

Apollo Hospitals Enterprise Limited

(CIN: L85110TN1979PLC008035)

Registered Office: 19, Bishop Gardens, Raja Annamalaipuram, Chennai – 600 028

Secretarial Dept : Ali Towers III Floor, No. 55, Greams Road, Chennai – 600 006

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Phone: +91-44-2829 0956, 2829 3896 Board: 2829 3333 Extn : 6681

POSTAL BALLOT NOTICE

Pursuant to Section 110 read with Section 108 of the Companies Act, 2013, Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014, as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India)

Dear Member(s),

Notice is hereby given to the members of Apollo Hospitals Enterprise Limited (the “**Company**” or “**AHEL**”) that, pursuant to the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) read with the Companies (Management and Administration) Rules, 2014 (“**Management Rules**”) including any statutory modification or reenactment(s) thereof and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”), Secretarial Standard – 2 issued by the Institute of Company Secretaries of India and other applicable laws and regulations, the resolutions appended below are proposed to be passed by the members of the Company through postal ballot, only by means of remote electronic voting (“**remote e-voting**”).

The Ministry of Corporate Affairs, Government of India vide its General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 3/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022 and No. 9/2023 dated September 25, 2023 (the “**MCA Circulars**”), has advised companies to take all decisions of urgent nature requiring the approval of members, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot/e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting, which

requires physical presence of members at a common venue. Accordingly, hard copy of Postal Ballot Notice along with postal ballot form and pre-paid business reply envelope will not be sent to the members and the Postal Ballot Notice is being sent only through electronic mode to those members whose names appear in the register of members/records as received from Registrar and Share Transfer Agent and Depositories as on the Cut-off Date i.e. Friday, 12th July 2024.

In compliance with Regulation 44 of the SEBI Listing Regulations read with Section 108 and 110 of the Act and rules made thereunder and the MCA Circulars, the Company has extended the facility of remote e-voting for its members through National Securities Depository Limited (“NSDL”), to enable them to cast their votes electronically instead of submitting the postal ballot form physically. Members whose names appear in the register of members/records as received from Registrar and Share Transfer Agent and Depositories as on the Cut-off Date i.e. Friday, 12th July 2024 will be considered for the purpose of remote e-voting. A person who is not a member as on the Cut-off Date should treat this Notice for information purpose only. In the case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote. The remote evoting period commences on Thursday, 18th July 2024, at 9:00 a.m. and ends on Saturday, 17th August, 2024, at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The instructions for remote e-voting are appended to this Notice. This Notice is also available on the Company’s website at www.apollohospitals.com, website of stock exchanges (BSE Limited) at www.bseindia.com and (NSE Limited) at www.nseindia.com and website of NSDL at www.evoting.nsd.com

An explanatory statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and the reasons/ rationale thereof, is appended and forms part of this Notice.

The Board of Directors on 12th July 2024, has appointed Ms. Lakshmmi Subramanian (CP No. 1087), Practicing Company Secretary, as scrutinizer (the “**Scrutinizer**”) to conduct the postal ballot e-voting process in a fair and transparent manner

The Scrutinizer will submit his report to the Chairman of the Company or any other person so authorized, and the result will be announced within 48 hours from the conclusion of the e-voting period i.e. on or before 19th August 2024. The results of the remote e-voting conducted by postal ballot process along with the Scrutinizer’s Report will be made available on the website of the Company at www.apollohospitals.com and website of NSDL at

www.evoting.nsdl.com and shall also be intimated to the stock exchange(s), where the shares of the Company are listed. The resolutions, if passed with the requisite majority through postal ballot, shall be deemed to have been passed, on the last date specified for remote e-voting i.e. Saturday, 17th August 2024. If a resolution is assented to by the requisite majority through postal ballot by means of remote e-voting, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

EXECUTIVE SUMMARY Shareholders will be asked to support two transformational transactions which involve: (1) integrating a pharmacy distribution player with our digital healthcare platform to create an integrated, omni-channel business; and (2) raising capital.

The contemplated transactions are driven by prominent trends in India, notably population growth, economic development, and rapid digitalization. These dynamics underscore the necessity for an integrated healthcare ecosystem that have scalability to meet the demographic-driven demand and capability to do so with utmost quality, which the Board believes the proposed transactions achieve for Apollo Hospitals.

Although detailed in this document, an overview of the transactions are as follows:

- **Deal Terms and Parties:** The transactions involve Apollo Healthco Limited (“**AHL**”) raising capital from Rasmeli Limited (an affiliate of Advent International), a global private equity investor. This will be coincided by the corresponding investment by AHL in Keimed Private Limited (“**Keimed**”) and thereafter the integration/amalgamation of Keimed with AHL. Keimed is a market leader in wholesale pharma distribution with an extensive network of 70,000+ pharmacies.
- **Strategic Rationale:** The strategy behind the transactions include: (a) creating India’s leading omni-channel healthcare business, by complementing our fast-growing digital platform with India’s leading pharmacy distribution player having substantial pan-India reach; (b) building on Keimed’s substantial (pan-India) network to accelerate AHL’s higher-margin private label portfolio and expansion into untapped markets; (c) increase patient retention and satisfaction, thereby further bolstering our competitive advantage – the integrated and seamless Apollo healing ecosystem.
- **Financials and Synergies:** The transactions anticipate substantial financial benefits and synergies. The merged entity is projected to achieve consolidated revenues of

approximately INR 25,000 Crores by Year 3 with operating margins of 7-8%. The transactions are expected to be EPS accretive from Year 1, demonstrating significant value creation for our shareholders.

