

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated June 19, 2025 (the “RHP”). You are encouraged to read greater details available in the RHP (Download link: <https://prox.com/offer-document/>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF TEN PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



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Abridged Prospectus)



PRO FX TECH LIMITED

(Formerly known as PRO FX Tech Private Limited)

CIN: U51500KA2006PLC040879, Date of Incorporation: November 08, 2006

| Registered Office   | Corporate Office  | Contact Person  | Email and Telephone   | Website  |
|---|---|---|---|--|
| PROFX Global Theatre, Ground Floor, 84, Barton Centre, Mahatma Gandhi Road, Bangalore, Karnataka, India, 560001 | Dynamic House, 64, Church Street, Mahatma Gandhi Road, Bangalore North, Bangalore, Karnataka, India, 560001 | Deepika N Bhandiwad<br>Company Secretary & Compliance Officer | E-mail: <a href="mailto:info@prox.com">info@prox.com</a><br>Tel No:+91 - 8041122539 | <a href="http://www.profx.com">www.profx.com</a> |

|                          |                                    |
|--------------------------|------------------------------------|
| Promoters of the Company | Manmohan Ganesh and Shreya Nambiar |
|--------------------------|------------------------------------|

#### Details of Offer to Public

| Type of Issue (Fresh/ OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in ₹) | OFS Size (by no. of shares or by amount in ₹) | Total Issue Size (by no. of shares or by amount in ₹) | Issue Under 6(1)/ 6(2)   | Share Reservation                     |                                 |                                  |                             |
|---|---|---|---|--|---------------------------------------|---------------------------------|----------------------------------|-----------------------------|
|   |   |   |   |  | QIB                                   | NII                             | RII                              | Market Maker                |
| Fresh Issue                             | Upto 46,32,000 Equity shares                          | Nil   | Upto 46,32,000 Equity Shares                          | This issue is being made in terms of regulation 229(2) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. | Not more than 21,95,200 equity shares | At least 6,59,200 equity shares | At least 15,37,600 Equity Shares | Upto 2,40,000 Equity shares |

These equity shares are proposed to be listed on NSE Emerge (i.e. SME platform of NSE).

OFS: Offer for Sale

#### Details of OFS by Promoter(s) / Promoter Group/ Other Selling Shareholders

| Name  | Type | No of Shares offered/ Amount in ₹ | WACA in Rs. per Equity | Name | Type | No of Shares offered/ Amount in ₹ | WACA in ₹ per Equity |
|---|------|-----------------------------------|------------------------|------|------|-----------------------------------|----------------------|
| NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES |      |                                   |                        |      |      |                                   |                      |

#### Price Band, Minimum Bid Lot & Indicative Timelines

|  |   |
|--|---|
| Price Band*  | For details of price band, minimum bid lot size, please refer to price band advertisement to be published in all editions of English National Newspaper “Business Standard”, all editions of Hindi National Newspaper “Business Standard” and Bangalore edition of Regional newspaper “Udayakala” |
| Minimum Bid Lot Size   |   |
| Bid/ Offer Open On**   | Thursday, June 26, 2025   |
| Bid/ Offer Closes On   | Monday, June 30, 2025   |
| Finalisation of Basis of Allotment (T+1)                     | On or about Tuesday, July 01, 2025  |
| Initiation of Refunds (T+2)                                  | On or about Wednesday, July 02, 2025  |
| Credit of Equity Shares to Demat accounts of Allottees (T+2) | On or about Wednesday, July 02, 2025  |
| Commencement of trading of Equity Shares (T+3)               | On or about Thursday, July 03, 2025   |

\*For details of price band and basis of issue price, please refer to price band advertisement and page 85 of the RHP.

