

Valuation Report

SUMMIT DIGITEL INFRASTRUCTURE LIMITED

30th July, 2025

SKI Capital Services Limited is a SEBI Registered Category 1 Merchant Banker having regd. number INM000012768.

Established in 1987, SKI is focused on providing relationship-based advisory and the full range of financial products and services.

SKI is a corporate member of NSE, BSE, MCX SX, NCDEX, MCX, NSDL, and CDSL.

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Board of Directors**Axis Trustee Services Limited**

2nd Floor, SW, The Ruby, 29, Senapati Bapat Marg,
Dadar West, Dadar, Mumbai,
Maharashtra 400028

Date: 30th July, 2025

Subject: Enterprise Value Calculation of Summit Digital Infrastructure Limited

We refer to the management representation letter and the subsequent discussions with you and your representatives, whereby Axis Trustee Services Limited (referred to as “**Client**” or “**you**”) has engaged SKI Capital Services Limited (“**SKI**” or “**we**” or “**us**” or “**Valuer**”) to carry out the valuation of Summit Digital Infrastructure Limited (“**SDIL**”) as on 31st March, 2025 (“Valuation Date”).

This Report (“**Valuation Report**” or “**Report**”) provides an opinion on the enterprise value of the Company (“**SDIL**”), as on the Valuation Date. The Report details the valuation methodologies used, calculations performed, and the conclusion reached concerning this valuation.

1. BACKGROUND, SCOPE, AND PURPOSE OF THIS REPORT

SUMMIT DIGITEL INFRASTRUCTURE LIMITED is a registered Indian Private Limited Non-Government Company domiciled in India and incorporated under the provisions of the Companies Act 2013 on 18th January, 2013 with its CIN U64200MH2013PLC375466, registration number 375466 and registered office at Unit-2, 9th Floor, Tower-4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai City, Mumbai, Maharashtra, India, 400070. As on the date, its authorized share capital is ₹4,00,00,00,000 and the total paid-up capital is ₹2,65,00,00,000. SUMMIT DIGITEL INFRASTRUCTURE LIMITED (“SUMMIT”) is a leading telecom infrastructure provider in India, offering passive infrastructure like towers and poles to telecom operators. With over 151,000 sites, it supports 4G and upcoming 5G rollout across the country. The company focuses on service quality, safety, and environmentally sustainable operations to enable digital connectivity.

This Report is prepared in accordance with internal purpose for due diligence. The report is valued as per internationally accepted pricing methodology on an arm's length basis by a Category I Merchant Banker registered with SEBI. The report is subject to scope, assumption, 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 of the company and/or gathered from the public domain:

- Audited financial statements of the company for the date on 31st March 2025.
- Statements of projected income and expenses, assets and liabilities, and cash flows of the company, prepared by the management, including key underlying assumptions, which the management believes to be the best estimates for the expected future operating performance from FY 2026 to FY 2051 (“**Financial Projections**”).
- Shareholding pattern, provided to us by the management of the company either in written or oral form or in the form of soft copy.
- Information regarding the Company, available in the public domain including past regulatory filings, credit ratings, etc.
- General market data, including industry information, and comparable company/transactions information available in the public domain.
- Such other analyses, reviews, and inquiries, as we considered relevant.

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

3. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS, AND DISCLAIMERS

A valuation cannot be regarded as an exact 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 value. 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 the methodology of valuation has been arrived at using usual and conventional methodologies adopted for arrangements of a similar nature and our reasonable judgment.

The Report is based on estimates of future financial performance that represent reasonable expectations at a particular point in time, but such information, estimates, or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates, and the variations may be material. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. We express no opinion on how closely the actual results will correspond to the projected results.

The Client shall recognize its full responsibility for any decision which it makes based on the valuation report of SKI and it shall be its duty to bring its judgment to bear and to consider all related matters before reaching such decision. SKI would assume that the Management and/or its designated officials have the requisite expert knowledge and capabilities to make such judgments and ultimate decisions. The decision as to the scope of our work and what action to take must ultimately remain a decision for the Client; in addition to our report the Client should consider matters outside the scope of our work of which the Client is aware.

The Report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations and that the Company will be managed competently and reasonably. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration 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 recorded in the audited/unaudited carved out balance sheet of the Company. Our conclusion of value assumes assets and liabilities of the Company, reflected in its latest balance sheet remain intact as of the report date. Our scope of work did not include checking the adequacy of the carved-out financial statements of the Company and we have assumed these to be correct. No consideration has been given to liens or encumbrances against the assets, beyond the loans, discussed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The fee for the engagement is not contingent upon the result reported. We owe a responsibility to only the Client that has appointed us under the terms of the engagement and not to nobody else. We will not be liable for any losses, claims, damages, or liabilities arising out of actions taken, omissions of, or advice given by any other advisor to the Company. We shall not be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on the part of the Company, its directors, employees, or agents.

