactors



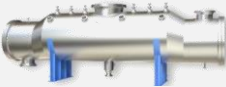
**AGITATED  
REACTORS**

Mixing  
components



**COLUMNS**


Temperature, pH /  
ORP, conductivity




**HEAT  
EXCHANGERS**

Pipes and fittings,  
valves

## KEY HIGHLIGHTS



Average order  
size \$100-500k



Average lead  
time of 6 months



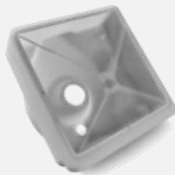









Attractive cross  
selling platform



Tailor-made  
products for each  
customer

Core Pfautler brand complemented by additional strong and established brands

BRAND	Business description	Selected products		
 EDLON FLUOROPOLYMERS	Fluoropolymers for corrosion resistance, high purity, low friction and non-sticking	 ENGINEERED COATINGS	 ROTO-MOULDING	 ROLL COVERS
 NORMAG LAB & PROCESS GLASS	Lab and process systems in borosilicate glass	 PROCESS UNITS	 LABORATORY & TEACHING	 COMPONENTS
 INTERSEAL SEALING TECHNOLOGY	Maintenance-free shaft seal technology	 DRY9000®		

Delivering a complete integrated system including process, equipment, insulation, instruments and controls

Selected systems capabilities



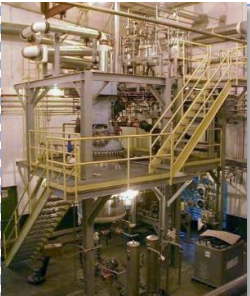
Chemical reaction-based systems



Glass Lined or alloy wiped film evaporator systems



Safe handling of hot, concentrated acids



MODULAR UNITS  
Reactor systems, column systems, thermal control units, heat exchangers

Key systems highlights

Order Size

- Average order size: \$1m+
- Big Orders: Above \$5m up to \$10m-\$20m

Payment

- 15-25% down payment at order, then step payments

Lead Time

- Average 12 months (from 8-24 months depending on complexity)

Highlights

- Platform for cross-selling
- System only made for orders

Pfautler Group comprises a comprehensive service offering with systematic lifecycle orientation

## SERVICE OFFERING

### Engineering



- Consultancy services
- Pilot testing / toll operation
- Process engineering

### Maintenance & After-Sales



- Maintenance
- Troubleshooting
- Glass inspection, reglazing & repair
- Shutdown services
- Spare/ replacement parts
- Sealing technology exchange
- Renewal program

### Installation, Commissioning, Start Up



- Planning
- Project management
- Installations

### Parts

- ✓ Order size up to \$100k
- ✓ Lead time from the shelf up to 6+ months
- ✓ Used for state-of-the-art and 50+ year old equipment
- ✓ Key success factors: **Close customer contact and availability, large installed base of equipment**

### Reglazing & Modernization

- ✓ Order size from \$5k-\$0.5m
- ✓ Lead time between 3-6 months
- ✓ Similar to new vessels sales process
- ✓ Key success factors: **Lower overall investment and lead time vs. new equipment**

### Field Service

- ✓ Order size from \$1-100k (\$5k on average)
- ✓ Key success factors: **Reputation, technical expertise of technicians, availability of personnel, large installed base of equipment**

# Pfautler International Statement of Profit and Loss

Particulars August financial year <sup>(1)(2)(3)</sup>	FY18	FY19	9 months as on May 2020
Revenue	174	176	127
YoY Growth (%)		1.2%	NA
Adj. EBITDA*	9	8	11
EBITDA Margin (%)	5.2%	4.7%	8.6%
Net Income	(5)	(4)	5
Net Margin (%)	(2.6)%	(2.4)%	4.0%
Pro Forma Net Income	(8)	(8)	3
Pro Forma Margin (%)	(4.5%)	(4.5%)	2.2%

