

August 26, 2025

To,

The Board of Directors

Dr. Agarwal's Eye Hospital Limited

3rd Floor, Buhari Towers,
No.4, Moores Road Off Greaves Road,
Chennai, Tamil Nadu- 600 006

Dear Sir,

We understand that the Board of Directors of Dr. Agarwal's Health Care Limited ("AHCL" or the "Transferee Company") is considering the merger by absorption of Dr. Agarwal's Eye Hospital Limited ("AEHL" or the "Transferor Company") into AHCL through a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof (including any statutory modification, re-enactment or amendment, as may be applicable) (the "Proposed Merger"). AHCL and AEHL are hereinafter collectively referred to as the "Companies."

PwC Business Consulting Services LLP ("PwC"), bearing IBBI Registration No. IBBI/RV-E/02/2022/158, and Bansil S. Mehta Valuers LLP ("BSM"), bearing IBBI Registration No. IBBI/RV-E/06/2022/172 (together, the "Valuers"), have jointly issued a valuation report, both dated August 26, 2025 (the "Valuation Reports") in relation to the valuation of the Companies. Based on our perusal of the Valuation Reports, we understand that pursuant to the Proposed Merger, it has been recommended that equity shareholders of AEHL shall be entitled to receive equity shares of AHCL in the ratio set out in the Valuation Reports.

In connection with the aforesaid, and pursuant to an engagement letter dated August 13, 2025 (the "Engagement Letter"), AEHL has engaged Motilal Oswal Investment Advisors Limited ("MOIAL") to provide a fairness opinion to the Boards of Directors on the share exchange ratio, from a financial point of view, in relation to the Proposed Merger (the "Fairness Opinion"). The Fairness Opinion annexed to this letter is being issued pursuant to the requirements of SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, titled *Master Circular on Scheme of Arrangement by Listed Entities*, including amendments thereof.

Companies' Relationship with MOIAL

Motilal Oswal Investment Advisors Limited ("MOIAL") will receive a fee in connection with the delivery of this Fairness Opinion, and the Companies have agreed to indemnify MOIAL in relation to its engagement. We were not requested to, and have not, provided advice regarding the structure of the Proposed Merger, the share exchange ratio, or any other commercial aspects of the transaction, nor did we participate in the negotiations of the terms of the Proposed Merger or related agreements. Our role has been limited solely to the preparation and delivery of this Fairness Opinion.

In the ordinary course of business, MOIAL and its affiliates, together with their directors, officers, employees, shareholders, representatives, associates, advisors and agents (collectively, the "Motilal Oswal Group"), are engaged in investment banking, securities brokerage and trading, investment management and other financial services. Any member of the Motilal Oswal Group may, at any time, hold long or short positions, trade or otherwise effect transactions in debt, equity or other securities of the Companies, for its own account or for the account of clients, and may vote such securities at its discretion. Further, MOIAL or other members of the Motilal Oswal Group may have in the past provided, and may

currently or in the future provide, financial or other advisory services to the Companies or their affiliates, in each case unrelated to the Proposed Merger, for which they have received or expect to receive customary compensation.

Distribution of the Fairness Opinion and Limitations

This Fairness Opinion is addressed solely to, and is provided exclusively for the use of, the Boards of Directors of the Companies, for the limited purpose of their evaluation of the fairness, from a financial point of view, of the share exchange ratio. It does not confer any rights or remedies upon, and may not be relied upon by, any shareholder, creditor or other third party.

The Fairness Opinion shall not be disclosed, reproduced, quoted or referred to, in whole or in part, to any person or entity without MOIAL's prior written consent. However, the Companies may furnish this opinion to regulatory authorities, including SEBI, stock exchanges and the Hon'ble National Company Law Tribunal, or in notices to shareholders and creditors, to the extent required under applicable law, provided that MOIAL is promptly informed in writing of such disclosure.

This Fairness Opinion must be read in its entirety and not in parts. It should not be used, cited or relied upon for any purpose other than that specifically stated herein. If used by any person other than those to whom it is addressed, or for any purpose other than as contemplated, MOIAL shall have no responsibility or liability of any kind in respect of such use, which shall be deemed to have been made on a non-recourse and non-reliance basis.

