June 2023

Strictly Private and Confidential

Pickrr Technologies Private Limited

Report on fair valuation of equity shares

N S KUMAR & CO.
Chartered Accountants

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Chartered Accountants
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Date: 30 June 2023

To,
The Board of Directors,
Pickrr Technologies Private Limited,
Third Floor, 448A, Udyog Vihar,
Ph-5, Gurgaon, Haryana - 122016.

Subject: Report on fair valuation of equity shares of Pickrr Technologies Private Limited pursuant to RBI Guidelines

We refer to our engagement letter dated 22 June 2023 and subsequent discussions, wherein the Management of Pickrr Technologies Private Limited ('Pickrr' or 'PTPL' or the 'Company') ('Client' or the 'Management') has appointed N S KUMAR & CO., Chartered Accountants ('NSK' or 'we' or 'us') to determine the fair value of equity shares of Pickrr ('Valuation'), as at 30 June 2023 ('Valuation Date') on a 'going concern' premise, pursuant to the RBI Guidelines (as defined hereinunder), in connection with the proposed transfer of equity shares of the Company to non-resident person/(s).

Please find enclosed the Report (comprising 26 pages) detailing our recommendation of fair value of equity shares of Pickrr, 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, key assumptions and considerations and our opinion on the fair value of equity shares of Pickrr.

Yours sincerely,

Niranjan Kumar

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N S KUMAR & CO. PUNE NSK Chartered Accountants

Background (1/2)

Company Background - Pickrr

- **Pickrr** owns and operates logistical platform under the brand name of 'Pickrr'. It is engaged in providing logistics services to the customer. It offers delivery services of product to any location around the globe. Its services include reverse logistics, shipment status and financial analytics for business, multi-channel order processing, etc.
- Its dashboard provides business customers with reports and analytics to manage their business. It also takes care of picking up the product, packing it and shipping it to any destination. It also allows the customer to track the order. The company was founded in 2015 and is based in Gurgaon, Haryana.
- During FY23, BRSPL acquired ~90% stake in Pickrr for a consideration of INR 10,727 million. Further, we understand from the Management that BRSPL has entered into an agreement with promoters to acquire balance 10% stake representing 2,274 equity shares from the promoters in 2 tranches.
- Fully diluted capital table of Pickrr as at the Valuation Date is as under:

Name of shareholder	No. of shares	% of holding	No. of diluted shares	% of holding on fully diluted basis
Equity shares of face value INR 10 each				
Promoters	2,274	18.1%	2,274	9.8%
Bigfoot Retail Solutions Private Limited	10,284	81.9%	10,284	44.5%
Total equity shares	**12,558**	**100.0%**	**12,558**	**54.3%**
0.1% CCPS of face value INR 10 each)				
Bigfoot Retail Solutions Private Limited	1,917	18.2%	1,917	8.3%
0.01% Seed CCPS of face value INR 10 each				
Bigfoot Retail Solutions Private Limited	4,792	45.4%	4,792	20.7%
0.01% Series A CCPS of face value INR 10 each				
Bigfoot Retail Solutions Private Limited	3,839	36.4%	3,839	16.6%
Total CCPS	**10,548**	**100.0%**	**10,548**	**45.7%**
Total number of shares	**23,106**		**23,106**	**100.0%**

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Background (2/2)

Snapshot of the restated unaudited Ind AS balance sheet of Pickrr as at 1 April 2021 and 31 March 2022 along with restated unaudited Ind AS income statement of Pickrr for FY22 and Management certified provisional financial statements of Pickrr prepared as per Ind AS for FY23 is set out below:

Historical Balance Sheet — INR million

Particulars as at	1-Apr-21	31-Mar-22	31-Mar-23
	Restated	Restated	Provisional
Share capital	0.2	0.2	0.2
Reserve & surplus	191.3	389.2	(515.3)
Net worth	**191.5**	**389.4**	**(515.1)**
Non-current and current liabilities			
Borrowings	-	-	486.5
Trade payables	169.4	368.7	553.8
Contract Liabilitiles	199.5	515.5	493.3
Short term provisions	23.3	43.1	34.6
Lease Liabilities	3.3	6.0	14.6
Other current liabilities	37.6	22.4	50.6
Current tax liability	11.7	-	-
Total equity & liabilities	**636.4**	**1,345.1**	**1,118.2**
Non-current and current assets			
Tangible and intangible assets	24.9	61.7	30.1
Trade receivables	131.7	295.6	376.9
Cash and cash equivalents	361.4	250.7	140.7
Loans & advances	15.4	84.9	110.3
Contract Assets	99.1	372.7	438.5
Current Investments	-	254.4	-
Other current assets	3.8	25.1	21.8
Total assets	**636.3**	**1,345.1**	**1,118.2**

Source: Unaudited restated balance sheet as at 31 March 2021 and 31 March 2022 and provisional balance sheet as at 31 March 2023 as provided by the Management.

Historical Income Statement — INR million

Particulars for the year ended	31-Mar-22	31-Mar-23
Period in months	12	12
	Restated	Provisional
Revenue from operations	**2,045.8**	**3,139.4**
Cost of sales	(1,714.9)	(2,565.7)
Employee cost	(476.7)	(838.8)
Other expenses	(352.9)	(589.0)
EBITDA	**(498.8)**	**(854.1)**
Depreciation & Amortization	(23.0)	(32.9)
EBIT	**(521.8)**	**(887.0)**
Finance cost (net)	(2.2)	(22.5)
Non-operating income/(expense)	12.2	2.4
PBT	**(511.9)**	**(907.1)**
Tax expense	(10.5)	-
PAT	**(522.4)**	**(907.1)**

Source: Unaudited restated income statement for FY22 and provisional financial statements for FY23 as provided by the management.

Scope and Purpose of the Report

Scope and Purpose:

- We have been informed by the Management that BRSPL, a foreign owned or controlled company intends to acquire the equity shares of Pickrr from existing resident shareholders by way of a private arrangement (hereinafter referred to as 'Proposed Transaction').

- Since a non-resident is acquiring shares in an unlisted Indian company from resident shareholders by a private arrangement, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 notified vide Notification No. FEMA395/2019-RB dated 17 October 2019 read with Foreign Exchange Management (Non-debt Instruments) Rules, 2019 by the Reserve Bank of India as amended from time to time (referred to as 'RBI Guidelines'), mandate that the price at which shares should be purchased from a person resident in India shall not be less than the value determined using internationally accepted pricing methodology for valuation on an arm's length basis duly certified by a Chartered Accountant.

- In connection with the aforementioned Proposed Transaction, the Management of Pickrr has appointed N S KUMAR & CO., Chartered Accountants ('NSK') to submit a valuation report recommending the fair value of equity shares of Pickrr as at Valuation Date on a 'going concern' premise in accordance with the RBI Guidelines.

- As requested by the Management, we have conducted the fair valuation of equity shares of Pickrr in accordance with the provisions of aforesaid RBI Guidelines.

- The scope of our service is to conduct a valuation exercise for determination of the fair value of equity shares of Pickrr using internationally accepted valuation methodologies as may be applicable to the subject case and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India (ICAI).

- 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.

Sources of Information

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

A. Companies' specific information:

Information provided by the Management, which includes,

- Restated unaudited Ind AS balance sheet of Pickrr as at 1 April 2021 and 31 March 2022 along with restated unaudited Ind AS income statement of Pickrr for the FY ended 31 March 2022 ('FY22').
- Management certified provisional financial statements of Pickrr prepared as per Ind AS for FY ended 31 March 2023 ('FY23');
- Fully diluted shareholding pattern of Pickrr as at the Valuation Date;
- Projected income statement, capital expenditure and working capital requirement of Pickrr from FY24 to FY33 (including key underlying assumptions), which the Management believes to be their best estimates as to future operating performance of Pickrr ('Management Projections');
- Provisional computation of income tax for Pickrr for FY23 including statement of carried forward income tax and book losses available for set-off;
- Discussions and correspondences with the Management to inter-alia understand the historical and expected future performance, key value drivers, and competitive scenario affecting Pickrr; and
- Other information and documents considered relevant for the purpose of this engagement.

