



# SAGILITY INDIA LIMITED



(Please scan the QR code to view the RHP)

Our Company was originally incorporated as 'Berkmeer India Private Limited' as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 28, 2021, issued by the Registrar of Companies, Karnataka at Bengaluru (the "RoC"). Subsequently, pursuant to a resolution passed by our Shareholders at the EGM held on August 25, 2022 the name of our Company was changed to 'Sagility India Private Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies, Karnataka at Bengaluru on September 13, 2022. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by our Shareholders at the EGM held on May 21, 2024 and the name of our Company was changed to 'Sagility India Limited', and a fresh certificate of incorporation was issued to our Company by the RoC, on June 20, 2024. For details of changes in the name and registered office address of our Company, see 'History and Certain Corporate Matters' on page 194 of the red herring prospectus dated October 29, 2024 filed with the RoC ("RHP" or "Red Herring Prospectus").

Registered Office: No. 23 & 24, AMR Tech Park, Building 2A, First Floor, Hongasandara Village, Off Hosur Road, Bommanahalli, Bengaluru 560068, Karnataka, India; Corporate Office: AMR Tech Park, Building 2A, Third Floor, Hongasandara Village, Off Hosur Road, Bommanahalli, Bengaluru 560 068, Karnataka, India. Tel: +91- 80-7125 1500; Contact Person: SatishKumar Sakharayapattana Seetharamaiah, Company Secretary and Compliance Officer; E-mail: investorservice@sagilityhealth.com; Website: www.sagilityhealth.com; Corporate Identity Number: U72900KA2021PLC150054

## PROMOTERS OF OUR COMPANY: SAGILITY B.V. AND SAGILITY HOLDINGS B.V.

INITIAL PUBLIC OFFERING OF UP TO 702,199,262 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SAGILITY INDIA LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION (THE "OFFER"). THE OFFER COMPRISES OF AN OFFER FOR SALE OF UP TO 702,199,262 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [•] MILLION (THE "OFFER FOR SALE" OR THE "OFFER"), BY SAGILITY B.V. THE OFFER WILL CONSTITUTE [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE OFFER INCLUDES A RESERVATION OF UP TO 1,900,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AGGREGATING UP TO ₹ [•] MILLION (CONSTITUTING UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND NET OFFER SHALL CONSTITUTE [•]% AND [•]%, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

### DETAILS OF THE OFFER FOR SALE BY THE PROMOTER SELLING SHAREHOLDER AND THE WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES BEING OFFERED/AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Sagility B.V.	Promoter Selling Shareholder	Up to 702,199,262 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [•] million	20.79

\*As certified by Agarwal Jain & Gupta., Chartered Accountants, by way of their certificate dated October 29, 2024.

We provide technology-enabled business solutions and services to clients in the U.S. healthcare industry and are a pure-play healthcare focused services provider, and our clients include Payers (U.S. health insurance companies, which finance and reimburse the cost of health services) and Providers (primarily hospitals, physicians, and diagnostic and medical devices companies).

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations.

• QIB Portion: Not less than 75% of the Net Offer • Non-Institutional Portion: Not more than 15% of the Net Offer

• Retail Portion: Not more than 10% of the Net Offer • Employee Reservation Portion: Up to 1,900,000 Equity Shares aggregating up to ₹ [•] million

PRICE BAND: ₹28 TO ₹30 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE AND THE CAP PRICE ARE 2.80 TIMES AND 3.00 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.

BIDS CAN BE MADE FOR A MINIMUM OF 500 EQUITY SHARES AND IN MULTIPLES OF 500 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 2 PER EQUITY SHARE IS BEING OFFERED TO

ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON DILUTED EPS FOR FISCAL 2024

AT THE UPPER END OF THE PRICE BAND IS 56.60 TIMES.

WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 2.52%

In accordance with the recommendation of committee of Independent Directors of our Company, pursuant to their resolution dated October 29, 2024, the above provided price band is justified based on quantitative factors/KPIs disclosed in the "Basis for Offer Price" section of the RHP vis-à-vis the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the "Basis for Offer Price" section on page 109 of the RHP.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

In relation price band, potential investors should only refer to this price band advertisement for the Offer and should not rely on any media articles/reports in relation to the valuation of the Company as these are not endorsed, published or confirmed either by the Company or by the BRLM.

### RISKS TO INVESTORS:

For details, refer to "Risk Factors" on page 40 of the RHP.

- Competition Risk:** The healthcare services industry is highly competitive and if we are unable to compete effectively, it may adversely affect our business, financial condition and results of operations. Within the healthcare operations outsourcing market, we had a share of approximately 1.18% and approximately 1.23% in 2022 and 2023 respectively (Source: Everest Report).
- Industry Risk:** Our business is solely focused on the U.S. healthcare industry and may be adversely affected by factors affecting the U.S. healthcare industry, including a decline in the growth of the U.S. healthcare industry, reduction in outsourcing and other trends.
- Risk relating to the price of our Equity Shares:** We have, in the 12 months preceding the date of the Red Herring Prospectus, issued Equity Shares at a price which may be significantly lower than the Offer Price, including an allotment on May 31, 2024, at a price of ₹28.30 per share.
- Impairment Risk:** Goodwill and other intangible assets are our largest assets. Any impairment to our goodwill or other intangible assets may adversely affect our reputation and financial condition. As of June 30, 2024, our goodwill and intangible assets amounted ₹56,792.60 million and ₹19,669.87 million, respectively, representing 54.67% and 18.94% of our total assets.
- Regulatory Action Risk:** Dr. Shalini Sarin, one of our Independent Directors, has received summons, under the Securities and Exchange Board of India Act, 1992 seeking co-operation and certain information in relation to an ongoing investigation involving Linde India Limited.
- Promoters' Credit Risks:** Pursuant to an external financing facility availed by one of our Promoters, Sagility B.V., shares of Sagility B.V. held by our other Promoter, Sagility Holdings B.V. are pledged. In case of an event of default and consequent invocation of security, there may be a change in control, which may adversely impact our business.
- Risks relating to regulatory changes:** Anti-outsourcing legislation could adversely affect our business, financial condition and results of operations and impair our ability to service our customers.
- Risk relating to our credit rating:** Our Company received a BBB (Stable)/A3+ credit rating from ICRA Limited on October 9, 2024. A downgrade in our credit rating could adversely affect our ability to raise capital in the future.
- IP infringement risk:** Any failure to protect our proprietary technologies or information or our intellectual property rights may have an adverse effect on our business, financial condition, and results of operations.
- Risks relating to limits on foreign investment:** Under Indian foreign investment laws, an Indian company is permitted to invest in overseas joint ventures or subsidiaries, up to 400% of the Indian company's net worth as at the date of its last audited balance sheet. Our ability to invest in foreign subsidiaries or joint ventures is constrained by such regulations as well as other laws.
- OFS related risk:** The proceeds from this Offer for Sale will be paid to the Promoter Selling Shareholder (after deducting applicable Offer related expenses and relevant taxes thereon) and our Company will not receive any such proceeds
- Weighted average Return on Net Worth for the Financial Years 2024, 2023 and For the period beginning from July 28, 2021 to March 31, 2022 is 2.52%.**
- Details of weighted average cost of acquisition of all Equity Shares transacted in the last three years, 18 months and one year preceding**



