

R SYSTEMS INTERNATIONAL LIMITED

CIN: L74899DL1993PLC053579; Registered Office: GF-1-A, 6, Devika Tower, Nehru Place, New Delhi 110019; Tel: +91-120-4303500; Email: rsil@rsystems.com; Website: www.rsystems.com

Offer for acquisition of up to 5,71,73,476 (Five Crore Seventy One Lakh Seventy Three Thousand Four Hundred Seventy Six) fully paid-up equity shares of face value of INR 1 (Indian Rupee one) each ("Equity Share") representing 48.33% (Forty Eight decimal Three Three percent) of the Voting Share Capital of R Systems International Limited ("Target Company"), from all the Public Shareholders of the Target Company by BCP Asia II Topco II Pte. Ltd. ("Acquirer") along with Blackstone Capital Partners Asia II L.P. ("PAC") ("Offer").

This pre-offer opening advertisement and corrigendum to the detailed public statement ("Pre-Offer Advertisement and Corrigendum") is being issued by Kotak Mahindra Capital Company Limited, the manager to the Open Offer ("Manager" or "Manager to the Offer"), for and on behalf of the Acquirer and PAC, in compliance with Regulation 18(7) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI (SAST) Regulations") and applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("SEBI Delisting Regulations").

This Pre-Offer Advertisement and Corrigendum should be read in continuation of and in conjunction with: (a) the Public Announcement dated November 16, 2022 ("PA"); (b) the Detailed Public Statement that was published in all editions of "Financial Express" (English), "Jansatta" (Hindi) and the Mumbai edition of "Navshakti" (Marathi) on November 23, 2022 ("DPS"); (c) the Corrigendum to the PA, DPS and draft letter of offer that was published on March 22, 2023 in the same Newspapers in which the DPS was published ("Corrigendum"); and (d) the letter of offer dated April 10, 2023 along with the Form of Acceptance-cum-Acknowledgement ("LOF" or "Letter of Offer"). This Pre-Offer Advertisement and Corrigendum is being published in all the newspapers in which the DPS was published.

For the purpose of this Pre-Offer Advertisement and Corrigendum:

- "Identified Date" means April 5, 2023 being the date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period; and
- "Tendering Period" means the 10 (Ten) Working Days period from Friday, April 21, 2023 to Monday, May 8, 2023 (both days inclusive) within which the Public Shareholders may tender their Equity Shares in acceptance of the Offer.

Capitalised terms used but not defined in this Corrigendum shall have the meaning assigned to such capitalised terms in the DPS and the LOF, as the context may require.

The Public Shareholders of the Target Company are requested to kindly note the following information related to the Offer:

- Offer Price:** The Offer Price is INR 262/- (Indian Rupees Two Hundred Sixty Two only) per Equity Share ("Offer Price"). In terms of Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, the Acquirer and PAC have revised the Offer Price upwards to the present INR 262/- (Indian Rupees Two Hundred Sixty Two only) per Equity Share as set out in the Corrigendum. There has been no further revision in the Offer Price. **This Offer is a fixed price delisting offer at INR 262/- (Indian Rupees Two Hundred Sixty Two only) per Equity Share. The Offer is made in accordance with Regulation 5A of SEBI (SAST) Regulations and therefore, the delisting price will not be determined through the reverse book building process as per SEBI Delisting Regulations.** For further details relating to the Offer Price, please refer to Section VI(A) (Justification of the Offer Price) of the LOF.
- In the event of the failure of the Delisting Offer, the Acquirer and PAC shall provide a Withdrawal Window as specified in paragraph 9 of Section VII(A) (Operational Terms and Conditions) of the Letter of Offer and then complete the Open Offer by acquiring up to 26.00% (Twenty Six percent) of the Voting Share Capital of the Target Company at the Base Price, i.e. INR 245/- (Indian Rupees Two Hundred Forty Five only) per Equity Share. There has been no revision in the Base Price.

