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Adani Ports and Special Economic Zone Limited
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Ahmedabad, Gujarat - 382 421

12 June 2025

Sub: Fair Valuation of equity shares of Abbot Point Port Holdings Pte Ltd ("APPHPL") and Adani Ports and Special Economic Zone Limited ("APSEZ") for determination of indicative swap ratio

Dear Sir / Madam,

We refer to our Engagement Letter dated 11 April 2025 and addendum to the engagement letter dated 26 May 2025, whereby the Management of Adani Ports and Special Economic Zone Limited ("APSEZ" or the "Client") (referred to as the "Management"), informed GT Valuation Advisors Private Limited ("GTVAPL" or the "Firm") that they are evaluating acquisition of equity shares of Abbot Point Port Holdings Pte Ltd ("APPHPL"), consideration whereof is expected to be discharged by way of issue of equity shares of APSEZ to the existing shareholders of APPHPL ("Proposed Transaction"), and in this connection, the Firm is requested to undertake valuation of APSEZ and APPHPL as on an agreed upon valuation date in accordance with Section 62 and other applicable provisions of the Companies Act, 2013, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Pursuant to the above, the Firm had issued a Valuation Report ("Report"), dated 17 April 2025, recommending an indicative share swap ratio for the Proposed Transaction.

As mentioned in Paragraph 7.5.4, page number 9 of the Report, we were unable to consider the Discounted Cash Flow Method, under the Income Approach, for valuation of APSEZ.

However, based on the discussions of the Management with the stock exchanges post filing of the application for in-principal approval, we have been provided with the five-year financial projections of APSEZ, for carrying out valuation analysis under the Income Approach.

We have used the free cash flow to firm ("FCFF") approach under the Discounted Cash Flow ("DCF") method to estimate the Enterprise Value based on the financial projections provided by the Management. The enterprise value arrived is adjusted for cash & cash equivalents, other surplus assets, debt & debt like items including lease liabilities, and other matters as considered appropriate to derive the equity value.

Based on the DCF analysis carried out, we have arrived at the equity value of APSEZ at INR 1,128.8 per share. We note that the value per share of APSEZ is lower than the value derived as per pricing conditions prescribed for preferential issue under SEBI ICDR regulations, which is INR 1,159.5 per share, as mentioned on Page 14 of the Report, and therefore we do not deem it appropriate to take into account the value using the Income Approach while computing the fair value of APSEZ for the Proposed Transaction.

In addition to the Market Price method using the SEBI ICDR regulations, we had also considered comparable companies' multiples method, which is considered to be an appropriate technique for valuation of an established business with an identifiable stream of continuing earnings or revenue that is considered to be maintainable. This method takes into effect the earning capabilities of the company while benchmarking the parameters to its relevant market peers.

After taking into consideration the above analysis, we would like to retain our conclusion and the indicative share swap ratio for the Proposed Transaction, provided in the Report dated 17 April 2025.

Without prejudice to the foregoing, please note that we have relied on explanations, financial projections and information provided by the Management. The financial projections and its underlying assumptions are only the best estimates of the Management, for the Company's growth and sustainability of profitability margins. Although, we have reviewed the data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.

Thanking you

For GT Valuation Advisors Private Limited
Registered Valuer Entity – Securities and Financial Assets
IBBI Registration Number: IBBI/RV-E/05/2020/134

eSigned using Aadhaar (Leegality.com - 01JXHPCG8A66FVF1KRQJ5RB3AH)
Darshana Kadakia
Date: Thu Jun 12 14:43:37 IST 2025

Darshana Kadakia
Director
Registered Valuer – Securities and Financial Assets
IBBI Registration Number: IBBI/RV/05/2022/14711
Date: 12 June 2025

Grant Thornton

#GTBharat
SHAPING VIBRANT INDIA

Strictly Private and Confidential

To,

The Board of Directors
Adani Ports and Special Economic Zone Limited

Adani Corporate House,
Shantigram, Near Vaishnodevi Circle,
S. G. Highway, Khodiyar,
Ahmedabad, Gujarat – 382 421

GT Valuation Advisors Private Limited

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Mumbai 400013

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Date: 17 April 2025

Sub: Fair Valuation of equity shares of Abbot Point Port Holdings Pte Ltd and Adani Ports and Special Economic Zone Limited for determination of an indicative share swap ratio.

