PRIVATE & CONFIDENTIAL

REPORT ON VALUATION OF EQUITY SHARES

HIGHNESS MICROELECTRONICS LIMITED

VALUATION DATE

04 Nov 2026

REPORT DATE

05 Nov 2026

Prepared By:

Aditya Chokhra

Chartered Accountant

Registered Valuer – Securities or Financial Assets (SFA)

Registration No. – IBBI / RV / 06 / 2020 / 12719

To,

05th Nov 2026

The Board of Directors
Highness Microelectronics Limited
Office 1C3, 1st Floor, Gundecha Onclave,
Kherani Road, Saki Vihar, Andheri (East),
Mumbai, Maharashtra, India, 400072

Sub: Certificate from Registered Valuer indicating the value of equity shares and warrants of Highness Microelectronics Limited as on the valuation date.

Dear Sir,

We refer to the request made by **Highness Microelectronics Limited ('the Company')** for the valuation of the fair value of equity shares and Warrants of the Company for the purpose of proposed Preferential allotment as required pursuant to Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the "ICDR Regulations").

We have provided the valuation opinion in the capacity of Registered Valuer under the provisions of the Companies Act, 2013 by CA Aditya Chokhra and in the capacity of Independent Chartered Accountant as per the regulation of the Securities and Exchange Board of India.

Based on our study, analytical review process and subject to the limitations expressed within this report, our opinion of the fair value of equity shares and Warrants of the Company on a going concern basis, for the purpose of complying with the valuation requirements under the Companies Act, 2013 and regulations & circulars issued by the Securities and Exchange Board of India in relation to frequently traded shares on stock exchange, the Company can issue proposed preferential shares as on valuation date at **INR 313.56 Per Share or higher**.

Thanking You,

Aditya Chokhra
Chartered Accountant



ICAI M. No. – 405034
Place – Indore
UDIN: 26405034ZMFSJW8185

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BRIEF BACKGROUND

Particulars	Details
Name of the Entity	Highness Microelectronics Limited
Registered Address	Office 1C3, 1st Floor, Gundecha Onclave,, Kherani Road, Saki Vihar, Andheri (East),Mumbai, Mumbai, Mumbai, Maharashtra, India, 400072
Date of Incorporation	06/09/2007
CIN	L72900MH2007PLC173854
Category of Company	Company limited by shares
Sub-category of Company	Non-government company
Nature of Operations	The Company is engaged in the Design, Development, Integration, Assembly and Manufacture of Digital Imaging Solutions.
Authorised Capital	INR 7,00,00,000
Paid-up Capital	INR 5,16,36,000

PURPOSE OF VALUATION

The management of the Company is considering preferential issue of shares & warrants under the provisions of the Companies Act and for the same the management of the company appointed Registered Valuer to issue the Valuation Report ("the report") for determination of the fair valuation of equity shares & warrants of the company as per the internationally accepted valuation principles.

This report has been issued in accordance with section 247 of Companies Act 2013 and Registered Valuer understands that the purpose of this report is to determine the fair value of equity shares and warrants of the Company that will be allotted to the investors in accordance with the requirement of section 62(1)(c) of the Companies Act, 2013, which states that when a company proposes to issue new warrants, the price of such shares should be determined by the valuation report of a Registered Valuer.

The company is looking to assess its fair value of equity shares and warrants in accordance with Regulations 164 and/or 165 (as applicable) of the SEBI (Issue of Capital & Disclosure Requirements) (Amendment) Regulations, 2018 ("ICDR") using valuation methodology as provided under the regulation for the Issuance of shares & warrants.

Since Regulation 164 deals with frequently traded shares and corresponding regulation 165 deals with infrequently traded shares, we have assessed them together based on the circumstances given in this case.

The relevant extract of the regulation 164 and 165 are as under:

As per the requirements of regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations 2022, a certificate for the fair value of equity shares to be taken from an independent valuer and submit the same to the stock exchange where the shares are listed for the shares which are infrequently traded.

