

newsdeshsewak@gmail.com/Chandigarh, Monday, 19 June, 2023

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C M Y B



PENTAGON RUBBER LIMITED

Our Company was originally incorporated on April 26, 2004 as "Pentagon Rubber Private Limited" under the provisions of the Companies Act. 1956 with the Registrar of Company was converted into Public Limited Company and name of company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company wa to "Pentagon Rubber Limited" vide fresh certificate of incorporation dated December 28, 2022 issued by the Registrar of Companies, Chandigarh. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 130 of the Red Herring Prospectus Registered Office: Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi, Mohali, Punjab- 140507, India. Tel. No.: +91-9816610646, Email: corporate@pentagonrubber.com, Website: www.pentagonrubber.com CIN: U25192PB2004PLC054282 Contact Person: Ms. Shubhi Kishore, Company Secretary and Compliance Officer.

OUR PROMOTERS: MR. ASHISH JAIN, MR. ANIL JAIN, MR. SAURABH JAIN AND MR. LALIT JAIN

THE ISSUE

INITIAL PUBLIC ISSUE OF 23,10,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF PENTAGON RUBBER LIMITED ("PENTAGON" OR "OUR COMPANY") FOR CASH AT A PRICE OF [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [•] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO [•] LAKHS, OF WHICH 1,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF [• | AGGREGATING TO [• | LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER RESERVATION PORTION") AND NET ISSUE TO PUBLIC OF 21,94,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF [• | AGGREGATING TO [• | LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE AND THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.96% AND 28.46% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE **RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE**

NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE MARKET MAKER PORTION: UPTO 1,16,000 EQUITY SHARES OR 5.02% OF THE ISSUE

PRICE BAND: RS. 65/- TO RS. 70/- PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.

THE FLOOR PRICE IS 6.50 TIMES OF THE FACE VALUE AND

THE CAP PRICE IS 7.00 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER

Make use of it!!!

Simple, Safe, Smart | *Application Supported by Blocked Amount (ASBA) is a better way of applying to | Mandatory in Public Issues way of Application- issues by simply blocking the fund in the bank account, investors can avail the same. I from January 01, 2016 For further details check section on ASBA below.

No cheque will be accepted

UPI - Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN

Risks to Investors:

- Average cost of acquisition of Equity Shares held by the Promoters, Mr. Anil Jain is ₹2.10/-, Mr. Lalit Jain is ₹1.55/-, Mr. Ashish Jain is ₹2.46/-Our top ten customers have contributed 91.42%, 72.55%, 64.50% & 57.52% of our revenues for the period ended December 31, 2022, March 31, 2022, March 31, 2021, March 31, 2020 based on Restated Financial Statements. and Mr. Saurabh Jain is ₹1.72/-
- The Merchant Banker associated with the Issue has handled 13 public issue in the past three years out of which 2 Issues closed below the The Issue Price at the upper end of the Price Band is ₹70/- per Equity Share.
 - Weighted Average Return on Net worth for Fiscals 2022, 2021 and 2020 is 54.34%

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is 6.50 times to the face value at lower end and 7.00 times to the face value at upper end of price band QUALITATIVE FACTORS

Leveraging the experience of our Promoter

Issue Price on Listing date

- Existing client relationship
- Quality Assurance and Quality Control of our Products
- Scalable Rusiness Model For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled

"Business Overview" beginning on page 110 of the Red Herring Prospectus. QUANTITATIVE FACTORS

information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows: Basic & Diluted Earnings per share (EPS), as restated:

 $Basic\ earnings\ per\ share\ (\ref{eq:share}) = \underline{Restated\ Consolidated/\ Standalone\ Profit\ After\ Tax\ attributable\ to\ Equity\ Shareholders\ and\ Shareholders\ and\ Shareholders\ and\ Shareholders\ are also becomes a supplied to the shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ Shareholders\ are also becomes a supplied to\ Shareholders\ and\ supplied\ are also becomes a supplied to\ Shareholders\ are also becomes a s$ Weighted Average Number of Equity Shares outstanding

Diluted earnings per share (₹) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders

Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares

1. FY 2019-20		Dasic & Diluteu (\)	weighte
1.	FY 2019-20	1.74	1
2.	FY 2020-21	2.04	2
3.	FY 2021-22	5.72	3
	Weighted Average	3.83	6
	For the Period ended on December 31, 2022*	4.00	

Pacic & Diluted (₹)

9 No Pariod

- The figures disclosed above are based on the restated financial statements of the Company. The face value of each Equity Share is ₹10.00.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial tements as appearing in Annexure IV of respective Consolidated and Standalone financials. Price Earning (P/E) Ratio in relation to the Price band of ₹65/- - ₹70/- per share:

Price to Earnings Ratio (P/E) =Issue Price Restated Standalone /Consolidated Farnings Per Share

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S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)					
1	P/E ratio based on the Basic & Diluted EPS, as							
	restated for FY 2021-22	11.36	12.24					
2	P/E ratio based on the Weighted Average EPS	16.97	18.27					
Indu	Industry PE							

Highest Average * Based on Peer Group Companies as presented below

Return on Net Worth (%) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders * 100

ı	2. NO	Period	HUNW (%)	weights				
ı	1	FY 2019-20	69.24	1				
ı	2	FY 2020-21	44.88	2				
ı	3	FY 2021-22	55.67	3				
ı		Weighted Average	54.34	6				
ı		For the Period ended on December 31, 2022*	28.02					
	* Not Annualised							

Net Asset Value (NAV) per Equity Share:

Restated Net Asset Value per equity share (₹) =

Restated Standalone/Consolidated Net Worth as at the end of the year Number of Equity Shares outstanding

