



Independent Auditors' Report

**To the Members of
PF World Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **PF World Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2021;
- (ii) in the case of the Statement of Profit and Loss, the **Loss** for the year ended on that date;
- (iii) in the case of the Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account; and
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

For **V. Shivkumar & Associates**
Chartered Accountants
FRN No.: 112781W

Place: Mumbai
Date: 22nd June, 2021

V. Shivkumar
Proprietor
M. No.: 042673

UDIN: 21042673AAAAALD5292

PF WORLD LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	Year ended 31 March 2021 USD	Year ended 31 March 2020 USD
ASSETS			
Non current asstes			
Investments in subsidiary	4 (a)	28,367,282	47,177,969
Convertible preferred equity certificates	4 (b)	17,300,000	17,300,000
Optionally convertible redeemable preference	4 (c)	46,977,703	46,977,703
Other long term receivables	5	39,862,000	9,362,000
		132,506,985	120,817,672
Current assets			
Other current financial assets	6	60,236,568	5,240,065
Cash at bank		261,705	89,611
		60,498,273	5,329,675
TOTAL ASSETS		193,005,258	126,147,347
EQUITY AND LIABILITIES			
Equity			
Stated capital	7	52,864,869	81,872,396
Accumulated profit		(15,701,052)	(3,487,401)
		37,163,817	78,384,995
Non current liabilities			
Other non-current financial liabilities	8	11,335,000	11,335,000
		11,335,000	11,335,000
Current liabilities			
Borrowing (current)	9	95,000,000	-
Other current financial liabilities	10	49,506,441	36,427,352
		144,506,441	36,427,352
TOTAL EQUITY AND LIABILITIES		193,005,258	126,147,347

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
June 22, 2021

Nishant Fadia

PF WORLD LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Year ended 31 March 2021 USD	Year ended 31 March 2020 USD
Income	11	62,967 62,967	(22,463) (22,463)
Expenses	12	359,645	3,408,622
Finance cost	13	11,916,973	1,388,240
Profit before tax		(12,213,651)	(4,819,325)
Tax		-	-
Profit after tax		(12,213,651)	(4,819,325)
Other comprehensive income		-	-
Total comprehensive income for the year		(12,213,651)	(4,819,325)
Profit per share		(115.22)	(45.47)

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
June 22, 2021

Nishant Fadia

PF WORLD LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Stated capital USD	Optionally convertible preference shares USD	Accumulated profit / (loss) USD	Total USD
Balance at 01 April 2019	106,000	76,666,396	1,331,924	78,104,320
Addition	-	5,100,000	-	5,100,000
Total comprehensive loss for the year	-	-	(4,819,325)	(4,819,325)
Balance at 31 March 2020	106,000	81,766,396	(3,487,401)	78,384,995
Addition	-	8,200,000	-	8,200,000
Redemption	-	(37,207,527)	-	(37,207,527)
Total comprehensive loss for the year	-	-	(12,213,651)	(12,213,651)
Balance at 31 March 2021	106,000	52,758,869	(15,701,052)	37,163,817

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
June 22, 2021

Nishant Fadia

PF WORLD LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Year ended 31 March 2021 USD	Year ended 31 March 2020 USD
Cash flows from operating activities		
(Loss) / Profit for the year	(12,213,651)	(4,819,325)
Advance written off	-	3,000,000
Unrealized foreign exchange (gain) / loss (net)	(34,046)	-
Finance cost	11,916,973	1,382,076
Interest income	(28,480)	(22,463)
Operating loss before working capital changes	(359,204)	(459,711)
(Increase) in other receivables	(55,657,235)	(10,645,538)
Increase in current liabilities	8,412,848	21,448,111
Net cash absorbed by operating activities	(47,603,591)	10,342,861
Cash flows from investing activities		
Share application money	-	-
Investments in subsidiaries	(11,000,101)	-
Net cash flows from investing activities	(11,000,101)	-
Cash flows from financing activities		
Proceeds / (repayment) of Short-term loans	95,000,000	(14,802,098)
(Repayment) / proceeds of optionally convertible preference shares	(29,007,527)	5,100,000
Premium paid on optionally convertible preference shares	(6,042,473)	-
Finance cost paid	(1,174,214)	(632,525)
Net cash from financing activities	58,775,786	(10,334,623)
Net movement in cash and cash equivalents	172,094	8,238
Cash and cash equivalents at beginning of year	89,611	81,372
Cash and cash equivalents at end of year	261,705	89,611
Cash and cash equivalents consist of:		
Cash at bank	261,705	89,611

