

CHARTERED ACCOUNTANTS

To

The Board of Directors
Digilogic Systems Limited
(formerly known as **Digilogic Systems Private Limited**)
#102, 1st Floor, DSL Abacus Tech Park, Uppal Kalsa Village,
Uppal Mandal, Rangareddy, Telangana, India, 500039.

INDORIENT FINANCIAL SERVICES LIMITED

B/805, Rustomjee Central Park,
Andheri Kurla Road, Chakala, Mumbai – 400093,
Maharashtra, India.
(the “Lead Manager”)

Dear Sir/ Madam,

Ref: Proposed initial public offering of equity shares of face value of ₹ 2 each (the “Equity Shares”) of Digilogic Systems Limited (formerly known as Digilogic Systems Private Limited) (the “Company”/ the “Issuer”) comprising a fresh issue of the Equity Shares by the Company (the “Fresh Issue”) and offer for sale of Equity Shares by certain existing shareholders of the Company (the “Offer for Sale”, and together with the Fresh Issue, the “Offer”)

This report is issued in accordance with the engagement letter dated 06th February 2025.

In connection with the proposed Offer, the Company is required to obtain a report from the Statutory Auditors, with regard to the Key Performance Indicators (“KPIs”) as identified by the Company for the purposes of disclosure in the Red Herring Prospectus and Prospectus (the “Offer Document”/collectively, the “Offer Documents”), as required by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”).

We have examined and reviewed the; (a) restated financial information of the Company for the period ended September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 (Collectively referred to as the “Restated Financial Statements”), prepared in accordance with the ICDR Regulations, the Accounting Standards, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”) and Companies Act, 2013, as amended and read with the rules, circulars and notifications issued in relation thereto (“Companies Act”); (b) accounting records and MIS of the Company and (c) relevant records, correspondence with regulatory/statutory authority and registers of the Company, including but not limited to, statutory records, minutes of the meetings of the board of directors of the Company, minutes of annual general meeting and extra-ordinary general meetings of the Company, relevant statutory registers, documents, records maintained by the Company, information and explanations presented to us.

We have also performed the procedures enumerated below with respect to the KPIs of the Company for the period ended on September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 (the “Periods”), as set forth in the accompanying annexures.



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The procedures were performed to confirm the completeness and accuracy of the KPIs of the Company and accordingly, the procedures undertaken with respect to the aforesaid are summarized below:

- (i) Held discussions with the Company to (a) identify the KPIs which have been used by the management historically to analyse, track or monitor the operational and/or financial performance of the Company (b) identify the KPIs which have been disclosed to its investors at any point of time during the preceding three years, and (c) understand the relevance of each of the KPIs in the business of the Company;
- (ii) Reviewed the minutes of meetings of board and shareholders for the period ended on September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to identify any KPIs shared with the investors;
- (iii) Obtained details of acquisitions/ dispositions made by the Company during the the period ended on September 30, 2025 and Fiscal year 2023, 2024, and 2025 and during the period from 01.10.2025 until 31.12.2025;
- (iv) Compared the amount in **Annexure A** for each KPI with the corresponding amounts appearing in the Restated Financial Statements, audited standalone financial statements, accounting records, other financial and / or operational records and registers, including invoices, management reports, internal financial and operational reports, management representations, reports from digital/ computerized systems, and other applicable committees and any other relevant records and documents of the Company necessary or required for verification of the relevant information, and found all such amounts to be in agreement.
- (v) Checked the computation, formula, arithmetic accuracy or computation of the percentages or amounts, and found all such amounts to be in agreement.

Management's Responsibility for the Statement

The preparation of the accompanying Statement in **Annexure A** is the responsibility of the Management of the Company. This responsibility includes designing, implementing, and maintaining adequate internal controls that were operating effectively and testing of such controls for ensuring the accuracy and completeness of information relating to KPIs including such accounting records relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Management is responsible for:

- a. Identification, definition, completeness, accuracy, relevance, appropriateness and sufficiency of the KPIs included in **Annexure A**;
- b. Providing access to the accounting and other records to the reporting Auditor including information and explanations required for reporting on the KPIs;
- c. Maintenance of the accounting and other records in relation to point (a) and (b) above; and
- d. Compliance with the ICDR Regulations, the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents and other regulatory requirements.