The Pricing of Frequently Traded Shares:

Regulation 164 (1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a. the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or

b. the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

"Provided that if the Article of Association of the issuer provide for a method of determination which results in a floor price higher than the determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue"

(2) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of less than 90 trading days as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than the higher of the following:

a) the price at which equity shares were issued by the issuer in its initial public offer or the value per share arrived at in a scheme of compromise, arrangement and amalgamation under sections 230 to 234 the Companies Act, 2013, as applicable, pursuant to which the equity shares of the issuer were listed, as the case may be; or

b) the average of the volume weighted average prices of the related equity shares quoted on the recognised stock exchange during the period the equity shares have been listed preceding the relevant date; or

c) the average of the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date

"Provided that is the Article of Association of the issuer provide for a method of determination which results in a floor price higher than the determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue"

(3) Where the price of the equity shares is determined in terms of sub-regulation (2), such price shall be recomputed by the issuer on completion of 90 trading days from the date of listing on a recognised stock exchange with reference to the 90 trading days volume weighted average prices of the related equity shares quoted on the recognised stock exchange during these 90 trading days and if such recomputed price is higher than the price paid on allotment, the difference shall be paid by the allottees to the issuer.

"Provided that is the Article of Association of the issuer provide for a method of determination which results in a floor price higher than the determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue"

(4) a) A preferential issue of specified securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

"Provided that if the Article of Association of the issuer provide for a method of determination which results in a floor price higher than the determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue"

b) No allotment shall be made, either directly or indirectly, to any qualified institutional buyer who is a promoter or any person related to the promoters of the issuer.

Provided that a qualified institutional buyer who does not hold any shares in the issuer and who has acquired rights in the capacity of a lender shall not be deemed to be a person related to promoters.

(5) For the purpose of this Chapter, "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer:

Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date.

Pricing of Infrequently Traded Shares:

Regulation 165. Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies:

Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent registered valuer to the stock exchange where the equity shares of the issuer are listed.

This valuation report is being issued interalia with reference to Regulation 166A of SEBI (ICDR) (Amendment) Regulations 2022 as the proposed allotment will result in allotment of more than five percent (5%) of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert. However, it does not result to change in control of more than five percent (5%) of the post issue fully diluted share capital of the issuer.

We, Aditya Chokhra, Chartered Accountants, have been appointed by the management of the Company to arrive at the fair value of equity shares and Warrants of the Company for the proposed preferential issuance of equity shares in compliance with the provisions of the SEBI guidelines.

The purpose of this report is to express an opinion on the fair value of equity shares and Warrants of the Company as of 30th Sep 2026 to comply with the valuation requirements under the Companies Act, 2013 and the regulations issued by the SEBI with the respect to preferential issuance.

VALUATION DATE

> The Valuation Date is **04/11/2026**.

SCOPE OF WORK

We are given to understand that the management of the Company wants to issue equity shares under preferential mode.

In this regard Mr. Aditya Chokhra has been requested to submit a report recommending the fair value of equity shares and warrants of the Company.

The scope of our service is:

Conduct a relative (and not absolute) valuation of the equity shares on fully diluted basis of the Company.

Therefore, as a pre-requisite for determination of Fair Market value as required under the Chapter V of the ICDR Regulations of SEBI for the infrequently traded shares and as required under the provisions of The Companies Act, 2013, Mr. Aditya Chokhra (an IBBI Registered Valuer) has been appointed by the Company to determine the fair value of equity shares and warrants of the Company.

- Registered Valuer has been appointed by the management of the Company to issue a report on the fair valuation of equity shares on fully diluted basis of the Company. We understand that the purpose of the said report is to determine the fair value of equity shares and warrants on fully diluted basis of the Company.
- Fair valuation of the shares of the Company as per Regulations 164 and/or 165 (as applicable) of the SEBI (Issue of Capital & Disclosure Requirements) (Amendment) Regulations, 2022 ("ICDR").
- The value is to be determined with reference to the valuation date, which is 04th Nov 2026.
- Registered Valuer to value the Company as per Valuation rules under the Companies Act, 2013.
- Our report on recommendation of fair value of equity shares and warrants on fully diluted basis is in accordance with International Valuation Standards as per IBBI regulations.

INFORMATION SOURCES

The date of valuation considered is 04th Nov 2026. In connection with this exercise, we have used the following information received from the Management and/or gathered from public domain:

1. Audited Financial Statements of the Company for the year 2025-26.
2. Provisional Profit and Loss Statement and Balance Sheet of the Company for the period 01/04/2026 to 30/09/2026.
3. Financial Projections for 4 years as provided by the management.
4. Discussions with the management and key finance personnel of the Company.
5. Other relevant information provided, whether in oral or physical form or in soft copy.
6. List of competitors derived from the discussion with the management, market sources and other sources.
7. Economy & Industry data and analysis is from websites of various Govt. departments and other sources.
8. Data extracted from publicly available sources believed to be reliable and true (i.e., BSE, NSE, Moneycontrol, Screener.in etc.).
9. Applicable laws and public circulars under SEBI regulations and the provisions of the Companies Act, 2013.

