

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 32, 130 and 190 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 5/- each and the Issue Price is 26.2 times of the face value at the lower end of the Price Band and 27.6 times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- In-house product manufacturing capabilities.
- Established relationships with customers across various geographical locations.
- Consistent focus on quality.
- Experienced Senior Management backed by design and development team.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 130 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 190 of the Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 5 each):

As per the Restated Financial Statements: -

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1	Financial Year ending March 31, 2025	11.42	3
2	Financial Year ending March 31, 2024	6.73	2
3	Financial Year ending March 31, 2023	3.52	1
	Weighted Average	8.54	6

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is ₹ 5.00.
- Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹131 to ₹138 per Equity Share of Face Value of ₹ 5/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price (₹ 131)	(P/E) Ratio at the Cap Price (₹138)
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2025	11.47	12.08
P/E ratio based on the Weighted Average EPS, as restated.	15.34	16.16

Industry P/E Ratio*	(P/E) Ratio
Highest and Lowest (Naman In-Store (India) Limited)	21.31
Industry Average	21.31

* For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.

Note:

- The P/E ratio of our Company has been computed by dividing Issue Price with EPS.
- P/E Ratio of the peer company is based on the Audited Results for the F.Y. 2024-25 and stock exchange data dated June 11, 2025

3. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2025	54.37%	3
2	Period ending March 31, 2024	79.64%	2
3	Period ending March 31, 2023	81.44%	1
	Weighted Average	67.31%	6

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- Net worth for FY 23, FY 24 and FY 25 is computed as the sum of the Partners capital and Partner's Current account balance. Partner's Current Account balance in Partnership firm has been transferred to Unsecured Loan Account at the time of conversion of partnership firm into company.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share	(Amount in ₹) Outstanding at the end of the year
1.	As at March 31, 2023	4.33
2.	As at March 31, 2024	8.45
3.	As at March 31, 2025	21.01
4.	NAV per Equity Share after the Issue	
	a) at Floor Price	50.04
	b) at Cap Price	51.89
5.	Issue Price	[●]

The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year divided by weighted average number of equity shares outstanding at the end of the year/period
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value	EPS	PE	RoNW (%)	Book Value (₹)	Total Income (₹ In lakhs)
			Basic/Diluted				
Safe Enterprises Retail Fixtures Limited	[●]	5	11.42	[●]	54.37%	21.01	13,973.18
Peer Group							
Naman In-Store (India) Limited	113.80	10	5.34	21.31	7.91%	60.75	15,712.71

Notes:

- Source – All the financial information for listed industry peers mentioned above is sourced from the financial results uploaded by the aforesaid companies on relevant stock exchange for the year ended March 31, 2025 to compute the corresponding financial ratios. Further, P/E Ratio is based on the current market price of the respective scrips dated June 11, 2025
- The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2024-25.
- NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2025.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.

- (vi) The face value of Equity Shares of our Company is ₹5/- per Equity Share and the Issue price is [●] times the face value of equity share.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 23, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/s A D V & Associates, Chartered Accountants, by their certificate dated May 23, 2025.

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 130, 238 and 190 respectively. We have described and defined the KPIs as applicable in **“Definitions and Abbreviations”** on page 1 of the Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

(₹In Lakhs except percentages and ratios)

Key Financial Performance	As of and for the FY ending		
	FY 2024-25	FY 2023-24	FY 2022-23
	Consolidated	Consolidated	Standalone
Revenue from operations ⁽¹⁾	13,831.31	10,091.49	7,721.57
EBITDA ⁽²⁾	5,210.65	3,425.54	1,919.07
EBITDA Margin ⁽³⁾	37.67%	33.94%	24.85%
PAT ⁽⁴⁾	3,918.54	2,308.84	1,208.90
PAT Margin ⁽⁵⁾	28.33%	22.88 %	15.66 %
RoE(%) ⁽⁶⁾	77.54%	105.34%	134.02%
RoCE (%) ⁽⁷⁾	69.10%	104.94%	115.98%
Net Worth ⁽⁸⁾	7,207.58	2,899.15	1,484.47

Notes:

(1) Revenue from operation means revenue from sale of Furniture & Fittings and other operating revenues

(2) EBITDA is calculated as Profit before tax +share in profit of Associate enterprise +Depreciation + Interest Expenses - Other Income

(3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

(4) PAT is calculated as Profit before tax– Tax Expenses+ share in profit of Associate enterprise (5) ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Equity plus total borrowing plus deferred tax liabilities minus deferred tax assets (8)Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) – Preliminary Expenses to the extent not written-off

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹In Lakhs except percentages and ratios)

Key Financial Performance	Safe Enterprises Retail Fixtures Limited			Naman In-Store (India) Limited		
	FY 2024-25	FY 2023-24	FY 2022-23	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations ⁽¹⁾	13,831.31	10,091.49	7,721.57	15,562.86	14,474.40	14,984.57
EBITDA ⁽²⁾	5,210.65	3,425.54	1,919.07	1,471.92	2,037.41	1,107.26
EBITDA Margin (%) ⁽³⁾	37.67%	33.94%	24.85%	9.46%	14.08%	7.39%
PAT ⁽⁴⁾	3,918.54	2,308.84	1,208.90	627.95	927.20	435.46
PAT Margin (%) ⁽⁵⁾	28.33%	22.88 %	15.66 %	4.03%	6.41%	2.91%
RoE(%)(⁶)	77.54%	105.34%	134.02%	10.68%	41.62%	105.90%
RoCE (%) ⁽⁷⁾	69.10%	104.94%	115.98%	12.60%	21.97%	24.32%

* Source – All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2024 & March 31, 2023 and from the financial results uploaded by the aforesaid companies on relevant stock exchange for the year ended March 31, 2025 .

Notes:

(1) Revenue from operation means revenue from sale of Furniture & Fittings and other operating revenues

(2) EBITDA is calculated as Profit before tax +share in profit of Associate enterprise +Depreciation + Interest Expenses - Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) PAT is calculated as Profit before tax– Tax Expenses+ share in profit of Associate enterprise (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Equity plus total borrowing plus deferred tax liabilities minus deferred tax assets (8)Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) – Preliminary Expenses to the extent not written-off

8. Weighted average cost of acquisition

a) The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

Except below, there has been no issuance of Equity Shares during the 18 months preceding the date of the Red Herring Prospectus, which is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment of Equity Shares	No. of Equity Shares subscribed/ allotted	Face Value (₹)	Issue Price (including Securities Premium)	Nature of Allotment	Total Consideration (Rs. in Lakhs)
Upon Incorporation	20,006	5	5	Subscription to MOA	1.03
October 14, 2024	772	5	3,24,903	Conversion of Loan into Equity Shares	2508.25
October 27, 2024	3,42,83,700	5	-	Bonus Issue in the ratio of 1650:1	-

b) The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares of face value of Rs 5/-)	Floor price* (i.e. ₹ 131)	Cap price* (i.e. ₹ 138)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	7.31	17.92 times	18.88 times

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares of face value of Rs 5/-)	Floor price* (i.e. ₹ 131)	Cap price* (i.e. ₹ 138)
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^	NA^	NA^

Note:

^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus.

* To be updated at Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business standard, all editions of Hindi national newspaper Business standard and Marathi edition of Regional newspaper Pratahkal where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with **“Our Business”, “Risk Factors” and “Restated Financial Statements”** on pages 130, 32 and 190 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **“Risk Factors”** or any other factors that may arise in the future and you may lose all or part of your investments.