B. Industry and economy information:

- Information available in public domain and databases such as NSE, Capital IQ 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.

Some of the clarifications were provided by the Management personnel verbally, without further confirmations in writing. We have assumed that such verbal information or clarifications provided to us is reliable, accurate and complete in all respects.

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:

- Considered restated unaudited Ind AS balance sheet of Pickrr as at 1 April 2021 and 31 March 2022 along with restated unaudited Ind AS income statement of Pickrr for FY22;
- Considered the Management certified provisional financial statements of Pickrr prepared as per Ind AS for FY23;
- Considered the Management Projections;
- Discussion with the Management to:
  - Understand the business and fundamental factors that affect the business of the Company including their earning generating capability including strength, weakness, opportunity and threat analysis;
  - Understand historical financial performance, current state of affairs, future financial estimates/ plans;
- Analyzed the economic and competitive environments in which the business operates;
- Considered information available in the public domain in respect of comparable companies;
- Analysis of information shared by the Management;
- Such other analysis, reviews and enquiries, as we considered necessary.
- Selection of appropriate valuation methodology/ (ies) after deliberations and consideration to the sector in which the Company operates and analysis of business operations, the stage of the Company in its lifecycle, etc.; and
- Arrived at the fair valuation of equity shares of the Company after allocating due weightage to the equity value arrived at using the methods considered appropriate.

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Valuation Approach and Methodology (1/5)

Basis and Premise of Valuation

Valuation of equity shares of Pickrr as on the Valuation Date is carried out in accordance with ICAI Valuation Standards ('ICAI VS') using the methodology prescribed thereunder and 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 Company.

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 Pickrr is carried out on a *'Going Concern Value'* premise 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.'

Any change in the Valuation base, or the Valuation premise could have a significant impact on the Valuation outcome of the Company.

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Valuation Approach and Methodology (2/5)

Intended Users:

This Report (including, for the avoidance of doubt), the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of Directors of the Company for the Proposed Transaction. Without limiting the foregoing, we understand that the Client may be required to submit this Report to or share this Report with the Reserve Bank of India / Authorized Dealer in connection with the Proposed Transaction (together, "Permitted Recipients"). NSK accepts no responsibility or liability to any other party (including Permitted Recipients), in connection with this Report. It is clarified that reference to this Report in any document and / or filing or possession of this report by any party, shall not be deemed to be an acceptance by NSK of any responsibility or liability to any person / party other than the Client. NSK accepts no duty, obligation, liability or responsibility to any party, other than Pickrr with respect to the services and/ or this report.

It is pertinent to note that the valuation of any business/company 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 considering inter-alia dependency and financial assistance from existing shareholders and general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the business, and other factors which generally influence the valuation of the company, its business and 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 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.

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The RBI guidelines allow usage of any internationally accepted pricing methodology to determine the price of equity shares of an unlisted company in India. The following are commonly used and accepted methods for determining the value of equity shares of a company:

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

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.

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, realizable value basis or replacement cost basis. This value analysis approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings 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.

Valuation of Pickrr is carried out on an 'going concern' premise. The historical net asset value of the business may not be representative of their earning potential. Further, self-generated key intangibles such as technology, customer relationship, brand/ trademark, distribution network may not be reflected in their historical net asset value. Accordingly, Asset Approach has not been adopted for the Valuation of Pickrr.

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2. Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

2a. Market Price Method

Under this 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.

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

2b. Comparable Companies' Multiple ('CCM')/ Comparable Transactions' Multiple ('CTM') Method

Under **CCM**, the value of the shares / business of a company is estimated by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. 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 no comparable listed companies which operates in similar line of business and have business model as that of Pickrr, we have therefore not used CCM Method to value the equity shares of Pickrr.

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.

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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 Pickrr, we have therefore not used CTM method to value the equity shares of Pickrr.

