

**December 31, 2025**

To,  
**The Board of Directors**  
**Devyani International Limited**  
**Plot No.18 | Sector 35**  
**Near Hero Honda Chowk | Gurugram**  
**Haryana – 122004 | India**

**Sub.: Fairness opinion on Fair Share Exchange Ratio contained in the Fair Share Exchange Ratio Report in relation to the Proposed Scheme of Arrangement.**

Dear Sir / Madam,

We, Sundae Capital Advisors Private Limited (referred to as “Sundae” or “We”), refer to the engagement letter dated **December 28, 2025**, wherein we have been requested to provide a fairness opinion on valuation report to be issued by valuer w.r.t. the Proposed Scheme of Arrangement between Devyani International Limited, Sapphire Foods India Limited and their respective shareholders (“Scheme”).

#### **INTRODUCTION: SUNDAE CAPITAL ADVISORS PRIVATE LIMITED**

**Sundae Capital Advisors Private Limited is registered with SEBI as Category I Merchant Banker and with IBBI as Registered Valuer (Securities or Financial Assets).** We are a professional services firm engaged in providing a comprehensive range of financial and strategic advisory services, including Merchant Banking, Business Valuation, Corporate Advisory, Transaction Advisory, and Stock Incentive Plan Advisory.

Our team comprises experienced professionals with deep domain expertise and a strong track record of executing complex transactions across a diverse set of industries. Leveraging our multidisciplinary capabilities and industry insights, we deliver tailored solutions that align with our clients’ strategic objectives and create long-term value

#### **INDEPENDENCE**

We confirm that we are an independent party and are eligible to act in the capacity of Merchant Banker in terms of the applicable laws and regulations, including the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the SEBI (LODR) Regulations, 2015, and any other applicable guidelines.

#### **NO CONFLICT OF INTEREST**

We confirm that there exists no material conflict of interest with both the registered valuers RV Shilpi Gupta and RV Radhika Bansal with the IBBI registration nos. IBBI/RV/11/2022/14980 & IBBI/RV/11/2022/14683 respectively (“Registered Valuers”) or with the Company or Transferor Company involved in the proposed Scheme, including in relation to:

- a) any common directorships;
- b) any common shareholding or partnerships;
- c) any commercial relationships that could potentially impair our objectivity or independence.

## DISCLOSURE OF INTEREST (IF ANY)

We further confirm that we do not have any direct or indirect interest in the Registered Valuer, Company or Transferor Company.

## SCOPE AND PURPOSE OF THIS REPORT

The Company has appointed Registered Valuers (Securities & Financial Assets) for recommendation of Fair Share Exchange Ratio for the Proposed Scheme of Arrangement and our scope is restricted to examine the valuation report issued by the Valuer and issue our independent opinion as to the fairness on Fair Share Exchange Ratio contained in the Fair Share Exchange Ratio Report in relation to the Proposed Scheme of Arrangement ("**Fairness Opinion**").

The Registered Valuers shall be collectively referred to as "RVs" and "Valuers" and individually referred to as "Valuer" in the joint Share Exchange Ratio Report ("Share Exchange Ratio Report" or "Valuation Report").

We understand that for the purpose of calculating the Fair Share Exchange Ratio, the relevant valuation date for calculating the Fair Share Exchange Ratio is considered to be December 31, 2025 ("Valuation Date").

All terms not specifically defined in this fairness opinion shall carry the same meaning as in the valuation report.

We confirm that we are an independent party and are eligible to act in the capacity of Merchant Banker in terms of the applicable laws and regulations, including the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the SEBI (LODR) Regulations, 2015, and any other applicable guidelines.

