Private & Confidential

IOVRVF/PWC/2025-2026/5577

12 August 2025

To

The Board of Directors
Llyods Metals and Energy Limited
A2, Madhu estate, 2nd Floor,
Pandurang Budhkar Marg,
Lower Parel, Mumbai
Maharashtra 40013

Subject: Valuation of equity shares of Lloyds Metal and Energy Limited ('LMEL') and Thriveni Pellets Private Limited ('TPPL') and recommending the number of equity shares of LMEL to be issued to shareholders of TPPL after adjustment of cash consideration.

Dear Sir/ Madam,

We refer to our engagement letter dated 09 August 2025 ('Engagement Letter' or 'Contract') whereby Lloyds Metals and Energy Limited (hereinafter referred to as 'Lloyds', 'LMEL', 'you', or the 'Client' or 'Company') has requested PwC Business Consulting Services LLP (hereinafter referred to as 'PwC BCS', 'we' or 'us') for determining the fair value of the equity shares of TPPL, the fair value of the equity shares of LMEL and recommending the number of equity shares of LMEL to be issued to the shareholders of TPPL after adjustment of cash consideration.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

LMEL was incorporated in 1977 as a steel manufacturing company. LMEL's business primarily comprises of two key business segments – 'Core Operations' and 'MDO Business', as discussed below.

Core Operations of LMEL are currently focused on iron ore mining, sponge iron production, pellet manufacturing and trading. LMEL is in the process of expanding its business by investing in downstream steel capacities, such as hot metal, hot rolled coils (HRC), wire rods and flat products.

LMEL's MDO business, is now operated through its subsidiary Thriveni Earthmovers and Infra Private Limited ('TEIPL'), which focuses on mine development, operations, and logistics across various minerals in India and Indonesia. TEIPL manages mining contracts and related earthmoving activities, supported by a network of subsidiaries. LMEL holds ~79.82% equity stake in TEIPL (pre-dilution). The equity shares of TEIPL are not listed on any stock exchange in India.

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

Brahmani River Pellets Limited ('BRPL'), a wholly owned subsidiary of Thriveni Pellets Private Limited ('TPPL'), is currently focused on producing and selling iron ore pellets through its integrated facilities in Odisha, operating under a fixed-margin offtake arrangement with Tata Steel Limited ('TSL'). TPPL is an investment holding company and does not have any material business operations as of current date other than its investment in BRPL. Thriveni Earthmovers Private Limited ('TEPL') and Adler Industrial Services Private Limited ('Adler') currently hold 51% and 49% equity stake, respectively in TPPL.

Equity shares of TPPL and BRPL are not listed on any recognized Indian stock exchanges.

We understand from the management of LMEL ('Management') that LMEL is considering the acquisition of partial equity stake held by TEPL and Adler in TPPL (the 'Proposed Transaction'). The purchase consideration for the Proposed Transaction will be discharged through a combination of cash and the issuance of equity shares by LMEL on preferential basis.

We understand that LMEL is considering acquisition of 49% equity stake held by Adler and 0.99% equity stake held by TEPL as under:

- Cash consideration to be discharged to TEPL for acquisition of 0.99% equity stake;
- INR 200.0 crore to be discharged by way of cash consideration to Adler for part acquisition of equity stake from Adler; and
- balance consideration to be discharged by way of preferential issue of equity shares of LMEL to Adler.

In context of the Proposed Transaction, the Board of Directors of LMEL ('BOD') has requested PwC BCS to provide a Registered Valuer Report ('RV Report'/ 'Valuation Report'/ 'Report') to ascertain the following as on 11 August 2025 **('Valuation Date')**:

- the fair value of the equity shares of TPPL **('Valuation 1')** in compliance with Section 188 and Section 247 of the Companies Act, 2013 and other related regulations; and
- the fair value of the equity shares of LMEL **('Valuation 2')** in compliance with Section 62(1)(c) of the Companies Act, 2013 read with Rule 13(2) of Companies (Share Capital and Debentures) Rules, 2014 and other relevant regulations including SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR Regulations') and recommending the number of equity shares to be issued to the shareholders of TPPL after adjustment of cash consideration.

Valuation 1 and Valuation 2 are together referred to as '**Valuation**'.