We have also obtained necessary explanations and information, which we believed were relevant to the present exercise, from the executive and representatives of the Company. It may be mentioned that the Company has been provided opportunity to review the draft report (excluding our valuation analysis and recommendation) for the current job as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our report.

STANDARD OF VALUE AND PREMISE OF VALUE

We opine that Fair value of equity shares and Warrants is the standard of value in the analysis as the Company has been in business for the past many years and is engaged in the business of Design, Development, Integration, Assembly and Manufacture of Digital Imaging Solutions.

Here, Fair Value refers to the fair value calculated based on the DCF Method, Comparable Companies Multiple (CCM) Method and Net Asset Value (NAV) Method and Market Price Method.

The premise of value is based on going concern value, which is value of a business enterprise that is expected to continue to operate in the future

VALUATION METHODOLOGY

Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgement decisions. There can therefore be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness.

The international Accounting Standard Board (IASB), which is the independent standard setting body of the IFRS foundation, has set out two internationally accepted valuation methodologies for arriving at the fair value of a share namely, the income approach and the market approach.

Guidance is also available from the Institute of Chartered Accountants of India (ICAI) which has published valuation Standards 2018 and prescribes the approaches for generally accepted valuation methodologies such as the Income approach and the market approach similar to the internationally accepted valuation methodologies.

However, ICAI also allows for a third method which is the asset approach for arriving at the fair value of a share.

For the purpose of determining fair value, a valuer may therefore, use any of the approaches as per the generally / internationally accepted valuation methodologies which in its opinion are most appropriate based on the facts of each valuation. Reliance is placed on the case of Dr. Mrs. Renuka Datla vs. Solvay Pharmaceutical B.V. & Ors on 30th October 2003, in which it was held that, a valuer has to give a justification for selecting or rejecting a method.

The internationally / generally accepted valuation methodologies have been discussed hereinafter, along with the reasons for choice of approach used based on the facts of the company.

Here, the valuation has been carried out as per the **Income Method (DCF), Comparable Companies Multiple (CCM) Method and NAV Method and Market Price Method.**

VALUATION APPROACHES

Income Approach:

Usually under the Income Based Approach, the methods that maybe applied are Discounted Cash Flow (DCF) Method or the Price Earning Capacity Value (PECV) Method.

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 perpetuity value (or terminal value) in case of asset with an indefinite life. Here the Free Cash Flow to business are discounted at Weighted Average Cost of Capital (WACC), where weighted cost after taking into account of Cost of Equity (based on CAPM Method) and Cost of Debt (Post Tax Interest Cost).

Under PECV method, the average earning on the basis of historical 3 to 5 years are first determined, adjustments and then made for any exceptional transactions or items of nonrecurring nature. The adjusted average earnings are then capitalized at an appropriate rate to arrive at the value of business. The capitalization rate so factored has to be decided depending upon various factors such as the earning trend in the industries, P/E prevailing in the industries etc.

Reason for choice of methodology adopted under the Income Approach:

The valuation has been carried out based on the future financial projections for 4 years as provided by the Company. While arriving at the final equity value per share, the same has been given **0 % weight** as the projections are based on forward-looking assumptions and estimates which are subject to uncertainties and may not necessarily reflect the Company's actual future performance. Accordingly, the value derived under this method has not been considered in the determination of the final equity value per share.

Market Approach:

Under this approach the valuation is done on the basis of the quoted market price of the company in case it is a publicly traded company, or publicly traded comparable businesses are reviewed in order to identify a peer group similar to the subject company and then their multiples are applied to the entity being valued to determine the fair value.

Usually under the market based approach, the methods that maybe applied are Market Price Method, Comparable Multiple Method or Precedent Transaction Method by taking into account the various multiple like EV/Sales, EV/EBITDA, P/B, P/E, Price/Sales can be used to value a business depending upon the facts and circumstances of the cases.

