

CERTIFICATE ON KEY PERFORMANCE INDICATORS

To,
The Board of Directors
Mukka Proteins Limited,
Door No.18-2 16/4,
First Cross, NG Road,
Attavara Mangaluru-
Dakshina Kannada
575001, India

and

Fedex Securities Private Limited
B 7, 3rd Floor, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai - 400 057, Maharashtra, India

referred as “Book Running Lead Manager” or “BRLM”.

Dear Sirs,

Re: Proposed initial public issuing of equity shares of face value of Rs. 1 each (the “Equity Shares”) of Mukka Proteins Limited (the “Company”) (the “Issue”)

We, Shah & Taparia Chartered Accountants, Statutory Auditors of the Company, have been requested to verify the information included in **Annexure A**, which is proposed to be included in the Red herring prospectus (“RHP”) and the prospectus (“Prospectus”) intended to be filed with the Registrar of Companies, Bangalore (the “RoC”) and thereafter filed with the SEBI and stock exchange(s) where the Equity Shares are proposed to be listed (the “Stock Exchanges”), and other materials or documents in relation to the Issue (collectively, the “Issue Documents”).

We have performed the procedures agreed with you and enumerated below with respect to the key performance indicators including business metrics of the Company (“KPIs”) as on respective dates and for the respective period mentioned against each annexure (the “Periods”), set forth in the accompanying schedules. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed-upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India. SRS 4400 is generally adopted to perform agreed upon procedures regarding financial information; however, this standard can also be used as a guide to perform agreed upon procedures regarding non-financial information. We have conducted our examination for this certificate in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ (“Guidance Note”) issued by the Institute of Chartered Accountants of India. Our Engagement on the Agreed upon Procedures has been performed in



accordance with our Engagement Letter signed on **March 14, 2023** and addendum to the engagement letter dated **13th October 2023** in connection with the proposed IPO of equity shares.

The procedures were performed to assist in evaluating the accuracy, validity and completeness of the KPIs of the Company and the same have been enumerated in **Schedule I**.

On the basis of the procedures set forth in **Schedule I** nothing came to our attention that caused us to believe the KPIs were not accurate, valid and complete.

At your request, we have also read the items identified by you on the attached copy of the RHP and have compared the amounts to the corresponding amounts set out in the **Annexure A** and found them to be in agreement.

Based on such procedures performed by us, our review of the relevant document and discussions with the management of the Company, we confirm that the information in **Annexure A** is true, correct, accurate, not misleading and without omission of any matter that is likely to mislead, and adequate to enable prospective investors to make an informed decision.

This certificate is for information, and for inclusion of contents thereof, in full or part (without disturbing the essence of information), in the Issue Documents prepared in connection with the Issue or any other document to be issued or filed in relation to the Issue, including in any corporate or investor presentation made by or on behalf of the Company, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, Stock Exchanges, any other authority as may be required and / or for the records to be maintained by the BRLM in connection with the Issue, and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of this certificate.

This certificate may be relied upon by the Company, BRLM and Legal Counsel appointed in relation to the Issue. This certificate is for information and for inclusion in the Red Herring Prospectus, Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies, Bangalore ("ROC") and the stock exchanges, or any other material (including in any corporate advertisement or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Issue Documents**") prepared in connection with the Issue or any other document to be issued or filed in relation to the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and / or for the records to be maintained by the BRLM in connection with the Issue, and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of this certificate.

We confirm that any changes to the above that come to our attention will immediately be intimated to the BRLM and the Legal Counsel to the Issue in writing till the date the Equity Shares of the Company commences trading on the stock exchanges. In the absence of any communication from us, you may assume that there is no change in respect of the matters covered in this certificate.



All capitalized terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

Yours sincerely,

For **Shah & Taparia**
Chartered Accountants
Registration No. 109463W



Bharat Joshi
Partner
Membership No. 130863
Place: Mumbai
Date: 16th February, 2024
UDIN: 24130863BKBPAP4625

Enclosed:

Schedule I: Procedure for evaluation of KPIs
Annexure A: Details of KPIs in the Issue document

cc:

Legal Counsel to the Issue

Kanga and Co., Advocates and Solicitors
Readymoney Mansion
43, Veer Nariman Road
Fort, Mumbai 400 001
Maharashtra, India

SCHEDULE I

Procedures performed as per our Engagement Letter (on information provided by the Company)

At your request, we have read the items identified by you in the **Annexure A**, and have performed the following procedures, which were applied as indicated with respect to the letters explained below:

- A. Compared the amounts to the corresponding amounts appearing in the Restated Financial Statements or accounting records or schedules and found them to be in agreement.
- B. Verified and compared the items with the [audited financial statements, relevant accounting records, documents, other records and registers including invoices, management reports, internal documents, reports used for periodic MIS reporting, reports from digital / computerized systems including the accounting software tally, extracts of minutes of board meetings and any other documents necessary or required for verification of the items] and found them to be in agreement.
- C. Tested the arithmetic and clerical accuracy.

Based on the procedures performed above, we found the information identified by you in **Annexure A** to be true and correct.



