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(Please scan the QR code to view the prospectus)

UNIMECH AEROSPACE AND MANUFACTURING LIMITED

Our Company was originally incorporated as "Unimech Aerospace and Manufacturing Private Limited" under the provisions of the Companies Act, 2013 pursuant to a certificate of incorporation dated August 12, 2016, issued by the Central Registration Centre, for and on behalf of the Jurisdictional Registrar of Companies, Karnataka at Bangalore ("RoC"). The name of our Company was subsequently changed to "Unimech Aerospace and Manufacturing Limited", upon conversion of our Company from a private limited to a public limited company, pursuant to a board resolution dated February 14, 2024, and a shareholders' resolution dated March 4, 2024. A fresh certificate of incorporation dated June 21, 2024, was issued by the RoC. For further details of change in name and Registered Office of our Company, please refer to the section titled "History and Certain Corporate Matters - Brief history of our Company" and "History and Certain Corporate Matters - Changes in the Registered Office of our Company" on page 235 of the Prospectus dated December 26, 2024 ("Prospectus") filed with the RoC.

Registered and Corporate Office: 538, 539, 542 & 543, 7th Main of Peenya IV Phase Industrial Area, Yeshwanthpur Hobli, Bangalore North Taluk - 560058, Bangalore, Karnataka, India. Telephone: 080-4204 6782; Contact Person: Krishnappayya Desai, Company Secretary and Compliance Officer
E-mail: investorrelations@unimechaerospace.com; Website: www.unimechaerospace.com; Corporate Identity Number: U30305KA2016PLC095712

OUR PROMOTERS: ANIL KUMAR P, RAMAKRISHNA KAMOJHALA, MANI P, RAJANIKANTH BALARAMAN, PREETHAM S V

Our Company has filed the Prospectus with the RoC and the Equity Shares (as defined below) are proposed to be listed on the Stock Exchange and trading will commence on or about, Tuesday, December 31, 2024

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 63,69,426 EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹785 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹780 PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING TO ₹ 5,000.00 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 31,84,713 EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY OUR COMPANY AGGREGATING TO ₹ 2,500.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 31,84,713 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 2,500.00 MILLION (THE "OFFER FOR SALE"), COMPRISING 5,73,248 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 450.00 MILLION BY RAMAKRISHNA KAMOJHALA, 5,73,249 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 450.00 MILLION BY MANI P, 5,73,248 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 450.00 MILLION BY RAJANIKANTH BALARAMAN, 3,82,166 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 300.00 MILLION BY PREETHAM S V AND 10,82,802 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 850.00 MILLION BY RASMI ANIL KUMAR (REFERRED TO AS THE "SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES"). THE OFFER INCLUDES A RESERVATION OF 19,108 EQUITY SHARES OF FACE VALUE OF ₹5 EACH, AGGREGATING TO ₹15.00 MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTES 12.52% AND 12.49%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

ANCHOR INVESTOR OFFER PRICE: ₹ 785 PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH
OFFER PRICE: ₹ 785 PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH
THE OFFER PRICE IS 157 TIMES OF THE FACE VALUE

RISK TO INVESTORS

(For details refer to section titled "Risk Factors" on page 28 of the RHP)

- Revenue concentration from the aerospace sector:** A significant portion of our total revenue from operations is attributable to the aerospace sector wherein we manufacture products pertaining to aero engine tooling and airframe tooling. Any adverse changes in the aerospace sector could adversely impact our business, results of operations and financial condition.

The table below sets forth the contribution from the aerospace sector for the period indicated:

Particulars	For the six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations
Revenue from aerospace sector	1,185.42	98.25	2,074.12	99.35%	891.79	94.70%	348.38	95.84%

- Concentration of revenue in top 5 customer:** We are dependent on our top five customers and the loss of any of these customers or a significant reduction in purchases by any of them could adversely affect our business, results of operations and financial condition.

The table below sets forth the revenue derived from our top 5 customers during the for the period indicated:

Particulars	For six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations
Top 5 customers	1,141.61	94.62%	2,021.01	96.80%	884.00	93.88%	323.39	88.97%

- Risk related to exports and foreign currency fluctuation:** Our business is dependent on exports and the performance of geographies where we supply our products. Any adverse changes in the conditions affecting the industries in global markets in which our products are supplied, including our key markets such as United States and Germany, can adversely impact our business, cash flows, results of operations and financial condition. Also, we are exposed to foreign currency exchange rate fluctuations. As on date of this Prospectus, our Company does not have a hedging policy in place and hence, we may not be able to hedge our risk exposures, particularly during volatile interest rate environments which may have an adverse effect on our results of operations and profitability, independent of our operating results.

