

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Leapfrog Engineering Services Limited
(Formerly known as Leapfrog Engineering Services Private Limited)
(hereinafter referred to as the "Issuer Company")
No. 496, Chaithanya Dhriti Rudresh, 6th Main,
8th Cross, Vijaya Bank Layout, Bannerghatta Road,
Bangalore, Karnataka, India – 560 076

Dear Sir / Madam,

Sub: Statement of Possible Special Tax Benefits available to Leapfrog Engineering Services Limited and its Shareholders under the applicable tax laws in India

Ref: Proposed Initial Public Offering ("IPO") of Equity Shares by Leapfrog Engineering Services Limited ("The Issuer" or "The Company")

We refer to the proposed initial public offering of equity shares of the Company ("Offer").

In connection with the Offer, and pursuant to the requirements of Clause 9 (L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), we hereby annex a statement of the possible special tax benefits available to the Company and its equity shareholders under the applicable direct and indirect tax laws presently in force in India.

The annexed statement has been prepared on the basis of the provisions of the Income-tax Act, 1961, and corresponding provisions of the Income-tax Act, 2025, to the extent notified and made applicable, applicable indirect tax laws including the Central Goods and Services Tax Act, 2017 ("CGST Act"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act"), applicable State Goods and Services Tax Acts ("SGST Acts"), (collectively the "GST Act"), the Customs Act, 1962, the Customs Tariff Act, 1975 and the rules, regulations, circulars and notifications issued thereunder, each as amended and applicable as on the date of this statement.

Several of the benefits discussed in the enclosed Annexure are dependent upon the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the applicable tax laws. Accordingly, the ability of the Company or its shareholders to derive such benefits is dependent upon compliance with such conditions.

The following discussion is only intended to provide general information to the investors and does not purport to be a complete analysis of all potential tax consequences relating to the Offer. The benefits discussed herein are neither exhaustive nor conclusive. Investors are advised to consult their own tax advisors with respect to the specific tax consequences applicable to them relating to the acquisition, ownership and disposal of equity shares of the Company.

No assurance is given that:

- the revenue authorities and/or courts will concur with the views expressed herein;
- the stated benefits will continue to be available in future; or
- the Company or its shareholders will be able to fulfil the conditions prescribed for availing such benefits.

This statement is based on the facts, assumptions, representations and information provided by the Company and on our understanding of the business activities and operations of the Company.

We hereby consent to the inclusion of this statement in the Red Herring Prospectus and Prospectus proposed to be filed by the Company in connection with the Offer.



LIMITATIONS

Our views expressed herein are based on the applicable tax laws and interpretations thereof prevailing in India as on the date of this statement, which are subject to change, including by way of retrospective amendment. We do not undertake to update this statement to reflect any changes that may occur after the date hereof.

This statement is intended solely for inclusion in the Offer Documents in relation to the proposed Offer and should not be used, referred to or distributed for any other purpose without our prior written consent.

We also authorise you to deliver a copy of this certificate to SEBI, ROC and the Stock Exchanges or any other regulatory authorities as required by law.

for **GRSM & Associates**
Chartered Accountants

Firm Registration Number: 000863S



Rajgopal. A
Partner

Membership Number: 205296



UDIN: 26205296QXNU046627

Place: Bengaluru

Date: 2nd June 2026

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The following summary sets out certain possible special tax benefits available to the Company and its equity shareholders under the applicable provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2026, applicable for Financial Year / Tax Year 2026-27 and the applicable indirect tax laws presently in force in India.

Except as specifically stated below, the Company does not presently enjoy any material industry-specific or location-specific tax incentives

Investors should consult their own tax advisors regarding the tax consequences of investing in the equity shares of the Company based on their particular circumstances.

A. DIRECT TAXATION

1. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY:

Concessional Tax Regime for Domestic Companies

Section 200 of the Income-tax Act, 2025 (corresponding to Section 115BAA of the Income-tax Act, 1961), as amended by the Finance Act, 2026, provides that a domestic company may opt to be taxed at a concessional rate of 22% (plus applicable surcharge and health and education cess), subject to fulfilment of prescribed conditions and subject to the company foregoing certain specified exemptions, incentives and deductions.

