BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹2 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should refer to "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 21, 245, 322 and 405, respectively, to have an informed view before making an investment decision.

1. Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are set forth below:

1. Leading defence technology solutions provider with pioneering proprietary technologies;

Our Company is one of the few companies in India with no dependence on external technology partners as it owns 100% of its intellectual property since Fiscal 2024, pursuant to assignment agreements dated March 11, 2024 through which our Company purchased intellectual property from CEAQ Singapore. The proprietary technology ranges from optics to embedded software and electronics including critical subsystems for sighting systems, including proprietary video engines, AI-accelerated image processing, and sub-5 µrad multi-axis gimbal stabilization, as per the F&S Report. Our Company supplies and controls the technical aspects of building the core components; optical designs, infrared imaging engines, video processing electronics, target tracking/classification electronics, laser ranging modules stabilized gimbal platforms, software and hardware systems to control a variety of peripherals.

2. Driving innovation in defence electronics through in-house R&D with an asset light business model;

We operate an asset-light business model with a focus on product design and development. Our Company is integrated horizontally: core design and IP are developed in-house, while manufacturing is outsourced to EMS. Our contract manufacturing model allows us to focus on our R&D capabilities.

3. Among the few defence electronics OEMs with a wide acceptability across the globe

Our Company is a global defence electronics OEM with a clientele spanning both domestic and international markets. Our products have been sold globally to customers in EU, US and Israel, enabling adoption in India through the global first approach, underscoring their acceptance in some of the world's most advanced defence markets as per the F&S Report. We design and supply ITAR-free strategic defence electronics, placing us among the few global OEMs able to deliver advanced technologies without geopolitical export constraints. This capability offers strategic leverage to countries pursuing defence autonomy and resilient supply chains and enable us to meet rising demand for unrestricted systems as militaries modernise.

4. Diversified defence product portfolio with deployability across all domains

As per the F&S Report, we are a global defence electronics OEM, with a track record of design and delivery of field tested defence systems, designing and developing products primarily catering to military and armed forces across the globe. The products deployed by us are used across both developed and emerging markets for defence technology. As per the F&S Report, developed markets like the US and Israel set the benchmark for technological superiority and emerging markets like India, South East Asia and Africa are price sensitive.

5. Sound financials with healthy performance

We strive to maintain a robust financial position with emphasis on having a strong, well-capitalised consolidated statement of assets and liabilities with moderate debt and sustainable profitability. We believe our financial position provides us with an advantage over our competitors with access to financing which is critical to our business. Our asset light business model has helped us in catering to the market demand without incurring additional capex and thus having reduced working capital requirements.

6. Experienced and dedicated promoters and key managerial personnel with extensive domain knowledge

We are led by our Promoter, Managing Director and Chief Executive Officer, Arvind Kondangi Lakshmikumar who has over 21 years of experience in raising capital, running our product engineering teams globally and

managing government and enterprise sales at our Company. Further, our Promoter, Executive Director and Chief Business and Revenue Officer, Ankit Kumar, has over 21 years of experience running our research and development programs in defence, surveillance and automotive safety globally and is a domain expert in optics, computer vision and machine learning automotive. Further, our Promoter, Executive Director and Chief Commercial Officer, Cecilia D'Souza has over 21 years of experience in finance, accounting and management of our multi-location international business and has a strong background in international accounting, mergers and acquisitions, procurement and operational logistics. Our Promoters are actively involved in the critical aspects of our business including engineering, operational systems, quality assurance, marketing and finance. Further, our Directors also have experience in technology, finance and management and technology sectors. The commitment and track record of our management team provides stability in the execution of our business plan.

For further details, see "***Our Business – Our Strengths***" on page 252.

2. **Quantitative Factors**

Certain information presented below relating to us is based on the Restated Consolidated Financial Statements. For details, see "***Restated Consolidated Financial Statements***" on page 322.

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

(a) Basic and Diluted Earnings Per Equity Share ("EPS") at face value of ₹2 each:

As derived from the Restated Consolidated Financial Statements:

Financial Year/ period ended	Basic EPS[#] (₹)	Diluted EPS[#] (₹)	Weight[#]
June 30, 2026	(3.20)[*]	(3.20)[*]	-
March 31, 2026	9.19	8.88	3
March 31, 2025	13.38	12.70	2
March 31, 2024	62.61	13.63	1
Weighted Average	**19.49**	**10.95**	

[#]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

**Refer note (vi) below*

Notes:

i. The face value of each Equity Share is ₹ 2.

ii. Basic Earnings per share is calculated by dividing Restated profit for the year/ period attributable to equity Shareholders by the number of equity shares outstanding at the end of the year reduced by ESOP Trust shares.

iii. Diluted earnings per share is calculated by dividing Restated profit for the year/ period attributable to equity Shareholders by the number of equity shares outstanding at the end of the year/ period adjusted for the effect of dilutive potential equity shares.

iv. Basic and Diluted Earnings per share have been adjusted for the effects of bonus issue, share split, and share buyback

v. Weighted average is calculated as Aggregate of financial year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each financial year /Total of weights.

vi. Basic and Diluted Earnings per share for the three months ended June 30, 2026 have not been annualised

(b) Price/Earning ("P/E") ratio in relation to the Price Band of ₹ 665.00 to ₹ 700.00 per Equity Share at face value of ₹2 each:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2026	72.36	76.17
Based on diluted EPS for Fiscal 2026	74.89	78.83

(c) Industry Peer Group P/E ratio

The selected peers include Indian listed defence technologies companies with product offerings across electro-optics, defence electronics and sub-systems, catering primarily to defence and aerospace applications.

