FINANCIAL STATEMENTS OF SUBSIDIARIES FOR THE FINANCIAL YEAR 2025-26

Sr. No.	Name of the Subsidiaries
1	Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)
2	Prime Focus Studios Private Limited (Formerly known as PF Studio Private Limited)
3	GVS Software Private Limited
4	Prime Focus Motion Pictures Limited
5	Apptarix Mobility Solutions Private Limited
6	DNEG India Media Services Limited
7	JAM8 Prime Focus LLP
8	PF World Limited
9	PF Investments Limited
10	Prime Focus Technologies UK Limited
11	Prime Focus Technologies Pte. Ltd
12	Prime Focus Technologies, Inc
13	Prime Post (Europe) Limited
14	Brahma AI Canada Inc (Formerly known as DAX Cloud ULC)
15	PF Media Limited
16	Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
17	Prime Focus Media UK Limited
18	PF Overseas Ltd
19	DNEG S.A R.L. (Formerly known as Prime Focus Luxembourg S.A R.L.)
20	DNEG North America Inc.
21	Prime Focus International Services UK Limited
22	Double Negative Montréal Productions Ltd
23	DNEG PLC
24	DNEG Bulgaria EOOD
25	Double Negative Holdings Limited
26	Double Negative Toronto Productions Ltd
27	Double Negative Films Limited
28	Double Negative LA LLC
29	Double Negative Limited
30	Double Negative Canada Productions Ltd
31	Double Negative Hungary Limited
32	DNEG Australia PTY Ltd
33	DNEG Spain, S.L.
34	DNEG Australia Productions PTY Ltd
36	Brahma AI Services UK Limited (Formerly known as Metaphysics Limited)
37	Brahma AI Limited
38	Brahma AI Holdings Limited
39	Brahma AI ME Ltd
40	Brahma AI Services USA Inc.

DNEG INDIA MEDIA SERVICES LIMITED

(All amounts in ₹ Lakhs, unless otherwise stated)

Balance sheet as at March 31, 2026

in ₹ Lakhs

	Notes	March 31, 2026	March 31, 2025	March 31, 2024
Assets				
Non-current assets				
(a) Property, plant and equipment	4 (a)	23,293.03	21,915.19	21,916.92
(b) Right of use assets	4 (b)	6,359.46	7,531.60	10,692.51
(c) Capital Work in Progress	4 (c)	6,578.80	3,991.70	2,102.92
(d) Goodwill	5	4,213.16	4,213.16	4,213.16
(e) Other intangible assets	5	106.04	2,000.64	2,901.44
(f) Financial assets				
i) Loans	6	3.52	694.51	1,188.06
ii) Others financial asset	7	7,578.83	5,707.56	804.00
(g) Deferred tax asset (net)	29d	3,552.29	5,706.20	3,818.93
(h) Income tax assets (net)		1,428.45	747.21	1,831.04
(i) Other non-current assets	8	8,136.83	1,983.91	1,850.16
Total non-current assets		**61,250.41**	**54,491.68**	**51,319.14**
Current assets				
(a) Financial assets				
i) Investments	12	2.06	406.16	-
ii) Trade receivables	9	29,239.50	46,439.70	25,486.02
iii) Cash and cash equivalents	10a	26,530.24	372.67	2,211.34
iv) Bank balances other than (iii) above	10b	493.51	-	11.97
v) Loans	11	617.41	649.49	749.68
vi) Other financial assets	13	69,841.04	43,423.61	19,291.61
(b) Other current assets	14	12,716.46	7,261.41	5,777.49
Total current assets		**139,440.22**	**98,553.04**	**53,528.11**
Total assets		**200,690.63**	**153,044.72**	**104,847.25**
Equity and Liabilities				
Equity				
(a) Equity share capital	15	9,807.96	9,807.96	9,807.96
(b) Other equity	16	(27,683.33)	(26,577.31)	(23,887.46)
Total equity		**(17,875.37)**	**(16,769.35)**	**(14,079.50)**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
i) Borrowings	17	63,114.32	50,689.71	51,503.93
ii) Lease liabilities	36	2,227.18	6,002.48	8,163.66
(b) Provisions	18	8,710.11	5,503.03	4,530.30
Total non-current liabilities		**74,051.61**	**62,195.22**	**64,197.89**
Current liabilities				
(a) Financial liabilities				
i) Borrowings	19	36,703.09	23,391.41	18,761.43
ii) Lease liabilities	36	5,160.73	4,130.81	3,998.62
iii) Trade payables				
- total outstanding dues of micro and small enterprises	20	-	-	-
- total outstanding dues of trade payable other than micro and small enterprises	20	13,927.66	6,157.21	4,324.58
iv) Other financial liabilities	21	10,920.26	9,408.98	10,802.50
(b) Other current liabilities	22	77,592.68	64,434.39	16,444.04
(c) Provisions	23	207.48	93.55	397.71
(d) Current tax liabilities		2.49	2.49	-
Total current liabilities		**144,514.39**	**107,618.84**	**54,728.88**
Total liabilities		**218,566.00**	**169,814.06**	**118,926.77**
Total equity and liabilities		**200,690.63**	**153,044.71**	**104,847.27**

See accompanying notes to the financial statements 1-42

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 27, 2026

Merzin Tavaria
Director
DIN 07015623
Place : Mumbai
Date: May 27, 2026

Delna Dhamodiwala
Director
DIN 09624579
Place : Mumbai
Date: May 27, 2026

Vikas Rathee
Chief Financial Officer
DIN 07015635
Place : London
Date: May 27, 2026

Saurin Shah
Company Secretary
Membership No: A56046
Place: Mumbai
Date: May 27, 2026

DNEG INDIA MEDIA SERVICES LIMITED

(All amounts in ₹ Lakhs, unless otherwise stated)

Statement of Profit and Loss for the year ended March 31, 2026

in ₹ Lakhs

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Revenue			
Revenue from operations	24	115,872.49	105,379.57
Other income	25	263.97	331.55
Total income		**116,136.46**	**105,711.12**
Expenses			
Employee benefits expense	26	68,282.77	64,401.27
Finance costs	27	7,051.56	6,854.19
Depreciation and amortisation expense	4 (a), 4(b) & 5	9,077.54	8,715.28
Allowances for doubtful debts	-	-	5,152.55
Bad debts written off	-	-	5,212.03
Other expenses	28	26,981.85	18,751.15
Total expense		**111,393.72**	**109,086.47**
Profit /(Loss) before exceptional items and tax		4,742.74	(3,375.35)
Exceptional Items		2,255.37	-
Profit/ (Loss) before tax		**2,487.37**	**(3,375.35)**
Tax expenses	29		
Current tax		-	-
Deferred tax		2,029.10	(1,870.01)
Total income tax expense / (benefit)		**2,029.10**	**(1,870.01)**
(Loss) / Profit for the year		**458.27**	**(1,505.34)**
Other Comprehensive Income / (Loss):			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		495.87	(68.62)
Income tax relating to above		(124.81)	17.27
Total Other Comprehensive Income / (Loss)		**371.06**	**(51.35)**
Total Comprehensive Income / (Loss) for the year		**829.33**	**(1,556.69)**
Earnings per equity share (in ₹, Face value ₹ 10 each)			
Basic and Diluted	30		(1.53)

See accompanying notes to the financial statements 1-42

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 27, 2026

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Place : London
Date: May 27, 2026

Saurin Shah
Company Secretary
Membership No: A56046
Place: Mumbai
Date: May 27, 2026

DNEG INDIA MEDIA SERVICES LIMITED

(All amounts in ₹ Lakhs, unless otherwise stated)

Cash Flow Statement for the year ended March 31, 2026

in ₹ Lakhs

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash Flow from Operating Activities		
Loss before tax	**2,487.37**	**(3,375.35)**
Adjustments to reconcile loss for the year to net cash generated from Operating Activities:		
Depreciation, amortisation and impairment expense	9,077.53	7,900.56
Unrealised foreign exchange loss (net)	(5,646.22)	1,343.43
Gain on modification of lease	-	-
Allowances for doubtful debts	406.40	5,152.55
Bad debts written off	(154.43)	5,212.03
Interest income	(117.75)	(101.90)
Loss on sale of property, plant and equipment (net)	30.83	75.94
Finance cost	7,051.56	6,854.19
Operating profit before working capital changes	**13,135.29**	**23,070.59**
Changes in working capital:		
(Increase) in trade receivables	15,974.04	(31,378.79)
(Increase) in financial assets	(27,465.17)	(28,325.04)
(Increase) in other assets	(5,518.86)	(1,203.44)
Increase in trade and other payables	10,320.89	2,645.71
Increase in provisions	3,816.88	599.95
(Decrease) in financial liabilities	416.41	(1,080.03)
Increase / (Decrease) in other liabilities	10,723.99	47,990.35
Cash generated from operations	**21,403.47**	**12,319.30**
Income Taxes (net)	(681.24)	1,086.32
Net Cash flow generated / (used in) from Operating Activities (A)	**20,722.23**	**13,405.62**
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipments and other intangibles assets (including capital work in progress)	(16,176.74)	(6,176.25)
Proceeds from sale of property, plant and equipment	11.39	150.48
Investment in current investment (mutual funds)	404.10	(406.16)
Interest received	1.41	1.00
Investment in Fixed deposits (net)	(477.63)	(3.91)
Payment towards business combination	1,935.35	(1,133.16)
Net Cash flow (used in) Investing Activities (B)	**(14,302.12)**	**(7,568.00)**
C. Cash flow from Financing Activities		
Proceeds from Long-term borrowings	8,554.53	877.78
Repayment of Long-term borrowings	(14,465.84)	(7,555.86)
Repayment of lease liabilities	(5,450.66)	(2,477.86)
Finance costs paid	(6,167.41)	(5,909.99)
Proceeds from short-term borrowings (net)	38,151.87	8,388.72
Interest paid on lease liabilities	(885.03)	(999.12)
Net cash flow (used in) / generated from Financing Activities (C)	**19,737.46**	**(7,676.33)**
Net increase in cash and cash equivalents (A+B+C)	**26,157.58**	**(1,838.70)**
Cash and cash equivalents at the beginning of the year	**372.66**	**2,211.36**
Cash and cash equivalents at the end of the year	**26,530.24**	**372.66**

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

2. Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets ac movement of capital creditors and capital advances of (a) property, plant and equipment and (b) intangible assets.

3. Disclosure as required by Ind AS 7 - "Cash Flow Statements" - Changes in liabilities arising from financing activities:

	March 31, 2025	Cash flow	Non Cash movement	March 31, 2026
Borrowing - Non Current (refer note 17)	50,689.71	(5,911.31)	18,335.92	63,114.32
Borrowing - Current (refer note 19)	23,391.41	38,151.87	(24,840.19)	36,703.09
Lease Liabilities (refer note 36)	10,133.29	(5,450.66)	2,705.28	7,387.91

	March 31, 2024	Cash flow	Non Cash movement	March 31, 2025
Borrowing - Non Current (refer note 17)	51,503.93	(6,678.08)	5,863.86	50,689.71
Borrowing - Current (refer note 19)	18,761.43	8,388.72	(3,758.74)	23,391.41
Lease Liabilities (refer note 36)	12,162.28	(2,477.86)	448.87	10,133.29

See accompanying notes to the financial statements 1-42

As per our report of even date attached.
For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 27, 2026

Merzin Tavaria
Director
DIN 07015623
Place : Mumbai
Date: May 27, 2026

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DIN 07015635
Place : London
Date: May 27, 2026

Saurin Shah
Company Secretary
Membership No: A56046
Place: Mumbai
Date: May 27, 2026

DNEG INDIA MEDIA SERVICES LIMITED

(All amounts in ₹ Lakhs, unless otherwise stated)

Statement of Changes in Equity for the year ended March 31, 2026

A. Equity share capital in ₹ Lakhs

	Amount
As at March 31, 2024	**9,807.96**
Changes in equity share capital during the year	-
As at March 31, 2025	**9,807.96**
Changes in equity share capital during the year	-
As at March 31, 2026	**9,807.96**

B. Other equity in ₹ Lakhs

	Reserves and Surplus			Total
	Securities Premium Account	Capital Reserve	Retained Earnings	
Balance as at March 31, 2024	**36,844.62**	**(60,713.80)**	**(18.28)**	**(23,887.46)**
Loss for the year	-	-	(1,505.34)	(1,505.34)
Movement during the year (Refer note XXX)	-	(1,133.16)	-	(1,133.16)
Other comprehensive loss for the year	**-**	**-**	(51.35)	**(51.35)**
Balance as at March 31, 2025	**36,844.62**	**(61,846.96)**	**(1,574.97)**	**(26,577.31)**
Profit for the year	-	-	458.27	458.27
Movement during the year (Refer note XXX)	-	(1,935.35)	-	(1,935.35)
Other comprehensive income for the year	**-**	**-**	371.06	**371.06**
Balance as at March 31, 2026	**36,844.62**	**(63,782.31)**	**(745.64)**	**(27,683.33)**

4 (a) Property, plant and equipment in ₹ Lakhs

	Plant and equipment	Furniture and fixtures	Lease Hold Improvement	Office equipment	Vehicles	Total
I. Cost						
Balance as at March 31, 2025	**71,341.05**	**3,908.74**	**2,118.32**	**4,617.49**	**1,922.23**	**83,907.83**
Additions	6,828.33	9.84	0.00	70.79	114.10	7,023.06
Adjustments (refer note b below)	-	-	-	-	-	-
Additions on business combination	1,642.84	876.46	3,036.80	120.27	-	5,676.37
Deductions/disposal	(81.85)	(14.84)	(8.68)	(4.88)	-	(110.25)
As at March 31, 2026	**79,730.37**	**4,780.20**	**5,146.44**	**4,803.67**	**2,036.33**	**96,497.01**
II. Accumulated depreciation						
Balance as at March 31, 2025	**52,829.32**	**3,418.69**	**1,798.56**	**3,743.50**	**202.58**	**61,992.65**
Depreciation for the year	4,337.64	124.77	67.03	271.93	232.93	5,034.30
Adjustments (refer note b below)	-	-	-	-	-	-
Additions on business combination	2,543.68	783.68	2,878.17	39.53	-	6,245.05
Deductions/disposal	(47.85)	(12.80)	(2.83)	(4.55)	-	(68.03)
As at March 31, 2026	**59,662.79**	**4,314.34**	**4,740.93**	**4,050.41**	**435.51**	**73,203.98**
Net carrying value (I - II)						
As at March 31, 2026	**20,067.58**	**465.86**	**405.51**	**753.26**	**1,600.82**	**23,293.03**

	Plant and equipment	Furniture and fixtures	Lease Hold Improvement	Office equipment	Vehicles	Total
I. Cost						
Balance as at March 31, 2024	**68,673.77**	**3,856.14**	**2,119.37**	**4,273.53**	**609.92**	**79,532.73**
Additions	2,485.29	68.85	0.00	385.48	1,503.29	4,442.91
Adjustments (refer note b below)	1,532.96	-	6.36	1.61	-	1,540.93
Deductions/disposal	(1,350.97)	(16.25)	(7.41)	(43.12)	(190.98)	(1,608.73)
As at March 31, 2025	**71,341.05**	**3,908.74**	**2,118.32**	**4,617.50**	**1,922.23**	**83,907.84**
II. Accumulated depreciation						
Balance as at March 31, 2024	**49,175.58**	**3,196.67**	**1,681.94**	**3,500.82**	**60.80**	**57,615.81**
Depreciation for the year	3,483.78	239.08	116.62	282.12	182.46	4,304.06
Adjustments (refer note b below)	1,453.56	-	-	1.53	-	1,455.09
Deductions/disposal	(1,283.60)	(17.06)	-	(40.97)	(40.68)	(1,382.31)
As at March 31, 2025	**52,829.32**	**3,418.69**	**1,798.56**	**3,743.50**	**202.58**	**61,992.65**
Net carrying value (I - II)						
As at March 31, 2025	**18,511.73**	**490.05**	**319.76**	**874.00**	**1,719.65**	**21,915.19**

	Plant and equipment	Furniture and fixtures	Lease Hold Improvement	Office equipment	Vehicles	Total
I. Cost						
Balance as at March 31, 2023	**54,988.12**	**3,800.02**	**2,037.10**	**4,122.21**	**187.46**	**65,134.91**
Reclassification (Refer note 2.5)	-	-	-	-	-	-
Additions	3,258.62	91.00	80.58	153.94	422.46	4,006.60
Additions on business combination	1,250.43	-	-	-	-	1,250.43
Adjustments (refer note b below)	9,670.80	-	5.52	3.60	-	9,679.92
Deductions/disposal	(494.20)	(34.88)	(3.83)	(6.22)	-	(539.13)
As at March 31, 2024	**68,673.77**	**3,856.14**	**2,119.37**	**4,273.53**	**609.92**	**79,532.73**
II. Accumulated depreciation						
Balance as at March 31, 2023	**37,613.47**	**2,870.44**	**1,502.05**	**2,963.60**	**31.77**	**44,981.33**
Reclassification (Refer note 2.5)	-	-	-	-	-	-
Depreciation for the year	3,440.58	359.37	179.54	539.37	29.03	4,547.89
Additions on business combination	-	-	-	-	-	-
Adjustments (refer note b below)	8,591.33	-	0.97	3.42	-	8,595.72
Deductions/disposal	(469.80)	(33.14)	(0.62)	(5.57)	-	(509.13)
As at March 31, 2024	**49,175.58**	**3,196.67**	**1,681.94**	**3,500.82**	**60.80**	**57,615.81**
Net carrying value (I - II)						
As at March 31, 2024	**19,498.19**	**659.47**	**437.43**	**772.71**	**549.12**	**21,916.92**

Notes:
a. Refer note 17 and 19 for assets pledged / hypothecated.
b. Adjustments is on account of completion of lease term and assets getting transferred as owned assets.

4 (b). Right of Use Assets in ₹ Lakhs

Description of Assets	Plant and equipment	Building	Office equipment	Software	Total
I. Cost					
Balance as at March 31, 2025	**12,751.46**	**7,905.38**	**-**	**1,075.75**	**21,732.59**
Additions	398.77	925.76	-	1,380.75	2,705.28
Adjustments #	-	-	-	-	-
Deletions/disposal	-	-	-	-	-
As at March 31, 2026	**13,150.23**	**8,831.14**	**-**	**2,456.50**	**24,437.87**
II. Accumulated Depreciation					
Balance as at March 31, 2025	**7,604.20**	**6,036.77**	**-**	**560.02**	**14,200.99**
Amortisation for the year	1,719.54	1,461.45	-	696.43	3,877.42
Adjustments #	-	-	-	-	-
Deletions/disposal	-	-	-	-	-
As at March 31, 2026	**9,323.74**	**7,498.22**	**-**	**1,256.45**	**18,078.41**
Net carrying value (I - II)					
As at March 31, 2026	**3,826.49**	**1,332.92**	**-**	**1,200.05**	**6,359.46**

Description of Assets	Plant and equipment	Building	Office equipment	Software	Total
I. Cost					
Balance as at March 31, 2024	**14,226.95**	**7,513.80**	**1.61**	**1,075.75**	**22,818.11**
Additions	57.47	397.94	(1.61)	-	453.80
Adjustments #	(1,532.96)	-	-	-	(1,532.96)
Deletions/disposal	-	(6.36)	-	-	(6.36)
As at March 31, 2025	**12,751.46**	**7,905.38**	**-**	**1,075.75**	**21,732.59**
II. Accumulated Depreciation					
Balance as at March 31, 2024	**7,376.14**	**4,446.94**	**1.53**	**300.99**	**12,125.60**
Amortisation for the year	1,681.62	1,591.26	(1.53)	259.03	3,530.38
Adjustments #	(1,453.56)	-	-	-	(1,453.56)
Deletions/disposal	-	(1.43)	-	-	(1.43)
As at March 31, 2025	**7,604.20**	**6,036.77**	**-**	**560.02**	**14,200.99**
Net carrying value (I - II)					
As at March 31, 2025	**5,147.26**	**1,868.61**	**-**	**515.73**	**7,531.60**

Description of Assets	Plant and equipment	Building	Office equipment	Software	Total
I. Cost					
Balance as at March 31, 2023	**23,800.23**	**10,886.09**	**5.21**	**1,217.77**	**35,909.30**
Additions	132.08	1,037.02	-	-	1,169.10
Additions on business combination	-	-	-	-	-
Adjustments #	(9,670.80)	(5.52)	(3.60)	(142.02)	(9,821.94)
Deletions/disposal	(34.56)	(4,403.79)	-	-	(4,438.35)
As at March 31, 2024	**14,226.95**	**7,513.80**	**1.61**	**1,075.75**	**22,818.11**
II. Accumulated Depreciation					
Balance as at March 31, 2023	**13,972.72**	**6,521.11**	**4.95**	**180.70**	**20,679.48**
Amortisation for the year	2,011.72	2,323.18	-	262.31	4,597.21
Additions on business combination	-	-	-	-	-
Adjustments #	(8,591.33)	(0.97)	(3.42)	(142.02)	(8,737.74)
Deletions/disposal	(16.97)	(4,396.38)	-	-	(4,413.35)
As at March 31, 2024	**7,376.14**	**4,446.94**	**1.53**	**300.99**	**12,125.60**
Net carrying value (I - II)					
As at March 31, 2024	**6,850.81**	**3,066.86**	**0.08**	**774.76**	**10,692.51**

Adjustments is on account of completion of lease term and assets getting transferred as owned assets

4 (c) Capital work in progress (CWIP) ageing schedule: in ₹ Lakhs

As at March 31, 2026	**Amount for a period of**				
	Less than 1 year	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Project 1	6,578.80	-	-	-	**6,578.80**
	6,578.80	**-**	**-**	**-**	**6,578.80**

As at March 31, 2025	**Amount for a period of**				
	Less than 1 year	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Project 1	1,805.17	1,777.28	164.48	-	**3,970.92**
Project 2	20.78	-	-	-	**20.78**
	1,825.95	**1,777.28**	**164.48**	**-**	**3,991.70**

As at March 31, 2024	**Amount for a period of**				
	Less than 1 year	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Project 1	1,938.44	164.48	-	-	**2,102.92**

Note:
There are no capital work in progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on As at March 31, 2026 and Balance as at March 31, 2025.

5. Goodwill and Other Intangible Assets

in ₹ Lakhs

Description of Assets	Goodwill ##	Software	Total
I. Cost			
Balance as at March 31, 2025	19,704.14	3,863.57	23,567.71
Additions	-	21.74	21.74
Adjustments #	-	-	-
Additions on business combinations	-	-	
Deductions/disposal	-	(498.60)	(498.60)
As at March 31, 2026	**19,704.14**	**3,386.71**	**23,090.85**
II. Accumulated amortisation and impairment			
Balance as at March 31, 2025	15,490.98	1,020.76	16,511.74
Amortisation for the year	-	165.81	165.81
Additions on business combinations	-	2,094.10	2,094.10
Adjustments #	-	-	-
Deductions/disposal	-	-	-
As at March 31, 2026	**15,490.98**	**3,280.67**	**18,771.65**
Net carrying value (I - II)			
As at March 31, 2026	**4,213.16**	**106.04**	**4,319.20**

Description of Assets	Goodwill ##	Software	Total
I. Cost			
Balance as at March 31, 2024	19,704.14	3,856.09	23,560.23
Additions	-	7.48	7.48
Adjustments #	-	(842.17)	(842.17)
Deductions/disposal	-	-	-
As at March 31, 2025	**19,704.14**	**3,021.40**	**22,725.54**
II. Accumulated amortisation and impairment			
Balance as at March 31, 2024	15,490.98	954.65	16,445.63
Amortisation for the year	-	66.11	66.11
Adjustments #	-	-	-
Deductions/disposal	-	-	-
As at March 31, 2025	**15,490.98**	**1,020.76**	**16,511.74**
Net carrying value (I - II)			
As at March 31, 2025	**4,213.16**	**2,000.64**	**6,213.80**

Description of Assets	Goodwill ##	Software	Total
I. Cost			
Balance as at March 31, 2023	19,704.14	837.75	20,541.89
Reclassification (Refer note 2.5)	-	-	-
Additions	-	118.34	118.34
Additions on business combinations	-	2,757.98	2,757.98
Adjustments #	-	142.02	142.02
Deductions/disposal	-	-	-
As at March 31, 2024	**19,704.14**	**3,856.09**	**23,560.23**
II. Accumulated amortisation and impairment			
Balance as at March 31, 2023	15,490.98	725.61	16,216.59
Reclassification (Refer note 2.5)	-	-	-
Amortisation for the year	-	87.02	87.02
Additions on business combinations	-	-	-
Adjustments #	-	142.02	142.02
Deductions/disposal	-	-	-
As at March 31, 2024	**15,490.98**	**954.65**	**16,445.63**
Net carrying value (I - II)			
As at March 31, 2024	**4,213.16**	**2,901.44**	**7,114.60**

Notes:

Adjustments is on account of completion of lease term and assets getting transferred as owned assets

On June 30, 2014, the Company (through the amalgamated company namely DNEG Creative Services Limited) acquired the "backend business" of providing services of 2D to 3D conversion and visual special effects ("VFX") from Prime Focus Ltd, the ultimate holding company on a going concern basis by way of slump sale for a total consideration of ₹ 22,970.49 lakhs. On allocation of purchase consideration to the assets and liabilities taken over, the difference between the purchase consideration and the fair/ book value of net assets acquired aggregating ₹ 19,704.14 lakhs was accounted for as 'Goodwill'. The recoverable amount of Goodwill has been determined at the balance sheet date on a value in use calculation which uses cash flow projections based on financial budgets and valuation exercise carried out by an independent valuer. The projections cover a period of five years, which is considered to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates used to estimate future performance are based on the conservative estimates from past performance. EBITDA margins are based on historical performance and Company's strategies.

Weighted Average Cost of Capital % (WACC) = Cost of Equity * Target Mkt. Cap. as % of Total Capitalization + Cost of debt (net of tax) * Target Debt as % of Total Capitalization

Following key assumptions were considered while performing Impairment testing:

	As at March 31, 2026	As at March 31, 2025
Long term sustainable growth rates	5.00%	5.00%
Weighted Average Cost of Capital % (WACC) after tax	14.75%	14.75%

Based on the above, the Company has concluded that the goodwill amount is fully recoverable as on March 31, 2026 and March 31, 2025.

6. Loans (Non-current) (Unsecured, considered good)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Loans to related parties (refer note 33)	-	-	8.81
Loans to employees	3.52	694.51	1,179.25
	3.52	**694.51**	**1,188.06**

Notes:

a. Loans given to employees as per the Company's policy are not considered for the purpose of disclosure under section 186 (4) of the Companies Act 2013.

b. The Company has not granted any loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

7. Other financial assets (non-current) (Unsecured, considered good)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Deposit to related parties (refer note 33)	7,319.00	5,500.00	530.01
Bank deposits with more than 12 months maturity	-	12.77	-
Deposits to others	259.83	194.79	273.99
	7,578.83	**5,707.56**	**804.00**

8. Other assets (non-current) (Unsecured, considered good)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Capital advances	8,052.53	1,963.42	1,549.19
Prepaid expenses	84.30	20.49	300.97
	8,136.83	**1,983.91**	**1,850.16**

9. Trade receivable (Unsecured)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Considered good	29,928.60	47,892.48	26,944.58
Receivables which have significant increase in credit risk	3,132.60	1,808.79	1,809.91
Less: allowances for expected credit loss	(3,821.70)	(3,261.57)	(3,268.47)
	29,239.50	**46,439.70**	**25,486.02**

Allowances for expected credit loss movement:

Balance as at the beginning of the year	3,261.57	3,268.47	3,436.19
Allowances made during the year	422.62	247.01	-
Bad debts written off against opening provision for doubtful debts	-	(137.13)	(167.72)
Balance as at the end of the year	**3,821.70**	**3,261.57**	**3,268.47**

DNEG INDIA MEDIA SERVICES LIMITED

(All amounts in ₹ Lakhs, unless otherwise stated)

in ₹ Lakhs

Trade receivables - ageing and other details	Undisputed trade receivables				
March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**		**Total**
Unbilled	-	-		-	-
Not due	2,583.71	-		-	2,583.71
Less than 6 months	24,052.26	-		-	24,052.26
6 months - 1 year	1,444.43	-		-	1,444.43
1 - 2 years	625.73	-		-	625.73
2 - 3 years	340.57	-		-	340.57
More than 3 years	881.88	-		3,132.60	4,014.49
Total	**29,928.59**	**-**	**-**	**3,132.60**	**33,061.20**
Less: allowances for expected credit loss					(3,821.70)
Net Trade Receivables					**29,239.50**

Trade receivables - ageing and other details	Disputed trade receivables				
March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Credit impaired**	**Total**
Unbilled	-	-	-	-	-
Not due	-	-	-	-	-
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1 - 2 years	-	-	-	-	-
2 - 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Less: allowances for expected credit loss					-
Net Trade Receivables					**-**

Trade receivables - ageing and other details	Undisputed trade receivables				
March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Credit impaired**	**Total**
Unbilled	-	-	-	-	-
Not due	-	-	-	-	-
Less than 6 months	40,433.69	-	-	-	40,433.69
6 months - 1 year	5,970.83	-	-	-	5,970.83
1 - 2 years	479.20	-	-	-	479.20
2 - 3 years	95.85	-	-	-	95.85
More than 3 years	912.91	-	-	1,808.79	2,721.70
Total	**47,892.48**	**-**	**-**	**1,808.79**	**49,701.27**
Less: allowances for expected credit loss					(3,261.57)
Net Trade Receivables					**46,439.70**

Trade receivables - ageing and other details	Disputed trade receivables				
March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Credit impaired**	**Total**
Unbilled	-	-	-	-	-
Not due	-	-	-	-	-
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1 - 2 years	-	-	-	-	-
2 - 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Less: allowances for expected credit loss					-
Net Trade Receivables					**-**

Trade receivables - ageing and other details	Undisputed trade receivables				
March 31, 2024	**Considered good**	**Which have significant risk**	**Credit impaired**	**Credit impaired**	**Total**
Unbilled	-	-	-	-	-
Not due	-	-	-	-	-
Less than 6 months	25,320.13	-	-	-	25,320.13
6 months - 1 year	444.00	-	-	-	444.00
1 - 2 years	253.31	-	-	-	253.31
2 - 3 years	196.22	-	-	-	196.22
More than 3 years	730.92	-	-	1,809.91	2,540.83
Total	**26,944.58**	**-**	**-**	**1,809.91**	**28,754.49**
Less: allowances for expected credit loss					(3,268.47)
Net Trade Receivables					**25,486.02**

Trade receivables - ageing and other details	Disputed trade receivables				
March 31, 2024	**Considered good**	**Which have significant risk**	**Credit impaired**	**Credit impaired**	**Total**
Unbilled	-	-	-	-	-
Not due	-	-	-	-	-
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1 - 2 years	-	-	-	-	-
2 - 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Less: allowances for expected credit loss					-
Net Trade Receivables					**-**

10. Cash and cash equivalents in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
a. Cash and cash equivalents			
Balances with Bank			
in current accounts	26,502.76	370.78	2,207.96
Cash on hand	13.80	1.89	3.38
Bank balances other than above			
In deposits	13.68	-	-
	26,530.24	**372.67**	**2,211.34**

b. Bank balances other than (a) above			
In deposits #	493.51	-	11.97
	493.51	**-**	**11.97**

Annually renewable fixed deposits provided as security towards bank guarantees issued.

11. Loans (Current) (Unsecured, considered good) in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Loans to related parties (refer note 33)	-	-	5.61
Loans to employees	617.41	649.49	744.07
	617.41	**649.49**	**749.68**

Notes:
a. Loans given to employees as per the Company's policy are not considered for the purpose of disclosure under section 186 (4) of the Companies Act 2013.
b. The Company has not granted any loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

12 Current Investment in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Investments measured at Fair Value Through Profit or Loss (FVTPL)			
In Mutual Fund - Quoted	2.06	406.16	-
	2.06	**406.16**	**-**

Aggregate amount of quoted Investments	2.06	406.16
Aggregate amount of market value of quoted Investments	2.06	406.16

Tata Overnight Fund (Growth) - NIL Units Market value: INR NIL (March 31, 2025: 18692383 Units Market value: INR 251.88 lakhs)
Kotak Overnight Fund (Growth) - 143.373 Units Market value: INR 2.06 lakhs (March 31, 2025: 11326.256 Units Market value: 154.28 NIL)

13. Other Financial Assets (Current) (Unsecured, considered good) in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Unbilled revenue			
Considered Good	41,761.34	17,395.27	5,227.65
Doubtful	68.73	130.67	67.09
Total	41,830.07	17,525.94	5,294.74
Less: Allowances for doubtfull unbilled revenue	(68.73)	(130.67)	(67.09)
Total Unbilled revenue (net)	**41,761.34**	**17,395.27**	**5,227.65**
Loans to related party	-	89.76	-
Export incentives receivables	-	-	475.00
Interest Accrued on bank deposits	0.24	0.23	0.11
Advances to related parties (considered good) (refer note 33)			
Considered Good	638.70	520.41	(0.00)
Doubtful	-	-	311.46
Total	638.70	520.41	311.46
Less: Allowances for doubtfull advances to related parties	-	-	(311.46)
Total Advances to related parties (net)	**638.70**	**520.41**	**-**
Deposit to related parties (considered good) (refer note 33)	787.56	786.56	786.56
Security deposits to others			
Considered good	3,389.35	2,893.90	6,032.99
Doubtful	97.60	97.60	97.60
Total	3,486.95	2,991.50	6,130.59
Less: Allowances for doubtfull security deposits	(97.60)	(97.60)	(97.60)
Total Security deposits to others (net)	**3,389.35**	**2,893.90**	**6,032.99**
Bank deposits with less than 12 months maturity	-	3.11	**-**
Others (Unsecured) (Considered good) #	23,263.85	21,734.37	6,769.30
	69,841.04	**43,423.61**	**19,291.61**

Others include participation rights in box office collection for feature films and expenses recoverable from third party.

14. Other assets (Current) in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Prepaid expenses	519.27	606.07	266.40
Advances to suppliers			
Considered good	3,215.80	846.26	1,150.55
Doubtful	50.47	50.47	50.47
Total	**3,266.27**	**896.73**	**1,201.02**
Less: Provision for doubtful advances to suppliers	(50.47)	(50.47)	(50.47)
Total advances to suppliers (net)	**3,215.80**	**846.26**	**1,150.55**
Balance with government authorities #	8,981.39	5,809.08	4,360.54
	12,716.46	**7,261.41**	**5,777.49**

Includes Goods and Services tax (GST) receivable, TDS & etc.

15. Equity share capital

(i) Authorised and issued share capital

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Authorised (post amalgamation):			
98,300,000 Shares (Previous year : 98,250,000 Shares) of ₹ 10/- each	9,830.00	9,830.00	9,825.00
1,200,000 10% Redeemable Non-Convertible Preference shares of Re. 1 each	12.00	12.00	12.00
	9,842.00	**9,842.00**	**9,837.00**
Issued, subscribed and paid-Up:			
98,079,600 (Previous year 98,079,600 Shares) of ₹ 10/- each	9,807.96	9,807.96	9,807.96
	9,807.96	**9,807.96**	**9,807.96**

(ii) Reconciliation of the number of shares outstanding at

	March 31, 2026		March 31, 2025		
	No of Shares	in ₹ Lakhs	No of Shares	in ₹ Lakhs	in ₹ Lakhs
Balance as at beginning of the year	98,079,600	9,807.96	98,079,600	9,807.96	9,807.96
Balance as at end of the year	98,079,600	9,807.96	98,079,600	9,807.96	9,807.96

(iii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

(iv) Disclosure of Shareholding of Promoters:

	March 31, 2026		March 31, 2025		
Promoter name	**No of shares**	**% of total shares**	**No of shares**	**% of total shares**	**% of total shares**
DNEG S.a.r.l (Erstwhile Prime Focus World N.V.)	98,077,908	100.00%	98,077,908	100.00%	0.00%
Namit Malhotra #	282	0.00%	282	0.00%	0.00%
Double Negative Holdings Limited (UK)#	282	0.00%	282	0.00%	0.00%
Double Negative Films Limited (UK) #	282	0.00%	282	0.00%	0.00%
Double Negative Limited (UK) #	282	0.00%	282	0.00%	0.00%
Double Negative Montreal Productions Ltd.#	282	0.00%	282	0.00%	0.00%
Double Negative Canada Productions Ltd.#	282	0.00%	282	0.00%	0.00%
	98,079,600	**100%**	**98,079,600**	**100%**	**0%**

Nominee on behalf of shares held by DNEG S.a.r.l

(v) Details of shares held by each shareholder holding more than 5%

	March 31, 2026		March 31, 2025		
	No of shares	% of total shares	No of shares	% of total shares	% of total shares
DNEG S.a.r.l (Erstwhile Prime Focus World N.V.)	98,077,908	100.00%	98,077,908	100.00%	0.00%

In the period of five years immediately preceding March 31, 2026:
Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil (previous year: Nil)
Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil (previous year: Nil)
Aggregate number and class of shares bought back - Nil (previous year: Nil)

16. Other equity

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Securities premium			
As per last balance sheet	36,844.62	36,844.62	36,844.62
	36,844.62	**36,844.62**	**36,844.62**
Capital reserve			
As per last balance sheet	(61,846.96)	(60,713.80)	(62,296.86)
Movement during the year (Refer note 37)	(1,935)	(1,133)	1,583.06
	(63,782.31)	**(61,846.96)**	**(60,713.80)**
Retained earnings #			
As per last balance sheet	(1,574.97)	(18.28)	(531.98)
Add: Total comprehensive (loss) / income for the year	829.33	(1,556.69)	513.70
	(745.64)	**(1,574.97)**	**(18.28)**
	(27,683.33)	**(26,577.31)**	**(23,887.46)**

Includes Remeasurement of defined benefit obligations loss (net of tax) of ₹ (220.35) Lakhs (Previous year ₹ (591.42) Lakhs).

Nature & purpose of reserves:

a. Security Premium: Security premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the permissions of the Companies Act, 2013 for specified purposes.

b. Capital reserve: Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.

c. Retained earnings: Retained earnings represents profit that the Company earned till date, less any transfers to general reserve and other distributions paid to the shareholders.

17. Borrowings (Non Current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Term Loan from Banks (Secured) (refer note (a))	5,171.20	-	3,322.38
Loans from related parties in foreign currency (Unsecured) (refer note 33 and (b))	55,477.59	49,394.90	47,175.10
Term Loan from others (Secured) (refer note (c))	1,501.61	2.89	240.29
Vehicle Loan from Bank (Secured) (refer note (d))	417.74	584.48	625.80
Vehicle Loan from Others (Secured) (refer note (e))	546.18	707.44	140.36
	63,114.32	**50,689.71**	**51,503.93**

Notes:

a. During the year, the DNEG India Media Services Limited has availed a Rupee Term Loan facility from bank. This facility is secured by exclusive charge by way of registered/equitable mortgage on the leasehold rights of Property. The above facility was further secured by corporate guarantee issued by Ultimate Holding Company. The rate of interest for this facility is at I-MCLR-1Y is 8.35% and Spread is 1.15% p.a. with tenure of 60 months from the date of first disbursement. Balance as at March 31, 2026 Non Current is INR 5,171.20 lakhs and Current is INR 1,292.80 lakhs.

(b) Foreign currency loans from related parties are long term unsecured loans availed from its fellow subsidiary company at an interest rate of Sterling Overnight Index Average (SONIA) + 375 bps at the time of drawdown of loan. The repayment starts from the FY 2029-30 to FY 2033-34 as per the agreed schedule. Interest is payable annually in arrears.

(c) Term Loan from others are secured against the underlying asset, carries interest rate between 8.01% to 10.46% p.a. and is repayable in equal monthly & quarterly instalments over the period of 4 years.

(d) Vehicle loan from banks are secured by hypothecation of the vehicle, repayable in equal monthly instalments over the period of 5 years. Interest rate is in range of 7.9% to 9.00% p.a..

(e) Vehicle loan from others are secured by hypothecation of the vehicle, repayable in equal monthly instalments over the period of 5 years. Interest rate is in range of 8.95% to 10.25% p.a..

18. Provisions (Non Current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Provision for employee benefits			
Gratuity (refer note 31)	8,349.66	5,167.72	4,220.37
Others			
Provision for asset retirement obligation	360.45	335.31	309.93
	8,710.11	**5,503.03**	**4,530.30**

Notes:

a. The Company did not have any long-term contracts, including derivative contracts, for which any provision was required for foreseeable losses and not provided for.

b. Provision for asset retirement obligation is recognised in respect of leases based on the expectations of usage of the properties, cost of removal, restoration cots, inflation and applicable discount rate. The usage of properties is generally expected for a period of 10 years.

in ₹ Lakhs

Movement in provision for asset retirement obligation	March 31, 2026	March 31, 2025	March 31, 2024
Opening Balance	**335.31**	**309.93**	**292.24**
Add / Less: Provision created / (Written back) during the year (net)	-	(9.51)	(15.44)
Add: Unwinding of discount	25.14	34.89	33.13
Closing Balance	**360.45**	**335.31**	**309.93**

19. Borrowings (Current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Short-term demand loan (Secured)			
Invoice discounting facility (refer note 33 and (a))	14,212.40	17,675.45	9,368.64
Current maturities of long term borrowings			
Term Loan from Banks (Secured) (refer note 17a.)	1,292.80	-	-
Loans from related parties in foreign currency (Unsecured) (refer note 17(b))	4,303.66	4,177.41	4,281.52
Term Loan from others (Secured) (refer note 17(c))	839.49	1,288.52	4,963.63
Vehicle Loan from Bank (Secured) (refer note 17(d))	166.73	152.66	134.47
Vehicle Loan from Others (Secured) (refer note 17(e))	113.01	97.37	13.17
Short-term demand loan (Unsecured)			
Loans from related parties (refer note (b) and note 31)	15,775.00	-	-
	36,703.09	**23,391.41**	**18,761.43**

Note:

(a) As of March 31, 2026 bank line of credit of Rs. 13,930.86 lakhs was drawn. It is collateralized against a pari pasu charge by way of hypothecation over the Company's current assets and a corporate guarantee issued by the DNEG SARL (erstwhile Prime Focus World NV). The rate of interest applicable on the facility is approximately 1 month TBILL plus 2.50% for Loan drawn in INR and SOFR/ SONIA plus 300 bps for Loan drawn in USD/ GBP. The amounts drawn under this facility are repayable in 180 days.

(b) Loans from related parties are short term unsecured loans availed from a ultimate holding company at an interest rate of 10% and are repayable on demand.

20. Trade payables

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of trade payable other than micro and small enterprises			
Others	8,703.62	4,642.88	3,221.46
Due to group companies (refer note 33)	5,224.04	1,514.33	1,103.12
	13,927.66	**6,157.21**	**4,324.58**

Note:
According to the records available with the Company, there were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 for all the above periods.

in ₹ Lakhs

Trade Payables - ageing and other details	March 31, 2026	March 31, 2025	March 31, 2024
Disputed due - MSME	-	-	-
Disputed due- Others			
Accruals	-	-	-
Not due	-	-	-
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1 - 2 Years	-	-	-
2 - 3 Years	-	-	-
More than 3 years	46.39	46.39	46.39
Subtotal (a)	**46.39**	**46.39**	**46.39**
Undisputed due - MSME	-	-	-
Undisputed due- Others			
Accruals	4,541.15	1,077.51	1,695.47
Not due	3,543.28	2,168.23	307.74
Less than 6 months	2,929.75	378.02	1,031.19
6 months - 1 year	1,047.08	1,180.84	77.46
1 - 2 Years	605.33	184.63	59.10
2 - 3 Years	678.70	141.06	4.62
More than 3 years	536.00	980.53	1,102.61
Subtotal (b)	**13,881.28**	**6,110.82**	**4,278.19**
Total (a+b)	**13,927.66**	**6,157.21**	**4,324.58**

	March 31, 2026	March 31, 2025	March 31, 2024
(a) Amount remaining unpaid to any vendor at the end of each accounting year:			
Principal	-	-	-
Interest	-	-	-
	-	**-**	**-**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act- 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company.

21. Other financial Liabilities (current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Accrued salaries and benefits	9,466.53	9,050.12	10,130.15
Interest accrued on borrowings	-	0.88	55.80
Capital Creditors	1,453.73	357.98	616.55
	10,920.26	**9,408.98**	**10,802.50**

Note:
There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2026 (March 31, 2025: Nil).

22. Other liabilities (current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Unearned revenue including contract liabilities	73,861.06	62,781.16	14,887.57
Deposits from customers	2,757.43	323.13	323.13
Statutory dues #	919.41	1,175.08	1,180.62
Other payables	54.78	155.02	52.72
	77,592.68	**64,434.39**	**16,444.04**

Includes witholding taxes, goods & service tax payable, employer & employee contribution to provident & other funds.

23. Provisions (Current)

in ₹ Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Provision for employee benefits			
Gratuity (refer note 31)	207.48	93.55	397.71
	207.48	**93.55**	**397.71**

Note:
The Company did not have any long-term contracts, including derivative contracts, for which any provision was required for foreseeable losses and not provided for.

24. Revenue from operations

	March 31, 2026	March 31, 2025
Income from Services	114,220.92	103,963.74
Other operating income		
Management Fees Income	1,651.57	1,362.13
Export incentives (including gain on sale of licenses)	-	53.70
	115,872.49	**105,379.57**

Notes:

a. The Company has recognised it's income from services over a period of time.

b. Movement in contract balances during the year.

	March 31, 2026		
	Contract Assets	**Contract Liability**	**Net Contract**
Opening balance as at April 01, 2025	17,395.27	62,781.16	(45,385.89)
Closing balance as at March 31, 2026	41,761.34	73,861.06	(32,099.72)
Net increase/(decrease)	**24,366.07**	**11,079.90**	**13,286.17**

	March 31, 2025		
	Contract Assets	**Contract Liability**	**Net Contract**
Opening balance as at April 01, 2024	5,227.65	14,887.57	(9,659.92)
Closing balance as at March 31, 2025	17,395.27	62,781.16	(45,385.89)
Net increase/(decrease)	**12,167.62**	**47,893.59**	**(35,725.97)**

c. The Company recognized ₹ 62,728.12 lakhs revenue during the fiscal year ended March 31, 2026, from the beginning contract liability balance as of April 01, 2025. The Company recognized ₹ 14,824.57 lakhs revenue during the fiscal year ended March 31, 2025, from the beginning contract liability balance as of April 01, 2023.

d. Revenue allocated to remaining performance obligations, which includes deferred income and amounts that will be invoiced and recognized as revenue in future periods, is ₹ 1,091.56 lakhs as of March 31, 2026, which we expect to recognize in fiscal 2027 and thereafter.

e. The Revenue recognized is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

25. Other income

	March 31, 2026	March 31, 2025
Interest income:		
Bank deposits	1.42	1.12
Income Tax Refunds	-	109.39
Others #	116.33	100.78
Provision for doubtful trade receivables written back	-	73.55
Miscellaneous income	146.22	46.71
	263.97	**331.55**

Others includes interest on lease deposit discounting & interest on loan to others

26. Employee benefits expense

	March 31, 2026	March 31, 2025
Salaries and wages	64,481.78	61,305.71
Contribution to provident and other funds (Refer note 31)	1,562.09	1,265.09
Gratuity (Refer note 31)	1,558.40	1,235.26
Staff welfare expenses	680.50	595.21
	68,282.77	**64,401.27**

27. Finance costs

	March 31, 2026	March 31, 2025
Interest:		
On term loan	51.30	243.41
On lease liabilities	885.03	999.12
On working capital finance	1,273.72	1,071.48
On vehicle loan	121.77	100.28
On related party loans	4,669.49	4,418.67
On others	40.24	3.54
Bank charges	10.01	17.69
	7,051.56	**6,854.19**

28. Other expenses

	March 31, 2026	March 31, 2025
Rent	4,369.47	4,437.57
Electricity	1,619.31	1,704.26
Technical service cost	1,462.35	461.67
Legal and professional fees	1,172.44	529.50
House-keeping charges	600.70	529.02
Communication charges	664.88	676.63
Travelling and conveyance	536.22	387.91
Management Fees	794.90	847.23
Commission & Brokerage	0.23	15.00
Security charges	406.34	370.35
Technician fees	7,075.17	4,564.11
Insurance cost	349.08	290.44
Rates and taxes	64.94	96.16
Repairs and Maintenance:		
On equipments	767.68	804.37
On building	559.91	768.22
On vehicles	35.29	27.22
Advertising and promotions	38.86	90.30
Provision for doubtful debts	406.40	9.14
Exchange gain (net)	5,730.66	1,611.84
Bad debts written off	0.08	-
Bad & doubtful advances/ balances written off	(154.51)	-
Corporate Social Responsibility (Refer note 38)	22.00	97.62
Loss on sale of property, plant and equipments	30.83	75.94
Remuneration to auditors (Excluding GST):		
Audit fees	15.00	15.00
For other services (certification)	-	-
For out of pocket expenses	0.60	0.60
Miscellaneous expenses	413.02	341.05
	26,981.85	**18,751.15**

29. Income Tax expense

a. Income tax recognised in Statement of Profit and Loss

in ₹ Lakhs

	March 31, 2026	March 31, 2025
Current tax	-	-
Deferred Tax	2,029.10	(1,870.01)
Total Income Tax expense	**2,029.10**	**(1,870.01)**

b. Income tax recognised in other comprehensive income

in ₹ Lakhs

	March 31, 2026	March 31, 2025
Re-measurement of defined benefit obligation	124.81	(17.27)
Total	**124.81**	**(17.27)**

c. The income tax expenses for the year can be reconciled to the accounting profit as follows:

in ₹ Lakhs

	March 31, 2026	March 31, 2025
Profit/(Loss) before tax	2,487.37	(3,375.35)
Applicable Tax rate	25.17%	25.17%
Computed tax expense	625.92	(849.61)
Tax Effect of:		
Effect of amortisation of intangible assets under tax laws considered as permanent difference	(495.15)	(660.20)
Previously unrecognised deferred tax liability on temporary differences	-	-
Recognition of previously unrecognised deferred tax asset on losses	-	-
Common control business combinations accounted for as per Appendix C of Ind AS 103 (Refer note 39)	-	-
Permanent disallowance- Interest & late fees disallowance, etc.	-	35.40
Others	1,898.33	(395.60)
Tax Expense / (credit) recognised in statement of profit and loss (net)	**2,029.10**	**(1,870.01)**

The tax rate used for reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax laws.

d. Recognised deferred tax assets and liabilities

	March 31, 2026	March 31, 2025
Deferred tax assets on temporary differences	3,552.29	5,706.20
	3,552.29	**5,706.20**

in ₹ Lakhs

	March 31, 2025	Charge/ (credit) to Statement of Profit and Loss	Charge/ (credit) to OCI	March 31, 2026
Deferred tax liability				
Difference between tax books and written down value of PPE, other intangible assets and right of use assets	(2,022.20)	(790.47)	-	(1,231.73)
	(2,022.20)	**(790.47)**	**-**	**(1,231.73)**
Deferred tax asset				
Provision for gratuity / bonus/ leave provision	1,738.70	(848.82)	-	2,587.52
Provision for doubtful advances and debts	2,187.82	1,195.42	-	992.40
Lease Deposit Discounting & Equalisation	36.74	14.79	-	21.95
Merger related expenses	0.95	-	-	0.95
Lease liabilities	226.08	37.45	-	188.63
Unabsorbed depreciation and carried forward losses	2,238.26	1,200.29	-	1,037.97
	6,428.55	**1,599.13**	**-**	**4,829.42**
	4,406.35	**808.66**	**-**	**3,597.69**

	March 31, 2024	Charge/ (credit) to Statement of Profit and Loss	Charge/ (credit) to OCI	March 31, 2025
Deferred tax liability				
Difference between tax books and written down value of PPE, other intangible assets and right of use assets	(1,269.71)	752.48	-	(2,022.20)
	(1,269.71)	**752.48**	**-**	**(2,022.20)**
Deferred tax asset				
Provision for gratuity / bonus/ leave provision	1,489.46	(231.97)	17.27	1,738.70
Provision for doubtful advances and debts	925.76	(1,262.06)	-	2,187.82
Lease Deposit Discounting & Equalisation	55.89	19.15	-	36.74
Merger related expenses	0.95	-	-	0.95
Lease liabilities	212.63	(13.45)	-	226.08
Unabsorbed depreciation and carried forward losses	2,403.95	165.69	-	2,238.26
	5,088.64	**(1,322.64)**	**17.27**	**6,428.55**
	3,818.93	**(570.16)**	**17.27**	**4,406.35**

	March 31, 2023	Charge/ (credit) to Statement of Profit and Loss	Charge/ (credit) to OCI	March 31, 2024
Deferred tax liability				
Difference between tax books and written down value of PPE, other intangible assets and right of use assets	(1,022.87)	246.84	-	(1,269.71)
	(1,022.87)	**246.84**	**-**	**(1,269.71)**
Deferred tax asset				
Provision for gratuity / bonus/ leave provision	1,304.85	(188.24)	(3.63)	1,489.46
Provision for doubtful advances and debts	1,051.98	126.22	-	925.76
Lease Deposit Discounting & Equalisation	92.07	36.18	-	55.89
Merger related expenses	7.05	6.10	-	0.95
Lease liabilities	301.64	89.01	-	212.63
Unabsorbed depreciation and carried forward losses	1,109.39	(1,294.56)	-	2,403.95
	3,866.98	**(1,225.29)**	**(3.63)**	**5,088.64**
	2,844.11	**(978.45)**	**(3.63)**	**3,818.93**

Note: The Company is mainly a cost plus entity rendering services to its immediate holding company and other fellow subsidiaries, has been profitable over the years and the revenue from operations have continued to grow in recent years. Hence, there is reasonable certainty on utilisation of unabsorbed depreciation, thereby deferred tax asset is recognised.

30. Earnings per share

in ₹ Lakhs

Particulars	**March 31, 2026**	**March 31, 2025**
Net (loss) / profit as per Statement of Profit and Loss attributable to Equity Shareholders	458.27	(1,505.34)
	Number	**Number**
Weighted average number of equity shares in calculating basic and diluted EPS	98,079,600	98,079,600
Earnings per share		
Basic EPS (₹)	0.47	(1.53)
Diluted EPS (₹)	0.47	(1.53)
Face value per share	10.00	10.00

Basic EPS amounts are calculated by dividing the net (loss) / profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the net (loss) / profit attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

31. Employee benefits

a. Defined contribution plans

The Company's defined contribution plans are provident fund, Employee State Insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

Contribution to Defined Contribution Plans, recognised as expense for the year is as under: in ₹ Lakhs

	March 31, 2026	March 31, 2025
Employer's contribution to provident fund	402.10	1,294.47
Employer's contribution to other funds	1,159.99	(29.38)
Total	**1,562.09**	**1,265.09**

b. Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded) for qualifying employees of its operations in India. The defined benefit plan is administered by the Company. Under this plan, the employee is entitled to a lump-sum payment upon retirement from the services of the Company. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

These plans typically expose the Company to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in bond interest rate will increase the plan liabilities
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary growth risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the said plan, the most recent actuarial valuation of the defined benefit obligation were carried out by an external expert, who is a duly registered actuary. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation: in ₹ Lakhs

	March 31, 2026	March 31, 2025
Defined benefit obligation at the beginning of the year	5,261.27	4,300.97
Interest cost	411.36	310.53
Current service cost	1,091.60	871.57
Past service cost	2,266.64	-
Liability Transferred In/ Acquisitions	456.55	-
(Liability Transferred Out/ Divestments)	(214.06)	-
Benefits paid	(220.09)	(289.39)
Actuarial losses on obligations - due to change in financial assumptions	(820.26)	285.73
Actuarial (gains) / losses on obligations - due to experience	324.13	(218.14)
Defined benefit obligation at the end of the year	**8,557.14**	**5,261.27**

ii) Expense recognized in Statement of Profit and Loss: in ₹ Lakhs

	March 31, 2026	March 31, 2025
Current service cost	1,091.60	871.57
Net interest cost	411.36	310.53
Past service cost	2,266.64	-
Expenses recognized	**3,769.60**	**1,182.10**

iii) Expenses recognized in the Other Comprehensive Income (OCI) in ₹ Lakhs

	March 31, 2026	March 31, 2025
Actuarial (gain) / loss	(496.13)	68.62
Net (gain) / loss recognized in OCI	**(496.13)**	**68.62**

iv) Breakup of defined benefit plan relating balance sheet amounts is shown below: in ₹ Lakhs

	March 31, 2026	March 31, 2025
Non-current liability (Refer note 18)	8,349.66	5,167.72
Current liability (Refer note 23)	207.48	93.55
	8,557.14	**5,261.27**

v) Actuarial assumptions: in ₹ Lakhs

	March 31, 2026	March 31, 2025
Rate of discounting (p.a.)	7.59%	6.82%
Rate of salary increase (p.a.)	7.00%	7.00%
Attrition rate (p.a.)	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 2.00% p.a.
Mortality table #	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

IALM- Indian Assured Lives Mortality.

The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The above information is as per the report of the actuary.

vi) Sensitivity analysis of the defined benefit obligations:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have benefit obligation by the amounts shown below:

in ₹ Lakhs

	March 31, 2026		March 31, 2025	
	Increase in assumptions	Decrease in assumptions	Increase in assumptions	Decrease in assumptions
Discount rate (1% movement)	(1,021.41)	1,220.95	(678.83)	819.65
Future salary appreciation (1% movement)	1,215.87	(1,035.41)	809.82	(683.61)
Attrition rate (1% movement)	25.68	(34.16)	(39.64)	41.97

vii) Maturity Analysis of the Benefit Payments

Projected Benefits Payable in Future Years From the Date of Reporting in ₹ Lakhs

	March 31, 2026	March 31, 2025
1st Following Year	193.53	93.55
2nd Following Year	209.39	115.81
3rd Following Year	247.93	129.96
4th Following Year	301.07	151.38
5th Following Year	316.18	178.22
Sum of Years 6 To 10	2,596.26	1,379.89
Sum of Years 11 and above	23,925.70	14,170.69

32. Financial instruments

a. Capital Risk Management

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

The management sets the amounts of capital required in proportion to risk. The Company manages its capital structure and adjusts 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 17 and 19) 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 2.17 (March 31, 2025: 1.64).

Consequent to the common control business combination given effect to in the previous years, which resulted in creation of debit balance in capital reserve, the Company has a negative net worth as at March 31, 2026. The consideration payable to the shareholders of the combining entities, primarily resulted in a negative net working capital. The Company is mainly a cost plus entity rendering services to its immediate holding company and other fellow subsidiaries, has been profitable over the years and the revenue from operations have continued to grow in recent years.

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

b. Financial risk management objectives

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

c. Market risk

The Company is primarily exposed to the following market risks.

i. 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:

	Foreign currency denomination	March 31, 2026		March 31, 2025	
		Foreign currency (in Lakh)	in ₹ Lakhs	Foreign currency (in Lakh)	in ₹ Lakhs
Financial Assets	USD	274.36	25,752.43	493.53	42,095.20
	EUR	0.01	0.54	0.01	0.45
	GBP	5.14	636.66	6.07	638.12
	AED	-	-	0.01	0.14
Total			**26,389.64**		**42,733.91**
Financial Liabilities	USD	99.77	9,364.97	140.58	11,940.39
	CAD	0.66	44.43	0.65	35.22
	GBP	484.94	60,009.87	487.89	48,232.67
	SGD	-	-	-	-
	EUR	0.00	0.45	0.01	0.89
	AED	0.09	2.33	-	-
	NPR	0.50	0.31	0.50	0.19
Total			**69,422.35**		**60,209.36**
Net Exposure			**(43,032.71)**		**(17,475.45)**

The Company's sensitivity to a 5% appreciation/depreciation of above mentioned foreign currencies with respect to Rupee would result in decrease/ increase in the Company's net (loss) / profit before tax by approximately ₹ 2,151.65 Lakhs for the year ended March 31, 2025 (March 31, 2025: increase / decrease by ₹ 873.77 Lakhs respectively). This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

ii. Interest rate risk management

The Company is not exposed significantly to interest rate risk because it borrows funds in the form of invoice discounting facility at floating interest rates determined on the date of disbursement, funds from related parties at floating rates, vehicle loan at market rate and other loans at market rate.

iii. Credit risk management

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Company has a low credit risk in respect of its trade receivables, as its principal customers are group companies. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks, mutual funds and others.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 1,34,306.11 Lakhs and ₹ 97,693.70 Lakhs as at March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of the balances with banks, bank deposits, loans, mutual fund investments, trade receivables, unbilled revenue and other financial assets.

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowance is recognised where considered appropriate by the management.

d. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) 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 banks 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 discounted cash flows.

in ₹ Lakhs

March 31, 2026	**Less than 1 year**	**Between 1 to 5 years**	**More than 5 years**	**Total**
Borrowings	36,703.09	11,940.39	51,173.93	99,817.41
Lease liabilities	5,160.73	2,227.18	-	7,387.91
Trade payables	13,927.66	-	-	13,927.66
Other financial liabilities	10,920.26	-	-	10,920.26
	66,711.74	**14,167.57**	**51,173.93**	**132,053.24**

March 31, 2025	**Less than 1 year**	**Between 1 to 5 years**	**More than 5 years**	**Total**
Borrowings	23,391.41	5,472.22	45,217.49	74,081.12
Lease liabilities	4,130.81	6,002.48	-	10,133.29
Trade payables	6,157.21	-	-	6,157.21
Other financial liabilities	9,408.98	-	-	9,408.98
	43,088.41	**11,474.70**	**45,217.49**	**99,780.60**

March 31, 2025	**Less than 1 year**	**Between 1 to 5 years**	**More than 5 years**	**Total**
Borrowings	18,761.43	8,610.35	42,893.58	70,265.36
Lease liabilities	3,998.62	8,163.66	-	12,162.28
Trade payables	4,324.58	-	-	4,324.58
Other financial liabilities	10,802.50	-	-	10,802.50
	37,887.13	**16,774.01**	**42,893.58**	**97,554.72**

e. Fair value measurements

in ₹ Lakhs

	Carrying value		Fair value		
	March 31, 2026	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**	**Fair value hierarchy**
Financial Assets					
Financial assets measured at fair value					
Investments	2.06	406.16	2.06	406.16	Level 1
Other financial assets	-	-	-	-	Level 3
Financial assets measured at amortised cost					
Trade receivables	29,239.50	46,439.70	-	-	
Cash and cash equivalents	26,530.24	372.67	-	-	
Bank balances other than cash and cash equivalents	493.51	-	-	-	
Loans	620.93	1,344.00	-	-	
Other financial assets	77,419.87	49,131.17	-	-	
Total financial assets	**134,306.11**	**97,693.70**	**2.06**	**406.16**	
Financial Liabilities:					
Financial liabilities measured at amortised cost					
Borrowings	99,817.41	74,081.12	-	-	
Lease liabilities	7,387.91	10,133.29	-	-	
Trade payables	13,927.66	6,157.21	-	-	
Other financial liabilities	10,920.26	9,408.98	-	-	
Total financial liabilities	**132,053.24**	**99,780.60**	**-**	**-**	

Consequent to the common control business combination given effect to in the previous years, which resulted in creation of debit balance in capital reserve, the Company has a negative net worth as at March 31, 2026. The consideration payable to the shareholders of the combining entities, has primarily resulted in a negative net working capital as on the balance sheet date. The Company is mainly a cost plus entity rendering services to its immediate holding company and other fellow subsidiaries, has been profitable over the years and the revenue from operations have continued to grow in recent years.

Basis of valuation technique for level 3 financial instruments

in ₹ Lakhs

	Fair value				
Financial Assets	**March 31, 2026**	**March 31, 2025**	**Fair value hierarchy**	**Valuation techniques and key inputs**	**Relationship of unobservable inputs to fair value**
Content Investments	-	-	Level 3	Undiscounted cash flow based on estimated theatrical box office performance	Higher the estimated theatrical box office performance, the higher is the fair value

Movement in level 3 instruments during the year	**in ₹ Lakhs**
As at March 31, 2024	2,175.00
Addition during the year	8,035.28
Less: Written off	(5,210.28)
Less: Provided for	(5,000.00)
March 31, 2025	-
Less: Provided/written off for	-
March 31, 2026	-

33. Related party disclosures

a. List of related parties where control exists, irrespective of transactions

Ultimate Holding Company
Prime Focus Limited

Intermediate holding companies
PF World Limited

Immediate Holding company
DNEG S.a.r.l

List of related parties with whom transactions have taken place during the year

Fellow subsidiaries
Prime Focus International Services UK Limited
Prime Focus Technologies Limited
Double Negative Limited
DNEG Toronto Prod. Ltd.
Brahma AI OpCo Limited
Double Negative Canada Productions Limited
Double Negative Montreal Productions Limited
DNEG North America Inc
DNEG Australia PTY Limited
Jam8 Prime Focus LLP
Lowry Digital Imaging Services Inc (up to April 12, 2024)

Enterprises owned or significantly influenced by Key Management Personnel or their relatives and where Company had transactions during the reporting period
Blooming Buds Coaching Private Limited

Key Management Personnel
Merzin Tavaria (M/s Luminosity)
Delna Dhamodiwala
Namit Malhotra (Promoter of ultimate holding company)

b. List of transactions with related parties during the year

	March 31, 2026	March 31, 2025
Borrowings taken		
Double Negative Limited	-	-
Prime Focus Limited	17,051.95	
Rent expense		
Prime Focus Limited	1,835.79	1,977.20
Blooming Buds Coaching Private Limited	498.58	237.39
Recovery of rent expense		
Jam8 Prime Focus LLP	96.00	96.00
Finance costs		
Double Negative Limited	4,552.22	4,422.11
Prime Focus Limited	117.27	
Reimbursement of expenses incurred by		
Prime Focus Technologies Limited		
Prime Focus Limited	343.75	312.50
Prime Focus Technologies Limited	46.65	109.54
Reimbursement of expenses incurred for		
Prime Focus Technologies Limited	195.24	-
Double Negative Limited	601.69	-
Technician Fees		
Merzin Tavaria (M/s Luminosity)	75.00	70.00
Management Fees Income		
Double Negative Limited	1,651.57	1,362.13
Revenue		
Prime Focus Limited	-	0.75
DNEG Toronto Prod. Ltd.	2,755.28	72.66
DNEG Australia Pty Ltd.	8,335.60	6,515.22
Prime Focus Technologies Limited	-	-
Prime Focus International Services UK Limited	1,174.75	594.26
Double Negative Limited	55,948.35	40,946.15
Double Negative Canada Productions Limited	17.99	3,205.49
Brahma AI OpCo Limited	2,665.89	
Double Negative Montreal Productions Limited	11,286.76	15,168.38
Technical service cost		
Jam8 Prime Focus LLP	6.43	7.29
Sale of assets		
Double Negative Montreal Productions Limited	0.95	-
Double Negative Limited	17.84	-
Management Fees Expense		
Prime Focus Limited	794.85	743.05
Remuneration (refer note c below)		
Delna Dhamodiwala	123.34	123.34
Namit Malhotra	404.72	400.26
Loans Given		
Ms. Delna Dhamodiwala	-	2.41
Deposit given (net)		
Prime Focus Technologies Limited	1,934.02	4,970.00
Prime Focus Limited	1.00	-

c. Balance outstanding at the year end in ₹ Lakhs

	March 31, 2026	March 31, 2025
Loans received (including interest)		
Double Negative Limited	48,186.09	53,572.31
Prime Focus Limited	17,051.95	
Security deposits receivable		
Prime Focus Limited	787.56	786.56
Prime Focus Technologies Limited	6,904.00	4,970.00
Blooming Buds Coaching Private Limited	530.00	530.00
Trade payables and other current liabilities		
Prime Focus Limited	254.47	33.58
Double Negative Montreal Productions Limited	33.70	35.57
Double Negative Canada Productions Limited	2.47	2.80
Double Negative Limited	30.28	3.43
DNEG North America Inc	0.19	0.19
DNEG SARL	866.27	1,006.97
Prime Focus International Services UK Limited	31.67	36.02
Jam8 Prime Focus LLP	35.19	23.36
Prime Focus Technologies Limited	110.16	109.54
Trade receivables and Other receivables		
Prime Focus International Services UK Limited	-	594.26
Prime Focus Limited	(1.35)	273.38
Double Negative Limited	2,292.37	25,378.32
DNEG Australia Pty Ltd.	-	7,170.00
DNEG Toronto Prod. Ltd.	9,975.44	247.02
Double Negative Canada Productions Limited	-	2,356.55
Double Negative Montreal Productions Limited	12,829.08	6,960.26
Prime Focus Technologies Limited	277.63	-
Jam8 Prime Focus LLP	216.80	201.44
Unbilled revenue/ (Deferred revenue)		
DNEG Australia Pty Ltd.	2,585.01	(1,576.52)
DNEG Toronto Prod. Ltd.	(477.34)	(175.59)
Double Negative Montreal Productions Limited	(61,844.20)	5,785.67
Double Negative Limited	12,438.72	(32,755.26)
Prime Focus Technologies Limited	1,174.75	-
DNEG North America Inc	20.29	(33.49)
Prime Focus International Services UK Limited	(58.76)	(58.76)
Double Negative Canada Productions Limited	(14,867.69)	(2,843.15)
Brahma AI OpCo Limited	2,665.89	-
Loans Receivable		
Ms. Delna Dhamodiwala	5.61	11.21
Corporate guarantees given by and outstanding at the year end		
Prime Focus Limited	10,000.00	-
DNEG S.a.r.l	18,500.00	18,500.00

Notes:

a. The promoters has given personal guarantee and has pledged part of their shareholdings of PFL for borrowings taken by the Company (Ref
b. All contracts/ arrangement with the related parties are at arms length
c. As the liabilities for defined benefit plans are provided on the basis of report of actuary for the Company as a whole, the amounts pertaining
Management Personnel are not included.

34. Capital commitments

in ₹ Lakhs

	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided:	702.92	5,004.10
Estimated amount of commitments towards content investments	-	-

35. Contingent liabilities

in ₹ Lakhs

	March 31, 2026	March 31, 2025
Income Tax Matters under dispute	1,818.19	1,818.19
Goods and Services Tax	266.78	266.78

Note:

a. In respect of above matters, the Company is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize. Future cash flows in respect of above are determinable only on receipt of judgements/ decisions pending with the authority.

b. It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters above pending resolution of the arbitration/appellate proceedings. Further, the liability mentioned above excludes interest and penalty except in cases where the Company has determined that the possibility of such levy is remote.

c. The Company does not expect any reimbursements in respect of the above contingent liabilities.

d. The Company has reviewed its proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

36. Leases

Maturity profile of lease liabilities

in ₹ Lakhs

	31-Mar-26			31-Mar-25		
	Carrying Amount	Interest	Undiscounted Cash flow	Carrying Amount	Interest	Undiscounted Cash flow
within one year	5,160.73	143.36	5,304.09	4,130.81	(494.89)	3,635.92
later than one year and not later than five years	2,227.18	2,710.12	4,937.30	6,002.48	(1,889.22)	4,113.26
later than five years						
	7,387.91	**2,853.48**	**10,241.39**	**10,133.29**	**(2,384.11)**	**7,749.18**

37. Segment reporting

The segment information has been prepared in line with the review of operating results by chief operating decision maker (CODM). The Company is presently operating as integrated post-production services to DNEG SARL, the immediate holding company and fellow subsidiaries and is considered as representing a single operating segment.

The Company operates in four principal geographical areas – India (Country of Domicile), United Kingdom and Canada. The Company's revenue from continuing operations from customers by location of customers and information about its non-current assets by location of assets are detailed below:

in ₹ Lakhs

	Revenue from operations		Segment Non-current assets*	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
India	53,310.23	45,465.28	50,115.77	42,383.41
United Kingdom	59,788.99	41,540.42	-	-
Canada	2,773.27	18,373.87	-	-
United States of America		-	-	-

*Non-current assets excludes financial assets and deferred tax assets.

In the year ended March 31, 2025 revenue from one customer contributed 16% and another customer contributed 43% of the Company's revenue and in the year ended March 31, 2024, one customer contributed 20% and another customer contributed 40% of the Compnay's revenue.(refer note 33).

38. Corporate social responsibility

in ₹ Lakhs

	31-Mar-26	31-Mar-25
Gross Amount required to be spent by the company during the year	21.91	97.06
Amount Spent during the year on:		
(i) Construction/ Acquisition of any Asset		
(ii) On purpose other than above	22.00	97.62
The amount of shortfall at the end of the year out of the amount required to be spent by the		
Company during the year	-	-
The total of previous years' shortfall amounts	-	-

39. The scheme of amalgamation of the Company with Prime Focus Academy of Media and Entertainment Studies Private Limited ("PFAMES"), wholly owned subsidiary of the Company was filed with Hon'ble National Company Law Tribunal ("NCLT") in previous the year. The NCLT pronounced the order on July 04, 2024, sanctioning / approving the aforesaid Scheme. The effective date of the amalgamation is April 01, 2023.

PFAMES is a training academy offering specialized courses in visual effects, animation, 3D animation services in Entertainment (M&E) Industry. The amalgamation is without any consideration. The Company has followed pooling of interest method as per Ind AS 103 (Appendix C), "Business Combinations of entities under common control", accordingly, the financial information in the financial statements in respect of prior periods have been restated as if the business combination had occurred from the beginning of the previous year i.e. April 1, 2022.

40. Additional Regulatory Informations:

i. Key financial ratios as at

Ratios	March 31, 2026	March 31, 2025	Variation	Reason for variation
Current ratio	0.96	0.91	5%	NA
Debt-Equity Ratio	(6.00)	(5.02)	17%	NA
Debt service coverage ratio	0.49	1.37	-65%	Refer note a
Return on equity ratio	(0.03)	0.10	373%	Refer note b
Debtors (trade receivable) turnover ratio	3.06	2.93	3%	Refer note c
Trade payables turnover ratio	2.68	3.54	-20%	NA
Net capital turnover ratio	(22.84)	(11.62)	13%	Refer note d
Net profit ratio	0.00	(0.01)	375%	Refer note e
Return on capital employed	0.12	0.07	52%	NA
Return on investment	-	-	100%	Refer note f

Reasons for variation:
a. Increase in borrowing during the year.
b. Increase in loss for the year as compared to loss in previous year.
c. Increase in trade receivables as compared to previous year.
d. Increase in trade receivables and other financial assets as compared to previous year.
e. Loss during the year is due to the write off and provision for advances.
f. Gain on sale of mutual funds (net off fair valuation)

Formula for computation of aforesaid ratios

1) Current ratio: Current assets / Current liabilities
2) Debt equity ratio: Total debt / Total equity
3) Debt service coverage ratio: Earning before interest, depreciation and tax / Interest + principal repayment of long term borrowings and Leases
4) Return on equity/ investments: Profit / (Loss) after Tax/ Average equity
5) Debtors (trade receivables) turnover ratio: Revenue from operations / Average account receivables
6) Trade payables turnover ratio: Other expenses excluding CSR and loss on sales of property, plant & equipment /Average trade payable.
7) Net capital turnover ratio: Revenue from operations / Working capital
8) Net profit ratio: Profit / (Loss) after tax/ Revenue from operations
9) Return on capital employed: Net profit before interest and tax / Capital Employed (Shareholders Fund + long term borrowings)
10) Return on investment: Income from investments/Average investment

ii. Other informations:-

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company has no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

f. The Company has not traded or invested in crypto currency or virtual currency during the year.

g. Utilisation of borrowed funds and share premium :

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

h. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

41. Event after reporting period
There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

42. Approval of financial statements
The financial statements were approved for issue by the Board of Directors on Date: May 27, 2026.

