

MALLIKA GOEL

Registered Valuer

(Securities or Financial Assets)

Registration No. IBBI/RV/11/2022/14784

To,

Magnum Ventures Limited

Room No. 118, First Floor, MGM
Commercial Complex, 4634/1, Plot No.
19, Ansari Road, Darya Ganj, New
Delhi-110 002

Magnum Paperz Limited

18/41, Industrial Area, Site-4,
Sahibabad, Ghaziabad-201 010, Uttar
Pradesh

Sub: Report on Valuation of Shares and Share Exchange Ratio for the Purpose of the Proposed Scheme of Arrangement between Magnum Ventures Limited and Magnum Paperz Limited

Dear Sirs,

Preamble:

A proposal has been made for the demerger (hereinafter referred to as “**the Proposed Demerger**”) of the “Paper Business” (hereinafter referred to as “**the Demerged Business**”/ “**the Demerged Undertaking**”) of Magnum Ventures Limited (hereinafter referred to as “**the Demerged Company**”) into Magnum Paperz Limited (hereinafter referred to as “**the Resulting Company**”), along with the consequent reduction of capital of the Demerged Company (hereinafter referred to as “**the Proposed Reduction**”) and other matters incidental, consequential, and integrally connected thereto. The said proposal is to be implemented through a Scheme of Arrangement under the provisions of the Companies Act, 2013, and other applicable provisions, if any (hereinafter referred to as “**the Proposed Scheme**”).

Magnum Ventures Limited and Magnum Paperz Limited are hereinafter collectively referred to as “**the Companies**”.

I have been engaged to carry out the valuation exercise and to advise on the share exchange ratio for the Proposed Scheme. The Audit Committee of Magnum Ventures Limited and the Board of Directors of Magnum Paperz Limited, at their respective meetings held on 13th August 2025 and 14th February 2026, respectively, appointed me as the Valuer in connection with the Proposed Scheme.

I accordingly report as under:

1. Objective:

The objective of the present valuation exercise is to determine the valuation and recommend the share exchange ratio in connection with the demerger of the Demerged Business of the Demerged Company into the Resulting Company, and other connected matters, if any, in terms of the aforesaid Proposed Scheme.

2. Disclosure regarding Identity and Interest of the Valuer:

Ms. Mallika Goel, having her office at 785, Pocket-E, Mayur Vihar Phase II, Delhi – 110091, is a Registered Valuer in respect of Securities or Financial



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Assets and is duly registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784. She is hereinafter referred to as the “**the Registered Valuer**”.

The Registered Valuer confirms that she has no conflict of interest in relation to the present valuation exercise. She does not hold any shares or any other pecuniary interest in the Companies under valuation, except for the professional fees and reimbursement of expenses received or to be received for rendering valuation services in connection with the Proposed Scheme.

The Registered Valuer is not associated with the management of the Companies, their promoters, or any group companies in any manner other than in a professional capacity, if applicable.

The Registered Valuer further confirms that she has no present or contemplated interest in the Companies or their assets. There exists no conflict of interest between the Registered Valuer and the Companies or their management. Prior to accepting this engagement, due consideration was given to independence requirements. The professional fees payable for this engagement have not influenced, and shall not influence, the valuation analysis or the conclusions expressed herein.

3. Source of Information:

In connection with the preparation of this Valuation Report, I have received and relied upon the following documents and information provided by the management of the Companies:

- a. Memorandum and Articles of Association, along with the Certificates of Incorporation of the Companies;
- b. Audited Financial Statements of the Demerged Company for the financial years ended 31st March, 2024 and 31st March 2025;
- c. Un-Audited Financial Statements (subjected to limited review by the Statutory Auditors) of the listed Demerged Company for the period ended 31st December, 2025;
- d. Un-Audited Proforma Balance Sheet of the Demerged Business as at 31st December, 2025;
- e. Audited Financial Statements of the Resulting Company for the period from 22nd September, 2025 (date of incorporation) till 31st December, 2025;
- f. Details and proposals, including the statement of rationale and justification for the Proposed Scheme of Arrangement;
- g. The terms and conditions of the Proposed Scheme;



- h. Shareholding pattern of the listed Demerged Company as on 31st December, 2025;
- i. List of shareholders of the Resulting Company as on the date of this Report;
- j. Details of the Non-Convertible Debentures (NCDs) and Compulsorily Redeemable Preference Shares (CRPS) issued by the Demerged Company; and
- k. Such other relevant documents and information as considered necessary for the purpose of the present valuation.

During the course of the valuation exercise, I have held discussions with the management of the Companies in relation to the subject matter of the Proposed Scheme. I have also relied upon secondary research, market data, and such other analyses, reviews, and enquiries as considered relevant and appropriate.

The **valuation cut-off date** for the present valuation is **31st December, 2025**.