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 117.74, the lowest P/E ratio is 45.70 and the average P/E ratio is 81.62.

Particulars	P/E Ratio[#]
Highest	117.74
Lowest	45.70
Average	**81.62**

[#]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

Notes:

i. The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison of accounting ratios with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below under "- Comparison of accounting ratios with listed industry peers"

ii. P/E figures for the peers are computed based on closing market price as on October 7, 2026, divided by Diluted EPS based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year ending March 31, 2026.

(d) Return on Net Worth ("RoNW")

Financial Year/ period ended	RoNW (%)[#]	Weight[#]
June 30, 2026	(3.25)[*]	-
March 31, 2026	9.75	3
March 31, 2025	20.20	2
March 31, 2024	52.72	1
Weighted Average	**20.40**	

[#]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

**Refer note (iv) below*

Notes:

i. Weighted average is calculated as Aggregate of financial year-wise weighted Return on Net Worth (%) divided by the aggregate of weights i.e. Return on Net Worth (%) multiplied by Weight for each financial year divided by Total of weights

ii. Return on Net Worth (%) for our Company is calculated as Net profit after tax divided by Average Net worth as at year/ period end.

iii. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account and instruments entirely in the nature of equity after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. We have calculated net worth by aggregate value of equity share capital, instruments entirely in nature, capital redemption reserve, retained earnings, securities premium, other comprehensive income (fair value gains/(loss) on equity instruments), foreign currency translation reserve and shares pending issuance.

iv. Return on Net Worth (%) for the three months ended June 30, 2026 have not been annualized

(e) Net Asset Value ("NAV") per Equity Share, as adjusted for change in capital

Particulars	Amount (₹)[%]
As on June 30, 2026	94.01
As on March 31, 2026	96.57
After the completion of the Offer	
- At the Floor Price	96.57
- At the Cap Price	96.57
Offer Price	[●][#]

[%]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

 # To be determined on conclusion of the Book Building Process

Notes:

i. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account and instruments entirely in the nature of equity after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations . We have calculated net worth by aggregate value of equity share capital, instruments entirely equity in nature, capital redemption reserve, retained earnings, securities premium, other comprehensive income (fair value gains/(loss) on equity instruments), foreign currency translation reserve and shares pending issuance

ii. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

iii. Net asset value per share is calculated as Net worth divided by Number of equity shares outstanding at the end of the financial year/ period.

iv. Net Asset Value per Equity Share has been adjusted for the effects of bonus issue, share split, and share buyback.

(f) Comparison of accounting ratios with listed industry peers

Name of the Company	Standalone / Consolidated	Revenue from Operations (₹ in million)	Face Value per Equity Share (₹)	Closing price as on October 7, 2026	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV (₹ per share)
Our Company	Consolidated	3,626.48	2.00	700.00*	78.83*	9.19	8.88	9.75	96.57
Paras Defence and	Consolidated	4,765.70	5.00	1,286.95	117.74	10.93	10.93	NA	90.02

Name of the Company	Standalone / Consolidated	Revenue from Operations (₹ in million)	Face Value per Equity Share (₹)	Closing price as on October 7, 2026	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV (₹ per share)
Space Technologies Limited									
Data Patterns (India) Limited	Standalone	9,247.70	2.00	4,231.00	87.29	48.47	48.47	17.00	310.08
Astra Microwave Products Limited	Consolidated	11,628.02	2.00	1,701.15	83.92	20.32	20.27	NA	138.46
Zen Technologies Limited	Consolidated	6,876.90	1.00	1,580.35	73.44	21.52	21.52	NA	209.22
Bharat Electronics Limited	Consolidated	2,76,101.10	1.00	378.85	45.70	8.29	8.29	NA	32.82

**Determined based on Cap Price*

Source: All the financial information for listed industry peers is sourced from the filings made with stock exchanges available on www.bseindia.com for the Financial Year ending March 31, 2026.

Source for our Company: Based on the Restated Consolidated Financial Statements for the financial year ended March 31, 2026.

