

## MEDIA RELEASE

### GMR Infrastructure Limited announces Strategic Group Restructuring to unlock value & simplify corporate holding structure

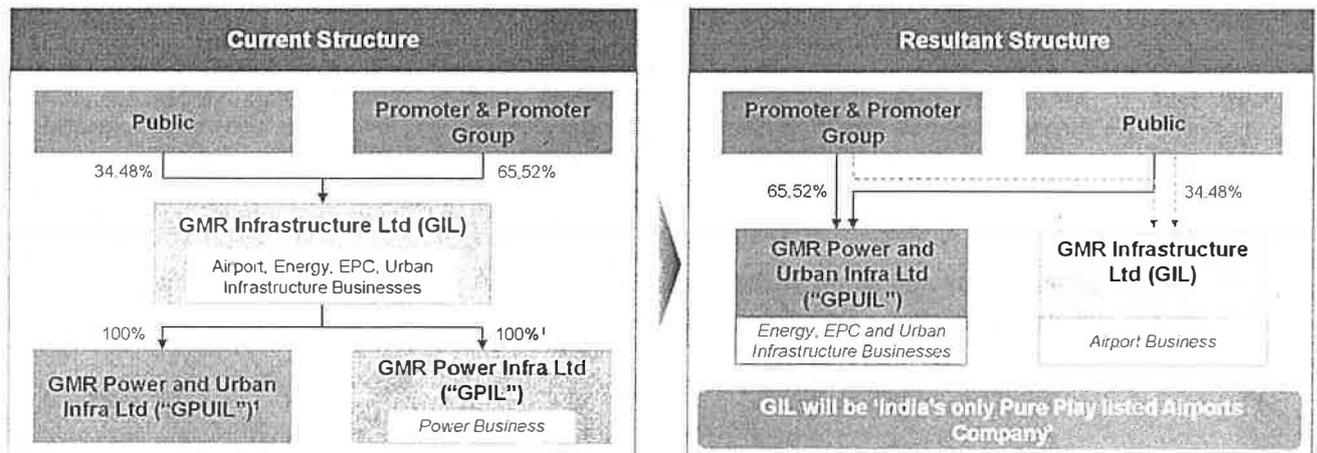
*A step towards creating pure plays in different businesses thereby unlocking value for shareholders*

**New Delhi, August 27, 2020:** Board of GMR Infrastructure Limited (“GIL”) together with other Group companies - GMR Power Infra Limited (“GPIL”) and GMR Power and Urban Infra Limited (“GPUIL”) - today announced a composite Scheme of Arrangement (“Scheme”) involving vertical split demerger of the Non-Airport Business (Energy, EPC, Urban Infrastructure, etc.) of GIL into GPUIL, as a going concern, along-side amalgamation of GPIL with GIL, as a step preceding demerger.

The restructuring is a step in the right direction towards creating pure plays in different businesses of the Group thereby attracting sector-specific global investors and unlocking value for the current shareholders of GIL. This will also pave the way for focused growth and sustained value creation for all stakeholders over a period of time.

Separate listing of both the Airport and Non-Airport Businesses will also help in simplifying the corporate holding structure. The vertical split demerger will go a long way in facilitating deeper understanding of the Airport Business independently as compared to other business verticals within the Group.

#### Restructuring Snapshot



Note:

Directly and Indirectly

### Key Highlights of Scheme of Arrangement

- Demerger of the Non-Airport Business of GIL into GPUIL as a going concern.
- Scheme to create Mirror shareholding of GIL in GPUIL with all existing shareholders of GIL becoming shareholder of GPUIL in the same proportion. Scheme envisages issue of 1 additional share of Rs.5/- each of GPUIL for every 10 shares in GIL of Re.1/- each as on the record date.
- Post the Scheme, GIL to emerge as **India's Only Pure-Play Listed Airports Company**. All existing shareholders of GIL to continue their same shareholding in GIL.
- Scheme also envisages amalgamation of GPIL with GIL as a step preceding demerger.
- The appointed date for the Scheme, being the date on which the undertakings shall vest in the respective resulting companies, has been fixed at April 1, 2021.