- **Oversight Process & Independent Opinion:** The transactions have been thoroughly reviewed and approved by our audit committee, which is 100% independent and led by our Lead Independent Director. This ensures that all processes adhere to the highest standards of corporate governance and oversight. Valuation reports have been received from reputable firms such as (i) KPMG for the purposes of the transaction, and (ii) Ernst & Young for (a) AHL in relation to compliance with the FEMA guidelines by AHL, and (b) Keimed from a Related Party Transaction perspective.

SPECIAL BUSINESS:

Resolution No. 1

Material related party transactions entered into by Apollo Healthco Limited (AHL), a material subsidiary of the Company

To consider and pass, the following resolution as an **Ordinary** Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), and other applicable provisions, of the Companies Act, 2013 (**“Act”**) read with relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions of the Act, the memorandum and articles of association of the Company and the Company’s Policy on Related Party Transactions and other appropriate approvals, consents, permissions and sanctions, as may be required, the consent of the members of the Company be and is hereby accorded for (a) acquisition by AHL of an aggregate of 11.189% (eleven point one eight nine percent) of the issued and paid up share capital of Keimed Private Limited (**“Keimed”**), a related party of AHL, on a fully diluted basis in two tranches, in the following manner: (i) AHL shall acquire a stake of ~ 1.964% (one point nine six four percent) of the share capital of Keimed, on a fully diluted basis, by way of purchase of 1,32,934 (one lakh thirty two thousand nine hundred and thirty four only) equity shares from Mrs. Shobana Kamineni, a related party of AHL and the Company (or her affiliates) (**“SK”**), aggregating to ~ INR 1,25,40,03,643.52 (Indian Rupees One Hundred Twenty Five Crore Forty Lakh Three Thousand Six Hundred and Forty Three and Fifty Two Paise only); and (ii) AHL

shall acquire additional shares in Keimed increasing its total stake to 11.189% (eleven point one eight nine percent) in Keimed, on a fully diluted basis, by way of: (A) purchase of 5,30,073 (five lakh thirty thousand and seventy three only) equity shares from SK aggregating to ~ INR 5,00,03,27,029.44 (Indian Rupees Five Hundred Crore Three Lakh Twenty-Seven Thousand and Twenty Nine and Forty Four Paise only), and (B) subscription of 1,06,007 equity shares (one lakh six thousand and seven only) to be issued by Keimed, having an issue price of Rs. 9,433.28 (Indian Rupees Nine Thousand Four Hundred Thirty Three and Twenty Eight Paise only) per equity share aggregating to a total consideration of INR 99,99,93,712.96 (Indian Rupees Ninety-Nine Crore Ninety Nine Lakh Ninety Three Thousand Seven Hundred and Twelve and Ninety Six Paise only) (“Keimed **Primary Shares**”), and (b) subsequent amalgamation of Keimed with AHL (with Keimed dissolving without liquidation) (“**Keimed Merger**”), (x) in each case, on terms and conditions set out in the agreements approved by the Board (including the independent directors) in this regard, along with agreements with Rasmeli Limited (“**Rasmeli**”) in connection with acquisition by Rasmeli of a stake of 16.9% (sixteen point nine percent) of the issued and paid up share capital of AHL, on an as-if converted basis, in one or more tranches, and a resultant dilution of the Company’s stake in AHL, being referred to collectively as the “**Transaction Agreements**”) and (y) the Keimed Merger being undertaken on the basis of the share exchange ratio as determined by independent valuers(s) appointed by the board of AHL and that will be specified in the scheme of the Keimed Merger, provided that (unless otherwise consented to by AHL) for every fully paid-up equity share (face value INR 10 (Indian Rupees Ten only) each) of Keimed, a shareholder of Keimed shall be entitled to no more than 0.81 equity shares of AHL of face value INR 10 (Indian Rupees Ten only), subject to adjustments for scenarios set out in the Transaction Agreements (it being clarified that in the event of capital expansion of AHL by way of preferential allotment of shares by AHL for a sum of up to INR 3,99,99,97,755.00 (Indian Rupees Three Hundred Ninety-Nine Crore Ninety-Nine Lakh Ninety Seven Thousand Seven Hundred and Fifty Five only), increase in the employee stock option pool under the employee stock option plan of AHL and bonus issuance by AHL in the manner specified in the Transaction Agreements, the share exchange ratio described above may stand adjusted such that for every fully paid-up equity share (face value INR 10 each (Indian Rupees Ten only)) of Keimed, a shareholder of Keimed shall be entitled to no more than 33.41 equity shares of AHL of face value INR 10 (Indian Rupees Ten only), in the manner detailed in the Transaction Agreements).

