December 4, 2024

International Gemmological Institute (India) Limited

Estimation of the Fair Value of Equity of International Gemmological Institute B.V. and IGI Netherlands B.V.

D and P India Advisory Services LLP
Skyline Icon, Andheri - Kurla Rd,
Marol, Andheri East,
Mumbai, Maharashtra - 400059
Registered valuer No: IBBI/RV-E/05/2020/131

D & P ADVISORY

December 4, 2024

To,
The Board of Directors,
International Gemmological Institute (India) Limited,
702, The Capital, Bandra Kurla Complex,
Bandra (E), Mumbai 400051
Maharashtra, India

Re: Estimation of the Fair value of Equity of International Gemmological Institute B.V. and IGI Netherlands B.V.

Dear Sir,

In accordance with the terms of our engagement letter dated May 10, 2024 and addendum engagement letter dated November 28, 2024 we enclose our valuation report (the "Report") providing our estimation on the fair value of equity of International Gemmological Institute B.V. ("IGI Belgium") and IGI Netherlands B.V. ("IGI Netherlands") (together referred as "Companies") as of November 15, 2024 (the "Valuation Date"). Hereinafter, IGI Belgium and IGI Netherlands are together referred to as the "Companies".

We understand that International Gemmological Institute (India) Limited ("IGI India" or the "Client") is planning an initial public offering (IPO) of its shares on the Indian stock exchanges. A portion of the IPO proceeds would be utilized by IGI India for the proposed acquisition of IGI Belgium and IGI Netherlands ("Proposed Acquisition"). The proposed transaction involves acquisition of shares of IGI Belgium and IGI Netherlands by IGI India from BCP Asia II Topco Pte. Ltd.

In this regard, IGI India has approached D and P India Advisory Services LLP ("D&P Advisory" or "we" or the "Registered Valuer") to ascertain the fair value of equity shares ("Values") of IGI Belgium and IGI Netherlands for the purpose of compliance with Foreign Exchange Management (Overseas Investment) Regulations, 2022 read with Foreign Exchange Management (Overseas Investment) Rules, 2022 (hereinafter collectively referred to as the "FEMA Regulations"). Further, we understand that both IGI India and BCP Asia II Topco Pte. Ltd. are associated enterprises for purpose of transfer pricing provisions under the Income-tax Act, 1961. With the above backdrop, we have been requested by IGI India vide engagement letter dated May 10, 2024 and addendum engagement letter dated November 28, 2024, to carry out fair valuation of IGI Belgium and IGI Netherlands as per internationally accepted valuation methodologies on an arm's length basis to comply with the FEMA regulations and the relevant provisions under the Income-tax Act, 1961.

In the process of formulating our estimate of the Values, we held discussions with the Management of IGI India ("Management") regarding the history and nature of operations, economic and competitive conditions, and prospects of IGI Belgium and IGI Netherlands and their subsidiaries. Please note, we have carried out the valuation of IGI Belgium and IGI Netherlands, individually, but each of them on a consolidated basis.

For this valuation, consolidated financials, represented to be as of the Valuation Date, documents and other records, and consolidated prospective financial information pertaining to the business operations and assets of IGI Belgium and IGI Netherlands were furnished by the Management. We have made no representation as to the achievability of this prospective financial information, as actual results may differ, and these differences could be material. However, we did perform certain procedures to determine that the prospective financial information was reasonable and appropriate for use in the valuation process.

In addition, the Management provided financial statements and other records and documents for our analysis. This data was utilized without verification as correctly representing the consolidated operations of IGI Belgium and IGI Netherlands.

Basis of preparation

Our work has been based on financial information provided by the Management. We have relied on the accuracy and completeness of that information. Regarding the information provided, we have not carried out any form of audit, independent confirmation or verification of the reliability, accuracy or completeness of the information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of the information provided to us.

The valuation of companies and businesses 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 judgment. There is, therefore, no indisputable single value. Whilst we consider our valuation to be both reasonable and defensible based on the information available to us, others may place a different value.

The information contained herein, and our report is confidential. It is intended only for the sole use and information of IGI India, and only in connection with the specific regulatory requirements. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the Proposed Acquisition, can be done only with our prior permission in writing.

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Unless required by law it shall not be provided to any third party or used for any other purpose. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to which the Report is disclosed or otherwise made available.

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D&P ADVISORY

D&P Advisory expressly disclaims all liability for any loss or damage of whatever kind which may arise from any person acting on any information and opinions contained in this Report which are contrary to the stated purpose. Full terms and conditions of our work are included in our Engagement Letter.

If you would like to discuss any aspect of this report, please do not hesitate to contact me on +91 99459 19262.

Sincerely,

Santosh N
Chartered Accountant (ICAI Membership No. 215021)
Managing Partner,
D and P India Advisory Services LLP

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Section 01

Executive Summary

Executive Summary

Introduction

We understand that IGI India is planning an initial public offering (IPO) of its shares on the Indian stock exchanges. A portion of the IPO proceeds would be utilized by IGI India for acquisition of equity shares ("Proposed Transaction") of its fellow subsidiaries, viz. IGI Belgium and IGI Netherlands. The proposed transaction involves acquisition of shares of IGI Belgium and IGI Netherlands by IGI India from BCP Asia II Topco Pte. Ltd.

In this connection, the Management of IGI India wants to ascertain the fair value of equity shares of IGI Belgium and IGI Netherlands for the purpose of compliance with Foreign Exchange Management (Overseas Investment) Regulations, 2022 read with Foreign Exchange Management (Overseas Investment) Rules, 2022.

Further, we understand that both IGI India and BCP Asia II Topco Pte. Ltd. are associated enterprises for purpose of the transfer pricing provisions under the Income-tax Act, 1961. With the above backdrop, we have been requested by the Management of IGI India vide engagement letter dated May 10, 2024 and addendum engagement letter dated November 28, 2024, to carry out fair valuation of IGI Belgium and IGI Netherlands as per internationally accepted valuation methodologies on an arm's length basis to comply with the FEMA regulations and the relevant provisions under the Income-tax Act, 1961.

The sources of information considered in the analysis and our assumptions and limitations are detailed in the subsequent sections of the report.

Conclusion

Our analysis is based on valuation as per internationally accepted valuation methodology(s). Based on the above and considering the nature of business of the Companies, we have solely relied on the Income Approach – Discounted Cashflow Method ("DCF") to estimate the fair value of equity as of November 15, 2024.

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Based on the information and analysis summarized in this report, the estimated Fair Value of equity of IGI Belgium and IGI Netherlands is as follows:

International Gemmological Institute B.V. ("IGI Belgium")

Particulars	(USD Mn)
Income Approach: Discounted Cash Flow Method **Indicated Enterprise Value**	**81.0**
Add: Loans from related party/Sub-lease Receivables	1.3
Less: Employee Benefit Obligations	0.3
Add: Cash and Cash equivalent	3.2
Estimated Value of Equity (Rounded)	**85.0**

Please refer to Exhibit 1.1 for more details.

IGI Netherlands B.V. ("IGI Netherlands")

Particulars	(USD Mn)
Income Approach: Discounted Cash Flow Method **Indicated Enterprise Value**	**85.0**
Less: Borrowings	0.7
Less: Employee Benefit Obligations	0.7
Add: Cash and Cash equivalent	6.2
Add: Investments	0.2
Estimated Value of Equity (Rounded)	**90.0**

Please refer to Exhibit 2.1 for more details.

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Section 02

Introduction

Introduction

Purpose and Scope of Analysis

IGI India is the world's leading independent diamond, gem and jewelry grading, education and appraisal institute since 1975. It operates around 31 laboratories and 18 educational facilities in major diamond and jewelry centers around the world. IGI provides the fine jewelry community and consumers with a broad range of services including natural and laboratory grown diamond reports, colored stone grading and origin reports, as well as jewelry identification and appraisal reports. IGI India was acquired by Blackstone in May 2023.

We understand that IGI India is planning an initial public offering (IPO) of its shares on the Indian stock exchanges. A portion of the IPO proceeds would be utilized by IGI India for acquisition of equity shares ("Proposed Transaction") of its fellow subsidiaries, viz. IGI Belgium and IGI Netherlands (together referred as "the Companies"). The proposed transaction involves acquisition of shares of IGI Belgium and IGI Netherlands by IGI India from BCP Asia II Topco Pte. Ltd.

In this connection, the Management of IGI India ("the Management") wants to ascertain the fair value of equity shares of IGI Belgium and IGI Netherlands for the purpose of compliance with FEMA Regulations. Further, we understand that both IGI India and BCP Asia II Topco Pte. Ltd. are associated enterprises for purpose of the transfer pricing provisions under the Income-tax Act, 1961.

With the above backdrop, we have been requested by the Management of IGI India vide engagement letter dated May 10, 2024 and addendum engagement letter dated November 28 2024, to carry out the fair valuation of IGI Belgium and IGI Netherlands (individually and each on a consolidated basis) as per internationally accepted valuation methodologies on an arm's length basis to comply with the FEMA regulations and the relevant provisions under the Income-tax Act, 1961.

Procedures Adopted

The procedures adopted during the course of our analysis included, but are not necessarily limited to the following:

- Requested and received financial and qualitative information, and clarifications regarding financial performance of the Companies.
- Considered data available in public domain related to the Companies and their peers.
- Discussions (physical/ over call) with the Management to:
  - Understand the business and fundamental factors that affect its earning-generating capability and historical financial performance of the Companies.
- Undertook Industry Analysis:
  - Researched publicly available market data including economic factors and industry trends that may impact the valuation;

    - Analyzed key trends and valuation multiples of comparable companies using proprietary databases subscribed by us.
- Selected internationally accepted valuation methodology/ (ies) as considered appropriate by us, in accordance with the International Valuation standards published by the International Valuation Standards Council.
- Estimated fair value of the equity of the Companies.

The valuation is also based on consolidated prospective financial information ("PFI") of the Companies that the Management has represented and prepared based on the visibility prevailing as of the Valuation Date. The PFI was compared to the historical financials of the Companies and was also discussed with the Management. Based on all the above, it was determined that the PFI was appropriate for use in this analysis. The principal information provided to us and used in arriving at our valuation conclusion is outlined in Appendix A.

Fair Value

Fair Value is defined as *"the amount at which the subject asset might be expected to exchange between a willing buyer and a willing seller, neither being under compulsion, each having reasonable knowledge of all relevant facts".*

Fair Value has been established based on premises of value and underlying analytical approaches appropriate to the facts and circumstances pertaining to the business being valued.

The scope of work performed, and the premise of value referenced in the estimation of the equity value of IGI Belgium and IGI Netherlands is described in the relevant sections of this report.

Premise of Value

The report has adopted "Going Concern Value" as the premise of value in the given circumstances. The generally accepted definition of Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

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Section 03

Nature of the Business

Background

Background

The International Gemmological Institute (IGI) is the world's leading independent diamond, gem and jewelry grading, education and appraisal institute since 1975. It operates around 29 laboratories and 18 education facilities in major diamond and jewelry centers around the world. IGI provides the fine jewelry community and consumers with a broad range of services including natural and laboratory grown diamond reports, colored stone grading and origin reports, as well as jewelry identification and appraisal reports. IGI was acquired by Blackstone in May 2023.

We understand that IGI India is planning an initial public offering (IPO) of its shares on the Indian stock exchanges. A portion of the IPO proceeds would be utilized by IGI India for acquisition of equity shares of its fellow subsidiaries, viz. IGI Belgium and IGI Netherlands. The proposed transaction involves acquisition of shares of IGI Belgium and IGI Netherlands by IGI India from BCP Asia II Topco Pte. Ltd.

In this connection, the Management wants to ascertain the fair value of equity shares of IGI Belgium and IGI Netherlands for the purpose of compliance with FEMA Regulations'. Further, we understand that both IGI India and BCP Asia II Topco Pte. Ltd. are associated enterprises for purpose of the transfer pricing provisions under the Income-tax Act, 1961.

With the above backdrop, we have been requested by the Management vide engagement letter dated May 10, 2024 and addendum engagement letter dated November 28, 2024, to carry out fair valuation of IGI Belgium and IGI Netherlands as per internationally accepted valuation methodologies on an arm's length basis to comply with the FEMA regulations and the relevant provisions under the Income-tax Act, 1961.

International Gemmological Institute B.V. ("IGI Belgium")

IGI Belgium is a private limited liability company incorporated under the laws of Belgium. It is principally engaged in diamond related certification and consulting services. Management has informed us that IGI Belgium also has a subsidiary in the United States.

IGI Netherlands B.V. ("IGI Netherlands")

IGI Netherlands is a private limited liability company incorporated under the laws of the Netherlands. It is principally engaged in diamond related certification and consulting services. We understand from the Management that IGI Netherlands has subsidiaries in Dubai, Hong Kong, Thailand, China, Israel and a step-down subsidiary in Egypt.

Transaction

The proceeds of the proposed IPO would be utilized by IGI India for acquisition of equity shares of its fellow subsidiaries, viz. IGI Belgium and IGI Netherlands. The proposed transaction involves acquisition of shares of IGI Belgium and IGI Netherlands by IGI India from BCP Asia II Topco Pte. Ltd.

Financial Review

We reviewed the historical financial results of the Companies based on information provided by the Management. This information was used without further verification as correctly reflecting the results of the Company's business operations and financial condition.

