

December 26, 2025

**The Manager,**  
**Department of Corporate Services**  
**BSE Limited**  
Floor 25, P.J. Towers,  
Dalal Street, Mumbai – 400 001  
BSE Scrip code: 532541  
Equity ISIN: INE591G01025

**The General Manager,**  
**Department of Corporate Services**  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Plot No. C/1, G Block, Bandra Kurla Complex,  
Bandra, Mumbai – 400 051  
NSE Scrip code: COFORGE

Dear Sir/Madam,

**Subject: Outcome of Board Meeting & Disclosure under Regulations 30 and 30A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (“SEBI Listing Regulations”)**

**Ref: Intimation of the Board meeting dated December 26, 2025**

Pursuant to Regulations 30, 30A and other applicable provisions of the SEBI Listing Regulations, it is hereby informed that the Board of Directors of the Company (“**Board**”) at their meeting held today, i.e, Friday, December 26, 2025 at the Registered office of the Company *inter alia* transacted the following matters:

**1. Authorization for execution of Share Subscription and Share Purchase Agreement and Acquisition of Equity Shares of Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman)**

The Board considered and approved execution of a share subscription and share purchase agreement (the “**SSPA**”) by the Company with Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman) (collectively, the “**Target Companies**”), Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited (collectively, the “**Investors**”), in relation to acquisition of the Target Companies’ shares from the Investors (“**Proposed Acquisition**”), in a share swap arrangement with the Company, whereby 9,37,96,508 (Nine Crore Thirty Seven Lac Ninety Six Thousand Five Hundred and Eight Only) fully paid up equity shares of the Company having face value of INR 2 (Indian Rupees Two) each (“**Equity Shares**”) shall be created, issued, offered and allotted to the Investors at a price of INR 1,815.91/- (Indian Rupees One Thousand Eight Hundred Fifteen And Ninety One Paise only) per Equity Share (which includes a premium of INR 1813.91/- (Indian Rupees One Thousand Eight Hundred Thirteen And Ninety One Paise only) per Equity Share) (“**Issue Price**”), aggregating up to a consideration of INR 1,70,32,60,16,842/- (Indian Rupees Seventeen Thousand and Thirty Two Crore Sixty Lac Sixteen Thousand Eight Hundred and Forty Two only), in accordance with the SSPA.

The details regarding the SSPA are enclosed in **Annexure A**, as required under Regulation 30 and Regulation 30A of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.

The details regarding the Proposed Acquisition are enclosed in **Annexure B**, as required under Regulation 30 of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.

**2. Issuance of Equity Shares of the Company on a Preferential Basis pursuant to a Share Swap Arrangement**

Subject to approval of the members of the Company (“**Members**”) and receipt of approvals from applicable statutory authorities as may be required, the Board considered and approved, to create, issue, offer and allot up to 9,37,96,508 (Nine Crore Thirty Seven Lac Ninety Six Thousand Five Hundred and Eight Only) Equity Shares at the Issue Price, aggregating up to a consideration of INR 1,70,32,60,16,842/- (Indian Rupees

Seventeen Thousand and Thirty Two Crore Sixty Lac Sixteen Thousand Eight Hundred and Forty Two only) to the Investors belonging to the “Non-Promoter Category”, as consideration other than cash towards the acquisition of shares (“**Swap Shares**”) of the Target Companies, determined in accordance with the terms of the SSPA, pursuant to a share swap arrangement, by way of a preferential issue on a private placement basis (“**Preferential Issue**”).

The Preferential Issue shall be in accordance with the terms and conditions as may be determined by the Board in accordance with the SSPA and the provisions of the Companies Act, 2013, and the rules made thereunder, Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019 and other applicable laws and subject to the Investors complying with the requirements of allotment.

The details regarding the Preferential Issue are enclosed in **Annexure C**, as required under Regulation 30 of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.