See accompanying notes to the financial statements	1-42

As per our report of even date attached.
For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 27, 2026

For and on behalf of the Board of Directors

Merzin Tavaria	**Delna Dhamodiwala**
Director	**Director**
DIN 07015623	**DIN 09624579**
Place : Mumbai	**Place : Mumbai**
Date: May 27, 2026	**Date: May 27, 2026**
Vikas Rathee	**0**
Chief Financial Officer	**0**
DIN 07015635	**0**
Place : London	**0**
Date: May 27, 2026	**0**

Notes forming part of the financial statements

1. General information

DNEG India Media Services Limited ("the Company") is a public limited company incorporated and domiciled in India**.** The address of its registered office is Mainframe IT Park, Building H, Royal Palms, Aarey Colony, Goregaon (East), Mumbai – 400 065.

The Company is the wholly owned subsidiary of DNEG SARL (erstwhile Prime Focus World N.V.) and the ultimate holding company is Prime Focus Limited ("PFL"). The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimensions to three dimensions (2D to 3D) conversion and other technical services to its immediate holding company and other PFL group companies and to clients in the film, broadcast, and commercial sectors.

2. Material accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') prescribed under section 133 and other relevant provisions of Companies Act, 2013.

2.2 Basis of preparation

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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

The Company's financial statements are presented in Indian Rupees (₹), which is its functional currency, and all values are rounded to the nearest lakhs.

2.3 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

2.4.1 Rendering of services

The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimensions to three dimensions (2D to 3D) conversion and other technical services to its immediate holding company and other PFL group companies and to clients in the film, broadcast and commercial sectors.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts, these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin of 15%. The Company accrues for this revenue based on actual cost incurred during the period.

Unbilled revenue is included within ‘other financial assets’ and billing in advance is included as deferred revenue in ‘Other current liabilities’.

2.4.2 Interest income

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.

2.4.3 Rental income

The Company’s policy for recognition of revenue from operating leases is described in note 2.5.1 below.

2.5 Leasing

2.5.1 The Company as lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the right-to-use asset arising from the head-lease.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

2.5.2 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an right-to-use asset is impaired and accounts for any identified impairment loss.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.6 Foreign currencies

In preparing the financial statements, transactions in currencies other than the Company'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.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant under Service Export from India Scheme (SEIS) is given by providing duty scrip credit for eligible exports. Under the scheme, service providers, located in India, are rewarded under the SEIS scheme, for all eligible export of services from India. These duty credit scrips can be used for payment of basic custom duty and are freely transferable.

2.9 Employee benefits

2.9.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans.

A liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.9.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.10 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.10.1 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.

2.10.2 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.

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.

2.10.3 Current and deferred tax for the year

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

2.11 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost of Leasehold improvements is amortised over a period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.12 Intangible assets

2.12.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.12.2 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.12.3 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.13 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an

impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.14 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

2.14.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction

costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.16.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.16.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.16.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss on disposal of that financial asset.

2.16.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period and the exchange differences are recognised in profit or loss.

2.16.6 Investments in mutual funds

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

2.17 Financial liabilities and equity instruments

2.17.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.17.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.17.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

2.17.3.1 Financial liabilities subsequently measured at amortised cost

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.17.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.17.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17.3.4 Offsetting

Financial assets and financial liabilities are off set and the net amount is presented when and only when, the Company has legally enforceable right to set off the amount it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.18 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.19 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

2.20 Earnings per share (EPS)

Basic EPS amount is calculated by dividing the net profit / (loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amount is calculated by dividing the net profit / (loss) attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

2.21 Subsequent events

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.22 Advances for participation rights in box office collection for feature films

Advances for film productions are recognised at amortised cost where the return is determinable under the contract. Where the return is variable (i.e., the Company has right to receive the share in the profits of the relevant production in addition to receiving back the original advance), the advance is recognised at its recoverable value. Given the nature of the advances and the inherent uncertainty about future successes of the relevant productions, it can be difficult to gauge the probability and financial impact of the success or failure of the production. Consequently, most appropriate approach to determine recoverable value of incomplete productions is based on the initial advance and assumptions as to whether the relevant production will proceed to completion. Once a production is complete, the recoverable value will be based on the expected future cash flows, based on the revenues earned to date and future forecast revenues.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.1.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in

tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.1.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.1.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.1.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

3.1.6 Defined benefit obligations

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 "Employee benefits" over the period during which benefits is derived from the employees' services and is determined based on valuation carried out by independent actuary. The costs are determined based on assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to change in these assumptions.

3.1.7 The Company recognises Goodwill that has arisen through business acquisition.

Goodwill is subject to impairment review to ensure that it is not carried above its recoverable value. Review is performed at least annually at end of each year end or more frequently if events or circumstances indicate that this is necessary.

Impairment review is performed by comparing the carrying value of the cash generating unit with its recoverable amount, being the higher of value in use and fair value less costs to sell. Value in use is valuation derived from the discounted future cash flows of cash generating unit. The most important estimates in these forecast cash flows are the long term growth rates used to calculate revenue growth in perpetuity and the discount rates which are applied to the future cash flows. These estimates are reviewed at least annually and are believed to be appropriate. However, changes in these estimates could change the outcomes of the impairment reviews and therefore affect future financial results. The effects would be recognised in the Statement of Profit or Loss, through operating profit.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond a five-year period are extrapolated using the estimated growth rates stated above. (Refer note 5).

4 Recent Pronouncements

New accounting standards, amendments and interpretations adopted by the Company effective from 1 April 2024:

Ind AS 117 Insurance Contracts:

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:
a. A specific adaptation for contracts with direct participation features (the variable fee approach)
b. A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 had no impact on the financial statements as the Company had not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

Amendment to Ind AS 116 Leases - Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

Standards issued but not yet effective

MCA has notified Companies (Indian Accounting Standards) Amendment Rules, 2025 making amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, w.r.t Lack of exchange ability' w.e.f. 1 April 2025. These amendments require assessing currency exchange ability and estimating exchange rates when currencies are not readily exchangeable and also requires specific disclosures viz. the nature and financial effects of the currency not being exchangeable, the spot exchange rates used, the estimation process, and the risks to which the entity is exposed because of the currency not being exchangeable. The amendment also lays down transition requirements, while specifically stating that an entity shall not restate comparative information in applying Lack of Exchange ability.

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)

Balance Sheet as at March 31, 2026

(Rs in lakh)

Particulars	Notes	March 31, 2026	March 31, 2025
Assets			
1. Non-current assets			
(a) Property, plant and equipment	4	839.15	2,518.54
(b) Other Intangible assets	5	94.01	5,780.18
(c) Right-of-use assets	6	1,699.32	3,191.86
(d) Intangible assets under development	36	-	684.88
(e) Financial assets			
(i) Investments	7	17,303.20	17,665.90
(ii) Loans	8	63.21	56.72
(iii) Other financial assets	11	4,330.46	3,970.03
(f) Income tax assets (net)		916.49	466.54
(g) Other non-current assets	12	2.49	79.51
Total Non-current assets		**25,248.33**	**34,414.16**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	9	1,876.94	3,694.24
(ii) Cash and cash equivalents	10	926.51	1,193.54
(iii) Other financial assets	11	18,594.15	12,772.73
(b) Other current assets	12	1,191.48	864.35
Total current assets		**22,589.08**	**18,524.86**
Total assets		**47,837.41**	**52,939.02**
Equity and liabilities			
Equity			
(a) Equity share capital	13	423.98	423.98
(b) Other equity	14	29,783.49	29,341.92
Total Equity		**30,207.47**	**29,765.90**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	102.27
(ii) Lease liabilities	32	891.04	2,663.72
(b) Provisions	17	735.93	772.91
Total Non-current liabilities		**1,626.97**	**3,538.90**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	102.00	21.06
(ii) Lease liabilities	32	1,270.12	1,127.13
(iii) Trade payables			
- total outstanding dues of micro and small enterprises	37	0.37	92.94
- total outstanding dues of trade payables other than micro and small enterprises	37.1	3,172.80	3,477.06
(iv) Other financial liabilities	16	3,571.29	7,334.38
(b) Provisions	17	31.97	40.54
(c) Other current liabilities	18	7,854.42	7,541.11
Total current liabilities		**16,002.97**	**19,634.22**
Total liabilities		**17,629.94**	**23,173.12**
Total equity and liabilities		**47,837.41**	**52,939.02**

See accompanying notes to the financial statements 1 to 40

In terms of our report attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration Number: 105047W/W101187

For and on behalf of the Board of Directors

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 28, 2026

Namit Naresh Malhotra
Director
DIN :- 00004049
Place: Mumbai
Date: May 28, 2026

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 28, 2026

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)

Statement of Profit and Loss for the year ended March 31, 2026

(Rs in lakh)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	20	20,283.50	24,045.58
Other income (net)	21	739.87	196.80
Total income		**21,023.37**	**24,242.38**
Expenses			
Employee benefits expense	22	7,659.95	10,985.59
Technical service cost		6,085.29	5,347.67
Finance costs	23	732.69	1,472.09
Depreciation and amortisation expense	4 to 6, 24	3,526.14	7,093.21
Impairment of other Intangible Assets	5	-	17,577.12
Impairment of Investments	7	362.70	-
Other expenses	25(a)	2,821.49	3,192.40
Total expenses		**21,188.26**	**45,668.08**
Loss before exceptional items and tax		**(164.89)**	**(21,425.70)**
Exceptional items	25(b)	(610.19)	-
Profit/(Loss) before tax		**445.30**	**(21,425.70)**
Tax expense			
Current tax		-	-
Deferred tax (credit)		-	-
Total income tax expenses / (benefits)	26	**-**	**-**
Profit/(Loss) for the year		**445.30**	**(21,425.70)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability	28	(3.73)	(103.25)
Income tax relating to above		-	-
Items that will be reclassified to the profit or loss			
Remeasurement of the net defined benefit liability		-	-
Income tax relating to above		-	-
Total other comprehensive loss for the year		**(3.73)**	**(103.25)**
Total comprehensive profit/(loss) for the year		**441.57**	**(21,528.95)**
Earnings per equity share	27		
(Face value of Rs. 10/- each)			
Basic (in Rs.)		10.50	(548.25)
Diluted (in Rs.)		10.50	(548.25)

See accompanying notes to the financial statements 1 to 40

In terms of our report attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration Number: 105047W/W101187

For and on behalf of the Board of Directors

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 28, 2026

Namit Naresh Malhotra
Director
DIN :- 00004049
Place: Mumbai
Date: May 28, 2026

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 28, 2026

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)

Statement of Changes in Equity for the year ended March 31, 2026
(All amounts in Rs lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2024 (21,87,600 equity shares)	**218.76**
Changes in equity share capital during the year (20,52,173 equity shares)	205.22
Balance as at March 31, 2025 (42,39,773 equity shares)	**423.98**
Balance as at April 1, 2025 (42,39,773 equity shares)	**423.98**
Changes in equity share capital during the year	-
Balance as at March 31, 2026 (42,39,773 equity shares)	**423.98**

B. Other equity

(Rs in lakh)

Particulars	Reserves and Surplus					Total
	General Reserve	Securities Premium Reserve	Share options outstanding account	Compulsorily convertible debentures	Retained earnings	
Balance as at April 1, 2024	**1,870.75**	**4,710.06**	**4,338.51**	**3,000.00**	**1,111.72**	**15,031.04**
Loss for the year	-	-	-	-	(21,425.70)	(21,425.70)
Conversion from Compulsorily convertible debentures to Optionally convertible debentures				(3,000.00)		(3,000.00)
Securities Premium on issue of equity shares		38,720.72				38,720.72
Employee share-based compensation expense	-	-	119.11	-	-	119.11
Other comprehensive loss for the year	-	-	-	-	(103.25)	(103.25)
Balance as at March 31, 2025	**1,870.75**	**43,430.78**	**4,457.62**	**-**	**(20,417.23)**	**29,341.92**
Balance as at April 1, 2025	**1,870.75**	**43,430.78**	**4,457.62**	**-**	**(20,417.23)**	**29,341.92**
Profit for the year	-	-	-	-	445.30	445.30
Other comprehensive loss for the year	-	-	-	-	(3.73)	(3.73)
Balance as at March 31, 2026	**1,870.75**	**43,430.78**	**4,457.62**	**-**	**(19,975.66)**	**29,783.49**

See accompanying notes to the financial statements 1 to 40

In terms of our report attached

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DIN :- 00004049
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Date: May 28, 2026

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 28, 2026

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)

Cash flow statement for the year ended March 31, 2026

Particulars	Year Ended March 31, 2026	(Rs in lakh) Year Ended March 31, 2025
Cash flow from Operating activities		
Profit/(Loss) before tax	445.30	(21,425.70)
Adjustments to reconcile profit/loss for the year to net cash generated from Operating Activities:		
Depreciation and amortization expense	3,526.14	7,093.21
Impairment of Investments and Other Intangible Assets	362.70	17,577.12
Net (gain) on sale of property, plant and equipment	(46.29)	-
Provision for doubtful recievables	18.96	30.26
Interest income	(233.41)	(103.59)
Finance cost	732.69	1,472.09
Foreign exchange differences	(324.12)	(52.93)
Employee share-based compensation expense	-	119.11
Operating profit before working capital changes	**4,481.97**	**4,709.57**
Changes in working capital:		
Increase / (Decrease) in trade payables	(396.83)	1,046.85
Increase in other liabilities	313.31	4,978.39
Decrease in provisions	(49.28)	(124.33)
Increase / (Decrease) in other Financial liabilities	(3,907.16)	5,452.50
Decrease in trade receivables	1,798.35	1,221.60
(Increase) in other Financial assets	(5,589.12)	(5,934.34)
(Increase) in other assets	(325.99)	(411.59)
Cash generated from operations	**(3,674.76)**	**10,938.65**
Income tax (net)	(449.48)	563.99
Net cash flow (used in) / generated from operating activities (A)	**(4,124.24)**	**11,502.64**
Cash flow from Investing activities		
Purchase of Property, plant & equipment and development of Other intangible assets	(7,085)	(3,411.94)
Proceeds from sale of Property, plant & equipment	13,555	-
Proceeds from/(investments in) bank deposits other than cash and cash equivalents	(23.38)	(54.69)
Interest received	(335.94)	32.11
Net cash flow (used in) / generated from Investing activities (B)	**6,111.08**	**(3,434.52)**
Cash flow from financing activities		
Repayment of long term borrowings	-	(770.11)
Proceeds /(repayment) of short term borrowings	(21.33)	(1,770.33)
Repayment of Optionally convertible debentures	-	(3,000.00)
Interest payment on lease liability	(395.06)	(534.93)
Repayment of lease liability	(1,629.69)	(1,022.68)
Interest paid on borrowings	(207.80)	(228.52)
Net cash flow (used in) Financing activities (C)	**(2,253.87)**	**(7,326.57)**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	**(267.04)**	**741.55**
Cash and cash equivalents at the beginning of the year	1,193.54	451.99
Cash and cash equivalents at the end of the year (Refer note 10)	**926.51**	**1,193.54**

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)

Cash flow statement for the year ended March 31, 2026

Notes:

1) Components of cash and cash equivalents		
a) Cash on hand	1.34	1.53
b) Balance in banks - current accounts	925.17	1,192.01
Cash and cash equivalents (Refer note 10)	**926.51**	**1,193.54**

a. Non Cash Transaction

	March 31, 2026	**March 31, 2025**
Conversion of borrowing with a Ultimate Holding Company including accrued interest on borrowing into equity shares	-	38,925.94

b. Disclosure as required by Ind AS 7 - "Cash Flow Statements" - Changes in liabilities arising from -financing activities:

Borrowing- Non Current	**March 31, 2026**	**March 31, 2025**
Opening	102.27	623.13
Cash flow	-	(520.86)
Non cash movement	(102.27)	-
Closing	**-**	**102.27**

Borrowing- Current	**March 31, 2026**	**March 31, 2025**
Opening	21.06	32,620.95
Cash flow	(21.33)	(2,019.58)
Non cash movement	102.27	(30,580.31)
Closing	**102.00**	**21.06**

Lease Liabilities	**March 31, 2026**	**March 31, 2025**
Opening	3,790.85	4,813.53
Repayment of Lease Liabilities during the year	(1,629.69)	(1,022.68)
Non cash movement	-	-
Closing	**2,161.16**	**3,790.85**

Interest on lease liabilities is Rs. 395.06 lakh and Rs.534.93 lakh for the years ended March 31, 2026 and 2025, respectively

c. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

d. Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets.

See accompanying notes to the financial statements 1 to 40

In terms of our report attached

For M S K A & Associates LLP
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Chartered Accountants
Firm's Registration Number: 105047W/W101187

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
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For and on behalf of the Board of Directors

Namit Naresh Malhotra
Director
DIN :- 00004049
Place: Mumbai
Date: May 28, 2026

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 28, 2026

1. General information

Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited) (PFT) (the 'Company'), [CIN-U72200MH2008PLC179850] is a limited company incorporated in India. PFT is engaged in the business of providing digital technological solutions to the sports, film, broadcast, advertising and media industries. DNEG S.A.R.L is the Holding Company and Prime Focus Limited is the Ultimate Holding Company. The address of the Company's registered office is Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited), True North, Plot no 63, Road No 13, Opp. Hotel Tunga Paradise MIDC, Andheri (East), Mumbai – 400093, India. The Company's name was changed from Prime Focus Technologies Limited to Brahma AI Services India Limited with effect from January 22, 2026.

2. Material accounting policies

2.1 Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable.

The financial statements have been prepared on the assumption that the Company is a going concern and will continue its operations for the foreseeable future.

2.2 Basis of preparation

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 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 116, and measurements that have some similarities to fair value but are not fair value, such as 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

The Company's financial statements are presented in India Rupees (Rs.) which is functional currency.

2.3 Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.4 Revenue recognition

Revenue is measured at the transaction price received or receivable for the sale of services. Revenue is shown net of applicable taxes.

2.4.1 Rendering of services

The Company provides a variety of digital technological solutions to the sports agencies, film productions, broadcast, advertising and media industries.

Revenue from technical services, including creative services, is recognised on the basis of services rendered. Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within ‘other financial assets’ and billing in advance is included as deferred revenue in ‘other current liabilities’.

2.4.2 Dividend 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.

2.4.3 Rental income

The Company’s policy for recognition of revenue from operating leases is described in note 2.5 below.

2.5 Leasing

The Company as a lessee

The Company enters into an arrangement for lease of buildings, plant and machinery & computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a) control the use of an identified asset,
b) obtain substantially all the economic benefits from use of the identified asset, and
c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use (RTU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RTU asset is impaired and accounts for any identified impairment loss. Refer 2.13 below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.6 Foreign currencies transactions and translations

In preparing the financial statements, transactions in currencies other than the Company'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.

2.7 Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Employee benefits

2.8.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

A liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.9 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 30.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.10 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.10.1 Current tax

The current tax 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.

2.10.2 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.

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.

2.10.3 Current and deferred tax for the year

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

2.11 Property, plant and equipment (PPE) and depreciation

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. PPE not ready for intended use on the date of balance sheet are disclosed as "capital work-in-progress"

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost of Leasehold improvements is amortised over a period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.12 Intangible assets and amortisations

2.12.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounting for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately are carried at cost less accumulated impairment losses.

2.12.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

2.12.3 Useful lives of intangible assets

Software acquired by the Company are amortised on straight line basis over the estimated useful life of six years. Internally generated intangible assets are amortised over a period of six to twenty years.

2.12.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.13 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.14 Provisions & contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

2.14.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

All regular way purchases and sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer note 2.16.4

2.16.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss (FVTPL). Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.16.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item.

Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.16.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.16.5 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.16.6 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period and the exchange differences are recognised in profit or loss.

2.16.7 Investment in subsidiaries

The Company has elected to recognize its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statement'. Impairment assessment involves comparing the carrying amount of the investment with its recoverable amount. If the recoverable amount is less than the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of fair value less costs of disposal and value in use.

2.17 Financial liabilities and equity instruments

2.17.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.17.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.17.3 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.17.4 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.17.4.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and the Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that liabilities that are designated as at FVTPL, the amount of change in fair value of the financial liability that is attributable to changes in the credit risk of the liability is recognised in other comprehensive income, unless the recognition of the effects of changes creates mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified in profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.17.4.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.17.4.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.17.4.4 Commitments to provide a loan at below-market interest rate

Commitments to provide a loan at below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.17.4.5 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.17.4.6 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to the Financial Statements for the year ended March 31, 2026
(All amounts in Rs lakhs, unless otherwise stated)

2.18 Offsetting

Financial assets and financial liabilities are off set and the net amount is presented when and only when, the Company has legally enforceable right to setoff the amount it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.19 Cash & cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of cash flow statement, cash and cash equivalent comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdraft are presented under borrowings within current financial liabilities.

2.20 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

2.21 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effect of all dilutive potential ordinary shares, which includes all stock options granted to employees.

2.22 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.23 Recent accounting standards pronouncements:

The Ministry of Corporate Affairs, vide notification dated 7th May 2025 and 13th August 2025, amended the Companies (Indian Accounting Standards) Rules, 2015. The amendments clarify the assessment of currency exchangeability and spot exchange rate estimation under Ind AS 21, prescribe explicit guidance on classification of liabilities as current or non-current based on covenant compliance under Ind AS 1, introduce mandatory disclosure requirements for supplier finance arrangements including reverse factoring under Ind AS 7 and Ind AS 107, and incorporate a temporary exception from recognition and disclosure of deferred tax assets and liabilities arising from Pillar Two minimum tax rules under Ind AS 12.

Application of above amendments did not have any significant impact on the Company's financial statements

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1.1 Revenue recognition

The revenue recognised on fixed price contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man hours/units of work performed as a percentage of the estimated total man hours/units to complete a contract. The actual man hours/units and estimated man hours/units to complete a contract are updated on a monthly basis.

The estimated man hours/units remaining to complete a project are judgemental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.1.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent our best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

The Company has losses and other timing differences for which no deferred tax asset has been recognised in these financial statements. This situation can arise where the future economic benefit of these timing differences is estimated to be not probable. It can also arise where the timing differences are of such a nature that their value is dependent on only certain types of profit being earned, such as capital profits. If trading or other appropriate profits are earned in future, these losses and other timing differences may yield benefit to the Company in the form of a reduced tax charge.

3.1.3 Depreciation/amortisation and useful lives of property, plant and Equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.1.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.1.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

3.1.6 Fair value measurements and valuation process

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Further, the Company has used valuation experts for the purpose of ascertaining fair value for certain assets and liabilities. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent that it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

3.1.7 Defined benefit obligations

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 "Employee benefits" over the period during which benefits is derived from the employees' services and is determined based on valuation carried out by independent actuary. The costs are determined based on assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to change in these assumptions.

3.1.8 Recoverability of internally generated intangible asset

The Company develops intangible assets internally to assist its business plans and outlook. The Company capitalises various costs, including employee costs, incurred in such development activities. Selection of the intangible asset eligible for capitalisation, identification of the expenses that are directly attributable and reasonably allocable to development of intangible assets involves significant management judgement. Further, the Company considers recoverability of the Company's internally generated intangible assets as at the end of each reporting period. Detailed analysis was carried out by the management as at March 31, 2026 regarding recoverability of its internally generated intangible assets.

3.1.9 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee. The Company uses the incremental borrowing rate as the discount rate for its leases.

4. Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2026 are as follows:

(Rs in lakh)

Description of assets	Plant and equipment	Leasehold Improvements	Furniture and fixtures	Electrical Fittings	Office equipment	Vehicles	Total
Cost							
As at April 1, 2025	**12,100.03**	**4,321.64**	**682.31**	**896.66**	**1,255.27**	**161.71**	**19,417.62**
Additions	127.42	-	-	-	18.43	-	**145.85**
Deduction / discard	(3,227.40)	(3,160.59)	(298.87)	(577.59)	(170.12)	(137.09)	**(7,571.66)**
As at March 31, 2026	**9,000.05**	**1,161.05**	**383.44**	**319.07**	**1,103.58**	**24.62**	**11,991.81**
Accumulated depreciation							
As at April 1, 2025	**10,720.18**	**3,768.17**	**584.71**	**791.25**	**1,019.26**	**15.51**	**16,899.08**
For the year	503.20	262.02	12.65	33.10	80.70	17.82	**909.49**
Deduction / discard	(2,862.49)	(2,903.28)	(266.79)	(523.28)	(84.28)	(15.79)	**(6,655.91)**
As at March 31, 2026	**8,360.89**	**1,126.91**	**330.57**	**301.07**	**1,015.68**	**17.54**	**11,152.66**
Net carrying value as at March 31, 2026	**639.16**	**34.14**	**52.87**	**18.00**	**87.90**	**7.08**	**839.15**

Description of assets	Plant and equipment	Leasehold Improvements	Furniture and fixtures	Electrical Fittings	Office equipment	Vehicles	Total
Cost							
As at April 1, 2024	**10,642.53**	**3,940.69**	**675.19**	**924.81**	**1,150.84**	**24.62**	**17,358.68**
Additions	521.13	379.98	5.48	0.05	108.93	137.09	**1,152.66**
Deduction / discard		-	-	-	-	-	**-**
Transfer from right to use (net) (refer Note a)	882.38	-	-	-	-	-	**882.38**
Adjustment (refer Note b)	53.99	0.97	1.64	(28.20)	(4.50)	0.00	**23.90**
As at March 31, 2025	**12,100.03**	**4,321.64**	**682.31**	**896.66**	**1,255.27**	**161.71**	**19,417.62**
Accumulated depreciation							
As at April 1, 2024	**9,309.45**	**3,703.54**	**573.47**	**747.15**	**936.30**	**11.69**	**15,281.60**
For the year	598.52	64.63	11.24	44.10	82.96	3.82	**805.27**
Deduction / discard	-	-	-	-	-	-	**-**
Transfer from right to use (net) (refer Note a)	812.21	-	-	-	-	-	**812.21**
As at March 31, 2025	**10,720.18**	**3,768.17**	**584.71**	**791.25**	**1,019.26**	**15.51**	**16,899.08**
Net carrying value as at March 31, 2025	**1,379.85**	**553.47**	**97.60**	**105.41**	**236.01**	**146.20**	**2,518.54**

Note:

a. Transfer of assets is on account of completion of lease term.
b. Adjustment is on account of reclassification of assets.
c. Refer Note 33 for capital commitments.
d. Refer Note 19 for details of borrowings where assets have been placed as security.

5. Other Intangible assets

(Rs in lakh)

Description of assets	**Softwares**
Cost	
As at April 1, 2025	**61,105.93**
Additions	1,603.70
Deduction / discard	(29,601.50)
As at March 31, 2026	**33,108.13**
Accumulated amortisation	
As at April 1, 2025	**55,325.75**
For the year	1,502.61
Impairment for the year	-
Deduction / discard	(23,814.24)
As at March 31, 2026	**33,014.12**
Net carrying value as at March 31, 2026	**94.01**

Description of assets	**Softwares**
Cost	
As at April 1, 2024	**58,192.80**
Additions	2,584.55
Deduction / discard	-
Adjustment (refer Note b)	(13.24)
Transfer from right to use (net) (refer Note a)	341.82
As at March 31, 2025	**61,105.93**
Accumulated amortisation	
As at April 1, 2024	**32,489.45**
For the year	5,160.25
Impairment for the year	17,577.12
Deduction / discard	-
Transfer from right to use (net) (refer Note a)	98.93
As at March 31, 2025	**55,325.75**
Net carrying value as at March 31, 2025	**5,780.18**

Note:

a. Transfer of assets is on account of completion of lease term.

Impairment on other intangible assets: The Management of the Company assessed as at March 31, 2026 and March 31, 2025, there is any indication that an asset may be impaired.
Based on the assessment carried out by the management, no indicators of impairment were identified in respect of other intangible assets for March 31, 2026. Accordingly, no impairment loss has been recognised during the year ended March 31, 2026.
Based on the assessment carried out by the management for March 31, 2025, it identified indicators of impairment in respect of older version modules of Clear Software used by the Company. The indicators of impairment for the said software was mainly due to upgradation to newer AI-integrated versions of its services which was done on account of maintaining competitiveness and meeting evolving client expectations. Accordingly, the older versions or modules that lacked AI capabilities of the said software had become obsolete and were no longer in active use. Consequently, an impairment loss of Rs 17,577 lakh was recognized and charged to the Statement of Profit and Loss during the year ended March 31, 2025.

6. Right-of-use assets

(Rs in lakh)

Description of assets	Plant & Machinery	Buildings	Total
Cost			
As at April 1, 2025	**314.18**	**5,513.19**	**5,827.37**
Additions	-	-	-
Deductions / disposal (refer Note c)	-	(592.08)	(592.08)
As at March 31, 2026	**314.18**	**4,921.11**	**5,235.29**
Accumulated amortisation			
As at April 1, 2025	**124.35**	**2,511.16**	**2,635.51**
For the year	78.54	1,035.50	1,114.04
Deductions / disposal (refer Note c)		(213.58)	(213.58)
As at March 31, 2026	**202.89**	**3,333.08**	**3,535.97**
Net carrying value as at March 31, 2026	**111.29**	**1,588.03**	**1,699.32**

Description of assets	Plant & Machinery	Software	Buildings	Total
Cost				
As at April 1, 2024	**1,196.56**	**216.59**	**8,364.52**	**9,777.67**
Additions	-	-	-	-
Transfer to PPE and Other Intangible assets (net) (refer Note a)	(882.38)	(341.82)		(1,224.20)
Adjustment (refer Note b)		125.23	(125.23)	-
Deductions / disposal (refer Note c)	-	-	(2,726.10)	(2,726.10)
As at March 31, 2025	**314.18**	**-**	**5,513.19**	**5,827.37**
Accumulated amortisation				
As at April 1, 2024	**858.01**	**86.23**	**4,200.81**	**5,145.05**
For the year	78.54	12.70	1,036.45	1,127.69
Transfer to PPE and Other Intangible assets (net) (refer Note a)	(812.20)	(98.93)	-	(911.13)
Deductions / disposal (refer Note c)	-	-	(2,726.10)	(2,726.10)
As at March 31, 2025	**124.35**	**-**	**2,511.16**	**2,635.51**
Net carrying value as at March 31, 2025	**189.83**	**-**	**3,002.03**	**3,191.86**

Note:

a. Transfer of assets is on account of completion of lease term and assets getting transferred as owned assets.
b. Adjustment is on account of reclassification of assets.
c. Disposal of Rs 213.58 (Previous Year: Rs. 2,726.10 lakhs) under right to use – building is on account of lease closure.

7. Investments

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Investment in subsidiaries:		
Unquoted equity instruments, fully paid up (at cost)		
Prime Focus Technologies UK Limited		
10 equity share (March 31, 2025 :10 share) of GBP 0.01 each	-	-
Prime Focus Technologies, Inc.		
2,235 equity shares (March 31, 2025: 2,235 shares) of USD 0.01 each.	3,176.35	3,176.35
Prime Focus Technologies PTE Ltd.		
100 ordinary shares (March 31, 2025: 100 ordinary shares) of SGD 1 each.	0.06	0.06
Apptarix Mobility Solutions Private Limited		
3,297,746 equity shares (March 31, 2025: 3,297,746 shares) of Rs. 1 each (Refer note 3 below)	8.79	371.49
Unquoted preference shares (at cost)		
Prime Focus Technologies UK Limited		
282,515,100 - 0% optionally convertible redeemable preference shares (March 31, 2025: 282,515,100 shares) of GBP 0.01 each (Refer note 1 below)	2,320.66	2,320.66
Prime Focus Technologies, Inc.		
32-0% optionally convertible preference shares (March 31, 2025-32) of USD 0.01 each (Refer note 2 below)	11,797.34	11,797.34
Total	**17,303.20**	**17,665.90**

Aggregate amount of unquoted Investments - at book value	17,303.20	17,665.90
Aggregate amount of impairment in the value Investments	362.70	-

Note 1: The zero percent optionally convertible redeemable preference shares are redeemable at any time within a period of 10 years from the date of allotment at the option of the Company at a value giving minimum return of 6% p.a. on the amount invested. These shares can be converted into one ordinary share of GBP 0.01 each at any time at the option of the Company.

Note 2: The zero percent optionally convertible preference shares are redeemable at any time between 5 to 10 years from the date of issue of preference share at the option of the Company. These shares can be converted into one ordinary share of USD 0.01 each at any time at the option of the Company.

Note 3: During the year ended March 31, 2026, the Company performed an assessment of its investment in Apptarix Mobility Solutions Private Limited in accordance with the requirements of the Ind AS 36, Impairment of Assets. Based on the assessment of the subsidiary's financial performance, business outlook, projected cash flows, and other relevant indicators, Management concluded that the carrying amount of the investment exceeded its recoverable amount.

Accordingly, the Company recognized an impairment loss of Rs. 362.70 lakhs (Previous year: Nil) on its investment in Apptarix Mobility Solutions Private Limited. The impairment loss has been recognized in the Statement of Profit and Loss under “Impairment of Investments” for the year ended March 31, 2026.

After recognizing the impairment loss, the carrying amount of the investment in Apptarix Mobility Solutions Private Limited as at March 31, 2026, amounted to Rs. 8.79 lakhs.

Management will continue to monitor the performance and business prospects of the subsidiary and assess the carrying value of the investment at each reporting date.

8. Loans (Unsecured, Considered good)

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Loan to Subsidiary (Refer note below (a) & 31)	63.21	56.72
Total	**63.21**	**56.72**

a. Above loans are given for general corporate purpose and is repayable on demand.

9. Trade Receivables (Current)

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Unsecured		
Trade receivables, considered good	1,876.94	3,694.24
Credit Impaired	171.07	246.10
	2,048.01	**3,940.34**
Less: Allowance for expected credit loss	(171.07)	(246.10)
Total	**1,876.94**	**3,694.24**

The movement in Allowance for expected credit loss is as follows: (Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	246.10	215.85
Movement/Reversal during the year (net)	18.96	30.25
Transfer to DNEG as part of Slum Sale (Refer Note 25 (b))	(93.99)	-
Balance as at the end of the year	**171.07**	**246.10**

Trade receivables - ageing schedule as on March 31, 2026

Outstanding for following period from due date of Payment	Undisputed trade receivables			Disputed trade receivables-			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	1,815.95	-	-	-	-	-	1,815.95
6 months - 1 year	39.08	-	-	-	-	-	39.08
1 - 2 year	16.80	6.65	-	-	-	-	23.45
2 - 3 year	5.11	11.25	-	-	-	-	16.36
More than 3 years	-	153.17	-	-	-	-	153.17
Total	**1,876.94**	**171.07**	-	-	-	-	**2,048.01**

Trade receivables - ageing schedule as on March 31, 2025

Outstanding for following period from due date of Payment	Undisputed trade receivables			Disputed trade receivables-			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	3,371.07	-	-	-	-	-	3,371.07
6 months - 1 year	321.68	-	-	-	-	-	321.68
1 - 2 year	1.49	3.62	-	-	-	-	5.11
2 - 3 year	-	0.48	-	-	-	-	0.48
More than 3 years	-	242.00	-	-	-	-	242.00
Total	**3,694.24**	**246.10**	-	-	-	-	**3,940.34**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

10. Cash and Cash Equivalent

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	1.34	1.53
Balance with bank		
In current Accounts	925.17	1,192.01
Total	**926.51**	**1,193.54**

Notes to the Financial Statements for the year ended March 31, 2026
(All amounts in Rs lakhs, unless otherwise stated)

11. Other financial assets

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Non-current (unsecured, considered good)		
Security deposits	569.99	596.02
Bank deposits (Refer note (a) below)	369.13	345.75
Interest accrued on loan to related parties (Refer note 31)	3,391.34	3,028.26
Total	**4,330.46**	**3,970.03**
Current (unsecured, considered good)		
Unbilled revenue	5,793.07	6,751.84
Interest accrued on deposits	3.60	1.30
Receivables from Asset Sales (Refer note (c) below)	12,530.46	-
Advance to related parties (Refer note 31)	267.02	19.59
Advance recoverable in cash or kind (Refer note (b) below)	-	6,000.00
Total	**18,594.15**	**12,772.73**

a. Fixed deposits are provided as security against fund -based and non -fund based credit facilities and have maturity period of more than 12 months from balance sheet date.
b. The Company had acquired, then capitalised the rights in respect of the film and subsequently sold during the year.
c. Amount includes Rs. 944.36 Lakhs receivable from the sale of the Techno Creative Solutions and Restoration business to DNEG India Media Services Limited (a fellow subsidiary); amount Rs. 7,520 Lakhs receivable from transfer of Clear IP Software to Brahma AI ME Limited (a fellow subsidiary); amount Rs. 4,036.10 Lakhs receivable for sale of rights in respect of a film and Rs 30 Lakhs is receivable for scrap sale of vehicle.

12. Other Assets

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Non-current (Unsecured, considered good)		
Capital advances	2.49	78.39
Prepaid expenses	-	1.12
Total	**2.49**	**79.51**
Current (Unsecured, considered good)		
Prepaid expenses	211.08	265.20
Other loans and advances (Refer note a below)	555.44	143.45
Balance with Government authorities	424.96	455.70
Total	**1,191.48**	**864.35**

a. Other loans and advances include, advances to employees and advances to suppliers.

13. Equity Share Capital

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
50,00,000 equity shares (March 31, 2025 : 50,00,000 equity shares) of Rs. 10/- each	500.00	500.00
15,00,00,000 Preference shares (March 31, 2025 : 15,00,00,000 Preference shares) of Rs. 1/- each	1,500.00	1,500.00
Issued, subscribed and paid-Up:		
42,39,773 equity shares (March 31, 2025 : 42,39,773 equity shares) of Rs. 10/- each	423.98	423.98

13.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Fully paid equity shares

	Year ended March 31, 2026		Year ended March 31, 2025	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	4,239,773	423.98	2,187,583	218.76
Add: Shares issued during the year	-	-	2,052,190	205.22
Balance as at the end of the year	**4,239,773**	**423.98**	**4,239,773**	**423.98**

13.2 Shares reserved for issuance under options

In previous year, the Company granted employee stock options under employee's stock options scheme. Each option entitles the holder to one equity share of Rs. 10 each. 161,285 options were outstanding as at March 31, 2025. (Refer note 30)

13.3 Details of shares held by each shareholder holding more than 5%

	As at March 31, 2026		As at March 31, 2025	
	Numbers	% of holding	Numbers	% of holding
DNEG S.A R.L - Holding company	3,910,228	92.23%	3,910,228	92.23%
Mr. Ramakrishnan Sankaranarayanan	221,602	5.23%	221,602	5.23%

13.4 Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2026

Promoter name	No of shares	% of total shares	% change during the year
DNEG S.A R.L - Holding company	3,910,228	92.23%	0.00%

Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2025

Promoter name	No of shares	% of total shares	% change during the year
DNEG S.A R.L - Holding company	3,910,228	92.23%	100.00%

13.5 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in INR.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.6 In the period of five years immediately preceding March 31, 2026 :

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash

Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil (previous year: Nil)

Aggregate number and class of shares bought back - Nil (previous year: Nil)

13.7 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31,2026 (March 31, 2025: Nil).

14. Other equity

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Securities premium reserve		
As per last balance sheet	**43,430.78**	**4,710.06**
Movement during the year	-	38,720.72
	43,430.78	**43,430.78**
Compulsory convertible debentures		
As per last balance sheet	**-**	**3,000.00**
Movement during the year	-	(3,000.00)
	-	**-**
General reserve		
As per last balance sheet	**1,870.75**	**1,870.75**
Movement during the year	-	-
	1,870.75	**1,870.75**
Retained earnings		
As per last balance sheet	(20,417.23)	1,111.72
Movement during the year	441.56	(21,528.95)
	(19,975.67)	**(20,417.23)**
Share options outstanding account		
As per last balance sheet	4,457.62	4,338.51
Movement during the year	-	119.11
	4,457.62	**4,457.62**
Total	**29,783.48**	**29,341.92**

14.1 Security premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

14.2 Compulsory convertible debentures were converted to optionally convertible debentures during the financial year 2024-25.

14.3 General reserve is created from time to time by transferring profits from retained earnings and can be utilised for the purposes such as dividend pay-out, bonus issue etc.

14.4 Retained earnings represents profit that the Company earned till date, less any transfers to general reserve and other distributions paid to the shareholders. Retained earnings includes Re measurement of defined benefit obligations (net of tax), loss of Rs. 3.73 lakhs (March 31, 2025: loss of Rs. 103.25 lakhs).

14.5 Share options outstanding account relates to the stock option granted by the Company to employees under the Employee Stock Option Plan (Refer note 30).

15. Borrowings (Non - Current)

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Other loan and advances (secured)		
Vehicle Loan from Bank	-	102.27
Total	**-**	**102.27**

16. Other Financial liabilities (Current)

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Interest accrued	191.31	61.48
Dues payable to group companies (Refer note 31)	43.53	43.53
Accrued salaries and benefits	1,216.04	1,748.20
Capital Creditors	145.41	131.17
Others (Refer note (a) below)	1,975.00	5,350.00
Total	**3,571.29**	**7,334.38**

a. Payable against re-assignable or transferable assignment rights of films.

17. Provisions

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Non-current		
Provision for employee benefits		
Gratuity (refer note 28)	609.26	679.90
Compensated absences	126.67	93.01
Total	**735.93**	**772.91**
Current		
Provision for employee benefits		
Gratuity (refer note 28)	17.84	31.32
Compensated absences	14.13	9.22
Total	**31.97**	**40.54**

The Company did not have any long-term contracts including derivatives contracts for which any provision was required for any material foreseeable losses.

18. Other liabilities

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Current		
Deposit received from customers	6,942.10	5,008.08
Unearned revenue including contract liabilities	605.54	2,235.06
Advance reveived from customers	2.28	2.99
Other payables (Refer note (a) below)	304.50	294.98
Total	**7,854.42**	**7,541.11**

a. Other payables include statutory tax liabilities payable, goods and service tax payable, and employer and employee contribution to provident fund and other funds.

19. Borrowings (Current)

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
Current maturities of long term borrowings		
Vehicle Loan from Bank (Secured) (Refer note (a) below)	102.00	21.06
Total	**102.00**	**21.06**

a. The Company has availed a vehicle loan from banks are secured by hypothecation of the vehicle, repayable in equal monthly instalments over the period of 5 years. Interest rate is at a fixed rate of 8.60% p.a.

Subsequent to the year ended 31 March, 2026, the Company has done prepayment of vehicle loan. The loan is repaid in April 2026. As at March 31, 2026, outstanding loan amount is Rs.102.00 lakhs (Current); Previous Year: Rs. 102.27 lakhs (Non-Current) and Rs. 21.06 Lakhs (Current).

20. Revenue from operations

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Income from services	20,283.50	24,045.58
Total	**20,283.50**	**24,045.58**

Note:

a. The Company has recognised its income from services over a period of time.

b. Movement in contract balances during the year.

	As at March 31, 2026		
	Contract Assets	Contract Liability	Net Contract
Opening balance as at April 01, 2025	6,751.84	2,235.06	4,516.78
Closing balance as at March 31, 2026	5,793.07	605.54	5,187.53
Transferred to DNEG as part of Slump Sale	449.12	15.04	434.08
Net (decrease)	**(509.65)**	**(1,614.48)**	**1,104.83**

	As at March 31, 2025		
	Contract Assets	Contract Liability	Net Contract
Opening balance as at April 01, 2024	6,821.72	2,262.23	4,559.49
Closing balance as at March 31, 2025	6,751.84	2,235.06	4,516.78
Net (decrease)	**(69.88)**	**(27.17)**	**(42.71)**

c. The Company recognized Rs. 2,235.06 lakh of revenue during the fiscal year ended March 31, 2026, from the beginning contract liability balance as of April 01, 2025. The Company recognized Rs.2,262.23 lakh of revenue during the fiscal year ended March 31, 2025, from the beginning contract liability balance as of April 01, 2024.

d. Revenue allocated to remaining performance obligations, which includes deferred income and amounts that will be invoiced and recognized as revenue in future periods, is Rs. 2,207.57 as of March 31, 2026, which we expect to recognize in fiscal 2027 and thereafter.

e. The Revenue recognized is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

f. Three customers contributes individually to more than 10% of the total revenue for the year ended March 31, 2026 amounting to Rs. 10,857.76 lakhs (Previous Year - Two customer Rs. 13,089.77 lakhs).

21. Other income

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income:		
Bank deposits	23.14	24.07
On income tax refunds	0.47	51.55
On loans and deposits given to related parties (Refer note 31)	5.83	5.56
On others	203.96	22.41
Gain on sale of Property, Plant and Equipment (net)	46.29	-
Exchange gain (net)	324.12	85.43
Others (Refer note (a) below)	136.06	7.78
Total	**739.87**	**196.80**

a. Includes gain on disposal of ROU asset amounted to Rs. 130.34 Lakhs.

22. Employee benefits expense

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	7,003.43	9,929.83
Contribution to provident fund, other funds (Refer note 28)	400.05	542.41
Gratuity expenses (Refer note 28)	120.32	175.90
Employee share-based compensation expense (Refer note 30)	-	119.11
Staff welfare expenses	136.15	218.34
Total	**7,659.95**	**10,985.59**

23. Finance costs

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Interest on term loan	-	13.22
Interest on lease liabilities	395.06	534.93
Interest on working capital loans	-	44.96
Interest on loan from related parties (Refer note 31)	200.34	753.75
Interest on vehicle loan	9.64	0.90
Interest on others	19.43	4.45
Finance charges	108.22	119.88
Total	**732.69**	**1,472.09**

24. Depreciation and amortisation expense

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of Property, Plant and Equipment (Refer note 4)	909.49	805.27
Amortisation of Other intangible assets (Refer note 5)	1,502.61	5,160.25
Depreciation of Right of use assets (Refer note 6)	1,114.04	1,127.69
Total	**3,526.14**	**7,093.21**

25 (a). Other expenditure

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Consumable stores	65.95	104.60
Rent	246.80	273.90
Repairs and maintenance		
- Repairs to buildings*	0.00	3.65
- Repairs to plant and machinery	157.78	49.46
- Repairs to Others	531.16	643.17
Rates and taxes	4.21	11.56
Legal and Professional fees	340.74	392.91
Insurance cost	93.90	85.30
Traveling and conveyance	302.00	275.14
Communication cost	198.15	257.84
Sales promotion expenses	62.36	94.87
Electricity expense	389.98	529.08
Allowances for doubtful receivables	18.96	30.26
Auditor's remuneration (Refer Note a below)	14.85	20.58
Director's sitting fees	-	3.40
House keeping expense	205.57	217.99
Management fees	56.90	63.38
Miscellaneous expenses	132.18	135.31
Total	**2,821.49**	**3,192.40**

a. Details of Auditor's Remuneration

Audit fees	13.00	15.00
Limited review	-	4.06
Certification work	1.80	1.46
Out of pocket expenses	0.05	0.06
Total	**14.85**	**20.58**

*Denotes amount less than Rs. 10,000

25 (b). Exceptional items

	Year ended March 31, 2026	Year ended March 31, 2025
Due to changes in Labour Law (Refer note (a) below)	174.23	-
Gain on slum sale (Refer note (b) below)	(626.68)	-
Gain on sale of Clear IP (Refer note (c) below)	(157.74)	-
Total	**(610.19)**	**-**

a. Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour Codes, namely the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes"). The implementation of the New Labour Codes resulted in an increase in provision for employee benefits on account of recognition of past service cost. In accordance with the requirements of the New Labour Codes and the applicable accounting standards, the Company assessed and recognized the incremental impact on the gratuity provision amounting to Rs 174.23 Lakhs arising from the implementation of the revised wage definition as an Exceptional Item in the Statement of Profit and Loss.

b. Gain of Rs 624.23 lakhs arised from the sale of the Techno Creative Solutions and Restoration business to DNEG India Media Services Limited, a fellow subsidiary. The transaction was completed on March 31, 2026. The gain primarily resulted from depreciation charged for the three-month period preceding the transfer and other changes in the carrying value of the assets transferred. The depreciation charged for the aforesaid three-month period has been recognized under "Depreciation and Amortization Expense" in the Statement of Profit and Loss.

c. On March 31, 2026, the Management entered into a Software Assignment Agreement (the "Agreement") with Brahma AI ME Limited (Fellow Subsidiary). Pursuant to the Agreement, the CLEAR IP Software, including all variants, source code, object code, libraries, modules, documentation, updates, modifications, data, user interfaces, tools, and derivative works, in any form or format, was transferred to Brahma AI ME Limited. In consideration for the transfer, the Company received Rs 7,520 lakhs. The written down value of the CLEAR IP Software as of the transfer date was Rs 7,362.26 lakhs. Accordingly, the Company recognized a gain of Rs157.74 lakhs as an exceptional item, representing the difference between the sale consideration and the written down value of the asset.

Notes to the Financial Statements for the year ended March 31, 2026
(All amounts in Rs lakhs, unless otherwise stated)

26. Income Taxes

A. Amounts recognised in statement of profit or loss

(Rs in lakh)

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax	-	-
Deferred tax	-	-
Total Income tax expenses	**-**	**-**

B. Income tax recognised in other comprehensive income

	Year ended March 31, 2026	Year ended March 31, 2025
Re-measurement of defined benefit obligation	-	-
Tax charge / (credit) in other comprehensive income	**-**	**-**

C. Reconciliation of tax expense and the accounting profit for the year is as under

(Rs in lakh)

	March 31, 2026		March 31, 2025	
Profit/(Loss) before tax		445.29		(21,425.70)
Tax using Company's domestic tax rate	25.17%	112.08	25.17%	(5,392.85)
Tax Effect of:				
Effect of expenses that are not deductible		618.64		29.98
Deferred tax asset not recognised on account of timing differences, unabsorbed depreciation and capital losses carried forward		(730.72)		5,362.87
Income tax credit recognised in Statement of Profit and Loss		-		-

Notes to the Financial Statements for the year ended March 31, 2026
(All amounts in Rs lakhs, unless otherwise stated)

D. Movement in temporary differences

	Balance as at March 31, 2024	Recognised in Profit/ loss during 2024-25	Recognised in OCI during 2024-25	Balance as at March 31, 2025	Recognised in Profit/ loss during 2025-26	Recognised in OCI during 2025-26	Balance as at March 31, 2026
Deferred tax liabilities related to:							
Difference between tax books and written down value of Property,Plant and Equipment and other intangible assets	(5,959.15)	5,343.50	-	(615.65)	444.73	-	(170.92)
Lease deposit discounting and equalisation	16.31	(5.64)	-	10.67	(0.91)	-	9.76
	(5,942.84)	**5,337.86**	**-**	**(604.98)**	**443.82**	**-**	**(161.16)**
Deferred tax assets related to:							
Provision for employee benefits	210.05	(5.31)	-	204.75	(11.47)	-	193.28
Unabsorbed loss carried forward	4,555.42	(4,555.41)	-	-	(587.97)	-	(587.97)
Provision for doubtful receivables	54.31	7.63	-	61.94	(18.88)	-	43.06
Lease liabilities	1,123.06	(784.77)	-	338.29	174.50	-	512.79
Others	-		-	-	-	-	-
	5,942.84	**(5,337.86)**	**-**	**604.98**	**(443.82)**	**-**	**161.16**
Net deferred tax (liabilities)	**-**	**-**	**-**	**-**	**-**	**-**	**-**

E. Unrecognised deferred tax assets

(Rs in lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Unabsorbed business loss & depreciation	4,740.33	5,075.89

F. Tax losses carried forward

Particulars	As at 31st March 2026	As at 31st March 2025	Will expire in FY
Unabsorbed business loss FY 2021-22 (AY 2022-23)	243	2,082	2029-30
Capital Gain Loss FY 2025-26 (AY 2026-27)	734	-	2033-34
Unabsorbed depreciation FY 2016-17 (AY 2017-18)	128	362	Indefinite life
Unabsorbed depreciation FY 2017-18 (AY 2018-19)	2,048	2,048	Indefinite life
Unabsorbed depreciation FY 2018-19 (AY 2019-20)	2,599	2,599	Indefinite life
Unabsorbed depreciation FY 2019-20 (AY 2020-21)	1,804	1,804	Indefinite life
Unabsorbed depreciation FY 2020-21 (AY 2021-22)	2,274	2,274	Indefinite life
Unabsorbed depreciation FY 2021-22 (AY 2022-23)	3,421	3,421	Indefinite life
Unabsorbed depreciation FY 2022-23 (AY 2023-24)	2,256	2,256	Indefinite life
Unabsorbed depreciation FY 2023-24 (AY 2024-25)	2,305	2,305	Indefinite life
Unabsorbed depreciation FY 2024-25 (AY 2025-26)	1,020	1,016	Indefinite life

27. Earnings per share

Basic EPS amounts are calculated by dividing the net profit / (loss) for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the net profit / (loss) attributable to equity shareholders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the net profit / (loss) and share data used in the basic and diluted EPS computations:

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Net Profit / (Loss) for the year (A)	445.29	(21,425.70)
Opening number of Equity Shares	4,239,773	2,187,583
Shares issued during the year	-	2,052,190
Weighted average number of Equity Shares for Basic EPS (B)	4,239,773	3,908,049
Weighted average number of Equity Shares for the effect of dilution ('C)	4,239,773	3,908,049
Earnings per share		
Basic (Rs.) (A/B)	10.50	(548.25)
Diluted (Rs.) (A/C)	10.50	(548.25)
Nominal value of shares (Rs.)	10.00	10.00

Potential equity shares are anti-dilutive in nature and hence diluted earnings per share is same as basic earnings per share.

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of approval of these Financial Statements.

28. Employee Benefits

28.1 Defined contribution plans

The Company makes provident fund, Employee State Insurance and employees' pension scheme contribution to the relevant authorities, which are defined contribution plans for the qualifying employees.

The Company's contribution to provident fund, Rs. 400.04 lakh (March 31, 2025, Rs. 542.41 lakh) has been recognised in Profit or Loss under the head employee benefits expense.

28.2 Defined benefit plans

The Company sponsors defined benefit plan (gratuity plan) for qualifying employees. The defined benefit plan is non-funded and is administered by the Company directly. Under the plan, the employees are entitled to a lump-sum payment upon retirement from the services of the Company. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

This plan typically expose the Company to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the gratuity plan, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out by an external expert, who's a duly registered actuary. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

I. Reconciliation of opening and closing balance of defined benefit obligation

(Rs in lakh)

	As at March 31, 2026	**As at March 31, 2025**
Defined Benefit Obligation at the beginning of the year	711.22	718.51
Interest Cost	41.42	51.80
Current Service Cost	78.90	124.10
Past Service Cost	174.23	-
Liability Transferred In/ Acquisitions	214.06	-
Liability Transferred Out/ Divestments	(456.55)	-
Benefit Paid	(139.91)	(286.44)
Actuarial (Gains)/losses on Obligations-Due to change in financial assumptions	(72.92)	31.10
Actuarial (Gains)/losses on Obligations - Due to Experience	76.65	72.15
Defined Benefit Obligation at the end of the year	**627.10**	**711.22**

II. Expenses recognised in Statement of Profit and Loss

	Year ended March 31, 2026	Year ended March 31, 2025
In income statement		
Current Service Cost	78.90	124.10
Interest Cost	41.42	51.80
Net cost	**120.32**	**175.90**
In Other Comprehensive Income (OCI)		
Actuarial loss/(gains) on obligation for the year	3.73	103.25
Net (income)/expense for the year recognized in OCI	**3.73**	**103.25**

III. Breakup of defined benefit plan relating balance sheet amounts is shown below

	Year ended March 31, 2026	Year ended March 31, 2025
Non-current liability (Refer note 17)	609.26	679.90
Current liability (Refer note 17)	17.84	31.32
Total	**627.10**	**711.22**

Note:

a. The Company has not invested in any plan assets.

b. The Company has considered employee retairment age as 60 years (previous year - 60 years)

IV. Actuarial assumptions

	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate (p.a.)	7.73%	6.85%
Rate of escalation in salary (p.a.)	5.00%	5.00%
Attrition rate	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.
Mortality table	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

1 The discount rate is based on the prevailing market yields of the Government of India bonds as at the Balance Sheet date for the estimated term of the obligations

2 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

V. Sensitivity analysis of the defined benefit obligations

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March 31, 2026		March 31, 2025	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate (1% movement)	(68.72)	82.16	(81.63)	98.09
Future salary appreciation (1% movement)	53.86	(50.79)	82.84	(73.63)
Attrition rate (1% movement)	29.70	(34.39)	17.66	(20.71)

VI. Maturity profile

Projected benefits payable in future years from the date of reporting

(Rs in lakh)

	As at March 31, 2026	As at March 31, 2025
1st Following Year	17.84	31.32
2nd Following Year	21.19	29.74
3rd Following Year	41.81	21.28
4th Following Year	24.19	22.84
5th Following Year	35.19	40.07
Sum of Years 6 To 10	213.01	208.29
Sum of Years 11 and above	1,644.25	1,670.45

29. Financial instruments

A. Capital risk management

The Company's objectives when managing capital is 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's 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 of the Company consists of borrowings (as detailed in note 15 and 19), offset by cash and bank balances (note 10), and equity of the Company (comprising equity share capital and other equity) detailed in statement of changes in shareholders' equity). The debt equity ratio is 0.07 as on March 31, 2026 (0.13 as on March 31, 2025).

During the year, the Company's strategy was to monitor and manage the use of funds whilst developing business strategies.

B. Financial risk management objectives

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors manage and review the affairs of the Company by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

C. Credit risk management

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Company has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organisations which the Company has worked with for a number of years. However, as the Company grows its customer base it will experience an increased credit risk environment. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 24,864.76 lakhs and Rs. 20,493.73 lakhs as at March 31, 2026 and March 31, 2025 respectively, being the total of the carrying amount of the balances with trade receivables, unbilled revenue, loans and other financial assets.

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowance is recognised where considered appropriate by the management.

D. Liquidity risk management

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As at March 31, 2026, cash and cash equivalents are held with major banks and financial institutions.

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.

Liquidity Risk

(Rs in lakh)

	As at March 31, 2026		
	Due within one year	**Due after one year**	**Total**
Financial liablities			
Borrowings	102.00	-	102.00
Lease liabilities	1,270.12	891.05	2,161.17
Other financial liabilities	3,571.30	-	3,571.30
Trade payables	3,173.15	-	3,173.15
	8,116.56	**891.05**	**9,007.62**
	As at March 31, 2025		
	Due within one year	**Due after one year**	**Total**
Financial liablities			
Borrowings	21.06	102.27	123.33
Lease liabilities	1,127.13	2,663.72	3,790.85
Other financial liabilities	7,334.38	-	7,334.38
Trade payables	3,570.00	-	3,570.00
	12,052.57	**2,765.99**	**14,818.56**

E. Market risk

The primary market risks to which the Company is exposed are foreign currency and interest rate risk.

Foreign currency risk management

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great Britain Pound, Australian Dollar, United Arab Emirates Dirham and Singapore Dollar against the respective functional currencies of the Company.

The following analysis has been worked out based on the net foreign currency exposures as of the date of Balance sheet which could affect the Statement of Profit and Loss and equity.

The following table sets forth information relating to foreign currency exposure:

Particulars	Foreign currency	As at March 31,2026		As at March 31,2025	
	Denomination	Foreign currency	Rs. In lakhs	Foreign currency	Rs. In lakhs
Financial assets	USD	12,914,720	12,122.10	3,819,647	3,264.21
	GBP	1,692,301	2,094.18	113,741	125.32
	SGD	1,508	1.10	1,508	0.96
	AED	-	-	3,695	0.86
Total			**14,217.38**		**3,391.35**
Financial Liabilities	USD	17,184	16.13	62,456	53.37
	GBP	492	0.61	492	0.54
	SGD	1,736	1.26	7,909	5.03
	AUD	193	0.11	193	0.10
Total			**18.11**		**59.04**
Net exposure			**14,199.27**		**3,332.31**

The Company's sensitivity to a 5% appreciation/ depreciation of respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's loss before tax by approximately Rs. 709.96 lakhs for the year ended March 31, 2026 [March 31, 2025: Rs. 166.62 lakhs]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

Interest rate risk management

The Company is not exposed to interest rate risk because the Company has outstanding borrowings at fixed interest rates only.

F. Fair value measurements

A. Accounting classifications and fair values

The following table shows the fair values of financial assets and financial liabilities, including their levels in fair value hierarchy.

(Rs. In lakh)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Trade receivables	1,876.94	3,694.24	-	-
Cash and cash equivalents	926.51	1,193.54	-	-
Loans	63.21	56.72	-	-
Investments	17,303.20	17,665.90	-	-
Other financial assets	22,924.61	16,742.76	-	-
Total	**43,094.47**	**39,353.16**	-	-
FINANCIAL LIABLITIES				
Financial liablities measured at amortised cost				
Borrowings	102.00	123.33	-	-
Lease liabilities	2,161.16	3,790.85	-	-
Other financial liablities	3,571.29	7,334.38	-	-
Trade payables	3,173.18	3,570.00	-	-
Total	**9,007.63**	**14,818.56**	**-**	**-**

30. Share based payments

The Company has granted employee stock options under employee's stock options scheme. Each option entitles the holder to one equity share of Rs. 10 each. 154,303 options were outstanding as at March 31, 2026. (Previous year 161,285). Nil options (Previous year Nil) were granted during the year. Such options entitle the holders to one equity share of Rs. 10/- for each option granted with vesting period of 1 to 3 years, exercise period of 5 years. From options granted, Nil options were vested during the year (Previous year Nil).

The current status of the stock options granted to the Employees is as under:

Particulars	March 31, 2026		March 31, 2025	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Outstanding at the beginning of the year	161,285	2,194	188,551	2,194
Granted during the year	-	-	-	-
Lapsed/ forfeited during the year	1,400	3,452	19,716	2,318
Expired during the year	5,582	3,564	7,550	3,037
Exercised during the year	-	-	-	-
Outstanding at the end of the year	154,303	2,068	161,285	2,552
Exercisable at the end of the year	154,303	2,068	161,285	2,552

For stock options outstanding as at March 31, 2026 the range of exercise price is Rs. 1,650 to Rs. 3,987 and weighted average remaining contractual life is 4 to 5 years and vesting period of 1 to 3 years

Since no options were granted during the current year (Previous year: Nil), no new fair value computation has been carried out. The fair value of options granted in earlier years was determined using the Black-Scholes option pricing model. The key assumptions used at the time of original grant were as follows:

Weighted average fair value of share – Rs. 2,416- per share

Expected volatility – 31.4% - 34%

Option life – 4 - 5 years

Expected dividends – 0% yield

Risk-free interest rate – 7.1% to 7.2% p.a.

The Company has followed the fair value method to account for the grant of stock options and charge for the year ended March 31, 2026 is Nil (March 31, 2025: Rs. 119.11 lakhs).

31. Related Party disclosure

(i) List of parties where control exists:

A) Holding Company

DNEG S.À R.L (w.e.f. from July 01, 2024)

B) Ultimate Holding Company

Prime Focus Limited (Holding Company till June 30, 2024)

C) Subsidiary Companies

Prime Focus Technologies UK Limited
Prime Focus Technologies Inc
Apptarix Mobility Solutions Private Limited
Prime Focus Technologies PTE Ltd.

D) Step-down subsidiary

DAX Cloud, ULC
Prime Focus Post (Europe) Ltd.

(ii) List of related parties with whom transactions have taken place during the year

A) Ultimate Holding Company

Prime Focus Limited (Holding Company till June 30, 2024)

B) Subsidiary Companies

Prime Focus Technologies UK Limited
Prime Focus Technologies Inc
Apptarix Mobility Solutions Private Limited
Prime Focus Technologies PTE Ltd.

C) Fellow Subsidiaries

DNEG India Media Service Limited
DNEG Australia Pty LTD
Double Negative Limited UK
JAM8 Prime Focus LLP
Brahma AI Services UK Limited
Brahma AI ME Limited

iii) Key Management Personnel

Ramakrishnan Sankaranarayanan (Whole Time Director)

iv) Key Management Personnel of Ultimate Holding Company

Mr. Naresh Malhotra

v) List of transactions taken place during the year

a. Utlimate Holding Company

	Year Ended March, 31 2026	Year Ended March, 31 2025
Interest expense	200.34	753.75
Loan taken	4,000.00	4,655.00
Loan repaid (excluding interest, where applicable)	4,000.00	4,071.76
Reimbursement of expenses (net)	163.99	198.49
Conversion of Loan and Accrued Interest on loan to Equity share capital	-	38,925.94

Note:

a. During the previous year ended March 31, 2025, the Company converted the loan payable, along with accrued interest amounting to Rs. 38,925.94 lakhs, which was due to its Ultimate Parent Company, into equity share capital. Subsequently, on July 02, 2024, the Ultimate Parent Company divested its entire equity stake in the Company to DNEG SARL. Pursuant to this transaction, DNEG SARL became the new Parent Company of the Company effective from that date.

	As at March, 31 2026	As at March, 31 2025
Balance outstanding at the year end		
Interest payable	190.57	-
Trade / Other Payable	125.10	294.51
Dues payable to group companies	43.53	43.53
Unbilled Revenue	3.08	0.81

b. Subsidiary Companies

	Year Ended March, 31 2026	Year Ended March, 31 2025
Revenue		
Prime Focus Technologies UK Limited	4,291.64	2,477.96
Prime Focus Technologies, Inc.	3,418.44	659.89
Advances Given		
Apptarix Mobility Solutions Private Limited	-	1.00
Interest on loans given		
Prime Focus Technologies, Inc.	5.83	5.56

	As at March, 31 2026	As at March, 31 2025
Balance outstanding at the year end		
Trade Receivable		
Prime Focus Technologies, Inc.	275.95	45.81
Prime Focus Technologies UK Limited	-	110.58
Unbilled Revenue		
Prime Focus Technologies UK Limited	1,402.75	1,647.67
Prime Focus Technologies, Inc.	768.28	-
Advances Receivable		
Apptarix Mobility Solutions Private Limited	17.92	16.77
Loans		
Prime Focus Technologies, Inc.	63.21	56.72
Interest receivable		
Prime Focus Technologies, Inc.	3,391.34	3,028.26
Investments		
Prime Focus Technologies, Inc.	14,973.69	14,973.69
Prime Focus Technologies UK Limited	2,320.66	2,320.66
Apptarix Mobility Solutions Private Limited	8.79	371.49
Prime Focus Technologies PTE Ltd.	0.06	0.06

c. Fellow Subsidiary companies

	Year Ended March, 31 2026	Year Ended March, 31 2025
Revenue		
Double Negative Limited UK	1,801.01	506.74
DNEG Australia Pty LTD	179.91	2,296.82
Brahma AI services UK Limted	303.52	-
Reimbursement of expenses (net)		
DNEG India Media Service Limited	(1,174.75)	(109.54)
Brahma AI services UK Limted	239.27	-
Assignment of Gratuity Liability		
DNEG India Media Service Limited	(242.49)	-
Sale of Clear IP Software		
Brahma AI ME Limited	7,520.00	-
Slump Sale		
DNEG India Media Service Limited	944.37	-
Deposit received from customers		
DNEG India Media Service Limited	1,934.02	4,970.00

	As at March, 31 2026	As at March, 31 2025
Balance outstanding at the year end		
Trade Payable		
DNEG India Media Service Limited	44.84	-
Trade Receivable		
Double Negative Limited UK	384.21	-
Jam8 Prime Focus LLP	0.71	0.71
Other Receivable		
DNEG India Media Service Limited	944.37	-
Brahma AI ME Limited	7,520.00	-
Brahma AI Services UK Limited	239.27	-
Unbilled Revenue		
Double Negative Limited UK	-	587.13
DNEG India Media Service Limited	109.54	109.54
Brahma AI Services UK Limited	303.52	
Deposit received from customers		
DNEG India Media Service Limited	6904.02	4,970.00

d. Key Management Personnel of Holding Company

Under ESOP Scheme, Nil options were granted to Key management personnel in current year (previous year- Nil).

The stock options outstanding for KMP's as at March 31, 2026 is 27,050 and as at March 31, 2025 is 27,050 and employee stock option expense for the year March 31, 2026 is Rs. Nil (previous year Rs. Nil).

There is no provision for doubtful debt or amount written off or written back in respect of debts due from / in respect of related parties.

32. Lease liabilities

Maturity profile of lease liabilities:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying amount	Undiscounted cash flow	Carrying amount	Undiscounted cash flow
Within one year	1,270.12	1,368.74	1,127.13	1,262.39
Later than one year and not later than five years	871.92	887.88	2,410.96	3,024.31
Later than five years	19.12	20.00	252.76	498.91
Total	**2,161.16**	**2,276.62**	**3,790.85**	**4,785.61**

33. Contingent Liabilities and commitments

Particulars	As at March 31, 2026	As at March 31, 2025
a. Capital Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for:	Nil	40.92
b. Contingent Liabilities	Nil	Nil

34. Segment Reporting

Operating segments:

The company is presently operating as an integrated post-production setup, providing technological digital solutions to its customers, which has been considered as representing a single operating segment.

Geographical information

The company operates in four principal geographical areas – India (Country of Domicile), United Kingdom, United States of America and other countries. The company's revenue from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

	Sale of services		Segment Non-current assets*	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
India	8,905.38	17,497.83	2,634.97	12,254.98
United Kingdom	6,685.42	3,100.91	-	-
United states of America	4,142.16	1,037.92	-	-
Other Contries	550.55	2,408.92	-	-
Total	**20,283.50**	**24,045.58**	**2,634.97**	**12,254.98**

*Non-current assets exclude financial assets & tax assets.

35. Capitalisation of expenditure

a. During the year, the Company has capitalised the following expenses to the cost of intangible asset under development (software). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(Rs. In lakh)

Particulars	**March 31, 2026**	**March 31, 2025**
Opening Balance	684.88	670.84
Add: Employee Benefit expenses	2,484.35	2,380.50
Less: capitalised	1,576.11	2,366.46
Less: transferred as part of IP sale	1,593.12	
Closing Balance	**-**	**684.88**

b. Intangible Assets Under Development Aging Schedule

The closing balance in current year is Nil (Previous year – Rs. 648.88 lakhs)

March 31, 2025	**Amount for the period of FY 24-25**				
	Less than 1 yr	**1-2 yrs**	**2-3 yrs**	**more than 3 yrs**	**Total**
Project 9	684.88	-	-	-	**684.88**

36. Corporate Social Responsibilities (CSR)

In view of the average net loss in past three immediately preceding financial years, the Company was not required to incur any expenditure towards the Corporate Social Responsibility activities during current and previous financial year.

37. Disclosure relating to vendors registered under MSMED Act based on the information available with the Company:

Particulars	As at March 31,2026	As at March 31,2025
(a) Amount remaining unpaid to any vendor at the end of each accounting year:		
Principal	0.37	92.94
Interest		
Total	**0.37**	**92.94**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company.

37.1 Trade Payables - ageing and other details

Trade payables - ageing schedule as on March 31, 2026 **(Rs in lakh)**

Outstanding for following period from due date	Undisputed dues - MSME	Undisputed dues - Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	670.18	-	-
Not due	0.29	156.43	-	-
less than 1 years	0.08	2,261.14	-	-
1 to 2 years	-	6.75	-	-
2 to 3 years	-	8.47	-	-
more than 3 years	-	69.83	-	-
Total	**0.37**	**3,172.80**	**-**	**-**

Trade payables - ageing schedule as on March 31, 2025

Outstanding for following period from due date	Undisputed dues - MSME	Undisputed dues - Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	476.95	-	-
Not due	92.94	117.94	-	-
less than 1 years	-	2,621.01	-	-
1 to 2 years	-	212.32	-	-
2 to 3 years	-	6.52	-	-
more than 3 years	-	42.32	-	-
Total	**92.94**	**3,477.06**	**-**	**-**

38. Event after the reporting period

There were no events after the reporting period requiring adjustments or disclosures in the financial statements.

39. Additional Regulatory Information

(i) Key Financial Ratios

Particulars	Formula	31-Mar-26	31-Mar-25	Variation	Reason for variation
Current ratio	Current Assets/ Current Liabilities	1.41	0.94	50%	Note-1
Debt equity ratio	Total debt/ Total shareholder's equity	0.07	0.13	(45%)	Note-2
Debt service coverage ratio	Earnings available for debt service/Debt Service	2.39	0.64	271%	Note-3
Return on networth	Net Profit or (Loss) after taxes/Networth	0.01	(0.72)	(102%)	Note-4
Return on equity	Net Profit or (Loss) after taxes/ Average Shareholder's Equiity	0.01	(0.95)	(102%)	Note-4
Debtors (trade receivable) turnover	Revenue from operations / Average account receivable	7.28	5.57	31%	Note-5
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation / Average trade payables	2.64	2.80	(6%)	No Material Change
Net capital turnover ratio (Working capital turnover ratio)	Revenue from operations / Average working capital	7.41	(1.31)	-665%	Note-1
Net profit ratio	Profit or (Loss) after tax/ Revenue from operations	0.02	(0.89)	(102%)	Note-6
Return on capital employed	Net Profit or (loss) before interest and tax / Capital Employed (Shareholders Fund + long term borrowings)	0.16	0.14	12%	No Material Change

1) Current ratio/Net capital turnover ratio: Increase is due to repayment of capital creditors and receivable on account of sale of IP and slum sale.
2) Debt equity ratio: Decrease is due to reduction in borrowing and increase in networth of the Company.
3) Debt service coverage ratio: Improvement is due to reduction in borrowing and finance cost during the year.
4) Return on equity/ networth / Investment and net profit ratio/Return on capital employed: Increase is due to gain on sale of CLEAR software and slum sale of TCS and Restoration division to DNEG India Media Services Limited.
5) Debtors (trade receivable) turnover: Increase is on account of decrease in accounts receivable balance as on March 31, 2026.
6) Net profit ratio: Increase is due to gain on sale of CLEAR software and slum sale of TCS and Restoration division to DNEG India Media Services Limited.

(ii) Other information's

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company had no transactions with companies that are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

f. The Company has not traded or invested in crypto currency or virtual currency during the year.

g. Utilisation of borrowed funds and share premium:

i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

h. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

40. Approval of Financial Statements

The financial statements were approved for issuance by the Board of Directors on May 28, 2026.

In terms of our report attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration Number: 105047W/W101187

For and on behalf of the Board of Directors

Nitin Tiwari	**Namit Naresh Malhotra**	**Ramakrishnan Sankaranarayanan**
Partner	**Director**	**Director**
Membership No: 118894	**DIN :- 00004049**	**DIN :- 02696897**
Place: Mumbai	**Place: Mumbai**	**Place: Los Angeles, USA**
Date: May 28, 2026	**Date: May 28, 2026**	**Date: May 28, 2026**

Prime Focus Technologies Inc.