It is clarified that reference to this Report in any document and/ or filing with regulatory authorities/ government authorities/ stock exchanges/ courts/ shareholders/ professional advisors/ merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than the Client.

The Report will be used by the Client only for the purpose, as indicated in this Report, for which we have been appointed. The results of our Valuation and our Report cannot be used or relied by the Client 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.

Unless required by law, the Management shall not provide our Report to any third party, without first obtaining consent of PwC BCS, in writing, together with, where required by PwC BCS, procuring a 'Release Letter' in favor of PwC BCS from such third party. In no event, regardless of whether consent has been provided, shall PwC BCS assume any responsibility to any third party to which the advice or deliverable or draft deliverable is disclosed or otherwise made available.

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This Report is our deliverable for the engagement. 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.

SOURCES OF INFORMATION

In connection with this exercise, we have considered the following information received from the Management:

- **LMEL:**
  - The audited standalone financial statements of LMEL for the two years ended 31 March 2025;
  - The unaudited standalone financial statements of LMEL for the period ended 30 June 2025;
  - Projected financial statements covering key items such as revenue, profitability, capital expenditure and key working capital items, including key underlying assumptions (referred to as 'Financial Projections'/ 'Management Projections'), which the Management believe to be their best estimates as to the expected future operating results of the Core Operations of LMEL;
  - Number of equity shares of LMEL on a fully diluted basis as at the Valuation Date.

- **MDO Business - TEIPL and its subsidiaries:**
  - Provisional standalone opening financials of TEIPL as at 31 March 2025 (effective demerger date of MDO Business into TEIPL);
  - Latest available provisional financial statements of various subsidiaries of TEIPL, as at 31 December 2024/ 31 March 2025/ 30 June 2025, as available;
  - Projected financial statements covering key items such as revenue, profitability, capital expenditure and key working capital items, including key underlying assumptions (referred to as 'Financial Projections'/ 'Management Projections'), which the Management believe to be their best estimates as to the expected future operating results of the TEIPL and its subsidiaries, as made available;
  - Effective equity stake held by LMEL in TEIPL and its subsidiaries.

- **TPPL:**
  - The standalone audited financial statements of TPPL/ BRPL for the two years ended 31 March 2025;
  - The standalone provisional financial statements of TPPL/ BRPL for the period ended 30 June 2025;
  - Projected financial statements covering key items such as revenue, profitability, capital expenditure and key working capital items, including key underlying assumptions (referred to as 'Financial Projections'/ 'Management Projections'), which the Management believe to be their best estimates as to the expected future operating results of the BRPL;
  - Key terms of Pellet Purchase Agreement ('Agreement') with Tata Steel Limited ('TSL'); and
  - Number of outstanding equity shares of TPPL and BRPL as at the Valuation Date.

- **Others:**
  - Discussions and correspondence with the Management to obtain requisite explanation and clarification of data provided, understand the historical and expected future performance, macro-economic fundamentals and any key value drivers affecting LMEL, TEIPL, TPPL and BRPL.
  - Information available in the public domain in respect of the comparable companies/ transactions, as available and/ or considered relevant under the circumstances.
  - Analysis of other facts and data considered pertinent to this Valuation, including International Valuation Standards ('IVS'), to arrive at a conclusion of value.

- Other relevant information and documents for the purpose of this engagement provided through emails or during discussion; and
- Such other analyses, reviews and inquiries, as we considered necessary.

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

The Client has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual accuracies/ omissions are avoided in our final report.

The management of LMEL has facilitated information from the management of TPPL and TEIPL for the purposes of the services in this Engagement.

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 from the Management including but not limited to historical financial statements and Financial Projections for LMEL, LMEL Core Operations, TEIPL and its subsidiaries, TPPL and BRPL;
- Consideration of information available in the public domain in respect of the comparable companies/ transactions, as available and/ or considered relevant under the circumstances;
- Discussions with the Management (physical meetings/over calls and correspondence) to understand the business, key value drivers, historical financial performance and projected financial performance of the respective companies;
- Considered key terms of Pellet Purchase Agreement ('Agreement') between BRPL and TSL;
- Considered listed market price of equity shares of LMEL;
- Considered the number of equity shares on a fully diluted basis for the LMEL and TPPL;
- Selection of valuation methodology/(ies) as considered appropriate by us;
- Discussions with the Management for confirmation of facts and representations provided by the Management;
- Preparation of draft report comprising of the key valuation parameters, methodologies considered, analysis of the information provided by the Clients and the Valuation conclusion. The draft report was shared with the Clients for factual confirmation; and
- Issuance of the final valuation report