Notes:

i. P/E Ratio has been computed based on the closing market price of equity shares on BSE on October 7, 2026, divided by the Diluted EPS.

ii. Return on Net Worth (%) for our Company is calculated as Net profit after tax divided by Average Net worth as at year/ period end.

iii. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account and instruments entirely in the nature of equity after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. We have calculated net worth by aggregate value of equity share capital, instruments entirely equity in nature, capital redemption reserve, retained earnings, securities premium, other comprehensive income (fair value gains/(loss) on equity instruments), foreign currency translation reserve and shares pending issuance.

iv. Return on Net Worth (%) for peer companies is as per their respective public company filings

v. NAV is computed as the closing net worth divided by Number of equity shares outstanding at the end of the financial year/ period.

vi. Closing price for the peer represents closing market price of equity shares sourced from BSE as of October 7, 2026.

vii. Equity Shares for our Company have been adjusted for the effects of bonus issue, share split, and share buyback

Key Performance Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyze our business performance.

Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performance and make an informed decision. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated October 10, 2026 and the Audit Committee has confirmed that except as disclosed in the Red Herring Prospectus, no KPIs have been disclosed by our Company to any investors at any point of time during the three years prior to the date of filing of the Red Herring Prospectus. Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any Promoter or member of Promoter Group or Directors in their capacity as Shareholders at any point of time during the three years prior to the date of filing of the Red Herring Prospectus. The KPIs disclosed herein have been certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of their certificate dated October 10, 2026, which certificate shall be included as part of the material documents for inspection and shall be accessible on the website of our Company at https://tonboimaging.com/main/material-documents/ as disclosed in "***Material Contracts and Documents for Inspection – Material Documents***" on page 523. Further, the Chief Financial Officer has certified pursuant to a certificate dated October 10, 2026, that the KPIs disclosed below, comprising the GAAP financial measures, Non-GAAP financial measures and operational measures. The list of our KPIs along with

brief explanation of the relevance of the KPI for our business operations are set forth below.

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 our Board of our Company) until one year after the date of listing of the Equity Shares on the Stock Exchanges or for such other duration as may be required under the SEBI ICDR Regulations. The criteria for disclosing KPIs until complete utilisation of the proceeds of the Offer is not applicable given that the Offer comprises only of offer for sale.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these KPIs should not be considered in isolation or construed as an alternative to Ind AS financial statements or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our operating results and trends and in comparing our financial results with other companies in our industry.

Set out below is the explanation of the KPIs:

Key performance Indicator ("KPI")	Explanation
Revenue from Operations	Income earned from the Company's core business activities, excluding other income
Revenue growth	Year-on-year percentage increase in revenue from operations
Gross Profit	Gross Profit is the profit after deduction of direct cost of goods sold from Revenues.
Gross Profit Margin	Gross Profit Margin is an indicator of the profitability of our products and is a measure of how we price our products relative to costs of manufacturing.
EBITDA	EBITDA is the operational profit after meeting direct cost of goods sold, employee costs and other operating expenses but before financing costs and depreciation & amortization, excluding other income
EBITDA Margin	EBITDA margin is an indicator of the operational profitability of our business.
PAT	Net profit earned after deducting all expenses and taxes
PAT Margin	PAT Margin is an indicator of the overall profitability of the business and is a function of scale, operational efficiency and financial efficiency.
ROCE %	ROCE measures the profits generated from capital employed and is a measure of capital efficiency (whether debt or equity)
ROE %	ROE measures the profits attributable to shareholders
Net Tangible Fixed Asset Turnover (x)	Net tangible fixed asset turnover is a measure of capital intensity of the business.
Working Capital Days	Measure of working capital used in the business such as inventory and trade receivables net of trade payables.
Export Share % in Revenue	Revenue generated from export as a percentage of total revenue from operations
Revenue Split by Products Categories (Tactical, Platforms and Others)	Revenue from Operations is broken down into platform, tactical and other product types 1) Tactical Systems – Our tactical systems are electro-optical sights offering dismounted soldiers' observation and targeting capabilities. 2) Our platform systems are designed to be integrated into surveillance, reconnaissance and targeting platforms. 3) Others include OEM component sales
Confirmed Order Book	Represents the total value of confirmed customer orders yet to be fulfilled
Orderbook Split – By Region	Represents the total value of confirmed customer orders yet to be fulfilled broken down into domestic and export
Orderbook Split – By Product Categories (Tactical, Platforms and Others)	Represents the total value of confirmed customer orders yet to be fulfilled broken down into platform, tactical and other product types

Details of our KPIs as of and for the three months ended June 30, 2026 and the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, are set out below:

Sr. No.	Key Performance Indicators (KPIs)	Units	For the period ended June 30, 2026[#]	For the period ended March 31, 2026[#]	For the period ended March 31, 2025[#]	For the period ended March 31, 2024[#]
			Financial Metrics			
1	Revenue from Operations[(1)]	₹ million	360.08	3,626.48	4,690.80	4,281.89
2	Revenue Growth[(2)]	%	NA	(22.69)	9.55	342.22
3	Gross Profit[(3)]	₹ million	135.78	1,851.26	2,644.69	2,082.60
4	Gross Profit Margin [(4)]	%	37.71%	51.05	56.38	48.64
5	EBITDA[(5)]	₹ million	(130.37)	1,046.18	1,390.64	1,123.24
6	EBITDA Margin[(6)]	%	(36.21%)	28.85	29.65	26.23
7	PAT[(7)]	₹ million	(177.37)	508.80	727.57	685.43
8	PAT Margin[(8)]	%	(47.52%)	13.75	15.34	15.87
9	ROCE %[(9)]	%	(4.31%)*	14.54	27.41	67.76
10	ROE %[(10)]	%	(3.25%)*	9.75	20.20	52.72
11	Net Tangible Fixed Asset Turnover (x)[(11)]	Times	1.48*	14.62	19.16	89.45
12	Working Capital Days[(12)]	No of Days	Refer note 1[#]	517	280	152
			Operational measures			
13	Export Share % in Revenue[(13)]	%	0.25%	5.57	65.52	48.61
14	Revenue Split (Tactical) [(14)]	₹ million	214.43	2,116.75	3,622.96	3,592.69
15	Revenue Split (Platform) [(15)]	₹ million	141.20	1,448.08	1,010.53	127.00
16	Revenue Split (Others) [(16)]	₹ million	-	11.95	10.33	110.39
17	Confirmed Order Book[(17)]	₹ million	3,142.40	2,790.16	2,186.08	5,631.44
18	Orderbook Split (Domestic) [(18)]	₹ million	2,318.72	1,971.09	2,127.05	2,595.91
19	Orderbook Split (International) [(19)]	₹ million	823.68	819.07	59.03	3,035.53
20	Orderbook Split (Tactical) [(20)]	₹ million	1,154.30	882.74	698.17	3,367.63
21	Orderbook Split (Platform) [(21)]	₹ million	1,983.48	1,907.42	1,487.76	2,263.81
22	Orderbook Split (Others) [(22)]	₹ million	4.62	-	0.15	-

[#]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

** Not Annualized for the period ended June 30, 2026.*

*Note1[#]: The working capital days for period ended June 30, 2026 is 1,454 days and has been calculated basis 91 days for the said period. The working capital days for the three months ended June 30, 2026 are not directly comparable with those presented for the annual periods primarily due to the cyclic nature of the business and the concentration of revenue recognition towards the second half of the financial year. Accordingly, the working capital days are higher as compared to the annual periods presented. For further details, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 405.*

Source:

Financials of our Company are taken from Restated Consolidated Financial Statements.

Notes:

1. *Revenue from Operations means the Revenue from Operations for the year/period as appears in the Restated Consolidated Financial Statements.*
2. *Revenue Growth is calculated as a percentage of Revenue from Operations for current year minus Revenue from Operations for previous year divided by Revenue from Operations for previous year multiplied by 100.*
3. *Gross Profit is calculated as Revenue From Operations minus COGS; COGS is calculated as Cost of Materials Consumed plus Changes In Inventories of Finished Goods for the relevant year/period.*
4. *Gross Profit Margin % is calculated as Gross Profit divided by Revenue from Operations.*
5. *EBITDA is calculated as Profit / (Loss) before Exceptional and Extraordinary items and Tax plus Finance Cost, Depreciation and Amortisation minus Other Income.*

6. *EBITDA Margin% is calculated as EBITDA divided by Revenue from Operations.*
7. *PAT is Restated Profit for the year, net of tax as per Restated Consolidated Financial Statements.*
8. *PAT Margin is calculated as Restated Profit for the year, net of tax divided by Total Income.*
9. *Return on Capital Employed (ROCE) % is calculated as Earnings before Interest and Taxes ('EBIT') divided by Capital Employed; EBIT is calculated as EBITDA minus Depreciation and Amortization; Capital Employed is calculated as Total Equity minus Intangible Assets minus Capital Work-In-Progress plus Long Term and Short Term Borrowings and Deferred Tax Liability.*
10. *Return on Equity (ROE) % is calculated as Restated Profit for the year, net of tax divided by Average Shareholder's Equity; Average Shareholder's Equity is calculated as Total Equity as of the current year plus Total Equity as of the previous year divided by 2.*
11. *Net Tangible Fixed Asset Turnover is calculated as Revenue from Operations divided by Property, Plant and Equipment for the relevant year/period.*
12. *Working Capital Days is calculated as Inventory Turnover Days plus Trade Receivable Days minus Trade Payable Days. Inventory Days is calculated as Average Inventories divided by Cost of Goods Sold multiplied by number of days for the year. Trade Receivables Days is calculated as Average Trade Receivables divided by Revenue from Operations multiplied by number of days in the year. Trade Payables Days is calculated as Average Trade Payables divided by Purchases and Incidental Expenses multiplied by number of days in the year.*
13. *Export Share % in Revenue is calculated as Exports Sales divided by Revenue from Operations for the relevant year/period.*
14. *Revenue Split (Tactical) represents the revenue from Tactical Product Category at the end of relevant year/period.*
15. *Revenue Split (Platform) represents the revenue from Platform Product Category at the end of relevant year/period.*
16. *Revenue Split (Others) represents the revenue from Others Product Category at the end of relevant year/period. 'Others' include OEM component sales.*
17. *Confirmed Order Book is the total value of confirmed customer orders yet to be fulfilled at the end of relevant year/period.*
18. *Orderbook Split (Domestic) represents the total value of confirmed domestic customer orders at the end of relevant year/period.*
19. *Orderbook Split (International) represents the total value of confirmed international customer orders at the end of relevant year/period.*
20. *Orderbook Split (Tactical) represents the confirmed orderbook from Tactical Product Category at the end of relevant year/period.*
21. *Orderbook Split (Platform) represents the confirmed orderbook from Platform Product Category at the end of relevant year/period.*
22. *Orderbook Split (Others) represents the confirmed orderbook from Others Product Category at the end of relevant year/period.*

