PwC Business Consulting Services LLP Registered Valuer Registration No. IBBI/RV – E/02/2022/158 252 Veer Savarkar Marg, Shivaji Park, Dadar (west), Mumbai – 400 028, Maharashtra, India.	Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India.

Dated: 06 December 2023

To,

The Audit Committee/ The Board of Directors, Network18 Media & Investments Limited 1st Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India	**The Audit Committee/ The Board of Directors, TV18 Broadcast Limited** 1st Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India	**The Audit Committee/ The Board of Directors, e-Eighteen.com Limited** 1st Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India

Sub: Recommendation of fair equity share exchange ratio for the proposed amalgamation of TV18 Broadcast Limited and e-Eighteen.com Limited with Network18 Media & Investments Limited

Dear Sir / Madam,

We refer to respective engagement letters of PwC Business Consulting Services LLP ("PwC BCS") and Ernst & Young Merchant Banking Services LLP ("EY"), whereby PwC BCS is appointed by Network18 Media & Investments Limited ("Network18") and EY is appointed by TV18 Broadcast Limited ("TV18") and e-Eighteen.com Limited ("E18"), for recommendation of fair equity share exchange ratio ("Share Exchange Ratio") for the proposed amalgamation of TV18 and E18 with Network18 ("Proposed Amalgamation").

Network18, TV18 and E18 are hereinafter jointly referred to as "Companies" or "Clients".

PwC BCS and EY are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

The Share Exchange Ratio for this report refers to number of equity shares of Network18 which would be issued to the equity shareholders of TV18 and E18 pursuant to the Proposed Amalgamation.

Our deliverable for this engagement would be a report recommending fair equity share exchange ratio for the Proposed Amalgamation ("Report") with 05 December 2023 being the Valuation Date.

For the purpose of this valuation, the valuation is based on 'Going Concern' premise.

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SCOPE AND PURPOSE OF THIS REPORT

Network18 was incorporated on 16 February 1996 under the Companies Act, 1956 and has its registered office at Mumbai, India. Network18 inter-alia houses a portfolio of digital news websites and magazines. Network18 holds 51.17% of the paid-up equity share capital of TV18 and has investment in BigTree Entertainment Private Limited. The equity shares of Network18 are listed on the stock exchanges in India. For the financial year ended 31 March 2023, Network18 reported a consolidated revenue of INR 6,223.0 cr and a consolidated loss of INR 15.8 cr.

TV18 was incorporated on 06 June 2005 under the Companies Act, 1956 and has its registered office at Mumbai, India. TV18 is inter-alia engaged in the media business and it broadcasts general news channels in Hindi, English and other regional languages and business news channels in Hindi, English and Gujarati and also broadcasts, through its subsidiary, Viacom18 Media Private Limited, general entertainment channels in Hindi, English and other regional languages. Viacom18 Media Private Limited also operates the JioCinema platform. The equity shares of TV18 are listed on the stock exchanges in India. For the financial year ended 31 March 2023, TV18 reported a consolidated revenue of INR 5912.1 cr and consolidated profit of INR 127.8 cr.

E18 was incorporated on 28 March 2000 under Companies Act, 1956 and has its registered office at Mumbai, India. E18 inter-alia owns and operates the platform moneycontrol.com website and app. E18 is a subsidiary of Network18 and Network18 holds 91.89% of the paid-up equity share capital of E18. For the year ended 31 March 2023, E18 reported a consolidated revenue of INR 180.8 cr and a consolidated profit of INR 2.1 cr.

We understand that the management of the Companies (hereinafter collectively referred to as "the Management") are evaluating a merger of TV18 and E18 into Network18 through a Composite Scheme of Arrangement under the provisions of Sections 230-232 and the other applicable provisions of the Companies Act, 2013.

In this connection, the Board of Directors of Network18 have appointed PwC BCS, and the Board of Directors of TV18 and E18 have appointed EY, the Registered Valuers, to recommend a Share Exchange Ratio, for issue of Network18's equity shares to the equity shareholders of TV18 and E18 for the Proposed Amalgamation, to be placed before the Audit Committee/ Board of Directors of the Companies.

We understand that the appointed date for the Proposed Amalgamation as per the draft scheme shall be 01 April 2023 or such other date as may be approved by the Board of Directors of the Companies.

The scope of our services is to conduct a valuation of equity shares of the Companies on a relative basis and report Share Exchange Ratio for the Proposed Amalgamation.