Neither this Fairness Opinion nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement, or any other document distributed to third parties. Under no circumstances shall MOIAL, its management, directors, officers, employees, advisors, representatives, successors or assigns bear any responsibility or liability, including financial or pecuniary liability, to any third party in connection with this Fairness Opinion.

This Fairness Opinion shall be governed by and construed in accordance with the laws of India, and the courts of competent jurisdiction in India shall have exclusive jurisdiction in relation to any dispute arising out of or in connection with this opinion.

Yours Faithfully,

For and on behalf of Motilal Oswal Investment Advisors Limited



Authorized Signatory

Name: Subodh Mallya

Designation: Executive Director and Head Corporate Finance

ANNEXURE – FAIRNESS OPINION

Background of Dr. Agarwal's Health Care Limited ("AHCL")

Dr. Agarwal's Health Care Limited ("AHCL") was incorporated as a public limited company under the Companies Act, 1956 and is engaged in providing a comprehensive range of eye care services, including cataract, refractive, retinal, corneal, glaucoma and squint surgeries, non-surgical treatments, consultations, as well as the sale of optical and eye-care related pharmaceutical products.

As of June 30, 2025, AHCL operates through a widespread network of 249 facilities across 14 states and 5 union territories in India covering 136 cities, as well as in nine countries in Africa. The equity shares of AHCL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The issued and subscribed equity share capital of AHCL as at June 30, 2025 was ₹3,16.20 million, comprising 316,158,357 equity shares of face value ₹1 each. The shareholding pattern as of June 30, 2025 was as follows:

Category	No. of Shares	% Shareholding
Promoter & Group	102,504,118	32.42%
Non-Promoter	213,654,239	67.58%
Total	316,158,357	100.00%

Background of Dr. Agarwal's Eye Hospital Limited ("AEHL")

Dr. Agarwal's Eye Hospital Limited ("AEHL") was incorporated as a public limited company under the Companies Act, 1956 and is engaged in providing a wide range of eye-care services, including cataract, refractive, retinal, corneal, glaucoma and squint surgeries, non-surgical treatments, consultations, as well as the sale of optical and eye-care related pharmaceutical products.

The equity shares of AEHL are listed on BSE.

The issued and subscribed equity share capital of AEHL as at June 30, 2025 was ₹47 million, comprising 4,700,000 equity shares of face value ₹10 each. The shareholding pattern as of June 30, 2025 was as follows:

Category	No. of Shares	% Shareholding
Promoter & Group	3,379,171	71.90%
Non-Promoter	1,320,829	28.10%
Total	4,700,000	100.00%

Further, we understand from management and the Valuation Report that AEHL proposes to undertake a preferential issue of equity shares aggregating to ₹700 million to its holding company, AHCL, at a price of ₹5,270 per share (the "Preferential Issue"). The proposed preferential issue, once completed, will result in an increase in the issued and paid-up share capital of AEHL and a corresponding enhancement in the shareholding of AHCL in AEHL. The Valuers have factored the impact of this Preferential Issue into their analysis of the share exchange ratio

Rationale for the Scheme

The Proposed Scheme is expected to be in the best interests of AHCL, AEHL and their respective shareholders, employees, creditors and other stakeholders. The merger of AEHL into AHCL is anticipated to yield several strategic and operational advantages, including, inter alia:

- a) **Integration of Businesses** – Both AHCL and AEHL are engaged in the eye-care sector, offering complementary services across surgical, non-surgical and optical segments. The amalgamation will consolidate their operations under a single listed entity, resulting in a unified business platform.
- b) **Simplification of Group Structure** – The consolidation of AEHL into AHCL will eliminate duplicative corporate structures, align interests of shareholder groups, and streamline regulatory compliances.
- c) **Operational and Financial Synergies** – The merger is expected to provide opportunities for revenue enhancement, cost optimization, and greater efficiency in procurement, resource allocation and capital deployment.
- d) **Improved Shareholder Value** – By pooling resources, enhancing efficiencies and unlocking synergies, the amalgamation is expected to improve long-term growth prospects, attract wider investor participation and potentially enhance shareholder value.

