

The Board of Directors**Siemens Limited**

Birla Aurora Level 21 Plot No. 1080
Dr Annie Besant Road, Worli,
Mumbai, Maharashtra
India 400030

Grant Thornton Bharat LLP
16th floor, Tower III,
One International Centre,
S B Marg, Prabhadevi (W)
Mumbai - 400 013
India

T +91 22 6626 2600
F +91 22 6626 2601

08 December 2025

For the Kind Attention of the Board of Directors

Dear Sirs / Madam,

Business Valuation of Low Voltage Motors & Geared Motors Businesses including respective Customer Service Business of Siemens Limited.

We refer to our Engagement Letter, confirming our appointment by Siemens Limited (hereinafter referred to as the "Company" or "Siemens" or the "Client") to carry out business valuation of the low voltage motors and geared motors businesses including the respective customer services business ("Target Division") as on an agreed upon date, for the purpose of evaluating potential sale of the Target Division to an identified unrelated party ("Proposed Transaction").

In this regard, the management of Siemens ("the Management") has approached Grant Thornton Bharat LLP ("Grant Thornton" or the "Firm") to undertake valuation of the Target Division in connection with the Proposed Transaction as on 30 September 2025 ("Valuation Date") for its internal evaluation purpose.

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

1 CONTEXT AND PURPOSE**1.1 Siemens Limited**

Siemens Limited is the flagship company of Siemens AG in India. It operates in different industries through various segments such as digital industries, smart infrastructure, mobility, etc.

1.2 Target Division

The Target Division sells electrical motors for line & inverter operation through contract manufacturing model. Target Division sells motors with capacity varying from 0.12KW to 1.25MW and frame sizes between 71-500. The Target Division sells safe area motors and explosion proof motors & imports special purpose motors, application of such products is primarily in machine building, metals, food and beverages, chemicals, power, minerals and others.

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 SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and/or gathered from public domain:

- a. Information on Target Division and profile provided by the Management;
- b. Historical financial statements of the Target Division for the period ended 30 September 2023, 30 September 2024 and financial results for the 12 months ended 30 September 2025;



- c. Management certified financial projections for the Target Division for the period from 01 October 2025 to 30 September 2030;
- d. International Database;
- e. Correspondence with the Management including Management Representation;
- f. Other relevant information available in the public domain and internet sources;
- g. In addition to the above, we have also obtained such other information and explanations which were considered relevant for the purpose of our analysis.

3 SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation recommendations and considerations of the issues described herein are areas of our regular advisory practice. The services do not represent accounting, audit, financial due diligence review, consulting, transfer pricing or domestic / international tax-related services that may otherwise be provided by Grant Thornton.

Our analysis and review of the financial statements of the Target Division does not constitute an audit in accordance with Auditing Standards and does not constitute vetting of the financial information provided by the Management. Also, all the assets of the Target Division, transferred are expected to be in operational use. We have relied on explanations and information provided by the Management and accepted the information provided to us as consistent and accurate on an "as is" basis. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material misstatements or would not afford reasonable grounds upon which to base the report.

The responses to our queries (either via correspondence or meetings) on the earning capacity and operating outlook of the Target Division reflect the best judgment of the Management regarding the future profitability of the business. We have assumed that the liabilities are only those which were made available to us in the audited/ provisional financial statements provided to us and that there are no other contingent liabilities, unusual contractual obligations, substantial commitments or claims against the Target Division which would materially affect the financial statements and have an impact on the valuation unless specifically stated by the Management.

Our valuation is primarily from a business perspective and has not taken into account various legal and other corporate structures beyond the limited information made available to us. Hence, our opinion should not be construed as legal advice or a legal opinion.

The responsibility for forecasts and the assumptions on which they are based is that of the Management and we provide no confirmation or assurance on the achievability of these projections. It must be emphasized that profit forecasts necessarily depend upon subjective judgment. They are to a greater or lesser extent, according to the nature of the business and the period covered by the forecasts, subject to substantial inherent uncertainties. In consequence, they are not capable of being audited or substantiated in the same way as financial statements, which present the results of completed periods.

The valuation worksheets prepared for the exercise are proprietary to Grant Thornton and cannot be shared. Please note that for the purpose of our Valuation Analysis, suitable averaging and rounding off in the values arrived at have been done wherever necessary/ applicable.

