

Date: 24 February 2023

To

**The Board of Directors**  
**Avalon Technologies Limited**  
B – 7, First Main Road, MEPZ, Tambaram  
Chennai – 600 045, Tamil Nadu, India

(“The Company”)

Dear Sir/Ma’am,

**Re: Proposed initial public offering of equity shares (the “Equity Shares”) of Avalon Technologies Limited (the “Company”) comprising a fresh issue by the Company (“Fresh Issue”) and an offer for sale of the Equity Shares by the existing shareholders of the Company (“Offer for Sale” and together with the Fresh Issue, the “Offer”)**

With reference to the captioned matter, we, Frost & Sullivan (India) Private Limited (“We/ F&S”) hereby accord our no-objection and our consent to our name, our report titled [“Market Assessment for India EMS Industry” dated February 24, 2023 (the “Report”)] and its contents or any extract thereof, the date of commission of such report, being included in any document issued by the Company in connection with the Offer, including the red herring prospectus (“RHP”) intended to be filed by the Company with the Registrar of Companies, Tamil Nadu at Chennai (“RoC”) and subsequently with the Securities and Exchange Board of India (the “SEBI”) and the stock exchange(s) where the Equity Shares are proposed to be listed (the “Stock Exchanges”), and the prospectus (“Prospectus”) that the Company intends to file with the RoC and with the SEBI and the Stock Exchanges in respect of the Offer, and in any other documents to be prepared, issued and used or filed in relation to the Offer including international supplements of the foregoing for distribution to investors outside India, preliminary international wrap, the international wrap, any written correspondences with SEBI and the Stock Exchanges, publicity or other materials, presentations, marketing material research report, press media releases, or other document prepared or issued in connection with the Offer by the Company or its advisors (collectively, the “Offer Documents”). In this regards, F&S undertakes that no, *inter alia*, consent, approval or permission will be required by the Company in the future in connection with using F&S’s name and/or contents of the Report, in full or in part.

We agree that such disclosures would be made only as deemed fit by the Company and the book running lead managers appointed in connection with the Offer (the “BRLMs”) and this letter does not impose any obligation on the Company and/or the BRLMs to include in any Offer Documents all or any part of the information with respect to which consent for disclosure is being granted pursuant to this letter.

We confirm that all information contained in the Report has been obtained by us from sources believed by us to be true and reliable and after exercise of due care and diligence by us. We further confirm that we have, wherever required, obtained requisite consent that may be required from any authority or other person in relation to any information used by us in the Report. We also authorize you to deliver this letter of consent to SEBI, the stock exchanges, the RoC or any other governmental or statutory or regulatory authority as may be required.



We also give our consent to include this letter of consent and the Report as part of the section titled “*Material Contracts and Documents for Inspection*” in the Offer Documents, as required and to include a weblink to the Report and this letter in the Offer Documents in order to enable access thereto on the website of the Company, and make this consent.

and the Report available to the public for inspection in accordance with applicable law. We also consent to disclosure of the date of our appointment for the purpose of preparing this Report, in the Offer Documents.

We confirm that we are not, and have not in the past, been engaged or interested in the formation, or promotion, or management, of the Company. We confirm that we are an independent agency and neither the Company, nor its directors, promoters, subsidiaries, and any selling shareholder(s) participating in the Offer, As detailed in Annexure A, nor any of the BRLMs to the Offer, is a related party to us as per the definition of “related party” under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended, as on the date of this letter.

We further confirm that there are no further consents, permissions, approvals or intimation required for reproducing the information contained in the Report in any Offer Documents, provided that it is ensured that the disclaimer (as provided below) is also reproduced with such Offer Documents.

Except for the preparation of the Report, we confirm that we do not have any direct/ indirect interest in or relationship with the Company or its promoters, directors or management as of the date of this letter, and also confirm that we do not perceive any conflict of interest in such relationship/ interest while issuing this Report. We confirm that we and our associates do not hold any Equity Shares of the Company. We further confirm that other than ordinary course of commercial transactions, we do not have any relationship with the BRLMs.

We represent that our execution, delivery and performance of this consent have been duly authorized by all necessary actions (corporate or otherwise).

We agree that such disclosures would be made only as deemed fit by the Company and the book running lead managers appointed in connection with the Offer (the “BRLMs”) and this letter does not impose any obligation on the Company and/or the BRLMs to include in any Offer Documents all or any part of the information with respect to which consent for disclosure is being granted pursuant to this letter.