- Recommendation of the Committee of Independent Directors ("IDC"):** The recommendation of the IDC was approved on April 13, 2023 and published on April 14, 2023 in the same newspapers in which the DPS was published. The relevant extract of the recommendation of the IDC is given below:

6.	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	Mrs. Ruchica Gupta – Chairperson and Member; Mr. Kapil Dhameja – Member; and Mr. Aditya Wadhwa – Member.
11.	Recommendation on the Open Offer-Composite Offer, as to whether the offer is fair and reasonable	After reviewing following documents: a) Public Announcement dated November 16, 2022; b) Floor Pricing Certificate issued by M/s. S.V. Shah & Associates dated November 16, 2022; c) Detailed Public Statement dated November 22, 2022; d) Due Diligence Report issued by M/s. PI & Associates dated November 25, 2022; e) Outcome of Meeting of Board of Directors of the Company held on November 25, 2022; f) Draft Letter of Offer dated November 30, 2022; g) Postal Ballot Notice dated November 25, 2022 and Scrutinizer's Report dated January 02, 2023. h) Corrigendum to the PA, DPS and DLOF dated March 21, 2023; i) Letter of Offer dated April 10, 2023; (Collectively referred to as the "Offer Documents") the IDC is of the opinion that the Composite Offer made to the public shareholders of the Company for the Offer Price of INR 262/- (Indian Rupees Two Hundred Sixty Two only) per Equity Shares and the Base Price of INR 245/- (Indian Rupees Two Hundred Forty Five only): a) is in the interest of the Public Shareholders as it will provide all the Public Shareholders an opportunity to exit from the Company and providing immediate liquidity; b) is in accordance with applicable provisions of the SEBI (SAST) Regulations; c) is in accordance with applicable provisions of the SEBI Delisting Regulations; and d) appears to be fair and reasonable.
12.	Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)	Based on the review of the Offer Documents, the members of the IDC have considered the following reasons for making recommendations in paragraph 11 above: a) The Offer Price of Rs. 262/- represents premium of 12.25% (Twelve decimal Two Five percent) and the Base Price of INR 245/- per Equity Share represent premium of 4.97% to the average of the closing price of the Equity Shares on NSE during the 6 (six) months period preceding the date of the Public Announcement; b) The Composite Offer is in the interest of the Public Shareholders as it will provide all the Public Shareholders an opportunity to exit from the Company and providing immediate liquidity; and c) In the event that the total shares validly tendered and accepted in the Offer are less than 38.33% of the Voting Share Capital and the delisting offer fails than the Public Shareholders of the Target Company shall have a right to withdraw any Equity Shares (including all the Equity Shares) tendered under the Offer within 5 Working Days from the date of announcement of failure of the Delisting Offer and the Acquirer and PAC shall complete the Open Offer by acquiring up to 26.00% of the Voting Share Capital of the Target Company at the Base Price of INR 245/- per Equity Share. After reviewing the Offer Documents referred in paragraph 11 above, the IDC believe that the Composite Offer is in accordance with SEBI (SAST) Regulations, SEBI Delisting Regulations and to that extent, is fair and reasonable. The detailed reasoned recommendation is also available on the website of the Company i.e. www.rsystems.com. However, the shareholders should independently evaluate the offer, market performance of the Company's script and take informed decision.
13.	Disclosure of the voting pattern	All 3 members of the IDC were present in the meeting and the recommendations were unanimously approved by the IDC members.
14.	Details of Independent Advisors, if any.	IDC has not appointed any Independent Advisor(s).

- Competing Offer:** The Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations. There was no competing offer to the Offer and the last date for making such competing offer has expired. The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.

