

VALUATION REPORT
on
Fair Value of Equity Shares
Isera Biological Limited

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1 Valuation Analysis

This report has been prepared pursuant to the Engagement, whereby Karan Chetan Shah was appointed as an independent registered valuer for **Isera Biological Limited** (hereinafter referred to as the Company). The report that follows sets out the valuation framework adopted, the methodology applied, and the conclusion arrived at for the Fair Value of Equity Shares of the Company.

2 Scope and Objective of Assignment

Based on our discussions with the Management, we understand that **Isera Lifesciences limited** intends to acquire equity shares of **Isera Biological Limited** from its existing shareholders by way of a share swap. In this context, it is necessary to determine the **fair value of the equity shares of Isera Biological Limited in accordance with the provisions of the Companies Act, 2013.**

3 Representations, Assumptions and Disclaimers

Conditions:

The financial data incorporated in this report has been sourced from the Company's management and is included herein solely for the purpose of supporting the valuation conclusion reached. This report is not intended to serve as the basis for credit extension or any unrelated transaction. We have not conducted an audit, review or compilation of the financial statements nor do we express any opinion or assurance thereon.

This report must be read in its entirety and for the stated purpose only. No party other than the intended recipient should place reliance on its contents without independent legal, financial or accounting counsel.

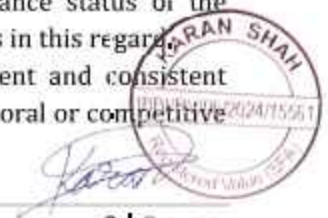
We declare that we hold no current or prospective financial interest in the Company. Our professional fees are fixed and do not vary based on the outcome of this engagement. We assume no obligation to update or revise this report following the date of its issuance.

The valuation methods applied herein are those that are recognized as conceptually sound and widely accepted within the profession. The engagement of the valuation analyst in preparing this report does not create any obligation for the analyst to provide testimony or appear before any judicial or regulatory authority, unless a separate arrangement is expressly established.

Assumptions:

The value conclusions in this report are premised on information supplied by the management of the Company and publicly available data, all of which has been assumed to be accurate, current and comprehensive.

We have not independently confirmed the ownership, title or encumbrance status of the Company's assets, and our reliance is placed on management representations in this regard. It is assumed that the Company will continue to be managed in a prudent and consistent manner, with no material adverse developments in the macroeconomic, sectoral or competitive environment that are not already reflected in the available data.



4 Company Overview

ISERA Biological Pvt Ltd is a Science driven organization incorporated in August 2016 having Head Office at Pune and a manufacturing facility at Shirala, Near Kolhapur, Maharashtra (India). The organization is led by a group of scientists with 40+ years of experience in the Equine Industry and business professionals excellently assisted by the focused team of microbiologists, molecular biologists, and protein engineers. ISERA is standing on a sound foundation, aiming to be one of the leading professional organizations in the Biotechnological Sector.

- Further data of the company is as under:

CIN	U85300PN2016PLC165483
Company Name	ISERA BIOLOGICAL LIMITED
ROC Name	ROC Pune
Registration Number	165483
Date of Incorporation	13/07/2016
Email Id	Pratap.deshmukh@iserabio.com
Registered Address	Flat-504, Bldg-A S NO- 671/2A/3, Navkar Residency Bh-Chowky, Bibwewadi, Pune, PUNE, Maharashtra, India, 411037
Listed in Stock Exchange(s) (Y/N)	No
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
ACTIVE compliance	ACTIVE Compliant
Company Status	Active

- Directors and Key Managerial Persons:

DIN/PAN	Name	Designation	Date of Appointment
08713641	Vinayak Bhaskarrao Shinde	20/03/2020	Director
07551567	Pratap Dadasaheb Deshmukh	13/07/2016	Managing Director
07551886	Nandkumar Subhash Kadam	13/07/2016	Director
07551888	Dhairyasheel Vasant Rao Yadav	13/07/2016	Director
*****4196P	Nisarg Shukla	01/01/2026	Company Secretary
08213171	Sumeet Dhanraj Garad	13/03/2025	Director

- Shareholding pattern as on valuation date is as under:

Shareholder	No. of Shares
Shubhangi Dhanraj Garad	27,55,000
Sumeet Dhanraj Garad	11,92,000
Nav Capital Vcc - Nav Capital Emerging Star Fund	10,00,000
Pratap Dadasaheb Deshmukh	7,85,500
Ritu Dhanraj Garad	7,46,000
Others	97,04,300
Total	1,61,82,800

Face Value Per Share is Rs. 10/-



5 Valuation Date

The Analysis of the Fair Value of Equity shares of the **Isera Biological Limited**, has been carried out as on **31st March 2026**.