IGI Belgium Consolidated Income Statement

Particulars (USD Millions)	December 2022	December 2023	September 2024
Period	12 months	12 months	9 months
Revenues	**19.7**	**18.4**	**11.7**
Employee benefits expenses	10.7	10.4	8.5
Gross profit	**9.0**	**8.0**	**3.2**
Other expenses	4.6	5.3	4.9
EBITDA	**4.4**	**2.7**	**(1.7)**
EBITDA Margin (%)	22.6%	14.5%	-14.5%
Depreciation and Amortization	1.4	2.1	1.0
EBIT	**3.0**	**0.5**	**(2.7)**
Interest & Other Financial Charges	0.1	0.8	0.6
Other income	0.2	0.2	0.8
Net Profit Before Tax	**3.1**	**(0.1)**	**(2.5)**
Tax	0.7	0.1	0.0
Net Profit After Tax	**2.4**	**(0.2)**	**(2.6)**

Notes:

- The main sources of revenue include certification of diamonds and other consulting services. They also provide education services related to gems.
- The revenue for 12 months ending December 2023, was 6.9 percent lower than December 2022.
- The interim financials as of September 30, 2024, provided by Management, has been converted from INR to USD using the average exchange rate of (1 USD = 83.43 INR Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

IGI Belgium Consolidated Balance Sheet

Particulars (USD Millions)	December 2022	December 2023	September 2024
Period	12 months	12 months	9 months
Assets			
Non-Current Assets			
Property, plant and equipment	2.6	2.7	2.7
Right-of-use assets	1.8	9.4	8.6
Goodwill	6.6	6.5	6.5
Loans	0.0	0.8	0.6
Other Financial Asset	2.0	1.2	0.4
Income Tax Assets (net)	0.0	0.2	1.1
Deferred tax assets (net)	0.4	0.9	0.9
Total Non-Current assets	**13.4**	**21.7**	**20.8**
Current Assets			
Trade receivables	1.9	2.2	1.6
Cash and cash equivalents	3.7	3.2	3.2
Loan	0.0	0.0	0.0
Other Financial Asset	0.3	0.8	1.1
Income Tax Assets (net)	1.3	1.0	0.0
Other Current Assets	0.3	0.2	0.2
Total current assets	**7.6**	**7.4**	**6.1**
TOTAL ASSETS	**20.9**	**29.1**	**26.9**
Equity and Liabilities			
Share capital	0.1	0.1	0.1
Other reserves	14.9	14.3	11.8
Total equity	**15.0**	**14.4**	**11.8**
Non-Current Liabilities			
Lease liabilities	2.2	11.6	10.9
Employee Benefit Obligations	0.2	0.2	0.2
Total non-current liabilities	**2.4**	**11.9**	**11.2**
Current Liabilities			
Lease liabilities	1.2	0.9	0.9
Trade payables	0.7	0.5	0.3
Other Financial Liabilities	1.4	1.3	2.4
Other Current Liabilities	0.1	0.2	0.2
Employee Benefit Obligations	0.0	0.0	0.0
Income Tax liabilities (net)	0.1	0.0	0.1

Total current liabilities	**3.6**	**2.9**	**3.9**
TOTAL EQUITY AND LIABILITIES	**20.9**	**29.1**	**26.9**

Notes:

- The interim financials as of September 30, 2024, provided by Management, has been converted from INR to USD using the exchange rate of (1 USD = 83.76 INR Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

IGI Netherlands Consolidated Income Statement

Particulars (USD Millions)	December 2022	December 2023	September 2024
Period	12 months	12 months	9 months
Revenues	**13.8**	**14.0**	**12.2**
Employee benefits expenses	5.9	6.3	5.3
Gross profit	**7.9**	**7.7**	**6.9**
Other expenses	5.4	4.8	3.7
EBITDA	**2.5**	**2.9**	**3.2**
EBITDA Margin (%)	18.1%	20.6%	26.3%
Depreciation and Amortization	1.0	1.3	1.4
EBIT	**1.5**	**1.6**	**1.8**
Interest & Other Financial Charges	0.1	0.1	0.1
Other income	0.1	0.1	0.2
Net Profit Before Tax	**1.4**	**1.5**	**1.9**
Tax	0.6	0.6	0.6
Net Profit After Tax	**0.8**	**0.9**	**1.3**

Notes:

- The main sources of revenue include certification of diamonds and other consulting services. They also provide education services related to gems.
- The revenue for 12 months ending December 2023, was 1.45 percent higher than December 2022.
- The interim financials as of September 30, 2024, provided by Management, has been converted from INR to USD using the average exchange rate of (1 USD = 83.43 INR Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date

IGI Netherlands Consolidated Balance Sheet

Particulars (USD Millions)	December 2022	December 2023	September 2024
Period	12 months	12 months	9 months
Assets			
Non-Current Assets			
Property, plant and equipment	5.3	5.6	5.4
Right-of-use assets	0.8	2.0	1.5
Investment	0.3	0.2	0.2
Goodwill	6.1	5.8	5.8
Intangible Assets	0.0	0.1	0.1
Financial Asset	0.2	0.5	0.3
Tax receivables (net)	0.6	0.6	0.6
Other non-current assets	0.0	0.1	0.0
Total Non-Current assets	**13.2**	**14.8**	**13.7**
Current Assets			
Inventories	0.0	0.0	0.0
Trade receivables	1.8	0.8	1.2
Cash and cash equivalents	9.3	5.8	6.2
Bank Balances other than above	0.0	1.0	0.0
Loans	0.0	0.0	0.0
Other Financial Asset	0.3	0.2	0.2
Other current assets	1.1	1.6	0.9
Total current assets	**12.5**	**9.5**	**8.5**
TOTAL ASSETS	**25.7**	**24.3**	**22.2**
Equity and Liabilities			
Share capital	0.0	0.0	0.0
Other reserves	13.9	14.2	15.6
Total equity	**13.9**	**14.2**	**15.6**
Non-Current Liabilities			
Borrowings	4.0	0.3	0.6
Lease Liabilities	0.3	1.2	0.7
Employee benefit obligations	1.1	0.7	0.6
Deferred tax liabilities	0.0	0.0	0.0
Total non-current liabilities	**5.5**	**2.2**	**1.9**
Current Liabilities			

Borrowings	0.7	0.5	0.1
Lease liabilities	0.3	0.8	0.8
Trade payables	1.7	1.4	0.7
Other Financial liabilities	1.2	1.0	0.9
Other current liabilities	1.8	3.6	1.8
Employee Benefit obligations	0.0	0.1	0.1
Income Tax liabilities	0.7	0.6	0.2
Total current liabilities	**6.4**	**7.9**	**4.7**
TOTAL EQUITY AND LIABILITIES	**25.7**	**24.3**	**22.2**

Notes:

- All the borrowings are related party loans and there is no external debt raised by IGI Netherlands.
- The interim financials as of September 30, 2024, provided by Management, has been converted from INR to USD using the exchange rate of (1 USD = 83.76 INR Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

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Section 04

External Environment

Economic Overview

Economic Overview

A sound valuation of a business or business interest must consider current and prospective economic conditions, both in the overall economy and in the industry or industries with which the business is allied. An overview of key macro-economic variables of the Global Economy in recent years, as well as consideration of certain forecasted data is discussed herein.

Global Economy

The Global activity and world trade have increased since the turn of the year with trade supported by strong exports from Asia, particularly in the technology sector. The first quarter growth in many countries was on the upside which was surprising, but Japan and the United States downside performances were notable. The output divergences have narrowed across economies as cyclical factors wane and activity becomes better aligned.[1]

Economic performance can be understood by the following factors:

Gross Domestic Product

- As per the World Economic Outlook, during 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. The United Sates and many other emerging markets and middle-income economies showed the greatest overperformance. Aggregate demand was well supported by stronger than expected private consumption amidst still tight but easing labour markets.[2]
- Global growth is expected to be at 3.2 percent for 2024 and 3.3 percent in 2025. The estimate for 2024 is expected to be in line with the April 2024 edition of the World Economic Outlook. The forecast for global economic growth is in line with the April estimates.[1]
- Advanced economies are estimated to be same in 2024 at 1.7 percent as it was in 2023 and expected to rise to 1.8 percent in 2025. Amongst the advanced economies, the growth is expected to converge over the coming quarters.[1]
- In the emerging market and developing economies, the estimates are revised upwards mainly because of the stronger activity in Asia. The estimated growth for 2024 is 4.3 percent, which is expected to remain unchanged for 2025.[1]
- Low income developing countries are projected to increase from 3.9 percent in 2023 to 4.4 percent in 2024 and 5.3 percent in 2025, as constraints are expected to ease in the near term.[1]

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[1] World Economic Outlook 2024 The Global Economy in a Sticky Spot, July 2024
[2] World Economic Outlook 2024 Steady but Slow: Resilience amid Divergence, April 2024

Inflation[1]

- The momentum on the global disinflation front is slowing, indicating bumps along the path. This reflects different sectoral dynamics: the higher-than-average inflation in services prices is somewhat brought down by stronger disinflation in the price of goods.

- World Consumer Price index is estimated to fall from 6.7 percent in 2023 to 5.9 percent in 2024 and 4.4 percent in 2025. Monetary policy rates of major central banks are expected to fall in second half of 2024, with divergence in the pace of normalization reflecting varied inflation circumstances.

- In advanced economies, the revised forecast shows slowdown in the pace of disinflation in 2024 and 2025. The gradual cooling of labour markets along with the decline in energy prices, should bring back the headline inflation to its target by the end of 2025.

- Emerging and developing economies are expected to witness higher inflation and a slower drop in inflation as compared to advanced economies. Thanks to the falling energy prices, inflation is close to pre-pandemic levels for the median of emerging and developing economies.

Monetary Condition[2]

- The global current account balances, the sums of absolute surpluses and deficits, are expected to continue narrowing in 2024, similar to 2023 prior to which in 2022 it saw a significant rise.

- The major reasons for the significant rise in 2022 were the elevated commodity prices, due to the Russian invasion of Ukraine, the uneven post pandemic recovery and the rapid tightening of the US monetary policy. In the medium term, the global balances are expected to narrow over a period of time.

Growth Potential[3]

The economic outlook for Global Economy, by the IMF, is illustrated below:

Particulars	2021A	2022A	2023E	2024E	2025E	2026E
Real GDP Level (%)	6.6	3.6	3.3	3.2	3.3	3.3
CPI Inflation (%)	4.7	8.6	6.7	5.9	4.4	3.6

Outlook[1]

With the global economy in recovery, the estimated growth of real GDP is 3.2 percent for 2024 and 3.3 percent for 2025. Apart from the near-term challenges, policymakers must act now in order to revitalize medium-term growth. Striking differences across productivity trends and levels across countries show that not all factors are cyclical and that decisive policy action is needed to increase business dynamism and reduce resource misallocation to arrest weaknesses. Another key factor is multilateral cooperation and trade are vital as misuse of inward and domestically oriented policies compromises the ability to tackle global challenges.

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[3] IMF, World Economic Outlook Database

Industry Overview

Diamond Industry

The diamond industry is a global market that encompasses various aspects related to diamonds, like mining of diamonds, manufacturing of diamonds which involves the processes to convert raw diamond into finished products and retail of diamonds.[4]

The global demand for diamond jewelry as of 2022 was USD 86.5 billion.[5] The global diamond industry is expected to reach USD 123.8 billion in 2030 at a CAGR of 3.2%. The growth is mainly attributable to rising demand of jewelry usage, in emerging markets like India and China and also the industrial applications of diamonds. The value chain of diamond industry involves downstream, upstream and midstream processes. Upstream processes include exploration, production and sorting of rough diamonds. Midstream processes include cutting and polishing rough diamonds. Downstream processes include jewelry designing and retail of diamonds.[3]

On the basis of application of diamonds, as of 2022, the jewelry and ornaments segment accounted for 98.0% of revenue share in the diamond industry.[3]

On the basis of the type of diamond, natural diamonds had a strong grip on the revenue share as of 2022, as they contributed 94.5% in 2022. Natural diamonds are mostly used in the making of jewelry and ornaments. Synthetic diamonds are currently utilized more in the industrial segment, but in the coming years they are also expected to increase their share in the jewelry segment. [3]

Key Drivers[6]

Consumer Demand and Preferences

The global diamond market demand is a function of the wants of people. As people tend to make more money, they tend to increase their spending on luxury items. This is true for emerging and developing nations, like India and China. Also, diamonds portray a symbol of affection, commitment and affluence. Hence, individuals prefer diamonds to show love or show esteem amongst their peers.

Technological Advancements

In the diamond industry, technological advancements are of great significance in terms of efficiency and productivity. For example, technological advancements can allow for precise cutting and polishing of diamonds, that increases accuracy and at the same time helps in bringing costs under control.

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[4] Diamond Market Size, Share & Trends Analysis Report By Type, Grand View Research, 20th October 2023
[5] The Diamond Insight Report 2023, De Beers Group, 20th September 2023.
[6] Diamond Market, Econ Market Research, April 2024

Restraints

Environmental and Ethical Concerns

The cost of diamond mining is a heavy one, that is borne by the environment in terms of deforestation and habitat destruction. Along with that there is a lot of speculation regarding the working conditions and basic labor rights of people working in diamond mines. Many consumers are trying to avoid the purchase of diamonds due to the related ethical and environmental concerns.[17]

Negative Perception of Synthetic Diamonds

The recent past has seen the rise of artificial lab grown diamonds in the diamond industry, which allows consumers to buy diamonds which are of the similar composition as that of the natural diamonds but are actually made in labs synthetically at a very low cost as compared to natural diamonds. But there is still a sense of negative perception among consumers who question the quality of the synthetic diamond. Companies need to take this into account in their efforts to increase manufacturing and sale of artificial diamonds.[7]

Global Synthetic Diamond Market

The global synthetic diamond market revenue size stood at USD 22.64 billion in 2022 and is expected to rise to USD 38.78 billion in 2030 at a CAGR of 7.0% during the forecast period of 2023 to 2030.

The global synthetic diamond market is expected to see growth due to the growing electronic and semiconductor industries. They are used in these industries due to their unique physical and chemical properties. They are also used in other industries as well as in jewelry. They also carry a greater sustainable value as compared to natural diamonds, due to all the ethical and environmental concerns related to natural diamonds. [8]

The synthetic diamond market has gained robust growth in recent years due to technological advancements, increased consumer awareness and increasing demand for sustainably sourced diamonds. The cost at which consumers can buy these synthetic diamonds is also a huge advantage for them, as they can save a lot of money by buying these synthetic diamonds.

Future Outlook

Diverse trends continue to shape the future of the diamond industry. The increase in demand of synthetic diamond is something to watch out for in the future. As synthetic

[7] The Road Less Cut: Challenges Faced by the Lab Grown Diamond Revolution, Lab Diamond Blogs, 5th February 2024
[8] Synthetic Diamond Market, Coherent Market Insights, 16th October 2023

diamond provides a cheaper and more sustainable alternative to natural diamonds, it will provide a healthy challenge to the current domination of natural diamonds. The use of diamond is across various industries, which is expected to strengthen the demand for diamonds in the coming years positively impacting the industry. However there are certain challenges that need to be accounted for by Companies in order to bolster their business and continue growing.