RESOLVED FUTURE THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorised to do all things and to take all incidental and necessary steps for and on behalf of the Company and to take from time to time all decisions and steps necessary, expedient or proper, with respect to implementation of the above mentioned resolution (including negotiating, finalizing, modifying, amending, settling and executing of such documents / writings / deeds / papers / agreements as may be necessary or incidental thereto), and also to take all other decisions as it/they may, in its/their absolute decision, deem appropriate and to deal with all questions or difficulties that may arise in the course of implementing the above resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or the Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.”

Resolution No. 2

Approval for dilution of shareholding in Apollo Healthco Limited (AHL), a material subsidiary of the Company

To consider and pass, the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Regulation 37A and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), the memorandum and articles of association of the Company and subject to statutory/ regulatory approvals, as may be required, consent of the members of the Company be and is hereby accorded for the investment of INR 24,75,00,00,282.31 (Indian Rupees Two Thousand Four Hundred Seventy Five Crore Two Hundred Eighty Two and Thirty One Paise only) by Rasmeli Limited (an affiliate of Advent International, “**Rasmeli**”) into **AHL**, a material subsidiary of the Company for acquisition of a stake of 16.9% (sixteen point nine percent) of the issued and paid up share capital of AHL along with voting rights, on an as if converted basis, by subscription to compulsorily convertible preference shares and 1 equity share to be issued by AHL, in one or more tranches (further to be diluted to a stake of up to 12.125% (twelve point one two five percent) of the issued and paid up share capital of the merged entity upon amalgamation of Keimed with AHL, as may be adjusted upwards pursuant to the adjustments in accordance with Transaction Agreements), and resultant

dilution of the Company's stake in AHL, on such terms and conditions set out in the agreements approved by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorised to do all things and to take all incidental and necessary steps for and on behalf of the Company and to take from time to time all decisions and steps necessary, expedient or proper, with respect to implementation of the above mentioned resolution (including negotiating, finalizing, modifying, amending, settling and executing of such documents / writings / deeds / papers / agreements as may be necessary or incidental thereto), and also to take all other decisions as it/they may, in its/their absolute decision, deem appropriate and to deal with all questions or difficulties that may arise in the course of implementing the above resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or the Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.”

By Order of the Board
For Apollo Hospitals Enterprise Limited

S M Krishnan
Sr. Vice President – Finance
& Company Secretary

Registered Office:

No 19 Bishop Gardens,
Raja Annamalaipuram
Chennai – 600 028

Place: Chennai
Date: 12th July 2024

Notes:

1. Any queries/grievances in relation to the e-voting may be addressed to Shri. S M Krishnan, Sr. Vice President-Finance and Company Secretary and Shri. L.Lakshminarayana Reddy, Vice President -Secretarial of the Company at Ali Towers, III Floor, No. 55 Greams Road, Chennai – 600 006 or through email to krishnan_sm@apollohospitals.com and lakshminarayana_r@apollohospitals.com, officials of the Company who can also be contacted at +91-44-28290956 and the RTA, Integrated Registry Management Services Private Ltd, IIInd Floor, “Kences Towers”, No.1, Ramakrishna Street, North Usman Road, T .Nagar, Chennai 600 017, Phone:044-28140801-803, Fax :044-28142479, Email:inward@integratedindia.in.
2. Explanatory Statement pursuant to Section 102 and 110 of the Act, and any other applicable provisions of the Act, the Rules made thereunder, the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2), setting out material facts and reasons thereof for the proposed resolutions, forming part of the Notice, is annexed herewith.
3. In accordance with MCA Circulars, this Postal Ballot Notice is being sent only by electronic mode to all the Members whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on 12th July 2024 (the “Cut-off Date”) and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, (“RTA”). Physical copies of the Postal Ballot Notice, postal ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot.
4. Members may note that the aforesaid Postal Ballot Notice has been uploaded on the website of the Company at www.apollohospitals.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. (Bombay Stock Exchange Ltd.) at www.bseindia.com , National Stock Exchange of India Limited (NSE) at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com
5. Pursuant to Sections 108, 110 and other applicable provisions of the Act and the Rules made thereunder, the MCA Circulars and Regulation 44 of the SEBI Listing

Regulations read with SEBI circular on e-voting, dated December 9, 2020; SS-2 and any amendments thereto, the Company is providing the facility to the Members to exercise their right to vote on the proposed resolution electronically. The Company has engaged the services of National Securities Depository Limited (NSDL), the agency to provide e-voting facility. Members are requested to carefully read the instructions for e-voting that are provided as part of this Postal Ballot Notice before casting their vote.