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
June 22, 2021

Nishant Fadia

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Corporate information

PF World Limited (the “Company”) was incorporated in the Republic of Mauritius on November 10, 2010 as a private company with liability limited by shares in accordance with Companies Act 2001. The Company holds a Category 1, Global Business License as issued by the Financial Services Commission and is governed by the Financial Services Act 2007. The Company’s registered office is at C/o Amicorp Mauritius Limited, 6th floor, Tower 1, Nexteracom Buildings, Ebene, Mauritius.

The principal activity of the Company is to act as an investment holding company. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has chosen to retain the United States Dollars (USD) as its reporting currency.

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:

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

- Level 1 inputs are quoted prices (unadjusted) in active markets 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.

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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 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.

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except 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.

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4 INVESTMENTS

4 (a) Investment in subsidiary

	As at March 31, 2021 USD	As at March 31, 2020 USD
Prime Focus Luxembourg S.a.r.l		
Opening balance	17,367,181	17,367,181
Addition	-	-
Closing balance	<u>17,367,181</u>	<u>17,367,181</u>

Details of investee company:	No. of shares	Class of shares	Percentage holding	Country of incorporation	Amount USD
Prime Focus Luxembourg S.a.r.l	17,320,000	Equity	100%	Luxembourg	17,367,181

	As at March 31, 2021 USD	As at March 31, 2020 USD
Prime Focus World Nv.		
Opening balance	18,810,788	-
Additions	(18,810,788)	18,810,788
Closing balance	<u>-</u>	<u>18,810,788</u>

During the year, company transferred its holding in Prime Focus World Nv. to its subsidiary, PF Overseas Limited for a consideration of USD 18,810,788

Details of investee company:	No. of shares	Class of shares	Percentage holding	Country of incorporation	Amount USD
Prime Focus World Nv.	372,223	Equity	5.90%	Netherlands	-

	As at March 31, 2021 USD	As at March 31, 2020 USD
PF Media Limited *		
Opening balance	11,000,000	-
Additions	-	11,000,000
Closing balance	<u>11,000,000</u>	<u>11,000,000</u>

Details of investee company:	No. of shares	Class of shares	Percentage holding	Country of incorporation	Amount USD
PF Media Limited *	895,111,000	Equity	100%	Mauritius	11,000,000

During the previous year, the Company purchased 895,111,000 equity shares of PF Media Limited from Prime Focus Limited
* Formerly known as Reliance Mediaworks (Mauritius) Limited

	As at March 31, 2021 USD	As at March 31, 2020 USD
PF Overseas Limited		
Opening balance	-	-
Addition during the year	100	-
At year end	<u>100</u>	<u>-</u>

Details of investee company:	No. of shares	Class of shares	Percentage holding	Country of incorporation	Amount USD
PF Overseas Limited *	100	Equity	100%	Mauritius	100

During the year, the Company purchased 100 equity shares of PF Overseas Limited from Prime Focus Limited

	As at March 31, 2021 USD	As at March 31, 2020 USD
Prime Focus Media Uk Limited		
Opening balance	-	-
Addition during the year	1	-
At year end	<u>1</u>	<u>-</u>

Details of investee company:	No. of shares	Class of shares	Percentage holding	Country of incorporation	Amount USD
Prime Focus Media Uk Limited	1	Equity	100%	United Kingdom	1

4 (b) Convertible Preferred Equity Certificates

	As at March 31, 2021 USD	As at March 31, 2020 USD
Prime Focus Luxembourg S.a.r.l		
Opening balance	17,300,000	17,300,000
Additions	-	-
Closing balance	<u>17,300,000</u>	<u>17,300,000</u>

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4 (c) Optionally convertible redeemable preference

	As at March 31, 2021	As at March 31, 2020
	USD	USD
De-Fi Media Limited		
Opening balance	46,977,703	46,977,703
Additions	-	-
Closing balance	<u>46,977,703</u>	<u>46,977,703</u>

4 (d) Share application monies

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Prime Focus World N.V		
Opening balance	-	18,810,788
Converted during the year	-	(18,810,788)
	<u>-</u>	<u>-</u>

5. OTHER NON-CURRENT RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Other receivables	9,362,000	9,362,000
Investments in films	30,500,000	-
	<u>39,862,000</u>	<u>9,362,000</u>

Other receivables include \$ 7,750,000 paid to Project X Entertainment Holdings LLC as advance towards investment.

6. OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Receivable from group companies	59,979,634	5,240,065
Other receivables	256,934	-
	<u>60,236,568</u>	<u>5,240,065</u>

7(a). STATED CAPITAL

	As at March 31, 2021	As at March 31, 2020
	USD	USD
106,000 Ordinary Shares of USD 1 each	106,000	106,000
	<u>106,000</u>	<u>106,000</u>

7(b). REDEEMABLE PREFERENCE SHARES

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Optionally Convertible Preference Shares of USD 1 each	52,758,869	81,766,396
	<u>52,758,869</u>	<u>81,766,396</u>

The preference shares have:

- (a) no voting rights
- (b) preferential rights over the ordinary shares in the distribution of dividends
- (c) preferential rights over the ordinary shares in the distribution of the surplus assets of the company

8. OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Other payables to group companies	11,335,000	11,335,000
	<u>11,335,000</u>	<u>11,335,000</u>

9. BORROWING - CURRENT

	As at March 31, 2021	As at March 31, 2020
	USD	USD
Short-term borrowings	95,000,000	-
	<u>95,000,000</u>	<u>-</u>

During the year, the Company entered into a short term loan agreement for an amount of \$ 100 million with a financial institution for an interest of 20% per annum. Out of this, \$ 95 million was drawn during the year. The loan is repayable on October 1, 2021. The loan is guaranteed by the Company and Prime Focus 3D Cooperatief UA. Further, PF Investments Limited, PF Overseas Limited and PF Luxembourg sarl are additional guarantors to the loan. The Company has pledged its shares in PF Overseas Limited and optionally convertible preference shares held in De-Fi Media Limited. Additionally all bank accounts of the Company has been pledged in favour of the lender. Secondly, Prime Focus Luxembourg Sarl and PF Investments Limited have pledged their membership interest and related rights in Prime Focus 3D Cooperatief UA.

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2021 USD	As at March 31, 2020 USD
Accrued expenses	232,846	8,600
Interest payable on short-term borrowing	2,052,602	-
Deferred consideration payable to group company	-	11,000,000
Other payables to group companies	47,220,992	25,418,752
	49,506,441	36,427,352

11. INCOME

	Year ended March 31, 2021 USD	Year ended March 31, 2020 USD
Interest income - others	441	-
Interest income - group companies	28,480	(22,463)
Exchange gain	34,046	-
	62,967	(22,463)

12. EXPENSES

	Year ended March 31, 2021 USD	Year ended March 31, 2020 USD
Administration fees	5,000	44,233
Audit fees	1,000	2,300
Rate and taxes	-	10,234
Advance written off	-	3,000,000
Licence and registration fees	8,246	5,746
Exchange loss	-	74,946
Professional fees	345,399	271,162
	359,645	3,408,622

13. FINANCE COST

	Year ended March 31, 2021 USD	Year ended March 31, 2020 USD
Interest on Short-term borrowing	4,052,602	-
Interest on group company loans	1,819,442	1,382,076
Premium paid on Non-Convertible Redeemable Preference shares	6,042,473	-
Bank charges	2,455	6,163
	11,916,973	1,388,240

14. TAX

The Company has been established as a Category 1 Global Business Licence company under the Financial Services Act 2007 and is taxable at the rate of 15% for the year ended 31 March 2021. However, the Company is entitled to a tax credit equivalent to the higher of the actual tax suffered on its foreign source of income or 80% of the Mauritian tax. No provision for tax has been made in the financial statements due to the availability of tax losses.

15. LOSS / PROFIT PER SHARE

The profit per share is based on loss for the year USD 12,213,651 (2020: profit of USD 4,819,325) and on 106,000 ordinary share in issue.

