



PRIME FOCUS
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Date: April 29, 2024

To,
National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Bandra Kurla
Complex Bandra East,
Mumbai - 400 051
Fax Nos.: 26598237 I 26598238

To,
BSE Limited
Listing Department, Phiroze Jeejebhoy
Towers, Dalal Street
Mumbai- 400 001
Fax Nos.: 22723121/2037 /2039

Ref: Scrip Code: BSE: 532748/ NSE: PFOCUS

Sub: Outcome of the board meeting - (1) Acquisition of equity shares in Prime Focus Technologies Limited (“PFT”), its material unlisted subsidiary, pursuant to conversion of loan, and (2) divestment of equity shareholding of the Company in PFT.

Re.: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“LODR Regulations”)

Dear Sir/ Madam,

This is to inform you that the board of directors of the Company (“Board”) at its meeting held on April 29, 2024, has *inter alia* decided the following:

- (1) **Acquisition of equity shares in PFT pursuant to conversion of loan:** The Company has existing outstanding loan (including interest thereof) from PFT, its material unlisted subsidiary. The Board, in its meeting held today, has approved the acquisition of equity shares in PFT on private placement basis, pursuant to conversion of the entire or part, of the loan of an amount of upto Rs. 400 Crore (including interest) into equity in one or more tranches by PFT by way of preferential allotment.

Pursuant to the aforementioned conversion and allotment of the equity shares by PFT (subject to it passing necessary resolutions and other approvals as the case may be), the Company’s equity shareholding in PFT will increase.

The details for aforementioned acquisition as required under SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed herewith as **Annexure A**.

- (2) **Divestment of equity shareholding of the Company in PFT:** The Board approved, subject to shareholder, regulatory and other approvals, as may be applicable and required, the sale of its currently held entire shareholding in its material unlisted subsidiary, Prime Focus Technologies Limited (“PFT”) to its material subsidiary (indirect subsidiary) DNEG S.a.r.l., Luxembourg (“DNEG”), along with any further equity shares that the Company may acquire as part of conversion of its loan (including interest) to PFT on or before the shareholders’ approval for the



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aforementioned purpose, subject to relevant documentations for the same, and execution of definitive agreements in relation to the same providing for the terms and conditions for such sale.

This is in furtherance of press release disclosure made by the Company on April 13, 2023 related to acquisition of PFT's business by DNEG (available here <https://www.bseindia.com/xml-data/corpfiling/AttachHis/afd8e9a5-f93a-4308-a5ec-f31f6b179b64.pdf>)

The transaction is also a material related party transaction.

The details as required under SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed herewith as **Annexure B**.

Kindly take the above on your record and acknowledge receipt of the same.

Thanking you,
For **Prime Focus Limited**

Parina Shah
Company Secretary and Compliance Officer

Enclosed: Annexure



ANNEXURE A

Details of acquisition of equity shares on conversion of loan, pursuant to Regulation 30 read with Schedule III of the LODR Regulations, read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Prime Focus Technologies Limited (“PFT”), an unlisted material subsidiary of the Company. Consolidated Turnover of PFT (basis Audited Financial Statements for the financial year 2022-23): INR 400.48 Crores
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	PFT is an unlisted material subsidiary of the Company, and conversion of existing outstanding loan into equity shares will be done by preferential allotment on private placement basis and will be done at arm’s length. Apart from above, the promoter/ promoter group/ group companies do not have any interest in proposed transaction.
3.	Industry to which the entity being acquired belongs	PFT is engaged in the business of providing a cloud-based technology platform CLEAR to the media and entertainment industry.
4.	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Issuance of equity shares to the Company by preferential allotment on private placement basis is pursuant to conversion of outstanding loan including interest thereof, granted by the Company to PFT, and will result in issuance of further equity shares by PFT to the Company.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Subject to shareholders approval of PFT under section 62 read with section 42 of the Companies Act, 2013. There are no other regulatory or government approvals in this regard.
6.	Indicative time period for completion of the acquisition	As per the resolutions passed by PFT, and arrangement between the Company and PFT in this regard.



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Sr. No.	Particulars	Details
7.	Consideration – whether cash consideration or share swap or any other form and details of the same	<p>Consideration other than cash.</p> <p>Issuance and allotment of equity shares to the Company by PFT on private placement basis is being done pursuant to conversion of outstanding loan including interest thereof, granted by the Company to PFT by way of preferential allotment.</p>
8.	Cost of acquisition and/or the price at which the shares are acquired	The Company would convert its outstanding loan of an amount of upto Rs. 400 Crore (including interest) into equity shares of PFT in one or more tranches basis price to be fixed by PFT as per the valuation report taken under the applicable laws.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	It would be determined basis price to be fixed by PFT as per the valuation report taken under the applicable laws and once the conversion of loan is carried out.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Brief background: PFT is engaged in the business of providing a cloud-based technology platform CLEAR to the media and entertainment industry.</p> <p>Date of incorporate of PFT: March 8, 2008.</p> <p>History of last 3 years Consolidated turnover: 2022-23: INR 400.48 Crores 2021-22: INR 349.38 Crores 2020-21: INR 262.68 Crores</p> <p>Country in which the acquired entity has presence: India.</p>



ANNEXURE B

Details of disposal of subsidiary of the Company, pursuant to Regulation 30 read with Schedule III of the LODR Regulations, read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

Sale or disposal of unit(s) or division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity:

Sr. No.	Particulars	Details
1.	the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year.	Consolidated Turnover of PFT: INR 400.48 Crores 8.62% of consolidated turnover of Prime Focus Limited for FY 2022-23 Consolidated Net worth of PFT: INR 137.68 Crores 546.78% of consolidated net worth of Prime Focus Limited for FY 2022-23 (Note: Above figures are as per Audited Financial Statements for the financial year 2022-23)
2.	date on which the agreement for sale has been entered into	The sale of the existing entire shareholding of the Company in PFT to DNEG will be done as per the Share Purchase Agreement executed between PFT, Company and DNEG (“SPA”) dated April 29, 2024. It is also proposed that any further equity shares that the Company may acquire as part of conversion of its loan to PFT on or before the shareholders’ approval for aforementioned purpose, will also be entirely sold to DNEG, subject to relevant documentations for the same.
3.	the expected date of completion of sale/disposal;	Closing of the transaction is expected to be completed by July 31, 2024 or such other date as may be mutually agreed between the parties to the share purchase agreement, and any other documentations for the said purpose
4.	consideration received from such sale/disposal	INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only)
5.	brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	The buyer is DNEG S.a.r.l., which is a material subsidiary (indirect subsidiary) of the Company, incorporated in Luxemburg.
6.	whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	Yes, the transaction is a related party transaction. The transaction is being done at arm’s length.



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Sr. No.	Particulars	Details
7.	whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.	Yes, the sale is outside the scheme of arrangement. Regulation 37A is not applicable.
8.	additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not applicable.
9.	Others	Upon completion of sale, PFT would continue to be part of the group and will become a step-down subsidiary of the Company.