

BASIS FOR OFFER 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 20, 127 and 186 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.

The Offer Price will be determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each. The Offer Price is 15.00 times of the face value at the lower end of the price band and 15.80 times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

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

- a) Omnichannel presence integrating offline and online platforms.
- b) COCO and FOFO retail network.
- c) Diverse product range beauty and personal care categories.
- d) Digital reach and online customer engagement.
- e) Led by experienced promoters and 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 127 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 186 of this Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements:

Sr. No.	Financial Year	Basic & Diluted (₹)	Weights
1	Financial Year ending March 31, 2025	4.06	3
2	Financial Year ending March 31, 2024	0.34	2
3	Financial Year ending March 31, 2023	0.88	1
	Weighted Average	2.29	6
	For 9 months period ended December 31, 2025	11.13	

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. Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.
- iv. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- v. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- vi. 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
- vii. 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.
- viii. The number of Equity Shares considered for the purpose of calculating Earnings Per Share (EPS) is 81,41,144 equity shares of face value ₹10 each, which has been arrived at after giving effect to the bonus issue in the ratio of 780:1 declared on December 15, 2025.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 150 to ₹ 158 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 period ending March 31, 2025	36.95	38.92
P/E ratio based on the Weighted Average EPS, as restated.	65.50	69.00

Industry P/E Ratio*	(P/E) Ratio
Highest	1151.91
Lowest	16.95
Industry Average	584.43

* We have included certain listed companies operating in broadly comparable BPC businesses solely for the limited purpose of providing an indicative comparison. However, there are material differences between our Company and such listed peers, including but not limited to differences in product portfolio, scale of operations, revenue size, business model, target customer segments, brand positioning and distribution channels. Accordingly, any comparison with such peers, particularly Honasa Consumer Limited and FSN E-Commerce Ventures Limited, should be read in light of these differences and may not be strictly comparable.

Note:

- i) The P/E ratio of peers has been computed by dividing Closing market price as on April 21, 2026 with EPS for the F.Y. 2024-25 published by the peer companies.

3. Return on Net worth (RoNW)

Sr. No	Financial Year	RONW	Weights
1	Financial year ending March 31, 2025	37.64%	3
2	Financial year ending March 31, 2024	5.01%	2
3	Financial year ending March 31, 2023	13.33%	1
	Weighted Average	22.71%	
	For 9 months period ended December 31, 2025	50.80%	

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
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:

Sr. No	NAV Per Equity Share	(Amount in ₹)
1	As at December 31, 2025	21.91
2	As at March 31, 2025	10.78
3	As at March 31, 2024	6.72
4	As at March 31, 2023	6.62
5	NAV per Equity Share after the Offer:	
	At the Floor Price	52.03
	At the Cap Price	53.91
6	Offer Price**	[●]

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

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

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 divided by weighted average number of equity shares outstanding at the end of the year.
- 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. Offer Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.
- v. The number of Equity Shares considered for the purpose of calculating Earnings Per Share (EPS) is 81,41,144 equity shares of face value ₹10 each, which has been arrived at after giving effect to the bonus issue in the ratio of 780:1 declared on December 15, 2025.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value	EPS (Basic/Diluted)	PE	RoNW (%)	Book Value (₹)	Total Revenue
Recode Studios Limited	158**	10.00	4.06	38.92	37.64%	10.78	4,793.88
Peer Group							
Honasa Consumer Limited*	351.60	10.00	2.23	349.37	6.16%	36.28	2,14,568.30
FSN E-Commerce Ventures Ltd*	264.94	1.00	0.23	1151.91	5.60%	4.55	7,97,708
Ravelcare Limited	178.00	10.00	10.50	16.95	50.77%	20.68	2,497.89

*We have included the aforesaid listed companies operating in broadly comparable BPC businesses solely for the limited purpose of providing an indicative comparison. However, there are material differences between our Company and such listed peers, including but not limited to differences in product portfolio, scale of operations, revenue size, business model, target customer segments, brand positioning and distribution channels. Accordingly, any comparison with such peers, particularly Honasa Consumer Limited and FSN E-Commerce Ventures Limited, should be read in light of these differences and may not be strictly comparable.

Additionally, the book value per share of all the peers has been calculated as Total shareholder's equity/Total no. of shares outstanding as on 31st March 2025, since the said information was not specifically disclosed in the respective annual reports of such peer companies.

- (i) Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025, and stock exchange data dated 21st April, 2026 to compute the corresponding financial ratios.
- (ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the F.Y. 2024-25.
- (iii) 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.
- (iv) RoNW has been computed as net profit after tax divided by closing net worth.
- (v) 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 ₹ 10/- per Equity Share and the Offer price is [●] times the face value of equity share.
- (vii) The number of Equity Shares considered for the purpose of calculating Earnings Per Share (EPS) is 81,41,144 equity shares of face value ₹10 each, which has been arrived at after giving effect to the bonus issue in the ratio of 780:1 declared on December 15, 2025.

**Current Market price is taken as upper price band of the Offer.

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, helps us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 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-year period prior to the date of filing of this Red Herring Prospectus. Further,

the KPIs herein have been certified by **R M S G & Associates** Chartered Accountants, by their certificate dated April 16, 2026

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 127 and 245 respectively. We have described and defined the KPIs as applicable in **“Definitions and Abbreviations”** on page 1 of this RHP.

