Vr. RAMESH ATLURI
FCS., M.Com, B.L., P.G.D.P.M & I.C.
REGISTERED VALUER, Securities or Financial Assets
Membership No: IOVRVF/VM/F&SA/5876, COP NO: IOVRV01037SFA, REGISTRATION NO: IBBI/RV/02/2019/12515

SAI PARENTERAL'S LIMITED
U24231TG2001PLC036043

VALUATION REPORT

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RAMESH ATLURI

REGISTERED VALUER (Securities & Financial Assets)

IBBI/RV/02/2019/12515

COP No. IOVRV01037SFA

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RAMESH ATLURI
Regn. No. IBBI/RV/02/2019/12515
HYDERABAD
REGISTERED VALUER

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To

The Audit Committee
SAI PARENTERAL'S LIMITED
CIN: U24231TG2001PLC036043
PLOT NO 39, 5TH FLOOR, LAVANYA ARCADE
JAYABHERI ENCLAVE,
GACHIBOWLI, K.V.Rangareddy, Seri Lingampally,
Telangana, India, 500032

Dear Sirs,

Reg: Determination of the fair value of the equity shares of -

M/s. SAI PARENTERAL'S LIMITED

In reference to the engagement letter of 20th August , 2025 through Circular Resolution by Audit committee engaging me to determine the fair value of the equity shares of M/s. SAI PARENTERAL'S LIMITED (SPL) for the purpose of allotment of Equity shares to the prospective investors in connection with the Issue of Shares on for further allotment as per Section 62(1)(c) of the Companies Act and other related provisions.

We attach the Valuation Report of the Company based on financials provided to us and discussion on the business model and operations together with the description of the approaches and methodologies adopted and limitations on the scope of our engagement.

The fair value per share of SPL as per the DCF method is Rs 193.31/-.

The Valuation Report is confidential and has been prepared exclusively for arriving value so as to the intended parties only. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of under signed.

Yours faithfully,

Ramesh Atluri

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Place: Hyderabad
Date: 26/08/2025

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1. BACKGROUND

M/s. SAI PARENTERAL'S LIMITED is a company incorporated on 12/01/2001. It is classified as Non-govt company and is registered at Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs Vide Corporate Identification Number is (CIN) U24231TG2001PLC036043. and its registered address is PLOT NO 39, 5TH FLOOR, LAVANYA ARCADE JAYABHERI ENCLAVE, GACHIBOWLI, Gachibowli, K.V.Rangareddy, Seri Lingampally, Telangana, India, 500032

SAI Parenterals Ltd. is a 20-year-old, technology-driven, highly focused, WHO-GMP and ISO 9001-2000 certified company that specializes in the manufacturing of pharmaceutical parenteral formulations. As a fully-integrated company, SAI Parenteral engages in efficient research, development, manufacturing, marketing, sourcing and distribution of high-quality pharmaceutical products. The Company State of art manufacturing facilities are based at Jeedimetla, Hyderabad, where SAI manufactures sterile dry powder Injections, sterile Liquid Injections in form of Prefilled Syringes, Ampoules and Vials in compliance to WHO-GMP Standards. Further the Company holds 100% of M/s. Revat Laboratories Private Limited.

a) Corporate Structure of the company
   The capital structure of the company as on valuation date 25/07/2025 is as follows:
   Authorized Share Capital – Rs 21,77,00,000/-
   Issued, Subscribed and Paid-up capital- 15,26,21,045/- (Rs 5/- per share i.e. 3,05,24,209)

Directors of M/s.SAI PARENTERAL'S LIMITED as per MCA data)

ANNEXURE -1

The company is incorporated on 12/01/2001 and filed annual filings till 31/03/2024. Yet the company is striving the business and initiating steps to grow the business in faster line with new customers profile anticipation with strong business base and potential clients in and around of India. Further, the acquisition of equity shares of Noumed Australia Pty..Ltd through its wholly owned subsidiary company in Singapore namely Sai parenterals Pte Ltd. The Valuation required

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for the purpose of issue of securities by way of private placement under section 42 & 62 of the Companies Act 2013.

2. PURPOSE, KEY DATES AND OTHER INFORMATION

Purpose of Valuation: Ascertaining fair value for the purpose of further issue for preferential/private placement allotment / rights allotment

Appointment date: 20/08/2025

Appointing Authority: Audit Committee of the Company

Valuation date (cut off date for valuation) : 25/07/2025

Valuation Report Date (date of signing) : 26/08//2025

3. BASE OF VALUE

The Base of value is Fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

4. PREMISE OF VALUE

Premise of Value refers to the conditions and circumstances how an asset is deployed. The premise of value applied by me for the valuation of the equity shares of SPL is `Going Concern'. Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

5. ABOUT VALUER AND OTHER EXPERTS INVOLVED IF ANY:

- I, Ramesh Atluri, registered Valuer under asset classification Securities or financial assets, registered with Insolvency and Bankruptcy Board of India, having registration number as IBBI/RV/02/2019/12515.
- No other expert were involved in the calculation of valuation work under.