6. Relevant documents referred to in this notice will also be available electronically for inspection without any fee by the members from the date of circulation of this notice upto the closure of remote e-voting. Members seeking to inspect such documents can send an email to companysecretary@apollohospitals.com
7. The voting rights of the Members shall be reckoned in proportion to the equity shares held by them on the Cut-off Date i.e. 12th July 2024. only those Members holding shares either in physical form or dematerialized form as on the Cut-off Date will be entitled to cast their votes only through remote e-voting. A person who is not a member as on the Cut-off Date should treat this notice for information purpose only.
8. The remote e-voting period commences from 9.00 a.m. (IST) on Thursday, 18th July 2024, and ends at 5.00 p.m. (IST) on Saturday, 17th August 2024. During this period, Members of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off Date i.e., Friday, 12th July 2024 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting after Saturday, 17th August 2024 (5:00 PM IST). Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.
9. Physical copies of the Postal Ballot Notice along with postal ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot in line with the exemption provided in the MCA circulars.
10. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date of e-voting i.e., Saturday, 17th August 2024.
11. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him, after completion of the scrutiny of the votes casted electronically. The result of the Postal Ballot through remote e-voting process shall be announced not later than two working days from the conclusion of the evoting and the resolution will be taken as passed, if the results of e-voting indicate that the requisite majority of the Members had assented to the Resolution.

12. The voting results along with Scrutinizer's report would be published on the website of the Company i.e. www.apollohospitals.com and will be communicated to the Stock Exchanges where the Company's shares are listed i.e., BSE and NSE.
13. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
14. Non-resident Indian members are requested to inform about the following immediately to the Company or its RTA or the concerned Depository Participant(s), as the case may be: (a) the change in the residential status on return to India for permanent settlement; and (b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
15. Members are requested to intimate about change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to the Company's RTA, Integrated Registry Management Services Pvt Ltd, Address: Kences Towers, No. 1 Ramakrishna Street, T.Nagar, Chennai – 600 017 India, Email: einward@integratedindia.in in case the shares are held in physical form and to the Depository Participant (DP) in case the shares are held in electronic form.
16. A member cannot exercise his / her vote through proxy on postal ballot. However, corporate and institutional members shall be entitled to vote through their authorized representatives. Corporate and institutional members (are required to send scanned certified true copy (PDF Format) of the board resolution / authority letter, power of attorney together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer by e-mail to lakshmmi6@gmail.com with a copy marked to evoting@nsdl.com.
17. In terms of SEBI circular dated March 16, 2023 and related circulars, Members holding shares in physical form are requested to register / update their PAN, e-mail address, Postal Address with PIN, bank details, nomination and other KYC details. Members are requested to furnish the required details to the RTA.

18. The Board of Directors of the Company has appointed Ms. Lakshmmi Subramanian, Senior Partner, Lakshmmi Subramanian & Associates, Practicing Company Secretaries (Membership No. 3534) (who has communicated her willingness to be appointed) as Scrutinizer for scrutinizing the e-voting in a fair and transparent manner.

19. Instructions for e-voting:

In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and the Secretarial Standard on General Meetings, the Company is providing a facility to all its members to enable them to cast their vote on the matters listed in this Notice by electronic means (e-voting). The e-voting facility is provided by National Securities Depository Limited (NSDL).

The steps for e-voting are as under:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access the e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and

	<p>you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are

with CDSL	<p>https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <ol style="list-style-type: none"> 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to the NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:
<https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” (EVEN : 129275) of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to lakshmmi6@gmail.com with a copy marked to evoting@nsdl.com.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in or Ms. Pallavi Mhatre, Manager at pallavid@nsdl.co.in or at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested), AADHAR (self attested) by email to investor.relations@apollohospitals.com.
 2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, along with scanned copy of PAN (self attested), AADHAR (self attested) to investor.relations@apollohospitals.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
 3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
10. Some of the important details regarding the e-voting facility are provided below:

EVEN	129275
Cut-off Date for determining the Members entitled to vote through e-voting	Friday, 12 th July 2024
Commencement of e-voting period	Thursday, 18 th July 2024
End of e-voting period	Saturday, 17 th August 2024

The e-voting module will be disabled by NSDL after 5:00 p.m. on 17th August 2024.

11. The result, along with the Scrutinizer's Report, will be announced on or before Monday, 19th August 2024 and placed on the website of the Company and NSDL and shall be communicated to BSE Limited and National Stock Exchange of India Limited. The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date for e-voting i.e. Saturday, 17th August 2024.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013
READ WITH THE RELEVANT RULES

The following Explanatory statement is furnished in respect of the special business of the Postal Ballot Notice:

Item No. 1: Material related party transactions entered into by AHL, a material subsidiary of the Company

Approval Process

AHL proposes to enter into the following transactions approved by the audit committee and independent directors of the Board, on the terms and conditions in the agreements approved by the independent directors in this regard, along with the agreements with Rasmeli Limited as tabled before it (**Transaction Agreements**).