### **3. Approval for Grant of Special Rights pursuant to the SSPA and Adoption of the Amended and Restated Articles of Association of the Company**

Subject to approval of the Members, the Board considered and approved, (a) the grant of special rights to the Investors, such as appointment of 2 (two) nominee Director(s) on the Board of the Company and 1 (one) nominee Director on each of the audit committee and nomination and remuneration committee, to the Investors, subject to thresholds; lock-in restrictions applicable to each of the Investors; restriction on share transfers by each Investor to Competitors and Strategic Investors (*as defined in the SSPA*); and restriction on Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited to trigger an open offer, pursuant to the SSPA and Regulation 31B and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (b) the amendment and restatement of the existing articles of association of the Company (which will come into effect on closing of the transaction under the SSPA) with the amended and restated articles of association of the Company incorporating the provisions of the SSPA, pursuant to Sections 5 and 14 of the Companies Act, 2013, the relevant provisions of the Companies (Management and Administration) Rules, 2014, the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the rules issued thereunder.

The details regarding the agreement documenting the special rights being granted to the Investors, i.e., the SSPA are enclosed in **Annexure A**, as required under Regulation 30 and 30A of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.

The details regarding the amendments to the articles of association of the Company are enclosed in **Annexure D**, as required under Regulation 30 of SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated July 13, 2023.

### **4. Increase in Authorised Share Capital and consequent Alteration to the Capital Clause of the Memorandum of Association**

Subject to approval of the Members, the Board considered and approved, to increase the Authorised Share Capital of the Company from INR 77,00,00,000/- (Indian Rupees Seventy Seven Crore only) divided into 38,50,00,000 (Indian Rupees Thirty Five Crore Fifty Lakh only) equity shares of INR 2/- (Indian Rupees Two only) each to INR 1,02,00,00,000/- (Indian Rupees One Hundred and Two Crore only) divided into 51,00,00,000 (Fifty One Crore only) equity shares of INR 2/- (Rupees Two only) each by creation of additional 12,50,00,000 (Twelve Crore Fifty Lac only) equity shares of INR 2/- (Indian Rupees Two only) each and consequently, the alteration and substitution of the existing Clause V of the memorandum of association of the Company by the following as new Clause V:

*“V. The Authorised Share Capital of the Company is Rs. 1,02,00,00,000/- (Indian Rupees One Hundred and Two Crore only) divided into 51,00,00,000 (Fifty One Crore only) Equity Shares of Rs. 2/- (Rupees Two Only) each.*

**5. Authorization to raise capital by way of a Qualified Institutions Placement or any permitted means to eligible investors through an issuance of Equity Shares and/or other eligible Securities**

The Board considered and approved raising of funds by way of issuance of such number of equity shares having face value of INR 2 (Indian Rupees Two) each of the Company (“**Equity Shares**”) and / or other eligible securities or any combination thereof (hereinafter referred to as “**Securities**”), for an aggregate amount not exceeding USD 550 Mn (US Dollar Five Hundred Fifty Million only) or an equivalent amount thereof by way of qualified institutional placement (“**QIP**”) or other permissible modes in accordance with the applicable laws, subject to the receipt of the necessary approvals including the approval of the members of the Company and other regulatory / statutory approvals, as may be required and approved ancillary actions including to seek approval of the shareholders through postal ballot for the aforesaid issuance. The copy of the notice of the postal ballot would be submitted to the Stock Exchanges in due course, pursuant to the applicable laws.

The details regarding the capital raise are enclosed in **Annexure E**, as required under Regulation 30 of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.

**6. Approval for increase in limits under Section 186 of the Companies Act, 2013**

The Board considered and granted the approval for the increase in limits under section 186 of the Companies Act, 2013 for the purpose of:

- (i) acquiring shares of the Target Companies pursuant to a share swap arrangement for a consideration of INR 1,70,32,60,16,842; and
- (ii) providing guarantees for a bridge loan of up to USD 550 Mn in a Company’s overseas subsidiary (if required).