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Section 05

Valuation of IGI Belgium and IGI Netherlands

Approaches to Value

Approaches to Value

In estimating the equity value of IGI Belgium and IGI Netherlands, we have evaluated the suitability of the three approaches to value. We have used internationally accepted valuation methodologies, specifically the DCF method under the Income approach.

Since there are no direct comparable companies with similar size or operating model and given the niche nature of the industry in which the Companies operate, we have not relied on Market Approach to value the companies.

The NAV/Cost approach does not capture the going concern value of any company/business and the value embedded in the company's workforce and its knowledge base since these do not get reflected in the company's balance sheet. Therefore, we have not used the NAV/Cost approach to value the companies.

Please note, we have considered the latest available special purpose interim consolidated financials as of September 30, 2024, as representative of the consolidated financial position of the IGI Belgium and IGI Netherlands as of the Valuation Date.

Our conclusions rely on the approaches judged to be most appropriate for the purpose and scope of our analysis, as well as the nature and reliability of the data available to us. We have summarized the valuation of the Companies based on Income approach as mentioned below.

The three generally accepted valuation approaches are summarized as follows:

Income approach – The income approach is a valuation technique that provides an estimation of the value of an asset, or a business based on the cash flows that an asset or business can be expected to generate over its remaining useful life. Under the income approach, Discounted Cash Flow (DCF) Method is one of the most commonly used valuation methodologies.

- **Discounted Cash Flow Method:**

  Under the Discounted Cash Flow (DCF) method, an estimation of the annual cash flows a hypothetical buyer would expect the subject asset or business to generate over a discrete projection period is made. The estimated cash flows for each of the years in the discrete projection period are then converted to their present value equivalent using a rate of return appropriate for the risk of achieving the projected cash flows. The rate of return used is the weighted average cost of capital (WACC). The present value of the estimated cash flows is then added to the present value equivalent of the residual value of the asset (if any) or the business at the end of the discrete projection period to arrive at an estimate of value. Then, the value of debt (net of cash and cash equivalents) is reduced to arrive at the equity value of the business.

Market approach – The market approach is a technique used to estimate value from an analysis of actual transactions or offerings for economically comparable assets/ businesses available as of the valuation date. The commonly used valuation methodologies under market approach are as follows:

- **Market Price Method**:

  Under this method, the market price of equity shares of the company as quoted on a recognized stock exchange is usually considered as the fair value of equity shares of the company where such quotations arise from trading.

- **Guideline Public Companies (GPC) Method:**

  Under this method, the value is calculated on the basis of multiples of guideline public companies listed on the stock exchange. The process is essentially that of comparison and correlation between the subject business and similar businesses and choosing the appropriate multiples for valuation.

- **Guideline Transactions (GLT) Method:**

  Under this method, the process is essentially that of comparison and correlation between the subject business and similar businesses that have been recently sold or is offered for sale in the market. The transaction or offering prices of the comparable assets/businesses are adjusted for dissimilarities in characteristics including location, operating history, size, and utility, among others. The adjusted prices of the comparable assets/ businesses provide an indication of value for the subject asset/ business.

Cost approach – The cost approach is a technique that uses the reproduction or replacement cost as an initial basis for value. The cost to reproduce or replace the subject businesses with a new asset, either identical (reproduction) or having the same utility (replacement), establishes the highest amount a prudent investor is likely to pay. To the extent that the asset being valued provides less utility than a new one, due to physical deterioration, functional obsolescence, and/ or economic obsolescence, the value of the subject businesses is adjusted for those reductions in value. This approach is more suited for valuation of individual assets than to businesses, especially operating businesses.

The valuation exercise may be carried out using the above generally accepted methodologies, the relative emphasis of each often varying with the factors such as:

- Specific nature of the business,
- Industry to which the entity belongs,
- Economic life cycle in which the industry or the Company is operating,
- Extent to which industry and comparable company information is available, and
- Past track record of the business and estimates of future profits.

Income Approach – Discounted Cash Flow Method

Income Approach – Discounted Cash Flow Method

A Discounted Cash Flow ("DCF") Method analysis provides an indication of the value of a business by reference to the present value of the future cash flows which are expected to arise from the business asset's operations.

We have used a Free Cash Flow to Firm ("FCFF") method to arrive at the fair value of business owing to the nature of its operations. This method involves discounting of the future forecasted free cash flows to the firm holders using cost of capital to arrive at the firm value. The firm value is further adjusted, with non-operating assets and other liabilities basis the balance sheet provided by the Management, to arrive at the fair value of equity.

As cash flow projections are inherently limited to a specific timeframe, they fail to account for the business's long-term cash generation potential and neglect the concept of the company's continuity as a going concern. Therefore, a terminal value is incorporated to capture the business's value beyond the projected period, extending into perpetuity.

The terminal value is estimated taking into consideration the past growth rates of the business, economic life cycle of the business, expected growth rates in future, sustainable capital investments required for the business as well as the estimated growth rate of the industry and economy.

Valuation of IGI Belgium

Discounted Cash Flow Method – IGI Belgium

We have valued IGI Belgium on an as-is basis. We have relied on the financial projections furnished by the Management for our analysis, covering the period 3 months ending December 2024 and FY25 to FY28.

The following are the key assumptions used in considering the DCF analysis:

- **Revenue**

  We understand from the Management that IGI Belgium is involved in the testing and certification of natural and lab grown diamonds. The following are projected revenue for IGI Belgium covering the period 3 months ending December 2024 and FY25 to FY28.

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Period	3 months	12 months	12 months	12 months	12 months
Revenue	6.2	24.0	28.1	32.9	37.7
% Growth	nmf	nmf	17.0%	17.1%	14.4%

- **Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")**

  The average EBITDA margin in the projection period was 16.7%. The Management has projected EBITDA margin to be around 9.6 to 22.6 percent in the projected period covering 3 months ending December 2024 and FY25 to FY28.

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Period	3 months	12 months	12 months	12 months	12 months
EBITDA	0.6	3.2	4.8	6.8	8.5
% Margin	9.6%	13.2%	17.1%	20.8%	22.6%

- **Depreciation & Capital Expenditure**

  According to the Management, capital expenditure is not expected to be significant, as IGI Belgium is expected to only incur maintenance capex. Capex is in the approximate range of 1.7 percent to 5.5 percent of revenue in the projected period. Depreciation is in the approximate range of ~2.0 percent to 2.6 percent of revenue in the projected period.

- **Debt Free Non-Cash Working Capital**

  Net working capital is projected to be on 20 percent of revenue over FY25 to FY28 as shown below:

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Working Capital	2.7	4.8	5.6	6.6	7.5
% of Revenue	15.0%	20.0%	20.0%	20.0%	20.0%

- **Tax Rate**

  The corporate tax rate applied throughout the projection period is a blended rate derived from the tax rates of Belgium and the USA, resulting in an implied tax rate used in the analysis. Implied tax rate is in the 23.6 percent to 21.9 percent range in the projected period.

- **Invested Capital Cash Flow**

  Earnings Before Interest and Tax ("EBIT") was tax affected to derive the invested capital net income. From this, adjustments for depreciation, capital expenditure and incremental non-cash working capital were made to arrive at the invested capital cash flows for each projected year. The invested capital cash flows were then discounted to present value using a discount rate developed by analyzing the returns investors required on the guideline public companies as of the Valuation Date. We developed the discount rate for the entity by computing the Weighed Average Cost of Capital (“WACC”) using guideline public company data. The Discount Rate Development section of this report provides further discussions of the methodology employed to arrive at the discount rate.

- **Terminal Value**

  The terminal value i.e., value attributed to IGI Belgium beyond FY28, was estimated using an exit multiple. To capture the going-concern value of IGI Belgium beyond CY28, we have considered an exit multiple approach by considering an EV/EBITDA multiple of 13.0x based on benchmarking with guideline public companies and our assessment of growth, margin expansion and risk perception.

Discount Rate

We have discounted the cash flows using a discount rate of 10.5% (please refer Appendix C). The discount rate of 10.5% has been assessed by applying a WACC model considering global guideline public companies. For detailed analysis please refer to Workpaper 1.2.

Summary – Discounted Cash Flow Method

The enterprise value of the IGI Belgium was estimated to be USD 81.0 Mn under Income Approach which yielded an equity value of USD 85.0 Mn. A detailed analysis is presented in Exhibit 1.1.

Particulars	(USD Mn)
Income Approach: Discounted Cash Flow Method **Indicated Enterprise Value**	**81.0**
Add: Loans from related party/Sub Lease Receivables	1.3
Less: Employee Benefit obligations	0.3
Add: Cash and Cash equivalent	3.2
Estimated Value of Equity (Rounded)	**85.0**

Valuation of IGI Netherlands

Discounted Cash Flow Method – IGI Netherlands

We have valued IGI Netherlands on an as-is basis. As per information provided by Management, we have relied on the financial projections furnished by the Management for our analysis, covering the period 3 months ending December 2024 and FY25 to FY28.

The following are the key assumptions used in considering the DCF analysis:

- **Revenue**
  We understand from the Management that IGI Netherlands is a holding company whose subsidiaries and step-down subsidiaries are involved in the testing and certification of natural and lab grown diamonds. The following are projected revenue for IGI Netherlands covering the period 3 months ending December 2024 and FY25 to FY28. We understand from the Management that IGI Netherlands is facing pricing pressure on its certification revenue, especially in China. Accordingly, the Management has moderated the CY 2025 top-line growth expectations.

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Period	3 months	12 months	12 months	12 months	12 months
Revenue	3.1	18.5	22.3	26.1	30.1
% Growth	nmf	nmf	20.5%	17.0%	15.5%

- **Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”)**

  The average EBITDA margin in the projection period was 25.3%. The Management has projected EBITDA margin to be around 16.6 to 30.7 percent in the projected period covering 3 months ending December 2024 and FY25 to FY28.

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Period	3 months	12 months	12 months	12 months	12 months
EBITDA	0.9	3.1	4.9	7.0	9.2
% Margin	30.4%	16.6%	21.9%	27.0%	30.7%

- **Depreciation & Capital Expenditure**

  According to the Management, capital expenditure is not expected to be significant, as IGI Netherlands is expected to only incur maintenance capex. This conservative approach ensures that the company focuses on sustaining its current operations without undertaking major expansion projects. Capex is in the range of ~3 percent to ~7 percent of revenue in the projected period. Additionally, depreciation is aligned with the maintenance capex, reflecting the limited scope of new capital investments. Depreciation is in the 6.9 percent to 9.9 percent of revenue in the projected period.

- **Debt Free Non-Cash Working Capital**

  Net working capital is projected to be on 20 percent of revenue over FY25 to FY28 as shown below:

(USD Mn)	FY24P	FY25P	FY26P	FY27P	FY28P
Working Capital	(0.6)	3.7	4.5	5.2	6.0
% of Revenue		20.0%	20.0%	20.0%	20.0%

- **Tax Rate**

  The corporate tax rate applied throughout the projection period is a blended rate derived from the tax rates of Dubai, China, Thailand, Hong Kong, Israel, the Netherlands, and Egypt. Since IGI Netherlands operates in these countries, this approach results in an implied tax rate used in the analysis. Implied tax rate is in the 23.5 percent to 24.1 percent range in the projected period.

- **Invested Capital Cash Flow**

  Earnings Before Interest and Tax ("EBIT") was tax affected to derive the invested capital net income. From this, adjustments for depreciation, capital expenditure and incremental non-cash working capital were made to arrive at the invested capital cash flows for each projected year. The invested capital cash flows were then discounted to present value using a discount rate developed by analyzing the returns investors required on the guideline public companies as of the Valuation Date. We developed the discount rate for the entity by computing the WACC using guideline public company data. The Discount Rate Development section of this report provides further discussions of the methodology employed to arrive at the discount rate.

- **Terminal Value**

  The terminal value i.e., value attributed to IGI Netherlands beyond FY28, was estimated using an exit multiple. To capture the going-concern value of IGI Netherlands beyond CY28, we have considered an exit multiple approach by considering an EV/EBITDA multiple of 13.0x based on benchmarking with guideline public companies and our assessment of growth, margin expansion and risk perception.

Discount Rate

We have discounted the cash flows using a discount rate of 11.0% (please refer Appendix C). The discount rate of 11.0% has been assessed by applying a WACC model considering global guideline public companies. For detailed analysis please refer to Workpaper 2.2

Summary – Discounted Cash Flow Method

The enterprise value of the IGI Netherlands was estimated to be USD 85.0 Mn under Income Approach which yielded an equity value of USD 90.0 Mn. A detailed analysis is presented in Exhibit 2.2.

Particulars	(USD Mn)
Income Approach: Discounted Cash Flow Method Indicated Enterprise Value	**85.0**
Less: Borrowings	0.7
Less: Employee Benefit Obligations	0.7
Add: Cash and Cash equivalent	6.2
Add: Investments	0.2
Estimated Value of Equity (Rounded)	**90.0**

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Section 9

Appendix

A. Sources of Information

A. Sources of Information

In the course of our valuation analysis, we relied upon financial and other information, including prospective financial information, obtained from the Management and from various public, financial, and industry sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in performing our valuation include:

- Discussions with, and other information provided by the Management, including an overview of the background of IGI Belgium and IGI Netherlands.
- Special purpose audited consolidated financial statements of IGI Belgium and IGI Netherlands for the period ended December 31, 2021, to December 31, 2023.
- Special purpose audited interim consolidated financial statements of IGI Belgium and IGI Netherlands for the 9 months ended September 30, 2024.
- Consolidated prospective financial information for IGI Belgium and IGI Netherlands prepared by Management as of the Valuation Date until the year ended December 31, 2028.
- Capital IQ database of recent guideline public companies.
- Publicly available information (i.e., analyst reports, articles, studies, websites, and court cases).

D&P Advisory has relied upon the information provided to it and referred to above and has not endeavoured to seek any independent confirmation of its reliability, accuracy or completeness.

It does not imply, and it should not be construed, that D&P Advisory has carried out any form of audit or other verification of the information that it has relied upon.

Accordingly, whilst the statements made in this report are given in good faith, neither D&P Advisory nor its partners and employees, accept any responsibility neither for any errors in the information on which they are based nor for the effect of any such errors on the valuation.