Dear Sir / Madam,

We refer to our Engagement Letter dated 11 April 2025 whereby the Management of Adani Ports and Special Economic Zone Limited ("APSEZ" or the "Client") (referred to as the "Management"), informed GT Valuation Advisors Private Limited ("GTVAPL" or the "Firm") that they are evaluating acquisition of equity shares of Abbot Point Port Holdings Pte Ltd ("APPHPL"), consideration whereof is expected to be discharged by way of issue of equity shares of APSEZ to the existing shareholders of APPHPL ("Proposed Transaction"), and in this connection, the Firm is requested to undertake valuation of APSEZ and APPHPL as on an agreed upon valuation date in accordance with Section 62 and other applicable provisions of the Companies Act, 2013, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

APSEZ and APPHPL are together referred to as the "Specified Companies".

GTVAPL has been hereafter referred to as 'Valuer' or 'we' in this valuation report ('Report').

In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitations on our scope of work.

1. CONTEXT AND PURPOSE OF THIS REPORT

1.1 Background Information

1.1.1 Adani Ports and Special Economic Zone Limited

APSEZ, together with its subsidiaries, develops, operates, and maintains port infrastructure facilities in India with an increasing focus on global expansion. The company also offers logistics and warehousing solutions. The equity shares of APSEZ are publicly traded on BSE Limited and on the National Stock Exchange of India Limited

1.1.2 Abbot Point Port Holdings Pte Ltd

APPHPL owns and operates the North Queensland Export Terminal, a dedicated deep-water coal export terminal in Australia, through its subsidiaries, namely North Queensland Export Terminal Pty Ltd ("NQXTPL"), NQXT Holdings Trust ("NQXT Trust"), and NQXT Capital Pty Ltd ("NQXT Capital"). NQXTPL, NQXT Trust, and NQXT Capital are hereinafter collectively referred to as "NQXT". North Queensland Export Terminal is under a 99-year lease ending in calendar year 2110 (85 years lease term remaining). As of the Valuation Date, the terminal has an existing capacity of 50 MTPA. APPHPL operates as a wholly owned subsidiary of Carmichael Rail and Port Singapore Holdings Pte Ltd ("CRPSHPL").

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We have briefly described the operating model for NQXT below:

a. **NQXT Holdings Trust** is set up as a trust holding a 99-year leasehold interest for the onshore and offshore land on which the NQXT terminal is located. These rights have been further sub-leased to NQXTPL. The beneficial ownership for the trust is vested entirely in NQXT Port Pty Ltd.

b. **North Queensland Export Terminal Pty Ltd** operates the NQXT terminal, with nameplate capacity of 50 MTPA. The company has entered into long-term take-or-pay contracts with its customers for use of designated terminal capacity annually.

c. Incorporated in 2020, **NQXT Capital Pty Ltd** has been set up to operate as the centralized financing vehicle for the group. All new external borrowings are raised by the company and on-lent to the other group entities.

1.1.3 Abbot Point Terminal Expansion Pte Ltd

Abbot Point Terminal Expansion Pte Ltd ("APTE") through its subsidiaries, holds certain approvals to build and operate a terminal in Australia but do not have any operations as of the Valuation Date. APTE is controlled directly by CRPSHPL. The Management has informed us that the entire outstanding share capital of APTE shall stand transferred to APPHPL prior to consummation of the Proposed Transaction.

1.2 Proposed Transaction

1.2.1 We have been informed that the Management is contemplating the acquisition of APPHPL, consideration for which will be discharged by way of issue of fully paid-up equity shares of APSEZ to the existing shareholders of APPHPL.

1.2.2 As also mentioned above, we have been further informed that APPHPL would acquire the entire outstanding capital of APTE from CRPSHPL prior to consummation of the Proposed Transaction. The Management has confirmed to us that the acquisition of APTE by APPHPL would be value neutral in nature from the perspective of APPHPL considering that all liabilities in the books of APTE are payable to NQXT group, which will be deemed settled on acquisition of APTE by APPHPL. Accordingly, no additional value has been ascribed to APPHPL's proposed investment in APTE.