Further, AHCL was listed on the Stock Exchanges on February 4, 2025, pursuant to its initial public offering. In its prospectus dated January 31, 2025, AHCL had disclosed its intention to explore a potential merger with AEHL within three years of listing, subject to requisite approvals, in furtherance of which the present Scheme has been undertaken.

Sources of Information

In connection with this exercise, we have used the following information and documents made available to us during the course of our engagement and relied upon the same without independent verification:

- Draft Scheme of Amalgamation between AHCL and AEHL;
- Joint Valuation Report dated August 26, 2025 issued by PwC Business Consulting Services LLP and Bansil S. Mehta Valuers LLP, respectively, recommending the share exchange ratio;
- Audited consolidated and standalone financial statements of AHCL and AEHL for the year ended March 31, 2025;
- Unaudited special purpose condensed financial information (Profit and loss account, Cashflow statement, Statement of changes in equity and Balance sheet) of AHCL and AEHL for the quarter ended June 30, 2025;
- Management projections for the extracts of the forecasted financials for the next five fiscal years ending 31 March 2026, 2027, 2028, 2029, and 2030 of AHCL (consolidated) and AEHL;
- Discussions with the Valuers to understand the approaches, methodologies, assumptions and parameters adopted in determining the exchange ratio;
- Discussions with the management of AEHL in relation to their business operations, historical performance, strategic rationale for the Scheme and key drivers of future growth;
- Publicly available information including shareholding patterns, market data, industry reports, trading history and other disclosures made by the Companies; and
- Such other information, documents and explanations as we considered necessary or appropriate for the purpose of our review.

Approach and Methodology

In considering the fairness of the share exchange ratio recommended by PwC Business Consulting Services LLP and Bansil S. Mehta Valuers LLP (together, the “Valuers”), we have undertaken a review of their Valuation Report and related information provided to us by the Companies.

We note that the Valuers have applied **generally accepted valuation approaches** in arriving at the relative equity values of AHCL and AEHL, namely:

- **Market Approach:** including the *Market Price Method* (based on trading prices of listed shares in accordance with SEBI ICDR Regulations) and the *Comparable Companies Multiple Method* (EV/EBITDA multiples of selected peers);
- **Income Approach:** specifically, the *Discounted Cash Flow (DCF) Method*, based on management projections and applying an appropriate weighted average cost of capital; and
- **Cost Approach:** not applied, since the net asset value method does not adequately capture the going-concern nature, future growth prospects and earnings potential of the Companies.

The Valuers have assigned appropriate weights to the outcomes of the above approaches, with the primary reliance placed on the Market Approach and Income Approach, and have recommended a share exchange ratio for the Proposed Merger after considering qualitative factors, business dynamics and growth potential of the Companies.

For our purposes, we have:

- Reviewed in detail the valuation approaches, methodologies, assumptions and peer selection adopted by the Valuers;
- Discussed with the Valuers their rationale for applying specific methods and weightages;
- Benchmarked the assumptions (including growth rates, margins, discount rates and multiples) with publicly available information and peer benchmarks; and
- Assessed whether the recommended share exchange ratio lies within a reasonable range of fairness from a financial point of view, having regard to prevailing valuation standards and market practice.

It is important to note that our role as Merchant Banker is not to perform an independent valuation of the Companies, but to review and evaluate the Valuation Report and related materials, and to opine on whether, in our view, the share exchange ratio recommended by the Valuers is fair, from a financial point of view, to the shareholders of the Companies.