Sr. No.	As at	NAV						
1.	March 31, 2020	3.39						
2.	March 31, 2021	6.14						
3.	March 31, 2022	13.86						
4.	For the Period ended on December 31, 2022	14.26						
5.	NAV after Issue	[•]						
	NAV after Issue – At Cap Price	29.47						
	NAV after Issue – At Floor Price	30.96						
Compari	Comparison of Accounting Ratios with Industry Page							

Comparison of Accounting Ratios with Industry Peers									
S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)³	PE⁴	RoNW (%)	NAV per Share (₹)		
1.	Somi Conveyor Beltings Limited	Standalone	10.00	1.46	25.51	2.67%	54.52		
2.	International Conveyors Limited	Standalone	10.00	2.31	23.39	6.84%	338.06		
3.	Pentagon Rubber Limited	Standalone	10.00	5.72	[•]	55.67	13.86		

2 Source: Based on Annual Report of Peer Group Companies

3 Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue

4 Price Earning (P/E) Ratio in relation to the Issue Price of [•] per share.

The face value of our shares is ₹10.00 per share and the Issue Price is of [•] per share which is [•] times of the face value.

The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment. 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 various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated May 27, 2023 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

years period prior to the date of filing of the red herring prospectus. Further, the KPIs herein have been certified by M/S. S. Jain & Company, Chartered Accountants, by their certificate dated May 27, 2023 having UDIN 23088469BGRUTK2632
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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, 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

there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three

Key Performance Indicators of our Company.

(Rs in lakhs)

Key Financial Performance	December 31, 2022	Warch 31, 2022	Warch 31, 2021	Warch 31, 2020
Revenue from Operations (1)	2996.12	3502.65	2316.39	1933.03
EBITDA (2)	381.05	421.30	230.07	205.73
EBITDA Margin (3)	12.72%	12.02%	9.9%	10.64%
PAT	215.86	308.66	110.30	93.81
PAT Margin (4)	7.20%	8.8%	4.76%	4.85%
Notes				

ICDR Regulations

- (1) Revenue from operation means revenue from sales. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations PAT Margin is calculated as PAT for the period/year divided by revenue from operations

anation for KPI metrics

Key Financial Performance	planations			
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.			

Operational KPI's of the Company

Revenue split between domestic and				
exports				
Domestic Market (in Lakhs)	2926.56	3352.62	2211.29	1761.53
Export Market (in Lakhs)	69.56	150.02	105.10	171.50
Domestic Market (%)	97.68%	95.72%	95.46%	91.12%
Export Market (%)	2.32%	4.28%	4.54%	8.88%
Contribution to revenue from operation	ns of top 1 / 3 / 5/ 10 custor	ners (Amount in La	akhs)	
Top 1	1114.88	717.60	390.22	240.79
Top 3	2011.32	1759.43	945.16	616.57
Top 5	2313.94	2326.29	1239.17	906.19
Top 10	2739.13	3005.85	1813.23	1304.43
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We have listed peer Companies such as Somi Conveyor Belting Limited and International Conveyors Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Particulars	Pen	tagon Ru	bber Lim	iited	Somi Conveyor Beltings L			Somi Conveyor Beltings Limited International Co		onveyors Limited		
	Dece.	March	March		Dece.	March	March	March	Dece.	March	March	March
	31, 2022	31, 2022	31, 2021	31, 2020	31, 2022	31, 2022	31, 2021	31, 2020	31, 2022	31, 2022	31, 2021	31, 2020
Revenue from												
Operation	2996.12	3502.65	2316.39	1933.03	5494.58	5723.39	4687.51	4628.16	15998	20507.74	16622.42	9130.28
EBITDA	381.05	421.30	230.07	205.73	480.64	666.03	667.86	769.02	3119	3269.35	2747.91	1687.52
EBITDA												
Margin	12.72%	12.02%	9.9%	10.64%	8.75	11.64	14.25	16.62	19.50	15.94	16.53	18.48
PAT	215.86	308.66	110.30	93.81	148.51	171.58	176.12	242.74	2167	1560.48	1521.39	844.27
PAT Margin	7.20%	8.8%	4.76%	4.85%	2.70	3.00	3.76	5.24	13.55	7.61	9.15	9.25

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected

- (2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period. (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income
- (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations
- (6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities

- a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities): There has been issuance of Equity Shares during the 18 months preceding the date of the red herring prospectus (Except Bonus Issue of Shares), 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): There details of 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), 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 is as follows Name of Transferor Date of Number of Face Value Transfer Name of Total

Name of Transletor	Transfer	Equity Shares Sold	(₹)	Price (₹)	transferee	Considerat
Sumeesh Jain	November 24, 2022	54,000			Saurabh Jain	Nil
Kasturi Lal Jain HUF	May 30, 2022	2,57,500			Lalit Jain	
Kasturi Lal Jain		3,89,500			Lalit Jain	
Kamal Prabha Jain		1,03,000			Lalit Jain	
Lalit Kumar Jain HUF		1,77,500			Lalit Jain	
Tushar Jain		44,500			Lalit Jain	
Sumeesh Jain HUF	1	1,06,000			Saurabh Jain	1
(Sumeesh Jain & Sons)						
Ekta Jain		2,09,000			Sumeesh Jain	
Sarthak Jain		1,25,000			Sumeesh Jain	
Krishan Kumar Jain		1,32,000	10.00	0.00	Anil Jain	
Krishan Kumar Jain		39,000	10.00	0.00	Ashish Jain	
Shimla Devi Jain]	92,000			Ashish Jain	1
Anil Kumar Jain HUF		1,19,500			Anil Jain]
Amita Jain		1,47,500			Anil Jain	
Subhash Chand Jain		62,000			Ashish Jain	
& Sons HUF						
Subhash Chand Jain	1	96,000			Ashish Jain	1
Kaushal Jain	1	64,500			Ashish Jain	1
Ruchika Jain		92,000			Ashish Jain]
Sumeesh Jain		1,41,000			Saurabh Jain]
Sumeesh Jain		91,500			Saurabh Jain]

a) Since there are no such transactions to report to under (a) therefore, information based on last 5 secondary 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 Red Herring Prospectus irrespective of the size of transactions, is as below:

There have been no primary transactions (Excluding Bonus) to 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 the Red Herring Prospectus.

