

...continued from previous page.

on listing or thereafter. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations and comparison with our peers:

Year/Period	EV / EBITDA	Market capitalisation to total revenue	Market capitalisation to total assets
<b>Our Company</b>			
For the six months period ended September 30, 2023	108.31	2.88	3.63
For Fiscal 2023	90.64	1.66	4.18
<b>Medplus Health Services Limited</b>			
For the six months period ended September 30, 2023	61.38	3.26	3.01
For Fiscal 2023	35.59	1.92	3.16

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual reports/annual results as available of the respective company submitted to stock exchanges.

Notes:

- Market capitalization for industry peer has been computed based on the closing market price of equity shares on NSE on January 15, 2024 and Market capitalization for the Company has been computed as a product of proposed post issue number of equity shares of the Company (calculated at on the basis of Cap Price) and Cap Price
- Total Assets and Total Income = Total assets and Total Income (total Revenue) as disclosed in the respective financial statements.
- Enterprise Value (EV) = Market capitalisation plus net debt.
- Net debt = Long Term Borrowings + Short Term Borrowings + Long Term Lease Liabilities + Short Term Lease Liabilities – Cash and cash equivalents - Bank balances other than cash and cash equivalent
- EBITDA = EBITDA is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade, employee benefit expense and other expenses

10. We are subject to credit risk with respect to trade receivables. Set forth below are the details of our trade receivables, provision for expected credit loss and debtor days as of March 31, 2021, 2022 and 2023, and as of September 30, 2022 and 2023:

Particulars	As of September 30,		As of March 31,		
	2023	2022	2023	2022	2021
Trade receivables (Net of Provision) (₹ in millions)	6,304.88	4,771.89	5,148.84	3,745.99	2,421.52
Provision for expected credit loss (₹ in millions)	161.79	86.62	132.51	82.25	20.83
Debtor days (number)	54	49	51	49	44

11. The Weighted Average Cost of acquisition of all Equity Shares transacted in last three years and one year preceding the date of the RHP:

Type of Transactions	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	227.35	5.53	10.00 - 423.08
Last 3 years	202.75	6.20	10.00 - 423.08

12. Weighted average cost of acquisition, floor price and cap price

Type of Transactions	Weighted average cost of acquisition (₹ per share)	Floor Price (i.e. ₹ 1,195.00)	Cap Price (i.e. ₹ 1,258.00)
Weighted average cost of acquisition of Primary Issuances during 18 months prior to RHP	255.56	4.68 times	4.92 times

No secondary transactions during the last three years hence not applicable.

13. The 5 BRLMs associated with the Issue have handled 97 public issues in the past three Fiscals, out of which 26 issues have closed below the offer price on the listing date.

Name of the BRLM	Total Issues	Issues closed below IPO price on listing date
ICICI Securities Limited*	24	7
DAM Capital Advisors Limited*	3	1
Jefferies India Private Limited*	2	-
JM Financial Limited*	19	1
SBI Capital Markets Limited*	7	2
Common Issues of above BRLMs	42	15
<b>Total</b>	<b>97</b>	<b>26</b>

\*Issues handled where there were no common BRLMs

**ANCHOR INVESTOR BIDDING DATE : THURSDAY, FEBRUARY 8, 2024\***

**BID/OFFER PERIOD**

**BID/OFFER OPENS ON : FRIDAY, FEBRUARY 9, 2024**

**BID/OFFER CLOSSES ON : TUESDAY, FEBRUARY 13, 2024\*\***

\* Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\* The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day i.e., on February 13, 2024.

**BASIS FOR THE OFFER PRICE**

The 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 offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 119.50 times the face value at the lower end of the Price Band and 125.80 times the face value at the higher end of the Price Band.

Investors should also refer to the sections "Our Business", "Risk Factors", "Financial Information – Restated Consolidated Financial Information" and "Management Discussion and Analysis" on pages 180, 39, 272 and 429 of the RHP, respectively, to have an informed view before making an investment decision.

**Qualitative Factors:** Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are: • We operate in the large and highly fragmented Indian healthcare products distribution market and expect to benefit from market consolidation. • We are one of India's largest and fastest growing healthcare products distribution platforms. • We have a track record of inorganic expansion and integration to grow our geographic reach, revenues and scale. • We have a differentiated business model offering comprehensive and integrated commercial and supply chain solutions. • We have a proprietary technology platform with integrated business intelligence tools and solutions. • Our Company has a experienced, committed and qualified founding and professional management team with deep industry expertise and backed by healthcare focused investor.