1.2.3 So far as the issue of equity shares of APSEZ to the shareholders of APPHPL is concerned, it shall be issued on preferential allotment basis in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) ("SEBI ICDR") Regulations, 2018, as amended from time to time and other applicable SEBI Regulations, if any.

1.2.4 For the aforesaid purpose, the Management has appointed GTVAPL, Registered Valuer – Securities and Financial Assets, to submit a report undertaking valuation of APPHPL (including its proposed investment in APTE) as well as APSEZ for the Proposed Transaction as per Section 62 of the Companies Act, 2013, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

1.2.5 We would like to emphasize that certain terms of the Proposed Transaction are stated in our Report, however, the detailed terms of the Proposed Transaction would be more fully described and explained in the definitive agreements between the Specified Companies. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the relevant definitive agreements.

1.3 Scope of Work and Purpose of Valuation

1.3.1 We are given to understand that the Management of APSEZ is contemplating the acquisition of APPHPL against the issue of equity shares to the existing shareholders of APPHPL.

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1.3.2 For the aforesaid purpose, the Client has requested GTVAPL to undertake the valuation of APPHPL, to include the underlying value of its investment in NQXT and proposed investment in APTE. Further, as the Proposed Transaction entails issue of equity shares by APSEZ, the Client has requested the Firm to undertake valuation of equity shares of APSEZ for the consideration of the Board of Directors of APSEZ. This report will be placed before the Board, audit committee and shareholders of APSEZ, and to the extent mandatorily required under applicable laws of India, maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Transaction.

1.3.3 For the aforesaid purpose, the valuation analysis is carried out by giving cognizance to the ICAI Valuation Standards, 2018 and as part of valuation process by assigning appropriate weights to the applicable internationally accepted methodologies.

1.3.4 This Report is our deliverable for the above engagement.

1.3.5 For the purposes of this report, the Relevant Date as per Chapter V of the SEBI ICDR Regulations is considered as 15 April 2025, being the date that is 30 days prior to the date of the EGM of members of the Company held to consider the preferential issue of equity shares. For the purpose of this exercise, we have considered the working day preceding the Relevant Date, i.e. 11th April 2025 as the Valuation Date. Further, we have been provided with historical financial statements of the Specified Companies as of a cut-off date of 31 March 2025.

1.3.6 This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCE of INFORMATION

2.1. In connection with this exercise, we have used the following information received from the Management and/or gathered from public domain while arriving at the equity value of the Specified Companies for the Proposed Transaction:

2.1.1. <u>With respect to APPHPL</u>

a) Management Certified Standalone Balance Sheet for APPHPL as on 31 March 2025;
b) Key items of combined provisional financial statements for NQXTPL, NQXT Trust, and NQXT Capital for FY25;
c) Combined audited financial statements for NQXTPL, NQXT Trust, and NQXT Capital from FY20 to FY24;
d) Combined Financial Projections for NQXTPL, NQXT Trust, and NQXT Capital from FY26 to FY35;
e) Financial Projections for NQXT Port Pty Ltd from FY26 to FY35;
f) Shareholding Pattern of APPHPL as on the Valuation Date;
g) Key terms of the redeemable preference shares issued by NQXT Port Pty Ltd to APPHPL;
h) Management Certified consolidated financial statements of APTE as on 31 March 2025.

2.1.2. <u>With respect to APSEZ</u>

a) Consolidated audited financial statements of APSEZ from FY19 to FY24;
b) Management Certified Financial Statements for APSEZ for the period ended 31 March 2025;
c) Latest available Shareholding Pattern, from BSE filings;

2.1.3. <u>Other Information</u>

a) International Databases such as Capital IQ, World Wide Web
b) Correspondence with the Management of the Specified Companies including Management Representation Letter.

2.2. During the discussions with the Management, we have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Management has been provided with the opportunity to review the draft Report (excluding the concluded equity value) as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final Report.

2.3. The Management has informed us over telephonic calls, representation letter or otherwise that:

a) There are no unusual / abnormal events in the Specified Companies other than those represented to us by the Management till the Report Date materially impacting its operating / financial performance. Further, the Management has informed us that all material information impacting the Specified Companies has been disclosed to us.