\*\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date i.e., Wednesday, June 25, 2025

The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, last eighteen months and three years from the date of RHP is as given below:

| Period              | Weighted Average Cost of Acquisition (in ₹) | Upper end of the Price Band (₹ 82) is 'X' times the weighted Average cost of Acquisition | Range of acquisition price (₹ 87): Lowest Price – Highest Price (in ₹) |
|---------------------|---|--|--|
| Last 1 year         | 97.11                                       | 0.90   | 0-97.11  |
| 18 months & 3 years | 1.15  | 75.77  | 0-97.11  |

## RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is Rs. 10/- per equity share. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "**Basis for Issue Price**" beginning on page 85 of the RHP should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investment in equity & 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 RHP. Specified attention of the investors is invited to the section titled "**Risk Factors**" beginning on page 24 of the Red Herring Prospectus and on page 08 of this Abridged Prospectus.

## PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the website of the Stock Exchange i.e. [https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme\\_offer](https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#sme_offer) and the BRLM at [www.hemsecurities.com](http://www.hemsecurities.com).

| PRICE INFORMATION OF BRLM's |   |                       |                 |                    |                               |  |  |   |
|-----------------------------|---|-----------------------|-----------------|--------------------|-------------------------------|--|--|---|
| Sr. No.                     | Issue name                                  | Issue size (₹ in Cr.) | Issue Price (₹) | Listing date       | Opening Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing |
| <b>Mainboard IPO's</b>      |   |                       |                 |                    |                               |  |  |   |
| 1.                          | Manba Finance Limited <sup>^</sup>          | 150.84                | 120.00          | September 30, 2024 | 145.00                        | 15.89% [-5.21%]  | 30.34% [-7.74%]  | 10.35% [-8.88%]   |
| 2.                          | Enviro Infra Engineers Limited <sup>^</sup> | 650.30                | 148.00          | November 29, 2024  | 220.00                        | 116.12% [-1.32%]   | 49.46% [-6.56%]  | 70.50% [2.88%]  |
| <b>SME IPO's</b>            |   |                       |                 |                    |                               |  |  |   |
| 1.                          | Danish Power Limited                        | 197.90                | 380.00          | October 29, 2024   | 570.00                        | 129.74% [-0.78%]   | 132.33% [-5.62%]   | 150.93% [-1.75%]  |
| 2.                          | Readymix Construction Machinery Limited     | 37.66                 | 123.00          | February 13, 2025  | 123.00                        | -33.25% [-2.75%]   | -34.88% [6.72%]  | N.A.  |
| 3.                          | Tankup Engineers Limited                    | 19.53                 | 140.00          | April 30, 2025     | 175.00                        | 75.25% [2.05%]   | N.A.   | N.A.  |
| 4.                          | Unified Data – Tech Solutions Limited       | 144.47                | 273.0           | May 29, 2025       | 285.00                        | N.A.   | N.A.   | N.A.  |
| 5.                          | Monolithisch India Limited                  | 82.02                 | 143             | June 19, 2025      | 231.55                        | N.A.   | N.A.   | N.A.  |

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus. For further details, please refer to price information of past issues handled by BRLM starting on page no. 225 of the RHP.

\*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

|   |   |
|---|---|
| Name of BRLM and contact details (telephone and email id) of BRLM | <b>Hem Securities Limited</b><br>Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India<br>Tel No.: +91-22-4906 0000<br>Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> , Contact Person: Ravi Kumar Gupta  |
| Name of Syndicate Members   | <b>Hem Finlease Private Limited</b><br>Address: 203, Jaipur Tower, M. I. Road, Jaipur-302001, Rajasthan, India.<br>Tel No.: +91-141-4051000<br>Email Id: <a href="mailto:ashoks@hemsecurities.com">ashoks@hemsecurities.com</a> , Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br>Contact Person: Ashok Soni, SEBI Registration Number: INZ000167734 |

