

UNIPLY TO ACQUIRE VECTOR AND CREATE ONE OF INDIA'S LARGEST FULLY INTEGRATED ARCHITECTURAL DESIGN AND INTERIOR FIRMS

Chennai, August 31, 2016: Uniply Industries Limited, one of the leading plywood and laminate manufacturers in the country today announced the acquisition of 100% equity in Vector Projects (I) Pvt Ltd for a consideration of Rs 64.12 crores. This is a first-of-its-kind deal in India, where a renowned building materials manufacturer is forward integrating into end-to-end building solutions.

Vector Projects (I) Pvt Ltd was started by Mr Umesh Rao over 15 years ago and is now one of India's largest end to end architectural design and interior fit out companies, having clocked over Rs.210 crores of revenue in the last financial year. Vector provides a turnkey solution comprising design, execution and services and comes with impeccable credentials: more than 1500 projects delivered across over 10 million square feet and more than 250,000 workstations and chairs.

Announcing the acquisition, Mr. Keshav Kantamneni, Chairman and Managing Director, Uniply Industries Limited said, "This is a marquee transaction for Uniply, in line with our stated strategy to move from a commodity to a solutions based business. The new entity (Uniply + Vector) provides us with an exciting and scalable platform, and I'm confident that this deliver immense value to all stakeholders over time. I welcome Mr.Umesh Rao and his team of Vectorians to the Uniply family. Mr.Rao will head the business as an independent subsidiary ably supported by Uniply's pan-India architect and dealer network."

Speaking on the transaction, Mr. Umesh Rao, Founder & CEO, Vector Projects (I) Pvt Ltd said, "We are excited about phase 2 of Vector's journey and look forward to delivering exceptional value to our customers through this one of a kind venture. The transaction is a win-win as Vector will continue to maintain independent identity, while being fully backward integrated and supported by a larger financial and marketing team."

ABOUT VECTOR:

With branches across India, Vector comprises more than 350 architects, engineers, interior designers and project managers, and



more than 3000 employed at the execution sites. Vector has its own state-of-the-art manufacturing facilities spread across 1,00,000 square feet in Bhandup and Pen in Maharashtra. The facilities enable pre fabrication of cutting edge interior products used in Vector's projects pan India.

Vector also enjoys multiple collaborations with leading international brands. Its strategic partnership with ArtMatrix Malaysia provides globally-acclaimed modular furniture with manufacturing and testing facilities in Malaysia. Vector's clients comprise some of the largest and most respectable Indian and MNC companies such as Tata Consultancy Services, Cognizant, Teva Pharma, Pfizer, French Consulate, ICICI Bank, Citibank, Saraswat Bank, State Bank of India, Ryan International School, Goldman Sachs, JP Morgan, Morgan Stanley, Tata Motors, Volkswagen, Renault Nissan, United Phosphorus, Mumbai Police.

FINANCIAL DETAILS OF THE TRANSACTION:

The Board of Directors of Uniply Industries Limited has approved the acquisition of 100% of the equity of Vector Projects (I) Pvt Ltd for a cash and share consideration of Rs 64.12 crores. This consideration will be paid out as Rs 23.13 cr in stock swap with shares of Uniply, and Rs 40.99 cr through cash payout that will be funded by the promoters of Uniply & other participants via a private placement.

The company's fully-diluted equity will comprise 2.40cr equity shares with a face value of Rs 10 each. Management believes that the increase in equity capital will be more than adequately covered by an increase in earnings (following the acquisition), making the deal value-accretive for shareholders. Vector will be a wholly-owned subsidiary of Uniply and the impact of this acquisition is effective from 1 April 2016.

ABOUT UNIPLY:

Uniply Industries Limited engages in the manufacture, marketing and trade of plywood, laminates and allied products in India. Uniply was acquired in February 2015 by as a distressed acquisition by Mr.Keshav Kantamneni, who has scripted its turnaround into a leading manufacturer of plywood, laminates and veneers. The company today enjoys top-of-the-line brand recall with architects and customers across India and has a thriving network of over 900 dealers pan India.