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b) The Management has confirmed that the valuation of all the surplus or non-operating assets in the Specified Companies can be considered as per the management certified Balance Sheets for the Specified Companies as on 31 March 2025.

2.4. We have taken into consideration market parameters as on the Valuation Date, in our analysis and made adjustments for information made known to us by the Management till the date of this Report ("Report Date") which will have a bearing on the valuation analysis.

3. ABOUT THE VALUER

3.1. GT Valuation Advisors Private Limited is a Registered Valuer entity under Insolvency and Bankruptcy Board of India (IBBI) having Registration No IBBI/RV-E/05/2020/134. GTVAPL holds certificate of practice with RVO ICMAI to value Securities and Financial Assets and Plant and Machinery.

3.2. Darshana Kadakia is a Director in GTVAPL and is a registered valuer with IBBI. The valuer is registered with Insolvency and Bankruptcy Board of India (IBBI) to undertake valuation under asset class Securities and Financial Assets and holds certificate of practice as a valuer.

4. DISCLOSURE OF THE REGISTERED VALUER'S INTEREST OR CONFLICT, IF ANY AND OTHER AFFIRMATIVE STATEMENTS

4.1. We do not have any financial interest in the Client or the Specified Companies, nor do we have any conflict of interest in carrying out this valuation, as of the date of the engagement letter till the Report Date.

5. VALUATION PROCEDURES ADOPTED

5.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not limited to the following:

5.1.1. <u>Discussion with the Management to:</u>
- a) Understand the business of the Specified Companies.
- b) Enquire about the historical financial performance, current state of affairs of the Specified Companies.
- c) Enquire about business plans and future performance estimates.

5.1.2. <u>Undertook Industry Analysis:</u>
- a) Research on publicly available market data on the industry that may impact the valuation.
- b) Analysis of key trends and valuation multiples of comparable companies using:
  - i. Valuer internal transactions database
  - ii. Proprietary databases subscribed by the Valuer
- c) Other publicly available information.

5.1.3. Analysis of financial and quantitative information.
5.1.4. Selection of appropriate internationally accepted valuation methodology / (ies) after deliberations
5.1.5. Determination of equity value of the Specified Companies for the Proposed Transaction.

6. SHAREHOLDING PATTERN OF THE SPECIFIED COMPANIES

6.1. APSEZ

6.1.1. The issued and subscribed share capital of APSEZ as on 31 March 2025 was INR 4,320.3 million consisting of 2,160.1 million equity shares of face value of INR 2/- each.

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6.1.2. The summary of shares outstanding on a fully diluted basis as on the Valuation Date are presented in Table 6.1 below:

Table 6.1: Shareholding Pattern of APSEZ

Sr. No.	Particulars	No of Shares
1	Promoter and Promoter Group	1,42,33,76,085
2	Public & Others	73,67,62,860
	Total	**2,16,01,38,945**

Source: BSE

6.2. APPHPL

6.2.1. As on 31 March 2025, the share capital of APPHPL is USD 1,000 divided into 1,000 ordinary shares. All of these shares are held by CRPSHPL. Prior to the completion, CRPSHPL will capitalize APPHPL with an additional amount of USD 940,000,000 divided into 940,000,000 ordinary shares, pursuant to which the share capital of APPHPL will increase to USD 940,001,000 divided into 940,001,000 ordinary shares. This will reduce certain outstanding loans amounting to USD 940,000,000 taken by APPHPL.

Table 6.2: Proposed post conversion fully diluted shareholding pattern of APPHPL

Sr. No.	Particulars	No of Shares
1	Carmichael Rail and Port Singapore Holdings Pte Ltd ("CRPSHPL")	940,001,000
	Total	**940,001,000**

7. VALUATION APPROACH & METHODOLOGY

7.1.1. As also mentioned hereinabove, since the Proposed Transaction would result in preferential allotment of equity shares of a listed company, APSEZ, to the shareholders of an unlisted company, relevant provisions of the SEBI ICDR Regulations would be applicable to the Proposed Transaction. Relevant extracts of applicable regulations have been reproduced hereunder:

Regulation 163(3)

Specified securities may be issued on a preferential basis for consideration other than cash: Provided that consideration other than cash shall comprise only swap of shares pursuant to a valuation report by an independent registered valuer, which shall be submitted to the stock exchange(s) where the equity shares of the issuer are listed.

