

SAI SAMEER NAGAM

IBBI REGD VALUER (SFA)

Valuation Report

Date: 27th November 2025

To
The Board of Directors
Viceroy Hotels Limited
3rd Floor, Aparna Crest,
Road No. 2, Banjara Hills,
Hyderabad – 500034

Dear Sir / Madam,

Sub: Valuation of Equity Shares of M/s SLN Terminus Hotels & Resorts Pvt Ltd as on 25th November 2025 and Fairness Opinion on Proposed Acquisition.

We have engaged the undersigned, vide appointment letter dated 20th November 2025, to determine the fair value of the equity shares of SLN Terminus Hotels & Resorts Private Limited ("the Company") and to provide an independent opinion on the fairness of the total consideration proposed to be paid by Viceroy Hotels Limited in connection with the acquisition of 100% equity shareholding of the Company.

Valuation is inherently an estimate, subject to limitations and assumptions, and different valuers may arrive at different conclusions. The value expressed herein represents my independent professional opinion based on information available and conditions as at the valuation date.

Yours faithfully,


Sai Sameer Nagam

Registered Valuer – Securities or Financial Assets

IBBI/RV/06/2021/13862

Membership No: ICAIRVO/06/RV-P00190/2020-2021

Date: 27th November 2025

UDIN: 2541684A17PYP93RIO



I. INTRODUCTION

I have been appointed as a Registered Valuer – Securities or Financial Assets by Viceroy Hotels Limited to determine the fair equity value of SLN Terminus Hotels & Resorts Pvt Ltd as on 25th November 2025 and to provide a fairness opinion on the proposed acquisition.

SLN Terminus is the subject company.

Viceroy Hotels Limited is the appointing entity for this valuation.

II. BACKGROUND OF THE SUBJECT COMPANY

SLN Terminus Hotels & Resorts Private Limited, incorporated in 2014, operates a premium long-stay hospitality property in Hyderabad under the Marriott Executive Apartments brand. The Company operates a fully serviced apartment hotel asset under a long-term hotel management agreement with Marriott International.

As per the management-certified financial statements, the key capital structure elements of the Company as on 30th September 2025 are as follows:

- Bank borrowings, related-party loans and overdraft facilities
- 1% and 9% cumulative preference share capital (including accrued dividends)
- Equity share capital comprising 7,50,000 equity shares of ₹10 each

Business Overview of SLN Terminus Hotels & Resorts Pvt Ltd

SLN Terminus Hotels & Resorts Private Limited operates a premium long-stay hospitality property under the Marriott Executive Apartments brand in Hyderabad. The Company caters primarily to corporate, expatriate, consultant and project-based long-stay customers who require international-standard serviced apartment accommodation with integrated hotel-grade amenities.

The hotel consists of fully furnished serviced apartments, operated under a long-term hotel management agreement with Marriott International, providing the benefit of global brand recognition, central reservation systems, loyalty programme participation, and standardised operating practices.

The key operating segments of the Company are detailed below:



1. Room Income (Primary Revenue Stream)

Room income constitutes the largest component of total revenue. It is derived from:

- Studio, One-Bedroom and Two-Bedroom serviced apartments;
- Long-stay occupancy from multinational corporations, project consultants, expatriate teams, and relocation clients;
- Short-stay guests availing premium nightly rates during high-demand periods;
- Dynamic pricing strategies based on occupancy trends, seasonality and market conditions;
- Bookings generated through Marriott's global reservation network and loyalty programmes.

Room income typically exhibits the highest operating margins due to efficient cost structures and stable occupancy patterns associated with long-stay guests.

