

## **Apollo Management and Welspun conclude India's largest private equity investments**

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In the Board meeting held at Silvasa, Board of Directors of Welspun Corp Ltd (WCL) authorized the issuance and allotment of CCDs and GDR to certain affiliates of Apollo Global Management, LLC (together with its subsidiaries, Apollo), one of the leading global alternative asset managers, which effectively concludes one of India's largest PE transactions between Welspun Group (Welspun) and Apollo.

As a part of the total commitment, funds affiliated with Apollo have invested approximately USD 2 90 million in WCL, of which approximately USD 175 million has been invested by way of the preferential allotment of FCD / CCD (Fully / Compulsorily Convertible Debentures) and approximately USD 115 million by way of non-voting Global Depository Receipts (GDR's). The FCD's / CCD's carry a coupon of 5% and will be mandatorily fully converted within 18 months into equity shares at Rupees 225 per share, which represents 13.3% of the equity capital of WCL. Funds affiliated with Apollo have also subscribed for non-voting GDR's of USD 115 million at the same price of Rupees 225 per share.

Further, funds affiliated with Apollo have acquired 12.5% of the equity of Welspun Maxsteel Ltd. (WMSL) from Welspun Steel Limited for a total consideration of approximately USD 31 million. Such funds have also agreed to invest approximately USD 29 million into WMSL to be used for additional capital expenditures.

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- Murali

Sanjay Patel, Head of International Private Equity and Senior Partner of Apollo Management International LLP and Mr. Mintoo Bhandari, the Managing Director of AGM India Advisors Ltd have been appointed to the Board of WMSL as Apollo nominees. Furthermore, Mr. Mintoo Bhandari has also been appointed to the Board of WCL as Apollo nominee.

Apollo and its affiliates are also in active discussions with Welspun Infratech Ltd. (WITL), a subsidiary of WCL, to explore an additional investment of up to USD 150 million in WITL and its subsidiaries, in the form of debt, equity or a combination of the two. The end use of the funds in WITL will be project specific and the form of such investments is being actively reviewed and considered.

USD 3 billion Welspun Group, is an amalgamation of expertise, resources, opportunities and engineering excellence. With global leadership positions in line-pipe and home textiles, its marquee client list includes most of the Fortune 100 Companies operating in the Oil & Gas and Retail sectors like Chevron, Exxon Mobil, Wal-Mart, and Target amongst others.

Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Forward-looking statements may be identified by the use of terminology including but not limited to, "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue", or "believe" or the negatives thereof or other variations thereon or comparable terminology. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, expect as required by applicable law.