We do not accept any liability to any third party about the issue of the Report. The Report is not a substitute for the third party's due diligence/independent advice that the third party should undertake for his/her purpose. The Valuation Report is subject to the laws of India.

4. APPROACH AND METHODOLOGY

According to standard valuation practice, the following are commonly used and accepted methods for determining the value of a company:

- The net asset approach indicates the value of a business enterprise by adjusting the assets and liabilities appearing in the company's balance sheet, which is being valued as on the Valuation Date.
- The income approach indicates the value of a business based on the discounted value of the cash flows that the business can be expected to generate in the future.
- The market approach indicates the value of a business based on a comparison of the valuation subject to comparable publicly traded companies and an analysis of statistics derived from transactions in its industry as well as prior transactions involving the subject

of the valuation.

The selected methodologies, which represent recognized techniques widely used in valuation practice both in India and internationally, should not be considered individually but rather as different parts of a single valuation process. Independent use of the results obtained from each methodology, without duly considering the complementary relationship with other methodologies, will result in a loss of the meaningfulness of the valuation process itself.

The Net Asset Value ('NAV') Approach

The NAV approach valuation 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 valuation approach is mainly used in cases where the firm is to be liquidated i.e., it does not meet the "going concern" criteria, or in cases where the assets base dominates earnings capability. The value arrived under this approach is based on the estimated financial statements of the business and may be defined as shareholder's funds or net assets owned by the business. The net assets value is generally used as the minimum break-up value for the transaction. This methodology calculates the underlying net assets of the business on a realisable/market value basis.

The Income Approach – Discounted Cash Flows ('DCF') method

The DCF method uses the future free cash flows of the business discounted by the cost of capital to arrive at the present value. Using the DCF method involves determining the following:

Estimating future free cash flows:

Free cash flow (FCF) represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.

Estimating the discount rate

The present value of expected future cash flows is calculated using a discount rate. The discount rate in a DCF differs depending on whether Unlevered Free Cash Flows or Levered Free Cash Flows are being discounted.

For the purpose of DCF valuation, the free cash flow forecasts are based on the Financial Projections provided by the management.

The Market Approach

The market Approach to valuation involves attributing a value to a business based on the value assigned by the market forces in comparable situations. For this purpose, we compare businesses based on similar metrics as that of the Company to determine the enterprise value. The mechanics of the market approach involve finding a price multiple of the benchmark, i.e., price to earnings ratio, EV to EBITDA, EV to sales, etc. The price multiple is then multiplied by the relevant financial metric of the business being valued to arrive at a valuation estimate.

5. VALUATION

We have independently applied the relevant methods discussed above, giving appropriate weights to the value arrived at under each approach, and arrived at the assessment of the value per Financial Security of the Company. Our choice of the methodology of valuation has been arrived at using usual and conventional methodologies adopted for the arrangement of a similar nature and our reasonable judgment, in an independent and bona fide manner.

There will always be several additional qualitative factors such as the quality of the management, present and prospective competition, the yield on comparable securities and market sentiment, etc. that are not evident from the face of the balance sheets but will strongly influence the worth of the Company. This concept is also recognised in judicial decisions.

Therefore, based on the above and considering the various inputs and explanations provided by the Management, the fair value of the financial securities of the Company, in our opinion, is as follows:

Valuation Approach	Method Used	Total Enterprise Value <i>(INR Crores)</i>	Value per Financial Security <i>(INR)</i>
Enterprise Value			
Income approach*	Discounted cash flow method	60,786.38	-

