Grant Thornton

Strictly Private and Confidential

GT Valuation Advisors
Private Limited
L-41, Connaught Circus,
Outer Circle,
New Delhi - 110 001
India
T +91 11 4278 7070
F +91 11 4278 7071

To,

The Board of Directors
Zee Entertainment Enterprises Limited,
18th Floor. A -Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai - 400 013

Date: 21 December 2021

Sub: Recommendation of Share Entitlement Ratios pursuant to the Scheme of Arrangement between Zee Entertainment Enterprises Limited, Bangla Entertainment Private Limited and Sony Pictures Networks India Private Limited and their Respective Shareholders

Dear Sir / Madam,

We refer to our Engagement Letter dated 10 December 2021 whereby the Board of Directors of Zee Entertainment Enterprises Limited ("ZEEL" or "Transferor Company 1") (referred to as the "Management" or "Board"), have requested GT Valuation Advisors Private Limited ("GTVAPL" or the "Firm") for a valuation report recommending the Share Entitlement Ratios for the proposed amalgamation, involving amalgamation of ZEEL and Bangla Entertainment Private Limited ("BEPL" or "Transferor Company 2") into Sony Pictures Networks India Private Limited ("SPNI" or "Transferee Company") ("Proposed Transaction"), pursuant to a composite Scheme of Arrangement pursuant to provisions of Sections 230 to 232 and other applicable clauses of the Companies Act, 2013 ("Scheme" or "Scheme of Arrangement").

ZEEL, BEPL and SPNI are together referred to as the "Specified Companies".

GTVAPL has been hereafter referred to as 'Valuer' or 'we' in this Share Entitlement Ratio report ('Report').

GTVAPL and RBSA Valuation Advisors LLP ("Second Valuer") jointly referred to as "Valuers".

In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitations on our scope of work.

1. CONTEXT AND PURPOSE OF THIS REPORT

1.1 Background of the Companies

1.1.1 Zee Entertainment Enterprises Limited

Founded in 1982 and headquartered in Mumbai, ZEEL, together with its subsidiaries, is engaged in the business of broadcasting of satellite television channels and digital media, sale of media content and movie production and distribution. It broadcasts Hindi and regional entertainment channels, movie channels and other channels. Equity shares of ZEEL are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

1.1.2 Sony Pictures Networks India Private Limited

SPNI is primarily engaged in the business of broadcasting of satellite television channels and digital media; production and sale of media content. Sony India is an indirect wholly owned subsidiary of Sony Corporation, Japan.

1.1.3 Bangla Entertainment Private Limited

BEPL is in the business of broadcasting of satellite television channels and digital media; production and sale of media content. BEPL is an indirect wholly owned subsidiary of Sony Corporation, Japan and sister entity of SPNI.

GT Valuation Advisors Private Limited

1.2 Proposed Transaction

1.2.1 We understand that the Management of ZEEL is contemplating the Proposed Transaction through the Scheme between ZEEL, BEPL and SPNI and their respective shareholders and creditors, which inter-alia provides for:

a. sub-division of the share capital of the Transferee Company
b. issuance and allotment of bonus shares to the shareholders of the Transferee company
c. issuance and allotment of equity shares by the Transferee Company pursuant to growth capital infusion in the Transferee Company
d. amalgamation of Transferor Company 1 and Transferor Company 2 into Transferee Company

1.2.2 As a consideration for the Proposed Transaction, equity shareholders of ZEEL and BEPL would be issued equity shares of SPNI. Share Entitlement Ratio for this Report refers to the number of equity shares of face value of INR 1/- each of SPNI, which would be issued to shareholders of ZEEL and BEPL

1.2.3 For the aforesaid purpose, the Management of ZEEL have appointed GTVAPL, Registered Valuer – Securities and Financial Assets, to submit a report recommending Share Entitlement Ratio for the Proposed Transaction as required under the relevant provisions of the Companies Act, 2013 and SEBI guidelines.

1.2.4 We would like to emphasize that certain terms of the Proposed Transaction are stated in our Report, however, the detailed terms of the Proposed Transaction would be more fully described and explained in the Scheme document to be submitted with the relevant authorities in relation to the Proposed Transaction. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme document.

1.3 Scope of Work

1.3.1 The scope of our services is to carry out valuation of SPNI, BEPL and ZEEL and recommend an Entitlement / Exchange Ratio for the Proposed Transaction. The proposed entitlement ratio is to be derived after considering the infusion of growth capital by the promotors of SPNI in SPNI.

1.3.2 For the aforesaid purpose, ZEEL has requested GTVAPL to submit an independent report recommending the Share Entitlement Ratio for the proposed amalgamation of SPNI, BEPL and ZEEL for the consideration of the Audit Committee and/ or Board of Directors of ZEEL. This report will be placed before the Audit Committee and the Board of ZEEL, and to the extent mandatorily required under applicable laws of India, maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Transaction.

1.3.3 The scope of our services is to conduct a relative (and not absolute) valuation of the equity shares of the Specified Companies and report on the Share Entitlement Ratio for the proposed amalgamation in accordance with generally accepted professional standards. We have been also instructed by ZEEL to discuss the valuation approach with the Second Valuer and arrive at a consensus on the Share Entitlement / Exchange Ratio.

1.3.4 For the aforesaid purpose, the valuation analysis is carried out by placing reliance on the ICAI Valuation Standards issued by the Institute of Chartered Accountants of India ("ICAI") and as part of valuation process by assigning appropriate weights to the applicable internationally accepted methodologies.

