HEXAWARE

Hexaware Technologies Limited
Regd. Office: Bldg. No. 152, Millennium Business Park, Sector – III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710 (INDIA) I Tel: +91 022 3326 8585 I Email: Investori@hexaware.com
CIN: U72900MH1992PLC069662 I URL: www.hexaware.com

INTIMATION TO SHAREHOLDERS REGARDING THE IPO

Subject: Proposed initial public offering of equity shares of Hexaware Technologies Limited (the "Company")

Dear Shareholder,

This is to intimate you that pursuant to a resolution passed by the board of directors of the Company on July 11, 2024 the Company is considering an initial public offering of the equity shares of the Company ("**Equity Shares**"), pursuant to which the Equity Shares would be listed on one or more recognized stock exchanges in India ("**IPO**" or "**Offer**"). The decision to undertake the IPO remains subject to market conditions, regulatory, corporate and other approvals, consents and other commercial considerations.

The IPO is proposed to be undertaken in accordance with applicable law, including the Companies Act, 2013 and the rules issued thereunder, each as amended (collectively, "**Companies Act**"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), and in consultation with the book running lead managers ("**Lead Managers**") and other advisors appointed for the IPO. The Company will be required to initially file a draft red herring prospectus, including any addendum or corrigendum thereto (the "**DRHP**") with the Securities and Exchange Board of India ("**SEBI**") for the purposes of the IPO, and subsequently file a red herring prospectus (the "**RHP**") and prospectus (the "**Prospectus**", and together with the DRHP and RHP, the "**Offer Documents**") with the Registrar of Companies, Maharashtra at Mumbai and thereafter with SEBI and relevant stock exchanges, in accordance with the SEBI ICDR Regulations, the Companies Act and other applicable laws.

The IPO may comprise an offer for sale of Equity Shares by eligible existing shareholders of the Company ("**Offer for Sale**" or "**OFS**", and such shareholders, the "**Selling Shareholders**"), subject to compliance with certain conditions including as set out herein below. The Offer size and other terms of the Offer will be finalised before filing of the DRHP, to the extent required, by the Board of Directors or any committee thereof, in consultation with the Lead Managers. The Company shall take various decisions and actions in relation to the Offer at its sole discretion, in consultation with the Lead Managers, including the timing and the steps required to be undertaken as part of the Offer, appointment of various intermediaries, finalisation of the quantum of OFS, finalisation of the price band for the Offer, the Offer price, allocation, discount (if any), and allotment of the Equity Shares, or withdrawal of the Offer, each in accordance with the SEBI ICDR Regulations, other applicable laws and the agreement(s) executed between the Company, the Lead Managers, Offer Documents and transaction agreement(s) entered into for purposes of the Offer ("**Transaction Agreements**"). The price band for the IPO will be determined at a later stage prior to the IPO opening for subscription (there will be a public advertisement at least 2 (two) working days prior to issue opening giving such price band), in accordance with the SEBI ICDR Regulations, at which point the Selling Shareholders will be aware of such price band. The final price will be determined through the book building process prescribed under the SEBI ICDR Regulations and as shall be duly specified in the Prospectus.

You may participate in the Offer by offering either all or a part of the Equity Shares held by you (which are eligible to be offered in the Offer) in the Offer for Sale, subject to applicable law. The Company reserves the right, at its sole discretion, to modify or vary the terms and conditions of the participation of the shareholders in the Offer, including where any relevant approvals have not been obtained by any shareholder in a timely manner or at all.

We would advise you to seek your own legal and tax advice to enable you to make a decision whether to sell the Equity Shares in the Offer and neither the Company nor the Lead Managers and other advisors will be responsible for your decision.

Please note that the Offered Shares are required to be in dematerialized form prior to the filing of the DRHP and will need to be credited into an escrow account, in accordance with the share escrow agreement, by such date as will be specified by the Company. Further, in terms of the SEBI ICDR Regulations, subject to certain exceptions, the entire pre-IPO share capital of the Company held by the Shareholders is required to be locked-in for a period of six months from the allotment of Equity Shares in the proposed IPO. For details in this regard, please refer to **Annexure C**.