6 Governing Valuation Framework

The Report has been prepared in compliance with the internationally accepted valuation standards and valuation standard adopted by ICAI Registered Valuers Organisation.

7 Valuation Premise and Basis and Approach

The standard of value adopted for the present analysis is "Fair Value." Fair Value may be described as the price at which an asset or business would change hands between a willing buyer and a willing seller, acting prudently, knowledgeably, and without compulsion, after adequate exposure to the market.

Business valuation is inherently judgmental and not an exact science. The value of a business ultimately reflects what a rational and informed investor is willing to pay, including any premium attributable to goodwill, synergies, or strategic considerations. The choice and relative weight assigned to valuation methodologies depend on several factors, including:

- Whether the entity is publicly listed or privately held
- The nature and dynamics of the industry in which it operates
- Historical performance and visibility of sustainable growth
- Availability and reliability of comparable market data

Given these considerations, valuation outcomes may differ based on the assumptions applied, factual circumstances, and professional judgment exercised.

For a going concern, valuation methodologies are generally grouped into the following broad approaches:

1. Asset Approach

Net Asset Value (NAV) Method

Under the Asset Approach, value is derived from the net worth of the business as reflected in its financial statements, subject to appropriate adjustments. Net assets represent shareholders' funds after considering adjustments for contingent liabilities, non-operating assets, or fair value modifications where relevant.

This method is typically regarded as a floor or break-up value, as it does not capture the earning potential or intangible strengths of the business. Since it relies primarily on historical accounting data, it may not reflect the economic value of the enterprise as a continuing operation.

2. Market Approach



Comparable Company Multiple Method (CCM)

This method involves identifying publicly traded companies with similar operational and financial characteristics and applying relevant valuation multiples to the subject company. Perfect comparability is rare due to differences in scale, product mix, leverage, growth prospects, and accounting policies; however, meaningful insights can still be drawn from prevailing market benchmarks.

Comparable Transaction Multiple Method (CTM)

Under this approach, valuation multiples derived from recent transactions within the same or similar industry are applied to the financial metrics (such as revenue or EBITDA) of the subject company. This method reflects pricing observed in actual market transactions.

3. Income Approach

Discounted Cash Flow (DCF) Method

The DCF method estimates value based on the present value of expected future cash flows generated by the business. These cash flows are discounted using the Weighted Average Cost of Capital (WACC), which reflects the blended cost of debt and equity adjusted for business risk.

Risk is commonly assessed using beta, which measures the sensitivity of the company's returns relative to broader market movements.

The DCF approach focuses on the intrinsic earning capacity of the business and is particularly relevant where reliable projections can be made. The analysis typically involves:

- Forecasting future financial performance and free cash flows
- Determining an appropriate discount rate reflecting capital costs and risk profile
- Estimating terminal value based on sustainable long-term growth assumptions



Rationale for Methodology Selection

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.



Asset Approach - NAV Method - This approach is more suited to the valuation of tangible or non-financial assets and, in the context of financial instruments such as equity shares, typically represents a floor value. Considering the floor valuation, one third weightage is assigned for current valuation exercise.

Income Approach - DCF Method - The DCF method has been considered as a primary valuation approach, given its conceptual robustness in capturing the intrinsic value of a business. In this regard, the Management of the Company has provided financial projections and a future business plan, which form the basis for estimating future cash flows. These projections reflect Management's best estimates of the Company's expected performance and have accordingly been relied upon for the purpose of this analysis and assigned one third weightage for current valuation exercise.

Market Approach - CCM Method - The CCM method derives a range of values from observable market pricing of comparable listed companies, providing a market-consistent reference point for the subject company. Given its applicability to the present circumstances and the availability of peer data, this approach has been adopted and assigned the remaining one third weightage for current valuation exercise.

Refer to Annexure I for detailed computation.

8 Data Sources and Information Relied Upon

The analysis has been conducted on the basis of information provided by the management and supplemented by data available in the public domain. The key sources include:

- Provisional Financials as on 31st March 2026.
- Management certified projected financial statements for period of 5 years for the year ending FY27 to FY31.
- Details of Shareholding and numbers of Shares as on valuation date.
- Discussions with the Management / representative of the Company.
- All Company specific information were sourced from the Management of the Company, either in the written hard copy or digital form.
- Other information / data available in public domain

In addition to the above, we have also obtained such other information and explanations which were considered relevant for the purpose of the Analysis.

9 Limitations and Disclaimers

This engagement relates solely to corporate valuation advisory services as described herein and does not encompass or constitute accounting, assurance, tax advisory, transfer pricing, or financial due diligence services.