|  |   |
|--|---|
| <b>Name of Market Maker</b>  | <b>Hem Finlease Private Limited</b><br><b>Address:</b> 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India<br><b>Telephone:</b> +91-141-4051000<br><b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br><b>Contact Person:</b> Ashok Soni<br><b>SEBI Registration Number:</b> INZ000168034<br><b>Market Maker Registration No.:</b> SMEREG2020090906741 |
| <b>Name of Registrar to the Issue and contact details (telephone and email id)</b>   | <b>Cameo Corporate Services Limited</b><br><b>Address:</b> Subramanian Building", No.1, Club House Road, Chennai – 600 002, Tamil Nadu, India<br><b>Tel No:</b> +91 44 4002 0700<br><b>Email:</b> <a href="mailto:ipo@cameoindia.com">ipo@cameoindia.com</a><br><b>Contact Person:</b> Ms. K. Sreepriya<br><b>Website:</b> <a href="http://www.cameoindiaa.com">www.cameoindiaa.com</a><br><b>SEBI Registration No.:</b> INR000003753<br><b>CIN:</b> U67120TN1998PLC041613      |
| <b>Name of Statutory Auditor</b>   | M/s. MKUK & Associates, Chartered Accountants (FRN: 050113S)  |
| <b>Name of Peer Review Auditor</b>   | M/s. K A R M A & Co. LLP, Chartered Accountants (FRN: 127544W/W100376)  |
| <b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>   | Not Applicable  |
| <b>Name of Debenture trustee, if any.</b>  | Not Applicable  |
| <b>Self-Certified Syndicate Banks</b>  | The list of banks is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ;   |
| <b>Non-Syndicate Registered Brokers</b>  | You can submit Bid cum Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non-Syndicate Broker Centres. For further details, see section titled " <b>Issue Procedure</b> " beginning at page 243 of the RHP  |
| <b>Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)</b> | <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>   |

| PROMOTERS OF THE ISSUER COMPANY |                 |                       |  |
|---------------------------------|-----------------|-----------------------|--|
| Sr. No.                         | Name            | Individual/ Corporate | Experience & Educational Qualification   |
| 1                               | Manmohan Ganesh | Individual            | He is the Promoter and Chairman & Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He has completed his Post Graduate Diploma in Business Administration (Marketing Management), from St. Joseph's College of Business Administration, Bangalore in the year 1990. He has work experience of around 33 years in residential AV business to a multi-segment AV and Automation solutions. |
| 2                               | Shreya Nambiar  | Individual            | She is the Promoter and Non-Executive Director of our Company. She has been on the Board of Directors of our Company w.e.f. March 20, 2024. She has completed her Masters in Science from SOAS, University of London in the year 2019. and Bachelor of Economic and Social Studies in Business Environment from Cardiff University, UK in 2015. She has an experience of around 6 years in the Market Research and Business Strategy development.  |

#### BUSINESS OVERVIEW AND STRATEGY

**Company Overview:** Our company is engaged in the distribution of AV (Audio-Video) products, including but not limited to amplifiers & processors, turn-tables, wireless streamer, speakers, subwoofers, sound bars, and cables. In addition to distribution, we excel in designing and implementing customized AV solutions for home theatres, premium home automation, multi-room audio systems, and bespoke AV solutions for corporate customers. Our association with renowned global suppliers/manufacturers such as Denon, Polk, Definitive Technology, KEF, Theory, Pro Audio Technology, JBL, and Revel provide us with distribution rights, ensuring our customers have access to the latest AV innovations and the highest quality products.

**Product/ Services offerings:** We are engaged in the distribution of AV (Audio-Video) products, including but not limited to amplifiers & processors, turn-tables, wireless streamer, speakers, subwoofers, sound bars, and cables. In addition to distribution, we excel in designing and implementing customized AV solutions for home theatres, premium home automation, multi-room audio systems, and bespoke AV solutions for corporate customers.

**Geographies Served:**

(Amount in ₹ Lakhs)

