

# KEYNOTE

Ref# PFL/Let-SEBI & SE/Sp(01)

December 24, 2020

**BSE Ltd.**

Corporate Relation Department  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

Dear Sir,

**Reg.: Open Offer to the Public Equity Shareholders of Prime Focus Limited (“Target Company”) [Scrip Code: 532748]**

We are pleased to inform you that our services have been retained by A2R Holdings (“Acquirer”) to act as Manager to the proposed Open Offer being made to the public equity shareholders of Prime Focus Limited (“Target Company”) in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SAST Regulations”).

The Acquirer along with ARR Studio Private Limited (“PAC 1”) and Mr. Namit Malhotra (“PAC 2”, together with PAC 1, the “PACs”) are part of the promoter and promoter group of the Target Company.

The Acquirer has entered into a Share Purchase Agreement (“SPA”) with the IDBI Trusteeship Services Limited acting as a seller (in its capacity as the debenture trustee for the benefit of Credit Suisse AG, Singapore Branch) (“seller”), on December 24, 2020, pursuant to which the Acquirer has agreed to acquire an aggregate of 10,49,39,361 (Ten Crore Forty Nine Lakh Thirty Nine Thousand Three Hundred and Sixty One) Equity Shares representing 33.12% of the **Expanded Voting Share Capital** of the Target Company. Accordingly, this Offer is being made by the Acquirer and the PACs under Regulation 3(2) and other applicable provisions of the SEBI SAST Regulations.

The Open Offer is being made to acquire up to 8,23,71,046 Equity Shares of face value ₹ 1/- each constituting 26% of the Expanded Voting Share Capital at an offer price of ₹44.15 (“Offer Price”) per equity share aggregating to ₹3,63,66,81,680.90 (Three Hundred Sixty Three Crore Sixty Six Lakh Eighty One Thousand Six Hundred Eighty and Ninety Paise only (**Offer Size**) in cash from the Public Shareholders of the Target Company, subject to terms and conditions mentioned in the Public Announcement and the Detailed Public Statement (“DPS”) and Letter of Offer (“LOO”) proposed to be issued in accordance with SAST Regulations.

We are enclosing herewith the Public Announcement issued on behalf of the Acquirer and PACs as required in terms of the Regulation 12(2) and 14(1) of SAST Regulations. We request you to please take the same on record and do the needful.

Should you require any further information we shall be pleased to furnish the same.

Thanking you and assuring you of our best co-operation at all times.

Yours Sincerely,

For **KEYNOTE FINANCIAL SERVICES LIMITED**



Uday S. Patil

Director – Investment Banking

Encl.: a/a

**Keynote Financial Services Limited**

(formerly Keynote Corporate Services Limited)

The Ruby, 9<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (W), Mumbai – 400028

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CIN: L67120MH1993PLC072407

## PUBLIC ANNOUNCEMENT

### PUBLIC ANNOUNCEMENT UNDER REGULATIONS 3(2) READ WITH REGULATIONS 13(1) AND 15(1) AND OTHER APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO

#### FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF PRIME FOCUS LIMITED

**Open offer for acquisition of up to 8,23,71,046 (Eight Crores Twenty Three Lakh Seventy One Thousand Forty Six) fully paid up equity shares of face value of INR 1 (Rupee One) each of Prime Focus Limited (“Target Company”), representing 26% of the Expanded Voting Share Capital (*as defined below*) of the Target Company, from the Public Shareholders (*as defined below*) by A2R Holdings (“Acquirer”) along with ARR Studio Private Limited (“PAC 1”) and Mr. Namit Malhotra (“PAC 2”, together with PAC 1, the “PACs”) acting in their capacity as persons acting in concert with the Acquirer (“Offer” / “Open Offer”)**

This public announcement (“**Public Announcement**”) is being issued by Keynote Financial Services Limited (*formerly* known as Keynote Corporate Services Limited), the manager to the Offer (“**Manager**”), for and on behalf of the Acquirer and the PACs to the Public Shareholders of the Target Company, pursuant to and in compliance with Regulations 3(2) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI (SAST) Regulations**”).