Timeline

AHL proposes to acquire 11.189% (eleven point one eight nine percent) stake in Keimed, on a fully diluted basis, via primary and secondary investment, in two tranches in the following manner:

First Tranche (immediately following completion of Rasmeli's first tranche)

- AHL shall acquire a stake of ~ 1.964% (one point nine six four percent) of the share capital of Keimed, on a fully diluted basis, by way of purchase of 1,32,934 (one lakh thirty two thousand nine hundred thirty four) equity shares of Keimed from Ms. Shobana Kamineni, for a consideration of INR 1,25,40,03,643.52 (Indian Rupees One Hundred Twenty Five Crore Forty Lakh Three Thousand Six Hundred and Forty Three and Fifty Two Paise only); and

Second Tranche (immediately following completion of Rasmeli's second tranche):

AHL shall acquire additional shares in Keimed increasing its total stake to 11.189% (eleven point one eight nine percent) in Keimed, on a fully diluted basis, by way of:

- purchase of 5,30,073 (five lakh thirty thousand and seventy-three) equity shares of Keimed from Ms. Shobana Kamineni, for a consideration of INR 5,00,03,27,029.44 (Indian Rupees Five Hundred Crore Three Lakh Twenty-Seven Thousand and Twenty Nine and Forty Four Paise only), and
- subscription of 1,06,007 (one lakh six thousand seven) equity shares of Keimed, each having an issue price of INR 9,433.28 (Indian Rupees Nine Thousand Four Hundred Thirty Three and Twenty Eight Paise only) aggregating to a total consideration of INR 99,99,93,712.96 (Indian Rupees Ninety-Nine Crore Ninety Nine Lakh Ninety Three Thousand Seven Hundred and Twelve and Ninety Six Paise only) (“**Keimed Primary Shares**”).

In addition, it is proposed that Keimed amalgamates with AHL (“**Keimed Merger**”). With respect to the Keimed Merger, the share exchange ratio shall be as determined by independent valuers(s) appointed by the board of AHL, provided that (unless otherwise consented to by AHL) for every fully paid-up equity share (face value INR 10 (Indian Rupees Ten only) each) of Keimed, a shareholder of Keimed shall be entitled to no more than 0.81 equity shares of AHL of face value INR 10 (Indian Rupees Ten only), as the case may be, subject to adjustments for scenarios set out in the Transaction Agreements (it being clarified that in the event of capital expansion of AHL by way of preferential allotment of shares by AHL for a sum of INR 3,99,99,97,755.00 (Indian Rupees Three Hundred Ninety-Nine Crore Ninety-Nine Lakh Ninety Seven Thousand Seven Hundred and Fifty Five only), increase in the employee stock option pool under the employee stock option plan of AHL and bonus issuance by AHL in the manner specified in the Transaction Agreements, the share exchange ratio described above may stand adjusted such that for every fully paid-up equity share (face value INR 10 (Indian Rupees Ten only) each) of Keimed, a shareholder of Keimed shall be entitled to no more than 33.41 equity shares of AHL of face value INR 10 (Indian Rupees Ten only)), in the manner detailed in the Transaction Agreements.

Independent Valuations

The aforesaid transactions (including the primary and secondary transactions) are being undertaken based on independent valuations of: (i) AHL and Keimed, undertaken by KPMG Valuation Services LLP, and (ii) Keimed (from a Related Party Transaction perspective) and AHL (to ensure compliance with FEMA guidelines by AHL) undertaken by Ernst & Young Merchant Banking Services LLP, and in relation to the Keimed Merger, will be further subject to the valuation report(s) obtained prior to the merger filing.

Management of Conflicts of Interest

The aforesaid proposal for (primary and secondary) acquisition of shares of Keimed by AHL and Keimed Merger would qualify as a material related party transaction in terms of Regulation 23 of the Listing Regulations, and therefore needs to be approved by the shareholders of the Company. In accordance with Regulation 23 of the Listing Regulations, approval of the members is sought to undertake the said related party transactions. All promoter directors on the board of the Company abstained from and did not participate in discussions in relation to the said transaction during the board meeting.

Transaction Details The details which are required to be disclosed as per the Companies Act, 2013 and Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Listing Regulations and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are given below.

<p>Type, material terms and particulars of the proposed transaction</p>	<p>The material terms of the proposed related party transactions to be consummated by AHL are as follows:</p> <ul style="list-style-type: none"> • AHL has the right to appoint 2 directors on the board of Keimed. • Keimed, Ms. Shobana Kamineni and Prime Time Logistics Technologies Private Limited ("Prime Time") have provided customary representations and warranties (and certain indemnities) to AHL in respect of various aspects of the share purchase and investment into Keimed. • AHL has customary standstill protections, information and inspection rights and affirmative voting rights in terms of the Keimed agreements. • Keimed shareholders are bound by share transfer restrictions.
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	<ul style="list-style-type: none"> Framework for amalgamation of Keimed and AHL has been provided. 		
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	Sr. No.	Name of the related party	Nature of Relationship with Apollo Healthco Limited (AHL)
	1.	Keimed	Shobana Kamineni, who is a director in AHL, is a promoter and director in Keimed.
	2.	Shobana Kamineni	Director of AHL.
	3.	Anil Kamineni	Relative of Ms. Shobana
	4.	Puansh Kamineni	Relative of Ms. Shobana
	5.	Prime Time	Ms. Shobana Kamineni, who is a director in AHL, is also a member in Prime Time.
	6.	Family Health Plan Insurance TPA Limited ("FHPL")	Ms. Upasana Konidela, who is a director in AHL, is a Managing Director and holding more than 2% of the

