

To

Date: 26th May, 2026

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400051

NSE Symbol: PHANTOMFX

Sub: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 – Receipt of Administrative Warning Letter from SEBI along with Clarification.

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Company has received an Administrative Warning Letter dated May 25, 2026 from the Securities and Exchange Board of India (“SEBI”) on 26th May, 2026 in relation to the non-compliance pursuant to Regulation 180(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 pertaining to the Qualified Institutional Placement (“QIP”) undertaken by the Company during the financial year 2025-26.

SEBI, in its letter, has observed that two proposed allottees, who were related/group entities, were required to be treated as a single allottee for the purpose of Regulation 180(1) of SEBI ICDR Regulations, 2018, resulting in non-compliance with the minimum allottee requirement prescribed under the said regulation.

In this regard, the Company would like to clarify that:

1. The said allotment was proposed as part of a QIP tranche approved by the Board of Directors on May 8, 2025.
2. During the process of obtaining the listing approval from the stock exchange, the observation regarding the relationship between the said allottees was identified.
3. Upon being informed of the same by the Stock Exchange during the process of obtaining listing approval, the Company had voluntarily withdrawn and nullified the said allotment vide Board Resolution dated May 9, 2025 and thereafter, the same was duly informed to the Stock Exchange on May 9, 2025 itself. Accordingly, no securities were ultimately allotted pursuant to the said tranche.
4. There was no loss caused to investors/shareholders and no funds pertaining to the said tranche continued to remain with the Company.
5. The Company has taken note of the observations made by SEBI and shall further strengthen its internal compliance review and due diligence mechanisms to ensure strict adherence to all applicable regulatory provisions going forward.

The Warning Letter does not impose any monetary penalty or restriction on the operations of the Company. The Company further clarifies that the present disclosure is being submitted upon receipt of the aforesaid communication on 26th May, 2026 and completion of internal review and assessment of disclosure requirements under Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015 and applicable Industry Standards.

The aforesaid matter shall also be placed before the Board of Directors in the ensuing Board Meeting for its noting.

Kindly take the same on record.

**Thanking You,
For Phantom Digital Effects Limited**

**Bejoy Arputharaj Sam Manohar
Chairman & Managing Director
DIN - 03459098**