4. Procedures Adopted in Carrying Out the Valuation:

In connection with the present valuation exercise, I have adopted the following broad procedures:

- i. Requested and obtained relevant financial and qualitative information from the management of the Companies;
- ii. Held discussions with the management of the Companies to understand the nature of the businesses and the fundamental factors affecting their earnings-generating capacity, including an assessment of strengths, weaknesses, opportunities, and threats (SWOT), as well as a review of historical financial performance;
- iii. Undertaken economic and industry analysis, including:
 - Research of publicly available market data, including economic indicators and industry trends that may have a bearing on the valuation; and
 - Review of other publicly available information considered relevant;
- iv. Analysed the information so obtained;
- v. Reviewed and determined the selection and applicability of appropriate internationally accepted valuation methodologies after due consideration and deliberation; and
- vi. Evaluated and determined the share exchange ratio.



5. Scope and Limitations:

The valuation exercise carried out by me does not constitute an audit conducted in accordance with Generally Accepted Accounting Principles or applicable Auditing Standards. Accordingly, I do not express any audit opinion or provide any form of assurance on the financial statements, the underlying assumptions, or the representations made by the management and referred to in this Valuation Report. Further, I do not provide any assurance as to the accuracy, fairness, or completeness of the financial information and assumptions on which this valuation is based.

The present engagement is limited to conducting a valuation exercise and recommending the share exchange ratio in connection with the Proposed Scheme. This engagement does not necessarily constitute a comprehensive enterprise valuation of the Companies for any purpose other than that stated herein.

In carrying out this valuation, I have relied upon the financial statements of the Companies, assumptions, and other information, documents, and explanations provided by the management. I have also relied upon discussions held with the management from time to time in relation to the operations and affairs of the Companies. I have assumed such information and representations to be true, correct, and complete and have not independently verified the same.

6. Caveats, Limitations, and Disclaimers:

This Report is a private and confidential document prepared pursuant to the specific instructions of the client(s). It is intended solely for the internal use of the client(s), their shareholders, and creditors in connection with the Proposed Scheme and is not intended for circulation or use by any other person, except where required to be submitted to statutory or regulatory authorities, tribunals, stock exchanges, or other competent authorities in relation to the Proposed Scheme.

Any person placing reliance on this Report or making any investment or other decision based hereon does so entirely at their own risk. I shall not be responsible or liable for any loss or damage arising from reliance on this Report for any purpose other than the Proposed Scheme.

While my work has involved an analysis of financial information and accounting records, this engagement did not include an audit or review conducted in accordance with generally accepted auditing standards of the existing business records of the Companies. Accordingly, I assume no responsibility for, and make no representation or warranty, express or implied, as to the accuracy, adequacy, or completeness of any information supplied by or on behalf of the Companies or their representatives.



This Report is to be read in its entirety and not in parts, and in conjunction with the relevant documents and assumptions referred to herein. The conclusions expressed herein are subject to the scope, assumptions, limitations, and disclaimers contained in this Report.

Valuation of companies and businesses is not an exact science and is inherently subjective, involving the application of professional judgment. There is no single, definitive value, and the conclusions reached may vary depending upon the methodology adopted and the assumptions applied. The objective of the present valuation exercise is limited to determining the share exchange ratio for the purposes of the Proposed Scheme, and the valuation reflects the relative values determined for this specific purpose.

The conclusions set out herein have been arrived at after exercising professional judgment and considering various relevant quantitative and qualitative factors. Certain elements, such as management capability, existing and prospective competition, returns on comparable securities, prevailing market conditions, and investor sentiment, though not always apparent from the financial statements, may materially influence the valuation.

In the course of this engagement, I have been provided with both written and verbal information. While such information has been reviewed through reasonable inquiry and analysis, I have not undertaken any independent verification, audit, or due diligence of the information provided. My conclusions are based on the assumptions, projections, and other information made available by or on behalf of the Companies.

This Report has been prepared solely for the purpose stated herein and shall not be used, quoted, referred to, or relied upon for any other purpose without my prior written consent, except as required under applicable law or for the implementation of the Proposed Scheme.

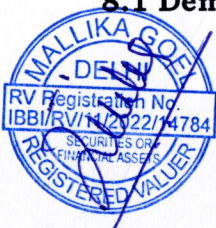
7. Compliance with Applicable Rules and Standards:

In carrying out the present valuation exercise, I have had due regard to the relevant provisions of the Companies Act, 2013; the Companies (Registered Valuers and Valuation) Rules, 2017; the International Valuation Standards (IVS); the Guidelines on the Use of Caveats, Limitations, and Disclaimers in Valuation Reports issued by the Insolvency and Bankruptcy Board of India (IBBI); and such other applicable laws, regulations, and standards, to the extent relevant.

This Valuation Report has been prepared in compliance with the Companies (Registered Valuers and Valuation) Rules, 2017, the applicable International Valuation Standards (IVS), and other applicable laws, rules, regulations, and guidelines, as may be relevant to the present engagement.