B. Comparable Companies

B.Comparable Company Analysis

The Companies provide independent grading reports, colored stone reports, identification and appraisal reports, diamond authentication and attestations of origin, and laser inscription services, which is a very niche industry. In absence of pure-play companies operating specifically in the diamond/jewelry rating space, we have considered global publicly traded companies in the inspection and testing industry as comparable companies. These companies operate in industrial and financial rating industry.

We have shortlisted the following as guideline public companies:

Company Name	Business Description[9]
Care Ratings Limited	CARE Ratings Limited, a credit rating agency, provides various rating and related services in India and internationally. The company provides rating services for bank loan, debt instrument, bonds, long term instruments, non-convertible debentures, preference shares, fixed deposits, short term instruments and NCDs, and commercial papers; principal protected market linked debentures, subordinate debt, CDs for banks, perpetual bonds, mutual funds, and hybrid instruments; structured finance ratings; insurance ratings; recovery ratings; ratings of REITs; infra EL; public finance; and monitoring agency for IPOs. The company was formerly known as Credit Analysis and Research Limited and changed its name to CARE Ratings Limited in June 2017. CARE Ratings Limited was incorporated in 1993 and is headquartered in Mumbai, India.
ICRA Limited	ICRA Limited operates as an independent and professional investment information, and credit rating agency in India and internationally. The company operates through Rating, Research and Other Services; Consulting Services; Knowledge Services; and Market Services segments. It also offers rating, grading, and industry research services; management consulting services, which includes risk management, financial advisory, outsourcing, and policy advisory; KPO services; and financial information product and services. In addition, the company provides corporate debt ratings for various issuers including manufacturing, service, non-banking finance, and infrastructure companies, as well as bank and financial institutions, municipal and other local bodies, state government, and small and medium sector entities; and financial sector ratings, which includes term loans, debenture, public deposit, working capital demand loan, cash credit from commercial paper, and mibor-linked loans, and others. It also offers structured finance ratings for assessment of risk associated with individual components of structured instruments including asset-backed securitization, future flow transaction, and partial guarantee structures, and infrastructure sector ratings to debt programs of issuers in power, roads, telecommunication, and other infrastructure related sectors. Further, it provides other ratings, which includes mutual funds, public finance, infrastructure expected loss, infrastructure investment trust, independent credit evaluation, and market liked debenture. Additionally, the company offers credit perspectives detailed analysis including key rating consideration, rating sensitivity factor, rating retinoate, company profile, business update and outlook, and financial update and outlook, etc. across economy, industry, and companies. ICRA Limited was incorporated in 1991 and is headquartered in Gurugram, India.

[9] Source: Capital IQ

Company Name	Business Description[9]
CRISIL Limited	CRISIL Limited, an analytical company, together with its subsidiaries, provides ratings, data, research, and analytics and solutions worldwide. It operates through two segment, Rating Services; and Research, Analytics, and Solutions. The Ratings Services segment offers credit ratings for corporates, banks, and bank loans; credit analysis services; grading services; and analytical services. The Research, Analytics, and Solutions segment provides research and risk solutions, industry reports, customized research assignments, subscription to data services, independent equity research, initial public offering gradings, training, credit ratings for small and medium enterprises, and advisory services; and range of risk management tools, analytics, and solutions for financial institutions, banks, and corporates. The company was formerly known as The Credit Rating Information Services of India Limited and changed its name to CRISIL Limited in December 2003. CRISIL Limited was incorporated in 1987 and is headquartered in Mumbai, India.
Bureau Veritas Sa	Emmbi Industries Limited engages in the manufacturing, trading, and selling of woven polymer-based products in India. The company provides various specialty packaging products, such as standard flexible intermediate bulk containers (FIBC), tunnel lift FIBC, single and two loops, and ventilated FIBC, as well as woven sacks, garden waste, planter/hedge, and skip bags; box bags, including bale bags, automobile covers, and lumber covers; and woven fabrics, which include silt fence, sandwich fabrics, roofing underlayment, and tarpaulin. It also offers space confinement, conductive type C, flame retardant, anti-corrosive, and rodent repellent packaging bags, as well as de-watering, tamper evidence, and self-standing FIBCs; fall arrest systems; and carrier bags used for containing and transportation of asbestos. In addition, the company provides geo textile bags, canal and pond liner, flexi tank, and flood control bags. Further, it offers ground cover fabric, weed mats, and mulch films used for control of weed and conserve water; and crop covers to manage soil erosion, soil fertility, soil quality, water, weeds, pests, diseases, biodiversity, and wildlife in an agroecosystem. Additionally, the company provides industrial sling bags and protective furniture covers. It also exports its products. The company was formerly known as Emmbi Polyarns Limited and changed its name to Emmbi Industries Limited in July 2013. Emmbi Industries Limited was incorporated in 1994 and is based in Mumbai, India
Intertek Group Plc	Intertek Group plc engages in the provision of quality assurance solutions to various industries in the United Kingdom, the United States, China, Australia, and internationally. The company operates in five segments: Consumer Products, Corporate Assurance, Health and Safety, Industry and Infrastructure, and World of Energy. It offers quality assurance, testing, inspection, and certification services (ATIC), including laboratory safety, quality and performance testing, accredited third-party management systems auditing and certification, technical inspection, second-party supplier auditing and supply chain solutions, sustainability data verification, process performance analysis and training, food safety testing, hygiene and safety audits, advisory and consulting, and validation services, as well as hardware, software, and cyber security solutions. The company also provides asset performance management, analytical testing, non-destructive and materials testing, engineering, cargo and inventory inspection, analytical assessment, calibration, supply-chain traceability, and related research and technical services, as well as support services in product development, regulatory authorization, chemical testing, and production. It serves a range of industries, including textiles, footwear, toys, hardlines, home appliances, consumer electronics, information and communication technology, automotive, aerospace, lighting, building products, industrial and renewable energy products, oil and gas, petrochemical, minerals, exploration, ore and mining, building and construction, solar energy, energy storage, green hydrogen, petroleum and biofuels, agricultural supply chain, food,

Company Name	Business Description[9]
	transportation, chemicals and pharma, and healthcare, as well as governments and regulatory bodies. The company was founded in 1885 and is based in London, the United Kingdom
SGS SA	SGS SA provides inspection, testing, and verification services in Europe, Africa, the Middle East, the Americas, and the Asia Pacific. It operates in five segments: Connectivity & Products, Health & Nutrition, Industries & Environment, Natural Resources, and Business Assurance. The company provides laboratory testing, product inspection and consulting, process assessment, technical and transactional assistance; and automotive, connectivity, softlines and accessories, and hardgoods, toys, and juvenile products, as well as government and trade facilitation services. In addition, it offers a range of testing, inspection and certification solutions for the crop science, food, health science, and cosmetics and hygiene industries; field services, technical assessment, and advisory services; and services related to industrial, public health and safety, environmental testing, and public mandates. Further, it provides assessment, auditing, and certification, supply chain assurance, training, consulting, and sustainability assurance services; agricultural commodities, geochemistry, laboratory testing petroleum and chemicals, metallurgy and consulting, mineral and metal commodities, and oil, gas, and chemical commodities; and sustainability solutions. The company serves the agriculture and food, chemical, construction, consumer and retail, energy, industrial manufacturing, life sciences, mining, oil and gas, public, and transportation sectors. SGS SA was founded in 1878 and is headquartered in Geneva, Switzerland.
Applus Services, S.A	Applus Services, S.A., together with its subsidiaries, provides testing, inspection, and certification services. It operates through four segments: Applus+ Energy & Industry, Applus+ Laboratories, Applus+ Automotive, and Applus+ IDIADA. The Applus+ Energy & Industry segment offers non-destructive testing, quality accreditation and control, project management, supplier inspection, and facility inspection and asset certification and integrity services. This segment also provides qualified staff recruitment and hiring services for the oil and gas, aircraft, energy, mining, telecommunications, and construction industries. The Applus+ Laboratories segment offers laboratory testing, system certification, and product development services across various industries and electronic payment systems, including the aerospace and industrial sectors. The Applus+ Automotive segment offers mandatory vehicle roadworthiness testing services and verifying vehicles' compliance with safety and emissions regulations in force. The Applus+ IDIADA segment offers design, engineering, testing, and certification services to manufacturers. It operates in Spain, rest of Europe, the United States, Canada, the Asia and Pacific, the Middle East, Africa, and Latin America. The company was formerly known as Applus Technologies Holding, S.L. and changed its name to Applus Services, S.A. in March 2014. Applus Services, S.A. was founded in 1996 and is headquartered in Madrid, Spain.
Moody's Corporation	Moody's Corporation operates as an integrated risk assessment firm worldwide. It operates in two segments, Moody’s Analytics and Moody’s Investors Services. The Moody’s Analytics segment develops a range of products and services that support the risk management activities of institutional participants in financial markets. It also offers credit research, credit models and analytics, economics data and models, and structured finance solutions; data sets on companies and securities; and SaaS solutions supporting banking, insurance, and know your customer workflows. The Moody’s Investors Service segment publishes credit ratings and provides assessment services on various debt obligations, programs and facilities, and entities that issue such obligations, such as various corporate, financial institution, and governmental obligations, as well as structured finance securities. The company was formerly known as Dun and Bradstreet Company and changed its name to Moody's Corporation in September 2000. Moody's Corporation was founded in 1900 and is headquartered in New York, New York.

Company Name	Business Description[9]
S&P Global Inc.	S&P Global Inc., together with its subsidiaries, provides credit ratings, benchmarks, analytics, and workflow solutions in the global capital, commodity, and automotive markets. It operates through S&P Global Market Intelligence, S&P Global Ratings, S&P Global Commodity Insights, S&P Global Mobility, S&P Dow Jones Indices, and S&P Global Engineering Solutions segments. The S&P Global Market Intelligence segment offers multi-asset-class data and analytics integrated with purpose-built workflow solutions. This segment offers Desktop, a product suite that provides data, analytics, and third-party research; Data and Advisory Solutions for research, reference data, market data, derived analytics, and valuation services; Enterprise Solutions, software and workflow solutions; and Credit & Risk Solutions for selling Ratings' credit ratings and related data and research. The S&P Global Ratings segment operates as an independent provider of credit ratings, research, and analytics, offering investors and other market participants information, ratings, and benchmarks. The S&P Global Commodity Insights segment provides information and benchmark prices for the commodity and energy markets. The S&P Global Mobility segment provides solutions serving the full automotive value chain, including vehicle manufacturers (OEMs), automotive suppliers, mobility service providers, retailers, consumers, and finance and insurance companies. The S&P Dow Jones Indices segment is an index provider that maintains various valuation and index benchmarks for investment advisors, wealth managers, and institutional investors. The S&P Global Engineering Solutions segment offers engineering standards and related technical knowledge, including product design to provide information and insight to design products, optimize engineering projects and outcomes, solve technical problems, and address complex supply chain issues. S&P Global Inc. was founded in 1860 and is headquartered in New York, New York

C. Derivation of Discount Rate

C. Derivation of Discount Rate

When applying the DCF methodology, the cash flows expected to be generated by a business are discounted to their present value equivalent using a rate of return that reflects the relative risk of the investment, as well as the time value of money.

Since we are discounting free cash flows available to all the stakeholders, we are using the WACC method to compute the discount rate. WACC is calculated by multiplying cost of equity and cost of debt with their respective weights in the overall capital structure.

Weighted Average Cost of Capital (WACC) applicable to IGI Belgium and IGI Netherlands

WACC provides an expected rate of return based on the capital structure, the required return on the equity, and the required yield on the interest-bearing debt. Since value is premised on a current transaction between willing parties, industry specific estimates relative to capital structure, required return on equity, and required yield on interest-bearing debt have been applied. The formula for calculating the weighted average cost of capital is:

WACC	=	k_e * W_e + k_d *(1-t) * W_d
K_e	=	Cost of equity
W_e	=	Equity weight in total capital
K_d	=	Cost of debt,
t	=	Tax rate
W_d	=	Debt weight in total capital

The derivation of each of the inputs into the model is described below.

Cost of Equity (K_e)

The cost of equity has been estimated using the International Cost of Capital(“ICOC”) model. Since the projected financial information provided by the Management are USD denominated, we have used a USD build-up to arrive at the cost of equity for the Companies. We looked at the financial return data for other similar firms in the industry to arrive at the estimated required return on equity the holder would expect for his investment. The ICOC can be expressed as follows:

K_e	=	((RFR + ß x (ERP) +CRP) * R) + CSRP
Where:		
RFR	=	Risk-free rate
ß	=	Security’s beta statistic
ERP	=	Market Equity Risk Premium
R	=	Fisher Effect
CSRP	=	Company Specific Risk Premium

All factors relevant to the K_e calculation are based on publicly available sources and considered reliable.

$$K_e = ((RFR + ß \times (ERP) + CRP) * R) + CSRP$$

Where

K_e	=	Cost of equity			
R_f	=	Risk-free rate of return	=	4.4%	The yield on the US 10-Year Sovereign Bond Yield as of the Valuation Date was used as a proxy for the risk-free rate.
β	=	Beta	=	0.77	Beta is a measure of the risk of a given security relative to that of the overall market. The concluded beta is based on the median of the unlevered beta(s) of the selected guideline companies, which was then re-levered based on the concluded capital structure.
ERP	=	Market equity risk premium	=	5.0%	The ERP is the expected return of the market (Rm) in excess of the risk-free rate (Rf), or, mathematically, Rm - Rf. The market equity risk premium is estimated based on consideration of historical realized returns on equity investments over a risk-free rate as represented by long-term government bonds and forward-looking equity risk premium estimates. Data sources reviewed generated a range of equity risk premium indications. A 5.0% equity risk premium was considered to reasonably represent a consensus viewpoint of the market equity risk premium.
CRP	=	Country Risk Premium	=		The CRP of represents the additional return required by an average investor for the risk associated with investing in certain territories outside of the 'risk free' territory of US. This is based on Kroll's internal country risk premium study. For **IGI Belgium** - We have considered 0.2 percent CRP which is a weighted average of the CRP for Belgium and its subsidiary (USA) basis the proportion of revenue from each country. For **IGI Netherlands** - We have considered 0.8 percent CRP which is a weighted average of the CRP for all the operating subsidiaries of Netherlands basis the proportion of revenue from each country.
CSRP	=	Company-Specific Risk Premium	=		The CSRP accounts for company specific factors affecting a company's competitive position in the industry or unique characteristics that would cause investors to view the company's risk differently than the average risk characteristics of comparable companies. The CSRP includes size premium, and risk based on the fundamentals of the subject company including riskiness of the projections. We have not considered any CSRP for the purpose of this analysis. For **IGI Belgium** - We have considered 2.0 percent CSRP which accounts for uncertainty and risks associated with projected revenues and margins in the long term. For **IGI Netherlands** - We have considered 2.0 percent CSRP to account for uncertainty and risks associated with projected revenues and margins in the long term.