Participation in the Offer for Sale

In order to participate in the Offer for Sale as a Selling Shareholder, you will be required to comply with certain requirements and undertake certain activities in accordance with the SEBI ICDR Regulations and the Companies Act. Some key considerations are set out below, for your reference.

(i) *Eligibility of Equity Shares for the OFS*: In terms of Regulation 8 of the SEBI ICDR Regulations, the Equity Shares offered for sale in the IPO ("**Offered Shares**"):

(a) should be fully paid-up; and

(b) should have been held by you for a period of at least one year prior to filing of the DRHP with SEBI for the IPO, which is currently expected to be last week of August 2024. For instance, if the date of filing the DRHP is assumed as August 31, 2024, the Offered Shares should have been held at least for a period of one full year as on that date.

The requirement of holding the Offered Shares for one year prior to filing of the DRHP with SEBI for the IPO shall not be applicable if (a) such Equity Shares were issued under a bonus issue on securities held for a period of at least one year prior to the filing of the DRHP with SEBI, and subject to: (i) such Equity Shares being issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which the DRHP is filed with SEBI, and (ii) such Equity Shares not being issued by utilization of revaluation reserves or unrealized profits of the Company; (b) acquired pursuant to any scheme approved by a High Court or approved by a tribunal or the Central Government under the Sections 230 to 234 of Companies Act, 2013, as applicable, in lieu of business and invested capital which had been in existence for a period of more than one year prior to approval of such scheme.

(c) should not be subject to any restraining order of any court or tribunal, any charge, lien, pledge, encumbrance or transfer restriction of any kind whatsoever, including any 'lock-in' (other than any arrangement entered into with the Lead Managers for the purpose of the IPO).

(ii) *Other eligibility conditions*: You are also required to comply with certain other eligibility conditions provided under the SEBI ICDR Regulations and the Companies Act, in order to participate in the Offer as a Selling Shareholder. Please refer to **Annexure A** for such other key eligibility conditions.

(iii) *Additional considerations:* Please refer to **Annexure A** for certain additional key considerations to be noted by prospective Selling Shareholders.

The Company, in consultation with the Lead Managers, has the right to determine the quantum of Offered Shares that will be accepted from each Selling Shareholder towards the Offer for Sale in order to comply with the above-mentioned provisions of the SEBI ICDR Regulations, as applicable.

In the event you are interested in participating in the IPO, please indicate your intention to participate, providing the details required as set forth in the draft format of the response at Annexure B ("In-Principle Confirmation"), through an e-mail addressed to Ms. Gunjan Methi, Company Secretary, at Investori@hexaware.com on or before 5.00 p.m. on July 29, 2024. In the event, any incomplete or deficient In-Principle Confirmation is received from any shareholder, the Company may at its sole discretion reject such In-Principle Confirmation.

In the event the Company does not receive a response from you within the above timeline, it shall be presumed that you are not interested in participating in the OFS process of the proposed IPO.

A detailed docket of the applicable conditions, requirements and activities to be undertaken, and certificates, consent letters, agreements and other documents to be provided or executed by each of the Selling Shareholders offering their shares in the IPO, will be shared separately at the appropriate stage only with the shareholders who express their intention to participate.

Please note that, irrespective of your eligibility to participate in the OFS, or actual participation in the OFS, you will be subject to certain obligations as a shareholder of the Company. Please refer to **Annexure C** for certain of such obligations.

In case you need any clarification / assistance in relation to your participation in the Offer, you may contact Ms. Gunjan Methi, Company Secretary at Investori@hexaware.com

Please also note that the Company may continue to engage with you on various other aspects related to the IPO and other actions as may be required, including any corporate actions.