Comparison of our KPIs with listed industry peers for the Financial Years indicated below

Set forth below is a comparison of our KPIs with our peer group companies listed in India:

Comparison of KPIs with Industry Peers

As at and For the period ended June 30, 2026

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
Financial Metrics								
1	Revenue from Operations	₹ million	360.08	1,279.10	1,160.30	1,766.62	1,416.38	55,469.80
2	Revenue Growth	%	NA	NA	NA	NA	NA	NA
3	Gross Profit	₹ million	135.78	NA	915.00	840.00	NA	NA
4	Gross Profit Margin	%	37.71%	NA	78.90%	47.30%	NA	NA
5	EBITDA	₹ million	(130.37)	NA	314.00	330.00	578.80	NA
6	EBITDA Margin	%	(36.21%)	NA	27.00%	18.70%	40.90%	NA
7	PAT	₹ million	(177.37)	207.40	220.60	123.48	318.49	10,545.30
8	PAT Margin	%	(47.52%)	15.97%	19.00%	7.00%	19.81%	18.45%
9	ROCE %	%	(4.31%)*	NA	NA	NA	NA	NA
10	ROE %	%	(3.25%)*	NA	NA	NA	NA	NA

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
11	Net Tangible Fixed Asset Turnover (x)	Times	1.48*	NA	NA	NA	NA	NA
12	Working Capital Days	No of Days	Refer Note 1[#]	NA	NA	NA	NA	NA
Operational measures								
13	Export Share % in Revenue	%	0.25%	NA	12.80%	5.00%	NA	NA
14	Revenue Split (Tactical)	₹ million	214.43	NA	NA	NA	NA	NA
15	Revenue Split (Platform)	₹ million	141.20	NA	NA	NA	NA	NA
16	Revenue Split (Others)	₹ million	-	NA	NA	NA	NA	NA
17	Confirmed Order Book	₹ million	3,142.40	NA	9,277.00	NA	12,390.20	NA
18	Orderbook Split (Domestic)	₹ million	2,318.72	NA	NA	NA	NA	NA
19	Orderbook Split (International)	₹ million	823.68	NA	NA	NA	NA	NA
20	Orderbook Split (Tactical)	₹ million	1,154.30	NA	NA	NA	NA	NA
21	Orderbook Split (Platform)	₹ million	1,983.48	NA	NA	NA	NA	NA
22	Orderbook Split (Others)	₹ million	4.62	NA	NA	NA	NA	NA

As at and for the period ended March 31, 2026

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
				Financial Metrics				
1	Revenue from Operations	₹ million	3,626.48	4,765.70	9,247.70	11,628.02	6,876.90	2,76,101.10
2	Revenue Growth	%	(22.69%)	30.69%	30.55%	10.62%	(29.37%)	16.16%
3	Gross Profit	₹ million	1,851.26	NA	5,849.00	5,920.00	NA	NA
4	Gross Profit Margin	%	51.05%	NA	63.25%	50.90%	NA	NA
5	EBITDA	₹ million	1,046.18	1,204.60	3,710.00	3,340.00	3,326.60	NA
6	EBITDA Margin	%	28.85%	26.00%	40.12%	28.70%	48.37%	NA
7	PAT	₹ million	508.80	894.60	2,714.00	1,930.00	2,179.25	60,622.60
8	PAT Margin	%	13.75%	18.16%	28.48%	16.60%	28.19%	21.52%
9	ROCE %	%	14.54%	NA	20.80%	NA	NA	NA
10	ROE %	%	9.75%	NA	17.00%	NA	NA	NA
11	Net Tangible Fixed Asset Turnover (x)	Times	14.62	NA	NA	NA	NA	NA
12	Working Capital Days	No of Days	517	NA	365	NA	NA	NA

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
				Operational measures				
13	Export Share % in Revenue	%	5.57%	NA	NA	NA	NA	NA
14	Revenue Split (Tactical)	₹ million	2,116.75	NA	NA	NA	NA	NA
15	Revenue Split (Platform)	₹ million	1,448.08	NA	NA	NA	NA	NA
16	Revenue Split (Others)	₹ million	11.95	NA	NA	NA	NA	NA
17	Confirmed Order Book	₹ million	2,790.16	9,860.00	9,265.00	21,410.00	13,360.40	7,38,820.00
18	Orderbook Split (Domestic)	₹ million	1,971.09	NA	NA	19,620.00	12,472.60	NA
19	Orderbook Split (International)	₹ million	819.07	NA	NA	1,790.00	887.80	NA
20	Orderbook Split (Tactical)	₹ million	882.74	NA	NA	NA	NA	NA
21	Orderbook Split (Platform)	₹ million	1,907.42	NA	NA	NA	NA	NA
22	Orderbook Split (Others)	₹ million	-	NA	NA	NA	NA	NA

