



June 18, 2026

To,
Board of Directors,
CLN Energy Limited
Plot-18, Sector-140, Phase-2,
Nepz Post Office, Gautam Buddha Nagar,
Dadri, 201305, Uttar Pradesh, India

Dear Sir,

Sub.: Report on Fair Value of Equity Shares for the purpose of Preferential Allotment of Equity Shares in terms of SEBI (ICDR) Regulation, 2018

I have performed a valuation engagement in respect of "CLN Energy Limited" (referred hereinafter as "CLN Energy" or "the Company") as on relevant date i.e. June 18, 2026 for raising the funds. This valuation was performed on fair value base solely for the purpose of preferential allotment of Equity Shares / Convertible Warrants in terms of Regulation 164 and 166A of SEBI (ICDR) Regulation, 2018 as amended from time to time.

The resulting estimate of value should not be used for any purpose or by any other party for any purpose other than the one identified above. I have estimated the fair value per equity share of the Company to be INR 325.72/- per share, however **the minimum floor price as per of Regulation 164 of SEBI (ICDR) Regulation, 2018 is INR 400.54/- per share.**

This conclusion is subject to the Statement of Assumptions and Limiting Conditions found in the later part of this report. A detailed working of the valuation can be found in later part of this report. I have no obligation to update this report or my conclusion of value for information that comes to my attention after the date of this report.

A. Background information of the Company

CLN Energy Limited ("the Company"), was originally incorporated as "JLNPhenix Energy Private Limited" on October 01, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Kanpur with CIN U29309UP2019PTC121869. Subsequently, the name of the Company was changed to "CLN Energy Private Limited" and a fresh Certificate of Incorporation was granted to the Company on May 08, 2023. Further, the Company was converted into Public Limited Company and the name of our Company was changed to "CLN Energy Limited" and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated June 18, 2024, was issued by Central Processing Centre bearing CIN: U33100UP2019PLC121869

CLN Energy is engaged in the manufacturing of customized Lithium-ion Batteries, motors and deals in powertrain components of electric vehicles such as controllers, throttles, DC-DC converters, display, differential etc. Our company offers B2B solutions for both mobility applications such as electric two, three and four wheelers, including traction application as well as stationary applications such as solar, ESS, and telecommunications, Our Company also offers unique and customised solutions for various applications wherein lithium-ion battery packs are used. We sell Lithium-ion Battery Packs, motors and





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powertrain components under the "CLN Energy" brand. Presently, the company operates two manufacturing facilities, one located in Noida, Uttar Pradesh, and the other in Pune, Maharashtra. They manufacture lithium-ion battery packs for both mobility and stationary applications. The details of Board of Directors as on date are as given below:

Sr. No.	Name of the Directors	Designation
1	Rajiv Seth	Chairman & Non-Executive Director
2	Sunil Gandhi	Whole Time Director & Chief Executive Officer
3	Manish Shah	Whole Time Director & Chief Operating Officer
4	Bhawna Hundlani	Non-Executive Independent Director
5	Rakesh Kakkar	Non-Executive Independent Director

B. Purpose of the Valuation and appointing authority

I have been informed by the management that the Company is in the process of fund raising via preferential allotment of Equity Shares / Warrants. Thus, a valuation report for the same is required under the Companies Act, 2013 read with rules made thereunder and Regulation 164 read with Regulation 166A of the Securities and Exchange Board of India (ICDR) Regulations, 2018.

The Audit Committee of CLN Energy has appointed Ajay Kumar Sukhadiya, Registered Valuer – Securities or Financial Assets ('Valuer', 'I', 'my' or 'me') to provide a valuation report for the fair value of Equity Shares of CLN Energy for the purpose referred above.