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Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 65/-)	Cap price (i.e. ₹ 70/-)
Weighted average cost of acquisition of primary /			
new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary			
sale / acquisition as per paragraph b above.	0.00	NA*	NA*
Weighted average cost of acquisition of primary			
issuances / secondary transactions as per paragraph			
8 (c) above	NA*	NA*	NA*

Note - *There was no primary / new issue of shares (equity/convertible securities) other than Equity Shares issued pursuant

Investors should read the above-mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 110, 25 and 153 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 190 of the Red Herring Prospectus to have a

BID/ISSUE OPENS ON: JUNE 26, 2023 (MONDAY) Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Biding Date shall be one Working Day prior to the Bid /Issue Opening

Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(l) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation

253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"). One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 232 of the Red Herring Prospectus. Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories.

These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders /Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 290 of the Red

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited. AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is Rs. 8,00,00,000 divided into 80,00,000 Equity Shares of

Rs. 10 each. The issued, subscribed and paid-up share capital of the Company before the Issue is Rs. 5,40,00,000 divided into 54,00,000 Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 60 of the Red Herring Prospectus. NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the

names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of

BID/ISSUE CLOSES ON: JUNE 30, 2023 (FRIDAY)

Association of our Company: Mr. Anil Jain - 5000 Equity Shares, Mr. Lalit Jain-5000 Equity Shares, Mr. Ashish Jain-5000 Equity Shares and Mr. Saurabh Jain - 5000 Equity Shares aggregating to 20,000 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 60 of the Red Herring Prospectus. LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the NSE (NSE Emerge). Our Company has received an 'in-principle' approval from the NSE for the listing of the Equity Shares pursuant to letter dated June 05, 2023. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited (NSE). A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 13, 2023 and Prospectus shall be delivered for filing to the ROC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 290 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 212 of the Red Herring Prospectus

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by NSE ("NSE EMERGE") should not in any way be deemed or construed that the contents of the Red Herring Prospectus or the price at which the equity shares are offered has been cleared, solicited or approved by NSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to the Red Herring Prospectus for the full text of the "Disclaimer clause pertaining to NSE" GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of

losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 25 of the

BOOK RUNNING LEAD MANAGER TO THE ISSUE



Address: B/1311-1314 Thirteenth Floor Shilp Corporate Park Raipath Rangoli Road, Thaltei, Ahmedabad, Guiarat 380054 Telephone Number: 079 49185784 Email Id: mb@beelinemb.com Investors Grievance Id: ig@beelinemb.com Website: www.beelinemb.com Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322

LINKIntime

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai- 400083, Maharashtra, India

Tel. No.: +91-8108114949 Fax No.: +91-022-49186195

Email: pentagonrubber.ipo@linkintime.co.in Website: www.linkintime.co.in

Fmail:

Website: www.pentagonrubber.com

COMPANY SECRETARY AND

COMPLIANCE OFFICER

Company Secretary & Compliance

Gulabgarh Road, Village Behra

Mohali, Punjab- 140507, India

compliance@pentagonrubber.com

Dist. S.A.S. Nagar, Derabassi,

Ms. Shubhi Kishore,

Continued on next page.

Investor Grievance Email: pentagonrubber.ipo@linkintime.co.i Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

Tel. No.: +91-9816610646

C M Y B

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PENTAGON RUBBER LIMITED

Our Company was originally incorporated on April 26, 2004 as "Pentagon Rubber Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company and name of company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company and name of company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was co to "Pentagon Rubber Limited" vide fresh certificate of incorporation dated December 28, 2022 issued by the Registrar of Companies, Chandigarh. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 130 of the Red Herring Prospectus. Registered Office: Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi, Mohali, Punjab- 140507, India. Tel. No.: +91-9816610646, Email: corporate@pentagonrubber.com, Website: www.pentagonrubber.com, Website: www.pentagonrub

OUR PROMOTERS: MR. ASHISH JAIN, MR. ANIL JAIN, MR. SAURABH JAIN AND MR. LALIT JAIN

THE ISSUE

INITIAL PUBLIC ISSUE OF 23,10,000 EQUITY SHARES OF FACE VALUE OF \$10/- EACH OF PENTAGON RUBBER LIMITED ("PENTAGON" OR "OUR COMPANY") FOR CASH AT A PRICE OF [•] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO [•] LAKHS, OF WHICH 1,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF [•] AGGREGATING TO [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER RESERVATION PORTION") AND NET ISSUE TO PUBLIC OF 21,94,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF [•] AGGREGATING TO [•] LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE") THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.96% AND 28.46% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE

RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE

MARKET MAKER PORTION: UPTO 1,16,000 EQUITY SHARES OR 5.02% OF THE ISSUE PRICE BAND: RS. 65/- TO RS. 70/- PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.