Consolidated Financial Statement for the year ended

March 31, 2026

Prime Focus Technologies Inc.
Consolidated Balance Sheet

in USD

Particulars	Notes	31-Mar-26	31-Mar-25
Assets			
1. Non-current assets			
(a) Property, plant and equipment	3	1,117,778	1,416,996
(b) Capital work-in-progress	3a	-	-
(c) Goodwill	3	13,816,555	13,816,555
(d) Other intangible assets	3	291,123	3,705,394
(e) Right to use plant & machinery	3	-	-
(f) Intangible assets under development	3b	-	-
		15,225,456	**18,938,945**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	4	2,843,152	1,946,805
(ii) Cash and cash equivalents	5	1,787,442	634,479
(iii) Other financial assets	6	11,755,485	7,571,893
(b) Income tax assets (net)		-	-
(c) Other current assets	7	667,055	2,562,899
		17,053,133	**12,716,077**
Total assets		**32,278,589**	**31,655,022**
Equity and Liabilities			
Equity			
(a) Equity share capital	8	22	22
(b) Other equity	9	(109,353)	73,611
		(109,331)	**73,633**
Liabilities			
1. Non-current liabilities			
(a) Other non-current liabilities	11	16,000,000	16,000,000
		16,000,000	**16,000,000**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	9,682,439	9,764,096
(ii) Trade payables	13	1,946,979	916,593
(iii) Other financial liabilities	14	4,724,582	4,793,475
(b) Provisions		-	-
(c) Current tax liability		33,921	13,476
(d) Other current liabilities	15	-	93,750
		16,387,921	**15,581,389**
Total equity and liabilities		**32,278,590**	**31,655,022**

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies Inc.
Consolidated Statement of Profit and Loss

in USD

Sr No.	Particulars	Notes	Year ended 31-Mar-26	Year ended 31-Mar-25
1	**Income from operations**			
	Net sales / income from operations		11,288,688	10,589,160
	Other operating income		-	-
	Total income from operations		**11,288,688**	**10,589,160**
2	**Expenses**			
	Employee benefits expense	16	4,086,999	5,505,493
	Technical service cost		4,728,546	1,453,841
	Depreciation and amortisation expense	3	1,574,175	1,416,730
	Other expenditure (net)	17	1,658,360	2,046,909
	Exchange loss (net)		(89,048)	(66,137)
	Total Expenses		**11,959,031**	**10,356,837**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**		**(670,342)**	**232,323**
4	Other income:			
	a) Exchange gain (net)			
	b) Others (net)		548,900	257,589
5	**Profit from ordinary activities before finance costs and exceptional Items (3 + 4)**		**(121,442)**	**489,912**
6	Finance costs	18	16,764	18,263
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5 - 6)**		**(138,205)**	**471,649**
8	Exceptional items		-	-
9	**Profit / (Loss) from ordinary activities before tax (7 - 8)**		**(138,205)**	**471,649**
10	Tax expense		35,700	29,014
11	**Net Profit / (Loss) from ordinary activities for the period (9 - 10)**		**(173,905)**	**442,635**
12	Extraordinary items (net of tax expense USD Nil)		-	-
13	**Net (Loss) / Profit after tax and before minority (11 ± 12)**		**(173,905)**	**442,635**
14	Minority interest		-	-
15	**Net Profit / (Loss) for the period (13 - 14)**		**(173,905)**	**442,635**
A	**Other comprehensive income (net of tax)**			
	Items that will be reclassified to the profit or loss			
	Exchange difference in translating the financial statements	9	(9,059)	39,302
	Total comprehensive income (net of tax) (13 + 14)		**(182,964)**	**481,937**
	Earnings per equity share of face value of USD 0.01		2,235	2,235
	(a) Basic (in USD)		(78)	198
	(b) Diluted (in USD)		(78)	198

Accompanying notes to the consolidated financial statements 1 - 30
In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies Inc.
Consolidated Cash Flow Statement

in USD

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Cash flows from operating activities		
Net Profit (Loss) before taxation	(138,205)	471,649
Adjustments for:		
Depreciation and amortization expenses	1,574,175	1,416,730
Unrealized Forex Loss/(Gain)	(89,048)	(66,137)
Finance costs	16,764	18,263
Operating profits before working capital changes	**1,363,684**	**1,840,505**
Movements in working capital:		
(Increase)/ Decrease in trade receivables	(896,347)	(432,105)
(Increase)/ Decrease in other financial assets	(4,183,592)	(5,778)
(Increase)/ Decrease in other current assets	1,895,844	380,456
Increase/(Decrease) in trade payables	1,119,436.38	(114,655.00)
Increase/(Decrease) in current financial liabilities	(75,254)	(77,753)
Increase/(Decrease) in other current liabilities	(93,750)	93,750
Increase/(Decrease) in other Non current liabilities	-	(24,450)
Cash generated from operations	**(869,978)**	**1,659,970**
Taxes paid (net of refunds)	(15,255)	(31,666)
Net cash generated from operating activities (A)	**(885,232)**	**1,628,304**
Cash flows from investing activities		
Purchase of fixed assets (Including capital advances)	2,139,313	(1,517,574)
Net cash (used in) investing activities (B)	**2,139,313**	**(1,517,574)**
Cash flows from financing activities		
Repayments of long-term borrowings	-	-
Short-term borrowings (net)	(81,869)	(113,379)
Interest paid	(10,191)	(11,689)
Net cash from financing activities (C)	**(92,059)**	**(125,068)**
Effect of exchange Foreign Currency Translation Reserve (D)	**(9,059)**	**39,302**
Net increase in cash and cash equivalents (A+B+C+D)	1,152,963	24,964
Cash and cash equivalents- Opening balance	634,479	609,515
Cash and cash equivalents at end of year (Refer note 5)	**1,787,442**	**634,479**

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies Inc.
Consolidated Statement of Changes in Equity

A. Equity Share Capital

	in USD
Balance as at March 31, 2025	22
Change in equity share capital during the year	-
Balance as at March 31, 2026	22

B. Other Equity

in USD

Particulars	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as at March 31, 2025	**4,992,479**	**(4,735,075)**	**(183,792)**	**73,611**
Changes during the year	-	(173,905)	(9,059)	(182,964)
Balance as at March 31, 2026	**4,992,479**	**(4,908,981)**	**(192,851)**	**(109,353)**

Accompanying notes to the consolidated financial statements
In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies Inc.
Notes to consolidated financial statements

1 **Corporate Information**

Prime Focus Technologies Inc. ("the Holding Company") was incorporated on 21st February, 2013 in USA. Prime Focus Technologies Limited being the intermediate holding company and Prime Focus Limited being the ultimate holding company.

Principles of consolidation:

The consolidated financial statements relates to 'the holding company and its subsidiaries, which together constitutes the Group:

The Consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the holding Company.
(ii) The financial statements of the holding company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating adding together the intra-group transactions resulting in unrealized profits or losses in accordance with Indian Accounting Standard (IND AS- 110) "Consolidated Financial Statements".
(iii) The difference between the cost of investment in the subsidiaries and the share of net assets at the time of acquisition of shares in the subsidiaries are identified in the financial statements as Goodwill or Capital Reserve as the case may be.
(iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the holding company's separate financial statements.
(v) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the holding company.
(vi) Minority Interest's share of net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and equity of the holding company's shareholders.

The list of the subsidiaries of the holding company which are included in the consolidation and the Group's holding therein are as under :

Subsidiaries	Principal Activity	Country of Incorporation	Percentage of Holding
Brahma AI Canada ULC (Formerly known as DAX Cloud, ULC)	Pre-Production	Canada	100%

2 **Statement of significant accounting policies**

a. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Basis of Preparation and presentation

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013.
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 services and the time between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.
Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c. Use of estimates

The preparation of consolidated financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognized in the year in which the results are known/materialize.

d. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

e. Foreign currencies

The Company's Financial statements are presented in USD, which is also the companies functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expenses and cash flow items using the average exchange rate for the respective periods.

Exchange differences on monetary items are recognized 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.

f. Property, plant and equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Cost of Leasehold improvements and Leasehold building is amortized over a period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

h. Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method (SLM) as per the useful lives of the assets
Cost of Leasehold improvements is amortized over a period of lease

i. Impairment

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.
Rental income from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs (see note 2.6 below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

k. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

Rendering of services

The Company provides a variety of digital technological solutions to the sports, film, broadcast, advertising and media industries.

Revenue from technical services is recognized on the basis of services rendered.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'other current liabilities'

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

m. 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.

n. Provisions

Provisions are recognized 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 recognized 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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

o. Retirement and other employee benefits
Defined Contribution Plan
Social Security and Medicare
The Group contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules.

Saving and investment plan u/s.401(k)
The Group has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue.

p. Cash flow statement

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.

q. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Subsequent measurement

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Offsetting of financial instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

r. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

Prime Focus Technologies Inc.
Notes forming part of the Consolidated Financial Statements

3 Non Current Assets : (Current Year)

in USD

Asset Category	Gross Block						Depreciation						Net Block	
	As at 01.04.2025	Additions	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2026	As at 01.04.2025	For the Year	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2026	As at 31.03.2026	As at 01.04.2025
Property, Plant and Equipment														
Leasehold Improvements	2,384,987	-	-	-	-	2,384,987	1,204,824	216,012		-	-	1,420,836	964,151	1,180,164
Computer Hardware	2,975,103	7,597		-	-	2,982,700	2,806,657	74,137		-	-	2,880,794	101,906	168,446
Furniture and fixtures	450,189	-	-	-	-	450,189	416,839	7,698		-	-	424,537	25,653	33,350
Office equipment	7,816,893	-	-	-	-	7,816,893	7,781,857	8,968		-	-	7,790,825	26,068	35,036
TOTAL	**13,627,173**	**7,597**	**-**	**-**	**-**	**13,634,770**	**12,210,177**	**306,815**	**-**	**-**	**-**	**12,516,992**	**1,117,778**	**1,416,996**
Goodwill	**13,816,555**	**-**	**-**			**13,816,555**	**-**	**-**	**-**	**-**		**-**	**13,816,555**	**13,816,555**
Other Intangible Assets												-		
Softwares	13,944,685	40,382	6,959,814	-	-	7,025,253	10,239,291	1,267,360	4,772,520	-	-	6,734,130	291,123	3,705,394
Right to use Plant & Machinery (Trf from PPE)	696,691	-	-	-	-	696,691	696,691	-	-	-	-	696,691	0	0
TOTAL	**14,641,376**	**40,382**	**6,959,814**	**-**	**-**	**7,721,944**	**10,935,982**	**1,267,360**	**4,772,520**	**-**	**-**	**7,430,821**	**291,123**	**3,705,394**

Non Current Assets : (Previous Year)

Asset Category	Gross Block						Depreciation						Net Block	
	As at 01.04.2024	Additions	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2025	As at 01.04.2024	For the Year	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2025	As at 31.03.2025	As at 01.04.2024
Property, Plant and Equipment														
Leasehold Improvements	2,384,987	-	-	-	-	2,384,987	942,548	262,275	-	-	-	1,204,824	1,180,164	1,442,439
Computer Hardware	2,971,865	4,642	1,404	-	-	2,975,103	2,689,146	117,862	350	-	-	2,806,657	168,446	282,719
Furniture and fixtures	449,888	301	-	-	-	450,189	408,182	8,657	-	-	-	416,839	33,350	41,706
Office equipment	7,815,109	1,785	-	-	-	7,816,893	7,773,599	8,258	-	-	-	7,781,857	35,036	41,510
TOTAL	**13,621,849**	**6,728**	**1,404**	**-**	**-**	**13,627,173**	**11,813,474**	**397,053**	**350**	**-**	**-**	**12,210,177**	**1,416,996**	**1,808,374**
Goodwill	**13,816,555**	**-**	**-**			**13,816,555**	**-**	**-**	**-**	**-**		**-**	**13,816,555**	**13,816,555**
Other Intangible Assets												-		
Softwares	12,302,789	1,641,896	-	-	-	13,944,685	9,219,613	1,019,677		-	-	10,239,291	3,705,394	3,083,175
Right to use Plant & Machinery (Trf from PPE)	696,691		-	-	-	696,691	696,691	-	-	-	-	696,691	0	0
TOTAL	**12,999,480**	**1,641,896**	**-**	**-**	**-**	**14,641,376**	**9,916,304**	**1,019,677**	**-**	**-**	**-**	**10,935,982**	**3,705,394**	**3,083,175**

3 (a) Deemed cost for Property, Plant and Equipment and Intangible Assets :

The Company has elected to use fair value as deemed cost for tangible and intangible assets as at the transition date in accordance with stipulations of Ind AS 101.

3 (b) Intangible assets under development ageing schedule

Particulars	31-Mar-26	31-Mar-25
Opening Balance	-	130,000
Add:		
Employee Benefit expenses	971,548	948,318
Direct overheads		46,875
	971,548	**1,125,193**
Less:		
Sold	(971,548)	
Capitalized		(1,125,193)
Closing Balance	**-**	**-**

Prime Focus Technologies Inc.
Notes forming part of the Consolidated Financial Statements **in USD**

		As at 31.03.2026	As at 31.03.2025
4	**Trade receivables**		
	Unsecured and Considered Good	2,843,152	1,946,805
	Considered doubtful	-	-
		2,843,152	1,946,805
	Allowance for doubtful receivables	-	-
	Total	**2,843,152**	**1,946,805**

The movement in allowance for doubtful receivables is as follows:	**As at 31.03.2026**	**As at 31.03.2025**
Balance as at the beginning of the year	-	-
Movement during the year (net)	-	-
Balance as at the end of the year	-	-

Trade receivables - ageing and other details		**Undisputed trade receivables**		**Disputed trade receivables**		
3/31/2026	**Considered good**	**Considered good**	**Credit impaired**	**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**
Not Due	1,271,058	1,271,058	-	-	-	-
Less than 6 months	1,048,064	1,048,064	-	-	-	-
6 months - 1 year	420,348	420,348	-	-	-	-
1 - 2 year	103,681	103,681	-	-	-	-
2 - 3 year	-		-	-	-	-
More than 3 years	-		-	-	-	-
Total	**2,843,152**	**2,843,152**	-	-	-	-

3/31/2025	**Considered good**	**Considered good**	**Credit impaired**	**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**
Not Due	-	-				
Less than 6 months	1,916,375	1,916,375	-	-	-	-
6 months - 1 year	27,963	27,963	-	-	-	-
1 - 2 year	2,467	2,467	-	-	-	-
2 - 3 year	-	-	-	-	-	-
More than 3 years	-	-	-	-	-	-
Total	**1,946,805**	**1,946,805**	-	-	-	-

5	**Cash and cash equivalents**		
	Remmitance in Transit	-	-
	Balances with banks on current account	1,787,442	634,479
	Total	**1,787,442**	**634,479**
6	**Other financial assets**		
	Loans to group company	11,196,485	7,206,522
	Deposits	22,500	156,399
	Unbilled Income	536,500	208,972
			-
	Total	**11,755,485**	**7,571,893**
7	**Other current assets**		
	Other loans and advances	200,000	200,000
	Prepaid expenses	467,055	2,362,899
	Total	**667,055**	**2,562,899**

Prime Focus Technologies Inc.
Notes forming part of the Consolidated Financial Statements **in USD**

8 Equity Share capital

	Number of Shares			Amount	
	As at Mar 31, 2026	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
Authorised shares:					
Equity Shares of $ 0.01 Each	2,235	2,235	2,235	22	22
Issued, subscribed and paid-Up:					
Equity Shares of $ 0.01 Each	2,235	2,235	2,235	22	22
Total	**2,235**	**2,235**	**2,235**	**22**	**22**

Movement in equity share capital

	Number of Shares			Amount	
	As at Mar 31, 2026	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
Equity Shares at the beginning of the year	2,235	2,235	2,235	22	22
Changes during the year					
	2,235	**2,235**	**2,235**	**22**	**22**

Details of Shareholders holding more than 5% shares in the company

	As at Mar 31, 2026	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
	No of shares	No of shares	No of shares	%	%
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	**2,235**	**2,235**	**2,235**	**100%**	**100%**

Shares held by promoters at the end March 31, 2026

Promoter name	No of shares	No of shares	% of total shares	% change during the year
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	2,235	2,235	100%	-

Shares held by promoters at the end March 31, 2025

Promoter name	No of shares	No of shares	% of total shares	% change during the year
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	2,235	2,235	100%	-

9 Other Equity

	As at Mar 31, 2026	As at Mar 31, 2025
Securities premium account		
Balance at the beginning of the year	4,992,479	4,992,479
Add : Premium on issue of equity shares during the year	-	-
Less : Expenses on issue of equity shares / debentures	-	-
Less : Premium on redemption of bonds/ debentures (net of tax)	-	-
	4,992,479	**4,992,479**
General reserve		
Balance at the beginning of the year	-	-
	-	**-**
Other comprehensive income		
Balance at the beginning of the year	(183,792)	(223,093)
Movement during the year	(9,059)	39,302
	(192,851)	**(183,792)**
Surplus in the statement of profit and loss		
As per last balance sheet	(4,735,075)	(5,177,711)
Add: (Loss) / profit for the year	(173,905)	442,635
	(4,908,981)	**(4,735,075)**
	(109,353)	**73,611**

Prime Focus Technologies Inc.

Notes forming part of the Consolidated Financial Statements **in USD**

		As at 31.03.2026	As at 31.03.2025
11	**Other non-current liabilities**		
	Deferred lease rent payable	-	-
	Optionally convertible preference shares	16,000,000	16,000,000
	Total	**16,000,000**	**16,000,000**

Prime Focus Technologies Inc.

Notes forming part of the Consolidated Financial Statements **in USD**

		As at 31.03.2026	As at 31.03.2025
	Current liabilities		
12	**Borrowings (Unsecured)**		
	Loan from related party [Refer note 25 & Note No.12.1]	9,682,439	9,764,096
	Total	**9,682,439**	**9,764,096**
12.1	Unsecured loan taken from related party is repayable on demand with rate of interest @ 4.66 % p.a. to 6%		
12.2	**Current maturity of long-term borrowings:**		
	a) Loan from a related party	-	-
	b) Finance lease obligation [Refer note 10]	-	-
	c) Term Loan [Refer note 10]	-	-
	Total	**-**	**-**
13	**Trade payables**		
	Trade Payables	525,528	544,232
	Trade Payables to related party [Refer Note 25]	1,421,450	372,361
	Total	**1,946,979**	**916,593**

Prime Focus Technologies Inc.
Notes forming part of the Consolidated Financial Statements

14	**Other financial liabilities**		
	Accrued salaries and benefits	433,614	508,868
	Interest payable to group companies	4,290,968	4,284,395
	Capital Creditors	-	-
	Interest accrued but not due	-	-
	Others	-	212
	Total	**4,724,582**	**4,793,475**
15	**Other current liabilities**		
	Statutory Dues Payable	-	-
	Current portion of deferred lease rent	-	-
	Deferred Revenue	-	93,750
	Total	**-**	**93,750**

Prime Focus Technologies Inc.
Notes forming part of the Consolidated Financial Statements

14.1 Trade Payables - ageing and other details **in USD**

As at March 31, 2026	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	851,754	-	-
Not due	-	602,207	-	-
less than 1 years	-	28,928	-	-
1 to 2 years	-	74,038	-	-
2 to 3 years	-	365,602	-	-
more than 3 years	-	24,451	-	-
Total	**-**	**1,946,979**	**-**	**-**

As at March 31, 2025	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	148,471	-	-
Not due	-	115,386	-	-
less than 1 years	-	261,780	-	-
1 to 2 years	-	366,505	-	-
2 to 3 years	-	-	-	-
more than 3 years	-	24,451	-	-
Total	**-**	**916,593**	**-**	**-**

Prime Focus Technologies Inc.

Notes forming part of the Consolidated Financial Statements **in USD**

Note		For the period ended 31.03.2026	For the year ended 31.03.2025
16	**Employee benefits expense**		
	Salaries, bonus and allowances [Refe note no.22]	3,873,603	5,190,591
	Contribution to defined contribution plans, etc.	212,058	301,355
	Staff welfare expenses	1,338	13,547
	Total	**4,086,999**	**5,505,493**
17	**Other expenses**		
	Communication expenses	37,077	83,220
	Consumables and consumable stores	33,670	28,662
	Selling and marketing expenses	657,900	548,953
	Rent and equipment hire charges [Refer note 21]	201,547	551,862
	Electricity Charges	-	42,295
	Traveling and conveyance	151,725	242,392
	Insurance expenses	39,946	49,452
	Legal and professional fees	174,186	193,163
	Repairs and maintenance - Building	1,083	3,703
	Repairs and maintenance - equipment	296,423	219,388
	Rates and taxes	-	-
	House-keeping charges	1,640	12,197
	Bad Debts Written Off	-	-
	Provision for Doubtful Debts	-	-
	Miscellaneous expenses	63,163	71,622
	Total	**1,658,360**	**2,046,909**
18	**Finance costs**		
	Interest on finance lease	-	-
	Interest on loan from holding company [Refer note no. 25]	6,573	6,574
	Bank charges	10,191	11,689
	Total	**16,764**	**18,263**

Prime Focus Technologies Inc.

Notes forming part of the Consolidated Financial Statements — **in USD**

		For the year ended 31.03.2026	For the year ended 31.03.2025
19	**Commitments**		
	Ultimate and intermediate holding company has given non disposal undertaking of certain percentage of its holding in the holding company for availing the term loan facilities by the Group to one of the lender.	-	-
20	**Earning per Common stock (EPS)**		
	EPS is calculated by dividing the profit/ (loss) attributable to the common stock holders by the weighted average number of common stock outstanding during the year, as under:		
a)	Net profit / (loss) for the year attributable to common stock shareholders for basic EPS	(173,905)	442,635
b)	Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)	2,235	2,235
c)	Basic EPS	(78)	198
d)	Nominal Value Per Share	0.01	0.01
	Note: There are no dilutive potential equity shares. Hence diluted EPS is equal to basic EPS		
21	**Leases**		
	The Group has taken certain property on non cancellable operating lease for the period of 12 to 50 months.		
	Lease payments recognized in the Statement of Profit and Loss for the year in respect thereof aggregate	201,547	551,862
	The following is a summary of future minimum lease rental commitments towards non-cancellable operating leases.		
	Due within one year	-	-
	Due in a period between one year and five years	-	-
	Due after five years	-	-
22	**Intangible asset under development**		
	During the year, the Group has capitalized the following expenses of revenue nature to the cost of intangible asset under development (Software) Consequently, expenses disclosed under the respective heads are net of the amounts capitalized by the Group.		
	Opening balance	-	130,000
	Add: Expenses incurred during the year:		
	Employee benefit expenses	971,548	948,318
	Software testing and design charges	-	46,875
	Less : Assets under development Sold During the Year	971,548	-
	Less : Assets under development Capitalised During the Year	-	1,125,193
	Closing balance	**-**	**-**
23	**Segment information**		
	The Group operates in an integrated digital technological solutions setup. The entire operations are governed by the same set of risks and returns and hence have been considered as representing a single business segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard on Segment Reporting (AS-17).		
	Geographical Segment		
	Although the Group's major operating divisions are managed in United States of America , the following table shows the distribution of the Group's Income from Operations by geographical market, regardless of where the services were provided:		
		Sale of services	
		Year ended March 31, 2026	Year ended March 31, 2025
	United States of America (USA)	11,235,543	10,449,721
	United Kingdom	-	200
	Other Countries	53,146	139,240
		11,288,688	10,589,160
	Segment Reporting of Non-current assets : The Group presently operates entirly from its integrated digital technological solutions setup in USA. All non current assets of the Group is located at USA.		
	2 customer contributes individually to more than 10% of the group's total revenue for the year ended March 31, 2026 amounting to $ 40,74,422 (previous year 2 customer contributed individually to more than 10% amounting to $ 37,76,787)		

Prime Focus Technologies Inc.

Notes forming part of the Consolidated Financial Statements — **in USD**

		For the year ended 31.03.2026	For the year ended 31.03.2025
24	**Related party disclosure:**		
(i)	**List of related parties with whom transactions have taken place during the year:**		
	Brahma AI Services India Limited- Ultimate Holding Company (control exists)		
	(Formerly known as Prime Focus Technologies Limited)		
	DNEG S.A.R.L-Intermediate Holding Company (control exists)		
	Prime Focus Technologies Limited- Intermediate Holding Company (control exists)		
	Dneg North America Inc. (Formerly Prime Focus North America Inc.) - Fellow subsidiary		
	Prime Focus World NV - Fellow subsidiary		
	Prime Focus Technologies UK Limited- Fellow subsidiary		
	Prime Post (Europe) Limited - Fellow sbsidiary		
	Prime Focus Creative Services Canada Inc.- Fellow subsidiary		
	Prime Focus International Services UK Limited - Fellow subsidiary		
	Reliance Mediaworks Mauritius Limited. - Fellow subsidiary		
	(Formarly Reliance Lowry Digital Imaging Services, Inc.)		
	Prime Focus MEAD FZ LLC - Fellow subsidiary (dissolved on June 16, 2023)		
	DE-FI Media Limited - Fellow subsidiary		
	PF World Mauritius Ltd. - Fellow subsidiary		
	Double Negative LA LLC - Fellow subsidiary		
	Double Negative Montreal - Fellow subsidiary		
	Brahma AI ME Limited - Fellow subsidiary		
	Ramakrishnan Sankaranarayanan - Key Management Personnel of Ultimate Holding Company		
	Naresh Malhotra- Key Management Personnel of Ultimate Holding Company		
	Namit Malhotra- Key Management Personnel of Ultimate Holding Company		
(ii)	**Particulars of related party transactions:**		
	Ultimate Holding Company		
	Prime Focus Limited		
	Management recharge		
	Repayment of Management recharge		
	Balance outstanding at the year end- credit (net)		
	Intermediate Holding Company		
	DNEG S.A.R.L		
	Balance of short term loan transferred from PF World Mauritius Ltd.		10,322,242
	Balance outstanding at the year end- credit (net)	9,599,970	10,322,242
	Intermediate Holding Company		
	Prime Focus Technologies Limited		
	Technical services charges	(1,383,933)	(189,476)
	Technical services charges Advance	-	(130,109)
	Technical services charges Repayment	1,164,480	404,324
	Short term loan taken		
	Repayment of short term loan		
	Conversion of Loan to Preference Share	-	-
	Repayment Reimbursement of expenses	-	-
	Interest on loan	(6,573)	(6,574)
	Corporate guarantee given to banks for credit facilities taken (Guarantees given jointly with Ultimate Holding Company)		
	Balance outstanding at the year end- credit (net)	(3,905,089)	(3,679,064)
	Fellow Subsidiary Companies		
a)	Dneg North America Inc. (Formerly Prime Focus North America Inc.)		
	Short term loan taken credit (net)		
	Repayment of short term loan taken	-	-
	Reimbursement of expenses credit (net)	(1,630)	(54,726)
	Repayment of Expenses		
	Short term loan taken repaid	-	-
	Interest on loans	-	-
	Balance Transfer From Double Negative LA LLC	-	-
	Balance outstanding at the year end- credit (net)	(299,835)	(298,205)
b)	Prime Focus Technologies UK Limited		
	Short term loan taken		
	Repayment of short term loan taken		
	Interest on loans		
	Short term loan Given		
	Repayment of Short term loan Given	-	(537,516)
	Interest on loans Receivable	252,198	257,510
	Reimbursement of expenses	-	9,228
	Balance outstanding at the year end- credit (net)	6,974,444	6,722,246

c)	Reliance Mediaworks Mauritius Limited (Formarly Reliance Lowry Digital Imaging Services, Inc.)		
	Advances taken	-	-
	Advances given	-	6,868
	Balance outstanding at the year end	7,741	7,741
d)	Prime Focus Technologies PTE Ltd - Fellow subsidiary		
	Short Term Loan Given	295,000	324,401
	Interest on loan taken	-	-
	Balance outstanding at the year end- credit (net)	779,401	484,401
e)	PF World Mauritius Ltd. - Fellow subsidiary		
	Balance of short term loan transferred from De-Fi Media Ltd	-	-
	Balance of short term loan transferred to DNEG S.A.R.L	-	(10,322,242)
	Balance outstanding at the year end- credit (net)	-	-
f)	Double Negative Montreal - Fellow subsidiary		
	Recharge recievable	752	-
	Balance outstanding at the year end	752	-
g)	Brahma AI ME Limited - Fellow subsidiary		
	Sale of CLEAR IP Asset	3,440,000	-
	Balance outstanding at the year end	3,440,000	-
	Key Management Personnel of Ultimate Holding Company - Ramakrishnan Sankaranarayanan		
	Remuneration	444,877	440,125
	Remuneration payable	-	17,852
	Key Management Personnel of Ultimate Holding Company - Naresh Malhotra		
	Personal guarantee given to banks for credit facilities taken	-	-
	Key Management Personnel of Ultimate Holding Company - Namith Malhotra	-	-
	Personal guarantee given to banks for credit facilities taken		

(iii) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from / to related parties.

Prime Focus Technologies Inc.
Notes to consolidated financial statements for the period ended 31.03.2026

25 Statement of net assets, net profit / loss after tax and other comprehensive income attributable to owners

In USD

Sr No	Name of entity	Net Assets		Share in Profit / (loss)		Share in Other comprehensive Income		Share in Total Comprehensive Income	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
1	Prime Focus Technologies, Inc.	-129%	141,020	104%	(180,004)	0%	(1)	98%	(180,005)
2	DAX PFT LLC	0%	-	0%	-	0%	-	0%	-
3	DAX Cloud ULC	206%	(225,493)	-4%	6,099	0%	-	-3%	6,099
		77%	**(84,473)**	**100%**	**(173,905)**	**0%**	**(1)**	**95%**	**(173,906)**
	Add/(Less): Effects of Inter Company	23%	(24,858)	0%	-	100%	(9,057)	5%	(9,057)
	Less: Minority Interest in all subsidiaries	0%	-	0%	-	0%	-	0%	-
		100%	**(109,331)**	**100%**	**(173,905)**	**100%**	**(9,059)**	**100%**	**(182,964)**

26 Income tax

A. Amounts recognised in profit or loss

		Year ended March 31, 2026	Year ended March 31, 2025
	Current tax		
	- in respect of current year (a)	35,700	29,014
	- in respect of prior years (b)	-	-
	Deferred tax		
	- in respect of current year (c)	-	-
	- in respect of prior years (d)	-	-
Total income tax expense recognised in the current year (a)+(b)+(c)+(d)		**35,700**	**29,014**

B. Income tax recognised in other comprehensive income

		Year ended March 31, 2026	Year ended March 31, 2025
	Re-measurement of defined benefit	-	-
		-	-
Total income tax expense recognised in the current year (a)+(b)+(c)+(d)		**-**	**-**

C. The income tax expenses for the year/ period can be reconciled to the accounting profit as follows:

		March 31, 2026		March 31, 2025		March 31, 2024	
		% of PBT	Amount	% of PBT	Amount	% of PBT	Amount
	Profit before tax		(138,205)		471,649		510,888
	Tax using Company's domestic tax rate	21.00%	(29,023)	21.00%	99,046	21.00%	107,287
	Effect of:						
	Non-deductible expenses		479,454		294,744		224,839
	Effect of Tax Depreciation		(329,789)		(308,721)		(266,516)
	NOL Carryover Available		(96,513)		(56,054)		(39,714)
	Total Tax Expenses		**24,129**		**29,016**		**25,896**

D. Deferred tax balances

The Group has carried forward losses against which deferred tax asset has not been recognised are as follows;

Particulars	Amount	Will expire in FY
Unabsorbed business loss as at 31-Mar-2019	1,327,586	2038-39
Unabsorbed business loss as at 31-Mar-2020	8,961,330	2039-40
Unabsorbed business loss as at 31-Mar-2021	5,964,866	2040-41

Prime Focus Technologies Inc.
Notes to consolidated financial statements

in USD

27 Financial Instruments

(A) Fair Value Measurements

	As at		As at	
	31.03.2026	**31.03.2025**	**31.03.2026**	**31.03.2025**
	Carrying Value		**Fair Value**	
i Financial Assets:				
Measured at amortised cost				
Trade receivables	2,843,152	1,946,805	2,843,152	1,946,805
Cash and cash equivalents	1,787,442	634,479	1,787,442	634,479
Other financial assets	11,755,485	7,571,893	11,755,485	7,571,893
Total financial assets measured at amortised cost	**16,386,079**	**10,153,177**	**16,386,079**	**10,153,177**
ii Financial Liabilities:				
Measured at amortised cost				
Borrowings	9,682,439	9,764,096	9,682,439	9,764,096
Trade payables	1,946,979	916,593	1,946,979	916,593
Other financial liabilities	4,724,582	4,793,475	4,724,582	4,793,475
Total financial liabilities measured at amortised cost	**16,354,000**	**15,474,163**	**16,354,000**	**15,474,163**

The management assessed that the fair value of cash and cash equivalents, trade receivables, borrowings, trade payables & other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iii Fair value hierarchy

a. Level 1 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b. 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

c. Level 3 - Level 3 inputs are unobservable inputs for the asset or liability.

D. Financial assets and liabilities measured at amortized cost for which fair values are disclosed.

Particulars	**Fair value measurement using**		
	Quoted prices in active markets	**Significant observable inputs**	**Significant unobservable inputs**
	(Level 1)	**(Level 2)**	**(Level 3)**
As at March 31, 2026			
Financial liabilities			
Borrowings	-	-	9,682,439
Total	-	-	**9,682,439**

As at March 31, 2025			
Financial liabilities			
Borrowings	-	-	9,764,096
Total	-	-	**9,764,096**

(B) Capital Risk Management

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

The holding company and ultimate holding company continues to provide support the Group whenever required. Further Ultimate holding company and intermediate holding company have given non disposal undertaking to one of the lender for availing the term loan facilities.

(C) Financial risk management

A wide range of risks may affect the Group's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors manage and review the affairs of the Group by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimize potential adverse effects on its operational and financial performance.

i) Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Group has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organization's which the Group has worked with for a number of years. However, as the Group grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Group is also exposed to credit risk in respect of its cash and seeks to minimize this risk by holding funds on deposit with major financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 1,63,86,079 and USD 1,01,53,177 as at March 31 2026 and March 31, 2025 respectively, being the total of the carrying amount of the balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets.

2 customer contributes individually to more than 10% of outstanding trade receivables as at March 31, 2026 amounting to USD 15,77,298/- (P.Y.- 5 Customer amounting to USD 14,10,238/-) and 2 customer contributes individually to more than 10% of outstanding the whole of unbilled revenue as that date amounting to USD 451,500/- (P.Y. – 2 Customers amounting to USD 1,65,000).

ii) Liquidity risk Management

Liquidity risk is the risk that the Group 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 Group has sufficient cash at all times to meet liabilities as they fall due.

Working capital requirements are generally provided from operational cash flow or through the Group's Borrowings.

The following analysis sets out the maturities of financial assets and liabilities, including amounts maturing more than twelve months. For liability maturities more than 12 months, see also note 10 and 13.

Liquidity Risk

At 31 March 2026	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	2,843,152	-	-	**2,843,152**
Cash and cash equivalents	1,787,442	-	-	**1,787,442**
Other financial assets	11,755,485	-	-	**11,755,485**
	-	-	-	**16,386,079**
Current financial liabilities				
Borrowings	9,682,439	-	-	**9,682,439**
Trade payables	1,946,979	-	-	**1,946,979**
Other financial liabilities	4,724,582	-	-	**4,724,582**
	16,354,000	-	-	**16,354,000**

At 31 March 2025	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	1,946,805	-	-	**1,946,805**
Cash and cash equivalents	634,479	-	-	**634,479**
Other financial assets	7,571,893	-	-	**7,571,893**
	-	-	-	**10,153,178**
Current financial liabilities				
Borrowings	9,764,096	-	-	**9,764,096**
Trade payables	916,593	-	-	**916,593**
Other financial liabilities	4,793,475	-	-	**4,793,475**
	15,474,163	-	-	**15,474,163**

iii Market risk

The primary market risks to which the Group is exposed are foreign currency.

Foreign currency risk management

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in Canadian Dollar against the respective functional currencies of the Company and its subsidiaries.

The following analysis has been worked out based on the net foreign currency exposures as of the date of Balance sheet which could affect the statement of profit and loss and other comprehensive income and equity.

The following table sets forth information relating to foreign currency exposure:

Particulars	Foreign Currency	As at March 31st 2026		As at March 31st 2025	
	Denomination	Foreign Currency inputs	USD	Foreign Currency inputs	USD
Financial Assets	CAD	-	-	-	-
	GBP	3,652,938	4,871,572	3,652,938	4,709,659
	EURO	-	-	-	-
Financial Liabilities					
	CAD	-	-	-	-
	EURO	(67,713)	(66,625)	(67,976)	(73,095)
	GBP	-	-	-	-

Interest rate risk management

The Group was exposed to interest rate risk as it had borrowed funds at both fixed and floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates at the reporting date would have decreased equity and profit for the year by USD 48,000/- for March 2026 and by USD 48,846/- for March 2025 respectively and a 50 basis point decrease in floating interest rates at the reporting date would have increased equity and profit by the same amount respectively.

Prime Focus Technologies Inc.

Notes to consolidated financial statements for the year ended 31.03.2026 **in USD**

Note	
28	Prime Focus Technologies Inc. acquire DAX business of Sample Digital Holdings, LLC a California limited liability company on 04th April 2014. Since then there has been substantial growth in Revenue and Profitability of the Company. Therefore management is of opinion that their is no need to impairment in goodwill.
29	**Significant accounting judgements, estimates and assumptions** The preparation of the Consolidated financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.
30	Previous year's figures have been regrouped / reclassified wherever necesaary to corresponds with the current year's classification / disclosure.

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies UK Limited

Standalone Financial Statements for the year ended

31st March 2026

Prime Focus Technologies UK Limited
Standalone Balance Sheet as at March 31, 2026

in £

Particulars	Notes	As at 31 March 2026	As at 31 Mar 2025
1. Non-current Assets			
(a) Property, plant and equipment	4	1,108,884	1,220,109
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets	5	704,761	967,983
(e) Right-to-use assets	5	539,252	641,517
(f) Intangible assets under development		-	-
(g) Financial assets			
(i) Investments	5A	2,336,143	2,336,143
(ii) Other financial assets	8	54,000	54,000
(h) Other non-current assets	9	-	-
Total Non-current Assets		**4,743,041**	**5,219,752**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	6	1,439,097	1,239,592
(ii) Cash and cash equivalents	7 a	923,195	962,868
(iii) Bank balances other than (ii) above	7 b	-	-
(iv) Other financial assets	8	3,973,773	3,803,875
(c) Other current assets	9	800,781	940,531
Total Current Assets		**7,136,846**	**6,946,866**
Total assets		**11,879,887**	**12,166,618**
Equity			
(a) Equity share capital	10	0.10	0.10
(b) Other equity	11	930,445	117,159
Equity attributable to owners of the Company		**930,445**	**117,159**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	102,734	294,640
(ii) Lease liabilities	13	283,128	447,737
(iii) Other financial liablities	14	-	-
(b) Deferred tax liability (net)		-	-
(c) Other non-current liabilities	16	-	-
Total Non-current liablities		**385,862**	**742,377**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	7,141,407	7,535,319
(ii) Lease liabilities	15	183,185	412,910
(iii) Trade payables	14.1	1,316,743	1,902,366
(iv) Other financial liablities	14	1,215,168	1,160,529
(b) Current tax liabilities (net)		-	-
(c) Other current liabilities	16	707,077	295,958
Total current liablities		**10,563,580**	**11,307,082**
Total equity and liabilities		**11,879,887**	**12,166,618**

See accompanying notes to the Standalone financial statements 1-27

In terms of our report attached

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

V. Shivkumar
(Proprietor)
Membership No.042673
Mumbai, dated:
UDIN:

For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated:

Prime Focus Technologies UK Limited
Standalone Statement of Profit and Loss Account for the year ended March 31, 2026

in £

Particulars	Notes	Year Ended 31-Mar-26	Year Ended 31-Mar-25
Income			
Revenue from operations	18	8,815,966	7,567,892
Other income	19	340	378
Total income from operations		**8,816,306**	**7,568,270**
Expenses			
Employee benefits expense	20	1,644,987	1,923,514
Technical service cost		4,439,875	3,280,459
Depreciation and amortisation expense	4 & 5	828,228	1,068,535
Other expenditure	21	941,479	886,730
Finance costs	22	270,534	273,524
Exchange loss (net)		(122,083)	(241,672)
Total Expenses		**8,003,020**	**7,191,090**
Profit / (Loss) before tax		**813,286**	**377,180**
Tax expense			
Current tax	22A	-	-
Deferred tax		-	-
Total tax expense			
Profit / (Loss) for the year		**813,286**	**377,180**

Other comprehensive income

	Notes	31-Mar-26	31-Mar-25
A (i) items that will not be reclassified to profit or loss			
Re-measurements of defined benefit obligations			
(ii) Income tax relating to items that will not be reclassifed to profit or loss			
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements		-	-
Total other comprehensive income		**-**	**-**
Total other comprehensive income for the year		**813,286**	**377,180**
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)		81,328.60	37,718.00
(b) Diluted (in £)		81,328.60	37,718.00

See accompanying notes to the Standalone financial statements 1-27

In terms of our report attached

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, dated:
UDIN:

Mangesh Pathak
Director
Mumbai, dated:

Prime Focus Technologies UK Limited
Standalone Cash Flow Statement for the year ended March 31, 2026

in £

Particulars	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Cash flow from Operating activities		
Profit before tax	377,180	2,519,442
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	1,068,535	1,623,379
Sundry debit balances / bad debts written off / written back (net)	-	-
Interest income	-	-
Finance costs	273,524	285,085
Provision for Direct Taxes	-	-
Operating profit before working capital changes	**1,719,239**	**4,427,906**
Movements in working capital :		
Increase/(Decrease) in non current other Financial assets	-	-
Increase/Decrease in Inventory	-	-
Increase/(Decrease) in trade receivables	97,893	764,303
Increase/(Decrease) in current other Financial assets	9,460	(1,922,626)
Increase/(Decrease) in other current assets	335,469	(780,455)
(Decrease)/Increase in trade payables	(741,203)	(1,508,134)
(Decrease)/Increase in Short Term Borrowings	330,244	(418,901)
(Decrease)/Increase in other Financial liabilities	(953,981)	682,941
(Decrease)/Increase in other current liabilities	(157,464)	49,796
(Decrease)/Increase in other long-term liabilities	-	-
(Decrease)/Increase in long-term provisions	-	-
(Decrease)/Increase in short-term provisions	-	-
Cash generated from operations	**639,657**	**1,294,830**
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	**639,657**	**1,294,830**
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(131,568)	(872,081)
Capital Work in Progress	-	-
Interest received	-	-
Net cash flow (used in) Investing activities (B)	**(131,568)**	**(872,081)**
Cash flow from financing activities		
Proceeds from issuance of Preference shares	-	-
Proceeds received from/ (repayment) of Non Current borrowings (net)	154,349	(274,044)
Interest paid	(273,524)	(285,086)
Net Cash flow (used in) / generated from Financing activities (C)	**(119,175)**	**(559,130)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**388,915**	**(136,381)**
Cash and Cash Equivalents at the Beginning of the year	573,953	710,334
Cash and Cash Equivalents at the End of the year	**962,868**	**573,953**
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	-	-
b) Balance in banks - current accounts	962,868	573,953
Cash and cash equivalents (Refer note 7)	**962,868**	**573,953**

See accompanying notes to the Standalone financial statements '1-27

In terms of our report attached

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, dated:
UDIN:

Mangesh Pathak
Director
Mumbai, dated: May 23, 2025

8. Other financial assets

	As at 31 March 2026	As at 31 Mar 2025
Non-current		
Deposits	54,000	54,000
Other loans and advances	-	-
	54,000	**54,000**
Current		
Unbilled revenue	635,649	1,942,912
Advance to fellow subsidiaries	3,338,124	1,860,963
	3,973,773	**3,803,875**

9. Other Assets

	As at 31 March 2026	As at 31 Mar 2025
Non-current (Unsecured)		
Capital advances	-	-
Advance payment of taxes (net of provision for tax)	-	-
		-
Current (Unsecured)		
Other loans and advances	572,124	561,681
Prepaid expenses	228,657	378,850
Other Receivable	-	-
	800,781	**940,531**

10. Equity Share Capital

	As at 31 March 2026	As at 31 Mar 2025
Authorised share capital:	0.10	0.10
1 Equity Share of £ 0.01 each		
Issued, subscribed and paid-Up:	0.10	0.10
1 Equity Share of £ 0.01 each		
Total	**0.10**	**0.10**

11. Other equity

	As at 31 March 2026	As at 31 Mar 2025
Preference shares		
As at last balance sheet	2,825,151	2,825,151
Movement during the year	-	-
	2,825,151	**2,825,151**
Reserve and Surplus		
As at last balance sheet	(2,707,992)	(3,085,172)
Movement during the year	813,286	377,180
	(1,894,706)	**(2,707,992)**
Foreign Exchange Transalation Reserve		
As at last balance sheet	-	-
Movement during the year	-	-
Foreign Currency Translation Reserve	-	-
Adoption of Ind AS 116		
Total	**930,445**	**117,159**

Non-Current Liabilities

12. Borrowings (Non - Current)

	As at 31 March 2026	As at 31 Mar 2025
Term loans (secured)		
Others	-	-
Other loan and advances (secured)		
Finance lease obligation	-	-
Other loan and advances (unsecured)		
Loan from related party	-	-
Loan from Others	102,734	294,640
Total	**102,734**	**294,640**

a. Loan from others are secured against the underlying asset, carries interest rate of 9.17% p.a. and is repayable in 12 equal instalments over the period of 36 months.

13 Lease liabilities (Non - Current)

	As at 31 March 2026	As at 31 Mar 2025
Finance lease obligation	283,128	447,737
Total	**283,128**	**447,737**

a. The Company leases certain building and equipment under finance leases. The Company has option to purchase the equipment for a nominal amount at the end of the lease term. The Company's obligation under finance leases are secured by hypothecation of such equipment. Interest rates underlying all obligations under finance lease range from 1.40% to 1.72% p.a.

b.

Particulars		**nimum lease payments ou**
	As at 31 March 2026	**As at 31 Mar 2025**
Within one year	183,185	415,545
Later than one year and not later than five years	283,128	447,737
Later than five years	-	-
Total	**466,313**	**863,282**

Particulars		**ure interest on outstand**
Within one year	-	2,635
Later than one year and not later than five years	-	-
Later than five years	-	-
Total	**-**	**2,635**

Particulars		**value of minimum lease p**
Within one year	183,185	412,910
Later than one year and not later than five years	283,128	447,737
Later than five years	-	-
Total	**466,313**	**860,647**

14. Other Financial liabilities (Non current)

	As at 31 March 2026	As at 31 Mar 2025
Other long term payables	-	-
Total	**-**	**-**

14. Other Financial liabilities (Current)

	As at 31 March 2026	As at 31 Mar 2025
Interest payable to group companies	1,185,813	1,016,981
Capital Creditors	28,451	27,070
Advance from fellow subsidiaries	-	-
Accrued salaries and benefits	126	116,030
Other financial liablities	778	449
Total	**1,215,168**	**1,160,529**

15 Lease liabilities (Current)

	As at 31 March 2026	As at 31 Mar 2025
Finance lease obligations	183,185	412,910
Total	**183,185**	**412,910**

16. Other liabilities

	As at 31 March 2026	As at 31 Mar 2025
Current		
Accrued salaries and benefits	-	-
Deferred revenue	-	-
Other payables	707,077	295,958
Total	**707,077**	**295,958**

17. Borrowings (Current)

	As at 31 March 2026	As at 31 Mar 2025
Current maturity of long term borrowings		
Other loan and advances (unsecured)		
Loan from Others	191,906	175,145
From Others (Unsecured)		
Loan from fellow subsidiary	6,949,501	7,360,174
Total	**7,141,407**	**7,535,319**

18. Revenue from operations

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Sale of services	8,815,966	7,567,892
Total Revenue from Operations	**8,815,966**	**7,567,892**

19. Other income

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Interest income:		
Others interest income	-	-
Others	340	378
Total Other Income	**340**	**378**

20. Employee benefits expense *in £*

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Salaries and wages	1,624,202	1,902,251
Staff welfare expenses	20,785	21,263
Total Employee benefits expense	**1,644,987**	**1,923,514**

21. Other expenses

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Rent	44,782	30,670
Communication cost	62,022	48,603
Electricity	91,933	86,834
Legal and Professional fees	164,167	119,250
Rates and taxes	30,803	30,303
Traveling and conveyance	112,092	106,703
Repairs and maintenance	78,300	144,251
Consumables	1,289	3,862
Insurance cost	39,251	40,566
House keeping	15,638	14,619
Sales promotion expenses	224,058	194,705
Provision for doubtful debts	-	-
Bad Debts written off	-	-
Miscellaneous expenses	72,144	61,364
Penal Charges	-	-
Total Other expenses	**936,479**	**881,730**
Payment to auditors		
As auditor		
Audit fees	5,000	5,000
In other matters		
Total	**5,000**	**5,000**

22. Finance costs

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Interest on term loan (including finance lease)	48,838	34,649
Interest on loan from fellow subsidiary	188,313	201,667
Finance charges	33,383	37,208
Total Finance costs	**270,534**	**273,524**

22A. Tax expense

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Current tax	-	-
Deferred tax	-	-
Total Tax Expense	**-**	**-**

Prime Focus Technologies UK Limited
Notes to Standalone Financial Statements

4.Tangible assets **in £**

Particulars	Office Equipment	Computer	Leasehold Improvement	Total
Current Year				
Gross block				
As at April 1, 2025	347,180	1,980,717	743,637	3,071,535
Additions		331,473		331,473
Translation	-		-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-		-	-
As at March 31, 2026	**347,180**	**2,312,190**	**743,638**	**3,403,007**
Depreciation				
As at April 1, 2025	341,655	1,099,115	410,656	1,851,425
For the year	3,538	364,520	74,640	442,697
Translation	-		-	-
Deduction	-		-	-
Transferred to Right to use plant & machinery	-	-	-	-
As at March 31, 2026	**345,193**	**1,463,635**	**485,295**	**2,294,122**
Net block				
As at March 31, 2026	**1,987**	**848,555**	**258,343**	**1,108,884**
Previous Year				
Gross block				
As at April 1, 2024	346,832	2,088,524	743,636	3,178,993
Additions	348	131,219	-	131,568
Translation	-		-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-	(239,026)	-	(239,026)
As at March 31, 2025	**347,180**	**1,980,717**	**743,637**	**3,071,534**
Depreciation				
As at April 1, 2024	335,499	788,174	336,546	1,460,219
For the year	6,155	310,721	74,109	390,986
Translation	-		-	-
Deduction	-	220	-	220
Transferred to Right to use plant & machinery	-	-	-	-
As at March 31, 2025	**341,655**	**1,099,115**	**410,656**	**1,851,425**
Net block				
As at March 31, 2025	**5,525**	**881,602**	**332,982**	**1,220,109**

Prime Focus Technologies UK Limited
Notes to Standalone Financial Statements

5.Intangible assets **in £**

Particulars	Software	Right to use Plant & Machinery	Right to use - Building	Total
Current Year				
Gross block				
As at April 1, 2025	1,823,438	5,144,066	630,901	7,598,404
Additions	20,045		-	20,045
Deduction			-	-
Transferred from plant & machinery	-		-	-
As at March 31, 2026	**1,843,483**	**5,144,066**	**630,901**	**7,618,450**
Depreciation				
As at April 1, 2025	855,455	4,807,121	326,330	5,988,906
For the year	283,267	36,998	65,266	385,531
Deduction	-	-	-	-
Additions		-		
Transferred from plant & machinery	-	-	-	-
As at March 31, 2026	**1,138,722**	**4,844,120**	**391,597**	**6,374,437**
Net block				
As at March 31, 2026	**704,761**	**299,946**	**239,306**	**1,244,012**
Previous Year				
Gross block				
As at April 1, 2024	1,823,438	4,905,040	630,901	7,359,378
Additions			-	-
Deduction			-	-
Transferred from plant & machinery	-	239,026	-	239,026
As at March 31, 2025	**1,823,438**	**5,144,066**	**630,901**	**7,598,405**
Depreciation				
As at April 1, 2024	567,842	4,482,451	261,063	5,311,356
For the year	287,613	324,670	65,266	677,549
Deduction	-	-	-	-
Additions		-		
Transferred from plant & machinery	-	-	-	-
As at March 31, 2025	**855,455**	**4,807,121**	**326,330**	**5,988,905**
Net block				
As at March 31, 2025	**967,983**	**336,945**	**304,572**	**1,609,498**

Prime Focus Technologies UK Limited
Notes to Standalone Financial Statements

1. Corporate information

Prime Focus Technologies UK Limited ('PFT UK' and 'the Company') and all its subsidiaries (collectively referred to as 'Company') are engaged in the business of providing digital technological solutions to the sports, film, broadcast, advertising and media industries.

On 01st April 2018, the Company entered into a share purchase agreement to acquire 100% ownership of the issued capital of PF MEAD FZ LLC, a free zone limited liability company incorporated in the Media zone - Abu Dhabi.
The acquisition has been made by the Company to make valuable addition to the Company's existing offerings in creative services and post production space. The acquisition of PF MEAD FZ LLC is expected to enrich the Company with ability to access the Middle East market.
The Company has accquired 100 equity shares of AED 1 each from Prime Focus ME Limited.
Prime Focus MEAD FZ LLC, Abu Dhabi a wholly subsidiary company of Prime Focus Technologies UK Limited has filed for dormancy on 19th April 2020. Since the dormancy filling there has been no business transactions in Prime Focus MEAD FZ LLC. On June 16, 2023, the authorities granted approval for the dissolution of the company, resulting in Prime Focus MEAD FZ LLC become dormant.

2. Statement of significant accounting policies:

a. **Basis of preparation**

The Standalone financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The Standalone financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company are consistent with those of the previous year.

b. **Principles of consolidation**

The Standalone financial statements include the financial statements of the Company and all its subsidiaries (collectively referred to as 'the Company'), which are more than 50% owned or controlled and have been prepared in accordance with the principles of consolidation laid down in Accounting Standard 21- 'Standalone Financial Statements' notified under section 211 (3C) of the Companies Act, 1956.
The Standalone financial statements have been prepared on the following basis:

i. The financial statements of the Company and its subsidiary have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-Company balances and intra-Company transactions.

ii. The Assets and Liabilities of subsidiaries are translated into British Pound at the rate of exchange prevailing as of the Balance sheet date. Revenue and Expenses are translated into British Pound at an average closing rate. Any exchange difference arising on consolidation is recognized in the net Foreign Exchange gain or loss in P&L account.

iii. The difference between the costs of investment in subsidiaries over the net asset at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

iv. The Standalone financial statements are prepared using uniform accounting policies to the extent practicable across the Company. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by Company, except in case of the accounting policies for depreciation and amortization.

v. Details of subsidiaries included in the Standalone financials:

Name of the Subsidiary	Principal Activity	Country of Incorporation	Percentage of Holding
Prime Post (Europe) Limited	Content Management Services	United Kingdom	100

c. **Use of Estimates**

The preparation of Standalone financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Accounting estimates change from period to period. Actual result could differ from those 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 year in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

d. **Tangible fixed assets**

Fixed assets are carried at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition or its intended use. Borrowing costs relating to acquisition, construction of qualifying assets which takes period more than 8 to 10 months of time to get ready for its intended use are capitalized as part of the cost of such assets.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
Gains or losses arising from DE recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

e. **Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Research cost are expensed as incurred. Development cost are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has intention and ability to complete the project, use or sell the asset and cost of the asset can be measured reliably.

f. **Depreciation of fixed assets**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 (also refer note 11 and 12). Assets acquired under finance lease are depreciated over the period of lease. Goodwill on acquisition is not amortized but is tested for impairment on Annual Basis.

g. **Impairment of assets**

The carrying values of assets are reviewed at each Balance Sheet date for impairment. If any indicators of impairment exist, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

h. **Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

i. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
Revenue from technical services are recognized on the basis of services rendered and when no significant uncertainty exists as to its determination or realization.
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
Dividends are recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

j. **Foreign Currency Transactions**

Initial Recognition
Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
Conversion
At the year end, foreign currency monetary items are reported using the closing exchange rate.

Exchange Differences
Exchange difference are recognized as income or expenses in the year in which they arise except in the case of exchange differences arising on long term monetary items related to acquisition of fixed assets which are capitalized and depreciated over the remaining useful life of assets.

k. **Cash Flow Statement**

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 Technologies UK Limited
Notes to Standalone Financial Statements

5A. Investments

	As at 31 March 2026	As at 31 March 2025
Long Term, At cost, fully paid up		
Trade Investment (unquoted)		
In shares of Subsidiary Companies		
100 Shares of Prime Post		
(Europe) Limited £1 each	2,336,143	2,336,143
100 Shares of Prime Focus	-	-
MEAD FZ LLC of AED 1 each		
Total	**2,336,143**	**2,336,143**

Note :

Prime Focus London Plc (PFLP) (Holding Company of Target) was into the Business of Post Production i.e. Dat
includes Tagging, Visual QC, Digitalization, Grading, Restoration, & Localization services which includes Dubb
Close captioning, Retime coding, etc. to service its customers within UK and Europe. PFLP has carried out this b
two subsidiaries namely VTR Media Investment Limited (VMIL) (Intermediate Holding company of Target) and
(Europe) Limited (Target). Prime Focus Technologies UK Limited (PFTUK) (Company) has entered into the Te
October 14, 2014, to acquire PFLP's Post Production business carried out in UK and Europe. As per the Term Sl
agreed that PFTUK will buy entire share capital (100 ordinary shares of paid up value GBP 100) of PPEL held b
business for a consideration of GBP 2.5 million. The Term Sheet is dated October 14, 2014 and is effective from
Any business carried out by PFLP in respect of Post Production business for UK and Europe will now be carried
of PFTUK till the date this actual transaction gets consummated.

On 01st April 2018, the Company entered into a share purchase agreement to acquire 100% ownership of the issu
MEAD FZ LLC, a free zone limited liability company incorporated in the Media zone - Abu Dhabi.
The acquisition has been made by the Company to make valuable addition to the group's existing offerings in cre
post production space. The acquisition of PF MEAD FZ LLC is expected to enrich the group with ability to acce
market.
The Company has accquired 100 equity shares of AED 1 each from Prime Focus ME Limited.

Prime Focus MEAD FZ LLC, Abu Dhabi a wholly subsidiary company of Prime Focus Technologies UK Limite
dormancy on 19th April 2020. Since the dormancy filling there has been no business transactions in Prime Focus
On June 16, 2023, the authorities granted approval for the dissolution of the company, resulting in Prime Focus M
become dormant.

6. Trade Receivables (Unsecured)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Current		
Considered good	1,439,097	1,239,592
Considered doubtful	-	-
	1,439,097	**1,239,592**
Allowance for doubtful receivables	-	-
	1,439,097	**1,239,592**

7. Cash and bank balances

in £

	As at 31 Mar 2026	As at 31 Mar 2025
a. Cash and cash equivalents		
Bank balances		
In current Accounts	923,195	962,868
	923,195	**962,868**

Prime Focus Technologies UK Limited
Notes to Standalone Financial Statements

23. Earnings Per Share (EPS)

'Particulars	As at 31 Mar 2026	As at 31 Mar 2025
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	813,286	377,180
Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)(B)	10	10
Weighted average number of common stock shares outstanding during the year (for calculating Diluted EPS)(B)	10	10
Earnings per share		
Basic EPS (GBP) (C=A / B)	81,329	37,718
Diluted EPS (GBP) (C=A / B)	81,329	37,718
Nominal Value Per Share (GBP)	0.01	0.01

APPTARIX MOBILITY SOLUTIONS PVT LTD

Balance Sheet as at March 31, 2026 **(Rs in '000)**

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
1. Non-current assets			
(a) Property, plant and equipment	4	34.60	35.46
(b) Income tax assets (net)		334.25	334.25
(c) Other non-current assets	5	52.57	52.57
Total Non-current assets		**421.42**	**422.28**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	6	-	-
(ii) Cash and cash equivalents	7	166.55	166.78
Total current assets		**166.55**	**166.78**
Total assets		**587.97**	**589.06**
Equity and liabilities			
Equity			
(a) Equity share capital	8	3,297.75	3,297.75
(b) Other equity	9	(4,177.73)	(4,176.63)
Total Equity		**(879.98)**	**(878.89)**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(b) Deferred tax liabilities (net)	16	95.10	95.10
Total Non-current liabilities		**95.10**	**95.10**
2. Current liabilities			
(a) Financial liabilities			
(ii) Trade payables			
- Total outstanding dues to micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Other current liabilities	10	1,372.85	1,372.85
(c) Provisions	11	-	-
Total current liabilities		**1,372.85**	**1,372.85**
Total liabilities		**1,467.95**	**1,467.95**
Total equity and liabilities		**587.97**	**589.06**

See accompanying notes to the financial statements 1 to 23

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

Director
Dated:

APPTARIX MOBILITY SOLUTIONS PVT LTD

Statement of Profit and Loss for the Year Ended March 31, 2026

(Rs in '000)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	12	-	-
Other income	13	-	-
Total income		**-**	**-**
Expenses			
Employee benefits expense	14	-	-
Cost of material consumed		-	-
Depreciation and amortisation expense	4	0.87	1.73
Other expenses	15	-	-
Finance costs	16	0.24	0.41
Total expenses		**1.10**	**2.14**
Profit/(Loss) before tax		**(1.10)**	**(2.14)**
Tax expense			
Current tax		-	-
Deferred tax credit		-	-
Total tax expense	16	**-**	**-**
Profit/(Loss) for the year		**(1.10)**	**(2.14)**
Other comprehensive income			
A (i) items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		-	-
(ii) Income tax relating to above		-	-
Total other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**(1.10)**	**(2.14)**
Earnings per equity share of face value of Re. 1/- each			
Basic and diluted (in rupees)		(0.00)	(0.00)

See accompanying notes to the financial statements 1 to 23

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

Director
Dated:

APPTARIX MOBILITY SOLUTIONS PRIVATE LIMITED

TRUE NORTH, PLOT NO. 63, ROAD NO 13,OPP. HOTEL TUNGA PARADISE
MIDC, ANDHERI (EAST) MUMBAI, MAHARASHTRA, INDIA, 400093
CIN : U72200MH2012PTC411212

CASH FLOW STATEMENT FOR THE PERIOD ENDED March 31, 2026

(Rs in '000)

Particulars	Period Ended March 31, 2026	Period Ended March 31, 2025
Cash flow from Operating activities		
Loss before tax	(1.10)	(2.14)
Adjustments for:		
Depreciation and amortization expense	0.87	1.73
Sundry balance written back	-	-
Sundry credit balances written back	-	-
Unrealised exchange difference	-	-
Operating profit before working capital changes	**(0.24)**	**(0.41)**
Changes in working capital :		
Decrease in trade and other payables	-	-
(Decrease) / Increase in trade payables	-	100.00
(Decrease) / Increase in liabilities	-	-
Increase in long-term provisions	-	-
Increase in short-term provisions	-	-
(Increase) in other Financial liabilities	-	-
(Increase)/Decrease in trade and other receivables	-	-
Cash generated from/(used in) operations	**(0.24)**	**99.59**
Income taxes paid (net of refunds)	-	-
Net cash flow generated from operating activities (A)	**(0.24)**	**99.59**
Cash flow from investing activities		
Purchase/development of Property, plant & equipment and Intangible asset	-	-
Net cash flow used in investing activities (B)	**-**	**-**
Cash flow from financing activities		
Proceeds from non-current borrowings	-	-
Net cash (used in) financing activities (C)	**-**	
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(0.24)**	**99.59**
Cash and cash equivalents at the beginning of the year	166.78	67.20
Cash and cash equivalents at the end of the period	**166.55**	**166.78**

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026

Director
Dated:

Statement of Changes in Equity for the year ended March 31, 2026

A. Equity Share Capital

(Rs in '000)

Particulars	**Amount**
Balance as at March 31, 2024	**3,298**
Change in equity share capital during the year	-
Balance as at March 31, 2025	**3,298**
Change in equity share capital during the year	-
Balance as at March 31, 2026	**3,298**

B. Other Equity

(Rs in '000)

Particulars	Reserves & Surplus		Total
	Securities Premium Reserve	Retained earnings	
Balance as at March 31, 2024	**4,826.36**	**(9,000.85)**	**(4,174.48)**
Profit for the year	-	(2.14)	(2.14)
Balance as at March 31, 2025	**4,826.36**	**(9,002.99)**	**(4,176.63)**
Profit for the year	-	(1.10)	(1.10)
Balance as at March 31, 2026	**4,826.36**	**(9,004.09)**	**(4,177.74)**

See accompanying notes to the financial statements 1 to 23

As per our report of even date

For V. Shivkumar & Associates

Chartered Accountants

Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar

(Proprietor)

Membership Number : 042673

Place: Mumbai

Date: 27th May, 2026

Director

Dated:

4 Property, plant and equipment

(Rs in '000)

	Plant and equipment	Furniture and fixtures	Office equipment	Total
Gross block				
As at April 1, 2024	**783.54**	**7.44**	**104.93**	**895.91**
Additions	-	-	-	**-**
Deductions	-	-	-	**-**
As at March 31, 2025	**783.54**	**7.44**	**104.93**	**895.91**
Accumulated depreciation				
As at April 1, 2024	**749.79**	**6.85**	**102.08**	**858.72**
For the year	1.14	0.59	-	**1.73**
Deductions	-	-	-	**-**
As at March 31, 2025	**750.93**	**7.43**	**102.08**	**860.44**
Net block				
As at March 31, 2025	**32.61**	**(0.00)**	**2.85**	**35.46**

-

(Rs in '000)

	Plant and equipment	Furniture and fixtures	Office equipment	Total
Gross block				
As at April 1, 2025	**783.54**	**7.44**	**104.93**	**895.91**
Additions	-	-	-	**-**
Deductions	-	-	-	**-**
As at March 31, 2026	**783.54**	**7.44**	**104.93**	**895.91**
Accumulated depreciation				
As at April 1, 2025	**750.93**	**7.43**	**102.08**	**860.44**
For the year	(1.98)	-	2.85	**0.87**
Deductions				**-**
As at March 31, 2026	**748.95**	**7.43**	**104.93**	**861.31**
Net block				
As at March 31, 2026	**34.59**	**(0.00)**	**0.00**	**34.60**

5 Other Assets

(Rs in '000)

	As at March 31, 2026	As at March 31, 2025
Non-current (Unsecured, considered good)		
VAT Deposit	5	5.00
GST tax refund	47.57	47.57
Total	**52.57**	**52.57**

6 Trade Receivables (Unsecured)

	As at March 31, 2026	As at March 31, 2025
Trade receivables	-	-
Significant increase in credit risk	-	-
Total	**-**	**-**

	As at March 31, 2026	As at March 31, 2025
The movement in allowance for doubtful receivables is as follows:		
Balance as at the beginning of the year	-	-
Movement during the year (net)	-	-
Balance as at the end of the year	-	-

7 Cash and bank balances

	As at March 31, 2026	As at March 31, 2025
a. Cash and cash equivalents		
Cash on hand	-	-
Bank balances		
In current Accounts	166.55	166.78
Total	**166.55**	**166.78**

8 Equity Share Capital

	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
37,00,000 Equity Shares of Rs. 1/- each.	3,700	3,700.00
3,00,000 Preference Shares of Rs. 1/- each.	300	300.00
Issued, subscribed and paid-Up:		
32,97,746 Equity Shares of Rs. 1/- each.	3,298	3,297.75

8.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Fully paid equity shares

	Year ended March 31, 2026	Year ended March 31, 2025
		Number
Balance as at the beginning of the year	3,297,746	3,297,746
Add: Shares issued during the year	-	-
Balance as at the end of the year	**3,297,746**	**3,297,746**

8.2 Details of shares held by each shareholder holding more than 5%

	Year ended March 31, 2026	
	Number	% of holding
Prime Focus Technologies Limited - Holding company	3,297,745	100%

8.3 Shares held by promoters at the end March 31, 2026

Promoter name	No of shares	% of total shares
Prime Focus Technologies Limited	3,297,745	100%

Shares held by promoters at the end March 31, 2025

Promoter name	No of shares	% of total shares
Prime Focus Technologies Limited	3,297,745	3,297,745

8.4 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in INR.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

9 Other equity

	As at March 31, 2026	As at March 31, 2025
Securities premium		
As per last balance sheet	4,826	4,826.36
Retained earnings		
As per last balance sheet	(9,002.99)	(9,000.85)
Movement during the year	(1.10)	(2.14)
	(9,004.09)	**(9,002.99)**
Total	**(4,177.73)**	**(4,176.63)**

10 Other liabilities

	As at March 31, 2026	As at March 31, 2025
Current		
Payable to group company	1,372.85	1,372.85
Total	**1,372.85**	**1,372.85**

11 Provisions

	As at March 31, 2026	As at March 31, 2025
Provision for expenses	-	-
Total	**-**	**-**

12 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Income from services	-	-
Income from services-Export	-	-
Total	**-**	**-**

13 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income:		
on income tax refunds	-	-
on others	-	-
Reversal of provision for doubtful debts	-	-
Sundry Balance written back	-	-
Total	**-**	**-**

14 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	-	-
Total	**-**	**-**

15 Other expenditure

	Year ended March 31, 2026	Year ended March 31, 2025
Legal and Professional fees	-	-
Rates and taxes	-	-
Provision for doubtful debts	-	-
Miscellaneous expenses	-	-
Total	**-**	**-**

Payment to auditors (exclusive of service tax/goods & services tax)

Audit fees	-	-
In other matters	-	-
Total	**-**	**-**

16 Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Bank charges	0.24	0.41
Total	**0.24**	**0.41**

17. Income tax

A. Amounts recognised in profit or loss

(Rs in '000)

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
- in respect of current year (a)	-	-
- in respect of prior years (b)	-	-
Deferred tax (credit)		
- in respect of current year (c)	-	-
- in respect of prior years (d)	-	-
Total income tax expense recognised in the current year (a)+(b)+(c)+(d)	**-**	**-**

B. The income tax expenses for the year can be reconciled to the accounting profit as follows:

	March 31, 2026	March 31, 2025
Profit/(Loss) before tax	(1.10)	(2.14)
Effect of:		
Deferred tax recognised considering expected utilisation period	-	-
Income tax expenses recognised in Statement of profit and loss	**-**	**-**

18 Related party disclosure:

(i) List of parties where control exists:

A) Holding Company

Prime Focus Technologies Limited

B) Ultimate Holding Company

Prime Focus Limited

C) Fellow Subsidiaries

Prime Focus Technologies UK Limited

Prime Focus Technologies Inc

Prime Focus Technologies PTE Ltd.