2. Food & Beverage Revenue

The Food & Beverage segment contributes a significant portion of operating income and supports overall guest satisfaction. Revenue in this segment arises from:

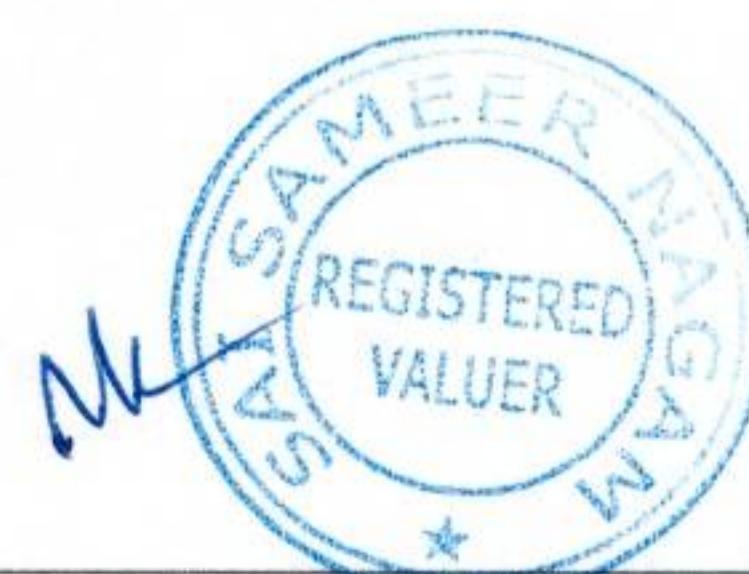
- In-house restaurant operations;
- Breakfast and meal packages bundled with room stays;
- Room service (in-room dining);
- Banquet and private dining arrangements;
- Café, bar and lounge services.

While F&B margins are lower compared to room income, this segment enhances the hotel's value proposition and strengthens brand positioning.

3. Ancillary Hotel Services

Ancillary services supplement core revenues and include:

- Laundry and dry-cleaning services;
- Airport pick-up/drop and transportation services;



- Meeting rooms, business centre facilities and conference support;
- Spa, gym, wellness and recreational amenities (as applicable);
- Miscellaneous guest service charges and convenience billings.

These services, though smaller in proportion, contribute to overall guest convenience and add incremental profitability.

Operating Model

The Company operates under a hotel management agreement with Marriott, whereby operational standards, brand compliance, and key performance ratios are monitored. The brand affiliation enables the property to maintain premium occupancy, stable average daily rates (ADR), and favorable RevPAR performance relative to comparable market offerings.

B. ABOUT THE VALUER

Mr. Sai Sameer Nagam is a Registered Valuer for Securities and Financial Assets under the Insolvency and Bankruptcy Board of India (IBBI), holding Registration No. IBBI/RV/06/2021/13862. He is a Fellow Member of the Institute of Cost Accountants of India (FCMA), an Associate Member of the Institute of Company Secretaries of India (ACS), and a graduate in commerce from Osmania University.

Office Address:

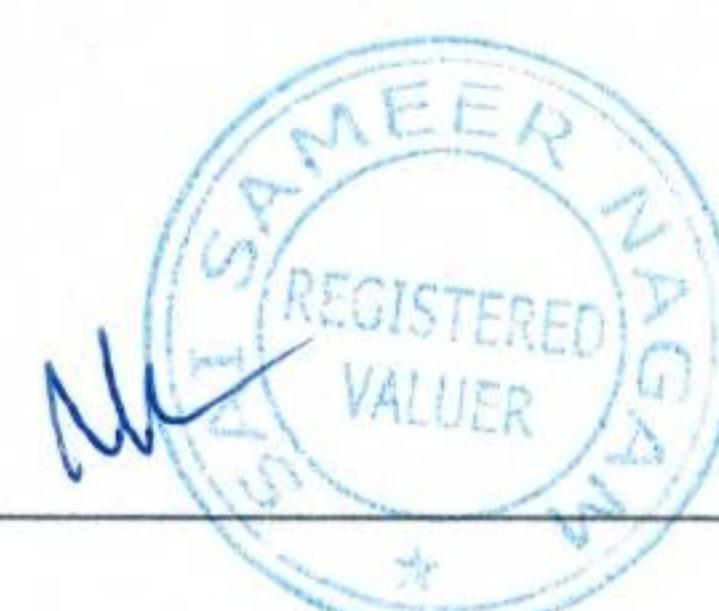
1-1-780/1 and 2, Flat No: 308, Sumanjali Apartments, Gandhi Nagar, Hyderabad-500080.

III. SCOPE AND BASIS OF VALUATION

The scope of this valuation is limited to:

1. Determining the fair market value of equity shares of the Company as of the valuation date.
2. Assessing the fairness of the proposed acquisition consideration.
3. Evaluating the transaction,
4. Preparing a valuation report for use by the Board and Audit Committee of Viceroy Hotels Limited.