The Company reserves the right to settle all questions, difficulties or doubts that may arise in regard to the IPO process generally and the Offer for Sale process specifically, and to take all incidental and ancillary steps in this connection. Further, the Company may reserve the right to not proceed with the IPO for any reason whatsoever and shall not be bound to undertake the IPO merely due to the reason that one or more of shareholders have indicated their intention to participate in the Offer for Sale. This intimation does not create any obligation on: (a) the Company to undertake the Offer within any specific time period, or at all, or (b) the Company's management or any other Shareholders to participate in the Offer for Sale.

Please note that the Offered Shares are required to be credited into an escrow demat account, in accordance with the share escrow agreement, by such date as will be specified by the Company. Please note that offering your Equity Shares does not guarantee that they will be sold through the Offer, as it will depend on the investor response to the Offer. Accordingly, any of the Offered Shares which remain unsold in the Offer, will be credited back into your demat account, in accordance with the share escrow agreement and the applicable law.

If you choose to participate in the Offer for Sale, you will be subject to all statutory liabilities that shareholders in transactions of such nature may be subject to in accordance with applicable law.

Please note that this letter is being dispatched to only such shareholders whose names appear in the register of members / register of beneficial owners of the Company, as on July 12, 2024

Please consider this communication in its entirety, including the proposed IPO and the details thereof, strictly confidential and do not disclose these contents to any third parties.

Yours faithfully,

For and on behalf of **Hexaware Technologies Limited**

Sd/-

Name: Gunjan Methi
Designation: Company Secretary
ACS Number - A16317

Date: July 16, 2024
Place: Navi Mumbai
Correspondence and Registered Office address: 152, Millennium Business Park, Sector-III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai – 400710

This letter is for information purposes only and is neither an offer nor invitation to buy nor a solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise.

Recipients of the letter resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements.

No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction where such steps would be required (other than India). The issue, subscription for or purchase of Equity Shares may be subject to specific legal or regulatory restrictions in certain jurisdictions. Hexaware Technologies Limited assumes no responsibility for any violation of any such restrictions by any person.

This letter does not constitute or form a part of any offer or invitation or solicitation to purchase or subscribe for securities in any jurisdiction where it is unlawful to do so. The distribution of this letter in certain countries may constitute a breach of applicable law.

The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or with any securities regulatory authority of any state or other jurisdiction in the United States and the Equity Shares may not be offered, subscribed or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof.

Neither this letter nor any other information supplied in connection with this letter should be considered as a recommendation by the Company or the Lead Managers to any of the shareholders to offer their Equity Shares in the IPO. Your participation in the IPO does not create any obligation on the Company or the Lead Managers to purchase any Equity Shares.

The Company, Lead Managers and their respective legal counsels, affiliates, shareholders, directors, employees, representatives and other professional advisors shall not be responsible or liable to the Selling Shareholder(s) or to any other persons in relation to the Offer for Sale, including in relation to any bad faith, negligence, default or misconduct by any Selling Shareholder(s) in this relation.

Annexure A

Other Eligibility Conditions

In order to participate in the Offer as a Selling Shareholder, you should:

(a) not be debarred from accessing the capital markets nor have you been debarred from buying, selling or dealing in securities under any order or direction by SEBI or any securities market regulator in any other jurisdiction or by any other authority/ court;

(b) not be declared as a willful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters and fraudulent borrowers issued by the Reserve Bank of India (the "**RBI**"); and

(c) not be declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended, if you are an individual;

Further, you should have a clear title to any Equity Shares proposed to be offered by you in the OFS, and your holding of the Equity Shares should be in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended. You should have acquired, currently hold, and will continue to hold the Offered Shares in compliance with applicable laws and you will comply with any additional terms and conditions that may be prescribed by any statutory or regulatory authority including SEBI and RBI or the stock exchanges pursuant to any approval sought and received from such authority or otherwise. Please note that in the case of any joint ownership over Equity Shares that are proposed to be sold in the Offer for Sale, the consent of all joint owners is required for participation in the IPO.