THE FLOOR PRICE IS 6.50 TIMES OF THE FACE VALUE AND

THE CAP PRICE IS 7.00 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER

ASBA*

Simple, Safe, Smart *Application Supported by Blocked Amount (ASBA) is a better way of applying to | Mandatory in Public Issues issues by simply blocking the fund in the bank account, investors can avail the same. way of Application-Make use of it!!! For further details check section on ASBA below.

from January 01, 2016 No cheque will be accepted

UPI - Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN.

Risks to Investors:

- Our top ten customers have contributed 91.42%, 72.55%, 64.50% & 57.52% of our revenues for the period ended December 31, 2022, March
 Average cost of acquisition of Equity Shares held by the Promoters, Mr. Anil Jain is ₹2.10/-, Mr. Lalit Jain is ₹1.55/-, Mr. Ashish Jain is ₹2.46/-31, 2022, March 31, 2021, March 31, 2020 based on Restated Financial Statements.
- . The Merchant Banker associated with the Issue has handled 13 public issue in the past three years out of which 2 Issues closed below the Issue Price on Listing date.
 - The Issue Price at the upper end of the Price Band is ₹70/- per Equity Share.
 - Weighted Average Return on Net worth for Fiscals 2022, 2021 and 2020 is 54.34%

BASIS FOR ISSUE PRICE

and Mr. Saurabh Jain is ₹1.72/-

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is 6.50 times to the face value at lower end and 7.00 times to the face value at upper end of price band. QUALITATIVE FACTORS

- Leveraging the experience of our Promoter
- Existing client relationship
- Quality Assurance and Quality Control of our Products
- Customer satisfaction and revenues from long standing customer relationships Scalable Business Model
- For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled
- "Business Overview" beginning on page 110 of the Red Herring Prospectus. QUANTITATIVE FACTORS Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with

Indian GAAP Some of the quantitative factors, which form the basis for computing the price, are as follows: Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹) = Restated Consolidated/ Standalone Profit After Tax attributable to Equity Shareholders Weighted Average Number of Equity Shares outstanding

Diluted earnings per share (₹) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares

Period	Basic & Diluted (₹)	Weights
FY 2019-20	1.74	1
FY 2020-21	2.04	2
FY 2021-22	5.72	3
Weighted Average	3.83	6
For the Period ended on December 31, 2022*	4.00	
	FY 2019-20 FY 2020-21 FY 2021-22 Weighted Average	FY 2019-20 1.74 FY 2020-21 2.04 FY 2021-22 5.72 Weighted Average 3.83

Not Annualised

The figures disclosed above are based on the restated financial statements of the Company.

The face value of each Equity Share is ₹10.00.

iii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone financials.

Price Earning (P/E) Ratio in relation to the Price band of ₹65/--₹70/- per share:

Price to Earnings Ratio(P/E) =

000-200 Alic Coffice 000-200 ACO (C. 4 15 2 4 10 2	Restated Standalone/Consolidated Earnings Per Share				
Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)			
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	11.36	12.24			
P/E ratio based on the Weighted Average EPS	16.97	18.27			

Particulars	P/E*
Highest	25.51
Highest Lowest	23.39
Average	24.45

Based on Peer Group Companies as presented below. Return on Net worth (RoNW)

Return on Net Worth (%) = Restated Standalone / Consolidated Profit After Tax attributable to Equity Shareholders * 100 Net Worth S. No Period RONW (%) Weights

1	FY 2019-20	69.24	1
2	FY 2020-21	44.88	2
3	FY 2021-22	55.67	3
A21 - 63	Weighted Average	54.34	6
- 23	For the Period ended on December 31, 2022*	28.02	8

Net Asset value (NAV) per Equity Snare

Restated Net Asset Value per equity share (₹) =

Restated Standalone / Consolidated Net Worth as at the end of the year Number of Equity Shares outstanding

Sr. No.	As at	NAV
1.	March 31, 2020	3.39
2.	March 31, 2021	6.14
3.	March 31, 2022	13.86
4.	For the Period ended on December 31, 2022	14.26
5.	NAV after Issue	[•]
	NAV after Issue – At Cap Price	29.47
	NAV after Issue – At Floor Price	30.96

nparison of Accounting Ratios with Industry Peers				
	Name of Company	Results Type		

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)³	PE ⁴	RoNW (%)	NAV per Share (₹)
1.	Somi Conveyor Beltings Limited	Standalone	10.00	1.46	25.51	2.67%	54.52
2.	International Conveyors Limited	Standalone	10.00	2.31	23.39	6.84%	338.06
3.	Pentagon Rubber Limited	Standalone	10.00	5.72	[•]	55.67	13.86

1 Based on March 31, 2022 restated financial statements 2 Source: Based on Annual Report of Peer Group Companies

3 Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue

4 Price Earning (P/E) Ratio in relation to the Issue Price of [•] per share. The face value of our shares is ₹10.00 per share and the Issue Price is of [•] per share which is [•] times of the face value.

The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment. 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 various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated May 27, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the red herring prospectus. Further, the KPIs herein have been certified by M/S. S. Jain & Company, Chartered Accountants, by their certificate dated May 27, 2023 having UDIN 23088469BGRUTK2632

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, 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

Key Performance Indicators of our Company.

(Rs in lakhs)

Key Financial Performance	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations (5)	2996.12	3502.65	2316.39	1933.03
EBITDA ®	381.05	421.30	230.07	205.73
EBITDA Margin 13	12.72%	12.02%	9.9%	10.64%
PAT	215.86	308.66	110.30	93.81
PAT Margin 19	7.20%	8.8%	4.76%	4.85%
Mata	•			

- Revenue from operation means revenue from sales. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations PAT Margin is calculated as PAT for the period/year divided by revenue from operations

Explanation for KPI metrics

Key Financial Performance	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.