DISCLOSURE OF INTEREST/ CONFLICT

We hereby certify that, to the best of our knowledge and belief that:

- We do not have any financial interest in the Client, nor do we have any conflict of interest in carrying out this valuation.
- We are not affiliated to the Client or its group companies in any manner whatsoever;
- We do not have a prospective interest in the business of the Client, which is the subject of this Report;
- Our fee is not contingent on an action or event resulting from the analysis, opinions or conclusions in this Report.
- 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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SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of 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 other PwC network firms.

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 date of this Valuation Report; and (iii) unaudited/ provisional standalone financials statements of LMEL, TPPL and their subsidiaries/ investee companies as at 30 June 2025/ 31 March 2025 (latest available) and other information provided by the Management. The Management has represented that the business activities of both LMEL and TPPL and their subsidiaries/ investee companies has been carried out in the normal and ordinary course between 30 June 2025/ 31 March 2025 (respectively) and the date hereof and that no material adverse change has occurred in their respective operations and financial position between 30 June 2025/ 31 March 2025 (latest available) and the Report date.

An analysis of this nature is necessarily based on the information made available to us as of the Valuation Date. Events occurring after the Valuation Date 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(s) rendered in this Report only represent our recommendation(s) based upon information till the date of this Report, furnished by the Client (or its representatives) and the said recommendation(s) shall be considered to be in the nature of non-binding advice. Any person/ party intending to provide finance/ invest in the shares/ businesses of the Client/ its 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.

We must emphasize that the projected financial information has been prepared by the Management and provided to us for the purpose of our analysis. The fact that we have considered the projected financial information in this exercise should not be construed or taken as our being associated with or a party to such projections. Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but realization of free cash flow forecast used in the analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to provide any assurance about the achievability of the projected financial information as events and circumstances do not occur as expected, and the differences may be material. We express no opinion as to how closely the actual results will correspond to those projected/ forecast as the achievability of the forecast results is dependent on actions, plans and assumptions of the Management.

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made various assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of LMEL and TPPL and their subsidiaries/ investee companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of LMEL and TPPL and their subsidiaries/ investee companies, and other factors which generally influence the Valuation.

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In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Management. In accordance with our Engagement Letter and in accordance with the customary approach adopted in similar Valuation exercises, we have not audited or otherwise investigated the historical financial information provided to us. 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 Client, we have been given to understand that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Client. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by the Management 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.

This Report assumes that both LMEL and TPPL and their subsidiaries/ investee companies comply fully with the relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that these companies would be managed in a competent and responsible manner. This Report gives no consideration to the matters of legal nature, including issues of legal title/ eligibility and compliance with local laws, and litigations and other contingent liabilities that are not disclosed in the audited/ unaudited balance sheet of the LMEL and TPPL and their subsidiary/ associate/ joint venture/ investee company, if any. No investigation of LMEL and TPPL and their subsidiaries/ investee companies' claim to title of assets has been made for the purpose of this Report and LMEL and TPPL and their subsidiaries/ investee 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. We have not carried out any physical verification of the assets and liabilities of the valuation subjects and take no responsibility for the identification of such assets and liabilities.

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

By its very nature, Valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. Although, our conclusions are in our opinion reasonable and defensible, others might wish to argue for different values. In the event of a transaction, the actual transaction value achieved may be higher or lower than our Valuation depending upon the circumstances of the transaction. The knowledge, negotiability and motivations of the buyers and sellers will also affect actual price achieved. Accordingly, our Valuation will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Client is the only authorised user of this Report and is restricted for the purpose indicated in the engagement letter and should not be copied or reproduced without obtaining our approval for any purpose other than the purpose for which it is prepared. This restriction does not preclude the Client from

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providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take responsibility for the unauthorised use of this Report. We owe responsibility only to the Client that have 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 to the Client, their directors, employees or agents. 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 Client, their directors, employees or agent. In no circumstances shall the liability of PwC BCS, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to us in respect of the fees charged by it for these services.

The Valuation analysis and results are governed by the concept of materiality.