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 Offer, 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 Performance Indicators	April’25 - December’ 25	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations ⁽¹⁾	5,739.29	4,779.81	3,681.95	2,237.85
EBITDA ⁽²⁾	1,333.96	612.99	167.05	143.78
EBITDA Margin ⁽³⁾	23.24%	12.82%	4.54%	6.43%
PAT ⁽⁴⁾	906.18	330.29	27.43	69.28
PAT Margin ⁽⁵⁾	15.79%	6.91%	0.75%	3.10%
RoE (%) ⁽⁶⁾	68.11%	46.37%	5.14%	24.55%
RoCE (%) ⁽⁷⁾	59.85%	34.47%	9.39%	14.28%
Engaged Sessions (in lakhs) ⁽⁸⁾	53.51	59.65	68.90	39.60
Return on Ad Spend (ROAS) (in times) ⁽⁹⁾	5.23 times	5.27 times	6.16 times	7.74 times
Net Worth ⁽¹⁰⁾	1783.65	877.47	547.18	519.75

Notes:

⁽¹⁾ Revenue from operation means revenue from sale of products & services and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

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

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽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 Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

⁽⁸⁾ Engaged Sessions refers to total count of user sessions on our website and/or mobile application during a given period that meet user engagement parameters, such as multiple page views, minimum session duration or completion of specified user actions, as tracked through the analytics systems.

⁽⁹⁾ Return on Ad Spend (ROAS) is calculated as Net sales of Products divided by total Advertisement & Promotion Expense and is represented in times.

⁽¹⁰⁾ Net Worth is calculated as total shareholder’s fund

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.
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.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently Company generates earnings from the capital employed in the business.
Engaged Sessions	Engaged Sessions represent the number of user sessions on our website and/or mobile application during a given period that meet user engagement parameters, such as multiple page views, minimum session duration or completion of specified user actions, as tracked through the analytics systems.
Return on Ad Spend (ROAS)	Return on Ad Spend (ROAS) represents the ratio of revenue from operations generated during a given period from sale of products to the advertising and promotion expenditure incurred during such period. ROAS is expressed in times and measures the advertisement cost efficiency.

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

(₹ In Lakhs except percentages and ratios)

Particulars	Honasa Consumer Limited			FSN E-Commerce Ventures Ltd			Ravelcare Limited		
	FY 2024-25	FY 2023-24	FY 2022-23	FY 2024-25	FY 2023-24	FY 2022-23	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations ⁽¹⁾	2,06,694.90	1,91,990.40	1,49,274.80	7,94,982.00	6,38,562.60	5,14,380	2,497.89	2,208.78	349.36
EBITDA ⁽²⁾	6,853.40	13,708.70	2,276.40	47,400.00	34,620.00	25,600.00	681.98	664.11	50.70
EBITDA Margin (%) ⁽³⁾	3.30%	7.14%	1.50%	6.00%	5.40%	5.00%	27.30%	30.07%	14.51%
PAT ⁽⁴⁾	7,268.70	11,052.80	-15,096.60	7,207.00	3,974.90	2,096.10	525.52	502.41	41.47
PAT Margin (%) ⁽⁵⁾	3.50%	5.80%	-10.10%	0.90%	0.62%	0.40%	21.04%	22.75%	11.87%
RoE (%) ⁽⁶⁾	6.39%	12.99%	-23.02%	5.49%	2.97%	1.83%	68.04%	194.46%	-305.28%
RoCE (%) ⁽⁷⁾	8.67%	14.30%	-22.20%	11.30%	7.50%	7.22%	68.32%	133.05%	106.11%

*In the above figures, some of the figures have been calculated since the said information was not specifically disclosed in the respective annual reports/prospectus of such peer companies:

Notes:

⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest - Other Income

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

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽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 shareholders' equity plus Long-term borrowings and Short-term borrowings+ deferred tax liability (net).

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 December 15, 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.

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

Except as mentioned 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.

Date of Transfer	Transferor	Name of Transferee	No. of Equity shares transferred	Transfer price per share*	Consideration
May 17, 2025	Shelly Bansal	Shalini Trehan	198	11,990	23,74,020
May 17, 2025	Shelly Bansal	Radhika Jain	104	11,990	12,46,960
May 17, 2025	Rahul Sridhar	Preeti Trehan	3	1,43,550	4,30,650
May 17, 2025	Rahul Sridhar	Shalini trehan	3	1,43,550	4,30,650
May 17, 2025	Rahul Sridhar	Dheeraj bansal	3	1,43,550	4,30,650
May 17, 2025	Rahul Sridhar	Neeraj Bansal	3	1,43,550	4,30,650
May 17, 2025	Sushil Kumar Tanwar	Karan bansal	1	1,43,550	1,43,550
May 17, 2025	Sushil Kumar Tanwar	Shalini Trehan	1	1,43,550	1,43,550
December 10, 2025	Rahul Sachdeva	Gautam Fatehpuria	356	1,05,500	3,75,58,000
December 10, 2025	Saloni Tanwar Sachdeva	Cosmos Prime Projects Limited	68	1,05,500	71,74,000
December 10, 2025	Madan Lal Sachdeva	Cosmos Prime Projects Limited	71	1,05,500	74,90,500
December 10, 2025	Neelam Sachdeva	Cosmos Prime Projects Limited	71	1,05,500	74,90,500
December 12, 2025	Saloni Tanwar Sachdeva	Gautam Fatehpuria	74	1,05,500	78,07,000

*Transfer price per share is prior adjustment of bonus shares.

- c) Since there are transactions to report under (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 shall not be shown.

Weighted average cost of acquisition & Issue price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price** (i.e. ₹ [●])	Issue 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.*	97.97	[●] times	[●] times
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	NA	NA	NA

**Post impact of bonus shares*

Note:

^There were no primary/ new issue of shares (equity/ convertible securities) except for Bonus Issue as mentioned in paragraph 8(a) 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 daily newspaper and all editions of Financial Express, a Hindi national daily newspaper, Jansatta and all edition of Des Pardes, a regional newspaper each with wide circulation where the registered office of the company is situated.

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 127, 20 and 186 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.