Auditor's Responsibility:

Pursuant to the requirements of the ICDR Regulations, it is our responsibility to obtain limited assurance and conclude as to whether (i) the financial details provided in **Annexure A** are in agreement with the audited financial statements and Restated Financial Statements (as applicable) as at and for the period ended on

CHARTERED ACCOUNTANTS

September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the underlying books of account maintained by the Company used for the purpose of preparation of the financial statements / Restated Financial Statements and (ii) KPIs included in **Annexure A** are mathematically accurate.

The audited financial statements referred to above, have been audited by us for the period ended on September 30, 2025 and the years ended March 31, 2025, March 31, 2024 and March 31, 2023 on which we issued an unmodified audit opinion vide our report dated 18/12/2025, 03/08/2025, 02/08/2024 and 15/06/2023 respectively. Our audits of the financial statements were conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

The Restated Financial Statements referred to above, have been examined by us on which we have issued our examination report dated 31.12.2025. Our examination of these restated financial information was conducted taking into consideration the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the restated financial information and the requirements of Section 26 of Part I of Chapter III of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Technical Guide. Our work was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination of the Statement in accordance with the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents and Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which require that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We confirm that we are an independent audit firm and are in no way connected with the Company. We further confirm that we are not related in any manner to the promoters or directors of the Company, or otherwise interested in the formation of management of the Company.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context and will enable investors to make a well-informed decision.

The procedures we have performed do not constitute an audit or review made in accordance with generally accepted auditing standards. Furthermore, they will not necessarily reveal matters of significance with respect to any material misstatement of the information related to KPIs of the Company.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the Lead Manager and the Company until the equity shares allotted in the Offer commence trading on the relevant stock exchange.

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CHARTERED ACCOUNTANTS

exchanges. In the absence of any such communication from us, the Company, the Lead Manager and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

Inherent Limitations

Our work and conclusion shall not in any way constitute advice or recommendations (and we accept no liability in relation to any advice or recommendations) regarding any commercial decisions associated with the Offer, including, in particular, but without limitation, any which may be taken by the Company, the Lead Manager or the Syndicate Members in the capacity of investor or in providing investment advice to their clients or the Company.

We, however, state that this is not an assurance as to the future viability of the Company or whether the KPIs have been considered / have a bearing for arriving at the basis for issue price. We further state that our reporting is based on the facts up to the date of the report and we neither give any guarantee nor any assurance that the KPIs reported will continue to perform and/or report in similar manner in future. We make no comment about the Company's definition, methodology or presentation of the KPIs in the **Annexure A** or its usefulness for any purposes.

The KPIs included in **Annexure A** should not be considered in isolation from, or as a substitute for, analysis of Company's historical financial performance, as reported and presented in the Restated Financial Information of the Company included in the Offer Document. These KPIs (other than GAAP measures) are not defined in Accounting Standards (AS) notified under section 133 of the Companies Act, 2013, are not presented in accordance with AS and have limitations. These KPIs may differ from similarly titled information used by certain peer companies, who may calculate such information differently and hence their comparability with the measures used by the Company may be limited.

Conclusion:

On the basis of such examination of the documents / records / information, we confirm that the information set forth in **Annexure A**, duly initiated by us, which is also reproduced in the Offer Document is complete, correct and accurate and nothing has come to our attention that caused us to believe that the information contained in **Annexure A** was not accurate, valid and complete. Based on the above procedures performed by us, we also confirm that no KPIs have been disclosed by the Company to its investors at any point of time during the preceding three years. Further, we confirm that all the KPIs which are used by the management historically to analyse, track or monitor the operational and/or financial performance of the Company have been included in **Annexure A**.

Restriction on Use

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in Offer Documents. Further, we hereby provide our consent for making available this certificate, or extracts thereof, for the purpose of inspection by investors, at the registered and corporate office of the Company or for uploading such certificate on the website of the Company for the purpose of inspection by the investors, in relation to Offer.

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CHARTERED ACCOUNTANTS

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to 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 Lead Manager in connection with the Offer and in accordance with applicable law.