1.3.5 This Report is our deliverable for the above engagement.

1.3.6 This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

GT Valuation Advisors Private Limited

Grant Thornton

2. SOURCE of INFORMATION

2.1. In connection with this exercise, we have used the following information received from the Management and/or gathered from public domain:

2.1.1. With respect to ZEEL

a) Shareholding Pattern as on 30 September 2021;
b) Annual Report of ZEEL for year ended 31 March 2021;
c) Management certified Consolidated Financial Statements of ZEEL for the period ended 30 September 2021;
d) Financial Projections of ZEEL from 1 April 2021 to 31 March 2027;
e) Management view on materialising of contingent liabilities;
f) Quoted share prices and the traded volumes of the shares of ZEEL on NSE

2.1.2. With respect SPNI and BEPL

a) Shareholding Pattern as on 30 September 2021;
b) Consolidated audited financials of SPNI and BEPL for year ended 31 March 2021;
c) Management certified Consolidated Financial Statements of SPNI and BEPL for the period ended 30 September 2021;
d) Details about subdivision of share capital base of SPNI;
e) Details with respect to bonus shares to be issued to existing shareholders of SPNI;
f) Details about number of shares proposed to be issued to shareholders of SPNI pursuant of equity infusion in SPNI;
g) Financial Projections of SPNI and BEPL from 1 April 2021 to 31 March 2027;
h) Management view on materialising of contingent liabilities;

2.1.3. Other Information

a) Draft Composite Scheme of Arrangement;
b) International Databases such as Capital IQ, World Wide Web
c) Correspondence with the Management of Specified Companies including Management Representation Letter.

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

2.3. The management has informed us over telephonic calls, representation letter or otherwise that:

a) There would not be any capital variation in the Specified Companies (except changes in the capital structure outlined in the Scheme) till the proposed amalgamation becomes effective, without the approval of the shareholders and other relevant authorities.
b) Till the proposed amalgamation becomes effective, neither of the Specified Companies would declare any dividend which are materially different than those declared in the past few years.
c) There are no unusual / abnormal events in the Specified Companies other than those represented to us by the Management of respective companies till the Report Date materially impacting their operating / financial performance. Further, the Management has informed us that all material information impacting the Specified Companies has been disclosed to us.
d) There would be no significant variation between the draft Scheme of Arrangement and the final scheme approved and submitted to the relevant authorities.
e) The Management of Specified Companies has confirmed that the valuation of all the surplus or non-operating assets in the Specified Companies can be considered as per the Management Certified Balance Sheets of the Specified Companies as on 30 September 2021.

2.4. We have taken into consideration market parameters preceding the date of this Report ("Valuation Date" or "Report Date"), in our analysis and made adjustments for information made known to us by the Management till the date of this Report which will have a bearing on the valuation analysis.

GT Valuation Advisors Private Limited

2.5. We have relied on the above while arriving at the Share Entitlement Ratio for the Proposed Transaction.

2.6. Management has informed us that SPNI and BEPL have appointed RBSA Valuation Advisors LLP for the purpose of arriving at the Share Entitlement Ratio for the Proposed Transaction. We have been instructed by the Management to discuss the valuation approach with the Second Valuer and attempt to arrive at a consensus on the Share Entitlement Ratio. While we have independently carried out the valuation of Companies for recommending the Share Entitlement Ratio, appropriate averaging and rounding off in values have been carried out, to arrive at the consensus on the Share Entitlement Ratio by the Valuers.

2.7. Further, we understand from the Management that ICICI Securities Limited and Duff & Phelps India Private Limited have been appointed to provide fairness opinion on the recommended Share Entitlement Ratio for the purpose of aforementioned Proposed Transaction. At the request of the Management, we have had discussions with the Fairness Opinion provider mentioned above on the valuation approach adopted and assumptions made by us.

3. VALUATION PROCEDURES ADOPTED

3.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not limited to the following:

3.1.1. <u>Discussion with the Management to:</u>
- a) Understand the business and various business segments of the Specified Companies.
- b) Enquire about the historical financial performance, current state of affairs of the Specified Companies
- c) Enquire about business plans and future performance estimates.

3.1.2. <u>Undertook Industry Analysis:</u>
- a) Research publicly available market data on the Media and Entertainment sector that may impact the valuation.
- b) Analysis of key trends and valuation multiples of comparable companies using:
  - i. Valuer internal transactions database
  - ii. Proprietary databases subscribed by the Valuer
- c) Other publicly available information.

3.1.3. Analysis of information
3.1.4. Selection of appropriate internationally accepted valuation methodology / (ies) after deliberations
3.1.5. Determination of relative values of the Specified Companies
3.1.6. Arriving at the Share Entitlement Ratio for the Proposed Transaction.

4. SHAREHOLDING PATTERN OF SPECIFIED COMPANIES

4.1. ZEEL

4.1.1. The issued and subscribed equity share capital of ZEEL as on 30 September 2021 was INR 961 million consisting of 960,515,715 equity shares of face value of INR 1 each. The Management has informed us that there would not be any material change in the equity share capital of ZEEL from 30 September 2021 till the closing of the proposed amalgamation, except to the extent of issue of shares pursuant to the Employee Stock Options (ESOPs) Scheme of the Company, including grants which have already been approved by the Boards of the Company and are subject to the receipt of shareholders' approval.

4.1.2. Hence, the total ESOPs outstanding have been considered for the purpose of dilution of equity, taking into account the exercise price of these options as on 30 September 2021. Accordingly, the diluted number of equity shares considered as on the date of this Report is 960,519,420.

GT Valuation Advisors Private Limited

Grant Thornton

4.1.3. The shareholding pattern was as follows:

Sr. No.	Shareholders	Percentage
1.	Promoter and Promoter Group (Conneqt Business Solutions Limited)	3.99%
2.	Public shareholders	96.01%
	Total	**100.0%**

**Source: BSE*

4.2. SPNI

4.2.1. The issued and subscribed equity share capital of SPNI as on 30 September 2021 was INR 118.8 million consisting of 11,883,660 equity shares of face value of INR 10 each.