Similarly, we have relied on data from external sources. These sources are considered to be reliable and therefore, 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.

The scope of our 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 transaction and which a wider scope might uncover. It may be noted that valuation is not an exact science and ultimately depends upon what the business is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. The valuation exercise is carried out using internationally accepted valuation methodologies, the relative emphasis of each often varying based on several specific factors. The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. The valuation analysis recommendation contained herein is not intended to represent the value at any time other than the date that is specifically stated in this report.



This report is issued on the understanding that the Management has disclosed all documents, records and information relevant to our review of the financial outlook and are complete and fair in relation to the valuation of Low Voltage Motors & Geared Motors Businesses including the respective customer service business and has drawn our attention to all matters of which they are aware concerning the financial position of the business, which may have an impact on our report up to the date of issue. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Please note that Grant Thornton may have provided other professional services to Siemens in the past. The fee for this report is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice.

The Client has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final report.

Our valuation analysis and this Report does not constitute nor can be construed as a valuation carried out by a registered valuer in accordance with Companies Act, 2013 ("Act") or Rules framed thereunder or as per any rules, regulations, standards, bye-laws, ordinance, notifications issued pursuant to such Act or Rules and any such use of our valuation analysis and this Report is not permitted.

Under no circumstances whatsoever, are we to be held liable for any loss, damage, cost or expense to be caused in any manner or form from acts of fraud, misrepresentation, misstatement, provision of incorrect information or withholding of information from us.

We assume that the liabilities are only those which were made available to us in the balance sheets of the Target Division and that there are no other contingent liabilities, unusual contractual obligations, substantial commitments or claims (in addition to those already disclosed to us) against Target Division which would materially affect the financial statements and have an impact on the value.

Please note that with respect to the audited / provisional financial statements, rounding-off of amounts in the underlying financial information could result in immaterial arithmetic differences. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

The Management has informed that the business activities of the Target Division have been carried out in the normal and ordinary course between Valuation Date and the date of this report and that no material adverse change has occurred in their respective operations and financial position between the respective aforementioned dates.

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

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 alternative business transaction or other alternatives or whether such alternatives could be achieved or are available.

No investigation / inspection of the Company / Target Division's claim to title of assets has been made for the purpose of this Report and the Company / Target Division's 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.

This valuation analysis is confidential and has been prepared exclusively for the Management. We stress that our reports and letters are confidential and prepared for the addressees only. The report should not be used, reproduced or circulated for any other purpose, whether in whole or in part without our prior written consent, which consent will only be given after full consideration of the circumstances at the time.

We owe responsibility only to the Client as per the terms of our Engagement Letter. Please note that we do not have any responsibility or liability towards Siemens Limited's or the buyer's advisors, consultants, shareholders or any other third party with respect to this report. If the report is shared with any third party, Grant Thornton Bharat LLP does not assume any duties or obligation to these third parties in connection with such access and the valuation analysis contained in the report should not be construed as an investment advice. Our analysis and report are invalid if used for any purpose other than that stated herein.



Please note that our firm owes no duty of care to the current or prospective investors or any other person who may have access to the report and cannot accept any responsibility or liability for reliance by them in acting or refraining from acting on the contents of the report. Grant Thornton Bharat LLP does not express any opinion on the suitability or otherwise for entering into a transaction with the Target Division and/ or with the Client. Our analysis is invalid, if used for any other purpose other than stated herein.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, loan agreement or other agreement or document given to third parties, without our prior written consent.

In addition, Grant Thornton will not provide consent to be named as an expert in any filings, including, without limitation, any filings with the U.S. Securities and Exchange Commission.

4 VALUATION METHODOLOGIES

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. Valuation base can be Fair Value, Participant Specific Value or Liquidation Value, depending upon the intended purpose of the valuation exercise.

Considering the nature of this exercise, we have considered Fair Value as the Valuation base. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

Premise of Value: Premise of Value refers to the conditions and circumstances how an asset is deployed. Since the Target Division intends to carry on its business, we have considered Going Concern Value as the Premise of Value.

Intended Users: This report is intended for consumption of the Board of Directors, including any Committees thereof.