This valuation has been conducted strictly in the capacity of Registered Valuer – Securities or Financial Assets (SFA).



Exclusion

This valuation does not include determining the fair market value of land, building, or any immovable property.

Such valuation must be conducted separately by a Registered Valuer – Land & Building (L&B). No opinion is expressed on immovable property value.

The valuation is carried out in accordance with:

- the Companies Act, 2013,
- the Companies (Registered Valuers and Valuation) Rules, 2017, and
- generally accepted valuation standards.

IV. PURPOSE AND INTENDED USERS

Purpose

The purpose of this valuation is to:

- assess the fair value of equity shares of SLN Terminus;
- assist Viceroy Hotels Limited in evaluating the acquisition of the subject company;
- determine fairness of consideration after accounting for debt settlement, preference share redemption, and property payouts;
- support governance and decision-making processes under applicable legal requirements.

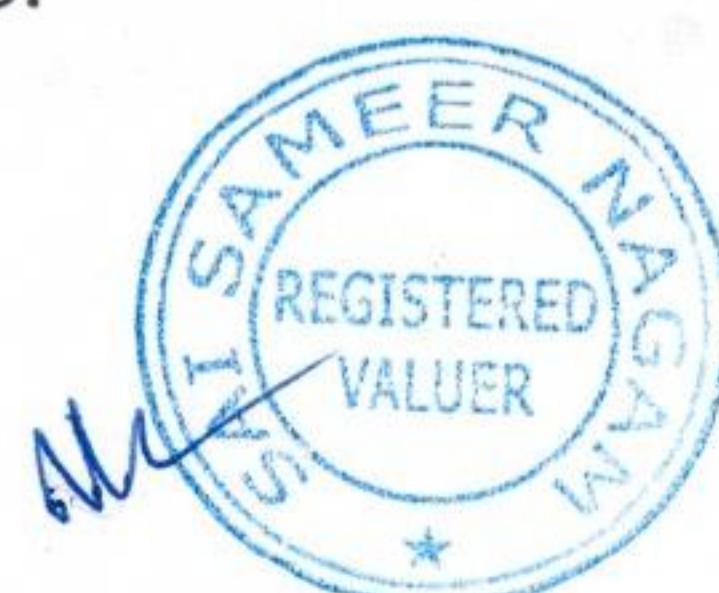
Intended Users

This report is intended for:

- The Board of Directors of Viceroy Hotels Limited
- The Audit Committee
- Management and transaction advisors
- Statutory/regulatory bodies, where required

V. VALUATION DATE

The valuation has been performed as at 25th November 2025.



VI. PREMISE OF VALUATION

Based on analysis and management discussions, the Company is a going concern, and the valuation is performed on a going concern premise, assuming continued operations in the normal course of business.

VII. VALUATION METHODOLOGIES CONSIDERED

Valuation of a business enterprise involves the application of professional judgement and generally accepted valuation principles. The value derived is influenced by several factors including industry dynamics, economic conditions, financial performance, risk profile and management representations, many of which are inherently uncertain and outside the control of the subject company. Accordingly, valuation must be interpreted as an estimate rather than an exact figure.

For the purpose of valuing the equity of SLN Terminus Hotels & Resorts Private Limited, the following approaches were considered:

1. Market Approach

The Market Approach attempts to determine value by comparing the subject company with other companies or transactions where market-derived pricing is available. It typically includes:

- Comparable Companies Method, and
- Comparable Transactions Method.