Not

(1) All figures in USD mn

(2) Financial year ending August 31 presented

(3) Financials as per management estimates

(4) Pro Forma Net Income is net of elimination pertaining to existing (pre –acquisition) income derived due to stake held by Pfautler International in GMM Pfautler. This Pro Forma Net Income was included in Pro Forma Financials of Combined Business

# Pfautler International Statement of Balance Sheet

Particulars August financial year <sup>(1)(2)(3)</sup>	As at May 31, 2020
Fixed Assets (including intangibles)	105
Other Non-current Assets	40
Cash And Cash Equivalents	32
Other Current Assets	90
<b>Total Assets</b>	<b>268</b>
<b>Total Shareholder's Funds</b>	<b>57</b>
Debt	55
Provision (includes Pension Liabilities)	78
Other Non-current Liabilities	27
Other Current Liabilities	50
<b>Total Equity And Liabilities</b>	<b>268</b>

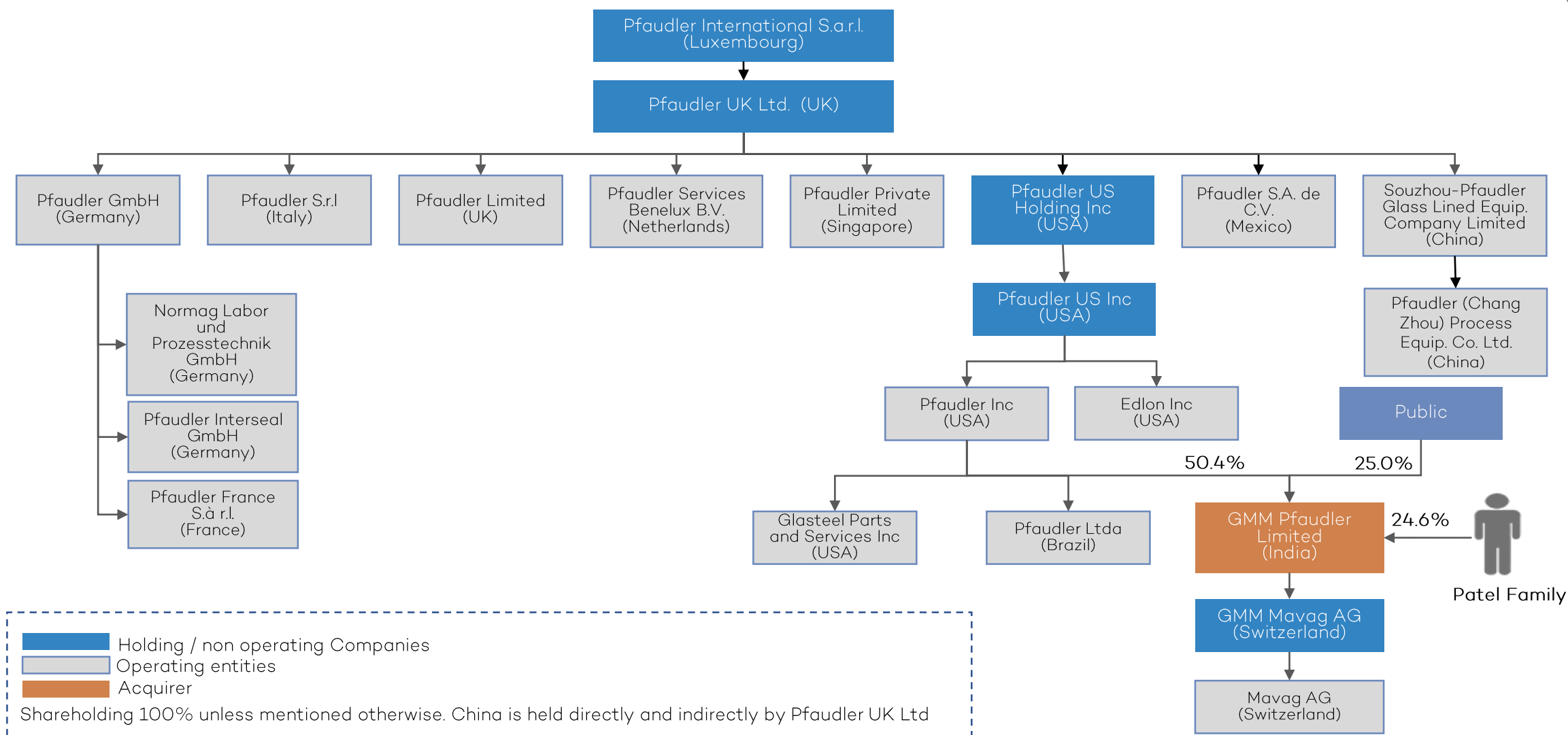
Note:

- (1) All figures in USD mn
- (2) Financial year ending August 31 presented for pro forma
- (3) Financials as per management estimates
- (4) Includes investment in GMM Pfautler using equity method accounting

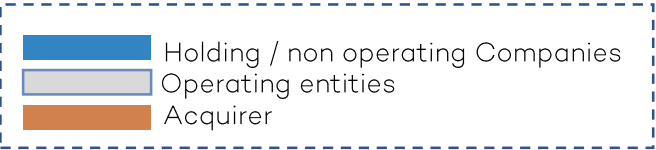
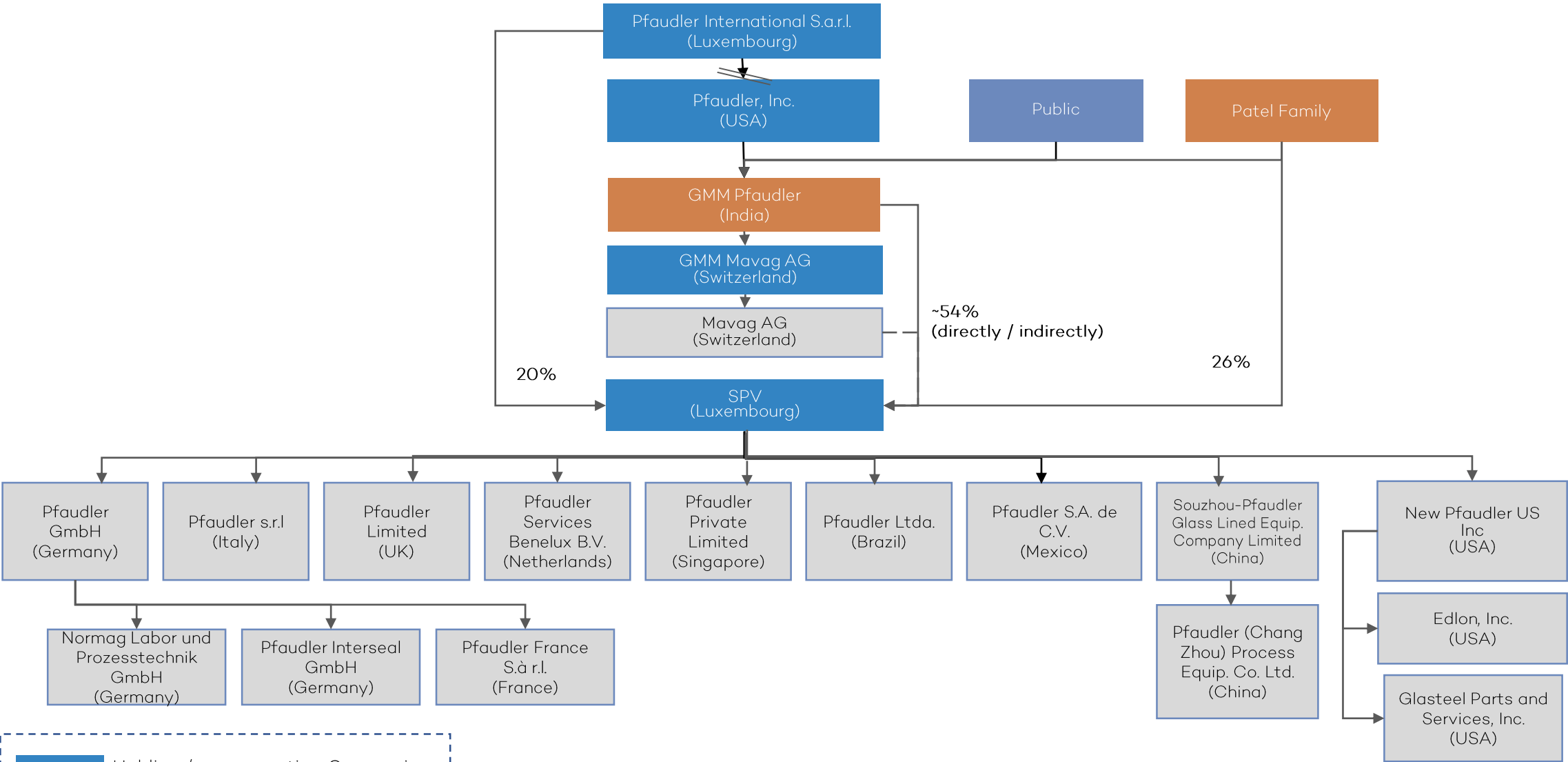