Based on these inputs, the base cost of equity (including CRP but excluding R and CSRP) for IGI Belgium and IGI Netherlands is as provided in the table below:

Base Cost of Equity (Rounded)

	Base K_e	=	((RFR + ß x (ERP) +CRP)	
IGI Belgium	Base K_e	=	4.4%+0.77*5.0%+0.2%	= 8.5%
IGI Netherlands	Base K_e	=	4.4%+0.77*5.0%+0.8%	= 9.0%

Fisher Effect (R)

The Fisher Effect is an economic hypothesis stating that the real interest rate is equal to the nominal rate minus the expected rate of inflation. The indicated Ke is further adjusted using the Fisher effect to arrive at the International Cost of Capital (ICOC). We have considered the long-term inflation rate for US as home country and long-term inflation rate for all countries of operations of the subsidiaries for Belgium and Netherlands, (separately for each valuation) as foreign country inflation as part of the adjustment factor as below:

$$\text{Fisher's Effect} = \frac{[(1 + \text{Foreign Country Ke}) * (1 + \text{Home Country Inflation})]}{(1 + \text{Foreign Country Inflation})}$$

IGI Belgium

Particulars	
Indicated Cost of Equity (Ke)	8.5%
Fisher's Effect	
Foreign Country's Long Term Inflation Rate	2.1%
US' Long Term Inflation Rate	2.2%
Estimated Ke	**8.4%**

IGI Netherlands

Particulars	
Indicated Cost of Equity (Ke)	9.0%
Fisher's Effect	
Foreign Country's Long Term Inflation Rate	2.1%
US' Long Term Inflation Rate	2.2%
Estimated Ke	**8.9%**

Based on these inputs, K_e for IGI Belgium and IGI Netherlands, post adjusting for CSRP is as provided in the table below:

Cost of Equity (Rounded)				
	K_e	=	((RFR + ß x (ERP) +CRP) * R CSRP	
IGI Belgium	K_e (Rounded)	=	8.4% + 2.0%	= 10.5%
IGI Netherlands	K_e (Rounded)	=	8.9% + 2.0%	= 11.0%

Capital Structure

We looked at the average capital structure of comparable companies and accordingly, we have considered the following as appropriate capital structures for the IGI Belgium and IGI Netherlands:

Particulars	Debt	Equity	Capital Structure
IGI Belgium	0.0%	100.0%	0:100
IGI Netherlands	0.0%	100.0%	0:100

Concluded Discount Rate

Based on the target capital structure of Nil debt to equity, cost of equity has been concluded to be WACC for both IGI Belgium and IGI Netherlands.

Please refer to Workpaper 1.2 and Workpaper 2.2 for detailed analysis.

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D. Assumptions and Limiting Conditions

D. Assumptions and Limiting Conditions

This service was performed with the following general assumptions and limiting conditions.

D&P Advisory's valuation report for the fair valuation of the Companies does not constitute an audit in accordance with auditing standards. D&P Advisory has relied on explanations and information provided by the Management and accepted the information and financial projections provided to us as accurate. Although D&P Advisory has reviewed such data for consistency and reasonableness, D&P Advisory has not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material miss-statements or would not afford reasonable grounds upon which to base the Report. As per Management representation, we also understand that there are no other material surplus or contingent assets or liabilities that are likely to materialize, other than those that are appearing on the balance sheet of the Companies as of the Valuation Date.

The valuation of IGI Belgium and IGI Netherlands has been carried out on an as-is basis as of the valuation date. D&P Advisory's valuation is primarily from a business perspective and has not taken into account various legal and other corporate structures beyond the limited information made available.

The responsibility for forecasts and the assumptions on which they are based is solely that of the Management. It must be emphasized that revenue and profit forecasts necessarily depend upon subjective judgment. They are to a greater or lesser extent, according to the nature of the business and the period covered by the forecasts, subject to substantial inherent uncertainties. In consequence, they are not capable of being audited or substantiated in the same way as financial statements, which present the results of completed periods. D&P Advisory has relied on Management judgment and has not done in-depth market assessment.

Similarly, D&P Advisory has relied on data from external sources. These sources are considered to be reliable and therefore D&P Advisory assumes no liability for the accuracy of the data. D&P Advisory has assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.

The scope of work has been limited both in terms of the areas of the business and operations which have been reviewed. 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.

Please note that the valuation has been performed as of the Valuation Date and reflects the information available to us as at the date of our report, which we are instructed would have been available as of November 15, 2024. Economic conditions, factors and performance changes may result in our conclusions becoming quickly outdated.

This Report is issued on the understanding that Management has drawn our attention to all matters of which they are aware concerning the financial position and capital structure of IGI Belgium and IGI Netherlands, which may have an impact on this Report up to the date of issue. D&P Advisory has no responsibility to update this report for events and circumstances occurring after the date of this Report.

The exercise of 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 judgment. The valuation has been carried out independently to assess the fair value of equity of IGI Belgium and IGI Netherlands. D&P Advisory has no present or planned future interest in the Companies or any of its group Companies and the fee for this report is not contingent upon the values reported herein. D&P Advisory valuation should not be construed as investment advice; specifically, D&P Advisory does not express any estimate on the suitability or otherwise of entering into any transaction with IGI Belgium and IGI Netherlands.

These are the conditions and assumptions upon which our reports are normally prepared and form an integral part of our appointment together with our related Engagement Letter and Terms of Engagement. These conditions and assumptions apply to the report that is the subject of this instruction. We have made certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, this exercise that has not been verified as part of the engagement but rather, treated as “a supposition taken to be true”. In the event that any of these assumptions prove to be incorrect, then our estimate of value will need to be reviewed.

IGI India is the sole intended user of this report, and the use of the report is restricted to IGI India for the purpose indicated herein. Unless required by law or otherwise agreed by us, it shall not be provided to any third party or used for any other purpose. This restriction does not preclude IGI India from providing a copy of the report to its group companies, statutory auditors / advisors and to any government authority and/or regulatory body, whose review would be consistent with the intended use. D&P Advisory is not responsible for the unauthorized use of this report.

Section 10

Exhibits

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024

Table of Contents

Exhibits

Workpapers

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Valuation Summary **Exhibit 1.1**
USD millions

	Valuation Approach	Value
(2)	Income Approach: Discounted Cash Flow Method	81.0
	Indicated Enterprise Value	**81.0**
(3)	Add: Loans from Related Parties/Sub-lease Receiveables	1.3
(3)	Less: Employee Benefit Obligations	0.3
(3)	Add: Cash and Cash Equivalents	3.2
	Estimated Fair Value of Equity (Rounded)	**85.0**

Notes:

(1) Fair value has been estimated on an arm's length basis on a going-concern premise. "Fair value" is defined as - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).
(2) Refer to Exhibit 1.2
(3) Refer to Workpaper 1.4
(4) September 2024 consolidated financials of IGI Belgium provided by the Management has been considered representative of the financial position of the Company as of the Valuation Date.
(5) We have carried out the valuation on a consolidated basis based on the financials provided by the Management.
(6) As represented by the Management, there are no other surlpus assets or contingent liabilities that are likely to materialize as of the Valuation Date.
(7) For cash and cash equivalents, loans and employee benefit obligations book value has been considered representative of the fair value.

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Income Approach: Discounted Cash Flow Method **Exhibit 1.2**
USD millions

	Assumptions	
(1)	Discount Rate	*10.5%*

		Projected	*Projected*	*Projected*	*Projected*	*Projected*
		3 months ended				
	Fiscal year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
(2)	**Revenues**	**6.2**	**24.0**	**28.1**	**32.9**	**37.7**
	% Growth	*nmf*	*34.6%*	*17.0%*	*17.1%*	*14.4%*
(2)	**EBITDA**	**0.6**	**3.2**	**4.8**	**6.8**	**8.5**
	As % of Revenues	*9.6%*	*13.2%*	*17.1%*	*20.8%*	*22.6%*
(2)	Depreciation & Amortization	0.1	0.5	0.6	0.8	1.0
	As % of Revenues	*2.0%*	*2.1%*	*2.2%*	*2.4%*	*2.6%*
	Operating EBIT	**0.5**	**2.7**	**4.2**	**6.1**	**7.5**
	As % of Revenues	*7.5%*	*11.1%*	*14.9%*	*18.4%*	*20.0%*
	Estimated Income Taxes	0.7	0.6	0.9	1.3	1.7
	As % of Operating EBIT	*23.6%*	*22.5%*	*22.2%*	*21.9%*	*21.9%*
	Invested Capital Net Income	**(0.3)**	**2.1**	**3.3**	**4.7**	**5.9**
	As % of Revenues	-4.2%	8.6%	11.6%	14.4%	15.6%
(2)	Add: Depreciation & Amortization	0.1	0.5	0.6	0.8	1.0
(2)	Less: Capital Expenditure	*0.3*	*0.6*	*0.6*	*0.6*	*0.6*
(2)	Less: Incremental DFNWC	1.8	2.1	0.8	1.0	0.9
(3)	**FREE CASH FLOW TO THE FIRM**	**(1.1)**	**(0.2)**	**2.4**	**3.9**	**5.3**
	Partial Period	0.13	1.00	1.00	1.00	1.00
	Discount Periods	0.06	0.63	1.63	2.63	3.63
	Present Value Factor	0.99	0.94	0.85	0.77	0.70
	PRESENT VALUE	**(1.1)**	**(0.2)**	**2.1**	**3.0**	**3.7**

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Income Approach: Discounted Cash Flow Method **Exhibit 1.2**
USD millions

	Terminal Value Computation	
	Terminal Year EBITDA - CY2028	8.5
(4)	Exit Multiple	13.0x
	Undiscounted Terminal Value	110.6
	Discount Factor	0.66
	Discounted Terminal Value	**73.3**

Present Value of Cash Flows (Discrete Period)	7.4
Discounted Terminal Value	73.3
ENTERPRISE VALUE	**80.7**
CONCLUDED ENTERPRISE VALUE (Rounded)	**81.0**

Notes:

(1) Refer to Workpaper 1.2
(2) Provided by the Management.
(3) We have adjusted the 3 months projected cash flow for the partial period.
(4) The revenue growth for CY28 has been projected to be 14.4%. To capture the going-concern value of the Company beyond CY28, we have considered an exit multiple approach by considering an EV/EBITDA multiple of 13.0x based on benchmarking with guideline public companies and our assessment of growth, margin expansion and risk perception.
(5) Incremental Working Capital for discrete period was provided by the Management.

Working capital analysis:

	Projected	*Projected*	*Projected*	*Projected*	*Projected*
Fiscal year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
Opening	0.9	2.7	4.8	5.6	6.6
Incremental	1.8	2.1	0.8	1.0	0.9
Ending	2.7	4.8	5.6	6.6	7.5

USD millions

	Projected	*Projected*	*Projected*	*Projected*	*Projected*
	3 months ended				
Fiscal year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
Income Statement					
Revenues	6.2	24.0	28.1	32.9	37.7
	nmf	*34.6%*	*17.0%*	*17.1%*	*14.4%*
Direct Staff Cost					
Staff Cost - Certification		10.0	11.3	12.9	14.6
Staff Cost - Education		0.2	0.2	0.3	0.3
Consumables		1.7	2.0	2.4	2.8
Rental Cost		1.7	1.9	2.0	2.2
Gross profit	2.8	10.4	12.7	15.4	17.7
	44.8%	*43.5%*	*45.1%*	*46.7%*	*47.1%*
Indirect Staff Cost - Admin		2.8	3.0	3.3	3.5
Marketing Expenses		1.0	1.1	1.2	1.3
Other Expenses		3.5	3.7	4.0	4.4
EBITDA	0.6	3.2	4.8	6.8	8.5
	9.6%	*13.2%*	*17.1%*	*20.8%*	*22.6%*
Depreciation and Amortization	0.1	0.5	0.6	0.8	1.0
EBIT	0.5	2.7	4.2	6.1	7.5
Working Capital	**2.7**	**4.8**	**5.6**	**6.6**	**7.5**
Incremental Working Capital	1.8	2.1	0.8	1.0	0.9

Notes:

(1) Provided by the Management.