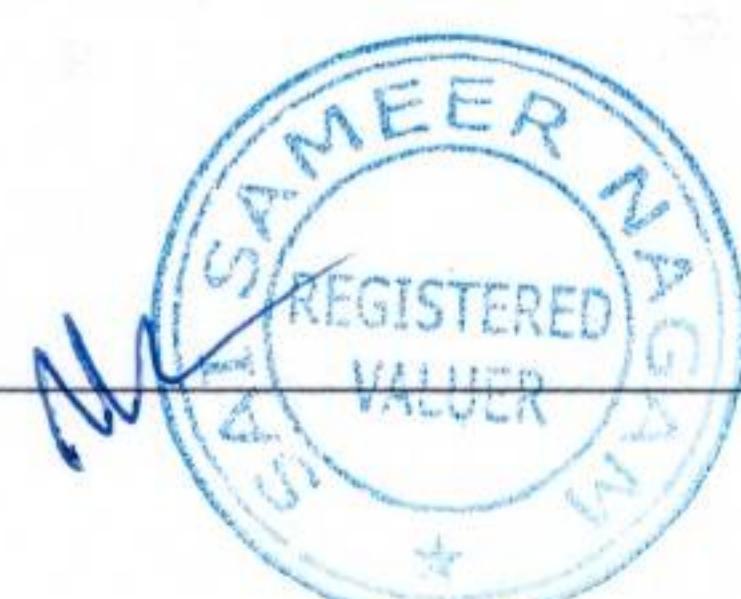
However, SLN Terminus is an unlisted company owning a single hospitality asset, and there are no directly comparable listed entities or publicly available transaction benchmarks that match its scale, structure or operating model.

Accordingly, the Market Approach was not adopted for determining value, but was reviewed only as a broad reference to support reasonableness of the overall enterprise valuation.

2. Income Approach

Under the Income Approach, value is derived by discounting the future economic benefits of the business to their present value. The Discounted Cash Flow (DCF) Method was considered appropriate as the primary methodology for this engagement because:

- the Company is a going concern;
- it has an established operating history;
- future cash flows under the hotel operating model can be reasonably projected; and



- the acquisition is being evaluated based on long-term economic benefits.

Under the DCF method, the projected free cash flows are discounted using an appropriate discount rate reflecting the risk profile of the hospitality business and the capital structure. The present value of these cash flows yields the enterprise value, from which debt obligations and preference share liabilities are adjusted to derive the equity value.

Accordingly, the Income Approach – DCF Method has been used as the primary basis of valuation.

3. Cost / Asset Approach

The Cost / Asset Approach estimates value based on the net assets of the Company after adjusting assets and liabilities to their appropriate values. This method is typically applied where:

- the business is not a going concern; or
- asset backing is more relevant than earnings capability.

Since SLN Terminus is a going concern, and the purpose of this engagement relates to the financial fairness of the acquisition, the Cost / Asset Approach was used only as a reasonableness cross-check to the DCF-derived value.

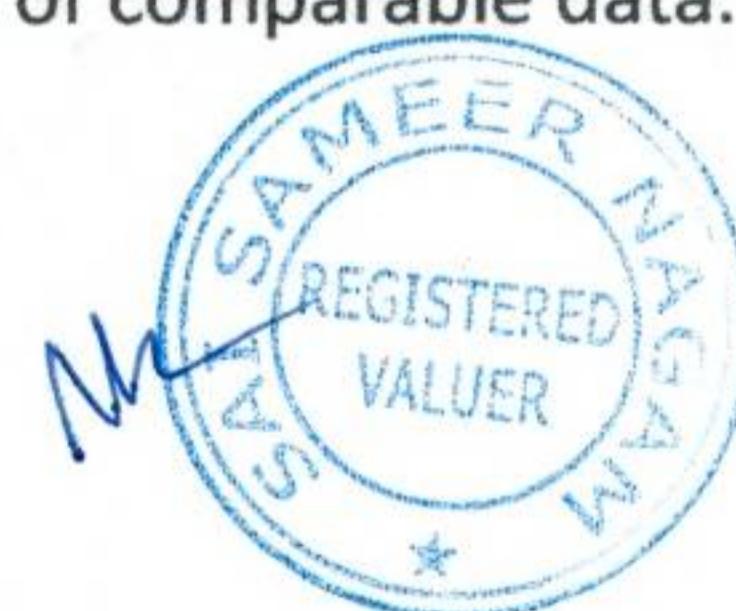
This approach has not been used as the primary method of valuation.

Method Adopted

After considering all approaches, and having regard to the business model, nature of assets, projected financial performance and the purpose of the valuation:

The Income Approach (DCF Method) has been adopted as the primary method, with the Cost / Asset Approach used as a secondary cross-validation.

