<u>SUMMARY OF THE COMBINATION</u>

(Under Regulation 13(2) of the Competition Commission of India (Combinations) Regulations, 2024)

1. Names of the parties to the combination

(a) FIH Mauritius Investments Ltd (***FIHM***) is the acquirer for the purpose of the Proposed Transaction, as defined below.

(b) IIFL Capital Services Limited (***IIFL Capital***) is the target for the purpose of the Proposed Transaction, as defined below.

Together, FIHM and IIFL Capital are referred to as the ***Parties***.

2. Nature and purpose of the combination

The proposed transaction involves the acquisition by FIHM, an existing shareholder of IIFL Capital, of additional equity shares of IIFL Capital such that FIHM along with HWIC Asia Fund (Class A Shares) (***HWIC***) (in its capacity as a person acting in concert with FIHM for the purposes of the Open Offer (as defined below) and an existing shareholder of IIFL Capital) will hold at least 51% of the issued and paid up equity share capital of IIFL Capital on a fully diluted basis (as calculated in terms of the Investment Agreement dated 7 May 2026 entered into between FIHM, IIFL Capital and the promoters of IIFL Capital) (the ***Target Shareholding***) and acquire control over IIFL Capital upon completion of the Proposed Transaction (as defined below). This will be undertaken in the following manner:

(a) FIHM will subscribe to 57,142,857 fresh equity shares of IIFL Capital by way of a preferential issue on a private placement basis for a cash consideration of INR 1999,99,99,950 (the ***Primary Subscription***);

(b) FIHM will offer to acquire up to 100,144,112 equity shares tendered in the mandatory open offer (the ***Open Offer***) by public shareholders of IIFL Capital (triggered pursuant to the execution of the Investment Agreement and the Primary Subscription) (the ***Open Offer Acquisition***); and

(c) If, post completion of the Primary Subscription and the Open Offer Acquisition, FIHM's and HWIC's aggregate shareholding in IIFL Capital remains less than the Target Shareholding, the promoters of IIFL Capital will sell such number of shares to FIHM such that FIHM's and HWIC's aggregate shareholding in IIFL Capital will be equal to the Target Shareholding post completion (the ***Secondary Purchase***).

The Primary Subscription, the Open Offer Acquisition and the Secondary Purchase are collectively referred to as the ***Proposed Transaction***.

The Proposed Transaction is being notified to the Hon'ble Commission as an acquisition of shares, voting rights and control under Section 5(a)(i) of the Competition Act, 2002 (as amended).

3. Products, services and business(es) of the parties to the combination

(a) **FIHM:** FIHM is a private company limited by shares incorporated in Mauritius. It is an investment holding company which is focused on long-term capital appreciation while preserving capital through investments in equity securities and debt instruments of Indian businesses and businesses primarily connected to India. It holds a Global Business Licence (formerly known as Category 1 Global Business Licence) issued by the Financial Commission of Mauritius. It does not, however, carry out any other business activities, whether in India or globally.

FIHM is a wholly owned subsidiary of Fairfax India Holdings Corporation, a company listed on the Toronto Stock Exchange. Fairfax Financial Holdings Limited, which is the ultimate parent entity of FIHM, is a Canadian-based holding company which, through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and associated investment management in various countries, including India.

(b) **IIFL Capital:** IIFL Capital is a public limited company incorporated in India. It is a Securities and Exchange Board of India-registered financial services company which, directly and through its group companies, offers integrated solutions in wealth management, investment banking, broking services, institutional equities and research for high net-worth / ultra high net-worth clients and family offices. Its primary business activities comprise of stockbroking services across asset classes such as equity and commodities, investment banking and distribution of financial products in India.

4. The respective markets in which the parties to the combination operate

The Proposed Transaction does not raise any competition concerns irrespective of the way in which the relevant markets are defined and will not lead to any change in the competitive landscape in any market in India. Accordingly, the precise definition of the relevant markets may be left open.

However, for the ease of the Hon'ble Commission, the Parties have defined the following horizontally overlapping and vertically and complementarily linked relevant markets:

(a) Broad market for provision of portfolio management services (***PMS***) in India;

(i) Narrow market for provision of discretionary PMS in India;

(ii) Narrow market for provision of advisory PMS in India;

(iii) Narrow market for provision of PMS for equity in India;

(iv) Narrow market for provision of PMS for debt in India;

(b) Market for provision of investment advisory / management services in India;

(c) Broad market for provision of brokerage services in India;

(i) Narrow market for provision of equity brokerage services in India;

(ii) Narrow market for provision of equity derivatives brokerage services in India;

(iii) Narrow market for provision of commodities derivatives brokerage services in India;

(d) Market for provision of margin trade facilities in India;

(e) Broad market for distribution of mutual funds in India;

(i) Narrow market for distribution of equity-oriented mutual fund schemes in India;

(ii) Narrow market for distribution of debt-oriented mutual fund schemes in India;

(iii) Narrow market for distribution of hybrid mutual fund schemes in India;

(f) Market for distribution of life insurance products and services in India;

(g) Market for distribution of general insurance products and services in India;

(h) Market for distribution of health insurance products and services in India;

(i) Market for provision of human resource services and consultancy in India;

(j) Upstream market for provision of life insurance products and services in India;

(k) Upstream market for provision of general insurance products and services in India;

(l) Upstream market for provision of health insurance products and services in India;

(m) Upstream market for provision of mutual funds in India;

(n) Downstream market for distribution of PMS in India;

(o) Upstream market for provision of alternative investment funds in India;

(p) Complementary market for provision of deposit-taking services in India;

(q) Complementary market for operation of platforms for healthcare services in India;

(r) Complementary market for provision of travel-related services in India; and

(s) Complementary market for distribution of travel insurance products and services in India.