The Valuers have worked independently in their analysis. The Valuers have independently arrived at different values per share of the Companies. However, to arrive at the consensus on the Share Exchange Ratio for the Proposed Amalgamation, appropriate minor adjustments/rounding off have been done by the Valuers.

We have been provided with the limited reviewed financials of Network18 and TV18 and audited financials of E18 for the six months ended 30 September 2023. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. Further, we have been informed that all material information impacting the Companies has been disclosed to us.

We have been informed by the Management that:

a) there would not be any capital variation in the Companies till the Proposed Amalgamation becomes effective, except issuance of Employee Stock Options in normal course of the business of the Companies. In the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares before the Proposed Amalgamation becomes effective, the issue of shares pursuant to the Fair Equity Share Exchange Ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.
b) till the Proposed Amalgamation becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.
c) there are no unusual/abnormal events in the Companies materially impacting their operations/financial position after 30 September 2023 till the Report date.

We have relied on the above while arriving at the Share Exchange Ratio for the Proposed Amalgamation.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION / MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT DURING THE VALUATION

In connection with this exercise, we have received/obtained the following information about the Companies from the Management:

- Draft Composite Scheme of Arrangement for the Proposed Amalgamation.
- Annual reports of Network18 and TV18 for years ended 31 March 2020 to 31 March 2023.
- Audited financial statement of E18 and its subsidiary for years ended 31 March 2020 to 31 March 2023 and for six months ended 30 September 2023.
- Limited reviewed financials of Network18 and TV18, their subsidiaries and associates (other than BigTree Entertainment Private Limited) for six months ended 30 September 2023 and 30 September 2022.
- Limited reviewed profit & loss statement for six months ended 30 September 2023 and 30 September 2022 and unaudited balance sheet of BigTree Entertainment Private Limited as at 30 September 2023.
- Limited reviewed financials of E18 and its subsidiary for six months ended 30 September 2022.
- Number of equity shares of the Companies, their subsidiaries and associates as on the Valuation Date on a fully diluted basis.
- Other relevant information and documents for the purpose of this engagement provided through emails or hard copy of documents or during discussion.

In addition, we have obtained information from public sources/ proprietary databases including quarterly results.

During discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

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PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information, and clarifications regarding past financial performance of the Companies, their subsidiaries and associates.
- Considered data available in public domain related to the Companies, their subsidiaries and associates, and its peers.
- Discussions (physical/over call) with the Management to:
  - Understand the business and fundamental factors that affect its earning-generating capability and historical financial performance of the Companies, their subsidiaries and associates, as available in public domain.
- Undertook Industry Analysis:
  - Researched publicly available market data including economic factors and industry trends that may impact the valuation.
  - Analysed key trends and valuation multiples of comparable companies using proprietary databases subscribed by us or our network firms.
- Selected internationally accepted valuation methodology/(ies) as considered appropriate by us, in accordance with the International Valuation standards (effective January 31, 2022) published by the International Valuation Standards Council.
- Arrived at valuation of Companies in order to conclude our analysis on Share Exchange Ratio for the Proposed Amalgamation.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. Due to possible changes in market forces and circumstances, this valuation Report can only be regarded as relevant as at the Valuation Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Clients are the only authorized users of this report and use of the report is restricted for the purpose indicated in the respective engagement letters. This restriction does not preclude the Clients from providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) limited reviewed financials of Network18 and TV18 and

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audited financials of E18 for six months ended 30 September 2023, and (iv) other information obtained by us from time to time. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 30 September 2023 and the Report date and that no material changes have occurred in their respective operations and financial position between 30 September 2023 and the Report date.

An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents.

The Clients/owners and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/Clients, their management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.

Valuers are not aware of any contingency, commitment or material issue which could materially affect the Companies' economic environment and future performance and therefore, the equity value of the Companies.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies, if any provided to us.

This Report does not look into the business/ commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

The fee for the engagement is not contingent upon the results reported.

The actual equity share exchange ratio may be higher or lower than our recommendation depending upon the circumstances of the transaction, the nature of the business. The knowledge, negotiating ability and motivation of the buyers and sellers will also affect the exchange ratio achieved. Accordingly, our recommended Share Exchange Ratio will not necessarily be the equity share exchange ratio at which actual transaction will take place.