This consent letter is for information and for inclusion (in part or full) in the Offer Documents or any other Offer-related material. This letter and the Report can be relied on by you, the BRLMs appointed in relation to the Offer and the legal advisors to the Company and the BRLMs. Further, we also authorize you to deliver this letter of consent to SEBI, the Stock Exchanges, and the RoC, pursuant to Sections 26 and 32 and other applicable provisions of the Companies Act, 2013, as amended and rules and regulations made thereunder and any other regulatory or statutory authority as required.

We undertake to suitably update the Report, for any changes that comes to our knowledge, prior to filing of the RHP. We confirm that we will immediately communicate any changes in writing in the above information or in the Report to the Company and the BRLMs until the date when the Equity Shares that are allotted and/ or transferred in the Offer are listed and commence trading on the Stock Exchanges. In the absence of such communication from us, it may be assumed that there is no change to the above information until the Equity Shares are listed and commence trading, on the Stock Exchanges, pursuant to the Offer.

We agree to keep the information regarding the Offer, your request and this consent strictly confidential.

All capitalized terms referred to herein, unless specifically defined therein, shall have the meanings ascribed to them in the Offer Documents, as the case may be.

**Given below is the disclaimer to be used in the Offer Documents.**

[“Market Assessment for India EMS Industry” dated February 24, 2023] has been prepared for the proposed initial public offering of equity shares by **Avalon Technologies Limited** (the “Company”).

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited (“Frost & Sullivan”) and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

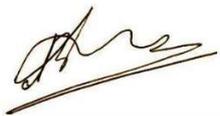
*Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.*

*Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.*

*In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.”*

Yours faithfully,

**For and on behalf of Frost & Sullivan (India) Private Limited**



**Authorized Signatory**

**Name:** Benoy CS

**Designation:** Vice President & Business Unit Head - ICT

**Place:** Chennai, India



Cc:

**JM Financial Limited**

7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg  
Prabhadevi, Mumbai 400 025  
Maharashtra, India

**DAM Capital Advisors Limited**

One BKC, Tower C, 15<sup>th</sup> Floor  
Unit No. 1511, Bandra Kurla Complex  
Bandra (East), Mumbai -400 051  
Maharashtra, India

**IIFL Securities Limited**

10<sup>th</sup> Floor, IIFL Centre  
Kamala City, Senapati Bapat Marg  
Lower Parel (West)  
Mumbai 400 013  
Maharashtra, India

**Nomura Financial Advisory and Securities (India) Private Limited**

Ceejay House, Level 11 Plot F  
Shivsagar Estate, Dr. Annie Besant  
Road, Worli, Mumbai 400 018  
Maharashtra, India

(collectively, with any other book running lead managers that may be appointed in connection with the Offer, the “**Book Running Lead Managers**” or “**BRLMs**”)

**Khaitan & Co**

Embassy Quest  
3rd Floor  
45/1 Magrath Road  
Bengaluru 560 025  
India

**Allen & Overy (Asia) Pte Ltd**

50 Collyer Quay, 09-01

OUE Bayfront  
Singapore 049321

**AZB & Partners**  
AZB House  
Plot No. A8, Sector-4  
Noida 201 301

**AZB & Partners**  
AZB House, Peninsula Corporate Park  
Ganpatrao Kadam Marg, Lower Parel  
Mumbai 400 013

Annexure A

**List of Co. Board of Directors**

<u>Sr. N</u>	<u>Name of Director</u>	<u>Director Identification Number</u>	<u>Designation</u>	<u>Start Date</u>
1	KUNHAMED BICHA	00819707	Managing Director	03/11/1999
2	BHASKAR SRINIVASAN	02561215	Director	03/11/1999
3	SAREDAY SESHU KUMAR	01646703	Director	01/09/2001
4	LUQUMAN VEEDU EDIYANAM	06493214	Director	03/03/2017
5	CHANDAR PATTABHIRAM	09606151	Director	07/07/2022
6	VENKATARAMANI ANANTHARAMAKRISHNAN	00277816	Director	07/07/2022
7	BYAS UNNIKRISHNAN NAMBISAN	01342141	Director	19/07/2022
8	NANDITA ABRAHAM	01006030	Director	08/02/2023