4.2.2. Upon the Scheme coming into effect on the Effective Date, and in accordance with Clause 6 of Section V of this Scheme, SPNI shall, without any further act, instrument or deed, sub-divide each Equity Share of the SPNI having a face value of INR 10 (Indian Rupees Ten) into 10 Equity Shares of the SPNI having a face value of INR 1 each. Pursuant to the sub-division of the Equity Shares of the SPNI, the issued, subscribed and paid-up share capital of SPNI shall be as follows:

Issued, Subscribed and Paid-up Share Capital	Amount in INR Million
118,836,600 Equity Shares having a face value of INR 1 each	118.8

4.2.3. Further, the Board of SPNI shall, without any further act, instrument or deed, issue and allot bonus shares by way of a bonus issue to SPNI Shareholder(s) in proportion to their shareholding in SPNI as on the SPNI Share Issuance Record Date as defined in Scheme. Pursuant to the sub-division of equity shares and issue of bonus shares, the issued, subscribed and paid-up share capital of SPNI shall be as follows:

Issued, Subscribed and Paid-up Share Capital	Amount in INR Million
594,183,000 Equity Shares having a face value of INR 1 each	594.2

4.2.4. Further as per the extant clause of the Scheme, the Board of SPNI shall, without any further act, instrument or deed, but subject to receipt of subscription amount of INR 90,500 million, issue and allot subscription of 301,666,667 shares by way of a rights issue to the SPNI shareholders at a share price of INR 300 per share in proportion to their shareholding in SPNI as on the SPNI Share Issuance Record Date.

4.2.5. Pursuant to the sub division of equity shares, issuance of bonus shares and issuance of subscription shares to SPNI shareholders as per the Scheme, the issued, subscribed and paid-up share capital of the Transferee Company shall be as follows:

Issued, Subscribed and Paid-up Share Capital	Amount in INR Million
895,849,667 Equity Shares having a face value of INR 1 each]	895.8

4.2.6. The shareholding pattern of SPNI is as follows:

Sr. No.	Shareholders	Percentage
1.	Promoter and Promoter Group	100%
	Total	**100.0%**

**Source: Management of SPNI*

4.3. BEPL

4.3.1. The issued and subscribed equity share capital of BEPL as on 30 September 2021 was INR 18.1 million consisting of 1,806,640 equity shares of face value of INR 10 each.

GT Valuation Advisors Private Limited

4.3.2. The shareholding pattern of BEPL is as follows:

Sr. No.	Shareholders	Percentage
1.	Promoter and Promoter Group	100%
	Total	**100.0%**

5. VALUATION APPROACH & METHODOLOGY

5.1. Valuation Base, Premise of Value and Intended users

5.1.1. Arriving at the Share Entitlement Ratio for the Proposed Transaction would require determining the value of equity shares of ZEEL and BEPL relative to the value of equity shares of SPNI. These values are to be determined independently without considering the effect of the Proposed Transaction.

5.1.2. Valuation Base: Valuation base means the indication of the type of value being used in an engagement. Different Valuation bases may lead to different conclusions of value. In transaction of the nature of merger or amalgamation of companies or merger or demerger of businesses, the consideration is often discharged primarily by issue of securities in the nature of equity of the acquirer or transferee entity with reference to an exchange ratio/ entitlement ratio considering the relative values. Considering the nature of this exercise, we have considered Relative Value as the Valuation base.

5.1.3. Premise of Value: Premise of Value refers to the conditions and circumstances how an asset is deployed. We have considered Going Concern Value and "As-is-where-is" Value as applicable to the companies being valued, as the Premise of Value.

5.1.4. Intended Users: This report is intended for consumption of the Board of Directors of ZEEL for the purpose of submission to the relevant regulatory authorities.

5.2. Valuation Approach

5.2.1. The three main valuation approaches are market approach, income approach and asset approach. As discussed below, there are several commonly used and accepted methods for carrying out the valuation under these approaches, which have been considered in the present case, to the extent relevant and applicable, including:

a) Market Approach
   i. Market Price Method
   ii. Comparable Companies Multiple Method

b) Income Approach – Discounted Cash Flow Method

c) Cost Approach – Net Asset Value Method

5.2.2. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature, regulatory guideline and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

5.2.3. The generally accepted valuation methodologies, as may be applicable, which have been used to arrive at the value of the companies are discussed hereunder:

GT Valuation Advisors Private Limited

Grant Thornton

5.3. Valuation Methods

5.3.1. <u>Market Price ("MP") Method</u>

The market price of an equity share as quoted on stock exchanges 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.

In the present case, ZEEL is listed on the NSE and BSE in India and there are regular transactions in its equity shares with adequate volumes. For determining the value of ZEEL under MP Method, the share price observed on NSE for ZEEL over a reasonable period from the relevant date has been considered as the traded turnover of the shares of ZEEL on NSE is higher than that on BSE. For arriving at the market price, we have considered the relevant date as 21 September 2021, the last working day immediately prior to the date of announcement of the Proposed Transaction.

5.3.2. <u>Comparable Companies Multiple ("CCM") Method</u>

Under this method, value of the equity shares of a company/ business undertaking is arrived at by using multiples derived from valuations of comparable companies/ transactions traded on active market. 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. The value arrived using the relevant multiples under this method is adjusted for cash and cash equivalents, investments, debt and other matters as considered appropriate.

In the present valuation analysis, we carried out a research on comparable companies for BEPL and SPNI, listed on Indian Stock exchanges and having similar operations. The Select multiples have been appropriately adjusted for size and other parameters and applied for determining the value of BEPL and SPNI under this method.

5.3.3. <u>Discounted Cash Flow ("DCF") Method</u>

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.

Using the DCF analysis involves determining the following:

a) <u>Estimating future free cash flows:</u>
   Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.
b) <u>Appropriate discount rate to be applied to cash flows i.e., the cost of capital:</u>
   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.

