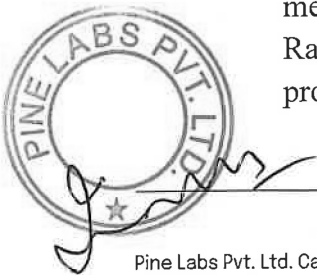




REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PINE LABS PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON FEBRUARY 8, 2024, COMMENCED AT 1:00 PM AND CONCLUDED AT 1:21 PM VIA VIDEO CONFERENCING AT CANDOR TECHSPACE, 4TH FLOOR, TOWER 6, PLOT NO. B2, SECTOR 62, NOIDA – 201301, UTTAR PRADESH, INDIA

1. A draft of the proposed composite scheme of arrangement amongst Pine Labs Private Limited (“**Company**”), Pine Labs Limited (“**PLS**”) (“**Amalgamating Companies**”) and their respective shareholders, pursuant to Sections 230 to 232 read with Sections 234 and other applicable provisions of the Companies Act, 2013, the rules and/ or regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“**Companies Act**”), including Rule 25A and other applicable rules of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and pursuant to the Foreign Exchange Management (Cross Border Merger) Regulations, 2018 and other applicable laws was placed before and approved by the Board of Directors of the Company (“**Board**” and such scheme, the “**Draft Scheme**”) at its meeting held on February 8, 2024.
2. As per Section 232(2) (c) of the Companies Act, 2013, a report is required to be adopted by the Board explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company, laying out in particular, the entitlement of shares and Share Exchange Ratio, specifying any special valuation difficulties, if any (“**Report**”). Accordingly, this Report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act, 2013.
3. Having regard to the applicability of the aforesaid provisions, a draft of the Scheme and the following documents are placed before the Board:
 - (i) **Draft Scheme**
 - (ii) **Independent Valuation Report** dated 8th February, 2024 (“**RV Valuation Report**”) issued by registered valuer D&P India Advisory Services LLP, (IBBI Registered Valuer Number IBBI/RV-E/05/2020/131) describing, *inter alia*, the methodologies adopted by them in arriving at the recommended Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Amalgamation;





- (iii) **Independent Valuation Report** dated 8th February, 2024 (“**MB Valuation Report**”) issued by category I merchant banker, Kroll Advisory Private Limited, (Certificate Number MB/INM000012315) describing, *inter alia*, the methodologies adopted by them in arriving at the recommended Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Amalgamation for the purposes of compliance with and in accordance with the Foreign Exchange Management (Cross Border Merger) Regulations, 2018;
- (iv) Other presentations, reports, documents and information made to/ furnished before the Board pertaining to the draft Scheme.

4. Effect of the Scheme in terms of Section 232(2)(c) of the Companies Act, 2013:

S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
(i)	Shareholders	<p>(a) The Company has equity shareholders. The Company has no other class of shareholders.</p> <p>(b) Upon the Scheme becoming effective and in consideration of the Amalgamation, the Company shall, without any further application, act or deed, issue and allot its equity shares and compulsorily convertible preference shares, on such terms as set out in the articles of association of PLI and/or any agreement with the holders of such instruments (if applicable), credited as fully paid-up to the extent indicated below, to the PLS Shareholders, whose names are recorded in the register of members of PLS on the Record Date in the following manner:</p> <p><i>“In lieu of every 10,000 (ten thousand) ordinary shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) equity shares of face value INR 1 (Indian Rupees One only) each of the Transferee Company;</i></p>



S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		<p><i>In lieu of every 10,000 (ten thousand) series A preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series A compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series B preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series B compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series B2 preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series B2 compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series C preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series C compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series C1 preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series C1 compulsorily convertible preference shares of</i></p>



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		<p><i>face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series D preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series D compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series E preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series E compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series F preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series F compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series G preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series G compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series G1 preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series G1</i></p>



S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		<p><i>compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series H preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series H compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series I preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series I compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series J preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series J compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series K preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series K compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series L preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand</i></p>