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

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. 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. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- **Estimating future free cash flows:** Free cash flows are the cash flows expected to be generated by the company/ asset that are available to the providers of the company's capital - both debt and equity.
- **Appropriate discount rate to be applied to 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.

The Management has provided the Management Projections, which the Management believes to be their best estimates as to the future operating performance of Pickrr. Considering the aforementioned, DCF method has been adopted for Valuation of Pickrr.

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Fair Value of Pickrr using Discounted Cash Flow ('DCF') method:

Valuation of equity shares of Pickrr has been carried out using Income Approach (Discounted cash flow method) based on the Management Projections and have relied on the restated unaudited Ind AS balance sheet of Pickrr as at 01 April 2021 and 31 March 2022 and restated unaudited income statement for FY22 along with Management certified provisional financial statements for FY23.

The discounted cash flow model uses the following formula for arriving at the Enterprise Value:

Enterprise Value = Present value of free cash flows to firm for the explicit period + Present value of cash flows for terminal period.

The free cash flows are discounted by the Weighted average cost of capital ('WACC'), which is considered an appropriate discount factor. The WACC represents the returns required by the investors of equity as well as lenders to the business. The returns expected would depend on the perceived level of risk associated with the business of the company and the industry in which the company operates. WACC is arrived at by using the Capital Asset Pricing Model ('CAPM').

Following adjustments to the Enterprise Value is considered to arrive at the equity value of the Company:

- Surplus assets comprising of cash and cash equivalents as at the Valuation Date; and
- Outstanding debt and debt-like items as at the Valuation Date.

The equity value so arrived is divided by the potential number of dilutive equity shares (assuming conversion of CCPS) to arrive at the value per diluted equity share of the Company.

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Valuation Recommendation (2/4)

Based on the Discounted Cash Flow Method ('DCF'), we have determined the fair value of dilutive equity shares of Pickrr as set out below:

Assumptions	
WACC (refer Exhibit 2)	19.0%
Tax Rate	25.17%
Terminal Growth Rate	5.0%

Discounted Cash Flow Method INR million

Particulars	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33	Terminal
Period in months	12	12	12	12	12	12	12	12	12	12	Year
Revenue	**3,943.6**	**5,578.3**	**7,588.8**	**9,900.4**	**12,859.1**	**16,073.9**	**19,997.4**	**23,904.8**	**28,471.9**	**32,671.5**	**34,305.1**
EBITDA	**(39.4)**	**292.8**	**744.6**	**1,387.9**	**1,844.8**	**2,345.8**	**2,962.7**	**3,567.0**	**4,235.3**	**4,861.8**	**5,104.9**
Less: Depreciation	(9.4)	(6.3)	(5.7)	(6.1)	(7.0)	(8.3)	(9.9)	(11.9)	(14.3)	(17.1)	(18.0)
EBIT	**(48.7)**	**286.6**	**738.9**	**1,381.9**	**1,837.8**	**2,337.5**	**2,952.7**	**3,555.1**	**4,221.0**	**4,844.7**	**5,086.9**
Less: Income Taxes	-	-	(47.9)	(347.8)	(462.6)	(588.5)	(743.4)	(895.1)	(1,062.8)	(1,219.9)	(1,280.3)
EBIT after tax on EBIT	**(48.7)**	**286.6**	**691.0**	**1,034.1**	**1,375.2**	**1,749.0**	**2,209.3**	**2,660.0**	**3,158.2**	**3,624.8**	**3,806.7**
Add: Depreciation	9.4	6.3	5.7	6.1	7.0	8.3	9.9	11.9	14.3	17.1	18.0
Less: Capital expenditure	(4.0)	(4.4)	(5.3)	(6.3)	(7.6)	(9.1)	(10.9)	(13.1)	(15.8)	(18.9)	(18.0)
Add/ (Less): (increase)/decrease in working capital *	95.4	106.6	110.6	164.0	210.3	227.9	278.5	275.9	324.7	296.9	-
Free cash flows to firm ("FCFF")	**52.0**	**395.0**	**802.0**	**1,197.9**	**1,584.9**	**1,976.0**	**2,486.8**	**2,934.6**	**3,481.4**	**3,919.8**	**3,806.7**
Time to midpoint	6.0	18.0	30.0	42.0	54.0	66.0	78.0	90.0	102.0	114.0	
PV factor (@19.0%)	0.92	0.77	0.65	0.54	0.46	0.38	0.32	0.27	0.23	0.19	
Discounted Cash Flow	**47.7**	**304.3**	**519.2**	**651.6**	**724.5**	**759.1**	**802.7**	**796.1**	**793.6**	**750.9**	

