

NSE & BSE / 2018-19 / 49

September 3, 2018

The Manager,  
Corporate Services,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051

The Manager,  
Corporate Services,  
BSE Limited  
14<sup>th</sup> Floor, P J Towers, Dalal Street,  
Mumbai 400 001

**Ref: Symbol: PERSISTENT**

**Ref: Scrip Code: 533179**

Dear Sir / Madam,

**Sub.: Acquisition of Herald Technologies Inc., USA by Persistent Systems Inc., USA, a Wholly Owned Subsidiary of the Company**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations'), we wish to inform you that our US subsidiary, Persistent Systems Inc. has acquired Herald Technologies Inc. (or Herald Health™), a start-up in the US, created to transform the data overload swamping healthcare professionals into clear and actionable insights.

In this regard, please find attached herewith the details of this acquisition as prescribed under Reg. 30(2) and (6) of the Regulations read with Schedule III to the Regulations and SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 as **Annexure I**.

Please acknowledge the receipt.

Thanking you,

Yours faithfully,  
For Persistent Systems Limited



Amit Atre  
Company Secretary



Encl.: As above

## Annexure I

Sr. No.	Particulars	Details
1.	Full Name of the entity acquired, details in brief such as size, turnover etc.	Herald Technologies Inc. ("Herald") Revenue of \$65,000 for 12 months ending April 30, 2018.  Acquiring Entity: Persistent Systems Inc., a Wholly Owned Subsidiary of Persistent Systems Limited, India.
2.	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 does not classify as a Related Party Transaction. The Promoter/ Promoter Group have no interest in the entity acquired.
3.	Industry to which the entity being acquired belongs	The entity is focused on implementation of proprietary platforms and related IT services for the healthcare industry.
4.	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)	The acquired business will strengthen Persistent's IP led offerings in the Healthcare domain and create a number of cross-sell opportunities.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	As per our understanding, no governmental or regulatory approvals are required for the acquisition.
6.	Indicative time period for completion of the acquisition	Agreement was executed on August 24, 2018 subject to customary closing condition of payment of consideration. The consideration now has been paid and hence acquisition is completed.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration as per details mentioned in Point No. 8 below.



Sr. No.	Particulars	Details
8.	Cost of acquisition or the price at which the shares are acquired	<p>The enterprise value payable for the acquisition of 100% shares of Herald is US\$ 5.2 Mn., subject to customary adjustments for working capital. This enterprise value is broken up as follows:</p> <ul style="list-style-type: none"> <li>• Upfront payment of US\$ 2.3 Mn. paid to all shareholders of Herald</li> <li>• Deferred payment of US\$ 2.9 Mn. payable to management employees over a 3-year period which is contingent on performance and retention of such management employees</li> </ul>
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100% of shares of Herald have been acquired.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<ul style="list-style-type: none"> <li>• Incorporated in 2015 in Delaware, USA, Herald has developed a unique software platform and customizable healthcare protocols that augment existing workflows in hospital operations. This workflow optimization can result into substantial increase in hospital revenues.</li> <li>• Approximate Revenue for the past three years: <ul style="list-style-type: none"> <li>○ FYE Apr 2018 – US\$ 65,000</li> <li>○ FYE Apr 2017 – US\$ 96,000</li> <li>○ FYE Apr 2016 – US\$ 13,000</li> </ul> </li> </ul>

