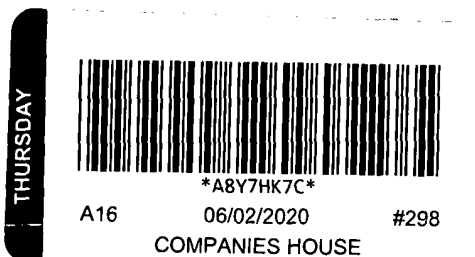


DUALITAS HOLDINGS LTD

Directors' Report and Financial Statements

For the Period From 19 March 2018 to 31 December 2018



DUALITAS HOLDINGS LTD
Financial Statements for the period from 19 March 2018 to
31 December 2018

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DUALITAS HOLDINGS LTD
Financial Statements for the period from 19 March 2018 to
31 December 2018

Directors and other information

Directors	Nationality	Date of Appointment	Date of Resignation
Jamieson Leigh Christmas	(British)	19 March 2018	
Gautam Jivan Patel	(American)	19 March 2018	
Rishi Nath Reddy	(American)	19 March 2018	

Company Secretary	Registration number
Gravitas Company Secretarial Services Limited	Z540309

Registered Office

One New Change, London, United Kingdom, EC4M 9AF

Registered Number of Incorporation

11263057

Solicitors

K&L Gates LLP
One New Change, London, United Kingdom, EC4M 9AF

Bankers

HSBC Bank PLC London
8 Canada Square, London, E14 5HQ, United Kingdom

Auditors

Ernst & Young, Chartered Accountants
Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Directors' report

The directors present herewith their report and audited financial statements for the year ended 31 December 2018. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The company's registered number of incorporation is 11263057.

PRINCIPAL ACTIVITIES

Dualitas Holdings Ltd. ("The company") was incorporated on 19 March 2018 as a holding company. For the period ended and as of 31 December 2018, the company was a wholly owned subsidiary of Dualitas Tech LLC, a company incorporated in the United States of America. The ultimate parent undertaking and controlling party is Light Field Holdings, LP (the 'Dualitas group'), a company formed in the United States of America.

BUSINESS REVIEW

The company did not trade during 2018.

The directors consider the financial position as indicated on the statement of financial position on page 11 to be satisfactory.

RESULTS FOR THE YEAR AND DIVIDENDS

The income statement for the period from 19 March 2018 to 31 December 2018 and the statement of financial position at 31 December 2018 are set out on pages 8 and 11 respectively. During the period, the Company incurred a loss before tax of £105,671. After charging taxation of Nil, an amount of £105,671 was debited to reserves. Shareholders' equity as at 31 December 2018 amounted to £3,555,960.

No dividends were declared or paid by the company during the period ended 31 December 2018.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the main risk that could materially and adversely affect the company's future profit or financial position is the recoverability of its investments. The company reviews the carrying value of investments on a regular basis and has concluded, given the support of the shareholders of the parent company regarding recovery of the same, there is no impairment risk as of the date of signing these financial statements.

HEALTH AND SAFETY OF EMPLOYEES

The company did not have any employees during the period ended 31 December 2018.

ENVIRONMENTAL MATTERS

The company will seek to minimise adverse impacts on the environment from its activities, while continuing to address health, safety and economic issues. The company has complied with all legislation and regulations.

FUTURE DEVELOPMENTS

No significant future developments are planned by the company.

RESEARCH AND DEVELOPMENT

The company has not incurred any research and development expenses during the period

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant information and to establish that the company's auditors are aware of that information.

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Directors' report (continued)

IMPORTANT EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant events affecting the company since the period end.

DIRECTORS, COMPANY SECRETARY AND THEIR INTERESTS

The present directors are as listed on page 1.

The directors and secretary held no interest in the company or other group subsidiary companies requiring disclosure.

DIRECTORS' LIABILITIES

No liabilities subsisted to directors of the company throughout the year, and no indemnity provisions have been granted to any director during the year. No such indemnity provisions are in force as at the signing of the Director's report.