WEIGHTED AVERAGE COST OF CAPITAL

	Cost of Capital	Capital Structure	
Equity	10.5%	100.0%	
Debt	4.3%	0.0%	
WACC (Rounded)			**10.5%**

COST OF EQUITY

(1)	Risk Free Rate		4.4%
(2)	Market Equity Risk Premium	5.0%	
	Times Levered / Re-levered Beta	0.77	
	Beta Adjusted Equity Risk Premium		3.8%
			8.3%
(3)	Add: Country Risk Premium		0.2%
			8.5%
(4)	**Fisher's Effect**		
	Foreign Country's Long Term Inflation	2.1%	
	Home Country's Long Term Inflation	2.2%	
	Indicated Cost of Equity		**8.4%**
(5)	Add: Company Specific Risk		2.0%
	Concluded Cost of Equity (Rounded)		**10.5%**

COST OF DEBT

(6)	Pre-tax cost of debt		5.6%
	Add: Country Risk Premium		0.2%
			5.8%
(4)	**Fisher's Effect**		
	Foreign Country's Long Term Inflation	2.1%	
	Home Country's Long Term Inflation	2.2%	
	Concluded Pre-tax Cost of Debt		**5.7%**
(8)	Tax Rate		25.0%
	Post tax Cost of Debt		**4.3%**

COMPUTATION OF RE-LEVERED BETA

	Average Unlevered Beta of Comparable Companies	0.86	
	Median Unlevered Beta of Comparable Companies	0.77	
	Concluded Unlevered Beta (Comparable Companies)		0.77
	<u>**Capital Structure of International Gemological Institute BV ("IGI Belgium")**</u>		
(15)	Percent Debt	0.0%	
	Percent Equity	100.0%	
	Tax Rate	25.0%	
	Re-levered Beta for International Gemological Institute BV ("IGI Belgium")		**0.77**

Formulae

Unlevered Beta =	Beta (Observed) / [1 + D/E (1 - ti)]
Relevered Beta =	Unlevered Beta * [1 + D/E (1 - tt)]
Industry Average D/E =	(Debt/Capital) / (Equity/Capital)

BETA CALCULATION

Guideline Company	Raw Beta	Total Debt	Liquidation Value Preferred Stock	Stock Price	Fully diluted Average Shares Outstanding	Market Value of Diluted Equity	Total Invested Capital ("TIC")	Debt to TIC	Equity to TIC	Tax Rate	Unlevered Beta
	(9)	(10) (USD million)	(10) (USD million)	(10) (USD)	(10) (millions)	(11) (USD million)	(12) (USD million)	(13)	(14)	(7)	
CARE Ratings Limited	1.17	2.5	-	16.9	30.0	505.9	508.4	0.5%	99.5%	25.2%	1.17
ICRA Limited	0.69	1.8	-	74.7	9.6	719.1	720.9	0.2%	99.8%	25.2%	0.69
Bureau Veritas SA	0.93	3,263.6	-	29.4	457.0	13,431.8	16,695.4	19.5%	80.5%	25.0%	0.79
Intertek Group plc	0.79	1,717.1	-	55.9	162.3	9,066.5	10,783.6	15.9%	84.1%	25.0%	0.69
SGS SA	0.75	4,796.3	-	97.3	186.0	18,090.5	22,886.9	21.0%	79.0%	14.6%	0.61
Applus Services, S.A.	1.10	1,105.2	-	13.4	128.3	1,719.0	2,824.2	39.1%	60.9%	25.0%	0.74
Moody's Corporation	1.20	8,049.0	-	473.3	183.2	86,698.6	94,747.6	8.5%	91.5%	27.0%	1.12
S&P Global Inc.	1.12	12,040.0	-	503.3	313.7	1,57,856.9	1,69,896.9	7.1%	92.9%	27.0%	1.06
Average	0.97	3,871.9				36,011.0	39,883.0	14.0%	86.0%		0.86
Median	1.02	2,490.3				11,249.1	13,739.5	12.2%	87.8%		0.77

Notes:

(1) Based on the US 10-Year Government Bond Rate. Source: Refinitiv Eikon
(2) The market equity risk premium is estimated based on consideration of historical realized returns on equity investments over a risk-free rate as represented by 10-year government bonds and forward-looking equity risk premium estimates. Data sources reviewed generated a range of equity risk premium indications. However, a 5.0% equity risk premium was considered to reasonably represent a consensus viewpoint of the market equity risk premium.
(3) A blended country risk premium has been considered based on the revenue contribution of the Company's different geographies of operations.
(4) Projections provided by the Management are in USD on a constant currency basis. Therefore, we have used the Fisher's effect adjustments to factor in the currency risk to arrive at the adjusted cost of equity.
(5) Additional risk has been added based on the Company's size and fundamentals. Source: Kroll Research Size Premia study and the CSRP of 2.0 percent represents the additional return which accounts for uncertainty and risks associated with projected revenues and margins in the long term.
(6) Based on US 10 year BBB corporate Bond. Source: Refinitiv Eikon.
(7) Source: KPMG corporate tax rates as of the Valuation Date
(8) Based on marginal statutory corporate tax rates applicable in Belgium.
(9) Source: CapitalIQ
(10) Source: CapitalIQ
(11) Market Value of Diluted Equity = Stock Price per Share x Fully Diluted Shares Outstanding
(12) Total Invested Capital ("TIC") = Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock + Market Value of Diluted Equity
(13) (Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock) / TIC
(14) Market Value of Diluted Equity / TIC
(15) The Company is net cash positive as of the Valuation Date. Based on our discussion with the Management, we understand the Company has never availed external debt and its target debt to equity is Nil.

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Historical Profit & Loss Statement **Workpaper 1.3**
USD millions

year ended 31, December	2022	2023	*9 months ended on September 30* 2024
Revenues	**19.7**	**18.4**	**11.7**
Employee benefits expenses	10.7	10.4	8.5
Gross profit	**9.0**	**8.0**	**3.2**
Other expenses	4.6	5.3	4.9
EBITDA	**4.4**	**2.7**	**(1.7)**
Depreciation and Amortization	1.4	2.1	1.0
EBIT	**3.0**	**0.5**	**(2.7)**
Interest & Other Financial Charges	0.1	0.8	0.6
Other income	0.2	0.2	0.8
EBT	**3.1**	**(0.1)**	**(2.5)**
Tax	0.7	0.1	0.0
EAT	**2.4**	**(0.2)**	**(2.6)**

Notes:

(1) Provided by the management.

(2) The interim financials for the Nine months ended as of September 30, 2024, provided by management, has been converted from INR to USD using the average exchange rate of (1 USD = 83.43 INR Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Historical Balance Sheet **Workpaper 1.4**
USD millions

year ended 31, December	2022	2023	*September 30* 2024
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	2.6	2.7	2.7
Right-of-use assets	1.8	9.4	8.6
Goodwill	6.6	6.5	6.5
Financial Assets			
(a) Loans	-	0.8	0.6
(b) Other Financial Assets	2.0	1.2	0.4
Income Tax Assets (net)	-	0.2	1.1
Deferred Tax Assets (net)	0.4	0.9	0.9
Total Non current assets	**13.4**	**21.7**	**20.8**
CURRENT ASSETS			
Financial Assets			
(a)Trade receivables	1.9	2.2	1.6
(b) Cash and cash equivalents	3.7	3.2	3.2
(c) Loan	-	-	-
(d) Other Financial Assets	0.3	0.8	1.1
Income Tax Assets (net)	1.3	1.0	-
Other Current Assets	0.3	0.2	0.2
Total current assets	**7.6**	**7.4**	**6.1**
TOTAL ASSETS	**20.9**	**29.1**	**26.9**
LIABILITIES & EQUITY			
EQUITY			
Equity share capital	0.1	0.1	0.1
Other equity	14.9	14.3	11.8
Total equity	**15.0**	**14.4**	**11.8**
NON CURRENT LIABILITIES			
Finacial Liabilities			
(a) Lease Liabilities	2.2	11.6	10.9
Employee Benefit Obligations	0.2	0.2	0.2
Total non-current liabilities	**2.4**	**11.9**	**11.2**
CURRENT LIABILITIES			
Finacial Liabilities			
(a) Lease Liabilities	1.2	0.9	0.9
(b) Trade payables	0.7	0.5	0.3
(c) Other financial liabilities	1.4	1.3	2.4
Other current liabilities	0.1	0.2	0.2
Employee Benefit Obligations	0.0	0.0	0.0
Income tax liabilites (net)	0.1	-	0.1
Total current liabilities	**3.6**	**2.9**	**3.9**
TOTAL EQUITY & LIABILITIES	**20.9**	**29.1**	**26.9**

Notes:

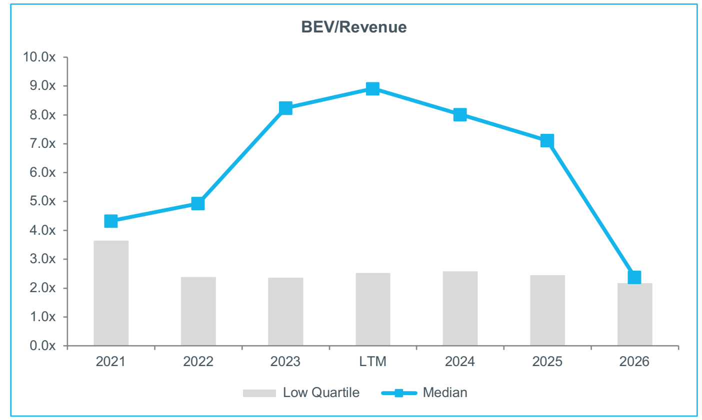
(1) Provided by the Management.

(2) The interim financials as of September 30, 2024, provided by management, has been converted from INR to USD using the exchange rate of (1 USD = 83.76 INR, Source - Refinitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

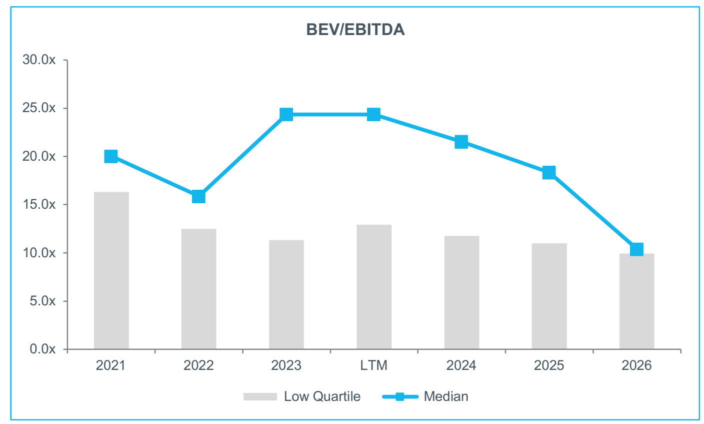
Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("
Valuation as of November 15, 2024
Multiples Analysis
USD, except stock price and multiples

Workpaper 1.5

BEV / Revenue Multiple	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
CARE Ratings Limited	4.3x	4.9x	8.2x	11.5x	11.1x	9.5x
ICRA Limited	10.9x	9.3x	11.1x	11.2x	10.8x	9.5x
CRISIL Limited	8.9x	7.8x	9.8x	11.2x	11.0x	10.0x
Bureau Veritas SA	3.0x	2.2x	2.0x	2.4x	2.3x	2.2x
Intertek Group plc	3.7x	2.4x	2.4x	2.4x	2.4x	2.3x
SGS SA	3.9x	2.9x	2.5x	2.9x	2.8x	2.7x
Applus Services, S.A.	1.1x	0.9x	1.1x	1.2x	NMF	NMF
Moody's Corporation	12.8x	10.6x	13.1x	13.3x	13.1x	12.3x
S&P Global Inc.	14.0x	10.8x	12.4x	12.5x	12.3x	11.5x
Mean of Positive Numbers	6.9x	5.8x	6.9x	7.6x	8.2x	7.5x
Mean	6.9x	5.8x	6.9x	7.6x	8.2x	7.5x
Median	**4.3x**	**4.9x**	**8.2x**	**11.2x**	**10.9x**	**9.5x**
High	14.0x	10.8x	13.1x	13.3x	13.1x	12.3x
Low	1.1x	0.9x	1.1x	1.2x	2.3x	2.2x
Low Quartile	3.7x	2.4x	2.4x	2.4x	2.7x	2.6x
Upper Quartile	10.9x	9.3x	11.1x	11.5x	11.4x	10.4x



BEV / EBITDA Multiple	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
CARE Ratings Limited	14.1x	13.7x	24.4x	33.2x	30.5x	25.1x
ICRA Limited	31.8x	27.2x	36.2x	34.9x	31.8x	27.3x
CRISIL Limited	36.7x	32.5x	37.2x	41.7x	41.0x	36.4x
Bureau Veritas SA	16.7x	12.5x	11.3x	12.9x	11.6x	10.7x
Intertek Group plc	16.3x	11.2x	11.1x	11.4x	10.8x	10.1x
SGS SA	20.0x	15.9x	14.1x	17.1x	12.7x	11.7x
Applus Services, S.A.	8.5x	6.7x	8.1x	10.1x	NMF	NMF
Moody's Corporation	25.8x	24.8x	29.7x	27.7x	27.5x	25.4x
S&P Global Inc.	24.6x	24.3x	27.1x	26.0x	25.0x	23.5x
Mean of Positive Numbers	21.6x	18.7x	22.1x	23.9x	23.9x	21.3x
Mean	21.6x	18.7x	22.1x	23.9x	23.9x	21.3x
Median	**20.0x**	**15.9x**	**24.4x**	**26.0x**	**26.3x**	**24.3x**
High	36.7x	32.5x	37.2x	41.7x	41.0x	36.4x
Low	8.5x	6.7x	8.1x	10.1x	10.8x	10.1x
Low Quartile	16.3x	12.5x	11.3x	12.9x	12.5x	11.5x
Upper Quartile	25.8x	24.8x	29.7x	33.2x	30.8x	25.9x

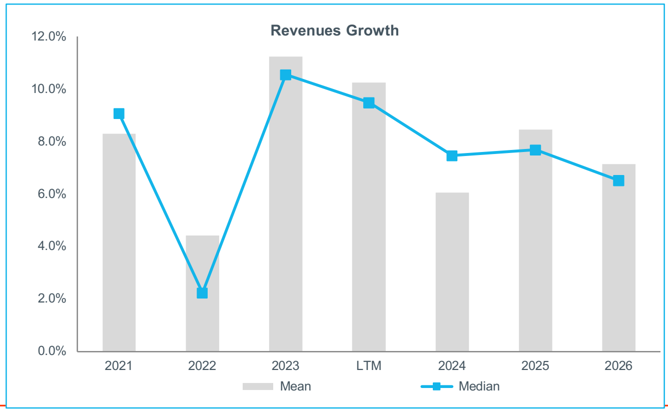


Notes:
(1) Source: CapitalIQ database

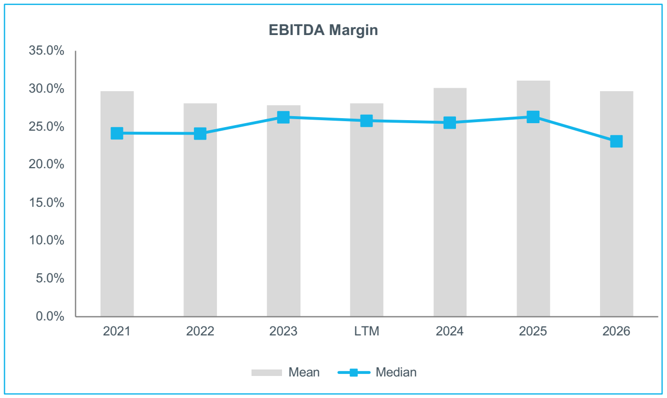
Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Belgium")
Valuation as of November 15, 2024
Financial Analysis
USD, except stock price and multiples