8. Brief Profile of the Companies:

8.1 Demerged Company: Magnum Ventures Limited



- a. **Magnum Ventures Limited** [Corporate Identity Number (CIN): L21093DL1980PLC010492; Permanent Account Number (PAN): AAACM6054H] (hereinafter referred to as “the Demerged Company” or “the Company”) was originally incorporated on 29th May, 1980, under the provisions of the Companies Act, 1956, as a private limited company in the name and style of “Magnum Papers Private Limited”, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Subsequently, the Company was converted into a public limited company, and its name was changed to “Magnum Papers Limited”, pursuant to a Fresh Certificate of Incorporation dated 31st May, 1995, issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Thereafter, the name of the Company was further changed to its present name, “Magnum Ventures Limited”, pursuant to a Fresh Certificate of Incorporation dated 15th November, 2006, issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

- b. The registered office of the Demerged Company is presently situated at Room No. 118, First Floor, MGM Commercial Complex, 4634/1, Plot No. 19, Ansari Road, Darya Ganj, New Delhi-110 002.
- c. The present authorized share capital of the Demerged Company is INR 114,32,50,000 divided into 8,43,25,000 Equity Shares of INR 10 each aggregating to INR 84,32,50,000, and 30,00,000 Preference Shares of INR 100 each aggregating to INR 30,00,00,000. The present paid-up share capital of the Demerged Company is INR 71,66,13,170 divided into 6,84,11,317 Equity Shares of INR 10 each aggregating to INR 68,41,13,170, and 3,25,000 Compulsorily Redeemable Preference Shares of INR 100 each aggregating to INR 3,25,00,000.
- d. The Demerged Company has also issued 23,000 Secured Listed Non-Convertible Debentures (NCD) which are listed on BSE Limited and the National Stock Exchange of India Limited.
- e. The Demerged Company is engaged in the business of paper manufacturing and hospitality. The Company presently operates through the following two business verticals:

Paper Business: The Demerged Company is engaged in the manufacture of paper and paper products from wastepaper through its manufacturing facilities situated at Sahibabad, District Ghaziabad, Uttar Pradesh (Delhi NCR region), together with all activities incidental or ancillary thereto.

Hotel Business: The Company owns and operates a five-star hotel under the brand “Country Inn & Suites by Radisson”, situated at Sahibabad, District Ghaziabad, Uttar Pradesh (Delhi NCR region), together with all



activities incidental or ancillary thereto. The hotel has the distinction of being an all-vegetarian hotel formally certified as a Five Star Hotel by the Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Government of India.

Accordingly, the Demerged Company operates two distinct business verticals.

8.2 Resulting Company: Magnum Paperz Limited

- a. **Magnum Paperz Limited** [Corporate Identity Number (CIN): U17013UP2025PLC233401; Permanent Account Number (PAN): AATCM9133G] (hereinafter referred to as “the Resulting Company” or “the Company”) was incorporated on 22nd September, 2025, under the provisions of the Companies Act, 2013, as a public limited company, pursuant to a Certificate of Incorporation issued by the Central Registration Centre on behalf of the jurisdictional Registrar of Companies, Uttar Pradesh, Kanpur.
- b. The registered office of the Resulting Company is presently situated at 18/41, Industrial Area, Site-4, Sahibabad, Ghaziabad-201 010, Uttar Pradesh.
- c. The present authorized share capital of the Resulting Company is INR 15,00,000 divided into 1,50,000 Equity Shares of INR 10 each. The present issued, subscribed and paid-up share capital of the Resulting Company is INR 1,00,000 divided into 10,000 Equity Shares of INR 10 each.
- d. The Resulting Company was incorporated with the object of carrying on the business of manufacturing paper and paper products and undertaking related and ancillary activities.
- e. The Resulting Company is a wholly owned subsidiary of the Demerged Company.

9. Rationale and Justifications:

The management of the Companies has provided the rationale and justifications for the Proposed Scheme of Arrangement:

- i. Existing Business Verticals: The Demerged Company is presently engaged in two distinct business verticals, namely:
 - a. Paper Business: The business of manufacturing paper and paper products from wastepaper through its manufacturing facilities located at Sahibabad, District Ghaziabad, Uttar Pradesh (Delhi NCR region), together with all activities incidental or ancillary thereto.



- b. Hotel Business:** The business of owning and operating a five-star hotel under the brand “*Country Inn & Suites by Radisson*”, situated at Sahibabad, District Ghaziabad, Uttar Pradesh (Delhi NCR region), together with all activities incidental or ancillary thereto. The said hotel has the distinction of being an all-vegetarian hotel formally certified as a Five Star Hotel by the Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Government of India.
- ii. Distinct Nature of Businesses:** The Paper Business and the Hotel Business are inherently different in nature, having distinct operational characteristics, risk profiles, capital requirements, and regulatory frameworks. Each business requires dedicated management focus and specialised expertise.
- iii. Focused Business Strategy:** The management of the Demerged Company proposes to demerge and transfer the Paper Business into a separate entity with a view to creating focused and independent business platforms for each vertical, thereby enabling sharper strategic direction.
- iv. Operational and Strategic Flexibility:** The proposed demerger will provide greater flexibility to manage the Demerged Company and the Resulting Company independently and to pursue strategic alliances, partnerships, collaborations, or restructuring initiatives suited to their respective businesses.
- v. Optimised Capital Structure:** The demerger will enable both the Demerged Company and the Resulting Company to adopt capital structures and financial policies aligned with their respective operational requirements, risk profiles, and long-term strategic objectives.
- vi. Improved Resource Mobilisation:** The Proposed Scheme will facilitate each Company to independently attract and retain suitable human resources, raise funds, induct strategic investors, and engage with stakeholders based on the specific requirements of their respective businesses.
- vii. Independent Growth and Expansion:** The demerger will provide a platform for the independent growth and expansion of each business vertical without exposing the entire organisation to the operational or financial risks associated with the other business.
- viii. Enhanced Management Focus:** With a view to achieving greater managerial focus and operational efficiency, and in the paramount interest of shareholders, the Boards of Directors of the Demerged Company and the Resulting Company have considered that the Proposed Scheme represents the most appropriate and efficient mechanism.
- ix. Overall Stakeholder Benefit:** The Proposed Scheme is expected to create long-term value and have a beneficial impact on the Demerged Company



and the Resulting Company, their respective employees, shareholders, creditors, and other stakeholders, and is considered to be in the overall interest of all concerned.

