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IRIS Business Services Limited

FAQs on Preferential Issue

1. What are the company's identification details?

- **Name of the Company:** IRIS Business Services Limited.
- **BSE Scrip Code:** 540735
- **NSE Symbol:** IRIS
- **ISIN No.:** INE864K01010
- **Face Value of Equity Shares:** INR 10.00/-

2. What is the authorized capital and current paid-up equity share capital of the company?

- **Authorized Capital:** INR 32,00,00,000.00/-
- **Paid-up Equity Share Capital (pre-issue):** INR 19,36,11,620.00/-

3. What is the maximum number of shares to be issued in the proposed preferential issue?

The maximum number of shares to be issued is 10,86,955, comprising:

- 5,43,478 Equity Shares and
- 5,43,477 Equity Shares to be issued on the exercise of Warrants

4. What will be the paid-up equity share capital post the proposed issue?

- **Post Issue (excluding warrants):** INR 19,90,46,400/-
- **Post Issue (including warrants on fully diluted basis):** INR 20,44,81,170/-

5. What are the key dates related to the preferential issue?

- **Board Meeting Approval Date:** 30.05.2024
- **General Meeting Approval Date:** 21.06.2024
- **Relevant Date:** 22.05.2024

6. What is the minimum price and offer price per share under the proposed preferential issue?

- **Minimum Price as per SEBI Regulations:** INR 183.47/-
- **Offer Price:**

- The issue price is INR. 184.00/- per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of INR. 10/- each of the Company ("Equity Shares") at a premium of INR. 174.00/- per share for each Warrant.
- The issue price for the Equity Shares is INR. 184.00/-per Equity Share, including premium of INR. 174.00/- per Equity Share.

7. What is the basis on which the price has been arrived at?

The equity shares of Company are listed on Stock Exchanges at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and are frequently traded in accordance with the SEBI (ICDR) Regulations.

For the purpose of computation of the price for each Equity Share / warrant convertible into each equity share, National Stock Exchange of India Limited is the Stock Exchange that has higher trading volume for the said period and has been accordingly considered.

In terms of the applicable provisions of SEBI (ICDR) Regulations, the price at which the Equity Shares / Warrants convertible into Equity Shares is considered based on the following factors::

- (i) the 90 trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date is Rs. 149.25/-;
- (ii) the 10 trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date is Rs. 183.47/-.

The Proposed Allottees being Qualified Institutional Buyers (QIBs), the pricing of the Equity Shares and the Warrants convertible into Equity Shares to be allotted on preferential basis is determined on the higher side of condition (ii) at INR. 184.00/- per Equity Share / Warrant convertible into equivalent number of Equity Share of face value of INR. 10/- each in accordance with applicable provisions of SEBI (ICDR) Regulations.

A Pricing Certificate obtained from M/s. PKJ & Co., Chartered Accountants, providing detailed calculation is hosted on the Company's website which can be accessed at the link:

<https://www.irisbusiness.com/investors/preferential-issue/>

8. What is the consideration for the issue?

The consideration for the issue is cash.

9. What are the details of securities proposed to be issued to different categories?

Security Type	Promoters	Non-Promoters	Total
Equity Shares	NIL	5,43,478	5,43,478
Warrants	NIL	5,43,477	5,43,477
Others (PCD/FCD, preference shares, etc)	NIL	NIL	NIL

10. What is the conversion period for the warrants?

The warrants can be exercised/converted within 9 months.

11. Who are the proposed allottees and what are their details?

- **Pratithi Growth Fund I, a scheme of Pratithi Investments Fund:**
 - **Category:** Qualified Institutional Buyers (QIB)
 - **Promoter/Promoter Group/ Non-Promoter:** Non-Promoter
 - **No. of Securities to be Allotted:** 7,60,869 (3,80,435 Equity + 3,80,434 Warrants)
 - **Post Issue Capital Holding:** 3.72%
- **Tunga India Long Term Equity Fund:**
 - **Category:** Qualified Institutional Buyers (QIB)
 - **Promoter/Promoter Group/ Non-Promoter:** Non-Promoter
 - **No. of Securities to be Allotted:** 3,26,086 (1,63,043 Equity + 1,63,043 Warrants)
 - **Post Issue Capital Holding:** 1.59%

12. Are both proposed allottees related to each other or acting in concert?

The proposed allottee(s) are not related to each other nor are they acting in concert.

13. What is the proposal or intent of the promoters, directors, or key management personnel or senior management of the Company regarding subscription to the offer?

- The proposed allottee(s) is/are not related in any manner with the Company, its Promoters, Directors, Key Management Personnel or Senior Management.
- None of the Promoters, Directors or Key Management Personnel or senior management of the Company intend or propose to subscribe to the Preferential Issue.

14. What is the pre-preferential shareholding of the allottees?

Both Pratithi Growth Fund I and Tunga India Long Term Equity Fund have no pre-preferential shareholding in the company.

15. What will be the shareholding pattern of the company pre and post preferential issue?

Category	Pre-issue (No. of Shares)	Pre-issue (%)	Post-issue (No. of Shares)	Post-issue (%)
Promoters and Promoter Group (A)	71,83,020	37.10	71,83,020	35.13
Public (B)	1,21,78,142	62.90	1,32,65,097	64.87
Total (A) + (B)	1,93,61,162	100.00	2,04,48,117	100.00
Custodian (C)	-	-	-	-
Grand Total (A) + (B) + (C)	1,93,61,162	100.00	2,04,48,117	100.00

16. What is the Object of the preferential issue?

To meet the Company's long-term funding requirements and enhance its global competitiveness, the Board of Directors, in a meeting held on May 30, 2024, approved the issuance of Equity Shares and Warrants convertible into Equity Shares to proposed allottees on a preferential basis

through private placement. This initiative aims to strengthen the Company's financial position, support future expansion and marketing, meet capital expenditure needs related to product development, including meeting working capital requirements as permitted by applicable laws.

Sr.	Object	Amount in INR
1	Sales & Marketing*	15,00,00,000.00
2	Product development related cost*	3,00,00,000.00
3	General Corporate Purpose	1,99,99,720.00
	Total	19,99,99,720.00

* Including salaries to the employees engaged in the above activities

17. What are the start and end dates for e-voting?

- **Evoting start date:** June 18, 2024 from 09:00 am (IST);
- **Evoting end date:** June 20, 2024 at 05:00 am (IST);

About IRIS

IRIS Business Services Limited (IRIS) is the only listed Indian Fin-tech (Financial Technology) company operating in a niche of Reg-tech (Regulatory Technology) with a stack of structured data solutions for organizations globally. The firm is uniquely positioned with offerings across the spectrum of creation, management and use of structured data in the realm of business and financial reporting. IRIS serves a client base that includes regulators in over a dozen countries around the world, leading banks, financial market intermediaries, consulting firms, financial printers as well as large and small enterprises. Our partner network includes the Big 4 accounting firms, system integrators and specialized software and consulting firms that use IRIS' products and expertise to enhance their offerings to end clients.

IRIS is headquartered in Mumbai, India and has subsidiaries in USA, Singapore and Italy.

Learn more about us at: www.irisbusiness.com

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