**Quantitative factors:** Some of the information presented in this section relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "Financial Information – Restated Consolidated Financial Information" beginning on page 279 of the RHP. Some of the quantitative factors, which may form the basis for computing the Offer Price, are as follows:

1. **Earnings Per Share ("EPS") (as adjusted for changes in capital, if any) on a consolidated basis, calculated in accordance with the Indian Accounting Standard 33 issued by the ICAI**

Period	As per Restated Consolidated Financial Information		Post CCPS Conversion		
	Basic EPS (in ₹)	Diluted EPS (in ₹)	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weightage
Six months ended September 30, 2023*	2.95	2.95	3.27	3.27	-
Six months ended September 30, 2022*	(3.04)	(3.04)	(3.37)	(3.37)	-
Financial Year ended March 31, 2023	(3.10)	(3.10)	(3.43)	(3.43)	3
Financial Year ended March 31, 2022	(9.22)	(9.22)	(10.23)	(10.23)	2
Financial Year ended March 31, 2021	(5.29)	(5.29)	(5.87)	(5.87)	1
Weighted Average	(5.50)	(5.50)	(6.10)	(6.10)	-

\*Not annualised

- Notes:
- Basic EPS = Net Profit / (Loss) after tax, as restated, for the year divided by weighted average number of equity shares outstanding during the year/period.
  - Diluted EPS = Net Profit / (Loss) after tax, as restated, for the year divided by weighted average number of diluted equity shares and potential additional equity shares outstanding during the year/period.
  - Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year divided by Total of weights
  - Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with the notified Indian Accounting Standard 33 "Earnings per share".
  - The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.
  - The face value of each Equity Share is ₹ 10 each

2. **Price Earning ("P/E") Ratio in relation to the Price Band of ₹ 1,195 to ₹ 1,258 per Equity Share**

Particulars	P/E ratio at the lower end of the Price Band (number of times)*	P/E ratio at the higher end of the Price Band (number of times)*
Based on Basic EPS for the financial year ended March 31, 2023	Not Applicable	Not Applicable
Based on Diluted EPS for the financial year ended March 31, 2023	Not Applicable	Not Applicable

\*Will be populated in the Prospectus.

3. **Industry Peer Group P/E ratio**

Based on the peer group information (excluding our Company) given below in this section, The highest, lowest and average P/E ratio is 177.21 since we have only one listed industry peer.

Particulars	Industry Peer P/E	Name of the company	Face value of the equity shares (₹)
Highest	177.21	Medplus Health Services Limited	2.00
Lowest	177.21	Medplus Health Services Limited	2.00
Average	177.21	-	-

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The highest, lowest and average P/E has been considered as same number since we have only one industry peer. For further details, see "Basis for Offer Price – 6. Comparison of Accounting Ratios with Listed Industry Peers" beginning on page 133 of the RHP.

(2) The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on January 15, 2024 divided by the Diluted EPS as on for the financial year ended March 31, 2023.

4. **Average Return on Net Worth ("RoNW") on a consolidated basis**

Financial Year	RoNW, as derived from the Restated Consolidated Financial Information (%)	Weightage
Six months ended September 30, 2023*	1.76%	-
Six months ended September 30, 2022*	(1.83%)	-
Financial Year ended March 31, 2023	(1.86%)	3
Financial Year ended March 31, 2022	(5.23%)	2
Financial Year ended March 31, 2021	(3.15%)	1
Weighted Average	(3.20%)	-

\*Not annualised

Notes:

- 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.
- Return on Net Worth (%) = Net Profit / (Loss) after tax, as restated / Restated Net worth (Total Equity) at the end of the year/period.
- Net worth = Aggregate value of equity share capital, instruments entirely equity in nature, and other equity created out of the profits, securities premium account, and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the Restated Consolidated Financial Information and non-controlling interest, but does not include reserves created out of revaluation of assets and write-back of depreciation.

5. **Net Asset Value ("NAV") per Equity Share**

Year Ended	NAV derived from the Restated Consolidated Financial Information (₹)**	NAV post CCPS conversion (₹)**
As on September 30, 2023*	166.90	185.84
As on September 30, 2022*	156.90	174.00
As on March 31, 2023	157.08	174.21
As on March 31, 2022	155.42	171.95
As on March 31, 2021	165.17	183.16
After the completion of the Offer <sup>a</sup>	At the Floor Price: 346.34 At the Cap Price: 349.39	At the Floor Price: 378.16 At the Cap Price: 381.80
Offer Price <sup>1</sup>	•	•

\*Not annualised

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share (in ₹) represents net asset value per equity share. It is calculated as net worth as of the end of the relevant year/period divided by the number of equity share outstanding at the end of the respective year/period.
- Net worth = Aggregate value of equity share capital, instruments entirely equity in nature, and other equity created out of the profits, securities premium account, and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the Restated Consolidated Financial Information, and non-controlling interest but does not include reserves created out of revaluation of assets and write-back of depreciation. Net Asset Value is a Non-GAAP measure (see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures- EBITDA and Adjusted EBITDA" on page 460 of the RHP for the reconciliation of Net Asset Value calculated from the Restated Consolidated Financial Information)

<sup>a</sup> Employee discount not considered in the calculations above

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