10. Valuation Approach and Methodologies:

10.1 General Principles of Valuation:

There are several recognised techniques and methodologies available for the valuation of shares. As acknowledged under various judicial precedents, the valuation of shares is a technical matter requiring specialised knowledge, skill, and professional expertise. Differences of opinion are inherent in the valuation process. The mere possibility of adopting a method different from the one selected in a particular case does not, by itself, render the valuation unfair or unreasonable.

10.2 Approach and Methodology as per Valuation Standards:

A. Applicability of International Valuation Standards (IVS):

The International Valuation Standards (IVS) require that due consideration be given to all relevant and appropriate valuation approaches. One or more valuation approaches may be applied to arrive at a value consistent with the applicable basis of value.

The three principal valuation approaches are based on the fundamental economic principles of anticipation of benefits, substitution, and price equilibrium.

B. Principal Valuation Approaches

- i. Market Approach
- ii. Income Approach
- iii. Cost Approach

Each of the above approaches encompasses multiple methods of application.

The objective in selecting the appropriate valuation approach and methodology is to identify the method most suitable under the given facts and circumstances, having regard to, inter alia, the purpose of the valuation, the nature of the asset or enterprise, and the intended use of the Valuation Report.

I. Market Approach

The Market Approach provides an indication of value by comparing the subject asset or enterprise with identical or comparable assets for which price information is available.



I. Market Approach

The Market Approach provides an indication of value by comparing the subject asset or enterprise with identical or comparable assets for which price information is available.

- (a) **Comparable Transactions Method:** The Comparable Transactions Method (also referred to as the Guideline Transactions Method) utilises information relating to transactions involving assets that are identical or comparable to the subject asset to derive an indication of value.

Where the comparable transactions involve the subject asset itself, the method is commonly referred to as the Prior Transactions Method.

In cases where limited recent transaction data is available, prices of identical or similar assets that are listed or offered for sale may be considered, subject to appropriate adjustments and critical analysis. This is generally referred to as the Comparable Listings Method.

- (b) **Guideline Publicly-Traded Comparable Method:** This method utilises information relating to publicly traded companies that are comparable to the subject asset to derive an indication of value.

It differs from the Comparable Transactions Method in that:

- Valuation metrics are available as of the valuation date;
- Detailed information is accessible through public disclosures; and
- Such information is generally prepared in accordance with established accounting standards.

This method should be applied only where sufficient comparability exists to permit meaningful analysis.

- (c) **Market Price Method (Listed Companies):** In the case of valuation of shares of a company listed and actively traded on recognised stock exchanges, the quoted market price may be considered in determining fair value. Generally, an average market price over a reasonable historical period is taken into account to mitigate short-term volatility.

II. Income Approach

The Income Approach provides an indication of value based on the present value of expected future economic benefits.



- (a) **Discounted Cash Flow (DCF) Method:** Under the DCF Method, projected future cash flows are discounted to the valuation date using an appropriate discount rate to determine their present value.

For long-lived or indefinite-lived assets, a terminal value is typically included to represent the value beyond the explicit forecast period. In certain circumstances, valuation may be based primarily on capitalisation of maintainable earnings, which is commonly referred to as an Income Capitalisation Method.

- (b) **Other Income-Based Methods:** In appropriate circumstances, other income-based methods, such as the Profit Earning Capacity Value (PECV) Method, may be applied. The PECV Method focuses on the future maintainable earning capacity of a business, generally based on historical performance, adjusted for normalisation. Future maintainable profits are capitalised using an appropriate capitalisation rate to derive value.

III. Cost Approach

The Cost Approach provides an indication of value based on the economic principle of substitution, i.e., that a prudent buyer will not pay more for an asset than the cost required to acquire or construct an asset of equivalent utility.

Under this approach, value is determined by estimating the current replacement or reproduction cost of the asset and adjusting for physical deterioration, functional obsolescence, economic obsolescence, and other relevant factors.

The Cost Approach is generally considered more appropriate where:

- (a) The asset can be recreated with substantially similar utility within a reasonable timeframe and without significant legal or regulatory constraints;
- (b) The asset is not directly income-generating and the use of the Income or Market Approach is impractical; and/or
- (c) The applicable basis of value is fundamentally linked to replacement cost.

Broadly, the Cost Approach includes:

- 1) Replacement Cost Method: Determines value based on the cost of acquiring or constructing a similar asset with equivalent utility.



- 2) **Reproduction Cost Method:** Determines value based on the cost of creating an exact replica of the asset.
- 3) **Summation (Asset-Based) Method:** Determines value by aggregating the individual values of the asset's constituent components.

