



Blackstone

Blackstone Commits up to \$460 million to Acquire a Majority Stake in Essel Propack

Mumbai, India, April 22, 2019. Blackstone (NYSE:BX) today announced that private equity funds managed by Blackstone have entered into a definitive agreement with Ashok Goel Trust to purchase a majority stake in Essel Propack Limited (“EPL”), a leading global specialty packaging company and the largest global manufacturer of laminated tubes.

Ashok Goel Trust and its affiliates currently hold ~57% of EPL. Blackstone will pay a purchase price of INR 134 per share to acquire a 51% shareholding from Ashok Goel Trust. As per the Takeover Code in India, this transaction will trigger a mandatory open offer for a purchase of additional 26% shares of the company and the acquiring entity has released a public announcement to the stock exchanges. The open offer price has been fixed at INR 139.19 per share. Based on the open offer subscription, the purchase price consideration will vary between INR 2,157 crore and INR 3,211 crore (or, approximately \$310 million - \$462 million). Ashok Goel will retain a minority stake in the company. The sale is expected to complete in the coming months, subject to customary closing conditions and approvals.

EPL, founded in 1982, is a global leader in laminated tubes. Through its 20 state of the art facilities across 10 countries, employing over 3,158 people, EPL manufactures 7 billion tubes annually. EPL’s clientele includes marquee global brands in the oral care, beauty, cosmetics and pharmaceutical industries. EPL’s last twelve months revenue as of December 31, 2018 was INR 2,642 crore (~\$380 mm), registering ~10% year on year growth against industry growth of ~2%. Increasing presence in emerging markets and further penetration in the fast growing beauty, cosmetics and pharmaceutical segments is expected to accelerate growth going forward.

Amit Dixit, Senior Managing Director and Head of Private Equity in India at Blackstone, said: “We are excited to partner with the management team and support EPL’s customers with continued investments. EPL has decade-long relationships with marquee global customers and a track record of product innovation. Leveraging the ongoing industry shift to laminated tubes and EPL’s leadership position in oral care, our plan is to accelerate growth in fast-growing end categories such beauty, cosmetics and pharmaceuticals. EPL is a leader in emerging markets and well-positioned to benefit from consumption growth across categories. This investment follows Blackstone’s long-standing belief and track record in the B2B2C sector.”

Ashok Goel, Chairman and Managing Director EPL, said: “It has been a wonderful journey for me leading EPL to a position of global leadership in specialty packaging especially laminated tubes. Today, EPL is a partner for leading global customers across sectors and geographies through sharp focus on innovation, sustainability and agility. As we embark on the next trajectory of growth at EPL, Blackstone brings deep expertise in packaging space globally with senior team of highly experienced professionals with a proven track record of creating value. I see Blackstone as a partner with the same values, culture and ethos. The company’s management team is excited to welcome Blackstone.”

Morgan Stanley acted as the exclusive financial advisor to the sellers and its affiliates. PWC, Khaitan & Co and Baker McKenzie acted as advisors to sellers and its affiliates. KPMG, Trilegal and Simpson Thacher & Bartlett acted as advisors to Blackstone.

About Blackstone

Blackstone is one of the world's leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our asset management businesses, with \$512 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis.

Blackstone has been investing in India since 2005 and has committed to investments over \$10 billion in private equity, real estate and tactical opportunities. Further information is available at www.blackstone.com. Follow Blackstone on Twitter [@Blackstone](https://twitter.com/Blackstone).

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