6. DISCLOSURE OF VALUER INTEREST/CONFLICT, IF ANY

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6.1. Neither the Valuer nor the members of the team working on the independent valuation have directly or indirectly, through the client or otherwise, shared any advisory perspective or have been influenced or undertaken advocating a management position in determining the value.

6.2.The fees for the engagement are not contingent upon the results reported.

7. APPROACH TO VALUATION OF EQUITY SHARES

The valuation of a Company's business or its assets is subject to uncertainties and contingencies. In performing my analysis, I have made assumptions with respect to industry performance, general business and economic conditions, many of which are beyond the control of SPL. Fair value fluctuates with time due to changes in prevailing market conditions, the conditions and prospects, financial and otherwise of SPL and other factors which influence the valuation of business and assets.

This valuation is being done in adherence with International Valuation standards.

The following are commonly used and accepted methods for determining the valuation of a Company:

1) Market Approach
   a) Market Price method
   b) Comparable Companies Quoted Multiples method
   c) Comparable Companies Transaction Multiples method
2) Cost Approach – Replacement Cost Method & Reproduction Cost method.
3) Income Approach - Discounted Cash Flows method.

7.1. Market Approach

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a) Market Price Method

The market price of equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. However, there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. To exclude the impact of sharp spurts and dips in the market price due to these reasons the share quotations over a period of time are averaged. SPL is a closely held

Limited Company. Its shares are not listed in any stock exchange. Hence there is no market price for its shares. Accordingly, the Market Price Method has not been adopted for the Valuation.

b) Comparable Companies' Quoted Multiple ('CCM') Method

Under this method, value of the equity shares of a Company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances of the benchmark transactions. SPL is a Public Limited Company with subsidiary unit. In our view there are no similarly positioned and scaled companies in the listed space for comparison. Hence in my view the aforementioned method would not be appropriate to value the Company.

c) Comparable Companies' Transaction Multiple ('CTM') Method

Under this method, value of the equity shares of a Company's business is arrived at by using multiples derived from valuations in comparable companies, as manifest through transaction valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. SPL is a Public Limited. In my view there are no similarly positioned and scaled companies in the listed space for comparison. Hence the aforementioned method would not be appropriate to value the Company.

7.2. <u>Cost Approach</u>

a) Replacement Cost Method

This method also known as "Depreciated Replacement Cost method" involves valuing an asset/business based on the cost that a market participant shall have to incur to recreate the asset/business with substantially the same utility (comparable utility') as that of the underlying asset/business sought to be valued, adjusted for obsolescence. The replacement cost is generally that of a modern equivalent asset, which is one that provides similar function and equivalent utility to the asset being valued, but which is of a current design and constructed or made using current cost-effective materials and techniques.

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b) Reproduction Cost Method

This method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

Considering the nature of work being done by this Company in our view the Replacement Cost method would not be appropriate to value the Company. Further it is difficult to ascertain the cost to recreate such a business.

7.3. Income Approach - Discounted Cash Flows ('DCF') Method

In DCF method, the projected Free Cash Flow available to the Company for the forecasting period is discounted at Weighted Average Cost of Capital ("WACC") to estimate present value of cash flows for each year in the forecasting period. WACC is computed as the weighted average cost of Debt and Shareholders' Equity.

I have used DCF approach to value the shares of the company.

6. Procedure Adopted in the Valuation & Significant Assumptions

ANNEXURE - 2

Significant assumptions

- The Company has worked out the projections. Further, the company aiming to achieve a turnover of Rs.199 crore and continue the turnover for the next 4-6 years by driven strategic client acquisition, market expansion, and operational excellence, ensuring long-term financial sustainability and success. I have reviewed the basic assumptions and the workings for the financial projections. The management has provided me the detailed financial projections and outlook on operating margins. The information provided and salient assumptions used by the Management in developing the projections have been appropriately reviewed. Based on the projected business proposal the valuation arrived under income based approach under DCF method , Hence considered the Income approach- highest and best use, premises for our valuation.

8.CONCLUSIONS

On the basis of the DCF method of valuation of equity shares of SPL the fair value of the equity of the Company as on 25th July, 2025,

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Fair value per equity shares fully paid up is Rs. **193.31**/- (3,05,24,209 shares for Face Value Rs. 5/- share) – The Valuation made based on consolidated financials.

9. SOURCES OF INFORMATION

In connection with this assignment, I have used the following information received from the Management and also from other sources in the public domain:

a. In preparing this report, I have relied upon the data provided by the Management.
b. Discussions and correspondence with the Management;
c. Secondary research and market data on comparable companies and information on recent transactions, to the extent readily available; and
d. Such other analysis, reviews and enquiries, as I considered relevant for this assignment.

