ADDENDUM TO VALUATION REPORT

Addendum to Valuation Report dated June 17, 2026, determining Fair Swap Ratio in relation to the proposed acquisition of majority equity stake of Steel Infra Solutions Company Limited ("SISCOL") by Lloyds Engineering Works Limited from existing shareholders of SISCOL

CA Hitendra Ranka [FCA, RV (IBBI) - S&FA]

Strictly private and confidential **Dated: July 14, 2026**

To,

The Board of Directors,

Lloyds Engineering Works Limited

Plot No A-5/5 Midc Industrial Area,
Murbad Road, Thane,
Maharashtra, India – 421 401.

The Board of Directors,

Steel Infra Solutions Company Limited

D-66, Ground Floor,
Block D Hauz Khas,
New Delhi, South Delhi - 110 016

Dear Sir(s),

Sub: Addendum to the Valuation Report dated June 17, 2026, issued to determine Fair Share Swap Ratio in relation to the proposed acquisition of majority equity stake of Steel Infra Solutions Company Limited from its existing shareholders by Lloyds Engineering Works Limited

This is with reference to the Valuation Report dated June 17, 2026, issued by us to determine fair share swap ratio ("the **Swap Ratio**") for the proposed acquisition of majority equity stake of Steel Infra Solutions Company Limited ("**SISCOL**" or "the **Acquiree**") from its existing shareholders by Lloyds Engineering Works Limited ("**LEWL**" or "the **Acquirer**"), for the purpose of compliance with the provisions of Regulation 163(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (last amended on March 21, 2026) ("**SEBI ICDR Regulations**"), Section 62(1)(c) and Section 42 of the Companies Act, 2013**,** along with the applicable Rules.

Pursuant to the clarification sought by the National Stock Exchange of India Limited ("**NSE**") vide "**NSE Letter No. NSE/LIST/55917 dated July 13, 2026**", with reference to the Valuation Report ("**Report**") submitted by us, they have ask to consider all the three approach for the valuation of LEWL. Accordingly, the Management of LEWL ("**the Management**") has requested us to additionally incorporate the Cost Approach and the Income Approach, in furtherance to the Market Approach already adopted in the Report. Pursuant to the same, we have adopted the Net Asset Value ("**NAV**") Method under the Cost Approach and the Profit Earning Capacity Value ("**PECV**") Method under the Income Approach, for arriving at the value per equity share of the Company under the said approaches.

In light of the above and pursuant to the clarification sought by NSE, we have considered all three approaches to valuation for arriving at the value per equity share of LEWL, as under:

Accordingly, we are issuing this Addendum to our Report for incorporating the above mentioned updates as under:

A) In our aforementioned Valuation Report, the valuation methodology under Income Approach shall be updated to include Profit Earning Capacity Value ("**PECV**") Method as follows [please refer section#11.7 "**Income Approach**" (on page 15 of the Report)]:

Profit Earning Capacity Value Method

The PECV method determines the value of a business or its equity shares by capitalizing its maintainable future earnings, reflecting the earning capacity of the enterprise rather than its asset base. This valuation method is based on the premise that the true worth of a business lies in its ability to generate profits for its shareholders, making it particularly suitable for companies with stable and predictable earnings streams and where value is primarily driven by operating performance rather than tangible assets. The valuation under this method is based mainly on the following elements:

- **Maintainable Profits**: The normalized earnings of the company are determined by analysing historical financial performance, typically averaging the after-tax profits of the preceding three to five years. This involves adjusting for non-recurring, extraordinary, or exceptional items, changes in accounting policies, and other one-off factors to arrive at a sustainable earnings figure that reflects the true operating performance of the business. Future business prospects, industry outlook, and any known changes in operations or economic conditions that could impact future profitability are also taken into consideration.

- **Capitalization Rate / Multiplier**: The capitalization rate represents the expected rate of return on investment and encapsulates the risk profile of the business, while the multiplier is the reciprocal of this rate. In determining the appropriate capitalization rate, industry-specific risk factors, the company's operational and financial risk profile, and prevailing market conditions are carefully assessed.

B) In our aforementioned Valuation Report, section#12 "**VALUATION OF COMPANIES**" shall be updated for Cost Approach and Income Approach followed for LEWL as follows [please refer page 17 of the Report]:

LEWL

Cost Approach – NAV / Adjusted NAV method

Based on the information and explanations received from the Management of LEWL, we understand that its fair value is to be determined on the assumption of going concern and that an actual realization of the operating assets is not contemplated. In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance, with the values arrived at on net asset basis being of limited relevance. Therefore, though we have calculated the NAV per equity share based on latest available consolidated financial statements of LEWL, we have given nil weight to this approach to arrive the fair value of equity shares of LEWL. Refer **Annexure – A(iv)** for the underlying workings on valuation of LEWL and its equity shares by NAV method under the Cost Approach.