	<table border="1"> <tr> <td data-bbox="816 218 894 359"></td> <td data-bbox="894 218 1122 359"></td> <td data-bbox="1122 218 1354 359">paid-up share capital of FHPL.</td> </tr> </table>			paid-up share capital of FHPL.
		paid-up share capital of FHPL.		
<p>Tenure of the proposed transaction (particular tenure shall be specified)</p>	<p>The completion of the two tranches in respect of investment in Keimed is expected to occur within 12 months, subject to completion of certain condition precedents as set out in the Transaction Agreements and the Keimed Merger as described above is expected to be initiated within 15 months of Rameli's tranche one investment.</p>			
<p>Justification for why the proposed transaction is in the interest of the listed entity</p>	<p><u>For AHEL,</u></p> <p>The transactions are expected to be EPS accretive from Year 1, with the following strategic rationale:</p> <ol style="list-style-type: none"> 1. The transactions are intended to create India's leading omni-channel healthcare business, by complementing our fast-growing digital platform with India's leading pharmacy distribution player having substantial pan-India reach; 2. Increase patient retention and satisfaction, thereby further bolstering our competitive advantage – the integrated and seamless Apollo healing ecosystem. <p><u>For AHL,</u></p> <ol style="list-style-type: none"> 1. The proposed amalgamation allows AHEL to consolidate the distribution business within the group and create a seamless end-to-end pharma distribution channel, thereby improving 			

patient retention, accessibility, and satisfaction in the AHEL ecosystem. This would also expand the margins for the offline pharma business of AHL through integration of the businesses. The purchase consideration of INR 625.43 Crores paid by AHL towards a 9.647% secondary stake acquisition in Keimed would enable the Keimed promoters to retire certain promoter debt and resultant release of the encumbrance over certain shares of Keimed, thereby facilitating merger of Keimed into AHL. The primary equity infusion of INR 99.99 Crores by AHL into Keimed would be used for Keimed's business growth requirements until the completion of the Keimed Merger process.

2. Keimed is significantly ahead of its nearest competitor in a highly fragmented industry with 70,000+ serviced pharmacies. AHL would be able to cross sell its higher-margins private label products and expand into untapped geographic markets by building on the pan-India network of Keimed.

For the combined entity,

1. The merged entity is projected to achieve consolidated revenues of approximately INR 25,000 Crores by Year 3 with operating margins of 7-8%.

	<p>2. Management foresees further synergy benefits such as supply chain efficiencies, cost optimisation, etc. through the amalgamation of AHL and Keimed. The combined entity would also accelerate growth through inorganic acquisition, further enhancing the scale and margin profile of the combined business.</p> <p>3. In-houses related party transactions AHEL had with Keimed to distribute medical supplies across its vast hospital network. Doing so fully aligns Keimed's interest with that of shareholders of AHEL and improves AHEL's overall governance profile.</p>
<p>Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary</p>	<p>Not applicable</p>
<p>A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.</p>	<p>As noted above, the aforesaid transactions (including the primary and secondary transactions) shall be undertaken based on independent valuations of: (i) AHL and Keimed, undertaken by KPMG Valuation Services LLP, and (ii) Keimed (from a Related Party Transaction perspective) and AHL (to ensure compliance with FEMA guidelines by AHL) undertaken by Ernst & Young Merchant Banking Services LLP, and will be further subject to the valuation report(s) obtained prior to the merger filing in respect of the amalgamation of Keimed</p>

	with and into AHL.
Percentage of annual consolidated turnover for the immediately preceding financial year represented by the value of the proposed transaction	3.81% on AHEL's consolidated turnover and 9.27% on AHL's turnover for the year ended 31 st March, 2024.
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Approximately 43% of Keimed's consolidated turnover for the year ended 31 st March 2024.
Value of the proposed transaction	<p>AHL proposes to acquire 11.189% (eleven point one eight nine percent) stake in Keimed, on a fully diluted basis, via primary and secondary investment, in two tranches, in the following manner:</p> <ol style="list-style-type: none"> <u>First Tranche</u> (immediately following completion of Rasmeli's first tranche) <p>AHL shall acquire a stake of ~ 1.964% (one point nine six four percent) of the share capital of Keimed, on a fully diluted basis, by way of purchase of 1,32,934 (one lakh thirty two thousand nine hundred thirty four) equity shares of Keimed from Ms. Shobana Kamineni, for a consideration of INR 1,25,40,03,643.52 (Indian Rupees One Hundred Twenty Five Crore Forty Lakh Three Thousand Six Hundred and Forty Three and Fifty Two Paise only); and</p> <ol style="list-style-type: none"> <u>Second Tranche</u> (immediately following completion of Rasmeli's second tranche):

AHL shall acquire additional shares in Keimed increasing its total stake to 11.189% (eleven point one eight nine percent) in Keimed, on a fully diluted basis, by way of:

purchase of 5,30,073 (five lakh thirty thousand and seventy-three) equity shares of Keimed from Ms. Shobana Kamineni, for a consideration of INR 5,00,03,27,029.44 (Indian Rupees Five Hundred Crore Three Lakh Twenty-Seven Thousand and Twenty Nine and Forty Four Paise only), and subscription of 1,06,007 (one lakh six thousand seven) equity shares of Keimed, each having an issue price of INR 9,433.28 (Indian Rupees Nine Thousand Four Hundred Thirty Three and Twenty Eight Paise only) per share aggregating to a total consideration of INR 99,99,93,712.96 (Indian Rupees Ninety-Nine Crore Ninety Nine Lakh Ninety Three Thousand Seven Hundred and Twelve and Ninety Six Paise only) ("Keimed Primary Shares").