D) Key Management Personnel

Nishant Fadia

Ramakrishnan Sankaranarayanan

(ii) List of parties with whom transactions have taken place during the year

A) Holding Company

Prime Focus Technologies Limited

iii) Holding Company

(Rs in '000)

	Year Ended March, 31 2026	**Year Ended March, 31 2025**
Advance received	100	100

(Rs in '000)

	As at March, 31 2026	**As at March, 31 2025**
Balance outstanding at the year end		
Payable to group company	1,372.85	1,372.85

Brahma AI Ltd
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Other intangible assets	4	27,904,304	20,778,830
Intangible assets under development	5	-	13,039,938
Deferred tax asset (net)	6	-	167,018
Total non-current assets		**27,904,304**	**33,985,786**
Current assets			
Financial assets			
Other financial assets	7	4,870,221	-
Other current assets	8	1,101,050	-
Total current assets		**5,971,271**	**-**
Total assets		**33,875,575**	**33,985,786**
Equity and Liabilities			
Equity			
Equity share capital	9	99	-
Other equity	10	33,770,492	(501,054)
Total equity		**33,770,591**	**(501,054)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	11	-	1,551,200
Total non-current liabilities		**-**	**1,551,200**
Current liabilities			
Financial liabilities			
Trade payables	12	104,984	-
Other financial liabilities	13	-	32,935,639
Other current liabilities		-	-
Total current liabilities		**104,984**	**32,935,639**
Total liabilities		**104,984**	**34,486,839**
Total equity and liabilities		**33,875,575**	**33,985,786**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Ltd

Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	14	16,323,287	-
Other income	15	13,540	-
Total Income		**16,336,827**	**-**
Expenses			
Employee benefits expense	16	4,479	-
Depreciation and amortisation expense	4	15,405,145	-
Other expenses	18	207,285	668,072
Total expenses		**15,616,909**	**668,072**
(Loss) / profit before tax		**719,918**	**(668,072)**
Tax expenses			
Current tax	19	(168,268)	-
Deferred tax	19	167,018	(167,018)
Total tax expense / (credit) (net)		**(1,250)**	**(167,018)**
Profit/ (Loss) for the year		**721,168**	**(501,054)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**721,168**	**(501,054)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Ltd
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**719,918**	**(668,072)**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	15,405,145	-
Unrealized foreign exchange (gain)/loss (net)	(13,540)	-
Sundry balances written back / written off	(0)	-
Operating profit before working capital changes	**16,111,523**	**(668,072)**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	104,952	-
Increase / (Decrease) in Payables due to related party	(37,210,587)	32,353,939
Increase / (Decrease) in Other Current Liabilities	(1,050)	-
(Increase) / Decrease in Other Current Financial Assets	(1,100,000)	-
Cash generated from operations	**(22,095,162)**	**31,685,868**
Taxes Paid (Net of Refunds)	168,268	-
Net cash flow from operating activities (A)	**(21,926,894)**	**31,685,868**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(11,623,582)	(31,685,868)
Net cash flow from (used in) investing activities (B)	**(11,623,582)**	**(31,685,868)**
(C) Financing Acitivities		
Proceeds from issue of equity shares	33,550,476	-
Net cash flow from (used in) financing activities (C)	**33,550,476**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(0)**	**-**
Cash and cash equivalents at the beginning of the year	-	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	(0)	-

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Ltd
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	99
As at March 31, 2026	**99**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**-**
Profit for the year (net of tax)	(501,054)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(501,054)**
Profit for the year (net of tax)	721,168
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**220,115**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Ltd
Notes forming part of the financial statements

1 General information

Brahma AI Limited ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the wholly owned subsidiary of Brahma AI Holdings Limited ("Brahma Holdings") and the ultimate holding company is Prime Focus Limited ("PFL").The nature of business of the Company is in the software development sector. The address of its registered office is 160 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Brahma AI Ltd
Notes to the Financial Statements for the year ended March 31, 2026

4. Goodwill & Other intangible assets **(Amount in GBP)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	20,778,830	-	**20,778,830**
Additions	-	22,530,620	-	22,530,620
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**43,309,450**	**-**	**43,309,450**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	-	-	-
For the year	-	15,405,145	-	15,405,145
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**15,405,145**	**-**	**15,405,145**
Net block (I - II)				
As at March 31, 2026	**-**	**27,904,304**	**-**	**27,904,304**

(Amount in GBP)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	-	-	-
Additions/(Deletions)	-	20,778,830	-	20,778,830
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**20,778,830**	**-**	**20,778,830**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	-	-	-
For the year	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**-**	**-**	**-**
Net block (I - II)				
As at March 31, 2025	**-**	**20,778,830**	**-**	**20,778,830**

5. Intangible assets under development **(Amount in GBP)**

As at March 31, 2025	**Amount for a period of**				
	Less than 1 year	**1 - 2 year**	**2 - 3 year**	**more than 3 years**	**Total**
Project 1	13,039,938	-	-	-	**13,039,938**

6 Deferred tax assets / (liabilities) (net)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	167,018	-
Charge to Statement of Profit and Loss and Other Comprehensive Income	(167,018)	167,018
Total	**-**	**167,018**

Brahma AI Ltd
Notes to the Financial Statements for the year ended March 31, 2026

7 Other financial assets (current) (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	4,870,221	-
	4,870,221	**-**

8 Other current assets (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Balance outstanding with government authorities	1,050	-
Tax credit receivable	1,100,000	-
	1,101,050	**-**

Brahma AI Ltd
Notes to the Financial Statements for the year ended March 31, 2026

9 Share capital

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	99	-
	99	**-**

DNEG SARL is the Immediate Holding Company

10 Other equity

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(501,054)	-
Add: Profit for the year	721,168	(501,054)
	220,115	**(501,054)**
Securities premium	33,550,377	-
	33,770,492	**(501,054)**

11 Other financial liabilities (non-current) (unsecured)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Capital creditors	-	1,551,200
	-	**1,551,200**

Brahma AI Ltd
Notes to the Financial Statements for the year ended March 31, 2026

12 Trade payables

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade payables	104,984	-
	104,984	**-**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	104,984	-	-
Total	**-**	**104,984**	**-**	**-**

13 Other financial liabilities (current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Due to related parties	-	32,353,939
Capital Creditors	-	581,700
	-	**32,935,639**

Brahma AI Ltd
Notes to the Financial Statements for the year ended March 31, 2026

14 Revenue from operations

Amount in GBP

	2025-26	2024-25
Sale of services	15,223,287	-
	15,223,287	**-**
Other operating revenue		
Government Grants	1,100,000	-
	1,100,000	**-**
	16,323,287	**-**

15 Other income

Amount in GBP

	2025-26	2024-25
Exchange gain	13,540	-
	13,540	**-**

16 Employee benefits expense

Amount in GBP

	2025-26	2024-25
Staff welfare expenses	4,479	-
	4,479	**-**

17 Depreciation and amortisation expense — **Amount in GBP**

	2025-26	2024-25
Amortisation of intangible assets	15,405,145	-
	15,405,145	**-**

18 Other expenses — **Amount in GBP**

	2025-26	2024-25
Legal and Professional fees	139,957	16,853
Management fees	-	623,897
Communication Charges	20	-
Repairs & Maintainance :		
Equipment	13,076	17,098
Travelling and conveyance expense	49,272	623
Advertising and promotions	4,900	9,600
Miscellaneous expenses	60	-
	207,285	**668,072**

19 Tax expenses — **Amount in GBP**

	2025-26	2024-25
Current tax expense/(income)	(168,268)	-
Deferred tax expense/(income)	167,018	(167,018)
	(1,250)	**(167,018)**

20. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in GBP

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	104,984	-	104,984
Other Financial Liabilities	-	-	-

Amount in GBP

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	32,935,639	1,551,200	34,486,839

21. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

22. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Brahma AI ME LTD
Balance Sheet as at March 31, 2026

(Amount in AED)

	Notes	As at March 31, 2026
Assets		
Non-current assets		
Other intangible assets	4	42,056,376
Financial assets		
Other Financial Assets	5	272,269
Total non-current assets		**42,328,644**
Current assets		
Financial assets		
Other financial assets	6	2,900
Other current assets	7	290,766
Total current assets		**293,666**
Total assets		**42,622,311**
Equity and Liabilities		
Equity		
Equity share capital	8	100
Other equity	9	(179,244)
Total equity		**(179,144)**
Liabilities		
Current liabilities		
Financial liabilities		
Trade payables	10	534
Other financial liabilities	11	42,800,920
Other current liabilities		-
Total current liabilities		**42,801,454**
Total liabilities		**42,801,454**
Total equity and liabilities		**42,622,311**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI ME LTD

Statement of Profit and Loss for the year ended March 31, 2026

(Amount in AED)

	Notes	2025-26
Revenue		
Revenue from operations		-
Other income	12	5,936
Total Income		**5,936**
Expenses		
Employee benefits expense	13	87,500
Other expenses	14	97,680
Total expenses		**185,180**
(Loss) / profit before tax		**(179,244)**
Tax expenses		
Current tax		-
Deferred tax		-
Total tax expense / (credit) (net)		**-**
Profit/ (Loss) for the year		**(179,244)**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plan		-
Income tax (expense) / credit on the above		-
Total other comprehensive income/ (loss)		**-**
Total comprehensive income / (loss) for the year		**(179,244)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI ME LTD
Cash flow statement for the year ended March 31, 2026

(Amount in AED)

Particulars	2025-26
(A) Operating Activities	
Profit before tax	**(179,244)**
Add: Non-Cash Transactions	
Unrealized foreign exchange (gain)/loss (net)	(5,936)
Operating profit before working capital changes	**(185,180)**
Changes in Working Capital	
Increase / (Decrease) in Trade and Other Payables	534
Increase / (Decrease) in Other Current financial liabilities	87,500
Increase / (Decrease) in Payables due to related party	662,981
Increase / (Decrease) in Other Current Liabilities	(18,497)
(Increase) / Decrease in Other Non-Current Financial Assets	(272,269)
(Increase) / Decrease in Other Current Financial Assets	(2,900)
(Increase) / Decrease in Other Current Assets	(272,269)
Cash generated from operations	**(100)**
Taxes Paid (Net of Refunds)	-
Net cash flow from operating activities (A)	**(100)**
(C) Financing Acitivities	
Proceeds from issue of equity shares	100
Net cash flow from (used in) financing activities (C)	**100**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**0**
Cash and cash equivalents at the beginning of the year	-
Add: Cash acquired from Business Combinations	-
Cash and cash equivalents at the end of the year	0

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and o For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI ME LTD
Statement of Changes in Equity for the year ended March 31, 2026

A. Equity share capital **(Amount in AED)**

	Total
As at March 31, 2025	**-**
Changes in equity share capital during the year	100
As at March 31, 2026	**100**

B. Other equity **(Amount in AED)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2025	**-**
Profit for the year (net of tax)	(179,244)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(179,244)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI ME LTD
Notes forming part of the financial statements

1 General information

Brahma AI ME LTD ("the Company") is a company incorporated and domiciled in Dubai. The Company is the wholly owned subsidiary of Brahma AI Holdings Limited ("Brahma Holdings") and the ultimate holding company is Prime Focus Limited ("PFL").The nature of business of the Company is in the software development sector.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United Arab Emirates dirham (AED), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Brahma AI ME LTD
Notes to the Financial Statements for the year ended March 31, 2026

4. Goodwill & Other intangible assets **(Amount in AED)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	-	-	**-**
Additions	-	42,056,376	-	42,056,376
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**42,056,376**	**-**	**42,056,376**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	-	-	-
For the year	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**-**	**-**	**-**
Net block (I - II)				
As at March 31, 2026	**-**	**42,056,376**	**-**	**42,056,376**

Brahma AI ME LTD
Notes to the Financial Statements for the year ended March 31, 2026

5 Other Financial Assets (Non Current)	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Deposits to others	272,269	-
	272,269	**-**

6 Other financial assets (current) (unsecured, considered good unless otherwise stated)	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Security Deposit	2,900	-
	2,900	**-**

7 Other current assets (unsecured, considered good unless otherwise stated)	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	272,269	-
Balance outstanding with government authorities	18,497	-
	290,766	**-**

8 Share capital	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	100	-
	100	**-**

Brahma AI Holdings Limited is the Immediate Holding Company

9 Other equity	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Add: Profit for the year	(179,244)	-
	(179,244)	**-**

10 Trade payables	Amount in AED	Amount in AED
	As at March 31, 2026	As at March 31, 2025
Trade payables	534	-
	534	**-**

Trade paybles - ageing and other details

Amount in AED

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Less than 6 months	-	534	-	-
Total	**-**	**534**	**-**	**-**

11 Other financial liabilities (current)	Amount in AED	Amount in AED
	As at March 31, 2026	**As at March 31, 2025**
Due to related parties	42,713,420	-
Employee benefits payable	87,500	-
	42,800,920	**-**

Brahma AI ME LTD
Notes to the Financial Statements for the year ended March 31, 2026

12 Other income **Amount in AED**

	2025-26	2024-25
Exchange gain	5,936	-
	5,936	**-**

13 Employee benefits expense **Amount in AED**

	2025-26	2024-25
Salaries and wages	87,500	-
	87,500	**-**

14 Other expenses **Amount in AED**

	2025-26	2024-25
Rent	96,529	-
Electricity charges	651	-
Miscellaneous expenses	500	-
	97,680	**-**

Brahma AI ME LTD
Notes to the Financial Statements for the year ended March 31, 2026

15. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in AED

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	534	-	534
Other Financial Liabilities	42,800,920	-	42,800,920

Amount in AED

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	-	-	-

16. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

17. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Brahma AI Services USA Inc.
Balance Sheet as at March 31, 2026

(Amount in USD)

	Notes	As at March 31, 2026
Current assets		
Financial assets		
Other financial assets	4	1
Total current assets		**1**
Total assets		**1**
Equity and Liabilities		
Equity		
Equity share capital	5	1
Total equity		**1**
Total equity and liabilities		**1**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services USA Inc.
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in USD)

	Notes	March 31, 2026
Revenue		
Revenue from operations		-
Expenses		
Total expenses		**-**
(Loss) / profit before tax		**-**
Tax expenses		
Current tax		-
Deferred tax		-
Total tax expense / (credit) (net)		**-**
Profit/ (Loss) for the year		**-**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plan		-
Income tax (expense) / credit on the above		-
Total other comprehensive income/ (loss)		**-**
Total comprehensive income / (loss) for the year		**-**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services USA Inc.
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in USD)

Particulars	2025-26
(A) Operating Activities	
Profit before tax	**-**
Add: Non-Cash Transactions	
Operating profit before working capital changes	**-**
Changes in Working Capital	
Increase / (Decrease) in Payables due to related party	(1)
Cash generated from operations	**(1)**
Taxes Paid (Net of Refunds)	-
Net cash flow from operating activities (A)	**(1)**
(C) Financing Acitivities	
Proceeds from issue of equity shares	1
Net cash flow from (used in) financing activities (C)	**1**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**-**
Cash and cash equivalents at the beginning of the year	-
Add: Cash acquired from Business Combinations	-
Cash and cash equivalents at the end of the year	-

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services USA Inc.
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in USD)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	1
As at March 31, 2026	**1**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services USA Inc.
Notes forming part of the financial statements

1 General information

Brahma AI Services USA Inc. ("the Company") is a company incorporated and domiciled in USA. The Company is the wholly owned subsidiary of Brahma AI Holdings Limited ("Brahma Holdings") and the ultimate holding company is Prime Focus Limited ("PFL").The nature of business of the Company is in the software development sector.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Brahma AI Services USA Inc.
Notes to the Financial Statements for the year ended March 31, 2026

4 Other financial assets (current) (unsecured, considered good unless otherwise stated)	Amount in USD
	As at March 31, 2026
Intercompany balances	1
	1

5 Share capital	Amount in USD
	As at March 31, 2026
Issued, subscribed and paid up:	
Equity Share Capital #	1
	1

Brahma AI Holdings Limited is the Immediate Holding Company

6. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in USD

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	-	-	-

Amount in USD

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	-	-	-

7. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

8. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

Balance sheet as on March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	2025
Assets			
Current assets			
Financial Assets			
i) Cash and cash equivalents	3	100.00	100.00
TOTAL		**100.00**	**100.00**
Equity and Liabilities			
Equity			
Equity Share Capital	4	100.00	100.00
Other Equity	5	-	-
		100.00	**100.00**
Current liabilities			
Financial Liabilities			
i) Trade payables	6	-	-
		-	**-**
TOTAL		**100.00**	**100.00**
Notes forming part of the financial statements	1-11		

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, 2026
UDIN : 26042673NULIRM4046

Namit Naresh Malhotra
Director
DIN:00004049

Delna Dhamodiwala
(Director)
Din: 09624579

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

Statement of Profit and Loss for the year ended March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	2025
Income			
Revenue from operations (net)		-	-
Other income		-	-
		-	**-**
Expenses			
Employee benefits expenses		-	-
Other expenses	7	-	-
Finance costs		-	-
Depreciation and amortization expenses		-	-
		-	**-**
Loss before exceptional items and tax		**-**	**-**
Exceptional Items		-	-
Loss before tax		**-**	**-**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**-**	**-**
Earnings per equity share			
Basic	10	-	-
Diluted		-	-
Notes to accounts	1-11		

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, 2026

UDIN : 26042673NULIRM4046

Namit Naresh Malhotra
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Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

Statement of Changes in Equity for the year ended March 31, 2026

Changes in Equity Share capital ₹ in Thousand

	No of shares	Amount in ₹
As at 1st April 2024	-	-
Changes during the year	-	-
As at 31st March 2025	**-**	**-**
Changes during the year	10,000	100.00
As at 31st March 2026 (Refer note below)	**10,000**	**100.00**

Note: During the year, the immediate holding company of the Company changed from Prime Focus Limited to DNEG SARL due to a change in shareholding. There was no change in the ultimate holding company.

Changes in Other Equity ₹ in Thousand

	Surplus in the statement of profit and loss	Total other equity
As at 1st April 2024	**-**	**-**
Profit/ (loss) for the year	-	-
As at 31st March 2025	**-**	**-**
Profit/ (loss) for the year	-	-
As at 31st March 2026	**-**	**-**

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, 2026
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Namit Naresh Malhotra
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Delna Dhamodiwala
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Din: 09624579

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

Cash Flow statement for the year ended March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	2025
Cash flow from Operating activities			
Net Profit before taxation		**-**	**-**
Adjustments for :			
Finance cost		-	-
Excess provision written back		-	-
Operating profit before working capital changes		**-**	**-**
Movements in working capital :			
Increase/(Decrease) in current liabilities		**-**	**-**
Cash generated from operations		**-**	**-**
Direct Taxes paid (Net of Refunds)		**-**	**-**
Net Cash from operating activities		**-**	**-**
Cash flow from investing activites			
Net Cash from investing activities		**-**	**-**
Cash flow from Financing activities			
Proceeds from issue of equity shares			100.00
Finance cost paid		-	-
Net cash used in Financing activities		**-**	**100.00**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**-**	**100.00**
Cash and cash equivalents at the beginning of the year	3	**100.00**	**-**
Cash and cash equivalents at the end of the year		**100.00**	**100.00**
Notes to accounts	1-11		

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, 2026

Namit Naresh Malhotra
Director
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Delna Dhamodiwala
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Din: 09624579

UDIN : 26042673NULIRM4046

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

1. Corporate information

Brahma AI India Technologies Private Limited, (previously known as Dneg Creative Private Limited) (the Company) is a private company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of post-production including digital intermediate, visual effects and other technical and creative services to the Media and Entertainment industry.

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. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the Company's activities. Revenue is shown net of applicable taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and no significant uncertainty exists as to its determination or realisation. The Company bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimension to three dimension (2D to 3D) conversion and other technical services and to clients in the film, broadcast and commercial sectors.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

d. 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.

e. 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.

f. 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).

g. 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, 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.

h. 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.

i. 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.

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

3. Cash and bank balances ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks:		
On Current Accounts	100.00	100.00
Cash on hand	-	-
	100.00	**100.00**

4. Share capital ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Authorised shares:		
500,000 Shares of Re.10/- each (Previous year - nil)	**500.00**	**500.00**
Issued, subscribed and paid-Up:	100.00	100.00
10,000 Shares of Re.10/- each (Previous year - nil)		
	100.00	**100.00**

5. Other Equity ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Retained Earnings		
Balance as per last financial statements	-	-
Loss for the year	-	-
Net Retained Earnings	**-**	**-**
Total Other Equity	**-**	**-**

6. Trade payables ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	-	-
Trade payables to related parties (note 8)	-	-
	-	**-**

There were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 for the above years.

Trade Payables - ageing and other details ₹ in Thousand

As at March 31, 2026	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	-	-	-	-
less than 1 years	-	-	-	-	-
1 to 2 years	-	-	-	-	-
2 to 3 years	-	-	-	-	-
more than 3 years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

Trade Payables - ageing and other details ₹ in Thousand

As at March 31, 2025	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	-	-	-	-
less than 1 years	-	-	-	-	-
1 to 2 years	-	-	-	-	-
2 to 3 years	-	-	-	-	-
more than 3 years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

7. Other expenses ₹ in Thousand

	For the year ended March 31, 2026	2025
Legal and professional fees	-	-
Audit fees	-	-
	-	**-**

8. 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
Prime Focus Motion Picture Limited	**Holding Company**
Prime Focus Limited	**Ultimate holding Company**

Related Party Transaction During the Year ₹ in Thousand

	March 31, 2026	2025
Equity Investment by		
Prime Focus Motion Picture Limited	-	100.00

Brahma AI India Technologies Private Limited (Formerly known as DNEG Creative Private Limited)
CIN : U59123MH2025PTC437675

9. Fair Value Measurements

₹ in Thousand

	As at March 31		As at March 31	
	2026	2025	2026	2025
	Carrying Value		Fair Value	
A. Financial Assets:				
Cash and cash equivalents	100.00	100.00	-	-
Total	**100.00**	**100.00**	**-**	**-**
B. Financial Liabilities:				
Trade payables	-	-	-	-
Total	**-**	**-**	**-**	**-**

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.

a) Financial risk management

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

- Credit risk
- Liquidity risk

i) Credit Risk

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

ii) 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.

Liquidity Risk

₹ in Thousand

At 31 March 2026	Less than 1 Year	More than 1 Year	Total
Current financial assets			
Cash and cash equivalents	100.00	-	**100.00**
	100.00	**-**	**100.00**
Current financial liabilities			
Trade Payables	-	-	**-**
	-	**-**	**-**

₹ in Thousand

At 31 March 2025	Less than 1 Year	More than 1 Year	Total
Current financial assets			
Cash and cash equivalents	100.00	-	**100.00**
	100.00	**-**	**100.00**
Current financial liabilities			
Trade Payables	-	-	**-**
	-	**-**	**-**

10. Additional regulatory informations:

i. Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current ratio	Current assets	Current liabilities	-	-
Debt-Equity ratio	Total debt (Borrowings)	Total equity	-	-
Debt service coverage ratio	Earning before interest, depreciation and tax	Principal repayment of long term borrowings and leases	-	-
Return on equity ratio	Profits after tax	Average equity	-	-
Inventory turnover	Revenue from operations	Inventory	-	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	-	-
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation	Average trade payable	-	-
Net capital turnover ratio	Revenue from operations	Average working capital	-	-
Net profit ratio	Profits after tax	Revenue from operations	-	-
Return on capital employed	Net profit before interest and tax	Capital Employed (Shareholders Fund + long term borrowings)	-	-
Return on investment	Profit after tax	Total equity	-	-

ii. Other informations:-

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company have no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

f. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

g. The Company has not traded or invested in crypto currency or virtual currency during the year.

h. Utilisation of borrowed funds and share premium :

(i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

i. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

11. Earnings per share

₹ in Thousand

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net (loss) attributable to equity shareholders	-	-
Exceptional items (net of tax)	-	-
Net Profit/(loss) before exceptional items but after tax	-	-
Weighted average number of equity shares in calculating basic and diluted EPS	**10,000**	**10,000**
Earnings per share (before exceptional items)		
Basic EPS	-	-
Diluted EPS	-	-

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, 2026

Namit Naresh Malhotra
Director
DIN:00004049

Delna Dhamodiwala
(Director)
Din: 09624579

UDIN : 26042673NULIRM4046

DAX Cloud ULC

Standalone Financial Statement for the year ended

March 31, 2026

DAX Cloud ULC
Standalone Balance Sheet

Particulars	Notes	31-Mar-26	31-Mar-25
Assets			
1. Non-current assets			
(a) Property, plant and equipment		-	-
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets		-	-
(e) Intangible assets under development		-	-
(g) Financial assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Others		-	-
(h) Other non-current assets		-	-
(i) Deferred tax asset (net)		-	-
		-	**-**
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	2	1,374	1,374
(ii) Cash and cash equivalents	3	160,625	134,048
(iii) Others financial assets		-	-
(iv) Loans		-	-
(v) Others		-	-
(c) Other current assets	4	-	-
		161,999	**135,422**
Total assets		**161,999**	**135,422**
Equity and Liabilities			
Equity			
(a) Equity share capital		-	-
(b) Other equity	5	(311,552)	(319,978)
Equity attributable to equity holders of the Parent		**(311,552)**	**(319,978)**
Non-controlling interests		-	-
		(311,552)	**(319,978)**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Others		-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions		-	-
(d) Other non-current liabilities		-	-
		-	**-**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings from group company	6	-	-
(ii) Current maturities of long-term borrowings		-	-
(iii) Trade payables	6A	474,546	455,371
(iv) Others		-	-
(b) Provisions		-	-
(c) Current tax liability		-	-
(d) Other current liabilities	7	(998)	29
		473,548	**455,400**
Total equity and liabilities		**161,996**	**135,422**

Accompanying notes to the standalone financial statements
In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 23, 2025
UDIN: 25042673BMGHGR3920

For and on behalf of the B

Ramakrishnan Sankarana
Director
Los Angeles, USA, dated: M

DAX Cloud ULC
Standalone Statement of Profit and Loss Account

	Particulars	Notes	Year ended 31-Mar-26	Year ended 31-Mar-25
1	Income from operations			
	Net sales / income from operations		26,607	29,090
	Other operating income		-	-
	Total income from operations		**26,607**	**29,090**
2	**Expenses**		-	-
	Employee benefits expense		-	-
	Technical service cost		-	-
	Depreciation and amortisation expense		-	-
	Other expenditure (net)	8	16,820	9,416
	Exchange loss (net)		-	-
	Total Expenses		**16,820**	**9,416**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**		**9,787**	**19,674**
4	Other income:		-	-
	a) Exchange gain (net)		-	-
	b) Others (net)		-	-
5	**Profit from ordinary activities before finance costs and exceptional Items (3 + 4)**		**9,787**	**19,674**
6	Finance costs	9	1,360	1,333
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5 - 6)**		**8,426**	**18,341**
8	Exceptional items		-	-
9	**Profit / (Loss) from ordinary activities before tax (7 - 8)**		**8,426**	**18,341**
10	Tax expense		-	-
11	**Net Profit / (Loss) from ordinary activities for the period (9 - 10)**		**8,426**	**18,341**
12	Extraordinary items (net of tax expense Rs. Nil)		-	-
13	**Net (Loss) / Profit after tax and before minority (11 ± 12)**		**8,426**	**18,341**
14	Minority interest		-	-
15	**Net Profit / (Loss) for the period (11 - 12)**		**8,426**	**18,341**
16	Other comprehensive income (net of tax)		**-**	**-**
17	**Total comprehensive income (net of tax) (13 + 14)**		**8,426**	**18,341**

Accompanying notes to the standalone financial statements
In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 23, 2025
UDIN: 25042673BMGHGR3920

For and on behalf of the Board of Directors

Ramakrishanan Sankarnarayanan
Director
Los Angeles, USA, dated: May 23, 2025

DAX Cloud ULC
Standalone Cash Flow Statement

Particulars	For the year ended	For the year ended
	31-Mar-26	31-Mar-25
Cash flows from operating activities		
Net Profit (Loss) before taxation		18,341
Adjustments for:		
Unrealized Forex Loss/(Gain)		-
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)		-
Finance costs		1,333
Operating profits before working capital changes		**19,674**
Movements in working capital:		
(Increase)/ Decrease in Inventory		-
(Increase)/ Decrease in trade receivables		(1,374)
(Increase)/ Decrease in other financial assets		-
(Increase)/ Decrease in other non-current assets		-
(Increase)/ Decrease in other current assets		47
Increase/(Decrease) in trade payables		11,785
Increase/(Decrease) in non-current provisions		-
Increase/(Decrease) in current provisions		-
Increase/(Decrease) in current financial liabilities		-
Increase/(Decrease) in other current liabilities		29
Increase/(Decrease) in other Non current liabilities		-
Cash generated from operations		**10,487**
Direct taxes paid		-
Net cash generated from operating activities (A)		**30,161**
Cash flows from investing activities		
Purchase of fixed assets (Including capital advances)		-
Net cash (used in) investing activities (B)		**-**
Cash flows from financing activities		
Proceeds from long-term borrowings		-
Repayments of long-term borrowings		-
Short Term Advances (Net)		-
Interest paid		(1,333)
Net cash from financing activities (C)		**(1,333)**
Net increase in cash and cash equivalents (A+B+C)		28,828
Cash and cash equivalents- Opening balance		105,220
Cash and cash equivalents at end of year (Refer note 3)		**134,048**

Accompanying notes to the standalone financial statements
In terms of report attached

For and on behalf of the Board of Directors

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

Ramakrishanan Sankarnarayanan
Director
Los Angeles, USA, dated: May 23, 2025

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 23, 2025
UDIN: 25042673BMGHGR3920

DAX Cloud ULC
Standalone Statement of Changes in Equity

A. Equity Share Capital

in CAD

Balance as at March 31, 2024	0
Change in equity share capital during the year	-
Balance as at March 31, 2025	0

B. Other Equity

in CAD

Particulars	Retained Earnings	Total
Balance as at March 31, 2024	**(338,319)**	**(338,319)**
Changes during the year	18,341	18,341
Balance as at March 31, 2025	**(319,978)**	**(319,978)**

March

Accompanying notes to the standalone financial statements
In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 23, 2025
UDIN: 25042673BMGHGR3920

For and on behalf of the Board of Directors

Ramakrishanan Sankarnarayanan
Director
Los Angeles, USA, dated: May 23, 2025

DAX Cloud ULC
Notes forming part of the Standalone Financial Statements

1 **Entity Information**

DAX Cloud ULC ("the Entity") was formed on 9th January 2013 in Canada. Prime Focus Technologies Inc. being the intermediate holding company and Prime Focus Limited being the ultimate holding company.

2 **Statement of significant accounting policies**

a. Statement of Compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') including the Accounting standards notified under the relevant provisions of Companies Act, 2013.

These standalone financial statements are the Entity's first Ind AS financial statements. Up to the period ended March 31, 2016, the Entity prepared its financial statements in accordance with the requirement under US GAAP. The date of transition to Ind AS is April 01, 2015.

b. Basis of Preparation and presentation

These standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013. the Entity has adopted all the Ind AS standard and the adoption was carried out in accordance with Ind As 101,First-Time Adoption of Indian Accounting standard.

All assets and liabilities have been classified as current or non-current as per the Entity's normal operating cycle Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalent, the Entity has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c. Use of estimates

026 The preparation of standalone financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known/materialize.

d. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

e. Foreign currencies

the Entity's Financial statements are presented in USD, which is also the companies functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expenses and cash flow items using the average exchange rate for the respective periods.

Exchange differences on monetary items are recognized 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.

f. Property, plant and equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Cost of Leasehold improvements and Leasehold building is amortized over a period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Entity has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

h. Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method (SLM) as per the useful lives of the assets

Cost of Leasehold improvements is amortized over a period of lease

i. Impairment

Impairment of tangible and intangible assets

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Entity as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Entity's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Entity's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Entity as lessee

Assets held under finance lease are initially recognized as assets of the Entity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Entity's general policy on borrowing costs (see note 2.6 below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

k. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

Rendering of services

the Entity provides a variety of digital technological solutions to the sports, film, broadcast, advertising and media industries.

Revenue from technical services is recognized on the basis of services rendered.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'other current liabilities'

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Entity has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Entity re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. the Entity writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

m. 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.

n. Provisions

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

The amount recognized 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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

o. Retirement and other employee benefits

Defined Contribution Plan

Social Security and Medicare

the Entity contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules.

Saving and investment plan u/s.401(k)

the Entity has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue.

p. Cash flow statement

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 Entity are segregated based on the available information.

q. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets and liabilities are recognized when the Entity becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Subsequent measurement

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Offsetting of financial instruments

The Entity offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

DAX Cloud ULC
Notes forming part of the Standalone Financial Statements

		As at 31.03.2026	As at 31.03.2025
2	**Trade receivables**		
	Unsecured and Considered Good	1,374	1,374
	Considered doubtful	-	-
		1,374	**1,374**
3	**Cash and cash equivalents**		
ch 31, 2	Balances with banks on current account	160,625	134,048
		160,625	**134,048**
4	**Other Current Assets**		
	Loans and Advances to Staff	-	-
	Advances recoverable in cash or in kind or for value to be received	-	-
		-	**-**

DAX Cloud ULC
Notes forming part of the Standalone Financial Statements

Note 5 :Other Equity

	As at 31.03.2026	As at 31.03.2025
Surplus in the statement of profit and loss		
As per last balance sheet	(319,978)	(338,319)
Adjustment to depreciation to comply with group accounting policies		
Add: (Loss) / profit for the year	8,426	18,341
	(311,552)	**(319,978)**

DAX Cloud ULC

Notes forming part of the Standalone Financial Statements

		As at 31.03.2026	As at 31.03.2025
	Current liabilities		
	Financial liabilities		
6	Borrowing from Group Companies	-	-
	Total	**-**	**-**
	Other current liabilities		
7	**Others**		
	Provision for Taxes	-	-
ch 31, 2	GST/HST Payable	(998)	29
	Total	**(998)**	**29**

DAX Cloud ULC

Notes forming part of the Standalone Financial Statements

		As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
6A	**Trade payables**			
	Trade Payables	3,500	2,429	3,352
	Trade Payables to related party	471,046	452,942	440,234
		474,546	**455,371**	**443,586**

Trade Payables - ageing and other details

As at March 31, 2025	**MSME**	**Others**	**Disputed dues- MSME**	**Disputed dues- others**
Provisions	-	2,100	-	-
Not due	-	329	-	-
less than 1 years	-	-	-	-
1 to 2 years	-	-	-	-
2 to 3 years	-	-	-	-
more than 3 years	-	452,942	-	-
Total	**-**	**455,371**	**-**	**-**

March 3

As at March 31, 2023	**MSME**	**Others**	**Disputed dues- MSME**	**Disputed dues- others**
Provisions	-	2,100	-	-
Not due	-	6,670	-	-
less than 1 years	-	-	-	-
1 to 2 years	-	170	-	-
2 to 3 years	-	43,015	-	-
more than 3 years	-	391,631	-	-
Total	**-**	**443,586**	**-**	**-**

DAX Cloud ULC

Notes forming part of the Standalone Financial Statements

Note		For the year ended 31.03.2026	For the year ended 31.03.2025
8	**Other expenses**		
	Communication expenses	-	-
	Traveling and conveyance	-	-
	Legal and professional fees	16,820	9,586
	Repairs and maintenance - equipment	-	-
	Sales promotion expenses	-	-
	Provision for Doubtful Debts	-	-
	Miscellaneous expenses	-	(170)
	Total	**16,820**	**9,416**
9	**Finance costs**		
	Bank charges	1,360	1,333
	Total	**1,360**	**1,333**

DAX Cloud ULC
Notes forming part of the Standalone Financial Statements **in CAD**

Note		For the year ended 31.03.2025	For the year ended 31.03.2024
10	**Related party disclosure:**		
(i)	**List of related parties with whom transactions have taken place during the year:**		
	Prime Focus Technologies, Inc. - Intermediate Holding Company (control exists)		
(ii)	**Particulars of related party transactions:**		
	Intermediate Holding Company		
	Prime Focus Technologies, Inc.		
	Expenses recharged received		-
	Management Fees Recharge	-	
	Short tern Advance Received	12,706	11,267
	Net Unrealised Forex (Gain) / Loss	5,588	-
	Payment of Recharge		
	Balance outstanding at the year end- credit	420,627	402,333
(iii)	There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from / to related parties.		

DAX CLOUD ULC
Notes forming part of the Standalone Financial Statements

Note	
12	**Segment information** The Company is engaged in the business of providing digital technological solutions, Media ERP in North America. Accordingly, there is a single business and geographical segment.
13	**Significant accounting judgements, estimates and assumptions** The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.
14	Previous year's figures have been regrouped / reclassified wherever necesaary to corresponds with the current year's classification / disclosure.

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

March 31, 2026

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 23, 2025
UDIN: 25042673BMGHGR3920

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Managing Director
Los Angeles, USA, dated: May 23, 2025

DNEG Australia PTY Limited
Balance Sheet as at March 31, 2026

(Amount in AUD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	7,447,250	9,930,492
Right of use assets	5	2,100,605	563,459
Other intangible assets	6	6,958,762	14,547,480
Financial assets			
Other Financial Assets	7	-	3,499,394
Income tax assets (net)	9	0	311,003
Total non-current assets		**16,506,618**	**28,851,828**
Current assets			
Financial assets			
Trade receivables	10	28,369,628	8,274,802
Cash and cash equivalents	11	8,605,998	3,646,252
Bank balances other than above	12	-	20,000
Loans	13	49,550	38,562
Other financial assets	14	55,845,950	73,405,413
Other current assets	15	237,208	1,132,789
Total current assets		**93,108,334**	**86,517,818**
Total assets		**109,614,952**	**115,369,646**
Equity and Liabilities			
Equity			
Equity share capital	16	1	1
Other equity	17	5,310,807	2,285,758
Total equity		**5,310,808**	**2,285,759**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	3,360,423	2,088,185
Lease Liabilities	19	1,538,665	-
Deferred tax liabilities (net)	8	2,844,903	1,513,693
Total non-current liabilities		**7,743,990**	**3,601,878**
Current liabilities			
Financial liabilities			
Borrowings	20	3,381,940	2,630,546
Lease liabilities	21	795,039	724,644
Trade payables	22	1,072,605	1,294,879
Other financial liabilities	23	51,509,606	87,287,351
Other current liabilities	24	39,800,965	17,544,588
Total current liabilities		**96,560,155**	**109,482,008**
Total liabilities		**104,304,144**	**113,083,886**
Total equity and liabilities		**109,614,952**	**115,369,646**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Australia PTY Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in AUD)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	25	67,839,764	59,215,212
Other income	26	227,043	34,133
Total Income		**68,066,807**	**59,249,345**
Expenses			
Employee benefits expense	27	27,804,023	18,542,829
Finance costs	28	3,607,220	1,161,600
Depreciation and amortisation expense	4, 5, 6	11,778,064	12,477,259
Other expenses	30	20,521,243	25,237,864
Total expenses		**63,710,549**	**57,419,552**
(Loss) / profit before tax		**4,356,258**	**1,829,793**
Tax expenses			
Current tax		-	-
Deferred tax	31	1,331,209	1,000,797
Total tax expense / (credit) (net)		**1,331,209**	**1,000,797**
Profit/ (Loss) for the year		**3,025,048**	**828,996**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**3,025,048**	**828,996**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Australia PTY Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in AUD)**

	Total
As at March 31, 2024	**1**
Changes in equity share capital during the year	-
As at March 31, 2025	**1**
Changes in equity share capital during the year	-
As at March 31, 2026	**1**

B. Other equity **(Amount in AUD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**1,456,762**
Profit for the year (net of tax)	828,996
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**2,285,758**
Profit for the year (net of tax)	3,025,048
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**5,310,807**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Australia PTY Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in AUD)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**4,356,258**	**1,829,793**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	11,778,064	12,477,259
(Gain) / Loss on Sale / Discard of fixed assets	-	(0)
Finance cost	3,607,220	1,161,600
Unrealized foreign exchange (gain)/loss (net)	544,509	641,383
Provision for doubtful debts/ advances	207,621	68,302
Bad Debts Written off	(501)	14
Sundry balances written back / written off	2,986	(450)
Finance Income	(8,301)	(23,122)
Operating profit before working capital changes	**20,487,855**	**16,154,779**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(1,797,078)	364,479
Increase / (Decrease) in Other Current financial liabilities	1,327,546	(811,931)
Increase / (Decrease) in Payables due to related party	(33,904,410)	62,140,586
Increase / (Decrease) in Other Current Liabilities	22,256,377	3,248,807
(Increase) / Decrease in Other Non-Current Financial Assets	3,203,885	(1,853,842)
(Increase) / Decrease in Trade and other receivables	(20,093,492)	(7,569,556)
(Increase) / Decrease in Other Current Financial Assets	17,548,475	(48,973,288)
(Increase) / Decrease in Other Current Assets	(218,750)	44,207
Cash generated from operations	**8,810,407**	**22,744,240**
Taxes Paid (Net of Refunds)	311,003	89,534
Net cash flow from operating activities (A)	**9,121,410**	**22,833,774**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(5,252,887)	(20,657,152)
Net cash flow from (used in) investing activities (B)	**(5,252,887)**	**(20,657,152)**
(C) Financing Acitivities		
Finance costs paid (net)	(298,648)	(1,147,434)
Proceeds from Long-Term Borrowings/ New Loans	4,654,178	3,091,647
Repayment of Long Term Borrowings	(2,630,546)	(2,372,909)
Repayment of Operating leases	(724,646)	(889,334)
Net cash flow from (used in) financing activities (C)	**1,000,338**	**(1,318,029)**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**90,885**	**(32,969)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**4,959,747**	**825,623**
Cash and cash equivalents at the beginning of the year	3,646,251	2,820,628
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	8,605,999	3,646,251

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Australia PTY Limited
Notes forming part of the financial statements

1 General information

DNEG Australia PTY Limited ("the Company") is a company incorporated and domiciled in Australia. The Company is the subsidiary of Double Negative Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is Level 2, 55 Pyrmont Bridge Rd, Pyrmont, NSW 2009, Australia.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Australian Dollars (AUD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG Australia PTY Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in AUD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	12,863,987	176,639	1,544,584	-	-	14,585,210
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	916,671	35,011	-	-	-	951,682
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**13,780,658**	**211,651**	**1,544,584**	**-**	**-**	**15,536,892**
II. Accumulated depreciation						
Balance as at March 31, 2025	3,998,216	111,137	545,364	-	-	4,654,718
Reclassification	-	-	-	-	-	-
For the year	2,373,677	62,027	999,219	-	-	3,434,924
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**6,371,893**	**173,165**	**1,544,584**	**-**	**-**	**8,089,642**
Net block (I - II)						
As at March 31, 2026	**7,408,764**	**38,486**	**-**	**-**	**-**	**7,447,250**

(Amount in AUD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	12,846,723	176,639	1,544,584	-	-	14,567,946
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	17,264	0	-	-	-	17,264
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**12,863,987**	**176,639**	**1,544,584**	**-**	**-**	**14,585,210**
II. Accumulated depreciation						
Balance as at March 31, 2024	1,854,918	52,276	502,276	-	-	2,409,470
Reclassification	-	-	-	-	-	-
For the year	2,143,298	58,861	43,089	-	-	2,245,248
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**3,998,216**	**111,137**	**545,364**	**-**	**-**	**4,654,718**
Net block (I - II)						
As at March 31, 2025	**8,865,770**	**65,502**	**999,219**	**-**	**-**	**9,930,492**

DNEG Australia PTY Limited
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in AUD)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**2,266,031**	**-**	**-**	**-**	**-**	**-**	**-**	**2,266,031**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	2,291,569	-	-	-	-	-	-	2,291,569
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**4,557,600**	**-**	**-**	**-**	**-**	**-**	**-**	**4,557,600**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**1,702,572**	**-**	**-**	**-**	**-**	**-**	**-**	**1,702,572**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	754,423	-	-	-	-	-	-	754,423
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**2,456,995**	**-**	**-**	**-**	**-**	**-**	**-**	**2,456,995**
Net block (I - II)								
As at March 31, 2026	**2,100,605**	**-**	**-**	**-**	**-**	**-**	**-**	**2,100,605**

(Amount in AUD)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**2,161,045**	**-**	**-**	**-**	**-**	**-**	**-**	**2,161,045**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	121,528	-	-	-	-	-	-	121,528
Deletions	(16,542)	-	-	-	-	-	-	(16,542)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**2,266,031**	**-**	**-**	**-**	**-**	**-**	**-**	**2,266,031**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**966,786**	**-**	**-**	**-**	**-**	**-**	**-**	**966,786**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	743,186	-	-	-	-	-	-	743,186
Deletions	(7,400)	-	-	-	-	-	-	(7,400)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**1,702,572**	**-**	**-**	**-**	**-**	**-**	**-**	**1,702,572**
Net block (I - II)								
As at March 31, 2025	**563,459**	**-**	**-**	**-**	**-**	**-**	**-**	**563,459**

DNEG Australia PTY Limited
Notes to the Financial Statements for the year ended March 31, 2026

6. Goodwill & Other intangible assets **(Amount in AUD)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	24,520,114	-	**24,520,114**
Additions	-	0	-	0
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**24,520,114**	**-**	**24,520,114**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	9,972,635	-	9,972,635
For the year	-	7,588,717	-	7,588,717
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**17,561,352**	**-**	**17,561,352**
Net block (I - II)				
As at March 31, 2026	**-**	**6,958,762**	**-**	**6,958,762**

(Amount in AUD)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	16,354,722	-	16,354,722
Additions/(Deletions)	-	11,616,501	-	11,616,501
Deletions	-	(3,451,108)	-	(3,451,108)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**24,520,114**	**-**	**24,520,114**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	3,934,919	-	3,934,919
For the year	-	9,488,824	-	9,488,824
Deletions	-	(3,451,108)	-	(3,451,108)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**9,972,635**	**-**	**9,972,635**
Net block (I - II)				
As at March 31, 2025	**-**	**14,547,480**	**-**	**14,547,480**

7 Other Financial Assets (Non Current)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Advances for revenue participation rights	-	3,496,349
Deposits to others	-	3,045
	-	**3,499,394**

8 Deferred tax assets / (liabilities) (net)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	(1,513,693)	(512,897)
Charge to Statement of Profit and Loss and Other Comprehensive Income	(1,331,209)	(1,000,797)
Total	**(2,844,903)**	**(1,513,693)**

9 Income tax assets / (liabilities) (net) (Non Current)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Advance payment of taxes (net)	-	311,003
Total	**0**	**311,003**

10 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	28,645,551	8,343,104
	28,645,551	8,343,104
Less: allowance for doubtful debt	(275,923)	(68,302)
	28,369,628	**8,274,802**
The movement in allowance for bad and doubtful debts is as follows:		
Balance as at the beginning of the year	68,302	-
Allowances made / (reversal) during the year	207,621	68,302
Balance as at the end of the year	**275,923**	**68,302**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Trade receivables - ageing and other details

Amount in AUD

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	22,984,681	-	-	22,984,681
6 months- 1 year	5,660,870	-	-	5,660,870
Total	**28,645,551**	**-**	**-**	**28,645,551**
Less: allowances for credit losses				(275,923)
Net Trade Receivables				**28,369,628**

Amount in AUD

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	8,343,104	-	-	8,343,104
Total	**8,343,104**	**-**	**-**	**8,343,104**
Less: allowances for credit losses				(68,302)
Net Trade Receivables				**8,274,802**

11 Cash and cash equivalents

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Cash on hand	1	1
Bank balances:		
In current accounts	8,605,997	3,646,251
	8,605,998	**3,646,252**

12 Other Bank balances (current) (unsecured, considered good unless otherwise stated) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Deposits with Bank	-	20,000
	-	**20,000**

13 Loans (current) (unsecured, considered good unless otherwise stated) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	49,550	38,562
	49,550	**38,562**

14 Other financial assets (current) (unsecured, considered good unless otherwise stated) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	55,726,320	68,339,867
Other Receivables	119,630	5,065,546
	55,845,950	**73,405,413**

15 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	68,020	1,132,789
Advances to suppliers	169,188	-
	237,208	**1,132,789**

16 Share capital — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	1	1
	1	**1**

Double Negative Limited is the Immediate Holding Company

17 Other equity — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	2,285,758	1,456,762
Add: Profit for the year	3,025,048	828,996
	5,310,807	**2,285,758**

18 Borrowings (non-current) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Term loan from banks	3,360,423	2,088,185
	3,360,423	**2,088,185**

19 Lease liabilities (non-current) (unsecured) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1,538,665	-
	1,538,665	**-**

20 Borrowings (current) — **Amount in AUD**

	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long-term Borrowings :		
Term loans from bank	3,381,940	2,630,546
	3,381,940	**2,630,546**

21 Lease liabilities (current)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	795,039	724,644
	795,039	**724,644**

22 Trade payables

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Trade payables	1,072,605	1,294,879
	1,072,605	**1,294,879**

Trade paybles - ageing and other details

Amount in AUD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	524,332	-	-
Less than 6 months	-	340,558	-	-
6 months- 1 year	-	126,441	-	-
1-2 years	-	73,194	-	-
More than 3 years	-	8,079	-	-
Total	**-**	**1,072,605**	**-**	**-**

Amount in AUD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	505,902	-	-
Less than 6 months	-	780,473	-	-
2-3 years	-	8,505	-	-
Total	**-**	**1,294,880**	**-**	**-**

23 Other financial liabilities (current)

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Due to related parties	45,379,583	81,441,805
Employee benefits payable	2,836,013	1,510,655
Capital Creditors	-	4,301,204
Interest accrued on loan	3,289,607	31,471
Others	4,403	2,215
	51,509,606	**87,287,351**

24 Other current liabilities

Amount in AUD

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	34,145,408	13,529,165
Statutory dues	5,655,556	4,015,423
	39,800,965	**17,544,588**

25 Revenue from operations

Amount in AUD

	2025-26	2024-25
Sale of services	65,187,256	52,398,467
	65,187,256	**52,398,467**
Other operating revenue		
Government Grants	2,652,508	6,816,745
	2,652,508	**6,816,745**
	67,839,764	**59,215,212**

26 Other income

Amount in AUD

	2025-26	2024-25
Interest income:		
- Bank deposit	-	1,414
- Income tax refund	3,365	15,646
- Lease deposit	-	3,045
- Others	4,936	3,017
Gain on Sale of Assets	-	0
Bad debts recovered	501	-
Exchange gain	218,241	-
Miscellaneous income	-	11,011
	227,043	**34,133**

27 Employee benefits expense

Amount in AUD

	2025-26	2024-25
Salaries and wages	24,056,220	16,344,035
Contribution to Defined Contribution Plans	3,161,709	1,759,552
Staff welfare expenses	586,094	439,243
	27,804,023	**18,542,829**

28 Finance costs

Amount in AUD

	2025-26	2024-25
Bank charges	39,668	39,664
Interest Expense on:		
Lease Liability	59,107	79,374
Term Loans	268,310	383,808
Working Capital Finance	3,240,134	658,754
	3,607,220	**1,161,600**

29 Depreciation and amortisation expense

Amount in AUD

	2025-26	2024-25
Depreciation of property, plant and equipment	3,434,924	2,245,141
Depreciation of right-of-use assets	754,423	743,293
Amortisation of intangible assets	7,588,717	9,488,824
	11,778,064	**12,477,259**

DNEG Australia PTY Limited
Notes to the Financial Statements for the year ended March 31, 2026

30 Other expenses **Amount in AUD**

	2025-26	2024-25
Exchange loss	-	663,092
Rent	1,749,950	1,915,234
Technical service cost	16,989,728	21,432,260
Electricity charges	54,150	111,161
Legal and Professional fees	170,016	206,468
Communication Charges	270,958	114,401
Repairs & Maintainance :		
Building	64,787	46,769
Vehicle	26,271	39,656
Equipment	58,487	75,848
Travelling and conveyance expense	387,472	178,747
House-keeping charges	-	168
Provision for doubtful debts	207,621	68,302
Security charges	241,733	225,376
Insurance expense	223,361	54,034
Advertising and promotions	9,356	1,925
Bad debts written off	-	14
Miscellaneous expenses	67,352	104,407
	20,521,243	**25,237,864**

31 Tax expenses **Amount in AUD**

	2025-26	2024-25
Current tax expense/(income)	-	-
Deferred tax expense/(income)	1,331,209	1,000,797
	1,331,209	**1,000,797**

33. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in AUD

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	3,381,940	3,360,423	6,742,363
Lease liabilities	795,039	1,538,665	2,333,703
Trade payables	1,072,605	-	1,072,605
Other Financial Liabilities	51,509,606	-	51,509,606

Amount in AUD

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	2,630,546	2,088,185	4,718,731
Lease liabilities	724,644	-	724,644
Trade payables	1,294,879	-	1,294,879
Other Financial Liabilities	87,287,351	-	87,287,351

34. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

35. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

DNEG North America Inc.
Balance Sheet as at March 31, 2026

(Amount in USD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	1,845,476	191,830
Right of use assets	5	2,570,007	168,154
Other intangible assets	6	42,408	80,410
Financial assets			
Other Financial Assets	7	28,385,056	25,096,250
Deferred tax asset (net)	8	358,387	395,319
Total non-current assets		**33,201,334**	**25,931,963**
Current assets			
Financial assets			
Trade receivables	10	-	178,623
Cash and cash equivalents	11	1,569,353	373,477
Bank balances other than above	12	-	500,000
Loans	13	1,372,309	580,158
Other financial assets	14	16,536,827	1,324,018
Other current assets	15	5,638,778	1,168,583
Total current assets		**25,117,267**	**4,124,859**
Total assets		**58,318,601**	**30,056,822**
Equity and Liabilities			
Equity			
Equity share capital	16	5,000	5,000
Other equity	17	10,966,455	10,240,756
Total equity		**10,971,455**	**10,245,756**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	18	2,651,178	1
Other financial liabilities	19	607,893	-
Total non-current liabilities		**3,259,071**	**1**
Current liabilities			
Financial liabilities			
Borrowings	20	109,328	79,185
Lease liabilities	21	490,718	84,001
Trade payables	22	496,596	1,003,274
Other financial liabilities	23	42,564,286	18,517,327
Other current liabilities	24	106,996	3,491
Current tax liabilities	9	320,151	123,786
Total current liabilities		**44,088,075**	**19,811,065**
Total liabilities		**47,347,146**	**19,811,066**
Total equity and liabilities		**58,318,601**	**30,056,822**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG North America Inc.
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in USD)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	25	11,390,666	11,035,227
Other income	26	6,985,055	8,327,139
Total Income		**18,375,721**	**19,362,367**
Expenses			
Employee benefits expense	27	9,562,445	11,349,668
Finance costs	28	4,192,430	1,958,841
Depreciation and amortisation expense	4, 5, 6	645,967	508,343
Other expenses	30	2,910,163	3,926,586
Total expenses		**17,311,005**	**17,743,438**
(Loss) / profit before tax		**1,064,715**	**1,618,928**
Tax expenses			
Current tax	31	302,085	147,746
Deferred tax	31	36,932	11,020
Total tax expense / (credit) (net)		**339,017**	**158,766**
Profit/ (Loss) for the year		**725,699**	**1,460,162**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**725,699**	**1,460,162**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG North America Inc.
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**1,081,575**	**1,618,928**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	645,967	508,343
(Gain) / Loss on Sale / Discard of fixed assets	103,570	8,356
Finance cost	4,030,647	1,924,031
Unrealized foreign exchange (gain)/loss (net)	(4,071)	(51,270)
Provision for doubtful debts/ advances	(258,645)	(506,676)
Bad Debts Written off	0	(0)
Sundry balances written back / written off	(192,686)	1,527,880
Stock Option Expense	7,839	142,640
Finance Income	(934,113)	(961,205)
Operating profit before working capital changes	**4,480,083**	**4,211,026**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	1,186,008	(9,658)
Increase / (Decrease) in Other Current financial liabilities	(151,282)	(512,800)
Increase / (Decrease) in Payables due to related party	20,247,952	25,952,526
Increase / (Decrease) in Other Current Liabilities	103,505	(283,610)
(Increase) / Decrease in Other Non-Current Financial Assets	(2,825,695)	(24,824,338)
(Increase) / Decrease in Trade and other receivables	180,000	(163,000)
(Increase) / Decrease in Other Current Financial Assets	(16,870,236)	(689,813)
(Increase) / Decrease in Other Current Assets	(5,175,662)	99,211
Cash generated from operations	**1,174,672**	**3,779,545**
Taxes Paid (Net of Refunds)	(105,720)	(9,029)
Finance costs paid (net)	(581,697)	(387,923)
Net cash flow from operating activities (A)	**487,256**	**3,382,593**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	914,214	(2,909,747)
(Repayments)/ Proceeds for loans given to related party	(3,746)	(53,827)
Net cash flow from (used in) investing activities (B)	**910,467**	**(2,963,574)**
(C) Financing Acitivities		
Proceeds from Long-Term Borrowings/ New Loans	49,130	91,676
Repayment of Long Term Borrowings	(18,987)	(12,491)
Repayment of Finance leases	(96,434)	-
Repayment of Operating leases	(135,555)	(484,191)
Net cash flow from (used in) financing activities (C)	**(201,846)**	**(405,006)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**1,195,877**	**14,013**
Cash and cash equivalents at the beginning of the year	373,477	359,464
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	1,569,353	373,477

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG North America Inc.
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in USD)**

	Total
As at March 31, 2024	**5,000**
Changes in equity share capital during the year	-
As at March 31, 2025	**5,000**
Changes in equity share capital during the year	-
As at March 31, 2026	**5,000**

B. Other equity **(Amount in USD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(45,422,053)**
Profit for the year (net of tax)	1,460,162
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(43,961,891)**
Profit for the year (net of tax)	725,699
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(43,236,193)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG North America Inc.
Notes forming part of the financial statements

1 General information

DNEG North America Inc ("the Company") is a private limited company incorporated and domiciled in United States of America. The Company is the wholly owned subsidiary of DNEG S.A.r.l ("DNEG SARL") and the ultimate holding company is Prime Focus Limited ("PFL"). The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimensions to three dimensions (2D to 3D) conversion and other technical services to its immediate holding company, other group companies and to clients in the film, broadcast and commercial sectors.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG North America Inc.
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in USD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	513,668	23,455	14,554	-	193,431	745,109
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	106,940	402,304	109,056	-	1,374,315	1,992,616
Deletions	-	-	(14,554)	-	-	(14,554)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**620,609**	**425,759**	**109,056**	**-**	**1,567,747**	**2,723,171**
II. Accumulated depreciation						
Balance as at March 31, 2025	463,703	21,376	13,826	-	54,373	553,279
Reclassification	-	-	-	-	-	-
For the year	37,055	25,929	1,848	-	273,409	338,242
Deletions	-	-	(13,826)	-	-	(13,826)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**500,759**	**47,305**	**1,848**	**-**	**327,783**	**877,694**
Net block (I - II)						
As at March 31, 2026	**119,850**	**378,455**	**107,207**	**-**	**1,239,964**	**1,845,476**

(Amount in USD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	538,995	23,455	59,767	-	142,046	764,263
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	4,000	-	1,667	-	171,676	177,343
Deletions	(29,327)	-	(46,880)	-	(120,291)	(196,497)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**513,668**	**23,455**	**14,554**	**-**	**193,431**	**745,109**
II. Accumulated depreciation						
Balance as at March 31, 2024	446,828	20,654	60,706	-	53,690	581,878
Reclassification	-	-	-	-	-	-
For the year	46,202	722	-	-	32,618	79,542
Deletions	(29,327)	-	(46,880)	-	(31,935)	(108,141)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**463,703**	**21,376**	**13,826**	**-**	**54,373**	**553,279**
Net block (I - II)						
As at March 31, 2025	**49,965**	**2,080**	**728**	**-**	**139,058**	**191,830**

DNEG North America Inc.
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in USD)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**2,056,840**	**-**	**-**	**-**	**-**	**-**	**-**	**2,056,840**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	2,774,419	-	-	-	-	-	-	2,774,419
Deletions	(2,056,840)	-	-	-	-	-	-	(2,056,840)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**2,774,419**	**-**	**-**	**-**	**-**	**-**	**-**	**2,774,419**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**1,888,686**	**-**	**-**	**-**	**-**	**-**	**-**	**1,888,686**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	269,724	-	-	-	-	-	-	269,724
Deletions	(1,953,998)	-	-	-	-	-	-	(1,953,998)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**204,412**	**-**	**-**	**-**	**-**	**-**	**-**	**204,412**
Net block (I - II)								
As at March 31, 2026	**2,570,007**	**-**	**-**	**-**	**-**	**-**	**-**	**2,570,007**

(Amount in USD)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**2,056,840**	**-**	**-**	**-**	**-**	**-**	**-**	**2,056,840**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**2,056,840**	**-**	**-**	**-**	**-**	**-**	**-**	**2,056,840**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**1,497,887**	**-**	**-**	**-**	**-**	**-**	**-**	**1,497,887**
Transition impact of Ind AS 116 implementation (Refer note 2.5)	-	-	-	-	-	-	-	-
Additions/(Deductions)	390,800	-	-	-	-	-	-	390,800
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**1,888,686**	**-**	**-**	**-**	**-**	**-**	**-**	**1,888,686**
Net block (I - II)								
As at March 31, 2025	**168,154**	**-**	**-**	**-**	**-**	**-**	**-**	**168,154**

DNEG North America Inc.
Notes to the Financial Statements for the year ended March 31, 2026

6. Goodwill & Other intangible assets **(Amount in USD)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	190,586	120,000	**310,586**
Additions	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**190,586**	**120,000**	**310,586**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	190,410	39,767	230,176
For the year	-	-	38,002	38,002
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**190,410**	**77,768**	**268,178**
Net block (I - II)				
As at March 31, 2026	**-**	**176**	**42,232**	**42,408**

(Amount in USD)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	4,353,206	120,000	4,473,206
Additions/(Deletions)	-	-	-	-
Deletions	-	(4,162,620)	-	(4,162,620)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**190,586**	**120,000**	**310,586**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	4,353,030	1,765	4,354,795
For the year	-	-	38,002	38,002
Deletions	-	(4,162,620)	-	(4,162,620)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**190,410**	**39,767**	**230,176**
Net block (I - II)				
As at March 31, 2025	**-**	**176**	**80,233**	**80,410**

7 Other Financial Assets (Non Current)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Advances for revenue participation rights	28,300,000	25,000,000
Deposits to others	85,056	96,250
	28,385,056	**25,096,250**

8 Deferred tax assets / (liabilities) (net)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	395,319	406,339
Charge to Statement of Profit and Loss and Other Comprehensive Income	(36,932)	(11,020)
Total	**358,387**	**395,319**

9 Income tax assets / (liabilities) (net) (Non Current)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	(320,151)	(123,786)
Total	**(320,151)**	**(123,786)**

10 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	(0)	180,000
Trade receivables from contracts with customers - related parties (refer note no 32)		
	(0)	180,000
Less: allowance for doubtful debt	0	(1,377)
	-	**178,623**

The movement in allowance for bad and doubtful debts is as follows:

Balance as at the beginning of the year	1,377	8,053
Allowances made / (reversal) during the year	(1,377)	(6,676)
Balance as at the end of the year	**(0)**	**1,377**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

DNEG North America Inc.
Notes to the Financial Statements for the year ended March 31, 2026

Trade receivables - ageing and other details

Amount in USD

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Total	**-**	**-**	**-**	**-**
Less: allowances for credit losses				0
Net Trade Receivables				**0**

Amount in USD

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	135,000	-	-	135,000
6 months- 1 year	45,000	-	-	45,000
Total	**180,000**	**-**	**-**	**180,000**
Less: allowances for credit losses				(1,377)
Net Trade Receivables				**178,623**

11 Cash and cash equivalents **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	1,569,353	373,477
	1,569,353	**373,477**

12 Other Bank balances (current) (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Deposits with Bank	-	500,000
	-	**500,000**

13 Loans (current) (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	441,302	580,158
Inter-company deposits	931,007	-
	1,372,309	**580,158**

14 Other financial assets (current) (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	190,072	-
Advances for revenue participation rights	15,000,000	-
Other Receivables	1,346,755	1,324,018
	16,536,827	**1,324,018**

15 Other current assets (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	5,211,566	35,904
Tax credit receivable	427,212	1,132,679
	5,638,778	**1,168,583**

DNEG North America Inc.
Notes to the Financial Statements for the year ended March 31, 2026

16 Share capital **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	5,000	5,000
	5,000	**5,000**

DNEG SARL is the Immediate Holding Company

17 Other equity **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(43,961,891)	(45,422,053)
Add: Profit for the year	725,699	1,460,162
	(43,236,192)	**(43,961,891)**
Additional paid in capital	54,202,647	54,202,647
	10,966,455	**10,240,756**

18 Lease liabilities (non-current) (unsecured) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	2,651,178	1
	2,651,178	**1**

19 Other financial liabilities (non-current) (unsecured) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Capital creditors	607,893	-
	607,893	**-**

20 Borrowings (current) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long-term Borrowings :		
Vehicle loans from banks/financial institutions	109,328	79,185
	109,328	**79,185**

Note: Loan is secured against the vehicle purchased

21 Lease liabilities (current)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	490,718	84,001
	490,718	**84,001**

22 Trade payables

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Trade payables	496,596	1,003,274
	496,596	**1,003,274**

Trade paybles - ageing and other details

Amount in USD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	(684,337)	-	-
Less than 6 months	-	736,305	-	-
2-3 years	-	444,628	-	-
Total	**-**	**496,596**	**-**	**-**

Amount in USD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	442,481	-	-
Less than 6 months	-	115,951	-	-
1-2 years	-	444,628	-	-
More than 3 years	-	214	-	-
Total	**-**	**1,003,275**	**-**	**-**

23 Other financial liabilities (current)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Due to related parties	39,556,344	16,855,321
Employee benefits payable	1,486,224	1,637,506
Deposits from customers	24,500	24,500
Capital Creditors	1,497,218	-
	42,564,286	**18,517,327**

24 Other current liabilities

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	106,996	(0)
Statutory dues	-	3,491
	106,996	**3,491**

25 Revenue from operations — **Amount in USD**

	2025-26	2024-25
Sale of services	11,390,666	11,035,227
	11,390,666	**11,035,227**

26 Other income — **Amount in USD**

	2025-26	2024-25
Interest income:		
- Bank deposit	3,343	2,262
- Lease deposit	2,417	-
- Intercompany loans & advances	928,352	958,943
- Others	161,783	34,810
Management Fees	2,921,169	6,229,107
Provision for doubtful debts	1,377	6,676
Provision for doubtful advances written back	257,268	500,000
Exchange gain	-	51,266
Miscellaneous income	2,709,346	544,075
	6,985,055	**8,327,139**

27 Employee benefits expense — **Amount in USD**

	2025-26	2024-25
Salaries and wages	8,416,818	9,902,156
Contribution to Defined Contribution Plans	491,052	585,098
Employee stock options	7,839	142,640
Staff welfare expenses	646,736	719,775
	9,562,445	**11,349,668**

28 Finance costs — **Amount in USD**

	2025-26	2024-25
Bank charges	7,883	10,119
Interest Expense on:		
Lease Liability	99,324	18,684
Term Loans	7,404	9,223
Working Capital Finance	185,831	185,831
Interest on related party loans	3,370,377	1,536,108
Others	521,611	198,876
	4,192,430	**1,958,841**

DNEG North America Inc.

Notes to the Financial Statements for the year ended March 31, 2026

29 Depreciation and amortisation expense

Amount in USD

	2025-26	2024-25
Depreciation of property, plant and equipment	269,717	79,542
Depreciation of right-of-use assets	338,249	390,800
Amortisation of intangible assets	38,002	38,002
	645,967	**508,343**

30 Other expenses

Amount in USD

	2025-26	2024-25
Exchange loss	112,959	-
Rent	18,529	165,723
Technical service cost	1,584,225	1,403,202
Electricity charges	621	2,973
Legal and Professional fees	215,766	115,306
Management fees	-	19,584
Communication Charges	27,636	30,233
Repairs & Maintainance :		
Building	11,868	4,343
Vehicle	69,213	22,690
Equipment	17,068	4,144
Travelling and conveyance expense	302,952	129,864
House-keeping charges	7,627	-
Insurance expense	49,429	172,748
Rates and taxes	1,156	3,602
Advertising and promotions	306,028	281,401
Loss on sale/ discard of fixed assets	103,570	8,356
Charity and Donations	500	-
Bad debts written off	0	(0)
Miscellaneous expenses	81,016	1,562,420
	2,910,163	**3,926,586**

31 Tax expenses

Amount in USD

	2025-26	2024-25
Current tax expense/(income)	302,085	147,746
Deferred tax expense/(income)	36,932	11,020
	339,017	**158,766**

DNEG PLC
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Deferred tax asset (net)	4	283,035	305,480
Total non-current assets		**283,035**	**305,480**
Current assets			
Other current assets	5	6,515	6,402
Total current assets		**6,515**	**6,402**
Total assets		**289,550**	**311,882**
Equity and Liabilities			
Equity			
Share capital	6	0	0
Other equity	7	(1,208,671)	(1,229,671)
Total equity		**(1,208,671)**	**(1,229,671)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	8	50,000	50,000
Total non-current liabilities		**50,000**	**50,000**
Current liabilities			
Financial liabilities			
Trade payables	9	360	363
Other financial liabilities	10	1,447,861	1,491,190
Total current liabilities		**1,448,221**	**1,491,553**
Total liabilities		**1,498,221**	**1,541,553**
Total equity and liabilities		**289,550**	**311,882**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG PLC

Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations		-	-
Other income	11	56,262	-
Total Income		**56,262**	**-**
Expenses			
Other expenses	12	12,817	(218,921)
Total expenses		**12,817**	**(218,921)**
(Loss) / profit before tax		**43,445**	**218,921**
Tax expenses			
Current tax		-	-
Deferred tax	13	22,445	53,533
Total tax expense / (credit) (net)		**22,445**	**53,533**
Profit/ (Loss) for the year		**21,000**	**165,387**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**21,000**	**165,387**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG PLC
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**0.01**
Changes in equity share capital during the year	-
As at March 31, 2025	**0.01**
Changes in equity share capital during the year	-
As at March 31, 2026	**0.01**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(1,395,059)**
Profit for the year (net of tax)	165,387
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(1,229,671)**
Profit for the year (net of tax)	21,000
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(1,208,671)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG PLC
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in GBP)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**43,445**	**218,921**
Add: Non-Cash Transactions		
Unrealized foreign exchange (gain)/loss (net)	(61,689)	30,314
Sundry balances written back / written off	(2)	-
Operating profit before working capital changes	**(18,246)**	**249,235**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(1)	(250,885)
Increase / (Decrease) in Payables due to related party	18,360	1,980
Increase / (Decrease) in Other Current Liabilities	(113)	(330)
Cash generated from operations	**0**	**(0)**
Taxes Paid (Net of Refunds)	-	-
Net cash flow from operating activities (A)	**0**	**(0)**
(B) Investing Acitivities		
(Repayments)/ Proceeds for loans given to related party	(0)	-
Net cash flow from (used in) investing activities (B)	**(0)**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**0**	**(0)**
Cash and cash equivalents at the beginning of the year	-	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	0	(0)

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG PLC
Notes forming part of the financial statements

1 General information

DNEG PLC ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the subsidiary of DNEG S.A.R.L and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is providing intragroup management support. The address of its registered office is 160 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Sterling Pounds (GBP), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG PLC

Notes to the Financial Statements for the year ended March 31, 2026

4 Deferred tax assets / (liabilities) (net) — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	305,480	359,013
Charge to Statement of Profit and Loss and Other Comprehensive Income	(22,445)	(53,533)
Total	**283,035**	**305,480**

5 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Balance outstanding with government authorities	6,515	6,402
	6,515	**6,402**

6 Share capital — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	0.01	0.01
	0.01	**0.01**

DNEG SARL is the Immediate Holding Company

7 Other equity — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(1,229,671)	(1,395,059)
Add: Profit for the year	21,000	165,387
	(1,208,671)	**(1,229,671)**

8 Other financial liabilities (non-current) (unsecured) — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Other financial liabilities	50,000	50,000
	50,000	**50,000**

9 Trade payables — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Trade payables	360	363
	360	**363**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	360	-	-
Total	**-**	**360**	**-**	**-**

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	363	-	-
Total	**-**	**363**	**-**	**-**

10 Other financial liabilities (current) — **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	1,447,861	1,491,190
	1,447,861	**1,491,190**

11 Other income

	2025-26	Amount in GBP 2024-25
Exchange gain	56,260	-
Miscellaneous income	2	-
	56,262	**-**

12 Other expenses

	2025-26	Amount in GBP 2024-25
Exchange loss	-	30,314
Legal and Professional fees	12,817	(249,235)
	12,817	**(218,921)**

13 Tax expenses

	2025-26	Amount in GBP 2024-25
Deferred tax expense/(income)	22,445	53,533
	22,445	**53,533**

15. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in GBP

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	360	-	360
Other Financial Liabilities	1,447,861	50,000	1,497,861

Amount in GBP

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	363	-	363
Other Financial Liabilities	1,491,190	50,000	1,541,190

16. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

17. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

DNEG Spain S.L
Balance Sheet as at March 31, 2026

(Amount in EUR)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	302,285	399,018
Right of use assets	5	344,143	541,481
Financial assets			
Other Financial Assets	6	165,789	158,550
Total non-current assets		**812,217**	**1,099,049**
Current assets			
Financial assets			
Trade receivables	8	39,109	96,203
Cash and cash equivalents	9	65,936	692,477
Other financial assets	10	3,303,494	2,144,037
Total current assets		**3,408,539**	**2,932,717**
Total assets		**4,220,756**	**4,031,766**
Equity and Liabilities			
Equity			
Equity share capital	11	3,000	3,000
Other equity	12	1,811,892	1,063,338
Total equity		**1,814,892**	**1,066,338**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	13	110,272	361,722
Total non-current liabilities		**110,272**	**361,722**
Current liabilities			
Financial liabilities			
Lease liabilities	14	285,213	249,466
Trade payables	15	1,867,349	40,986
Other financial liabilities	16	8,901	1,923,639
Other current liabilities	17	37,749	295,062
Current tax liabilities	7	96,381	94,554
Total current liabilities		**2,295,593**	**2,603,707**
Total liabilities		**2,405,865**	**2,965,428**
Total equity and liabilities		**4,220,756**	**4,031,766**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Spain S.L

Statement of Profit and Loss for the year ended March 31, 2026

(Amount in EUR)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	18	11,681,307	9,367,722
Other income	19	142,423	301,163
Total Income		**11,823,730**	**9,668,885**
Expenses			
Employee benefits expense	20	7,231,311	8,375,719
Finance costs	21	29,990	34,139
Depreciation and amortisation expense	4 , 5	336,080	310,388
Other expenses	23	3,274,550	179,025
Total expenses		**10,871,930**	**8,899,272**
(Loss) / profit before tax		**951,799**	**769,613**
Tax expenses			
Current tax	24	203,247	157,002
Deferred tax		-	-
Total tax expense / (credit) (net)		**203,247**	**157,002**
Profit/ (Loss) for the year		**748,553**	**612,611**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**748,553**	**612,611**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Spain S.L
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in EUR)**

	Total
As at March 31, 2024	**3,000**
Changes in equity share capital during the year	-
As at March 31, 2025	**3,000**
Changes in equity share capital during the year	-
As at March 31, 2026	**3,000**

B. Other equity **(Amount in EUR)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**450,728**
Profit for the year (net of tax)	612,611
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**1,063,339**
Profit for the year (net of tax)	748,553
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**1,811,892**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Spain S.L
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in EUR)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**951,799**	**769,613**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	336,080	310,388
Finance cost	29,990	34,139
Unrealized foreign exchange (gain)/loss (net)	(146,261)	(224,008)
Bad Debts Written off	12,615	-
Sundry balances written back / written off	10,422	(1,915)
Finance Income	(7,245)	(8,011)
Operating profit before working capital changes	**1,187,400**	**880,207**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	1,815,941	16,534
Increase / (Decrease) in Other Non-Current Liabilities	1	1
Increase / (Decrease) in Other Current financial liabilities	8,901	-
Increase / (Decrease) in Payables due to related party	(2,086,854)	1,426,720
Increase / (Decrease) in Other Current Liabilities	(257,312)	211,751
(Increase) / Decrease in Other Non-Current Financial Assets	(7,239)	(15,276)
(Increase) / Decrease in Trade and other receivables	44,480	(96,203)
(Increase) / Decrease in Other Current Financial Assets	(812,544)	(1,902,852)
Cash generated from operations	**(107,228)**	**520,881**
Taxes Paid (Net of Refunds)	(201,419)	(207,791)
Net cash flow from operating activities (A)	**(308,646)**	**313,090**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(1)	(47,852)
Net cash flow from (used in) investing activities (B)	**(1)**	**(47,852)**
(C) Financing Acitivities		
Finance costs paid (net)	(22,745)	(26,128)
Repayment of Operating leases	(257,713)	(185,472)
Net cash flow from (used in) financing activities (C)	**(280,458)**	**(211,600)**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**(37,436)**	**0**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(626,541)**	**53,638**
Cash and cash equivalents at the beginning of the year	692,477	638,841
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	65,936	692,477

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Spain S.L
Notes forming part of the financial statements

1 General information

DNEG Spain S.L ("the Company") is a company incorporated and domiciled in Spain. The Company is the subsidiary of Double Negative Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is C. Pallars 180 Segunda Planta, A 08005 Barcelona.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Euros (EUR), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG Spain S.L
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in EUR)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	170,532	446,164	-	-	-	616,696
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	0	-	-	-	0
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**170,532**	**446,164**	**-**	**-**	**-**	**616,696**
II. Accumulated depreciation						
Balance as at March 31, 2025	41,535	176,143	-	-	-	217,678
Reclassification	-	-	-	-	-	-
For the year	17,053	79,679	-	-	-	96,732
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**58,589**	**255,822**	**-**	**-**	**-**	**314,410**
Net block (I - II)						
As at March 31, 2026	**111,943**	**190,342**	**-**	**-**	**-**	**302,285**

(Amount in EUR)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	170,532	446,164	-	-	-	616,696
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**170,532**	**446,164**	**-**	**-**	**-**	**616,696**
II. Accumulated depreciation						
Balance as at March 31, 2024	24,436	96,368	-	-	-	120,804
Reclassification	-	-	-	-	-	-
For the year	17,100	79,774	-	-	-	96,874
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**41,535**	**176,143**	**-**	**-**	**-**	**217,678**
Net block (I - II)						
As at March 31, 2025	**128,996**	**270,022**	**-**	**-**	**-**	**399,018**

DNEG Spain S.L

Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in EUR)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**1,067,445**	**-**	**-**	**-**	**-**	**-**	**-**	**1,067,445**
Additions/(Deductions)	42,009	-	-	-	-	-	-	42,009
Deletions	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2026	**1,109,453**	**-**	**-**	**-**	**-**	**-**	**-**	**1,109,453**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**525,963**	**-**	**-**	**-**	**-**	**-**	**-**	**525,963**
Additions/(Deductions)	239,347	-	-	-	-	-	-	239,347
Deletions	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2026	**765,310**	**-**	**-**	**-**	**-**	**-**	**-**	**765,310**
Net block (I - II)								
As at March 31, 2026	**344,143**	**-**	**-**	**-**	**-**	**-**	**-**	**344,143**

(Amount in EUR)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**1,120,540**	**-**	**-**	**-**	**-**	**-**	**-**	**1,120,540**
Additions/(Deductions)	(53,095)	-	-	-	-	-	-	(53,095)
Deletions	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2025	**1,067,445**	**-**	**-**	**-**	**-**	**-**	**-**	**1,067,445**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**360,301**	**-**	**-**	**-**	**-**	**-**	**-**	**360,301**
Additions/(Deductions)	213,514	-	-	-	-	-	-	213,514
Deletions	-	-	-	-	-	-	-	-
Adjustments	(47,852)	-	-	-	-	-	-	(47,852)
As at March 31, 2025	**525,963**	**-**	**-**	**-**	**-**	**-**	**-**	**525,963**
Net block (I - II)								
As at March 31, 2025	**541,481**	**-**	**-**	**-**	**-**	**-**	**-**	**541,481**

6 Other Financial Assets (Non Current)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Deposits to others	165,789	158,550
	165,789	**158,550**

7 Income tax assets / (liabilities) (net) (Non Current)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
The movement on the income tax account is as follows:		
At the start of the year	(94,554)	62,449
Charge to Statement of Profit and Loss and Other Comprehensive Income	(203,247)	(157,002)
Total	**(96,381)**	**(94,554)**

8 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	39,109	96,203
	39,109	96,203
Less: allowance for doubtful debt	-	-
	39,109	**96,203**

Trade receivables - ageing and other details

Amount in EUR

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
6 months- 1 year	39,109	-	-	39,109
Total	**39,109**	**-**	**-**	**39,109**
Less: allowances for credit losses				-
Net Trade Receivables				**39,109**

Amount in EUR

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	96,203	-	-	96,203
Total	**96,203**	**-**	**-**	**96,203**
Less: allowances for credit losses				-
Net Trade Receivables				**96,203**

9 Cash and cash equivalents

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	65,936	692,477
	65,936	**692,477**

10 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Due from related parties	325,189	-
Unbilled revenue	2,978,306	2,144,037
	3,303,494	**2,144,037**

DNEG Spain S.L

Notes to the Financial Statements for the year ended March 31, 2026

11 Share capital

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	3,000	3,000
	3,000	**3,000**

Double Negative Limited is the Immediate Holding Company

12 Other equity

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income:		
Opening balance	1,063,339	450,727
Add: Profit for the year	748,553	612,611
	1,811,892	**1,063,338**