As at and for the period ended March 31, 2025

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
				Financial Metrics				
1	Revenue from Operations	₹ million	4,690.80	3,646.61	7,083.50	10,511.79	9,736.42	2,37,687.50
2	Revenue Growth	%	9.55%	43.85%	36.27%	15.66%	121.36%	17.27%
3	Gross Profit	₹ million	2,644.69	NA	4,323.00	4,740.00	NA	NA
4	Gross Profit Margin	%	56.38%	NA	61.03%	45.09%	NA	NA
5	EBITDA	₹ million	1,390.64	972.03	2,750.00	2,690.19	3,830.30	67,680.00
6	EBITDA Margin	%	29.65%	28.00%	38.82%	25.59%	39.34%	29.00%
7	PAT	₹ million	727.57	614.92	2,218.10	1,535.09	2,993.35	53,226.80
8	PAT Margin	%	15.34%	16.50%	31.30%	14.60%	29.00%	23.00%
9	ROCE %	%	27.41%	13.28%	18.00%	16.53%	20.78%	39.22%
10	ROE %	%	20.20%	11.70%	16.00%	13.93%	24.55%	29.56%
11	Net Tangible Fixed Asset Turnover (x)	Times	19.16	NA	NA	NA	NA	NA
12	Working Capital Days	No of Days	280	NA	428	NA	NA	NA
				Operational measures				
13	Export Share % in Revenue	%	65.52%	14.59%	15.00%	10.00%	37.97%	3.86%
14	Revenue Split (Tactical)	₹ million	3,622.96	NA	NA	NA	NA	NA
15	Revenue Split (Platform)	₹ million	1,010.53	NA	NA	NA	NA	NA

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
16	Revenue Split (Others)	₹ million	10.33	NA	NA	NA	NA	NA
17	Confirmed Order Book	₹ million	2,186.08	9,280.00	7,298.00	19,515.30	6,919.40	7,16,500.00
18	Orderbook Split (Domestic)	₹ million	2,127.05	NA	NA	17,795.30	6,163.70	NA
19	Orderbook Split (International)	₹ million	59.03	NA	NA	1,720.00	755.70	NA
20	Orderbook Split (Tactical)	₹ million	698.17	NA	NA	NA	NA	NA
21	Orderbook Split (Platform)	₹ million	1,487.76	NA	NA	NA	NA	NA
22	Orderbook Split (Others)	₹ million	0.15	NA	NA	NA	NA	NA

As at and for the period ended March 31, 2024

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
				Financial Metrics				
1	Revenue from Operations	₹ million	4,281.89	2,534.98	5,198.00	9,088.20	4,398.52	2,02,682.40
2	Revenue Growth	%	342.22	13.97	14.63	11.44	100.99%	14.86
3	Gross Profit	₹ million	2,082.60	NA	3,547.00	3,630.00	NA	NA
4	Gross Profit Margin	%	48.64	NA	68.24	39.94	NA	NA
5	EBITDA	₹ million	1,123.24	510.55	2,216.20	1,920.00	1,848.50	49,980.00
6	EBITDA Margin	%	26.23	22.00	42.64	21.13	42.03	25.00
7	PAT	₹ million	685.43	300.38	1,816.90	1,210.66	1,295.04	39,852.40
8	PAT Margin	%	15.87	11.47	35.00	13.30	28.48	20.00
9	ROCE %	%	67.76	9.79	16.00	15.85	40.56	36.44
10	ROE %	%	52.72	7.96	15.00	13.93	33.47	27.10
11	Net Tangible Fixed Asset Turnover (x)	Times	89.45	NA	NA	NA	NA	NA
12	Working Capital Days	No of Days	152	NA	432	NA	NA	NA
				Operational measures				
13	Export Share % in Revenue	%	48.61	16.28	6.20	32.00	18.62	3.86
14	Revenue Split (Tactical)	₹ million	3,592.69	NA	NA	NA	NA	NA
15	Revenue Split (Platform)	₹ million	127.00	NA	NA	NA	NA	NA
16	Revenue Split (Others)	₹ million	110.39	NA	NA	NA	NA	NA
17	Confirmed Order Book	₹ million	5,631.44	6,300.00	10,831.00	19,560.00	14,019.74	7,59,340.00
18	Orderbook Split (Domestic)	₹ million	2,595.91	NA	NA	17,300.00	9,648.24	NA
19	Orderbook Split (International)	₹ million	3,035.53	NA	NA	2,260.00	4,371.50	NA

