



Dated: 26 January 2026

To,

**The Audit Committee/The Board of Directors,
ABB India Limited**
Disha – 3rd Floor,
Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV,
Peenya, Bengaluru – 560 058

Sub: Report on fair valuation of Robotics India business of ABB India Limited.

Dear Sir / Madam,

We refer to our engagement letter dated 02 September 2025 entered by ABB India Limited and Ernst & Young Merchant Banking Services LLP (“EY”), for fair valuation of ABB India Limited’s Robotics India business.

ABB India Limited is hereinafter referred to as “Company” and Robotics India business is referred as the “Robotics India” or “Valuation Subject.”

EY is hereinafter referred to as “Valuer” or “Registered Valuer” or “we” in this report.

This fair value report (“Report”) is our deliverable for this engagement.

For the purpose of this valuation, the valuation is based on ‘Going Concern’ premise.

Our work commenced on 02 September 2025 and was completed on 26 January 2026. Our Report does not take account of events or circumstances arising after the Report Date and we have no responsibility to update the Report for such events or circumstances.

SCOPE AND PURPOSE OF THIS REPORT

ABB India Limited is engaged in manufacture and sale of heavy electrical products and system solutions to utilities, industries, channel partners, and original equipment manufacturers worldwide.

Robotics India is engaged in the business of supplying, assembling and testing industrial robots and robotic systems before they are shipped to the customers. Robotics India business is dependent on ABB Limited (“ABB Swiss”) for technology and import of key components such as robots, drive units and atomizers from ABB group companies. For the Trailing Twelve Months (“TTM”) period ended 30 September 2025, Robotics India recorded a revenue of ₹ 7,065 Mn and EBITDA of ₹ 650 Mn.

Background of the proposed transaction:

We understand from the management of ABB India Limited (the “Management”) that ABB India Limited is contemplating to transfer Robotics India business to ABB Robotics India Private Limited, a wholly owned subsidiary of ABB Robotics Schweiz AG, an ABB group entity in Switzerland. (“Proposed Transaction”).

In connection with the Proposed Transaction, ABB India Limited requires EY to estimate the fair value of the Robotics India business.

The scope of our services is to conduct valuation of the Valuation Subject, Robotics India on a debt free and cash free basis in accordance with International Valuation Standards (IVS).

We have been provided with the unaudited financials for twelve months ended 31 December 2025 of Robotics India business and we have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report.

Further, we have been informed by the Management that all material information impacting the Valuation Subject have been disclosed to us.

We have been informed by the Management that there are no unusual/abnormal events in the Robotics India materially impacting its operating/financial performance after 31 December 2025 till the Report date.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subject from the Management:

- Segmental financials of Robotics India business for calendar years (“CY”) 2021 to CY24 from Audited financials of ABB India Limited.
- Unaudited Segmental financials of Robotics India business for the calendar year CY2025.
- Unaudited Segmental financials of Robotics India for TTM period ended 30 September 2025.

- Product group wise Revenue and EBITDA mix of Robotics India business for Calendar years 2022 through 2030.
- Order inflow details of Robotics India for both historical and forecast period including large orders won during CY25.
- Financial projections of Robotics India business (comprising of forecasts of profit and loss statements, capital expenditure and working capital requirements) from 01 January 2026 to 31 December 2030.
- Deal details of ABB Global Robotics division hive off to Softbank Group.
- Other relevant information and documents for the purpose of this engagement provided through emails or during discussions.

In addition, we have obtained information from public/proprietary databases.

During the discussions with Management, we have also obtained explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise. The Client has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information, and clarifications regarding past and future financial performance.
- Considered data available in public domain related to the Valuation Subject and its peers.
- Discussed with the Management to:
 - Understand the business and fundamental factors that affect its earning-generating capability and historical financial performance, as available in public domain.
 - Understand the assumptions and the basis of key assumption used by the Management in developing projections for Robotics India.
- Undertook Industry Analysis:
 - Researched publicly available market data including economic factors and industry trends that may impact the valuation.
 - Analysed key trends and valuation multiples of comparable companies using proprietary databases subscribed by us or our network firms.
- Selected of Internationally accepted valuation methodology/(ies) as considered appropriate by us.
- Arrived at valuation of Valuation Subject for the Proposed Transaction.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Report Date. Due to possible changes in the market forces and circumstances, this valuation Report can only be regarded as relevant as at the Report Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Client is the only authorized user of this report and use of the Report is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use or from using or providing a copy of this report in connection with the transaction agreement or to comply with applicable law, order, stock exchange rule or other applicable legal, judicial or governmental process. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) Unaudited balance sheets of Robotics India business as of 31 December 2025; (iv) other information obtained by us from time to time. We have been informed that the business activities of the Valuation Subject have been carried out in the normal and ordinary course between 31 December 2025 and the Report date, and that no material changes have occurred in its operations and financial position between 31 December 2025 and the Report date other than what was communicated to us by the Management.

