

Date: 09 August 2022

To,
The Board of Directors,
Associated Alcohols & Breweries Limited,
4th Floor, BPK Star Tower, A.B. Road,
Indore, Madhya Pradesh – 452008

To,
The Board of Directors,
Mount Everest Breweries Limited,
4th Floor, BPK Star Tower, A.B. Road,
Indore, Madhya Pradesh – 452008

Subject: Recommendation of fair share exchange ratio for the proposed amalgamation of Associated Alcohols & Breweries Limited ('AABL') with Mount Everest Breweries Limited ('MEBL')

Dear Sir/Madam,

We refer to the engagement letter dated 29 June 2022 and discussion undertaken with the Management of Mount Everest Breweries Limited ('MEBL' or 'Transferee Company') and Associated Alcohols & Breweries Limited ('AABL' or 'Transferor Company') (hereinafter both together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK', 'we' or 'us') to undertake a valuation exercise and recommend a fair share exchange ratio for the proposed amalgamation of AABL (Transferor Company) with MEBL (Transferee Company) ('Proposed Amalgamation').

Hereinafter the Transferee Company and Transferor Company shall together be referred to as the 'Transacting Companies'; and the Management including the Board of Directors of the Transacting Companies shall together be referred to as 'the Management'.

Please find enclosed the report (comprising 13 pages including annexure) detailing our recommendation of share exchange ratio for the proposed amalgamation, the methodologies employed, and the assumptions used in our analysis.

This report sets out our scope of work, background, source of information, procedures performed by us and our recommendation of the share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Mount Everest Breweries Limited ('MEBL' or 'Transferee company') was incorporated on 13 August 1999 and is engaged in the business of manufacturing and sale of beer. It sells these under its own brand and also does contract manufacturing. MEBL has its manufacturing facility in Madhya Pradesh, India.

Associated Alcohols & Breweries Limited ('AABL' or 'Transferor Company') was incorporated on 7 July 1989 and is primarily engaged in the business of manufacturing and marketing of liquor and is also engaged in the manufacturing and trading of extra neutral alcohol (ENA). The equity shares of AABL are listed on National Stock Exchange (NSE) and BSE.

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate AABL with MEBL in accordance with the provisions of Sections 230 to 232 including Section 66 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation (hereinafter referred to as 'the Scheme').

Further as a consideration for the proposed amalgamation under Part C of the Scheme, equity shares of the Transferee Company would be issued to the equity shareholders of Transferor Company.

The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by us.

We would like to emphasize that certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the proposed amalgamation shall be 01 April 2022 or such other date as the National Company Law Tribunal ('NCLT') may direct. We have determined the share exchange ratio for the proposed amalgamation as at the report date ('Valuation date').

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Transacting Companies using internationally accepted valuation methodologies as may be applicable to the Transacting Companies and then arrive at the share exchange ratio and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and requirement prescribed by the Regulations applicable to listed companies as prescribed by SEBI.

The Management have informed us that:

- a) With effect from the appointed date, and up to and including the effective date, there would not be any capital variation in the Transacting Companies except by mutual consent of the Board of Directors of Transacting Companies or such other events as contemplated in the Scheme.
- b) Till the proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years.
- c) There are no unusual/ abnormal events in the Transacting Companies other than those represented to us by the Management till the report date materially impacting their operating / financial performance.
- d) There would be no significant variation between the draft scheme of amalgamation and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.



COMPANY AND FINANCIAL OVERVIEW

A. Mount Everest Breweries Limited ('MEBL' or 'Transferee company')

MEBL is engaged in the business of manufacturing and sale of beer. Its beer are marketed under four in-house brands namely Lemount, Mounts 6000, Dabang and Stok. MEBL is also engaged in manufacturing of beer on contract manufacturing basis for United Breweries Limited ('UBL'). Its manufacturing facility is located in Madhya Pradesh.

As at the report date 2,06,11,027 equity shares of MEBL are issued and outstanding.

