JM Financial

STRICTLY CONFIDENTIAL

October 28, 2026

The Board of Directors,
TVS Motor Company Limited,
Chaitanya No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai 600 006, Tamil Nadu.

Ladies / Gentlemen:

We refer to the engagement letter dated October 27, 2026 ("**Engagement Letter**") whereby TVS Motor Company Limited ("**TVS Motor**") has engaged JM Financial Limited ("**JM Financial**") to provide a fairness opinion to TVS Motor on the Share Entitlement Ratio *(defined below) and* on the impact of the Scheme (*defined below*) with respect to the outstanding non-convertible debentures ("**NCDs**") issued by TVS Motor.

We understand that TVS Motor proposes to enter into a composite scheme of arrangement with TVS Motor Services Limited ("**TVS MSL**") and Harita ARC Limited (*a wholly owned subsidiary of TVS Motor*) ("**TVSM WOS**") pursuant to the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder.

The composite scheme, *inter-alia*, proposes:

(a) amalgamation of the TVS MSL with TVS Motor; whereby, TVS MSL being a wholly owned subsidiary of TVS Motor, there shall be no issue of shares as consideration for the amalgamation; and

(b) demerger of the demerged undertaking (comprising of Consumer Finance and Related Business) (*as set out in the composite scheme*) ("**Demerged Undertaking**") from TVS Motor into TVSM WOS on a going concern basis and issue of shares by TVSM WOS to the shareholders of TVS Motor, in consideration thereof ("**Demerger**"); and

in accordance with the share entitlement ratio as specified in the composite scheme ("**Scheme**").

TVS Motor, TVS MSL and TVSM WOS are collectively referred to as "**the Companies**".

Pursuant to the Scheme, there will be no change in terms and conditions of NCDs of TVS Motor.

We understand that TVS Motor has appointed Bansi S. Mehta Valuers LLP, Registered Valuer bearing registration number IBBI/RV/06/2019/10666 ("**Valuer**") as an independent valuer for the purposes of recommending the share entitlement ratio for the Scheme and impact of the Scheme with respect to NCDs. The Valuer has provided its recommendation under a report dated October 28, 2026 **("Valuation Report").**

Background of the Companies:

TVS Motor Company Limited:

TVS Motor Company Limited (CIN: L35921TN1992PLC022845) is incorporated under the provisions of the Companies Act, 1956. TVS Motor's listed non-convertible debentures are listed on the National Stock Exchange of India Limited ("**NSE**").

TVS Motor is a reputed two-wheeler manufacturer globally and three-wheeler manufacturer, championing progress through sustainable mobility with its four state-of-the-art manufacturing facilities in Hosur, Mysuru and Nalagarh in India and Karawang in Indonesia.

TVS Motor Services Limited:

TVS Motor Services Limited (CIN: U50404TN2009PLC071075) is incorporated under the provisions of the Companies Act, 1956. TVS MSL is a wholly owned subsidiary of TVS Motor.

TVS MSL was incorporated for carrying on the business of buying, selling, leasing, servicing and dealing in automobiles, automotive products, spare parts, components, accessories and allied equipment, including related fuels and lubricants. Additionally, it provides repair, maintenance and other support services for various classes of vehicles and automotive machinery.

Harita ARC Limited:

Harita ARC Limited (CIN: U65999TN2017PLC118296) is incorporated under the provisions of the Companies Act, 2013. TVSM WOS is a wholly owned subsidiary of TVS Motor.

TVSM WOS is, *inter alia*, engaged in financial services business. Further, Post the cancellation of existing share capital pursuant to the Scheme, but before the issuance of new shares on demerger, TVSM WOS will split the authorised share capital from face value of INR 10 each to face value of INR 1 each.

Brief Background of the Scheme

Under the Scheme, *inter alia*, (a) TVS MSL shall be amalgamated into TVS Motor and since TVS MSL is a wholly owned subsidiary of TVS Motor, no equity shares of TVS Motor would be issued to the shareholders of TVS MSL; and (b) demerger of the Demerged Undertaking from TVS Motor into TVSM WOS on a going concern basis and upon the Scheme being effective, the entire existing share capital of TVSM WOS shall stand cancelled and new shares of TVSM WOS to be issued to the shareholders of TVS Motor, in consideration thereof based on the following ratio ("**Share Entitlement Ratio**"):

Share Entitlement Ratio for the Demerger

For every 1 (one) equity share of face and paid-up value of INR 1/- each held in TVS Motor, 1 (one) equity share of face and paid-up value of INR 1/- each of TVSM WOS to be issued to the equity shareholders of TVS Motor.