Operational KPI's of the Company:

Key Financial Performance	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue split between domestic and exports	2000000000000			
Domestic Market (in Lakhs)	2926.56	3352.62	2211.29	1761.53
Export Market (in Lakhs)	69.56	150.02	105.10	171.50
Domestic Market (%)	97.68%	95.72%	95.46%	91.12%
Export Market (%)	2.32%	4.28%	4.54%	8.88%
Contribution to revenue from operations	s of top 1 / 3 / 5/ 10 custo	omers (Amount in La	akhs)	
Top 1	1114.88	717.60	390.22	240.79
Top 3	2011.32	1759.43	945.16	616.57
Top 5	2313.94	2326.29	1239.17	906.19
Top 10	2739.13	3005.85	1813.23	1304.43

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

We have listed peer Companies such as Somi Conveyor Belting Limited and International Conveyors Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Dantiaulana	Pentagon Rubber Limited			Somi Conveyor Beltings Limited				International Conveyors Limited				
Particulars	Dece.	March 31, 2022	March 31, 2021		Dece. 31, 2022	March 31, 2022		March 31, 2020	Dece. 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from	0							-				
Operation	2996.12	3502.65	2316.39	1933.03	5494.58	5723.39	4687.51	4628.16	15998	20507.74	16622.42	9130.28
EBITDA	381.05	421.30	230.07	205.73	480.64	666.03	667.86	769.02	3119	3269.35	2747.91	1687.52
EBITDA		7										
Margin	12.72%	12.02%	9.9%	10.64%	8.75	11.64	14.25	16.62	19.50	15.94	16.53	18.48
PAT	215.86	308.66	110.30	93.81	148.51	171.58	176.12	242.74	2167	1560.48	1521.39	844.27
PAT Margin	7.20%	8.8%	4.76%	4.85%	2.70	3.00	3.76	5.24	13.55	7.61	9.15	9.25

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements,

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.

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

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

(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations. (6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities

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 issuance of Equity Shares during the 18 months preceding the date of the red herring prospectus (Except Bonus Issue of Shares), 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): There details of 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), 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 is as follows.

Name of Transferor	Date of Transfer	Number of Equity Shares Sold	Face Value (₹)	Transfer Price (₹)	Name of transferee	Tota Consider
Sumeesh Jain	November 24, 2022	54,000			Saurabh Jain	Nil
Kasturi Lal Jain HUF	May 30, 2022	2,57,500			Lalit Jain	
Kasturi Lal Jain		3,89,500			Lalit Jain]
Kamal Prabha Jain		1,03,000			Lalit Jain	
Lalit Kumar Jain HUF		1,77,500			Lalit Jain	
Tushar Jain		44,500			Lalit Jain	
Sumeesh Jain HUF (Sumeesh Jain & Sons)		1,06,000			Saurabh Jain]
Ekta Jain	1	2,09,000	1		Surneesh Jain	1
Sarthak Jain	1	1,25,000			Sumeesh Jain	1
Krishan Kumar Jain	1 1	1,32,000	10.00	0.00	Anil Jain	1
Krishan Kumar Jain		39,000	10.00	0.00	Ashish Jain	1
Shimla Devi Jain		92,000			Ashish Jain	1
Anil Kumar Jain HUF]	1,19,500			Anil Jain]
Amita Jain]	1,47,500	1		Anil Jain]
Subhash Chand Jain & Sons HUF		62,000			Ashish Jain	
Subhash Chand Jain	1	96,000	1		Ashish Jain	1
Kaushal Jain	1	64,500	1		Ashish Jain	1
Ruchika Jain	1	92,000			Ashish Jain	1
Sumeesh Jain	1	1,41,000			Saurabh Jain	1
Sumeesh Jain	1	91,500		1	Saurabh Jain	1

a) Since there are no such transactions to report to under (a) therefore, information based on last 5 secondary transactions (primary 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 Red Herring Prospectus irrespective of the size of transactions, is as below: There have been no primary transactions (Excluding Bonus) to 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 the Red Herring Prospectus.

Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 65/-)	Cap price (i.e. ₹ 70/-)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	0.00	NA*	NA*
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8 (c) above	NA*	NA*	NA*

Note - *There was no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on November 24, 2022 in last 18 months and three years prior to the date of the Red Herring Prospectus.

Investors should read the above-mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 110, 25 and 153 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 190 of the Red Herring Prospectus to have a more informed view.

BID/ISSUE OPENS ON: JUNE 26, 2023 (MONDAY)

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Biding Date shall be one Working Day prior to the Bid /Issue Opening. Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days. after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(l) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation

253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"). Onethird of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price, All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 232 Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have

authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk, Bidders Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 290 of the Red Herring Prospectus

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited. AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is Rs. 8,00,00,000 divided into 80,00,000 Equity Shares of

Rs. 10 each. The issued, subscribed and paid-up share capital of the Company before the Issue is Rs. 5,40,00,000 divided into 54,00,000 Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 60 of the Red Herring Prospectus. NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the BID/ISSUE CLOSES ON: JUNE 30, 2023 (FRIDAY)

names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company: Mr. Anil Jain - 5000 Equity Shares, Mr. Lalit Jain - 5000 Equity Shares, Mr. Ashish Jain - 5000 Equity Shares and Mr. Saurabh Jain - 5000 Equity Shares aggregating to 20,000 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 60 of the Red Herring Prospectus. LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the NSE (NSE Emerge). Our Company has received an 'in-principle' approval from the NSE for the listing of the Equity Shares pursuant to letter dated June 05, 2023. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited (NSE). A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 13, 2023 and Prospectus shall be delivered for filing to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 290 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 212 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by NSE ("NSE EMERGE") should not in any way be deemed or construed that the contents of the Red Herring Prospectus or the price at which the equity shares are offered has been cleared, solicited or approved by NSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to the Red Herring Prospectus for the full text of the "Disclaimer clause pertaining to NSE".