The review undertaken by us does not constitute a statutory audit and should not be so construed. We have placed reliance on information and representations furnished by the management, which we have accepted as complete and accurate in all material respects. While internal consistency and reasonableness checks were applied, we have not independently verified the underlying data.

The internal working papers and models prepared for this exercise remain the proprietary material of the Valuer. Requests for clarification on the methodology or computations will be



addressed prior to the issuance of the final report, within the scope of the agreed engagement terms.

The findings of this report are confined to the Valuation Date specified herein. We have been informed by the management that all matters known to them which could have a bearing on this report have been disclosed. We accept no liability for events or circumstances arising after this date.

We confirm the absence of any present or anticipated future interest in the Company, and our fee arrangement is not linked to or contingent upon the values concluded in this report.

This report does not constitute, and should not be interpreted as, investment advice. We express no view on the commercial merits or suitability of any transaction involving the Company.

10 Restrictions on Circulation & Other Major Assumptions

This report has been prepared on a confidential basis and is addressed exclusively to **Isera Biological Limited** for the specific purpose described herein. Any reproduction, distribution, citation or use of this report – whether in full or in part – is strictly prohibited without the prior written authorisation of the Valuer.

Any such authorisation will be extended only after due consideration of the context and circumstances at the time of the request. It is noted that this report may, in the ordinary course, be shared with prospective investors or acquirers of the Company, or submitted to regulatory and governmental bodies in connection with applicable statutory requirements.

Assumptions:

The valuation conclusions expressed in this Report are based, in part, on information and explanations provided by the Company's management, as well as other sources referenced herein. We have assumed such information to be reliable, accurate, and complete for the purpose of this engagement.

In forming our opinion, we have relied on representations contained in public records, documents made available to us, and other materials provided during the course of our review, except where expressly stated otherwise in this Report.

We have not undertaken independent verification of ownership of assets, nor have we examined whether the assets are subject to any liens, charges, or encumbrances. Accordingly, we have assumed that the Company holds valid title to its assets and that they are not materially impaired by undisclosed obligations.

It has further been assumed that the Company will continue to operate in a prudent and commercially reasonable manner, and that there will be no material adverse changes in economic, industry, or market conditions that would significantly affect its operations. This Report also assumes continuity in management approach and that the fundamental nature and integrity of the business will be preserved in the event of any restructuring, ownership change or reorganization.



11 Summary on Valuation & Conclusion

Based on our valuation exercise Fair Value of the Equity Shares as on 31st March 2026 is as under:

Method	Value per share	Weight	Product
Asset Approach - NAV Method	45.76	33.33%	15.25
Market Approach - CCM Method	49.54	33.33%	16.51
Income Approach - DCF Method	49.29	33.33%	16.43
Weighted Average Value per share			48.20

We trust the above meets your requirements. Please feel free to contact us in case you require any additional information or clarifications.

Yours faithfully



Karan C Shah
Chartered Accountant
M No: 190724
Registered Valuer- Securities and Financial Assets
(Reg No: IBBI/RV/06/2024/15561)
UDIN: 26190724WXIZPM9847

Place: Mumbai
Date: 20th April 2026

12 Annexure 1

Asset Approach - Net Asset Method as on 31st March 2026

Particulars		Amounts (INR Lakhs)
Assets		
Non-current assets		
Fixed Assets		
-Tangible Assets		3,068.43
-CWIP		1,913.60
Other Non-Current Assets		18.98
Current assets		
Inventories		430.14
Trade receivables		1,301.19
Cash and bank balances		22.99
Short-term loans and advances		251.03
Other Current Assets		2,164.98
Total Assets	A	9,171.34
Liabilities		
Non-Current Liabilities		
Long Term Borrowings		925.41
Long Term Provision		12.76
Deferred Tax Liabilities (Net)		35.14
Current liabilities		
Trade payables		489.43
Other current liabilities		97.27
Short-term provisions		205.51
Total Liabilities	B	1,765.53
Net-Worth	(A - B)	7,405.81
No. of Equity Shares	C	1,61,82,800
Value Per Share	(A - B) / C	45.76



13 Annexure 2

Comparable Company Method (CCM)

Particulars	EV / Sales
Peer-Derived Ratio (Note 1)	3.36
Sales of the Company (INR Lakhs) (Mar-26)	2,653.37
Enterprise Value (INR Lakhs)	8,918.96
Less: Debt (INR Lakhs)	-925.41
Add: Cash (INR Lakhs)	22.99
Equity Value (INR Lakhs)	8,016.53
No. of Shares	1,61,82,800
Value per share (In INR)	49.54

Note 1: -

EV / Sales ratio of Listed Peer Company

Particulars	EV / Sales (*)
Panacea Biotec Ltd	3.49
Hester Biosciences Ltd	4.67
Gland Pharma Ltd	4.45
Average Peer Ratio	4.20
Size Discount (**)	@20%
Adjusted Average Peer Ratio	3.36

(*) Source: Screener

(**) A size discount of 20% has been applied to the peer average multiple to reflect the material differences in scale, operational capacity, market reach and brand equity between the listed comparable companies and the subject entity.