Additionally, you should not be required to seek any approval from any regulator or statutory authority to sell the Offered Shares in the Offer for Sale. However, if any approval from any third parties is required to be obtained, it shall be obtained by you and a copy thereof shall be sent to the Company before the prescribed time (i.e. by July 29, 2024) by e-mail, speed post or courier and the Company will not be liable for delays in receipt of such approvals whether for postal delays or any other reasons.

Additional Considerations

- Should you choose to participate in the OFS, the Selling Shareholders will be required to bear expenses for the OFS, in accordance with applicable law and in accordance with the terms of any agreements that may be entered into in this regard. The Offer related expenses would broadly include fees and expenses of the Lead Managers, legal counsels and other intermediaries, advertising and marketing expenses, printing, underwriting commission, procurement commission (if any), brokerage and selling commission, applicable securities transaction tax, etc. The applicable Offer expenses as decided by the Company in accordance with the SEBI ICDR Regulations and other applicable laws, and as disclosed in the Offer Documents, shall be deducted from the proceeds of the Offer prior to being disbursed to the Selling Shareholders. The Offer proceeds would lie in the IPO public offer account. Thereafter, in accordance with the terms of the cash escrow agreement to be executed in relation to the Offer and any other agreement that you may have with the Company and the other Selling Shareholders, payment of your proportion of the Offer proceeds would be made to you, net of deductions in relation to your proportion of the Offer expenses and the tax applicable to you. Even in case of withdrawal of the Offer or if the Offer is not successful or consummated, all costs and expenses (including all applicable taxes) with respect to the Offer shall be shared in proportion in accordance with applicable law and any agreements that may be entered into in this regard.

- Further, as a Selling Shareholder, you will also be liable under the Companies Act and other applicable law for disclosures made in the IPO-related documents with respect to you or the Equity Shares being sold by you in the IPO, and you will also be required to enter into agreements, including the offer agreement, registrar agreement, syndicate agreement, share escrow agreement, cash escrow agreement and underwriting agreement (either directly or pursuant to a power of attorney) with the Lead Managers and other intermediaries where you will have to provide customary representations, warranties and indemnities, including (but not limited to) representations (as applicable) related to:

a) due incorporation, registration and valid existences;
b) corporate power and authority to conduct your business;
c) corporate power and authority to offer and transfer the Offered Shares pursuant to the Offer;
d) approval or consent from governmental or regulatory authority;
e) good and valid title to the Offered Shares and that they are free from encumbrances;
f) accuracy of the statements relating to the Selling Shareholders and the Offered Shares in the Offer Documents; and
g) non-registration of the Offered Shares under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") and that the Offered Shares may not be offered, subscribed or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

- In addition, please note that in these agreements, the Selling Shareholders shall be required to provide an indemnity to the Lead Managers and/or the underwriters, as applicable, with respect to the information about themselves, the Offered Shares and their representations and warranties. The drafts of these agreements will be shared with you at the appropriate stages. Should you choose to participate in the OFS, certain confirmations and information about the Selling Shareholders may be required to be included in the Offer Documents and certified by an Independent Chartered Accountant, including, details of the Offered Shares, details of price at which specified securities were acquired by the Selling Shareholders, and shareholders entitled with right to nominate directors or any other rights, in the immediately preceding three years, the average cost of acquisition of Equity Shares held by the Selling Shareholders, weighted average price at which the Equity Shares were acquired by the Selling Shareholders in the last one year, weighted average cost of acquisition of all shares transacted in last immediately preceding three years, eighteen months and one year, capital structure build-up of the Selling Shareholders and contact details, and other relevant information.

- Should you need to seek any legal or tax advice with respect to the OFS, please confirm with your own legal or tax advisor/ consultant in such regard.

- Further, please note that the Offered Shares are required to be in dematerialized form prior to the filing of the DRHP and will need to be credited into an escrow account, in accordance with the share escrow agreement, by such date as will be specified by the Company. Once the Equity Shares offered by you are deposited in an escrow account for the Offer, you will be unable to sell those shares or create any lien, pledge or any other encumbrance, as long as such shares are held in the escrow account.