This report is addressed to, and provided to, the Board of Directors of the Company for the limited purpose to comply with the requirements of ICDR Regulations and for use of the Lead Manager in connection with the Offer and should not be used by any other person or for any other purpose. This certificate may be relied on by the Lead Manager, legal counsel to the Offer and the Lead Manager appointed in relation to the Offer and to assist the Lead Manager in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate letter being disclosed by the Lead Manager, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority or stock exchanges, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation and/or for the records to be maintained by the Lead Manager in relation to the Offer.

The report is issued solely for the limited purpose to comply with ICDR Regulations on KPIs. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule144A or (ii) Regulations under the United States Securities Act of 1933, as amended) participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

For B. Srinivasa Rao & Co*Chartered Accountants*

Firm's Registration No: 008763

**M. Ranga Rai Chowdary***Partner*

Membership No: 243733

UDIN: 26243733OKFVYA3983

Date: 31.12.2025

Place: Hyderabad

CC:**Sterling Law Associates LLP**

B-601, Umarji House No-1, CTS No. 404A- 404B,
Telli Gally, Opp. Masjid, Andheri East,
Mumbai- 400069, Maharashtra, India.

ANNEXURE A

The KPIs disclosed below have been used historically by the Company to understand and analyse its business performance, which in result, help them in analysing the growth of business verticals in comparison to its peers. The Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of the Audit Committee dated 31.12.2025. Further, the members of the Audit Committee have verified the details of all KPIs pertaining to the Company and confirmed that there are no KPIs pertaining to the Company that have been disclosed to any investors at any point of time during the period ending on September 30, 2025 and the three years period prior to the date of filing of the RHP.

S.No	Key Performance Indicator	Six month ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
1.	Revenue from Operations (Rs. In lakhs)	1817.73	7205.98	5155.93	5596.23
2.	Year-to-Year growth in Revenue from Operations (in %) (refer note no. 2 & 13)	NA	39.76%	(7.87%)	39.39%
3.	EBITDA (Rs. In lakhs)	334.26	1339.96	544.45	527.65
4.	EBITDA %	18.39%	18.60%	10.56%	9.43%
5.	PAT (Rs. In lakhs)	161.26	811.35	239.96	217.51
6.	PAT %	8.87%	11.26%	4.65%	3.89%
7.	ROE %	4.71%	34.57%	19.53%	21.76%
8.	ROCE %	4.71%	34.27%	19.10%	20.68%
9.	Return on Networth %	4.71%	34.57%	19.53%	21.76%
10.	Debt to Equity (in times)	0.63	0.40	0.60	0.98
11.	Interest Coverage Ratio (in times)	6.59	12.00	3.80	3.93
12.	Net Working Capital (Days)	212	113	34	26

Notes:

1. Revenue from Operations = This amount is Revenue from Operations as appearing in the Restated Financial Statements
2. Year-to-Year growth in Revenue from operations (%)
= (Revenue from operations of relevant period - Revenue from operations of preceding period) / Revenue from operations of preceding period
3. EBITDA = Profit Before Tax + Interest Expense on borrowings + Depreciation & Amortisation cost – Other Income
4. EBITDA % = EBITDA / Revenue from Operations
5. Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements
6. PAT (%) = Profit After Tax / Revenue from Operations
7. Return on Equity (ROE %) = Net Profit After Tax / Average Shareholder's Funds
8. Return on Capital Employed (ROCE %) = Earnings Before Interest and Taxes / Average Capital Employed
Where Capital Employed = Tangible Net worth + Long Term Borrowings + Short Term Borrowings- Deferred Tax liability
9. Return on Networth (%) = Net Profit After Tax / Average Networth
where Networth = Paidup share capital + Securities premium + Surplus in Profit & Loss
10. Debt to Equity (in times) = Total Debt / Shareholders Funds
where Total Debt = Long Term borrowings + Short Term borrowings
11. Interest Coverage Ratio (times) = Earnings Before Interest and Taxes / Interest Expense on Borrowings



Where *Earnings Before Interest and Taxes* = *Profit before tax + Interest expense on borrowings (excluding interest capitalised) - Other income*

12. Net working capital (Days) = (Current Assets – Current Liabilities) *No. Of Days in the period/year/
Revenue from Operations
13. Year-to-Year growth in Revenue from Operations cannot be certified for the six months stub period.

