

Date: 27th October, 2025

To,

The Board of Directors
Capillary Technologies India Limited
#360 bearing PID No 101, 360
15th Cross Rd, Sector 4, HSR Layout
Bengaluru -560102
Karnataka, India

The Managers
Capillary Technologies LLC
202 N Cedar Ave STE #1
Suite 200, Owatonna
Minnesota 55060

The Directors
Capillary Brierley Inc
8 The Green Suite A
Dover, Delaware 19901

Re: The statement of special tax benefits available to Capillary Technologies LLC and its US Subsidiary, namely, Capillary Brierley Inc.

Dear Sir/Madam,

1. We TruAnalyst Solutions LLP, Certified Public Accountants, hereby confirm that the enclosed **Annexure I** and **Annexure II** prepared and issued by us, describes the special tax benefits available to the Capillary Technologies LLC and Capillary Brierley Inc., the material subsidiaries of the Issuer (*defined below*) any under tax laws as stated in the enclosed Annexure I.
2. Certain of these benefits are dependent on Capillary Technologies LLC and Capillary Brierley Inc. satisfying conditions prescribed under the relevant provisions of the Code and/or other applicable law. Therefore, the ability of Capillary Technologies LLC and Capillary Brierley Inc. to derive the special tax benefits may be dependent upon the satisfaction of such conditions which, based upon various factors, that Capillary Technologies LLC and Capillary Brierley Inc. may or may not ultimately satisfy.
3. The benefits discussed in the enclosed Annexure(s) are not exhaustive and cover the possible special tax benefits available to Capillary Technologies LLC and Capillary Brierley Inc. and do not cover any general tax benefits available to Capillary Technologies LLC and Capillary Brierley Inc. and each of its shareholders. We are informed that the Annexure(s) 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 their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "**Proposed IPO**") by Capillary Technologies India Limited ("**Issuer**"), of which each of Capillary Technologies LLC and Capillary Brierley Inc. are material subsidiaries. Neither are we suggesting nor advising the investor to make any investment based on this statement of special tax benefits.
4. We do not express any opinion or provide any assurance as to whether:

- (i) Capillary Technologies LLC and Capillary Brierley Inc. will continue to obtain these benefits in the future;
- (ii) the conditions prescribed for availing the benefits have been / would be satisfied; and
- (iii) the revenue authorities/courts will concur with the views expressed herein.
5. The contents of the enclosed Annexure(s) are based on information, explanations and representations obtained from Capillary Technologies LLC and Capillary Brierley Inc and on the basis of our understanding of each of its business activities and operations. We have relied up on the information and documents obtained being true, correct and complete and have not audited or tested them. Our view, under no circumstances is to be considered as an audit opinion under any regulation or law.
6. This Statement is addressed to Board of Directors and issued at specific request of the Issuer. This Statement is intended solely for your information and issued solely in connection with the proposed initial public offering of equity shares of Capillary Technologies India Limited (the “Offer”) and for disclosure in materials used in connection with the Offer (together, the “Offer Documents”) to be filed by Capillary Technologies India Limited in respect of the Offer with the Securities and Exchange Board of India, the Registrar of Companies, the Stock Exchanges pursuant to the provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as required by law in connection with the Offer and in accordance with applicable law, and is not to be used, referred to or distributed for any other purpose.
8. These Annexure(s) cover representations with respect to tax laws in the USA.
9. This report may be delivered to SEBI, the stock exchanges, to the Registrar of Companies, Karnataka at Bengaluru or to any other regulatory and statutory authorities by the BRLMs only when called upon by SEBI or the stock exchanges in connection with any inspection, enquiry or investigation, as the case may be, to evidence BRLMs due diligence obligations pertaining to subject matter of this report or for any defence that the BRLMs may wish to advance in any claim or proceeding with SEBI or stock exchanges in connection with due diligence obligations of the BRLMs in the Offer pertaining to subject matter of this report. It should not be used by any other person or for any other purpose. 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 consent in writing. We confirm that this certificate can also be uploaded on the repository portal of the stock exchanges/ SEBI as required pursuant to the SEBI circular dated December 5, 2024 and the subsequent requirements of the Stock Exchanges/ SEBI, as applicable
10. We confirm that we will immediately communicate any changes in writing in the above information to the BRLMs based on written intimation received from the management until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from the management, BRLMs and the legal counsels, each to the Issuer and the BRLMs, can assume that there is no change to the above information.
11. We also consent to the inclusion of this letter as a part of “Material Contracts and Documents for Inspection” in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date. We further consent to include our reports/ certificates/ letters, in full or in parts, in the Offer Documents or such other documents to be issued by the Issuer in relation to the Offer.
12. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