B. Associated Alcohols & Breweries Limited ('AABL' or 'Transferor Company')

AABL is primarily engaged in the business of manufacturing and trading of extra neutral alcohol (ENA), Indian made Indian liquor (IMIL), Indian made foreign liquor (IMFL'), spirits, and hand sanitizer. AABL also has exclusive franchise agreement with Diageo – United Spirits Limited ('USL) to distil, blend, bottle, and market certain alcohol brands. The equity shares of AABL are listed on NSE and BSE.

As at the report date 1,80,79,200 equity shares of AABL are issued and outstanding.

Shareholding pattern

The equity shareholding pattern of AABL as at 30 June 2022 is set out below:

Category of shareholder	Number of shares (Face Value of INR 10 each)	Percentage %
Promoter and Promoter Group	1,05,66,440	58.4%
Public	75,12,760	41.6%
Total	1,80,79,200	100.0%



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SOURCES OF INFORMATION

In connection with preparation of this report, we have used and relied on the following sources of information:

A. Company specific information

Information provided by the Management which includes:

- Limited reviewed interim financial statements for the three months period ended 30 June 2022 ('PE23') of MEBL;
- Audited financial statements of MEBL for the financial year ended 31 March 2022;
- Unaudited financial statements of MEBL for three months period ended 30 June 2021;
- Limited reviewed financial statements for the three months period ended 30 June 2022 ('PE23'), period ended 30 June 2021 ('PE22') and audited financial statements for the financial year ended 31 March 2022 ('FY22') of AABL;
- Financial projections of MEBL from 01 April 2022 till 31 March 2028 ('Management Projections') which represent the management's best estimate of the projected future financial performance of the Transferee Company;
- Financial projections of AABL from 01 April 2022 to 31 March 2026 ('Management Projections') which represent the management's best estimate of the projected future financial performance of the Transferor Company;
- Valuation report dated 20 June 2022 with respect to fair valuation of surplus land prepared and issued by Mr Arvind Agrawal, IBBI approved Registered Valuer - Land and Building.
- Draft scheme of amalgamation between the Transacting Companies pursuant to which proposed amalgamation is to be undertaken;
- Shareholding pattern of Transferee Company as at report date;
- Shareholding pattern of Transferor Company as at 30 June 2022;
- Discussions and correspondence with the Management in connection with business operations, past trends, key developments, proposed future business plans and prospects, realizability of assets, etc.

B. Industry and economy information:

- Information available in public domain and databases such as S&P Capital IQ, NSE, BSE etc.; and
- Such other information and documents as provided by the Management for the purposes of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, reviews, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

PROCEDURES ADOPTED

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
 - Understand the business and fundamental factors that affect the business of the Transacting Companies including their earning generating capability including strength, weakness, opportunity and threat analysis and historical financial performance;
 - Enquire about current state of affairs, business plans and the future performance estimates;
- Analysis of information shared by Management;
- Reviewed the draft scheme of amalgamation between the Transacting Companies pursuant to which the proposed amalgamation is to be undertaken;
- Considered the limited reviewed interim financial statements for the three months period ended 30 June 2022, audited financial statements for the financial year ended 31 March 2022 ('FY22') and unaudited financial statements for the three months period ended 30 June 2021 of MEBL;
- Considered the limited reviewed financial statements of AABL for the three months period ended 30 June 2022 and 30 June 2021 alongwith the audited financial statements for the financial year ended 31 March 2022 ('FY22');
- Considered the valuation report dated 20 June 2022 with respect to fair valuation of land prepared and issued by Mr Arvind Agrawal, IBBI approved Registered Valuer - Land and Building.
- Reviewed the shareholding pattern of the Transferee Company as at report date;
- Reviewed the shareholding pattern of the Transferor Company as at 30 June 2022;
- Reviewed the cashflow projections provided by the Management including understanding basis of preparation and the underlying assumptions;
- Identification of suitable comparable companies for the Transacting Companies in discussion with the Management;
- Discussions with the Management to obtain requisite explanation and clarification of data provided;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Transacting Companies operate and analysis of the business operations and financial performance of the Transacting Companies;
- Arrived at the valuation of the Transacting Companies using the method/(s) considered appropriate;
- Arrived at the value of equity shares of Transacting Companies after giving due weightage to the value arrived under the different methods;
- Arrived at the fair share exchange ratio for the proposed amalgamation of AABL with MEBL.



SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services does not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of valuation agreed as per the terms of this engagement;
- the date of the report;
- shareholding pattern of the Transferor Company as at 30 June 2022;
- shareholding pattern of the Transferee Company as at the report date;
- limited reviewed interim financial statements for the three months period ended 30 June 2022, unaudited provisional financial statements for three months period ended 30 June 2021 and audited financial statements for the financial year ended 31 March 2022 ('FY22') of MEBL;
- limited reviewed financial statements of AABL for the three months period ended 30 June 2022 and 30 June 2021 and the audited financial statements for the financial year ended 31 March 2022 ('FY22');
- realisation of cashflow projections as provided by the Management for AABL and MEBL and the assumptions underlying the financial projections;
- comparability of the companies considered for Comparable Companies Multiple (CCM) Method including the financial parameters considered;
- accuracy of the information available in public domain with respect to Transacting Companies and other comparable companies and their financial information considered;
- market price reflecting the fair value of the underlying equity shares of AABL;
- data detailed in the section - Sources of Information

We have been informed that the business activities of the Transacting Companies have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on the information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g. management capability, present and prospective yield on comparable securities, market sentiment, location specific factors etc., which are not evident on the face of the financial statement but which will strongly influence the worth of equity share of the Transacting Companies.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Transacting Companies till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent



on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the proposed amalgamation shall take place will be with the Board of Directors of the Transacting Companies, who should take into account other factors such as their own assessment of the proposed amalgamation and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section –Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of:

- the accuracy of information made available to us by the Management; and
- the accuracy of information that was publicly available.

both of which formed a substantial basis for the report.

We have not carried out a due diligence or audit or review of the Transacting Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Management/ Company's advisors, we have been given to understand by the Management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood that any omissions, inaccuracies, or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Transacting Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Transacting Companies. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Company will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share exchange ratio for the proposed amalgamation only.



We must emphasize that the latest financials of Transacting Companies as at the report date were not provided by the Management for our value analysis, however the Management has represented that they do not expect any significant changes in financial performance between 30 June 2022 and the report date. We have therefore considered the financials as at 30 June 2022 of Transacting Companies for the purpose of our value analysis.

We must emphasize that realization of forecasted free cash flow or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the final projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall our liability exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair share exchange ratio for the proposed amalgamation and relevant filings with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of AABL shall trade following announcements of the proposed amalgamation and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.



VALUATION APPROACHES

Basis and Premise of Valuation

Valuation of the equity shares of the Companies as on the report date is carried out in accordance with ICAI Valuation Standards ("ICAI VS"), considering 'fair value' base and 'going concern value' premise. Any change in the valuation base, or the valuation premise could have a significant impact on the valuation outcome of the Companies.

Basis of Valuation

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS is defined as under:

"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. Valuation of the Companies is carried out on a Going Concern Value premise which is defined under ICAI VS as under:

"Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc."

It should be understood that the valuation of any business/ company/ shares or its assets is inherently imprecise and is subject to various uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to market, industry performance, general business and economic conditions, many of which are beyond the control of the company.

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 purpose, 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 similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Asset Approach – Net Asset Value method
2. Market Approach:
 - a) Market Price method
 - b) Comparable Companies Market Multiple method
3. Income Approach – Discounted Cash Flow method

For the proposed amalgamation, we have considered the following commonly used and accepted methods for determining the value of equity shares of the Transacting Companies for the purpose of recommending fair share exchange ratio to the extent relevant and applicable:



1. Asset Approach - Net Asset Value Method ('NAV')

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in case where the firm is to be liquidated or in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

The Transacting companies are profit making and NAV Method does not value the future profit earning potential of the business, we have therefore not used this method to arrive at the equity value of the Transacting Companies.