In respect of the amalgamation of Keimed and AHL, the share exchange ratio shall be as determined by independent valuers(s) appointed by the board of AHL, provided that (unless otherwise consented by AHL) for every fully paid-up equity share (face value INR 10 (Indian Rupees Ten only) each) of Keimed, a shareholder of Keimed

shall be entitled to no more than 0.81 equity shares of AHL of face value INR 10 (Indian Rupees Ten only), subject to adjustments for scenarios set out in the Transaction Agreements (it being clarified that in the event of capital expansion of AHL by way of preferential allotment of shares by AHL for a sum of up to INR 3,99,99,97,755.00 (Indian Rupees Three Hundred Ninety-Nine Crore Ninety-Nine Lakh Ninety Seven Thousand Seven Hundred and Fifty Five only), increase in the employee stock option pool under the employee stock option plan of AHL and bonus issuance by AHL in the manner specified in the Transaction Agreements, the share exchange ratio described above may stand adjusted such that for every fully paid-up equity share (face value INR 10 (Indian Rupees Ten only) each) of Keimed, a shareholder of Keimed shall be entitled to no more than 33.41 equity shares of AHL of face value INR 10 (Indian Rupees Ten only)), in the manner detailed in the Transaction Agreements.

The completion of the two tranches of investment in respect of investment in Keimed is expected to occur within 12 months, subject to completion of certain conditions precedent as set out in the Transaction Agreements and the Keimed Merger as described above is expected to be initiated within 15 months of Rasmeli's tranche once investment.

The above information may kindly be read in conjunction with the details provided in the Investor Presentation uploaded on the website of the Company (please refer weblink: <https://www.apollohospitals.com/corporate/corporate-actions/>).

Mrs. Shobana Kamineni and Mrs. Sangita Reddy, being common directors in both the Company and Apollo Healthco Limited (AHL), are interested in this resolution. Dr. Prathap C Reddy, Mrs. Preetha Reddy, Mrs. Suneeta Reddy, being relatives, of Mrs. Shobana Kamineni and Mrs. Sangita Reddy, as Directors and Shareholders of the Company may be deemed to be interested in the transaction. Mrs. Sucharitha Reddy, being a relative of Mrs. Shobana Kamineni and Mrs. Sangita Reddy, and as a shareholder in the Company is interested in the transaction. Ms. Upasana Kamineni being a relative of Mrs. Shobana Kamineni and as a shareholder in the Company and as a Director of Apollo Health Co Limited is interested in the transaction. Mr. Aditya Reddy, being a relative of Ms.Suneeta Reddy, Managing Director as shareholder in the Company and as a Director in Apollo HealthCo Limited is interested in this transaction.

Pursuant to the provisions of Section 184 of the Companies Act 2013 and Rule 15 of the Companies (Meeting of Boards and its Powers) Rules, 2014, none of the interested directors would be voting in favour of the resolution.

No other Key Managerial Personnel (KMP) or Directors nor their respective relatives are interested in the Resolution No. 1 of the Notice.

No member of the Company, who is a related party (within the definition of “Related party” as per the Listing Regulations) including any member forming part of the Promoters/Promoter Group , shall vote to approve the resolution.

All important information has been mentioned in the foregoing paragraphs.

The Board recommends the passing of an **ordinary** resolution specified in this Item No. 1 for the approval of the members.

Item No. 2: Approval for dilution of shareholding in Apollo Healthco Limited (AHL), a material subsidiary of the Company

AHL, a material subsidiary of the Company, had received a proposal for investment of INR

24,75,00,00,282.31 (Indian Rupees Two Thousand Four Hundred Seventy Five Crore Two Hundred Eighty Two and Thirty One Paise only), by Rasmeli Limited (an affiliate Advent International, “**Rasmeli**”), for acquisition of a stake of up to 16.9% (sixteen point nine percent of the issued and paid up share capital of AHL, in one or more tranches and subsequent dilution of Company’s stake in AHL (further diluted to a stake of up to 12.125% (twelve point one two five percent) of the issued and paid up share capital of the merged entity, as may be adjusted upwards pursuant to the adjustments in accordance with Transaction Agreements, upon amalgamation of Keimed with AHL).

Approval Process

Following the audit committee’s approval on April 26, 2024, comprised solely of Independent Directors, in the board meeting held on April 26, 2024, the Independent Directors approved such investment in AHL in accordance with the terms of the agreements tabled before it with the interested executive directors on the board of the company abstaining from discussions and from voting at the said meeting.