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We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

Though the Valuers are issuing a joint report, PwC BCS will owe the responsibility only to the Board of Directors of Network18 and EY will owe the responsibility only to the Board of Directors of TV18 and E18 who have been appointed under the terms of their respective engagement letters. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions or advice given by any other person.

DISCLOSURE OF RV INTEREST OR CONFLICT, IF ANY AND OTHER AFFIRMATIVE STATEMENTS

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.

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SHAREHOLDING PATTERN

Network18 Media & Investments Limited

The issued and subscribed equity share capital of Network18 as of 30 September 2023 is INR 523.5 Cr consisting of 1,04,69,48,519 equity shares of face value of INR 5/- each. The shareholding pattern is as follows:

Shareholding Pattern as on 30 September 2023	No. of Shares	% Shareholding
Promoter	78,52,11,389	75.00%
Public	26,17,37,130	25.00%
Grand Total	**1,04,69,48,519**	**100.00 %**

Source: www.bseindia.com accessed on 05 December 2023.

TV18 Broadcast Limited

The issued and subscribed equity share capital of TV18 as of 30 September 2023 is INR 342.9 Cr consisting of 1,71,43,60,160 equity shares of face value of INR 2/- each. The shareholding pattern is as follows:

Shareholding Pattern as on 30 September 2023	No. of Shares	% Shareholding
Promoter	1,03,55,20,105	60.40%
Public	67,88,40,055	39.60%
Grand Total	**1,71,43,60,160**	**100.00 %**

Source: www.bseindia.com accessed on 05 December 2023.

e-Eighteen.com Limited

The issued and subscribed equity share capital of E18 as of 30 September 2023 is INR 5.4 Cr consisting of 54,04,000 equity shares of face value of INR 10/- each. The shareholding pattern is as follows:

Shareholding Pattern as on Valuation Date	No. of Shares	% Shareholding
Network18	49,65,596	91.89%
Others	4,38,404	8.11%
Grand Total	**54,04,000**	**100.00 %**

Source: Management information

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APPROACH FOR RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

The Composite Scheme of Arrangement contemplates the merger of TV18 and E18 with Network18. Arriving at the Share Exchange Ratio for the Proposed Amalgamation of TV18 and E18 with Network18 would require determining the value of equity shares of Network18, TV18 and E18 on a relative basis. These values are to be determined independently, but on a relative basis for the Companies, without considering the effect of the Proposed Amalgamation.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers and our reasonable judgment, in an independent and bona fide manner.

The valuation approach adopted by PwC BCS and EY is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

The basis of the amalgamation of TV18 and E18 with Network18 would have to be determined after taking into consideration all the factors and methods mentioned herein after. Though different values have been arrived at under each of the approaches / methods as mentioned in the Annexures, for the purposes of recommending a Share Exchange Ratio it is necessary to arrive at a final value for each Companies. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

The Share Exchange Ratio has been arrived at on the basis of value of equity shares of the Companies based on the various approaches/methods explained herein after considering various qualitative factors relevant to each company, business dynamics and growth potentials of the businesses of the Companies, information base and key underlying assumptions and limitations.

While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Share Exchange Ratio. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

We have independently applied approaches/methods discussed in the Annexures, as considered appropriate, and arrived at the value per share of the Companies. To arrive at the consensus on the Share Exchange Ratio for the Proposed Transaction, suitable minor adjustments / rounding off have been done.

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In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Amalgamation of TV18 and E18 with Network18:

100 (Hundred) equity shares of Network18 of INR 5/- each fully paid up for every 172 (One Hundred and Seventy Two) equity shares of TV18 of INR 2/- each fully paid up.
19 (Nineteen) equity shares of Network18 of INR 5/- each fully paid up for every 1 (One) equity shares of E18 of INR 10/- each fully paid up.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Amalgamation per se or accounting, legal or tax matters involved in the Proposed Amalgamation.