GENERAL RISK: Investments in equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 25 of the Red Herring Prospectus

BOOK RUNNING LEAD MANAGER TO THE ISSUE BEELI/M/E

BEELINE CAPITAL ADVISORS PRIVATE LIMITED SEBI Registration Number: INM000012917

Address: B/1311-1314, Thirteenth Floor Shilp Corporate Park Raipath Rangoli Road, Thaltei, Ahmedabad, Guiarat 380054 Telephone Number: 079 49185784 Email Id: mb@beelinemb.com

Investors Grievance Id: ig@beelinemb.com Website: www.beelinemb.com Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322

LINKIntime

REGISTRAR TO THE ISSUE

Investor Grievance Email: pentagonrubber.ipo@linkintime.co.ir

LINK INTIME INDIA PRIVATE LIMITED C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India

Tel. No.: +91-8108114949 Fax No.: +91-022-49186195 Email: pentagonrubber.ipo@linkintime.co.in Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Ms. Shubhi Kishore. Company Secretary & Compliance Officer Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi, Mohali, Punjab- 140507, India Email: compliance@pentagonrubber.com

COMPANY SECRETARY AND

COMPLIANCE OFFICER

Tel. No.: +91-9816610646 Website: www.pentagonrubber.com

Continued on next page...

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PENTAGON RUBBER LIMITED

Our Company was originally incorporated on April 26, 2004 as "Pentagon Rubber Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company and name of company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was converted into Public Limited Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the provisions of the Company was changed from "Pentagon Rubber Private Limited" under the private Limited (Pentagon Rubber Private Limited Rubber Private to "Pentagon Rubber Limited" vide fresh certificate of incorporation dated December 28, 2022 issued by the Registrar of Companies, Chandigarh. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 130 of the Red Herring Prospectus. Registered Office: Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi, Mohali, Punjab- 140507, India. Tel. No.: +91-9816610646, Email: corporate@pentagonrubber.com, Website: www.pentagonrubber.com, Website: www.pentagonrub

OUR PROMOTERS: MR. ASHISH JAIN, MR. ANIL JAIN, MR. SAURABH JAIN AND MR. LALIT JAIN

THE ISSUE

INITIAL PUBLIC ISSUE OF 23,10,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF PENTAGON RUBBER LIMITED ("PENTAGON" OR "OUR COMPANY") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO [●] LAKHS, OF WHICH 1,16,000 EQUITY SHARES OF FACE VALUE OF \$ 10/- EACH AT A PRICE OF [•] AGGREGATING TO [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER RESERVATION PORTION") AND NET ISSUE TO PUBLIC OF 21.94.000 EQUITY SHARES OF FACE VALUE OF \$10/- EACH AT A PRICE OF [•] AGGREGATING TO [•] LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE") THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.96% AND 28.46% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE

QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE

PRICE BAND: RS. 65/- TO RS. 70/- PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.

THE FLOOR PRICE IS 6.50 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 7.00 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER

ASBA*

*Application Supported by Blocked Amount (ASBA) is a better way of applying to Mandatory in Public Issues issues by simply blocking the fund in the bank account, investors can avail the same. from January 01, 2016 For further details check section on ASBA below. Make use of it!!!

Our top ten customers have contributed 91.42%, 72.55%, 64.50% & 57.52% of our revenues for the period ended December 31, 2022, March

The Merchant Banker associated with the Issue has handled 13 public issue in the past three years out of which 2 Issues closed below the

No cheque will be accepted

UPI - Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN.

Risks to Investors: Average cost of acquisition of Equity Shares held by the Promoters, Mr. Anil Jain is ₹2.10/-, Mr. Lalit Jain is ₹1.55/-, Mr. Ashish Jain is ₹2.46/-

MARKET MAKER PORTION: UPTO 1.16,000 EQUITY SHARES OR 5.02% OF THE ISSUE

- and Mr. Saurabh Jain is ₹1.72/-The Issue Price at the upper end of the Price Band is ₹70/- per Equity Share.
- Weighted Average Return on Net worth for Fiscals 2022, 2021 and 2020 is 54.34%

(Rs in lakhs)

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is 6.50 times to the face value at lower end and 7.00 times to the face value at upper end of price band.

31, 2022, March 31, 2021, March 31, 2020 based on Restated Financial Statements.

QUALITATIVE FACTORS Leveraging the experience of our Promoter

Issue Price on Listing date.

