

### 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 24, 105 and 153 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 ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] 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:

- a) Wide geographical reach and distribution & retail network
- b) Extensive Service Infrastructure
- c) Experienced Sales and Technical Team
- d) Robust Marketing Strategies and Proactive Customer Engagement
- e) Experienced Promoter and Strong Management 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 105 of this 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 153 of this 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 ₹10 each):**

As per the Restated Financial Statements: -

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2025	9.51	3
2.	Financial Year ending March 31, 2024	7.33	2
3.	Financial Year ending March 31, 2023	4.93	1
	<b>Weighted Average</b>	<b>8.02</b>	<b>6</b>

##### **Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with **Indian Accounting Standard 33 – “”** issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. 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
- vi. 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 ₹[●] to ₹[●] per Equity Share of Face Value of ₹10/- each fully paid up:**

Particulars	(P/E) Ratio at the Floor Price (₹ [●])	(P/E) Ratio at the Cap Price (₹ [●])
P/E ratio based on the Basic & Diluted EPS, as restated for the year ended on March 31, 2025	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

**Note:**

i) The P/E ratio of our Company has been computed by dividing Issue Price with EPS.

**3. Return on Net worth (RoNW)**

<b>Sr. No</b>	<b>Period</b>	<b>RONW (%)</b>	<b>Weights</b>
1.	Period ending March 31, 2025	33.15	3
2.	Period ending March 31, 2024	38.18	2
3.	Period ending March 31, 2023	41.30	1
	<b>Weighted Average</b>	<b>36.18</b>	<b>6</b>

**Note:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. 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
- iii. 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:**

<b>Sr. No.</b>	<b>NAV per Equity Share</b>	<b>(Amount in ₹)</b>
1.	As at March 31, 2023	11.94
2.	As at March 31, 2024	19.20
3.	As at March 31, 2025	28.68
.	NAV per Equity Share after the Issue	
	a) at Floor Price	[●]
	b) at Cap Price	[●]
6.	Issue Price	[●]

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

**Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- iii. 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.
- iv. 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**

There are no listed companies in India that are engaged in the business line similar to that of our company, thus it is not possible to provide an industry comparison in relation to our company.

**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 June 06, 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 this Red Herring Prospectus. Further, the KPIs herein have been certified by, **M/s. K A R M A & CO. LLP**, Chartered Accountants, by their certificate dated June 06, 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 105 and 200, respectively. We have described and defined the KPIs as applicable in "**Definitions and Abbreviations**" on page 1 of this 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

**PRO FX Tech Limited**

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	F Y 2024-25	FY 2023-24	FY 2022-23
Revenue from operations <sup>(1)</sup>	12937.54	11047.73	9578.39
EBITDA <sup>(2)</sup>	1705.98	1437.28	1010.05
EBITDA Margin <sup>(3)</sup>	13.19%	13.01%	10.55%
PAT <sup>(4)</sup>	1223.75	943.65	634.97
PAT Margin <sup>(5)</sup>	9.41%	8.51%	6.60%
RoE (%) <sup>(6)</sup>	39.71%	47.07%	53.79%
RoCE (%) <sup>(7)</sup>	43.58%	45.55%	52.73%
Net Worth <sup>(8)</sup>	3691.16	2471.90	1537.46

**Notes:**

<sup>(1)</sup> Revenue from operation means revenue from services and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is Profit after tax

<sup>(5)</sup> PAT Margin is calculated as PAT for the year divided by Total Income

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is which is defined as shareholders' equity plus total debt {including lease liabilities}.

<sup>(8)</sup> 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:**

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

**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)**

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on March 06, 2024 during the 18 months preceding the date of this Red Herring Prospectus, where such issuance 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. ("Primary Issue")

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

Except as stated below, 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. (“Secondary Issue”).

c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

**Primary Transaction**

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Red Herring Prospectus:

Date of Allotment	No. of equity shares allotted	Face Value per equity shares (₹)	Issue Price per equity shares (₹)	Nature of Allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
March 06, 2024	1,28,57,400	10/-	Nil	Bonus Issue in the ration of 900:1	Other than Cash	Nil

**Secondary Transactions:**

The details of the last five secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Red Herring Prospectus, are as follows:

(Amount in Rs. Lakhs)						
Date of Transfer/ Acquisition	Name of Transferor/ Acquiror	Name of Transferee	No. of Equity Shares	Price per Equity shares	Nature of Transaction	Total Consideration
March 20, 2024	Manmohan Ganesh	Appadurai Manuel Santhana Joekumar	20,000	-	By way of Gift	-
		Manoj Kumar	1,500	-	By way of Gift	-
March 25, 2024	Manmohan Ganesh	Francis Joseph	1,500	-	By way of Gift	-
August 23, 2024	Manmohan Ganesh	Ladnun Consultancy Services LLP	1,28,717	97.11	Transfer of Shares	1,24,99,708
		Rajendra Rao	25,743	97.11	Transfer of Shares	24,99,903

**Weighted average cost of acquisition & Issue price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary/ new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	NA^	[●] times	[●] times
Weighted average cost of acquisition of primary issuances/ secondary transactions as per paragraph 8(c) above	84.52	[●] times	[●] times

**Note:**

<sup>^</sup>There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Red Herring Prospectus.

<sup>^</sup>There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of this 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

***PRO FX Tech Limited***

Bangalore edition of Regional newspaper Udayakala 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 105, 24 and 153 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.