In case of the Specified Companies, we have been provided with the financial projections of the Specified Companies by the Management of Specified Companies. We have therefore considered the DCF method for valuation of the Specified Companies.

5.3.4. <u>Net Asset Value ("NAV") Method</u>

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 case 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.

The Scheme of Arrangement would normally be proceeded with, on the assumption that the companies being part of the amalgamation process are going concerns and an actual realization of their operating assets is not contemplated. Hence, we have not considered the NAV method to value the Specified Companies.

Accordingly, we have used MP method and DCF method for valuation of ZEEL and CCM method and DCF method for valuation of BEPL and SPNI.

GT Valuation Advisors Private Limited

Grant Thornton

6. BASIS OF SHARE ENTITLEMENT RATIO

6.1. The basis of the Proposed Transaction would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a Share Entitlement Ratio of equity shares it is necessary to arrive at a single value for each of the Specified Companies' shares. It is however important to note that in doing so we are not attempting to arrive at the absolute equity values of the Specified Companies and / or their associates, joint ventures ("JVs") and subsidiaries but at their relative values to facilitate the determination of the Share Entitlement ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

6.2. The Share Entitlement Ratio is based on the various methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the companies, having regard to available information base, key underlying assumptions and limitations.

7. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

7.1. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These 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.

7.2. The recommendation contained herein is not intended to represent value at any time other than the date of the Report.

7.3. 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 Valuation Date and (iii) are based on the data detailed in the section – Sources of Information. An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic and other conditions in general and industry trends in particular, as of the Valuation Date. 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.

7.4. The recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the Management (or its representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

7.5. The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets and is still ongoing as on the Report Date. Market activity is being impacted in many sectors. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. Our analysis as presented above is therefore reported on the basis of 'material valuation uncertainty'.

7.6. It should be understood that the valuation of any entity or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management of Specified Companies and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Specified Companies. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

7.7. The determination of a Share Entitlement Ratio 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. There is, therefore, no single undisputed Share Entitlement Ratio. While we have provided our recommendation of the Share Entitlement Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Entitlement Ratio at which the Proposed Transaction shall take

GT Valuation Advisors Private Limited

place will be with the Board of Directors of the Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

7.8. In the course of the valuation, we were provided with both written and verbal information, including information as detailed in the section - Sources of Information. In accordance with the terms of our engagement, we have assumed and relied upon, (i) the accuracy of the information that was publicly available and formed a basis for this Report and (ii) the accuracy of information made available to us by the Management of Specified Companies. As per our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited or otherwise investigated the historical/projected financial information provided to us. We have not independently investigated the data provided by the Management of Specified Companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management of Specified Companies, we have been given to understand by Management of Specified Companies that they have not omitted any relevant and material factors. Our conclusions are based on the assumptions and information given by/on behalf of the Specified Companies. The Management of Specified Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Also, we assume no responsibility for financial/technical information furnished by Management of Specified Companies.

7.9. Accordingly, we assume no responsibility for any errors in the information furnished by the Management of Specified Companies or obtained from public domain and their impact on the Report. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the Report.

7.10. The Management of Specified Companies has represented that the business activities have been carried out in the normal and ordinary course between 30 September 2021 and the Report Date for the Specified Companies and that no material adverse change has occurred in their respective operations and financial position between the respective aforementioned dates.

7.11. The Report assumes that the Specified Companies, their subsidiaries, associates and JVs comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that all the companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of regulatory nature, tax nature (including domestic and international tax etc.) and legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Specified Companies, their subsidiaries and JVs. Our conclusion of value assumes that the assets and liabilities of the Specified Companies, their subsidiaries, associates and JVs, reflected in their respective latest balance sheets remain intact as of the Report Date.

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

7.13. No investigation / inspection of the Specified Companies' claim to title of assets has been made for the purpose of this Report and the Specified Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

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

7.15. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. 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 Specified Companies, their directors, employees or agents.

GT Valuation Advisors Private Limited

7.16. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Entitlement Ratio. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

7.17. This Report is subject to the laws of India.

7.18. The Report should be used in connection with the Scheme.

7.19. Our appointment was formalized via engagement letter dated 10 December 2021, however, the work had started earlier based on verbal confirmation.

7.20. Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the Proposed Scheme of Arrangement, without our prior written consent.

7.21. This Report does not in any manner address the prices at which equity shares of ZEEL will trade following announcement / approval of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of ZEEL should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

7.22. This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of ZEEL and only in connection with the Proposed Transaction including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the Proposed Transaction. Without limiting the foregoing, we understand that ZEEL may be required to share this Report with regulatory or judicial authorities, their professional advisors including merchant bankers providing fairness opinion on the Share Entitlement Ratio, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to ZEEL that has engaged us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person / party other than ZEEL.

7.23. Our report can be used by ZEEL only for the purpose, as indicated in this report, for which we have been appointed. The results of our valuation analysis and our report cannot be used or relied by ZEEL for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Specified Companies / their holding companies / subsidiaries / associates / investee companies / other 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 ZEEL) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this report or any part thereof, except for the purpose as set out earlier in this report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

7.24. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

<<this space has been intentionally left blank>>

GT Valuation Advisors Private Limited

Grant Thornton

8. CONCLUSION

8.1. Based on the forgoing, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, pursuant to the amalgamation of ZEEL and BEPL into SPNI, we recommend the following Share Entitlement Ratio:

85 (Eighty-Five) Equity Shares of SPNI of INR 1 each fully paid up for every 100 (One Hundred) Equity Shares of ZEEL of INR 1 each fully paid up.

AND

133 (One Hundred and Thirty-Three) Equity Shares of SPNI of INR 1 each fully paid up for every 10 (Ten) Equity Shares of BEPL of INR 10 each fully paid up.