For the purpose of this Public Announcement, the following terms have the meanings assigned to them below:

“**Credit Suisse**” means Credit Suisse AG, Singapore Branch;

“**Equity Shares**” means fully paid up equity shares of face value of INR 1 (Rupee One) each of the Target Company;

“**Expanded Voting Share Capital**” means the total voting equity share capital of the Target Company on a fully diluted basis as of the tenth (10th) working day from the closure of the tendering period of the Open Offer. This includes all the 1,75,62,734 (One Crore Seventy Five Lakh Sixty Two Thousand Seven Hundred Thirty Four) outstanding employee stock options granted to the employees of the Target Company and its subsidiaries, as on March 31, 2020. There have been no employee stock options granted by the Target Company post financial year 2016-17.

“**IDBI**” means IDBI Trusteeship Services Limited;

“**Public Shareholders**” means all the public shareholders of the Target Company, and for the avoidance of doubt, excluding: (i) the members of the promoter and promoter group of the Target Company; (ii) the Acquirer and the PACs; (iii) the parties to the SPA (*as defined below*); and (iv) any persons deemed to be acting in concert with any of them as at the time of the Offer; and

“Seller” means IDBI, acting in its capacity as debenture trustee on behalf of and for the benefit of Credit Suisse.

## 1. Offer Details

- 1.1. **Size:** The Acquirer and the PACs hereby make this Open Offer to the Public Shareholders to acquire up to 8,23,71,046 (Eight Crores Twenty Three Lakh Seventy One Thousand Forty Six) fully paid up Equity Shares of the face value of INR 1 (Rupee One) each of the Target Company (“**Offer Shares**”), constituting 26% of the Expanded Voting Share Capital, subject to the terms and conditions mentioned in this Public Announcement and to be set out in the detailed public statement (“**DPS**”) and the letter of offer (“**LoF**”) proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 1.2. **Offer Price/Offer Consideration:** The Open Offer is made at a price of INR 44.15 (Rupees Forty Four and Fifteen paisa) per Offer Share (“**Offer Price**”). The Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations, and the Offer Price has been determined in accordance with the provisions of Regulation 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Offer, the aggregate consideration payable to the Public Shareholders in accordance with the SEBI (SAST) Regulations will be INR 3,63,66,81,680.90 (Three Hundred Sixty Three Crore Sixty Six Lakh Eighty One Thousand Six Hundred Eighty and Ninety Paisa).
- 1.3. **Mode of payment:** The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and the terms and conditions mentioned in this Public Announcement and to be set out in the DPS and the LoF proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 1.4. **Type of offer:** This Offer is a mandatory offer in compliance with Regulations 3(2) of the SEBI (SAST) Regulations. This Offer is not subject to any minimum level of acceptance.

## 2. Transaction which has triggered the Open Offer obligation (underlying transaction)

- 2.1. The Acquirer has entered into a share purchase agreement, dated December 24, 2020 (the “**SPA**”), wherein the Acquirer has agreed to acquire 10,49,39,361 (Ten Crore Forty Nine Lakh Thirty Nine Thousand Three Hundred and Sixty One) Equity Shares of the Target Company, representing 33.12% of the Expanded Voting Share Capital (“**Sale Shares**”), from the Seller, in 2 (two) tranches, at INR 44.15 (Rupees Forty Four and Fifteen paisa) per Sale Share, subject to, and in accordance with the terms of the SPA. For details of the Sale Shares held in the name of the Seller, and also the Sale Shares held under a pledge by the Seller, as on the date of this PA, please see Paragraph 4 below.
- 2.2. IDBI is registered as a debenture trustee with the Securities and Exchange Board of India under the relevant provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended (bearing registration number IND000000460), and is acting in its capacity as the debenture trustee for the benefit of and on the instructions of Credit Suisse, for the purpose of the SPA.