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

We would not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Company. 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 Company, its directors, officers or employees.

It is understood that this analysis does not represent a fairness opinion. 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.

This Report is subject to the laws of India.

Neither the 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 the third parties other than in connection with the Proposed Transaction, without our prior written consent except for disclosures to be made to relevant regulatory/statutory authorities, to be read with covenants mentioned above. In addition, we express no opinion or recommendation as how the shareholders of the Company should vote at any shareholders' meeting to be held in connection with the Proposed Transaction.

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SHARE CAPITAL DETAILS OF THE COMPANIES

LMEL

The total number of diluted equity shares of LMEL of face value of INR 1/- each, as at the Valuation Date is as follows:

Particulars	No of equity shares	% holding
Promoter & promoter group	331,920,274	58.7%
Public	191,209,855	33.8%
Shares held by employee trusts	111,816	0.0%
No of shares underlying outstanding underlying warrants	36,795,000	6.5%
No of outstanding ESOPs granted	5,770,748	1.0%
Total number of equity shares (fully diluted)	**565,807,693**	**100.0%**

Source: bseindia.com and Management information

Note:

- LMEL has allotted 3,67,95,000 convertible warrants via preferential allotment issued at a subscription price of INR 259 per warrant, entitling the holder of the warrants to exercise an option to subscribe 3,67,95,000 equity shares of LMEL (having face value of Re. 1/- each) at an exercise price of INR 481 per equity share (issue price being INR 740 per equity share i.e. at a premium of INR 739 per equity share) on preferential basis. The said allotment was made in two trenches i.e. on 18 September 2024 and 25 September 2024 and we understand from the Management that the warrants are expected to convert into equity shares in FY26. Management confirmed that of the above total share warrants, ~1.5 crore share warrants pertains to the promoter & promoter group of LMEL.
- LMEL has allotted 5,770,748 equity shares (of INR 1 each fully-paid) as employee stock options to Lloyds Employees Welfare Trust ("ESOP Trust") at INR 4/- per equity share, of which 106,287 equity shares were allotted on 1 July 2025.
- We understand that there is no change in the shareholding pattern between 30 June 2025 (latest available financial statements) and the Valuation Date, other than the above.
- Basis Management information, we have considered the number of equity shares on diluted basis after taking into account appropriate adjustments for ESOPs granted and share warrants allotted. Accordingly, the diluted number of equity shares as at the Valuation Date considered by us is 565,807,693 equity shares of INR 1/- each.

TPPL

The equity share capital of TPPL, of face value of INR 10/- each, as at 31 July 2025 is as follows:

Particulars	No of equity shares	% holding
Thriveni Earthmovers Private Limited	9,185,100	51.0%
Adler Industrial Services Private Limited	8,824,900	49.0%
Total number of equity shares	**18,010,000**	**100.0%**

Source: Management information

We understand that there is no change in the shareholding pattern between 31 July 2025 and the Valuation Date.

Our Report and recommendation of the fair value per equity share for the Proposed Transaction considers and is premised on the above shareholding pattern of LMEL and TPPL.

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VALUATION - APPROACH & METHODOLOGY

There are several commonly used and accepted valuation approaches for determining the value of shares of a company/ business, which have been considered in the present case, to the extent relevant and applicable:

1. Asset Approach - Net Asset Value (NAV) Method

2. Income Approach
   - Discounted Cash Flow (DCF) Method

3. Market Approach
   - Market Price Method
   - Comparable Companies' Quoted Multiples (CCM) Method
   - Comparable Companies' Transaction Multiples ('CTM') Method

Asset Approach - Net Asset Value method

This approach indicates the value of the business by adjusting the assets and liabilities appearing in the balance sheet of the subject business as at the Valuation Date. The value under this approach, particularly when this approximates the realizable value, is often used as an estimate of 'break-up value', and therefore, is relevant in the event of liquidation.

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. The sum of the discounted value of such free cash flows is the value of the firm.

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.

Under the DCF method, we have considered the projected cashflows as provided by the Management.

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:

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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.

- **Comparable Companies Multiples (CCM) method**

  Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. 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.

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 and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Out of the above methods, we have used approaches/ methods, as considered appropriate. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been tabled below in this Report.