Workpaper 1.6

Revenues Growth	Actuals 2021	Actuals 2022	Actuals 2023	Actuals LTM	Projected 2024	Projected 2025
Care Ratings Limited	9.1%	-7.9%	18.6%	19.7%	17.6%	17.0%
Icra Limited	6.1%	5.4%	10.5%	13.2%	14.9%	13.1%
Crisil Limited	13.8%	8.3%	12.7%	6.4%	5.0%	10.6%
Bureau Veritas Sa	0.7%	6.6%	7.4%	-1.1%	0.8%	5.6%
Intertek Group Plc	0.8%	2.0%	10.2%	0.0%	2.3%	5.6%
SGS SA	10.9%	2.2%	9.5%	-0.4%	-2.4%	5.6%
Applus Services, S.A.	6.1%	0.4%	12.1%	6.6%	NMF	NMF
Moody's Corporation	15.8%	-12.1%	8.2%	20.4%	18.1%	6.8%
S&P Global Inc.	11.5%	34.8%	11.8%	12.1%	12.4%	6.6%
Mean of Positive Numbers	8.3%	8.5%	11.2%	13.1%	10.1%	8.9%
Mean	8.3%	4.4%	11.2%	8.5%	8.6%	8.9%
Median	**9.1%**	**2.2%**	**10.5%**	**6.6%**	**8.7%**	**6.7%**
High	15.8%	34.8%	18.6%	20.4%	18.1%	17.0%
Low	0.7%	-12.1%	7.4%	-1.1%	-2.4%	5.6%
Low Quartile	6.1%	0.4%	9.5%	0.0%	1.9%	5.6%
Upper Quartile	11.5%	6.6%	12.1%	13.2%	15.5%	11.2%



EBITDA Margin	Actuals 2021	Actuals 2022	Actuals 2023	Actuals LTM	Projected 2024	Projected 2025
Care Ratings Limited	32.4%	34.9%	34.0%	34.5%	36.3%	37.7%
Icra Limited	31.0%	35.4%	30.6%	32.2%	33.9%	34.9%
Crisil Limited	24.2%	24.1%	26.2%	26.9%	27.0%	27.4%
Bureau Veritas Sa	17.8%	17.9%	17.9%	18.3%	19.9%	20.4%
Intertek Group Plc	22.4%	21.3%	21.3%	21.5%	22.2%	22.5%
SGS SA	19.7%	18.0%	17.4%	17.0%	22.0%	22.7%
Applus Services, S.A.	13.2%	13.9%	13.2%	11.6%	NMF	NMF
Moody's Corporation	49.8%	42.7%	44.1%	48.1%	47.7%	48.3%
S&P Global Inc.	56.8%	44.3%	45.7%	48.3%	49.1%	49.1%
Mean of Positive Numbers	29.7%	28.1%	27.8%	28.7%	32.3%	32.9%
Mean	29.7%	28.1%	27.8%	28.7%	32.3%	32.9%
Median	**24.2%**	**24.1%**	**26.2%**	**26.9%**	**30.4%**	**31.2%**
High	56.8%	44.3%	45.7%	48.3%	49.1%	49.1%
Low	13.2%	13.9%	13.2%	11.6%	19.9%	20.4%
Low Quartile	19.7%	18.0%	17.9%	18.3%	22.2%	22.7%
Upper Quartile	32.4%	35.4%	34.0%	34.5%	39.2%	40.4%



Notes:
(1) Source: CapitalIQ database

Private & Confidential
International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Netherlands")
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Private & Confidential

International Gemological Institute

Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Netherlands")

Valuation as of November 15, 2024

Valuation Summary **Exhibit 2.1**

USD millions

	Valuation Approach	Value
(2)	Income Approach: Discounted Cash Flow Method	85.0
	Indicated Enterprise Value	**85.0**
(3)	Less: Borrowings	0.7
(3)	Less: Employee Benefit Obligations	0.7
(3)	Add: Cash and Cash Equivalents	6.2
(3)	Add: Investment	0.2
	Estimated Fair Value of Equity (Rounded)	**90.0**

Notes:

(1) Fair value has been estimated on an arm's length basis on a going-concern premise. "Fair value" is defined as - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

(2) Refer to Exhibit 2.2

(3) Refer to Workpaper 2.4

(4) September 2024 consolidated financials of IGI Netherlands provided by the Management has been considered representative of the financial position of the Company as of the Valuation Date.

(5) We have carried out the valuation on a consolidated basis based on the financials provided by the Management.

(6) As represented by the Management, there are no other surplus assets or contingent liabilities that are likely to materialize as of the Valuation Date.

(7) For borrowings, employee benefit obligations, cash and cash equivalents and investments, book value has been considered representative of the fair value.

USD millions

	Assumptions	
(1)	Discount Rate	*11.0%*

		Projected 3 months ended	Projected	Projected	Projected	Projected
	Year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
(2)	**Revenues**	**3.1**	**18.5**	**22.3**	**26.1**	**30.1**
	% Growth	*nmf*	*21.1%*	*20.5%*	*17.0%*	*15.5%*
(2)	**EBITDA**	**0.9**	**3.1**	**4.9**	**7.0**	**9.2**
	As % of Revenues	*30.4%*	*16.6%*	*21.9%*	*27.0%*	*30.7%*
(2)	Depreciation & Amortization	0.3	1.3	1.6	2.0	2.4
	As % of Revenues	*9.9%*	*6.9%*	*7.2%*	*7.5%*	*8.0%*
	Operating EBIT	**0.6**	**1.8**	**3.3**	**5.1**	**6.8**
	As % of Revenues	*20.4%*	*9.6%*	*14.7%*	*19.5%*	*22.7%*
	Estimated Income Taxes	0.2	0.4	0.8	1.2	1.6
	As % of Operating EBIT	*24.1%*	*23.5%*	*23.5%*	*23.5%*	*23.5%*
	Invested Capital Net Income	**0.5**	**1.4**	**2.5**	**3.9**	**5.2**
	As % of Revenues	15.5%	7.4%	11.3%	14.9%	17.4%
(2)	Add: Depreciation & Amortization	0.3	1.3	1.6	2.0	2.4
(2)	Less: Capital Expenditure	0.2	0.8	0.8	0.8	0.8
(2)	Less: Incremental DFNWC	-	4.3	0.8	0.8	0.8
(3)	**FREE CASH FLOW TO THE FIRM**	**0.3**	**(2.4)**	**2.5**	**4.3**	**6.0**
	Partial Period	0.13	1.00	1.00	1.00	1.00
	Discount Periods	0.06	0.63	1.63	2.63	3.63
	Present Value Factor	0.99	0.94	0.84	0.76	0.69
	PRESENT VALUE	**0.3**	**(2.3)**	**2.1**	**3.2**	**4.1**

USD millions

	Terminal Value Computation	
	Terminal Year EBITDA - CY2028	9.2
(4)	Exit Multiple	13.0x
	Undiscounted Terminal Value	120.1
	Discount Factor	0.65
	Discounted Terminal Value	**78.1**

Present Value of Cash Flows (Discrete Period)	7.5
Discounted Terminal Value	78.1
ENTERPRISE VALUE	**85.5**
CONCLUDED ENTERPRISE VALUE (Rounded)	**85.0**

Notes:

(1) Refer to Workpaper 2.2
(2) Provided by the Management
(3) We have adjusted the 3 months projected cash flow for the partial period.
(4) The revenue growth for CY28 has been projected to be 15.4%. To capture the going-concern value of the Company beyond CY28, we have considered an exit multiple approach by considering an EV/EBITDA multiple of 13.0x based on benchmarking with guideline public companies and our assessment of growth, margin expansion and risk perception.
(5) Incremental Working Capital for discrete period was provided by the Management.

Working capital analysis:

	Projected	*Projected*	*Projected*	*Projected*	*Projected*
Year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
Opening	(0.6)	(0.6)	3.7	4.5	5.2
Incremental	-	4.3	0.8	0.8	0.8
Ending	(0.6)	3.7	4.5	5.2	6.0

USD millions

	Projected	*Projected*	*Projected*	*Projected*	*Projected*
	3 months ended				
Fiscal year ended 31, December	**2024**	**2025**	**2026**	**2027**	**2028**
Income Statement					
Revenues	3.1	18.5	22.3	26.1	30.1
	nmf	*21.1%*	*20.5%*	*17.0%*	*15.5%*
Direct Staff Cost					
Staff Cost - Certification		3.5	4.1	4.4	4.9
Staff Cost - Education		1.0	1.1	1.3	1.4
Consumables		1.1	1.3	1.4	1.6
Rental Cost		1.1	1.3	1.5	1.7
Gross profit	2.7	11.8	14.5	17.4	20.4
	86.8%	*63.8%*	*64.9%*	*66.6%*	*67.8%*
Indirect Staff Cost - Admin		3.9	4.4	4.8	5.2
Marketing Expenses		1.0	1.1	1.2	1.3
Other Expenses		3.9	4.1	4.4	4.6
EBITDA	0.9	3.1	4.9	7.0	9.2361
	30.4%	*16.6%*	*21.9%*	*27.0%*	*30.7%*
Depreciation and Amortization	0.3	1.3	1.6	2.0	2.4
EBIT	0.6	1.8	3.3	5.1	6.8
Working Capital	***(0.6)***	***3.7***	***4.5***	***5.2***	***6.0***
Incremental Working Capital	-	4.3	0.8	0.8	0.8
As a % of incremental revenues		*-47.6%*	*20.0%*	*20.0%*	*20.0%*

Notes:

(1) Provided by Management

WEIGHTED AVERAGE COST OF CAPITAL

	Cost of Capital	Capital Structure	
Equity	11.0%	100.0%	
Debt	4.6%	0.0%	
WACC (Rounded)			**11.0%**

COST OF EQUITY

(1)	Risk Free Rate		4.4%
(2)	Market Equity Risk Premium	5.0%	
	Times Levered / Re-levered Beta	0.77	
	Beta Adjusted Equity Risk Premium		3.8%
			8.3%
(3)	Add: Country Specific Risk Premium		0.8%
			9.0%
(4)	**Fisher's Effect**		
	Foreign Country's Long Term Inflation	2.1%	
	Home Country's Long Term Inflation	2.2%	
	Indicated Cost of Equity		**8.9%**
(5)	Add: Company Specific Risk		2.0%
	Concluded Cost of Equity (Rounded)		**11.0%**

COST OF DEBT

(6)	Pre-tax cost of debt		5.6%
	Add: Country Specific Risk Premium		0.8%
			6.3%
(4)	**Fisher's Effect**		
	Foreign Country's Long Term Inflation	2.1%	
	Home Country's Long Term Inflation	2.2%	
	Concluded Pre-tax Cost of Debt		**6.2%**
(8)	Tax Rate		25.8%
	Post tax Cost of Debt		**4.6%**

COMPUTATION OF RE-LEVERED BETA

	Average Unlevered Beta of Comparable Companies	0.86	
	Median Unlevered Beta of Comparable Companies	0.77	
	Concluded Unlevered Beta (Comparable Companies)		0.77
	Capital Structure of International Gemological Institute BV ("IGI Netherlands")		
(15)	Percent Debt	0.0%	
	Percent Equity	100.0%	
	Tax Rate	25.8%	
	Re-levered Beta for International Gemological Institute BV ("IGI Netherlands")		**0.77**

Formulae

Unlevered Beta =	Beta (Observed) / [1 + D/E (1 - ti)]
Relevered Beta =	Unlevered Beta * [1 + D/E (1 - tt)]
Industry Average D/E =	(Debt/Capital) / (Equity/Capital)

BETA CALCULATION

Guideline Company	5 Year Monthly Raw Beta	Total Debt	Liquidation Value Preferred Stock	Stock Price	Fully diluted Average Shares Outstanding	Market Value of Diluted Equity	Total Invested Capital ("TIC")	Debt to TIC	Equity to TIC	Tax Rate	Unlevered Beta
	(9)	(10) (USD million)	(10) (USD million)	(10) (USD)	(10) (millions)	(11) (USD million)	(12) (USD million)	(13)	(14)	(7)	
CARE Ratings Limited	1.17	2.5	-	16.9	30.0	505.9	508.4	0.5%	99.5%	25.2%	1.17
ICRA Limited	0.69	1.8	-	74.7	9.6	719.1	720.9	0.2%	99.8%	25.2%	0.69
Bureau Veritas SA	0.93	3,263.6	-	29.4	457.0	13,431.8	16,695.4	19.5%	80.5%	25.0%	0.79
Intertek Group plc	0.79	1,717.1	-	55.9	162.3	9,066.5	10,783.6	15.9%	84.1%	25.0%	0.69
SGS SA	0.75	4,796.3	-	97.3	186.0	18,090.5	22,886.9	21.0%	79.0%	14.6%	0.61
Applus Services, S.A.	1.10	1,105.2	-	13.4	128.3	1,719.0	2,824.2	39.1%	60.9%	25.0%	0.74
Moody's Corporation	1.20	8,049.0	-	473.3	183.2	86,698.6	94,747.6	8.5%	91.5%	27.0%	1.12
S&P Global Inc.	1.12	12,040.0	-	503.3	313.7	1,57,856.9	1,69,896.9	7.1%	92.9%	27.0%	1.06
Average	0.97	3,871.9				36,011.0	39,883.0	14.0%	86.0%		0.86
Median	1.02	2,490.3				11,249.1	13,739.5	12.2%	87.8%		0.77

Notes:

(1) Based on the US 10-Year Government Bond Rate. Source: Refinitiv Eikon
(2) The market equity risk premium is estimated based on consideration of historical realized returns on equity investments over a risk-free rate as represented by 10-year government bonds and forward-looking equity risk premium estimates. Data sources reviewed generated a range of equity risk premium indications. However, a 5.0% equity risk premium was considered to reasonably represent a consensus viewpoint of the market equity risk premium.
(3) A blended country risk premium has been considered based on the revenue contribution of the Company's different geographies of operations.
(4) Projections provided by the Management are in USD on a constant currency basis. Therefore, we have used the Fisher's effect adjustments to factor in the currency risk to arrive at the adjusted cost of equity.
(5) Additional risk has been added based on the Company's size and fundamentals. Source: Kroll Research Size Premia study and the CSRP of 2.0 percent represents the additional return which accounts for uncertainty and risks associated with projected revenues and margins in the long term.
(6) Based on US 10 year BBB corporate Bond. Source: Refinitiv Eikon
(7) Source: KPMG corporate tax rates as at the valuation date
(8) Based on marginal statutory corporate tax rates applicable in the Netherlands.
(9) Source: CapitalIQ
(10) Source: CapitalIQ
(11) Market Value of Diluted Equity = Stock Price per Share x Fully Diluted Shares Outstanding
(12) Total Invested Capital ("TIC") = Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock + Market Value of Diluted Equity
(13) (Book Value Interest-Bearing Debt + Liquidation Value Preferred Stock) / TIC
(14) Market Value of Diluted Equity / TIC
(15) The Company is net cash positive as of the Valuation Date. Based on our discussion with the Management, we understand the Company has never availed external debt and its target debt to equity is Nil.