- 2.3. The Acquirer is a part of the promoter and promoter group of the Target Company. As on the date of this Public Announcement, the promoter and promoter group of the Target Company holds 10,46,07,641 (Ten Crore Forty Six Lakh Seven Thousand Six Hundred and Forty One) Equity Shares aggregating to 33.02% of the Expanded Voting Share Capital. Since the Acquirer has entered into the SPA to acquire the Equity Shares in excess of 5% of the Expanded Voting Share Capital, in this financial year, this Offer is being made by the Acquirer and the PACs under Regulation 3(2) and other applicable provisions of the SEBI SAST Regulations.
- 2.4. Given below is the tabular summary of the underlying transaction:

Details of Underlying Transaction						
Type of Transaction (direct/ indirect)	Mode of Transaction (Agreement/ Allotment/ market purchase)	Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for shares/ Voting Rights (VR) acquired	Mode of payment (Cash/ securities)	Regulation which has triggered the Offer
		Number	% vis a vis Expanded Voting Share Capital			
Direct	Agreement – the Acquirer has entered into the SPA with the Seller and has agreed to acquire the Sale Shares (representing 33.12% of the Expanded Voting Share Capital) under the SPA, in accordance with the terms thereof, in 2 (two) tranches	10,49,39,361 Equity Shares	33.12%	INR 463,30,00,000	Cash	Regulations 3(2) and other applicable regulations of the SEBI (SAST) Regulations.

### 3. Details of the Acquirer and the PACs

Details	Acquirer	PAC 1	PAC 2	Total
<b>Name</b>	A2R Holdings	ARR Studio Private Limited	Mr. Namit Malhotra	-
<b>Address</b>	C/o Amicorp (Mauritius) Limited, 6 <sup>th</sup> Floor, Tower I, Nexteracom Building, Ebene, Mauritius	201, Priyanka Apartments, N.S. 6 <sup>th</sup> Road, J.V.P.D Scheme, Juhu, Mumbai – 400 056, India	16, Totteridge Common, London, N208NL. United Kingdom	-
<b>Name(s) of persons in control/ promoters</b>	Mr. Namit Malhotra	Mr. Naresh Malhotra	-	-

Details		Acquirer	PAC 1	PAC 2	Total
<b>Name of the Group, if any, to which the Acquirers/ PACs belong to</b>		NA	NA	NA	-
<b>Pre-transaction shareholding</b>	<b>Number of Equity Shares</b>	2,75,05,995	-	1,49,00,000	4,24,05,995
	<b>% of total share capital</b>	8.68% of the Expanded Voting Share Capital	-	4.70% of the Expanded Voting Share Capital	13.38% of the Expanded Voting Share Capital
<b>Proposed shareholding after the acquisition of shares which triggered the Open Offer (excluding shares acquired in the Open Offer)</b>	<b>Number of Equity Shares</b>	13,24,45,356*	-	1,49,00,000	14,73,45,356
	<b>% of total share capital</b>	41.81%* of the Expanded Voting Share Capital	-	4.70% of the Expanded Voting Share Capital	46.51% of the Expanded Voting Share Capital
<b>Any other interest in the Target Company</b>	<p>The Acquirer is part of the promoter and promoter group of the Target Company.</p> <p>Further, as on the date of this PA, Mr. Namit Malhotra (PAC 2), who is a director of the Acquirer and holds the entire shareholding of the Acquirer, is disclosed as one of the promoters of the Target Company and is also a non-</p>	<p>Mr. Naresh Malhotra (father of Mr. Namit Malhotra (PAC 2)) who is on the board of directors of PAC 1 and holds the majority shareholding of PAC 1, is the Chairman Emeritus and one of the promoters of the Target Company, and is also a whole-time director on the Board.</p>	<p>PAC 2 is disclosed as one of the promoters of the Target Company and is also a non-executive director on the Board.</p> <p>In addition, Mr. Naresh Malhotra (who is father of PAC 2)) is Chairman Emeritus and one of the promoters of the Target Company, and is also a whole-time director on the</p>	-	

Details	Acquirer	PAC 1	PAC 2	Total
	<p>executive director on the board of directors of the Target Company (“Board”).</p> <p>In addition, father of Mr. Namit Malhotra (PAC 2), Mr. Naresh Malhotra is the Chairman Emeritus and one of the promoters of the Target Company, and is also a whole-time director on the Board.</p>		Board.	