Respectfully submitted,

For GT Valuation Advisors Private Limited
Registered Valuer Entity – Securities and Financial Assets
IBBI Registration Number: IBBI/RV-E/05/2020/134

M Saxena

GT Valuation Advisors Private Limited

Director
Manish Saxena
Register Valuer – Securities and Financial Assets
IBBI Registration Number: IBBI/RV/05/2018/10428

Date: 21 December 2021

Grant Thornton

Annexure 1

The Computation of Share Entitlement Ratio for the proposed amalgamation of ZEEL into SPNI as derived by us, is given below:

Valuation Approach	SPNI		ZEEL	
	Value per Share (INR)	Weight (%)	Value per Share (INR)	Weight (%)
Market Approach				
Market Price Method	NA		235.0	50%
Comparable Companies Multiple Method	289.1	50%	NA	
Income Approach	322.1	50%	285.7	50%
Cost Approach	NA		NA	
Relative Value Per share		**305.6**		**260.3**
Exchange / Entitlement Ratio (Rounded off)	**0.85**			

*NA= Not Applicable/Not Adopted

1. The Cost approach is not used as in the present case, both the Companies' i.e., SPNI and ZEEL, are going concerns and hence an actual realization of their operating assets is not contemplated.
2. Market Price Method is applicable for ZEEL since the equity shares of ZEEL are listed on both the stock exchanges, BSE and NSE.
3. Comparable Companies Multiple Method is adopted for SPNI as it is an unlisted company.
4. Income approach is adopted as we have been provided with financial forecast for the businesses of SPNI and ZEEL, from the respective companies, and this methodology captures the future cash flows.

Share Exchange / Entitlement Ratio
85 (Eighty-Five) Equity Shares of SPNI of INR 1 each fully paid up for every 100 (One Hundred) Equity Shares of ZEEL of INR 1 each fully paid up.

GT Valuation Advisors Private Limited

Grant Thornton

Annexure 2

The Computation of Share Entitlement Ratio for the proposed amalgamation of BEPL into SPNI as derived by us, is given below:

Valuation Approach	SPNI		BEPL	
	Value per Share (INR)	Weight (%)	Value per Share (INR)	Weight (%)
Market Approach				
Market Price Method	NA		NA	
Comparable Companies Multiple Method	289.1	50%	3,820.8	50%
Income Approach	322.1	50%	4,333.6	50%
Cost Approach	NA		NA	
Relative Value Per share		**305.6**		**4,077.2**
Exchange / Entitlement Ratio (Rounded off)	**13.3**			

*NA= Not Applicable/Not Adopted

5. The Cost approach is not used as in the present case, both the Companies' i.e., SPNI and BEPL, are going concerns and hence an actual realization of their operating assets is not contemplated.
6. Market Price Method is not used as in the present case both the Companies ae not listed on the stock exchanges, BSE and NSE.
7. Comparable Companies Multiple Method is adopted for SPNI and BEPL as both are unlisted companies.
8. Income approach is adopted as we have been provided with financial forecast for the businesses of BEPL and ZEEL, from the respective companies, and this methodology captures the future cash flows.

Share Exchange /Entitlement Ratio
133 (One Hundred and Thirty-Three) Equity Shares of SPNI of INR 1 each fully paid up for every 10 (Ten) Equity Shares of BEPL of INR 10 each fully paid up.

GT Valuation Advisors Private Limited

RBSA Valuation Advisors LLP
VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX

Strictly Private and Confidential

Report Reference Number: RVA2122MTFAREP143 Date: 21 December 2021

The Board of Directors
Sony Pictures Networks India Private Limited
4th Floor, Interface Building No. 7
Off Malad Link Road, Malad West
Mumbai - 400 064

The Board of Directors
Bangla Entertainment Private Limited
4th Floor, Interface Building No. 7
Off Malad Link Road, Malad West
Mumbai - 400 064

Sub: Recommendation of Share Exchange Ratio for the proposed amalgamation of ZEE Entertainment Enterprises Limited and Bangla Entertainment Private Limited into Sony Pictures Networks India Private Limited

Dear Sirs,

We refer to our engagement letter dated 29 November 2021 and addendum letter dated 16 December 2021 whereby the Sony Pictures Networks India Private Limited ("SPNI") and Bangla Entertainment Private Limited ("BEPL") appointed RBSA Valuation Advisors LLP ("RBSA"/ "Valuer") to recommend the Share Exchange Ratio for the proposed amalgamation of ZEE Entertainment Enterprises Limited ("ZEEL") and BEPL into SPNI, pursuant to a Composite Scheme of Arrangement between ZEEL, BEPL, SPNI and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

The Share Exchange ratio for the purpose of this report ("Report") refers to the number of fully paid-up Equity Shares of face value INR 1/- each to be issued by SPNI to the equity shareholders of ZEEL and BEPL as a consideration for the proposed amalgamation of ZEEL and BEPL on a 'going concern' premise into SPNI, pursuant to the Scheme (the "Share Exchange Ratio").

This Report is our deliverable to recommend the Share Exchange Ratio to the Board of Directors of SPNI and BEPL, for the proposed amalgamation of ZEEL and BEPL into SPNI pursuant to the Scheme.

This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

RBSA VALUATION ADVISORS LLP

Head Office: 912, Venus Atlantis Corporate Park, Anandnagar Main Road, Prahaladnagar, Ahmedabad – 380015 Tel: +91 79 4050 6000
Corporate Office: 1121, Solitaire Corp. Park, Chakala, Andheri Kurla Road, Andheri (E), Mumbai - 400 093 Tel: +91 22 6130 6000

CONTEXT AND PURPOSE OF THIS REPORT

We understand that the management of ZEEL, BEPL and SPNI (together referred to as the "Management") are contemplating the amalgamation of ZEEL and BEPL into SPNI, pursuant to the Scheme (the "Proposed Transaction"), which inter-alia envisages the following:

- Sub-division of each equity share of SPNI having a face value of INR 10 (Indian Rupees Ten) into 10 equity shares having a face value of INR 1 (Indian Rupee One) each.
- Issue of Bonus shares by SPNI to the existing shareholders of SPNI in the ratio of 4 (four) equity shares for every 1 (one) equity share held.
- Issuance and allotment of 30,16,66,667 equity shares of face value INR 1 each/- by SPNI at INR 300 per equity share to SPNI Shareholders on rights issue basis and certain Essel Group company(ies) on preferential allotment basis for an aggregate consideration of INR 90,500 million, prior to the Closing of the Proposed Transaction ("SPNI Share Issuance").
- Amalgamation of ZEEL and BEPL into SPNI and issue of equity shares by SPNI to the shareholders ZEEL and BEPL as a consideration for the amalgamation.