C. Selection of Appropriate Methodology

No single valuation method is appropriate in all circumstances. The selection of valuation approaches and methodologies should consider, inter alia:

- i. the appropriate basis and premise of value, as determined by the purpose and terms of the engagement;
- ii. the respective strengths and limitations of available valuation approaches;
- iii. the suitability of each method having regard to the nature of the asset and prevailing market practices; and
- iv. the availability, reliability, and sufficiency of relevant information.

D. Application of Single or Multiple Methods

A valuer is not required to apply more than one method where there is a high degree of confidence in the reliability and appropriateness of a single method, based on the facts and circumstances of the engagement.

However, the application of multiple approaches or methods may be warranted where reliance on a single method may not yield a sufficiently robust conclusion.

Where multiple approaches are applied, the valuer should reasonably reconcile the values derived and arrive at a considered conclusion without resorting to mechanical averaging. The reconciliation process should be appropriately described in the Valuation Report.

E. Flexibility under IVS

While IVS discusses certain commonly adopted valuation methods under the Market, Income, and Cost Approaches, it does not provide an exhaustive list. The selection of appropriate methodologies remains the responsibility of the valuer. In certain



circumstances, compliance with IVS may necessitate the use of methods not specifically enumerated therein.

F. Application in Schemes of Arrangement

In transactions such as mergers, amalgamations, or demergers, consideration is often discharged through the issuance of equity shares of the transferee or resulting entity, based on a share exchange ratio reflecting the relative values of the entities involved.

Such relative values are determined by applying appropriate valuation approaches, either singly or in combination, with suitable weightages assigned where multiple methodologies are adopted.

Typically, relative values are derived using consistent approaches and weightages for the entities involved. However, the use of different methodologies may be justified in specific circumstances — for example, where one entity is listed and the other is unlisted, and the market price method is relevant only for the listed entity.

The basis of valuation selected must be appropriate having regard to the purpose and terms of the engagement, and the valuer shall apply the relevant approaches and assumptions in accordance with applicable valuation standards.

10.3 Valuation Methodologies for the Proposed Demerger:

- a. Pursuant to the proposed Scheme of Arrangement, the Resulting Company shall, inter alia, issue and allot new equity shares to the equity shareholders of the Demerged Company as consideration for the transfer and vesting of the Demerged Undertaking on a going concern basis.
- b. The Scheme envisages that, upon the Scheme becoming effective, the equity shareholding pattern of the Resulting Company shall mirror the equity shareholding pattern of the Demerged Company, such that the same set of equity shareholders shall hold equity shares in both the Demerged Company and the Resulting Company in identical proportion.
- c. The Resulting Company is presently a wholly owned subsidiary of the Demerged Company. In order to achieve the aforesaid mirror shareholding structure, the entire issued, subscribed and paid-up equity share capital of the Resulting Company, as existing immediately prior to the Effective Date, shall, pursuant to the Scheme and without any further act, instrument or deed, stand cancelled and extinguished without any consideration, whether in cash or otherwise.



- d. It is clarified that such cancellation constitutes an integral restructuring mechanism under the Scheme and does not result in any transfer of economic value to or from the shareholders of the Resulting Company.
- e. Upon implementation of the Scheme, the Demerged Company and the Resulting Company shall have an identical set of equity shareholders holding shares in the same proportion. Accordingly, there is no alteration in the relative economic interest of the shareholders as a group. In view thereof, a conventional valuation exercise for determining a share exchange ratio based on relative enterprise or equity values is not warranted.
- f. The share exchange ratio has therefore been determined primarily to give effect to the mirror shareholding structure contemplated under the Scheme, after considering factors such as the relative size and composition of the Demerged Undertaking, the proposed capital structure of the Resulting Company, the post-demerger capital structure of the Demerged Company, and the overall commercial intent and rationale underlying the Scheme.
- g. Based on discussions with the management of the Companies and an evaluation of the proposed structure, the following **equity share exchange ratio is recommended**:
- The Resulting Company shall issue and allot two (2) new equity shares of face value of INR 10 each, credited as fully paid-up, to the equity shareholders of the Demerged Company for every ten (10) equity shares of face value of INR 10 each held by them in the Demerged Company.

Treatment of Compulsorily Redeemable Preference Shares (CRPS):

- h. The Demerged Company has issued compulsorily redeemable preference shares ("CRPS"), a substantial portion of which forms part of the Demerged Undertaking proposed to be transferred to the Resulting Company pursuant to the Scheme.
- i. Considering the nature of the CRPS, their economic linkage to the Demerged Undertaking, and the structural framework of the Scheme, a corresponding exchange mechanism for CRPS is considered appropriate to maintain economic alignment and consistency, as set out below:
- (i) The Resulting Company shall issue and allot nine (9) new compulsorily redeemable preference shares of face value of INR 100 each, credited as fully paid-up, to the preference shareholders of the Demerged Company for every ten (10) compulsorily redeemable preference shares of face value of



INR 100 each held by them in the Demerged Company, on the same terms and conditions.