Regulation 166A: Other conditions for pricing

(1) Any preferential issue, which may result in a change in control or ***allotment of more than five per cent*** *of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:*

Provided that the floor price, in such cases, ***shall be higher*** *of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be,* ***or the price determined under the valuation report from the independent registered valuer*** *or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.*

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Regulation 164(1): Pricing of frequently traded shares

If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or

b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

7.2. Valuation Procedures

In connection with this exercise, we have adopted the following procedures to carry out the equity valuation of the Specified Companies:

7.2.1. Data Collection and Planning:

a) Collected financial data for the historical period.
b) Held discussions with the Management pertaining to the business and the expected performance indicators during the projected period.
c) Any details needed for industry data, market share, surplus assets, assets and liabilities classified as held for sale, contingent liabilities, and other data required based on further understanding.

7.2.2. Data Analysis and Management Discussions:

a) Sought discussions with the Management to understand the business and fundamental factors that affect the earning-generating capability including its strengths, weaknesses, opportunity and threats analysis and historical financial performance.
b) Where needed, analyzed publicly available information whether or not provided by Management.

7.2.3. Undertook Industry Analysis:

a) Research publicly available market data including economic factors and industry trends that may impact the valuation.
b) Analysis of the market to identify comparable companies and comparable transactions.
c) Other publicly available information.

7.2.4. Performing Valuation Analysis:

a) Selected appropriate Internationally acceptable valuation methodologies to be used based on the information received, understanding gathered through interviews with the Management, publicly available information and prior experience.
b) Understood key drivers of valuation and supporting assumptions.
c) Identified key assumptions and arrived at equity value of the Specified Companies for the Proposed Transaction.

7.3. Valuation Parameters

7.3.1. **Valuation Base:** Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. The standard of value used in our analysis is "Fair Value" which is often understood as the price, that would be received to sell an asset in an orderly transaction between market participants at the valuation date. Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

7.3.2. **Premise of Value:** A premise of value or assumed use describes the circumstances of how an asset or liability is used. We have considered the "going concern value" as Premise of Value.

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7.3.3. **Intended Users:** This Report is intended for consumption of the Client, its advisors supporting the Proposed Transaction as well as relevant regulatory and statutory authorities.

7.3.4. **Valuation Date:** The Valuation Date considered for this engagement is 11 April 2025.

7.3.5. **Valuation Standards:** The report is being prepared in accordance with the relevant ICAI Valuation Standards, 2018 such as ICAI Valuation Standard 102 – Valuation Bases, ICAI Valuation Standard 103 – Valuation Approaches and Methods, ICAI Valuation Standard 301 – Business Valuation.

7.4. Valuation Approach & Methodology

7.4.1. Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

a) Specific nature of the business
b) Whether the entity is listed on a stock exchange
c) Industry to which the company belongs
d) Past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
e) Extent to which industry and comparable company information is available.

7.4.2. The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. Certain valuation techniques have evolved over time and are commonly in vogue.

7.4.3. It should be understood that the valuation of any business/ company or its assets/ equity shares is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. Valuation results could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions, financial and otherwise, and other factors which generally influence the valuation of companies.

7.4.4. The application of any method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. The choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature, regulatory guidelines, and our reasonable judgement, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

7.4.5. We have evaluated the following valuation methodologies as per any internationally accepted valuation methodology /(ies) on arm's length basis. The valuation techniques can be broadly categorized as follows:

a) Market Approach
   i. Market Price Method
   ii. Comparable Companies Multiple ("CCM") Method
   iii. Comparable Transactions Multiple ("CTM") Method
b) Income Approach – Discounted Cash Flow Method
c) Asset / Cost Approach – Net Asset Value Method

7.5. Valuation Methods

7.5.1. <u>Market Price Method</u>
The market price of an equity shares as quoted on stock exchanges 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.

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The equity shares of APSEZ are listed on NSE and BSE and there are regular transactions in its equity shares with adequate volumes. Thus, the share prices observed on NSE over a reasonable period, considering the volume traded was higher on NSE than BSE, have been considered for arriving at the value per equity share of APSEZ under the Market Price method.