Sr. No.	Key Performance Indicators (KPIs)	Units	Our Company	Paras Defence and Space Technologies Limited	Data Patterns (India) Limited	Astra Microwave Products Limited	Zen Technologies Limited	Bharat Electronics Limited
20	Orderbook Split (Tactical)	₹ million	3,367.63	NA	NA	NA	NA	NA
21	Orderbook Split (Platform)	₹ million	2,263.81	NA	NA	NA	NA	NA
22	Orderbook Split (Others)	₹ million	-	NA	NA	NA	NA	NA

** Not Annualized for the period ended June 30, 2026.*

*Note1[#]: The working capital days for period ended June 30, 2026 is 1,454 days and has been calculated basis 91 days for the said period. The working capital days for the three months ended June 30, 2026 are not directly comparable with those presented for the annual periods primarily due to the cyclic nature of the business and the concentration of revenue recognition towards the second half of the financial year. Accordingly, the working capital days are higher as compared to the annual periods presented. For further details, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 405.*

Notes related to the listed peers:

1. *All the financials for the industry peers mentioned above are on a consolidated basis (unless called out otherwise in notes) and is sourced from the annual reports, audited financial results and investor presentations as available of the respective company for the relevant year/period submitted to the Stock Exchanges except for Data Patterns (India) Limited. where all metrics are on a standalone basis. NA refers to Not Available where the financial information is unavailable i.e. not reported by the listed peers in either their annual reports, audited financial results and investor presentations as submitted to the Stock Exchanges.*
2. *Revenue Growth is calculated as a percentage of Revenue from Operations for current year minus Revenue from Operations for previous year divided by Revenue from Operations for previous year multiplied by 100 for Paras Defence and Space Technologies Limited, Data Patterns (India) Limited, Astra Microwave Products Limited, Zen Technologies Limited and Bharat Electronics Limited.*
3. *Gross Profit Margin % is calculated as Gross Profit divided by Revenue from Operations for Paras Defence and Space Technologies Limited, Data Patterns (India) Limited, Astra Microwave Products Limited, Zen Technologies Limited and Bharat Electronics Limited.*
4. *EBITDA Margin % is calculated as EBITDA divided by Revenue from Operations for Paras Defence and Space Technologies Limited, Data Patterns (India) Limited, Astra Microwave Products Limited, Zen Technologies Limited and Bharat Electronics Limited.*
5. *PAT Margin is calculated as Profit for the year divided by Total Income for Paras Defence and Space Technologies Limited, Data Patterns (India) Limited, Astra Microwave Products Limited, Zen Technologies Limited and Bharat Electronics Limited.*
6. *ROE % and ROCE % for Astra Microwave Products Limited and Bharat Electronics Limited are on standalone basis for the relevant year/period.*

Notes related to our Company:

1. *Revenue from Operations means the Revenue from Operations for the year/period as appears in the Restated Consolidated Financial Statements.*
2. *Revenue Growth is calculated as a percentage of Revenue from Operations for current year minus Revenue from Operations for previous year divided by Revenue from Operations for previous year multiplied by 100.*
3. *Gross Profit is calculated as Revenue From Operations minus COGS; COGS is calculated as Cost of Materials Consumed plus Changes In Inventories of Finished Goods for the relevant year/period.*
4. *Gross Profit Margin % is calculated as Gross Profit divided by Revenue from Operations.*
5. *EBITDA is calculated as Profit / (Loss) before Exceptional and Extraordinary items and Tax plus Finance Cost, Depreciation and Amortisation minus Other Income.*
6. *EBITDA Margin % is calculated as EBITDA divided by Revenue from Operations.*
7. *PAT is Restated Profit for the year, net of tax as per Restated Consolidated Financial Statements.*
8. *PAT Margin is calculated as Restated Profit for the year, net of tax divided by Total Income.*
9. *Return on Capital Employed (ROCE) % is calculated as Earnings before Interest and Taxes ('EBIT') divided by Capital Employed; EBIT is calculated as EBITDA minus Depreciation and Amortization; Capital Employed is calculated as Total Equity minus Intangible Assets minus Capital Work-In-Progress plus Long Term and Short Term Borrowings and Deferred Tax Liability.*
10. *Return on Equity (ROE) % is calculated as Restated Profit for the year, net of tax divided by Average Shareholder's Equity; Average Shareholder's Equity is calculated as Total Equity as of the current year plus Total Equity as of the previous year divided by 2.*
11. *Net Tangible Fixed Asset Turnover is calculated as Revenue from Operations divided by Property, Plant and Equipment for the relevant year/period.*
12. *Working Capital Days is calculated as Inventory Turnover Days plus Trade Receivable Days minus Trade Payable Days. Inventory Days is calculated as Average Inventories divided by Cost of Goods Sold multiplied by number of days for the year. Trade Receivables Days is calculated as Average Trade Receivables divided by Revenue from Operations multiplied by number of days in the year. Trade Payables Days is calculated as Average Trade Payables divided by Purchases and Incidental Expenses multiplied by number of days in the year.*
13. *Export Share % in Revenue is calculated as Exports Sales divided by Revenue from Operations for the relevant year/period.*
14. *Revenue Split (Tactical) represents the revenue from Tactical Product Category at the end of the relevant year/period.*

