

# Coforge to acquire controlling-stake in SLK Global

**Transaction provides a multi-year partnership commitment from Fifth Third Bank**

**Further strengthens the Financial Services vertical, scales BPM operations, creates a Top 5 client relationship and expands US footprint**

**Noida, 12<sup>th</sup> April 2021, Monday:** [Coforge Limited](#) (NSE: COFORGE, BSE: COFORGE), a leading global IT solutions organization, today announced that it has signed definitive agreements to acquire a controlling interest in SLK Global Solutions Private Limited (“SLK Global”), a business process transformation enterprise offering BPM and digital solutions for the financial services industry.

A fast-growing business with a robust operating profile, SLK Global has deep domain expertise in the banking and insurance segments in North America. It enjoys multiple long-standing and scalable relationships with marquee clients with strong growth potential, including with Fifth Third Bank, N. A., which in addition to being the largest customer, is also a significant minority shareholder. It has also created a suite of platform solutions that provide a differentiation to its clients.

Coforge shall initially acquire 60% stake in SLK Global, with SLK Global’s founders completely exiting. Fifth Third Bank’s stake in the company will be reduced to 40% and shall continue at that level for the next 2 years. Coforge will acquire an additional 20% stake from Fifth Third Bank after the completion of 2 years.

As part of the transaction, Fifth Third Bank has committed to remaining a significant customer of SLK Global and has also committed a base volume over 5 years starting FY’22.

SLK Global reported consolidated revenue of \$62 million during FY’20 and is expected to report consolidated revenue of \$73 million during FY’21, representing a growth of about 15% despite the impact of Covid-19. The business has registered a three year revenue CAGR of over 17%. It is a highly profitable business and will be EBITDA margin accretive to Coforge.

*“We are very excited to welcome SLK Global and its over 7,000 employees into the Coforge family. We are equally excited and committed to the new partnership and client relationship that we have now formed with Fifth Third Bank. Fifth Third Bank shall be a Top 5 client of the firm and as our valued JV partner we look forward to creating a deep and mutually rewarding partnership with them in the years to come.*

*We expect very strong business synergies to be generated through this transaction. This differentiated, high growth, margin accretive business further strengthens our position in the North America Financial Services Industry and our BPM business. Coforge’s technology and digital capabilities will be highly relevant to SLK Global’s customer base that includes several marquee names in the BFS and Insurance industries, while the latter’s capabilities will enable Coforge to compete more effectively for deals that have a major BPM/BPO operations component. SLK Global also provides Coforge with an attractive tier 3 India city delivery location”,* said **Mr. Sudhir Singh, Chief Executive Officer, Coforge Ltd.**

*“Fifth Third Bank is excited about the opportunities created by this new partnership. We remain committed to our BPM strategy and the expanded automation capabilities afforded by an IT solutions provider of Coforge’s caliber. We look forward to extending with our new partners the long-term relationship we have enjoyed with SLK Global for the past 15 years,”* said **Jude Schramm, Executive Vice President and Chief Information Officer, Fifth Third Bank.**

The transaction is being funded by Coforge with a combination of internal accruals and external borrowings.

Post-closing, the key management personnel, excluding the founder-promoter, will stay on and contribute to its continued growth.

KPMG acted as the advisor to Coforge and J Sagar Associates as its legal counsel on this transaction. Aventus Capital acted as the investment banker to all the Sellers and Prabir Talati/Inflexion Advisers as the advisor to the Founders and SLK Global, while Quillon Partners acted as Transaction Counsel and Shardul Amarchand Mangaldas & Co acted as Legal counsel to Fifth Third Bank.

#### **About Coforge Limited**

Coforge is a leading global IT solutions organization, enabling its clients to transform at the intersect of domain expertise and emerging technologies to achieve real-world business impact. A focus on very select industries, a detailed understanding of the underlying processes of those industries and partnerships with leading platforms provides us a distinct vantage. We leverage AI, Cloud and Insight driven technologies, allied with our industry expertise, to transform client businesses into intelligent, high growth enterprises.

Today our proprietary platforms power critical business processes across the Financial Services and Travel industries. Our over 12,000 technology and process consultants engineer, design, consult, operate and modernize systems across the world.

Learn more about Coforge at [www.coforgetech.com](http://www.coforgetech.com)

#### **About SLK Global Solutions**

SLK Global Solutions is a business process transformation enterprise, offering BPM and digital solutions for the financial services industry, including many Top 25 U.S. Banks, Top 10 Lenders, Top 10 Insurance Intermediaries and Fortune 500 Companies. Today it is 7000-employees strong with multiple delivery centers across India, North America and Philippines driving value for clients within the BFSI space.

#### **About Fifth Third Bank**

Fifth Third Bancorp is a diversified financial services company headquartered in Cincinnati, Ohio and the indirect parent company of Fifth Third Bank, National Association, a federally chartered institution. As of Dec. 31, 2020, Fifth Third had \$205 billion in assets and operated 1,134 full-service banking centers and 2,397 ATMs with Fifth Third branding in Ohio, Kentucky, Indiana, Michigan, Illinois, Florida, Tennessee, West Virginia, Georgia, North Carolina and South Carolina. In total, Fifth Third provides its customers with access to approximately 52,000 fee-free ATMs across the United States. Fifth Third operates four main businesses: Commercial Banking, Branch Banking, Consumer Lending and Wealth & Asset Management. Fifth Third is among the largest money managers in the Midwest and, as of Dec. 31, 2020, had \$434 billion in assets under care, of which it managed \$54 billion for individuals, corporations and not-for-profit organizations through its Trust and Registered Investment Advisory businesses. Investor information and press releases can be viewed at [www.53.com](http://www.53.com). Fifth Third's common stock is traded on the Nasdaq® Global Select Market under the symbol "FITB." Fifth Third Bank was established in 1858. Deposit and Credit products are offered by Fifth Third Bank, National Association. Member FDIC.

#### **Safe Harbor**

Certain statements in this release are forward-looking statements. The business involves various risks, and uncertainties that could result in the actual results to differ materially from those indicated here. All forward looking statements made herein are based on information presently available to the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

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