



EKADRISHT CAPITAL PRIVATE LIMITED

MERCHANT BANKER (CATEGORY 1) – SEBI REGISTERED

CIN – U66190MH2023PTC401863 SEBI Reg. No. INM000013040

1102, Summit Business Park, Chakala, Andheri Kurla Rd, Andheri E, Mumbai 400093

Tel - 022 - 26830300 Email - info@ekadrisht.com Website - www.ekadrisht.com

13 December 2023

To,
The Board of Directors,
Spacenet Enterprises India Limited
Plot No.114, Survey No 66/2,
Raidurgam Gachibowli, Prasanthhills,
Navkhalsa, Serilingampally,
Hyderabad – 500008.

Sub : Fairness Opinion to the Board of Directors of Spacenet Enterprises India Limited (SEIL) on the recommendation of Share Exchange Ratio for demerger of Software business to Winteg People Solutions Private Limited (WPSPL) and merger of Pathfinder Enterprise Solution Private Limited (PESPL) with WPSPL (together referred to as "Companies")

In terms of our engagement letter dated 01 December 2023, SEIL has requested Ekadrisht Capital Private Limited (ECPL) to provide a fairness opinion to the Board of Directors of SEIL on the Share Exchange Ratio suggested by the Registered Valuers for the proposed demerger of **Software Business Undertaking** from SEIL to WPSPL as defined in the Scheme of Arrangement ("Scheme") and simultaneous amalgamation of PESPL with WPSPL under the Scheme.

BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION

SEIL bearing CIN : L72200TG2010PLC068624 is a public listed company incorporated on 28th May 2010 under Indian Companies Act, 1956 and having its registered office at Plot No.114, Survey No. 66/2, Raidurgam, Prashant Hills, Gachibowli, Nav Khalsa, Serilingampally, Ranga Reddy, Hyderabad-500008, Telangana, India. SEIL is a financial services company specializing in trade finance activities. Established in 2010, the company has positioned itself as a key player in facilitating Commodity Trading, trade Finance, empowering Traders, SME's, MSME's, and Trade channels by bridging the Trade Finance Gap. The company leverages cutting-edge financial technology to enhance its trade finance services. Also, the Company has a Software division that is into the development of high-end and niche software products. The equity shares of SEIL are listed on the National Stock Exchange of India Limited (NSE) with the trading symbol: SPENET.

WPSPL bearing CIN: U74999TN2019PTC130636 is an unlisted public company incorporated on 22nd July 2019 under the Companies Act of 2013 and having its registered office at No.42, Perambur Barracks Road, Veery, Chennai-600007, India. WPSPL is engaged primarily in the business of Technology services and software development. WPSPL is a wholly owned subsidiary of Spacenet Enterprises India Limited.

PESPL bearing CIN: U74900TN2014PTC095756 is an unlisted public Company incorporated on 28th March 2014 under the Companies At, 2013 and having its registered office at No: 42, Perambur Barracks Road, Veery, Chennai-600 007, Tamil Nadu, India. PESPL is a leading provider of comprehensive Information Technology services, offering innovative solutions to evolving needs of businesses across industries.

OVERVIEW OF THE SCHEME

This Scheme of Arrangement ("Scheme") provides the following:

- 1) PROPOSED TRANSACTION 1 :- Demerger of Software business undertaking carried on by SEIL through itself ("Software business undertaking), into WPSPL and the consequent issuance of equity shares by WPSPL to all the shareholders of SEIL in the manner provided



- for in the Scheme ("Demerger") and the cancellation of the shares held by the Demerged Company in the Resulting Company; and
- 2) PROPOSED TRANSACTION 2 :- Simultaneous, Amalgamation of PESPL with WPSPL and the consequent issuance of equity shares by WPSPL to all the shareholders of PESPL, and dissolution of PESPL without winding up in the manner provided for in the Scheme ("Amalgamation"); and
 - 3) Listing of the equity shares of WPSPL on the Stock Exchanges.

RATIONALE

- 1) The segregation of the software business from the Company would enable focused management to explore the potential business opportunities more effectively and efficiently;
- 2) Demerger will enable both Companies to enhance their business operations resulting in operational synergies for Software business undertaking and non-software business undertaking by streamlining operations, more efficient management control and outlining independent growth strategies.
- 3) Each business will be able to target and attract new investors with specific knowledge, expertise, and risk appetite corresponding to their own businesses.
- 4) Each business will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business.
- 5) Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.
- 6) The demerger will unlock the value of both businesses and result in shareholder value maximisation.

SCOPE OF WORK

The Board of SEIL has appointed DHILEEP KUMAR GANTA as the Registered Valuer to determine and recommend the Share Exchange Ratio for the Proposed Transactions, on a going concern basis with 24 November 2023 being the valuation date. In this connection, pursuant to the requirements of SEBI Operational Circular SEBI/HO/DDHS/DDHS_DIVI/P/CIR/2022/0000000103 dated 29 July 2022, updated as on 01 December 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated 23 November 2021, we have been requested by the Board of Directors of SEIL to render an opinion on whether the Share Exchange Ratio determined and recommended by the Registered Valuer vide their report dated 12 December 2023, is fair.

The Registered Valuer has recommended the following for the Proposed Transaction 1 and Proposed Transaction 2:

Share Exchange Ratio 1:

"One (1 Only) equity share of WPSPL of INR 1/- each fully paid up for every Four (4 Only) equity shares of SEIL of INR 1/- each fully paid up.

Share Exchange Ratio 2:

"One Hundred and Forty (140 Only) equity shares of WPSPL of INR 1/- each fully paid up for every One (1 Only) equity share of PESPL of INR 10/- each fully paid up.

This fairness opinion is intended only for the sole use and information of the Board of Directors of SEIL and only in connection with the Proposed Transaction. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the



companies involved in the Transaction or their subsidiaries / joint ventures / associates 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. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

SOURCES OF INFORMATION

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuers;
- b) Discussions (including oral) with the managements of the Companies in connection with the operations of the respective Companies/ subsidiaries, past and present activities, future plans and prospects, details of the proposed deal in certain subsidiaries of the Companies as recently announced, share capital and shareholding pattern of the Companies;
- c) Salient features of the Composite Scheme of Arrangement
- d) Historical financials of the Companies/ their subsidiaries/ associates/ joint ventures/ investee companies/ their businesses
- e) Projections of the Companies and the subsidiaries, as applicable
- f) Other relevant information and documents for the purpose of this engagement as mentioned in the Management Representation Letter provided by the management.

SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of SEIL and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.

We have considered financial information up to 30 September 2023 in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.



In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

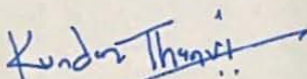
We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of SEIL and WPSPL post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

CONCLUSION

On the basis of the information and explanations given to us, we have conducted our independent analysis and performed the workings as disclosed in the ANNEXURE attached with this letter. Relying on our own workings and the representation provided by the Board, we are of the opinion that the Share Exchange Ratios, which are recommended by the Registered Valuers, are fair.

Yours faithfully,
For **Ekadrisht Capital Private Limited**



Kundan Thanvi
Authorised Signatory
SEBI Registration No. INM000013040
Date: December 13, 2023