Accordingly, the effective tax rate under the said regime is presently 25.168%.

Accordingly, the provisions relating to Minimum Alternate Tax would not apply and MAT credit, if any, would not be available for set-off.

The option under Section 200 of the Income-tax Act, 2025 (corresponding to Section 115BAA of the Income-tax Act, 1961) is required to be exercised on or before the due date prescribed for filing the return of income and, once exercised, cannot subsequently be withdrawn.

Based on the representations provided by the management, the Company has exercised the option under Section 200 of the Income-tax Act, 2025 (corresponding to Section 115BAA of the Income-tax Act, 1961) in earlier years and continues to be governed by the said concessional tax regime, subject to compliance with the applicable conditions.

2. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

There are no special direct tax benefits available to the shareholders of Company for investing in the shares of the Company.



INDIRECT TAXATION

1. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY:

i) **Export of Goods and services under the GST law:**

Under the Goods and Services Tax ("GST") regime, export of goods and services qualifies as a zero-rated supply subject to fulfilment of prescribed conditions.

Accordingly, exporters may be eligible to:

- export services without payment of integrated tax under a Letter of Undertaking ("LUT") and claim refund of unutilised input tax credit; or
- export services on payment of integrated tax and claim refund thereof in accordance with the applicable GST provisions.

Based on the information and explanations provided by the management, we understand that the Company exports services under LUT in accordance with applicable GST laws and accordingly may avail benefits available to exporters, subject to fulfilment of prescribed conditions.

ii) **Remission of Duties and Taxes on Exported Products (RoDTEP)**

The RoDTEP Scheme has been introduced by the Government of India to provide remission of embedded duties, taxes and levies incurred in the manufacture and distribution of exported products which are not otherwise refunded under any other mechanism, subject to prescribed conditions.

Eligible exporters may receive the benefit in the form of transferable duty credit available through the customs electronic ledger system and such benefits may be utilised in accordance with applicable customs laws and procedures.

Based on the information and explanations provided by the management, we understand that the Company has availed benefits under the RoDTEP Scheme in the past and may continue to avail such benefits in future, subject to fulfilment of applicable conditions and continued availability of the scheme

iii) **Duty Drawback Scheme**

Under the Customs Act, 1962, the Customs and Central Excise Duties Drawback Rules, 2017 and related notifications issued by the Government of India, eligible exporters may claim refund of customs duties suffered on imported inputs used in the manufacture of exported goods, subject to fulfilment of prescribed conditions.

Based on the information and explanations provided by the management, the Company has availed benefits under the Duty Drawback Scheme in the past and may continue to avail such benefits in future, subject to satisfaction of applicable conditions and continued availability of the scheme.

2. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

The equity shareholders of the Company are not entitled to any specific indirect tax benefits in relation to investment in the Equity Shares of the Company.

Notes:

1. The above statement sets out the possible special tax benefits available to the Company and its equity shareholders under the applicable tax laws presently in force in India.
2. The benefits discussed above are based on the current provisions of the applicable tax laws and judicial and administrative interpretations thereof, which are subject to change from time to time.
3. This statement is intended solely for general information purposes and does not constitute legal or tax advice.



4. Investors are advised to consult their own professional advisors regarding the specific tax implications applicable to them.
5. This statement does not discuss any tax consequences outside India in relation to an investment in the Equity Shares of the Company.

The above rates, exemptions, deductions and other provisions are based on the applicable provisions of the Income-tax Act, 2025, corresponding provisions of the Income-tax Act, 1961, the Finance Act, 2026 and other applicable tax laws as amended up to the date of this statement and are subject to amendment, modification or change pursuant to legislative, judicial or administrative actions.

for **GRSM & Associates**
Chartered Accountants

Firm Registration Number: 0008635


Rajgopal. A
Partner



Membership Number: 205296

UDIN: 262052968XNU046627

Place: Bengaluru
Date: 2nd June 2026