



PINE LABS LIMITED
(Company Registration No.: 201319166R)
(Incorporated in the Republic of Singapore)
(the "**Company**")

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PINE LABS LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE (INDIAN) COMPANIES ACT, 2013

1. A draft of the proposed composite scheme of arrangement amongst Pine Labs Limited ("**Company**"), Pine Labs Private Limited ("**PLI**") ("**Amalgamating Companies**") and their respective shareholders, pursuant to (a) Section 210 read with Section 212 and other relevant provisions of the Companies Act 1967 of Singapore; and (b) Sections 230 to 232 read with Sections 234 and other applicable provisions of the (Indian) 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) ("**Indian Companies Act**"), including Rule 25A and other applicable rules of the (Indian) Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and pursuant to the (Indian) Foreign Exchange Management (Cross Border Merger) Regulations, 2018 and other applicable laws was placed before and approved by Mr. Marc Kay Mathenz on behalf of the Board of Directors of the Company ("**Board**" and such scheme, the "**Draft Scheme**").
2. As per Section 232(2)(c) of the Indian Companies Act, 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 has been prepared to comply with the requirements of Section 232(2)(c) of the Indian Companies Act.
3. Having regard to the applicability of the aforesaid provisions, the following documents were taken note of:
 - (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**", and together with the RV Valuation Report, the "**Valuation Reports**") 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.



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

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
(i)	Shareholders	<p>(a) The Company has ordinary shareholders and preference shareholders.</p> <p>(b) Upon the Scheme becoming effective and in consideration of the Amalgamation, PLI 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 shareholders of the Company, whose names are recorded in the register of members of the Company 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> <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>



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		<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 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,</i></p>



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		<p><i>12,71,775 (twelve lakhs seventy one thousand seven hundred seventy five) series G1 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 seven hundred seventy five) series L compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each of the Transferee Company; and</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</i></p>



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		<p><i>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) The equity shares and compulsorily convertible preference shares to be issued and allotted by PLI 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 PLI; and (ii) the compulsorily convertible preference shares shall be issued 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).</p> <p>(d) Following the issuance of the equity shares and compulsorily convertible preference shares by PLI in accordance with paragraph (b) above, the existing shareholding of the Company in PLI shall stand cancelled and extinguished and the paid-up share capital of PLI shall stand reduced to that extent, without any further act, instrument or deed.</p> <p>(e) 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.</p>
(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”)	Upon the Scheme becoming effective, the Company shall stand dissolved without being wound up. In the circumstances, the key managerial personnel of the Company, if any, shall cease to be key managerial personnel of the Company, without having any adverse effect on them.

5. Share Exchange Ratio

- (i) For the purpose of arriving at the recommended Share Exchange Ratio, the Valuation Reports were obtained by the Company.



- (ii) The independent registered valuers 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 approved by the Board of Directors of the Company.

6. Adoption of the Report by the Board of Directors

Mr. Marc Kay Mathenz has approved this Report on behalf of the Board by virtue of the authority granted to him under the directors' resolution in writing of the Company dated December 13, 2023, after noting and considering the information set forth in this Report. Any director the Company, the CEO, the CFO or a person duly authorised by the Directors is authorised to make the relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For Pine Labs Limited

Name: Marc Kay Mathenz
Designation: Director