GOING CONCERN

The directors have considered whether it is appropriate to prepare the financial statements on the basis that the company is a going concern. In considering this matter the directors have reviewed the going concern basis in light of the expected future trading results of the company and the cash position of the company. In addition, shareholders of the company's ultimate parent company have confirmed their intention to provide financial support to enable the company to continue to trade for at least 12 months from the date of approval of these financial statements. Therefore, the directors have prepared the financial statements on a going concern basis.

POLITICAL DONATIONS

No political donations were made by the company during the year.

AUDITORS

The auditors, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 485 of the Companies Act 2006.

On behalf of the board of directors:



Director **JAMIESON CHRISTMAS**

Date: **4th FEB 2020**

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Directors' responsibilities statement

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year, and of the profit or loss of the company for the financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK' and UK law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of directors:



Director JAMIESON CHRISTMAS

Date: 4th FEB 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUALITAS HOLDINGS LTD

Opinion

We have audited the financial statements of Dualitas Holdings Ltd ('the company') for the year ended 31 December 2018 which comprise the income statement, the statement of comprehensive loss, the statement of changes in equity, the statement of financial position, the statement of cash flows and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Continued /

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUALITAS HOLDINGS LTD
(continued)**

Other information

The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Continued /

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUALITAS HOLDINGS LTD (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young

Marie Treacy (Senior Statutory Auditor)
for and on behalf of Ernst & Young, Statutory Auditor
Dublin, Ireland

Date: *4 FEBRUARY 2020*

DUALITAS HOLDINGS LTD**Financial Statements for the period from 19 March 2018 to 31 December 2018****Income Statement**

For the period from 19 March 2018 to 31 December 2018

		For the period from 19 March 2018 to 31 December 2018 £
	Notes	
Administrative expenses		(8,924)
Operating loss	2	(8,924)
Interest payable and similar expenses	3	(96,747)
Loss before taxation		(105,671)
Tax on loss on ordinary activities	7	-
Loss on ordinary activities after taxation		<u>(105,671)</u>

The results for the period shown above are derived entirely from continuing activities.

DUALITAS HOLDINGS LTD**Financial Statements for the period from 19 March 2018 to 31 December 2018****Statement of comprehensive loss**

For the period from 19 March 2018 to 31 December 2018

	For the period from 19 March 2018 to 31 December 2018 £
Loss for the period	(105,671)
Other comprehensive income	-
Total comprehensive loss for the period	(105,671)

DUALITAS HOLDINGS LTD**Financial Statements for the period from 19 March 2018 to 31 December 2018****Statement of changes in equity**

For the period from 19 March 2018 to 31 December 2018

	Called-up share capital presented as equity £	Capital contribution £	Profit and loss account £	Total shareholder's equity £
At 19 March 2018	-	-	-	-
Share capital issued (note 10)	100	-	-	100
Loss for the period	-	-	(105,671)	(105,671)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(105,671)	(105,671)
Capital contribution from Dualitas Tech LLC (note 10)	-	3,661,531	-	3,661,531
At 31 December 2018	100	3,661,531	105,671	3,555,960

DUALITAS HOLDINGS LTD


Financial Statements for the period from 19 March 2018 to 31 December 2018

Statement of financial position

At 31 December 2018

	Notes	2018 £
Fixed assets		
Financial assets	6	6,104,557
Current assets		
Debtors (amounts falling due within one year)	8	30,915
Cash at bank and in hand		49,668
		80,583
Creditors (amounts falling due within one year)	9	(2,829,180)
Net current liabilities		(2,548,597)
Net assets		3,555,960
Capital and reserves		
Called up share capital presented as equity	10	100
Profit and loss account		(105,871)
Capital contribution	10	3,661,531
Total shareholder's equity		3,555,960

On behalf of the board of directors:



Director **JAMESON CHRISTMAS**
Date:

4th FEB 2020

DUALITAS HOLDINGS LTD
Financial Statements for the period from 19 March 2018 to
31 December 2018