*See Annexure 1

Respectfully Submitted,
For SKI Capital Services Limited

Manick Wadhwa
Director

Assumptions		Remarks
Enterprise Value (INR Crore)	60,786.38	This is the value of the Company available to the equity shareholders. We have discounted the future cash flow using the appropriate discount rate mentioned in the Report. Further, the value of equity is adjusted for factors such as marketability and liquidity.
Shareholder Base	-	The total number of common shares of a company that will be diluted, and available to trade after all possible sources of conversion are exercised
Perpetual Growth Rate ¹	0.00%	This growth rate is used beyond the forecast period in a DCF model from the end of the forecasting period until perpetuity. We have assumed the expected long-term real GDP growth rate as the perpetual growth rate.
Risk-Free Rate ²	6.55%	The risk-free rate of return is the interest rate an investor can expect to earn on an investment that carries zero risk. We have used the yield on the 10Y Government Security.
Discount Rate ³	9.50%	A firm's Weighted Average Cost of Capital (WACC) represents its blended cost of capital across all sources, including common shares, preferred shares, and debt. The cost of each type of capital is weighted by its percentage of total capital and they are added together.
Cost of Equity ⁴	14.00%	Cost of equity represents the compensation the equity holders demand in exchange for owning the asset and bearing the risk of ownership. We use the Capital Asset Pricing Model (CAPM), which describes the relationship between systematic risk and expected return for assets, to compute the cost of equity.
Cost of Debt ⁵	16.20%	Cost of debt represents the effective rate that a company pays on its borrowed funds. We calculate the cost of debt as the sum of the risk-free rate and the company's credit spread, adjusted for tax benefits, representing the effective interest rate a company pays on its borrowings.
Equity Risk Premium ⁶	7.45%	Equity Risk Premium is the difference between returns on equity and the risk-free rate of return. It is the price of risk in equity markets and is a key input in estimating the costs of equity and capital. The ERP reflects the additional return required by investors to compensate for the risk of investing in equities over risk-free securities, and it plays a critical role in estimating the cost of capital for Indian companies.
Equity Beta	1.00	Equity beta is a measure of risk, and it includes the impact of a company's capital structure and leverage. As the company repays the debt, the beta accordingly decreases and hence, depends on the debt-equity ratio of the company.
CSRP	1.50%	Company-specific risk Premium (CSRP) is the risk premium associated with the level of unsystematic risk inherent in a particular private company. The CSRP represents the additional risk premium required to compensate an equity investor for the uncertainty of investing in a particular private company.
DLOM ⁷	0.00%	The discount for lack of marketability (DLOM) is applied to private companies when valuing them. It relates to the company not being publicly traded.

¹ OECD (2022), GDP long-term forecast (indicator). Doi: 10.1787/d927bc18-en. The perpetual growth rate of Indian companies typically lies in the range of 3% to 7%.

² Available on RBI NDS - Order Matching Segment (NDS-OM),

³ $WACC = (E/V \times K_e) + ((D/V \times K_d) \times (1 - T))$.

⁴ $K_e = R_f + \beta_{Equity} \times ERP + CSRP$

⁵ $K_d = R_f + \text{Credit Spread}$

⁶ Damodaran, Aswath, Equity Risk Premiums, Country: India, Moody's sovereign rating: Baa2, S&P; Fernandez, Pablo and de Apellániz, Eduardo and F. Acín, Javier, Survey: Market Risk Premium and Risk-Free Rate used for 81 countries; ER(m)- R(f)

⁷ Jarrow, R. and A. Subramanian, The Liquidity Discount, Mathematical Finance.

Annexure 1

Income Approach – Discounted Cash Flows ('DCF') Method

Summit Digital Infrastructure Private Limited
March 31, 2025 (INR Crore)

Year Ending	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36	31-Mar-37	31-Mar-38	31-Mar-39	31-Mar-40
Infrastructure provisioning fee (IP Fees)	2,798	6,960	7,306	7,714	8,078	8,399	8,696	9,003	9,319	9,646	9,929	10,165	10,406	10,653	10,906
Land rent revenue	880	2,111	2,175	2,240	2,307	2,376	2,448	2,521	2,597	2,675	2,755	2,837	2,923	3,010	3,101
Revenue from operations	3,677	9,072	9,481	9,954	10,385	10,775	11,144	11,524	11,916	12,321	12,684	13,002	13,329	13,664	14,007
<i>Growth Rate</i>	-	N.A.	4.5%	5.0%	4.3%	3.8%	3.4%	3.4%	3.4%	3.4%	2.9%	2.5%	2.5%	2.5%	2.5%
Network operating expenses	1,396	3,338	3,438	3,479	3,582	3,683	3,782	3,883	3,987	4,093	4,195	4,291	4,390	4,492	4,597
Employee benefits expense	26	64	68	73	78	82	86	90	95	99	104	110	115	121	127
Other expenses	29	73	74	75	77	79	82	84	87	89	92	95	98	101	104
Total Expenses	1,452	3,475	3,580	3,627	3,737	3,844	3,949	4,057	4,168	4,282	4,391	4,496	4,603	4,713	4,827
EBITDA	2,226	5,597	5,901	6,327	6,648	6,931	7,194	7,467	7,748	8,039	8,293	8,507	8,726	8,950	9,180
<i>EBITDA Margins</i>	60.5%	61.7%	62.2%	63.6%	64.0%	64.3%	64.6%	64.8%	65.0%	65.2%	65.4%	65.4%	65.5%	65.5%	65.5%
Less : Outflows															
Capital Expenditure	(77.5)	(88.1)	(118.9)	(148.4)	(211.0)	(152.8)	(104.9)	(114.5)	(139.4)	(155.0)	(77.5)	(132.7)	(106.0)	(58.1)	(67.7)
GST Block	(29.3)	443.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Incremental Working Capital	258.7	(451.7)	(14.6)	(19.1)	(23.9)	(21.7)	(17.6)	(18.5)	(19.4)	(20.4)	(12.9)	(4.8)	(5.0)	(5.1)	(5.3)
Taxation	-	-	(497.8)	(1,012.0)	(1,173.1)	(1,312.4)	(1,438.7)	(1,558.8)	(1,672.9)	(1,782.0)	(1,877.7)	(1,959.0)	(2,037.0)	(2,114.2)	(2,190.4)
Free Cash Flows (FCF)	2,377.7	5,500.2	5,270.1	5,147.6	5,240.3	5,444.0	5,633.2	5,774.8	5,916.2	6,081.2	6,324.5	6,410.1	6,577.8	6,772.7	6,916.5
Partial Period Factor	0.4	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Midpoint	0.2	0.9	1.9	2.9	3.9	4.9	5.9	6.9	7.9	8.9	9.9	10.9	11.9	12.9	13.9
Present Value Factor	0.98	0.92	0.84	0.77	0.70	0.64	0.58	0.53	0.49	0.45	0.41	0.37	0.34	0.31	0.28
Present Value of Cash Flows	2,333.2	5,061.1	4,428.7	3,950.4	3,672.7	3,484.4	3,292.7	3,082.7	2,884.1	2,707.4	2,571.4	2,380.1	2,230.5	2,097.3	1,956.0
NPV of Explicit Period															60,786.38
Enterprise Value (EV)															60,786.38