The Market Approach has not been adopted due to non-availability of comparable data.

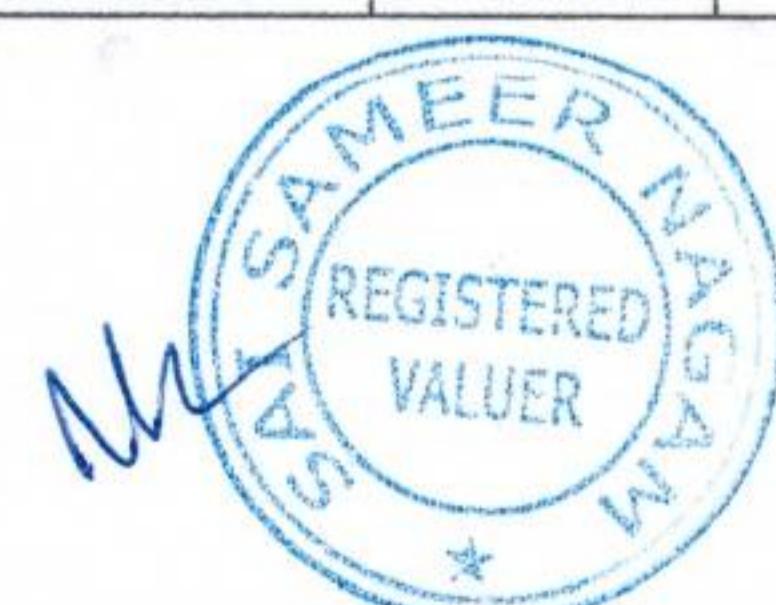


VIII. VALUATION ANALYSIS

DISCOUNTED CASH FLOW METHOD -INCOME BASED APPROACH

Income Projections	Rs in Lakhs						
YEAR	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Revenue	4,708.67	5,009.98	5,330.97	5,672.94	5,729.67	5,786.96	5,844.83
Gross Profit	4,708.67	5,009.98	5,330.97	5,672.94	5,729.67	5,786.96	5,844.83
Operational cost	470.87	551.10	586.41	624.02	686.43	755.07	830.57
Salaries	706.30	751.50	799.64	850.94	1,063.68	1,329.59	1,661.99
Interest	144.49	126.43	108.37	90.31	72.24	54.18	36.13
Depreciation	327.92	351.26	333.20	316.69	300.12	285.23	270.92
Other expenses	940.19	1,025.30	1,157.72	1,294.89	1,618.61	2,023.26	2,529.07
Net Profit	2,118.90	2,204.39	2,345.63	2,496.09	1,988.60	1,339.63	516.14
Less: Taxes	606.01	630.46	670.85	713.88	568.74	383.13	147.62
Tax after Profit	1,512.90	1,573.93	1,674.78	1,782.21	1,419.86	956.50	368.52
Add: Depreciation	327.92	351.26	333.20	316.69	300.12	285.23	270.92
Add: Interest (net of taxes)	103.17	90.27	77.38	64.48	51.58	38.68	25.80
Less: Changes in WC	1,602.62	54.86	59.71	64.19	(42.92)	(55.85)	(71.90)
Less: Fixed Assets	-	385.00					
Free Cashflows Net Profit Method	341.37	1,575.61	2,025.65	2,099.18	1,814.48	1,336.26	737.14
Less: Tax on Interest	41.32	36.16	30.99	25.83	20.66	15.50	10.33
Free Cash Flow EBIT Method	300.04	1,539.45	1,994.65	2,073.35	1,793.82	1,320.76	726.81

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	
Year	1	2	3	4	5	6	7	
EBIT	2,263.39	2,330.82	2,454.00	2,586.40	2,060.84	1,393.81	552.27	
Tax Rate	28.60%	28.60%	28.60%	28.60%	28.60%	28.60%	28.60%	
Tax Expense	647.33	666.61	701.84	739.71	589.40	398.63	157.95	