** Release in working capital is on account of accumulation of customer balances in PTPL Wallet*

INR million

Particulars	Amount
Present Value of explicit period	6,149.6
Add: Present Value of terminal period cash flows (refer note 1)	5,731.5
Enterprise value	**11,881.1**
Add: Surplus assets (refer note 2)	203.7
Less: Debt and debt like items (refer note 3)	(524.4)
Equity value as at 31 March 2023	**11,560.4**
Add: Roll forward upto the Valuation Date	1.04
Equity value as at the Valuation Date	**12,074.3**
Diluted no. of equity shares outstanding as at the Valuation Date	23,106
Value per equity share (Face Value INR 10/- each)	**5,22,559.2**

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Note 1 - Calculation of Terminal Value

Particulars	INR million
H-Model terminal value computation	
Cash flows for terminal year	3,806.7
Cash flows for 31 March 2033	3,919.8
WACC	19.0%
Growth rate- high	14.7%
Growth rate- normal ^	5%
High growth period (years)	2.0
H-model terminal value	**29,920.2**
Value to be considered	**29,920.2**
Present value factor	19%
Present value of terminal period cash flows	**5,731.5**

^Terminal growth rate has been estimated considering inter-alia sustainable estimated long term inflation and other industry specific factors.

Note 2: Surplus Assets

Particulars	INR million
Advance Tax	62.9
Cash and Cash equivalents	140.7
Total Surplus Assets	**203.7**

Source: Management information

Note 3: Debt and debt like items

Particulars	INR million
Loan from BRSPL	486.5
Accrued Interest on borrowings	18.2
Lease Liablities	19.8
Total Debt and debt like items	**524.4**

Source: Management information

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Valuation Recommendation (4/4)

Valuation Conclusion:

Based on the analysis of the business plan and other data/information provided by the Management as well as the current market analysis and subject to scope, limitations, assumptions specified, the fair equity value per equity share of Pickrr on fully dilutive and going concern basis as at Valuation Date is **INR 5,22,559.2/- (Five Lakhs Twenty-Two Thousand Five Hundred and Fifty-Nine point Two).**

Respectfully Submitted,

N S KUMAR & CO.
Chartered Accountants
ICAI Firm Registration No.: 139792W

Niranjan Kumar
Proprietor
Membership No.: 121635
UDIN: 23121635BGUWVD7784

Date: 30 June 2023

Scope Limitations, Assumptions, Qualifications, Exclusions and Disclaimers (1/3)

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do 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:

i. the purpose of Valuation agreed as per the terms of this engagement;
ii. the date of this report;
iii. the Management certified provisional financial statements of Pickrr for FY23;
iv. the realisation of cashflow projections as provided by the Management;
v. the accuracy of the information available in public domain and comparability of companies identified to the current exercise; and
vi. the data detailed in the section - Sources of Information.

The recommendation contained herein is as at the Valuation Date and is not intended to represent value at any time other than the date of the Report.

An 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 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 etc., which are not evident on the face of the balance sheet but which will strongly influence the worth of a share.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Company till the Report date 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).

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Scope Limitations, Assumptions, Qualifications, Exclusions and Disclaimers (2/3)

The determination of fair value 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 fair value of the equity shares based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion.

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 by the Management

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

i) the accuracy of information made available to us by the Management, which formed a substantial basis for the report; and

ii) the accuracy of information that was publicly available.