This is subject to the receipt of the necessary approvals including the approval of the members of the Company through postal ballot and other regulatory / statutory approvals, as may be required. The copy of the notice of the postal ballot would be submitted to the Stock Exchanges in due course, pursuant to the applicable laws

**7. Issuance of Notice and Postal Ballot Form the Members of the Company**

The Board has approved the issuance of notice for postal ballot and the postal ballot form to the Members of the Company, for approving *inter alia* the following:

- (a) To consider and approve increase in authorised share capital and consequent alteration to the capital clause of the Memorandum of Association.
- (b) To consider and approve issuance of equity shares of the Company on a preferential basis pursuant to a share swap arrangement.
- (c) To consider and approve, approval for grant of special rights and covenants pursuant to the SSPA and adoption of the amended and restated Articles of Association of the Company.
- (d) To consider and approve enhancement of the existing investment limits under section 186 of the Companies Act, 2013.
- (e) To consider and approve authorization to raise capital by way of a qualified institutions placement or any permitted means to eligible investors through an issuance of equity shares and/or other eligible securities.

This is for the information of the Exchanges and the Members.

Thanking You,  
Yours Faithfully,

**For Coforge Limited**

**Barkha Sharma**  
**Company Secretary**  
**ACS: 24060**

**Encl.: As above**

## Annexure A

**Disclosure under paragraphs (5) of Part (A) to Schedule III of the SEBI Listing Regulations read with Regulations 30 and 30A of the SEBI Listing Regulations**

### **Share Subscription and Share Purchase Agreement**

S. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered.	Coforge Limited (the “ <b>Company</b> ”), Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman) (collectively, the “ <b>Target Companies</b> ”), Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited (collectively, the “ <b>Investors</b> ”) are parties to the Share Subscription and Share Purchase Agreement (“ <b>SSPA</b> ”).
2.	Date of entering into the agreement.	26 <sup>th</sup> December 2025
3.	If the listed entity is a party to the agreement.	Listed entity, i.e., the Company is a party to the SSPA.
i.	details of the counterparties (including name and relationship with the listed entity);	<p><b>Target Companies:</b> Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman).</p> <p><b>Investors:</b> Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited.</p> <p>The Target Companies and the Investors are not a related party of the Company.</p>
4.	Purpose of entering into the agreement.	The SSPA records the terms and conditions of the proposed acquisition of the Target Companies’ shares from the Investors, in a share swap arrangement with the Company, whereby 9,37,96,508 (Nine Crore Thirty Seven Lac Ninety Six Thousand Five Hundred and Eight Only) fully paid up equity shares of the Company having face value of INR 2 (Indian Rupees Two) each (“ <b>Equity Shares</b> ”) shall be created, issued, offered and allotted to the Investors at a price of INR 1,815.91/- (Indian Rupees One Thousand Eight Hundred Fifteen and Ninety One Paise only) per Equity Share, by way of a preferential issue on a private placement basis (“ <b>Preferential Issue</b> ”).
5.	Shareholding, if any, in the entity with whom the agreement is executed.	As on the date of this disclosure, the Investor does not hold any Equity Shares of the Company.
6.	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.	<p>The key terms of the SSPA are as follows:</p> <p>(a) The consummation of the Preferential Issue is subject to the satisfaction of customary conditions precedents including receipt of shareholders’ approval, regulatory/ statutory approvals including from RBI, BSE Limited and National Stock Exchange of India Limited and on terms and conditions as set out in the SSPA.</p>

		<p>(b) The SSPA prescribes certain customary interim covenants from the date of execution of the SSPA till the completion of the transaction, such as conducting business in ordinary course, etc.</p> <p>(c) Special rights to Investors such as appointment of 2 (two) nominee Director(s) on the Board of the Company with the right to appoint 1 (one) nominee Director on the nomination and remuneration committee of the Company and 1 (one) nominee Director on the audit committee of the Company; lock-in restrictions applicable to each of the Investors; restriction on share transfers by each Investor to Competitors and Strategic Investors (<i>as defined in the SSPA</i>); and restriction on Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited to trigger an open offer.</p>
7.	Extent and the nature of impact on management or control of the listed entity.	There will be no change in control over the listed entity, i.e., the Company, on account of the Preferential Issue. However, the Investors will have the right to appoint 2 (two) nominee directors on the board of the Company.
8.	Details and quantification of the restriction or liability imposed upon the listed entity.	NA
9.	Whether, the said parties are related to promoter / promoter group / group companies in any manner? If yes, nature of relationship.	Not applicable.
10.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length"?	The transaction does not fall within the related party transaction.
11.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	Up to 9,37,96,508 (Nine Crore Thirty Seven Lac Ninety Six Thousand Five Hundred and Eight Only) equity shares of face value of INR 2/- (Indian Rupees Two only) which is equivalent to 21.25% of the post-issue equity share capital (including Cigniti merger) of the Company at a price of INR 1,815.91/- (Indian Rupees One Thousand Eight Hundred Fifteen and Ninety One Paise only) per equity share aggregating to INR 1,70,32,60,16,842/- (Indian Rupees Seventeen Thousand and Thirty Two Crore Sixty Lac Sixteen Thousand Eight Hundred and Forty Two only).
12.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential	Please see our response to point 5 and point 6 above.

