

B S R & Co. LLP

Chartered Accountants

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Private and Confidential

The Board of Directors

Aequs Limited

(formerly known as Aequs Private Limited)

Aequs Tower, No. 55, Whitefield Main Road

Mahadevapura Post

Bengaluru – 560 048, Karnataka, India

Date: 26 November 2025

Subject: Independent Auditor's Report on the utilisation of the Net Pre-IPO Proceeds, i.e., proceeds from Pre-Initial Public Offering placement less the placement related expenses, in terms of the Updated Draft Red Herring Prospectus I, dated September 30, 2025 ("UDRHP I") towards the objects of the IPO (other than object on general corporate purposes) ("Specific Objects"), as required under the SEBI directive dated 29 May 2024 in relation to proposed initial public offering of equity shares of face value of INR 10 each (the "Equity Shares") by Aequs Limited (formerly known as Aequs Private Limited) (the "Company") comprising a fresh issue of the Equity Shares by the Company and an offer for sale of Equity Shares by certain shareholders of the Company (hereinafter referred to as the "Proposed Offer")

Dear Sirs,

1. This letter is issued in accordance with the terms of our engagement letter dated 10 April 2025 and subsequent addendum dated 17 November 2025.
2. We, B S R & Co. LLP, Chartered Accountants, were appointed as the statutory auditors of the Company in its 24th Annual General Meeting held on 25 October 2024 for a period of five years to hold office from the conclusion of that Annual General Meeting until the conclusion of the 29th Annual General Meeting.
3. In connection with the aforesaid Proposed Offer, the Company is required to obtain a report from their statutory auditors, with regard to the utilisation of Net Pre-IPO Proceeds by the Company in accordance with the Specific Objects of the IPO .
4. The accompanying statement to this report contains the details of the utilisation of Net Pre-IPO Proceeds in respect of Specific Objects of the IPO including Name of the lender, Name of the entity which availed the loan, Date of payment as per bank statement, Amount of Net Pre-IPO proceeds paid, Name of the machinery/ equipment as per invoice and Name of the vendor as per invoice , based on the unaudited books of account of the Company as at 23 November 2025, as given in Annexure I (the "Statement").

We have not examined, reviewed or audited any financial statements of the Company as of any date or for any period subsequent to 30 September 2025; although, we have conducted an audit as at and for the six months period ended 30 September 2025, the purpose (and therefore the scope) of the

audit was to enable us to express an opinion on the special purpose consolidated interim financial statements as of 30 September 2025 and for the period then ended, but not on the consolidated financial statements for any interim period within that period. Therefore, we are unable to and do not express any opinion on the financial position, results of operations, or cash flows of the Company as of any date or for any period subsequent to 30 September 2025. The Statement has been prepared by the Company in accordance with the requirements of the aforesaid SEBI directive and initialed by us for identification purposes only.

Management's Responsibility for the Statement

5. The preparation of the accompanying Statement is the responsibility of the management including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The management is also responsible for ensuring:
 - a. the utilisation of Net Pre-IPO Proceeds is towards the Specific Objects of the IPO and utilized from the net proceeds of the Pre-IPO Placement;
 - b. completeness and accuracy of details provided in the accompanying Statement; and
 - c. compliance with the requirements of the aforesaid SEBI directive.

Auditor's Responsibility

7. Pursuant to the requirements of aforesaid SEBI directive, it is our responsibility to obtain limited assurance and to conclude that nothing has come to our attention that causes us to believe that the details provided in the Statement are not in agreement with the unaudited books of accounts and other relevant records of the Company.
8. We have audited the special purpose consolidated interim financial statements of the Company, its Aequus Stock Option Plan Trust, its subsidiaries and its joint ventures for the six months period ended 30 September 2025 and 30 September 2024 and the consolidated financial statements of the Company, its Aequus Stock Option Plan Trust, its subsidiaries and its joint ventures for the years ended 31 March 2025 and 31 March 2024 on which we have issued an unmodified audit opinion vide our reports dated 14 November 2025, 14 November 2025, 30 August 2025 and 4 October 2024 respectively. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, as amended. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



11. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. We have performed the following procedures in relation to the Statement:
- a. Obtained the Statement as prepared by management, outlining the details of Name of the lender, Name of the entity which availed the loan, Date of payment as per bank statement, Amount of Net Pre-IPO proceeds paid, Name of the machinery/ equipment as per invoice and Name of the vendor as per invoice based on the unaudited books of account of the Company as at 23 November 2025;
 - b. Obtained the bank statements and ledger accounts from the management containing the details of the transactions for the period 5 November 2025 to 23 November 2025 and traced the payments as included in the Statement, to the extent possible;
 - c. Obtained the details of utilisation of the Net Pre-IPO proceeds as mentioned in the Statement, as prepared by the management, and reviewed the same by referring to the unaudited books of account and records maintained by the Company and other relevant supporting records and documents; and
 - d. Performed necessary inquiries with the management and obtained necessary representations from the management.
12. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Conclusion

13. Based on our examination and procedures performed as stated in paragraph 11 above, and the information and explanations given to us, nothing has come to our attention that causes us to believe that the details provided in the Statement are not in agreement with the unaudited books of accounts and other relevant records of the Company for the period from 1 October 2025 to 23 November 2025.

Restrictions of use

14. This report has been provided by us, at the request of the Company and solely for the information of JM Financial Limited, Kotak Mahindra Capital Company Limited and IIFL Capital Services Limited (formerly known as IIFL Securities limited) (collectively, the “Book Running Lead Managers” or “BRLMs”) to assist them in conducting their due-diligence and documenting their investigations of the affairs of the Company in connection with the Proposed Offer.



15. This report is not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior consent in writing, other than for the purpose stated above. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior written consent. We, however, hereby give consent for inclusion of this information in the Red Herring Prospectus and Prospectus proposed to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), the stock exchanges where the Equity Shares of the Company are proposed to be listed (the "Stock Exchanges") and the Registrar of Companies, Karnataka, situated at Bengaluru ("RoC") and submission of this report to SEBI or Stock Exchanges or RoC in connection with this Proposed Offer, as the case may be.

for B S R & Co. LLP

Chartered Accountants

ICAI firm registration number:101248W/W-100022



Sampad Guha Thakurta

Partner

Membership No.:060573

Place: Bengaluru

Date: 26 November 2025

ICAI UDIN: 25060573BMOKHO8387

Cc:

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai – 400 025
Maharashtra, India

IIFL Capital Services Limited
(formerly known as IIFL Securities Limited)

24th Floor, One Lodha Place,
Senapati Bapat Marg, Lower Parel (W)
Mumbai – 400 013
Maharashtra, India

Kotak Mahindra Capital Company Limited

27BKC, 1st Floor
Plot No. C-27, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Maharashtra, India

Annexure 1- Statement of utilisation from Net Pre-IPO proceeds

Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by: (a) the Company; and (b) one of the wholly-owned Subsidiaries, ASMIPL, through investment in such Subsidiary.*

Name of the lender	Name of the entity which availed the loan	Date of payment as per bank statement	Amount of Net Pre-IPO proceeds paid (in ₹ million)
HDFC Bank	Aequs Limited	November 18, 2025	70.00
Axis Bank	AeroStructures Manufacturing India Private Limited	November 21, 2025	132.54
			202.54

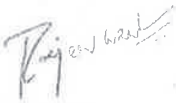
Funding capital expenditure to be incurred on account of purchase of machinery and equipment by: (a) our Company; (b) one of the wholly-owned Subsidiaries, ASMIPL, through investment in such Subsidiary*

Name of the machinery/ equipment as per invoice	Name of the vendor as per invoice	Date of payment as per bank statement	Amount of Net Pre-IPO proceeds paid (in ₹ million)
DVF 6500 5 Axis CNC Machine	DN Solutions Co. Ltd., Korea	November 19, 2025	76.14
DVF 8000 5 Axis CNC Machine	DN Solutions Co. Ltd., Korea	November 19, 2025	90.28
			166.42

The exchange rate as on November 19, 2025 was ₹ 88.645 per USD.

**Per the UDRHP I, the form of investment undertaken by the Company in the subsidiaries could be in the form of subscription or purchase of equity shares, preference shares, convertible or non-convertible securities, debt or any other instrument or combinations thereof, in the manner determined by the Company and as permitted under applicable law.*

For Aequs Limited (formerly known as Aequs Private Limited)



Rajeev Kaul
Managing Director

Place: Delagavi

Date: 26 November 2025



Aequs Limited (formerly known as Aequs Private Limited)

Corporate Identity Number: U80302KA2000PLC026760

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Corporate Office: Aequs SEZ, No. 437/A, Hattargi Village, Hukkeri Taluk, Belagavi - 591243, Karnataka, India T: +91 0831 4222500

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