## Appendix B: Additional Information on Transaction

# Current Structure



# Resultant Structure



# Appendix C: Pro Forma Financials

# Pro Forma Condensed Combined Statement of Profit and Loss (Unaudited)

Particulars August financial year <sup>(3)</sup>	FY18	FY19	9 months as on May 2020
Revenue <sup>(1)</sup>	15,375	17,492	13,161
YoY Growth (%)		13.8%	NA
Adj. EBITDA <sup>(2)</sup>	1,313	1,480	1,569
EBITDA Margin (%)	8.5%	8.5%	11.9%
Net Income <sup>(1)</sup>	(94)	(70)	643
Net Margin (%)	(0.6%)	(0.4%)	4.9%
Net Income excluding Non-controlling interest <sup>(1)</sup>	43	70	472
Net Margin (%)	0.3%	0.4%	3.6%

Note:

- (1) Numbers extracted from Pro Forma Condensed Combined Financial Information (Unaudited) on which Independent Practitioner's has issued an assurance report in accordance with SAE 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus" issued by the Institute of Chartered Accountants of India
- (2) This Adjusted EBITDA is computed based on numbers extracted from Pro Forma Condensed Combined Financial Information (Unaudited) on which Independent Practitioner's has issued an assurance report in accordance with SAE 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus" issued by the Institute of Chartered Accountants of India.
- (3) All figures in INR mn

# Pro Forma Condensed Combined Statement of Balance Sheet (Unaudited)

Particulars August financial year <sup>(1) (2)(3)</sup>	As at May 31, 2020
Fixed Assets (including intangibles and right to use assets)	9,443
Other Non-current Assets	1,165
Cash And Cash Equivalents	3,715
Other Current Assets	9,275
<b>Total Assets</b>	<b>23,598</b>
Equity attributable to owners of the Company	3,695
Non-Controlling Interest	1,994
<b>Total Shareholder's Funds</b>	<b>5,689</b>
Debt	4,175
Provision (includes Pension Liabilities)	6,215
Other Non-current Liabilities	2,248
Other Current Liabilities	5,272
<b>Total Equity And Liabilities</b>	<b>23,598</b>

Note:

(1) Numbers extracted from Pro Forma Condensed Combined Financial Information (Unaudited) on which Independent Practitioner's has issued an assurance report in accordance with SAE 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus" issued by the Institute of Chartered Accountants of India.

(2) All figures in INR mn

(3) Financial year ending August 31 presented for pro forma



Thank You

