Prime Focus Luxembourg S.à r.l.
Balance sheet as at March 31, 2019 *In $*

		As at	
	Notes	**31.03.2019**	**31.03.2018**
Assets			
Non-current assets			
Property, plant and equipment			
Tangible assets		-	-
Intangible assets		-	-
Capital work-in-progress		-	-
Intangible assets under development		-	-
Financial assets		-	-
Investments	3	34,667,181	34,667,181
Other financial assets		-	-
Deferred tax asset (net)		-	-
Other non-current assets		-	-
		34,667,181	**34,667,181**
Current assets			
Inventories		-	-
Financial assets			
Investments		-	-
Trade receivables		-	-
Cash and bank balances		-	-
Other financial assets	4	16,530	16,530
Other current assets		-	-
		16,530	**16,530**
TOTAL ASSETS		**34,683,710**	**34,683,710**
Equity and Liabilities			
Shareholders' funds			
Equity		17,320,000	17,320,000
Other equity	5	(4,132,756)	(3,577,629)
		13,187,244	**13,742,371**
Non-current liabilities			
Deferred tax liability (net)		-	-
Financial liabilities			
Borrowings		-	-
Other financial liabilities	6	21,177,570	20,658,570
Provisions		-	-
		21,177,570	**20,658,570**
Current liabilities			
Financial liabilities			
Borrowings		-	-
Trade payables		46,576	49,516
Other current financial liabilities	7	272,320	233,253
Provisions		-	-
		318,896	**282,769**
TOTAL EQUITY & LIABILITIES		**34,683,710**	**34,683,710**

See accompanying notes to the financial statements

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2019

Nishant Fadia

Prime Focus Luxembourg S.à r.l.
Statement of profit and loss for the year ended March 31, 2019 *In $*

Particulars		**Year ended**	
	Notes	**31.03.2019**	**31.03.2018**
Income from operations			
Revenue from operations		-	-
Other operating income		-	-
Other income:			
a) Exchange gain (net)		-	-
b) Others		-	2,747
Total income from operations		**-**	**2,747**
Expenses			
Employee benefits expense		-	-
Technician fees		-	-
Technical service cost		-	-
Finance costs	9	519,000	520,700
Depreciation and amortisation expense		-	-
Other expenditure	8	34,160	30,972
Exchange loss (net)		1,967	4,899
Total Expenses		**555,127**	**556,571**
Profit from operations before exceptional items		**(555,127)**	**(553,824)**
Exceptional items - expenditure / (income) (net)		-	-
Profit / (Loss) from ordinary activities before tax		**(555,127)**	**(553,824)**
Current tax		-	5,775
Deferred tax		-	-
Net Profit / (Loss) for the year		**(555,127)**	**(559,599)**
Earnings per equity share of face value of $ 1 each (before exceptional items)			
Basic		(0.03)	(0.03)
Diluted		(0.03)	(0.03)
Earnings per equity share of face value of $ 1 each (after exceptional items)			
Basic		(0.03)	(0.03)
Diluted		(0.03)	(0.03)

See accompanying notes to the financial statements

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2019

Nishant Fadia

Prime Focus Luxembourg S.à r.l.

Statement of Changes in Equity for the year ended March 31, 2019

Changes in Equity Share capital

	No of shares	Amount in $
As at 1st April 2017	17,320,000	17,320,000
Changes during the year	-	-
As at 31st March 2018	**17,320,000**	**17,320,000**
Changes during the year	-	-
As at 31st March 2019	**17,320,000**	**17,320,000**

Changes in Other Equity in $

	Retained earnings	Securities premium	Total other equity
As at 1st April 2017	(3,065,212)	47,181	(3,018,031)
Profit/ (loss) for the year	(559,599)	-	(559,599)
As at 31st March 2018	**(3,624,810)**	**47,181**	**(3,577,629)**
Profit/ (loss) for the year	(555,127)	-	(555,127)
As at 31st March 2019	**(4,179,937)**	**47,181**	**(4,132,756)**

See accompanying notes to the financial statements

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2019

Nishant Fadia

Prime Focus Luxembourg S.à r.l.