	conflict of interest arising out of such agreements, etc.	
<b>13.</b>	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.
<b>14.</b>	in case of rescission, amendment or alteration, listed entity shall disclose additional details to the stock exchange(s): (i) name of parties to the agreement; (ii) nature of the agreement; (iii) date of execution of the agreement; (iv) details of amendment or alteration and impact thereof (including impact on management or control and on the restriction or liability quantified earlier); (v) reasons for rescission and impact thereof (including impact on management or control and on the restriction or liability quantified earlier).	Not applicable.

## **Annexure B**

**Disclosure under paragraph (1) of Part (A) to Schedule III of the SEBI Listing Regulations read with Regulation 30 of the SEBI Listing Regulations**

### **Acquisition of Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman) by the Company**

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1.</b>	Name of the target entity, details in brief such as size, turnover etc.	<p>Name: (1) Encora US Holdco, Inc.; (2) Encora Holdings Ltd. (Cayman) (collectively, “<b>Target Companies</b>”)</p> <p>Other details: The consolidated turnover of the Target Companies for FY 2024-25 is USD 516 Mn.</p>
<b>2.</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”.	No. The transaction does not fall within the related party transaction. The Company does not have any promoter.
<b>3.</b>	Industry to which the entity being acquired belongs.	Target Companies being acquired belong to the IT / ITes industry.
<b>4.</b>	Objects and impact 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).	<p>Coforge’s acquisition of Encora is a defining moment for the firm. This acquisition will position the company as the capability leader in AI-led engineering services underpinned by data and cloud. Encora, with its Silicon Valley roots, brings a strong AI-native DNA and a composable agentic platform (AIVA) that enables organizations to build intelligent workflows. This, allied with Coforge’s hyperspecialized industry expertise and execution intensity, is likely to further accelerate Coforge’s growth. It also sets up Coforge as the tech services firm that is likely to be the first to deliver upon the promise of the AI-infused future that lies ahead of our industry</p> <p>Financially, the combined entity is projected to become a \$2.5 billion tech services powerhouse. In FY’27, nearly \$ 2Bn revenue is expected to accrue from the enterprise core of AI-led engineering, cloud, and data services alone. The acquisition will immediately scale Coforge’s HiTech and Healthcare verticals, expand its nearshore delivery capabilities in LATAM, and increase its client footprint in the US West and Midwest. Encora’s long-standing client relationships and Coforge’s proven track record in growing acquired accounts are expected to drive further business synergies and growth.</p> <p>The transaction involves Coforge acquiring 100% of Encora’s shares from Advent International for an enterprise</p>