- Dispatch of Letter of Offer:** The dispatch of the Letter of Offer to the Public Shareholders as on the Identified Date (i.e. April 5, 2023 (Wednesday)) in accordance with Regulation 18(2) of the SEBI (SAST) Regulations has been completed (through electronic mode or physical mode) by April 13, 2023. The Identified Date was relevant only for the purpose of determining the Public Shareholders to whom the LOF was to be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Offer. A copy of the LOF (which includes Form of Acceptance-cum-Acknowledgement) is available on the website of SEBI (www.sebi.in) from which the Public Shareholders can download/print the same in order to tender their Equity Shares in the Offer. Further, a Public Shareholder who wishes to obtain a copy of the LOF may send a request to the Registrar to the Offer at the email id mentioned at the end of this Pre-Offer Advertisement and Corrigendum stating the name, address, number of Equity Shares held, client ID number, DP name/ID, beneficiary account number, and upon receipt of such request, a copy of the LOF shall be provided to such Public Shareholder.

- Tendering in case of non-receipt of LOF:** In case of non-receipt/ non-availability of the Form of Acceptance-cum-Acknowledgement, a Public Shareholder may participate in the Offer: (i) by using the Form of Acceptance-cum-Acknowledgement obtained in the manner described above; or (ii) by providing their application in writing on a plain paper along with the following:

- In case of Public Shareholders holding Equity Shares in dematerialized form, the plain paper application must be signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares being tendered, and other relevant documents as mentioned in the LOF. Public Shareholders who desire to tender their Equity Shares in dematerialized form under the Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender in accordance with the procedure as mentioned in Section VIII (Procedure for Acceptance and Settlement of the Offer) of the LOF. Such Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- In case of Eligible Shareholders holding Equity Shares in physical form, the plain paper application must be signed by all shareholder(s) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares being tendered and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Public Shareholders' PAN card(s), executed share transfer form and other necessary documents. The share transfer form (SH-4) can be downloaded from the Registrar's website i.e., www.linkintime.co.in. Public Shareholders/ Selling Broker must ensure that the Form of Acceptance-cum-Acknowledgement, along with TRS and the requisite documents (as mentioned in paragraph 18 of Section VIII (Procedure for Acceptance and Settlement of the Offer) of the LOF, reach the Registrar to the Offer no later than the Offer Closing Date.

- Changes suggested by SEBI:** SEBI has issued the observations via letter issued by SEBI dated March 31, 2023 bearing reference number SEBI/HO/CFD/DCR-2/P/OW/2023/13208/1 ("SEBI Observation Letter") in relation to SEBI's observations on the DLOF filed with SEBI. The comments specified in the SEBI Observation Letter, other SEBI correspondences and certain changes (occurring after the date of the DPS, DLOF and the Corrigendum) which may be material have been incorporated in the Letter of Offer and are more particularly disclosed below. The contents of the SEBI Observation Letter have been adhered to.

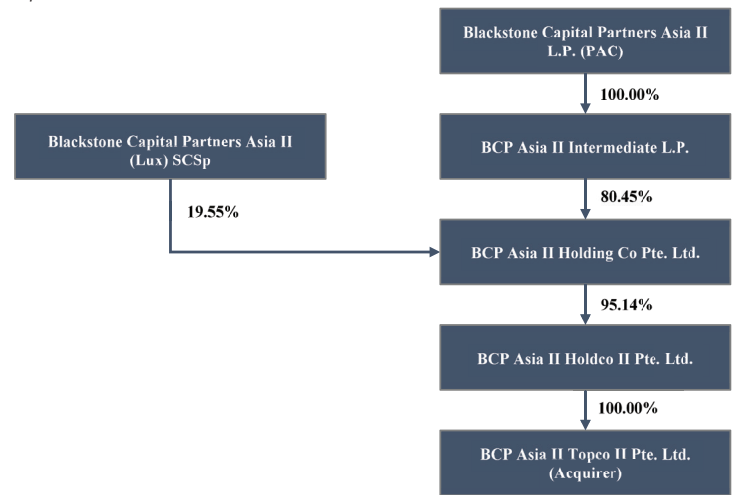
- Risk Factors:** The following risk factor has been added in the Risk Factor Section of the LOF:
"As of June 30, 2022, the Acquirer had not commenced business and therefore, the Acquirer was exempt from the audit requirements pursuant to the Companies Act, Chapter 50 of Singapore."