We have not carried out a due diligence or audit or review of the Company 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 Transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management is accurate. Also, with respect to explanations and information sought from the 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 of the Company has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Company and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Company. However, nothing has come to my 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 my inquiries could have verified any matter, which a more extensive examination might disclose.

Scope Limitations, Assumptions, Qualifications, Exclusions and Disclaimers (3/3)

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 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 transaction nor the likely benefits arising out of the same. Similarly, the Report does not address the relative merits of the transaction 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 the estimation of fair value of the equity shares of the Company proposed to be transferred.

We would like to emphasize that realization of free cash flow forecast used in the 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.The fee for the Engagement is not contingent upon the results reported.

The fee for the Engagement is not contingent upon the results reported. We owe responsibility only to the Management of Pickrr, 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 the liability of NSK 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 relevant filings with the statutory authorities with respect to the proposed transaction of OCRPS of the Company by way of private placement, without our prior written consent.

A draft of this report was shared with the Management for confirmation of facts and other Management representations.

Exhibit 1 - Key Valuation Considerations (1/6)

Pickrr, a subsidiary of BRSPL, is an eCommerce shipping solution provider which undertakes operations through following divisions:

- **Shipping Division:** Pickrr provides last mile shipping to businesses by aggregating major courier partners and provides one click order processing platform integration with leading marketplaces and channel partners. It claims to reduce return to origin ('RTO') loss by 30% and also reduce the shipping cost for the business by suggesting the best options for delivery;
- **Warehousing Division:** This division provides fulfilment and warehousing services to its clients operating 18+ warehouses. It offers omni-channel integration with WMS AI powered shipping automation Intelligent inventory placement software;
- **Fastrr Division:** Fastrr is a frictionless one click checkout software for e-commerce. It expedites checkout with OTP login and thereby eliminates need for the end customers to fill long forms resulting into high conversion rate and low cart abandonment. It also helps to analyze and red flag addresses with high order returns using Pickrr Predict – An AI powered tool and thus helps in lowering RTOs. It also helps in reducing fraud from the shipping cycle using its proprietary address verification tools.
- **B2B Division:** B2B division or Rocketbox is a tech enabled B2B bulk shipping platform which provides its client with wide range of courier partners to choose from for the movement of their goods from mother warehouse to other fulfilment centres.

We have been informed by the Management that post acquisition of Pickrr by BRSPL, it has ceased all commercial activities relating to Warehousing Division with effect from 31 March 2023.

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Exhibit 1 - Key Valuation Considerations (2/6)

Management Projections:
The Management has represented to us that the Management Projections for Pickrr have been prepared on a 'going-concern' premise considering *inter-alia*:
- Historical performance;
- Expected growth in B2B and Fastrr division due to synergies and operational efficiency realized from existing Shipping division;
- Competitive Scenario and market outlook;
- Evolving Trends in Logistics and Transportation Industry;
- Other market factors affecting the performance of Pickrr;

and represents best estimate of the expected performance of the Pickrr going forward.

Management expects significant improvements in operations of Shipping division, B2B division and Fastrr Division, on account of the following:
- Significantly ramp up in revenue due to scalable SaaS model of business;
- Growth in revenues due to increased deliveries of ecommerce companies and adoption of new age technology to improve their order and inventory management;
- Increased onboarding of courier partners on its platform;
- Increased integration with its parent BRSPL leading to lower administrative and employee cost and
- Working capital requirement (as a % of sales) remaining stable over the course of projected period

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The summary of Management Projections is as follows:

Projected Income Statement:

INR million

Particulars for the year ended	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33
Period in months	12	12	12	12	12	12	12	12	12	12
Revenue from operations	**3,943.6**	**5,578.3**	**7,588.8**	**9,900.4**	**12,859.1**	**16,073.9**	**19,997.4**	**23,904.8**	**28,471.9**	**32,671.5**
Y-o-Y Growth %		*41%*	*36%*	*30%*	*30%*	*25%*	*24%*	*20%*	*19%*	*15%*
Cost of sales	(3,193.5)	(4,385.9)	(5,755.1)	(7,510.4)	(9,759.5)	(12,199.4)	(15,179.9)	(18,140.3)	(21,613.8)	(24,797.5)
Employee cost	(476.6)	(558.2)	(688.2)	(524.0)	(639.1)	(762.1)	(902.9)	(1,058.9)	(1,262.2)	(1,448.7)
Other expenses	(312.8)	(341.4)	(400.8)	(478.1)	(615.8)	(766.7)	(952.0)	(1,138.6)	(1,360.6)	(1,563.4)
EBITDA	**(39.4)**	**292.8**	**744.6**	**1,387.9**	**1,844.8**	**2,345.8**	**2,962.7**	**3,567.0**	**4,235.3**	**4,861.8**
EBIDTA margin%	**-1%**	**5%**	**10%**	**14%**	**14%**	**15%**	**15%**	**15%**	**15%**	**15%**
Depreciation & amortization	(24.0)	(20.9)	(20.3)	(20.7)	(21.6)	(22.9)	(24.5)	(26.5)	(28.8)	(31.7)
EBIT	**(63.3)**	**272.0**	**724.3**	**1,367.3**	**1,823.2**	**2,322.9**	**2,938.1**	**3,540.5**	**4,206.4**	**4,830.1**

Source: Management information

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Revenue

Segment-wise break up of revenue for the projection period is presented below:

INR million

Particulars for the year ended	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33
Period in months	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
Shipping Division	3,618.9	4,885.5	6,595.4	8,574.0	11,146.2	13,932.7	17,415.9	20,899.1	25,078.9	28,840.8
Y-o-Y Growth %		*35%*	*35%*	*30%*	*30%*	*25%*	*25%*	*20%*	*20%*	*15%*
B2B Division	250.0	500.0	700.0	945.0	1,228.5	1,535.6	1,842.8	2,119.2	2,373.5	2,658.3
Y-o-Y Growth %		*100%*	*40%*	*35%*	*30%*	*25%*	*20%*	*15%*	*12%*	*12%*
Fastrr Division	74.7	192.8	293.4	381.5	484.4	605.6	738.8	886.5	1,019.5	1,172.4
Y-o-Y Growth %		*158%*	*52%*	*30%*	*27%*	*25%*	*22%*	*20%*	*15%*	*15%*
Total Revenue	**3,943.6**	**5,578.3**	**7,588.8**	**9,900.4**	**12,859.1**	**16,073.9**	**19,997.4**	**23,904.8**	**28,471.9**	**32,671.5**

Source: Management information

- For Shipping Division, the Management has assumed a growth of 35% each year in FY25 and FY26, 30% in FY27 and FY28 and eventually tapering it down to 15% in FY33 considering the reasons outlined earlier.
- For B2B Division, the Management has estimated high growth rates since the division has been started in FY23 itself and it expects to leverage its current ecosystem and technology to ramp up this business,
- Further, the Management has represented to us that Fastrr is an asset light scalable SaaS model and has a ready base of existing customers as potential clients and hence it is expected to grow very fast in terms of revenue.

Expenses

- Cost of sales as a % of revenue is assumed to hover around 81% and 79% in FY24 and FY25 respectively and then expected to decrease to 76% during the remaining projected period due to internal efficiencies and economies of scale.
- Based on the Management's internal estimates existing employee related expenses are projected to decrease due to integration with BRSPL and redundancies due to duplication of staff and are expected to decrease from 12% of the revenue in FY24 to 9% in FY26 and then expected to stabilize at 4%-5% of revenue during the remaining projected period.
- Other operating expenses comprises of direct costs (such as advertisement, IT and server cost & warehousing expenses), and regulatory filing costs and other indirect costs (such as legal & professional charges, repairs & maintenance, travelling, etc.). The Management expects that on account of maturing of the business and scalability of the business, these other operating expenses are projected to reduce from ~8% of operating revenues in FY24 to ~5% over the projected period.