- (ii) Simultaneously, for every ten (10) compulsorily redeemable preference shares of face value of INR 100 each held in the Demerged Company, the preference shareholders shall thereafter hold one (1) compulsorily redeemable preference share of face value of INR 100 each, credited as fully paid-up, and the balance nine (9) compulsorily redeemable preference shares of face value of INR 100 each shall stand cancelled and extinguished in the books of the Demerged Company pursuant to the capital reduction envisaged under the Scheme.
- j. Accordingly, based on discussions with the management and a review of the capital structure, **the following exchange ratio for CRPS is recommended for demerger:**
- The Resulting Company shall issue and allot nine (9) New Compulsorily Redeemable Preference Shares of face value of INR 100 each, credited as fully paid-up, to each of the Compulsorily Redeemable Preference Shareholders of the Demerged Company for every ten (10) Compulsorily Redeemable Preference Shares of face value of INR 100 each held by them in the Demerged Company, on the same terms and conditions.
- k. Having regard to the following: (1) the terms and conditions of the CRPS to be issued by the Resulting Company and the CRPS retained in the Demerged Company (post capital reduction) shall remain identical (2) the aggregate nominal and economic value of the CRPS held collectively in the Demerged Company and the Resulting Company, post implementation of the Scheme, shall be equivalent to the aggregate pre-Scheme value of CRPS in the Demerged Company; and (3) the demerger is structured on a mirror equity shareholding basis; it is my considered opinion that the aforesaid issuance of CRPS by the Resulting Company and the corresponding reduction of CRPS in the Demerged Company do not impact the overall valuation of the equity shares.
1. In view of the mirror shareholding structure and the absence of any change in relative economic ownership, the determination of the share entitlement ratio under the Scheme does not necessitate an independent valuation under the Market Approach, Income Approach, or Cost (Asset) Approach, as ordinarily applied for determining relative enterprise or equity values.



10.4 Valuation Methodologies for the Proposed Reduction of Capital:

- a. Upon the Scheme becoming effective and subsequent to the issue and allotment of new equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to the demerger component of the Scheme, the management of the Companies has proposed that the Demerged Company shall reduce its issued, subscribed and paid-up equity and preference share capital for the purpose of giving effect to the Demerger and appropriately reflecting the same in its books of account.
- b. The proposed reduction of capital constitutes an integral and inseverable part of the Scheme and is intended to align the capital structure of the Demerged Company with the scale, net worth, and financial position of the Remaining Business following the demerger.
- c. In this regard, I have held detailed discussions with the management of the Companies and have considered, inter alia, the proposed share exchange ratios under the demerger; the financial position and net asset allocation between the Demerged Undertaking and the Remaining Business; and the envisaged post-Scheme capital structure of the Demerged Company.
- d. Based on the foregoing considerations, I recommend the following reduction of the share capital of the Demerged Company, to be effected on a proportionate basis across all shareholders:
 - (i) The issued, subscribed and paid-up equity share capital of the Demerged Company shall be reduced by seventy per cent (70%) on a proportionate basis. Accordingly, seven (7) equity shares of face value of INR 10 each out of every ten (10) equity shares of face value of INR 10 each held by each equity shareholder of the Demerged Company as on the Record Date, shall stand cancelled and extinguished.
 - (ii) The issued, subscribed and paid-up preference share capital of the Demerged Company shall also be reduced by ninety per cent (90%) on a proportionate basis. Accordingly, nine (9) compulsorily redeemable preference shares of face value of INR 100 each out of every ten (10) compulsorily redeemable preference shares of face value of INR 100 each held by each preference shareholder of the Demerged Company as on the Record Date, shall stand cancelled and extinguished.
- e. Consequently, upon the Scheme becoming effective and without any further act, instrument or deed:



- (i) For every ten (10) equity shares of face value of INR 10 each held in the Demerged Company as on the Record Date, the equity shareholders shall thereafter hold three (3) equity shares of face value of INR 10 each, credited as fully paid-up, and the balance seven (7) equity shares of face value of INR 10 each shall stand cancelled and extinguished.
 - (ii) For every ten (10) compulsorily redeemable preference shares of face value of INR 100 each held in the Demerged Company as on the Record Date, the preference shareholders shall thereafter hold one (1) compulsorily redeemable preference share of face value of INR 100 each, credited as fully paid-up, and the balance nine (9) compulsorily redeemable preference shares of face value of INR 100 each shall stand cancelled and extinguished.
- f. Considering that (1) the reduction of share capital is effected on a strictly proportionate basis across all equity and preference shareholders; and (2) all pre-Scheme equity and preference shareholders of the Demerged Company shall continue to hold shares in the Demerged Company, post-Scheme, in the same relative proportion as prior to the capital reduction, there is no alteration in the inter se rights or relative economic interest of the shareholders as a class.

Accordingly, a separate valuation exercise under the Market Approach, Income Approach, or Cost (Asset) Approach is not required for the purpose of the proposed capital reduction, as the reduction does not involve any distribution of value or variation in ownership percentages but merely a proportionate restructuring of the capital base.