In this context, SPNI and BEPL have jointly appointed RBSA, a Registered Valuer Entity, to recommend to the Board of Directors of SPNI and BEPL, the Share Exchange Ratio for the proposed amalgamation of ZEEL and BEPL on a 'going concern' premise into SPNI, pursuant to the Scheme.

We understand from the Clients that ZEEL has appointed GT Valuation Advisors Private Limited ("GTVAPL"), a Registered Valuer Entity, to recommend to the Board of Directors of ZEEL, the Share Exchange Ratio for the proposed amalgamation of ZEEL and BEPL on a 'going concern' premise into SPNI, pursuant to the Scheme.

In this context, the management of the Specified Companies have requested their respective valuer to have discussions with respect to the findings, methodology and approach with the other valuer and attempt to arrive at a consensus on recommendation of Share Exchange Ratio prior to issuance of the Valuation report.

ZEEL, SPNI and BEPL are together referred to as the "Specified Companies" and SPNI and BEPL are together referred to as the "Clients". RBSA and GTVAPL are together referred to as the "Valuers".

RBSA VALUATION ADVISORS LLP

SOURCES OF INFORMATION

In connection with this exercise, we have considered the following information received from the Management and/ or obtained from the public domain:

- Audited stand-alone and consolidated financial statements of the Specified Companies for FY19, FY20 and FY21;
- Audited special purpose condensed consolidated interim financial statements of SPNI for the eight months period ended November 30, 2021;
- Audited special purpose condensed interim financial statements of BEPL for the eight months period ended November 30, 2021;
- Limited reviewed financial statements of ZEEL for the six months period ended September 30, 2021;
- Projected income and cash flow statements of the Specified Companies, which the management of the respective companies believe to be their best estimate of the expected performance of their respective companies ("Management Projections");
- Draft Composite Scheme of Arrangement between ZEEL, BEPL, SPNI and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;
- Databases such as Capital IQ;
- Discussions and correspondence with the Management;
- Other information and documents considered relevant for the purpose of this engagement;
- We have also obtained the explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise from the Management.

PROCEDURES ADOPTED

Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not limited to the following:

- Discussion with the Management to *inter-alia*:
  - Understand the business and fundamental factors that affect the business of the Specified Companies;
  - Understand historical financial performance, current state of affairs and expected future financial performance of the Specified Companies;
- Analysis of information shared by the Management including the following:
  - financial statements of the Specified Companies;
  - Management Projections;
- Considered the Key terms of SPNI Share Issuance, provided by SPNI;
- Considered the draft Scheme;
- Selection of appropriate valuation approach and methodology/(ies);
- Determination of the Share Exchange Ratio for the proposed amalgamation of ZEEL and BEPL into SPNI.

RBSA VALUATION ADVISORS LLP
RM.

BACKGROUND OF THE SPECIFIED COMPANIES

Zee Entertainment Enterprises Limited

Zee Entertainment Enterprises Limited, incorporated in November 1982, is primarily engaged in the business of broadcasting of satellite television channels and digital media; sale of media content and movie production and distribution.

The issued and subscribed equity share capital of ZEEL as at date is INR 960.5 million consisting of 960,515,715 equity shares of face value of INR 1 each. The shareholding pattern of ZEEL as at date is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	3.99
2.	Public shareholders	96.01
	Total	**100.00%**

Source: Information provided by ZEEL management

Further, we understand from ZEEL management that 3,705 equity shares of face value INR 1 each of ZEEL have been vested to certain employees pursuant to Employee Stock Option Plan, which are yet to be exercised as at the date. Accordingly, we have considered 960,519,420 equity shares of face value of INR 1 each for our analysis.

Equity shares of ZEEL are listed on National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE").

Bangla Entertainment Private Limited

Bangla Entertainment Private Limited, incorporated in February 2007, is primarily engaged in the business of broadcasting of satellite television channels, production and sale of media content. BEPL is an indirect wholly owned subsidiary of Sony Corporation, Japan.

The issued and subscribed equity share capital of BEPL as at date is INR 18.1 million consisting of 1,806,640 equity shares of face value of INR 10 each. The shareholding pattern of BEPL as at date is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	100.00
2.	Public shareholders	0
	Total	**100.00%**

Source: Information provided by BEPL management

Equity shares of BEPL are not listed on any stock exchange.

Sony Pictures Networks India Private Limited

Sony Pictures Networks India Private Limited, incorporated in September 1995, is primarily engaged in the business of broadcasting of satellite television channels and digital media, production and sale of media content. Sony India is an indirect wholly owned subsidiary of Sony Corporation, Japan.

The issued and subscribed equity share capital of SPNI as at date is INR 118.8 million consisting of 11,883,660 equity shares of face value of INR 10 each. The shareholding pattern of SPNI as at date is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	100.00
2.	Public shareholders	0
	Total	**100.00%**

Source: Information provided by the Management

The Scheme envisages:
- Sub-division of each equity shares of SPNI having a face value of INR 10 (Indian Rupees Ten) into 10 equity shares having a face value of INR 1 (Indian Rupee one) each.
- Issuance and allotment of bonus equity shares by SPNI to its existing shareholders in the ratio of 4 equity shares for every 1 equity shares
- Issuance and allotment of 30,16,66,667 equity shares of face value INR 1 each/- by SPNI at INR 300 per equity share to SPNI Shareholders on rights issue basis and certain Essel Group company(ies) on preferential allotment basis for an aggregate consideration of INR 90,500 million, prior to the Closing of the Proposed Transaction ("SPNI Share Issuance").