Since pricing conditions prescribed for preferential issue under SEBI ICDR Regulations would be applicable to the Proposed Transaction (refer para 7.1.1 above). Accordingly, the higher of the below two methods has been taken for arriving at the value of equity shares of APSEZ:

- The volume weighted average price ("VWAP") for 90 trading days preceding the Relevant Date,
- The VWAP for 10 trading days preceding the Relevant Date.

Since the equity shares of APPHPL and APTE are not listed on any recognized stock exchanges, we have not considered the Market Price method to estimate the fair value of equity shares of APPHPL.

7.5.2. Comparable Companies Multiple ("CCM") Method

Under this methodology, appropriate valuation multiples of comparable listed companies are computed and applied to the financials of the company being valued in order to arrive at a multiple based valuation. This is based on the premise that the market multiples of comparable listed companies are good benchmarks to derive valuation.

In the present valuation analysis, based on research from international databases and discussions with the Management, we were able to identify companies listed on recognized stock exchanges which can be considered as comparable to the Specified Companies. In identifying the comparable companies' certain parameters like similarity in business activity, financial performance, size of operations etc. were considered.

Based on this analysis, we have considered this method to value APSEZ as well also for the valuation of investments held by APPHPL in NQXT. Considering there are no operations in APTE, we have not considered this method to value APTE.

7.5.3. Comparable Transactions Multiple ("CTM") method

This method is similar to the above CCM method, with the exception that the companies used as guidelines are those that have been recently acquired. Under the Transaction Multiple Method, acquisitions or divestitures involving similar companies are identified, and the multiples implied by their purchase prices are used to assess the subject company's value. There is no rule of thumb for the appropriate age of a reasonable transaction; however, it is important to be aware of the competitive market at the time of the transaction and factor any changes in the marketplace environment into the analysis. All other things being equal, the more recent the transaction, the more reliable the value arrived at using this technique.

We were unable to use this method for our valuation analysis of the Specified Companies due to lack of credible and sufficient information available in the public domain relating to comparable transactions of companies at similar stage, size and scale of operations in the recent past.

7.5.4. Discounted Cash Flow ("DCF") Method

Under the DCF method the projected free cash flows to the firm/ equity are discounted at the weighted average cost of capital/ equity. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. DCF analysis is based mainly on the following elements:

- Estimated future free cash flows: Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.

- Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

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Considering the above, we have used the free cash flows to firm ("FCFF") approach under the DCF method to estimate the equity value of NQXT, based on the financial projections (including profit & loss statement and the balance sheet) as provided to us by the management of APPHPL.

The Management has informed us that since the shares of APSEZ are listed on stock exchanges, information pertaining to its future financial performance is price sensitive. The Management has also informed us that having regard to the various business segments & geographies in which APSEZ operates, projecting financials on a reliable basis is difficult and involves considerable subjectivity. Accordingly, projected financial statements for APSEZ were not made available to us for our analysis. Thus we have not considered this methodology for valuation of APSEZ.
Considering there are no operations in APTE, we have not considered this method to value APTE.

Please note that we have relied on explanations, financial projections and information provided by the management of APPHPL. Projections and assumptions for the projected period are only the best estimates of the management of APPHPL for growth and sustainability of profitability margins in the business carried out by APPHPL through its investments. Although, we have reviewed the data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.

7.5.5. <u>Net Asset Value ("NAV") Method</u>

The value arrived at under this approach is based on the latest available audited/ unaudited/ provisional financial statements of the business and may be defined as the Shareholder's Funds or Net Asset Value of the company.

Under this method, the net assets as per the financial statements are adjusted for market value of surplus/ non-operating assets, potential and contingent liabilities, if any. The NAV is generally used as the minimum break-up value for any business since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern.

In the present case, we have considered Sum of the Parts ("SOTP") approach under this method to value APPHPL as a whole since APPHPL is an investment holding company with investments in redeemable preference shares of NQXT Port Pty Ltd, equity shares of North Queensland Export Terminal Holdings Pty Ltd, and equity shares of NQXT Capital Pty Ltd. Further, as mentioned above, APPHPL would also be acquiring the entire outstanding share capital of APTE prior to closure of the Proposed Transaction.