Reason for choice of methodology adopted under the Market Approach:

A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices. Whereas no publicly traded company provides as identical match to the operations of a given company Adjustments are made to the derived multiples on account of dissimilarities with the comparable companies and strengths, weakness, and other factors peculiar to the company being valued. The CCM provides valuable insights by comparing the company's financial metrics with those of similar peers in the industry, offering a benchmark for its relative market position. Since the shares of the Company were frequently traded therefore we have given appropriate weightage to VWAP rather than CCM Method.

Asset Based Approach:

Under this approach, the book value / replaceable value / realizable value of the underlying assets of the company is determined to arrive at the value of the business, depending on the facts and circumstances applicable to a company.

Usually under the asset based approach, the methods that maybe applied are Net Book Value Method, Net Replaceable Value and Net Realizable Value.

Reason for choice of methodology adopted under the Asset Based Approach:

This method has been used as historical book values may reflect the proper fair value of the Company, and has been given **0% weight** because historical performance may not reflect their current fair values or the Company's future earning potential.

> Hence, based on the DCF Method, Comparable Companies Multiple (CCM) Method, NAV Method and Market Price method, we have carried out the valuation. **The equity shares & warrants on a fully diluted basis of the Company as per the Annexure are valued at INR 313.56 Per Share.**

VALUATION ASSUMPTIONS

DCF Method:

- Free Cash Flows to Firm are considered for the purpose of valuation.
- We understand that the project will stabilize/normalize by March 2030 and can be considered as a terminal year for the purpose of valuation.
- Financial Projections for 4 years provided by the management of the Company are used for the DCF working.
- **Risk Free Rate**: The risk free rate is generally based on the returns from long-term government bonds and securities. In a way it depicts a combination of Economic Growth & Inflation Premium. These returns are used since they represent a very low default risk, are liquid (freely tradable) and include the expected long-term inflation premium. For the purpose of valuation, we have considered the RBI 10 Year G Sec Yield which is **7.14%**.

  Source:https://m.rbi.org.in/Scripts/BS_NSDPDisplay.aspx?param=4 (dated 25/09/2026)
- **Beta**: Unlevered Beta of **0.53** has been taken from market sources and the same has been relevered as per the Debt / Equity ratio of the Company as per the latest financial statements of the Company. As per the calculation the levered beta of **0.63** has been considered for CAPM method. *Source:http://people.stern.nyu.edu/adamodar/New_Home_Page/datacurrent.html*
- **Company Specific Risk Premium:** The CSRP considers the factors such as company profile, competition, financial stability, diversity of product lines, perceived risk of achieving projections etc. Accordingly, a **5.00%** premium has been added to the cost of equity.
- **Equity Risk Premium:** Equity Risk Premium is the opportunity cost of the capital over & above the Risk Free Rate on other investments of equivalent risk. The ERP for the Company has been appropriately assumed to be **6.92%**.

  Source:http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html
- **Cost of Equity:** Cost of Capital: The discounting factor has been taken at **15.01 %** on the basis of Cost of Equity **(16.48%)** calculated as per CAPM model and Post Tax Cost Debt **(8.97%)** as per the provisional financials of the Company.
- Nominal (Terminal) growth rate for the terminal period has been considered @ **5.00%**.
- The Company being a private Company, a liquidity discount of **20%** is being considered.

Comparable Companies Multiple Method:

- FY 2025-26 and 2026-27, which is completed recently, has been used for the comparable companies analysis.
- For the calculation of Comparable Market Multiples, we have considered comparable companies based on turnover criteria, as the Company is engaged in the business of Design, Development, Integration, Assembly and Manufacture of Digital Imaging Solutions. Accordingly, companies operating in the same sector and listed in India have been considered.
- Market Capitalization of comparable companies has been taken as on the valuation date.

General:

- There have been no material adverse or positive changes during the period between the valuation date and the signing of the valuation report.