NOPAT = (EBIT* (1-tax Rate))	1,616.06	1,664.21	1,752.15	1,846.69	1,471.44	995.18	394.32	
Adjustments to :								
Depreciation	327.92	351.26	333.20	316.69	300.12	285.23	270.92	
Changes in working capital	1,602.62	54.86	59.71	64.19	(42.92)	(55.85)	(71.90)	
Additions to Fixed Assets	-	385.00	-	-	-	-	-	Terminal Value
Free Cash Flow	341.37	1,575.61	2,025.65	2,099.18	1,814.48	1,336.26	737.14	7,308.99
Present Value of FCF	307.02	1,274.52	1,473.71	1,373.55	1,067.82	707.27	350.91	3,479.36
Discount Factor	0.899	0.809	0.728	0.654	0.588	0.529	0.476	

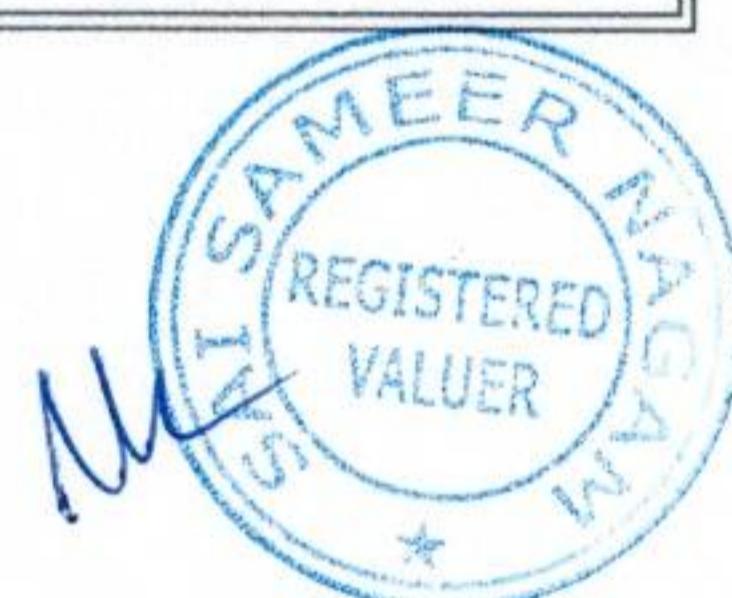
Summary	Rs in Lakhs
Sum of FCF	₹ 6,554.79
Add: PV Terminal Cash flows	₹ 3,479.36
Enterprise Market Valuation- FCFF	₹ 10,034.15
Loans	₹ -4,067.20
Deposits FD	₹ 114.00
Preference Shares	
1% Prefrerence Shares inc Dividend	₹ -1,455.53
9% Prefrerence Shares inc Dividend	₹ -259.50
Enterprise Market Valuation- FCFE	₹ 4,365.93
Shares Outstanding (In Lakhs)	₹ 7.50
Price/share	₹ 582.12



IX. CONCLUSION

Based on the Income Approach and specifically the Discounted Cash Flow (DCF) Method, the enterprise value (FCFF) of SLN Terminus Hotels & Resorts Private Limited as at 25th November 2025 has been assessed at ₹10,034.15 lakhs (₹100.34 crores). After adjusting for outstanding borrowings aggregating to ₹4,067.20 lakhs and adding deposits of ₹114.00 lakhs, the equity value (FCFE) attributable to the shareholders of the Company works out to ₹4,365.93 lakhs (₹43.66 crores). Preference share obligations, including accumulated dividends relating to the 1% and 9% preference share classes, have been considered in the computation of FCFE and therefore stand reduced from the equity value. On the basis of 7.50 lakh equity shares outstanding, the fair value per equity share (face value ₹10 each) is determined at ₹582.12 per share. In the opinion of the valuer, this represents a fair and reasonable estimate of the equity value of the Company as on the valuation date and is appropriate for the purpose for which this valuation has been undertaken.