BASIS OF VALUATION

The basis of the Valuation adopted is 'Fair Value'. Fair Value is defined as the price which a business might reasonably be expected to fetch, in money or money's worth in an open market sale, between a willing buyer and a willing seller, both of whom are equally well informed about the business and the markets in which it operates and each of whom is deemed to be acting for its self-interest.

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. 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. There is, therefore, no indisputable single fair value. The Valuation rendered in this Report only represents our recommendation(s) based upon information till the Valuation Date, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the valuation

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at which the Transaction shall take place will be with the Management who should take into account other factors such as their own assessment of the Transaction and input of other advisors.

LMEL

As discussed earlier, LMEL's business primarily comprises of two key business segments – 'Core Operations' and 'MDO Business' (value of its investment in TEIPL). Accordingly, sum of parts methodology has been used for determining equity value of LMEL. These two business segments have been valued using appropriate valuation approaches as discussed below.

A. Core Operations of LMEL

Core Operations of LMEL are currently focused on iron ore mining, sponge iron production, pellet manufacturing and trading. LMEL is currently undergoing significant expansion plan and is in the process of increasing its production capacities across various segments, including iron ore mining, pellet manufacturing, sponge iron, and downstream steel products, with several projects expected to be commissioned over the next few years.

Given the nature and stage of the business of LMEL – Core Operations, and the fact that we have been provided with projected financials for LMEL – Core Operations, we have considered it appropriate to apply the DCF Method under the Income Approach to arrive at the value of LMEL – Core Operations.

LMEL's existing financials do not reflect its future revenue and profitability potential. Accordingly, the CCM Method, under the Market Approach, was not considered appropriate to arrive at the value of LMEL – Core Operations.

Further, we have not used the CTM method under the Market Approach, to arrive at the value of LMEL – Core Operations, for reasons mentioned above as well as due to lack of comparable transactions in this space. Additionally, transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

B. MDO Business – TEIPL and its subsidiaries

TEIPL operates contracts with mining companies across a range of minerals with customers including LMEL. Like LMEL, TEIPL is also undergoing significant expansion plans due to increase in expected volumes from LMEL's expansion and other complimentary factors such as logistic operations. Considering the same, we have adopted the DCF Method under the Income Approach to arrive at the value of MDO Business based on standalone projections received for the expected TEIPL operations.

Market Approach has not been considered for the valuation of TEIPL due to similar factors as mentioned for LMEL above. Further, various subsidiaries of TEIPL have been valued using appropriate valuation methodologies based on latest available information.

Overall valuation of TEIPL including investment in subsidiaries has been carried out on a 'going concern' basis and using the SOTP approach based on standalone equity value of TEIPL and equity value of TEIPL's stake in each of its subsidiaries as explained above.

LMEL is also a publicly listed company and the Market Price method, under the Market Approach, has been used to value LMEL. For determining the market price, the volume weighted average share price of LMEL over an appropriate period upto 11 August 2025 has been considered in this case. The market price

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considered is in compliance with the pricing provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

For our final analysis, we have considered the values arrived under the Income Approach and Market Approach to arrive at the fair value estimates of equity shares of LMEL for the purpose of the Proposed Transaction. We have considered appropriate weights to the values arrived at under the various valuation approaches/ methodologies.

TPPL

We understand from the Management that TPPL does not have any material operations as at the Valuation Date, except for its investment in BRPL. Accordingly, value of TPPL has been derived basis the fair value of its investment in BRPL and the residual net debt/ net assets of TPPL (i.e. net asset value method under Asset Approach has been considered).

In the current analysis, Valuation of BRPL has been carried out on going concern basis. In a going concern scenario, an actual realization of the operating assets is not contemplated and the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of valuation, with the values arrived as per net asset value method being of limited relevance. Hence, we have not considered the Asset Approach in arriving at the valuation of BRPL.

Given the nature and stage of the business of BRPL, and the fact that we have been provided with projected financials for BRPL, we have considered it appropriate to apply the DCF Method under the Income Approach to arrive at the value of BRPL.

As of current date, BRPL has entered into an offtake arrangement with TSL and is planning further operational enhancements, including the installation of a new beneficiation plant. Given existing offtake agreement and expected change in the revenue model and EBITDA profile, the CCM Method, under the Market Approach, was not considered appropriate to arrive at the value of BRPL.

