



January 03, 2018

To
National Stock Exchange of India Limited,
Compliance Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra, India

To
BSE Limited,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India

Dear Sir/Madam,

Sub : Intimation regarding execution of Business Transfer Agreement, Share Subscription Agreement and Shareholders' Agreement by HealthCare Global Enterprises Limited ("the Company")

Ref : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Script Code : NSE Scrip Code: HCG; BSE Scrip Code: 539787

This is to inform you that, the Company has entered into definitive agreements providing for a business combination (hereinafter referred to as the "**Business Combination**") of its Triesta Sciences business unit ("**Triesta Sciences**"), with Strand Life Sciences Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 5th Floor, Kirloskar Business Park, Bellary Road, Hebbal, Bangalore 560024 ("**Strand Life Sciences**").

The Company has entered into a Business Transfer Agreement ("**BTA**"), a Share Subscription Agreement ("**SSA**") and a Shareholders' Agreement ("**SHA**") with Strand Life Sciences in relation to the proposed Business Combination. The BTA provides for the transfer by the Company to Strand Life Sciences of the Triesta Sciences business unit, and the SSA provides for the issue of shares of Strand Life Sciences to the Company in consideration thereof, resulting in the Company acquiring 48.5% shareholding in Strand Life Sciences on a fully-diluted basis post the Business Combination. The SHA governs the inter-se rights and obligations of the parties.

Additional Disclosures as required under SEBI Circular No. CIR/CFD/CMD/4/2015, dated September 09, 2015 for Acquisition(s) (including agreement to acquire) or sale or disposal of unit(s) or division(s) or subsidiary of the listed entity.

1. Business Transfer Agreement:

- a) *The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;*

During the financial year 2016-17, the external revenue of Triesta Sciences from customers other than the Company was INR 71 million representing 1.3% of the revenue of the Company, and the net worth of Triesta Sciences as of March 31, 2017 was INR 164 million representing 3.5% of the net worth of the Company.



HealthCare Global Enterprises Ltd.

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b) *Date on which the agreement for sale has been entered into;*

BTA has been entered into on January 02, 2018.

c) *The expected date of completion of sale/disposal;*

The BTA would be effective from January 01, 2018. The transaction set out in the BTA is anticipated to be completed by January 15, 2018.

d) *Consideration received from such sale/disposal;*

The Company shall receive 9,140,342 (Nine Million One Hundred Forty Thousand Three Hundred Forty-Two) Equity Shares and 101,193 (One Hundred One Thousand One Hundred Ninety-Three) Series 1 Preference Shares, aggregating to 48.5% post-issue shareholding interest in Strand Life Sciences on a fully diluted basis.

e) *Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;*

Strand Life Sciences is engaged in the business of developing, implementing and deploying technology for data, image and text analysis, and for diagnostic testing in the fields of genomics, research, pharmaceutical research and development, biotechnology and healthcare. Strand Life Sciences does not belong to the promoter/promoter group/group companies.

f) *Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";*

The transaction would not fall within the purview of related party transaction.

g) *Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale. (For the purpose of this sub-clause, "slump sale" shall mean the transfer of one or more undertakings, as a result of the sale for a lump sum consideration, without values being assigned to the individual assets and liabilities in such sales.)*

i. *Name of the entity(ies) forming part of the slump sale, details in brief such as, size, turnover etc.;*

Pursuant to the BTA, the Company is transferring its Triesta Sciences business unit to Strand Life Sciences. The turnover of the Company in the financial year 2016-2017 was INR 5,460 Million, and the turnover of Strand Life Sciences in the financial year 2016-2017 was INR 354 Million.

ii. *Area of business of the entity(ies);*

The Company operates one of the largest cancer care networks in India, providing specialty healthcare, focused on cancer and fertility and also operates diagnostic centres using advanced technologies including molecular pathology and molecular imaging and is engaged, *inter-alia*, in the business of operating and managing hospitals across India. Triesta Sciences, is a unit of the Company, providing clinical reference laboratory services in India with a specialisation in oncology, including molecular diagnostic services and genomic testing.





Strand Life Sciences is engaged in the business of developing, implementing and deploying technology for data, image and text analysis, and for diagnostic testing in the fields of genomics, research, pharmaceutical research and development, biotechnology and healthcare.

iii. *Rationale for slump sale/ amalgamation/ merger;*

Strand Life Sciences is renowned in the field of bioinformatics and genomics research. Triesta Sciences has strong capabilities in molecular diagnostics and clinical research. The business combination of Triesta Business and Strand Life Sciences creates an entity which will have a leadership position in specialized diagnostics and genomics research.

iv. *In case of cash consideration – amount or otherwise share exchange ratio;*

There is no cash consideration involved in the Business Combination. The Company will be issued shares of Strand Life Sciences as disclosed under Sl. No.1 (d) above.

v. *Brief details of change in shareholding pattern (if any) of listed entity.*

There would not be any changes in the shareholding pattern in the listed entity, pursuant to the execution or completion of the transaction contemplated in the BTA.

