



July 02, 2024

National Stock Exchange of India Limited,
Compliance Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051,
Maharashtra, India

BSE Limited,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001,
Maharashtra, India

Dear Sir/Madam,

Subject : ***Intimation regarding acquisition of shares of Vizag Hospital and Cancer Research Centre Private Limited (“Vizag Hospital”) by HealthCare Global Enterprises Limited (the Company)” from the Selling Shareholders (as defined below).***

Stock Code : ***BSE – 539787, NSE – HCG***

Reference : ***Regulation 30(2) and (6) read with Schedule III Part A Para A sub-para (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023***

Further to the intimation made to the stock exchanges on June 28, 2024, with respect to signing of Share Purchase Agreement (“SPA”) with Vizag Hospital and its selling shareholders (“**Selling Shareholders**”), and (ii) Shareholders’ Agreement (“**SHA**”) on June 28, 2024 with Vizag Hospital and its continuing shareholders (“**Continuing Shareholders**”) we would like to inform you that, the Board of Directors of the Company has at their meeting held today, i.e., July 02, 2024, approved (i) upfront acquisition of 51% equity share capital of Vizag Hospital by the Company, from the Selling Shareholders, subject to fulfillment of the terms and conditions of the SPA and (ii) balance acquisition of up to 49% of equity share capital in Vizag Hospital in tranches, in accordance with and subject to the terms of the SPA and the SHA. Please refer to **Annexure I** for more details.

Vizag Hospital owns and operates a comprehensive cancer care hospital in the city of Vishakhapatnam, Andhra Pradesh, with a well-built hospital infrastructure, having 196 operational beds facility, led by Dr. Murali Krishna Voonna, a renowned onco-surgeon.

This acquisition would help the Company to secure leadership in a highly attractive micro-market, enhance operational and clinical synergies, unlock capacities, and strengthen our market positioning.

The Board meeting commenced at 4.00 p.m. IST and concluded at 4.15 p.m. IST.

The additional disclosures as required under the LODR Regulations and SEBI Circular no.



SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 with respect to the acquisition are set out in Annexure 1.

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

Thanking you,

For **HealthCare Global Enterprises Limited**

Sunu Manuel
Company Secretary & Compliance Officer



ANNEXURE – I

The additional disclosures as required under the LODR Regulations and SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 with respect to the acquisition

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

The target entity is Vizag Hospital, which owns a 196-bedded comprehensive cancer hospital (including a total of 26 day care, ICU and post operative beds) in Vishakhapatnam, Andhra Pradesh. The turnover (revenue from operations) of Vizag Hospital for the financial year ended 31 March 2024, based on the unaudited financial statements was INR 1,202 Million (approx.) with an EBITDA of INR 422 Million (approx.)

- (b) *Whether the acquisition would fall within related party transactions(s) and whether the promoter/promoter group/promoter 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”;*

No, the acquisition of the shares of Vizag Hospital would not fall within related party transactions.

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

Vizag Hospital is a provider of specialty health care, focusing on cancer care.

- (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);*

This acquisition would help the Company to secure leadership in a highly attractive micro-market, enhance operational and clinical synergies, unlock capacities, and strengthen our market positioning.

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

The acquisition does not require approval from any governmental or regulatory authority.

- (f) *Indicative time period for completion of the acquisition.*



Subject to fulfillment of the terms and conditions of the SPA:

- The acquisition of 51% (fifty-one percent) of equity share capital of Vizag Hospital is expected to be completed in Q2 FY 2025 (“**First Closing Date**”).
- Within 18 (eighteen) months of the First Closing Date (“**Second Closing Date**”), the Company shall acquire a further 34% (thirty-four percent) of the equity share capital of Vizag Hospital.

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

The consideration for the acquisition of equity shares capital of the Vizag Hospital is in the form of cash.

(h) *Cost of acquisition or the price at which the shares are acquired.*

The cost of acquisition of 51% (fifty-one percent) of the equity share capital of Vizag Hospital shall be INR 2,076 Million (approx.) payable to the Selling Shareholders, in accordance with and subject to the terms of the SPA.

The cost of acquisition of an additional 34% (thirty-four percent) of the equity share capital of Vizag Hospital shall be INR 1,550 Million (approx.) payable to the Selling Shareholders, in accordance with and subject to the terms of the SPA.

Further, the cost of acquisition of additional 15% (fifteen percent) of the equity share capital of Vizag Hospital will be based on the valuation principles in accordance with and subject to the terms of the SHA.

(i) *Percentage of shareholding/control acquired and/or number of shares acquired.*

The Company has agreed, under the provisions of the SPA to acquire 51% (fifty-one percent) of the equity share capital in Vizag Hospital. Additionally, the Company has agreed to acquire 34% (thirty-four percent) of the equity share capital in Vizag Hospital by the Second Closing i.e. within 18 months from First Closing.

Balance 15% (fifteen) of the equity share capital in Vizag Hospital to be acquired in accordance with the provisions of the SHA.

(j) *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);*



Vizag Hospital is a provider of specialty health care, focusing on cancer care. It was incorporated on 5 March 1986 and has its presence in India. The turnover (revenue from operations) of Vizag Hospital for the financial year ended 31 March 2024, based on the unaudited financial statements was INR 1,202 Million (approx.) with an EBITDA of INR 422 Million (approx.). The turnover (revenue from operations) of Vizag Hospital for the financial year ended March 31, 2023, based on the audited financial statements was INR 1,100 Million. The turnover (revenue from operations) of Vizag Hospital for the financial year ended March 31, 2022, based on the audited financial statements was INR 1,058 Million. The turnover (revenue from operations) of Vizag Hospital for the financial year ended March 31, 2021, based on the audited financial statements was INR 876 Million.

HealthCare Global Enterprises Limited

HCG Tower, # 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bangalore - 560027.

080 33669999 | info@hcgoncology.com | www.hcgoncology.com | CIN : L15200KA1998PLC023489