C. Identity of the Independent Registered Valuer

Name of the Valuer	RV Ajay Kumar Sukhadiya
IBBI Registration Number	IBBI/RV/06/2020/12814
ICAI RVO Reg. No.	ICAIRVO/06/RV-P00327/2019-20
Address	Office No. 03, 2 nd Floor, Rajendra Park CHS Ltd., Station Road, Goregaon (W), Mumbai - 400 062.
Contact Email of RV	ajaysukhadiya@yahoo.co.in

D. Use of work of Expert

I have not used the work of any other experts in the valuation assignment.

E. Disclosure of Valuer's Interest or Conflict, if any

I hereby confirm and explicitly declare that I am Independent Registered Valuer and do not have any interest, direct or indirect, in the underlying securities being valued.

F. Date of appointment, valuation date and date of the valuation report

Date of appointment	June 15, 2026
Relevant date (Considered)	June 18, 2026
Date of valuation report	June 18, 2026





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G. Inspections and/or investigations undertaken

I have not carried out any inspection or independent verification of the information provided. I have relied on the publicly available information and other financial and non-financial information made available to me as well as the representations made to me in the course of this engagement.

H. Nature and sources of the information used or relied upon

In the course of my valuation analysis, I have relied on various financial and non-financial information obtained from the company and from various public, financial and industry sources. I have relied that all information provided by the company has been duly approved by the concerned authority to which it pertains to. My conclusion of value is dependent on such information being complete and accurate in all material respects. The principal sources of Information used in the course of my valuation include, inter alia:

1. Company specific information

- a) Brief history, present activities and business profile etc.;
- b) Memorandum of Association and Article of Association;
- c) Discussions with and other information;
- d) List of directors of the Company as at Valuation Date;
- e) Audited Financial data for the year ended on March 31, 2024, 2025 & 2026
- f) Share Market Trading data from BSE

2. Publicly available information

Publicly available information and secondary information including information on websites like <https://www.bseindia.com>. I have not independently verified the accuracy or timelines and it is important to note that I have relied upon the information provided to me and referred to above. I have not endeavored to seek an independent confirmation of its reliability, accuracy or completeness beyond what is reasonably necessary and prudent in the circumstances. I have not performed any form of audit or verification of the information that I have relied upon. Accordingly, the Valuer accepts no responsibility for any errors in the information on which the valuation conclusions are based.

I. Procedures adopted in carrying out valuation and valuation standards followed

My analysis of value of the Company i.e CLN Energy Limited is based on the International Valuation Standards and the prescriptions laid down in Companies (Registered Valuer's and Valuation) Rules, 2017 as well as the requirements of the Securities and Exchange Board of India (ICDR) Regulation, 2018. Some of the key procedures in carrying out the valuation engagement are:

- a. Understanding the nature and purpose of the transaction.
- b. Selection of the valuation approach and the corresponding valuation methodology. The standard valuation approaches and methodologies are as below:
 - 1) Asset Approach
 - 2) Income Approach
 - 3) Market Approach
- c. Performing the valuation engagement and arriving at the valuation conclusion





J. Valuation Methodology & Valuations

This valuation report is prepared on a fair value base. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

Amongst the valuation methodologies identified in the valuation standards, I have considered the "Net Asset Value" method under Asset Approach, Profit Earning Capacity Value (PECV) method under Income Approach and "Share Market Price" method under the Market Approach as the most appropriate methodology for the purpose of valuing the company.

1) Asset Approach – Net Asset Value Method (NAV)

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis, realizable value basis or replacement cost basis. This value analysis approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

Book value is considered important in terms of valuation because it represents a fair and accurate picture of a company's worth. The book value of equity share based on latest audited Balance Sheet i.e as on March 31, 2026 is **INR 85.58/- per share** given as under:

Particular	Amount (In INR Lakhs)
	Audited Financial
Book Value of Assets (A)	25,537.22
Liabilities	25,537.22
Less: Equity Paid up Capital	1,055.33
Less: Other Equity (attributable to Equity Shareholders)	10,448.96
Book Value of Liabilities (L)	14,032.93
Net Value of Assets (A-L)	11,504.29
No. of Equity Shares (In Lakhs)	105.53
Fair Value per Equity Shares (In INR)	109.01

For the purpose of calculation of Fair Market Value via Asset Approach, I have considered the value from the above i.e **INR 109.01/- per share**.