Summit Digital Infrastructure Private Limited
March 31, 2025 (INR Crore)

Year Ending	31-Mar-41	31-Mar-42	31-Mar-43	31-Mar-44	31-Mar-45	31-Mar-46	31-Mar-47	31-Mar-48	31-Mar-49	31-Mar-50	31-Mar-51
Infrastructure provisioning fee (IP Fees)	11,165	11,430	11,702	11,980	12,264	12,555	12,853	13,158	13,470	13,790	14,117
Land rent revenue	3,194	3,289	3,388	3,490	3,594	3,702	3,813	3,928	4,046	4,167	4,292
Revenue from operations	14,359	14,720	15,090	15,469	15,858	16,257	16,666	17,086	17,516	17,957	18,409
<i>Growth Rate</i>	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Network operating expenses	4,704	4,814	4,928	5,044	5,164	5,287	5,413	5,543	5,676	5,814	5,954
Employee benefits expense	133	140	147	154	162	170	178	187	197	207	217
Other expenses	107	110	113	117	120	124	127	131	135	139	143
Total Expenses	4,944	5,064	5,188	5,315	5,446	5,580	5,719	5,862	6,008	6,159	6,315
EBITDA	9,415	9,656	9,902	10,154	10,413	10,677	10,947	11,224	11,508	11,798	12,095
<i>EBITDA Margins</i>	65.6%	65.6%	65.6%	65.6%	65.7%	65.7%	65.7%	65.7%	65.7%	65.7%	65.7%
Less : Outflows											
Capital Expenditure	(92.6)	(108.2)	(77.5)	(132.7)	(106.0)	(58.1)	(67.7)	(92.6)	(108.2)	(77.5)	(132.7)
GST Block	-	-	-	-	-	-	-	-	-	-	-
Incremental Working Capital	(5.4)	(5.6)	(5.7)	(5.9)	(6.1)	(6.2)	(6.4)	(6.6)	(6.8)	(7.0)	(165.5)
Taxation	(2,264.5)	(2,337.1)	(2,409.5)	(2,481.4)	(2,553.0)	(2,626.6)	(2,701.4)	(2,776.1)	(2,851.0)	(2,927.3)	(3,004.3)
Free Cash Flows (FCF)	7,052.4	7,204.8	7,409.3	7,534.3	7,747.4	7,985.9	8,171.9	8,348.9	8,541.7	8,786.1	8,792.1
Partial Period Factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Midpoint	14.9	15.9	16.9	17.9	18.9	19.9	20.9	21.9	22.9	23.9	24.9
Present Value Factor	0.26	0.24	0.22	0.20	0.18	0.16	0.15	0.14	0.12	0.11	0.10
Present Value of Cash Flows	1,821.4	1,699.3	1,596.0	1,482.1	1,391.8	1,310.2	1,224.4	1,142.4	1,067.3	1,002.6	916.3