Based on our analysis of the historical financial statements of the APSEZ, we understand that the current NAV only reflects the historical costs and accumulated profits of the company, which do not reflect the fair value of the assets and liabilities as of the Valuation Date.

Since the current NAV is not reflective of APSEZ's future cash generation and performance, keeping in mind the context and purpose of the Report, we have not used this method to estimate the equity value of APSEZ.

8. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

8.1. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

8.2. The recommendation contained herein is not intended to represent value at any time other than the date of the Report. Also, it may not be valid if done on behalf of any other entity.

8.3. This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the data detailed in the section – Sources of Information. An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular, as of the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

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8.4. The valuation recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the management (or its representatives) of the Specified Companies and other sources and the said recommendation shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

8.5. It should be understood that the valuation of any entity or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the management of the Specified Companies and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Specified Companies. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, foreign exchange rates, industry performance and general business and economic conditions, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

8.6. Valuation is not a precise science, and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed value for the Specified Companies. While we have provided our recommendation on the value based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the recommendation of the value at which the Proposed Transaction shall take place will be with the Board of Directors of APSEZ who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

8.7. In the course of the valuation, we were provided with both written and verbal information, including information as detailed in the section - Sources of Information. In accordance with the terms of our engagement, we have assumed and relied upon, (i) the accuracy of the information that was publicly available and formed a basis for this Report and (ii) the accuracy of information made available to us by the management of the Specified Companies. As per our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited or otherwise investigated the historical/projected financial information provided to us. Although, we have made the necessary enquiries regarding key assumptions considered in the business model in the context of the Specified Companies, its industry or their economy and reviewed such data for consistency and reasonableness, we have not independently investigated the data provided by them. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the management of the Specified Companies, we have been given to understand by Management that they have not omitted any relevant and material factors. Our conclusions are based on the assumptions and information given by/on behalf of the Specified Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Also, we assume no responsibility for financial/technical information furnished by Management.

8.8. Accordingly, we assume no responsibility for any errors in the information furnished by the Management or obtained from public domain and their impact on the Report. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the Report.

8.9. We have relied on data from external sources. These sources, although considered to be reliable, are external and hence, we assume no liability for the accuracy of the data. We have assumed that the business continues normally without any disruptions due to statutory or other external/ internal occurrences.

8.10. The Management has represented that the business activities have been carried out in the normal and ordinary course between 31 March 2025 and the Report Date for the Specified Companies and that no material adverse change has occurred in their respective operations and financial position between the respective aforementioned dates.

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8.11. The Report assumes that the Specified Companies, their subsidiaries, associates and Joint Ventures ("JVs") comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that all the companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of regulatory nature, tax nature (including domestic and international tax etc.) and legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Specified Companies, their subsidiaries and JVs. Our conclusion of value assumes that the assets and liabilities of the Specified Companies, their subsidiaries, associates and JVs, reflected in their respective latest balance sheets remain intact as of the Report Date.

8.12. This Report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alterative business transaction or other alternatives or whether such alternatives could be achieved or are available. In addition, we express no opinion or recommendation as to how the shareholders of the Specified Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Transaction.

8.13. No investigation / inspection of the Specified Companies' claims to title of assets has been made for the purpose of this Report and the Specified Companies' claim to such rights has been assumed to be valid. 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.

8.14. The fee for this report is not contingent upon the values or results reported herein.

8.15. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Company. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Specified Companies, their directors, employees, or agents.

8.16. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the valuation of the Specified Companies. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose. Our report is not, nor should it be construed as our opinion or certifying the compliance of the Proposed Transaction with the provisions of any law including companies, taxation or as regards any legal implications or issues arising thereon.

8.17. This Report is subject to the laws of India.

8.18. Our appointment was formalized via engagement letter dated 11 April 2025; however, the work had started earlier based on verbal confirmation. Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information were provided to us to carry out the valuation.

8.19. Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, without our prior written consent except for disclosures to be made to relevant regulatory authorities including National Company Law Tribunal, recognized stock exchanges or as required under applicable law.

8.20. This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of APSEZ and only in connection with the Proposed Transaction. Without limiting the foregoing, we understand that the Client may be required to share this Report with regulatory or judicial authorities in connection with the Proposed Transaction. We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to APSEZ that has engaged us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with any recipient, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person / party other than APSEZ.