| States         | FY 2024-25      |               | FY 2023-24      |               | FY 2022-23     |               |
|----------------|-----------------|---------------|-----------------|---------------|----------------|---------------|
|                | Amount          | %             | Amount          | %             | Amount         | %             |
| Karnataka      | 3509.84         | 27.13%        | 3041.17         | 27.53%        | 2539.56        | 26.51%        |
| Tamil Nadu     | 1582.80         | 12.23%        | 1581.53         | 14.32%        | 1377.55        | 14.38%        |
| Maharashtra    | 1434.47         | 11.09%        | 1192.16         | 10.79%        | 993.92         | 10.38%        |
| Telangana      | 847.87          | 6.55%         | 1035.47         | 9.37%         | 964.08         | 10.07%        |
| Kerala         | 898.16          | 6.94%         | 875.70          | 7.93%         | 844.36         | 8.82%         |
| Gujarat        | 1125.66         | 8.70%         | 820.35          | 7.43%         | 530.18         | 5.54%         |
| Delhi          | 652.16          | 5.04%         | 495.45          | 4.48%         | 547.90         | 5.72%         |
| West Bengal    | 571.93          | 4.42%         | 479.73          | 4.34%         | 581.14         | 6.07%         |
| Haryana        | 396.39          | 3.06%         | 415.31          | 3.76%         | 352.30         | 3.68%         |
| Rajasthan      | 623.56          | 4.82%         | 266.72          | 2.41%         | 273.50         | 2.86%         |
| Punjab         | 335.41          | 2.59%         | 224.43          | 2.03%         | 181.88         | 1.90%         |
| Andhra Pradesh | 424.33          | 3.28%         | 187.75          | 1.70%         | 40.11          | 0.42%         |
| Madhya Pradesh | 217.01          | 1.68%         | 121.70          | 1.10%         | 76.95          | 0.80%         |
| Uttar Pradesh  | 156.39          | 1.21%         | 117.33          | 1.06%         | 71.95          | 0.75%         |
| Others         | 161.56          | 1.26%         | 192.93          | 1.75%         | 203.01         | 2.12%         |
| <b>Total</b>   | <b>12937.54</b> | <b>100.00</b> | <b>11047.73</b> | <b>100.00</b> | <b>9578.39</b> | <b>100.00</b> |

**Key Performance Indicators of our Company**

(₹ In Lakhs except percentages and ratios)

| Key Financial Performance              | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|--|------------|------------|------------|
| Revenue from operations <sup>(1)</sup> | 12937.54   | 11,047.73  | 9,578.39   |
| EBITDA <sup>(2)</sup>                  | 1705.98    | 1437.28    | 1010.05    |
| EBITDA Margin <sup>(3)</sup>           | 13.19%     | 13.01%     | 10.55%     |
| PAT <sup>(4)</sup>                     | 1223.75    | 943.65     | 634.97     |
| PAT Margin <sup>(5)</sup>              | 9.41%      | 8.51%      | 6.60%      |
| RoE (%) <sup>(6)</sup>                 | 39.71%     | 47.07%     | 53.79%     |
| RoCE (%) <sup>(7)</sup>                | 43.58%     | 45.55%     | 52.73%     |
| Net Worth <sup>(8)</sup>               | 3691.16    | 2471.90    | 1537.46    |

**Notes:**

<sup>(1)</sup> Revenue from operation means revenue from services and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is Profit after tax

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the year divided by Total Income

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is which is defined as shareholders' equity plus total debt {including lease liabilities}.

<sup>(8)</sup> Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) – Preliminary Expenses to the extent not written-off.

**Industries Served:** We specialize in distributing AV products such as amplifiers, turntables, wireless streamers, speakers, subwoofers, sandbars, and cables. Alongside distribution, we offer end-to-end, customized AV and automation solutions for home theaters, smart homes, and corporate setups, including boardrooms, retail spaces, hospitality venues, educational institutions, hospitals, and places of worship.

**Revenue segmentation in terms of top 10 clients** – our company's revenue from top 10 customers was 26.48%, 26.11% and 25.72% in Financial year 2024-25, 2023-24 and 2022-23 respectively.