		value of US\$ 2.35 billion, financed through equity of US\$ 1.89 billion and balance through bridge loan or QIP to retire the term loan of Encora Group. The deal is subject to shareholder and regulatory approvals, including those from the Reserve Bank of India and US authorities. Encora's financials show steady growth, and the acquisition is not expected to dilute earnings per share due to anticipated synergies and a strong margin profile for the combined business.
5.	Brief details of any governmental or regulatory approvals required for the acquisition.	<p>The proposed acquisition of the Target Companies will require approval from:</p> <ul style="list-style-type: none"> <li>(a) the Reserve Bank of India for undertaking financial commitment in foreign entities (including the Target Companies) in excess of USD 1 Bn in a financial year; and any other regulatory approvals as may be determined by the Company;</li> <li>(b) The expiration or termination of any applicable waiting period(s) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act) (and any extension thereof);</li> <li>(c) The antitrust authority in Australia having granted (or being deemed to have granted) to the Proposed Allottees their consent, approval, clearance, confirmation or waiver of license in respect of the Proposed Preferential Issue as necessary under applicable antitrust laws or having confirmed that there is no such requirement;</li> <li>(d) The FDI authorities in each of Romania and Spain having granted (or being deemed to have granted) their consent, approval, clearance, confirmation or waiver of licence in respect of the Proposed Preferential Issue as necessary under applicable FDI laws or having confirmed that there is no such requirement.</li> <li>(e) Any other authority in the European jurisdiction as necessary and if applicable under applicable laws.</li> </ul>
6.	Indicative time period for completion of the acquisition.	Expected completion in 4 to 6 months subject to completion of the conditions precedent, receipt of regulatory approvals and the Closing Date ( <i>as defined in the SSPA</i> ) action items under the SSPA.
7.	Consideration - whether cash consideration or share swap or any other form and details of the same.	The non-cash consideration of USD 1,897 Mn will be discharged by way of issuance of Equity Shares of the Company on a preferential basis to Encora Holdco Ltd. (UK) (i.e., shareholder of Encora US Holdco, Inc.) and AI Altius Parent (Cayman) Limited (i.e., shareholder of Encora Holdings Ltd. (Cayman)).
8.	Cost of acquisition and/or the price at which the shares are acquired.	<p>The Company is acquiring the shares of respective Target Companies at a per share price of INR 78,46,169.33 and 3,672.78 each.</p> <p>The Company has agreed to enter into a share subscription and share purchase agreement (the "SSPA") with the</p>

		Target Companies, Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited (collectively, the “ <b>Investors</b> ”), in relation to acquisition of the Target Companies’ shares from the Investors in a share swap arrangement with the Company, subject to receipt of applicable regulatory approvals.
9.	Percentage of shareholding / control acquired and / or number of shares acquired.	Pursuant to the SSPA executed by the Company, the Company will ultimately acquire 100% shareholding of Encora US Holdco, Inc. Encora Holdings Ltd. (Cayman), thereby acquiring control of each of the Target Companies.
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).	The Target Companies are primarily engaged in the business of IT / ITes industry and have been incorporated in the US and Cayman Islands. Encora US Holdco, Inc. was incorporated on November 24, 2021 and has its registered office in Delaware corporation and having its registered office at C/O Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle, Delaware 19801. Encora Holdings Ltd. (Cayman) was incorporated on January 15, 2003 and has its registered office in C/O Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The consolidated turnover of the Target Companies for FY23, 24 and 25 is USD 414 Mn, USD 481 Mn and USD 516 Mn, respectively.

# Coforge's acquisition of Encora

- *Context – the AI Imperative*
- *An Overview of Encora*
- *Acquisition Rationale*
- *Transaction Structure*

## **Context – the AI Imperative**

The current leadership of Coforge came together eight and a half years back. Over the last eight years the firm has delivered one of the highest growth rates of any mid or large cap tech services firm in the industry. This sustained, robust and profitable industry-leading growth has been achieved on the back of an execution intensity that is uniquely our own. It was aided by the hyper-specialization on select industries and exceptional capability depth in emerging technologies. While most of the growth has been organic, it is important to note that every one of the acquisitions that we've done over the last eight years has been very successful.

Over the last eight and half years, the revenue run rate of Coforge has gone up almost five times and the market cap has increased almost 20 times.

It is our intent to ensure that the next eight years see us maintain and improve upon the sustained business performance of the previous eight years. We hope to continue to be the industry leaders when it comes to revenue growth (with increasing margins) and investor value creation.

As we pursue this aim, we recognize that a new era of enterprise tech is emerging—one where AI driven by Cloud and Data is becoming the engine of enterprise reinvention. The next-gen enterprise will have its business capabilities defined and executed via a combination of humans and AI agents, underpinned by an enterprise data core and a cloud foundation that is purpose built for AI.