13 Lease liabilities (non-current) (unsecured)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	110,272	361,722
	110,272	**361,722**

14 Lease liabilities (current)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	285,213	249,466
	285,213	**249,466**

15 Trade payables

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Trade payables	1,867,349	40,986
	1,867,349	**40,986**

Trade paybles - ageing and other details

Amount in EUR

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	1,824,237	-	-
Less than 6 months	-	39,460	-	-
2-3 years	-	3,652	-	-
Total	**-**	**1,867,349**	**-**	**-**

Amount in EUR

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Less than 6 months	-	28,037	-	-
6 months- 1 year	-	8,708	-	-
1-2 years	-	4,242	-	-
Total	**-**	**40,987**	**-**	**-**

16 Other financial liabilities (current)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Due to related parties	-	1,923,639
Employee benefits payable	8,901	-
	8,901	**1,923,639**

17 Other current liabilities

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	(0)	(0)
Statutory dues	37,750	295,062

18 Revenue from operations

Amount in EUR

	2025-26	2024-25
Sale of services	11,681,307	9,367,722
	11,681,307	**9,367,722**

19 Other income

Amount in EUR

	2025-26	2024-25
Interest income:		
- Lease deposit	7,245	8,011
Exchange gain	135,178	224,008
Miscellaneous income	-	69,144
	142,423	**301,163**

20 Employee benefits expense

Amount in EUR

	2025-26	2024-25
Salaries and wages	6,040,272	6,827,481
Contribution to Defined Contribution Plans	1,123,254	1,487,337
Staff welfare expenses	67,785	60,901
	7,231,311	**8,375,719**

21 Finance costs

Amount in EUR

	2025-26	2024-25
Bank charges	3,458	1,354
Interest Expense on:		
Lease Liability	22,933	32,174
Working Capital Finance	3,599	611
	29,990	**34,139**

22 Depreciation and amortisation expense

Amount in EUR

	2025-26	2024-25
Depreciation of property, plant and equipment	96,732	96,874
Depreciation of right-of-use assets	239,348	213,514
	336,080	**310,388**

23 Other expenses

Amount in EUR

	2025-26	2024-25
Technician fees	111,545	12,395
Rent	(3)	2,789
Technical service cost	2,861,880	-
Electricity charges	9,010	9,949
Legal and Professional fees	173,712	86,811
Communication Charges	22,137	24,294
Repairs & Maintainance :		
Building	11,436	19,191
Travelling and conveyance expense	1,813	15,953
Bad debts written off	12,615	-
Miscellaneous expenses	70,404	7,643
	3,274,550	**179,025**

24 Tax expenses

Amount in EUR

	2025-26	2024-25
Current tax expense/(income)	203,247	157,002
	203,247	**157,002**

26. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in EUR

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	285,213	110,272	395,484
Trade payables	1,867,349	-	1,867,349
Other Financial Liabilities	8,901	-	8,901

Amount in EUR

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	249,466	361,722	611,188
Trade payables	40,986	-	40,986
Other Financial Liabilities	1,923,639	-	1,923,639

27. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

28. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Double Negative Films Limited
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Financial assets			
Investments	4	18	18
Other Financial Assets	5	77,382,372	28,465,988
Total non-current assets		**77,382,390**	**28,466,006**
Current assets			
Financial assets			
Cash and cash equivalents	6	35,628	676
Other financial assets	7	10,419,402	15,022,053
Other current assets	8	419	419
Total current assets		**10,455,449**	**15,023,148**
Total assets		**87,837,838**	**43,489,154**
Equity and Liabilities			
Equity			
Equity share capital	9	19	1
Other equity	10	(2,819,747)	(4,889,097)
Total equity		**(2,819,728)**	**(4,889,096)**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	11	1,457	713
Other financial liabilities	12	90,656,109	48,377,536
Total current liabilities		**90,657,566**	**48,378,249**
Total liabilities		**90,657,566**	**48,378,249**
Total equity and liabilities		**87,837,838**	**43,489,154**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Films Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	13	1,992,101	11,031,901
Other income	14	1,812,073	765,576
Total Income		**3,804,174**	**11,797,477**
Expenses			
Finance costs	15	1,081,070	439
Other expenses	16	653,755	11,494,516
Total expenses		**1,734,825**	**11,494,955**
Profit before tax		**2,069,350**	**302,522**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense / (credit) (net)		**-**	**-**
Profit/ (Loss) for the year		**2,069,350**	**302,522**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**2,069,350**	**302,522**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Films Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**1**
Changes in equity share capital during the year	-
As at March 31, 2025	**1**
Changes in equity share capital during the year	18
As at March 31, 2026	**19**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(5,191,618)**
Profit for the year (net of tax)	302,522
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(4,889,097)**
Profit for the year (net of tax)	2,069,350
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(2,819,747)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Films Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**2,069,350**	**302,522**
Add: Non-Cash Transactions		
Finance cost	1,081,070	439
Unrealized foreign exchange (gain)/loss (net)	(790,454)	(1,230,744)
Provision for doubtful debts/ advances	(1)	2,513,020
Bad Debts Written off	0	-
Sundry balances written back / written off	525,000	8,950,732
Operating profit before working capital changes	**2,884,964**	**10,535,969**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	7,991,609	-
Increase / (Decrease) in Payables due to related party	41,510,518	(5,395,783)
Increase / (Decrease) in Other Current Liabilities	0	-
(Increase) / Decrease in Other Non-Current Financial Assets	(46,794,713)	15,229,631
(Increase) / Decrease in Trade and other receivables	(0)	-
(Increase) / Decrease in Other Current Financial Assets	(4,476,373)	(20,369,196)
Cash generated from operations	**1,116,006**	**621**
Taxes Paid (Net of Refunds)	-	-
Net cash flow from operating activities (A)	**1,116,006**	**181**
(C) Financing Acitivities		
Finance costs paid (net)	(1,081,070)	(439)
Proceeds from issue of equity shares	18	-
Net cash flow from (used in) financing activities (C)	**(1,081,052)**	**(439)**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**-**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**34,954**	**(258)**
Cash and cash equivalents at the beginning of the year	676	934
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	35,630	676

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Films Limited
Notes forming part of the financial statements

1 General information

Double Negative Films Limited ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the subsidiary of Double Negative Holdings Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company is investing in content investments. The address of its registered office is 160 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Sterling Pounds (GBP), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,

b. obtain substantially all the economic benefits from use of the identified asset, and

c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Films Limited
Notes to the Financial Statements for the year ended March 31, 2026

4 Investments (Non Current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid (at cost)		
Investment in subsidiaries	18	18
	18	**18**

5 Other Financial Assets (Non Current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Advances for revenue participation rights	77,382,372	28,465,988
	77,382,372	**28,465,988**

6 Cash and cash equivalents **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	35,628	676
	35,628	**676**

7 Other financial assets (current) (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	-	5,147,595
Advances for revenue participation rights	9,511,948	8,789,082
Other Receivables	907,454	1,085,376
	10,419,402	**15,022,053**

8 Other current assets (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Balance outstanding with government authorities	419	419
	419	**419**

9 Share capital **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	19	1
	19	**1**

Double Negative Limited is the Immediate Holding Company

10 Other equity **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(4,889,097)	(5,191,618)
Add: Profit for the year	2,069,350	302,522
	(2,819,747)	**(4,889,097)**

11 Trade payables **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Trade payables	1,457	713
	1,457	**713**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	744	-	-
2-3 years	-	713	-	-
Total	**-**	**1,457**	**-**	**-**

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
1-2 years	-	713	-	-
Total	**-**	**713**	**-**	**-**

12 Other financial liabilities (current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	90,656,109	48,377,536
	90,656,109	**48,377,536**

Double Negative Films Limited
Notes to the Financial Statements for the year ended March 31, 2026

13 Revenue from operations — **Amount in GBP**

	2025-26	2024-25
Sale of services	1,992,101	11,031,901
	1,992,101	**11,031,901**

14 Other income — **Amount in GBP**

	2025-26	2024-25
Provision for doubtful advances written back	1	-
Exchange gain	376,844	757,920
Miscellaneous income	1,435,228	7,655
	1,812,073	**765,576**

15 Finance costs — **Amount in GBP**

	2025-26	2024-25
Bank charges	1,094	439
Interest Expense on:		
Term Loans	7	-
Others	1,079,969	-
	1,081,070	**439**

16 Other expenses — **Amount in GBP**

	2025-26	2024-25
Technician fees	38,126	-
Technical service cost	-	(38,320)
Legal and Professional fees	90,629	69,084
Provision for doubtful advances	-	2,513,020
Bad debts written off	0	-
Miscellaneous expenses	525,000	8,950,732
	653,755	**11,494,516**

18. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in GBP

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	1,457	-	1,457
Other Financial Liabilities	90,656,109	-	90,656,109

Amount in GBP

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	713	-	713
Other Financial Liabilities	48,377,536	-	48,377,536

19. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

20. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Double Negative Holdings Limited
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Financial assets			
Investments	4	33,550,566	71
Total non-current assets		**33,550,566**	**71**
Current assets			
Financial assets			
Other financial assets	5	11,118,773	14,315,719
Other current assets	6	10,063	-
Total current assets		**11,128,836**	**14,315,719**
Total assets		**44,679,402**	**14,315,790**
Equity and Liabilities			
Equity			
Equity share capital	7	5	5
Other equity	8	(48,757)	65,936
Total equity		**(48,752)**	**65,941**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	9	62,443	-
Other financial liabilities	10	44,665,710	14,249,849
Total current liabilities		**44,728,153**	**14,249,849**
Total liabilities		**44,728,153**	**14,249,849**
Total equity and liabilities		**44,679,402**	**14,315,790**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Holdings Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations		-	-
Expenses			
Finance costs	11	15	-
Other expenses	12	114,678	99,753
Total expenses		**114,693**	**99,753**
(Loss) / profit before tax		**(114,693)**	**(99,753)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense / (credit) (net)		**-**	**-**
Profit/ (Loss) for the year		**(114,693)**	**(99,753)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**(114,693)**	**(99,753)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Holdings Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**5**
Changes in equity share capital during the year	-
As at March 31, 2025	**5**
Changes in equity share capital during the year	-
As at March 31, 2026	**5**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**165,689**
Profit for the year (net of tax)	(99,753)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**65,936**
Profit for the year (net of tax)	(114,693)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(48,758)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Holdings Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**(114,693)**	**(99,753)**
Add: Non-Cash Transactions		
Finance cost	15	-
Unrealized foreign exchange (gain)/loss (net)	107,197	99,753
Operating profit before working capital changes	**(7,481)**	**-**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	62,443	-
Increase / (Decrease) in Payables due to related party	(3,241,831)	(4,090,315)
Increase / (Decrease) in Other Current Liabilities	(10,063)	-
(Increase) / Decrease in Other Current Financial Assets	3,196,946	4,090,315
Cash generated from operations	**14**	**-**
Taxes Paid (Net of Refunds)	-	-
Finance costs paid (net)	(15)	-
Net cash flow from operating activities (A)	**(1)**	**-**
(B) Investing Acitivities		
Purchase of investment in subsidiaries	-	-
Net cash flow from (used in) investing activities (B)	**-**	**-**
(C) Financing Acitivities		
Proceeds from issue of equity shares	1	-
Net cash flow from (used in) financing activities (C)	**1**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**0**	**-**
Cash and cash equivalents at the beginning of the year	-	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	0	-

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Holdings Limited
Notes forming part of the financial statements

1 General information

Double Negative Holdings Limited ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the subsidiary of DNEG S.A.R.L and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company continued to be that of a holding company, with its principal investment being in Double Negative Limited, a provider of digital visual effects for the global film industry. The address of its registered office is 160 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Sterling Pounds (GBP), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4 Investments (Non Current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid (at cost)		
Investment in subsidiaries	33,550,566	71
	33,550,566	**71**

Double Negative Holdings Limited
Notes to the Financial Statements for the year ended March 31, 2026

5 Other financial assets (current) (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Other Receivables	11,118,773	14,315,719
	11,118,773	**14,315,719**

6 Other current assets (unsecured, considered good unless otherwise stated) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Balance outstanding with government authorities	10,063	-
	10,063	**-**

Double Negative Holdings Limited
Notes to the Financial Statements for the year ended March 31, 2026

7 Share capital

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	5	5
	5	**5**

DNEG SARL is the Immediate Holding Company

8 Other equity

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	65,936	165,689
Add: Profit for the year	(114,693)	(99,753)
	(48,758)	**65,936**
Securities premium	1	-
	(48,757)	**65,936**

Double Negative Holdings Limited
Notes to the Financial Statements for the year ended March 31, 2026

9 Trade payables

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade payables	62,443	-
	62,443	**-**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Less than 6 months	-	62,443	-	-
Total	**-**	**62,443**	**-**	**-**

10 Other financial liabilities (current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Due to related parties	44,665,710	14,249,849
	44,665,710	**14,249,849**

11 Finance costs **Amount in GBP**

	2025-26	2024-25
Bank charges	15	-
	15	**-**

12 Other expenses **Amount in GBP**

	2025-26	2024-25
Exchange loss	107,181	99,753
Legal and Professional fees	7,497	-
	114,678	**99,753**

14. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in GBP

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	62,443	-	62,443
Other Financial Liabilities	44,665,710	-	44,665,710

Amount in GBP

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	14,249,849	-	14,249,849

15. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

16. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

Double Negative Hungary Limited
Balance Sheet as at March 31, 2026

(Amount in HUF)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	58,356,255	80,083,309
Right of use assets	5	72,880,275	103,170,061
Financial assets			
Other Financial Assets	6	16,291,238	13,593,880
Income tax assets (net)	7	46,453,585	42,983,552
Total non-current assets		**193,981,353**	**239,830,803**
Current assets			
Financial assets			
Trade receivables	8	-	200,923,232
Cash and cash equivalents	9	1,195,078,705	129,581,750
Other financial assets	10	1,377,935,929	608,346,020
Other current assets	11	17,517,751	16,225,255
Total current assets		**2,590,532,385**	**955,076,257**
Total assets		**2,784,513,738**	**1,194,907,060**
Equity and Liabilities			
Equity			
Share capital	12	3,000,000	3,000,000
Other equity	13	166,833,864	181,381,351
Total equity		**169,833,864**	**184,381,351**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	14	43,594,359	73,475,679
Total non-current liabilities		**43,594,359**	**73,475,679**
Current liabilities			
Financial liabilities			
Lease liabilities	15	39,462,117	33,146,256
Trade payables	16	15,092,048	10,295,494
Other financial liabilities	17	2,251,280,159	732,307,954
Other current liabilities	18	265,251,191	161,300,326
Total current liabilities		**2,571,085,515**	**937,050,030**
Total liabilities		**2,614,679,874**	**1,010,525,709**
Total equity and liabilities		**2,784,513,738**	**1,194,907,060**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Hungary Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in HUF)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	19	1,398,619,189	1,739,212,394
Other income	20	1,547,154	4,652,690
Total Income		**1,400,166,343**	**1,743,865,084**
Expenses			
Employee benefits expense	21	1,188,316,559	1,498,522,980
Finance costs	22	17,723,952	17,833,330
Depreciation and amortisation expense	4, 5,	56,738,233	56,017,889
Other expenses	24	109,895,937	107,892,422
Total expenses		**1,372,674,681**	**1,680,266,621**
(Loss) / profit before tax		**27,491,662**	**63,598,463**
Tax expenses			
Current tax	25	43,052,682	-
Deferred tax	25	(1,013,534)	1,013,534
Total tax expense / (credit) (net)		**42,039,148**	**1,013,534**
Profit/ (Loss) for the year		**(14,547,486)**	**62,584,929**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**(14,547,486)**	**62,584,929**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Hungary Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in HUF)**

	Total
As at March 31, 2024	**3,000,000**
Changes in equity share capital during the year	-
As at March 31, 2025	**3,000,000**
Changes in equity share capital during the year	-
As at March 31, 2026	**3,000,000**

B. Other equity **(Amount in HUF)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**118,796,422**
Profit for the year (net of tax)	62,584,929
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**181,381,351**
Profit for the year (net of tax)	(14,547,486)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**166,833,864**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Hungary Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in HUF)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**27,491,662**	**63,598,463**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	56,738,233	56,017,889
Finance cost	17,723,952	17,833,330
Unrealized foreign exchange (gain)/loss (net)	16,976,638	(17,708,752)
Finance Income	(1,547,154)	(1,089,865)
Operating profit before working capital changes	**117,383,330**	**118,651,064**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(33,630,672)	(5,249,036)
Increase / (Decrease) in Other Current financial liabilities	7,894,662	(12,447,508)
Increase / (Decrease) in Payables due to related party	1,532,528,131	652,501,010
Increase / (Decrease) in Other Current Liabilities	103,950,865	123,933,763
(Increase) / Decrease in Other Non-Current Financial Assets	(2,697,019)	(16,963,194)
(Increase) / Decrease in Trade and other receivables	200,923,232	(200,923,232)
(Increase) / Decrease in Other Current Financial Assets	(733,935,341)	(588,290,534)
(Increase) / Decrease in Other Current Assets	(1,292,496)	(191,079)
Cash generated from operations	**1,191,124,692**	**71,021,255**
Taxes Paid (Net of Refunds)	(45,509,181)	(51,574,952)
Net cash flow from operating activities (A)	**1,145,615,511**	**19,446,302**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(0)	0
Net cash flow from (used in) investing activities (B)	**(0)**	**0**
(C) Financing Acitivities		
Finance costs paid (net)	(16,176,798)	(16,743,464)
Repayment of Operating leases	(28,287,190)	(41,827,890)
Net cash flow from (used in) financing activities (C)	**(44,463,988)**	**(58,571,355)**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**(35,654,568)**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**1,065,496,955**	**(39,125,052)**
Cash and cash equivalents at the beginning of the year	129,581,750	168,706,802
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	1,195,078,705	129,581,750

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Hungary Limited
Notes forming part of the financial statements

1 General information

Double Negative Hungary Limited ("the Company") is a limited company incorporated and domiciled in Hungary. The Company is the wholly owned subsidiary of DNEG S.A.r.l ("DNEG SARL") and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company is providing visual effects services. The address of its registered office is 1138 Budapest, Révész utca 27, Hungary.

2 Material accounting policies

2.1 Basis of preparation

Double Negative Hungary Limited ("the Company") is a company incorporated and domiciled in Hungary. The Company is the subsidiary of Double Negative Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is Révész utca 27., Budapest, 1138, Hungary.

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Hungarian Forint (HUF), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Hungary Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in HUF)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	-	104,841,840	38,791,408	-	-	143,633,248
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**-**	**104,841,840**	**38,791,408**	**-**	**-**	**143,633,248**
II. Accumulated depreciation						
Balance as at March 31, 2025	-	59,201,871	4,348,068	-	-	63,549,939
Reclassification	-	-	-	-	-	-
For the year	-	19,399,564	2,327,490	-	-	21,727,054
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**-**	**78,601,435**	**6,675,558**	**-**	**-**	**85,276,993**
Net block (I - II)						
As at March 31, 2026	**-**	**26,240,405**	**32,115,850**	**-**	**-**	**58,356,255**

(Amount in HUF)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	-	104,841,840	38,791,408	-	-	143,633,248
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**-**	**104,841,840**	**38,791,408**	**-**	**-**	**143,633,248**
II. Accumulated depreciation						
Balance as at March 31, 2024	-	39,529,370	2,020,578	-	-	41,549,948
Reclassification	-	-	-	-	-	-
For the year	-	19,672,501	2,327,490	-	-	21,999,991
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**-**	**59,201,871**	**4,348,068**	**-**	**-**	**63,549,939**
Net block (I - II)						
As at March 31, 2025	**-**	**45,639,969**	**34,443,340**	**-**	**-**	**80,083,309**

Double Negative Hungary Limited
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in HUF)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**169,113,223**	**-**	**-**	**-**	**-**	**-**	**-**	**169,113,223**
Additions/(Deductions)	4,721,393	-	-	-	-	-	-	4,721,393
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**173,834,616**	**-**	**-**	**-**	**-**	**-**	**-**	**173,834,616**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**65,943,162**	**-**	**-**	**-**	**-**	**-**	**-**	**65,943,162**
Additions/(Deductions)	35,011,179	-	-	-	-	-	-	35,011,179
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**100,954,341**	**-**	**-**	**-**	**-**	**-**	**-**	**100,954,341**
Net block (I - II)								
As at March 31, 2026	**72,880,275**	**-**	**-**	**-**	**-**	**-**	**-**	**72,880,275**

(Amount in HUF)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**166,135,278**	**-**	**-**	**-**	**-**	**-**	**-**	**166,135,278**
Additions/(Deductions)	2,977,945	-	-	-	-	-	-	2,977,945
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**169,113,223**	**-**	**-**	**-**	**-**	**-**	**-**	**169,113,223**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**31,925,264**	**-**	**-**	**-**	**-**	**-**	**-**	**31,925,264**
Additions/(Deductions)	34,017,898	-	-	-	-	-	-	34,017,898
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**65,943,162**	**-**	**-**	**-**	**-**	**-**	**-**	**65,943,162**
Net block (I - II)								
As at March 31, 2025	**103,170,061**	**-**	**-**	**-**	**-**	**-**	**-**	**103,170,061**

6 Other Financial Assets (Non Current) — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Deposits to others	16,291,238	13,593,880
	16,291,238	**13,593,880**

7 Income tax assets / (liabilities) (net) (Non Current) — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Income tax assets (net)	46,453,585	42,983,552
Total	**46,453,585**	**42,983,552**

8 Trade receivables (current) (unsecured, considered good unless otherwise stated) — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	-	200,923,232
	-	200,923,232
Less: allowance for doubtful debt	-	-
	-	**200,923,232**

Trade receivables - ageing and other details

Amount in HUF

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	200,923,232	-	-	200,923,232
Total	**200,923,232**	**-**	**-**	**200,923,232**
Less: allowances for credit losses				-
Net Trade Receivables				**200,923,232**

9 Cash and cash equivalents — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	1,195,078,705	129,581,750
	1,195,078,705	**129,581,750**

10 Other financial assets (current) (unsecured, considered good unless otherwise stated) — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	1,377,935,929	607,195,816
Other Receivables	-	1,150,204
	1,377,935,929	**608,346,020**

11 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	17,517,751	16,225,255
	17,517,751	**16,225,255**

12 Share capital — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	3,000,000	3,000,000
	3,000,000	**3,000,000**

DNEG SARL is the Immediate Holding Company

13 Other equity — **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	181,381,351	118,796,422
Add: Profit for the year	(14,547,486)	62,584,929
	166,833,864	**181,381,351**

14 Lease liabilities (non-current) (unsecured) **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	43,594,359	73,475,679
	43,594,359	**73,475,679**

15 Lease liabilities (current) **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	39,462,117	33,146,256
	39,462,117	**33,146,256**

16 Trade payables **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Trade payables	15,092,048	10,295,494
	15,092,048	**10,295,494**

Trade paybles - ageing and other details

Amount in HUF

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	5,284,621	-	-
Less than 6 months	-	9,807,427	-	-
Total	**-**	**15,092,048**	**-**	**-**

Amount in HUF

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	8,922,507	-	-
Less than 6 months	-	1,372,987	-	-
Total	**-**	**10,295,494**	**-**	**-**

17 Other financial liabilities (current) **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	2,174,323,532	663,245,989
Employee benefits payable	76,956,627	69,061,965
	2,251,280,159	**732,307,954**

18 Other current liabilities **Amount in HUF**

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	0	-
Statutory dues	265,251,191	161,300,326
	265,251,191	**161,300,326**

Double Negative Hungary Limited
Notes to the Financial Statements for the year ended March 31, 2026

19 Revenue from operations — **Amount in HUF**

	2025-26	2024-25
Sale of services	1,398,619,189	1,739,212,394
	1,398,619,189	**1,739,212,394**

20 Other income — **Amount in HUF**

	2025-26	2024-25
Interest income:		
- Lease deposit	1,547,154	1,089,865
Exchange gain	-	3,294,051
Miscellaneous income	-	268,773
	1,547,154	**4,652,690**

21 Employee benefits expense — **Amount in HUF**

	2025-26	2024-25
Salaries and wages	1,033,885,503	1,284,232,604
Contribution to Defined Contribution Plans	122,878,125	182,634,409
Staff welfare expenses	31,552,931	31,655,967
	1,188,316,559	**1,498,522,980**

22 Finance costs — **Amount in HUF**

	2025-26	2024-25
Bank charges	8,049,634	5,514,586
Interest Expense on:		
Lease Liability	9,674,232	12,318,744
Term Loans	86	-
	17,723,952	**17,833,330**

23 Depreciation and amortisation expense — **Amount in HUF**

	2025-26	2024-25
Depreciation of property, plant and equipment	21,727,054	21,999,991
Depreciation of right-of-use assets	35,011,179	34,017,898
	56,738,233	**56,017,889**

24 Other expenses — **Amount in HUF**

	2025-26	2024-25
Exchange loss	39,088,566	-
Rent	970,630	3,132,858
Electricity charges	1,339,228	1,547,305
Legal and Professional fees	21,248,443	14,611,765
Communication Charges	23,791,594	9,575,684
Repairs & Maintainance :		
Building	22,487,567	20,920,763
Equipment	9,000	292,824
Miscellaneous expenses	960,910	57,811,223
	109,895,937	**107,892,422**

25 Tax expenses — **Amount in HUF**

	2025-26	2024-25
Current tax expense/(income)	43,052,682	-
Deferred tax expense/(income)	(1,013,534)	1,013,534
	42,039,148	**1,013,534**

Double Negative LA LLC
Balance Sheet as at March 31, 2026

(Amount in USD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Income tax assets (net)	5	-	29
Total non-current assets		**-**	**29**
Current assets			
Financial assets			
Cash and cash equivalents	6	(0)	70,981
Loans	7	1	-
Other financial assets	8	588,342	328,398
Other current assets	9	(0)	(0)
Total current assets		**588,342**	**399,379**
Total assets		**588,342**	**399,408**
Equity and Liabilities			
Equity			
Other equity	10	574,458	398,787
Total equity		**574,458**	**398,787**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	11	621	621
Other financial liabilities	12	0	0
Current tax liabilities	5	13,263	-
Total current liabilities		**13,884**	**621**
Total liabilities		**13,884**	**621**
Total equity and liabilities		**588,342**	**399,408**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative LA LLC
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in USD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	13	190,000	3,766
Other income	14	614	-
Total Income		**190,614**	**3,766**
Expenses			
Finance costs	15	273	824
Other expenses	16	1,378	2,942
Total expenses		**1,651**	**3,766**
(Loss) / profit before tax		**188,963**	**(0)**
Tax expenses			
Current tax	17	13,293	-
Deferred tax	17	-	-
Total tax expense / (credit) (net)		**13,293**	**-**
Profit/ (Loss) for the year		**175,670**	**(0)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**175,670**	**(0)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative LA LLC
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in USD)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	-
As at March 31, 2026	**-**

B. Other equity **(Amount in USD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**398,787**
Profit for the year (net of tax)	(0)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**398,787**
Profit for the year (net of tax)	175,670
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**574,458**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative LA LLC
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**188,963**	**(0)**
Add: Non-Cash Transactions		
Finance cost	273	824
Unrealized foreign exchange (gain)/loss (net)	(614)	1,251
Operating profit before working capital changes	**188,622**	**2,075**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	-	(1,122)
Increase / (Decrease) in Payables due to related party	(259,329)	(2,075)
Cash generated from operations	**(70,708)**	**(1,122)**
Taxes Paid (Net of Refunds)	-	-
Net cash flow from operating activities (A)	**(70,708)**	**(1,122)**
(C) Financing Acitivities		
Finance costs paid (net)	(273)	(824)
Net cash flow from (used in) financing activities (C)	**(273)**	**(824)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(70,981)**	**(1,946)**
Cash and cash equivalents at the beginning of the year	70,981	72,927
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	(0)	70,981

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative LA LLC
Notes forming part of the financial statements

1 General information

Double Negative LA LLC ("the Company") is a company incorporated and domiciled in United States of America. The Company is the subsidiary of Double Negative Holdings Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is 2255 N Ontario St, Suite 230, Burbank, CA 91504.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative LA LLC
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in USD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	385,953	21,370	-	-	-	407,323
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**385,953**	**21,370**	**-**	**-**	**-**	**407,323**
II. Accumulated depreciation						
Balance as at March 31, 2025	385,953	21,370	-	-	-	407,323
Reclassification	-	-	-	-	-	-
For the year	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**385,953**	**21,370**	**-**	**-**	**-**	**407,323**
Net block (I - II)						
As at March 31, 2026	**-**	**-**	**-**	**-**	**-**	**-**

(Amount in USD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	385,953	21,370	-	-	-	407,323
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**385,953**	**21,370**	**-**	**-**	**-**	**407,323**
II. Accumulated depreciation						
Balance as at March 31, 2024	385,953	21,370	-	-	-	407,323
Reclassification	-	-	-	-	-	-
For the year	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**385,953**	**21,370**	**-**	**-**	**-**	**407,323**
Net block (I - II)						
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**

Double Negative LA LLC
Notes to the Financial Statements for the year ended March 31, 2026

5 Income tax assets / (liabilities) (net) (Non Current) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	(13,263)	29
Total	**(13,263)**	**29**

6 Cash and cash equivalents **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	(0)	70,981
	(0)	**70,981**

7 Loans (current) (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	1	-
	1	**-**

8 Other financial assets (current) (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	609,773	349,829
Other Receivables	(21,431)	(21,431)
	588,342	**328,398**

9 Other current assets (unsecured, considered good unless otherwise stated) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	(0)	(0)
	(0)	**(0)**

10 Other equity **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	398,787	398,787
Add: Profit for the year	175,670	(0)
	574,458	**398,787**

11 Trade payables **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Trade payables	621	621
	621	**621**

Trade paybles - ageing and other details

Amount in USD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
More than 3 years	-	621	-	-
Total	**-**	**621**	**-**	**-**

Amount in USD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
More than 3 years	-	621	-	-
Total	**-**	**621**	**-**	**-**

12 Other financial liabilities (current) **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	0	0
	0	**0**

Double Negative LA LLC
Notes to the Financial Statements for the year ended March 31, 2026

13 Revenue from operations **Amount in USD**

	2025-26	2024-25
Sale of services	190,000	3,766
	190,000	**3,766**

14 Other income **Amount in USD**

	2025-26	2024-25
Exchange gain	614	-
	614	**-**

15 Finance costs **Amount in USD**

	2025-26	2024-25
Bank charges	273	824
	273	**824**

16 Other expenses **Amount in USD**

	2025-26	2024-25
Exchange loss	-	1,251
Legal and Professional fees	1,378	1,691
	1,378	**2,942**

17 Tax expenses **Amount in USD**

	2025-26	2024-25
Current tax expense/(income)	13,293	-
	13,293	**-**

Double Negative Limited
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	2,232,154	1,071,207
Right of use assets	5	26,588,999	31,918,686
Other intangible assets	6	4,628,842	4,370,055
Financial assets			
Investments	7	79,383,931	79,383,931
Other Financial Assets	8	1,373,593	-
Deferred tax asset (net)	9	7,576,566	11,600,768
Income tax assets (net)	10	1,254,123	414,949
Total non-current assets		**123,038,208**	**128,759,598**
Current assets			
Financial assets			
Trade receivables	11	4,931,124	5,598,697
Cash and cash equivalents	12	12,123,626	2,776,437
Loans	13	565,348	924,233
Other financial assets	14	281,761,228	198,069,553
Other current assets	15	1,434,045	42,432,028
Total current assets		**300,815,372**	**249,800,948**
Total assets		**423,853,580**	**378,560,546**
Equity and Liabilities			
Equity			
Equity share capital	16	105	105
Other equity	17	228,500	(18,714,079)
Total equity		**228,605**	**(18,713,974)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	1,244,293	59,036,481
Lease Liabilities	19	29,400,354	35,343,884
Other financial liabilities	20	265,379	1,550,770
Provisions	**21**	1,230,439	1,181,635
Total non-current liabilities		**32,140,464**	**97,112,770**
Current liabilities			
Financial liabilities			
Borrowings	22	354,808,384	266,023,464
Lease liabilities	23	7,287,543	9,975,265
Trade payables	24	4,743,509	4,936,364
Other financial liabilities	25	16,198,625	14,416,224
Other current liabilities	26	8,446,449	4,810,433
Total current liabilities		**391,484,510**	**300,161,750**
Total liabilities		**423,624,975**	**397,274,520**
Total equity and liabilities		**423,853,580**	**378,560,546**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	27	84,704,111	15,919,763
Other income	28	92,392,836	112,751,408
Total Income		**177,096,948**	**128,671,170**
Expenses			
Employee benefits expense	29	59,868,758	39,736,559
Finance costs	30	33,662,617	42,007,563
Depreciation and amortisation expense	4, 5, 6	10,900,109	14,938,577
Other expenses	32	48,832,054	30,236,233
Total expenses		**153,263,538**	**126,918,933**
(Loss) / profit before tax		**23,833,410**	**1,752,238**
Tax expenses			
Current tax	33	866,628	-
Deferred tax	33	4,024,202	829,079
Total tax expense / (credit) (net)		**4,890,830**	**829,079**
Profit/ (Loss) for the year		**18,942,580**	**923,159**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**18,942,580**	**923,159**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**105**
Changes in equity share capital during the year	-
As at March 31, 2025	**105**
Changes in equity share capital during the year	-
As at March 31, 2026	**105**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(19,637,238)**
Profit for the year (net of tax)	923,159
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(18,714,079)**
Profit for the year (net of tax)	18,942,580
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**228,501**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**19,325,941**	**1,752,238**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	10,900,109	14,938,577
(Gain) / Loss on Sale / Discard of fixed assets	(26,407)	(9,599)
Finance cost	33,554,970	41,289,438
Unrealized foreign exchange (gain)/loss (net)	(11,014,466)	(13,339,045)
Provision for doubtful debts/ advances	197,655	40,513
Bad Debts Written off	-	653,267
Sundry balances written back / written off	111,856	(450,541)
Stock Option Expense	281,719	1,043,236
Finance Income	(6,261,952)	(9,392,975)
Operating profit before working capital changes	**47,069,426**	**36,525,108**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(467,261)	(783,135)
Increase / (Decrease) in Other Non-Current Financial Liabilities	48,804	46,866
Increase / (Decrease) in Other Current financial liabilities	(628,499)	(662,821)
Increase / (Decrease) in Payables due to related party	2,836,987	(28,161,813)
Increase / (Decrease) in Other Current Liabilities	3,636,017	1,138,402
(Increase) / Decrease in Other Non-Current Financial Assets	(4,499)	24,100
(Increase) / Decrease in Trade and other receivables	406,248	(1,502,233)
(Increase) / Decrease in Other Current Financial Assets	(25,788,817)	23,717,315
(Increase) / Decrease in Other Current Assets	753,421	1,902,410
Cash generated from operations	**27,861,827**	**32,244,200**
Taxes Paid (Net of Refunds)	(623,181)	(328,058)
Net cash flow from operating activities (A)	**27,238,646**	**31,916,141**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(9,064,643)	27,964,335
(Increase) / Decrease in Capital Advances	(1,320,755)	-
(Repayments)/ Proceeds for loans given to related party	(2,191,514)	447,580
Purchase of investment in subsidiaries	-	(2,534)
Net cash flow from (used in) investing activities (B)	**(12,576,911)**	**28,409,381**
(C) Financing Acitivities		
Increase / (Decrease) in Short Term Borrowings	33,112,138	(6,126,738)
Finance costs paid (net)	(29,786,479)	(33,169,899)
Proceeds from Long-Term Borrowings/ New Loans	11,386,865	1
Repayment of Long Term Borrowings	(11,348,963)	(9,100,261)
Repayment of Finance leases	(2,279,879)	(3,242,825)
Repayment of Operating leases	(6,398,228)	(5,909,362)
Net cash flow from (used in) financing activities (C)	**(5,314,545)**	**(57,549,085)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**9,347,189**	**2,776,437**
Cash and cash equivalents at the beginning of the year	2,776,437	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	12,123,626	2,776,437

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Limited
Notes forming part of the financial statements

1 General information

Double Negative Limited ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the subsidiary of Double Negative Holdings Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company in rendering visual effects services for gloabal film industry. The address of its registered office is 106 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Sterling Pounds (GBP), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in GBP)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	12,309,163	355,496	13,486,169	-	162,500	26,313,328
Reclassification	14,812,240	-	-	-	-	14,812,240
Additions/(Deductions)	1,515,877	382,622	22,357	-	-	1,920,856
Deletions	(83,093)	(30,514)	-	-	-	(113,607)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**28,554,187**	**707,604**	**13,508,526**	**-**	**162,500**	**42,932,818**
II. Accumulated depreciation						
Balance as at March 31, 2025	11,720,047	339,322	13,157,360	-	25,391	25,242,120
Reclassification	14,768,010	-	-	-	-	14,768,010
For the year	597,443	82,530	103,854	-	20,313	804,139
Deletions	(83,093)	(30,514)	-	-	-	(113,607)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**27,002,408**	**391,338**	**13,261,214**	**-**	**45,703**	**40,700,663**
Net block (I - II)						
As at March 31, 2026	**1,551,779**	**316,266**	**247,312**	**-**	**116,797**	**2,232,154**

(Amount in GBP)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	12,682,353	336,796	12,901,757	-	162,500	26,083,406
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	210,910	18,700	0	-	-	229,610
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**12,309,163**	**355,496**	**13,486,169**	**-**	**162,500**	**26,313,328**
II. Accumulated depreciation						
Balance as at March 31, 2024	11,247,765	325,505	12,798,422	-	5,078	24,376,770
Reclassification	-	-	-	-	-	-
For the year	801,400	13,817	29,820	-	20,313	865,350
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**11,720,047**	**339,322**	**13,157,360**	**-**	**25,391**	**25,242,120**
Net block (I - II)						
As at March 31, 2025	**589,115**	**16,174**	**328,809**	**-**	**137,109**	**1,071,207**

Double Negative Limited
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in GBP)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**44,726,850**	**-**	**23,549,043**	**-**	**-**	**748,438**	**-**	**69,024,330**
Additions/(Deductions)	-	-	(0)	-	-	0	-	(0)
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	(14,812,240)	-	-	-	-	(14,812,240)
As at March 31, 2026	**44,726,850**	**-**	**8,736,802**	**-**	**-**	**748,438**	**-**	**54,212,090**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**18,615,450**	**-**	**17,970,446**	**-**	**-**	**519,749**	**-**	**37,105,644**
Additions/(Deductions)	3,643,219	-	1,413,549	-	-	228,690	-	5,285,458
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	(14,768,010)	-	-	-	-	(14,768,010)
As at March 31, 2026	**22,258,669**	**-**	**4,615,985**	**-**	**-**	**748,438**	**-**	**27,623,092**
Net block (I - II)								
As at March 31, 2026	**22,468,181**	**-**	**4,120,818**	**-**	**-**	**-**	**-**	**26,588,999**

(Amount in GBP)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**41,044,497**	**-**	**21,208,706**	**-**	**-**	**15,459,664**	**-**	**77,712,866**
Additions/(Deductions)	3,682,353	-	2,340,337	-	-	-	-	6,022,690
Deletions	-	-	-	-	-	(14,711,225)	-	(14,711,225)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**44,726,850**	**-**	**23,549,043**	**-**	**-**	**748,438**	**-**	**69,024,330**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**15,392,510**	**-**	**16,653,460**	**-**	**-**	**14,872,695**	**-**	**46,918,665**
Additions/(Deductions)	3,222,940	-	1,316,986	-	-	358,279	-	4,898,205
Deletions	-	-	-	-	-	(14,711,225)	-	(14,711,225)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**18,615,450**	**-**	**17,970,446**	**-**	**-**	**519,749**	**-**	**37,105,644**
Net block (I - II)								
As at March 31, 2025	**26,111,400**	**-**	**5,578,597**	**-**	**-**	**228,690**	**-**	**31,918,686**

Double Negative Limited
Notes to the Financial Statements for the year ended March 31, 2026

6. Goodwill & Other intangible assets **(Amount in GBP)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	7,450,461	-	**7,450,461**
Additions	-	5,064,955	-	5,064,955
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**12,515,416**	**-**	**12,515,416**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	3,080,406	-	3,080,406
For the year	-	4,810,512	-	4,810,512
Deletions	-	(4,343)	-	(4,343)
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**7,886,575**	**-**	**7,886,575**
Net block (I - II)				
As at March 31, 2026	**-**	**4,628,842**	**-**	**4,628,842**

(Amount in GBP)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	70,421,523	-	70,421,523
Additions/(Deletions)	-	27,623,085	-	27,623,085
Deletions	-	(90,594,147)	-	(90,594,147)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**7,450,461**	**-**	**7,450,461**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	63,718,654	-	63,718,654
For the year	-	9,175,023	-	9,175,023
Deletions	-	(69,813,271)	-	(69,813,271)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**3,080,406**	**-**	**3,080,406**
Net block (I - II)				
As at March 31, 2025	**-**	**4,370,055**	**-**	**4,370,055**

7 Investments (Non Current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid (at cost)		
Investment in subsidiaries	79,358,931	79,358,931
Unquoted instruments - fully paid up (at FVTPL)		
Other Investment:		
Fixed rate convertible unsecured loan stock	25,000	25,000
	79,383,931	**79,383,931**

8 Other Financial Assets (Non Current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Deposits to others	4,500	-
Capital advances	1,369,093	-
	1,373,593	**-**

9 Deferred tax assets / (liabilities) (net)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	11,600,768	12,429,847
Charge to Statement of Profit and Loss and Other Comprehensive Income	(4,024,202)	(829,079)
Total	**7,576,566**	**11,600,768**

10 Income tax assets / (liabilities) (net) (Non Current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	1,254,123	414,949
Total	**1,254,123**	**414,949**

11 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	5,642,066	6,111,984
	5,642,066	6,111,984
Less: allowance for doubtful debt	(710,942)	(513,287)
	4,931,124	**5,598,697**
The movement in allowance for bad and doubtful debts is as follows:		
Balance as at the beginning of the year	513,287	472,774
Allowances made / (reversal) during the year	197,655	40,513
Balance as at the end of the year	**710,942**	**513,287**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Trade receivables - ageing and other details

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	3,996,215	-	-	3,996,215
6 months- 1 year	81,918	-	-	81,918
1-2 years	141,000	-	-	141,000
2-3 years	1,000,000	-	-	1,000,000
More than 3 years	422,934	-	-	422,934
Total	**5,642,067**	**-**	**-**	**5,642,066**
Less: allowances for credit losses				(710,942)
Net Trade Receivables				**4,931,124**

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	3,260,862	-	-	3,260,862
6 months- 1 year	146,402	-	-	146,402
1-2 years	1,017,514	-	-	1,017,514
2-3 years	-	-	-	-
More than 3 years	1,687,206	-	-	1,687,206
Total	**6,111,984**	-	-	**6,111,984**
Less: allowances for credit losses				(513,287)
Net Trade Receivables				**5,598,697**

12 Cash and cash equivalents

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Bank balances:		
In current accounts	12,123,626	2,776,437
	12,123,626	**2,776,437**

13 Loans (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Loans to employees	565,348	924,233
	565,348	**924,233**

14 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Intercompany balances	238,831,754	176,740,884
Unbilled revenue	36,663,640	16,189,363
Other Receivables	6,265,834	5,139,306
	281,761,228	**198,069,553**

15 Other current assets (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Prepaid expenses	1,060,067	41,778,116
Tax credit receivable	284,915	613,141
Advances to suppliers	89,063	40,771
	1,434,045	**42,432,028**

16 Share capital

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Issued, subscribed and paid up:		
Equity Share Capital #	105	105
	105	**105**

Double Negative Holdings Limited is the Immediate Holding Company

17 Other equity

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Retained earnings and other comprehensive income		
Opening balance	(18,714,080)	(19,637,238)
Add: Profit for the year	18,942,580	923,159
	228,500	**(18,714,079)**

18 Borrowings (non-current)

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Term loan from banks	1,244,293	59,036,481
	1,244,293	**59,036,481**

19 Lease liabilities (non-current) (unsecured)

Amount in GBP

	As at March 31, 2026	**As at March 31, 2025**
Lease liabilities	29,400,354	35,343,884
	29,400,354	**35,343,884**

20 Other financial liabilities (non-current) (unsecured) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Capital creditors	265,379	1,550,770
	265,379	**1,550,770**

21 Provisions (non-current) (unsecured) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Provision for asset retirement obligation	1,230,439	1,181,635
	1,230,439	**1,181,635**

22 Borrowings (current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long-term Borrowings :		
Vehicle loans from banks/financial institutions	279,762,457	224,727,996
Short term borrowings	75,045,927	41,295,468
	354,808,384	**266,023,464**

Note: Loan is secured against the vehicle purchased

23 Lease liabilities (current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	7,287,543	9,975,265
	7,287,543	**9,975,265**

24 Trade payables **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Trade payables	4,743,509	4,936,364
	4,743,509	**4,936,364**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	641,060	-	-
Less than 6 months	-	3,996,434	-	-
6 months- 1 year	-	1,101.01	-	-
1-2 years	-	65,092.50	-	-
2-3 years	-	39,821	-	-
Total	**-**	**4,743,509**	**-**	**-**

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Less than 6 months	-	4,725,614	-	-
6 months- 1 year	-	11,092	-	-
1-2 years	-	178,707	-	-
2-3 years	-	11,713	-	-
More than 3 years	-	9,238	-	-
Total	**-**	**4,936,364**	**-**	**-**

25 Other financial liabilities (current) **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	3,455,006	-
Employee benefits payable	2,553,388	3,191,004
Capital Creditors	1,638,937	2,495,403
Interest accrued on loan	8,541,590	8,729,229
Others	9,704	587
	16,198,625	**14,416,224**

26 Other current liabilities **Amount in GBP**

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	5,527,186	4,102,553
Statutory dues	2,919,264	707,880
Deferred rent	(0)	(0)
	8,446,449	**4,810,433**

27 Revenue from operations

Amount in GBP

	2025-26	2024-25
Sale of services	82,958,555	15,644,759
	82,958,555	**15,644,759**
Other operating revenue		
Government Grants	1,745,557	275,004
	1,745,557	**275,004**
	84,704,111	**15,919,763**

28 Other income

Amount in GBP

	2025-26	2024-25
Interest income:		
- Income tax refund	-	1,172
- Intercompany loans & advances	6,261,952	9,391,802
- Others	743	-
Management Fees	22,514,051	29,268,125
Licensing and Marketing fees from group company	50,176,044	57,412,793
Gain on Sale of Assets	26,407	12,716
Exchange gain	11,692,442	14,846,306
Miscellaneous income	1,721,197	1,818,493
	92,392,836	**112,751,408**

29 Employee benefits expense

Amount in GBP

	2025-26	2024-25
Salaries and wages	51,198,095	32,292,140
Contribution to Defined Contribution Plans	7,999,117	5,942,456
Employee stock options	281,719	1,043,236
Staff welfare expenses	389,827	458,727
	59,868,758	**39,736,559**

30 Finance costs

Amount in GBP

	2025-26	2024-25
Bank charges	122,866	129,763
Interest Expense on:		
Lease Liability	1,877,515	1,901,820
Term Loans	24,975,489	31,866,618
Working Capital Finance	5,051,810	5,139,367
Interest on related party loans	1,585,247	3,537,268
Others	49,690	(567,273)
	33,662,617	**42,007,563**

Double Negative Limited

Notes to the Financial Statements for the year ended March 31, 2026

31 Depreciation and amortisation expense **Amount in GBP**

	2025-26	2024-25
Depreciation of property, plant and equipment	804,139	1,312,954
Depreciation of right-of-use assets	5,285,458	4,898,205
Amortisation of intangible assets	4,810,512	8,727,418
	10,900,109	**14,938,577**

32 Other expenses **Amount in GBP**

	2025-26	2024-25
Technician fees	3,820,211	1,224,671
Rent	276,352	240,268
Technical service cost	26,692,319	12,081,994
Electricity charges	1,993,726	1,862,787
Legal and Professional fees	76,843	1,007,341
Management fees	3,746,384	3,386,683
Communication Charges	256,476	404,202
Repairs & Maintainance :		
Building	1,010,968	606,980
Vehicle	10,677	3,769
Equipment	3,973,113	4,849,986
Travelling and conveyance expense	426,935	332,665
House-keeping charges	67,852	70,246
Provision for doubtful debts	197,655	40,513
Security charges	165,954	157,375
Insurance expense	41,836	79,068
Rates and taxes	2,621,844	2,580,919
Advertising and promotions	2,749,068	155,013
Loss on sale/ discard of fixed assets	-	3,117
Bad debts written off	-	653,267
Miscellaneous expenses	703,842	495,368
	48,832,054	**30,236,233**

33 Tax expenses **Amount in GBP**

	2025-26	2024-25
Current tax expense/(income)	866,628	-
Deferred tax expense/(income)	4,024,202	829,079
	4,890,830	**829,079**

Double Negative Montreal Productions Limited
Balance Sheet as at March 31, 2026

(Amount in CAD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	14,548,714	2,243,774
Right of use assets	5	17,142,019	23,418,290
Capital Work in Progress	6	-	942,820
Other intangible assets	7	1,463,123	3,393,548
Financial assets			
Other Financial Assets	8	-	5,598
Deferred tax asset (net)	9	759,458	2,928,924
Income tax assets (net)	10	405,469	-
Other non-current assets	11	91,665	-
Total non-current assets		**34,410,449**	**32,932,953**
Current assets			
Financial assets			
Trade receivables	12	19,024,204	29,059,328
Cash and cash equivalents	13	9,970,866	1,243,582
Loans	14	317,485	513,443
Other financial assets	15	147,376,643	187,196,673
Other current assets	16	100,889,688	36,167,512
Total current assets		**277,578,885**	**254,180,537**
Total assets		**311,989,334**	**287,113,490**
Equity and Liabilities			
Equity			
Equity share capital		-	-
Other equity	17	76,959,799	69,842,727
Total equity		**76,959,799**	**69,842,727**
Share application money pending allotment	18	8,503,743	8,503,743
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	(0)	844,274
Lease Liabilities	20	21,237,274	23,482,335
Other financial liabilities	21	164,395	-
Total non-current liabilities		**21,401,669**	**24,326,609**
Current liabilities			
Financial liabilities			
Borrowings	22	844,274	2,436,513
Lease liabilities	23	2,296,448	3,487,933
Trade payables	24	6,587,679	9,711,917
Other financial liabilities	25	140,896,415	116,109,988
Other current liabilities	26	54,499,306	52,003,204
Current tax liabilities	10	-	690,855
Total current liabilities		**205,124,122**	**184,440,411**
Total liabilities		**226,525,791**	**208,767,020**
Total equity and liabilities		**311,989,334**	**287,113,490**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Montreal Productions Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in CAD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	27	267,761,199	334,127,711
Other income	28	3,508,612	4,130,912
Total Income		**271,269,811**	**338,258,622**
Expenses			
Employee benefits expense	29	44,774,022	47,134,579
Finance costs	30	9,973,784	11,049,027
Depreciation and amortisation expense	4, 5, 7	6,455,514	7,252,477
Other expenses	32	201,151,277	277,619,312
Total expenses		**262,354,597**	**343,055,395**
(Loss) / profit before tax		**8,915,214**	**(4,796,772)**
Tax expenses			
Current tax	33	(371,324)	1,877,866
Deferred tax	33	2,169,466	(1,491,405)
Total tax expense / (credit) (net)		**1,798,142**	**386,461**
Profit/ (Loss) for the year		**7,117,072**	**(5,183,233)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**7,117,072**	**(5,183,233)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Montreal Productions Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in CAD)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	-
As at March 31, 2026	**-**

B. Other equity **(Amount in CAD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**75,025,961**
Profit for the year (net of tax)	(5,183,233)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**69,842,727**
Profit for the year (net of tax)	7,117,072
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**76,959,798**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Montreal Productions Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**8,915,214**	**(4,796,772)**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	6,455,514	7,252,477
(Gain) / Loss on Sale / Discard of fixed assets	(127,000)	(3,790)
Finance cost	10,018,931	11,049,027
Unrealized foreign exchange (gain)/loss (net)	10,264,403	7,325,756
Provision for doubtful debts/ advances	501,836	381,931
Bad Debts Written off	14	7
Sundry balances written back / written off	(9)	(44,213)
Stock Option Expense	-	51,031
Finance Income	-	(14,268)
Operating profit before working capital changes	**36,028,903**	**21,201,185**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(3,114,179)	193,479
Increase / (Decrease) in Other Non-Current Financial Liabilities	-	-
Increase / (Decrease) in Other Current financial liabilities	499,625	(5,295,940)
Increase / (Decrease) in Payables due to related party	(59,816,223)	(3,722,497)
Increase / (Decrease) in Other Current Liabilities	2,496,101	12,260,006
(Increase) / Decrease in Other Non-Current Financial Assets	-	50,000
(Increase) / Decrease in Trade and other receivables	8,961,268	4,748,940
(Increase) / Decrease in Other Current Financial Assets	36,235,141	(22,285,150)
(Increase) / Decrease in Other Current Assets	146,906	185,558
Cash generated from operations	**21,345,876**	**7,335,580**
Taxes Paid (Net of Refunds)	(725,000)	400,682
Net cash flow from operating activities (A)	**20,620,876**	**7,736,263**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(748,777)	33,825
(Increase) / Decrease in Capital Advances	5,562	(5,562)
(Repayments)/ Proceeds for loans given to related party	1,047	-
Purchase of investment in subsidiaries	-	-
Net cash flow from (used in) investing activities (B)	**(742,169)**	**28,263**
(C) Financing Acitivities		
Increase / (Decrease) in Short Term Borrowings	-	-
Finance costs paid (net)	(5,237,916)	(6,538,226)
Proceeds from Long-Term Borrowings/ New Loans	-	-
Repayment of Long Term Borrowings	(2,436,513)	0
Repayment of Finance leases	(1,988,250)	(4,332,249)
Repayment of Operating leases	(1,488,745)	(1,398,776)
Net cash flow from (used in) financing activities (C)	**(11,151,423)**	**(12,269,250)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**8,727,284**	**(4,504,724)**
Cash and cash equivalents at the beginning of the year	1,243,582	5,748,306
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	9,970,866	1,243,582

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Montreal Productions Limited
Notes forming part of the financial statements

1 General information

Double Negative Montreal Productions Limited ("the Company") is a company incorporated and domiciled in Canada. The Company is the subsidiary of DNEG S.A.R.L and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company in rendering visual effects services for gloabal film industry. The address of its registered office is 1155 Rue Metcalfe, Bureau 1200, Montreal,QC, H3B 2V6.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Canadian Dollars (CAD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Montreal Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in CAD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	19,334,672	837,094	577,206	-	-	20,748,971
Reclassification	7,762,485	-	-	-	-	7,762,485
Additions/(Deductions)	9,802,429	-	1,014,927	-	-	10,817,356
Deletions	(1,288,397)	-	-	-	-	(1,288,397)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**35,611,188**	**837,094**	**1,592,132**	**-**	**-**	**38,040,414**
II. Accumulated depreciation						
Balance as at March 31, 2025	17,521,411	836,170	147,617	-	-	18,505,198
Reclassification	3,761,067	-	-	-	-	3,761,067
For the year	2,100,998	924	148,316	-	-	2,250,237
Deletions	(1,024,802)	-	-	-	-	(1,024,802)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**22,358,674**	**837,094**	**295,933**	**-**	**-**	**23,491,700**
Net block (I - II)						
As at March 31, 2026	**13,252,514**	**-**	**1,296,200**	**-**	**-**	**14,548,714**

(Amount in CAD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	13,106,070	837,094	573,279	-	-	14,516,443
Reclassification	6,234,209	-	-	-	-	6,234,209
Additions/(Deductions)	12,096	-	3,927	-	-	16,023
Deletions	(17,704)	-	-	-	-	(17,704)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**19,334,672**	**837,094**	**577,206**	**-**	**-**	**20,748,971**
II. Accumulated depreciation						
Balance as at March 31, 2024	10,596,696	833,295	108,891	-	-	11,538,882
Reclassification	5,709,621	-	-	-	-	5,709,621
For the year	1,230,415	2,875	38,726	-	-	1,272,015
Deletions	(15,320)	-	-	-	-	(15,320)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**17,521,411**	**836,170**	**147,617**	**-**	**-**	**18,505,198**
Net block (I - II)						
As at March 31, 2025	**1,813,261**	**924**	**429,589**	**-**	**-**	**2,243,774**

Double Negative Montreal Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in CAD)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**24,834,292**	**-**	**10,680,950**	**-**	**-**	**-**	**-**	**35,515,242**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	(1,016,619)	-	-	-	-	-	-	(1,016,619)
Adjustments #	-	-	(7,762,485)	-	-	-	-	(7,762,485)
As at March 31, 2026	**23,817,673**	**-**	**2,918,466**	**-**	**-**	**-**	**-**	**26,736,139**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**7,418,685**	**-**	**4,678,268**	**-**	**-**	**-**	**-**	**12,096,952**
Additions/(Deductions)	1,467,664	-	807,189	-	-	-	-	2,274,853
Deletions	(1,016,619)	-	-	-	-	-	-	(1,016,619)
Adjustments #	-	-	(3,761,067)	-	-	-	-	(3,761,067)
As at March 31, 2026	**7,869,729**	**-**	**1,724,390**	**-**	**-**	**-**	**-**	**9,594,119**
Net block (I - II)								
As at March 31, 2026	**15,947,944**	**-**	**1,194,076**	**-**	**-**	**-**	**-**	**17,142,019**

(Amount in CAD)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**24,834,292**	**-**	**16,915,159**	**-**	**-**	**-**	**-**	**41,749,451**
Additions/(Deductions)	-	-	0	-	-	-	-	0
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	(6,234,209)	-	-	-	-	(6,234,209)
As at March 31, 2025	**24,834,292**	**-**	**10,680,950**	**-**	**-**	**-**	**-**	**35,515,242**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**5,951,021**	**-**	**8,115,021**	**-**	**-**	**-**	**-**	**14,066,042**
Additions/(Deductions)	1,467,664	-	2,272,867	-	-	-	-	3,740,531
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	(5,709,621)	-	-	-	-	(5,709,621)
As at March 31, 2025	**7,418,685**	**-**	**4,678,268**	**-**	**-**	**-**	**-**	**12,096,952**
Net block (I - II)								
As at March 31, 2025	**17,415,608**	**-**	**6,002,682**	**-**	**-**	**-**	**-**	**23,418,290**

Double Negative Montreal Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

7. Goodwill & Other intangible assets **(Amount in CAD)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	5,986,913	-	**5,986,913**
Additions	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**5,986,913**	**-**	**5,986,913**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	2,593,365	-	2,593,365
For the year	-	1,930,424	-	1,930,424
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**4,523,789**	**-**	**4,523,789**
Net block (I - II)				
As at March 31, 2026	**-**	**1,463,123**	**-**	**1,463,123**

(Amount in CAD)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	6,607,177	-	6,607,177
Additions/(Deletions)	-	1,155,331	-	1,155,331
Deletions	-	(1,775,595)	-	(1,775,595)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**5,986,913**	**-**	**5,986,913**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	2,129,031	-	2,129,031
For the year	-	2,239,930	-	2,239,930
Deletions	-	(1,775,595)	-	(1,775,595)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**2,593,365**	**-**	**2,593,365**
Net block (I - II)				
As at March 31, 2025	**-**	**3,393,548**	**-**	**3,393,548**

8 Other Financial Assets (Non Current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Capital advances	-	5,598
	-	**5,598**

9 Deferred tax assets / (liabilities) (net)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	2,928,924	1,437,519
Charge to Statement of Profit and Loss and Other Comprehensive Income	(2,169,466)	1,491,405
Total	**759,458**	**2,928,924**

10 Income tax assets / (liabilities) (net) (Non Current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	405,469	(690,855)
Total	**405,469**	**(690,855)**

11 Other non-current assets

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	91,665	-
	91,665	**-**

12 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	20,642,486	30,189,142
	20,642,486	30,189,142
Less: allowance for doubtful debt	(1,618,282)	(1,129,814)
	19,024,204	**29,059,328**
The movement in allowance for bad and doubtful debts is as follows:		
Balance as at the beginning of the year	1,129,814	747,883
Allowances made / (reversal) during the year	488,468	381,931
Balance as at the end of the year	**1,618,282**	**1,129,814**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Trade receivables - ageing and other details

Amount in CAD

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	12,772,693	-	-	12,772,693
6 months- 1 year	1,765,337	-	-	1,765,337
1-2 years	4,438,984	-	-	4,438,984
2-3 years	-	-	-	-
More than 3 years	1,665,474	-	-	1,665,474
Total	**20,642,487**	**-**	**-**	**20,642,486**
Less: allowances for credit losses				(1,618,282)
Net Trade Receivables				**19,024,204**

Amount in CAD

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	25,561,553	-	-	25,561,553
6 months- 1 year	936,842	-	-	936,842
1-2 years	12,386	-	-	12,386
2-3 years	442,777	-	-	442,777
More than 3 years	3,235,584	-	-	3,235,584
Total	**30,189,142**	-	-	**30,189,142**
Less: allowances for credit losses				(1,129,814)
Net Trade Receivables				**29,059,328**

13 Cash and cash equivalents — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Cash on hand	175	175
Bank balances:		
In current accounts	9,970,691	1,243,407
	9,970,866	**1,243,582**

14 Loans (current) (unsecured, considered good unless otherwise stated) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	317,485	513,443
Inter-company deposits	-	-
	317,485	**513,443**

15 Other financial assets (current) (unsecured, considered good unless otherwise stated) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	145,237,338	182,525,511
Security Deposit	1,552,207	2,608,655
Other Receivables	587,098	2,062,507
	147,376,643	**187,196,673**

16 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	100,695,630	35,929,837
Tax credit receivable	207,425	237,675
Others	(13,368)	-
	100,889,688	**36,167,512**

17 Other equity — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	69,842,727	75,025,961
Add: Profit for the year	7,117,072	(5,183,233)
	76,959,799	**69,842,727**

18 Share Application Money (Pending Allotment) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Share Application Money (Pending Allotment)	8,503,743	8,503,743
	8,503,743	**8,503,743**

19 Borrowings (non-current) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Term loan from banks	(0)	844,274
	(0)	**844,274**

20 Lease liabilities (non-current) (unsecured) — **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	21,237,274	23,482,335
	21,237,274	**23,482,335**

21 Other financial liabilities (non-current) (unsecured)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Capital creditors	164,395	-
	164,395	**-**

22 Borrowings (current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long-term Borrowings :		
Term loan from banks	844,274	2,436,513
	844,274	**2,436,513**

23 Lease liabilities (current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	2,296,448	3,487,933
	2,296,448	**3,487,933**

24 Trade payables

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Trade payables	6,587,679	9,711,917
	6,587,679	**9,711,917**

Trade paybles - ageing and other details

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	5,898,158	-	-
Less than 6 months	-	688,381	-	-
6 months- 1 year	-	1,140.56	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**6,587,679**	**-**	**-**

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	9,619,856	-	-
Less than 6 months	-	-	-	-
6 months- 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	92,061	-	-
Total	**-**	**9,711,917**	**-**	**-**

25 Other financial liabilities (current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Due to related parties	123,232,464	107,536,112
Employee benefits payable	5,287,071	4,787,348
Capital Creditors	12,376,880	3,786,430
Others	-	99
	140,896,415	**116,109,988**

26 Other current liabilities

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	47,349,324	22,475,369
Statutory dues	7,149,982	29,527,836
Deferred rent	0	(1)
	54,499,306	**52,003,204**

27 Revenue from operations

Amount in CAD

	2025-26	2024-25
Sale of services	267,653,579	333,675,418
	267,653,579	**333,675,418**
Other operating revenue		
Government Grants	107,620	452,293
	107,620	**452,293**
	267,761,199	**334,127,711**

28 Other income

Amount in CAD

	2025-26	2024-25
Interest income:		
- Income tax refund	-	11,292
Licensing and Marketing fees from group company	1,500	3,308,925
Gain on Sale of Assets	127,000	3,790
Miscellaneous income	3,380,112	803,928
	3,508,612	**4,130,912**

29 Employee benefits expense

Amount in CAD

	2025-26	2024-25
Salaries and wages	39,339,363	41,164,718
Contribution to Defined Contribution Plans	2,621,232	2,712,277
Employee stock options	-	51,031
Staff welfare expenses	2,813,426	3,206,553
	44,774,022	**47,134,579**

30 Finance costs

Amount in CAD

	2025-26	2024-25
Bank charges	7,238	11,609
Interest Expense on:		
Lease Liability	1,758,312	2,325,457
Term Loans	160,262	-
Working Capital Finance	706,506	629,832
Interest on related party loans	4,694,775	4,576,219
Others	2,646,692	3,505,909
	9,973,784	**11,049,027**

31 Depreciation and amortisation expense

Amount in CAD

	2025-26	2024-25
Depreciation of property, plant and equipment	2,250,237	1,272,015
Depreciation of right-of-use assets	2,274,853	3,740,531
Amortisation of intangible assets	1,930,424	2,239,930
	6,455,514	**7,252,477**

32 Other expenses **Amount in CAD**

	2025-26	2024-25
Technician fees	157,422	465
Rent	2,094,883	1,982,837
Technical service cost	38,220,881	95,625,538
Legal and Professional fees	178,497	3,893,625
Management fees	49,577,251	58,598,477
Communication Charges	147,401	139,549
Repairs & Maintainance :		
Building	8,411	4,279
Vehicle	2,127	5,994
Equipment	155,343	129,016
Travelling and conveyance expense	255,784	99,043
House-keeping charges	15,035	4,827
Provision for doubtful debts	488,468	381,931
Security charges	100,938	101,520
Insurance expense	153,637	42,992
Rates and taxes	67,257	116,442
Advertising and promotions	7,402	18,004
Bad debts written off	14	7
Miscellaneous expenses	16,929	43,109
	201,151,277	**277,619,312**

33 Tax expenses **Amount in CAD**

	2025-26	2024-25
Current tax expense/(income)	(371,324)	1,877,866
Deferred tax expense/(income)	2,169,466	(1,491,405)
	1,798,142	**386,461**

GVS Software Private Limited

CIN : U72100MH2007PTC174803

Balance sheet as on March 31, 2026 ₹ in Thousands

	Notes	As at March 31,	
		2026	**2025**
Assets			
Non-current assets			
Other non-current assets	3	265,000.00	265,000.00
		265,000.00	**265,000.00**
Current assets			
Financial Assets			
i) Cash ad cash equivalents	4	50.00	50.00
Other current assets		-	-
		50.00	**50.00**
TOTAL		**265,050.00**	**265,050.00**
Equity and Liabilities			
Equity			
Share Capital	5	2,750.00	2,750.00
Other Equity	6	261,935.34	261,970.24
		264,685.34	**264,720.24**
Financial Liabilities			
i) Trade payables	7	364.66	329.76
		364.66	**329.76**
TOTAL		**265,050.00**	**265,050.00**

Notes forming part of the financial statements 1-13

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, 2026

UDIN: 26042673OFOTOL5732

Huzefa Mohsin Lokhandwala
(Director)
Din 07762148

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

GVS Software Private Limited

CIN : U72100MH2007PTC174803

Statement of Profit and Loss for the year ended March 31, 2026 ₹ in Thousands

	Notes	For the year ended March 31,	
		2026	2025
Income			
Revenue from operations (net)		-	-
Other income		-	-
		-	**-**
Expenses			
Employee benefits expenses		-	-
Other expenses	8	34.90	34.90
Finance costs		-	-
Depreciation and amortization expenses		-	-
		34.90	**34.90**
Loss before exceptional items and tax		**(34.90)**	**(34.90)**
Exceptional Items		-	-
Loss before tax		**(34.90)**	**(34.90)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(34.90)**	**(34.90)**
Earnings per equity share			
Basic	11	(3.49)	(3.49)
Diluted		(3.49)	(3.49)
Notes to accounts	1-13		

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)
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Mumbai
May 25, 2026

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UDIN: 26042673OFOTOL5732

GVS Software Private Limited

CIN : U72100MH2007PTC174803

Statement of Changes in Equity for the year ended March 31, 2026

Changes in Share capital ₹ in Thousands

	Equity Shares		Redeemable Convertible Preference Shares	
	No of shares	**Amount**	**No of shares**	**Amount**
As at 1st April 2024	10,000	100.00	265,000	2,650.00
Changes during the year	-	-	-	-
As at 31st March 2025	**10,000**	**100.00**	**265,000**	**2,650.00**
Changes during the year	-	-	-	-
As at 31st March 2026	**10,000**	**100.00**	**265,000**	**2,650.00**

Changes in Other Equity ₹ in Thousands

	Securities Premium Account	**Retained Earnings**	**Total**
As at 1st April 2024	**262,350.00**	**(344.86)**	**262,005.14**
Profit/ (loss) for the year	-	(34.90)	**(34.90)**
As at 31st March 2025	**262,350.00**	**(379.76)**	**261,970.24**
Profit/ (loss) for the year	-	(34.90)	**(34.90)**
As at 31st March 2026	**262,350.00**	**(414.66)**	**261,935.34**

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, 2026

UDIN: 26042673OFOTOL5732

Huzefa Mohsin Lokhandwala
(Director)
Din 07762148

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

GVS Software Private Limited

CIN : U72100MH2007PTC174803

Cash Flow statement for the year ended March 31, 2026 ₹ in Thousands

		Notes	As at March 31, 2026	As at March 31, 2025
A.	**Cash flow from Operating activities**			
	Net Profit before taxation		**(34.90)**	**(34.90)**
	Adjustments for :			
	Sundry credit balance written back		-	-
	Operating profit before working capital changes		**(34.90)**	**(34.90)**
	Movements in working capital :			
	Increase/(Decrease) in current liabilities		**34.90**	**34.90**
	Cash generated from operations		**-**	**-**
	Direct Taxes paid (Net of Refunds)		**-**	**-**
	Net Cash from operating activities		**-**	**-**
B.	**Cash flow from investing activites**			
	Net Cash from investing activities		**-**	**-**
C.	**Cash flow from Financing activities**			
	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	4	50.00	50.00
	Cash and cash equivalents at the end of the year		**50.00**	**50.00**
Notes to accounts		1-13		

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, 2026

UDIN: 26042673OFOTOL5732

Huzefa Mohsin Lokhandwala
(Director)
Din 07762148

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

1. Corporate information

GVS Software Private Limited (the Company) is a private company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of post-production including digital intermediate, visual effects, 2D to 3D conversion and other technical and creative services to the Media and Entertainment industry.

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. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the Company's activities. Revenue is shown net of applicable taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and no significant uncertainty exists as to its determination or realisation. The Company bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimension to three dimension (2D to 3D) conversion and other technical services to clients in the film, broadcast and commercial sectors.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

d. 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.

e. 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.

f. 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).

g. 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, 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.

h. 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.

i. 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

GVS Software Private Limited

CIN : U72100MH2007PTC174803

3. Other non-current assets

₹ in Thousands

	As at March 31,	
	2026	**2025**
Capital advances	265,000.00	265,000.00
	265,000.00	**265,000.00**

4. Cash and bank balances

₹ in Thousands

	As at March 31,	
	2026	**2025**
Balances with banks:		
On Current Accounts	50.00	50.00
Cash on hand	-	-
	50.00	**50.00**

5. Share capital

₹ in Thousands

	As at March 31,	
	2026	**2025**
Authorised shares:		
10,000 Equity Shares of Rs.10/- each	100.00	100.00
265,000 Redeemable Convertible Preference Shares of Rs.10/- each	2,650.00	2,650.00
Issued, subscribed and paid-Up:		
10,000 Equity Shares of Rs.10/- each	100.00	100.00
265,000 Redeemable Convertible Preference Shares of Rs.10/- each	2,650.00	2,650.00
	2,750.00	**2,750.00**

6. Other Equity

₹ in Thousands

	As at March 31,	
	2026	**2025**
Securities Premium Account		
Premium on issuance of Redeemable Convertible Preference Shares	262,350.00	262,350.00
Retained Earnings		
Balance as per last financial statements	(379.76)	(344.86)
Loss for the year	(34.90)	(34.90)
Net Retained Earnings	**(414.66)**	**(379.76)**
Other Equity	**261,935.34**	**261,970.24**

7. Trade payables

₹ in Thousands

	As at March 31,	
	2026	**2025**
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	54.90	20.00
Trade payables to related parties (note 9)	309.76	309.76
	364.66	**329.76**

There were no dues payable to entities that are classified as Micro and Small Enterprisesunder the Micro, Smalland Medium Enterprises Development Act, 2006 for the above years.

Trade Payables - ageing and other details

₹ in Thousands

As at March 31, 2026	**MSME**	**Others**	**Disputed dues- MSME**	**Disputed dues- others**	**Total**
Provisions	-	54.90	-	-	**54.90**
Not due	-	-	-	-	**-**
less than 1 years	-	-	-	-	**-**
1 to 2 years	-	29.90	-	-	**29.90**
2 to 3 years	-	96.01	-	-	**96.01**
more than 3 years	-	183.86	-	-	**183.86**
Total	**-**	**364.66**	**-**	**-**	**364.66**

GVS Software Private Limited
CIN : U72100MH2007PTC174803

Trade Payables - ageing and other details ₹ in Thousands

As at March 31, 2025	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	20.00	-	-	**20.00**
Not due	-	-	-	-	**-**
less than 1 years	-	29.90	-	-	**29.90**
1 to 2 years	-	96.01	-	-	**96.01**
2 to 3 years	-	-	-	-	**-**
more than 3 years	-	183.86	-	-	**183.86**
Total	**-**	**329.76**	**-**	**-**	**329.76**

8. Other expenses ₹ in Thousands

	For the year ended March 31,	
	2026	**2025**
Legal and Professional Fees	14.90	14.90
Audit Fees	20.00	20.00
	34.90	**34.90**

9. Related Party Disclosure

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
N2M Reality Private Limited	Enterprises owned or significantly influenced by Key Management Personnel of Holding Company

Related Party Transaction During the Year ₹ in Thousands

	March 31,	
	2026	**2025**
Reimbursement of expense incurred by:		
Prime Focus Limited	-	29.90

Balance outstanding ₹ in Thousands

	As at March 31,	
	2026	**2025**
Redeemable Convertible Preference Shares		
Prime Focus Limited	265,000.00	265,000.00
Capital advance		
N2M Reality Private Limited	265,000.00	265,000.00
Trade Payables		
Prime Focus Limited	309.76	309.76

10. Fair Value Measurements ₹ in Thousands

	As at March 31		As at March 31	
	2026	2025	2026	2025
	Carrying Value		Fair Value	
A. Financial Assets:				
Cash ad cash equivalents	50.00	50.00	-	-
Total	**50.00**	**50.00**	**-**	**-**
B. Financial Liabilities:				
Amortised cost				
Trade payables	364.66	329.76	-	-
Total	**364.66**	**329.76**	**-**	**-**

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.

a) Financial risk management

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

- Credit risk
- Liquidity risk

i) Credit Risk

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

ii) 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.