SCOPE LIMITATION

- We have not made an appraisal or independent valuation of any of the assets or liabilities of the Company and have not conducted an audit or due diligence or reviewed/validated the financial data provided by the management.
- We have by no means carried out any audit or due diligence exercise to verify the financial data pertaining to the Company in terms of both past and current balance sheet and profit & loss account provided to us. At this point, we offer no comment on the accuracy and completeness of information.
- We may mention that our scope of work for this exercise did not include technical/ financial feasibility or market research; we shall not have any liability for any misunderstanding (express or implied) contained in, or from any omission from, this document or any other written or oral communication transmitted to us for the purpose of this assignment.
- It should be noted that any assumptions contained herein are based on information available at the time of written preparation. Any changes in the external and internal environment could significantly affect our analysis and findings.
- The scope of our work has been limited both in terms of the areas of the businesses and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- This report contains confidential information that has been provided at your request and the same should not be disclosed or circulated in whole or in part without express written consent of the author of this report.
- In furnishing the Report, we reserve the right to amend or replace the report at any time. Our views are necessarily based on economic, market, and other conditions currently in effect, and the information made available to us, as of date hereof. It should be understood that subsequent development may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report.
- We have relied on the provisional Balance Sheet & Profit and Loss Account for the period ending on 30/09/2026 as provided to us by the management. The management has represented to us that all the items and their values in regard to this valuation assignment are true to the best of their knowledge and information. We have not done any audit of the financial statements provided to us.
- We have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein.
- The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
- Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.
- The report is neither an offer to sell, nor a solicitation to buy securities, and/or equity in or assets of the Company.
- An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- We have selected the comparable companies for the Comparable Companies Multiple calculation based on the turnover criteria within the Design, Development, Integration, Assembly and Manufacture of Digital Imaging

Solutions. We have considered 3 comparable companies for the analysis and relied on their relevant valuation multiples for determining the valuation of the Company.

- We have provided a draft copy / workings of this report to the management of the Company, who have confirmed to the best of their knowledge and belief that the factual information contained within this document is correct and that there are no material omissions. We reserve the right to alter our conclusions should any information that we are not aware of at the time of preparing this report come to light that has a material impact on the conclusions herein.
- Financial Projections for 4 years are used as provided by the management of the Company for calculating the valuation under the DCF method.

This report has been prepared solely for the management and Board of Directors of the Company. This report should not be used for any other purpose.

VALUATION OPINION

Basis of Valuation

We have applied following weights on the equity value arrived by the below methods to get the fair value of equity shares and Warrants of the company:

Valuation Parameters Considered:

- Income Method (DCF Method)
- Comparable Companies Multiple (CCM) Method
- Net Asset Value (NAV) Method
- Market Price Method

Basis of Valuation:

We have applied the following weights on the equity value arrived at by the above methods to get the fair value of equity shares and Warrants of the Company:

S. No.	Parameters	Weight
1.	Income Method (DCF Method)	0%
2.	Market Multiple Method (CCM)	0%
3.	NAV Method	0%
4.	Market Price Method	100%
	Total	**100.00%**

The detailed valuation methodologies are as under:

METHOD 1: DCF METHOD OF VALUATION

Calculation of Free Cash Flow to Equity:

Based on our valuation analysis using the Discounted Cash Flow (DCF) methodology, the equity value of the Company is estimated at approximately 61.9 crore and per share value is INR 119.94. Detailed workings and assumptions underlying the valuation have not been disclosed in this report due to confidentiality considerations.

METHOD 2: MARKET MULTIPLE METHOD

Comparable Company Multiple (CCM) Method:

The Company is in the Design, Development, Integration, Assembly and Manufacture of Digital Imaging Solutions, and to negate the effect of any one specific multiple of the comparable listed companies, we have taken three multiples viz., Enterprise Value to Sales, Enterprise Value to EBITDA, and Price to Earnings. The equity values arrived at from these four multiples were considered using the simple average method.

The comparable listed companies were obtained from market sources like BSE India, Screener and Money Control for the companies working in the Design, Development, Integration, Assembly and Manufacture of Digital Imaging Solutions. To ensure better representation and mitigate risk, companies were selected across different market cap ranges.

2.1: Enterprise Value to Sales

The Enterprise Value to Sales multiple obtained for the comparable listed companies is multiplied by the Sales of the Company to arrive at its Enterprise Value, which is then adjusted for DLOM and Net Debt to obtain the equity value.

S. No.	Name of the Company	Enterprise Value	Revenue	EV/SALES
				(ln x)
1	MIC Electronics Ltd	918.18	223.00	4.12
2	Kaynes Technology India Limited	23,585.05	3,899.00	6.05
3	B C C Fuba India Ltd	536.76	82.29	6.52
Average				**5.08**

Particulars	INR Cr
SALES	20.91
EV / SALES	5.56
Enterprise Value	116.34
Less: Net debt	5.40
Equity Value	110.94

2.2: Enterprise Value to EBITDA

The Enterprise Value to EBITDA multiple obtained for the comparable listed companies is then multiplied by the EBITDA of the Company to arrive at the Enterprise Value of the Company. The same is adjusted with the Net Debt to obtain the equity value of the Company.