**Intellectual Property, if any:**

| S. No. | Brand name/ Logo<br>Trademark/ Copyright  | Class | TM<br>Category | Applicant                      | Trademark Number/<br>Application No./<br>Registration<br>Certificate Number | Issuing<br>Authority       | Date of<br>Application | Status     |
|--------|---|-------|----------------|--------------------------------|---|----------------------------|------------------------|------------|
| 1.     | PRO FX<br> | 9     | Word           | Pro Fx Tech<br>Private Limited | 909913  | Registrar of<br>Trademarks | March 14, 2000         | Registered |
| 2.     | PRO FX<br> | 9     | Word           | Pro Fx Tech<br>Private Limited | 909915  | Registrar of<br>Trademarks | March 14, 2000         | Registered |

**Market Share:** Not ascertainable

**Manufacturing Plant, if any:** NA

**Employee Strength:** As on March 31, 2025 our Company has employed 117 employees at various levels of the Organization

**BOARD OF DIRECTORS**

| Sr.<br>No. | Name                                  | Designation (Independent/<br>Whole time/ Executive/<br>Nominee) | Experience & Educational Qualification  | Other Directorships  |
|------------|---------------------------------------|---|---|--|
| 1          | Manmohan Ganesh                       | Managing Director   | <b>Experience:</b> 33 Years<br><b>Qualification:</b> Post Graduate Diploma in Business Administration (Marketing Management), Bachelor of Commerce (B.Com.)     | Nil  |
| 2          | Appadurai Manuel<br>Santhana Joekumar | Whole-Time Director and<br>Chief Financial Officer              | <b>Experience:</b> 30 Years<br><b>Qualification:</b> Master of Commerce (M. Com)  | Nil  |
| 3          | Shreya Nambiar                        | Non-Executive Director  | <b>Experience:</b> 6 years<br><b>Qualification:</b> Master of Science in Development Economics, Bachelor of Economic and Social Studies in Business Environment | <b>Companies</b><br>1. Phoenix Holdings<br>Private Limited<br>2. Stallion Computers<br>Private Limited |
| 4          | Vishal Jhanwar                        | Independent Director  | <b>Experience:</b> 13 years<br><b>Qualification:</b> Fellow Member of the Institute of Chartered Accountants of India, B.Com.                                   | Nil  |
| 5          | Alokeshwar Sen                        | Independent Director  | <b>Experience:</b> 16 years<br><b>Qualification:</b> Post Graduate Diploma in Management (PGDM), Bachelor of Engineering (B.E.)                                 | Nil  |

For further details in relation to our Board of Directors, see "Our Management" beginning on page 135 of the Red Herring Prospectus.

**OBJECTS OF THE ISSUE**

**Details of means of finance** – The fund requirements for each of the objects of the Issue are stated as follows:

(₹ In Lakhs)

| S.<br>No. | Particulars  | Total estimated<br>cost | Amount already<br>deployed# | Amount to be deployed<br>and utilized in |
|-----------|--|-------------------------|-----------------------------|--|
|           |  |                         |                             | 2025-26                                  |
| 1         | Repayment of a portion of certain borrowing availed by our Company                                   | 150.00                  | -                           | 150.00                                   |
| 2         | Funding capital expenditure towards setting-up of 3 new Showroom cum experience centres ("Showroom") | 746.57                  | -                           | 746.57                                   |
| 3         | To meet Working Capital requirements   | 1900.00                 | -                           | 1900.00                                  |
| 4         | General Corporate Purpose  | [●]                     | [●]                         | [●]                                      |
|           | <b>Total</b>   | [●]                     | [●]                         | [●]                                      |

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years:** Nil

**Name of monitoring agency, if any** – Not Applicable

**Terms of Issuance of Convertible Security, if any** – Not Applicable

### Shareholding Pattern:

| Sr. No. | Particulars                  | Pre-Issue number of shares | % Holding of Pre issue |
|---------|------------------------------|----------------------------|------------------------|
| 1.      | Promoters and Promoter Group | 88,04,040                  | 68.40%                 |
| 2.      | Public                       | 40,67,646                  | 31.60%                 |
|         | <b>Total</b>                 | <b>1,28,71,686</b>         | <b>100.00%</b>         |

Number/amount of equity shares proposed to be sold by selling shareholders, if any. – Not Applicable