Below are the details of our revenue from operations across various geographic regions and as a percentage of our total revenue for the period indicated:

Geography	Six-months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
For Our Company								
With in India	52.29	4.33	49.26	2.36	45.21	4.80	32.48	8.94
Outside India	1,154.27	95.67	2,038.49	97.64	896.45	95.20	331.01	91.06
For Material Subsidiary								
With in India	2.92	0.29	2.64	0.14	7.03	1.02	3.51	1.42
Outside India	1,004.05	99.71	1,862.69	99.86	685.13	98.98	243.13	98.28

- Risk related to dependency on Material Subsidiary:** A significant part of our operations are conducted through our Material Subsidiary, Innomech Aerospace Toolings Private Limited ("Innomech"), and we are dependent on the operating income and cash flows generated by Innomech. Any loss or reduction in the business attributable to our subsidiary, or a change in our shareholding in Innomech, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition on a consolidated basis.

Set out below are the details of our revenue from operations which is attributable to Innomech for the period indicated:

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Total revenue of Innomech (₹ million)	% of our total consolidated revenue from operations	Total revenue of Innomech (₹ million)	% of our total consolidated revenue from operations	Total revenue of Innomech (₹ million)	% of our total consolidated revenue from operations	Total revenue of Innomech (₹ million)	% of our total consolidated revenue from operations
Revenue from operations	1,006.97	83.46	1,865.33	89.35	692.16	73.50	247.38	68.06

cash flows in past periods: We have experienced negative cash flows from investing and financing activities in previous periods and cannot assure you that we will not experience negative cash flows in future periods. Negative cash flows may adversely affect our financial condition, results of operations and prospects.

The following table sets forth certain information relating to our cash flows as per the Restated Consolidated Financial Information for the period indicated:

Particulars	Six months ended September 30, 2024 (₹ million)	Fiscal		
		2024	2023	2022
Net cash generated from operating activities	500.26	236.33	13.54	15.28
Net cash generated from / (used in) investing activities	(3,359.70)	(239.22)	(59.19)	8.15
Net cash generated from / (used in) financing activities	2,863.07	55.80	29.36	(1.68)
Cash and cash equivalents at the end of the year	75.48	71.78	18.75	34.49

- Majority of net proceeds will be utilized for investment in Material Subsidiary:** Majority of the Net Proceeds i.e. 67.60% of our Net Proceeds, will be utilised for the Material Subsidiary by funding its capital expenditure, working capital requirements and repayment of its outstanding debt. Any deviation or failure in achieving these objectives may adversely impact the anticipated returns from the issue proceeds which could directly affect the consolidated financial performance of our Company.

- Risk related to working capital cycle:** Our business works on a longer gestation period wherein, there is considerable time gap of 7 to 28 weeks between the receipt of order and the payment, thereby, affecting our working capital requirements.

- Risk related to future growth:** While we have achieved substantial revenue growth and expanded manufacturing capacity in recent years, it's important to note that our historical growth rate is partially attributed to a relatively small revenue base. We experienced substantial increase in our revenue from operations i.e. 121.71% in Fiscal 2024 as compared to Fiscal 2023 and such growth may not be replicated in future or be indicative of our Company's future financial performance. There is no assurance that we can sustain this high growth rate in the future. Market conditions, competitive pressures, and economic factors could impact our ability to achieve similar growth levels going forward.

- No long-term raw material supply agreements:** Our business and profitability is substantially dependent on the availability and cost of our raw materials, and any disruption to the timely and adequate supply of raw materials, or volatility in the prices of raw materials may adversely impact our business, results of operations and financial condition. We depend on these third-party suppliers of raw materials and do not have firm commitments for supply or exclusive arrangements with any of our suppliers and are required to pay advances from time to time. The absence of long-term contracts or exclusive arrangements and non-recovery of advances, exposes us to potential supply chain disruptions which could significantly impact our production capacity, leading to delays in order fulfillment and potential loss of revenue.

- Risk related to proposed expansion in Material Subsidiary:** Our proposed expansion plans relating to the manufacturing facilities in our Material Subsidiary facility, proposed investment in new facility by our Company in Bengaluru, Karnataka and are subject to the risk of unanticipated delays in implementation and cost overruns.