S. No.	Name of the Company	Enterprise Value	EBITDA	EV/EBITDA
				(In x)
1	MIC Electronics Ltd	918.18	27.00	34.01
2	Kaynes Technology India Limited	23,585.05	750.00	31.45
3	B C C Fuba India Ltd	536.76	14.55	36.89
Average				**32.73**

Particulars	INR Cr
EBITDA	**8.00**
EV / EBITDA	34.11
Enterprise Value	273.05
Less: Net debt	5.40
Equity Value	267.65

2.3: Price to Earnings

The Price-to-Earnings multiple obtained for the comparable listed companies is then multiplied by the Earnings of the Company to arrive at the equity value.

S. No.	Name of the Company	EPS	Share Price	P/E
				(In x)
1	MIC Electronics Ltd	-0.50	36.72	-73.75
2	Kaynes Technology India Limited	51.62	3,507.00	67.95
3	B C C Fuba India Ltd	4.79	306.35	63.98
Average				**-2.90**

Particulars	INR Cr
Net Profit	4.52
PE	19.39
Equity Value	87.68

Average Equity Value Based on Four Multiples:

S. No.	Valuation Method	Equity Value (INR Cr)	Weight	Weighted Equity Value (INR Cr)
1	EV to Sales Value	110.94	33%	36.61
2	EV to EBITDA Value	267.65	33%	88.32
3	P/E	87.68	34%	29.81
Average			**100%**	**154.74**
No. of Shares			**51,63,600**	**299.68**

METHOD 3: NAV METHOD

Under the Net Asset Value method, the equity value of the Company is derived from its net assets (total assets less external liabilities) as per the provisional Balance Sheet as at the valuation date.

Share Valuation Working for Highness Microelectronics Limited as on 30.09.2026				
S. No.	**Particulars**		**Amount**	**Amount**
1	Non Current Assets		INR Cr	INR Cr
	Tangible Assets		2.56	
	Intangible Assets		3.79	
	Capital WIP		0.20	
	Long term Loans and Advances		0.38	
			6.93	6.93
2	Current Assets:			
	Inventories		8.20	
	Trade Receivables		13.73	
	Cash and cash equivalents		1.68	
	Short-term loans and advances		2.32	
	Other current Assets		10.53	
			36.47	36.47
		TOTAL (A)		**43.40**
B.	LIABILITIES:			
1	Non Current Liabilities:			
	Long term Borrowings		2.70	
	Long term provisions		0.32	
			3.02	3.02
2	Current Liabilities:			
	Short Term Borrowings		4.38	
	Trade Payables		1.02	
	Other Current Liabilities		2.93	
	Short Term Provisions		3.19	
			11.52	11.52
		TOTAL (B)		**14.54**
C	**NET ASSETS: (A-B)**			**28.86**
D	**NO. OF EQUITY SHARES O/S AS ON 30/09/2026**			**5,163,600.00**
E	**VALUE PER SHARE**			**55.89**

METHOD 4: MARKET PRICE METHOD

Calculation of minimum issue price as per prescribed under Chapter V of SEBI ICDR Regulations

As per the SEBI (ICDR) Regulations, 2018 (amended time to time), the pricing rules for frequently traded and infrequently traded equity shares have been clearly defined. Based on the trading data available, we observed that the Company's equity shares recorded a trading turnover of approximately 130.12% (i.e., 67,18,800 shares out of 51,63,600 total equity shares) during the 144 trading days preceding the valuation date.

Accordingly, since the trading turnover exceeds 10% of the total number of outstanding equity shares, the Company's shares are classified as frequently traded shares under the SEBI (ICDR) Regulations. Hence, the pricing methodology prescribed under Regulation 164 for frequently traded shares has been applied for determining the issue price.