- In the event you choose to participate in the OFS, you will also be required to furnish a consent letter to the Company and certain certifications and undertaking to the Lead Managers. You will also be required to provide KYC documents as shall be required by the Lead Managers.

- If you are a non-resident Selling Shareholder, there may be additional approval requirements pursuant to applicable foreign exchange regulations for deposit of Equity Shares in an escrow account.

- A legal counsel will be required to be appointed and such legal counsel will provide opinions to the Lead Managers on, *inter alia*, the title to Equity Shares being offered in the Offer for Sale, due incorporation and corporate authority, as may be applicable.

- You will comply with any additional terms and conditions that may be prescribed by any regulatory authority, including SEBI, pursuant to any approval sought from such regulatory authority or otherwise.

Annexure B

In-principle Confirmation E-mail Format

Sub: Proposed initial public offering of Equity Shares of Hexaware Technologies Limited

Dear Sir/Madam,

This is in relation to your letter dated July 16, 2024 in relation to the Offer ("**OFS Notice**"). I/We [*name of shareholder*] would like to inform you that [I am/we are] interested in participating in the Offer for Sale. [I/We] hereby acknowledge and accept all terms and conditions set out in the letter with respect to [my/our] Offered Shares and confirm that [I/we] comply with all the eligibility conditions as provided under the SEBI ICDR Regulations, the Companies Act and other applicable law. Kindly send the detailed set of instructions and documents as indicated in the OFS Notice so that [I/we] can take appropriate steps to participate in the Offer for Sale.

[My/ our] details are as follows –

Name:
Address:
Number of Equity Shares held as on date:
Number of Equity Shares proposed to be sold in the Offer:
DP/Client ID / Folio No:
PAN No:
Telephone number:
E-mail ID:

Annexure C

Obligations of all shareholders of the Company vis-à-vis the IPO

(i) *Lock-in:* All pre-IPO Equity Shares held by you will be locked-in for a period of six months from the date of allotment of Equity Shares in the proposed IPO, except for the following:

(a) any Offered Shares that are sold in the Offer;

(b) any Equity Shares allotted to employees/ ex-employees pursuant to employee stock option plans of the Company, provided that full disclosures with respect to such employee stock option plans are made in the Offer Documents in accordance with the SEBI ICDR Regulations;

(c) any Equity Shares transferred to employees/ ex-employees by an employee stock option trust pursuant to exercise of options by employees / ex-employees, in accordance with the employee stock option plan or employee stock purchase scheme;

However, such Equity Shares shall be subject to the provisions of lock-in specified under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

(d) any Equity Shares held by a venture capital fund or alternative investment fund of Category I or Category II or a foreign venture capital investor, provided that such Equity Shares will be locked in for a period of at least six months from the date of purchase by such venture capital fund or alternative investment fund of Category I or Category II or foreign venture capital investor, or such other period as prescribed under applicable law:

(A) If such Equity Shares are held pursuant to conversion of fully paid-up compulsorily convertible securities, the holding period of such convertible securities as well as that of such Equity Shares will be considered for calculation of the six months requirement;

(B) if such Equity Shares have resulted pursuant to a bonus issue, then the holding period of such Equity Shares against which the bonus issue is made, as well as the holding period of the resultant bonus Equity Shares, shall be cumulatively considered for calculation of the six months period, subject to (i) the bonus shares being issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which the DRHP is filed with SEBI; and (ii) the bonus shares not having been issued by utilisation of revaluation reserves or unrealized profits of the Company.

(ii) *Publicity restrictions:* You will be required to comply with the publicity restrictions applicable to public offerings. A copy of the publicity memorandum setting out such restrictions will be shared with you if you choose to participate in the Offer for Sale.

Please note that the Company is in the process of determining its status under The Investment Company Act of 1940 ("**40 Act**"). Once the Company completes its analysis, and if necessary, it may reach out to you to update a questionnaire related to the 40 Act.