Cash Flow Statement for the year ended March 31, 2019 in $

Particulars		Notes	Year ended	
			31-Mar-19	**31-Mar-18**
A.	**Cash flow from Operating activities**			
	Net Profit before taxation		**(555,127)**	**(553,824)**
	Adjustments for :			
	Finance cost		519,000	520,700
	Operating profit before working capital changes		**(36,127)**	**(33,124)**
	Movements in working capital :			
	Increase/(Decrease) in current liabilities		39,067	25,333
	Increase/(Decrease) in trade payable		(2,941)	10,337
	Increase/(Decrease) in long-term liabilities		-	-
	Decrease / (increase) in short-term loans and advances		-	794
	Cash generated from operations		**-**	**3,340**
	Direct Taxes paid (Net of Refunds)		-	(3,340)
	Net Cash from operating activities		**-**	**-**
B.	**Cash flow from investing activites**			
	Purchase of investment in subsidiaries		-	-
	Net Cash from investing activities		**-**	**-**
C.	**Cash flow from Financing activities**			
	Proceeds from issuance shares		-	-
	Finance cost paid		-	-
	Net cash used in Financing activities		**-**	**-**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		**-**	**-**
	Cash and cash equivalents at the beginning of the year	6	-	-
	Cash and cash equivalents at the end of the year		**-**	**-**
	Notes to accounts			

See accompanying notes to the financial statements

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2019

Nishant Fadia

1. Corporate information

Prime Focus Luxembourg S.à r.l. (hereinafter referred to as "the Company") was incorporated on September 21, 2011, and organised in the laws of Luxembourg in the form of a Societe a Responsibilite Limitee for an unlimted period. Its registered office is established at 65 Boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg.

The Company object is the direct and indirect acquisition and holding of participating interests, in any form whatsoever, in Luxembourg and/or in foreign undertakings, and the administration, development and management of such interests. In addition, the object of the Company also is to provide creative and technical services for the Film, Broadcast, Commercial, Gaming, Internet and Media Industries in Luxembourg.

This includes, but is not limited to, investment in, acquirement of, disposal of, granting or issuing (without a public offer) of preferred equity certificates, loans, bonds, notes debentures and other debt instruments, shares, warrants and other equity instruments or rights, including, but not limited to, shares of capital stock, limited partnership interests, limited liability company interests, preferred stock, securities and swaps, and any combination of the foregoing, in each cast whether readily marketable or not, and obligiations (including but not limited to synthetic securities obligations) in any type of company, entity or other legal person.

2. Statement of significant accounting policies:

a. Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as ‘Ind AS’). The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IND AS 102, leasing transactions that are within the scope of IND AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IND AS 2 or value in use in IND AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active matters for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c. Dividend income and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d. Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

e. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

f. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, expect when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

g. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

h. Cash flow statements

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Prime Focus Luxembourg S.à r.l.

3. Non-current investments

in $

	As at	
	31.03.2019	**31.03.2018**
Prime Focus 3D Cooperatief U.A., Netherlands	34,667,181	34,667,181
	34,667,181	**34,667,181**

4. Current financial assets (unsecured - considered good)

in $

	As at	
	31.03.2019	**31.03.2018**
Advance tax paid	10,168	10,168
Other loans and advances	6,362	6,362
	16,530	**16,530**

5. Other equity

in $

	As at	
	31.03.2019	**31.03.2018**
Security premium		
Balance as per last financial statements	47,181	47,181
	47,181	**47,181**
Retained earnings		
Balance as per last financial statements	(3,624,810)	(3,065,211)
Profit for the year	(555,127)	(559,599)
Net retained earnings	**(4,179,937)**	**(3,624,810)**
Total other equity	**(4,132,756)**	**(3,577,629)**

6. Other non-current financial liabilities

in $

	As at	
	31.03.2019	**31.03.2018**
Convertible preferred equity certificates (CPEC)	17,300,000	17,300,000
Accrued interest on CPEC	3,877,570	3,358,570
	21,177,570	**20,658,570**

7. Other current financial liabilities

in $

	As at	
	31.03.2019	**31.03.2018**
Owed to fellow company	252,407	213,339
Provision for taxation	19,775	19,775
Other payable	138	138
	272,320	**233,253**

Prime Focus Luxembourg S.à r.l.