The Client/owner and the Management/representatives warranted us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owner/Client, its management and other third parties, if any, concerning financial data, operational data and other information, except as specifically stated to the contrary in the Report. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Client or Company, its directors, employees, or agents.

Valuer is not aware of any contingency, commitment or material issue which could materially affect the Valuation Subject's economic environment and future performance and therefore, the fair value of the Valuation Subject.

We do not provide assurance on the achievability of the results forecast by the management/owner as events

and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

The Report assumes that the Valuation Subject complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Valuation Subject will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration 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 disclosed in the audited / unaudited financials of the Valuation Subject, if any provided to us.

This Report does not look into the business/commercial reasons behind the Proposed Transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

It has been assumed that the required and relevant policies and practices have been adopted by the Valuation Subject and would be continued in the future.

The fee for the engagement is not contingent upon the results reported.

We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subject and take no responsibility for the identification of such assets and liabilities.

EY will owe the responsibility only to the Client. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other person to the Company. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Company, its directors, employees, or agents.

Disclosure of Registered Valuer's Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information were provided to us to carry out the valuation.

Approach to Valuation of Robotics India

There are primarily three approaches in valuation (viz., Cost/Asset Approach, Market Approach, and Income Approach). For any valuation, all the approaches may not be relevant and therefore will not give a fair estimate of value. Hence, the approach most suitable for that specific business / company must be applied in the valuation exercise, based on the experience and common practices adopted by valuers.

“According to IVS 104 “Fair Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

We have adopted internationally accepted valuation standards and approaches in delivering our valuation conclusion. There are several principal valuation approaches under International Valuation Standard of which we have considered only those approaches to the extent, it is applicable and relevant.

The various approaches generally adopted in valuation are as under:

1. Cost/Asset Approach: Net Asset Value Method
2. Income Approach: Discounted Cash Flows (DCF) Method
3. Market Approach: Market Price (MP) method, Comparable Companies’ Market Multiple (CCM) Method, Comparable Transactions’ Multiple (CTM) Method, Price of Recent Investment.

Cost/ Asset Approach – Net Asset Value (NAV) method: Under this approach, the net asset value method is considered, which is based on the underlying net assets and liabilities. Cost approach is not considered suitable since it does not capture the earnings potential or value of intangibles in the business. Hence, in our analysis, we have not considered NAV method.

Income Approach - Discounted Cash Flow (DCF) method: Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. 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 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.

We have used this method for valuation of Robotics India based on the business plan provided by the Management.

Market Approach – Market Price method

Under this method, the value of shares of a company is determined by taking the market capitalization of the equity shares of such company as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

The equity shares of Robotics India are not traded and therefore this method was not used.

Market Approach - Comparable Companies' Multiples ("CCM") method

Under this method, one attempts to measure the value of the shares / business of a company 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. This valuation is 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.

In the absence of comparable companies for Robotics India business in India, we have not used this method to perform valuation of the business.

Market Approach – Comparable Transactions' Multiples ("CTM") method

Under this method, the value of shares / business of a company is computed based on the price at which recent comparable transactions have taken place in the companies engaged in similar business of a company. During October 2025, ABB Limited, the Switzerland parent signed an agreement to divest Robotics Division to Softbank Group for an enterprise value of USD 5,375 Mn. Since Robotics India is a part of the global Robotics business, this is considered the most relevant transaction for valuation of Robotics India.

Fair Valuation:

We have arrived at range of fair values for Robotics India business by using both DCF and CTM methods.

Value range of Robotics India business under each method is tabulated below:

Currency: INR Mn	Used/not used	Low Value	High Value
Cost Approach	Not used for valuation	NA	NA
Income Approach			
Discounted Cash Flow Method	Used for valuation	11,171	14,453
Market Approach			
CTM	Used for valuation	12,940	14,411

For determining the value range of Robotics India, we have considered the lower end of the market approach i.e., CTM because we believe that Robotics India value should not be lesser than the valuation multiple observed in the ABB global Robotics transaction. Higher end of the range is based on the higher value arrived through DCF using a WACC of 12.0% considering the business plan provided by the Management.