Further, we have not used the CTM method under the Market Approach, to arrive at the value of BRPL, for reasons mentioned above as well as due to lack of comparable transactions in this space. Additionally, the transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

Considering that equity shares of BRPL and TPPL are not quoted on any stock exchange, we have not considered the Market Price Method.

VALUATION CONCLUSION

The fair value per equity share of LMEL and TPPL for the Proposed Transaction is tabulated below:

Approach	**LMEL**		**TPPL**	
	Value per Share (INR)	**Weight**	**Value per Share (INR)**	**Weight**
Asset Approach - Net Asset Value Method (i)	* 155.22	0.0%	100.63	0.0%
Income Approach	1,418.00	50.0%	550.59	100.0%

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- Discounted Cashflow Method (ii)				
Market Approach - Market Price method (iii) (Higher of 10 trading days or 90 trading days volume weighted average price as of 11 August 2025 **(A)**	1,460.50	50.0%	NA	0.0%
Value per Share (Weighted Average of (i), (ii) and (iii)) **(B)**	**1,439.25**		**550.59**	
Price considered for the Valuation (Higher of A and B)	**1,460.50**		**550.59**	

**Net asset value has been computed using standalone financial statements of LMEL as of 30 June 2025.*

In the present case, the shares of LMEL are listed on BSE and NSE and there are regular transactions in their equity shares with reasonable volume. In the circumstances and given that the value under the Income Approach is lower than the value under the Market Price method, the share price of LMEL has been considered as suggested in regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Accordingly, higher of the below two methods has been taken for determining the value of LMEL and under the market price methodology:

- the volume weighted average price for 90 trading days preceding the valuation report date,
- the volume weighted average price for 10 trading days preceding the valuation report date,

Particulars	**Adler**
No of shares being acquired from (No.)	88,24,900
Value per share of TPPL (INR/ share)	550.59
Gross purchase consideration (INR Crore)	485.89
Cash consideration (INR Crore)	200.00
Remaining consideration discharged through issue of LMEL's equity shares	285.89
Issue of LMEL's equity shares (No.)	**19,57,458**

Based on the above considerations and the information and explanations given to us, 19,57,458 equity shares of LMEL (of face value of INR 1/- fully paid up) are to be issued to Adler, on a preferential basis.

Respectfully submitted,
PwC Business Consulting Services LLP
Registered Valuer Entity (Securities or Financial Assets & Plant and Machinery)
Registration Number: IBBI/RV-E/02/2022/158

Neeraj

Neeraj Garg
Partner
IBBI Membership No: IBBI/RV/02/2021/14036
Date: 12 August 2025
Place: Mumbai
RVN: IOVRVF/PWC/2025-2026/5577

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Annexure I: Computation of fair value

a. Lloyds Metals and Energy Limited

INR crore

Particulars for the year/ period ended	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	......	31-Mar-43	31-Mar-44	Terminal year
Number of months	**9**	**12**	**12**	**12**	**12**		**12**	**12**	
Revenue from operations	10,631.2	17,288.4	20,315.7	22,729.3	33,281.9		41,301.1	41,301.1	42,540.1
EBITDA	**4,936.7**	**8,180.4**	**9,530.8**	**11,061.9**	**15,860.6**	......	**19,790.5**	**10,733.2**	**11,055.2**
Less: Depreciation	(227.1)	(494.7)	(806.2)	(906.0)	(1,006.4)		(1,290.6)	(1,312.5)	(1,351.8)
EBIT	**4,709.6**	**7,685.7**	**8,724.6**	**10,155.9**	**14,854.2**		**18,499.9**	**9,420.8**	**9,703.4**
Less: Income tax	(1,280.5)	(2,020.0)	(2,212.9)	(2,454.1)	(3,687.3)		(4,744.2)	(2,454.6)	(2,442.1)
Net operating profit after tax ('NOPAT')	**3,429.0**	**5,665.7**	**6,511.7**	**7,701.8**	**11,166.9**		**13,755.7**	**6,966.2**	**7,261.2**
Add : Depreciation	227.1	494.7	806.2	906.0	1,006.4		1,290.6	1,312.5	1,351.8
Less: Capital expenditure	(4,634.8)	(7,020.0)	(9,120.0)	(2,920.0)	(2,940.0)		(640.0)	(640.0)	(1,351.8)
(Increase) / decrease in working capital	18.2	(704.8)	(128.7)	(54.4)	(216.3)		-	-	(52.8)
Free cash flows to firm ('FCFF')	**(960.4)**	**(1,564.4)**	**(1,930.8)**	**5,633.4**	**9,017.0**	......	**14,406.3**	**7,638.6**	**7,208.5**
Present value factor @ 14%	0.95	0.85	0.74	0.65	0.57		0.10	0.09	
Present value of FCFF	**(914.4)**	**(1,328.0)**	**(1,437.8)**	**3,679.8**	**5,166.7**	......	**1,502.9**	**699.0**	

