

Ambit advises MaxVIL on its JV with Toppan Printing, Japan, for Max Speciality Films

Mumbai, 13 February 2017:

The respective Boards of Max Speciality Films (MSF) and Max Ventures and Industries Limited (MaxVIL) approved the induction of Toppan Printing Co. Ltd, Japan (Toppan) as a joint venture partner with a 49% stake¹ in MaxVIL's flagship manufacturing business - MSF.

The new partnership with Toppan, a multinational corporation with interests in Information & Communication, Living & Industry, and Electronics, will help strengthen the speciality films business and serve as a testimony of MaxVIL's commitment to expanding its manufacturing business.

Ambit was the financial advisor to MSF and MaxVIL.

Established in 1900, Toppan (Market Cap of US\$ 6.8 bn) will serve as a strategic partner in MSF and share their expertise in managing a global speciality films business, as well as, leverage their global sales network. Under this partnership, Toppan, which is a large global buyer of BOPP products (MSF's key offering), will also serve as a customer of MSF.

As part of the partnership, Toppan will invest approximately INR 200 crore, through a combination of primary and secondary share issuance. The investment by Toppan is subject to customary closing conditions, including but not limited to shareholder or other approval(s).

MSF has undertaken key expansion efforts in the past 12-18 months. The MSF Board last year approved an investment of INR 250 crore to set-up its 5th BOPP line, which will help augment production capacity by a significant 60% to over 70,000 tons per annum. A substantial portion of the proceeds from this transaction will be utilized for MSF's on-going capacity expansion.

The transaction will also result in MaxVIL's treasury corpus growing to INR 290 crore, including the expected capital infusion of INR 148 crore from the New York Life subsidiary and MaxVIL promoters, announced in January 2017.

MaxVIL is the newest entity in the Max Group of companies that came into existence after the erstwhile Max India Group was demerged into Max Financial Services Limited, Max India Limited and Max Ventures and Industries Limited (MaxVIL). MaxVIL has four distinct business verticals Max Speciality Films (Manufacturing), Max Estates (Real Estate), Max Learning (Education) and Max I. (providing intellectual and financial support to high-potential start-ups). MaxVIL is listed both on BSE and NSE. Other investors in MaxVIL include International Finance Corporation (IFC) and Reliance Mutual Fund.

¹On a fully diluted basis

The transaction is subject to customary closing conditions, including and not limited to receipt of shareholder approval.

About Max Ventures and Industries Limited

Max Ventures and Industries, is the holding company of Max Speciality Films, an innovation leader in the Speciality Packaging Films business. In addition to manufacturing, the Company also serves as the Group's entrepreneurial arm to explore the 'wider world of business', especially taking cues from the economic and commercial reforms agenda of the present Government, including 'Make in India', 'Skill India', 'Digital India', among others. With this vision, MaxVIL has incorporated three new subsidiaries, which are Max Estates, the real estate arm of the Max Group with the vision to bring the Group's values of Sevabhav, Excellence and Credibility to the Indian real estate sector, Max I. Limited, a fully owned special purpose vehicle, will facilitate Intellectual & Financial Capital to promising and proven early-stage organizations across identified sunrise sectors and Max Learning Limited, which is focused on the education sector.

MaxVIL is listed on both the Bombay Stock Exchange as well as the National Stock Exchange. As on date, MaxVIL has 53,454,008 outstanding shares at a face value of Rs 10 per share. The current promoter shareholding in MaxVIL is 45.06%.

About Max Group

The Max Group is a leading Indian multi-business conglomerate with a commanding presence in the Life Insurance, Health & Allied businesses and packaging sectors. In FY 2016, the Group recorded consolidated revenues of Rs 14,237 Cr. It has a total customer base of 9 million, nearly 240 offices spread across India and people strength of 22,500 as on 31st March 2016. The Group's investor base includes marquee global financial institutions such as Goldman Sachs, KKR, IFC Washington, Fidelity, Wasatch, Ward Ferry, Nomura, New York Life and Invesco.

The Max Group comprises three holding companies, namely Max Financial Services, Max India and Max Ventures & Industries.

About Ambit

Ambit is a leading investment bank offering customized solutions in the areas of Corporate Finance, Institutional Equities, Private Equity, Asset Management, Wealth Management, Structured Finance and Principal Investment. The firm capitalizes on its strong track record, in-depth understanding of global economic and regulatory environment and extensive domain knowledge to provide seamless services to its clients, which include institutional investors, corporates and high net worth families. Ambit is headquartered in Mumbai, with offices in Delhi, Bengaluru, Singapore, New York and London.

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