## BRIEF BACKGROUND OF THE COMPANIES

### Sapphire Foods India Limited (the "Transferor Company" or "SAPPHIRE")

Sapphire Foods India Limited was incorporated on November 10, 2009, as Samarjit Advisors Private Limited, a private limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its name was changed to Sapphire Foods India Private Limited on January 7, 2015. Subsequently, the Transferor Company changed its status to a public company and its name changed to Sapphire Foods India Limited with effect from July 8, 2021. The Corporate Identification Number of the Transferor Company is L55204MH2009PLC197005. The registered office of the Transferor Company as on the date its Board approves the Scheme is situated at 702, Prism Tower, A Wing, Mindspace, Link Road, Goregaon (West), Mumbai-400062, Maharashtra, India, but is in the process of shifting the same within the state of Haryana, subject to receipt of necessary approvals. The equity shares of the Transferor Company are listed on the Stock Exchanges

The Share Capital of the Transferor Company as on December 31, 2025 is as under:

Particulars	(Amount in Rs.)
<b>Authorised share capital</b>	
2,33,50,60,000 equity shares of Rs.2/- each	4,67,01,20,000

Particulars	(Amount in Rs.)
<b>Total</b>	4,67,01,20,000
<b>Issued, subscribed and paid-up capital</b>	
32,13,82,905 equity shares of Rs. 2/- each fully paid-up#	<b>64,27,65,810</b>
<b>Total</b>	<b>64,27,65,810</b>

#Certain employee stock options granted to the employees of the Transferor Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid- up share capital of the Transferor Company.

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company until the date of approval of the Scheme by the Board of the Transferor Company.

#### **Devyani International Limited (the “Transferee Company” or “DEVYANI”)**

Devyani International Limited was incorporated on December 13, 1991, as Universal Ice Creams Private Limited, a private limited company, with the Registrar of Companies, Delhi, under the provisions of the Companies Act, 1956. Its name was changed to Devyani International Private Limited on June 7, 2000. Subsequently, the Transferee Company changed its status to a public company and its name changed to Devyani International Limited on May 9, 2005. The Corporate Identification Number of the Transferee Company is L15135DL1991PLC046758. The registered office of the Transferee Company as on the date the Board approves the Scheme is situated at F-2/7, Okhla Industrial Area, Phase-I, New Delhi, India-110020, but is in the process of shifting the same within the state of Haryana, subject to receipt of necessary approvals. The equity shares of the Transferor Company are listed on the Stock Exchanges.

The Share Capital of the Transferee Company as on December 31, 2025 is as under:

Particulars	(Amount in Rs.)
<b>Authorised share capital</b>	
5,64,50,00,000 equity shares of Re. 1/- each	5,64,50,00,000
30,00,000 0.10% Redeemable, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- each	3,00,00,000
<b>Total</b>	<b>5,67,50,00,000</b>
<b>Issued, Subscribed and paid-up share capital</b>	
1,23,28,72,291 equity shares of Re. 1/- each fully paid-up*	1,23,28,72,291
<b>Total</b>	<b>1,23,28,72,291</b>

\*Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid- up share capital of the Transferee Company.

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company until the date of approval of the Scheme by the Board of the Transferee Company.

#### SUMMARY OF PROPOSED TRANSACTION

Subject to the terms and conditions contained in Draft Scheme of Arrangement will be implemented by transferring and vesting of assets, liabilities, encumbrances, permits, profits or losses, compliance with Income Tax Act, legal proceedings, inter-Company transactions, treatment of Taxes, employees, contracts, deeds, resolutions, saving of concluded transactions, consideration, accounting treatment, employee stock option plan, conduct of business till Effective Date, reclassification of persons from 'Promoter and Promoter Group' category to 'Public' category in the Transferee Company, and the amalgamation of the Transferor Company with and into the Transferee Company..

For the purpose of this report, Transferor Company and Transferee Company are collectively referred to as the "Companies" as of the valuation date. The management including the board of directors of both the Companies shall together be referred to as the "Management"

#### RATIONALE OF THE SCHEME AS PER THE SCHEME

The Transferor Company is a franchisee of Yum! Brands operating quick service restaurants ("QSR") under the globally recognized brands KFC, Pizza Hut and Taco Bell, primarily in southern and western parts of India and in Sri Lanka. The Transferee Company is the largest franchisee of Yum! Brands in India and is among the largest operators of chain QSR in India, on a non-exclusive basis, and operates in more than 280 cities in India, Nigeria, Nepal and Thailand. In addition, the Transferee Company is the sole franchisee for Costa Coffee, Tea Live, New York Fries and Sanook Kitchen in India. The Transferee Company also owns Biryani By Kilo, Goila Butter Chicken and Vaango brands, thereby contributing to customer diversification and margin enhancement.

