

Summary of the report recommending the Fair Share Exchange Ratio

- **Date of the Report:** 7th August 2024
- **Report issued by:** Transaction Square Advisory LLP (Registered Valuer - Securities or Financial Assets) [IBBI Registration Number- IBBI/RV-E/06/2023/194]

- **Purpose of Report:**

The Report is issued in connection with the proposed Composite Scheme of Arrangement amongst Shasun Leasing and Finance Private Limited ("SLFL" or "Amalgamating Company" or "Transferor Company") and Axxelent Pharma Science Private Limited ("Axxelent" or "Amalgamated Company" or "Transferee Company") and their respective shareholders ("Scheme")

Accordingly, valuation exercise is undertaken to recommend:

- The fair value of the equity shares of the Transferee Company for the proposed conversion of Redeemable Preference Shares into equity shares of the Transferee Company as per Part III of the Scheme (hereinafter referred to as "Proposed Conversion"); and
- Fair share exchange ratio for the proposed amalgamation of the Transferor Company into and with the Transferee Company in Part IV of the Scheme (hereinafter referred to as "Proposed Amalgamation")

- **Basis of Valuation:**

Transferor Company:

Valuation of the Transferor Company has been derived at basis Net Asset Value ('NAV') Method. It has been assumed that the carrying value of all assets as at 30 June 2024 would be representative of their fair value and all the known liabilities have been duly recorded and there would be no additional outgoings. Accordingly, the value of all liabilities as been reduced from the value of assets to calculate the net asset value of the Transferor Company. Accordingly, the value per equity share as on report date is computed as **INR 1,154.30**.

Transferee Company:

Valuation of the Transferee Company has been derived at basis Discounted Cash Flow Method ('DCF') Method. For arriving at the value of the Transferee Company, we have relied on the Management projections for the period from 1st April 2024 to 31st March 2030, as prepared and provided to us by the Management of the Transferee Company Accordingly, the value per equity share as on report date is computed as **INR 65.60**.

- **Recommendation of Fair Value of Equity Shares of the Transferee Company for Proposed Conversion:**

Per equity share value of Transferee Company estimated to be ~ INR 65.6 each.

- **Recommendation of Fair Value of Equity Shares of the Transferee Company for Proposed Amalgamation:**

The fair share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transferor Company and Transferee Company for the Proposed Amalgamation based on the methodology as mentioned above earlier. Suitable rounding off have been carried out wherever necessary to arrive at the recommended share exchange ratio.

The summary of the fair share exchange ratio is as below

Company Name	Type of Company	Value per equity share	Share Exchange Ratio	Recommended Share Exchange Ratio (Number of equity shares of Transferee Company to be issued for every 10,000 shares of Transferor Company)
SLFL	Transferor Company	1,154.30	17.60	1,76,036
Axxelent	Transferee Company	65.60		

Accordingly, the fair share exchange ratio recommended is as below:

"1,76,036 (One Lakh Seventy-Six Thousand and Thirty-Six) fully paid-up equity shares of face value of INR 10 (Rupees Ten Only) each of Transferee Company, credited as fully paid-up, for every 10,000 (Ten thousand) fully paid up equity shares of face value of INR 10 (Rupees Ten Only) of the Transferor Company"