ANNEXURE A

The table below also sets forth a brief explanation of and the importance of these KPIs for the business and operations, along with details of KPIs as at/ for the financial years ended March 31, 2021, March 31, 2022, March 31, 2023 and the six months period ended September 30, 2023:

(₹ in Millions except percentages and ratios)

Metrics	For six months ended 30 th September 2023*	Fiscal 2023	Fiscal 2022	Fiscal 2021
Financial				
Revenue from operations ⁽¹⁾	6,060.94	11,771.22	7705.03	6038.34
Growth in revenue from operations (%) ⁽²⁾	NA	52.77%	27.60%	9.94%
Gross Profit ⁽³⁾	1,180.79	2,283.55	1,357.82	900.90
Gross Profit Margin(%) ⁽⁴⁾	19.48%	19.40%	17.62%	14.92%
EBITDA ⁽⁵⁾	613.06	943.11	542.39	318.19
EBITDA Margin(%) ⁽⁶⁾	10.11%	8.01%	7.04%	5.27%
Adjusted EBITDA ⁽⁷⁾	546.09	861.69	475.84	218.80
Adjusted EBITDA Margin(%) ⁽⁸⁾	9.01%	7.32%	6.18%	3.62%
PAT ⁽⁹⁾	329.81	475.25	258.19	110.10
PAT Margin ⁽¹⁰⁾	5.44%	4.04%	3.35%	1.82%
RoE(%) ⁽¹¹⁾	19.15%	36.71%	30.00%	17.37%
RoCE(%) ⁽¹²⁾	9.41%	17.62%	13.86%	5.86%
Net Debt / EBITDA Ratio ⁽¹³⁾	4.98	2.49	3.02	4.90
Debt Equity ratio ⁽¹⁴⁾	1.68	1.64	1.68	2.31
Operational				
Revenue from Operations ⁽¹⁵⁾	6,060.94	11,771.22	7,705.03	6,038.34
Domestic Revenue	2,067.28	5,080.55	5,740.90	2,760.34
Domestic Revenue (%)	34.11%	43.16%	74.51%	45.71%
Outside India Revenue	3,993.66	6,690.67	1,964.13	3,278.00
Outside India Revenue (%)	65.89%	56.84%	25.49%	54.29%
Revenue split by Fish Protein and Others ⁽¹⁶⁾				
Fish Meal	5,221.79	9,620.72	7,120.81	5,468.30
Fish Meal (as a % of total)	86.16%	81.73%	92.42%	90.56%
Fish Oil	536.63	1,653.21	325.50	370.58
Fish Oil (as a % of total)	8.85%	14.04%	4.22%	6.14%
Fish Soluble Paste	136.46	269.13	211.06	77.79
Fish Soluble Paste (as a % of total)	2.25%	2.29%	2.74%	1.29%
Others and Other Operating Income	166.06	228.16	47.66	121.67



Others and Other Operating Income(as a % of total)	2.74%	1.94%	0.62%	2.02%
Sales quantity (MTPA)⁽¹⁷⁾				
Fish Meal	40,484.67	91,922.72	74,340.95	64,416.29
Fish Oil	1,721.25	7,204.67	2,400.84	2,923.48
Soluble paste	3,404.64	7,302.21	5,140.24	1,826.74
Insect Meal ^s	105.91	293.65	79.14	-
Insect Oil ^s	45.39	125.85	33.97	-
Working Capital Days ⁽¹⁸⁾	112	89	78	80
Inventory Days ⁽¹⁹⁾	68	71	78	91
Trade Receivable Days ⁽²⁰⁾	44	35	29	29
Trade Payable Days ⁽²¹⁾	33	41	46	60

Notes:

*KPIs and metrics for the period are not annualized. Growth rate from Fiscal 2023 to six months period ended September 30, 2023 is not disclosed as the periods are not comparable.

^sUsed as raw material by the Company

1. Revenue from Operations means the revenue from operations as appearing in the Restated Consolidated Financial Statement.
2. Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.
3. Gross Profit is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods.
4. Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by revenue from operations.
5. EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortization expense.
6. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
7. Adjusted EBITDA is calculated as EBITDA less other income including share of profit / loss of associate & joint venture.
8. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the Revenue from Operations.
9. PAT means restated profit / (loss) for the period/year as appearing in the Restated Consolidated Financial Statement.
10. PAT Margin refers to the percentage margin derived by dividing Profit after Tax by revenue from operations.
11. Return on Equity (%) refers to restated profit after tax divided by Average Equity for the year/period. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Consolidated Financial Statement. Average Equity is calculated as average of the total equity at the beginning and ending of the year/period.
12. Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortization / Capital Employed. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities (net) minus deferred tax assets (net).



13. *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.*
14. *Debt Equity ratio is calculated as total borrowings divided by Total equity.*
15. *Revenue from operations divided between sale of products from domestic market and outside India market as appearing in the Restated Consolidated Financial Statement. Domestic revenue includes Domestic sale as well as Other Operating Income.*
16. *Revenue from Operations as appearing in the Restated Consolidated Financial Statement divided between the Company's key products i.e. fish meal, fish oil and fish soluble paste.*
17. *Quantity of sales in MT.*
18. *Working Capital Days refers to total current assets days minus total current liabilities days.*
19. *Inventory days have been calculated as inventory divided by revenue from operations multiplied by 180 (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*
20. *Trade Receivables days have been calculated as Trade Receivables divided by revenue from operations multiplied by 180 (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*
21. *Trade Payables days have been calculated as Trade Payables divided by revenue from operations multiplied by 180 (to annualize) for the six months period ended September 30, 2023 and 365 days for the complete fiscal years.*