The issued and subscribed equity share capital of SPNI after considering the aforementioned shall be 89,58,49,667 equity shares of face value INR 1 each

Equity shares of SPNI are not listed on any stock exchanges.

VALUATION APPROACH & METHODOLOGY

Valuation Base: Valuation base means the indication of the type of value being used in an engagement. Different Valuation bases may lead to different conclusions of value. Considering the nature of this exercise, we have adopted Relative Value as the Valuation base.

Premise of Value: Premise of Value refers to the conditions and circumstances how an asset is deployed. Considering the nature of this exercise, we have adopted 'Going Concern' Value as the Premise of Value.

Intended Users: This Report is intended for consumption of the Board of Directors of SPNI and BEPL and may be submitted to the shareholders of SPNI and BEPL and relevant regulatory and judicial authorities as may be mandatorily required under the laws of India, in connection with the Proposed Transaction.

RBSA VALUATION ADVISORS LLP
RM.

It should be understood that the valuation of any entity or business is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Management/ Specified Companies. This valuation could fluctuate with the passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the Specified Companies, and other factors which generally influence the valuation of companies and their assets.

Commonly accepted approach/ methods for determining the value of the equity shares of a company/ business, include:

- Income Approach – Discounted Cash Flow method
- Market Approach
- Asset Approach – Net Asset Value method

There are several commonly used and accepted methods, within the market approach, income approach and asset approach, for determining the Share Exchange Ratio, which have been considered in the present case, to the extent relevant and applicable, and subject to the availability of detailed information.

<u>Income Approach – Discounted Cash Flow (“DCF”)</u>

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

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/ asset 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.

RBSA VALUATION ADVISORS LLP
RM.

The management of the respective companies have provided Management Projections, which represents their best estimate of the expected performance of the Specified Companies. Considering the aforementioned, Income Approach – DCF method has been adopted for the valuation of the Specified Companies

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Price 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.

Comparable Companies Multiple (CCM) Method:

Under this method, the value of the shares / business of a company is estimated 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 (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are 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.

Comparable Transaction Multiple (CTM) Method

Under Comparable Transaction Method, the value of shares / business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Equity shares of ZEEL are listed on any stock exchanges and are frequently traded. Further, the trading volume of equity shares of ZEEL was higher on NSE as compared to BSE. On September 22, 2021, ZEEL issued a press release that the Board of Directors of ZEEL approved execution of a non-binding term sheet with SPNI in relation to a potential transaction involving a composite scheme of arrangement for the amalgamation of ZEEL and SPNI and infusion of growth capital by the promoters of SPNI into SPNI as part of the amalgamation. Considering the aforementioned, market prices of equity shares of ZEEL traded on NSE over an appropriate period prior to September 22, 2021 have been considered.

RBSA VALUATION ADVISORS LLP

Equity shares of SPNI and BEPL are not listed on any stock exchanges and, accordingly, Market price method has not been adopted for SPNI and BEPL. Considering the aforementioned, Comparable Companies Multiple Method has been adopted for valuation of equity shares of SPNI and BEPL.

In the absence of relevant details of the recent comparable transactions in the public domain, we have not adopted Comparable Transactions Multiple Method. Further, such transaction multiples may also include acquirer specified considerations, synergy benefits, control premium and minority adjustments.

Asset Approach

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. A net asset methodology is most applicable for businesses where the value lies in its underlying assets and not in the ongoing operations of the business.

Valuation of the Specified Companies is carried out on a 'going concern' premise. Specified Companies have made operating profits in the recent past and are expected to make operating profits in the near to medium term. The historical net asset value of the Specified Companies may not be representative of their earning potential. Accordingly, Asset Approach has not been adopted for the valuation of the Specified Companies.

SCOPE, ASSUMPTIONS, EXCLUSIONS, LIMITATIONS ANDDISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These 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 scope of our services is to recommend a Share Exchange Ratio for the Proposed Transaction. Valuation Standards ("ICAI VS") issued by the Institute of Chartered Accountants of India has been adopted for the valuation.

The recommendation contained herein is as at the date of the Report ("Valuation Date") and is not intended to represent value at any time other than the date of the Report.
This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the data detailed in the section - Sources of Information. We have been informed by the Management that the business activities of the Specified Companies have been carried out in the normal and ordinary course between September 30, 2021 and the Report date and that no material changes have occurred in their respective operations and financial position between September 30, 2021 and the Report date.

RBSA VALUATION ADVISORS LLP

An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic and other conditions in general and industry trends in particular, as of the Valuation Date. 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.

The recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the Management (or their representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

The COVID-19 (SARS-CoV-2) ("Coronavirus" or "Virus" or "Covid") is presenting potentially significant impacts upon economic activity and certain businesses. At the Report Date, the Covid pandemic is still ongoing, and the future impact of the Coronavirus was not capable of being qualitatively or quantitatively assessed at this time. For carrying out the valuation, we have factored the impact of Covid in the valuation based on the information available till the Report Date and based on our understanding of the likely impact on the Specified Companies. However, this should not be considered as an accurate assessment of the future impact of the COVID-19 on the Specified Companies, or any prediction regarding the future course of events that would arise due to the Covid pandemic.

Valuation of a business or an entity 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. There is, therefore, no single undisputed Share Exchange Ratio. While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. 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 Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and inputs from other advisors.

