

NSE & BSE / 2021-22 / 140

March 14, 2022

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
14th Floor, P J Towers, Dalal Street,
Mumbai 400 001

Ref: Symbol: PERSISTENT

Ref: Scrip Code: 533179

Dear Sir/Madam,

Sub: Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR /CFD /CMD/ 4/2015 dated September 9, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations'), we wish to inform about the following transaction:

Persistent Systems Limited through its wholly owned subsidiaries and affiliates ("**the Company**" or "**Persistent**") has entered into a Stock Purchase Agreement with MediaAgility India Private Limited and MediaAgility Inc. on March 14, 2022 to acquire MediaAgility Inc. and its subsidiaries in India, UK, Mexico and Singapore.

The acquisition is subject to customary closing conditions, which are expected to be completed within 6-8 weeks. Accordingly, the Company will inform the closure of the transaction to the Stock Exchanges.

In this regard, please find enclosed intimation and the details of the said acquisition as prescribed under Reg. 30(2) and (6) of the Regulations read with Schedule III to the Regulations and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, as Annexure.

Please acknowledge the receipt.

Thanking you,

Yours Sincerely,
For **Persistent Systems Limited**

Amit Atre
Company Secretary
ICSI Membership No.: A20507

Encl.: Annexure

Annexure

No.	Items of Disclosure	Description
1	Name of the target entity, details in brief such as size, turnover etc.;	<p>Persistent Systems Inc. will acquire shares of MediaAgility Inc. along with its subsidiaries in Mexico, UK and Singapore. Additionally, Persistent Systems Limited will acquire MediaAgility's subsidiary in India.</p> <p>MediaAgility Inc. and its subsidiaries are based out of India, UK, Singapore and Mexico; collectively referred to as "MediaAgility".</p> <p>MediaAgility is a global cloud transformation services provider with deep expertise in building scalable, cloud-based solutions as a Google Cloud Premier Partner. It provides cloud-native application development and modernization, analytics and AI, cloud engineering, migrations, and managed services to its enterprise clients across the globe. It has 500+ employees spread across India, US, Mexico, and UK. MediaAgility has been recognized as a Niche Player in the 2021 Gartner Magic Quadrant for Public Cloud IT Transformation Services.</p> <p>MediaAgility had a consolidated revenue of US \$25.50M as on LTM December 2021.</p>
2	Whether the acquisition would fall within related party transactions 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";	<p>The acquisition does not classify as a related party transaction.</p> <p>The promoter/ promoter group have no interest in the underlying assets or entity being acquired.</p>
3	Industry to which the entity being acquired belongs;	IT service provider (Cloud transformation services with focus on Google cloud ecosystem)
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 acquisition will enhance Persistent's partnership with Google and will be the foundation for a dedicated Google business unit. This will enable us to offer verticalized solutions around the Google cloud ecosystem, in-line with our strategy to add relevant skills across key hyperscaler partners.
5	Brief details of any governmental or regulatory approvals required for the acquisition;	To the best of our knowledge, no governmental or regulatory approvals are required for the proposed acquisition.

No.	Items of Disclosure	Description
6	Indicative time period for completion of the acquisition;	It is expected that the acquisition will be completed (Closing of the proposed transaction) within 6-8 weeks or as soon as thereafter, subject to satisfaction of customary closing conditions.
7	Nature of consideration – whether cash consideration or share swap and details of the same;	The purchase consideration shall be in cash only.
8	Cost of acquisition or the price at which shares are acquired;	<p>The total purchase consideration payable for the acquisition of MediaAgility is \$71.71M. This includes:</p> <ul style="list-style-type: none"> • Upfront payment – \$53.25M to shareholders, subject to customary adjustments for working capital, debt and cash on closing. • Earnout – Shareholders of MediaAgility will be eligible for a maximum cumulative earnout of \$17.75M over the next two years. This amount is contingent on achievement of certain performance thresholds. • Retention Payment – Certain key employees will be eligible for an aggregate amount of \$0.71M over the next two years contingent on employment continuity.
9	Percentage of shareholding / control acquired and / or number of shares acquired;	Persistent will acquire 100% shareholding of MediaAgility upon closing.
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 acquired entity has presence and any other significant information (in brief)	<p>Incorporated in October 2009, MediaAgility Inc. is a global cloud transformation services provider with deep expertise in building scalable, cloud-based solutions as a Google Cloud Premier Partner. It provides cloud-native application development and modernization, analytics and AI, cloud engineering, migrations, and managed services to its enterprise service clients across the globe. It has presence in US, India, UK, Mexico and Singapore.</p> <p>Consolidated revenue of MediaAgility for the historical period is as follows: FY21 (YE Mar'21): \$19.7M FY20 (YE Mar'20): \$14.2M FY19 (YE Mar'19): \$9.6M</p>