Liquidity Risk ₹ in Thousands

At 31 March 2026	Less than 12 months	More than 12 months	Total
Current financial assets			
Cash and cash equivalents	50.00	-	**50.00**
	50.00	**-**	**50.00**
Current financial liabilities			
Trade Payables	364.66	-	**364.66**
	364.66	**-**	**364.66**

At 31 March 2025	Less than 12 months	More than 12 months	Total
Current financial assets			
Cash and cash equivalents	50.00	-	**50.00**
	50.00	**-**	**50.00**
Current financial liabilities			
Trade Payables	329.76	-	**329.76**
	329.76	**-**	**329.76**

11. Additional regulatory informations:

i. Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current ratio	Current assets	Current liabilities	0.14	0.15
Debt-Equity ratio	Total debt (Borrowings)	Total equity	-	-
Debt service coverage ratio	Earning before interest, depreciation and tax	Principal repayment of long term borrowings and leases	-	-
Return on equity ratio	Profits after tax	Average equity	(0.00)	(0.00)
Inventory turnover	Revenue from operations	Inventory	-	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	-	-
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation	Average trade payable	0.10	0.11
Net capital turnover ratio	Revenue from operations	Average working capital	-	-
Net profit ratio	Profits after tax	Revenue from operations	-	-
Return on capital employed	Net profit before interest and tax	Capital Employed (Shareholders Fund + long term borrowings)	(0.00)	(0.00)
Return on investment	Profit after tax	Total equity	(0.00)	(0.00)

ii. Other informations:-

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company have no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

f. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

g. The Company has not traded or invested in crypto currency or virtual currency during the year.

h. Utilisation of borrowed funds and share premium :

(i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

i. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

12. Earnings per share

₹ in Thousands

Particulars	Year ended March 31 2026	2025
Net (loss) attributable to equity shareholders	(34.90)	(34.90)
Exceptional items (net of tax)	-	-
Net Profit/(loss) before exceptional items but after tax	**(34.90)**	**(34.90)**
Weighted average number of equity shares in calculating basic and diluted EPS	**10,000**	**10,000**
Earnings per share		
Basic EPS	(3.49)	(3.49)
Diluted EPS	(3.49)	(3.49)

13. There are no unhedged foreign currency exposure

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, 2026

Huzefa Mohsin Lokhandwala
(Director)
Din 07762148

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

UDIN: 26042673OFOTOL5732

JAM8 PRIME FOCUS LLP.

Balance sheet as at March 31, 2026 *In ₹*

	Note	As at March 31, 2026	2025
Assets			
Non-current assets			
Property, Plant and Eqiupment	3	2,818,875	4,535,642
Income tax asset (net)		820,027	820,060
Other non-current assets	4	224,800	617,571
		3,863,702	**5,973,273**
Current assets			
Trade receivables	5	11,083,270	13,348,344
Cash and bank balances	6	3,660,223	855,469
Other financial assets	7	20,332,006	22,027,465
Other current assets	8	4,670,833	7,953,553
		39,746,333	**44,184,831**
TOTAL ASSETS		**43,610,035**	**50,158,104**
Equity and Liabilities			
Shareholders' funds			
Parters' contribution	9	100,000	100,000
Other equity	10	(53,528,358)	(51,407,613)
		(53,428,358)	**(51,307,613)**
Non-current liabilities			
Provisions	11	1,326,701	486,191
		1,326,701	**486,191**
Current liabilities			
Borrowings	12	71,400,000	71,400,000
Trade payables	13	21,861,604	22,595,945
Other financial liabilities	14	1,026,916	2,561,907
Provisions	15	31,315	5,982
Other current liabilities	16	1,391,857	4,415,692
		95,711,692	**100,979,526**
TOTAL EQUITY & LIABILITIES		**43,610,035**	**50,158,104**

As per our report of even date

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

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2026

UDIN: 26042673QRLWAT4536

For Prime Focus Limited

Niraj Sanghai — **Partner**

Pritam Chakraborty

For FLM Talent Management Agency Private Limited

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.

Statement of profit and Loss for the year ended in ₹

	Notes	Year Ended March 31, 2026	2025
Income			
Revenue from operations (net)		55,786,183	49,872,740
Other income	17	479,963	468,713
		56,266,146	**50,341,453**
Expenses			
Employee benefits expenses	18	13,152,049	12,007,329
Technician fees		7,664,527	6,868,118
Finance costs	19	7,289,176	7,679,824
Other expenses	20	24,021,288	22,992,464
Depreciation and amortization expense	3	6,128,601	3,195,163
		58,255,641	**52,742,898**
Profit / (Loss) before tax		**(1,989,495)**	**(2,401,445)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Profit / (Loss) for the year		**(1,989,495)**	**(2,401,445)**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement Of Defined Benefit Obligation - (gain)		131,250	15,531
Total other comprehensive income		**131,250**	**15,531**
Total comprehensive income / (loss) for the year		**(2,120,745)**	**(2,416,976)**

As per our report of even date

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

For Prime Focus Limited

Partner

Niraj Sanghai

Pritam Chakraborty

For FLM Talent Management Agency Private Limited

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2026

Dhruv Chitgopekar

UDIN: 26042673QRLWAT4536

JAM8 PRIME FOCUS LLP.

Cash Flow Statement for the year ended March 31, 2026 in ₹

	As at March 31, 2026	As at March 31, 2025
Cash flow from Operating activities		
Net Loss before taxation	**(1,989,495)**	**(2,401,445)**
Adjustments for :		
Depreciation and amortisation expense	6,128,601	3,195,163
Interest income	(47,817)	(468,713)
Finance cost	7,289,176	7,679,824
Operating profit before working capital changes	**11,380,465**	**8,004,830**
Movements in working capital :		
Increase/(Decrease) in trade receivable	2,265,074	5,523,288
Increase/(Decrease) in financial assets	1,695,458	(6,375,053)
Increase/(Decrease) in other assets	3,282,720	(2,392,640)
(Decrease) / Increase in financial liabilities	(897,333)	8,243,054
(Decrease) / Increase in current liabilities	(3,023,835)	1,593,248
Increase/(Decrease) in provisions	734,593	89,192
Cash generated from operations	**15,437,142**	**14,685,919**
Direct Taxes paid (Net of Refunds)	**47,850**	**(351,347)**
Net Cash from operating activities	**15,484,992**	**14,334,572**
Cash flow from investing activites		
Purchase of fixed assets	(4,216,263)	(821,382)
Net Cash from investing activities	**(4,216,263)**	**(821,382)**
Cash flow from Financing activities		
Proceeds / (Repayment) of short term borrowings (net)	-	(6,250,000)
Finance charges paid	(8,463,974)	(7,773,778)
Net cash used in Financing activities	**(8,463,974)**	**(14,023,778)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2,804,754**	**(510,588)**
Cash and cash equivalents at the beginning of the year	855,469	1,366,057
Cash and cash equivalents at the end of the year	**3,660,223**	**855,469**

As per our report of even date

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

For Prime Focus Limited

Niraj Sanghai

Partner

Pritam Chakraborty

For FLM Talent Management Agency Private Limited

Dhruv Chitgopekar

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2026

UDIN: 26042673QRLWAT4536

JAM8 PRIME FOCUS LLP.

Statement of Changes in Equity for the year ended March 31, 2026

Changes in Equity Share capital in ₹

	Amount
As at 1st April 2024	100,000
Changes during the year	-
As at 31st March 2025	100,000
Changes during the year	
As at 31st March 2026	100,000

Changes in Other Equity in ₹

	Surplus in the statement of profit and loss	**Other Comprehensive Income**	**Total Other equity**
As at 1st April 2024	**(49,264,294)**	**273,657**	**(48,990,637)**
Loss for the year	(2,401,445)	(15,531)	(2,416,976)
As at 31st March 2025	**(51,665,739)**	**258,126**	**(51,407,613)**
Profit for the year	(1,989,495)	(131,250)	(2,120,745)
As at 31st March 2026	**(53,655,234)**	**126,876**	**(53,528,358)**

As per our report of even date

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

For Prime Focus Limited

Partner

Niraj Sanghai

Pritam Chakraborty

For FLM Talent Management Agency Private Limited

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2026

Dhruv Chitgopekar

UDIN: 26042673QRLWAT4536

JAM8 PRIME FOCUS LLP.

1. Corporate information

JAM8 PRIME FOCUS LLP., (the LLP) is a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 on May 17, 2008 and approved by the Central Registration Centre, Ministry of Corporate Affairs on February 21, 2019. The LLP is a partnership between Prime Focus Limited, FLM Talent Management Agency Private Limited (previously known as Kwan Talent Management Agency Private Limited) and Pritam Chakraborty. The LLP has the objective of producing music including for films, television brands, etc. ("Business")

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 LLP'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 LLP 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 LLP 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. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the LLP's activities. Revenue is shown net of applicable taxes.

The LLP recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the LLP and no significant uncertainty exists as to its determination or realisation. The LLP bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

The LLP shall be engaged in the business of producing music including for films, television brands, etc.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

Property, plant and equipments

All items of propery, plant and equipment are recorded at acquisition cost net of accumulated deprectiation and accumulated impairment losses, if any.

Gains or losses arising on disposal of assets are recognised in the Statement of Profit and Loss.

Depreciation and amortisation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets.

Plant and equipments - 3 to 12 years
Office equipments - 5 to 10 years

e. 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.

f. Provisions

Provisions are recognised when the LLP has a present obligation (legal or constructive) as a result of a past event, it is probable that the LLP 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).

g. 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 LLP'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 LLP 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 LLP 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, 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.

i. 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 LLP are segregated based on the available information

3. Property, Plant and Eqiupment in ₹

	Plant and equipment	Furniture And fixtures	Office equipment	Total
Gross Block				
Balance as at April 1, 2024	8,293,760	1,784,650	1,937,830	12,016,241
Additions	21,450	51,500	-	72,950
Disposals	-	-	-	-
Balance as on March 31, 2025	**8,315,210**	**1,836,150**	**1,937,830**	**12,089,191**
Accumulated depreciation.				
Balance as at April 1, 2024	2,314,726	1,110,871	932,789	4,358,386
Depreciation expense for the year	2,367,031	479,898	348,233	3,195,163
Disposal of assets	-	-	-	-
Balance as on March 31, 2025	**4,681,757**	**1,590,770**	**1,281,022**	**7,553,549**
Net balance as on March 31, 2025	**3,633,453**	**245,380**	**656,809**	**4,535,642**

Property, Plant and Eqiupment in ₹

	Plant and equipment	Furniture And fixtures	Office equipment	Total
Gross Block				
Balance as at April 1, 2025	8,315,210	1,836,150	1,937,830	12,089,191
Additions	4,104,170	-	307,664	4,411,834
Disposals	-	-	-	-
Balance as on March 31, 2026	**12,419,380**	**1,836,150**	**2,245,494**	**16,501,025**
Accumulated depreciation.				
Balance as at April 1, 2025	4,681,757	1,590,770	1,281,022	7,553,549
Depreciation expense for the year	5,708,725	19,823	400,052	6,128,601
Disposal of assets	-	-	-	-
Balance as on March 31, 2026	**10,390,483**	**1,610,593**	**1,681,074**	**13,682,149**
Net balance as on March 31, 2026	**2,028,898**	**225,557**	**564,421**	**2,818,875**

4. Other non current assets in ₹

	As at March 31, 2026	2025
Capital advances	224,800	617,571
	224,800	**617,571**

5. Trade Receivables in ₹

	As at March 31, 2026	2025
Trade Receivables	11,083,270	13,348,344
	11,083,270	**13,348,344**

Trade Receivable - ageing and other details in ₹

March 31, 2026	**Undisputed trade receivables**			**Total**
	Considered good	**Which have significant increase in credit risk**	**Credit impaired**	
Less than 6 months	3,878,528	-	-	**3,878,528**
6 months - 1 year	473,495	-	-	**473,495**
1 - 2 year	1,378,184	-	-	**1,378,184**
2 - 3 year	4,277,033	-	-	**4,277,033**
More than 3 years	1,076,030	-	-	**1,076,030**
Total	**11,083,270**	-	-	**11,083,270**

Trade Receivable - ageing and other details in ₹

March 31, 2025	**Undisputed trade receivables**			**Total**
	Considered good	**Which have significant increase in credit risk**	**Credit impaired**	
Less than 6 months	4,192,932	-	-	**4,192,932**
6 months - 1 year	1,581,818	-	-	**1,581,818**
1 - 2 year	6,467,509	-	-	**6,467,509**
2 - 3 year	-	-	-	-
More than 3 years	1,106,085	-	-	**1,106,085**
Total	**13,348,344**	-	-	**13,348,344**

Note: - No disuputed trade receivable during the year and previous year

6. Cash and cash equivalents in ₹

	As at March 31, 2026	As at March 31, 2025
Cash on hand	7,831	5,929
Bank balances		
In current accounts	3,652,392	849,540
	3,660,223	**855,469**

7. Other Financial Assets (Current) in ₹

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	20,295,930	22,002,480
Others	36,076	24,985
	20,332,006	**22,027,465**

8. Other current assets in ₹

	As at March 31, 2026	As at March 31, 2025
Other loans and advances	4,670,833	7,882,965
Prepaid Expenses	-	70,588
	4,670,833	**7,953,553**

9. Partners' contribution in ₹

	As at March 31, 2026	As at March 31, 2025
Prime Focus Limited	51,000	51,000
FLM Talent Management Agency Private Limited	5,000	5,000
Pritam Chakraborty	44,000	44,000
	100,000	**100,000**

10. Other equity in ₹

	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Balance as per last financial statements	(51,665,739)	(49,264,294)
(Loss) / Profit for the year	(1,989,495)	(2,401,445)
	(53,655,234)	**(51,665,739)**
Other comprehensive income:		
Balance as per last financial statements	258,126	273,657
Remeasurement Of Defined Benefit Obligation - (gain)	(131,250)	(15,531)
	126,876	**258,126**
Total other equity / (deficit)	**(53,528,358)**	**(51,407,613)**

11. Provision - (non current) in ₹

	As at March 31, 2026	2025
Provision for gratuity	1,326,701	486,191
	1,326,701	**486,191**

12. Borrowing - current in ₹

	As at March 31, 2026	2025
Loan from parent	71,400,000	71,400,000
	71,400,000	**71,400,000**

Loans from parent are short term unsecured loans availed at an interest rate of 10% (previous year 10%) and are repayable on demand.

13. Trade payables in ₹

	As at March 31, 2026	2025
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	3,714,666	2,297,715
Owed to group companies	18,146,938	20,298,230
	21,861,604	**22,595,945**

There were no dues payable to entities that are classified as Micro and Small Enterprisesunder the Micro, Smalland Medium Enterprises Development Act, 2006 for the above years.

Trade Payables - ageing and other details in ₹

March 31, 2026	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	550,801	-	-	550,801
Not due	-	-	-	-	-
Less than 1 years	-	12,135,768	-	-	12,135,768
1 to 2 years	-	7,581,650	-	-	7,581,650
2 to 3 years	-	-	-	-	-
More than 3 years	-	1,593,385	-	-	1,593,385
Total	**-**	**21,861,604**	**-**	**-**	**21,861,604**

Trade Payables - ageing and other details in ₹

March 31, 2025	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	73,541	-	-	73,541
Not due	-	-	-	-	-
Less than 1 years	-	11,163,803	-	-	11,163,803
1 to 2 years	-	9,554,605	-	-	9,554,605
2 to 3 years	-	329,347	-	-	329,347
More than 3 years	-	1,474,649	-	-	1,474,649
Total	**-**	**22,595,945**	**-**	**-**	**22,595,945**

14. Other financial liabilities (current) in ₹

	As at March 31, 2026	2025
Accrued salaries and benefits	983,256	1,146,249
Interest accrued on borrowings from parent	-	1,174,798
Capital creditors	43,660	240,860
	1,026,916	**2,561,907**

15. Provisions - current in ₹

	As at March 31, 2026	2025
Provision for gratuity	31,315	5,982
	31,315	**5,982**

16. Other current liabilities in ₹

	As at March 31, 2026	2025
Advances received from clients	147,900	332,440
Deferred revenue	400,000	-
Statutory dues	843,957	4,083,252
	1,391,857	**4,415,692**

17. Other income in ₹

	Year ended March 31, 2026	2025
Interest on income tax refunds	47,817	468,713
Liabilities/provisions no longer required written back	210,792	-
Exchange gain	113,354	-
Other income	108,000	-
	479,963	**468,713**

18. Employee benefits expenses in ₹

	Year ended March 31, 2026	2025
Salaries and allowances	11,894,778	11,490,243
Bonus and incentive	151,415	181,387
Contribution to provident and other funds	359,650	134,813
Staff welfare expenses	11,613	13,298
Gratuity	734,593	187,588
	13,152,049	**12,007,329**

19. Finance cost in ₹

	Year ended March 31, 2026	2025
Interest expense - parent	7,223,834	7,661,807
Interest on others	30,071	-
Bank charges	35,271	18,017
	7,289,176	**7,679,824**

20. Other expenses in ₹

	Year ended March 31, 2026	2025
Legal and professional fees	915,187	668,246
Audit fees	81,000	81,000
Bad debt written off	-	900
Travel, conveyance and accommodation	86,965	60,281
Rent	11,247,305	11,833,950
Repairs to buildings	636,469	786,818
Repairs to plant and machinery	309,313	725,541
Communication cost	27,969	35,476
Freight and clearing	2,174	-
House-keeping charges	1,939,702	1,567,197
Security charges	1,098,336	956,912
Office expenses	91,561	74,207
Printing and stationery	96,079	59,545
Electricity charges	4,835,480	5,319,768
Miscellaneous expenses	2,636,630	798,819
Technical service cost	9,500	-
Exchange loss	-	21,621
Insurance expenses	7,618	2,183
	24,021,288	**22,992,464**

21. Employee benefits

a. Defined contribution plans

The Company's defined contribution plans are provident fund, Employee State Insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

Contribution to Defined Contribution Plans, recognised as expense for the year is as under: in ₹

	Year ended March 31, 2026	Year ended March 31, 2025
Employer's contribution to provident and other funds	359,650	134,813

b. Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded) for qualifying employees of its operations in India. The defined benefit plan is administered by the Company. Under this plan, the employee is entitled to a lump-sum payment upon retirement from the services of the Company. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

These plans typically expose the Company to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the said plan, the most recent actuarial valuation of the defined benefit obligation were carried out by an external expert, who is a duly registered actuary. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation: in ₹

	Unfunded	
	March 2026	March 2025
Defined benefit obligation at the beginning of the year	492,173	387,450
Interest cost	55,805	27,935
Current service cost	180,363	159,653
Past Service Cost	498,425	-
Benefits paid	-	(98,396)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(122,160)	19,167
Actuarial (gains)/losses on obligations - due to experience	253,410	(3,636)
Defined benefit obligation at the end of the year	**1,358,016**	**492,173**

ii) Expense recognized in Statement of Profit and Loss: in ₹

	Unfunded	
	March 2026	**March 2025**
Current service cost	180,363	159,653
Past Service Cost	498,425	-
Net interest cost	55,805	27,935
Expenses recognized	**734,593**	**187,588**

iii) Expenses recognized in the Other Comprehensive Income (OCI) in ₹

	Unfunded	
	March 2026	**March 2025**
Actuarial (gain) / loss	131,250	15,531
Net (gain) / loss recognized in OCI	**131,250**	**15,531**

iv) Actuarial assumptions:

	Unfunded	
	Year ended March 31, 2026	**Year ended March 31, 2025**
Rate of discounting (p.a.)	6.94%	7.21%
Rate of salary increase (p.a.)	5.00%	5.00%
Rate of Employee Turnover(p.a.)	2.00%	2.00%
Mortality table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality Rate After Employment	N.A.	N.A.

The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

v) Sensitivity analysis of the defined benefit obligations:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

in ₹

	March 2026		March 2025	
	Increase in assumption	**Decrease in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate (1% movement)	(134,602)	158,903	(66,157)	80,846
Future salary appreciation (1% movement)	161,859	(139,135)	81,639	(67,846)
Attrition rate (1% movement)	33,953	(39,978)	7,170	(9,708)

22. Financial instruments

a. Capital Risk Management

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

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

b. Financial risk management objectives

A wide range of risks may affect the LLP's business and financial results. Amongst other risks that could have significant influence on the LLP are market risk, credit risk and liquidity risk.

The Partners of the LLP manage and review the affairs of the LLP by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

c. Market risk

The LLP is primarily exposed to the following market risks.

i. 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 LLP's exposure to the risk of changes in foreign exchange rates relates primarily to the LLP's operating activities (when revenue or expense is denominated in a foreign currency).

The following analysis has been worked out based on the net foreign currency exposures as of the date of Balance sheet which could affect the statement of profit and loss and equity.

Particulars	Foreign Currency Denomination	As at March 31, 2026		As at March 31, 2025	
		Foreign Currency	In ₹	Foreign Currency	In ₹
Asset	USD	2,171	203,735	10,971	937,528
	GBP	2,940	363,857	2,940	323,963
Asset total			**567,593**		**1,261,491**
Liability	USD	316	29,656	316	27,001
Liability total			**29,656**		**27,001**

5% appreciation/ depreciation of respective foreign currencies with respect to functional currency of the Group would result in increase / decrease in the Group's profit before tax by approximately ₹ 26,897 for the year ended March 31, 2026 (March 31, 2025: increase / decrease by approximately ₹ 61,725). This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

ii. Interest rate risk management

The LLP is not exposed to interest rate risk because it borrows funds from parent at a fix interest rate.

iii. Credit risk management

Credit risk is the risk of financial loss to the LLP if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the LLP's receivables from customers. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Company has a low credit risk in respect of its trade receivables, its principal customers being reputed production houses and major organisations which the Company has worked with for number of years. However, as Company grows its customer base and works with more independent producers it will experience an increased credit risk environment.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk during the year is ₹ 35,067,668 and as at March 31, 2025, ₹ 36,225,349 being the total of the carrying amount of the balances with banks, bank deposits, investments excluding equity investments, trade receivables, unbilled revenue and other financial assets.

d. Liquidity risk management

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

Management monitors rolling forecasts of the LLP's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below analyses the maturity profile of the LLP'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 ₹

As at March 31, 2026	Less than 1 year	Between 1 to 5 years	Total
Borrowings	71,400,000	-	71,400,000
Trade payables	21,861,604	-	21,861,604
Other financial liabilities	1,026,916	-	1,026,916
	94,288,520	**-**	**94,288,520**

in ₹

As at March 31, 2025	Less than 1 year	Between 1 to 5 years	Total
Borrowings	71,400,000	-	71,400,000
Trade payables	22,595,945	-	22,595,945
Other financial liabilities	2,561,907	-	2,561,907
	96,557,852	**-**	**96,557,852**

e. Fair value measurement

in ₹

As at March 31, 2026	Amortised cost	FVTPL	Total carrying value
Financial Assets:			
Other non-current financial assets	-	-	-
Trade receivables	11,083,270	-	11,083,270
Cash and cash equivalents	3,660,223	-	3,660,223
Other financial assets - current	20,332,006	-	20,332,006
Total financial assets	**35,075,499**	**-**	**35,075,499**
Financial Liabilities:			
Borrowings	71,400,000	-	71,400,000
Trade payables	21,861,604	-	21,861,604
Other financial liabilities - current	1,026,916	-	1,026,916
Total financial liabilities	**94,288,520**	**-**	**94,288,520**

in ₹

As at March 31, 2025	Amortised cost	FVTPL	Total carrying value
Financial Assets:			
Other non-current financial assets	-	-	-
Trade receivables	13,348,344	-	13,348,344
Cash and cash equivalents	855,469	-	855,469
Other financial assets - current	22,027,465	-	22,027,465
Total financial assets	**36,231,278**	**-**	**36,231,278**
Financial Liabilities:			
Borrowings	71,400,000	-	71,400,000
Trade payables	22,595,945	-	22,595,945
Other financial liabilities - current	2,561,907	-	2,561,907
Total financial liabilities	**96,557,852**	**-**	**96,557,852**

23. Capital and other commitments

in ₹

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances), and not provided for:	-	-

24. Additional regulatory informations:

i. Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current ratio	Current assets	Current liabilities	0.42	0.44
Debt-Equity ratio	Total debt (Borrowings)	Total equity	(1.34)	(1.39)
Debt service coverage ratio	Earning before interest, depreciation and tax	Interest + principal repayment of long term borrowings	1.57	1.10
Return on equity ratio	Profits after tax	Average equity	(0.04)	(0.05)
Inventory turnover	Revenue from operations	Inventory	-	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.57	3.10
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation	Average trade payable	1.08	1.24
Net capital turnover ratio	Revenue from operations	Average working capital	(0.99)	(0.88)
Net profit ratio	Profits after tax	Revenue from operations	(0.04)	(0.05)
Return on capital employed	Net profit before interest and tax	Capital Employed (Shareholders Fund + long term borrowings)	(0.10)	(0.10)
Return on investment	Profit after tax	Total equity	(0.04)	(0.05)

ii. Other informations:-

a. The LLP does not have any benami property held in its name. No proceedings have been initiated on or are pending against the LLP for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The LLP has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The LLP have no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The LLP has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. The LLP has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

f. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

g. The LLP has not traded or invested in crypto currency or virtual currency during the year.

h. Utilisation of borrowed funds and share premium :

(i). The LLP has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the LLP (Ultimate Beneficiaries) or

-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The LLP has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the LLP shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

i. The LLP does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

25. 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
Prime Focus Limited	Holding company
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	Fellow subsidiary company
Dneg India Media Services Limited	Fellow subsidiary company

Related party trasactions during the year in ₹

	March 31,	
	2026	**2025**
Revenue from operations		
Brahma AI Services India Limited	159,000	45,000
Dneg India Media Services Limited	642,675	694,175
Interest expenses		
Prime Focus Limited	7,223,834	7,661,807
Expense recharge received from		
Prime Focus Limited	57,359	49,835
Rent expenses		
Dneg India Media Services Limited	9,600,000	9,600,000

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Related party trasactions during the year in ₹

	March 31,	
	2026	**2025**
Loan received from		
Prime Focus Limited	1,000,000	10,200,000
Loan repaid to (including interest)		
Prime Focus Limited	9,398,632	24,205,762
Collection from debtors onbehalf of		
Dneg India Media Services Limited	387,972	300,000
Receivable from customer assigned by		
Prime Focus Limited	-	109,000

Balance at end of the year in ₹

	March 31,	
	2026	**2025**
Loan from parent company		
Prime Focus Limited	71,400,000	71,400,000
Interest payable on loan received		
Prime Focus Limited	-	1,174,798
Owed to group company		
Prime Focus Limited	2,938	114,630
Dneg India Media Services Limited	18,144,000	20,183,600
Trade receivable		
Dneg India Media Services Limited	70,495	2,375,955
Brahma AI Services India Limited	240,720	53,100

As per our report of even date

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

For Prime Focus Limited

Partner

Niraj Sanghai

Pritam Chakraborty

For FLM Talent Management Agency Private Limited

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 25, 2026

Dhruv Chitgopekar

UDIN: 26042673QRLWAT4536

Metaphysic Inc.
Balance Sheet as at March 31, 2026

(Amount in USD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Deferred tax asset (net)	4	74,687	-
Total non-current assets		**74,687**	**-**
Current assets			
Financial assets			
Trade receivables	6	-	21,036
Cash and cash equivalents	7	44,038	6,266
Other financial assets	8	30,101,007	30,296,099
Total current assets		**30,145,045**	**30,323,401**
Total assets		**30,219,732**	**30,323,401**
Equity and Liabilities			
Equity			
Equity share capital	9	29,781,894	29,781,894
Other equity	10	421,722	540,522
Total equity		**30,203,616**	**30,322,415**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	11	1,000	-
Current tax liabilities	5	15,116	986
Total current liabilities		**16,116**	**986**
Total liabilities		**16,116**	**986**
Total equity and liabilities		**30,219,732**	**30,323,401**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Metaphysic Inc.
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in USD)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	12	(186,036)	21,036
Other income	13	24,010	5,539
Total Income		**(162,026)**	**26,575**
Expenses			
Finance costs	14	-	130
Other expenses	15	2,694	22,500
Total expenses		**2,694**	**22,630**
(Loss) / profit before tax		**(164,720)**	**3,945**
Tax expenses			
Current tax	16	29,246	986
Deferred tax	16	(74,687)	-
Total tax expense / (credit) (net)		**(45,440)**	**986**
Profit/ (Loss) for the year		**(119,280)**	**2,959**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**(119,280)**	**2,959**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Metaphysic Inc.
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in USD)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**(164,720)**	**3,945**
Add: Non-Cash Transactions		
Finance cost	-	130
Finance Income	(22,179)	(2,734)
Operating profit before working capital changes	**(186,900)**	**1,340**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	1,000	-
Increase / (Decrease) in Payables due to related party	217,271	(178,247)
(Increase) / Decrease in Trade and other receivables	21,036	(21,036)
Cash generated from operations	**52,407**	**(197,942)**
Taxes Paid (Net of Refunds)	(15,116)	-
Finance costs paid (net)	-	(130)
Net cash flow from operating activities (A)	**37,291**	**(198,072)**
(C) Financing Acitivities		
Proceeds from issue of equity shares	-	102
Net cash flow from (used in) financing activities (C)	**-**	**102**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**481**	**(2,804)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**37,771**	**(200,774)**
Cash and cash equivalents at the beginning of the year	6,266	-
Add: Cash acquired from Business Combinations	-	207,041
Cash and cash equivalents at the end of the year	44,038	6,266

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Metaphysic Inc.
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in USD)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	29,781,894
As at March 31, 2025	**29,781,894**
Changes in equity share capital during the year	-
As at March 31, 2026	**29,781,894**

B. Other equity **(Amount in USD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(63,758)**
Profit for the year (net of tax)	2,959
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(60,799)**
Profit for the year (net of tax)	(119,280)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(180,079)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Metaphysic Inc.
Notes forming part of the financial statements

1 General information

Metaphysic Inc ("the Company") is a private limited company incorporated and domiciled in United Kingdom. The Company is the wholly owned subsidiary of Brahma AI Holdings Limited ("Brahma AI Holdings") and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company is to be a holding company, with its principal investment being in Brahma AI Services UK Limited, an AI Software development company.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4 Deferred tax assets / (liabilities) (net)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	-	-
Charge to Statement of Profit and Loss and Other Comprehensive Income	74,687	-
Total	**74,687**	**-**

5 Income tax assets / (liabilities) (net) (Non Current)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
The movement on the income tax account is as follows:		
At the start of the year	(986)	-
Charge to Statement of Profit and Loss and Other Comprehensive Income	(29,246)	(986)
Total	**(15,116)**	**(986)**

6 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	-	21,036
Trade receivables from contracts with customers - related parties (refer note no 32)		
	-	21,036
Less: allowance for doubtful debt	-	-
	-	**21,036**

Trade receivables - ageing and other details

Amount in USD

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	21,036	-	-	21,036
Total	**21,036**	**-**	**-**	**21,036**
Less: allowances for credit losses				-
Net Trade Receivables				**21,036**

7 Cash and cash equivalents

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	44,038	6,266
	44,038	**6,266**

8 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	29,517,735	29,735,006
Interest accrued on bank deposits	46,242	24,063
Other Receivables	537,030	537,030
	30,101,007	**30,296,099**

Metaphysic Inc.
Notes to the Financial Statements for the year ended March 31, 2026

9 Share capital

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	29,781,894	29,781,894
	29,781,894	**29,781,894**

Brahma AI Holdings Limited is the Immediate Holding Company

10 Other equity

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(60,799)	(63,758)
Add: Profit for the year	(119,280)	2,959
	(180,079)	**(60,799)**
Additional paid in capital	601,801	601,321
	421,722	**540,522**

11 Trade payables

Amount in USD

	As at March 31, 2026	As at March 31, 2025
Trade payables	1,000	-
	1,000	**-**

Trade paybles - ageing and other details

Amount in USD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	1,000	-	-
Total	**-**	**1,000**	**-**	**-**

Metaphysic Inc.
Notes to the Financial Statements for the year ended March 31, 2026

Metaphysic Inc.
Notes to the Financial Statements for the year ended March 31, 2026

12 Revenue from operations — **Amount in USD**

	2025-26	2024-25
Sale of services	(186,036)	21,036
	(186,036)	**21,036**

13 Other income — **Amount in USD**

	2025-26	2024-25
Interest income:		
- Others	22,179	2,734
Dividend income	85	-
Miscellaneous income	1,746	2,804
	24,010	**5,539**

14 Finance costs — **Amount in USD**

	2025-26	2024-25
Bank charges	-	130
	-	**130**

15 Other expenses — **Amount in USD**

	2025-26	2024-25
Legal and Professional fees	2,094	22,500
Miscellaneous expenses	600	-
	2,694	**22,500**

16 Tax expenses — **Amount in USD**

	2025-26	2024-25
Current tax expense/(income)	29,246	986
Deferred tax expense/(income)	(74,687)	-
	(45,440)	**986**

17. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in USD

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	1,000	-	1,000
Other Financial Liabilities	-	-	-

Amount in USD

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	-	-	-
Other Financial Liabilities	-	-	-

18. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

19. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

PF Media Limited
(Formerly known as RELIANCE MEDIAWORKS (MAURITIUS) LIMITED)

Balance sheet as at March 31, 2026 *In MUR*

		As at	As at
		31.03.2026	**31.03.2025**
		Audited	**Audited**
Non-current assets			
Investments	3	-	-
Other financial assets	4	359,110,075	349,173,129
		359,110,075	**349,173,129**
Current assets			
Financial assets			
Other financial assets	5	706,215	686,673
		706,215	**686,673**
TOTAL ASSETS		**359,816,290**	**349,859,802**
Equity and Liabilities			
Shareholders' funds			
Equity		895,111,000	895,111,000
Other equity		(547,929,115)	(557,534,834)
		347,181,885	**337,576,166**
Current liabilities			
Financial liabilities			
Trade payables	6	12,634,405	12,283,636
		12,634,405	**12,283,636**
TOTAL EQUITY & LIABILITIES		**359,816,290**	**349,859,802**

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, 2026
UDIN: 26042673IFAHCR3638

Nishant Fadia
(Director)

PF Media Limited
(Formerly known as RELIANCE MEDIAWORKS (MAURITIUS) LIMITED)

Statement of profit and loss for the year ended March 31, 2026 *In MUR*

Particulars		Year ended	
		31 Mar 26	31 Mar 25
		Audited	Audited
Income from operations			
Revenue from operations		-	-
Other income:			
a) Exchange gain (net)		9,605,719	-
b) Others	7	-	-
Total income from operations		**9,605,719**	**-**
Expenses			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenditure		-	-
Exchange loss (net)		-	4,080,541
Total Expenses		**-**	**4,080,541**
Profit / (Loss) before exceptional items		**9,605,719**	**(4,080,541)**
Exceptional loss	8	-	(886,736,419)
Profit from ordinary activities before tax		**9,605,719**	**(890,816,960)**
Current tax		-	-
Deferred tax		-	-
Net Profit for the year		**9,605,719**	**(890,816,960)**
Earnings per equity share of face value of MUR 1 each			
Basic		0.01	(1.00)
Diluted		0.01	(1.00)

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, 2026
UDIN: 26042673IFAHCR3638

Nishant Fadia
(Director)

PF Media Limited
(Formerly known as RELIANCE MEDIAWORKS (MAURITIUS) LIMITED)

Statement of changes in Equity

Changes in Equity Share capital	**No of shares**	**Amount in MUR**
As at 1st April 2024	895,111,000	895,111,000
Changes during the year	-	-
As at 31st March 2025	**895,111,000**	**895,111,000**
Changes during the year	-	-
As at 31st March 2026	**895,111,000**	**895,111,000**

In MUR

Changes in Other Equity	**Retained earnings**	**Total**
As at 1st April 2024	333,282,125	333,282,125
Profit / (loss) for the year	(890,816,960)	(890,816,960)
As at 31st March 2025	**(557,534,834)**	**(557,534,834)**
Profit / (loss) for the year	9,605,719	9,605,719
As at 31st March 2026	**(547,929,115)**	**(547,929,115)**

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, 2026

Nishant Fadia
(Director)

UDIN: 26042673IFAHCR3638

PF Media Limited
(Formerly known as RELIANCE MEDIAWORKS (MAURITIUS) LIMITED)

Cash Flow Statement *In MUR*

Particulars	Year ended March 31,	
	2026	**2025**
A. Cash flow from Operating activities		
Net Profit before taxation	**9,605,719**	**(890,816,960)**
Adjustments for :		
Investment written-off	-	886,736,419
Advances written back	-	-
Unrealised exchange (gain) / loss	(9,605,719)	4,080,541
Operating profit before working capital changes	**-**	**-**
Movements in working capital :		
Increase/(Decrease) in current financial liabilities	-	-
Increase/(Decrease) in receivables and payables	-	-
Decrease / (increase) in non-current assets	-	-
Decrease / (increase) in current financial assets	-	-
Cash generated from operations	**-**	**-**
Direct Taxes paid (Net of Refunds)	-	-
Net Cash from operating activities	**-**	**-**
B. Cash flow from investing activites		
Sale of investment in Digital Domain	-	-
Net Cash from investing activities	**-**	**-**
C. Cash flow from Financing activities		
Repayment of borrowings	-	-
Finance cost paid	-	-
Net cash used in Financing activities	**-**	**-**
D. Effect of exchange on cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**-**	**-**
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	**-**	**-**

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, 2026

Nishant Fadia
(Director)

UDIN: 26042673IFAHCR3638

1. Corporate information

PF Media Limited (formerly known as Reliance MediaWorks (Mauritius) Limited) ('the Company') was incoporated on March 20, 2008 and is holding company with no active operations. On April 7, 2015, the shares in the Company were transferred by Reliance MediaWorks Limited, the erstwhile holding company to Prime Focus Limited as part of the transfer of film and media services business of Reliance MediaWorks Limited to Prime Focus Limited.

On November 20, 2020, Prime Focus Limited transferred it's 100% share holding to PF World Limited, Mauritius.

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, 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.

3. Non-current investments *In MUR*

	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments (Unquoted)		
Lowry Digital Imaging Services Inc.		
Op balance	-	886,736,419
Addition during the year	-	-
Written-off during the previous year	-	(886,736,419)
900 equity shares of $ 1 each		
	-	**-**

During the previous year, the Company written-off it's investment in Lowry Digital Imaging Services Inc.

4. Other non-current financial assets *In MUR*

	As at March 31, 2026	As at March 31, 2025
Amount due from fellow subsidiary	359,110,075	349,173,129
	359,110,075	**349,173,129**

5. Other current financial assets *In MUR*

	As at March 31, 2026	As at March 31, 2025
Amount due from fellow subsidiary	706,215	686,673
	706,215	**686,673**

6. Trade payable *In MUR*

	As at March 31, 2026	As at March 31, 2025
Payable to group companies	12,634,405	12,283,636
	12,634,405	**12,283,636**

Trade Payables - ageing and other details *In MUR*

As at March 31, 2026	Others	Disputed dues- others	Total
Provisions	-	-	-
Less than 1 years	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 years	12,634,405	-	12,634,405
Total	**12,634,405**	**-**	**12,634,405**

Trade Payables - ageing and other details *In MUR*

As at March 31, 2025	Others	Disputed dues- others	Total
Provisions	-	-	-
Less than 1 years	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 years	12,283,636	-	12,283,636
Total	**12,283,636**	**-**	**12,283,636**

8. Fair Value Measurements *In MUR*

	As at March 31		As at March 31	
	2026	2025	2026	2025
	Carrying Value		Fair Value	
Financial Assets:				
Cash and cash equivalents	-	-	-	-
Other current financial assets	706,215	686,673	-	-
Investments	-	-	-	-
Other non-current financial assets	359,110,075	349,173,129	-	-
Total	**359,816,290**	**349,859,802**	**-**	**-**
Financial Liabilities:				
Trade payables	12,634,405	12,283,636	-	-
Other current financial liabilities	-	-	-	-
Total	**12,634,405**	**12,283,636**	**-**	**-**

The management assessed that the fair value of cash and cash equivalents & trade payables approximate their carrying amounts largely due to the short-term maturities of these 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 company is not subject to any externally imposed capital requirements.

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.

Liquidity Risk *In MUR*

At 31 March 2026	Less than 12 months	More than 12 months	Total
Financial liabilities			
Trade Payables	12,634,405	-	**12,634,405**
Other current financial liabilities	-	-	**-**
	12,634,405	**-**	**12,634,405**

At 31 March 2025	Less than 12 months	More than 12 months	Total
Current financial liabilities			
Trade Payables	12,283,636	-	**12,283,636**
Other current financial liabilities	-	-	**-**
	12,283,636	**-**	**12,283,636**

Market risk

The primary market risks to which the Group is exposed are foreign currency and interest rate risk.

Foreign currency risk management

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Great Britain Pound against the respective functional currency of Mauritian Rupee.

The following analysis has been worked out based on the net exposures for each of the subsidiaries and Prime Focus Limited as of the date of Balance sheet which could affect the statement of profit and loss and other comprehensive income and equity.

The following table sets forth information relating to foreign currency exposure:

	March 2026		March 2025	
	Foreign Currency	MUR	Foreign Currency	MUR
Asset	$ 7,642,498	359,816,290	$ 7,642,498	349,859,802
Total asset		**359,816,290**		**349,859,802**
Liability	$ 268,329	12,634,406	$ 268,329	12,283,637
Total liability		**12,634,406**		**12,283,637**

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 MUR 17,359,094 for the year ended March 31, 2026 [March 31, 2025: MUR 16,878,809]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

9. Earnings per share

In MUR

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net (loss) attributable to equity shareholders	9,605,719	(890,816,960)
Exceptional loss	-	-
Net Profit/(loss) before exceptional items but after tax	**9,605,719**	**(890,816,960)**
Weighted average number of equity shares in calculating basic and diluted EPS	**895,111,000**	**895,111,000**
Earnings per share (before exceptional items)		
Basic EPS	0.01	(1.00)
Diluted EPS	0.01	(1.00)

10. Related party transactions

Holding Company
Prime Focus Limited

List of related parties with whom transactions have taken place during the year
Prime Focus Limited
PF World Limited, (Mauritius)
Prime Focus Technologies Inc
Dneg India Media Services Limited
DNEG North America Inc.
Lowry Digital Imaging Services Inc.

Transaction during the year *In MUR*

	Year ended March 31, 2026	**Year ended March 31, 2025**
Invetment written-off during the year		
Lowry Digital Imaging Services Inc.	-	886,736,419
Amount payable by Lowry Digital Imaging Services Inc assinged to		
PF World Limited, (Mauritius)	-	-
Prime Focus Technologies Inc	-	-
DNEG North America Inc.	-	-
Dneg India Media Services Limited	-	-

Balance outstanding *In MUR*

	As at March 31, 2026	**As at March 31, 2025**
Amount due from fellow subsidiary - non current		
Lowry Digital Imaging Services Inc.		-
PF World Limited, (Mauritius)	359,110,075	349,173,129
Amount due from fellow subsidiary - current		
PF World Limited, (Mauritius)	706,215	686,673
Payable to		
PF World Limited, (Mauritius)	12,552,937	12,204,422
Prime Focus Technologies Inc	41,120	39,982
DNEG North America Inc.	40,348	39,232

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, 2026

Nishant Fadia
(Director)

UDIN: 26042673IFAHCR3638

PF Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

Balance sheet as on March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	2025
Assets			
Current assets			
Financial Assets			
i) Cash and cash equivalents	3	40.00	40.00
TOTAL		**40.00**	**40.00**
Equity and Liabilities			
Equity			
Equity Share Capital	4	100.00	100.00
Other Equity	5	(251.57)	(232.17)
		(151.57)	**(132.17)**
Current liabilities			
Financial Liabilities			
i) Trade payables	6	191.57	172.17
		191.57	**172.17**
TOTAL		**40.00**	**40.00**

Notes forming part of the financial statements 1-11

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, 2026
UDIN: 26042673WLEBLG6735

Naresh Malhotra
(Director)
Din 00004597

Ramakrishnan Sankaranarayanan
(Director)
Din 02696897

PF Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

Statement of Profit and Loss for the year ended March 31, 2026 ₹ in Thousand

	Notes	For the year ending March 31, 2026	2025
Income			
Revenue from operations (net)		-	-
Other income		-	-
		-	**-**
Expenses			
Employee benefits expenses		-	-
Other expenses	7	19.40	38.80
Finance costs		-	-
Depreciation and amortization expenses		-	-
		19.40	**38.80**
Loss before exceptional items and tax		**(19.40)**	**(38.80)**
Exceptional Items		-	-
Loss before tax		**(19.40)**	**(38.80)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(19.40)**	**(38.80)**
Earnings per equity share			
Basic	10	(1.94)	(3.88)
Diluted		(1.94)	(3.88)
Notes to accounts	1-11		

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
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May 25, 2026
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PF Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

Statement of Changes in Equity for the year ended March 31, 2026

Changes in Equity Share capital ₹ in Thousand

	No of shares	Amount in ₹
As at 31st March 2024	**10,000**	**100.00**
Changes during the year	-	-
As at 31st March 2025	**10,000**	**100.00**
Changes during the year	-	-
As at 31st March 2026 (refer note below)	**10,000**	**100.00**

Note: During the year, the immediate holding company of the Company changed from Prime Focus Limited to DNEG SARL due to a change in shareholding. There was no change in the ultimate holding company.

Changes in Other Equity ₹ in Thousand

	Surplus in the statement of profit and loss	Total other equity
As at 1st April 2023	**(140.68)**	**(140.68)**
Profit/ (loss) for the year	(52.69)	(52.69)
As at 31st March 2024	**(193.37)**	**(193.37)**
Profit/ (loss) for the year	(38.80)	(38.80)
As at 31st March 2025	**(232.17)**	**(232.17)**
Profit/ (loss) for the year	(19.40)	(19.40)
As at 31st March 2026	**(251.57)**	**(251.57)**

As per our report of even date
For V. Shivkumar & Associates
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PF Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

Cash Flow statement for the year ended March 31, 2026 ₹ in Thousand

	Notes	For the year ending March 31, 2026	2025
A. Cash flow from Operating activities			
Net Profit before taxation		**(19.40)**	**(38.80)**
Adjustments for :			
Finance cost		-	-
Excess provision written back		-	-
Operating profit before working capital changes		**(19.40)**	**(38.80)**
Movements in working capital :			
Increase/(Decrease) in current liabilities		**19.40**	**38.80**
Cash generated from operations		**-**	**-**
Direct Taxes paid (Net of Refunds)		**-**	**-**
Net Cash from operating activities		**-**	**-**
B. Cash flow from investing activites			
Net Cash from investing activities		**-**	**-**
C. Cash flow from Financing activities			
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	3	**40.00**	**40.00**
Cash and cash equivalents at the end of the year		**40.00**	**40.00**
Notes to accounts	1-11		

As per our report of even date
For V. Shivkumar & Associates
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May 25, 2026

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(Director)
Din 00004597

Ramakrishnan Sankaranarayanan
(Director)
Din 02696897

UDIN: 26042673WLEBLG6735

1. Corporate information

PF Studio Private Limited, (previously known as Prime Focus Production Services Pvt Ltd.) (the Company) is a private company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of post-production including digital intermediate, visual effects, 2D to 3D conversion and other technical and creative services to the Media and Entertainment industry.

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. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the Company's activities. Revenue is shown net of applicable taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and no significant uncertainty exists as to its determination or realisation. The Company bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

The Company provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimension to three dimension (2D to 3D) conversion and other technical services and to clients in the film, broadcast and commercial sectors.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

d. 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.

e. 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.

f. 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).

g. 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, 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.

h. 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.

i. 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 Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

3. Cash and bank balances

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks:		
On Current Accounts	40.00	40.00
Cash on hand	-	-
	40.00	**40.00**

4. Share capital

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Authorised shares:		
10,000 Shares of Re.10/- each		
(Previous year 10,000 Shares of Rs.10/- each)	**100.00**	**100.00**
Issued, subscribed and paid-Up:	100.00	100.00
10,000 Shares of Re.10/- each		
(Previous year 10,000 Shares of Rs.10/- each)		
	100.00	**100.00**

5. Other Equity

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Retained Earnings		
Balance as per last financial statements	(232.17)	(193.37)
Loss for the year	(19.40)	(38.80)
Net Retained Earnings	**(251.57)**	**(232.17)**
Total Other Equity	**(251.57)**	**(232.17)**

6. Trade payables

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	39.40	20.00
Trade payables to related parties (note 8)	152.17	152.17
	191.57	**172.17**

There were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 for the above years.

Trade Payables - ageing and other details

₹ in Thousand

As at March 31, 2026	MSME	Others	Disputed dues-MSME	Disputed dues-others	Total
Provisions	-	39.40	-	-	**39.40**
Not due	-	-	-	-	**-**
less than 1 years	-	-	-	-	**-**
1 to 2 years	-	-	-	-	**-**
2 to 3 years	-	42.19	-	-	**42.19**
more than 3 years	**-**	109.98	**-**	**-**	**109.98**
Total	**-**	**191.57**	**-**	**-**	**191.57**

PF Studio Private Limited
(Previously known as Prime Focus Production Services Pvt Ltd)
CIN : U52392MH2008PTC179538

Trade Payables - ageing and other details ₹ in Thousand

As at March 31, 2025	MSME	Others	Disputed dues-MSME	Disputed dues-others	Total
Provisions	-	20.00	-	-	**20.00**
Not due	-	-	-	-	**-**
less than 1 years	-	-	-	-	**-**
1 to 2 years	-	42.19	-	-	**42.19**
2 to 3 years	-	13.54	-	-	**13.54**
more than 3 years	-	96.44	-	-	**96.44**
Total	**-**	**172.17**	**-**	**-**	**172.17**

7. Other expenses ₹ in Thousand

	For the year ended March 31,	
	2026	**2025**
Legal and professional fees	9.40	18.80
Audit fees	10.00	20.00
	19.40	**38.80**

8. 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
Prime Focus Limited	**Holding Company**

Related Party Transaction During the Year ₹ in Thousand

	March 31,	
	2026	**2025**
Reimbursement of Expenses		
Prime Focus Limited	-	33.80

Balance outstanding ₹ in Thousand

	As at March 31,	
	2026	**2025**
Closing Balance		
Prime Focus Limited	152.17	152.17

9. Fair Value Measurements ₹ in Thousand

	As at March 31		As at March 31	
	2026	2025	2026	2025
	Carrying Value		Fair Value	
A. Financial Assets:				
Cash and cash equivalents	40.00	40.00	-	-
Total	**40.00**	**40.00**	**-**	**-**
B. Financial Liabilities:				
Trade payables	191.57	172.17	-	-
Total	**191.57**	**172.17**	**-**	**-**

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.

a) Financial risk management

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

- Credit risk
- Liquidity risk

i) Credit Risk

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

ii) 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.

Liquidity Risk ₹ in Thousand

At 31 March 2026	Less than 1 Year	More than 1 Year	Total
Current financial assets			
Cash and cash equivalents	40.00	-	**40.00**
	40.00	**-**	**40.00**
Current financial liabilities			
Trade Payables	191.57	-	**191.57**
	191.57	**-**	**191.57**

₹ in Thousand

At 31 March 2025	Less than 1 Year	More than 1 Year	Total
Current financial assets			
Cash and cash equivalents	40.00	-	**40.00**
	40.00	**-**	**40.00**
Current financial liabilities			
Trade Payables	172.17	-	**172.17**
	172.17	**-**	**172.17**

10. Additional regulatory informations:

i. Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current ratio	Current assets	Current liabilities	0.21	0.23
Debt-Equity ratio	Total debt (Borrowings)	Total equity	-	-
Debt service coverage ratio	Earning before interest, depreciation and tax	Principal repayment of long term borrowings and leases	-	-
Return on equity ratio	Profits after tax	Average equity	(0.14)	(0.34)
Inventory turnover	Revenue from operations	Inventory	-	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	-	-
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation	Average trade payable	0.11	0.25
Net capital turnover ratio	Revenue from operations	Average working capital	-	-
Net profit ratio	Profits after tax	Revenue from operations	-	-
Return on capital employed	Net profit before interest and tax	Capital Employed (Shareholders Fund + long term borrowings)	(0.13)	(0.29)
Return on investment	Profit after tax	Total equity	(0.13)	(0.29)

ii. Other informations:-

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company have no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

f. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

g. The Company has not traded or invested in crypto currency or virtual currency during the year.

h. Utilisation of borrowed funds and share premium :

(i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

i. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

11. Earnings per share

₹ in Thousand

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net (loss) attributable to equity shareholders	(19.40)	(38.80)
Exceptional items (net of tax)	-	-
Net Profit/(loss) before exceptional items but after tax	(19.40)	(38.80)
Weighted average number of equity shares in calculating basic and diluted EPS	**10,000**	**10,000**
Earnings per share (before exceptional items)		
Basic EPS	(1.94)	(3.88)
Diluted EPS	(1.94)	(3.88)

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, 2026
UDIN: 26042673WLEBLG6735

Naresh Malhotra
(Director)
Din 00004597

Ramakrishnan Sankaranarayanan
(Director)
Din 02696897

PF WORLD LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	Year ended 31 March 2026 USD	Year ended 31 March 2025 USD
ASSETS			
Non current asstes			
Investments in subsidiary	4 (a)	154,927,099	135,177,099
Other long term receivables	5	9,412,020	4,412,000
		164,339,119	**139,589,099**
Current assets			
Other current financial assets	6	5,151,055	5,306,605
Cash at bank		357,517	951,556
		5,508,572	**6,258,161**
TOTAL ASSETS		**169,847,691**	**145,847,260**
EQUITY AND LIABILITIES			
Equity			
Stated capital	7	172,007,973	147,757,973
Accumulated profit / (loss)	7	(58,832,251)	(58,743,179)
		113,175,722	**89,014,794**
Non current liabilities			
Borrowing		-	-
Other non-current financial liabilities	8	7,627,498	7,627,498
		7,627,498	**7,627,498**
Current liabilities			
Borrowing		-	-
Other current financial liabilities	9	49,044,471	49,204,968
Other current liabilities		-	-
		49,044,471	**49,204,968**
TOTAL EQUITY AND LIABILITIES		**169,847,691**	**145,847,260**

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 20, 2026

Namit Malhotra
Director

UDIN: 26042673WSVPBR4693

PF WORLD LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Year ended 31 March 2026 USD	Year ended 31 March 2025 USD
Income	10	147,543	1,294,229
Total Income		**147,543**	**1,294,229**
Expenses	11	235,979	2,116,925
Finance cost	12	636	582
Total Expenses		**236,615**	**2,117,507**
Profit / (Loss) before exceptional item		**(89,072)**	**(823,277)**
Exceptional item	13	-	24,180,257
Profit / (Loss) before tax		**(89,072)**	**(25,003,535)**
Tax expense		-	-
Profit / (Loss) after tax		**(89,072)**	**(25,003,535)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(89,072)**	**(25,003,535)**
Profit / (Loss) per share		**(0.84)**	**(235.88)**

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 20, 2026
UDIN: 26042673WSVPBR4693

Namit Malhotra
Director

PF WORLD LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Stated capital USD	Optionally convertible preference shares USD	Accumulated profit / (loss) USD	Total USD
Balance at 01 April 2024	**106,000**	**61,551,973**	**(33,739,645)**	**27,918,328**
Activity during the year		86,100,000	-	**86,100,000**
Total comprehensive loss for the year	-		(25,003,535)	**(25,003,535)**
Balance at 31 March 2025	**106,000**	**147,651,973**	**(58,743,179)**	**89,014,794**
Activity during the year	-	24,250,000	-	**24,250,000**
Total comprehensive loss for the year	-	-	(89,072)	**(89,072)**
Balance at 31 March 2026	**106,000**	**171,901,973**	**(58,832,251)**	**113,175,722**

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 20, 2026

Namit Malhotra
Director

UDIN: 26042673WSVPBR4693

PF WORLD LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Year ended 31 March 2026 USD	Year ended 31 March 2025 USD
Cash flows from operating activities		
Profit / (Loss) before exceptional item	(89,072)	(823,277)
Sundry balance written off	-	765,981
Unrealized foreign exchange loss (net)	156,972	14,300
Finance costs	636	582
Operating loss before working capital changes	**68,536**	**(42,415)**
(Increase) / decrease in other receivables	(5,001,442)	11,113,975
Increase /(decrease) in current liabilities	(160,497)	202,094
Net cash flows from operating activities	**(5,093,403)**	**11,273,654**
Cash flows from investing activities		
Purchase of non-current investments	(19,750,000)	(96,854,762)
Net cash flows from investing activities	**(19,750,000)**	**(96,854,762)**
Cash flows from financing activities		
(Repayment) / proceeds of optionally convertible preference shares	24,250,000	86,100,000
Finance cost paid (net)	(635)	(582)
Net cash from financing activities	**24,249,365**	**86,099,418**
Net movement in cash and cash equivalents	**(594,039)**	**518,310**
Cash and cash equivalents at beginning of year	**951,556**	**433,246**
Cash and cash equivalents at end of year	**357,517**	**951,556**
Cash and cash equivalents consist of:		
Cash at bank	**357,517**	**951,556**

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 20, 2026

Namit Malhotra
Director

UDIN: 26042673WSVPBR4693

PF WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

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:

• 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 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, 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.

4 INVESTMENTS

4 (a) Investment in subsidiary

DNEG S.a.r.l	**As at March 31, 2026 USD**	**As at March 31, 2025 USD**
Opening balance	124,176,997	27,322,235
Addition (Refer note a,b & c below)	19,750,000	96,854,762
Sale (Refer note d below)	-	-
Closing balance	**143,926,997**	**124,176,997**

a. During the year, the Company acquired equity shares of DNEG Sarl for $ 19,750,000 (559,141 equity shares) from minority shareholder

b. During the previous year, the Company acquired additional investment in DNEG Sarl of $ 96,492,877

c. During the previous year, the Company recognised commission against guarantee given to it's subsidiaries of $ 361,885, which is considered as contribution in DNEG Sarl.

Details of investee company:	**No. of shares**	**Class of shares**	**Percentage holding**	**Country of incorporation**	**Amount USD**
Dneg S.a.r.l	28,024,333	Equity	54.10%	Luxembourg	143,926,997

PF Media Limited *	**As at March 31, 2026 USD**	**As at March 31, 2025 USD**
Opening balance	11,000,000	11,000,000
Additions	-	-
Closing balance	**11,000,000**	**11,000,000**

** Formerly known as Reliance Mediaworks (Mauritius) Limited*

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

PF Overseas Limited	**As at March 31, 2026 USD**	**As at March 31, 2025 USD**
Opening balance	100	100
Addition during the year	-	-
At year end	**100**	**100**

Details of investee company:	**No. of shares**	**Class of shares**	**Percentage holding**	**Country of incorporation**	**Amount USD**
PF Overseas Limited	100	Equity	88.5%	Mauritius	100

Prime Focus Media Uk Limited	**As at March 31, 2026 USD**	**As at March 31, 2025 USD**
Opening balance	1	1
Addition during the year	-	-
At year end	**1**	**1**

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

5. OTHER NON-CURRENT RECEIVABLES

	As at March 31, 2026 USD	**As at March 31, 2025 USD**
Other receivables	1,612,000	1,612,000
Investments in films	7,800,020	2,800,000
	9,412,020	**4,412,000**

6. OTHER CURRENT FINANCIAL ASSETS

	As at March 31, 2026 USD	As at March 31, 2025 USD
Receivable from group companies	2,646,455	2,802,005
Other receivables	2,504,600	2,504,600
	5,151,055	**5,306,605**

7(a). STATED CAPITAL

	As at March 31, 2026 USD	As at March 31, 2025 USD
106,000 Ordinary Shares of USD 1 each	106,000	106,000
	106,000	**106,000**

7(b). REDEEMABLE PREFERENCE SHARES

	As at March 31, 2026 USD	As at March 31, 2025 USD
Optionally Convertible Preference Shares of USD 1 each	171,901,973	147,651,973
	171,901,973	**147,651,973**

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

7(c). ACCUMULATED PROFIT / (LOSS)

	As at March 31, 2026 USD	As at March 31, 2025 USD
Balance as per last financial statements	(58,743,179)	(33,739,645)
Profit / (Loss) for the year	(89,072)	(25,003,535)
	(58,832,251)	**(58,743,179)**

8. OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at March 31, 2026 USD	As at March 31, 2025 USD
Other payables to group companies	7,627,498	7,627,498
	7,627,498	**7,627,498**

9. OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2026 USD	As at March 31, 2025 USD
Accrued expenses	300,459	307,663
Financial guarantee liability (Refer note below) -	24,324,377	24,471,920
Other payables to group companies	24,419,635	24,425,385
	49,044,471	**49,204,968**

Note:- Provision created against financial guarantees given to step-down subsidiaries.

As at March 31, 2026	Others	Disputed dues- others	Total
Provisions	300,459	-	300,459
Not due	-	-	-
less than 1 years	-	-	-
1 to 2 years	24,324,377	-	24,324,377
2 to 3 years	-	-	-
more than 3 years	24,419,635	-	24,419,635
Group co balance	-	-	-
Total	**49,044,471**	**-**	**49,044,471**

As at March 31, 2025	Others	Disputed dues- others	Total
Provisions	307,663	-	307,663
Not due	-	-	-
less than 1 years	24,471,920	-	24,471,920
1 to 2 years	442,387	-	442,387
2 to 3 years	23,982,998	-	23,982,998
more than 3 years	-	-	-
Group co balance	-	-	-
Total	**49,204,968**	**-**	**49,204,968**

10. INCOME

	Year ended March 31, 2026 USD	Year ended March 31, 2025 USD
Insurance claim received	-	1,224,007
Guarantee fee	147,543	70,223
	147,543	**1,294,229**

11. EXPENSES

	Year ended March 31, 2026 USD	Year ended March 31, 2025 USD
Sundry balance written off	-	765,981
Audit fees	6,050	6,050
Exchange loss	156,972	14,300
Management fees expenses	-	1,311,806
Relocation expenses	50,000	-
Professional fees	22,957	18,788
	235,979	**2,116,925**

12. FINANCE COST

	Year ended March 31, 2026 USD	Year ended March 31, 2025 USD
Bank charges	636	582
	636	**582**

13. EXCEPTIONAL COST

	Year ended March 31, 2026 USD	Year ended March 31, 2025 USD
Provision for impairment loss	-	24,180,257
	-	**24,180,257**

14. TAX

The Company, holder of a Global Business License is subject to income tax at the prevailing rate. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the Deemed Tax Credit has been phased out, through the implementation of a new tax regime. Under the new tax regime and subject to meeting the necessary substance and compliance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) along with such guidelines issued by the competent authorities in Mauritius, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

The Company is expected to be exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholder or in respect of redemptions or exchanges of shares.

As at 31 March 2026, the Company had no tax liability (2025: Nil).

A deferred tax asset has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised. Tax losses can be carried forward up to a maximum of five years.

15. PROFIT / (LOSS) PER SHARE

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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
PF Media Limited	Subsidiary
DNEG Sarl.	Subsidiary
PF Overseas Limited	Subsidiary
Prime Focus Media Uk Limited	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

Transaction during the year **in USD**

Nature of transactions	Entity	2026	2025
Management fee expense received from	Prime Focus Limited	-	1,311,806
Insurance claim collected by	Prime Focus Limited	-	1,224,007
Amount paid against current account payables to	Prime Focus Limited	-	1,887,689
Amount received - Optionally convertible preference shares	Prime Focus Limited	24,250,000	-
Receivable amounts assigned to DNEG Sarl	Prime Focus Technologies Inc	-	10,322,242
Receivable amounts assigned to DNEG Sarl	Prime Focus Technologies Uk Limited	-	2,718,008
Receivable amounts written-off	Dneg Sarl	-	765,981
Amount paid on behalf of	PF Investments Limited	1,430	16,997
Amount paid on behalf of	PF Overseas Limited	5,750	24,677
Amount paid on behalf of	DNEG Sarl	-	1,100
Amount received from	Dneg Sarl	-	12,888,522

in USD

	2026	2025
Balance outstanding		
Optionally convertible preference shares		
Prime Focus Limited	171,901,973	147,651,973
Receivable from group companies		
DNEG Sarl	667,453	667,453
Prime Focus Limited	1,597,500	1,754,480
PF Investments Limited	127,555	126,125
Prime Focus Media UK Limited	2,323	2,323
PF Media Limited	251,625	251,625

in USD

	2026	2025
Balance outstanding		
Other payables to group companies		
PF Overseas Limited	24,419,635	24,425,385
Other non-current payable		
PF Media Limited	7,627,498	7,627,498
Financial guarantees given to		
Double Negative Film Limited	$ 6,000,000	6,000,000
Double Negative Limited	£ 5,000,000	5,000,000
Double Negative Holdings Limited	£ 9,101,093	9,101,093

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.

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, 2026		As at March 31, 2025	
		Foreign Currency	In $	Foreign Currency	In $
Asset	GBP	-	-	-	-
	INR	150,000,000	1,597,500	150,000,000	1,755,000
Asset Total			**1,597,500**		**1,755,000**
Liability	EUR	-	-	-	-
	CAD	-	-	-	-
	GBP	-	-	-	-
Liability Total			**-**		**-**

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 $ 79,875 for the year ended March 31, 2026 [March 31, 2025: $ 87,750]. 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
May 20, 2026

Namit Malhotra
Director

UDIN: 26042673WSVPBR4693

Prime Focus Technologies UK Limited

Consolidated Financial Statements for the period ended

31st March 2026

Prime Focus Technologies UK Limited
Consolidated Balance Sheet

in £

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
1. Non-current Assets			
(a) Property, plant and equipment	4	1,123,181	1,234,404
(b) Capital work-in-progress		-	-
(c) Goodwill	5	2,336,043	2,336,043
(d) Other intangible assets	5	705,004	968,226
(e) Right-to-use assets	5	524,815	627,079
(f) Intangible assets under development		-	-
(g) Financial assets			-
(i) Other financial assets	8	54,000	54,000
(h) Other non-current assets	9	-	-
Total Non-current Assets		**4,743,043**	**5,219,752**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	6	1,439,235	1,239,592
(ii) Cash and cash equivalents	7 a	924,644	965,467
(iii) Bank balances other than (ii) above	7 b	-	-
(iv) Loans		-	-
(iv) Other financial assets	8	2,698,898	2,529,888
(c) Other current assets	9	840,581	980,331
Total Current Assets		**5,903,358**	**5,715,278**
Total assets		**10,646,401**	**10,935,030**
Equity			
(a) Equity share capital	10	0.10	0.10
(b) Other equity	11	677,988	(86,755)
Equity attributable to owners of the Company		**677,988**	**(86,755)**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	102,734	294,640
(ii) Lease liabilities	13	283,128	447,737
Total Non-current liablities		**385,862**	**742,377**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	6,105,482	6,499,741
(ii) Lease liabilities	13	183,185	412,910
(iii) Trade payables	14.1	1,371,764	1,910,831
(iv) Other financial liablities	14	1,215,168	1,160,530
(b) Provisions	15	-	-
(c) Current tax liabilities (net)		-	-
(d) Other current liabilities	16	706,952	295,396
Total current liablities		**9,582,551**	**10,279,408**
Total equity and liabilities		**10,646,401**	**10,935,030**

See accompanying notes to the consolidated financial statements 1-26

In terms of our report attached
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
Place: Mumbai
Date: 27th May, 2026

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies UK Limited
Consolidated Statement of Profit and Loss Account

in £

		Period ended	Year Ended
Particulars	**Notes**	**31-Mar-26**	**31-Mar-25**
Income			
Revenue from operations	18	8,815,966	7,567,892
Other income	19	340	378
Total income from operations		**8,816,306**	**7,568,270**
Expenses			
Employee benefits expense	20	1,644,987	1,923,514
Technical service cost		4,439,875	3,280,459
Depreciation and amortisation expense	4 & 5	828,228	1,068,535
Other expenditure	21	989,838	895,114
Finance costs	22	270,718	273,702
Exchange loss (net)		(122,083)	(241,672)
Total Expenses		**8,051,563**	**7,199,652**
Profit / (Loss) before tax		764,743	368,618
Tax expense			
Current tax	22A	-	-
Deferred tax		-	-
Total tax expense			
Profit / (Loss) for the year		**764,743**	**368,618**

Other comprehensive income

	Notes	**31-Mar-26**	**31-Mar-25**
A (i) items that will not be reclassified to profit or loss			
Re-measurements of defined benefit obligations			
(ii) Income tax relating to items that will not be reclassifed to profit or loss			
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements		-	655,627
Total other comprehensive income		**-**	**655,627**
Total other comprehensive income for the year		**764,743**	**1,024,245**
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)			0.00
(b) Diluted (in £)			0.00

See accompanying notes to the consolidated financial statements 1-26

In terms of our report attached
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
Place: Mumbai
Date: 27th May, 2026

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies UK Limited
Consolidated Cash Flow Statement

in £

Particulars	**Year ended Mar 31, 2026**	**Year ended Mar 31, 2025**
Cash flow from Operating activities		
Profit before tax	764,743	368,618
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	828,228	1,068,535
Finance costs	270,718	273,702
Exchange Difference on Translation	-	(655,627)
Operating profit before working capital changes	**1,863,689**	**1,055,228**
Movements in working capital :		
(Increase)/(Decrease) in trade receivables	(199,643)	97,671
(Increase)/(Decrease) in current other Financial assets	(169,010)	(889,087)
(Increase)/(Decrease) in other current assets	139,750	899,885
(Increase)/(Decrease) in other non-current assets	-	-
(Decrease)/Increase in trade payables	(539,067)	613,683
(Decrease)/Increase in Short Term Borrowings	(394,259)	(26,532)
(Decrease)/Increase in other Financial liabilities	(339,696)	(1,094,270)
(Decrease)/Increase in other current liabilities	411,556	(157,588)
(Decrease)/Increase in other long-term liabilities	-	-
Cash generated from operations	**773,320**	**498,990**
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	**773,320**	**498,990**
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(351,519)	(131,206)
Capital Work in Progress	-	-
Net cash flow (used in) Investing activities (B)	**(351,519)**	**(131,206)**
Cash flow from financing activities		
Proceeds received from/ (repayment) of Non Current borrowings (net)	(191,906)	294,640
Interest paid	(270,718)	(273,702)
Net Cash flow (used in) / generated from Financing activities (C)	**(462,624)**	**20,938**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(40,823)**	**388,723**
Cash and Cash Equivalents at the Beginning of the year	965,467	576,744
Effect of foreign exchange translation		
Cash and Cash Equivalents at the End of the year	**924,644**	**965,467**
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	-	-
b) Balance in banks - current accounts	924,644	965,467
Cash and cash equivalents (Refer note 7)	**924,644**	**965,467**

See accompanying notes to the consolidated financial statements 1 - 26

In terms of our report attached
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No. 112781W

V. Shivkumar
(Proprietor)
Membership No.: 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies UK Limited

Notes to Consolidated Financial Statements

Consolidated Statement of Changes in Equity for the Year Ended March 31, 2026

A. Equity Share Capital **in £**

Particulars	Total
As at March 31, 2024	0.10
Changes in Equity Share Capital during the year	-
As at March 31, 2025	**0.10**
Changes in Equity Share Capital during the year	-
As at March 31, 2026	**0.10**

B. Other Equity **in £**

Particulars	Attributable to owners of the Company					Preference Shares	Total
	Reserves and Surplus			Other Reserves			
	Debenture Redemption Reserve	Securities Premium	Balance in the Statement of Profit and Loss	Foreign Currency Translation Reserve	ESOP Reserve	Optionally Convertible Redeemable shares	
Balance as at March 31, 2024	**-**	**-**	**(1,903,526)**	**(721,371)**	**-**	**2,825,151**	**200,254**
Exchange rate fluctuation during the year	-	-	-	(655,626)	-	-	**(655,626)**
Total comprehensive income for the year	-	-	368,618	-		-	**368,618**
Addition during the year	-	-	-	-	-	-	**-**
Balance as at March 31, 2025	**-**	**-**	**(1,534,908)**	**(1,376,997)**	**-**	**2,825,151**	**(86,755)**
Exchange rate fluctuation during the year	-	-	-	-	-	-	**-**
Total comprehensive income for the year	-	-	764,743	-		-	**764,743**
Addition during the year	-	-	-	-	-	-	**-**
Balance as at March 31, 2026	**-**	**-**	**(770,165)**	**(1,376,997)**	**-**	**2,825,151**	**677,988**

See accompanying notes to the consolidated financial statements

In terms of our report attached
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
Place: Mumbai
Date: 27th May, 2026

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

1. Corporate information

Prime Focus Technologies UK Limited ('PFT UK' and 'the Company') and all its subsidiaries (collectively referred to as 'Group') are engaged in the business of providing digital technological solutions to the sports, film, broadcast, advertising and media industries.

On 01st April 2018, the Company entered into a share purchase agreement to acquire 100% ownership of the issued capital of PF MEAD FZ LLC, a free zone limited liability company incorporated in the Media zone - Abu Dhabi.
The acquisition has been made by the Company to make valuable addition to the group's existing offerings in creative services and post production space. The acquisition of PF MEAD FZ LLC is expected to enrich the group with ability to access the Middle East market.
The Company has accquired 100 equity shares of AED 1 each from Prime Focus ME Limited.

Prime Focus MEAD FZ LLC, based in Abu Dhabi, is a wholly-owned subsidiary of Prime Focus Technologies UK Limited. On April 19, 2020, the company filed for dormancy. Since then, there have been no business transactions conducted by Prime Focus MEAD FZ LLC. On June 16, 2023, the authorities granted approval for the dissolution of the company, resulting in Prime Focus MEAD FZ LLC become dormant.

2. Statement of significant accounting policies:

a. Basis of preparation

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 2013 Act, as applicable. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Group are consistent with those of the previous year.

b. Principles of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries (collectively referred to as 'the Group'), which are more than 50% owned or controlled and have been prepared in accordance with the principles of consolidation laid down inwith Indian Accounting Standard (IND AS- 110) "Consolidated Financial Statements".

The Consolidated financial statements have been prepared on the following basis:

i. The financial statements of the Company and its subsidiary have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions.

ii. The Assets and Liabilities of subsidiaries are translated into British Pound at the rate of exchange prevailing as of the Balance sheet date. Revenue and Expenses are translated into British Pound at an average closing rate. Any exchange difference arising on consolidation is recognized in the net Foreign Exchange gain or loss in P&L account.

iii. The difference between the costs of investment in subsidiaries over the net asset at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

iv. The consolidated financial statements are prepared using uniform accounting policies to the extent practicable across the Group. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by Company, except in case of the accounting policies for depreciation and amortization.

v. Details of subsidiaries included in the consolidated financials:

Name of the Subsidiary	Principal Activity	Country of Incorporation	Percentage of Holding
Prime Post (Europe) Limited	Content Management Services	London, United Kingdom	100%

c. Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Accounting estimates change from period to period. Actual result could differ from those 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.

d. Tangible fixed assets

Fixed assets are carried at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition or its intended use. Borrowing costs relating to acquisition, construction of qualifying assets which takes period more than 8 to 10 months of time to get ready for its intended use are capitalized as part of the cost of such assets.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Gains or losses arising from DE recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

e. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Research cost are expensed as incurred. Development cost are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has intention and ability to complete the project, use or sell the asset and cost of the asset can be measured reliably.

f. Depreciation of fixed assets

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 (also refer note 11 and 12). Assets acquired under finance lease are depreciated over the period of lease. Goodwill on acquisition is not amortized but is tested for impairment on Annual Basis.

g. Impairment of assets

The carrying values of assets are reviewed at each Balance Sheet date for impairment. If any indicators of impairment exist, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets

h. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

i. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from technical services are recognized on the basis of services rendered and when no significant uncertainty exists as to its determination or realization.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends are recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

j. Foreign Currency Transactions

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

At the year end, foreign currency monetary items are reported using the closing exchange rate.