15. *Revenue Split (Platform) represents the revenue from Platform Product Category at the end of the relevant year/period.*
16. *Revenue Split (Others) represents the revenue from Others Product Category at the end of the relevant year/period. 'Others' include OEM component sales.*
17. *Confirmed Order Book is the total value of confirmed customer orders yet to be fulfilled at the end of the relevant year/period.*
18. *Orderbook Split (Domestic) represents the total value of confirmed domestic customer orders at the end of the relevant year/period.*
19. *Orderbook Split (International) represents the total value of confirmed international customer orders at the end of the relevant year/period.*
20. *Orderbook Split (Tactical) represents the confirmed orderbook from Tactical Product Category at the end of the relevant year/period.*
21. *Orderbook Split (Platform) represents the confirmed orderbook from Platform Product Category at the end of the relevant year/period.*
22. *Orderbook Split (Others) represents the confirmed orderbook from Others Product Category at the end of the relevant year/period.*

The KPIs set out above are not standardised terms and accordingly a direct comparison of such KPIs between companies may not be possible. Other companies may calculate such KPIs differently from us.

Comparison of KPIs based on additions or dispositions to our business

(g) Our Company has not made any additions or dispositions to its business during the Fiscals 2026, 2025 and 2024.

Weighted average cost of acquisition, Floor Price and Cap Price

1. **Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under an employee stock option scheme and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")**

   There have been no primary issuances of Equity Shares or convertible securities during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up equity share capital of our Company excluding issuance of Equity Shares pursuant to employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue (calculated based on the pre-Offer fully diluted capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

2. **Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of our Promoter Group, Selling Shareholders and/or any shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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 Transactions")**

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)	Transaction price per equity share (₹)	Nature of consideration
			Selling Shareholders				
CEAQ Singapore							
September 29, 2026	(572,800)	CEAQ Singapore	Susquehanna Asia Technology Pty Limited	Transfer	2.00	700.00	Cash
September 30, 2026	(172,000)	CEAQ Singapore	Malabar India Fund Limited	Transfer	2.00	700.00	Cash
CEAQ India							
September 29, 2026	(572,800)	CEAQ India	Valuequest Founders Conviction LVF	Transfer	2.00	700.00	Cash
September 29, 2026	(500,000)	CEAQ India	SBI Emergent India Fund	Transfer	2.00	700.00	Cash
September 29, 2026	(287,000)	CEAQ India	SBI Optimal Equity Fund	Transfer	2.00	700.00	Cash
September 29, 2026	(229,000)	CEAQ India	HDFC Life Insurance Company Limited	Transfer	2.00	700.00	Cash
September 30, 2026	(2,432,000)	CEAQ India	Amansa Investments Ltd.	Transfer	2.00	700.00	Cash
September 30, 2026	(565,600)	CEAQ India	Akash Manek Bhanshali	Transfer	2.00	700.00	Cash

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)	Transaction price per equity share (₹)	Nature of consideration
September 30, 2026	(7,200)	CEAQ India	Samruddhi Investments	Transfer	2.00	700.00	Cash
September 30, 2026	(572,800)	CEAQ India	360 ONE Multi-Stage Defence and Space Fund	Transfer	2.00	700.00	Cash

There have been no secondary transfers of convertible securities during the 18 months preceding the date of the Red Herring Prospectus.

Weighted average cost of acquisition, Floor Price and Cap Price

The Floor Price is 0.95 times and the Cap Price is 1.00 times the weighted average cost of acquisition based on Secondary Transactions as disclosed below:

Past transactions	Weighted average cost of acquisition per Equity Share (₹)[%]	Number of times at Floor Price (i.e. ₹ 665.00)	Number of times at Cap Price (i.e. ₹ 700.00
Weighted average cost of acquisition of Primary Issuances	N.A.	N.A	N.A
Weighted average cost of acquisition of Secondary Transactions	700.00	0.95	1.00

[%]As certified by Kalyanasundaram and Associates, Chartered Accountants, our Statutory Auditor, bearing FRN 005455S, by way of the certificate dated October 10, 2026.

Detailed explanation for Cap Price vis-a-vis weighted average cost of acquisition of secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for three month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024 and in view of the external factors:

1. Leading defence technology solutions provider with pioneering proprietary technologies

2. Driving innovation in defence electronics through in-house R&D with an asset light business model

3. Among the few defence electronics OEMs with a wide acceptability across the globe

4. Diversified defence product portfolio with deployability across all domains

5. Sound financials with healthy performance

6. Experienced and dedicated promoters and key managerial personnel with extensive domain knowledge

The Offer Price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from Bidders for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with "***Risk Factors***", "***Our Business***" and "***Restated Consolidated Financial Statements***" on pages 21, 245 and 322, 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***" on page 21 and you may lose all or part of your investments.