Statement of cash flows

For the period from 19 March 2018 to 31 December 2018

	Notes	For the period from 19 March 2018 to 31 December 2018 €
Net cash inflow from operating activities	11(a)	2,492,594
Investing activities		
Investments in a subsidiary undertaking		(6,104,557)
Net cash outflow from investing activities		(6,104,557)
Financing activities		
Issue of share capital		100
Capital contributions received		3,661,531
Net cash inflow from financing activities		3,661,631
Increase in cash and cash equivalents		49,668
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	11(b)	49,668

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Notes to the financial statements

1. Accounting policies

Statement of compliance and going concern

Dualitas Holdings Ltd is a limited liability company incorporated in UK. The registered office is 5th floor, One New Change, London, United Kingdom, EC4M 8AF. The registration number of the company is 11263057 and it is domiciled in the United Kingdom.

The financial statements have been prepared in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in England and Wales, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in UK)".

The directors have considered whether it is appropriate to prepare the financial statements on the basis that the company is a going concern. In considering this matter the directors have reviewed the going concern basis in light of the expected future trading results of the company and the cash position of the company. In addition, shareholders of the company's ultimate parent company have confirmed their intention to provide financial support to enable the company to continue to trade for at least 12 months from the date of approval of these financial statements. Therefore, the directors have prepared the financial statements on a going concern basis.

Basis of preparation

The financial statements of Dualitas Holdings Ltd were authorised for issue by the Board of Directors on 4th February 2020.

The financial statements are prepared in Great Britain Pounds Sterling (£) which is the functional and presentational currency of the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements involved in relation to impairment of investments have had the most significant effect on amounts recognised in the financial statements.

Investments

Investments in subsidiary undertakings are shown at cost in the financial statements unless they are impaired in which case they are recorded at their recoverable amount. The recoverable amount is measured as the higher of fair value less costs of disposal or value in use. If either the fair value less cost of disposal or the value in use is above the carrying amount of the investment, no impairment has occurred. If the fair value less cost of disposal cannot be determined, then the recoverable amount is the value in use. Determining the value in use of an investment requires estimates of future cash flows, timing of those future cash flows, interest rates, and cost of capital.

Impairment of financial assets

The company assesses at each Statement of Financial Position date whether there is objective evidence that a financial asset or group of financial assets is impaired. Impairment losses are recognised in the Income Statement.

Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Notes to the financial statements (continued)

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Business combinations

Business combinations deemed as being under common control are accounted for using the merger accounting method under FRS 102. A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Transfers of assets and liabilities to another acquiring group entity are treated as a continuation of the business previously carried out by the purchased entity in the acquiring entity's books and records, and as such are recognised at the carrying value.

2. Operating loss

This is stated after charging:

	For the period from 19 March 2018 to 31 December 2018 £
Bank fees and other similar charges	753
Legal and professional fees	8,171
Auditor's remuneration	-
	8,924

3. Interest payable and similar charges

Interest payable on loan from group company	96,747
---	--------

4. Auditor's remuneration

Auditor's remuneration for the period from 19 March 2018 to 31 December 2018 was borne by another group company.

5. Staff costs

The Company did not employ any staff during the period from 19 March 2018 to 31 December 2018. The Company did not incur any staff costs.

The Company did not pay any remuneration to the directors and there was no director in the Company that accrued any benefit under the defined contribution pension scheme during the current period.

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Notes to the financial statements (continued)

6. Financial assets

Investments in subsidiary undertakings

	2018 £
At 19 March	-
Additions	6,104,557
As at 31 December	6,104,557

In the opinion of the directors, the market value of the above investments is not less than the cost. The company reviewed the carrying value of investments as of year-end and concluded, given the support of the shareholders of the parent company regarding recovery of the same, there is no impairment during the year.

The investments consist of the ownership of the following:

Name of subsidiary	Country	Holdings at 31 December 2018
Dualitas Ltd	United Kingdom	100%

Dualitas Ltd

On 3 May 2018, the Company acquired 100% of the share capital of Dualitas Ltd. for a consideration of £5,804,196 plus transfer of 100 ordinary shares at £1 per share for £100. During the period, the Company also made capital contributions amounting to £300,361 to finance the operation of Dualitas Ltd.