Exhibit 1 - Key Valuation Considerations (5/6)

EBITDA margins

- The Management estimates to near break even in FY24 with negative EBIDTA margin of ~1% and then turn EBITDA positive from FY25 onwards.
- This positive EBIDTA margins is projected to reach 10% in FY26 and then stabilize at around 14% to 15% from FY27 onwards on account of cost improvements and revenue growth as outlined earlier in this report.

Working Capital:

Working capital primarily comprise of trade receivables, trade payables, other current assets/liabilities. Operating working capital requirement is projected by the Management considering *inter-alia* historical and current trend, management estimate, projected revenue, etc.

- Trade receivables have historically been ~50 of revenue whereas the same are projected to be at approx. 40 days of the revenues for the projection period considering the efficiency in collection.
- Trade payables have historically been ~80 days of cost of sales whereas the same are projected at ~74 days for the projected period factoring in some leniency in payment.
- Other current liabilities mainly consists of Cod receivables, unbilled revenue, advances from customers/deposits, advance collected on behalf of customers/deposits, security deposits and provision for expenses. These are projected at ~9 days on revenue considering the historical trend and management expectations.

INR million

Particulars as at	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33
Trade receivables	376.9	428.1	600.8	815.6	1,064.1	1,382.7	1,728.3	2,151.0	2,571.1	3,064.3	3,516.2
Trade payables	(553.8)	(653.0)	(892.9)	(1,169.9)	(1,526.8)	(1,984.5)	(2,480.6)	(3,087.3)	(3,689.2)	(4,397.2)	(5,044.8)
Other current assets/(liabilities)	(47.6)	(95.0)	(134.3)	(182.7)	(238.4)	(309.6)	(387.0)	(481.5)	(575.6)	(685.5)	(786.7)
Net working capital	**(224.5)**	**(319.9)**	**(426.4)**	**(537.1)**	**(701.1)**	**(911.4)**	**(1,139.3)**	**(1,417.8)**	**(1,693.7)**	**(2,018.4)**	**(2,315.3)**
% of Revenue	**-7.2%**	**-8.1%**	**-7.6%**	**-7.1%**	**-7.1%**	**-7.1%**	**-7.1%**	**-7.1%**	**-7.1%**	**-7.1%**	**-7.1%**
Changes in working capital		**95.4**	**106.6**	**110.6**	**164.0**	**210.3**	**227.9**	**278.5**	**275.9**	**324.7**	**296.9**

Capital expenditure:

Basis our discussion with the Management, we understand that Pickrr operates on asset light SaaS based model. Considering this, the Management has projected the following capex requirement:

INR million

Particulars for the year	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33
Capital expenditure	4.0	4.4	5.3	6.3	7.6	9.1	10.9	13.1	15.8	18.9

Tax Rate:

Considering availability of brought forward tax losses amounting to INR 763.1 million along with unabsorbed depreciation amounting to INR 23.6 million and basis discussion with the Management, the effective tax rate applicable to the Company post utilization of tax losses and unabsorbed depreciation has been considered as 25.17% for the purpose of current Valuation.

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Exhibit 2 – Weighted Average Cost of Capital

Particulars as at cut off date	Assumptions	Remarks
Cost of Equity (Ke)		
Risk Free Rate (Rfr)	7.0%	Average yield of zero coupon Indian Government bond for period ended Valuation Date
Equity Risk Premium (Rp)	7.0%	NSK Consensus equity risk premium
Levered Beta	1.12	Considering average unlevered beta of comparable companies re-levered using debt-equity ratio of comparable companies (Source: CapIQ)
Company Specific Risk Premium (CSRP)	5.0%	Refer note below
Cost of Equity (Ke)	**19.9%**	
Cost of Debt (Kd)		
Pre-Tax - Cost of Debt (Kd)	9.0%	Cost of debt applicable to the Company
Effective tax rate (t)	25.2%	Maximum marginal rate of tax
Post Tax - Cost of Debt (Kd)	6.7%	
Debt:Equity	0.05	Target debt:equity ratio
WACC (Rounded)	**19.0%**	

Note: Company specific risk premium is considering inter-alia historical performance, projections achievability and implementation risk, sensitivity analysis and other relevant factors.

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