Respectfully submitted, **PwC Business Consulting Services LLP** Registered Valuer Registration No. IBBI/RV-E/02/2022/158 Neeraj **Neeraj Garg** Partner IBBI Membership No.: IBBI/RV/02/2021/14036 Date: 06 December 2023 RVN: IOVRVF/PWC/2023-2024/2719	Respectfully submitted, **Ernst & Young Merchant Banking Services LLP** Registered Valuer Registration No. IBBI/RV-E/05/2021/155 **Parag Mehta** Partner IBBI Membership No.: IBBI/RV/05/2019/11608 Date: 06 December 2023 EYMBS/RV/2023-24/032

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Annexure 1A- Approach to Valuation – PwC BCS

We have considered International Valuation Standards[1] in carrying out our valuation analysis and delivering our valuation conclusion. There are several commonly used and accepted valuation approaches for determining the value of shares of a company, which have been considered in the present case, to the extent relevant and applicable:

1. **Asset Approach - Net Asset Value method**

   The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in cases where the firm is to be liquidated i.e., it does not meet the 'going concern' criteria or in case where the assets base dominates earnings capability. A Scheme of Amalgamation/ Slump Sale would normally be proceeded with, on the assumption that the companies/ business would continue as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of merger, with the values arrived at on the net asset basis being of limited relevance.

2. **Income Approach (Discounted Cash Flows (DCF) Method)**

   Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital/ cost of equity. The sum of the discounted value of such free cash flows is the value of the firm/ equity shareholders.

   Using the DCF analysis involves determining the following:

   Estimating future free cash flows:
   Free cash flows are the cash flows expected to be generated by the company/ business that are available to all providers of the companies'/ business' capital – both creditors and shareholders.

   Appropriate discount rate to be applied to cash flows i.e., the cost of capital:
   This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company/ business. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

3. **Market Approach:**

   Under this approach, value of a company is assessed basis its market price (i.e. if its shares are quoted on a stock exchange) or basis multiples derived using comparable (i.e., similar) listed companies or transactions in similar companies. Following are the methods under Market Approach:

[1] Market Value as per IVS 104: Market Value is the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The Fair Value referred in the Report is same as Market Value as defined above.

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- **Market Price (MP) Method**

  The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper indicator of the fair value of the share especially where the market values are fluctuating in a volatile capital market or when the shares are thinly traded. Further, in the case of merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

- **Comparable Companies' Multiple (CCM) method**

  Under this method, value of a business / company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. The market price, as a ratio of the comparable company's attribute such as sales, capital employed, earnings, etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

- **Comparable Companies' Transaction Multiples (CTM) Method**

  Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable transactions. This valuation is based on the principle that transactions taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. The determination of a Share Exchange Ratio/ Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single Share Exchange Ratio/ equity value estimate. The Share Exchange Ratio rendered in this Report only represent our recommendation(s) based upon information till the date of this Report, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide

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manner based on our previous experience of assignments of a similar nature. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been discussed below.

The Share Exchange Ratio has been arrived at on the basis of equity valuation (on a per share basis) of Network18, TV18 and E18, on a relative basis, based on the various methodologies explained herein earlier and other factors considered relevant, having regard to information base, key underlying assumptions, and limitations. Though different values have been arrived at under each of the above methodologies, it is finally necessary to arrive at a single value for the Proposed Amalgamation. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

In the current analysis, the merger of TV18 and E18 into Network18 is proceeded with on the assumption that Network18, TV18 and E18 would merge as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of merger, with the values arrived at on the net asset basis being of limited relevance. Hence, while we have calculated the values of the shares of Network18, TV18 and E18 under the Asset Approach, we have considered it appropriate not to give any weightage to the same in arriving at the Share Exchange Ratio.

We understand from the Management that as Network18 and TV18 are listed entities and E18 is a subsidiary of a listed entity, the financial projections being price-sensitive, could not be provided to us. Hence, we have not considered Discounted Cashflow method under Income Approach in determining value estimates for Network18, TV18 and E18 and/ or Share Exchange Ratio.

For our analysis under Market Approach, we have considered the Market Price Method to arrive at the value of the equity shares of Network18 and TV18 for the purpose of arriving at the Share Exchange Ratio. For determining the market price, the volume weighted share price of Network18 and TV18 over an appropriate period up to 05 December 2023, has been considered in this case. Equity shares of E18 are not listed on any stock exchange.

Considering the stage of operations of the Companies, nature of their industry and the current profitability status of the Companies and their subsidiaries/ associates, we have considered the Enterprise Value/ Revenue ('EV/Revenue') multiple of listed comparable companies. We have relied on publicly available information and certain databases such as CapitalIQ, etc. to arrive at the comparable company multiple.

Comparable Companies' Transaction Multiple (CTM) method has not been used due to lack of comparable transactions in this space. Further, the transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

For our final analysis and recommendation, we have considered the values arrived under the Market Approach, to arrive at the relative value of the equity shares of Network18, TV18 and E18 for the purpose of the Proposed Amalgamation.