8. Other expenses in $

	Year ended	
	31.03.2019	**31.03.2018**
Administration fees	6,200	6,174
Insurance fees	560	563
Professional fees	18,250	15,168
Management service	4,750	4,691
Licence and registration fees	2,400	2,413
Miscellaneous expense	2,000	1,886
Taxes paid	-	76
	34,160	**30,972**

9. Finance cost in $

	Year ended	
	31.03.2019	**31.03.2018**
Interests on the CPEC	519,000	519,000
Bank charges	-	1,700
	519,000	**520,700**

10. Related Party Disclosure

List of related Parties where control exists and related parties with whom transactions have taken place and relationships:

Name of thr related party	Relationship
PF World Limited, Mauritius	Parent Company
Prime Focus International Services Ltd. Uk	Fellow Group Company
PF Investments Ltd	Fellow Group Company

Related Party Transaction During the Year in $

	As at	
	31.03.2019	**31.03.2018**
Accrued interest on CPEC		
PF World Limited, Mauritius	519,000	519,000
Payment made by on our behalf		
Prime Focus World Nv.	4,545	23,859
Prime Focus North America	7,616	-
Prime Focus International Services Ltd, Uk	29,970	18,236
Payable to Prime Focus North America, Prime Focus World Nv. and Prime Focus International Services Ltd, Uk assigned to		
PF World Limited, Mauritius	114,263	-

in $

	As at	
	31.03.2019	**31.03.2018**
Closing Balance		
Convertible preferred equity certificates (CPEC)		
PF World Limited, Mauritius	17,300,000	17,300,000
Accrued interest on CPEC		
PF World Limited, Mauritius	3,877,570	3,358,570
Owed to fellow company		
PF World Limited, Mauritius	245,158	130,895
Prime Focus North America	-	32,552
Prime Focus World Nv.	-	23,859
Prime Focus International Services Ltd, Uk	-	18,236
Prime Focus Technologies Private Limited	7,248	7,796

11. Financial instruments

i Fair Value Measurements

in $

	As at		As at	
	31.03.2019	**31.03.2018**	**31.03.2019**	**31.03.2018**
	Carrying Value		**Fair Value**	
A Financial Assets:				
Cash ad cash equivalents	-	-	-	-
Other financial assets	16,530	16,530	-	-
Total	**16,530**	**16,530**	**-**	**-**
B Financial Liabilities:				
Trade payables	46,576	49,516	-	-
Other current financial liabilities	272,320	233,253	-	-
Other non-current financial liabilities	21,177,570	20,658,570	-	-
Total	**21,496,466**	**20,941,339**	**-**	**-**

ii. Capital Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The company management sets the amounts of capital required in proportion to risk. The company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The company is not subject to any externally imposed capital requirements.

iii. Financial risk management

The company is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk

Credit Risk

Cash is held with banks having good credit ratings and Company does not anticipate any risk in value.

Liquidity Risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the company has sufficient cash at all times to meet liabilities as they fall due.

The following analysis sets out the maturities of financial assets and liabilities.

Market risk

The Company is primarily exposed to the following market risks.

a. Foreign Currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

The Company's foreign currency exposure as at year end is as follows:

Particulars	**Foreign Currency Denominati**	**As at March 31, 2019**		**As at March 31, 2018**	
		Foreign Currency	**In $**	**Foreign Currency**	**In $**
Liability	GBP	5,566	7,248	13,018	14,796
	USD	-	-	187,306	151,952
Liability Total			**7,248**		**166,748**

The Company's foreign currency exposure as at year end is as follows:

5% appreciation/ depreciation of respective foreign currencies with respect to functional currency would result in decrease/ increase in the Company's profit before tax by approximately $ 362 for the year ended March 31, 2019 [March 31, 2018: $ 8,337]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

b. Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with group companies and others to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

in $

At 31 March 2019	Less than 12 months	More than 12 months	Total
Financial liabilities			
Trade Payables	46,576	-	**46,576**
Other current financial liabilities	272,320	-	**272,320**
Other non-current financial liabilities	-	21,177,570	**21,177,570**
	318,896	**21,177,570**	**21,496,466**

in $

At 31 March 2018	Less than 12 months	More than 12 months	Total
Financial liabilities			
Trade Payables	49,516	-	**49,516**
Other current financial liabilities	233,253	-	**233,253**
Other non-current financial liabilities	-	20,658,570	**20,658,570**
	282,769	**20,658,570**	**20,941,339**

12. Earnings per share

in $

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Net (loss) attributable to equity shareholders	(555,127)	(559,599)
Exceptional items (net of tax)	-	-
Net Profit/(loss) before exceptional items but after tax	(555,127)	(559,599)
Weighted average number of equity shares in calculating basic and diluted EPS	**17,320,000**	**17,320,000**
Earnings per share (before exceptional items)		
Basic EPS	(0.03)	(0.03)
Diluted EPS	(0.03)	(0.03)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2019

Nishant Fadia