### RESTATEMENT FINANCIAL STATEMENT

(₹ In Lakhs except percentages and ratios)

| Particular   | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|----------------|
| Total income from operations (Net)                                     | 12937.54       | 11047.73       | 9578.39        |
| Net Profit/(Loss) before tax and extra ordinary items                  | 1651.11        | 1270.86        | 856.52         |
| Net Profit / (Loss) after tax and extraordinary items                  | 1223.75        | 943.65         | 634.97         |
| Share Capital  | 1287.17        | 1287.17        | 1.43           |
| Other Equity   | 2403.99        | 1184.73        | 1536.04        |
| Net worth  | 3691.16        | 2471.90        | 1537.46        |
| Basic/Diluted earnings per share (₹)                                   | 9.51           | 7.33           | 4.93           |
| Return on net worth (%)  | 33.15          | 38.18          | 41.30          |
| NAV per Equity Shares (Based on Actual Number of Shares) (₹)           | 28.68          | 19.20          | 10762.04       |
| NAV per Equity Shares (Based on Weighted Average Number of Shares) (₹) | 28.68          | 19.20          | 11.94          |

### INTERNAL RISK FACTORS:

The below mentioned risks are top 10 risk factors as per the RHP.

1. We depend on our global suppliers/ manufacturers or domestic vendors for our operations and unsatisfactory products provided by them or failure to maintain relationships with them could disrupt our operations. Further, we may not be able to pass on any increase in costs levied by our global suppliers/ manufacturers or vendors to our customers.
2. Termination or non-renewal of Distribution Agreements or any material modification to the existing terms under such agreements adverse to our interest will materially and adversely affect our ability to continue our business and operations and our future financial performance.
3. Our business and profitability heavily rely on the consistent and timely availability of finished products. Any disruption in supply or price volatility of these products can negatively impact our operations and financial health. Additionally, our dependence on third-party suppliers, without firm supply commitments or exclusive arrangements, poses a risk. The loss of any suppliers could adversely affect our business, operational outcomes, and financial condition.
4. Our future growth is dependent upon our ability to identify and maintain new products, technologies and customers that achieve market acceptance with acceptable margins.
5. Our Company is yet to execute lease/rent agreements for our proposed Three Showroom cum experience centres.
6. We do not own the registered office, corporate office, warehouse, Service Centres and Showrooms from which we carry out our business activities. In case of nonrenewal of rent agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected.
7. Our business is dependent on global suppliers/manufacturers effectively maintaining, promoting or developing their brands and maintaining standard quality products including launching new AV (Audio-Video) products at regular intervals.
8. A significant majority of our revenues from operations are derived from particular mode of sales i.e distribution of (AV)Audio Video Products.
9. We may not be successful in our efforts to monetize our products and services.
10. The restated financial statements have been provided by peer reviewed chartered accountants who is not statutory auditor of our Company.

For further details on "Risk Factors" please refer page 24 of the Red Herring Prospectus.

**A. Total number of outstanding litigations against the company and amount involved:**

| Name of Entity        | Criminal Proceedings | Tax proceedings | Statutory/ Regulatory proceedings | Disciplinary actions by the SEBI or stock Exchanges against the Promoters | Material civil litigations | Aggregate amount involved to the extent ascertainable (₹ in lakhs) * |
|-----------------------|----------------------|-----------------|-----------------------------------|---|----------------------------|--|
| <b>Company</b>        |                      |                 |                                   |   |                            |  |
| By the Company        | 3                    | 0               | 0                                 | 0   | 0                          | 10.25  |
| Against the Company   | 0                    | 2               | 1                                 | 0   | 1                          | 149.80   |
|                       |                      |                 |                                   |   |                            |  |
| By the Directors      | 0                    | 0               | 0                                 | 0   | 0                          | 0  |
| Against the Directors | 0                    | 0               | 0                                 | 0   | 0                          | 0  |
|                       |                      |                 |                                   |   |                            |  |
| By the Promoters      | 0                    | 0               | 0                                 | 0   | 0                          | 0  |
| Against the Promoters | 0                    | 0               | 0                                 | 0   | 0                          | 0  |