We have considered appropriate weights to the values arrived at under different methods under Market Approach.

In view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, the tables below summarise our workings for valuation of Netwotk18, TV18 and E18, and the Share Exchange Ratio as derived by us.

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The computation of fair equity share exchange ratio for Proposed Amalgamation of TV18 into Network18 by PwC BCS is tabulated below:

Valuation Approach	**Network18**		**TV18**	
	Value per Share of Network18 (INR)	**Weight**	**Value per Share of TV18 (INR)**	**Weight**
Cost/Asset Approach (i)	10.1	0%	34.5	0%
Income Approach – DCF method	NA	NA	NA	NA
Market Approach				
Multiples method (ii)	67.3	40%	45.1	40%
Market Price method (iii)	88.2	60%	47.5	60%
Relative Value per Share (Weighted Average of (i),(ii) and (iii)	**79.8**		**46.5**	
Share Exchange Ratio (Rounded)	**1 : 1.72**			

The computation of fair equity share exchange ratio for Proposed Amalgamation of E18 with Network18 by PwC is tabulated below:

As per Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated 20 June 2023, "*The issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.*"

As per regulations 164 (1) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (last amended on 23 May 2023), *If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*
a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date."

Based on above, the equity shares of Network18 to be allotted pursuant to the preferential issue cannot be lower than the higher of 10 trading days' volume weighted average price ("VWAP") and 90 trading days' VWAP ("Preferential Issue Price"). Fair value of equity shares of Network18 using Market Approach (Multiples method), as presented in the table below, is lower than the value of equity shares of Network18 computed basis Preferential Issue Price. Hence, we have given 100% weight to the value of equity shares of

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Network18 computed based on the Preferential Issue Price for the proposed amalgamation of E18 with Network18.

Valuation Approach	**Network18**		**E18**	
	Value per Share of Network18 (INR)	**Weight**	**Value per Share of E18 (INR)**	**Weight**
Cost/Asset Approach (i)	10.1	0%	273.0	0%
Income Approach – DCF method	NA	NA	NA	NA
Market Approach				
Multiples method (ii)	67.3	40%	1,678.1	100%
Market Price method (iii)	88.2	60%	NA	NA
Relative Value per Share (Weighted Average of (i), (ii) and (iii) – (A)	**79.8**		**1,678.1**	
Market Price method - 90 trading days VWAP as at 05 December 2023 (Being the preceding day of the Relevant Date i.e. 06 December 2023 as informed to us by Network18) (B)	76.0		NA	
Market Price method - 10 trading days VWAP as at 05 December 2023 (Being the preceding day of the Relevant Date i.e. 06 December 2023 as informed to us by Network18) (C)	88.2		NA	
Preferential Issue Price (D) – higher of (B) and (C)	**88.2**		**NA**	
Price considered for recommendation of SWAP ratio (Higher of A and D)	**88.2**		**1,678.1**	
Fair Equity Share Exchange Ratio (Rounded)	**19 : 1**			

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Annexure 1B- Approach to Valuation – EY

We have followed the International Valuation Standards ("IVS") for carrying out our valuation analysis and delivering our valuation conclusion. There are primarily three approaches in valuation (viz., Cost/Asset Approach, Market Approach and Income Approach). For any valuation, all the approaches may not be relevant and therefore will not give a fair estimate of value. Hence, the approach most suitable for that specific business / company must be applied in the valuation exercise, based on the experience and common practices adopted by valuers.

We have adopted a definition of Market Value as given in IVS 104: "Market Value is the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
The Fair Value referred in the Report is same as Market Value as defined above.

We have considered internationally accepted valuation standards and approaches in delivering our valuation conclusion. There are several principal valuation approaches under International Valuation Standard of which we have considered only those approaches to the extent, it is applicable and relevant.

The various approaches generally adopted in valuation are as under:

1. Cost/Asset Approach: Net Asset Value method
2. Income Approach: Discounted Cash Flows (DCF) method
3. Market Approach: Comparable Companies' Market Multiple (CCM) method, Comparable Transactions' Multiple (CTM) method and Market Price method

We have used the Market Approach (i.e., Market Price method and CCM method) for valuation of both the Companies.

Fair valuation of the Companies factors various intangible assets whether or not recorded in the financials of the respective companies.