Income Approach

Since LEWL is listed on NSE and BSE, we were not provided information related to future financial projections as the same is considered price sensitive. Hence, in the absence of financial projections, we have not considered DCF method under the Income Approach.

Instead, the Profit Earning Capacity Value method has been applied to determine the value of the equity shares of LEWL under the Income Approach. This method is typically used for valuing a going concern business with a reasonable history of operations and profitability, as it derives value based on historical profits rather than forward-looking estimates. In this case, PECV has been considered for benchmarking purposes only, serving as a conservative check in the absence of forward projections. Refer **Annexure – A(v)** for the underlying workings on valuation of LEWL and its equity shares by PECV method.

C) Point # 13.4 in the Section 13 "**BASIS AND CONCLUSION OF SHARE SWAP RATIO FOR THE PROPOSED TRANSACTION**" (in page 23 of the Report) shall be updated as follows:

Fair Share Swap Ratio for the Proposed Transaction is presented as per below table:

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.

Fair Share Swap Ratio

(All amounts are in ₹)

		LEWL		SISCOL	
Valuation approach		**Value per share**	**Weights**	**Value per share**	**Weights**
Asset approach					
NAV method		11.29	0.0%	NA	NA
Market approach					
Market price method		71.12	50%	NA	NA
Comparable Company Market Multiple method		71.37	50%	NA	NA
Comparable Companies Transactions Multiple method		NA	NA	NA	NA
Income approach					
Discounted Cash flow method		NA	NA	300.00	100%
Profit Earning Capacity Value Method		43.82	0.0%		
Equity Value per Share (rounded off)		**71.25**		**300.00**	
Swap Ratio (Rounded off)	**4.210526**				

#NA refers to Not Applicable / Not Adopted

Basis the above recommended fair share swap ratio, 7,06,74,568.42 equity shares of face value of ₹ 1/- each fully paid-up of LEWL against the acquisition of 1,67,85,210 equity shares held by existing shareholders in SISCOL are to be issued. Further, the Management has confirmed that basis the above fair share swap ratio, the selling shareholder's entitlement results in fractional shares and hence their fractional entitlement is rounded down (totaling 14.42 LEWL shares). Hence, number of shares of LEWL proposed to be allotted for the acquisition of SISCOL shares are 7,06,74,554. The consideration towards the respective fractional shares has been added as cash consideration to the respective selling shareholders.

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Notes to Fair Share Swap Ratio

- Since equity shares of LEWL are listed on BSE and NSE, we have considered Market Price Method under the Market Approach for valuation of LEWL. Pursuant to the SEBI ICDR Regulations, the issue price of equity shares of LEWL under the Proposed Transaction cannot be lower than the higher of the 10-trading-day VWAP and the 90-trading-day VWAP.

  Equity shares of SISCOL are not listed on any stock exchange and hence we have not used Market Price Method for its valuation.

- We have considered CCMM method for valuation of LEWL under Market Approach, whereby we have considered the appropriate multiples of the listed comparable companies operating in India that are engaged in similar business as that of LEWL for the present valuation exercise. We have not considered CTM method for valuation of LEWL under Market Approach in the absence of adequate details about / paucity of comparable transactions in the similar business to that of LEWL considering size, stage of business operations etc.

  We have not considered the CCMM under the Market Approach for the valuation of SISCOL because it is engaged in providing end-to-end steel-based solutions, including design, engineering, fabrication, site installation and project management services for infrastructure projects and based on our review, while certain listed companies operate in adjacent sectors, we did not identify a sufficient set of listed companies that are reasonably comparable to SISCOL in terms of nature of operations, scale, business mix, stage of development, profitability profile and growth prospects. Accordingly, the application of market multiples derived from such companies may not provide a reliable indication of value for the purpose of the present valuation exercise.

  We have not considered CTM method for valuation of SISCOL under Market Approach in the absence of adequate details about / paucity of comparable transactions in the similar business to that of SISCOL considering size, stage of business operations etc.

- Since LEWL is listed on NSE and BSE, we were not provided information related to future financial projections as the same is considered price sensitive. Hence, in the absence of financial projections, we have not considered DCF method under the Income Approach. Instead, the PECV method has been applied to determine the value of the equity shares of LEWL under the income approach, but only for benchmarking purposes, serving as a conservative check in the absence of forward projections. Accordingly, no weights have been assigned to PECV Method for the valuation of equity shares of LEWL.

  The true worth of SISCOL's business would be reflected in its future earnings capability. It captures value on going concern basis. Accordingly, the DCF method under the Income Approach has been considered for SISCOL's valuation.

- NAV / Adjusted NAV method under Cost Approach have not been used for valuation of SISCOL and LEWL because it is valued on going scenario basis and NAV has limited relevance than future earning potential.