- Lengthy customer-onboarding cycle:** Our process of onboarding a customer can take up to three years, which may cause delays in revenue generation and dependency on trust-building for scaling operations and adversely harm our financial condition and future results of operations.

- Acquisition of equity by one of the Promoter in last one year:** Our Promoter, Anil Kumar P had acquired Equity Shares in the Company on March 29, 2024, which may influence investor perception.

- No long-term agreements with customers:** We generally do business with our customers on a purchase order basis and our customers do not make long-term commitments/ agreements with us and may cancel or change the purchase order as per their production requirements. Such cancellations or changes may adversely affect our financial condition, cash flows and results of operations.

- The Offer for Sale comprises 50% of the total Offer size:** The Offer of 63,69,426 Equity Shares aggregating to ₹ 5,000.00 million, comprises a Fresh Issue of 31,84,713 Equity Shares aggregating to ₹ 2,500.00 million, and an Offer for Sale of 31,84,713 Equity Shares aggregating to ₹ 2,500.00 million by the Selling Shareholders. The Offer for Sale comprises 50% of the total Offer size. Our Company will not receive any proceeds from the Offer for Sale.

- The Offer Price of our Equity Shares, our market capitalization to total income and our Price to Earning ratio at Offer Price may not be indicative of the market price of the Equity Shares after the Offer.

Particulars	Ratio vis-à-vis Floor Price (₹ 745)	Ratio vis-à-vis Cap Price (₹ 785)
Market capitalization to total income	18.21	19.12
Price to Earning (Diluted)	56.31	59.33
Price to Book Value	149	157

- Weighted average cost of acquisition for all specified securities transacted over the three years, 18 months and one year preceding the date of the Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹) ^{(1) (2)}	Cap Price is 'x' times the weighted average cost of acquisition ^A	Range of acquisition price per Equity Share: lowest price - highest price (in ₹) [*]
Last one year preceding the date of this Prospectus	54.85	14.31	Nil - 681.74
Last 18 months preceding the date of this Prospectus	54.91	14.30	Nil - 5,495.00 ⁽³⁾
Last three years preceding the date of this Prospectus	54.91	14.30	Nil - 5,495.00 ⁽³⁾

^AAs certified by Vishnu Daya & Co LLP, Independent Chartered Accountants, with firm registration number 008456S, by way of their certificate dated December 26, 2024.

⁽¹⁾Pursuant to a resolution passed by the Board on December 22, 2023 and a resolution passed by the shareholders on December 23, 2023, each equity share of face value of ₹100 each has been split into 20 Equity Shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of the Company was sub-divided from 1,04,774 equity shares of face value of ₹100 each to 20,95,480 Equity Shares of face value of ₹5 each. The cost for computation of the average price is considered as 'Nil' towards share split.

⁽²⁾The Board of Directors pursuant to a resolution dated December 26, 2023 and Shareholders pursuant to special resolution dated December 27, 2023, have approved the issuance of 4,19,09,600 bonus Equity Shares in the ratio of twenty Equity Shares for every one existing fully paid up equity share. The average cost of acquisition per equity share has been adjusted for such bonus issuance and cost is considered as 'Nil'. Cost of acquisition for sub-divided shares is considered as 'Nil'.

⁽³⁾Not adjusted for share split pursuant to a resolution passed by the Board on December 22, 2023 and a resolution passed by the share holders on December 23, 2023 and for bonus issue pursuant to the Board of Directors resolution dated December 26, 2023 and Shareholders pursuant to special resolution dated December 27, 2023.

- The two BRLMs associated with the Offer have handled 23 public issues in the past three Financial Years, out of which 6 issues closed below the Offer price on the listing date.

Name of BRLMs	Total Public Issues	Issued Closed below the Offer on Price Listing Date
Anand Rathi Advisors Limited*	4	1
Equirus Capital Private Limited*	18	5
Common Issues of above BRLMs	1	Nil
Total	23	6

*Issues handled where there were no common BRLMs

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE OPENED AND CLOSED ON : FRIDAY, DECEMBER 20, 2024

BID/OFFER OPENED ON MONDAY, DECEMBER 23, 2024 | BID/OFFER CLOSED ON THURSDAY, DECEMBER 26, 2024 | PROPOSED LISTING ON TUESDAY, DECEMBER 31, 2024

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