Exchange Differences

Exchange difference are recognized as income or expenses in the year in which they arise except in the case of exchange differences arising on long term monetary items related to acquisition of fixed assets which are capitalized and depreciated over the remaining useful life of assets.

k. Cash Flow Statement

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 Technologies UK Limited

Notes to Consolidated Financial Statements

3. Equity Share capital **in £**

Particulars	For the year ended Mar 31, 2026		For the year ended Mar 31, 2025	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Authorized shares:				
10 Equity Share of £ 0.01 each	10	0.10	10	0.10
	10	**0.10**	**10**	**0.10**
Issued, subscribed and paid-Up:				
10 Equity Share of £ 0.01 each	10	0.10	10	0.10
	10	**0.10**	**10**	**0.10**

Movement in equity share capital

Particulars	For the year ended Mar 31, 2026		For the year ended Mar 31, 2025	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Equity Share as at 1 April 2025	10	0.10	10	0.10
Changes during the year	-	-	-	-
Equity Share as at 31 March 2026	**10**	**0.10**	**10**	**0.10**

Details of Shareholders holding more than 5% shares in the company

Particulars	For the year ended Mar 31, 2026		For the year ended Mar 31, 2025	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	10	100%	10	100%

Shares held by promoters at the end March 31, 2026

Promoter name	No of shares	% of total shares	% change during the year
Brahma AI Services India Limited (Formerly known as Prime Focus Technologies Limited)	10	100%	-

Shares held by promoters at the end March 31, 2025

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Technologies Limited	10	100%	-

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

4.Tangible assets **in £**

Particulars	Office Equipment	Computer	Leasehold Improvement	Total
Current Year				
Gross block				
As at April 1, 2025	584,814	1,978,315	743,637	3,306,766
Additions		331,473		331,473
Translation				-
Deduction				-
Transferred to Right to use plant & machinery				-
As at March 31, 2026	**584,814**	**2,309,787**	**743,637**	**3,638,239**
Depreciation				
As at April 1, 2025	581,277	1,080,431	410,654	2,072,361
For the year	3,538	364,520	74,640	442,697
Translation				-
Deduction				-
Transferred to Right to use plant & machinery	-	-	-	-
As at March 31, 2026	**584,815**	**1,444,951**	**485,293**	**2,515,059**
Net block				
As at March 31, 2026	**(0)**	**864,837**	**258,344**	**1,123,181**

Particulars	Office Equipment	Computer	Leasehold Improvement	Total
Previous Year				
Gross block				
As at April 1, 2024	584,466	2,086,120	743,636	3,414,223
Additions	348	131,219	-	131,568
Translation		-	-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery		(239,026)		(239,026)
As at March 31, 2025	**584,814**	**1,978,315**	**743,637**	**3,306,765**
Depreciation				
As at April 1, 2024	575,122	769,348	336,544	1,681,014
For the year	6,155	310,722	74,109	390,986
Translation	-	-	-	-
Deduction	-	361	-	361
Transferred to Right to use plant & machinery	-	-	-	-
As at March 31, 2025	**581,277**	**1,080,431**	**410,654**	**2,072,361**
Net block				
As at March 31, 2025	**3,538**	**897,883**	**332,984**	**1,234,404**

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

5.Intangible assets **in £**

Particulars	Software	Right to use Plant & Machinery	Right to use - Building	Goodwill	Total
Current Year					
Gross block					
As at April 1, 2025	1,823,438	2,705,726	630,901	2,336,043	7,496,109
Additions	20,045		-	-	20,045
Deduction	-			-	-
Transferred from plant & machinery		-			-
As at March 31, 2026	**1,843,483**	**2,705,726**	**630,901**	**2,336,043**	**7,516,154**
Depreciation					
As at April 1, 2025	855,211	2,383,220	326,329	-	3,564,760
For the year	283,267	36,998	65,266		385,531
Deduction					-
Transferred from plant & machinery					-
As at March 31, 2026	**1,138,478**	**2,420,218**	**391,595**	**-**	**3,950,291**
Net block					
As at March 31, 2026	**705,004**	**285,508**	**239,307**	**2,336,043**	**3,565,863**

Particulars	Software	Right to use Plant & Machinery	Right to use - Building	Goodwill	Total
Current Year					
Gross block					
As at April 1, 2024	1,823,437	2,466,701	630,901	2,336,043	7,257,082
Additions			-	-	-
Deduction	-			-	-
Transferred from plant & machinery		239,026			239,026
As at March 31, 2025	**1,823,438**	**2,705,726**	**630,901**	**2,336,043**	**7,496,108**
Depreciation					
As at April 1, 2024	567,599	2,058,550	261,062	-	2,887,211
For the year	287,613	324,670	65,266		677,549
Deduction					-
Transferred from plant & machinery					-
As at March 31, 2025	**855,211**	**2,383,220**	**326,329**	**-**	**3,564,760**
Net block					
As at March 31, 2025	**968,226**	**322,507**	**304,572**	**2,336,043**	**3,931,348**

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

6. Trade Receivables (Unsecured)

in £

	As at 31 March 2026	As at 31 March 2025
Current		
Considered good	1,439,235	1,239,592
Considered doubtful	-	-
	1,439,235	**1,239,592**
Allowance for doubtful receivables	-	-
	1,439,235	**1,239,592**

Trade receivables - ageing and other details		Undisputed trade receivables			Disputed trade receivables		
3/31/2026	**Considered good**	**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**	**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**
Not Due	1,113,710	1,113,710	-	-	-	-	-
Less than 6 months	291,167	291,167	-	-	-	-	-
6 months - 1 year	34,357	34,357	-	-	-	-	-
1 - 2 year	-	-	-	-	-	-	-
2 - 3 year	-	-	-	-	-	-	-
More than 3 years	-	-	-	-	-	-	-
Total	**1,439,235**	**1,439,235**	-	-	-	-	-

Trade receivables - ageing and other details		Undisputed trade receivables			Disputed trade receivables		
3/31/2025		**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**	**Considered good**	**Which have significant increase in credit risk**	**Credit impaired**
Not Due		962,415	-	-			
Less than 6 months		225,867	-	-	-	-	-
6 months - 1 year		51,310	-	-	-	-	-
1 - 2 year		-	-	-	-	-	-
2 - 3 year		-	-	-	-	-	-
More than 3 years		-	-	-	-	-	-
Total		**1,239,592**	-	-	-	-	-

7. Cash and bank balances

in £

	As at 31 Mar 2026	As at 31 Mar 2025
a. Cash and cash equivalents		
Bank balances		
In current Accounts	924,644	965,467
	924,644	**965,467**
b. Balances other than (a) above		
Other bank balances		
In deposits	-	-
	-	-

8. Other financial assets

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Non-current		
Deposits	54,000	54,000
	54,000	**54,000**
Current		
Unbilled revenue	635,649	1,942,912
Advance to fellow subsidiaries	2,063,249	586,976
Prepaid Expenses (Current)	-	-
	2,698,898	**2,529,888**

9. Other Assets

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Non-current (Unsecured)		
Capital advances	-	-
Advance payment of taxes (net of provision for tax)	-	-
Prepaid expenses	-	-
		-
Current (Unsecured)		
Other loans and advances	611,924	601,481
Prepaid expenses	228,657	378,850
	840,581	**980,331**

10. Equity Share Capital

	As at 31 Mar 2026	As at 31 Mar 2025
Authorised share capital:	0.10	0.10
10 Equity Share of £ 0.01 each		
Issued, subscribed and paid-Up:	**0.10**	0.10
10 Equity Share of £ 0.01 each		
Total	**0.10**	**0.10**

11. Other equity

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Preference shares		
As at last balance sheet	2,825,151	2,825,151
Movement during the year	-	-
	2,825,151	**2,825,151**
Reserve and Surplus		
As at last balance sheet	(1,534,908)	(1,903,526)
Movement during the year	764,743	368,618
Dividend Distribution		-
	(770,165)	**(1,534,908)**
Foreign Exchange Transalation Reserve		
As at last balance sheet	(1,376,998)	(721,371)
Movement during the year	-	(655,627)
	(1,376,998)	**(1,376,998)**
Total	**677,988**	**(86,755)**

Non-Current Liabilities

12. Borrowings (Non - Current)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Other loan and advances (unsecured)		
Loan from Others	102,734	294,640
Total	**102,734**	**294,640**

a. Loan from others are secured against the underlying asset, carries interest rate of 9.17% p.a. and is repayable in 12 equal instalments over the period of 36 months.

13 Lease liabilities (Non - Current)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Finance lease obligation	283,128	447,737
Total	**283,128**	**447,737**

13 Lease liabilities (Current)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Finance lease obligations	183,185	412,910
Total	**183,185**	**412,910**

14. Other Financial liabilities (Current)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Interest payable to group companies	1,185,813	1,016,981
Capital Creditors	28,451	27,070
Accrued salaries and benefits	126	116,030
Other financial liablities	778	450
Total	**1,215,168**	**1,160,530**

15. Provisions

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Non-current		
Provision for employee benefits	-	-
Provision for gratuity	-	-
	-	-
Current		
Provision for employee benefits		
Provision for gratuity	-	-
Total	**-**	**-**

16. Other liabilities

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Current		
Other payables	706,952	295,396
Total	**706,952**	**295,396**

17. Borrowings (Current)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Current maturity of long term borrowings		
Other loan and advances (unsecured)		
Loan from Others	191,906	175,145
From Others (Unsecured)		
Short-term demand loan	-	-
Loan from fellow subsidiary	5,913,576	6,324,596
Total	**6,105,482**	**6,499,741**

18. Revenue from operations

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Sale of services	8,815,966	7,567,892
Total Revenue from Operations	**8,815,966**	**7,567,892**

19. Other income

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Interest income:		
Others	340	378
Total Other Income	**340**	**378**

20. Employee benefits expense

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Salaries and wages	1,624,202	1,902,251
Staff welfare expenses	20,785	21,263
Total Employee benefits expense	**1,644,987**	**1,923,514**

21. Other expenses

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Rent	44,782	30,670
Communication cost	62,022	48,603
Electricity	91,933	86,834
Legal and Professional fees	207,526	122,634
Rates and taxes	30,803	30,303
Traveling and conveyance	112,092	106,703
Repairs and maintenance	78,104	144,251
Consumables	1,289	3,862
Insurance cost	39,251	40,566
House keeping	15,638	14,619
Sales promotion expenses	224,058	194,705
Provision for doubtful debts	-	-
Bad Debts written off	-	-
Miscellaneous expenses	72,340	61,364
Total Other expenses	**979,838**	**885,114**
Payment to auditors		
As auditor		
Audit fees	10,000	10,000
Total	**10,000**	**10,000**

22. Finance costs

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Interest on term loan	37,472	16,094
Interest on lease liability	42,184	55,423
Interest on loan from fellow subsidiary	188,313	201,664
Finance charges	2,749	521
Total Finance costs	**270,718**	**273,702**

22A. Tax expense

in £

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Current tax	-	-
Deferred tax	-	-
Total Tax Expense	**-**	**-**

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

14.1 Trade Payables - ageing and other details ***in £***

As at March 31, 2026	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	1,234,353	-	-
Not due	-	84,486	-	-
less than 1 years	-	52,925	-	-
1 to 2 years	-		-	-
2 to 3 years	-		-	-
more than 3 years	-		-	-
Total	**-**	**1,371,764**	**-**	**-**

As at March 31, 2025	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	1,558,581	-	-
Not due	-	240,389	-	-
less than 1 years	-	-	-	-
1 to 2 years	-	111,669	-	-
2 to 3 years	-	-	-	-
more than 3 years	-	192	-	-
Total	**-**	**1,910,831**	**-**	**-**

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

23. EPS *in £*

'Particulars	As at 31 Mar 2026	As at 31 Mar 2025
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	764,743	368,618
Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)(B)	282,515,110	282,515,110
Weighted average number of common stock shares outstanding during the year (for calculating Diluted EPS)(B)	282,515,110	282,515,110
Earnings per share		
Basic EPS (GBP) (C=A / B)	0.00	0.00
Diluted EPS (GBP) (C=A / C)	0.00	0.00
Nominal Value Per Share (GBP)	0.01	0.01

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

24 Related party disclosure:

(i) List of parties with whom transactions have taken place during the year

Prime Focus Limited - Ultimate Holding Company
DNEG S.A.R.L - Intermidiate Holding Company
Prime Focus Technologies Limited- Holding Company
Prime Focus MEAD FZ LLC - Fellow Subsidiary (Disolved in June 2023)
Prime Focus Coopertief u.a. - Fellow Subsidiary
Prime Focus Luxembourg SARL- Fellow Subsidiary
Prime Focus Overseas Ltd- Fellow Subsidiary
Prime Focus World Ltd- Fellow Subsidiary
Prime Focus World NV- Fellow Subsidiary
Prime Focus Technologies Inc- Fellow Subsidiary
Prime Focus International Services UK Limited- Fellow Subsidiary
De-Fi Media Limited- Fellow Subsidiary
Brahma AI Services UK Limited- Fellow Subsidiary
Prime Focus Technologies PTE Ltd- Fellow Subsidiary

(ii) Name and particulars of related party transactions:

1) **Holding Company** ***in £***

	Particulars	**As at 31 Mar 2026**	**As at 31 Mar 2025**
a)	**Prime Focus Technologies Limited:**		
	Technical Charges	3,929,180	1,017,445
	Reimbursement of expenses (Net)	-	-
	Issue of Preference Shares	-	-
	Interest on Loan repayment	-	-
	Payment of Technical Charges	4,041,849	1,410,000
	Payment of Reimbursement of expenses		
	Balance outstanding at the year end- credit	**617,445**	**730,114**
2)	**Intermidiate Holding Company**		
a)	**DNEG S.A.R.L**		
	Balances transferred from Prime Focus World Ltd	-	2,029,000
	Loan repaid	2,029,000	-
	Balance outstanding at the year end- credit	**-**	**2,029,000**
3)	**Fellow Subsidiary companies**		
	Particulars	**As at 31 Mar 2026**	**As at 31 Mar 2025**
a)	**Prime Focus 3D Cooperatief U.A. (Netherland)**		
	Advances Given		
	Repayment against Advances Given		
	Balance outstanding at the year end- debit	-	-
b)	**Prime Focus Luxembourg SARL**		
	Reimbursement of expenses received		
	Balance outstanding at the year end- debit	-	-
c)	**Prime Focus World NV**		
	Short term loan taken	-	-
	Balance outstanding at the year end-Credit	-	-
d)	**Prime Focus Overseas Ltd**	-	-
	Reimbursement of expenses received	-	-
	Balance outstanding at the year end- debit	-	-
e)	**Prime Focus World Ltd**		
	Advances Given	-	-
	Balances transferred from DNEG S.A.R.L	-	2,029,000
	Balances transferred from De-Fi Media	-	-
	Balance outstanding at the year end- debit	-	-

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

24 Related party disclosure:

	Particulars	As at 31 Mar 2026	As at 31 Mar 2025
f)	**Prime Focus Technologies Inc**		
	Interest on Loan Taken	188,313	201,667
	Short Term Loan Taken/ (Repaid)	-	(417,580)
	Purchase of Asset	-	-
	Exhange Loss	-	-
	Interest on Loan repayment	-	-
	Balance outstanding at the year end-Credit	**5,275,991**	**5,087,678**
g)	**Prime Focus International Services UK Limited**		
	Interest on short term loan taken	-	-
	Reimbursement of expenses repaid	348	-
	Balance outstanding at the year end- credit	**-**	**(348)**
h)	**Double Negative Limited UK**		
	Rendering of Services	556,304	281,351
	Loan Repaid	-	-
	Advances Given - Net	-	445,000
	Collection Received	2,512,321	300,000
	Balance outstanding at the year end- Credit	**-**	**1,956,016**
i)	**Brahma AI Services UK Ltd**		
	Loan given	200,000	-
	Loan repaid	-	-
	Balance outstanding at the year end- Credit	**200,000**	**-**
j)	**Prime Focus Technologies PTE Ltd**		
	Reimbursement of expenses Given	-	-
	Loan Repaid	-	33,382
	Advances Received - Net	-	-
	Balance outstanding at the year end- Credit	**-**	**-**

24A. Segment Information

Operating Segments :

a. The segment information has been prepared in line with the review of operating results by chief operating decision maker (CODM) of Group i.e. the Group Chief Executive and Chairman.

b. The Group is presently operating as an integrated post-production setup, providing technological digital solutions to its customers, which has been considered as representing a single segment.

Geographical information

The Group operates in three principal geographical areas – United Kingdom (Country of Domicile), Southafrica and United Arab Emirates

The Group's revenue from continuing operations from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

in £

Particulars	Sale of Services		Segment Non-current assets *	
	Year ended Mar 31, 2026	Year ended Mar 31, 2025	Year ended Mar 31, 2026	Year ended Mar 31, 2025
United Kingdom	8,412,939	7,326,935	4,164,228	4,538,673
United States	-	83,395	-	-
ROW	403,027	157,562	-	-
Total	**8,815,966**	**7,567,892**	**4,164,228**	**4,538,673**

* Non-current assets exclude financial assets.

One customer contributes individually to more than 10% of the group's total revenue for the year ended March 31, 2026 amounting to GBP 67,91,774 (previous year one customer contributed individually to more than 10% amounting to GBP 56,99,410)

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

24B. Tax Reconciliation and details of unabsorbed tax losses

The income tax expenses for the year/ period can be reconciled to the accounting profit as follows:

	31-Mar-26		31-Mar-25	
	% of PBT	**Amount**	**% of PBT**	**Amount**
Profit/(loss) before tax		764,743		368,618
Tax using Company's domestic tax rate	**25%**	191,186	**25%**	92,155
Effect of:				
Non-deductible expenses		209,435		268,966
Effect of Tax Depreciation		(188,256)		(179,095)
Temporary Differences on which no Defferred Tax is created		-		-
NOL Carryover Available		(212,365)		(182,025)
Total Tax Expenses		**-**		**-**

The group has carry forward losses against which deferred tax asset has not been recognized.

	Expiry	**As at Mar 31, 2026**	**As at Mar 31, 2025**
Unabsrobed business loss	Indefinite	5,208,930	5,599,047

Notes to Consolidated Financial Statements

24C. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

in £

Sr No	Name of entity	Net Assets		Share in Profit / (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
1	Prime Focus Technologies UK Limited	165%	1,119,171	106%	813,483	0%	-	106%	813,483
2	Prime Post Europe Limited	-68%	(458,404)	-6%	(48,543)	0%	-	-6%	(48,543)
3	Prime Focus MEAD FZ LLC	0%		0%	-	0%	-	0%	-
		97%	**660,767**	100%	**764,940**	**0%**	**-**	100%	**764,940**
	Add/(Less): Effects of Inter Company adjustments / eliminations	3%	17,221	0%	(197)	0%	-	0%	(197)
	Less: Minority Interest in all subsidiaries	0%	-	0%	-	0%	-	0%	-
		100%	**677,988**	**100%**	**764,743**	**0%**	**-**	**0%**	**764,743**

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

24D. Foreign currency risk

in £

Particulars	Foreign currency Denomination	As at March 31, 2026			As at March 31, 2025		
		Foreign currency	Exch Rate	GBP	Foreign currency	Exch Rate	GBP
Financial assets	USD	68,428	0.75	51,321	68,641	0.78	53,240
	AED	-	-	-	-	-	-
	EUR	229,431	0.86	197,310	327,606	0.84	274,298
	INR	-	-	-	-	-	-
	ZAR	-	-	-	-	-	-
Total		**297,859**		**248,631**	**396,248**		**327,538**
Financial Liabilities	USD	7,228,061	0.75	5,421,045	6,999,142	0.78	5,428,745
	AED	-	-	-	-	-	-
	EUR	-	-	-	-	-	-
	INR	-	-	-	-	-	-
Total		**7,228,061**		**5,421,045**	**6,999,142**		**5,428,745**
Net Exposure		**(6,930,202)**		**(5,172,414)**	**(6,602,894)**		**(5,101,206)**

5% appreciation/ depreciation of respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit before tax by approximately £-258620.70 for the year ended March 31, 2026 [March 31, 2025: £-255060.31]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

24E. Interest Rate Risk Management

The Company is exposed to interest rate risk because in the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates at the reporting date would have decreased equity and profit for the year/ period by £ 20,305 and £ 33,972 for March 31, 2026 and March 31, 2025 and a 50 basis point decrease in floating interest rates at the reporting date would have increased equity and profit by the same amount respectively.

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

Note:-25

1. Financial instruments

Capital Management

The company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's Capital Management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The company does not have any long term and short term borrowings and all its capital needs are either met by internal accruals i.e. surplus balances of previous years or by effective management of its working capital. As at the balance sheet date, the company's share capital, and distributable reserves are:

in £

	As at March 31		As at March 31	
	2026	2025	2026	2025
	Carrying Value		Fair Value	
Financial Assets:				
Measured at amortised cost				
Trade receivables	1,439,235	1,239,592	1,439,235	1,239,592
Cash and cash equivalents	924,644	965,467	924,644	965,467
Other financial assets	2,698,898	2,529,888	2,698,898	2,529,888
Total financial assets measured at amortised cost	**5,062,777**	**4,734,947**	**5,062,777**	**4,734,947**
Financial Liabilities:				
Measured at amortised cost				
Borrowings	6,105,482	6,499,741	6,105,482	6,499,741
Lease liabilities	183,185	412,910	183,185	412,910
Trade payables	1,371,764	1,910,831	1,371,764	1,910,831
Other financial liabilities	1,215,168	1,160,530	1,215,168	1,160,530
Total financial liabilities measured at amortised cost	**8,875,599**	**9,984,012**	**8,875,599**	**9,984,012**

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.

a) Financial risk management

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

- €€€€€€€ Χρεδιτ ρισκ
- €€€€€€€ Λιθυιδιτψ ρισκ
- €€€€€€€ Μαρκετ ρισκ

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Companies's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

Cash and cash equivalents

Cash is held with various financial institutions at March 31, 2026. The total amount of cash and cash equivalents as of March 31, 2026 is GBP 9,24,644 of which GBP 9,24,644 was held in bank.

Trade Receivables

The Company has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organisations which the Company has worked with for a number of years. However, as the Company grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks.

Three customers contribute individually to more than 10% of outstanding trade receivables as at March 31, 2026 amount GBP 13,06,522 (P.Y.- Two customers- GBP 11,07,681) and One customer contribute individually to more than 10% of unbilled revenue as that date amounting to GBP 5,66,437 (P.Y. – Two customer- GBP 17,70,207).

ii) 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.

Liquidity Risk

At 31 March 2026	**Less than 1 year**	**More than 1 year**	**Total**
Financial liabilities			
Borrowings	6,105,482	102,734	6,208,216
Lease liabilities	183,185	283,128	466,313
Payables due to related party	1,185,813	-	1,185,813
Trade and other payables	1,371,764	-	1,371,764
Other financial liabilities	29,355	-	29,355
	8,875,599	**385,862**	**9,261,461**
	-	-	

At 31 March 2025	**Less than 1 year**	**More than 1 year**	**Total**
Financial liabilities			
Borrowings	6,499,741	294,640	6,794,381
Lease liabilities	412,910	447,737	860,647
Payables due to related party	1,016,981	-	1,016,981
Trade and other payables	1,910,831	-	1,910,831
Other financial liabilities	143,549	-	143,549
	9,984,012	**742,377**	**10,726,389**
	-	-	

Prime Focus Technologies UK Limited
Notes to Consolidated Financial Statements

26. Previous Year Figures

Previous year's figures have been regrouped/reclassified wherever necessary to correspond wth the current year's classification/disclosure.

In terms of our report attached
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No. 112781W

V. Shivkumar
(Proprietor)
Membership No.: 042673
Place: Mumbai
Date: 27th May, 2026

For and on behalf of the Board of Directors

Director
Mumbai, dated: 27th May, 2026

Prime Focus Technologies PTE Ltd.
Statement of Financial Position as at 31 March, 2026

In USD

	Notes	31-Mar-26	31-Mar-25
Assets			
1. Non-current assets			
(a) Property, plant and equipment		-	-
Total Non-current assets		**-**	**-**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	5	-	-
(ii) Cash and cash equivalents	6	26,593	23,048
(b) Other current assets	4	3,002	2,499
Total current assets		**29,595**	**25,547**
Total assets		**29,595**	**25,547**
Equity and liabilities			
Equity			
(a) Equity share capital	7	75	75
(b) Other equity	8	(8,21,683)	(5,64,665)
Total Equity		**(8,21,608)**	**(5,64,590)**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities		-	-
(b) Deferred Tax Liabilities (net)		-	-
Total Non-current liabilities		**-**	**-**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings		7,79,401	4,84,401
(ii) Trade payables	9	(1,447)	7,846
(b) Other financial liabilities	9.1	70,445	95,085
(c) Current tax liabilities		2,804	2,804
Total current liabilities		**8,51,203**	**5,90,137**
Total liabilities		**8,51,203**	**5,90,137**
Total equity and liabilities		**29,595**	**25,547**

See accompanying notes to the financial statements 1 to 19
In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026
UDIN:

Director
Date: 27th May, 2026

Prime Focus Technologies PTE Ltd.
Statement of Profit and Loss and Other Comprehensive Income
for the period ended March 31, 2026

Particulars	Notes	31-Mar-26	31-Mar-25
Income			
Revenue from operations	10	-	-
Other income	11	-	-
Total income		**-**	**-**
Expenses			
Employee benefits expense	12	2,47,785	2,85,394
Technical service cost		-	-
Depreciation and amortisation expense		-	-
Other expenses	13	6,384	18,488
Finance costs	14	569	706
Exchange loss		2,281	73,822
Total expenses		**2,57,018**	**3,78,409**
Profit/(Loss) before tax		**(2,57,018)**	**(3,78,409)**
Tax expense			
Current tax		-	-
Deferred tax credit		-	-
Total tax expense		**-**	**-**
Profit/(Loss) for the year		**(2,57,018)**	**(3,78,409)**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		-	-
(ii) Income tax relating to above		-	-
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**(2,57,018)**	**(3,78,409)**
Earnings per equity share of face value of USD 1/- each	15		
Basic and diluted (in USD)		(2,570.18)	(3,784.09)
(b) Diluted (in rupees)			

See accompanying notes to the financial statements 1 to 19

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026
UDIN:

Director
Date: 27th May, 2026

Prime Focus Technologies PTE Ltd.
Statement of Cash Flows for the financial year ended March 31, 2025

Particulars	31-Mar-26	31-Mar-25
Cash flow from Operating activities		
Profit before tax	(2,57,018)	(3,78,409)
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Finance costs	569	706
Operating profit before working capital changes	**(2,56,450)**	**(3,77,704)**
Movements in working capital :		
(Increase)/Decrease in trade receivables	-	-
(Increase)/Decrease in other current assets	(503)	30,582
(Decrease)/Increase in trade payables	(9,293)	(970)
(Decrease)/Increase in other current liabilities	(24,640)	24,861
Cash generated from operations	**(2,90,886)**	**(3,23,230)**
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	**(2,90,886)**	**(3,23,230)**
Cash flow from Investing activities	-	-
Net cash flow (used in) Investing activities (B)	-	-
Cash flow from financing activities		
Proceeds from current borrowings	2,95,000	3,24,401
Proceeds from issuance of Equity shares		
Interest paid	(569)	(706)
Net Cash flow (used in) / generated from Financing activities (C)	**2,94,431**	**3,23,695**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**3,545**	**465**
Cash and Cash Equivalents at the Beginning of the year	23,048	22,583
Effect of foreign exchange translation		
Cash and Cash Equivalents at the End of the year	**26,593**	**23,048**
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand		
b) Balance in banks - current accounts	26,593	23,048
Cash and cash equivalents (Refer note 6)	**26,593**	**23,048**

See accompanying notes to the financial statements 1 to 19

In terms of our report attached
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026
UDIN:

Director
Date: 27th May, 2026

Statement of Changes in Equity for the financial year ended March 31, 2025

A. Equity Share Capital

(In USD)

Particulars	Amount
Balance as at March 31, 2024	**75**
Change in equity share capital during the year	-
Balance as at March 31, 2025	**75**
Change in equity share capital during the year	-
Balance as at March 31, 2026	**75**

B. Other Equity

(In USD)

Particulars	Retained earnings	Foreign currency translation reserve	Total
Balance as at March 31, 2024	**(1,86,255)**	**-**	**(1,86,255)**
Profit for the year	(3,78,409)	**-**	**(3,78,409)**
Other Comprehensive Income: Exchange difference in translating the financial statements	-	-	**-**
Balance as at March 31, 2025	**(5,64,665)**	**-**	**(5,64,665)**
Profit for the year	(2,57,018)	-	**(2,57,018)**
Other Comprehensive Income: Exchange difference in translating the financial statements	-	-	**-**
Balance as at March 31, 2026	**(8,21,683)**	**-**	**(8,21,683)**

See accompanying notes to the financial statements 1 to 19
In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Place: Mumbai
Date: 27th May, 2026
UDIN:

Director
Date: 27th May, 2026

4. Other Assets

	As at March 31, 2026	As at March 31, 2025
Current (Unsecured, considered good)		
Prepaid expenses	-	-
Balance with Government authorities	3,002	2,499
Advance to related parties	-	-
Total	**3,002**	**2,499**

5. Trade Receivables (Unsecured)

	As at March 31, 2026	As at March 31, 2025
Trade receivables	-	-
Significant increase in credit risk	-	-
Total	**-**	**-**

6. Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
a. Cash and cash equivalents		
Bank balances		
In Current Accounts	26,593	23,048
Total	**26,593**	**23,048**

7. Equity Share Capital

	As at March 31, 2026	As at March 31, 2025
Authorised share capital:		
100 ordinary shares of S$1.00 per share (converted in USD)	75	75
Issued, subscribed and paid-Up:	75	75
100 ordinary shares of S$1.00 per share (converted in USD)	**75**	**75**

8. Other equity

	As at March 31, 2026	As at March 31, 2025
Retained earnings		
As per last balance sheet	(5,64,665)	(1,86,255)
Movement during the year	(2,57,018)	(3,78,409)
Total	**(8,21,683)**	**(5,64,665)**
Other Comprehensive Income (Foreig currency translation reserve)		
As per last balance sheet	-	-
Movement during the year	-	-
Total (B)	-	-
Total (A+B)	**(8,21,683)**	**(5,64,665)**

9. Trade Payables - ageing and other details

As at March 31, 2026	MSME	Others
Provisions	-	-
Not due	-	-
less than 1 years	-	(1,447)
1 to 2 years	-	-
2 to 3 years	-	-
more than 3 years	-	-
Total	**-**	**(1,447)**

As at March 31, 2025	MSME	Others
Provisions	-	-
Not due	-	-
less than 1 years	-	7,846
1 to 2 years	-	-
2 to 3 years	-	-
more than 3 years	-	-
Total	**-**	**7,846**

9.1 Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Current		
Accrued salaries and benefits	69,641	94,281
Other payables	804	804
Total	**70,445**	**95,085**

10. Revenue from operations

	Period ended March 31, 2026	Year ended March 31, 2025
Income from services	-	-
Total	**-**	**-**

11. Other income

	Period ended March 31, 2026	Year ended March 31, 2025
Government relief	-	-
Miscellaneous Income	-	-
Total	**-**	**-**

12. Employee benefits expense

	Period ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	2,47,680	2,85,293
Contribution to provident fund, other funds	105	101
Total	**2,47,785**	**2,85,394**

13. Other expenditure

	Period ended March 31, 2026	Year ended March 31, 2025
Legal and Professional fees	2,559	13,336
Traveling and conveyance	1,604	2,050
Communication cost	324	634
Miscellaneous expenses	1,897	2,468
Total	**6,384**	**18,488**

14. Finance costs

	Period ended March 31, 2026	Year ended March 31, 2025
Bank charges	569	706
Total	**569**	**706**

15. Earnings per share

	Period ended March 31, 2026	Year ended March 31, 2025
Net Profit after tax as per Statement of Profit & Loss (A)	(2,57,018)	(3,78,409)
Weighted average number of equity shares for Basic EPS (B)	100	100
Basic & Diluted Earnings per share (A/B)	**(2,570.18)**	**(3,784.09)**

Prime Focus Technologies PTE Ltd.
Notes forming part of the Financial Statements

17. Significant Related Party Transactions

in USD

		31-Mar-26	31-Mar-25
	Related party disclosure:		
(i)	**List of related parties with whom transactions have taken place during the year:**		
	Prime Focus Technologies Limited - Ultimate Holding Company (control exists)		
	Prime Focus Technologies UK Limited- Fellow subsidiary		
	Prime Focus Technologies Inc- Fellow subsidiary		
(ii)	**Particulars of related party transactions:**		
	Ultimate Holding Company		
	Prime Focus Technologies Limited		
	Technical Service Cost	-	-
	Repayment of Technical Service Cost	-	-
	Balance outstanding at the year end- credit (net)	-	-
	Investment in the Equity Share Capital of the company	-	75
	Fellow Subsidiary Companies		
a)	Prime Focus Technologies UK Limited		
	Opening Balance	-	31,801
	Advances given	-	-
	Payment of Salary & Wages (Cost Recharge)	-	-
	Advances taken back	-	(31,801)
	Balance outstanding at the year end- debit (net)	-	-
b)	Prime Focus Technologies Inc		
	Opening Balance	(4,84,401)	(1,60,000)
	Loan Taken	(2,95,000)	(3,24,401)
	Repayment of Loan taken	-	-
	Balance outstanding at the year end- credit (net)	(7,79,401)	(4,84,401)

Prime Post (Europe) Limited

Standalone Financial Statements For The Year ended

31 March 2026

Prime Post (Europe) Limited
Standalone Balance Sheet as at March 31, 2026

in £

Particulars	Notes	As at 31 March 2026	As at 31 Mar 2025
1. Non-current Assets			
(a) Property, plant and equipment	4	-	-
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets		-	-
(e) Intangible assets under development		-	-
(g) Financial assets		-	-
(h) Other non-current assets		-	-
Total Non-current Assets		**-**	**-**
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	5	249,871	249,870
(ii) Cash and cash equivalents	6	1,450	2,600
(iii) Bank balances other than (ii) above		-	-
(iv) Loans		-	-
(v) Other financial assets	7	-	-
(c) Other current assets	8	39,924	40,220
Total Current Assets		**291,245**	**292,690**
Total assets		**291,245**	**292,690**
Equity			
(a) Equity share capital	9	100	100
(b) Other equity	10	(207,730)	(159,187)
Equity attributable to owners of the Company		**(207,630)**	**(159,087)**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Other financial liablities		-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions		-	-
(d) Other non-current liabilities		-	-
Total Non-current liablities		**-**	**-**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings		**-**	-
(ii) Trade payables	11.1	498,875	451,777
(iii) Other financial liablities	11	-	-
(b) Provisions		-	-
(c) Current tax liabilities (net)		-	-
(d) Other current liabilities	12	-	-
Total current liablities		**498,875**	**451,777**
Total equity and liabilities		**291,245**	**292,690**

See accompanying notes to the standalone financial statements 1-22

In terms of our report attached

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, dated
UDIN:

Prime Post (Europe) Limited
Standalone Statement of Profit and Loss Account for the year ended March 31, 2026

in £

Particulars	**Notes**	**Year ended Mar 31, 2026**	**Year ended Mar 31, 2025**
Income			
Revenue from operations	13	-	-
Other income	14	-	-
Total income from operations		-	-
Expenses			
Employee benefits expense	15	-	-
Employee stock option expense		-	-
Technical service cost		-	-
Depreciation and amortisation expense	4 & 5	-	-
Other expenditure	16	48,359	8,384
Finance costs	17	184	181
Exchange loss (net)		-	-
Total Expenses		**48,543**	**8,565**
Profit / (Loss) before tax		**(48,543)**	**(8,565)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Profit / (Loss) for the year		**(48,543)**	**(8,565)**

Other comprehensive income

	Notes	**Year ended Mar 31, 2026**	**For the year ended Mar 2025**
A (i) items that will not be reclassified to profit or loss			
Re-measurements of defined benefit obligations		-	-
(ii) Income tax relating to items that will not be reclassifed to profit or loss		-	-
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements			
(ii) Income tax relating to items that will be reclassifed to profit or loss		-	-
Total other comprehensive income		**-**	**-**
Total other comprehensive income for the year		**(48,543)**	**(8,565)**
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)		(485.43)	(85.65)
(b) Diluted (in £)		(485.43)	(85.65)

See accompanying notes to the standalone financial statements 1-22

In terms of our report attached

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, dated
UDIN:

Prime Post (Europe) Limited
Standalone Cash Flow Statement for the year ended March 31, 2026

in £

Particulars	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Cash flow from Operating activities		
Profit before tax	(48,543)	(8,565)
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	-	-
Sundry debit balances / bad debts written off / written back (net)	-	-
Operating profit before working capital changes	**(48,543)**	**(8,565)**
Movements in working capital :		
(Increase)/(Decrease) in non current other Financial assets	-	-
(Increase)/(Decrease) in trade receivables	(1)	2
(Increase)/(Decrease) in current other Financial assets	-	-
(Increase)/(Decrease) in other current assets	296	18
(Decrease)/Increase in trade payables	47,098	8,368
(Decrease)/Increase in Short Term Borrowings	-	-
(Decrease)/Increase in other Financial liabilities	-	-
(Decrease)/Increase in other current liabilities	-	-
(Decrease)/Increase in other long-term liabilities	-	-
(Decrease)/Increase in long-term provisions	-	-
(Decrease)/Increase in short-term provisions	-	-
Cash generated from operations	**(1,150)**	**(177)**
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	**(1,150)**	**(177)**
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	-	-
Interest received	-	-
Net cash flow (used in) Investing activities (B)	**-**	**-**
Cash flow from financing activities		
Proceeds/(Repayment) from/of short term borrowings from/to related party	-	-
Proceeds received from/ (repayment) of Non Current borrowings (net)	-	-
Interest paid	-	-
Net Cash flow (used in) / generated from Financing activities (C)	**-**	**-**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(1,150)**	**(177)**
Cash and Cash Equivalents at the Beginning of the year	2,600	2,777
Effect of foreign exchange translation	-	-
Cash and Cash Equivalents at the End of the year	**1,450**	**2,600**
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	-	-
b) Balance in banks - current accounts	1,450	2,600
Cash and cash equivalents (Refer note 6)	**1,450**	**2,600**

See accompanying notes to the standalone financial statements 1 - 22

In terms of our report attached

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

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated
UDIN:

Ramakrishnan Sankaranarayanan
(Director)

-

5. Trade Receivables (Unsecured)

in £

	As at 31 Mar 2026	As at 31 Mar 2025
Current		
Considered good	249,871	249,870
Considered doubtful	-	-
	249,871	**249,870**
Allowance for doubtful receivables	-	-
Total	**249,871**	**249,870**

6. Cash balances

	As at 31 Mar 2026	As at 31 Mar 2025
Cash and cash equivalents		
Cash on hand	-	-
Bank balances		
In current Accounts	1,450	2,600
Total	**1,450**	**2,600**

7. Other financial assets

	As at 31 Mar 2026	As at 31 Mar 2025
Non-current		
Deposits	-	-
Other loans and advances	-	-
	-	**-**
Current		
Unbilled revenue	-	-
Advance to fellow subsidiaries	-	-
Total	**-**	**-**

8. Other Assets

	As at 31 Mar 2026	As at 31 Mar 2025
Non-current (Unsecured)		
Capital advances	-	-
	-	**-**
Current (Unsecured)		
Other loans and advances	39,924	40,220
Total	**39,924**	**40,220**

Prime Post (Europe) Limited
Notes to Standalone Financial Statements

9. Equity Share Capital

	As at 31 Mar 2026	As at 31 Mar 2024
Authorised share capital:	100.00	100.00
Issued, subscribed and paid-Up:	100.00	100.00
Total	**100.00**	**100.00**

10. Other equity

	As at 31 Mar 2026	As at 31 Mar 2024
Preference shares		
As at last balance sheet	-	-
Movement during the year	-	-
	-	-
Other comprehensive income		
As per last balance sheet	(159,187)	(150,622)
Movement during the year	(48,543)	(8,565)
Total	**(207,730)**	**(159,187)**
Total	**(207,730)**	**(159,187)**

11. Other Financial liabilities (Current)

	As at 31 Mar 2026	As at 31 Mar 2024
Current maturity of long term borrowings		
Term loans (secured)		
from banks	-	-
Term loans (unsecured)		
from others	-	-
Total	**-**	**-**

12. Other liabilities

	As at 31 Mar 2026	As at 31 Mar 2024
Non-Current		
Deferred revenue	-	-
Total	**-**	**-**

13. Revenue from operations

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Sale of services	-	-
Total	**-**	**-**

14. Other income

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Interest income:		
Bank deposits	-	-
Others	-	-
Total	**-**	**-**

15. Employee benefits expense

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Salaries and wages	-	-
Total	**-**	**-**

16. Other expenses

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Legal and Professional fees	48,359	8,384
Miscellaneous expenses	-	-
Total	**48,359**	**8,384**
Payment to auditors		
As auditor		
Audit fees	5,000	5,000
Total	**5,000**	**5,000**

17. Finance costs

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Finance charges	184	181
Total	**184**	**181**

Prime Focus International Services (UK) Limited
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	0	0
Right of use assets	5	-	0
Deferred tax asset (net)	7	457,855	331,395
Total non-current assets		**457,856**	**331,395**
Current assets			
Financial assets			
Trade receivables	8	5,559	335,615
Cash and cash equivalents	9	215,164	144,967
Loans	10	-	15,072
Other financial assets	11	3,189,792	5,026,449
Other current assets	12	79,840	617,337
Total current assets		**3,490,355**	**6,139,441**
Total assets		**3,948,210**	**6,470,835**
Equity and Liabilities			
Equity			
Other equity	13	(4,461,387)	(4,901,126)
Total equity		**(4,461,387)**	**(4,901,126)**
Liabilities			
Current liabilities			
Financial liabilities			
Lease liabilities	14	-	66,671
Trade payables	15	227,760	141,522
Other financial liabilities	16	7,613,440	10,988,471
Other current liabilities	17	568,397	196,696
Total current liabilities		**8,409,598**	**11,393,360**
Total liabilities		**8,409,598**	**11,393,360**
Total equity and liabilities		**3,948,210**	**6,492,235**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Prime Focus International Services (UK) Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	18	2,455,898	1,225,342
Other income	19	2,554,367	7,428,491
Total Income		**5,010,265**	**8,653,833**
Expenses			
Employee benefits expense	20	810,608	917,010
Finance costs	21	4,865	11,506
Depreciation and amortisation expense	4, 5, 6	2,732	6,365
Other expenses	23	3,878,782	3,442,407
Total expenses		**4,696,987**	**4,377,288**
(Loss) / profit before tax		**313,277**	**4,276,545**
Tax expenses			
Current tax		-	-
Deferred tax	24	(126,461)	1,077,919
Total tax expense / (credit) (net)		**(126,461)**	**1,077,919**
Profit/ (Loss) for the year		**439,738**	**3,198,626**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**439,738**	**3,198,626**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Prime Focus International Services (UK) Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in GBP)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**313,277**	**4,276,545**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	2,732	6,365
Finance cost	4,865	11,506
Unrealized foreign exchange (gain)/loss (net)	(1,103,501)	(841,970)
Provision for doubtful debts/ advances	2,134,459	(621,545)
Bad Debts Written off	59	26,559
Finance Income	(1,359)	-
Operating profit before working capital changes	**1,350,533**	**2,857,461**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	68,279	(3,090,296)
Increase / (Decrease) in Other Current financial liabilities	(8,337)	(2,802)
Increase / (Decrease) in Payables due to related party	(2,246,861)	(1,131,603)
Increase / (Decrease) in Other Current Liabilities	371,701	(536,420)
(Increase) / Decrease in Trade and other receivables	319,507	3,652,694
(Increase) / Decrease in Other Current Financial Assets	(270,961)	(1,501,946)
(Increase) / Decrease in Other Current Assets	537,497	(537,497)
Cash generated from operations	**121,358**	**(290,410)**
Taxes Paid (Net of Refunds)	0	(0)
Net cash flow from operating activities (A)	**121,358**	**(290,410)**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	0	0
(Repayments)/ Proceeds for loans given to related party	348	-
Net cash flow from (used in) investing activities (B)	**348**	**0**
(C) Financing Acitivities		
Finance costs paid (net)	(5,518)	(11,506)
Repayment of Finance leases	(45,991)	(50,902)
Net cash flow from (used in) financing activities (C)	**(51,510)**	**(62,408)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**70,196**	**(352,817)**
Cash and cash equivalents at the beginning of the year	144,967	497,784
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	215,163	144,967

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Prime Focus International Services (UK) Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	-
As at March 31, 2026	**-**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(8,099,752)**
Profit for the year (net of tax)	3,198,626
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(4,901,126)**
Profit for the year (net of tax)	439,738
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(4,461,387)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Prime Focus International Services (UK) Limited
Notes forming part of the financial statements

1 General information

Prime Focus International Services (UK) Limited ("the Company") is a company incorporated and domiciled in United Kingdom. The Company is the subsidiary of DNEG S.A.R.L and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is 160 Great Portland Street, W1W 5QA, London.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Sterling Pounds (GBP), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,

b. obtain substantially all the economic benefits from use of the identified asset, and

c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Prime Focus International Services (UK) Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in GBP)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	12,023,631	51,477	2,128,818	-	43,709	14,247,636
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	(43,709)	(43,709)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**12,023,631**	**51,477**	**2,128,818**	**-**	**-**	**14,203,926**
II. Accumulated depreciation						
Balance as at March 31, 2025	12,023,631	51,477	2,128,818	-	22,310	14,226,236
Reclassification	-	-	-	-	-	-
For the year	-	-	-	-	2,731	2,731
Deletions	-	-	-	-	(25,041)	(25,041)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**12,023,631**	**51,477**	**2,128,818**	**-**	**-**	**14,203,926**
Net block (I - II)						
As at March 31, 2026	**0**	**-**	**-**	**-**	**-**	**0**

(Amount in GBP)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	12,023,631	51,477	2,128,818	-	-	14,203,926
Reclassification	-	-	-	-	43,709	43,709
Additions/(Deductions)	-	-	-	-	(43,709)	(43,709)
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**12,023,631**	**51,477**	**2,128,818**	**-**	**-**	**14,203,926**
II. Accumulated depreciation						
Balance as at March 31, 2024	12,022,730	51,477	2,128,818	-	-	14,203,025
Reclassification	-	-	-	-	22,310	22,310
For the year	901	-	-	-	(22,310)	(21,409)
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**12,023,631**	**51,477**	**2,128,818**	**-**	**-**	**14,203,926**
Net block (I - II)						
As at March 31, 2025	**0**	**-**	**-**	**-**	**-**	**0**

Prime Focus International Services (UK) Limited
Notes to the Financial Statements for the year ended March 31, 2026

(Amount in GBP)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**	**43,709**	**43,709**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	(43,709)	(43,709)
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**	**16,846**	**16,846**
Additions/(Deductions)	-	-	-	-	-	-	27,774	27,774
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	(44,620)	(44,620)
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**	**(0)**
Net block (I - II)								
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**0**

Prime Focus International Services (UK) Limited
Notes to the Financial Statements for the year ended March 31, 2026

6. Goodwill & Other intangible assets **(Amount in GBP)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	119,300	-	**119,300**
Additions	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**119,300**	**-**	**119,300**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	119,300	-	119,300
For the year	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**119,300**	**-**	**119,300**
Net block (I - II)				
As at March 31, 2026	**-**	**-**	**-**	**-**

(Amount in GBP)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	119,300	-	119,300
Additions/(Deletions)	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**119,300**	**-**	**119,300**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	119,300	-	119,300
For the year	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**119,300**	**-**	**119,300**
Net block (I - II)				
As at March 31, 2025	**-**	**-**	**-**	**-**

7 Deferred tax assets / (liabilities) (net)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	331,395	1,409,314
Charge to Statement of Profit and Loss and Other Comprehensive Income	126,461	(1,077,919)
Total	**457,855**	**331,395**

8 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	335,615	653,902
	335,615	653,902
Less: allowance for doubtful debt	(330,056)	(318,287)
	5,559	**335,615**
The movement in allowance for bad and doubtful debts is as follows:		
Balance as at the beginning of the year	318,287	939,831
Allowances made / (reversal) during the year	11,769	(621,545)
Balance as at the end of the year	**330,056**	**318,287**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Trade receivables - ageing and other details

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
More than 3 years	335,615	-	-	335,615
Total	**335,615**	**-**	**-**	**335,615**
Less: allowances for credit losses				(330,056)
Net Trade Receivables				**5,559**

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
2-3 years	132,816	-	-	132,816
More than 3 years	521,087	-	-	521,087
Total	**653,903**	**-**	**-**	**653,903**
Less: allowances for credit losses				(318,287)
Net Trade Receivables				**335,616**

9 Cash and cash equivalents

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Cash on hand	322	382
Bank balances:		
In current accounts	214,842	144,585
	215,164	**144,967**

10 Loans (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Loans to employees	-	15,072
	-	**15,072**

11 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	797,102	814,411
Other Receivables	2,392,690	4,212,038
	3,189,792	**5,026,449**

12 Other current assets (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	79,840	617,337
	79,840	**617,337**

13 Other equity

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(4,901,126)	(8,099,752)
Add: Profit for the year	439,738	3,198,626
	(4,461,387)	**(4,901,126)**

14 Lease liabilities (current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	-	66,671
	-	**66,671**

15 Trade payables

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade payables	227,760	141,522
	227,760	**141,522**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	73,497	-	-
Less than 6 months	-	152,537	-	-
6 months- 1 year	-	(94,798)	-	-
1-2 years	-	96,524	-	-
Total	**-**	**227,760**	**-**	**-**

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	36,952	-	-
Less than 6 months	-	104,569	-	-
Total	**-**	**141,521**	**-**	**-**

16 Other financial liabilities (current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Due to related parties	7,558,003	10,924,697
Employee benefits payable	55,437	63,774
	7,613,440	**10,988,471**

17 Other current liabilities

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	1	1
Statutory dues	568,396	196,695
	568,397	**196,696**

18 Revenue from operations — **Amount in GBP**

	2025-26	2024-25
Sale of services	2,455,898	1,225,342
	2,455,898	**1,225,342**

19 Other income — **Amount in GBP**

	2025-26	2024-25
Interest income:		
- Others	1,359	-
Management Fees	909,548	1,710,413
Marketing Fees	898,983	5,096,534
Provision for doubtful debts	-	621,545
Gain on Lease modification	1,386	-
Exchange gain	732,437	-
Miscellaneous income	10,655	-
	2,554,367	**7,428,491**

20 Employee benefits expense — **Amount in GBP**

	2025-26	2024-25
Salaries and wages	694,458	779,530
Contribution to Defined Contribution Plans	107,528	116,684
Staff welfare expenses	8,622	20,796
	810,608	**917,010**

21 Finance costs — **Amount in GBP**

	2025-26	2024-25
Bank charges	3,972	5,708
Interest Expense on:		
Lease Liability	894	3,447
Working Capital Finance	-	2,351
	4,865	**11,506**

22 Depreciation and amortisation expense — **Amount in GBP**

	2025-26	2024-25
Depreciation of property, plant and equipment	-	901
Depreciation of right-of-use assets	2,732	5,464
	2,732	**6,365**

23 Other expenses — **Amount in GBP**

	2025-26	2024-25
Technician fees	(17)	-
Exchange loss	-	1,710,349
Rent	67,200	80,800
Technical service cost	1,295,779	604,560
Legal and Professional fees	172,677	71,228
Management fees	(31,797)	848,690
Communication Charges	21,915	20,947
Repairs & Maintainance :		
Vehicle	3,181	(646)
Equipment	2,819	2,627
Travelling and conveyance expense	128,680	10,159
House-keeping charges	-	470
Provision for doubtful debts	11,769	-
Insurance expense	2,163	-
Advertising and promotions	261	-
Provision for doubtful advances	2,122,690	-
Bad debts written off	59	26,559
Miscellaneous expenses	81,403	66,664
	3,878,782	**3,442,407**

24 Tax expenses — **Amount in GBP**

	2025-26	2024-25
Deferred tax expense/(income)	(126,461)	1,077,919
	(126,461)	**1,077,919**

Prime Focus Media Uk Limited

Balance sheet as at March 31, 2026 In £

	Notes	As at 31.03.2026 Audited	As at 31.03.2025 Audited
Assets			
Non-current assets			
Property, plant and equipment			
Tangible assets		-	-
Intangible assets		-	-
Capital work-in-progress		-	-
Financial assets		-	-
Investments		-	-
Other financial assets		-	-
Other non-current assets		-	-
		-	**-**
Current assets			
Financial assets		-	-
Investments		-	-
Trade receivables		-	-
Cash and bank balances		-	-
Other financial assets	3	1	1
Other current assets		-	-
		1	**1**
TOTAL ASSETS		**1**	**1**
Equity and Liabilities			
Shareholders' funds			
Equity *		1	1
Other equity		-	-
		1	**1**
Non-current liabilities			
Financial liabilities		-	-
Other financial liabilities		-	-
Provisions		-	-
		-	**-**
Current liabilities			
Financial liabilities			
Trade payables	5	-	-
Other current financial liabilities		-	-
Provisions		-	-
		-	**-**
TOTAL EQUITY & LIABILITIES		**1**	**1**

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, 2026

Nishant Fadia
(Director)

UDIN : 26042673FKLTYL8168

Prime Focus Media Uk Limited

Statement of profit and loss for the year ended March 31, 2026 In £

Particulars	Notes	Year ended	
		31.03.2026	31.03.2025
		Audited	Audited
Income from operations			
Revenue from operations		-	-
Other income:		-	-
a) Exchange gain (net)		-	-
b) Others		-	-
Total income from operations		**-**	**-**
Expenses			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenditure		-	-
Total Expenses		**-**	**-**
Profit from operations before exceptional items		**-**	**-**
Exceptional items - expenditure / (income) (net)		-	-
Profit / (Loss) from ordinary activities before tax		**-**	**-**
Current tax		-	-
Deferred tax		-	-
Net Profit / (Loss) for the year		**-**	**-**
Earnings per equity share of face value of £ 1 each (before exceptional items)			
Basic		0.00	0.00
Diluted		0.00	0.00
Earnings per equity share of face value of £ 1 each (after exceptional items)			
Basic		0.00	0.00
Diluted		0.00	0.00

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, 2026

Nishant Fadia
(Director)

UDIN : 26042673FKLTYL8168

Prime Focus Media Uk Limited

Statement of Changes in Equity for the year ended March 31, 2026 In £

	Share capital	Accumulated profit / (loss)
As at 1st April 2024	-	-
Changes during the year	1	-
As at 31st March 2025	1	-
Changes during the year	-	-
As at 31st March 2026	**1**	**-**

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, 2026

Nishant Fadia
(Director)

UDIN : 26042673FKLTYL8168

Prime Focus Media Uk Limited
Statement of Cash Flow for the year ended March 31, 2026

In £

	Year ended	Year ended
	31 March 2025	31 March 2024
	Audited	Audited
Cash flows from operating activities		
Profit / (Loss) for the year	-	-
Operating loss before working capital changes		
(Increase)/decrease in other receivables	-	-
Increase in trade payables	-	-
Net cash absorbed by operating activities	-	-
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-

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, 2026

Nishant Fadia
(Director)

UDIN : 26042673FKLTYL8168

Prime Focus Media Uk Limited

Notes to the statement of financial position

1. General information

Prime Focus Media Uk Limited (the "Company") is a limited company incorporated in the United Kingdom under the Companies Act. The address of the registered office is First Floor Kidd House, Whitehall Road, Leeds, United Kingdom, LS12 1AP.

2. Basis of presentation

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.

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.

3. Financial assets (Current)

In £

	As on	
	31.03.2026	**31.03.2025**
Advances to subsidiaries	1	1
Other financial assets	-	-
	1	**1**

4. Other equity

In £

	As on	
	31.03.2026	**31.03.2025**
Retained earnings		
As per last balance sheet	-	-
Add / (Less) : Movement during the year	-	-
	-	**-**

5. Trade payable

In £

	As on	
	31.03.2026	**31.03.2025**
Trade payables	-	-
Payable to group conpanies	-	-
	-	**-**

6. Related party transactions

Closing balance

In £

	As on	
	31.03.2026	**31.03.2025**
Receivable from		
PF World Limited, Mauritius	1	1

7. There are no unhedged foreign currency exposure.

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, 2026

Nishant Fadia
(Director)

UDIN : 26042673FKLTYL8168

PRIME FOCUS MOTION PICTURES LIMITED

CIN : U92120MH2008PLC186091

Balance Sheet as on March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Tangible assets		-	-
Investment	3	2,237.48	5,313.80
Other non-current financial assets		-	-
Advance income tax		283.47	283.47
		2,520.95	**5,597.27**
Current assets			
Financial Assets			
i) Cash and cash equivalents	4	810.14	786.94
ii) Other financial assets	5	11,610.58	15,723.26
		12,420.72	**16,510.20**
TOTAL		**14,941.67**	**22,107.47**
Equity and Liabilities			
Equity			
Equity Share Capital	6	500.00	500.00
Other Equity	7	(80,777.58)	(66,995.91)
		(80,277.58)	**(66,495.91)**
Liabilities			
Current liabilities			
Financial Liabilities			
i) Borrowings (current)	8	88,317.69	84,367.69
ii) Trade payables	9	6,491.01	1,212.93
Other current liabilities	10	410.55	3,022.76
		95,219.25	**88,603.38**
TOTAL		**14,941.67**	**22,107.47**
Notes forming part of the financial statements	1-19		

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, 2026

Naresh Malhotra
(Director)
DIN 00004597

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

UDIN: 26042673CIWEFO6605

PRIME FOCUS MOTION PICTURES LIMITED

CIN : U92120MH2008PLC186091

Statement of Profit and Loss for the year ended March 31, 2026 ₹ in Thousand

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations (net)		-	-
Other income		-	-
		-	**-**
Expenses			
Other expenses	11	5,789.49	16,084.96
Finance costs	12	7,992.18	5,268.74
Depreciation and amortization expenses		-	-
		13,781.67	**21,353.70**
Loss before exceptional items and tax		**(13,781.67)**	**(21,353.70)**
Exceptional loss	13	-	17,656.72
Loss before tax		**(13,781.67)**	**(39,010.41)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(13,781.67)**	**(39,010.41)**
Earnings per equity share			
Basic	19	(275.63)	(780.21)
Diluted		(275.63)	(780.21)
Notes to accounts	1-19		

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, 2026

Naresh Malhotra
(Director)
DIN 00004597

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

UDIN: 26042673CIWEFO6605

PRIME FOCUS MOTION PICTURES LIMITED

CIN : U92120MH2008PLC186091

Statement of Changes in Equity for the year ended March 31, 2026

Changes in Equity Share capital ₹ in Thousand

	No of shares	Amount
As at 1st April 2024	**50,000.00**	**500.00**
Changes during the year	-	-
As at 31st March 2025	**50,000.00**	**500.00**
Changes during the year	-	-
As at 31st March 2026	**50,000.00**	**500.00**

Changes in Other Equity ₹ in Thousand

	Surplus in the statement of profit and loss	Total
As at 1st April 2024	**(27,985.50)**	**(27,985.50)**
Profit/ (loss) for the year	(39,010.41)	(39,010.41)
As at 31st March 2025	**(66,995.91)**	**(66,995.91)**
Profit/ (loss) for the year	(13,781.67)	(13,781.67)
As at 31st March 2026	**(80,777.58)**	**(80,777.58)**

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, 2026

Naresh Malhotra
(Director)
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Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

UDIN: 26042673CIWEFO6605

PRIME FOCUS MOTION PICTURES LIMITED

CIN : U92120MH2008PLC186091

Cash Flow Statement for the year ended March 31, 2026 ₹ in Thousand

	Notes	As at March 31, 2026	2025
Cash flow from Operating activities			
Net Profit before taxation		**(13,781.67)**	**(39,010.41)**
Adjustments for :			
Loss on sale of investment		-	17,656.72
Unrealised loss on sale of investment		2,976.32	13,650.20
Sundry credit balances written off		316.42	-
Finance cost		7,992.18	5,268.74
Operating profit before working capital changes		**(2,496.75)**	**(2,434.76)**
Movements in working capital :			
(Increase)/Decrease in current assets		4,112.68	2.36
(Decrease) in current liabilities		(4,141.43)	(221.46)
Cash generated from operations		**(2,525.50)**	**(2,653.86)**
Direct taxes refund / (paid) (net)		-	-
Net Cash from operating activities		**(2,525.50)**	**(2,653.86)**
Cash flow from investing activites			
Purchase of fixed assets		-	-
Proceeds from sale of non-current investments		100.00	30,358.28
Purchase of non-current investments		-	(100.00)
Net Cash from investing activities		**100.00**	**30,258.28**
Cash flow from Financing activities			
(Proceeds) from / Repayment of short term borrowings (net)		3,950.00	(27,300.00)
Finance cost paid		(1,501.30)	(1,530.25)
Net cash used in Financing activities		**2,448.70**	**(28,830.25)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**23.20**	**(1,225.82)**
Cash and cash equivalents at the beginning of the year		**786.94**	**2,012.76**
Cash and cash equivalents at the end of the year	4	**810.14**	**786.94**

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, 2026

Naresh Malhotra
(Director)
DIN 00004597

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

UDIN: 26042673CIWEFO6605

PRIME FOCUS MOTION PICTURES LIMITED

CIN : U92120MH2008PLC186091

1. Corporate information

Prime Focus Motion Pictures Ltd. (the Company) is a private company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of post-production including digital intermediate, visual effects, 2D to 3D conversion and other technical and creative services to the Media and Entertainment industry.

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') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. 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. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the Company's activities. Revenue is shown net of applicable taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and no significant uncertainty exists as to its determination or realisation. The Company bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

d. 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.

e. 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.

f. 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).

g. 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, 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.

h. 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.

i. 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

3. Non-current Investments ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Investment in subsidiaries		
Brahma AI Services India Limited (Previously known as Prime Focus Technologies Limited) (Refer note a below)	-	-
Brahma AI India Technologies Private Limited (Previously known as Dneg Creative Private Limited) (Refer note a below)	-	100.00
Previous year - 10,000 equity shares of ₹ 10/- each		
Other investment		
Baweja Studios Limited (Refer note c below)	2,237.48	5,213.80
1,04,800 equity shares of ₹ 10/- each		
	2,237.48	**5,313.80**

a. During the previous year the Company sold it's entire investment in Brahma AI Services India Limited to Dneg Sarl, a fellow subsidiary for ₹ 30,358.28 and a loss of ₹ 17,656.72 considered as exceptional loss during the year.

b. During the year the Company sold it's entire investment in Brahma AI India Toechnologies Private Limited to Dneg Sarl, a fellow subsidiary for ₹ 1,000.00.

c. Fairvalue loss on investment of ₹ 2,976.32 considered under other expense (previous year - ₹ 13,650.20).

4. Cash and bank balances ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks:		
On current accounts	810.14	786.94
Cash on hand	-	-
	810.14	**786.94**

5. Other current financial assets ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Other loans and advances	10,535.48	14,648.16
Advances from group company (refer note 17)	1,075.10	1,075.10
	11,610.58	**15,723.26**

6. Share capital ₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Authorised shares:		
50,000 Shares of Re.10/- each	**500.00**	**500.00**
Issued, subscribed and paid-Up:	500.00	500.00
50,000 Shares of Re.10/- each		
	500.00	**500.00**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2026	As at March 31, 2025
At the beginning of the year	50,000	50,000
Issued during the year	-	-
Outstanding at the end of the year	**50,000**	**50,000**

b. Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company are as below:

	As at March 31, 2026	As at March 31, 2025
Prime Focus limited	50,000	50,000

c. Details of shareholders holding more than 5% shares in the company

	As at March 31, 2026	As at March 31, 2025
Prime Focus limited	50,000	50,000

7. Other Equity

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Retained Earnings		
Balance as per last financial statements	(66,995.91)	(27,985.50)
Loss for the year	(13,781.67)	(39,010.41)
Net Retained Earnings	**(80,777.58)**	**(66,995.91)**
Total other equity	**(80,777.58)**	**(66,995.91)**

8. Borrowings (current) (unsecured)

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Borrowing from parent	78,317.69	74,367.69
Short-term loan from others	10,000.00	10,000.00
	88,317.69	**84,367.69**

9. Trade payables

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	6,491.01	1,212.93
	6,491.01	**1,212.93**

There were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 for the above years.

₹ in Thousand

As at March 31, 2026	MSME	Others	Total
Provisions	-	6,491.01	6,491.01
Not due	-	-	-
less than 1 years	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
more than 3 years	-	-	-
Group co balance	-	-	-
Total	**-**	**6,491.01**	**6,491.01**

₹ in Thousand

As at March 31, 2025	MSME	Others	Total
Provisions	-	338.02	338.02
Not due	-	-	-
less than 1 years	-	-	-
1 to 2 years	-	874.92	874.92
2 to 3 years	-	-	-
more than 3 years	-	-	-
Group co balance	-	-	-
Total	**-**	**1,212.93**	**1,212.93**

10. Other current liabilities

₹ in Thousand

	As at March 31, 2026	As at March 31, 2025
Other payable	410.55	3,022.76
	410.55	**3,022.76**

11. Other expenses

₹ in Thousand

	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal and Professional Fees	2,441.75	2,427.26
Unrealised loss on investment	2,976.32	13,650.20
Sundy balances written off	316.42	-
Audit fees	55.00	7.50
	5,789.49	**16,084.96**

12. Finance cost

₹ in Thousand

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expenses	7,990.88	5,268.74
Bank charges	1.30	-
	7,992.18	**5,268.74**

13. Exceptional loss

₹ in Thousand

	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss on sale of investment	-	17,656.72
	-	**17,656.72**

14. 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
Prime Focus Limited	Holding Company
Dneg S.a.r.l	Group Company
Brahma AI Services India Limited	Group Company

Related Party Transaction During the Year ₹ in Thousand

	March 31, 2026	2025
Investment in group company		
Dneg Creative Private Limited	-	100.00
Sale of investment - Brahma AI Services India Limited		
Dneg S.a.r.l	-	30,358.28
Loss on sale of investment		
Brahma AI Services India Limited	-	17,656.72
Sale of subsidiary investment - Brahma AI India Technologies Private Limited		
Dneg S.a.r.l	100.00	-
Interest expenses		
Prime Focus Limited	-	3,768.74
Loan received from		
Prime Focus Limited	3,950.00	2,700.00
Loan repaid to (including interest payment)		
Prime Focus Limited	-	30,030.25

Balance outstanding ₹ in Thousand

	As at March 31, 2026	2025
Loan from parent company (including interest payable)		
Prime Focus Limited	78,317.69	74,367.69
Advances from group company		
Prime Focus Limited	1,075.10	1,075.10

15. Fair Value Measurements ₹ in Thousand

	As at March 31 2026	2025	As at March 31 2026	2025
	Carrying Value		Fair Value	
A. Financial Assets:				
Investments	2,237.48	5,313.80	-	-
Cash ad cash equivalents	810.14	786.94	-	-
Other financial assets	11,610.58	15,723.26	-	-
Total	**14,658.20**	**21,824.00**	**-**	**-**
B. Financial Liabilities:				
Trade payables	6,491.01	1,212.93	-	-
Borrowings	88,317.69	84,367.69		
Total	**94,808.70**	**85,580.62**	**-**	**-**

The management assessed that the fair value of cash and cash equivalents & trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

16. 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.

17. Financial risk management

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

- Credit risk
- Liquidity risk

i) Credit Risk

Cash and cash equivalents

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

ii) 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.