- Existing client relationship
- Quality Assurance and Quality Control of our Products Customer satisfaction and revenues from long standing customer relationships
- For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled

"Business Overview" beginning on page 110 of the Red Herring Prospectus. QUANTITATIVE FACTORS

Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows: Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹) = Restated Consolidated/ Standalone Profit After Tax attributable to Equity Shareholders Weighted Average Number of Equity Shares outstanding

Diluted earnings per share (₹) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares

S. No	Period	Basic & Diluted (₹)	Weights	Ī
1.	FY 2019-20	1.74	1	
2.	FY 2020-21	2.04	2	
3.	FY 2021-22	5.72	3	Ī
0	Weighted Average	3.83	6	7
10	For the Period ended on December 31, 2022*	4.00		

* Not Annualised Notes:

- The figures disclosed above are based on the restated financial statements of the Company. The face value of each Equity Share is ₹10.00.
- iii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial
- Statements as appearing in Annexure IV of respective Consolidated and Standalone financials. Price Earning (P/E) Ratio in relation to the Price band of ₹65/- - ₹70/- per share:

Price to Earnings Ratio(P/E) =

		Restated Standalone / Consolidated Earnings Per Share				
S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)				
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	11.36	12.24			
2	P/E ratio based on the Weighted Average EPS	16.97	18.27			
Indu	stry PE	- M- /	11 ACT 12			

Particulars	P/E*
Highest	25.51
Lowest	23.39
Average	24.45

Return on Net worth (RoNW)

Return on Net Worth (%) = Restated Standalone / Consolidated Profit After Tax attributable to Equity Shareholders * 100 Net Worth

S. No	Period	RONW (%)	Weights	
1	FY 2019-20	69.24	1	
2	FY 2020-21	44.88	2	
3	FY 2021-22	55.67	3	
1	Weighted Average	54.34	6	
	For the Period ended on December 31, 2022*	28.02	2.00	

Net Asset Value (NAV) per Equity Share:

Pentagon Rubber Limited

Restated Net Asset Value per equity share (₹) =

Restated Standalone / Consolidated Net Worth as at the end of the year Number of Equity Shares outstanding

5.72

Sr. No.	As at	NAV
1.	March 31, 2020	3.39
2.	March 31, 2021	6.14
3.	March 31, 2022	13.86
4.	For the Period ended on December 31, 2022	14.26
5.	NAV after Issue	[•]
	NAV after Issue – At Cap Price	29.47
U.	NAV after Issue – At Floor Price	30.96
	ACAMBINATION OF STATE	USC CONTRACT

10.00

Com	parison of Accounting Ratios with II	naustry Peers				
S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)³	PE'	
1.	Somi Conveyor Beltings Limited	Standalone	10.00	1.46	25.51	
2.	International Conveyors Limited	Standalone	10.00	2.31	23.39	

Standalone

1 Based on March 31, 2022 restated financial statements 2 Source: Based on Annual Report of Peer Group Companies

- 3 Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue
- 4 Price Earning (P/E) Ratio in relation to the Issue Price of [] per share. The face value of our shares is ₹10.00 per share and the Issue Price is of [•] per share which is [•] times of the face value.

The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment. 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 various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated May 27, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the red herring prospectus. Further, the KPIs herein have been certified by M/S. S. Jain & Company, Chartered Accountants, by their certificate dated May 27, 2023 having UDIN 23088469BGRUTK2632

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, 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

Key Performance Indicators of our Company.

Key Financial Performance	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations 111	2996.12	3502.65	2316.39	1933.03
EBITDA [□]	381.05	421.30	230.07	205.73
EBITDA Margin ⁽⁵⁾	12.72%	12.02%	9.9%	10.64%
PAT	215.86	308.66	110.30	93.81
PAT Margin 40	7.20%	8.8%	4.76%	4.85%

- Revenue from operation means revenue from sales.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- PAT Margin is calculated as PAT for the period/year divided by revenue from operations Explanation for KPI metrics

Key Financial Performance	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.

December 31, 2022 March 31, 2022 March 31, 2021 March 31, 2020

Operational KPI's of the Company: Key Financial Performance

	The state of the s	The same and the same at the s	Charles and the control of the contr
2926.56	3352.62	2211.29	1761.53
69.56	150.02	105.10	171.50
97.68%	95.72%	95.46%	91.12%
2.32%	4.28%	4.54%	8.88%
s of top 1 / 3 / 5/ 10 custo	mers (Amount in La	akhs)	
1114.88	717.60	390.22	240.79
2011.32	1759.43	945.16	616.57
2313.94	2326.29	1239.17	906.19
2739.13	3005.85	1813.23	1304.43
	69.56 97.68% 2.32% s of top 1 / 3 / 5/ 10 custo 1114.88 2011.32 2313.94	69.56 150.02 97.68% 95.72% 2.32% 4.28% s of top 1 / 3 / 5 / 10 customers (Amount in Li 1114.88 717.60 2011.32 1759.43 2313.94 2326.29	69.56 150.02 105.10 97.68% 95.72% 95.46% 2.32% 4.28% 4.54% s of top 1 / 3 / 5 / 10 customers (Amount in Lakhs) 1114.88 717.60 390.22 2011.32 1759.43 945.16 2313.94 2326.29 1239.17

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

We have listed peer Companies such as Somi Conveyor Belting Limited and International Conveyors Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Destinutors	Pen	tagon Ru	bber Limited Somi Conveyor Beltings Limited Inte			Interna	ernational Conveyors Limited					
Particulars	Dece.	March 31, 2022	March 31, 2021	March 31, 2020	Dece. 31, 2022	March 31, 2022		March 31, 2020	Dece. 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operation	Paragraph of the Control of the Cont	3502.65	2316.39	1933.03	5494.58	5723.39	4687.51	4628.16	15998	20507.74	16622.42	9130.28
EBITDA	381.05	421.30	230.07	205.73	480.64	666.03	667.86	769.02	3119	3269.35	2747.91	1687.52
EBITDA Margin	12.72%	12.02%	9.9%	10.64%	8.75	11.64	14.25	16.62	19.50	15.94	16.53	18.48
PAT	215.86	308.66	110.30	93.81	148.51	171.58	176.12	242.74	2167	1560.48	1521.39	844.27
PAT Margin	7.20%	8.8%	4.76%	4.85%	2.70	3.00	3.76	5.24	13.55	7.61	9.15	9.25