TruAnalyst Solutions LLP

Yours faithfully,

U.P. Panchal

Firm Name: TruAnalyst Solutions LLP
Partner Name: Utsav Panchal, Certified Public Accountant
Membership No.: AZ 19732-E
Place: Texas, US

Enclosed: **Annexures**

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 (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

LIST OF TAX LAWS

Sr. No:	Details of Tax laws
1	Internal Revenue Code of 1986 (IRC) - Title 26 of the United States Code (26 USC)
2	Treasury Regulations issued by the U.S. Department of Treasury

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO CAPILLARY
TECHNOLOGIES LLC AND CAPILLARY BRIERLEY INC. UNDER THE TAX LAWS OF THE
UNITED STATES OF AMERICA**

Bonus Depreciation – IRC Section 168(k)

Capillary Technologies LLC and **Capillary Brierley Inc.** (“the Consolidated US Group”) may be allowed to deduct 60% of the cost of qualifying tangible depreciable property placed in service during the tax year 2024. This applies to property with a recovery period of 20 years or less, including machinery, equipment, computers, and furniture. Bonus depreciation is available regardless of whether the asset is new or used, provided it meets the IRS acquisition and use criteria.

Section 179 Expensing – IRC Section 179

The Consolidated US Group may elect to expense up to \$1,220,000 of the cost of qualifying property placed in service in 2024, subject to a phase-out threshold of \$3,050,000. While Section 179 benefits are often more favorable for smaller businesses, C Corporations may leverage this provision for eligible business-use assets such as technology systems, office furniture, and certain non-residential real property improvements.

Research and Development (R&D) Tax Credit – IRC §41

If the Consolidated US Group engage in developing proprietary marketing analytics tools or innovative platforms, they may be eligible for the federal R&D tax credit. Qualified expenditures include wages, supplies, and contract research costs.

De Minimis Safe Harbor Election – Reg. §1.263(a)-1(f)

The Consolidated US Group may elect to expense purchases of tangible property costing up to \$5,000 per item under the De Minimis Safe Harbor, simplifying fixed asset accounting for low-value acquisitions.

Global Intangible Low-Taxed Income (GILTI) Deduction – IRC §§951A & 250

To the extent the Consolidated US Group owns or controls foreign subsidiaries classified as Controlled Foreign Corporations (CFCs), it must include its pro rata share of GILTI in gross income. However, as a C Corporation, the Consolidated US Group is entitled to a 50% GILTI deduction under §250, reducing the effective tax rate on such income.

Foreign Tax Credit (FTC) – IRC §§901, 960

Foreign taxes paid by foreign affiliates on income included in the Consolidated US Group’s consolidated taxable income (e.g., GILTI, Subpart F) may be used to claim a foreign tax credit, mitigating double taxation. This is subject to various limitations, including foreign tax credit baskets and expense allocation rules.

Foreign-Derived Intangible Income (FDII) Deduction – IRC §250

The Consolidated US Group may claim a 37.5% deduction on eligible income earned from providing marketing consulting services to foreign clients for foreign use, resulting in a reduced effective federal tax rate of 13.125% on such income. Proper documentation and economic substance are required.

Tax Treaty-Based Withholding Reductions

Where the Consolidated US Group engages in cross-border payments to or from affiliated entities in treaty jurisdictions, it may benefit from reduced U.S. withholding tax rates on dividends, interest, and royalties under applicable U.S. tax treaties, provided appropriate documentation (e.g., IRS Form W-8BEN) is maintained.