Historical Profit & Loss Statement

USD millions **Workpaper 2.3**

Year ended 31, December	**2022**	**2023**	*9 months ended September 30* **2024**
Revenues	13.8	14.0	12.2
Employee benefits expenses	5.9	6.3	5.3
Gross profit	**7.9**	**7.7**	**6.9**
Other expenses	5.4	4.8	3.7
EBITDA	**2.5**	**2.9**	**3.2**
Depreciation and Amortization	1.0	1.3	1.4
EBIT	**1.5**	**1.6**	**1.8**
Interest & Other Financial Charges	0.1	0.1	0.1
Other income	0.1	0.1	0.2
EBT	**1.4**	**1.5**	**1.9**
Tax	0.6	0.6	0.6
EAT	**0.8**	**0.9**	**1.3**

Notes:

(1) Provided by Management

(2) The interim financials as of September 30, 2024, provided by Management, has been converted from INR to USD using the average exchange rate of (1 USD = 83.43 INR Souce - Refenitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

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International Gemological Institute
Estimation of Fair Value of Equity of International Gemological Institute BV ("IGI Netherlands")
Valuation as of November 15, 2024
Historical Balance Sheet **Workpaper 2.4**
USD millions

Year ended 31, December	**2022**	**2023**	*September 30* **2024**
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5.3	5.6	5.4
Right-of-use assets	0.8	2.0	1.5
Investment	0.3	0.2	0.2
Goodwill	6.1	5.8	5.8
Other Intangible assets	0.0	0.1	0.1
Other non-current Financial Asset	0.2	0.5	0.3
Tax receivables (net)	0.6	0.6	0.6
Other non-current assets	-	0.1	-
Total Non current assets	**13.2**	**14.8**	**13.7**
CURRENT ASSETS			
Inventories	-	-	-
Trade receivables	1.8	0.8	1.2
Cash and cash equivalents	9.3	5.8	6.2
Bank balances other than above	0.0	1.0	0.0
Loans	0.0	0.0	-
Other Financial Asset	0.3	0.2	0.2
Other current Asset	1.1	1.6	0.9
Total current assets	**12.5**	**9.5**	**8.5**
TOTAL ASSETS	**25.7**	**24.3**	**22.2**
LIABILITIES & EQUITY			
EQUITY			
Share capital	0.0	0.0	0.0
Other reserves	13.9	14.2	15.6
Total equity	**13.9**	**14.2**	**15.6**
NON CURRENT LIABILITIES			
Borrowings	4.0	0.3	0.6
Lease Liabilities	0.3	1.2	0.7
Employee benefit obligations	1.1	0.7	0.6
Deferred tax liabilities	0.0	0.0	0.0
Total non-current liabilities	**5.5**	**2.2**	**1.9**
CURRENT LIABILITIES			
Borrowings	0.7	0.5	0.1
Lease liabilities	0.3	0.8	0.8
Trade payables	1.7	1.4	0.7
Other Financial Liabilities	1.2	1.0	0.9
Other current Liabilities	1.8	3.6	1.8
Employee Benefit obligations	0.0	0.1	0.1
Income Tax liabilities	0.7	0.6	0.2
Total current liabilities	**6.4**	**7.9**	**4.7**
TOTAL EQUITY & LIABILITIES	**25.7**	**24.3**	**22.2**

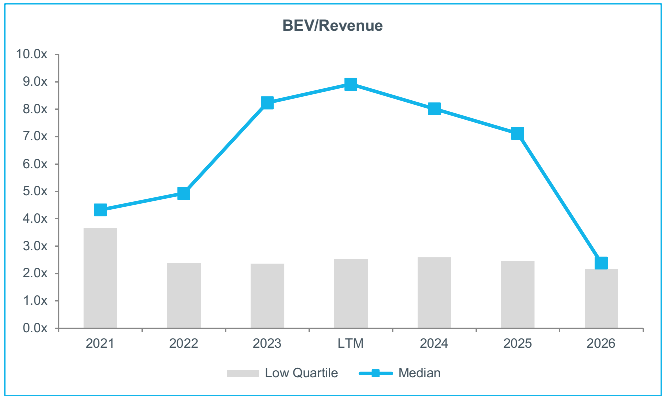
Notes:

(1) Provided by the Management.

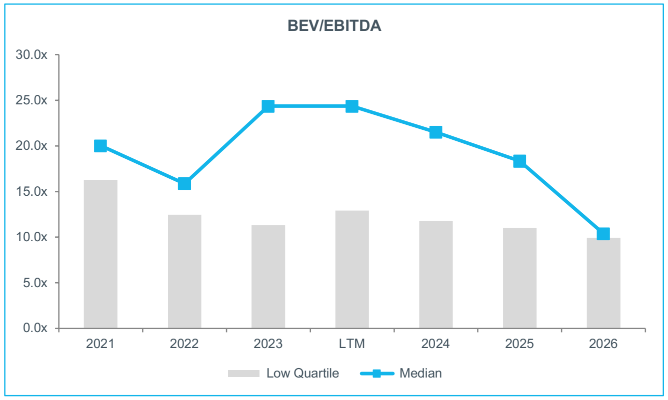
(2) The interim financials as of September 30, 2024, provided by management, has been converted from INR to USD using the exchange rate of (1 USD = 83.76 INR, Souce - Refenitiv Eikon) and the same has been considered representative of the financial position of the Company as of the Valuation Date.

USD millions except stock price and multiples

BEV / Revenue Multiple	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
CARE Ratings Limited	4.3x	4.9x	8.2x	11.5x	11.1x	9.5x
ICRA Limited	10.9x	9.3x	11.1x	11.2x	10.8x	9.5x
CRISIL Limited	8.9x	7.8x	9.8x	11.2x	11.0x	10.0x
Bureau Veritas SA	3.0x	2.2x	2.0x	2.4x	2.3x	2.2x
Intertek Group plc	3.7x	2.4x	2.4x	2.4x	2.4x	2.3x
SGS SA	3.9x	2.9x	2.5x	2.9x	2.8x	2.7x
Applus Services, S.A.	1.1x	0.9x	1.1x	1.2x	NMF	NMF
Moody's Corporation	12.8x	10.6x	13.1x	13.3x	13.1x	12.3x
S&P Global Inc.	14.0x	10.8x	12.4x	12.5x	12.3x	11.5x
Mean of Positive Numbers	6.9x	5.8x	6.9x	7.6x	8.2x	7.5x
Mean	6.9x	5.8x	6.9x	7.6x	8.2x	7.5x
Median	**4.3x**	**4.9x**	**8.2x**	**11.2x**	**10.9x**	**9.5x**
High	14.0x	10.8x	13.1x	13.3x	13.1x	12.3x
Low	1.1x	0.9x	1.1x	1.2x	2.3x	2.2x
Low Quartile	3.7x	2.4x	2.4x	2.4x	2.7x	2.6x
Upper Quartile	10.9x	9.3x	11.1x	11.5x	11.4x	10.4x



BEV / EBITDA Multiple	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
CARE Ratings Limited	14.1x	13.7x	24.4x	33.2x	30.5x	25.1x
ICRA Limited	31.8x	27.2x	36.2x	34.9x	31.8x	27.3x
CRISIL Limited	36.7x	32.5x	37.2x	41.7x	41.0x	36.4x
Bureau Veritas SA	16.7x	12.5x	11.3x	12.9x	11.6x	10.7x
Intertek Group plc	16.3x	11.2x	11.1x	11.4x	10.8x	10.1x
SGS SA	20.0x	15.9x	14.1x	17.1x	12.7x	11.7x
Applus Services, S.A.	8.5x	6.7x	8.1x	10.1x	NMF	NMF
Moody's Corporation	25.8x	24.8x	29.7x	27.7x	27.5x	25.4x
S&P Global Inc.	24.6x	24.3x	27.1x	26.0x	25.0x	23.5x
Mean of Positive Numbers	21.6x	18.7x	22.1x	23.9x	23.9x	21.3x
Mean	21.6x	18.7x	22.1x	23.9x	23.9x	21.3x
Median	**20.0x**	**15.9x**	**24.4x**	**26.0x**	**26.3x**	**24.3x**
High	36.7x	32.5x	37.2x	41.7x	41.0x	36.4x
Low	8.5x	6.7x	8.1x	10.1x	10.8x	10.1x
Low Quartile	16.3x	12.5x	11.3x	12.9x	12.5x	11.5x
Upper Quartile	25.8x	24.8x	29.7x	33.2x	30.8x	25.9x

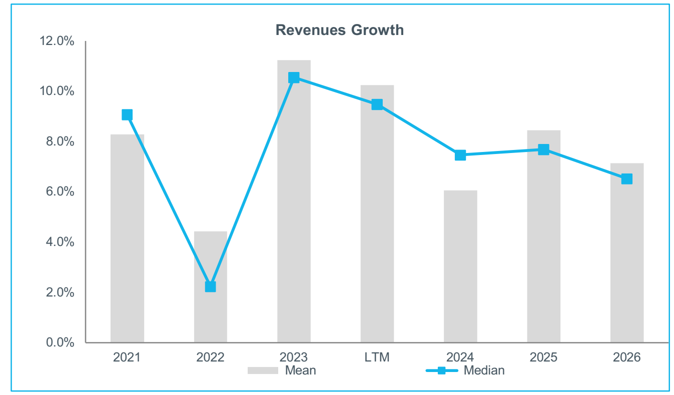


Notes:

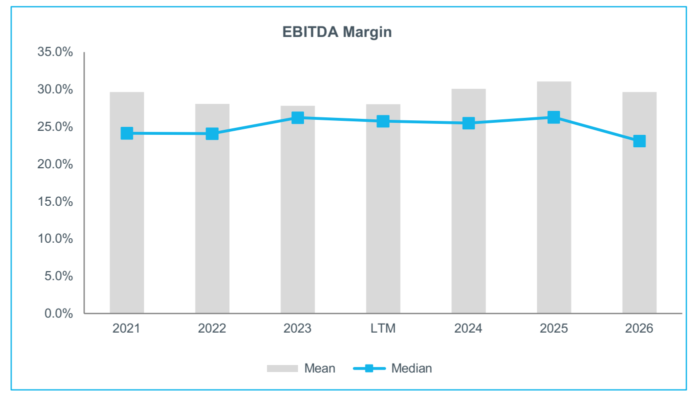
(1) Source: CapitalIQ database

USD millions except stock price and multiples

Revenues Growth	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
Care Ratings Limited	9.1%	-7.9%	18.6%	19.7%	17.6%	17.0%
Icra Limited	6.1%	5.4%	10.5%	13.2%	14.9%	13.1%
Crisil Limited	13.8%	8.3%	12.7%	6.4%	5.0%	10.6%
Bureau Veritas Sa	0.7%	6.6%	7.4%	-1.1%	0.8%	5.6%
Intertek Group Plc	0.8%	2.0%	10.2%	0.0%	2.3%	5.6%
SGS SA	10.9%	2.2%	9.5%	-0.4%	-2.4%	5.6%
Applus Services, S.A.	6.1%	0.4%	12.1%	6.6%	NMF	NMF
Moody's Corporation	15.8%	-12.1%	8.2%	20.4%	18.1%	6.8%
S&P Global Inc.	11.5%	34.8%	11.8%	12.1%	12.4%	6.6%
Mean of Positive Numbers	8.3%	8.5%	11.2%	13.1%	10.1%	8.9%
Mean	8.3%	4.4%	11.2%	8.5%	8.6%	8.9%
Median	**9.1%**	**2.2%**	**10.5%**	**6.6%**	**8.7%**	**6.7%**
High	15.8%	34.8%	18.6%	20.4%	18.1%	17.0%
Low	0.7%	-12.1%	7.4%	-1.1%	-2.4%	5.6%
Low Quartile	6.1%	0.4%	9.5%	0.0%	1.9%	5.6%
Upper Quartile	11.5%	6.6%	12.1%	13.2%	15.5%	11.2%



EBITDA Margin	**Actuals 2021**	**Actuals 2022**	**Actuals 2023**	**Actuals LTM**	**Projected 2024**	**Projected 2025**
Care Ratings Limited	32.4%	34.9%	34.0%	34.5%	36.3%	37.7%
Icra Limited	31.0%	35.4%	30.6%	32.2%	33.9%	34.9%
Crisil Limited	24.2%	24.1%	26.2%	26.9%	27.0%	27.4%
Bureau Veritas Sa	17.8%	17.9%	17.9%	18.3%	19.9%	20.4%
Intertek Group Plc	22.4%	21.3%	21.3%	21.5%	22.2%	22.5%
SGS SA	19.7%	18.0%	17.4%	17.0%	22.0%	22.7%
Applus Services, S.A.	13.2%	13.9%	13.2%	11.6%	NMF	NMF
Moody's Corporation	49.8%	42.7%	44.1%	48.1%	47.7%	48.3%
S&P Global Inc.	56.8%	44.3%	45.7%	48.3%	49.1%	49.1%
Mean of Positive Numbers	29.7%	28.1%	27.8%	28.7%	32.3%	32.9%
Mean	29.7%	28.1%	27.8%	28.7%	32.3%	32.9%
Median	**24.2%**	**24.1%**	**26.2%**	**26.9%**	**30.4%**	**31.2%**
High	56.8%	44.3%	45.7%	48.3%	49.1%	49.1%
Low	13.2%	13.9%	13.2%	11.6%	19.9%	20.4%
Low Quartile	19.7%	18.0%	17.9%	18.3%	22.2%	22.7%
Upper Quartile	32.4%	35.4%	34.0%	34.5%	39.2%	40.4%



Notes:
(1) Source: CapitalIQ database