Assumptions and Limitations

In relation to this Fairness Opinion, our review and conclusions are subject to the following assumptions, qualifications and limitations:

1. **Reliance on Information Provided:** We have assumed and relied upon, without independent verification, the accuracy, authenticity and completeness of all information that was publicly available or provided to us by the Companies, their management and the Valuers. We have not independently verified such information and express no opinion as to its accuracy or completeness.
2. **Assumptions and Judgments:** We have made certain assumptions, judgments and estimates during our review and discussions with the management of the Companies, which we believe to be reasonable and appropriate. However, no assurance can be given that such assumptions, judgments or estimates will ultimately prove accurate.
3. **Scope of Work:** We have not undertaken any independent valuation of the Companies, nor have we conducted any audit, due diligence, technical appraisal, physical inspection or title verification of the assets, properties or facilities of the Companies. We have not been furnished with, nor have we prepared, any independent appraisals of assets or liabilities of the Companies.
4. **Exclusions from Scope:** We assume no responsibility for legal, tax, accounting or regulatory matters in connection with the Proposed Merger. Our opinion is limited solely to the fairness, from a financial point of view, of the share exchange ratio and does not constitute an assessment of the underlying commercial merits of the Proposed Merger.
5. **Financial Information and Forecasts:** We have relied upon audited financial statements, limited review financials and such management-prepared projections and information as were provided to us. We have not independently verified any financial forecasts, business plans or internal financial analyses, and express no opinion on the achievability of such projections.
6. **Contingent Liabilities and Litigation:** We have assumed that there are no undisclosed contingent liabilities, off-balance sheet items, commitments or claims (actual or threatened) which could materially affect the financial condition of the Companies, other than those disclosed to us. We have not independently evaluated any litigation, regulatory proceedings or contingent liabilities.
7. **Market Conditions and Share Prices:** We have made no adjustment to the prevailing or historical share price of AHCL for the purposes of our review. We express no opinion as to the price at which the equity shares of AHCL will trade in the future, nor on the financial performance of the Companies post-implementation of the Scheme.
8. **Form of the Proposed Merger:** Our opinion is expressly contingent upon the Proposed Merger being consummated substantially in the form and manner set forth in the draft Scheme of Amalgamation reviewed by us. Any material modifications to the terms of the Scheme may affect our opinion.
9. **Regulatory and Shareholder Approvals:** We have assumed that all necessary regulatory, statutory, shareholder and other approvals for the Proposed Merger will be obtained without material modification or delay and that no conditions will be imposed that would adversely affect the contemplated benefits of the transaction.

10. Timing and Events Post Opinion Date: Our Fairness Opinion is rendered as of the date hereof and is based on financial, economic, market and other conditions prevailing, and information made available to us, as of such date. We undertake no obligation to update, revise or reaffirm our opinion in light of events or circumstances occurring after this date.

11. Limitations of Opinion: This Fairness Opinion does not:

- address or make any recommendation as to the underlying decision of the Companies to pursue the Proposed Merger;
- make any recommendation to shareholders or creditors as to how they should vote on the Proposed Merger;
- express any view on any other terms or conditions of the Proposed Merger; or
- constitute advice to buy, sell or hold securities of the Companies or any of their affiliates.

We do not, and should not be deemed to, express any views on any terms of the Proposed Merger other than the share exchange ratio. Specifically, we express no opinion and accept no responsibility with respect to (i) the price at which the equity shares of the Transferee Company may trade on the stock exchanges following the announcement or completion of the Proposed Merger, (ii) the future financial performance of the Companies, or (iii) the merits of the decision of the Companies to pursue the Proposed Merger. Further, this Fairness Opinion should not be construed as advice or a recommendation to any shareholder or investor regarding whether to buy, sell or hold any securities of the Companies or of their affiliates (including holding companies, subsidiaries or associates).

Conclusion

Based on our examination of the Valuation Reports prepared by PwC and Bansil S. Mehta Valuers LLP, together with other information, undertakings and representations provided to us by the Companies, and our review and evaluation of the same, and subject to the assumptions, limitations and qualifications set out herein, we are of the opinion that the share exchange ratio of **23 (Twenty-Three) equity shares of AHCL of face value ₹1 each fully paid-up for every 2 (Two) equity shares of AEHL of face value ₹10 each fully paid-up**, as recommended in the Valuation Reports, is fair, from a financial point of view, to the shareholders of the Companies.