Timeline

Rasmeli shall acquire securities of AHL, via primary investment, in two tranches in the following manner:

First Tranche:

- INR 282.31 (Indian Rupees Two Hundred Eighty-Two and Thirty One Paise only) towards subscription of 1 (one) equity share, having an issue price of INR 282.31 (Indian Rupees Two Hundred Eighty-Two and Thirty One Paise only) (“**Rasmeli Equity Shares**”);
- INR 14,85,00,00,000 (Indian Rupees One Thousand Four Hundred Eighty Five Crore only) towards subscription of 14,85,00,000 (fourteen crore eighty five lakhs only) Class A compulsorily convertible preference shares, each having an issue price of INR 100 (Indian Rupees One Hundred only) (“**Rasmeli Class A CCPS**”); and
- INR 2,47,50,00,000 (Indian Rupees Two Hundred Forty-Seven Crore Fifty Lakh only) towards subscription of partly paid 9,90,00,000 (nine crore ninety lakhs only) Class B compulsorily convertible preference shares, each having an issue price of INR 100 (Indian Rupees One Hundred only) (“**Rasmeli Class B CCPS**”).

Second Tranche:

- INR 7,42,50,00,000 (Indian Rupees Seven Hundred Forty-Two Crore Fifty Lakh only) towards making the Rasmeli Class B CCPS fully paid up.

Independent Valuations

The above is based on independent valuations of: (i) AHL and Keimed Private Limited (**Keimed**), undertaken by KPMG Valuation Services LLP, and (ii) Keimed (from a Related Party Transaction perspective) and AHL (to ensure compliance with FEMA guidelines by AHL) undertaken by Ernst & Young Merchant Banking Services LLP.

Management of Conflict of Interest

In connection with Rasmeli's investment in AHL, the Company and identified Promoters of the Company (some of whom are also related parties of AHL) have agreed to customary non-compete obligations with respect to the business of AHL, its associate companies and the Keimed group.

In terms of Regulation 37A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), a listed company is not permitted to dispose of the whole or substantially the whole of the undertaking of such entity unless it takes prior approval of shareholders by way of special resolution of the entity. This requirement is also to be complied with by the listed entity before diluting its shareholding below 100% (one hundred percent) in its wholly owned subsidiary to which the whole or substantially the whole of the undertaking of such listed entity was transferred. Since the Company has, in the past, transferred an identified undertaking to AHL, the resolution in the accompanying Notice is proposed for the purpose of seeking approval of the members through a special resolution. Such a special resolution shall be acted upon only if the votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution. No public shareholder is permitted to vote on the resolution if he is a party, directly or indirectly, to such sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the listed entity.

Use of Proceeds & Strategic Rationale

The proceeds of Rasmeli's investment shall be used in the manner and on such terms and conditions as prescribed under the Transaction Agreements.

A high-level overview of the strategic rationale for undertaking the transaction is given below:

1. Advent is one of the largest and most experienced private equity investors with Assets Under Management of US 94 Billion dollars. Advent has deep knowledge of healthcare & life sciences space having done several transactions across the globe, with experience specifically on merger and post-merger synergy realizations. It has committed over US 6 Billion dollars of capital in India across 20+ investments.
2. The transaction provides liquidity to AHEL to the extent of INR 890 crores, which would help AHEL in its hospitals expansion strategy. AHEL would also benefit from the preferential allotment of equity shares in AHL to the extent of INR 400 crores through participation in potential upside in the value of AHL over the next 2-3 years.
3. AHL, together with the expertise of Advent, would have sharper focus and discipline to scale its digital business in a profitable manner and achieve the management's target of EBITDA breakeven for its digital business within the next 6-8 quarters.
4. The proposed transaction would also reduce the net debt position of AHL and its associate companies, thereby alleviating the interest rate burden during a contractionary monetary policy period and enabling faster growth of its pharma distribution business. This would also help AHL to invest in new lines of digital business, achieve monetization of the digital platform, and accelerates AHL's securing of a dominant position in the rapidly growing digital healthcare industry.

Shareholders can find additional details on the proposed transactions by reviewing the Investor Presentation and the independent Valuation Report of KPMG available on our website by accessing the weblink <https://www.apollohospitals.com/corporate/corporate-actions/>.

To summarise, the investment by Rasmeli shall augment growth of AHL's business, retire the liabilities of AHL towards AHEL which would help to augment the business growth of AHEL as well as enable the amalgamation of Keimed with AHL.

No director or KMP of the Company nor their respective relatives are interested in or concerned, financially or otherwise, in passing the proposed resolution as set out in the Resolution no. 2.

The Board recommends the passing of **Special Resolution** specified in Resolution No. 2 of the Notice for the approval of the members.

By Order of the Board
For **Apollo Hospitals Enterprise Limited**

S M Krishnan
Sr. Vice President – Finance
& Company Secretary

Registered Office:

No 19 Bishop Gardens,
Raja Annamalaipuram
Chennai – 600 028

Place: Chennai

Date: 12th July 2024