In that context, Coforge believes that the acquisition of Encora is a defining moment for our organization.

It establishes a scaled AI-led Engineering, Data and Cloud services-based capability moat for the firm. This, allied with Coforge's hyperspecialized industry expertise and execution intensity, is likely to further accelerate our industry-leading growth. It also sets us up as the tech services firm that is likely to be one of the first to deliver upon the promise of the AI-infused future that lies ahead of our industry.

You will note that this transaction is an all-stock deal where the sellers, including Advent International and Warburg Pincus, are rolling over into Coforge and not taking any consideration as cash. This reflects the confidence that the incoming shareholders have in the prospects of the expanded firm.

## **An overview of Encora**

Born in the Silicon Valley, California, Encora is one of the select technology services firms with an AI-native DNA that provides software engineering services for digital native companies and Fortune1000 enterprises. Encora works at the convergence of Cloud, Data and AI, with service offerings that span Intelligent Process Design, Agent Native Product Engineering, Core Modernization, AI foundation, Data readiness and AIOps.

Encora has created one of the industry's first composable AI platforms – AIVA™ – to deliver Integrated agentic-orchestration and software engineering services. With composability at its core, AIVA™ lets organizations compose their own intelligent workflows across engineering and business functions.

Key attributes that are unique to Encora and position it as a transformative AI led engineering disruptor include:

1. It already has the core AI-native asset: an internal agentic platform. The AIVA™ AI Platform is not a slideware accelerator; it is a composable agentic platform.
2. Unlike most AI-native startups, this firm already operates inside Fortune 500 enterprises and has institutional memory inside accounts with multi-year tenured engineers and high advocacy.

3. Its delivery model is already “Human + Agent” with significant Internal adoption of agentic tooling and a roadmap to transition from horizontal agents to verticalized agents.
4. It has a talent composition that matches AI-native winners, not legacy SI’s. It is not a labor-arbitrage play but is a compound engineering asset, which is a prerequisite for AI-native services. With significant presence of onshore and nearshore LATAM based SME’s it is one of the firms closest to making the “forward deployed engineers” paradigm real in the distributed tech services model.
5. The platform can become a Services-as-Software moat that is increasingly identified as the winning archetype in our changing industry

## **Acquisition rationale**

Coforge’s acquisition of Encora will create an ~US\$2.5Bn Tech Services powerhouse with both the scale and capability across AI-led engineering, Cloud and Data services to drive enterprise-grade AI-solutions.

The acquisition is highly synergistic because:

- 1. AI-led engineering + Data + Cloud services alone are likely to deliver US\$2Bn revenue in FY’27.**
  - a. AI led product engineering business is likely to be a US\$1.25Bn+ business
  - b. Cloud services a ~US\$500Mn business
  - c. Data engineering a ~US\$250Mn+ business
- 2. HiTech and Healthcare industry verticals of Coforge are expected to reach material scale immediately post-acquisition.**
  - a. The HiTech vertical will be a US\$170Mn+ run-rate business with several \$10Mn+ relationships post-acquisition
  - b. The Healthcare vertical will be a US\$170Mn run-rate business. Encora substantially expands Coforge’s healthcare presence in Pharma, MedTech, and HealthTech and brings new AI led solutions such as AI-Biomed Research Assistant, AI-Enabled Patient Guardian, Multi-omics data ingestion and AI foundation for clinical trials.
- 3. Will reposition Coforge as a player with scaled-up nearshore delivery capability in LATAM with an exceptional engineering and AI Talent base servicing US Clients**
  - a. Encora has a large and widespread near-shore delivery capability with 3100+ delivery team strength in its LATAM Delivery centers.
- 4. Will significantly expand the West and Mid-West US client footprint of Coforge**
  - a. Pre-acquisition, only 25% of Coforge’s North America Geo unit revenue comes from the US West and Mid-West. The acquisition will provide a fillip to Coforge’s North America growth plans.
  - b. Coforge’s North America business is expected to jump by ~50% to US\$1.4Bn+ post-acquisition

## 5. The combined firm will have forty-five US\$10Mn+, highly-scalable relationships

- a. Encora adds eleven US\$10Mn+ tenured client relationships with its top 10 client relationship tenures averaging 10+ years.
- b. Coforge has an exceptional record of growing acquired client relationships by effective cross-selling and up-selling. The most recent evidence of this was the Cigniti acquisition where all US\$10Mn+ relationships have experienced strong growth post-acquisition.