10.5 Treatment of Non-Convertible Debentures (NCDs)

The Non-Convertible Debentures (“NCDs”) forming part of the Demerged Undertaking shall, pursuant to the Scheme, stand transferred to and vest in the Resulting Company on a going concern basis and on identical terms and conditions as applicable immediately prior to the Effective Date. Such terms shall include, without limitation, the coupon rate, tenure, redemption price, outstanding quantum, ranking, security structure, and all attendant rights and obligations.

As represented under the Proposed Scheme, there shall be no modification, variation, or alteration in the contractual terms and conditions governing the NCDs as a consequence of the demerger.

It is further represented that the Resulting Company shall undertake all necessary actions to obtain requisite approvals for listing and trading of the NCDs on the stock exchange(s) on which such NCDs are listed as on the Effective Date. Upon receipt of such approvals, the



NCDs shall continue to remain listed and freely tradable, thereby preserving liquidity and exit avenues for the NCD holders.

11. Share Exchange Ratio

On the basis of the foregoing analysis, discussions with the management of the Companies, and having regard to the structure and intent of the Scheme of Arrangement (“Scheme”), I recommend the following share exchange ratios:

I. Demerger of Paper Business of **Magnum Ventures Limited** (Demerged Company) into **Magnum Paperz Limited** (Resulting Company):

A. Exchange Ratio for Equity Shareholders:

Valuation Approach	Magnum Ventures Limited		Magnum Paperz Limited	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach	N.A.	N.A.	N.A.	N.A.
Income Approach	N.A.	N.A.	N.A.	N.A.
Market Approach	N.A.	N.A.	N.A.	N.A.
Relative Value per shares	N.A.		N.A.	
Exchange Ratio (Rounded-off)	10		2	

Note (I) (A): Upon implementation of the Scheme, the Demerged Company and the Resulting Company shall have an identical set of equity shareholders holding equity shares in the same proportion (mirror shareholding structure). Accordingly, there is no change in the relative economic interest of the shareholders as a group, no determination of relative enterprise or equity value is required, a conventional valuation exercise for arriving at a share exchange ratio under the Asset Approach, Income Approach, or Market Approach is not warranted.

The exchange ratio has therefore been structured to give effect to the mirror shareholding mechanism contemplated under the Scheme.

Accordingly, based on discussions held with the management of the Companies and in order to operationalise the Scheme, the following equity share exchange ratio is recommended:

“The Resulting Company shall issue and allot two (2) New Equity Shares of face value of INR 10 each, credited as fully paid-up, to the Equity Shareholders of the Demerged Company for every ten (10) Equity Shares of face value of INR 10 each held by them in the Demerged Company.”



B. Exchange Ratio for Compulsorily Redeemable Preference Shareholders (CRPS):

Valuation Approach	Magnum Ventures Limited		Magnum Paperz Limited	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach	N.A.	N.A.	N.A.	N.A.
Income Approach	N.A.	N.A.	N.A.	N.A.
Market Approach	N.A.	N.A.	N.A.	N.A.
Relative Value per shares	N.A.		N.A.	
Exchange Ratio (Rounded-off)	10		9	

Note (I) (B): Considering that (1) the CRPS are being issued by the Resulting Company on a strictly proportionate basis and on identical terms and conditions as existing prior to the Scheme (2) the aggregate nominal and economic value of CRPS held collectively in the Demerged Company and the Resulting Company post-Scheme shall be equal to the aggregate pre-Scheme value of CRPS in the Demerged Company, and (3) the demerger is structured on a mirror ownership basis, there is no alteration in the relative economic interest of the CRPS holders.

Accordingly, a separate valuation under the Asset Approach, Income Approach, or Market Approach is not required for the purpose of issuance of CRPS pursuant to the Scheme.

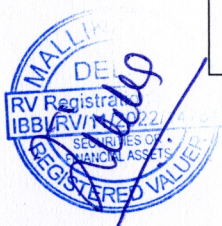
Based on discussions with the management and a review of the capital structure, the following exchange ratio for CRPS is recommended as part of the Scheme:

“The Resulting Company shall issue and allot nine (9) New Compulsorily Redeemable Preference Shares of face value of INR 100 each, credited as fully paid-up, to each of the Compulsorily Redeemable Preference Shareholder of the Demerged Company for every ten (10) Compulsorily Redeemable Preference Shares of face value of INR 100 each held by them in the Demerged Company, on the same terms and conditions.”

II. Reduction of Capital in the Demerged Company:

A. Exchange Ratio for Equity Shareholders:

Valuation Approach	Magnum Ventures Limited		Magnum Paperz Limited	
	Value Per	Weight	Value Per	Weight



	Share		Share	
Asset Approach	N.A.	N.A.	N.A.	N.A.
Income Approach	N.A.	N.A.	N.A.	N.A.
Market Approach	N.A.	N.A.	N.A.	N.A.
Relative Value per shares	N.A.		N.A.	
Exchange Ratio (Rounded-off)	0.30 (i.e., 3/10 or 3:10)		N.A.	

B. Exchange Ratio for Compulsorily Redeemable Preference Shareholders (CRPS):

Valuation Approach	Magnum Ventures Limited		Magnum Paperz Limited	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach	N.A.	N.A.	N.A.	N.A.
Income Approach	N.A.	N.A.	N.A.	N.A.
Market Approach	N.A.	N.A.	N.A.	N.A.
Relative Value per shares	N.A.		N.A.	
Exchange Ratio (Rounded-off)	0.10 (i.e., 1/10 or 1:10)		N.A.	