### Strategic Rationale for Separating Airport Business

- Over the last few decades, GMR has significantly grown and diversified into multiples segments within the broader infrastructure space viz. Airports, Energy, Urban Infrastructure, SEZ, EPC, etc.
- At an initial stage of growth journey, a combined housing of various segments was required to incubate, seed, ramp-up and grow them, both from management and funding perspective to reach a stage where they can stand and sustain on their own.
- Each of these multiple business segments have distinct business models, operating nuances, capital commitments, risk & return profile, etc. These businesses have grown disproportionately over a period of time and are now at varied stages of their evolution from an overall Industry perspective. As these businesses mature and chase next phase of their growth, it would be strategically apt to segregate them.
- The Airport Business has grown multi-fold both domestic and overseas and is expected to benefit with enhanced focus and specialization, building further on its capabilities and strong brand presence.

The Scheme is expected to be in the best interests of the Companies and their respective shareholders, employees and creditors.

**Grandhi Kiran Kumar, Managing Director & CEO of GMR Infrastructure Limited said:** *“Over the years, GIL has grown multi-fold and with various divergent businesses housed under one holding structure. Shareholders have been suggesting us to offer Pure Plays listed vehicles to ride the growth trajectory of matured & scaled-up Infrastructure Businesses. We have been closely evaluating various options and as a step in that direction, post the separation of Non-Airport Business, **GIL will be ‘India’s only Pure Play listed Airports Company’** and continue its growth journey.*

*We are equally excited that our Non-Airport Businesses in GPUIL, with our deep understanding & pre-qualifications backed by superior execution track record is well positioned to create value for all stakeholders. We at GMR Group are committed and will continue to evaluate various strategic options to unlock shareholder value.”*

The Scheme is subject to the customary approvals from the Stock Exchanges, SEBI, NCLT, Shareholders and Creditors, etc.

**About GMR Infrastructure Limited:**

GMR Infrastructure Limited, a leading global infrastructure conglomerate with interests in Airport, Energy, Transportation and Urban Infrastructure, is listed on Indian Stock Exchanges.

GMR Group's Airport portfolio has around 172 mn passenger capacity in operation and under development, comprising of India's busiest Indira Gandhi International Airport in New Delhi, Hyderabad's Rajiv Gandhi International Airport, Mactan Cebu International Airport in partnership with Megawide in Philippines. While greenfield projects under development includes Airport at Mopa in Goa and Airport at Heraklion, Crete, Greece in partnership with GEK Terna. The GMR-Megawide consortium has won the Clark International Airport's EPC project, the second project in Philippines. The Group has recently signed the Concession Agreement for the development and operation of a greenfield airport at Bhogapuram in Andhra Pradesh. The group recently signed concession agreement to commission, operationalize and maintain the Civilian Enclave at the Bidar Airport in North Karnataka. GMR Group is developing very unique airport cities on the commercial land available around its airports in Delhi, Hyderabad and Goa.

The Group's Energy business has a diversified portfolio of around 4,995 MW, of which ~3,040 MWs of Coal, Gas and Renewable power plants are operational and around ~1,955 MWs of power projects are under various stages of construction and development. The group also has coal mines in Indonesia, where it has partnered with a large local player.

Transportation and Urban Infrastructure division of the Group has four operating highways project spanning over 1,820 lane km. The Group has a large EPC order book of railway track construction including Government of India's marquee Dedicated Freight Corridor project. It is also developing multi-product Special Investment Regions spread across ~2500 acres at Krishnagiri in Tamil Nadu and 10,400 acres at Kakinada in Andhra Pradesh.

GMR Group, through its Corporate Social Responsibility arm, GMR Varalakshmi Foundation carries out community based development initiatives at 24 different locations across India.

For further information about GMR Group, visit <http://www.gmrgroup.in/index.html>

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