During the valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by/ on behalf of the Management through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Further, with respect to the information and explanation sought for the Specified Companies, we have been given to understand by the Management that they have not omitted any relevant or material information. Our conclusions are based on the assumptions and information given by/on behalf of the Management. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results.

RBSA VALUATION ADVISORS LLP
RM.

Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time. However, we do not provide assurance on the achievability of the results projected by the Management as events and circumstances do not occur as expected and differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the projected results is inter-alia dependent on actions, plans and assumptions of the Management and macro-economic and other external factors which are beyond the control of the Management. Further, we have relied on the assessment of the Management as regards to contingent and other liabilities.

The Report assumes that the Specified Companies complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, unless 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 litigations and other contingent liabilities that are not recorded/ reflected in the financial statements provided to us.

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

We have relied on data from external sources also 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.

The valuation analysis is based on the exercise of judicious discretion by the valuer taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the financial statements but could strongly influence the value.

No investigation/ inspection of the Specified companies' claim to title of assets has been made for the purpose of this Report and the Specified companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the financial statements. Therefore, no responsibility is assumed for matters of a legal nature.

RBSA VALUATION ADVISORS LLP

RM.

Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the Scheme, without our prior written consent. This Report does not in any manner address the prices at which equity shares of ZEEL/ SPNI will trade following announcement of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of the Specified Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of Directors of SPNI and BEPL in connection with the Proposed Transaction including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the proposed amalgamation. Without limiting the foregoing, we understand that SPNI and BEPL may be required to share this Report with their shareholders, regulatory or judicial authorities, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to SPNI and BEPL that have engaged us, under the terms of the engagement, and to no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person/ party other than the Clients.

The Management has informed us that:

- There are no unusual / abnormal events in the Specified Companies till the Report Date materially impacting their operating / financial performance. Further, the Management has informed us that all material information impacting the Specified Companies) has been disclosed to us.
- There would be no variation between the draft Scheme of Arrangement and the final scheme approved and submitted with the relevant authorities.

We owe responsibility to only the Boards of Directors of SPNI and BEPL that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Specified Companies, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

RBSA VALUATION ADVISORS LLP

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Exchange Ratio. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

Our Report can be used by the Board of Directors of SPNI and BEPL only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by SPNI/ BEPL for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person / party based on this Report. Any person / party intending to provide finance / invest in the shares / business of the companies / their holding companies/ subsidiaries/ associates/ investee companies/ other 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 Clients) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose asset out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

The Management of SPNI and BEPL has 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 inaccuracies / omissions are avoided in our final Report.

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

This Report is subject to the laws of India.

The Report should be used in connection with the Scheme.

BASIS OF FAIR SHARE EXCHANGE RATIO

The Proposed Transaction contemplates the amalgamation of ZEEL and BEPL into SPNI on a going concern premise, pursuant to the Scheme. Arriving at the Share Exchange Ratio for the Proposed Transaction would require determining the value of the equity shares of the Specified Companies, independently but on a relative basis, and without considering the Proposed Transaction

The basis of amalgamation of the ZEEL and BEPL into SPNI would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a Share Exchange Ratio, it is necessary to arrive at a single value for the equity share of the Specified Companies. It is however important to note that in doing so we are not attempting to arrive at the absolute values but at their relative values to facilitate the determination of a Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

RBSA VALUATION ADVISORS LLP

The Share Exchange Ratio has been arrived at on the basis of a relative valuation based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions and limitations.

The Valuers have been appointed severally and not jointly and have worked independently in their analysis. Valuers have independently applied the methodologies, as considered appropriate, and arrived at their assessment of value per share of the Specified Companies. To arrive at the consensus on the Share Exchange Ratio for the Proposed Transaction suitable averaging and rounding off in the values arrived at by the Valuers have been done.

<< This space is left blank intentionally >>

The computation of the Share Exchange Ratio is as under:

Valuation Approach	SPNI #		ZEEL		BEPL	
	INR per share ##	Weight	INR per share ##	Weight	INR per share @	Weight
Income Approach: Discounted Cash Flow Method	311.0	50%	276.7	50%	4,039.3	50%
Market Approach: Market Price Method	NA	0%	235.0	50%	NA	0%
Market Approach: Comparable Companies Multiple Method	288.6	50%	NA	0%	3,926.8	50%
Relative Value per share	**299.8**	**100%**	**255.8**	**100%**	**3,983.0**	**100%**

 # After considering proposed sub-division of SPNI shares, issue of bonus shares by SPNI and SPNI Share Issuance, pursuant to the Scheme
Face value INR 1 each
@ Face value INR 10 each
NA: Not Applicable/ Not adopted

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio for the amalgamation of ZEEL and BEPL into SPNI:

- 85 (Eighty-Five) fully paid-up Equity Shares of face Value of INR 1 each of Sony Pictures Networks India Private Limited for every 100 (One Hundred) fully paid-up Equity Shares of face Value INR 1 each held in ZEE Entertainment Enterprises Limited.

- 133 (One Hundred and Thirty-Three) fully paid-up Equity Shares of face Value of INR 1 each of Sony Pictures Networks India Private Limited for every 10 (Ten) fully paid-up Equity Shares of face Value INR 10 each held in Bangla Entertainment Private Limited.

The Share Exchange Ratio has been determined based on the capital structure of the Specified Companies as on the Report Date and Proposed sub-division of equity shares of SPNI, Issue of Bonus shares by SPNI and SPNI Share Issuance, pursuant to the Scheme. In the event of any material change in the Scheme or capital structure of the Specified Companies, the Share Exchange Ratio may not remain valid.

Respectfully submitted,

For RBSA Valuation Advisors LLP
(RVE No.: IBBI/RV-E/05/2019/110)

RBSA VALUATION ADVISORS LLP

Partner
Ravishu Vinod Shah
Asset Class: Securities or Financial Assets
(RV No.: IBBI/RV/06/2020/12728)
Date: December 21, 2021
Place: Mumbai