## **Transaction Details:**

Coforge has signed a definitive agreement to acquire 100% shares of Encora from Advent International, Warburg Pincus and other minority shareholders. The enterprise value of the transaction is US\$2.35Bn, which will be financed through the following:

- Equity value of US\$1.89Bn, paid in the form of equity shares through preferential allotment by Coforge. This will result in shareholders of Encora holding approximately 20% of the company's shares.
- A bridge loan or Qualified Institutional Placement (QIP) of upto US\$550Mn to retire the term loan in Encora. The pricing of the QIP will be determined by SEBI regulations at the time of the transaction.

As noted earlier, this transaction is an all-stock deal where the sellers, including Advent International and Warburg Pincus, are rolling over into Coforge and not taking any consideration as cash. This reflects the confidence that the incoming shareholders have in the prospects of the expanded firm.

QIP is one of the many funding options being considered only to retire the debt. If we do decide to do a QIP, it will only happen around closing, which is around six months away. We shall also explore other options of funding other than a QIP, hence there is a possibility that a QIP may never be triggered.

The consideration has been agreed at a share price of Rs 1815 per share which is at a premium of 8.5 % of today's close.

The process and the timeline for closing is as outlined below:

- Shareholder's approval will be secured within 30 days of signing.
- Regulatory approvals are expected within 4 to 6 months of signing.
- Coforge to assume debt in overseas geos to retire existing term loan in Encora on date of closing, which is expected to be within 4 to 6 months from signing.
- Coforge to evaluate launch of QIP, if required.

## **Financials:**

- The consolidated turnover of Encora Group for FY26E is US\$600Mn. The Adjusted EBITDA for FY26E is 19%.
- In FY24 and FY25, the consolidated turnover was US\$481Mn and US\$516Mn respectively.
- With Encora's current margin profile, and the anticipated synergies in the business, the combined business is expected to operate at an EBIT margin of 14% post amortization of intangibles that will be created as part of the purchase price allocation for this acquisition.
- Despite the primary infusion, the deal is not expected to be EPS dilutive on a consolidated basis because of the strong margin profile of Encora and expected synergies from the two businesses i.e. Coforge and Encora coming together.

**Concluding Remarks:**

As noted at the outset, the Encora acquisition is a defining moment for our organization. Over the last eight years, Coforge has established a reputation for execution intensity, hyperspecialized industry expertise and a perfect track record of making every acquisition very successful.

The new US\$2.5Bn firm, with a US\$2Bn enterprise core of AI-led Engineering, Data and Cloud services, will set the benchmark for making the promise of AI real for enterprises. In turn, this AI-infused core led growth, is likely to move Coforge's already exceptional growth numbers to the next higher orbit.

## **Annexure D**

### **Disclosure under paragraph (14) of Part (A) to Schedule III of the SEBI Listing Regulations read with Regulation 30 of the SEBI Listing Regulations**

#### **Amendments to the Articles of Association of the Company**

The existing articles of association of the Company will be amended to incorporate the following special rights and covenants in accordance with the share subscription and share purchase agreement (the “SSPA”) executed by and between the Company, Encora US Holdco, Inc., Encora Holdings Ltd. (Cayman), Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited:

- (a) appointment of 2 (two) nominee Director(s) on the Board of the Company and 1 (one) Director on each of the audit committee and nomination and remuneration committee (subject to the conditions mentioned in the explanatory statement), to Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited;
- (b) lock-in restrictions applicable to each of Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited;
- (c) restriction on share transfers by each of Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited to Competitors and Strategic Investors (*as defined in the SSPA*); and
- (d) restriction on Encora Holdco Ltd. (UK) and AI Altius Parent (Cayman) Limited to trigger an open offer.