S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		<p><i>seven hundred seventy five) series L compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company;</i></p> <p><i>In lieu of every 10,000 (ten thousand) series 1 preference shares in the Transferor Company, 12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five)) series 1 compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company. (the "Share Exchange Ratio")</i></p> <p>(c) As far as the existing shareholders of the Company are concerned (promoter shareholders as well as non-promoter shareholders), the issuance of fully paid up equity shares and compulsorily convertible preference shares in the Company to the eligible PLS Shareholders will result in dilution of holding of the existing shareholders in the Company's shares by approximately 0.02% (zero point zero two per cent), and in turn will increase the shareholding of PLS Shareholders in the Company to that extent. However, there will be no change in economic interest of any of the current shareholders of the Company as on January 31, 2024, vis-à-vis their pre-Scheme interest post the Scheme coming into effect.</p> <p>(d) The equity shares and compulsorily convertible preference shares to be issued and allotted by the Company in the manner set out in paragraph (b) above shall be issued simultaneously following effectiveness of the scheme and: (i) the equity shares issued shall rank <i>pari passu</i> in all respects with the then existing equity shares of the</p>



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		<p>Company; and (ii) the compulsorily convertible preference shares shall be issued on such terms as set out in the PLI AOA and/or any agreement with the holders of such instruments (if applicable).</p> <p>(e) Following the issuance of the equity shares and compulsorily convertible preference shares in accordance with paragraph (b) above, the existing shareholding of PLS in the Company shall stand cancelled and extinguished and the paid-up share capital of the Company shall stand reduced to that extent, without any further act, instrument or deed.</p> <p>(f) As an integral part of the Scheme, and, upon the Scheme becoming effective, the authorized share capital of the Company aggregating to INR 84,28,66,330 (Eighty Four Crores Twenty Eight Lakhs Sixty Six Thousand Three Hundred and Thirty only) divided into 84,28,66,330 (Eighty Four Crores Twenty Eight Lakhs Sixty Six Thousand Three Hundred and Thirty) equity shares of INR 1 (Rupee One only) each, shall automatically stand increased to INR 110,11,58,686 (Indian Rupees One Hundred Ten Crores Eleven Lakhs Fifty Eight Thousand Six Hundred Eighty Six only) divided into 34,73,14,274 (thirty four crores seventy three lakhs fourteen thousand two hundred seventy four) equity shares of INR 1 (Indian Rupee One only) each and 75,38,44,412 (seventy five crores thirty eight lakhs forty four thousand four hundred twelve) compulsorily convertible preference shares of Rs. 1 (Indian Rupee One only) each, by filing the requisite</p>



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		forms with the concerned governmental or regulatory authority. (g) The Scheme is expected to have several benefits for the Company, as indicated in the rationale of the Scheme set out therein and is expected to be in the best interests of the shareholders of the Company.
(ii)	Promoter Shareholder(s)	Please refer to paragraph (i) above for details regarding effect on the shareholders.
(iii)	Non-Promoter Shareholder(s)	Please refer to paragraph (i) above for details regarding effect on the shareholders.
(iv)	Key Managerial Personnel ("KMP")	The KMPs of the Company shall continue as key managerial personnel of the Company after effectiveness of the Scheme.

5. Share Exchange Ratio

- (i) For the purpose of arriving at the recommended Share Exchange Ratio, the Valuation Report was obtained by the Company.
- (ii) The independent registered valuer(s) appointed to determine the Share Exchange Ratio for the Amalgamation have not expressed any difficulty while determining the same.
- (iii) The independent valuers have considered the Income Approach Method and the Market Approach Method, to arrive at the recommended Share Exchange Ratio for the Scheme.
- (iv) The recommendation of the Share Exchange Ratio for the Amalgamation has been certified as being fair and has been approved by the Board of Directors of the Company.



6. Adoption of the Report by the Board of Directors

The Board of Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For Pine Labs Private Limited

Indresh Kumar Gupta

Director

DIN: 07488823

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Date: 13/02/2024

Place: Gurgaon