The calculation of the same is as follows:

Trading Days	No. of Shares
144 Trading Days	67,18,800
No. of Equity Shares	51,63,600
% of Equity Shares	130.12%

As per the SEBI (ICDR) Regulations, 2018, since the equity shares of the Company are frequently traded, the valuation of equity shares for the purpose of determining the price of preferential issue has been carried out in accordance with Regulation 164(1).
Under the said regulation, the preferential issue price shall be not less than the higher of:
the average of the weekly high and low of the volume-weighted average prices (VWAP) of the equity shares quoted on the recognized stock exchange during the preceding 90 trading days, and
the average of the weekly high and low of the volume-weighted average prices (VWAP) of the equity shares quoted during the preceding 10 trading days, immediately prior to the relevant date.

Volume weighted average price (VWAP) of the equity shares of Sterlite Technologies Ltd quoted on the BSE during the last 90 trading days preceding the Relevant Date:
Calculation of Fair value as per Regulation 164 (1)

DAY	DATE	VWAP	VOLUME	VALUE
1	23-06-2026	165.20	103200.00	17048640.00
2	24-06-2026	161.45	56400.00	9105780.00
3	25-06-2026	177.55	69600.00	12357480.00
4	29-06-2026	195.30	93600.00	18280080.00
5	30-06-2026	195.60	61200.00	11970720.00
6	01-07-2026	189.10	39600.00	7488360.00
7	02-07-2026	193.75	96000.00	18600000.00
8	03-07-2026	183.65	123600.00	22699140.00
9	06-07-2026	186.00	13200.00	2455200.00
10	07-07-2026	177.55	32400.00	5752620.00
11	08-07-2026	175.30	63600.00	11149080.00
12	09-07-2026	188.50	48000.00	9048000.00
13	10-07-2026	187.90	38400.00	7215360.00
14	13-07-2026	190.50	33600.00	6400800.00
15	14-07-2026	190.00	6000.00	1140000.00
16	15-07-2026	189.50	10800.00	2046600.00
17	16-07-2026	189.90	8400.00	1595160.00
18	17-07-2026	180.45	33600.00	6063120.00
19	20-07-2026	177.00	25200.00	4460400.00
20	21-07-2026	180.45	7200.00	1299240.00
21	22-07-2026	171.50	25200.00	4321800.00
22	23-07-2026	169.00	10800.00	1825200.00
23	24-07-2026	174.50	12000.00	2094000.00
24	27-07-2026	168.00	18000.00	3024000.00
25	28-07-2026	176.40	27600.00	4868640.00
26	29-07-2026	180.35	21600.00	3895560.00
27	30-07-2026	176.00	28800.00	5068800.00
28	31-07-2026	178.50	8400.00	1499400.00
29	03-08-2026	183.00	13200.00	2415600.00
30	04-08-2026	181.00	8400.00	1520400.00
31	05-08-2026	176.25	1200.00	211500.00
32	06-08-2026	180.00	7200.00	1296000.00
33	07-08-2026	182.50	10800.00	1971000.00
34	10-08-2026	191.40	42000.00	8038800.00
35	11-08-2026	191.00	13200.00	2521200.00
36	12-08-2026	194.95	22800.00	4444860.00
37	13-08-2026	202.00	20400.00	4120800.00
38	14-08-2026	198.00	7200.00	1425600.00
39	17-08-2026	191.25	4800.00	918000.00
40	18-08-2026	182.10	7200.00	1311120.00
41	19-08-2026	191.00	6000.00	1146000.00
42	20-08-2026	190.00	6000.00	1140000.00
43	21-08-2026	183.70	12000.00	2204400.00
44	24-08-2026	186.90	2400.00	448560.00
45	25-08-2026	192.00	8400.00	1612800.00
46	26-08-2026	184.20	13200.00	2431440.00
47	27-08-2026	182.90	3600.00	658440.00
48	28-08-2026	187.05	4800.00	897840.00
49	31-08-2026	181.05	6000.00	1086300.00
50	01-09-2026	183.00	19200.00	3513600.00
51	02-09-2026	181.25	8400.00	1522500.00
52	03-09-2026	175.05	18000.00	3150900.00
53	04-09-2026	183.80	10800.00	1985040.00
54	07-09-2026	192.95	4800.00	926160.00
55	08-09-2026	202.55	34800.00	7048740.00
56	09-09-2026	212.65	7200.00	1531080.00
57	10-09-2026	223.25	45600.00	10180200.00
58	11-09-2026	218.90	30000.00	6567000.00
59	15-09-2026	214.55	16800.00	3604440.00
60	16-09-2026	211.00	12000.00	2532000.00
61	17-09-2026	211.00	9600.00	2025600.00
62	18-09-2026	215.20	2400.00	516480.00
63	21-09-2026	219.50	8400.00	1843800.00
64	22-09-2026	223.85	2400.00	537240.00
65	23-09-2026	228.30	4800.00	1095840.00
66	24-09-2026	232.85	3600.00	838260.00
67	25-09-2026	237.50	2400.00	570000.00
68	28-09-2026	242.25	8400.00	2034900.00
69	29-09-2026	247.05	4800.00	1185840.00
70	01-10-2026	251.95	38400.00	9674880.00
71	05-10-2026	256.95	1200.00	308340.00
72	06-10-2026	262.05	2400.00	628920.00
73	08-10-2026	267.25	14400.00	3848400.00
74	12-10-2026	272.55	3600.00	981180.00
75	13-10-2026	278.00	2400.00	667200.00
76	14-10-2026	283.55	34800.00	9867540.00
77	15-10-2026	289.20	6000.00	1735200.00
78	16-10-2026	294.95	6000.00	1769700.00
79	19-10-2026	300.80	31200.00	9384960.00
80	21-10-2026	306.80	32400.00	9940320.00
81	22-10-2026	312.90	18000.00	5632200.00
82	23-10-2026	306.65	6000.00	1839900.00
83	26-10-2026	300.55	7200.00	2163960.00
84	27-10-2026	306.55	9600.00	2942880.00
85	28-10-2026	312.65	6000.00	1875900.00
86	29-10-2026	318.90	1200.00	382680.00
87	30-10-2026	325.25	12000.00	3903000.00
88	02-11-2026	318.75	24000.00	7650000.00
89	03-11-2026	312.40	6000.00	1874400.00
90	04-11-2026	306.20	6000.00	1837200.00
Total			18,60,000	37,67,12,220
Weighted Avg Price				202.53