- Details regarding the Acquirer:** The details regarding the Acquirer in sub-section A of Section IV (Background of the Acquirer and PAC) of the LOF have been updated to include the following confirmations:
"As on the date of this LOF, neither the Acquirer nor the PAC have any direct or indirect linkages with (i) the Sellers or directors of the Target Company other than the Underlying Transaction; or (ii) the Public Shareholders of the Target Company other than the present Offer.
There are no directions subsisting or proceedings pending against the Acquirer and the PAC as on the date of this LOF."
Further, the details on the directors of the Acquirer, their appointment date, DIN, qualifications and experience have been updated. Please refer to paragraph 12 of sub-section A of Section IV (Background of the Acquirer and PAC) of the LOF for further details.

- Details regarding the PAC:** The details regarding the PAC in sub-section B of Section IV (Background of the Acquirer and PAC) of the LOF has been updated and the following new paragraphs 3 to 5 have been inserted in the LOF:
"3. The Acquirer is 100% (One Hundred per cent) owned by BCP Asia II Holdco II Pte. Ltd. There is no natural person who owns more than 10% (Ten per cent) of the capital or interest in BCP Asia II Holdco II Pte. Ltd. The PAC is an indirect shareholder of and controls BCP Asia II Holdco II Pte. Ltd. and the Acquirer. Further, both the Acquirer and the PAC are a part of BCP Asia II group.

- The PAC is a Cayman Islands exempted limited partnership under the Exempted Limited Partnership Act (As Revised) of the Cayman Islands (the "Partnership Act") with Blackstone Management Associates Asia II L.P. (the "General Partner") vested with the management of the PAC. Further, the managing general partner of the General Partner is BMA Asia II L.L.C. (the "Ultimate GP"). The PAC has passive third party limited partners consisting of highly sophisticated institutional investors such as university endowment funds, sovereign wealth

funds, public pension plans, corporate pension plans, financial institutions and insurance companies. Both the General Partner and the Ultimate GP are ultimately owned and controlled by Blackstone Inc. ("Blackstone") which is a publicly listed on the New York Stock Exchange under the ticker symbol "BX". Blackstone is one of the world's leading investment firms. It's total assets under management of USD 974.7 billion as of December 31, 2022 which includes investment vehicles focused on private equity, real estate, public debt and equity infrastructure, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Blackstone has been an active long-term investor in India since 2006 through investments in private equity and real estate. A graphical representation of the holding structure of the Acquirer and the PAC is set below:



- The Acquirer had received an equity commitment letter dated November 16, 2022, pursuant to which the PAC had undertaken to provide the Acquirer with the necessary finances to meet the payment obligations under the Offer. The PAC had an available capital commitment of approximately USD 3.8 billion as at October 31, 2022. The amount deposited in the Escrow Account is received by the Acquirer in the form of a combination of shareholder loan and capital instruments, funds for which have been received from BCP Asia II funds. BCP Asia II funds, in turn, have drawn down the funds from the credit facility available with them from the lenders which includes banks and financial institutions and provided the funds to the Acquirer."

- Details regarding the Target Company:** The details regarding the Target Company in Section V (Background of the Target Company) has been updated and the following new paragraphs and confirmations have been inserted in the LOF:
"9. The closing market price of the equity shares of the Target Company on the date of the Public Announcement and the date immediately after the date of the Public Announcement (i.e. November 16, 2022 and November 17, 2022) are set out below:
i. On BSE Limited:

Date	Closing Market Price of equity shares of the Target Company (in INR)
November 16, 2022	234.40
November 17, 2022	271.10

- On National Stock Exchange of India Limited:

Date	Closing Market Price of equity shares of the Target Company (in INR)
November 16, 2022	235.05
November 17, 2022	271.00

- The high, low and average market prices of the Equity Shares (in Indian Rupees per Equity Share) for the 3 financial years and 6 months preceding the date of this Letter of Offer and the corresponding volumes on the Stock Exchanges are as follows:

- On BSE Limited:

Twelve months period ended	High (INR)*	Date of High	No. of Equity Shares traded on that date	Low (INR)*	Date of low	No. of Equity Shares traded on that date	Average price (INR)*	Total volume traded in the period
31-Mar-21	134.90	October 6, 2020	56,910	80.15	April 15, 2020	8,615	107.61	1,599,345
31-Mar-22	354.55	January 17, 2022	65,992	109.00	April 12, 2021	7,699	215.85	5,904,074
31-Mar-23	286.00	December 6, 2022	41,692	189.00	June 20, 2022	15,788	243.10	2,333,125

Last Six months	High (INR)*	Date of High	No. of Equity Shares traded on that date	Low (INR)*	Date of low	No. of Equity Shares traded on that date	Average price (INR)*	Total volume traded in the period
Oct-22	252.55	October 14, 2022	19,777	227.35	October 12, 2022	529	235.86	73,970
Nov-22	281.25	November 17, 2022	206,530	226.05	November 7, 2022	3,488	246.78	446,095
Dec-22	286.00	December 6, 2022	41,692	251.10	December 26, 2022	2,901	264.22	283,494
Jan-23	255.20	January 2, 2023	3,385	238.05	January 18, 2023	4,721	243.67	98,628
Feb-23	280.85	February 3, 2023	15,605	237.00	February 1, 2023	11,974	248.25	226,558
Mar-23	262.90	March 23, 2023	12,742	246.40	March 8, 2023	23,110	252.89	217,032

Source: www.bseindia.com
*Arithmetical average of closing prices
#High and low are based on high and low of daily high and daily low prices respectively

- On National Stock Exchange of India Limited:

Twelve months period ended	High (INR)*	Date of High	No. of Equity Shares traded on that date	Low (INR)*	Date of low	No. of Equity Shares traded on that date	Average price (INR)*	Total volume traded in the period
31-Mar-21	135.70	October 6, 2020	334,202	77.80	April 17, 2020	46,332	107.57	12,569,858
31-Mar-22	354.95	January 17, 2022	403,115	109.00	April 13, 2021	23,740	215.82	45,725,665
31-Mar-23	285.75	December 6, 2022	236,453	188.60	May 26, 2022	113,374	243.06	18,003,075

Last Six months	High (INR)*	Date of High	No. of Equity Shares traded on that date	Low (INR)*	Date of low	No. of Equity Shares traded on that date	Average price (INR)*	Total volume traded in the period
Oct-22	251.00	October 14, 2022	137,129	226.00	October 3, 2022	13,375	235.86	539,970
Nov-22	282.05	November 17, 2022	2,914,498	227.10	November 3, 2022	19,758	246.85	4,827,313
Dec-22	285.75	December 6, 2022	236,453	252.05	December 29, 2022	15,668	264.14	2,186,415
Jan-23	255.20	January 2, 2023	75,052	238.00	January 13, 2023	315,116	243.64	1,170,813
Feb-23	257.35	February 17, 2023	42,469	240.05	February 9, 2023	15,442	248.24	1,434,209
Mar-23	259.90	March 23, 2023	91,938	247.00	March 16, 2023	66,917	252.90	1,108,793

Source: www.nseindia.com
*Arithmetical average of closing prices
#High and low are based on high and low of daily high and daily low prices respectively.

