

VALUATION REPORT

Of

JAIN IKON GLOBAL VENTURES FZC

Prepared by

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CHARTERED ACCOUNTANTS

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May 29, 2024

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Notice to Reader

This report is prepared by S TARUN KUMAR & CO. solely for the purpose of estimating the indicative valuation of JAIN IKON GLOBAL VENTURES FZC (The Company) which is engaged in the business of the Refining of Precious Metal Jewellery and Gold in Sharjah. For the purpose of this valuation, S TARUN KUMAR & CO. has been appointed by the Company. This report is not to be used, circulated and quoted otherwise than for the purpose stated herein. This report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be reproduced (in part or otherwise) in any other document whatsoever without Director's specific written consent.

We have relied on such data, information, etc. as was necessary deemed for the purpose of this assignment which has been made available to us by the management of the Company.

For the purpose of this assignment, we have relied on the statements; information and explanation provided by the management of the Company and has not tried to evaluate the accuracy thereof.

Our work does not constitute certification or due diligence of the past working results of companies and we have relied upon the information provided to us by the company as set out in their audited and working results.

We have not carried out any physical verification of the assets and liabilities of the company and take no responsibility on the identification, availability and valuation of such assets and liabilities.

The valuation of this company has been carried out for the express purpose as mentioned in scope of assignment and may not be applicable or referred to or quoted in any other context.

Introduction and Scope of Assignment

JAIN IKON GLOBAL VENTURES FZC (the "Company") is a Limited Liability company domiciled in Sharjah and was incorporated on December 26, 2023 under the Sharjah Airport International Free Zone (Saif Zone) pursuant to Emri Decree No 2 of 1995. Its registered and principal office of business is located at SAIF Zone, 400 M2 Warehouse A-2-027,A2-028,A2-029, Sharjah-UAE. The Company is primarily engaged in the business of Refining of Precious Metal Jewellery and Gold Refinery in Sharjah. The company has been incorporated in December 2023 and it has not commenced any operations and its is in the stage of setting the refinery plant,

The present directors of the Company are Mr. Atul Pareek and Mr Raghuram Chaluvadi

The equity valuation mentioned herein reflects our independent opinion about the estimated fair value of company and has been arrived at based on the financial information and statements and assumptions of the Company provided by the Company.

This valuation is based on the facts and circumstances existing as on 30th April 2024 and as explained to us by the management.

Source of Information:

For the purposes of the valuation exercise, we relied on relevant data and information of The Company provided to us by management of the Company.

Exclusion and Limitations:

- During the course of work we have relied upon the Unaudited Financial statement of the Company as provided to us by the Management of The Company.
- Our valuation exercise and conclusions reached by us are dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our report.
- We have prepared our report based on the information provided by the management of The Company, without assuming any responsibility for the accuracy and completeness thereof.
- Our valuation will not be offered to any section of the public to subscribe for or purchase any securities in or assets or liabilities of any company or business valued by us.
- This report is prepared with a limited purpose / scope as identified / stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.

Valuation Methodology:

1.1 As per the Internationally Accepted Valuation Principles, any of the following methodologies for valuation of equity shares may be used depending upon the company dynamics:

a) Income Approach

- Discounted Free Cash Flow Method
- Profit Earning Capacity Value Method

b) Market Approach

- Market Price Method
- Comparable Multiple Method

c) Assets based Approach

- Net Assets Value Method. Under this method, the value of the assets can be taken at book value or it may be taken at fair values.

1.2 The fair value of equity shares have to be determined using a particular method or a weighted average of combination of methods after taking into consideration all the factors and the valuation principles mentioned above.

Selection of Valuation Approach and Method:

1. Market based Approach of valuation was not considered owing to the absence of strictly comparable transactions and paucity of publicly available data in the relevant industry. Thus, because of these limitations the market based approach 'Is not suitable for valuation of Shares of the Company.
2. Income Approach of valuation was not considered owing to the absence of projected cash flows and historical financial statement are not available because company has incorporated only in December 2023.

3. In the given context, after considering all the factors and the fact that the company is unlisted and for the purpose of valuation of shares of The Company, we have used Net Asset Method. This method is amongst the internationally accepted pricing methodology for valuation of shares.

4. Net Asset Method:

The Net Asset Method is the net value of an assets less its liabilities, divided by the number of shares outstanding. The price of each share is reflected as the per-share value. Asset-based valuation is a form of valuation in business that focuses on the value of a company's assets or the fair market value of its total assets after deducting liabilities. The asset based valuation model is a framework that determines the fair market value of a firm's assets. These assets, encompassing tangible elements like property, plant, and equipment, alongside intangible components like copyrights and trademarks, play a pivotal role in generating revenue.

Underlying this model is the principle that the company's overall equity value equals the total value of its assets, both tangible and intangible, subtracted by its total liabilities, recorded or contingent. Analysts employ diverse techniques to evaluate asset value, including balance sheet values, replacement values, and fair market values.

This widely accepted valuation approach combines flexibility and complexity. Its flexibility emerges from the incorporation of off-balance-sheet items, such as contingent assets or liabilities. Determining the market value of tangible assets based on book value follows a relatively straightforward path. Assessing the worth of intangible assets introduces intricacy, demanding more extensive data, analytical effort, and associated expenses compared to alternative valuation methods.

Valuation of JAIN IKON GLOBAL VENTURES FZC:

Computation of Value per share based on Net Asset Method as under :

The Fair Market Value of Unquoted Equity shares shall be determined in the following manner,

namely:- Value per share = $\frac{A-L \times (PV)}{(PE)}$

Where,

A = Book value of the assets in the balance sheet

L = Book value of the Liabilities in the balance sheet

PE= Total Amount of Paid-up equity Share Capital

PV= The face value of each share

- a) As per the working, the value of 'A' is computed as under based on the balance sheet of the the company as on 30.04.2024:

Nature of Assets	Amount in (AED)
Fixed Assets	3,919.15
Work in Progress	2,57,883.84
Cash and bank balances	80,403.75
Short term Loans and advances	10,46,291.14
Deposits	43,463.38
Total of Assets - (A)	14,31,961.26

Total of Assets - (A) 14,31,961.26

- b) The Value of 'L' is computed as under based on the balance sheet of the The company as on 30.04.2024:

Nature of Liabilities	Amount in (AED)
Long-term Borrowings	8,50,760.20
Trade payables	3,75,701.06
Other Payables	55,500.00
Total Liabilities	12,81,961.26

Total of Liabilities - (L) = 12,81,961.26

c) PE = AED 150000

d) PV= AED 1500

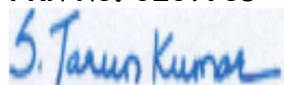
As per the formula, The value of Equity share is worked as under

Value per share = $\frac{A-L \times (PV)}{(PE)}$

Value per share = $\frac{14,31,961 - 12,81,961 \times 1500}{1,50,000}$ = AED 1500 Per share as per Net Asset

Value of Unquoted Equity share as per Net Asset Method is AED 1500 per share.

For S.TARUN KUMAR & CO
Chartered Accountants
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Date: 30/05/2024