Volume weighted average price (VWAP) of the equity shares of Highness Microelectronics Limited quoted on the BSE during the last 10 trading days preceding the Relevant Date:

DAY	DATE	VWAP	VOLUME	VALUE
1	22-10-2026	312.90	18000.00	5632200.00
2	23-10-2026	306.65	6000.00	1839900.00
3	26-10-2026	300.55	7200.00	2163960.00
4	27-10-2026	306.55	9600.00	2942880.00
5	28-10-2026	312.65	6000.00	1875900.00
6	29-10-2026	318.90	1200.00	382680.00
7	30-10-2026	325.25	12000.00	3903000.00
8	02-11-2026	318.75	24000.00	7650000.00
9	03-11-2026	312.40	6000.00	1874400.00
10	04-11-2026	306.20	6000.00	1837200.00
Total			96,000	3,01,02,120
Weighted Avg Price				313.56

Calculation of Pricing

Period	VWAP (INR)
90 Trading Days	202.53
10 Trading Days	313.56

VALUATION CONCLUSION

Computation of the Fair Value of the Company:

Since the value of equity shares of Highness Microelectronics Limited under the market approach, Asset approach and Income approach is lower than the value of equity shares of Highness Microelectronics Limited as per the ICDR Regulations (captured in market approach), we have given due cognizance to the base price derived using the formula given in the ICDR regulations to assign appropriate weights to the values computed under each method. Based on the above, we have given 100% weight to value of Highness Microelectronics Limited computed as per ICDR Regulations under Market approach (VWAP Method).

The final Equity Value Per Share is calculated as follows:

Equity Value Based on Weighted Average of Methods

INR

S.No.	Valuation Method	Equity Valuation	Weights	Average Value Per Sh
1	Market Approach (VWAP Method)	313.56	100.00%	313.56
2	Income Appraoch (DCF Method)	119.94	0.00%	-
3	Market Approach (CCM Method)	299.68	0.00%	-
4	Asset Approach (NAV Method)	55.89	0.00%	-
Total			**100.00%**	**313.56**
Equity Value Per Share (In INR)				**313.56**

In light of the above and on consideration of all relevant factors and circumstances as discussed and outlined here in above in this report, we recommend the following fair value of equity shares and Warrants for the company for the proposed preferential issue, as per the provisions of SEBI (ICDR) Regulations, 2018:

Conclusion: Based on the above calculation, the fair value of the Share & Warrants is arrived at **INR 313.56 Per Share.**



HIGHNESS MICROELECTRONICS LIMITED

REPORT ON VALUATION OF EQUITY SHARES

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