2. Market Approach

a) Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

Equity shares of AABL are listed on both NSE and BSE, they are regularly and frequently traded with reasonable volumes on the exchanges. We have therefore used this method to value the equity shares of AABL.

Equity shares of MEBL are not listed on any stock exchange, we have therefore not used this method to value the equity shares of MEBL.

For determining the equity price under the market price method we have considered the formula prescribed under Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (amendment) Regulations, 2022 issued on 14 January 2022.

b) Comparable Companies' Multiple (CCM) / Comparable Transactions Multiples (CTM) Method

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Based on our analysis and discussion with the Management, we understand that there are comparable listed companies which operate in a similar line of business having similar financial/ operating metrics as that of the Transacting Companies, we have therefore used CCM Method to value the equity shares of both MEBL and AABL.

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of AABL and MEBL, we have therefore not used CTM method to value the equity shares of these Companies.

3. Income Approach - Discounted Cash Flows Method ('DCF')

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. Free cash flows are the cash flows expected to be generated by the company that are available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the Weighted Cost of Capital (WACC) to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

MEBL and AABL are profit making companies and generate surplus cash which is expected to continue going forward, we have therefore used DCF Method to arrive at the equity value of MEBL and AABL.

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RECOMMENDATION OF FAIR SHARE EXCHANGE RATIO FOR THE PROPOSED AMALGAMATION

Different values have been arrived under each of the above methodologies. However, for the purpose of arriving at the fair value it is necessary to give appropriate weights to the value arrived under each methodology. Weights have to be assigned after giving due considerations to qualitative factors relevant to the Company.

The fair exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transacting Companies for the proposed scheme of amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off has been carried out wherever necessary to arrive at the recommended fair share exchange ratio.

Refer Annexure 1 for value per share under different methods prescribed and the share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report, we recommend the share exchange ratio as follows:

To the equity shareholders of AABL

773 (Seven Hundred and Seventy-Three) equity shares of MEBL having a face value of INR 10 each fully paid-up shall be issued **for every 1,000 (One Thousand)** equity shares held in AABL having face value of INR 10 each fully paid-up.



Date: 09 August 2022
Place: Indore

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Niranjn Kumar".

Niranjn Kumar
Registered Valuer – Securities or Financial Assets
IBBI Registration Number: IBBI/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 22121635AOQOAW5804

Annexure I:

Summary of fair share exchange ratio

Amalgamation of AABL ("Transferor Company") with MEBL ("Transferee Company")

Valuation Approach	MEBL (A)		AABL (B)	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Market Approach:				
- Comparable Companies Multiple ('CCM') Method	737.2	50.0%	651.8	33.3%
- Market Price Method	NA*	0.0%	458.2	33.3%
Income Approach - Discounted Cash Flow ('DCF') Method	753.3	50.0%	617.1	33.3%
Asset Approach - Net Asset Value Method	NA [#]	0.0%	NA [#]	0.0%
Relative value per share	745.3	(A)	575.7	(B)
Share exchange ratio round off (B/A)				0.773
Recommended share exchange ratio (for every 1000 equity shares)				773

NA : Not Adopted

* Market Price Method

Equity shares of MEBL are not listed on any stock exchange, hence we have not used this method to arrive at the equity value of MEBL.

Asset Approach – NAV Method

NAV Method does not value the future profit earning potential of the business, we have therefore not used this method to arrive at the equity value of the Transacting Companies.



To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

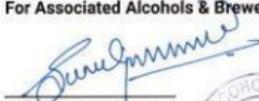
Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Associated Alcohols & Breweries Limited ("Transferor Company") with and into Mount Everest Breweries Limited ("Transferee Company") presented under Sections 230 to 232 and other applicable provisions of Companies Act, 2013 ("the Act")

In connection with the above application, we hereby confirm that:

- No material event impacting the valuation has occurred during the intervening period of filing the scheme documents with the Stock Exchange and period under consideration for valuation.
- There are no listed debt obligations of the Companies forming part of the Scheme.

For Associated Alcohols & Breweries Limited,



Sumit Jaitely
Company Secretary
Date: 23rd August 2022