### Annexure E

**Disclosure under paragraph (4)(d) of Part (A) to Schedule III of the SEBI Listing Regulations read with Regulation 30 of the SEBI Listing Regulations**

#### **Capital Raise by way of a Qualified Institutions Placement or any permitted means**

S. No.	Particulars	Details
1.	Type of securities proposed to be issued (viz. equity shares, convertibles, etc.)	Equity Shares and / or other eligible securities (hereinafter referred to as “ <b>Securities</b> ”) or any combination thereof, in accordance with applicable law, in one or more tranches.
2.	Type of issuance (further public offering, rights issue, depository receipts (ADR / GDR), qualified institutions placement, preferential allotment etc.)	Qualified institutional placements (“ <b>QIP</b> ”) in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, Section 42 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended, and other applicable laws, or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law.
3.	Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	Up to an aggregate amount not exceeding USD 550 Mn (Five Hundred Fifty Million only) or an equivalent amount thereof (inclusive of such premium to face value as may be fixed on such Securities) at such price or prices as may be permissible under applicable law.
4.	In case of preferential issue the listed entity shall disclose the following additional details to the stock exchange(s): <b>Not Applicable</b>	
5.	In case of bonus issue the listed entity shall disclose the following additional details to the stock exchange(s): <b>Not Applicable</b>	
6.	In case of issuance of depository receipts (ADR/GDR) or FCCB the listed entity shall disclose following additional details to the stock exchange(s): <b>Not Applicable</b>	
7.	In case of issuance of debt securities or other non-convertible securities the listed entity shall disclose following additional details to the stock exchange(s): <b>Not Applicable</b>	
8.	Any cancellation or termination of proposal for issuance of securities including reasons thereof: <b>Not Applicable</b>	

## Annexure C

**Disclosure under paragraph (2) of Part (A) to Schedule III of the SEBI Listing Regulations read with Regulation 30 of the SEBI Listing Regulations**

## Preferential Issue of Equity Shares of the Company to the Investors

Preferential Issue of Equity Shares of the Company to the Investors									
S. No.	Particulars	Details							
1.	Type of securities proposed to be issued (viz. equity shares, convertibles etc.).	Fully paid-up equity shares of the Company, each having a face value of INR 2/- (Indian Rupees Two only). The issue price of each equity share shall be INR 1815.91 per share (including a premium of INR 1813.91 per equity share).							
2.	Type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified Institutions placement, preferential allotment etc.).	Preferential allotment on a private placement basis in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws.							
3.	Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately).	<p>Up to 9,37,96,508 (Nine Crore Thirty Seven Lac Ninety Six Thousand Five Hundred and Eight Only) equity shares of face value of INR 2/- (Indian Rupees Two only) which is equivalent to 21.25% of the post-issue equity share capital of the Company at a price of INR 1,815.91/- (Indian Rupees One Thousand Eight Hundred Fifteen And Ninety One Paise only) per equity share aggregating to INR 1,70,32,60,16,842/- (Indian Rupees Seventeen Thousand and Thirty Two Crore Sixty Lac Sixteen Thousand Eight Hundred and Forty Two only).</p> <p>The Preferential Issue will be undertaken by way of share swap (i.e., consideration other than cash). In discharge of the non-cash consideration, the Company will ultimately acquire 100% of the share capital of Encora US Holdco, Inc. and Encora Holdings Ltd. (Cayman).</p>							
4.	Additional information in case of a Preferential Issue:								
	Name of the investor.	1. Encora Holdco Ltd. (UK) 2. AI Altius Parent (Cayman) Limited							
	Post allotment of securities - outcome of the subscription, issue price / allotted price (in case of convertibles), number of investors.	Details of shareholding of the Investor, prior to and after the proposed Preferential Issue, is as under:							
		Name of Allottee		Pre-Preferential Allotment		(A) Post-Preferential Allotment (Pre-Merger)**		(B) Post-Preferential Allotment (Post-Merger) **	
				Number	%	Number	%	Number	%