2. Share Subscription Agreement

(a) *Name of the target entity, details in brief such as size, turnover etc.;*

The target entity is Strand Life Sciences Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 5th Floor, Kirloskar Business Park, Bellary Road, Hebbal, Bangalore 560024.

The turnover of Strand Life Sciences for the financial year ended on March 31, 2017 is INR 354 Million.

(b) *Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”;*

The acquisition would not fall within related party transaction; and none of the promoter/ promoter group/ group companies have any interest in the entity being acquired.

(c) *Industry to which the entity being acquired belongs;*

Strand Life Sciences belongs to healthcare industry. It is engaged in the business of developing, implementing and deploying technology for data, image and text analysis, and for diagnostic testing in the fields of genomics, research, pharmaceutical research and development, biotechnology and healthcare.

(d) *Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);*

Strand Life Sciences is renowned in the field of bioinformatics and genomics research. Triesta Sciences has strong capabilities in molecular diagnostics and clinical research. The





business combination of Triesta Business and Strand Life Sciences creates an entity which will have a leadership position in specialized diagnostics and research services.

(e) *Brief details of any governmental or regulatory approvals required for the acquisition;*

The consummation of transaction contemplated under the SSA are not subject to any governmental or regulatory approvals.

(f) *Indicative time period for completion of the acquisition; governmental or regulatory approvals.*

The consummation of transaction under SSA is expected to be completed on or before January 15, 2018.

(g) *Nature of consideration - whether cash consideration or share swap and details of the same;*

The consideration payable for the acquisition of shares of Strand Life Sciences would not be in the form of cash. The Company would be issued shares aggregating to 48.5% post-issue shareholding interest in Strand Life Sciences on a fully diluted basis in the Business Combination.

(h) *cost of acquisition or the price at which the shares are acquired;*

The Company would be allotted 9,140,342 (Nine Million One Hundred Forty Thousand Three Hundred Forty-Two) Equity Shares and 101,193 (One Hundred One Thousand One Hundred Ninety-Three) Series 1 Preference Shares, aggregating to 48.5% post-issue shareholding interest in Strand Life Sciences on a fully diluted basis.

(i) *percentage of shareholding / control acquired and / or number of shares acquired;*

Please refer to Sl. No. 2 (h) above.

(j) *brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last years' turnover, country in which the acquired entity has presence and any other significant information (in brief);*

Strand Life Sciences Private Limited, is a company incorporated on 6th October 2000 under the Companies Act, 1956 and having its registered office at 5th Floor, Kirloskar Business Park, Bellary Road, Hebbal, Bangalore 560024.

Turnover of Strand Life Sciences for FY 2015, FY 2016 and FY 2017 were INR 421 Million, INR 562 Million and INR 354 Million, respectively.

Strand Life Sciences is engaged in the business of developing, implementing and deploying technology for data, image and text analysis, and for diagnostic testing in the fields of genomics, research, pharmaceutical research and development, biotechnology and healthcare.

3. Shareholders' Agreement

(a) *Name(s) of parties with whom the agreement is entered;*

The Company has also entered into a Shareholders' Agreement with Strand Life Sciences and the founders of Strand Life Sciences pursuant to the Business Combination.





(b) *Purpose of entering into the agreement;*

- (i) The SSA provides for the subscription of securities of Strand Life Sciences by the Company, to be issued and allotted to the Company Pursuant to the transaction.
- (ii) The SHA sets out the relationship between the parties and their inter-se rights and obligations in Strand Life Sciences and other matters in connection therewith pursuant to the Company becoming a shareholder of Strand Life Sciences.

(c) *Shareholding, if any, in the entity with whom the agreement is executed;*

The Company shall upon the closing of the transaction hold shares aggregating to 48.5% post-issue shareholding interest in Strand Life Sciences on a fully diluted basis.

(d) *Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;*

Significant terms of SHA includes inter alia:

- i) Right to appoint Directors: Under the SHA, the Company shall be entitled to nominate 1 (one) Director on the Board of Strand Life Sciences for every 14% (fourteen percent) of the share capital held by the Company on a fully diluted basis.
- ii) Pre-emptive rights for issuance of shares: In the event Strand Life Sciences is desirous of issuing any new securities (including by way of rights issue or a preferential allotment) (“New Issuance”), the Company shall have a right to subscribe to the New Issuance in proportion to the shares held by the Company in Strand Life Sciences.
- iii) Affirmative rights: The prior written consent of the Company will be required prior to any decisions being made or any resolutions being passed by Strand Life Sciences in relation to certain reserved matters.

e) *Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;*

None of the other parties are related to the promoter/promoter group/ group companies of the Company.

f) *Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;*

The transaction does not fall within the purview of related party transactions.

g) *In case of issuance of shares to the parties, details of issue price, class of shares issued;*

Please refer to Sl. No.2 (h).

h) *Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;*

Not Applicable





- i) *in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): (a) name of parties to the agreement; (b) nature of the agreement; (c) date of execution of the agreement; (d) details of amendment and impact thereof or reasons of termination and impact thereof.*

Not applicable.

Kindly take this on record and acknowledge receipt of this intimation.

Thanking you,

For HealthCare Global Enterprises Limited

Sunu Manuel
Company Secretary and Compliance Officer