Particulars	Amount (₹ in lakhs)
Enterprise Value (FCFF)	10,034.15
Less: Loans	4,067.20
Less: Preference Share Obligations (incl dividend)	1,715.03
Add: Deposits (FD)	114.00
Equity Value (FCFE)	4,365.93
Equity Shares Outstanding (Lakhs)	7.50
Fair Value per Equity Share (₹)	582.12



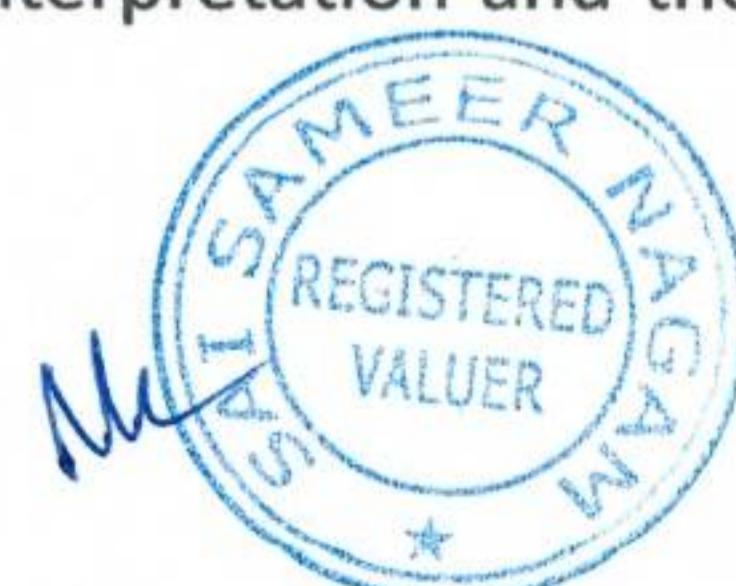
X. SOURCE OF INFORMATION

- Audited financial statements of the Company for FY 2024–25.
- Management-certified financial statements and trial balance as at 30 September 2025.
- Estimates of FY-2026-2027 to 2032-2033
- Details of bank borrowings, related-party loans, overdraft facilities and repayment schedules.
- Details of 1% and 9% cumulative preference share capital, including accumulated dividend calculations.
- Proposed acquisition structure, transaction waterfall, and management-provided consideration breakup.
- Hotel operating data including occupancy trends, ADR, RevPAR, and segment-wise revenue statements, where available.
- Management representations and discussions held with the teams of Viceroy Hotels Limited and the subject company.
- Publicly available industry information relevant to the hospitality and long-stay serviced apartment sector.
- Any additional clarifications or supporting documents provided by management in the course of the engagement.

The information listed above has been accepted as correct and complete to the extent provided.

XI. LIMITATIONS & DISCLAIMERS

- a. Our report is subject to the scope of limitations detailed hereinafter. As such, the report is to be read in totality and not in parts.
- b. Our valuation has been based on financial information provided by the Management of SLN Terminus Hotels & Resorts Private Limited and Viceroy Hotels Limited.
- c. Based on the written and oral representations from the Management of SLN Terminus Hotels & Resorts Private Limited and Viceroy Hotels Limited, the information contained in this report is considered materially accurate and complete in the manner of its interpretation and therefore forms a reliable basis for the valuation.



d. The information presented in our report does not reflect the outcome of any financial due diligence procedures.

e. Scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. Therefore, we have not performed any audit, review or examination of any of the historical information used, and therefore we do not express any opinion about the same. However, we have examined the information provided by the Management for its acceptability before using the same for valuation.

f. We have acted as an independent third party and, as such, shall not be considered an advocate for any concerned party for any dispute. The valuation has been carried out independently to assess the valuation services. We have no present or planned future interest in SLN Terminus Hotels & Resorts Private Limited, Viceroy Hotels Limited, or any of their group companies except valuation assignments, and the fee for this report is not contingent upon the outcome of the transaction. Our valuation should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with SLN Terminus Hotels & Resorts Private Limited or Viceroy Hotels Limited.

g. Our Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein.

h. We agree for the Valuation of this engagement to hold in strict confidentiality all proprietary information provided to us in connection with this engagement and not to share any confidential information with persons outside our firm.

i. Our valuation, analysis and conclusions drawn therefrom are based on a variety of factors, which are largely dependent on the prevailing business conditions on the valuation date and explanations provided by the Management.

Yours faithfully,
Sai Sameer Nagam

Registered Valuer – Securities or Financial Assets
IBBI/RV/06/2021/13862

Membership No: ICAIRVO/06/RV-P00190/2020-
2021

Date: 27th November 2025

UDIN: 2541684A17PYP93RIO