16. RELATED PARTY TRANSACTIONS

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

Name of the related party	Relationship
Prime Focus Limited	Holding company
De-Fi Media Limited	Subsidiary
PF Media Limited	Subsidiary
Prime Focus Luxembourg Sarl	Subsidiary
PF Overseas Limited	Subsidiary
Prime Focus Media Uk Limited	Subsidiary
Prime Focus World N.V.	Subsidiary
Prime Focus 3D Cooperatief U.A.	Step down subsidiary
Prime Focus International Services Uk Limited	Step down subsidiary
Double Negative Film Limited	Step down subsidiary
Double Negative UK Limited	Step down subsidiary
Double Negative Canada Productions Limited	Step down subsidiary
PF Investments Limited	Fellow group company
Lowry Digital Imaging Services, Inc	Fellow group company
Prime Focus Technologies Inc	Fellow group company
Prime Focus Technologies Uk Limited	Fellow group company

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

			in USD	
Entity	Nature of transactions	2021	2020	
Transaction during the year				
Prime Focus Limited	Investment in PF Media Limited	-	11,000,000	
Prime Focus Limited	Investment in PF Overseas Limited	100	-	
PF Overseas Limited	Investment of Prime Focus World Nv. Transferred to subsidiary	18,810,788	-	
Prime Focus Media Uk Limited	Investment in Prime Focus Media Uk Limited	1	-	
Prime Focus Limited	Repayment of Non-Convertible Redeemable preference shares	37,207,527	-	
Prime Focus Limited	Addition in Non-Convertible Redeemable preference shares	8,200,000	5,100,000	
Prime Focus Limited	Premium paid on Non-Convertible Redeemable Preference shares	6,042,473	-	
De-Fi Media Limited	Interest income on loan given	-	(22,463)	
Prime Focus International Services Uk Limited	Interest income on loan given	28,480	-	
Prime Focus World N.V.	Interest expense	592,521	671,377	
Prime Focus Technologies Inc	Interest expense	55,164	78,175	
Prime Focus 3D Cooperatief U.A.	Interest expense payable on short-term loan received	-	632,525	
Prime Focus World N.V.	Conversion of share application money into investment	-	18,810,788	
PF Investments Limited	Amount paid on behalf of	19,801	2,098	
PF Media Limited	Amount paid on behalf of	7,538	9,036	
Prime Focus Luxembourg Sarl	Amount paid on behalf of	5,932	16,954	
PF Overseas Limited	Amount paid on behalf of	9,272	2,098	
PF Overseas Limited	Earlier year excess recharge reversed	14,945	-	
PF Investments Limited	Earlier year excess recharge reversed	14,234	-	
PF Investments Limited	Payable to Prime Focus Technologies Uk Limited assigned to PF World Limited	-	2,362	
Prime Focus 3D Cooperatief U.A.	Amount receivable from Prime Focus 3D Cooperatief U.A. in Prime Focus World N.V., assigned to Prime Focus World Limited	-	61,731	
Prime Focus 3D Cooperatief U.A.	Payable to Prime Focus Technologies Uk assigned to PF World Limited	-	77,392	
Prime Focus Luxembourg Sarl	Payable to Prime Focus Technologies Uk assigned to PF World Limited	-	6,886	
Prime Focus Luxembourg Sarl	Payable to Prime Focus International Services Uk Limited assigned to PF World Limited	-	27,837	
PF Overseas Limited	Payable to Prime Focus Technologies Uk assigned to PF World Limited	-	2,325	
Prime Focus World N.V.	Expense recharges received	-	267,795	
Prime Focus International Services Uk Limited	Amount payable to Prime Focus International Services Uk Limited assigned to Prime Focus World N.V.	-	28,023	
Prime Focus 3D Cooperatief U.A.	Amount paid on behalf of	4,266	89,641	
Prime Focus 3D Cooperatief U.A.	Interest repaid	-	960,462	
Prime Focus 3D Cooperatief U.A.	Short-term loan repaid	-	14,802,098	
De-Fi Media Limited	Reversal of interest income provided during 2015-16	1,171,757	-	
De-Fi Media Limited	Amount received from De-fi Media Limited.	32,900,000	43,887	
De-Fi Media Limited	Amount paid to De-fi Media Limited.	35,000,000	-	