14 Annexure 3

Discounted Cash Flows

We have been provided with the business projection of the Company for **Five years** by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Firm ("FCFF") based on these financial statements is set out below:

(INR Lakhs)

Number of Months		12	12	12	12	12	
Particulars		FY27	FY28	FY29	FY30	FY31	TV
EBITDA		1,364.13	1,669.97	2,050.40	2,523.17	3,110.13	3,172.33
Less: Depreciation		1,142.74	-859.81	-690.52	-593.55	-548.52	-559.49
EBIT		221.39	810.16	1,359.88	1,929.62	2,561.61	2,612.84
Less: Tax on EBIT	25.17%	-55.72	-203.90	-342.25	-485.65	-644.71	-657.60
NOPAT		165.67	606.26	1,017.62	1,443.97	1,916.90	1,955.24
Add: Depreciation		1,142.74	859.81	690.52	593.55	548.52	559.49
Less: Capex		1,856.19	-97.00	-164.90	-242.50	-339.50	-669.07
(Increase)/ decrease in working capital		-298.54	-350.66	-413.19	-488.23	-573.32	
(Increase)/ decrease in Other Non-current Liabilities		0.00	0.00	0.00	0.00	0.00	
Free cash flow to firm ('FCFF')		-846.32	1,018.40	1,130.06	1,306.80	1,552.60	1,845.66
Annual factor		1.00	1.00	1.00	1.00	1.00	
Discounting period (end year)		1.00	2.00	3.00	4.00	5.00	
PV factor	15.53%	0.87	0.75	0.65	0.56	0.49	
PV of FCFE		-732.82	763.25	733.05	733.71	754.51	

PV of FCFF for the horizon period	2,251.71	A
FCFF for terminal year	1,845.66	
WACC (Note 1)	15.53%	
Perpetuity Growth	2.00%	
Capitalisation Rate	13.53%	
Gross terminal value	13,636.37	
PV factor	0.49	
PV of terminal value	6,626.82	B



Enterprise value	8,878.53	A+B
Less: Long Term Debt	-925.41	
Add: Cash & Bank	22.99	
Fair Value of Equity	7,976.10	
No of Share	1,61,82,800	
Value Per Share (in INR)	49.29	
Value Per Share (in INR) (R/off)	49.00	

Assumptions

Cost of Equity	15.53 %
Matured Long Term Growth Rate	2.00 %
Risk free rate (Rf)	6.50%
Market Return (Rm)	10.14%
Beta	1.00
Company Specific Risk	6.00 %

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of 2.00 % for the Company beyond the projections periods. The cash flows of **Rs. 1,845.66 Lakhs** have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at **Rs 13,636.37 Lakhs**.

Using these cash flows and a discount rate of 15.53 % we estimate the equity value of the Company **Rs. 7,976.10 Lakhs**.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: COE * Equity Weightage of total Capital + COD * Debt Weightage of total Capital

Note 1: Calculations of WACC

Particulars	Note	%
Base Cost of equity		10.14%
Company specific risk premium		6.00%
Adjusted CoE	Note 2	16.14%
- Equity Weightage (*)		93.52%
Weighted CoE (A)		15.10%



Post tax cost of debt	Note 3	6.73%
- Debt Weightage (*)		6.48%
Weighted CoD (B)		0.44%
WACC (A + B)		15.53%

(*) Weightage based on Debt-to-Equity ratio for next Projected 6 Years i.e. FY27 to FY31

Note 3: Organisation Specific Discount Rate

- Cost of Equity of 16.14 % is taken as Discounting rate, calculated using,
 - Historical Market Return of BSE 500 from February 01, 1999, to March 30, 2026, is 10.14 %
 - We have considered Premium of 6.00 % towards risk and illiquidity

	Rate	Source
Market Return (Rm)	10.14 %	Return of BSE 500 for the period of Feb 01, 1999, to March 30, 2026.
Company Specific Risk	6.00%	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the cost of Equity has been calculated at **16.14 %**.

Note 4: Calculation of Post Tax Cost of Debt

Cost of Debt (*)	9.00%
Tax rate	25.17%
Post tax	6.73%

(*) As per Management Representation