Pursuant to the Scheme, there will be no change in terms and conditions of the NCDs of TVS Motor. The NCD holders of TVS Motor, once the Scheme becomes effective, will continue to hold those NCDs, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc. The said NCDs of TVS Motor will continue to be freely tradable and listed on NSE.

TVS Motor, in terms of the Engagement Letter, has requested us to examine the Valuation Report issued by the Valuer and other related information provided by TVS Motor and issue our independent opinion as to the fairness of the Share Entitlement Ratio and impact of the Scheme with respect to NCDs as per the Valuation Report ("**Fairness Opinion**"), from a financial point of view, for the equity shareholders and the NCD holders of TVS Motor, respectively.

The Valuer has provided its recommendation for NCDs as follows:
*It may be noted that the Institute of Chartered Accountants of India ("**ICAI**") on June 10, 2018 has issued the ICAI Valuation Standards ("**IVS**") effective for all the valuation reports issued on or after July 1, 2018. The IVS is mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. However, as the current exercise does not entail valuation, the question of following the IVS does not arise.* Further, it provides: *In view of the factors mentioned in the Valuation Report, the economic interest and rights of the TVS Motor NCD holders would remain unchanged pursuant to Scheme.*

Source of Information and Analysis

For the said examination and for arriving at the opinion, we have amongst others:

- reviewed the Valuation Report issued by the Valuer;
- reviewed draft of the proposed Scheme;
- reviewed shareholding pattern of the Companies;
- reviewed credit rating reports and key terms of existing NCDs of TVS Motor;
- reviewed certain financial and operating information with respect to the business of the Companies, furnished to or discussed with us by the management;
- obtained and reviewed certain business and financial information relating to the Companies from public sources and proprietary databases;
- obtained explanations, information, representations, documents which we believe are reasonably necessary and relevant for our exercise from the management of the Companies;
- conducted such other studies and analysis as deemed appropriate.

Scope Limitations

While the Companies are responsible to ensure the accuracy and completeness of any and all the information given to us, we have independently conducted due diligence of such information, to a practical and reasonable extent. Further, we have also assumed and relied upon the accuracy and completeness of all the information that is publicly available and/or provided or otherwise made available to us for the purpose of the issuance of this Fairness Opinion. Subject to the assumptions and scope limitations set out in this Fairness Opinion, we have undertaken an independent analysis and exercised professional judgment in selecting the appropriate valuation approach/methodology for this Fairness Opinion.

This Fairness Opinion is provided as on the date of the Valuation Report and, therefore, this Fairness Opinion does not consider events occurring after that date. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and do not express any opinion with respect thereto. We have not made any appraisal of the assets or liabilities of the Companies, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. We are not actuaries and our services did not include actuarial determination. In addition, we have assumed that the proposed Scheme will be approved by regulatory authorities and that the proposed Scheme will be consummated substantially in accordance with the terms set forth in the proposed Scheme. We have assumed that there are no other contingent liabilities other than disclosed under the

financial statements and undertaking provided by the Companies or circumstances that could materially affect the business or financial prospects of the Companies.

We understand that the management of TVS Motor, during our discussions with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the proposed Scheme. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the proposed Scheme.

We express no opinion whatsoever and make no recommendation at all as to the Companies' underlying decision to effect the Scheme. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of the Companies with respect to the proposed Scheme. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the securities of TVS Motor will trade following the announcement/approval/effectiveness of the proposed Scheme or as to the financial performance of the companies following the consummation of the proposed Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors / NCD holders should buy, sell or hold any stake / debt in the Companies or any of their related parties (holding company/ subsidiary/ associates etc.).

Conclusion

Based on our examination of the Valuation Report, such other information / undertakings / representations provided to us and our independent analysis and evaluation of such information and subject to the scope limitations and assumptions as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that:

- the Share Entitlement Ratio as recommended in the Valuation Report is fair, from a financial point of view, for the equity shareholders of TVS Motor; and
- the treatment of NCDs as provided in the Scheme and as recommended in the Valuation Report is fair, from a financial point of view, for the existing NCD holders of TVS Motor.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of TVS Motor. The Fairness Opinion, save and except pursuant to the SEBI Circulars or any other applicable laws and shareholders of TVS Motor, shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, TVS Motor may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to TVS Motor promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, neither JM Financial nor its management, directors, officers, employees, representatives, successors, permitted assigns and controlling persons of JM Financial will be liable for any consequences thereof and shall not take any responsibility or accept any liability (including pecuniary or financial) for the same as the same would have been shared in contravention of the provisions hereof on a "non-recourse" and "non-reliance" basis. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

Yours truly,
For **JM Financial Limited**

JM Financial Limited Mumbai

Authorized Signatory
Vikas Kothari
Managing Director
SEBI Registration Number: INM000010361