Note (II)(A) and II(B): As a consequence of the aforesaid reduction, upon the Scheme becoming effective and without any further act, instrument or deed:

- (i) For every ten (10) equity shares of face value of INR 10 each held in the Demerged Company as on the Record Date, the equity shareholders shall thereafter hold three (3) equity shares of face value of INR 10 each, credited as fully paid-up, and the balance seven (7) equity shares of face value of INR 10 each shall stand cancelled and extinguished.
- (ii) For every ten (10) compulsorily redeemable preference shares of face value of INR 100 each held in the Demerged Company as on the Record Date, the preference shareholders shall thereafter hold one (1) compulsorily redeemable preference share of face value of INR 100 each, credited as fully paid-up, and the balance nine (9) compulsorily redeemable preference shares of face value of INR 100 each shall stand cancelled and extinguished.

The reduction of capital (1) is affected strictly on a proportionate basis across all shareholders; (2) does not result in any change in the inter se shareholding percentages of the equity or preference shareholders; and, (3) forms part of a composite Scheme under which the Demerged Company and the Resulting Company shall have an identical set of shareholders holding shares in the same proportion (mirror ownership



structure). Accordingly, there is no alteration in the relative economic interest of any shareholder or class of shareholders. Therefore, a separate valuation exercise under the Asset Approach, Income Approach, or Market Approach is not required for the purpose of the aforesaid capital reduction.

Fractional Entitlement: The treatment of fractional entitlements, if any, arising pursuant to the aforesaid exchange ratios under the demerger and the reduction of capital, shall be carried out in accordance with the applicable provisions of the SEBI Master Circular on Schemes of Arrangement by Listed Entities dated 20th June 2023, as amended from time to time, and such other applicable laws and regulatory requirements.

12. Conclusion:

Based on my examination of the proposed Scheme of Arrangement, the information, explanations and representations provided to me by the management of the Companies, my understanding of the Demerged Undertaking, the Remaining Business, and the proposed post-Scheme capital structures, and having due regard to the objectives and commercial rationale of the Scheme, I am of the considered opinion that the proposed share exchange ratios and the consequential reduction of share capital, as set out herein, are fair, reasonable, and equitable, and do not result in any prejudice to the interests of the equity shareholders or the preference shareholders of the Companies.

I further confirm that the valuation approach and methodology adopted by me are appropriate in the context of the Proposed Scheme, particularly in view of the mirror shareholding structure contemplated therein, and that the proposed restructuring does not alter the relative economic interests of the shareholders as a group, either in the Demerged Company or in the Resulting Company.

Accordingly, I am of the view that the Proposed Scheme of Arrangement, insofar as it relates to the share exchange ratios and the reduction of share capital, is fair and reasonable and is in the overall interest of the Companies and their respective stakeholders.

Thanking you,

Mallika Goel
Mallika Goel

Registered Valuer- Securities or Financial Assets

IBBI Registration No.: IBBI/RV/11/2022/14784

Certificate of Practice No.: DJVF/RVO/129/SFA



Date: 27th February 2026

Encl: Proforma Balance Sheet of 'Paper Business' of Magnum Ventures Limited to be demerged into Magnum Paperz Limited

Proforma Balance Sheet of 'Paper Business' of Magnum Ventures Limited to be demerged into Magnum Paperz Limited

As on 31st December, 2025

Particulars	Amount (INR)
ASSETS	
Non-Current Assets	
a) Property Plant and Equipment	422,26,94,090
b) Capital Work-in-Progress	73,08,62,630
c) Intangible Assets	30,063
d) Right of Use Asset	28,24,39,125
e) Financial Assets	
i. Investments	1,00,000
ii. Other Financial Assets	5,03,50,607
Total Non-Current Asset	528,64,76,515
Current Assets	
a) Inventories	94,34,35,503
b) Financial Assets	
i. Trade receivables	45,02,63,415
ii. Cash and cash equivalents	4,24,62,227
iii. Bank Balance other than above	5,68,61,561
iv. Loans	14,16,751
v. Other Financial Asset	3,00,412
c) Other Current Assets	-10,40,41,966
Total Current Asset	139,06,97,905
TOTAL ASSETS (A)	667,71,74,420
LIABILITIES	
Non-Current Liabilities	
a) Financial Liabilities	
i. Borrowings	78,91,16,431
ii. Lease Liabilities	30,09,20,708
b) Provisions	3,11,27,335
c) Deferred Tax Liabilities (Net)	175,14,22,169
Total Non-Current Liabilities	287,25,86,643
Current Liabilities	
a) Financial Liabilities	
i. Borrowings	4,90,31,094
ia. Lease Liabilities	4,50,38,341
ii. Trade Payable	45,84,89,953
iii. Other Financial Liabilities	5,39,04,514
b) Other Current Liabilities	7,05,44,723
c) Provisions	1,47,59,203
Total Current Liabilities	69,17,67,828
TOTAL LIABILITIES (B)	356,43,54,472
Net Assets [A-B] (C)	311,28,19,948