\*To the extent quantifiable

\*\*To the extent material for our Company

**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:**

(i) A show cause notice dated March 22, 2013 was issued by the Directorate of Revenue Intelligence ("DRI") for miss-classification of Sound Amplifiers and audio-video receivers ("AVR's") under different customs tariff headings i.e., 8518 and 8543, claiming the AVR's as audio frequency amplifiers, reception apparatus for radio broadcasting and electrical machine & apparatus and thereby not discharged appropriate custom duties on the AVR's which are correctly classifiable under heading 8527 and the alleged differential duty needed to be paid in the aforementioned matter reference is Rs. 105.09 Lakhs. Our Company has filed a reply to such show-cause notice dated August 23, 2013 stating that the aforementioned show cause notice has not been issued by the proper officer competent to issue show cause notices under Section 28 for part of the period under scrutiny, and also mention that as per the standard practice the goods are classified based on their principal function and amplifiers are used for amplification of electric signals and hence classified under the correct headings and the show cause notice does not mention why the amplifiers to be classified under CTH 8527 heading and the demand is not sustainable because the assessment in bill of entry is nowhere challenged by the department in the show cause notice.

An order dated August 26, 2015 was issued by the Office of the Commissioner of Customs, Chennai, stating that the AVR's imported by our Company was not just an amplifier but also having other functional features, that are not technically related to amplifying functionality and hence should be classified under the CTH 8527 head only and not 8518 or any other heading and as it is purposely misclassified the goods are also liable for confiscation and the also the penalty is needed to be paid.

An appeal bearing no. CUSTOMS/0042414/2015 dated December 14, 2015 has been filed against the aforementioned order before the Ld. Customs, Excise and Service Tax Appellate Tribunal, Chennai ("Ld. Tribunal") stating that the show cause notice dated March 22, 2013 issued by the DRI is issued without jurisdiction and hence the impugned order confirming the demand mentioned in the show cause notice is liable to be set aside and the differential duty mentioned in the show cause notice to be removed. The appeal is currently pending for adjudication and the case listed on February 14, 2025 which is adjourned to 7<sup>th</sup> July 2025 for hearing.

(ii) A notice dated August 05, 2018 was issued by the Regional Office, Employee's State Insurance Corporation stating that our Company has not complied and not given the contributions for the wage period April, 2011 to April 2014 and may be liable to be prosecuted under section 85(a)/85(e) of the Employee State Insurance Act, 1948 for the default. our Company has replied two times to the aforementioned notice dated August 11, 2014 and June 11, 2024 stating that there were no employees who were coming under the purview of ESI and hence there has been no contribution remitted for the said period, and requested the department to excuse our Company for not filing the NIL returns towards the mentioned time period. As our Company has not received any response from the ESI department, our Company has re submitted the aforementioned letter on August 07, 2024.

(iii) Direct Tax:

(Amount in ₹ Lakhs)

| Nature of Proceedings | Number of cases | Amount involved* |
|-----------------------|-----------------|------------------|
| TDS                   | 1               | 22.87            |
| <b>Total</b>          | <b>1</b>        | <b>22.87</b>     |

(iv) A case bearing no. Com. O.S./1162/2024 was filed by B S Satish Rao & Anr. ("Plaintiffs") against Pro FX Tech Pvt. Ltd. ("our Company") and Ors. (collectively referred as "Defendant's") before the Ld. City Civil and Sessions Judge, Bangalore South, Bengaluru ("Ld. Court"). The plaintiff alleged that our Company was using its premises as tenant during the year 2021 and during that alleged tenure, there were defaults in rent payment and also alleged alteration and modification of the structure was conducted by the Defendant's, and also failed to vacate the premises on time, and therefore there is alleged due to be paid to the Defendant amounting Rs.20,83,170/- for the alleged rent arrear and Rs.1,00,000 for the damages. The present case is pending before the Ld. Court and the next date of hearing is June 25, 2025.

- (i) Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any – **Nil**
- (ii) Brief details of outstanding criminal proceedings against Promoters – **Nil**

For further details on "Outstanding Litigations and Material Developments" please refer page 208 of the Red Herring Prospectus.

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY - NIL**

**DECLARATION BY THE COMPANY**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.