Cost/ Asset Approach – Net Asset Value (NAV) method: Under this approach, the net asset value method is considered, which is based on the underlying net assets and liabilities. Cost approach is not considered suitable for Media & Entertainment companies since it does not capture the earnings potential or value of intangibles in the business. Hence, in the present valuation analysis, we have not considered NAV method.

Income Approach - Discounted Cash Flow (DCF) method: Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Such DCF analysis involves determining the following:

- *Estimating future free cash flows:*

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

- *Appropriate discount rate to be applied to cash flows i.e., the cost of capital:*

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Network18 and TV18 are listed on recognized stock exchange and E18 is a subsidiary of Network18, hence, the information relating to the future financial performance of the Companies is price sensitive. Hence, the projections have not been provided to us by the Clients for the present valuation exercise. Accordingly, we have not considered the Income Approach for the valuation exercise.

Market Approach - Multiples method: Under this method, one attempts to measure the value of the shares / business of a company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business. This valuation is based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. In the present valuation analysis, we have considered relative EV/Revenue multiples for arriving at the value per equity share of the Companies.

Market Approach - Market Price (MP) method: Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

The equity shares of Network18 and TV18 are listed on NSE and BSE and are traded frequently. In these circumstances the share prices observed on NSE over a reasonable period have been considered for arriving at the value per equity share of Network18 and TV18 under the Market Price method. For arriving at the market price, we have considered prices over appropriate period up to 05 December 2023.

The equity shares of E18 is not listed on any recognized stock exchange. In these circumstances, we have not used this method for the valuation of E18.

Fair Valuation:

We have arrived at the fair value of equity shares of Network18 and TV18 by applying below mentioned weights to the value derived under various methods.

The computation of fair equity share exchange ratio for Proposed Amalgamation of TV18 with Network18 by EY is tabulated below:

Valuation Approach	**Network18**		**TV18**	
	Value per Share of Network18 (INR)	**Weight**	**Value per Share of TV18 (INR)**	**Weight**
Cost/Asset Approach (i)	10.1	0%	34.5	0%
Income Approach – DCF method	NA	NA	NA	NA
Market Approach				
Multiples method (ii)	73.0	40%	48.0	40%
Market Price method (iii)	88.2	60%	47.5	60%
Relative Value per Share (Weighted Average of (i), (ii) and (iii)	**82.1**		**47.7**	
Fair Equity Share Exchange Ratio (Rounded)	**1: 1.72**			

The computation of fair equity share exchange ratio for Proposed Amalgamation of E18 with Network18 by EY is tabulated below:

As per Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated 20 June 2023, "*The issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.*"

As per regulations 164 (1) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (last amended on 23 May 2023), *If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*
a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date."

Based on above, the equity shares of Network18 to be allotted pursuant to the preferential issue cannot be lower than the higher of 10 trading days' volume weighted average price ("VWAP") and 90 trading days'

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VWAP ("Preferential Issue Price"). Fair value of equity shares of Network18 using Market Approach (Multiples method), as presented in the table below, is lower than the value of equity shares of Network18 computed basis Preferential Issue Price. Hence, we have given 100% weight to the value of equity shares of Network18 computed based on the Preferential Issue Price for the proposed amalgamation of E18 with Network18.

Valuation Approach	**Network18**		**E18**	
	Value per Share of Network18 (INR)	**Weight**	**Value per Share of E18 (INR)**	**Weight**
Cost/Asset Approach (i)	10.1	0%	273.0	0%
Income Approach – DCF method	NA	NA	NA	NA
Market Approach				
Multiples method (ii)	73.0	40%	1,655.4	100%
Market Price method (iii)	88.2	60%	NA	NA
Relative Value per Share (Weighted Average of (i),(ii) and (iii) – (A)	**82.1**		**1,655.4**	
Market Price method - 90 trading days VWAP as at 05 December 2023 (Being the preceding day of the Relevant Date i.e. 06 December 2023 as informed to us by Network18) (B)	76.0		NA	
Market Price method - 10 trading days VWAP as at 05 December 2023 (Being the preceding day of the Relevant Date i.e. 06 December 2023 as informed to us by Network18) (C)	88.2		NA	
Preferential Issue Price (D) – higher of (B) and (C)	**88.2**		**NA**	
Price considered for recommendation of SWAP ratio (Higher of A and D)	**88.2**		**1,655.4**	
Fair Equity Share Exchange Ratio (Rounded)	**19 : 1**			

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