No amendment other than those stated above has been made to the aforesaid Report issued on June 17, 2026. The above changes do not have any impact on recommendation in our Valuation Report.

This Addendum to our Report should be read in conjunction with our Valuation Report dated June 17, 2026, and is subject to the scope limitations enunciated in the Report.

Respectfully submitted.

HITENDRA R RANKA

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Date: 2026.07.14 20:06:56 +05'30'

Hitendra Ranka

Registered Valuer under Companies (Registered Valuers and Valuation) Rules, 2017

Asset Class: Securities or Financial Assets

Registration No. IBBI/RV/06/2019/11695

Place: Ahmedabad

Date: 14 July 2026

Annexure – A(iv): Valuation of equity shares of LEWL basis NAV method under Cost Approach

Valuation of equity shares of Lloyds Engineering Works Limited using NAV Method basis the latest consolidated financial statement of LEWL

(₹ Mn except share and per share data)

Particulars	Carrying value
Non-current assets	
Property Plant and Equipment	1,820.20
Capital Work-in-progress	711.40
Goodwill	1,669.50
Right-of-use assets	758.00
Other Intangible Assets	61.70
Financial Assets	
Other Financial Assets	129.60
Loan	0.80
Investments	765.30
Deferred Tax Assets (Net)	44.10
Other Non-Current Assets	1,042.60
Total Non-Current Assets	**7,003.20**
Current assets	
Inventories	4,327.50
Financial Assets	
Trade receivables	2,399.10
Cash and cash equivalents	3,363.90
Other Balances With Banks	603.30
Loans	1,310.20
Other Current Financial Assets	772.50
Current Tax Assets (Net)	26.10
Other Current Assets	3,885.00
Total Current Assets	**16,687.60**
Total Value of Assets (A)	**23,690.80**
Non-current liabilities	
Financial Liabilities	
Borrowings	92.00
Lease liabilities	601.00
Non Controlling Interest	124.60
Provisions	85.70
Deferred tax liabilities (net)	43.20
Other non-current liabilities	7.90
Total Non-Current Liabilities	**954.40**
Current liabilities	
Financial Liabilities	
Borrowings	246.30
Lease liabilities	146.40
Trade payables	1,922.90
Other financial liabilities	39.80
Provisions	124.30
Other current liabilities	3,509.00
Current tax liability	39.20
Total Current Liabilities	**6,027.90**
Total Value of Liabilities (B)	**6,982.30**
NAV attributable to shareholders (A) - (B)	**16,708.50**
Number of outstanding equity shares as at June 12, 2026	1,48,02,96,454
Value per equity share (rounded off up to two decimals)	**11.29**

Annexure – A(v): Valuation of equity shares of LEWL basis PECV method under Income Approach

Valuation of equity shares of Lloyds Engineering Works Limited using PECV Method as at Valuation Date

(₹ Mn except share and per share data)

Particulars	FY2026	FY2025	FY2024	Total
Profit After Tax (A)	1,975.70	1,050.40	798.38	3,824.48
Weights (B)	3.00	2.00	1.00	
Product (A)*(B)	5,927.10	2,100.80	798.38	8,826.28
Capitalization Rate (refer note (i))				13.61%
Market Capital				64,868.13
Number of outstanding equity shares as at June 12, 2026				1,48,02,96,454
Fair value per equity share (rounded off up to two decimals)				**43.82**

Note (i) Calculation of Capitalization Rate / Cost of Equity ("Ke") for LEWL

Cost of Equity	%	Remarks
Risk free rate (Rf)	6.98%	The Risk free rate is based on the data published by The Clearing Corporation of India Limited (CCIL) i.e. CCIL Rupee Yield Curve (Zero Coupon Yield Curve) for maturity equivalent to ten years as at June 12, 2026.
Equity risk premium (Rm-Rf)	7.98%	ERP is a measure of the premium that investors require for investing in equity markets instead of bond or debt markets. This data has been sourced from the Aswath Damodaran Data Set for Equity Risk Premium in the Indian Market.
Unlevered Beta	0.78	The Beta has been considered based on Industry Beta of the Machinery Industry from the Aswath Damodaran Data set for Industry Beta in the Indian Market.
Tax rate	25.17%	Based on effective tax rate applicable to LEWL.
Debt to equity ratio on Valuation date	9.10%	Industry debt-equity ratio, based on Aswath Damodaran Data, has been considered as the target debt-to-equity ratio for LEWL.
Levered beta	0.83	Computed based on Debt-Equity ratio as stated above.
Cost of Equity	**13.61%**	
Alpha (Company Specific Risk Premium)	-	Valuer's judgment considering the company-specific operational and financial parameters.
Revised CoE	**13.61%**	

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