Particulars	INR crore	INR crore
Present value of horizon period cashflows		59,254.2
Terminal value computation		
Terminal value cashflow	7,208.5	
Capitalisation factor	11.00%	
Terminal value	65,531.5	
Present value factor	0.09	
Present value of terminal year cashflows		5,997.0
Add: Present value of estimated IPS benefit		6,518.3
Enterprise value as at 30 June 2025		**71,769.5**
Add: Stub period adjustment *		1,090.3
Enterprise value as at Valuation Date		**72,859.8**
Adjustments		
Add: Surplus assets (Refer note 1)		1,668.7
Less: Debt & debt like item (Refer note 2)		(2,499.9)
Less: Contingent liabilities		(4.7)
Add: Fair value of MDO Business (Refer note 3)		6,435.5
Add: Cash to be received on exercise of warrants		1,769.8
Add: Cash to be received on exercise of ESOPs		2.3
Equity value as at Valuation Date		**80,231.6**
Total number of equity shares (fully diluted basis)		565,807,693
Equity value per share as at Valuation Date		**1,418.00**

**period between 1 July 2025 upto the Valuation Date*

Note 1: Surplus assets	**INR crore**
Particulars	**30-Jun-25**
Investments in mutual funds	65.5
Fixed deposits with bank	63.4
Investment in subsidiaries	0.1
Other equity investments	31.8
Interest receivable	14.5
Advance tax	882.7
Cash and cash equivalent	610.7
Total	**1,668.7**

Note 2: Debt & debt like items	**INR crore**
Particulars	**30-Jun-25**
Long term borrowings	433.0
Short term borrowings	562.8
Overdraft from bank	706.0
Current tax liabilities	798.1
Total	**2,499.9**

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Note 3: MDO Business – TEIPL INR crore

For the year ended	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	Terminal
Number of months	**12**	**12**	**12**	**12**	**year**
Revenue from operations	**5,489.8**	**6,865.4**	**6,994.3**	**7,063.7**	**7,205.0**
EBITDA	**2,078.5**	**3,148.8**	**2,851.2**	**2,657.2**	**2,710.3**
Less: Depreciation	(504.0)	(577.0)	(629.8)	(477.9)	(487.4)
EBIT	**1,574.5**	**2,571.8**	**2,221.5**	**2,179.3**	**2,222.9**
Less: Tax	(454.4)	(709.2)	(628.8)	(582.5)	(559.5)
Net operating profit after taxes ('NOPAT')	**1,120.1**	**1,862.6**	**1,592.7**	**1,596.8**	**1,663.4**
Add/ (Less):					
Depreciation	504.0	577.0	629.8	477.9	487.4
Capital expenditure	(505.0)	(641.5)	(341.0)	(241.0)	(487.4)
(Increase)/ decrease in working capital	(493.1)	(213.5)	(28.4)	(92.9)	(38.0)
Free Cash Flows to Firm ('FCFF')	**626.0**	**1,584.5**	**1,853.0**	**1,740.8**	**1,625.5**
Present value factor @ 15.25%	0.93	0.81	0.70	0.61	
Present value of FCFF	**583.1**	**1,280.7**	**1,299.5**	**1,059.2**	