SPL Management has been provided with an opportunity to review the draft report (excluding the estimated share value) as part of my standard practice to make sure that factual inaccuracies and omissions are avoided in my final report.

Investigations and/or Inspections Undertaken:

The following are the inspections undertaken by me as part of the valuation exercise:

- Verification of Company's Master Data in MCA Site
- Verification of Secretarial Records in connection with Capital Structure and Shareholding Pattern.
- Detailed understanding of Industry Outlook as described in the report
- Review of Business Plans.

10. CAVEATS ,LIMITATIONS AND DISCLAIMERS

My report is subject to the scope of limitations detailed hereinafter:

a) This report is being issued for the limited purpose of the management assessing the fair value of the equity shares. I would not accept responsibility from persons using this report for any other purpose.

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b) My valuation is based on the information furnished to me by the Management and assumed to be complete and accurate in all material respects. I have relied on this dataset without independent verification of the accuracy and completeness of information.

c) I have relied on the provisional accounts and projections for five years as certified by the Management.

d) My work does not constitute validation of the financial statements of the company and accordingly I do not express any opinion on the same.

e) I have relied on the representations from the Management stating that the information contained in this report is materially accurate and reflects a true picture of the company's state of affairs on the valuation date as well as the report date and therefore forms a reliable basis to estimate the value of the underlying equity shares.

f) The information presented in my report does not reflect the outcome of any due diligence procedures. The reader is cautioned that the outcome of such a process may change the information contained in this report and may have an impact on the value of the investments in the company.

g) My scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to me. I have, not performed audit, review or examination of the historical information provided to me and therefore, I do not express any opinion in relation to its accuracy and reliability.

h) I have relied on the judgment of the Management as regards contingent and other liabilities. Accordingly, my valuation does not consider the assumption of contingent liabilities other than those given to me as likely to materialize in the near future. If there were any omissions, inaccuracies or misrepresentations of the information provided to me, it may have an effect on my valuation estimates.

i) No investigation of the Company's claim to title of assets has been made for the purpose of this valuation. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. My report is not, nor should it be construed, as my opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards to any legal, accounting or taxation implications or issues.

j) INTENDED USERS- My report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

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k) My valuation is based on the market conditions and the regulatory environment that currently exists in India. However, changes to the same in the future could impact the business and the industry in which the companies operate, which may impact our valuation estimates.

l) Public information and industry and statistical information have been obtained from sources believed to be reliable. However, no representation is made as to the accuracy or completeness of such information and we have performed no procedures to corroborate the information.

Place: Hyderabad
Date: 26/08/2025
UDIN / VRN : **IOV/2025-2026/10582**

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Valuation of Equity Shares - Annexure Report dated 26th August 2025

SAI PARENTERAL'S LIMITED

Discounted Cash Flow Method

Particulars	Unit	FY26	FY27	FY28	FY29
Inflow					
EBT - Operating profit	Rs crore	38	47	60	96
Add: Depreciation & Amortisation	Rs crore	6	11	18	18
Add: Finance Cost	Rs crore	11	11	14	19
Total Inflow	Rs crore	54	69	92	133
Outflow					
Increase in Non-Current Assets	Rs crore	72	61	9	9
Incremental Working Capital (exc cash)	Rs crore	21	33	56	82
Income tax	Rs crore	10	13	17	26
Total Outflow	Rs crore	103	106	81	117
Net Free Cash Flows (FCF)	Rs crore	-48	-37	11	16
Year	Number	0.50	1.50	2.50	3.50
Discounting factor	%	95%	85%	77%	69%
Present Value		-46	-32	8	11

Present Value of cash inflow during the explicit forecast Period	Rs crore	-59
Average growth rate in moderate stage of growth	%	25%
Time period in moderate stage of growth	Number	5
Exit value of FCF	Rs crore	47
Perpetuity growth rate	%	3.5%
Present Value of the Perpetuity	Rs crore	632
Add: Cash Balance	Rs crore	2.32
Add: Cost value of Noumed	Rs crore	50
Gross Business Value	Rs crore	684
Less: Debt Outstanding	Rs crore	94
Equity Value	Rs crore	590
No. of shares on fully Diluted Basis	Number	3,05,24,209
Value Per Share	Rs	193.31

WACC Calculation	
Risk free rate	6.5%
Average Beta of peers	1.20
Expected return over forecast period	14.0%
Dividend yield	0.0%
Equity risk premium	7.5%
Cost of equity	15.5%
Effective interest rate	10.0%
Less: Effective interest rate	28.0%
Net adjusted interest rate	7.2%
Average debt to equity ratio over forecast period	1.11
Average share of equity over forecast period	47%
WACC	11.1%

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