

# XCHANGING SOLUTIONS LIMITED

Registered Office: SJR I - Park, Plot No. 13, 14, 15, EPIP Industrial Area, Phase I Whitefield, Bengaluru - 560066.  
Tel: +91-80-30540000; Fax: +91-80-41157394; Website: www.xchanging.com

OPEN OFFER FOR ACQUISITION OF UP TO 2,36,49,767 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10 EACH ("OFFER SHARES") REPRESENTING 21.23% OF THE FULLY DILUTED VOTING SHARE CAPITAL AS OF THE 10<sup>TH</sup> WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD ("VOTING SHARE CAPITAL"), FROM THE PUBLIC SHAREHOLDERS OF XCHANGING SOLUTIONS LIMITED ("TARGET COMPANY") BY XCHANGING TECHNOLOGY SERVICES INDIA PRIVATE LIMITED ("ACQUIRER") TOGETHER WITH COMPUTER SCIENCES CORPORATION INDIA PRIVATE LIMITED ("PAC 1") AND DXC TECHNOLOGY COMPANY ("PAC 2") (PAC 1 AND PAC 2 ARE COLLECTIVELY REFERRED TO AS "PAC") AS THE PERSONS ACTING IN CONCERT WITH THE ACQUIRER PURSUANT TO AND IN COMPLIANCE WITH REGULATIONS 3(1), 4 AND 5(1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO ("TAKEOVER REGULATIONS") AT AN OFFER PRICE OF INR 55.22 PER EQUITY SHARE ("OFFER" / "OPEN OFFER").

This advertisement ("Pre-Offer Advertisement") is being issued by JM Financial Limited ("Manager to the Offer"), on behalf of the Acquirer along with the PAC in respect of the Offer to the Public Shareholders of the Target Company pursuant to and in compliance with Regulation 18(7) of the Takeover Regulations.

This Pre-Offer Advertisement should be read in continuation of, and in conjunction with, the Public Announcement dated November 17, 2017 ("PA"), Detailed Public Statement published on November 24, 2017 ("DPS"), the Draft Letter of Offer dated November 30, 2017 ("Draft Letter of Offer" or "DLoF"), the corrigendum to the DPS published on May 9, 2018 ("Revised Schedule Corrigendum"), and Letter of Offer dated May 8, 2018 ("Letter of Offer" or "LoF"). The DPS and the Revised Schedule Corrigendum were published in the newspapers set out below.

Sr. No.	Newspaper	Language	Editions
1.	Financial Express	English	All
2.	Jansatta	Hindi	All
3.	Navshakti	Marathi	Mumbai
4.	Hosa Digantha	Kannada	Bengaluru

This Pre-Offer Advertisement is being issued in all the newspapers in which the DPS and the Revised Schedule Corrigendum were published. Terms used but not defined in this Pre-Offer Advertisement shall have the meanings assigned to such terms in the PA, the DPS, the DLoF and the LoF.

- Offer Price:** The Offer is made at a price of INR 55.22 per Equity Share ("Offer Price") determined in accordance with Regulation 8 of the Takeover Regulations, including the enhancement of the offer price at the rate of 10% per annum for the period between the date on which the intention or the decision of the Underlying Transaction was announced in the public domain i.e. May 24, 2016 and the date of publication of the DPS in terms of Regulation 8(12) of the Takeover Regulations i.e. November 24, 2017. There has been no revision to the Offer Price since the Offer was made. The maximum consideration payable under this Offer (assuming full acceptance) is INR 130,59,40,134.
- Recommendations of the Committee of Independent Directors:** A Committee of Independent Directors of the Target Company (the "IDC") published its recommendation on the Offer on May 16, 2018 in Financial Express (English-All Editions), Jansatta (Hindi-All Editions), Navshakti (Marathi - Mumbai Edition) and Hosa Digantha (Kannada - Bengaluru Edition). A summary of the relevant extracts of the IDC's recommendations are below:

Members of the IDC	1. Mr. Ashok Kumar Ramanathan (Chairman of IDC) 2. Mr. Henry D'Souza
Recommendation on the Offer as to whether the Offer is fair and reasonable	1. Offer Price is in accordance with the Takeover Regulations. 2. The Open Offer is subject to the commercial and legal risks highlighted in the Letter of Offer dated May 8, 2018. 3. The closing market price of the equity shares of the Target Company on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") as of May 14, 2018 is INR 57.30 per equity share and INR 56.95 per equity share, respectively, which are higher than the Offer Price. 4. However, the Public Shareholders are advised to independently evaluate the Offer Price and take an informed decision before offering their equity shares in the Open Offer.
Summary of reasons of recommendation	IDC has reviewed the Public Announcement ("PA") dated November 17, 2017, Detailed Public Statement ("DPS") dated November 24, 2017, Draft Letter of Offer dated November 30, 2017, Corrigendum to the DPS dated May 8, 2018, and the Letter of Offer dated May 8, 2018 in connection with the Open Offer made by the Acquirer and PAC under SEBI (SAST) Regulations. The IDC notes that: <ol style="list-style-type: none"> <li>The Offer is a mandatory open offer being made by the Acquirer and PAC to the Public Shareholders pursuant to Regulations 3(1), 4, and 5(1) of the Takeover Regulations.</li> <li>The Offer is being made on account of the Merger Agreement dated May 24, 2016 (which was further amended on November 2, 2016 and December 6, 2016) entered into inter alia between Hewlett Packard Enterprise Company, Computer Sciences Corporation and PAC 2 ("Merger Agreement"). The transactions contemplated under the Merger Agreement were completed on April 1, 2017.</li> <li>At the time of Merger Agreement, the equity shares of the Target Company were infrequently traded in terms of the Takeover Regulations. In such case, the Takeover Regulations require the Acquirer and PAC and the manager to the offer to determine the offer price based on customary valuation parameters. In this case, the price was determined to be INR 48.00 per equity share of the Target Company at the time of PA.</li> <li>The Offer Price has been revised to INR 55.22 per equity share (after adding interest in terms of Regulation 8(12) of the Takeover Regulations).</li> <li>The closing market price of the equity shares of the Target Company on NSE and BSE as of May 14, 2018 is INR 57.30 per equity share and INR 56.95 per equity share, respectively, which are higher than the Offer Price.</li> </ol> Based on the above, the IDC is of the opinion that the Offer Price of INR 55.22 offered by the Acquirer and the PAC has been determined in accordance with the Takeover Regulations. However, the Public Shareholders are advised to independently evaluate the Offer Price and take an informed decision before offering their equity shares in the Open Offer.

- This Offer is not a competing offer in terms of Regulation 20 of the Takeover Regulations. There has been no competitive bid to the Offer.
- The LoF was dispatched by Friday, May 11, 2018, to the Public Shareholders of the Target Company holding Equity Shares as on the Identified Date, i.e. Friday, May 4, 2018.
- Public Shareholders are requested to refer to Section 7 titled "Procedure for Acceptance and Settlement" at page 42 of the LoF and Section 8 titled "Compliance with Tax Requirements" at page 49 of the LoF in relation to *inter-alia* the procedure for tendering their Equity Shares in the Offer and are required to adhere to and follow the procedure outlined therein. Please note that a copy of the LoF (including the Form of Acceptance-cum-Acknowledgement) is also available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) during the Tendering Period and the Public Shareholders can also apply by downloading such forms from the SEBI's website. Further, in case of non-receipt/non-availability of the Form of Acceptance-cum-Acknowledgement, the application can be made on plain paper along with the following details:
  - In case of Equity Shares held in physical form:** A Public Shareholder holding Equity Shares in physical form may participate in the Offer by approaching his/her/its broker by providing his/her/its application in writing on a plain paper signed by all Public Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Offer and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Public Shareholder's self-attested PAN card and address proof and executed share transfer form in favour of the Acquirer and any other relevant document such as power of attorney, corporate authorisation. Public Shareholders must ensure that the plain paper application, along with the TRS and requisite documents, reach the Registrar to the Offer not later than 2 days from the Offer Closing Date i.e. May 31, 2018 (by 5 PM). If the signature(s) of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the RTA or are not in the same order (although attested), such plain paper applications are liable to be rejected under the Offer; or
  - In case of Shares held in dematerialized form:** A Public Shareholder holding Equity Shares in dematerialized form may participate in the Offer by approaching his/her/its broker indicating the details of Equity Shares intended to be tendered in the Offer. The resident Public Shareholders holding Equity Shares in dematerialized form are not required to fill any Form of Acceptance-cum-Acknowledgement. In case of non-receipt/non-availability of the Letter of Offer, the non-resident Public Shareholders holding Equity Shares in dematerialized form may participate in the Offer by providing their application in plain paper in writing signed by all Public Shareholders, stating names of all shareholders, address, client ID number, DP name, DP ID number, number of equity shares held, number of Equity Shares tendered, investment status and enclosing documents such as statutory approval(s), if any.
- In accordance with Regulation 16(1) of the Takeover Regulations, the draft letter of offer with respect to the Offer ("DLoF") was submitted to SEBI on November 30, 2017. In terms of Regulation 16(4) of the Takeover Regulations, SEBI issued its final observations vide letter bearing reference SEBI/HO/CFD/DCR1/OW/P/2018/13149/1 dated May 2, 2018, which have been incorporated in the LoF.
- As of the date of this Advertisement, there are no statutory approvals required by the Acquirer and PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and PAC at a later date before the closure of the Tendering Period, the Offer will be subject to all such approval(s) and the Acquirer and PAC shall make the necessary applications for such approvals. In case of delay/non-receipt of any such statutory approval, as per Regulation 18(11) of the Takeover Regulations, SEBI may, if satisfied that non-receipt of the requisite approvals was not attributable to any wilful default or neglect on the part of the Acquirer and PAC to diligently pursue the application for such approval, grant an extension of time for the purpose of completion of the Offer, subject to the Acquirer and PAC agreeing to pay interest to the Public Shareholders as directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