The proposed amalgamation would be in the best interest of the Parties and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out, *inter alia*, below:

- (a) Consolidation of the QSR business under the brands KFC and Pizza Hut into a single entity, resulting in economies of scale, unified strategy and consumer proposition for both brands enabling growth, reduction of overheads, harmonization of sales and service channels, enhanced operational efficiencies including productivity gains, and pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and logistical advantages, thereby strengthening the competitive position of the Transferee Company.
- (b) Integration of the Transferor Company's regional presence in southern and western India and in Sri Lanka with the Transferee Company's pan-India operations and international presence in Nepal, Nigeria and Thailand, thereby creating a unified platform with an enlarged geographical footprint capable of serving customers across India and international territories with greater consistency, efficiency and quality of service.
- (c) Opportunities to leverage the Transferor Company's regional strength for the Transferee Company's own brands (Biryani By Kilo, Goila Butter Chicken and Vaango) and its

exclusive Costa Coffee, Tealive, New York Fries and Sanook Kitchen franchisee(s) in India, thereby broadening customer choice and diversifying the brand portfolio of the Transferee Company.

- (d) Enhanced bargaining power with suppliers, landlords, technology providers and other stakeholders, leading to improved commercial terms, cost savings and higher profitability.
- (e) A single entity would benefit from increased scale, focus, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies leading to value creation for customers, lenders, employees, etc. and stronger cash flow generation.
- (f) Expanded financial strength and scale, facilitating improved access to domestic and international capital markets, enabling fund raising on favorable terms, and supporting accelerated expansion, modernization and growth plans of the Transferee Company.
- (g) A single entity will have a larger and more liquid equity base, improved market visibility, and wider investor participation, amongst others thereby creating value for shareholders.

The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme would be in the best interest of the shareholders, creditors, depositors and deposit trustee (if any), employees and other stakeholders of both the Companies and all concerned and the Scheme shall in no manner be prejudicial to the interest of concerned shareholders, directors or creditors or key managerial personnel or general public at large. Both the Companies are public listed entities and there is no material interest of any director and/ or key managerial personnel of both the Companies in the present Scheme.

In view of the aforesaid, the Boards of Directors of the Companies have considered and proposed the Scheme for the best interests of the stakeholders of both the Companies and will enhance the value of the shareholders. Accordingly, the Boards of the Companies have formulated this Scheme pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined hereinafter*) and rules made thereunder.

#### **SOURCE OF INFORMATION AND REPRESENTATIONS**

For the purpose of forming our opinion on the Share Entitlement Ratio Report, we have relied on the discussions with the Management and the following information and documents made available to us:

- Joint Fair Share Exchange Ratio Report dated December 31, 2025 by RV Shilpi Gupta and RV Radhika Bansal with the IBBI registration nos. IBBI/RV/11/2022/14980 & IBBI/RV/11/2022/14683 respectively (Securities & Financial Assets).
- Management certified Draft Scheme.
- Necessary explanations and information from the management of Company.
- Discussion with the Valuer.
- All information that was provided by the Valuer.
- Other information as available in public domain.

We have obtained explanations and information considered reasonably necessary for our exercise, from the executives of the company. Our analysis considers those facts and circumstances present at the date of this Fairness Opinion.