- The key financial information of the Target Company based on audited consolidated financial statements as of and for the financial years ended December 31, 2022, December 31, 2021, December 31, 2020 and December 31, 2019, are set out below:

Particulars	For the financial year ending			
	December 31, 2022	December 31, 2021	December 31, 2020 ⁽¹⁾	December 31, 2019
Income from Operations	1,515.83	1,155.64	880.59	809.38
Other Income	10.29	41.90	12.90	15.39
Total Income	1,526.12	1,197.54	893.49	824.76
Total Expenditure (Excluding Depreciation, Interest and Tax)	(1,316.08)	(994.86)	(764.14)	(736.37)
Profit before Depreciation, Interest and Tax	210.04	202.68	129.36	88.39
Depreciation and Amortisation expense	(34.98)	(27.69)	(25.60)	(14.89)
Interest	(4.90)	(4.91)	(5.67)	(1.57)
Exceptional items (net of tax)	-	-	(1.87)	-
Profit before Tax (after share of associates/ joint ventures and exceptional items)	170.16	170.07	96.22	71.94
Total tax expense	(30.48)	(28.64)	(14.42)	(13.81)
Profit After Tax	139.68	141.44	81.80	58.12

Particulars	For the financial year ending			
	December 31, 2022	December 31, 2021	December 31, 2020 ⁽¹⁾	December 31, 2019
Sources of Funds				
Paid Up Share Capital	11.83	11.83	11.96	11.96
Reserves and Surplus (excluding revaluation reserves)	533.64	448.47	414.86	326.27
Net Worth	545.47	460.30	426.83	338.23

Non-Current Liabilities	89.61	68.47	73.06	30.78
Current Liabilities	197.97	163.56	149.73	123.84
Total	833.05	692.33	649.62	492.85
Uses of Funds				
Net Fixed Assets ⁽²⁾	158.12	126.75	110.90	74.00
Investments - Non Current	0.00	0.00	0.00	0.00
Other Non-Current Assets ⁽³⁾	44.78	29.81	29.89	29.17
Current Assets	630.15	535.77	508.82	389.69
Total	833.05	692.33	649.62	492.85

Particulars	For the financial year ending			
	December 31, 2022	December 31, 2021	December 31, 2020 ⁽¹⁾	December 31, 2019
Earnings per share (INR) (Basic and Diluted)	11.81	11.85	6.84	4.82
Dividend per share (INR) ⁽⁴⁾	6.50	5.70	Nil	1.50
Return on net worth (%) ⁽⁵⁾	25.61%	30.73%	19.16%	17.18%
Book Value per share(INR) ⁽⁶⁾	46.11	38.91	35.68	28.28

- Notes:
(1) After considering the impact of amalgamation of RightMatch Holdings Limited with the Target Company.
(2) Net fixed assets include property, plant and equipment, right-of-use assets, capital work-in-progress, investment property, goodwill and other intangible assets.
(3) Other non-current assets shall mean total non-current assets less net fixed assets and non-current investments.
(4) Dividend payout (%) i.e. dividend per share as a % of earnings per share for the year ended December 31, 2022, December 31, 2021, December 31, 2020 and December 31, 2019 is 55.04%, 48.10%, Nil and 31.12% respectively.
(5) Return on net worth for any year is calculated as Profit after tax for the year/ closing net worth for the year.
(6) Book value per share is calculated as closing net worth/No. of Equity Shares at the end of the year.

- The Company Secretary and Compliance Officer of the Target Company is Mr. Bhasker Dubey, contact: 0120 - 430 3500, e-mail: investors@rsystems.com.
- The board of directors of the Target Company have confirmed that all material information which is required to be disclosed under the provisions of SEBI (LODR) Regulations, continuous listing requirement under the listing agreement executed with the Stock Exchanges have been disclosed to the Stock Exchanges.
- The board of directors of the Target Company has certified that there has been no material deviation in utilisation of proceeds of issues of securities made during the five years immediately preceding the date of this LOF from the stated object of the issue.
- As per the applicable provisions of the SEBI (SAST) Regulations and the SEBI Delisting Regulations, the public shareholders who are acting or deemed to be acting in concert with the Sellers are not permitted to participate in this Offer."

Further, the shareholding pattern of the Target Company has been updated as on the Identified Date. Please refer to paragraph 21 of Section V (Background of the Target Company) of the LOF for further details.

- Documents for inspection:** Updated the list of documents available for inspection and details pertaining to availability of electronic inspection of documents. Please refer to Section X (Documents for