5 VALUATION APPROACH

The three main valuation approaches are the market approach, income approach and asset approach. As discussed below, there are several commonly used and accepted methods for determining the valuation of Target Division for the Proposed Transaction, which have been considered in the present case, to the extent relevant and applicable, including:

- 1 Asset Based Approach: Net Asset Value Method
- 2 Market Based Approach:
 - a) Market Price method
 - b) Market Multiple method
 - c) Transaction Multiple method
- 3 Income Based Approach: Discounted Cash Flows Method

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 and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, 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.



The application of any particular 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. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bonafide manner based on our previous experience of assignments of a similar nature.

The generally accepted valuation methodology, as may be applicable, which have been used to arrive at the value of the Target Division are discussed hereunder:

Discounted Cash Flows Method (“DCF Method”)

The DCF Method uses the future free cash flows of the firm / equity holders discounted by the cost of capital / equity to arrive at the present value. In general, the DCF Method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business.

Considering that this method is based on future potential and is widely accepted and we have been provided with the financial projections of the Target Division, we have considered Free Cash Flows to the Firm (“FCFF”) under the Discounted Cash Flow Method for valuation analysis of the Target Division as on the Valuation Date.

Market Multiple Method (“MM Method”)

Under this methodology, market multiples of comparable listed companies are computed and applied to the business 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 a good benchmark to derive the value of the subject company. This method applies the most appropriate and reasonable multiple to the relevant operating performance metrics of the subject company to estimate its value. While there are no pure play comparable companies to the Target Division, we have considered this method by using a broader set of publicly listed companies which have some of their businesses which could be considered as comparable to the business of the Target Division.

6 VALUATION OF THE TARGET DIVISION

6.1 Valuation using DCF Method

We have considered DCF method for the valuation analysis of the Target Division. Using the DCF analysis involves determining the following:

- **Estimating future free cash flows:**

Free cash flows are the cash flows expected to be generated by the Target Division that are available to all providers of the capital – both debt and equity.

We have relied on the financial projections for the Target Division from 1 October 2025 to 30 September 2030 as provided to us by the Management to calculate the future cash flows of the Target Division.

- **Appropriate discount rate to be applied to free 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.

In the present case, we have considered Weighted Average Cost of Capital (“WACC”) of 12.3% as the discount rate to present value the future cash flows to the firm for the explicit period and perpetuity.

Considering above, the value of the Target Division under the DCF Method has been arrived at **Indian Rupees 9,943.1 million**.



6.2 Valuation using MM Method

As mentioned above, in the absence of closely comparable public listed companies, we have considered multiples of Indian listed companies operating in broadly similar industry and engaged in economic activities partially similar to the Target Division. Further the selection criteria were based on the comparability of business model, riskiness of business, financial performance and product & service offerings in comparison with the Target Division.

We have considered median Enterprise Value ("EV") / 1 yr Forward Earnings Before Interest, Taxes, Depreciation, and Amortisation ("1 yr Fwd EBITDA") multiple of the selected comparable companies using 1 yr Forward EBITDA for period ended 30th September 2026, based on latest available financial estimates for our valuation analysis. The selected EV/1 yr Fwd EBITDA multiple of the comparable Indian companies has been adjusted for discount of 25% on account of size of operations, differences in nature of business operations, consideration of broad based peer set, financial performance metrics etc. vis-à-vis Target Division to arrive at the concluded multiple.

Considering the above, the value of the Target Division under the MM Method has been arrived at **Indian Rupees 21,219.8 million**.

7 BASIS OF RECOMMENDATION

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of business.

Though different values have been arrived at under both the above methods, for the purposes of arriving at the value of the Target Division it is necessary to give appropriate weights to the values arrived at under these methods. Accordingly, equal weights have been assigned to the values derived under DCF method and the MM method.

While we have provided our recommendation based on our analysis of the Target Division considering the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility at which the Proposed Transaction shall take place will be with the Board of Directors of the Company who should take into account other factors such as their own assessment of the Proposed Transaction.

8 VALUATION CONCLUSION

Based on the above analysis and subject to the assumptions and limitations described in this report and our Engagement Letter, we estimate the value of the Target Division to be **Indian Rupees 15,581.5 million**.

Yours sincerely,

GRANT THORNTON BHARAT LLP



Arpit Thakkar
Partner