Accordingly, the value range of Robotics India is between ₹12,940 Mn to ₹14,453 Mn.

Respectfully submitted,
Ernst & Young Merchant Banking Services LLP
Registered Valuer
Registration No. IBBI/RV-E/05/2021/155



Navin Vohra
Membership No.: IBBI/RV/05/2018/10206
Partner
Place: Mumbai
Date: 26 January 2026
EYMBS/RV/2025-26/157

Annexure

Discounted Cash flow method:

Computation of Weighted Average Cost of Capital

The application of the income approach requires the determination of an appropriate discount rate at which future cash flows are discounted to their present value as of valuation date.

The derivation of discount rate, the Weighted Average Cost of Capital (WACC) is based on a group of guideline companies (peer group) which are operating in the same industry/sector as that of Robotics India business. To calculate the discount rate, cost of equity, cost of debt and the capital structure have to be determined based on market data of the group of market participants. For the estimation of the cost of equity, the capital asset pricing model (“CAPM”) is applied.

Discount Rate Parameter	Value	Source
Risk Free Rate	6.5%	Based on 10 Year Government bond yield
Beta	1.05	Based on 5 year beta of ABB India
Market Risk Premium (MRP)	7.0%	Based on EY's understanding of MRP in India
Alpha	0.0% to -2%	To account for certain conservative assumptions observed in the business plan
Cost of Equity	12.0% to 14.0%	

Since Robotics India business did not have any debt, the Cost of Equity is equal to the Weighted Average Cost of Capital.

Computation of lower end of the range based on WACC of 14%:

Currency: ₹ mn	Dec26	Dec27	Dec28	Dec29	Dec30	Terminal
Debt free cash flow	789	705	787	962	1,096	1,146
Discount rate (%)	14.0	14.0	14.0	14.0	14.0	
Present value factor- Mid year discounting	0.94	0.82	0.72	0.63	0.55	
Present value debt free cash flow	739	580	567	608	608	
Present value factor for terminal year	0.55					
Present value for explicit period	3,102					
Present value of terminal period	7,993					
Enterprise value	11,095					
Stub period compounding factor	1.01					
Enterprise value as at the valuation date	11,171					
Fair value of Robotics India business	11,171					
Fair value	11,171					

Note: Cut-off date of 19 January 2026 has been considered for DCF computation.

Computation of higher end of the range based on WACC of 12%:

Currency: ₹ mn	Dec26	Dec27	Dec28	Dec29	Dec30	Terminal
Debt free cash flow	789	705	787	962	1,096	1,146
Discount rate (%)	12.0	12.0	12.0	12.0	12.0	12.0
Present value factor- Mid year discounting	0.94	0.84	0.75	0.67	0.60	
Present value debt free cash flow	746	595	593	647	658	
Present value factor for terminal year	0.60					
Present value for explicit period	3,239					
Present value of terminal period	11,129					
Enterprise value	14,368					
Stub period compounding factor	1.01					
Enterprise value as at the valuation date	14,453					
Fair value of Robotics India business	14,453					

Note: Cut-off date of 19 January 2026 has been considered for DCF computation.

In the DCF method, the terminal value was computed by using H model to take into account the growth in cash flows in the last explicit period.

Comparable Transaction Method (“CTM”) based on ABB Global Robotics Division hive off to Softbank Group

During October 2025, ABB Limited, global parent of ABB India Limited signed an agreement to divest the entire Robotics Division to Softbank Group for an enterprise value of USD 5,375 Mn. Based on this enterprise value, the deal multiples were computed as follows.

TTM Sep-25	
Deal value	5,375
Revenue	2,247
Op. EBITDA	270
Op. EBITA	240
Op. EBITDA deal multiple	19.9
Op. EBITA deal multiple	22.4

Computation of Fair Value of Robotics India business

Based on the deal multiples, the fair value of Robotics India business was estimated to be between ₹ 12,940 Mn to ₹ 14,411 Mn.

Currency: INR Mn	TTM Sep-25	
	EBITDA Multiple	EBITA Multiple
Multiples	19.9	22.4
EBITDA/EBITA	650	643
Enterprise Value	12,940	14,411