Liquidity Risk ₹ in Thousand

At 31 March 2026	Less than 12 months	More than 12 months	Total
Short term borrowings	88,317.69	-	**88,317.69**
Trade payables	6,491.01	-	**6,491.01**
	94,808.70	**-**	**94,808.70**

₹ in Thousand

At 31 March 2025	Less than 12 months	More than 12 months	Total
Short term borrowings	84,367.69	-	**84,367.69**
Trade payables	1,212.93	-	**1,212.93**
	85,580.62	**-**	**85,580.62**

18. Additional regulatory informations:

i. Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current ratio	Current assets	Current liabilities	0.13	0.19
Debt-Equity ratio	Total debt (Borrowings)	Total equity	(1.10)	(1.27)
Debt service coverage ratio	Earning before interest, depreciation and tax	Principal repayment of long term borrowings and leases	-	-
Return on equity ratio	Profits after tax	Average equity	(0.19)	(0.83)
Inventory turnover	Revenue from operations	Inventory	-	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	-	-
Trade payables turnover ratio	Total expenses excluding employee cost, interest and depeciation	Average trade payable	1.50	13.23
Net capital turnover ratio	Revenue from operations	Average working capital	-	-
Net profit ratio	Profits after tax	Revenue from operations	-	-
Return on capital employed	Net profit before interest and tax	Capital Employed (Shareholders Fund + long term borrowings)	(0.07)	(0.24)
Return on investment	Profit after tax	Total equity	(0.17)	(0.59)

ii. Other informations:-

a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company have no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.

d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

f. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

g. The Company has not traded or invested in crypto currency or virtual currency during the year.

h. Utilisation of borrowed funds and share premium :

(i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

-Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

i. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

19. Earnings per share

₹ in Thousand

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net (loss) attributable to equity shareholders	(13,781.67)	(39,010.41)
Exceptional items	-	(17,656.72)
Net Profit/(loss) before exceptional items but after tax	**(13,781.67)**	**(21,353.70)**
Weighted average number of equity shares in calculating basic and diluted EPS	**50,000**	**50,000**
Earnings per share (before exceptional items)		
Basic EPS	(275.63)	(427.07)
Diluted EPS	(275.63)	(427.07)
Earnings per share (after exceptional items)		
Basic EPS	(275.63)	(780.21)
Diluted EPS	(275.63)	(780.21)

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, 2026
UDIN: 26042673CIWEFO6605

Naresh Malhotra
(Director)
DIN 00004597

Ramakrishnan Sankaranarayanan
(Director)
DIN 02696897

Brahma AI Holdings Limited
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Financial assets			
Investments	4	134,382,397	100,831,900
Deferred tax asset (net)	5	-	38,782
Total non-current assets		**134,382,397**	**100,870,682**
Current assets			
Financial assets			
Other financial assets	6	15,687,054	7,446,049
Other current assets	7	558,320	-
Total current assets		**16,245,374**	**7,446,049**
Total assets		**150,627,771**	**108,316,730**
Equity and Liabilities			
Equity			
Equity share capital	8	33,550,476	-
Other equity	9	117,073,066	108,122,823
Total equity		**150,623,542**	**108,122,823**
Share application money pending allotment	10	**4,229**	**-**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	11	(0)	193,908
Total current liabilities		**(0)**	**193,908**
Total liabilities		**(0)**	**193,908**
Total equity and liabilities		**150,627,771**	**108,316,730**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Holdings Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations		-	-
Expenses			
Finance costs	12	-	155,126
Other expenses	13	191,824	-
Total expenses		**191,824**	**155,126**
(Loss) / profit before tax		**(191,824)**	**(155,126)**
Tax expenses			
Current tax		-	-
Deferred tax	14	38,782	(38,782)
Total tax expense / (credit) (net)		**38,782**	**(38,782)**
Profit/ (Loss) for the year		**(230,606)**	**(116,344)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**(230,606)**	**(116,344)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Holdings Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in GBP)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**(191,824)**	**(155,126)**
Add: Non-Cash Transactions		
Unrealized foreign exchange (gain)/loss (net)	175,172	-
Operating profit before working capital changes	**(16,652)**	**-**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(193,908)	193,908
Increase / (Decrease) in Payables due to related party	764,672	(7,446,049)
(Increase) / Decrease in Other Current Assets	(558,320)	-
Cash generated from operations	**(4,207)**	**(7,252,141)**
Taxes Paid (Net of Refunds)	(1)	-
Net cash flow from operating activities (A)	**(4,207)**	**(7,407,267)**
(B) Investing Acitivities		
Purchase of investment in subsidiaries	(33,550,497)	(100,831,900)
Net cash flow from (used in) investing activities (B)	**(33,550,497)**	**(100,831,900)**
(C) Financing Acitivities		
Proceeds from issue of equity shares	33,554,704	108,239,167
Net cash flow from (used in) financing activities (C)	**33,554,704**	**108,239,167**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**-**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(0)**	**-**
Cash and cash equivalents at the beginning of the year	-	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	(0)	-

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Holdings Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	33,550,476
As at March 31, 2026	**33,550,476**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**-**
Profit for the year (net of tax)	(116,344)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(116,344)**
Profit for the year (net of tax)	(230,606)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(346,950)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Holdings Limited
Notes forming part of the financial statements

1 General information

Brahma AI Holdings Limited ("the Company") is a company incorporated and domiciled in Jersey. The Company is the subsidiary of Double Negative Holdings Ltd, and the ultimate holding company is Prime Focus Limited ("PFL"). The Company is a holding company and holds investment in Metaphysics Inc, a leading developer of AI content creation technologies. The address of its registered office is 3rd Floor, 44 Esplanade, St. Helier, Jersey, JE4 9WG.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.
Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.
Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.
Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.
Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Brahma AI Holdings Limited
Notes to the Financial Statements for the year ended March 31, 2026

4 Investments (Non Current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid (at cost)		
Investment in subsidiaries	134,382,397	100,831,900
	134,382,397	**100,831,900**

5 Deferred tax assets / (liabilities) (net)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	38,782	-
Charge to Statement of Profit and Loss and Other Comprehensive Income	(38,782)	38,782
Total	**-**	**38,782**

6 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	15,687,054	7,446,049
	15,687,054	**7,446,049**

7 Other current assets (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	558,320	-
	558,320	**-**

9 Share capital

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	33,550,476	-
Share Application Money (Pending Allotment)	4,229	-
	33,554,705	**-**

Double Negative Holdings Ltd is the Immediate Holding Company

10 Other equity

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(116,344)	-
Add: Profit for the year	(230,606)	(116,344)
	(346,950)	**(116,344)**
Securities premium	108,239,167	108,239,167
Stock option liability	9,180,850	-
	117,073,066	**108,122,823**

11 Trade payables

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade payables	(0)	193,908
	(0)	**193,908**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	193,908	-	-
Total	**-**	**193,908**	**-**	**-**

Brahma AI Holdings Limited
Notes to the Financial Statements for the year ended March 31, 2026

12 Finance costs **Amount in GBP**

	2025-26	2024-25
Interest Expense on:		
Others	-	155,126
	-	**155,126**

13 Other expenses **Amount in GBP**

	2025-26	2024-25
Exchange loss	175,172	-
Legal and Professional fees	16,652	-
	191,824	**-**

14 Tax expenses **Amount in GBP**

	2025-26	2024-25
Deferred tax expense/(income)	38,782	(38,782)
	38,782	**(38,782)**

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Balance Sheet as at March 31, 2026

(Amount in GBP)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	828,783	1,115,955
Other intangible assets	5	10,361,732	11,082,860
Intangible assets under development	6	7,895,395	-
Deferred tax asset (net)	7	4,152,782	2,146
Total non-current assets		**23,238,692**	**12,200,961**
Current assets			
Financial assets			
Trade receivables	8	23,292	398,439
Cash and cash equivalents	9	52,495	484,977
Loans	10	79,855	47,548
Other financial assets	11	10,079,770	12,034
Other current assets	12	3,634,417	1,784,178
Total current assets		**13,869,828**	**2,727,176**
Total assets		**37,108,520**	**14,928,137**
Equity and Liabilities			
Equity			
Equity share capital	13	1	1
Other equity	14	(18,178,396)	(15,807,305)
Total equity		**(18,178,395)**	**(15,807,304)**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	15	2,170,427	2,868,152
Other financial liabilities	16	52,914,995	27,751,348
Other current liabilities	17	201,493	115,941
Total current liabilities		**55,286,915**	**30,735,441**
Total liabilities		**55,286,915**	**30,735,441**
Total equity and liabilities		**37,108,520**	**14,928,137**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in GBP)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	18	47,688,029	440,334
Other income	19	582,931	1,038,760
Total Income		**48,270,960**	**1,479,095**
Expenses			
Employee benefits expense	20	11,569,569	341,545
Finance costs	21	10,693	144
Depreciation and amortisation expense	4 , 5	1,099,579	138,000
Other expenses	23	42,181,641	1,232,730
Total expenses		**54,861,482**	**1,712,419**
Profit before exceptional items and tax		**(6,590,522)**	**(233,325)**
Exceptional Items		-	-
(Loss) / profit before tax		**(6,590,522)**	**(233,325)**
Tax expenses			
Current tax		-	-
Deferred tax		(4,150,636)	(2,146)
Total tax expense / (credit) (net)		**(4,150,636)**	**(2,146)**
Profit/ (Loss) for the year		**(2,439,886)**	**(231,178)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income / (loss) for the year		**(2,439,886)**	**(231,178)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

(Amount in GBP)

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**(6,590,522)**	**(233,325)**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	1,099,579	138,000
Finance cost	(15,090)	144
Unrealized foreign exchange (gain)/loss (net)	(550,680)	(864,479)
Bad Debts Written off	12,899	-
Sundry balances written back / written off	(9,946)	-
Stock Option Expense	9,249,646	-
Finance Income	(1,625)	(117)
Operating profit before working capital changes	**3,194,261**	**(959,776)**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(759,894)	669,398
Increase / (Decrease) in Other Current financial liabilities	96,891	(95,263)
Increase / (Decrease) in Payables due to related party	5,702,482	3,906,557
Increase / (Decrease) in Other Current Liabilities	85,552	(1,067,449)
(Increase) / Decrease in Trade and other receivables	6,696,595	(136,851)
(Increase) / Decrease in Other Current Financial Assets	(7,394,318)	(100,000)
(Increase) / Decrease in Other Current Assets	(762,042)	44,068
Cash generated from operations	**6,859,527**	**2,260,683**
Taxes Paid (Net of Refunds)	0	-
Finance costs paid (net)	15,295	(173)
Net cash flow from operating activities (A)	**6,874,822**	**2,260,510**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(7,986,675)	(250,000)
(Repayments)/ Proceeds for loans given to related party	696,938	-
Net cash flow from (used in) investing activities (B)	**(7,289,736)**	**(250,000)**
(C) Financing Acitivities		
Increase / (Decrease) in Short Term Borrowings	0	(1,525,534)
Net cash flow from (used in) financing activities (C)	**0**	**(1,525,534)**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**(17,567)**	**-**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(432,482)**	**484,977**
Cash and cash equivalents at the beginning of the year	484,977	-
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	52,495	484,977

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in GBP)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	1
As at March 31, 2025	**1**
Changes in equity share capital during the year	-
As at March 31, 2026	**1**

B. Other equity **(Amount in GBP)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(15,710,787)**
Profit for the year (net of tax)	(231,178)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(15,941,965)**
Profit for the year (net of tax)	(2,439,886)
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(18,381,851)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Notes forming part of the financial statements

1 General information

Brahma AI Services UK Limited ("the Company") is a private limited company incorporated and domiciled in United Kingdom. The Company is the wholly owned subsidiary of Metaphysic Inc ("Metaphysic Inc") and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company is software and technological development in post production.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in GBP)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	1,941,976	-	-	-	-	1,941,976
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	91,280	-	-	-	-	91,280
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**2,033,256**	**-**	**-**	**-**	**-**	**2,033,256**
II. Accumulated depreciation						
Balance as at March 31, 2025	826,021	-	-	-	-	826,021
Reclassification	-	-	-	-	-	-
For the year	378,451	-	-	-	-	378,451
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**1,204,473**	**-**	**-**	**-**	**-**	**1,204,473**
Net block (I - II)						
As at March 31, 2026	**828,783**	**-**	**-**	**-**	**-**	**828,783**

(Amount in GBP)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	-	-	-	-	-	-
Reclassification	1,941,976	-	-	-	-	1,941,976
Additions/(Deductions)	0	-	-	-	-	0
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**1,941,976**	**-**	**-**	**-**	**-**	**1,941,976**
II. Accumulated depreciation						
Balance as at March 31, 2024	-	-	-	-	-	-
Reclassification	783,753	-	-	-	-	783,753
For the year	42,269	-	-	-	-	42,269
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**826,021**	**-**	**-**	**-**	**-**	**826,021**
Net block (I - II)						
As at March 31, 2025	**1,115,955**	**-**	**-**	**-**	**-**	**1,115,955**

Brahma AI Services UK Limited (formerly known as Metaphysic Ltd)
Notes to the Financial Statements for the year ended March 31, 2026

5. Goodwill & Other intangible assets **(Amount in GBP)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	-	12,721,786	-	**12,721,786**
Additions	-	0	-	0
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**12,721,786**	**-**	**12,721,786**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	1,638,926	-	1,638,926
For the year	-	721,128	-	721,128
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**2,360,054**	**-**	**2,360,054**
Net block (I - II)				
As at March 31, 2026	**-**	**10,361,732**	**-**	**10,361,732**

(Amount in GBP)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	-	-	-	-
Additions/(Deletions)	-	250,000	-	250,000
Deletions	-	-	-	-
Adjustments #	-	12,471,786	-	12,471,786
As at March 31, 2025	**-**	**12,721,786**	**-**	**12,721,786**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	-	-	-
For the year	-	95,731	-	95,731
Deletions	-	-	-	-
Adjustments #	-	1,543,195	-	1,543,195
As at March 31, 2025	**-**	**1,638,926**	**-**	**1,638,926**
Net block (I - II)				
As at March 31, 2025	**-**	**11,082,860**	**-**	**11,082,860**

6. Intangible assets under development **(Amount in GBP)**

As at March 31, 2026	Amount for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	more than 3 years	Total
Project 1	7,895,395	-	-	-	**7,895,395**

7 Deferred tax assets / (liabilities) (net)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	2,146	-
Charge to Statement of Profit and Loss and Other Comprehensive Income	4,150,636	2,146
Total	**4,152,782**	**2,146**

8 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	23,292	398,439
	23,292	398,439
Less: allowance for doubtful debt	-	-
	23,292	**398,439**

Trade receivables - ageing and other details

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
6 months- 1 year	23,292	-	-	23,292
Total	**23,292**	**-**	**-**	**23,292**
Less: allowances for credit losses				-
Net Trade Receivables				**23,292**

Amount in GBP

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	398,439	-	-	398,439
Total	**398,439**	**-**	**-**	**398,439**
Less: allowances for credit losses				-
Net Trade Receivables				**398,439**

9 Cash and cash equivalents

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	52,495	484,977
	52,495	**484,977**

10 Loans (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Loans to employees	79,855	47,548
	79,855	**47,548**

11 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Unbilled revenue	10,078,204	-
Interest accrued on bank deposits	1,566	146
Other Receivables	-	11,888
	10,079,770	**12,034**

12 Other current assets (unsecured, considered good unless otherwise stated)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	576,249	148,733
Tax credit receivable	2,688,196	1,600,000

Others	369,972	35,445
	3,634,417	**1,784,178**

14 Share capital

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	1	1
	1	**1**

Metaphysic Inc. is the Immediate Holding Company

14 Other equity

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(15,941,965)	(15,710,787)
Add: Profit for the year	(2,439,886)	(231,178.40)
	(18,381,851)	**(15,941,965)**
Stock option liability	203,456	134,660
	(18,178,396)	**(15,807,305)**

15 Trade payables

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Trade payables	2,170,427	2,868,152
	2,170,427	**2,868,152**

Trade paybles - ageing and other details

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	299,532	-	-
Less than 6 months	-	781,631	-	-
1-2 years	-	1,021,919	-	-
2-3 years	-	67,246	-	-
More than 3 years	-	100	-	-
Total	**-**	**2,170,427**	**-**	**-**

Amount in GBP

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	2,750	-	-
Less than 6 months	-	2,755,827	-	-
6 months- 1 year	-	42,330	-	-
1-2 years	-	67,246	-	-
Total	**-**	**2,868,152**	**-**	**-**

16 Other financial liabilities (current)

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Due to related parties	52,809,519	27,742,764
Employee benefits payable	105,476	8,585
	52,914,995	**27,751,348**

17 Other current liabilities

Amount in GBP

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	6,758	-
Statutory dues	194,735	115,941
	201,493	**115,941**

18 Revenue from operations

Amount in GBP

	2025-26	2024-25
Sale of services	46,599,833	340,334
	46,599,833	**340,334**
Other operating revenue		
Government Grants	1,088,196	100,000
	1,088,196	**100,000**
	47,688,029	**440,334**

19 Other income

Amount in GBP

	2025-26	2024-25
Interest income:		
- Others	1,625	117
Management Fees	-	-
Dividend income	-	-
Provision for doubtful debts	-	-
Provision for doubtful advances written back	-	-
Gain on Sale of Assets	-	-
Gain on Lease modification	-	-
Derivative Gain Loss	-	-
Gain on sale of mutual funds and other investments	-	-
Bad debts recovered	-	-
Exchange gain	545,577	1,038,643
Miscellaneous income	9,946	-
Processing Fees (net of recoveries)	25,783	-
	582,931	**1,038,760**

20 Employee benefits expense

Amount in GBP

	2025-26	2024-25
Salaries and wages	1,613,251	279,801
Contribution to Defined Contribution Plans	705,242	61,464
Employee stock options	9,249,646	-
Staff welfare expenses	1,430	280
	11,569,569	**341,545**

21 Finance costs

Amount in GBP

	2025-26	2024-25
Bank charges	10,693	144
	10,693	**144**

22 Depreciation and amortisation expense — **Amount in GBP**

	2025-26	2024-25
Depreciation of property, plant and equipment	378,451	42,269
Amortisation of intangible assets	721,128	95,731
	1,099,579	**138,000**

23 Other expenses — **Amount in GBP**

	2025-26	2024-25
Rent	1,410,993	74,254
Technical service cost	38,740,846	879,588
Electricity charges	342	-
Legal and Professional fees	-	56,657
Management fees	1,022,079	-
Communication Charges	7,632	2,047
Repairs & Maintainance :		
Vehicle	118	-
Equipment	278,819	56,041
Travelling and conveyance expense	460,708	90,602
House-keeping charges	6,279	14,457
Insurance expense	8,534	2,411
Advertising and promotions	2,519	9,550
Bad debts written off	12,899	-
Miscellaneous expenses	229,872	47,122
	42,181,641	**1,232,730**

Tax expenses — **Amount in GBP**

	2025-26	2024-25
Deferred tax expense/(income)	(4,150,636)	(2,146)
	(4,150,636)	**(2,146)**

24. Liquidity risk management

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 (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutul funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. 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.

Amount in GBP

As at March 31, 2026	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	2,170,427	-	2,170,427
Other Financial Liabilities	52,914,995	-	52,914,995

Amount in GBP

As at March 31, 2025	Due within one year	Due after one year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	2,868,152	-	2,868,152
Other Financial Liabilities	27,751,348	-	27,751,348

25. Event after reporting period

There were no events after the reporting period which require adjustment in amounts recognised or disclosures in financial statements.

26. Previous year figures have been regrouped, recast and rearranged to make them comparable with the current year figures.

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

PF INVESTMENTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	31 March 2026 USD	31 March 2025 USD
Assets			
Non-current assets			
Investment		-	-
Current assets			
Other receivables	3	35,456	35,456
Total assets		**35,456**	**35,456**
Equity and liabilities			
Equity			
Share capital	4	43,000	43,000
Accumulated loss	5	(177,929)	(155,084)
Total equity		**(134,929)**	**(112,084)**
Current liabilities			
Trade payables	6	170,385	147,540
Total equity and liabilities		**35,456**	**35,456**

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, 2026
UDIN : 26042673QUVNMS2199

Vikas Rathee
Group Chief Financial Officer

PF INVESTMENTS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Year ended 31 March 2026 USD	Year ended 31 March 2025 USD
Income		-	-
Expenses	7	22,845	16,964
Profit / (Loss) before tax		**(22,845)**	**(16,964)**
Tax	8	-	-
Profit / (Loss) after tax		**(22,845)**	**(16,964)**
Other comprehensive income		-	-
Total Comprehensive Profit / (Loss) for the year		**(22,845)**	**(16,964)**
Profit / (Loss) per share		**(0.53)**	**(0.39)**

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, 2026
UDIN : 26042673QUVNMS2199

Vikas Rathee
Group Chief Financial Officer

PF INVESTMENTS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Stated capital USD	Accumulated loss USD	Total USD
Balance at 01 April 2024	43,000	(138,120)	(95,120)
Total comprehensive profit for the year	-	(16,964)	(16,964)
Balance at 31 March 2025	**43,000**	**(155,084)**	**(112,084)**
Balance at 01 April 2025	43,000	(155,084)	(112,084)
Total comprehensive loss for the year	-	(22,845)	(22,845)
Balance at 31 March 2026	**43,000**	**(177,929)**	**(134,929)**

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, 2026
UDIN : 26042673QUVNMS2199

Vikas Rathee
Group Chief Financial Officer

PF INVESTMENTS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Year ended 31 March 2026 USD	Year ended 31 March 2025 USD
Cash flows from operating activities		
Profit / (Loss) for the year	(22,845)	(16,964)
Gain on sale of investment	-	-
Operating loss before working capital changes	(22,845)	(16,964)
(Increase)/decrease in other receivables	-	-
Increase in trade payables	22,845	16,964
Net cash absorbed by operating activities	-	-
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-
Cash and cash equivalents consist of:		
Cash at bank	-	-

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, 2026
UDIN : 26042673QUVNMS2199

Vikas Rathee
Group Chief Financial Officer

1. Corporate information

PF Investments Limited (the "Company") was incorporated in the Republic of Mauritius on 30 November 2010 as a private company with liability limited by shares in accordance with the Companies Act 2001. The Company holds a Category 1, Global Business Licence 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 I, Nexteracom Buildings, Ebene. Mauritius.

The principal activity of the Company is to act as an investment holding company.

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.

PF INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

3. OTHER RECEIVABLES	**31 March 2026 USD**	**31 March 2025 USD**
Group company receivables	35,456	35,456
	35,456	**35,456**

4. SHARE CAPITAL	**31 March 2026 USD**	**31 March 2025 USD**
Issued and fully paid		
43,000 ordinary shares of USD 1 each	43,000	43,000
	43,000	**43,000**

5. OTHER EQUITY

	31 March 2026 USD	**31 March 2025 USD**
At start of the year	(155,084)	(138,120)
Profit / (loss) during the year	(22,845)	(16,964)
	(177,929)	**(155,084)**

6. TRADE PAYABLES	**31 March 2026 USD**	**31 March 2025 USD**
Accruals	42,830	21,415
Group company payable	127,555	126,125
	170,385	**147,540**

Trade Payables - ageing and other details **in USD**

As at March 31, 2026	**Others**	**Disputed dues- others**	**Total**
Provisions	42,830	-	**42,830**
Not due	-	-	**-**
Less than 1 years	1,430	-	**1,430**
1 to 2 years	16,997	-	**16,997**
2 to 3 years	-	-	**-**
More than 3 years	109,128	-	**109,128**
Total	**170,385**	**-**	**170,385**

PF INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Trade Payables - ageing and other details **in USD**

As at March 31, 2025	Others	Disputed dues- others	Total
Provisions	21,415	-	**21,415**
Not due	-	-	**-**
Less than 1 years	16,997	-	**16,997**
1 to 2 years	-	-	**-**
2 to 3 years	24,331	-	**24,331**
More than 3 years	84,797	-	**84,797**
Total	**147,540**	**-**	**147,540**

7. EXPENSES	**31 March 2026 USD**	**31 March 2025 USD**
Accountancy and audit fees	-	1,430
Professional charges	22,845	15,534
	22,845	**16,964**

8. 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 2026. 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.

9. PROFIT / (LOSS) PER SHARE

The loss per share is based on loss for the year of USD 22,845 (Previous year loss of USD 16,964) and on 43,000 ordinary shares in issue.

10. FINANCIAL RISK MANAGEMENT

Credit risk, foreign currency risk and interest rate risk
At 31 March 2026, the Company did not have any concentration of such risk.

Liquidity risk
At 31 March 2026, the Company did not have any liquidity risk.

PF INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Capital risk management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and

- to maintain an optimal capital structure to reduce the cost of capital.

11. Related Party Disclosure

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

Name of the related party	Relationship
PF Overseas Limited	Fellow Group Company
PF World Limited	Fellow Group Company
DNEG Sarl	Fellow Group Company

Related Party Transaction During the Year

	March 31,	
	2026	**2025**
Payments made by		
PF World Limited	1,430	16,997

Closing Balance

	March 31,	
	2026	**2025**
Receivable from		
PF Overseas Limited	13,456	13,456
DNEG Sarl	22,000	22,000
Payable to		
PF World Limited	127,555	126,125

See accompanying notes to the financial statements

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, 2026
UDIN : 26042673QUVNMS2199

Vikas Rathee
Group Chief Financial Officer

PF OVERSEAS LTD
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2026

USD

	Notes	Year ended 31 March 2026	31 March 2025
Income		-	-
Expenses	8	(23,180)	(33,300)
Loss before tax		**(23,180)**	**(33,300)**
Tax		-	-
Loss after tax		**(23,180)**	**(33,300)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(23,180)**	**(33,300)**
Loss per share		**(205.13)**	**(294.69)**

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, 2026
UDIN : 26042673XPBNMK1478

Vikas Rathee
Group Chief Financial Officer

PF OVERSEAS LTD
BALANCE SHEET
AS AT 31 MARCH 2026

USD

	Notes	As at 31 March 2026	31 March 2025
Assets			
Non- current assets			
Investment	3	18,810,788	18,810,788
Other financial assets		-	-
		18,810,788	**18,810,788**
Current assets			
Cash and bank balances	4	1,098	1,210
Other financial assets	5	24,419,635	24,425,385
		24,420,733	**24,426,595**
Total assets		**43,231,521**	**43,237,383**
Financed by:			
Equity and liabilities			
Equity			
Share capital	6	42,439,497	42,439,497
Other equity	6	732,994	756,174
Total equity		**43,172,491**	**43,195,671**
Current liabilities			
Other payables	7	59,030	41,712
		59,030	**41,712**
Total equity and liabilities		**43,231,521**	**43,237,383**

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, 2026
UDIN : 26042673XPBNMK1478

Vikas Rathee
Group Chief Financial Officer

PF OVERSEAS LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

USD

	Equity Share	Security Premium	Optionaly Convertible Preference Shares	Accumulated Loss	Total
Balance at 1 April 2024	113	999,987	42,439,384	(210,513)	**43,228,971**
Addition during the year	-	-	-	-	**-**
Redemption during the year	-	-	-	-	**-**
Total comprehensive loss for the year	-	-	-	(33,300)	**(33,300)**
Balance at 31 March 2025	**113**	**999,987**	**42,439,384**	**(243,813)**	**43,195,671**
Addition during the year	-	-	-	-	**-**
Redemption during the year	-	-	-	-	**-**
Total comprehensive loss for the year	-	-	-	(23,180)	**(23,180)**
Balance at 31 March 2026	**113**	**999,987**	**42,439,384**	**(266,993)**	**43,172,491**

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, 2026
UDIN : 26042673XPBNMK1478

Vikas Rathee
Group Chief Financial Officer

PF OVERSEAS LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

USD

	For the year ended	
	31 March 2026	**31 March 2025**
Cash flows from operating activities		
Loss for the year	(23,180)	(33,300)
Finance cost	430	-
Operating loss before working capital changes	**(22,750)**	**(33,300)**
(Increase)/Decrease in other receivables	5,750	5,124,677
Increase in Payables & other payables	17,318	(5,091,377)
Net cash from operating activities	**318**	**-**
Cash flows from financing activities		
Proceeds from issuance of equity shares including premium	-	-
Proceeds from issuance of preference shares	-	-
Redemption of preference shares	-	-
Finance cost paid	(430)	-
Net Cash from investing activities	**(430)**	**-**
Net movement in cash and cash equivalents	**(112)**	**-**
Cash and cash equivalents at beginning of year	**1,210**	**1,210**
Cash and cash equivalents at end of year	**1,098**	**1,210**
Cash and cash equivalents consist of:		
Cash and bank balances	**1,098**	**1,210**

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, 2026
UDIN : 26042673XPBNMK1478

Vikas Rathee
Group Chief Financial Officer

1. Corporate information

PF Overseas Ltd (the "Company") was incorporated in the Republic of Mauritius on 20 June 2011 as a private company with liability limited by shares in accordance with the Companies Act 2001. The Company holds a Category 1, Global Business Licence 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 I, Nexteracom Buildings, Ebene. Mauritius.

The principal activity of the Company is to act as an investment holding company.

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, 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 OVERSEAS LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

3. INVESTMENT

	As at 31 March 2026	As at 31 March 2025
		USD
Investments in Equity Shares		
DNEG Sarl		
Opening balance	18,810,788	18,810,788
Additions	-	-
	18,810,788	**18,810,788**

During the previous year, Prime Focus World N.V. ('PFW'), got merged with its parent DNEG Sàrl and 372,223 equity shares of Prime Focus World N.V. were swapped with 1,432,645 DNEG Sarl equity shares.

4. CASH & BANK BALANCES

	As at 31 March 2026	As at 31 March 2025
		USD
Cash in hand	100	100
Balance in bank	998	1,110
	1,098	**1,210**

5. OTHER CURRENT FINANCIAL ASSETS

	As at 31 March 2026	As at 31 March 2025
		USD
Receivable from group companies	24,419,635	24,425,385
	24,419,635	**24,425,385**

6a. EQUITY SHARE CAPITAL

	As at 31 March 2026	As at 31 March 2025
		USD
Issued and fully paid		
113 ordinary shares of USD 1 each (Previous year:- 113)	113	113
	113	**113**

6b. OPTIONALY CONVERTIBLE PREFERENCE SHARES

	As at 31 March 2026	As at 31 March 2025
		USD
Opening balance	42,439,384	42,439,384
Current year addition / (deletion)	-	-
	42,439,384	**42,439,384**

6c. SECURITY PREMIUM

	As at 31 March 2026	As at 31 March 2025
		USD
Opening balance	999,987	999,987
Current year addition	-	-
	999,987	**999,987**

6d. ACCUMULATED LOSS

	As at 31 March 2026	As at 31 March 2025
		USD
Opening balance	(243,813)	(210,513)
Current year profit / (loss)	(23,180)	(33,300)
	(266,993)	**(243,813)**

PF OVERSEAS LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

7. OTHER PAYABLES

USD

	As at 31 March 2026	As at 31 March 2025
Accruals	45,574	25,574
Other payables to group companies	13,456	16,138
	59,030	**41,712**

USD

As at March 31, 2026	Others	Disputed dues	Total
Provisions	45,574	-	45,574
Not due	-	-	-
less than 1 years	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
more than 3 years	13,456	-	13,456
	59,030	**-**	**59,030**

USD

As at March 31, 2025	Others	Disputed dues	Total
Provisions	25,574	-	25,574
Not due	-	-	-
less than 1 years	-	-	-
1 to 2 years	-	-	-
2 to 3 years	16,138	-	16,138
more than 3 years	-	-	-
	41,712	**-**	**41,712**

8. EXPENSES

USD

	Year ended 31 March 2026	Year ended 31 March 2025
Audit fees	-	2,750
Professional charges	22,750	18,900
Bank charges	430	-
Licence and registration fees	-	11,650
	23,180	**33,300**

9. 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 2026. 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.

10. LOSS PER SHARE

The loss per share is based on loss for the year of USD 23,180 (Previous year : USD 33,300) and on 100 ordinary shares in issue.

11. 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:

Credit risk, foreign currency risk and interest rate risk

At 31 March 2026, the Company did not have any concentration of such risk,other than intercompany balances.

Liquidity risk

At 31 March 2026, the Company did not have any liquidity risk

Fair values

The Company's other assets and liabilities include cash and cash equivalents and accruals which are realised or settled within a short period of time. The carrying amounts of these other assets and liabilities approximate their fair values.

Capital risk management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and
- to maintain an optimal capital structure to reduce the cost of capital.

12. 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
Prime Focus Limited	Parent
PF World Limited	Parent
DNEG Sarl	Fellow Group Company
PF Investment Limited	Fellow Group Company

Related Party Transaction During the Year **USD**

	March 31,	
	2026	2025
Payments made by		
PF World Limited	5,750	24,677

PF OVERSEAS LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Closing Balance **USD**

	March 31,	
	2026	**2025**
Receivable from / (Payable to)		
PF Investment Limited	(13,456)	(13,456)
Prime Focus Limited	-	(2,682)
PF World Limited	24,419,635	24,425,385

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, 2026
UDIN : 26042673XPBNMK1478

Vikas Rathee
Group Chief Financial Officer

DNEG Australia Productions PTY Ltd
Balance Sheet as at March 31, 2026

(Amount in AUD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Financial assets			
Investments		-	-
Total non-current assets		**-**	**-**
Current assets			
Financial assets			
Cash and cash equivalents		-	-
Loans		-	-
Other financial assets	4	1	-
Other current assets		-	-
Total current assets		**1**	**-**
Total assets		**1**	**-**
Equity and Liabilities			
Equity			
Equity share capital	5	1	-
Other equity		-	-
Total equity		**1**	**-**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings		-	-
Total non-current liabilities		**-**	**-**
Current liabilities			
Financial liabilities			
Trade payables		-	-
Other financial liabilities		-	-
Total current liabilities		**-**	**-**
Total liabilities		**-**	**-**
Total equity and liabilities		**1**	**-**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Australia Productions PTY Ltd (Formerly known as Prime Focus Luxembourg S.A.R.L)
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in AUD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations		-	-
Other income		-	-
Total Income		**-**	**-**
Expenses			
Employee benefits expense		-	-
Finance costs		-	-
Other expenses		-	-
Total expenses		**-**	**-**
Profit before tax		**-**	**-**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense / (credit) (net)		**-**	**-**
Profit/ (Loss) for the year		**-**	**-**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**-**	**-**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Bulgaria EOOD
Balance Sheet as at March 31, 2026

(Amount in EUR)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	103,297	150,298
Right of use assets	5	186,093	189,962
Financial assets			
Other Financial Assets	6	-	(0)
Income tax assets (net)	7	2,053	24,763
Total non-current assets		**291,443**	**365,023**
Current assets			
Financial assets			
Cash and cash equivalents	8	21,881	270,750
Loans	9	4,346	1,190
Other financial assets	10	2,500,557	1,786,928
Other current assets	11	10,640	4,068
Total current assets		**2,537,424**	**2,062,935**
Total assets		**2,828,867**	**2,427,958**
Equity and Liabilities			
Equity			
Equity share capital	12	1,023	1,023
Other equity	13	662,314	548,648
Total equity		**663,337**	**549,671**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	14	97,953	130,513
Total non-current liabilities		**97,953**	**130,513**
Current liabilities			
Financial liabilities			
Lease liabilities	15	95,062	65,852
Trade payables	16	(7,384)	24,515
Other financial liabilities	17	204,830	184,902
Other current liabilities	18	1,775,070	1,472,505
Total current liabilities		**2,067,578**	**1,747,774**
Total liabilities		**2,165,530**	**1,878,288**
Total equity and liabilities		**2,828,867**	**2,427,958**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Bulgaria EOOD
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in EUR)

	Notes	March 31, 2026	March 31, 2025
Revenue			
Revenue from operations	19	2,347,680	2,641,017
Other income	20	1,379	1,721
Total Income		**2,349,060**	**2,642,737**
Expenses			
Employee benefits expense	21	1,991,706	2,203,214
Finance costs	22	10,760	12,236
Depreciation and amortisation expense	4 , 5	121,148	145,779
Other expenses	24	97,052	144,345
Total expenses		**2,220,666**	**2,505,574**
(Loss) / profit before tax		**128,394**	**137,163**
Tax expenses			
Current tax	25	14,685	-
Deferred tax	25	36	2,286
Total tax expense / (credit) (net)		**14,721**	**2,286**
Profit/ (Loss) for the year		**113,673**	**134,877**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**113,673**	**134,877**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Bulgaria EOOD
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	128,394	137,163
Add: Non-Cash Transactions		
Depreciation and amortisation expense	238,034	145,779
Finance cost	21,141	12,236
Unrealized foreign exchange (gain)/loss (net)	47,951	45,753
Sundry balances written back / written off	(1,261)	(593)
Finance Income	-	(1,127)
Operating profit before working capital changes	**434,259**	**339,211**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(61,415)	(201,705)
Increase / (Decrease) in Other Non-Current Liabilities	2	1
Increase / (Decrease) in Other Current financial liabilities	39,161	(89,587)
Increase / (Decrease) in Payables due to related party	(548,495)	(376,255)
Increase / (Decrease) in Other Current Liabilities	(17,302)	6,809
(Increase) / Decrease in Other Non-Current Financial Assets	1	(10,975)
(Increase) / Decrease in Other Current Financial Assets	57,142	(5,525)
(Increase) / Decrease in Other Current Assets	(2,101)	1,936
Cash generated from operations	**(98,747)**	**(336,090)**
Taxes Paid (Net of Refunds)	15,696	26,864
Net cash flow from operating activities (A)	**(83,051)**	**(309,226)**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	(15)	205,249
Net cash flow from (used in) investing activities (B)	**(15)**	**205,249**
(C) Financing Acitivities		
Finance costs paid (net)	(21,141)	(11,109)
Repayment of Operating leases	(144,661)	(50,674)
Net cash flow from (used in) financing activities (C)	**(165,802)**	**(61,784)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(248,869)**	**(165,760)**
Cash and cash equivalents at the beginning of the year	270,750	436,510
Add: Cash acquired from Business Combinations	-	-
Cash and cash equivalents at the end of the year	21,881	270,749

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Bulgaria EOOD
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in EUR)**

	Total
As at March 31, 2024	**1,023**
Changes in equity share capital during the year	-
As at March 31, 2025	**1,023**
Changes in equity share capital during the year	(0)
As at March 31, 2026	**1,023**

B. Other equity **(Amount in EUR)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**413,770**
Profit for the year (net of tax)	134,877
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**548,648**
Profit for the year (net of tax)	113,673
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**662,321**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG Bulgaria EOOD
Notes forming part of the financial statements

1 General information

DNEG Bulgaria EOOD ("the Company") is a company incorporated and domiciled in Bulgaria. The Company is the subsidiary of DNEG S.A.R.L and the ultimate holding company is Prime Focus Limited ("PFL"). The nature of business of the Company is Post Production Services. The address of its registered office is 115G Tsarigradsko Shosse Boulevard, Floor 3, Mladost District, Sofia, Bulgaria..

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Euros (EUR), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –
a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG Bulgaria EOOD
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in EUR)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	-	326,092	-	-	-	326,092
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**-**	**326,092**	**-**	**-**	**-**	**326,092**
II. Accumulated depreciation						
Balance as at March 31, 2025	-	175,796	-	-	-	175,796
Reclassification	-	-	-	-	-	-
For the year	-	46,999	-	-	-	46,999
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**-**	**222,795**	**-**	**-**	**-**	**222,795**
Net block (I - II)						
As at March 31, 2026	**-**	**103,297**	**-**	**-**	**-**	**103,297**

(Amount in EUR)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	-	535,342	-	-	-	535,342
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	(209,245)	-	-	-	(209,245)
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**-**	**326,097**	**-**	**-**	**-**	**326,097**
II. Accumulated depreciation	-	-	-	-	-	-
Balance as at March 31, 2024	-	96,410	-	-	-	96,410
Reclassification	-	-	-	-	-	-
For the year	-	79,389	-	-	-	79,389
Deletions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**-**	**175,799**	**-**	**-**	**-**	**175,799**
Net block (I - II)	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2025	**-**	**150,298**	**-**	**-**	**-**	**150,298**

DNEG Bulgaria EOOD
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in EUR)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**322,399**	**-**	**-**	**-**	**-**	**-**	**-**	**322,399**
Additions/(Deductions)	70,276	-	-	-	-	-	-	70,276
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**392,675**	**-**	**-**	**-**	**-**	**-**	**-**	**392,675**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**132,440**	**-**	**-**	**-**	**-**	**-**	**-**	**132,440**
Additions/(Deductions)	74,142	-	-	-	-	-	-	74,142
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**206,582**	**-**	**-**	**-**	**-**	**-**	**-**	**206,582**
Net block (I - II)								
As at March 31, 2026	**186,093**	**-**	**-**	**-**	**-**	**-**	**-**	**186,093**

(Amount in EUR)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**335,024**	**-**	**-**	**-**	**-**	**-**	**-**	**335,024**
Additions/(Deductions)	(12,620)	-	-	-	-	-	-	(12,620)
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**322,404**	**-**	**-**	**-**	**-**	**-**	**-**	**322,404**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**70,048**	**-**	**-**	**-**	**-**	**-**	**-**	**70,048**
Additions/(Deductions)	66,390	-	-	-	-	-	-	66,390
Deletions	-	-	-	-	-	-	-	-
Adjustments #	(3,996)	-	-	-	-	-	-	(3,996)
As at March 31, 2025	**132,442**	**-**	**-**	**-**	**-**	**-**	**-**	**132,442**
Net block (I - II)								
As at March 31, 2025	**189,962**	**-**	**-**	**-**	**-**	**-**	**-**	**189,962**

6 Other Financial Assets (Non Current) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Deposits to others	-	(0)
	-	**(0)**

7 Income tax assets / (liabilities) (net) (Non Current) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	2,053	24,763
Total	**2,053**	**24,763**

8 Cash and cash equivalents — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	21,881	270,750
	21,881	**270,750**

9 Loans (current) (unsecured, considered good unless otherwise stated) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	4,346	1,190
	4,346	**1,190**

10 Other financial assets (current) (unsecured, considered good unless otherwise stated) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	2,500,502	1,786,617
Other Receivables	55	311
	2,500,557	**1,786,928**

11 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	5,137	4,068
Balance outstanding with government authorities	5,503	-
	10,640	**4,068**

12 Share capital — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	1,023	1,023
	1,023	**1,023**

DNEG SARL is the Immediate Holding Company

13 Other equity — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	548,641	413,770
Add: Profit for the year	113,673	134,877
	662,314	**548,648**

14 Lease liabilities (non-current) (unsecured) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	97,953	130,513
	97,953	**130,513**

15 Lease liabilities (current) — **Amount in EUR**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	95,062	65,852
	95,062	**65,852**

16 Trade payables

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Trade payables	(7,384)	24,515
	(7,384)	**24,515**

Trade paybles - ageing and other details

Amount in EUR

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Less than 6 months	-	(7,384)	-	-
1-2 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**(7,384)**	**-**	**-**

Amount in EUR

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	21,623	-	-
Less than 6 months	-	2,893	-	-
Total	**-**	**24,515**	**-**	**-**

17 Other financial liabilities (current)

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Employee benefits payable	204,830	184,902
	204,830	**184,902**

18 Other current liabilities

Amount in EUR

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	1,775,070	1,469,202
Statutory dues	-	3,303
	1,775,070	**1,472,505**

19 Revenue from operations

Amount in EUR

	2025-26	2024-25
Sale of services	2,347,680	2,641,017
	2,347,680	**2,641,017**

20 Other income

Amount in EUR

	2025-26	2024-25
Interest income:		
- Lease deposit	-	1,127
Miscellaneous income	1,379	593
	1,379	**1,721**

21 Employee benefits expense

Amount in EUR

	2025-26	2024-25
Salaries and wages	1,719,219	1,915,435
Contribution to Defined Contribution Plans	155,045	165,224
Staff welfare expenses	117,441	122,555
	1,991,706	**2,203,214**

22 Finance costs

Amount in EUR

	2025-26	2024-25
Bank charges	5,400	5,532
Interest Expense on:		
Lease Liability	5,360	6,705
	10,760	**12,236**

23 Depreciation and amortisation expense

Amount in EUR

	2025-26	2024-25
Depreciation of property, plant and equipment	46,999	79,389
Depreciation of right-of-use assets	74,149	66,390
	121,148	**145,779**

24 Other expenses

Amount in EUR

	2025-26	2024-25
Exchange loss	24,412	46,666
Rent	27,524	35,591
Technical service cost	-	2,556
Legal and Professional fees	29,189	47,205
Communication Charges	7,374	7,280
Repairs & Maintainance :		
Equipment	286	-
Miscellaneous expenses	8,267	5,045
	97,052	**144,345**

25 Tax expenses

Amount in EUR

	2025-26	2024-25
Current tax expense/(income)	14,685	-
Deferred tax expense/(income)	36	2,286
	14,721	**2,286**

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Balance Sheet as at March 31, 2026

(Amount in USD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Financial assets			
Investments	4	196,036,690	196,035,722
Total non-current assets		**196,036,690**	**196,035,722**
Current assets			
Financial assets			
Cash and cash equivalents	5	-	8,064,654
Loans	6	1,957,160	1,000,413
Other financial assets	7	87,124,503	76,733,593
Other current assets	8	93,545	257,321
Total current assets		**89,175,208**	**86,055,980**
Total assets		**285,211,898**	**282,091,703**
Equity and Liabilities			
Equity			
Equity share capital	9	51,797,578	51,797,578
Other equity	10	231,344,007	225,905,173
Total equity		**283,141,585**	**277,702,751**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11	(416,277)	-
Total non-current liabilities		**(416,277)**	**-**
Current liabilities			
Financial liabilities			
Trade payables	12	1,594,869	3,661,170
Other financial liabilities	13	891,721	727,781
Total current liabilities		**2,486,591**	**4,388,952**
Total liabilities		**2,070,313**	**4,388,952**
Total equity and liabilities		**285,211,898**	**282,091,702**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in USD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	14	6,863,908	3,238,521
Other income	15	4,686,680	7,710,660
Total Income		**11,550,588**	**10,949,181**
Expenses			
Employee benefits expense	16	3,025,000	731,250
Finance costs	17	1,030,582	3,986,303
Other expenses	18	2,271,486	2,502,753
Total expenses		**6,327,068**	**7,220,306**
Profit before tax		**5,223,520**	**3,728,875**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense / (credit) (net)		**-**	**-**
Profit/ (Loss) for the year		**5,223,520**	**3,728,875**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**5,223,520**	**3,728,875**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in USD)**

	Total
As at March 31, 2024	**79,385**
Changes in equity share capital during the year	51,718,193
As at March 31, 2025	**51,797,578**
Changes in equity share capital during the year	-
As at March 31, 2026	**51,797,578**

B. Other equity **(Amount in USD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**(80,527,558)**
Profit for the year (net of tax)	3,728,875
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**(76,798,684)**
Profit for the year (net of tax)	5,223,520
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**(71,575,164)**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**5,223,520**	**3,728,875**
Add: Non-Cash Transactions		
Finance cost	1,030,582	3,986,303
Unrealized foreign exchange (gain)/loss (net)	1,365,131	(1,645,349)
Bad Debts Written off	4	(3)
Sundry balances written back / written off	(250,000)	(1,315,352)
Finance Income	(4,436,680)	(4,604,799)
Operating profit before working capital changes	**2,932,557**	**149,675**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(1,763,009)	(654,945)
Increase / (Decrease) in Payables due to related party	(9,343,117)	(81,223,988)
Increase / (Decrease) in Other Current Liabilities	(26,665)	(51,414)
(Increase) / Decrease in Trade and other receivables	(4)	3
(Increase) / Decrease in Other Current Financial Assets	(1,286,153)	(223,135)
(Increase) / Decrease in Other Current Assets	190,441	88,473
Cash generated from operations	**(9,295,950)**	**(81,915,332)**
Taxes Paid (Net of Refunds)	-	-
Net cash flow from operating activities (A)	**(9,295,950)**	**(81,915,332)**
(B) Investing Acitivities		
(Repayments)/ Proceeds for loans given to related party	2,695,579	(11,606,803)
Purchase of investment in subsidiaries	(967)	(88,852,325)
Net cash flow from (used in) investing activities (B)	**2,694,612**	**(100,459,127)**
(C) Financing Acitivities		
Finance costs paid (net)	(1,426,275)	(763,658)
Proceeds from issue of equity shares	-	194,453,130
Net cash flow from (used in) financing activities (C)	**(1,426,275)**	**193,689,472**
(D) Effect of changes in foreign exchange on cash and cash equivalents (D)	**(37,040)**	**(42,822)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**(8,064,653)**	**11,272,192**
Cash and cash equivalents at the beginning of the year	8,064,654	(3,207,538)
Cash and cash equivalents at the end of the year	0	8,064,654

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Notes forming part of the financial statements

1 General information

DNEG S.A.R.L (Previously known as Prime Focus Luxembourg S.A 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 121, avenue de la Faïencerie, L-1511 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 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements (“financial statements”) have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as ‘Ind AS’).

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company’s financial statements are presented in United States Dollars (USD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability (“Unearned revenue”) arises when there is billing in excess of revenue. Unbilled revenue is included within ‘other financial assets’ and billing in advance is included as deferred revenue in ‘Other current liabilities’.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder’s period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

· the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

DNEG S.A.R.L (Formerly known as Prime Focus Luxembourg S.A.R.L)
Notes to the Financial Statements for the year ended March 31, 2026

4 Investments (Non Current) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid (at cost)		
Investment in subsidiaries	196,036,690	196,035,722
	196,036,690	**196,035,722**

5 Cash and cash equivalents — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	-	8,064,654
	-	**8,064,654**

6 Loans (current) (unsecured, considered good unless otherwise stated) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Loans to employees	1,957,160	1,000,413
	1,957,160	**1,000,413**

7 Other financial assets (current) (unsecured, considered good unless otherwise stated) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	86,367,646	76,298,480
Other Receivables	756,857	435,113
	87,124,503	**76,733,593**

8 Other current assets (unsecured, considered good unless otherwise stated) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	8,445	198,886
Balance outstanding with government authorities	85,099	58,435
	93,545	**257,321**

9 Share capital — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Issued, subscribed and paid up:		
Equity Share Capital #	51,797,578	51,797,578
	51,797,578	**51,797,578**

PF World Limited is the Immediate Holding Company

10 Other equity — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	(76,798,684)	(80,527,558)
Add: Profit for the year	5,223,520	3,728,875
	(71,575,164)	**(76,798,684)**
Additional paid in capital	68,190,636	68,190,636
Securities premium	281,926,109	281,926,109
Capital reserve	(60,502,836)	(60,502,836)
Stock option liability	13,305,263	13,089,948
	231,344,007	**225,905,173**

11 Borrowings (non-current) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Term loan from banks (Processing fees paid)	(416,277)	-
	(416,277)	**-**

12 Trade payables — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Trade payables	1,594,869	3,661,170
	1,594,869	**3,661,170**

Trade paybles - ageing and other details

Amount in USD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	2,090,730	-	-
Less than 6 months	-	67,192	-	-
6 months- 1 year	-	(67,625)	-	-
1-2 years	-	(495,346)	-	-
2-3 years	-	(82)	-	-
Total	**-**	**1,594,869**	**-**	**-**

Amount in USD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	3,104,504	-	-
Less than 6 months	-	90,334	-	-
1-2 years	-	263,301	-	-
2-3 years	-	203,032	-	-
Total	**-**	**3,661,171**	**-**	**-**

13 Other financial liabilities (current) — **Amount in USD**

	As at March 31, 2026	As at March 31, 2025
Cash Settled Options	891,721	727,781
	891,721	**727,781**

14 Revenue from operations — **Amount in USD**

	2025-26	2024-25
Management Fees Income	6,863,908	3,238,521
	6,863,908	**3,238,521**

15 Other income — **Amount in USD**

	2025-26	2024-25
Interest income:		
- Intercompany loans & advances	4,379,479	4,560,510
- Others	57,200	44,289
Exchange gain	-	1,790,509
Miscellaneous income	250,000	1,315,352
	4,686,680	**7,710,660**

16 Employee benefits expense — **Amount in USD**

	2025-26	2024-25
Salaries and wages	3,025,000	731,250
	3,025,000	**731,250**

17 Finance costs — **Amount in USD**

	2025-26	2024-25
Bank charges	4,567	5,591
Interest Expense on:		
Working Capital Finance	947,888	802,355
Interest on related party loans	-	3,178,356
Others	78,126	-
	1,030,582	**3,986,303**

18 Other expenses — **Amount in USD**

	2025-26	2024-25
Exchange loss	1,365,207	-
Legal and Professional fees	559,204	1,515,566
Insurance expense	257,741	698,748
Rates and taxes	-	7,329
Advertising and promotions	67,331	10,447
Bad debts written off	4	(3)
Miscellaneous expenses	22,000	270,665
	2,271,486	**2,502,753**

Double Negative Canada Productions Limited
Balance Sheet as at March 31, 2026

(Amount in CAD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	403,045	700,522
Right of use assets	5	1,851,121	1,312,803
Capital Work in Progress	6	37,018	-
Goodwill	7	9,884,519	9,884,519
Other intangible assets	8	116	3,652
Financial assets			
Other Financial Assets	9	14,017,785	18,964,947
Deferred tax asset (net)	10	48,713	427,669
Other non-current assets	12	15,911	-
Total non-current assets		**26,258,228**	**31,294,112**
Current assets			
Financial assets			
Trade receivables	13	3,327,023	6,629,034
Cash and cash equivalents	14	7,054,983	3,151,307
Loans	15	650,469	1,192,341
Other financial assets	16	16,370,604	21,630,641
Other current assets	17	24,134,236	4,914,201
Total current assets		**51,537,315**	**37,517,524**
Total assets		**77,795,543**	**68,811,637**
Equity and Liabilities			
Equity			
Equity share capital	18	-	(1)
Other equity	19	43,720,522	39,949,313
Total equity		**43,720,522**	**39,949,312**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	20	1,534,848	270,382
Other financial liabilities	21	213,248	-
Provisions	**22**	1,438,493	2,098,668
Total non-current liabilities		**3,186,589**	**2,369,050**
Current liabilities			
Financial liabilities			
Borrowings	23	6,450,000	8,648,761
Lease liabilities	24	626,751	378,702
Trade payables	25	332,753	301,176
Other financial liabilities	26	9,069,483	15,660,684
Other current liabilities	27	13,361,055	940,202
Current tax liabilities	11	1,048,390	563,750
Total current liabilities		**30,888,432**	**26,493,275**
Total liabilities		**34,075,021**	**28,862,324**
Total equity and liabilities		**77,795,543**	**68,811,637**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Canada Productions Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in CAD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	28	68,845,045	62,344,243
Other income	29	6,963,467	6,827,051
Total Income		**75,808,512**	**69,171,294**
Expenses			
Employee benefits expense	30	56,172,881	51,246,604
Finance costs	31	649,943	1,379,842
Depreciation and amortisation expense	4, 5, 8	715,392	2,065,443
Other expenses	33	13,273,376	11,409,645
Total expenses		**70,811,592**	**66,101,533**
(Loss) / profit before tax		**4,996,920**	**3,069,761**
Tax expenses			
Current tax	34	846,754	(73,274)
Deferred tax	34	378,956	604,458
Total tax expense / (credit) (net)		**1,225,710**	**531,184**
Profit/ (Loss) for the year		**3,771,209**	**2,538,577**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**3,771,209**	**2,538,577**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Canada Productions Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in CAD)**

	Total
As at March 31, 2024	**(1)**
Changes in equity share capital during the year	-
As at March 31, 2025	**(1)**
Changes in equity share capital during the year	-
As at March 31, 2026	**(1)**

B. Other equity **(Amount in CAD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**37,410,736**
Profit for the year (net of tax)	2,538,577
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**39,949,313**
Profit for the year (net of tax)	3,771,209
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**43,720,522**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Canada Productions Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**4,996,920**	**3,069,761**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	715,392	1,465,710
(Gain) / Loss on Sale / Discard of fixed assets	(144,711)	(4,052)
Finance cost	649,943	1,379,842
Unrealized foreign exchange (gain)/loss (net)	(91,740)	587,937
Provision for doubtful debts/ advances	100,076	(90,752)
Bad Debts Written off	-	83,555
Sundry balances written back / written off	35,594	13,312
Stock Option Expense	-	56,130
Finance Income	(512,293)	(557,252)
Operating profit before working capital changes	**5,749,180**	**6,004,191**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(178,005)	(317,296)
Increase / (Decrease) in Other Non-Current Financial Liabilities	(660,175)	38,834
Increase / (Decrease) in Other Current financial liabilities	393,228	(463,107)
Increase / (Decrease) in Payables due to related party	(26,380,483)	19,054,722
Increase / (Decrease) in Other Current Liabilities	12,420,853	(7,438,597)
(Increase) / Decrease in Other Non-Current Financial Assets	4,928,551	161,252
(Increase) / Decrease in Other Non-Current Assets	(15,911)	-
(Increase) / Decrease in Trade and other receivables	3,296,228	(3,513,075)
(Increase) / Decrease in Other Current Financial Assets	7,004,758	(16,299,288)
(Increase) / Decrease in Other Current Assets	136,099	26,885
Cash generated from operations	**6,694,323**	**(2,745,479)**
Taxes Paid (Net of Refunds)	(362,114)	(3,245,451)
Net cash flow from operating activities (A)	**6,332,209**	**(5,990,930)**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	467,162	1,049,463
(Repayments)/ Proceeds for loans given to related party	-	600
Net cash flow from (used in) investing activities (B)	**467,162**	**1,050,063**
(C) Financing Acitivities		
Increase / (Decrease) in Short Term Borrowings	(2,198,761)	8,648,761
Finance costs paid (net)	(137,650)	(822,591)
Repayment of Finance leases	(378,703)	(349,100)
Repayment of Operating leases	(180,582)	(2,398,520)
Proceeds from issue of equity shares	1	(1)
Net cash flow from (used in) financing activities (C)	**(2,895,695)**	**5,078,550**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**3,903,676**	**137,683**
Cash and cash equivalents at the beginning of the year	3,151,307	1,830,074
Cash and cash equivalents at the end of the year	7,054,983	3,151,307

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Canada Productions Limited
Notes forming part of the financial statements

1 General information

Double Negative Canada Productions Limited ("the Company") is a company incorporated and domiciled in Canada. The Company is the subsidiary of Double Negative Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company in rendering visual effects services for gloabal film industry. The address of its registered office is 68 West 5th Ave, Vancouver, BC V5Y 1H6.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Canadian Dollars (CAD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Canada Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in CAD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	16,323,356	1,988,907	12,258,641	-	-	30,570,904
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	49,110	(25,735)	-	-	-	23,375
Deletions	(3,850,612)	(428,294)	(12,258,641)	-	-	(16,537,546)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**12,521,854**	**1,534,878**	**-**	**-**	**-**	**14,056,732**
II. Accumulated depreciation						
Balance as at March 31, 2025	15,638,349	1,981,804	12,250,229	-	-	29,870,381
Reclassification	-	-	-	-	-	-
For the year	295,557	5,385	8,376	-	-	309,318
Deletions	(3,839,128)	(428,280)	(12,258,605)	-	-	(16,526,013)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**12,094,778**	**1,558,909**	**-**	**-**	**-**	**13,653,687**
Net block (I - II)						
As at March 31, 2026	**427,076**	**(24,031)**	**-**	**-**	**-**	**403,045**

(Amount in CAD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	16,285,853	1,990,081	12,255,779	-	-	30,531,712
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	37,503	0	2,863	-	-	40,365
Deletions	-	(1,174)	-	-	-	(1,174)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**16,323,356**	**1,988,907**	**12,258,641**	**-**	**-**	**30,570,904**
II. Accumulated depreciation						
Balance as at March 31, 2024	14,992,705	1,982,128	12,195,239	-	-	29,170,072
Reclassification	-	-	-	-	-	-
For the year	623,218	3,738	54,990	-	-	681,946
Deletions	22,426	(4,063)	-	-	-	18,364
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**15,638,349**	**1,981,804**	**12,250,229**	**-**	**-**	**29,870,381**
Net block (I - II)						
As at March 31, 2025	**685,007**	**7,103**	**8,412**	**-**	**-**	**700,522**

Double Negative Canada Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

5. Right of use assets **(Amount in CAD)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**550,392**	**-**	**1,778,102**	**-**	**-**	**-**	**-**	**2,328,494**
Additions/(Deductions)	1,738,660	-	-	-	-	-	-	1,738,660
Deletions	(550,392)	-	(710,787)	-	-	-	-	(1,261,179)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**1,738,660**	**-**	**1,067,314**	**-**	**-**	**-**	**-**	**2,805,974**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**127,013**	**-**	**888,677**	**-**	**-**	**-**	**-**	**1,015,691**
Additions/(Deductions)	226,956	-	175,581	-	-	-	-	402,538
Deletions	(137,598)	-	(325,777)	-	-	-	-	(463,375)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**216,372**	**-**	**738,481**	**-**	**-**	**-**	**-**	**954,853**
Net block (I - II)								
As at March 31, 2026	**1,522,288**	**-**	**328,833**	**-**	**-**	**-**	**-**	**1,851,121**

(Amount in CAD)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**6,567,110**	**-**	**1,778,102**	**-**	**-**	**-**	**-**	**8,345,212**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	(6,016,718)	-	-	-	-	-	-	(6,016,718)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**550,392**	**-**	**1,778,102**	**-**	**-**	**-**	**-**	**2,328,494**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**5,088,579**	**-**	**575,106**	**-**	**-**	**-**	**-**	**5,663,685**
Additions/(Deductions)	1,055,152	-	313,572	-	-	-	-	1,368,724
Deletions	(6,016,718)	-	-	-	-	-	-	(6,016,718)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**127,013**	**-**	**888,677**	**-**	**-**	**-**	**-**	**1,015,691**
Net block (I - II)								
As at March 31, 2025	**423,378**	**-**	**889,424**	**-**	**-**	**-**	**-**	**1,312,803**

Double Negative Canada Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

8. Goodwill & Other intangible assets **(Amount in CAD)**

Description of Assets	Goodwill	Software	Other Intangibles	Total
Gross block				
Balance as at March 31, 2025	9,884,519	5,741,919	900,002	**16,526,440**
Additions	-	-	-	-
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**9,884,519**	**5,741,919**	**900,002**	**16,526,440**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2025	-	5,738,267	900,002	6,638,269
For the year	-	3,536	0	3,536
Deletions	-	-	-	-
Adjustments #	-	-	-	-
As at March 31, 2026	**-**	**5,741,803**	**900,002**	**6,641,805**
Net block (I - II)				
As at March 31, 2026	**9,884,519**	**116**	**0**	**9,884,635**

(Amount in CAD)

Description of Assets	Goodwill	Software	Other Intangibles	Total
I. Gross block				
Balance as at March 31, 2024	9,884,519	6,956,912	900,002	17,741,433
Additions/(Deletions)	-	-	-	-
Deletions	-	(1,214,992)	-	(1,214,992)
Adjustments #	-	-	-	-
As at March 31, 2025	**9,884,519**	**5,741,919**	**900,002**	**16,526,440**
II. Accumulated amortisation and impairment				
Balance as at March 31, 2024	-	6,938,487	900,002	7,838,488
For the year	-	14,773	0	14,773
Deletions	-	(1,214,992)	-	(1,214,992)
Adjustments #	-	-	-	-
As at March 31, 2025	**-**	**5,738,267**	**900,002**	**6,638,269**
Net block (I - II)				
As at March 31, 2025	**9,884,519**	**3,652**	**0**	**9,888,171**

9 Other Financial Assets (Non Current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Deposits to others	112,014	159,856
Tax credit receivable	13,905,771	18,805,090
	14,017,785	**18,964,947**

10 Deferred tax assets / (liabilities) (net)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	427,669	1,032,127
Charge to Statement of Profit and Loss and Other Comprehensive Income	(378,956)	(604,458)
Total	**48,713**	**427,669**

11 Income tax assets / (liabilities) (net) (Non Current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	(1,048,390)	(563,750)
Total	**(1,048,390)**	**(563,750)**

12 Other non-current assets

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	15,911	-
	15,911	**-**

13 Trade receivables (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Trade receivables from contracts with customers	3,337,959	6,642,548
	3,337,959	6,642,548
Less: allowance for doubtful debt	(10,936)	(13,513)
	3,327,023	**6,629,034**
The movement in allowance for bad and doubtful debts is as follows:		
Balance as at the beginning of the year	13,513	104,266
Allowances made / (reversal) during the year	(2,577)	(90,752)
Balance as at the end of the year	**10,936**	**13,513**

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

Trade receivables - ageing and other details

Amount in CAD

	Undisputed trade receivables			
As at March 31, 2026	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	3,337,955	-	-	3,337,955
Total	**3,337,955**	**-**	**-**	**3,337,954**
Less: allowances for credit losses				(10,936)
Net Trade Receivables				**3,327,018**

Amount in CAD

	Undisputed trade receivables			
As at March 31, 2025	**Considered good**	**Which have significant risk**	**Credit impaired**	**Total**
Less than 6 months	6,642,307	-	-	6,642,307
6 months- 1 year	240	-	-	240
Total	**6,642,547**	-	-	**6,642,547**
Less: allowances for credit losses				(13,513)
Net Trade Receivables				**6,629,034**

14 Cash and cash equivalents

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Cash on hand	-	1,532
Bank balances:		
In current accounts	7,054,983	3,149,775
	7,054,983	**3,151,307**

15 Loans (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Loans to employees	650,469	1,192,341
	650,469	**1,192,341**

16 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	1,758,895	-
Unbilled revenue	12,943,013	18,385,660
Security Deposit	1,845	1,845
Other Receivables	1,666,851	3,243,136
	16,370,604	**21,630,641**

17 Other current assets (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	23,267,443	4,749,900
Tax credit receivable	969,446	164,302
Others	(102,653)	-
	24,134,236	**4,914,201**

19 Other equity

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	39,949,312	37,410,736
Add: Profit for the year	3,771,209	2,538,577
	43,720,522	**39,949,313**

20 Lease liabilities (non-current) (unsecured)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1,534,848	270,382
	1,534,848	**270,382**

21 Other financial liabilities (non-current) (unsecured)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Capital creditors	213,248	-
	213,248	**-**

22 Provisions (non-current) (unsecured)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Provision for dividend	1,438,493	1,438,493
Provision for asset retirement obligation	-	660,175
	1,438,493	**2,098,668**

23 Borrowings (current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Short term borrowings	6,450,000	8,648,761
	6,450,000	**8,648,761**

24 Lease liabilities (current) **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Lease liabilities	626,751	378,702
	626,751	**378,702**

25 Trade payables **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Trade payables	332,753	301,176
	332,753	**301,176**

Trade paybles - ageing and other details

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	286,902	-	-
Less than 6 months	-	45,851	-	-
6 months- 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**332,753**	**-**	**-**

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	102,811	-	-
Less than 6 months	-	195,801	-	-
6 months- 1 year	-	686	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	1,879	-	-
Total	**-**	**301,176**	**-**	**-**

26 Other financial liabilities (current) **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Due to related parties	-	6,328,475
Employee benefits payable	8,665,487	8,272,258
Capital Creditors	403,996	1,059,951
	9,069,483	**15,660,684**

27 Other current liabilities **Amount in CAD**

	As at March 31, 2026	As at March 31, 2025
Deferred revenue	13,316,919	733,692
Statutory dues	44,136	206,510
	13,361,055	**940,202**

28 Revenue from operations

	2025-26	2024-25
		Amount in CAD
Sale of services	68,039,900	61,992,054
	68,039,900	**61,992,054**
Other operating revenue		
Government Grants	805,144	352,190
	805,144	**352,190**
	68,845,045	**62,344,243**

29 Other income

	2025-26	2024-25
		Amount in CAD
Interest income:		
- Income tax refund	510,164	557,252
- Lease deposit	2,129	-
Provision for doubtful debts	2,577	90,752
Licensing and Marketing fees from group company	5,778,160	6,119,701
Gain on Sale of Assets	144,774	4,063
Gain on Lease modification	172,381	-
Exchange gain	218,425	-
Miscellaneous income	134,857	55,283
	6,963,467	**6,827,051**

30 Employee benefits expense

	2025-26	2024-25
		Amount in CAD
Salaries and wages	51,349,521	46,517,706
Contribution to Defined Contribution Plans	2,441,005	2,488,293
Employee stock options	-	56,130
Staff welfare expenses	2,382,354	2,184,474
	56,172,881	**51,246,604**

31 Finance costs

	2025-26	2024-25
		Amount in CAD
Bank charges	22,127	24,686
Interest Expense on:		
Lease Liability	158,554	186,482
Working Capital Finance	445,093	949,275
Others	24,169	219,399
	649,943	**1,379,842**

32 Depreciation and amortisation expense

	2025-26	2024-25
		Amount in CAD
Depreciation of property, plant and equipment	309,318	681,946
Depreciation of right-of-use assets	402,538	1,368,724
Amortisation of intangible assets	3,536	14,773
	715,392	**2,065,443**

33 Other expenses **Amount in CAD**

	2025-26	2024-25
Exchange loss	-	728,970
Rent	1,104,795	388,643
Technical service cost	10,764,223	8,772,378
Electricity charges	77,278	464,981
Legal and Professional fees	368,359	230,839
Communication Charges	127,923	138,963
Repairs & Maintainance :		
Building	44,706	140,397
Vehicle	1,108	468
Equipment	24,677	35,068
Travelling and conveyance expense	245,383	102,332
House-keeping charges	43,158	7,063
Security charges	124,544	148,157
Insurance expense	43,892	19,958
Rates and taxes	53,111	56,765
Advertising and promotions	28,649	25,309
Loss on sale/ discard of fixed assets	63	11
Provision for doubtful advances	102,653	-
Bad debts written off	-	83,555
Miscellaneous expenses	118,856	65,789
	13,273,376	**11,409,645**

34 Tax expenses **Amount in CAD**

	2025-26	2024-25
Current tax expense/(income)	846,754	(73,274)
Deferred tax expense/(income)	378,956	604,458
	1,225,710	**531,184**

Double Negative Toronto Productions Limited
Balance Sheet as at March 31, 2026

(Amount in CAD)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	43,520	45,898
Deferred tax asset (net)	5	51,329	14,268
Total non-current assets		**94,849**	**60,167**
Current assets			
Financial assets			
Cash and cash equivalents	7	358,507	27,706
Loans	8	68,385	111,074
Other financial assets	9	2,487,663	3,058,864
Other current assets	10	1,125,550	514,448
Total current assets		**4,040,105**	**3,712,093**
Total assets		**4,134,954**	**3,772,259**
Equity and Liabilities			
Equity			
Other equity	11	3,256,922	2,851,733
Total equity		**3,256,922**	**2,851,733**
Current liabilities			
Financial liabilities			
Trade payables	12	50,875	104,658
Other financial liabilities	13	789,513	936,990
Other current liabilities	14	(184,188)	(213,467)
Current tax liabilities	6	221,832	92,346
Total current liabilities		**878,032**	**920,526**
Total liabilities		**878,032**	**920,526**
Total equity and liabilities		**4,134,954**	**3,772,259**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Toronto Productions Limited
Statement of Profit and Loss for the year ended March 31, 2026

(Amount in CAD)

	Notes	2025-26	2024-25
Revenue			
Revenue from operations	15	3,717,332	6,345,972
Other income	16	2,914,316	3,650,831
Total Income		**6,631,648**	**9,996,803**
Expenses			
Employee benefits expense	17	5,904,937	8,700,455
Finance costs	18	252	2,162
Depreciation and amortisation expense	4,	2,379	162,488
Other expenses	20	211,959	594,412
Total expenses		**6,119,527**	**9,459,518**
(Loss) / profit before tax		**512,121**	**537,285**
Tax expenses			
Current tax	21	143,995	147,243
Deferred tax	21	(37,061)	(10,064)
Total tax expense / (credit) (net)		**106,934**	**137,179**
Profit/ (Loss) for the year		**405,187**	**400,107**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plan		-	-
Income tax (expense) / credit on the above		-	-
Total other comprehensive income/ (loss)		**-**	**-**
Total comprehensive income for the year		**405,187**	**400,107**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Toronto Productions Limited
Statement of Changes in Equity for the year ended

A. Equity share capital **(Amount in CAD)**

	Total
As at March 31, 2024	**-**
Changes in equity share capital during the year	-
As at March 31, 2025	**-**
Changes in equity share capital during the year	-
As at March 31, 2026	**-**

B. Other equity **(Amount in CAD)**

	Reserves and Surplus
	Retained Earnings
As at March 31, 2024	**2,451,627**
Profit for the year (net of tax)	400,107
Other comprehensive income for the year (net of tax)	-
As at March 31, 2025	**2,851,733**
Profit for the year (net of tax)	405,187
Other comprehensive income for the year (net of tax)	-
As at March 31, 2026	**3,256,920**

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Toronto Productions Limited
Cash flow statement for the year ended March 31, 2026 and March 31, 2025

Particulars	2025-26	2024-25
(A) Operating Activities		
Profit before tax	**512,121**	**537,285**
Add: Non-Cash Transactions		
Depreciation and amortisation expense	2,379	162,488
(Gain) / Loss on Sale / Discard of fixed assets	(527)	-
Finance cost	252	2,162
Unrealized foreign exchange (gain)/loss (net)	82,677	(334,546)
Sundry balances written back / written off	13,655	(2,859)
Finance Income	-	(14,039)
Operating profit before working capital changes	**610,557**	**350,491**
Changes in Working Capital		
Increase / (Decrease) in Trade and Other Payables	(80,322)	24,692
Increase / (Decrease) in Other Current financial liabilities	(147,478)	-
Increase / (Decrease) in Payables due to related party	(72,498)	2,884,006
Increase / (Decrease) in Other Current Liabilities	29,280	316,241
(Increase) / Decrease in Other Non-Current Financial Assets	-	(22,815)
(Increase) / Decrease in Trade and other receivables	-	(143,675)
(Increase) / Decrease in Other Current Financial Assets	(3,490)	(2,841,823)
(Increase) / Decrease in Other Current Assets	8,986	-
Cash generated from operations	**345,035**	**567,119**
Taxes Paid (Net of Refunds)	(14,508)	(310,326)
Net cash flow from operating activities (A)	**330,526**	**256,792**
(B) Investing Acitivities		
Proceds from Sale / (Purchase) of assets (net)	527	(71,465)
Net cash flow from (used in) investing activities (B)	**527**	**(71,465)**
(C) Financing Acitivities		
Finance costs paid (net)	(252)	(39,021)
Repayment of Operating leases	-	(276,994)
Net cash flow from (used in) financing activities (C)	**(252)**	**(316,015)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C+D)	**330,801**	**(130,687)**
Cash and cash equivalents at the beginning of the year	27,706	158,393
Cash and cash equivalents at the end of the year	358,507	27,706

See accompanying notes to the financial statements

In terms of our report attached

For V. Shivkumar & Associates
Chartered Accountants
(Firm's Registration No. 112781W)

For and on behalf of the Board of Directors

V. Shivkumar
Proprietor
(Membership No. 042673)
Place: Mumbai
Date:

Double Negative Toronto Productions Limited
Notes forming part of the financial statements

1 General information

Double Negative Toronto Productions Limited ("the Company") is a company incorporated and domiciled in Canada. The Company is the subsidiary of Double Negative Montreal Productions Limited and the ultimate holding company is Prime Focus Limited ("PFL"). The principal activity of the Company in rendering visual effects services for gloabal film industry. The address of its registered office is 110 Spadina Ave, Suite 1000, Toronto, Ontario, M5V 2K4, CA.

2 Material accounting policies

2.1 Basis of preparation

These special purpose financial statements ("financial statements") have been prepared for the limited purpose of consolidation into Prime Focus Limited, the ultimate holding company, using accounting policies as specified herein after in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS').

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 considers 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 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 116, 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 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 liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company's financial statements are presented in Canadian Dollars (CAD), which is its functional currency.

2.2 Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes. Revenue (Income) is recognised when there is no significant uncertainty as to its determination or realisation.

2.3.1 Rendering of services

The Company provides visual special effects services to clients in the film, broadcast and commercials sectors. These services are generally provided as fixed price contracts with contract terms generally ranging over a period of three to twelve months.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident. Further, the Company uses significant judgements while determining the transaction price allocated to various performance obligations in the revenue contract.

The Company has an agreement with its immediate holding company and fellow subsidiaries based on which it has let out its operational capacity for execution of VFX and 2D to 3D conversion for projects outsourced at related cost plus fixed margin. The Company accrues for this revenue based on actual cost incurred during the period.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue. Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'Other current liabilities'.

2.3.2 Dividend and Interest income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is 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.

2.4 Leasing

2.4.1 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a. control the use of an identified asset,
b. obtain substantially all the economic benefits from use of the identified asset, and
c. direct the use of the identified asset

The Company determines the lease term as the noncancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.5 Foreign currency translation and transactions

In preparing the financial statements, transactions in currencies other than the Company'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.

2.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at below-market rate of interest is treated as a government grant measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxation

Income tax expense represents the sum of Current tax and deferred tax.

2.8.1 Current tax

The current tax 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.

2.8.2 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.

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.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.8.3 Current and deferred tax for the year

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

2.9 Non-current assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.10 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is calculated to write down the cost of fixed assets to their residual values on a straight-line basis over their estimated useful economic life as follows:

Equipment	Over 3 to 25 years
Fixtures and fittings	Over 3 to 13 years
Motor vehicles	Over 4 to 8 years
Leasehold improvements	Over the period of the lease or useful economic life, whichever is shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately and are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

2.11.3 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life or the license period whichever is applicable.

2.11.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Provisions and Contingencies

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset,.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of financial asset other than its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

2.15.6 Investment in subsidiaries.

The Company accounts for its investments in subsidiaries at cost less impairment loss (if any).

2.16 Financial liabilities and equity instruments

2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.16.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.3.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

2.16.3.3 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

2.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Revenue recognition

The Company also derives revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated man days remaining to complete a project are judgmental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.2 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

3.3 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

3.4 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

3.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Double Negative Toronto Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

4. Property, plant and equipment **(Amount in CAD)**

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2025	478,700	-	-	-	-	478,700
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	(0)	-	-	-	-	(0)
Deletions	(8,564)	-	-	-	-	(8,564)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**470,136**	**-**	**-**	**-**	**-**	**470,136**
II. Accumulated depreciation						
Balance as at March 31, 2025	432,802	-	-	-	-	432,802
Reclassification	-	-	-	-	-	-
For the year	2,379	-	-	-	-	2,379
Deletions	(8,564)	-	-	-	-	(8,564)
Adjustments	-	-	-	-	-	-
As at March 31, 2026	**426,617**	**-**	**-**	**-**	**-**	**426,617**
Net block (I - II)						
As at March 31, 2026	**43,520**	**-**	**-**	**-**	**-**	**43,520**

(Amount in CAD)

	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Total
I. Gross block						
Balance as at March 31, 2024	513,758	-	-	-	-	513,758
Reclassification	-	-	-	-	-	-
Additions/(Deductions)	-	-	-	-	-	-
Deletions	(35,058)	-	-	-	-	(35,058)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**478,700**	**-**	**-**	**-**	**-**	**478,700**
II. Accumulated depreciation						
Balance as at March 31, 2024	294,659	-	-	-	-	294,659
Reclassification	-	-	-	-	-	-
For the year	162,488	-	-	-	-	162,488
Deletions	(24,346)	-	-	-	-	(24,346)
Adjustments	-	-	-	-	-	-
As at March 31, 2025	**432,802**	**-**	**-**	**-**	**-**	**432,802**
Net block (I - II)						
As at March 31, 2025	**45,898**	**-**	**-**	**-**	**-**	**45,898**

Double Negative Toronto Productions Limited
Notes to the Financial Statements for the year ended March 31, 2026

. Right of use assets **(Amount in CAD)**

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II. Accumulated Depreciation								
Balance as at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2026	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net block (I - II)								
As at March 31, 2026	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(Amount in CAD)

Description of Assets	Buildings	Land and Building-ARO	Plant and equipment	Furniture and fixtures	Office equipment	Software	Vehicles	Total
I. Gross Block								
Balance as at March 31, 2024	**1,149,441**	**-**	**-**	**-**	**-**	**-**	**-**	**1,149,441**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	(1,149,441)	-	-	-	-	-	-	(1,149,441)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II. Accumulated Depreciation								
Balance as at March 31, 2024	**1,149,441**	**-**	**-**	**-**	**-**	**-**	**-**	**1,149,441**
Additions/(Deductions)	-	-	-	-	-	-	-	-
Deletions	(1,149,441)	-	-	-	-	-	-	(1,149,441)
Adjustments #	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net block (I - II)								
As at March 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

5 Deferred tax assets / (liabilities) (net)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
The movement on the deferred tax account is as follows:		
At the start of the year	14,268	4,204
Charge to Statement of Profit and Loss and Other Comprehensive Income	37,061	10,064
Total	**51,329**	**14,268**

6 Income tax assets / (liabilities) (net) (Non Current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Income tax assets / (liabilities) (net)	(221,832)	(92,346)
Total	**(221,832)**	**(92,346)**

7 Cash and cash equivalents

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Bank balances:		
In current accounts	358,507	27,706
	358,507	**27,706**

8 Loans (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Loans to employees	68,385	111,074
	68,385	**111,074**

9 Other financial assets (current) (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Intercompany balances	2,037,080	2,514,646
Unbilled revenue	433,674	437,601
Other Receivables	16,909	106,618
	2,487,663	**3,058,864**

10 Other current assets (unsecured, considered good unless otherwise stated)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	775,715	304,428
Tax credit receivable	349,835	210,020
	1,125,550	**514,448**

11 Other equity

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Retained earnings and other comprehensive income		
Opening balance	2,851,735	2,451,627
Add: Profit for the year	405,187	400,107
	3,256,922	**2,851,733**

12 Trade payables

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Trade payables	50,875	104,658
	50,875	**104,658**

Trade paybles - ageing and other details

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2026	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	49,155	-	-
Less than 6 months	-	1,720	-	-
6 months- 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**50,875**	**-**	**-**

Amount in CAD

	Undisputed		Disputed	
As at March 31, 2025	**MSME**	**Others**	**MSME**	**Others**
Provisions	-	38,443	-	-
Less than 6 months	-	65,989	-	-
6 months- 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	226	-	-
Total	**-**	**104,658**	**-**	**-**

13 Other financial liabilities (current)

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Employee benefits payable	789,513	936,990
	789,513	**936,990**

14 Other current liabilities

Amount in CAD

	As at March 31, 2026	As at March 31, 2025
Statutory dues	(184,188)	(213,467)
	(184,188)	**(213,467)**

15 Revenue from operations

		Amount in CAD
	2025-26	**2024-25**
Sale of services	3,577,516	5,852,322
	3,577,516	**5,852,322**
Other operating revenue		
Government Grants	139,815	493,650
	139,815	**493,650**
	3,717,332	**6,345,972**

16 Other income

		Amount in CAD
	2025-26	**2024-25**
Interest income:		
- Income tax refund	-	14,039
Licensing and Marketing fees from group company	2,913,789	3,420,580
Gain on Sale of Assets	527	-
Miscellaneous income	-	65,019
	2,914,316	**3,650,831**

17 Employee benefits expense

		Amount in CAD
	2025-26	**2024-25**
Salaries and wages	5,401,614	7,870,389
Contribution to Defined Contribution Plans	239,638	420,880
Staff welfare expenses	263,685	409,186
	5,904,937	**8,700,455**

18 Finance costs

		Amount in CAD
	2025-26	**2024-25**
Bank charges	252	472
Interest Expense on:		
Term Loans	-	843
Others	-	848
	252	**2,162**

19 Depreciation and amortisation expense

		Amount in CAD
	2025-26	**2024-25**
Depreciation of property, plant and equipment	2,379	162,488
	2,379	**162,488**

20 Other expenses **Amount in CAD**

	2025-26	2024-25
Technical service cost	37,050	328,587
Legal and Professional fees	42,125	184,304
Communication Charges	9,606	58,588
Repairs & Maintainance :		
Vehicle	-	25
Equipment	-	52
Travelling and conveyance expense	30,134	20,631
House-keeping charges	-	35
Insurance expense	2,432	824
Advertising and promotions	3,370	1,050
Miscellaneous expenses	13,990	316
	211,959	**594,412**

21 Tax expenses **Amount in CAD**

	2025-26	2024-25
Current tax expense/(income)	143,995	147,243
Deferred tax expense/(income)	(37,061)	(10,064)
	106,934	**137,179**