No.	Activity	Original Schedule	Revised Schedule
		Day and Date	Day and Date
1.	Issue of PA	Friday, November 17, 2017	Friday, November 17, 2017
2.	Date of publishing the DPS in the newspapers	Friday, November 24, 2017	Friday, November 24, 2017
3.	Date of filing of the DLoF with SEBI	Thursday, November 30, 2017	Thursday, November 30, 2017
4.	Last date for the public announcement of competing offer(s) as per the first detailed public statement.#	Monday, December 18, 2017	Monday, December 18, 2017
5.	Last date for SEBI observations on the DLoF (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday, December 22, 2017	Wednesday, May 2, 2018**
6.	Identified Date	Wednesday, December 27, 2017	Friday, May 4, 2018
7.	Date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Wednesday, January 03, 2018	Friday, May 11, 2018
8.	Last date for upward revision of the Offer Price/Offer Size	Friday, January 05, 2018	Monday, May 14, 2018
9.	Last Date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer	Monday, January 08, 2018	Wednesday, May 16, 2018
10.	Date of publication of Offer opening public announcement in the newspapers in which this DPS has been published	Tuesday, January 09, 2018	Thursday, May 17, 2018
11.	Date of commencement of the tendering period	Wednesday, January 10, 2018	Friday, May 18, 2018
12.	Date of closure of the tendering period	Tuesday, January 23, 2018	Thursday, May 31, 2018
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company	Wednesday, February 07, 2018	Thursday, June 14, 2018
14.	Last date for issue of post-offer advertisement.	Wednesday, February 14, 2018	Thursday, June 21, 2018

\*\* Actual date of receipt of SEBI observation letter dated May 2, 2018

#There has been no competing offer.

\*Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Public Shareholders (as defined below) as on such date to whom the Letter of Offer was dispatched / mailed. It is clarified that all the Public Shareholders of the Target Company (registered or unregistered) who own Equity Shares are eligible to participate in this Offer at any time prior to the Offer Closing Date i.e. May 31, 2018.

- There have been no material changes in relation to the Offer since the date of the PA, save and except as disclosed in the DPS and the LoF.
- The Acquirer and PAC and their respective directors accept full responsibility for the information contained in this Pre-Offer Advertisement and shall be jointly and severally responsible for the fulfillment of obligations under the Takeover Regulations in respect of this Open Offer.
- This Advertisement will also be available on the SEBI website: (<http://www.sebi.gov.in>).

MANAGER TO THE OFFER	
	<b>JM FINANCIAL LIMITED*</b> 7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, India. Tel. No.: +91 22 6630 3030, Fax No.: +91 22 6630 3330 Email: <a href="mailto:xchanging.openoffer@jmfl.com">xchanging.openoffer@jmfl.com</a> , Contact Person: Ms. Prachee Dhuri SEBI Registration Number: INM000010361

\*JM Financial Limited has become a SEBI registered Category I Merchant Banker consequent upon amalgamation of JM Financial Institutional Securities Limited with it effective from January 18, 2018.

Issued for and on behalf of the Acquirer and PAC

Acquirer	PAC 1	PAC 2
Xchanging Technology Services India Private Limited	Computer Sciences Corporation India Private Limited	DXC Technology Company
Rectangle-I, D-4 District Centre, Saket New Delhi - 110019.	Capital Towers, No. 180, Kodambakkam High Road, Nungambakkam, Chennai - 600034.	1775 Tysons Boulevard, Tysons, Virginia 22102

Place : Mumbai  
Date : May 16, 2018

PRESSMAN