2) Income Approach – Profit Earning Capacity Value (PECV)

This method of valuation presumes the continuity of business and uses the past and projected earnings to arrive at an estimate of future maintainable profits. For the purpose of the Profit Earning Capacity Value (PECV) of the shares, the commonly accepted approach is to capitalize average earnings, past and projected at an appropriate rate of capitalization, to arrive at a fair value per share. In the calculation of PECV, provision for taxation at the current statutory rate is normally





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considered because the crux of estimate the PECV lies in the assessment of the future maintainable profits of the business. It should not be overlooked that the valuation is for the future and that it is the future maintainable streams of earnings that is of greater significance in the process of valuation. The valuation working under Profit Earning Capacity Value (PECV) is given below:

Particulars	FY 2023-24	FY 2024-25	FY 2025-26	Average
Profit After Tax (PAT)	978.85	1,292.19	2,054.90	
No. of Shares (In Lakhs)	76.61	81.45	105.53	
EPS (In INR)	12.78	15.87	19.47	16.04
The average industry P/E for the sector in which the Company Operates (Source: Capital Market, Volume XXXXI/09, June 08-21, 2026)				22.40
Fair Value per Equity Share (In INR)				359.25

For the purpose of calculation of Fair Market Value via Income Approach, I have considered the value of INR 359.25/- per share.

3) Market Approach – Share Market Price

Under the Share Market Price method, a Valuer considers the traded price observed over a reasonable period while valuing assets which are traded in the active market. For this purpose, one considers the market where the trading volume of asset is the highest when such asset is traded in more than one active market. The valuation standards also prescribe that the Valuer should use average price of the asset over a reasonable period and use a weighted average or volume weighted average to reduce the impact of volatility or any one-time event in the asset. It is also important to note that as a listed company, pricing of the company for the purpose of preferential allotment of Equity Shares and Convertible Warrants is governed by the Pricing Regulations under Securities and Exchange Board of India (ICDR) Regulations, 2018.

In terms of Regulation 164 of SEBI (ICDR) Regulation, 2018, the price of the equity shares / warrants to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or
- the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

As per Regulation 161 of the ICDR Regulations, the "Relevant Date" for determination of the floor price of the Shares / Warrants to be issued in terms hereof, shall be the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue and where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date. As per information provided to me by the Company, the expected relevant date is June 18, 2026 and accordingly we had considered the same as the Relevant Date.

As per Regulation 164(5) of the ICDR Regulations, the "Frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Considering the relevant date of June 18, 2026, we had considered the trading data for 240 trading days preceding the relevant date i.e from June 30, 2025 to June 17, 2026. Based on same, 14,16,400 shares were traded in that period, which is around 13.42% of the Capital. Hence, the shares of the Issuer Company in the case are considered as frequently traded shares.





M. Restrictions on use of the valuation report, if any

This valuation report is meant for use for the limited purpose of issue of Equity Shares / Convertible Warrants on preferential basis as on the valuation date or on a date close to the valuation date. It should not be used for any other purpose and by any other persons. Further, the valuation report is based on the available financial information from the company and publicly available sources which I believe to be accurate. I accept no responsibility for any errors in the information on which the valuation conclusions are based.

N. Caveats, limitation and disclaimers to the extent they explain or elucidate the limitations faced by Valuer

My report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

1. This report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. The Company is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.
2. In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.
3. The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.
4. While my work has involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, I express no audit opinion or any other form of assurance on this information.
5. I do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. I 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.
6. The client and its management/representatives warranted to me that the information they supplied was complete, accurate and true and correct to the best of their knowledge. I have relied upon the representations of the owners/clients, their management and other third parties concerning the financial data except as specifically stated to the contrary in the report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.
7. I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I 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 I have relied