\*The post-transaction shareholding of the Acquirer reflects the shareholding of the Acquirer post consummation of both tranches of sale under the SPA.

#### 4. Details of the Seller

Name	Part of Promoter Group (Yes /No)	Details of shares / voting rights held by the Selling Shareholder			
		Pre-Transaction		Post Transaction***	
		Number of Equity Shares	% vis-a-vis Expanded Voting Share Capital	Number of Equity Shares	% vis-a-vis Expanded Voting Share Capital
IDBI*	No	73,299,666**	23.14**	Nil	-
<b>Total</b>		<b>73,299,666**</b>	<b>23.14**</b>	Nil	-

\* For the purpose of the SPA, IDBI is acting in its capacity as the debenture trustee for the benefit of and on behalf of Credit Suisse. IDBI, in its own capacity, or acting for any person other than Credit Suisse, does not hold any Equity Shares of the Target Company, whether as a pledgee or otherwise.

\*\* The aforesaid Equity Shares are held by the Seller post invocation of a pledge which was created by Reliance Mediaworks Financial Services Private Limited. As on the date of this PA, the Seller also holds a pledge (created by Reliance Mediaworks Financial Services Private Limited) over 31,639,695 Equity Shares, representing 9.99% of the Expanded Voting Share Capital. Such 31,639,695 Equity Shares form part of the Sale Shares proposed to be sold by the Seller to the Acquirer, under the SPA, and as per the terms of the SPA, the Seller shall exercise its rights as a pledgee to enable the sale of such Equity Shares to the Acquirer.

\*\*\* The post-transaction shareholding reflects the shareholding of the Seller after consummation of both tranches of sale under the SPA.

## 5. Target Company

<b>Name:</b>	Prime Focus Limited
<b>CIN:</b>	L92100MH1997PLC108981
<b>Registered Office:</b>	Prime Focus House, Opp. Citi Bank, Linking Road, Khar (West), Mumbai – 400 052, Maharashtra, India
<b>Exchanges where listed:</b>	The Equity Shares of the Target Company are listed on:  (i) BSE Limited (Security ID: PFOCUS; Security Code: 532748)  (ii) National Stock Exchange of India Limited (Symbol: PFOCUS)  ISIN of the Target Company is INE367G01038.

## 6. Other Details regarding the Offer

- 6.1. The DPS to be issued under the SEBI (SAST) Regulations shall be published in newspapers, within five (5) working days of this Public Announcement, in accordance with Regulation 13(4) of the SEBI (SAST) Regulations. The DPS shall, *inter alia*, contain details of the Open Offer including detailed information on the Offer Price, the Acquirer, the PACs, the Target Company, the Seller, the background to the Open Offer, relevant conditions under the SPA, details of financial arrangements, and other terms of the Open Offer and the conditions thereto.
- 6.2. The Acquirer and the PACs undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations. The Acquirer and the PACs confirm that they have adequate financial resources to meet the obligations under the Open Offer in terms of the SEBI (SAST) Regulations.
- 6.3. The Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19 of the SEBI (SAST) Regulations.
- 6.4. This Public Announcement is not being issued pursuant to a competing offer under the terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.5. All information stated in this Public Announcement relating to the (a) Target Company has been obtained from publicly available sources, and (b) the Seller, has been provided by the Seller.
- 6.6. All decimals have been rounded off to two decimal points. Any discrepancy between the total and sums of the amounts listed are due to such rounding off.
- 6.7. In this Public Announcement, all references to “INR” are references to the Indian Rupee(s).

Issued by the Manager to the Offer

## KEYNOTE

**Keynote Financial Services Limited**  
*(formerly Keynote Corporate Services Limited)*

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**SEBI Registration No.:** INM 000003606

**CIN:** L67120MH1993PLC072407

**On behalf of the Acquirer and the PACs**

Sd/-	Sd/-	Sd/-
<b>A2R Holdings</b>	<b>ARR Studio Private Limited</b>	<b>Namit Malhotra</b>

**Date:** December 24, 2020

**Place:** Mumbai