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REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Manipal Health Enterprises Limited
(Formerly known as Manipal Health Enterprises Private Limited)
The Annexe, #98/2, Rustam Bagh,
HAL Airport Road, Bengaluru – 560 017
Karnataka, India

23 March 2026

Statement of possible special tax benefits ("the Statement") available to Manipal Health Enterprises Limited (Formerly known as Manipal Health Enterprises Private Limited) ("the Company"), its shareholders and its material subsidiaries audited by us, prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 19 December 2025 and subsequent addendum dated 30 January 2026.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries audited by us ("Material Subsidiaries"), which are defined in Annexure I (List of Material Subsidiaries audited by us and considered as part of the Statement), under direct and indirect taxes (together the "Tax Laws"), presently in force in India as on the signing date, which are defined in Annexure III (List of Direct and Indirect Tax Laws ('Tax Laws')) prepared by the Company, initialed by us for identification purpose. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiaries may face in the future and accordingly, the Company, its shareholders and its Material Subsidiaries may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiaries. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

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.

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.

We do not express any opinion or provide any assurance as to whether:

i) the Company, its shareholders and its Material Subsidiaries will continue to obtain these possible special tax benefits in future; or
ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiaries, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company or Material Subsidiaries for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company or Material Subsidiaries and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Draft Red Herring Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Prakash

G Prakash
Partner
Membership No. 099696
UDIN: 26099696CZZBWF3200

Place: Bengaluru
Date: 23 March 2026

ANNEXURE I

LIST OF MATERIAL SUBSIDIARIES AUDITED BY US AND CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Manipal Hospitals Private Limited
2. Manipal Hospitals (East) India Private Limited

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose turnover or net worth in the immediately preceding year (i.e. 31 March 2025) exceeds 10% of the consolidated turnover or consolidated net worth respectively, of Manipal Health Enterprises Limited (Formerly known as Manipal Health Enterprises Private Limited) and its Subsidiaries (together referred to as "The Group"), its associates and its joint venture in the immediate preceding year.

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ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MANIPAL HEALTH ENTERPRISES LIMITED (FORMERLY KNOWN AS MANIPAL HEALTH ENTERPRISES PRIVATE LIMITED) ("THE COMPANY"), ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiaries under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil

UNDER THE INCOME TAX LAWS

A. Possible Special tax benefits available to the Company and its Material Subsidiaries

1. **Lower corporate tax rates on income of domestic companies**

Section 115BAA of the Income-tax Act, 1961 ('the IT Act') inserted by the Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from Financial Year('FY') 2019-20 relevant to Assessment Year('AY') 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing deduction specified under section 115BAA.

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge and health and education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the deductions/incentives provided in the section 115BAA. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the IT Act. Further, provisions of Minimum Alternate Tax('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed. The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

The Company and its Material Subsidiaries in India have already opted the lower rate benefit as mentioned in the Section 115BAA for which declaration has already been filed with the tax authority as per the table below

Entity	AY from which lower rate is applicable
Manipal Health Enterprises Limited	2020-21
Manipal Hospitals Private Limited	2022-23
Manipal Hospitals (East) India Private Limited	2024-25

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2. **Deductions in respect of employment of new employees – Section 80JJAA of the IT Act**

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for three consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred upon the fulfilment of the conditions prescribed in the IT Act.

The Company and its Material Subsidiaries have not claimed deduction under this section in last three previous years.

3. **Deduction with respect to inter-corporate dividends – Section 80M of the IT Act**

Up to 31st March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished, and dividend received by a shareholder on or after 1st April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Income-tax Act,1961, a new section 80M has been inserted in the IT Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section *inter-alia* provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the IT Act.

The Company and its Material Subsidiaries have not claimed deduction under this section in last three previous years

B. Possible Special tax benefits available to the shareholders

- The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates based in the provisions of the Act. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend. The shareholders would be eligible to claim the credit of such tax in their return of income.

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- With respect to a domestic corporate shareholder, deduction shall be available under section 80M of the Act on fulfilling the conditions.

- As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share shall be taxed at 12.5% plus applicable surcharge and cess (without the benefit of indexation) for any transfer which takes place on or after the 23 July 2024 of such capital gains subject to fulfilment of prescribed conditions under the Finance (No. 2) Act, 2024 It is worthwhile to note that tax shall be payable where such long-term capital gains exceed INR 1,25,000 in a financial year.

- As per Section 111A of the Act, short term capital gains arising from transfer of a listed equity share, shall be taxed at 20% plus applicable surcharge and cess subject to fulfilment of prescribed conditions under the Act.

  In respect of non-resident shareholders, the tax rates and the consequent taxation shall be as per the provisions of the IT Act and it is further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and subject to entitlement to such treaty benefit and on furnishing of any document as may be required.

TAX BENEFITS UNDER INDIRECT TAX LAWS

A. Possible Special tax benefits available to the Company and its Material Subsidiaries

(i) The Company and its Material Subsidiaries are availing the exemption from payment of GST on supply of healthcare services in terms of Sl. No. 74 of Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017 as amended from time to time as below:

   (a) health care services provided by a clinical establishment, an authorised medical practitioner or para-medics, except where such services are provided by way of a room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding ₹ 5,000 per day to a person receiving health care services; and

   (b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above.

(ii) The Company and its Material Subsidiaries are availing the benefit of exemption from payment of Customs duty on import of capital goods under the Export Promotion Capital Goods ('EPCG') scheme as per Chapter 5 of Foreign Trade Policy read with relevant notification under the Customs Act, 1962. The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within six years from the date of issue of EPCG authorization.

B. Possible Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders of the Company under the Indirect Tax Laws.

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NOTES:

1. The above is as per the current Tax Laws in force in India.

2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company and Material Subsidiaries. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

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For and on behalf of Manipal Health Enterprises Limited
(Formerly known as Manipal Health Enterprises Private Limited)

Dilip Jose
Managing Director & CEO
Place: BENGALURU
Date: 23 MARCH 2026

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ANNEXURE III
LIST OF DIRECT AND INDIRECT TAX LAWS ("TAX LAWS')

Sr. No:	Details of Tax Laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962 (read with applicable circulars and notifications), as amended by the Finance Act 2025
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Union Territory Goods and Services Tax Act, 2017
6.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
7.	Foreign Trade Policy 2023 read with Handbook of Procedures

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Manipal Health Enterprises Limited

For and on behalf of Manipal Health Enterprises Limited
(Formerly known as Manipal Health Enterprises Private Limited)

Dilip Jose
Managing Director & CEO
Place: BENGALURU
Date: 23 MARCH 2026

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