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

in USD

Entity	Nature of transactions	2021	2020
De-Fi Media Limited	Paid on our behalf	-	15,950
De-Fi Media Limited	Amount receivable from Prime Focus Technologies Inc assigned to De-fi Media Limited	8,198,304	-
De-Fi Media Limited	Amount receivable from De-fi Media Limited in Prime Focus international Uk Limited assigned to PF World Limited	21,404,016	-
De-Fi Media Limited	Amount receivable from De-fi Media Limited in Double Negative Canada Productions Limited assigned to PF World Limited	718,428	-
De-Fi Media Limited	Amount payable by Defi Media to Double Negative Film Limited, assigned to PF World Limited	18,149	-
De-Fi Media Limited	Amount payable by Defi Media to Double Negative UK Limited, assigned to PF World	2,158,065	-
De-Fi Media Limited	Amount receivable from Defi Media Limited In Prime Focus World Nv books, assigned to PF World Limited	12,347,299	-
PF Overseas Limited	Management fee expense recharged received	3,000	-
De-Fi Media Limited	Amount payable to Prime Focus World N.V. Transferred to De-fi Media Limited	-	10,762,560
De-Fi Media Limited	Amount payable to Prime Focus Technologies UK Limited assigned to De-fi Media Limited	-	92,479
De-Fi Media Limited	Amount paid on behalf of	-	1,220,913
Prime Focus International Services Uk Limited	Deposit amount paid by Prime Focus International Services Uk Limited on our behalf	-	1,750,000
Prime Focus World N.V.	Amount payable to Prime Focus International Services Uk Limited assigned to Prime Focus World N.V.	-	2,488,357
Prime Focus Technologies Inc	Deposit amount paid by Prime Focus Technologies Inc on our behalf	-	250,000
Prime Focus Technologies Inc	Amount payable to Prime Focus Technologies Inc, assigned to Prime Focus World N.V.	-	1,828,175
Prime Focus Technologies Inc	Amount receivable from Lowry Digital Imaging Services, Inc assigned to PF World Limited	-	2,206,502
Prime Focus Technologies Inc	Amount paid by Prime Focus Technologies Inc on our behalf	-	1,500,000
Prime Focus World N.V.	Amount received from Prime Focus World N.V.	-	2,500,000
Prime Focus World N.V.	Deposit amount paid by Prime Focus World N.V on our behalf	-	4,500,000
Prime Focus World N.V.	Amount paid by Prime Focus World N.V on our behalf	-	10,762,560

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	in USD	
	2021	2020
Balance outstanding		
Optionally convertible preference shares		
Prime Focus Limited	52,758,869	81,766,396
Receivable from group companies		
De-Fi Media Limited	33,843,622	-
Prime Focus Luxembourg Sarl	302,767	296,835
Prime Focus 3D Cooperatief U.A.	587,872	583,606
PF Investments Limited	82,037	47,291
PF Overseas Limited	18,880,612	49,318
Double Negative Film Limited	18,149	-
Double Negative UK Limited	2,158,065	-
Prime Focus Technologies UK Limited	447,384	-
Prime Focus International Services Uk Limited	-	611,426
Lowry Digital Imaging Services, Inc	3,407,502	3,407,502
PF Media Limited	251,624	244,086
Other payables to group companies		
Prime Focus World N.V.	26,443,221	15,619,275
De-Fi Media Limited	-	7,592,975
Prime Focus Technologies Inc	-	2,206,502
Prime Focus International Services Uk Limited	20,059,343	-
Prime Focus Media Uk Limited	1	-
Double Negative Canada Productions Limited	718,428	-
Deferred consideration payable		
Prime Focus Limited	-	11,000,000
Other non-current payable		
PF Media Limited	11,335,000	11,335,000

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

17. FINANCIAL INSTRUMENTS

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 capital structure consists of borrowings (as detailed in note 9), offset by cash and bank balances and equity (comprising issued capital, reserves and retained earnings as detailed in statement of changes in shareholders' equity). The debt equity ratio for current year is 2.56 (March 31, 2020: Nil).

Financial risk management

The Company's activities expose it to a variety of financial risks that are associated with the financial instruments in which it invests and markets in which it operates. The following is a summary of the main risks:

Market risk

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.

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

Particulars	Foreign Currency Denomination	As at March 31, 2021		As at March 31, 2020	
		Foreign Currency	In \$	Foreign Currency	In \$
Asset	CAD	904,707	718,428	-	-
	EUR	207,188	242,946	-	-
	GBP	15,873,836	21,851,400	493,716	611,426
Asset Total			22,812,774		611,426
Liability	EUR	317,768	372,649	110,581	100,514
	CAD	904,707	718,428	-	-
	GBP	15,034,431	20,695,983	-	-
Liability Total			21,787,059		100,514

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 \$ 51,286 for the year ended March 31, 2021 [March 31, 2020: \$ 25,546]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

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
June 22, 2021

Nishant Fadia