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8.21. The scope of work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this report, which might be relevant in the context of the Proposed Transaction and which a wider scope might uncover. Our assistance/ this report should not be considered any advice for financial reporting purposes. The Report is for regulatory compliance only and may not be used for any other purpose other than that stated herein and in our Engagement Letter, in particular for accounting or financial reporting purposes. The Management is solely responsible for determining any amounts it records in its books and records and financial statements and footnotes thereto.

8.22. Our report can be used by the Client only for the purpose, as indicated in this report, for which we have been appointed. The results of our valuation analysis and our report cannot be used or relied by the Client for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Specified Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Client) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this report or any part thereof, except for the purpose as set out earlier in this report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

8.23. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

9. BASIS OF SHARE SWAP RATIO

9.1. The equity share swap ratio has been arrived at, on the basis of the fair value of equity shares of the Specified Companies based on the various approaches / methods explained in this Report and various qualitative factors relevant to each company and the business dynamics and growth potential of the Specified Companies, having regard to information base, key underlying assumptions and limitations.

9.2. While we have provided our indicative share swap ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the share swap ratio. The final responsibility for the determination of the swap ratio at which the Proposed Transaction shall take place will be with the Board of Directors of APSEZ, who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

9.3. The share swap ratio is based on the methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Specified Companies, having regard to available information base, key underlying assumptions and limitations.

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10. CONCLUSION

Based on the foregoing, and on consideration of all the relevant factors and circumstances discussed and outlined hereinabove, pursuant to the acquisition of equity shares of APPHPL, consideration whereof is expected to be discharged by way of issue of equity shares of APSEZ, we recommend the following indicative swap ratio:

153 (One Hundred and Fifty-three) Equity Shares of APSEZ of INR 2 each fully paid up, for every 1000 (One Thousand) Equity Shares of APPHPL.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

Respectfully submitted,

For GT Valuation Advisors Private Limited
Registered Valuer Entity – Securities and Financial Assets
IBBI Registration Number: IBBI/RV-E/05/2020/134

D.R.Kadakia

GT VALUATION ADVISORS PVT. LTD. MUMBAI

Darshana Kadakia
Director

Register Valuer – Securities and Financial Assets
IBBI Registration Number: IBBI/RV/05/2022/14711

Date: 17 April 2025

Annexure 1

The Computation of share swap ratio for the Proposed Transaction as derived by us, is given below:

Valuation Approach	**APPHPL (A)**		**APSEZ (B)**	
	Weights	**Value per Share (INR)**	**Weights**	**Value per Share (INR)**
Market Approach				
Market Price Method#	NA	NA	50%	1,159.5
Comparable Companies Multiple method	NA	NA	50%	1,238.4
Comparable Transactions Method	NA	NA	NA	NA
Income Approach- Discounted Cash Flow Method	NA	NA	NA	NA
Cost Approach – Net Asset Value Method	100%	182.9	NA	NA
Concluded Value Per share		**182.9**		**1,199.0**
Fair Equity share swap ratio (A/B) (Rounded)	**153:1000**			

 # Higher of 10 trading days and 90 trading days VWAP
*NA= Not Applicable/Not Adopted

1. Comparable Companies Multiple Method is not adopted for APPHPL due to lack of comparable companies since the company is an investment holding company. However, this approach is adopted for valuation of NQXT, i.e. an investment under APPHPL.
2. Comparable Transactions Method is not adopted for estimating value per share of Specified Companies due to lack of credible & sufficient information on transactions involving companies of comparable size and scale of operations.
3. Income approach is not adopted as the financial forecast for APSEZ was not available. For APPHPL the income approach is not adopted since it is an investment holding company. However, this approach is adopted for valuation of NQXT, i.e. an investment under APPHPL.
4. The Cost approach is not used for APSEZ, since it is a going concern and hence an actual realization of their operating assets is not contemplated. However, we have considered SOTP method under this approach to value APPHPL as a whole since it is an investment holding company.

Share Swap Ratio
153 (One Hundred and Fifty-three) Equity Shares of APSEZ of INR 2 each fully paid up, for every **1000 (One thousand)** Equity Share of APPHPL.

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