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period. (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities

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 issuance of Equity Shares during the 18 months preceding the date of the red herring prospectus (Except Bonus Issue of Shares), 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): There

details of 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), 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 is as follows. Number of Face Value Transfer Date of Name of Total Name of Transferor

	Transfer	Sold	(₹)	Price (₹)	transferee	Considera
Sumeesh Jain	November 24, 2022	54,000			Saurabh Jain	Nil
Kasturi Lal Jain HUF	May 30, 2022	2,57,500			Lalit Jain	30000
Kasturi Lal Jain		3,89,500			Lalit Jain	
Kamal Prabha Jain		1,03,000			Lalit Jain	
Lalit Kumar Jain HUF		1,77,500			Lalit Jain	
Tushar Jain		44,500			Lalit Jain	
Sumeesh Jain HUF (Sumeesh Jain & Sons)		1,06,000			Saurabh Jain	
Ekta Jain	1	2,09,000			Sumeesh Jain	1
Sarthak Jain	1	1,25,000			Sumeesh Jain	1
Krishan Kumar Jain	1	1,32,000	10.00	0.00	Anil Jain	1
Krishan Kumar Jain]	39,000	10.00	:0.00:	Ashish Jain	1
Shimla Devi Jain	1	92,000			Ashish Jain	1
Anil Kumar Jain HUF		1,19,500			Anil Jain	
Amita Jain		1,47,500			Anil Jain	
Subhash Chand Jain & Sons HUF		62,000			Ashish Jain	
Subhash Chand Jain	1	96,000			Ashish Jain	1
Kaushal Jain	1	64,500			Ashish Jain	1
Ruchika Jain	1	92,000			Ashish Jain	1
Sumeesh Jain	1	1,41,000			Saurabh Jain	1
Sumeesh Jain	1	91,500			Saurabh Jain	1

transactions (primary 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 Red Herring Prospectus irrespective of the size of transactions, is as below There have been no primary transactions (Excluding Bonus) to 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 the Red Herring Prospectus.

a) Since there are no such transactions to report to under (a) therefore, information based on last 5 secondary

Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 65/-)	Cap price (i.e. ₹ 70/-)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	0.00	NA*	NA*
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8 (c) above	NA*	NA*	NA*

Note - *There was no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on November 24, 2022 in last 18 months and three years prior to the date of the Red Herring Prospectus.

"Financial Information of our Company" beginning on page 110, 25 and 153 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 190 of the Red Herring Prospectus to have a more informed view.

Investors should read the above-mentioned information along with section titled "Business Overview". "Risk Factors" and

BID/ISSUE OPENS ON: JUNE 26, 2023 (MONDAY)

•

RoNW (%)

2.67%

6.84%

55.67

NAV per Share (₹)

54.52

338.06

13.86

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Biding Date shall be one Working Day prior to the Bid /Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(l) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation

253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"). Onethird of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 232. Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have

These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders /Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see

authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories.

"History and Corporate Structure" on page 130 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 290 of the Red Herring Prospectus. LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

Rs. 10 each. The issued, subscribed and paid-up share capital of the Company before the Issue is Rs. 5,40,00,000 divided into 54,00,000 Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 60 of the Red Herring Prospectus. NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the

BID/ISSUE CLOSES ON: JUNE 30, 2023 (FRIDAY)

Association of our Company: Mr. Anil Jain - 5000 Equity Shares, Mr. Lalit Jain - 5000 Equity Shares, Mr. Ashish Jain-5000 Equity Shares and Mr. Saurabh Jain - 5000 Equity Shares aggregating to 20,000 Equity Shares of Rs. 10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 60 of the Red Herring Prospectus. LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the NSE (NSE Emerge). Our Company has received an 'in-principle' approval from the NSE for the listing of the Equity Shares pursuant to letter dated June 05, 2023. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited (NSE). A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 13, 2023 and Prospectus shall be delivered for filing to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up. to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 290 of the Red Herring Prospectus.

names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"); Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 212 of the Red Herring Prospectus. DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by NSE ("NSE EMERGE") should not in any way be

deemed or construed that the contents of the Red Herring Prospectus or the price at which the equity shares are offered has been cleared, solicited or approved by NSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to the Red Herring Prospectus for the full text of the "Disclaimer clause pertaining to NSE"

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 25 of the Red Herring Prospectus

BOOK RUNNING LEAD MANAGER TO THE ISSUE



SEBI Registration Number: INM000012917 Address: B/1311-1314, Thirteenth Floor Shilp Corporate Park Raipath Rangoli Road, Thaltei, Ahmedabad, Guiarat 380054 Telephone Number: 079 49185784

Email Id: mb@beelinemb.com Investors Grievance Id: ig@beelinemb.com Website: www.beelinemb.com Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322

LINK Intime

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West).

REGISTRAR TO THE ISSUE

Mumbai- 400083, Maharashtra, India Tel. No.: +91-8108114949 Fax No.: +91-022-49186195

SEBI Registration No.: INR000004058

Email: pentagonrubber.ipo@linkintime.co.in Website: www.linkintime.co.in Investor Grievance Email: pentagonrubber.ipo@linkintime.co.ir Contact Person: Shanti Gopalkrishnan

Ms. Shubhi Kishore. Company Secretary & Compliance Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi, Mohali, Puniab- 140507, India compliance@pentagonrubber.com Tel. No.: +91-9816610646

COMPANY SECRETARY AND

COMPLIANCE OFFICER

Website: www.pentagonrubber.com

Continued on next page...

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AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE; The Authorised share capital of the Company is Rs. 8,00,00,000 divided into 80,00,000 Equity Shares of

New Delhi