#### **EXCLUSIONS AND LIMITATIONS**

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the company for the purpose of this opinion. With respect to the estimated financials, if any, provided to us by the management, we have assumed that such financials were prepared in good faith and reflect the best currently available estimates and judgments by the management of the company. We express no opinion and accordingly accept no responsibility with respect to or for such estimated financials or the assumptions on which they were based. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the business. We have solely relied upon the information provided to us by the management. We have not reviewed any books or records of the business (other than those provided or made available to us). 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 business and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the business. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the business for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of the business with respect to these matters. In addition, we have assumed that the Proposed Scheme will be approved by the appropriate authorities, if any, and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme.

We understand that the managements of the business during our discussion 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 approvals for the Proposed Scheme, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the business may have contemplated. 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. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the business or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as independent merchant banker to the company for providing Fairness opinion on the Valuation Report by independent Valuer for the proposed transaction, in the ordinary course of business, Sundae is engaged in merchant banking business including corporate advisory, re-structuring, valuations, etc. We may be providing various other unrelated independent professional advisory services to the purchaser and seller in the ordinary course of our business.

It is understood that this letter is solely for the benefit of and use by the Board of Directors of the company for the purpose of this transaction and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above and for submitting to stock exchanges and NCLT, under any Indian or foreign law- Statute, Act, guideline or similar instruction. Management should not make this report available to any party, including any regulatory or compliance authority/agency except as mentioned above. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the company underlying decision to effect to the proposed transaction or as to how the holders of equity shares of the Companies should vote at their respective meetings held in connection with the proposed transaction.

We do not express and should not be deemed to have expressed any views on any other terms of transaction. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of the company will trade following the announcement of the transaction or as to the financial performance of the company following the consummation of the transaction. In no circumstances however, will Sundae or its associates, directors or employees accept any responsibility or liability to any third party. Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement with the company.

## OUR OPINION

With reference to above and based on information and explanation provided by the Management, after analyzing the Draft Scheme, and based on our examination of the Valuation report and our independent analysis and subject to the exclusions and limitations mentioned hereinabove and to the best of our knowledge the opinions are as follows:

The calculation of the Share Exchange Ratio of SAPPHIRE and DEVYANI is presented below:

The calculation of the Share Exchange Ratio of SAPPHIRE and DEVYANI is presented below.

Valuation Approach	DEVYANI		SAPPHIRE	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Cost Approach*	N/A	N/A	N/A	N/A
Income Approach - DCF Method (i)	170.62	50%	301.29	50%
Market Approach				
- Market Price Method (ii)	158.24	50%	281.04	50%
Relative Value per Share [Weighted Average of (i) and (ii) (a)]	164.43		291.17	
Price per share based on ICDR Regulations [b]	158.24		281.04	
Relative Value per share to be considered for Share Entitlement Ratio [ Max of [a] and [b]	164.43		291.17	
Fair Share Entitlement Ratio (B:A)	1.77			

\*Cost Approach based on the net asset value would not capture the future outlook and the growth prospects of the Companies. Therefore, the Valuers have not used cost approach to determine the value.

**Recommendation by Valuer:**

1.77 equity shares of the face value of Re. 1 (rupee one) each fully paid-up of the Transferee Company credited for every 1 equity shares of the face value of Rs. 2 (rupees two) each fully paid-up held by such member in the Transferor Company

**Based on the information, data made available to us, including the Fair Share Exchange Ratio Report by Registered Valuers, to the best of our knowledge and belief, the Fair Share Exchange Ratio in relation to the 'Proposed Scheme of Arrangement', in our opinion, is fair and reasonable.**

The aforesaid Scheme of Arrangement shall be subject to the receipt of approvals from Appropriate Hon'ble National Company Law Tribunal and other statutory authorities as may be required.

The detailed terms and conditions are more fully set forth in the Draft Scheme.

Sundae has issued this Fairness Opinion with the understanding the Draft Scheme shall not be materially altered and the parties hereto agree that the Fairness Opinion shall not stand good in case the final Scheme alters the transaction.

***for Sundae Capital Advisors Private Limited  
(SEBI Regn. No. INM000012494)***

***Gajesh Bhandari  
Vice President***

***Harshit Goyal  
Associate Vice President***