Particulars	**INR crore**	**INR crore**
Present value of horizon period cashflows		4,222.6
Terminal value computation		
Terminal value cashflow	1,625.5	
Capitalisation factor	13.25%	
Terminal value	12,267.6	
Present value factor	0.61	
Present value of terminal year cashflows		7,464.8
Enterprise value as at 31 March 2025		**11,687.3**
Add: Stub period adjustment *		620.4
Enterprise value as at Valuation Date		**12,307.7**
Adjustments		
Add: Cash and bank balances		894.1
Add: Other surplus assets		183.5
Less: Debt & debt like items**		(3,147.9)
Less: Redeemable preference shares		(2,157.0)
Less: Contingent liabilities		(59.9)
Standalone equity value as at Valuation Date		**8,020.5**
Add: Fair value of equity stake in subsidiaries		1,391.5
Total Equity value as at Valuation Date		**9,412.0**
LMEL diluted stake in TEIPL***		68.4%
Total equity value of LMEL' stake in TEIPL		**6,435.5**

** period between 1 April 2025 upto the Valuation Date*

*** Excluding OCD and CCPS considered separately in equity dilution*

**** Diluted stake post adjustment of OCD and CCPS*

Note: We understand from the management that cashflows of TEIPL will accrue to LMEL beginning 1 April 2025.

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b. Thriveni Pellets Private Limited ('TPPL')

Particulars as at 30 June 2025	INR crore Fair value
Non-current assets	
Investment in equity shares of BRPL (100%) (note 1)	1,766.0
Fixed assets	0.1
Surplus asset	
Advance tax/ TDS	1.8
Cash and cash equivalents	7.4
Working capital	
Receivables	0.0
Other current assets	0.9
Total	**1,776.1**
Other non-current liabilities	
Long-term borrowings	573.3
Current liabilities	
Payables	211.1
Other current liabilities	0.1
Total	**784.5**
Fair value as at Valuation Date	**991.6**
Total number of equity shares	18,010,000
Equity value per share	**550.59**

Note 1: Fair valuation of BRPL INR crore

Particulars for the year/ period ended	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	Terminal
Number of months	**9**	**12**	**12**	**12**	**12**	**year**
Revenue	2,714.6	3,619.5	3,619.5	3,585.5	3,585.5	3,693.0
EBITDA	**172.8**	**230.4**	**230.4**	**613.1**	**613.1**	**631.5**
Less: Depreciation	(67.2)	(88.1)	(88.7)	(144.2)	(142.0)	(118.7)
EBIT	**105.5**	**142.3**	**141.7**	**469.0**	**471.2**	**512.8**
Less: Income tax	(34.5)	(39.3)	(41.3)	(113.4)	(95.7)	(129.1)
Net operating profit after tax ('NOPAT')	**71.0**	**102.9**	**100.4**	**355.6**	**375.5**	**383.8**
Add : Depreciation	67.2	88.1	88.7	144.2	142.0	118.7
Less: Capital expenditure	(177.8)	(666.4)	(503.5)	(15.0)	(15.0)	(118.7)
(Increase) / Decrease in working capital	(52.6)	(50.3)	-	5.2	-	(18.6)
Free cash flows to firm ('FCFF')	**(92.2)**	**(525.7)**	**(314.5)**	**489.9**	**502.4**	**365.2**
Present value factor @ 14.25%	0.95	0.85	0.74	0.65	0.57	
Present value of FCFF	**(87.7)**	**(445.1)**	**(233.0)**	**317.8**	**285.2**	

Particulars	**INR crore**	**INR crore**
Present value of horizon period cashflows		(162.8)
Terminal value computation		
Terminal value cashflow	365.2	
Capitalisation factor	11.25%	
Terminal value	3,246.4	
Present value factor	0.57	
Present value of terminal year cashflows		1,842.9
Enterprise value as at 30 June 2025		**1,680.1**
Add: Stub period adjustment *		**26.0**
Enterprise value as at Valuation Date		**1,706.1**
Adjustments		
Add: Surplus assets (Refer note 1)		68.6
Less: Debt & debt like item (Refer note 2)		(10.2)
Less: Contingent liabilities		(1.7)
Add: Value of freehold land		3.2
Equity value as at Valuation Date		**1,766.0**

**period between 1 July 2025 upto the Valuation Date*

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Note 1: Surplus assets	INR crore
Particulars	**30-Jun-25**
Investments in mutual funds	0.7
Income tax assets	0.1
Interest accrued on deposits	0.9
Cash and cash equivalent	66.9
Total	**68.6**

Note 2: Debt & debt like items	INR crore
Particulars	**30-Jun-25**
Capital creditor	6.4
Provision for tax	3.8
Total	**10.2**

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