The registered office of Dualitas Ltd is 5th floor, One New Change, London, United Kingdom, EC4M 9AF. Dualitas Ltd is engaged in the business of developing technology to deliver holographic/augmented reality products and services.

DUALITAS HOLDINGS LTD

Financial Statements for the period from 19 March 2018 to 31 December 2018

Notes to the financial statements (continued)

7. Taxation

(a) *Tax charged in the income statement:*

The tax charge is made up as follows:

	2018 £
Current tax	
UK corporation tax on loss for the year	-
Deferred tax	
Tax charge on loss on ordinary activities	-

(b) *Reconciliation of the total tax charge*

The tax charge for the year can be reconciled to the profit per the income statement as follows:

	2018 £
Loss before income tax	(105,671)
Tax on loss calculated at UK standard rate of corporation tax of 19%	(20,077)
Deferred tax not recognised	20,077
Tax charge on profit on ordinary activities	-

(c) *Factors that may affect future tax charges*

The UK tax authorities have reduced the UK rate of Corporation Tax from 1 April 2017 to 19% and by a further 2% to 17% from 1 April 2020. No further UK corporation tax rate reductions have been announced.

The effect on the company of these proposed changes to the UK tax system will be reflected in the company's financial statements in future years, as appropriate, once the proposals have been substantively enacted.

(d) *Deferred tax*

The deferred tax assets not recognised in the balance sheet as at 31 December 2018 amounted to £20,077 and pertains to deferred taxes on timing differences in respect of losses carried forward. Management do not expect this amount to be realised against taxable profits in the foreseeable future.

8. Debtors (amounts falling due within one year)

	2018 £
VAT recoverable	815
Other debtors	100
Amounts owed by subsidiary (note 12)	30,000
	30,915

DUALITAS HOLDINGS LTD
Financial Statements for the period from 19 March 2018 to
31 December 2018

Notes to the financial statements (continued)

9. Creditors (amounts falling due within one year)

	2018
	£
Trade creditors	5,047
Amounts payable to subsidiary (note 12)	2,624,133
	2,629,180

Amounts owed to the subsidiary are unsecured, interest bearing and payable on demand.

10. Allotted and issued share capital

<i>Allotted, called up and fully paid share capital</i>	2018
	£
100 ordinary shares of £1 each	100

On 19 March 2018, the Company issued 100 ordinary shares of £1 each to its immediate parent company Dualitas Tech, LLC.

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

Capital contributions

During 2018, the Company received capital contributions amounting to £3,661,531 from its parent company Dualitas Tech, LLC. This amount was used to purchase investments and to fund the working capital obligations of the company's subsidiary Dualitas Ltd (formerly known as Daqri Holographics Ltd).

11. Notes to the statement of cash flows

(a) Reconciliation of profit to net cash flow from operating activities

	For the
	period from
	19 March
	2018 to 31
	December
	2018
	£
Loss for the year	(105,671)
Working capital movements	
Increase in debtors	(30,915)
Increase in creditors	2,629,180
Net cash inflow from operating activities	2,492,594

DUALITAS HOLDINGS LTD
Financial Statements for the period from 19 March 2018 to
31 December 2018

Notes to the financial statements (continued)

11. Notes to the statement of cash flows (continued)

(b) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2018
	£
Cash at bank and in hand	49,668
Cash and cash equivalents	49,668

12. Related party transactions

Balances at 31 December 2018

As at 31 December 2018 amounts due from group undertakings amounted to £30,000.

	2018
	£
Dualitas Ltd	30,000

Balances at 31 December 2018

As at 31 December 2018 amounts due to group undertakings amounted to £2,624,133.

Dualitas Tech LLC	17,934
Envisics Holdings Ltd	2,606,199
	2,624,133

Transactions entered during the financial period ended 31 December 2018

There were no related party transactions involving the directors of the company.

The company has availed of the exemption contained in FRS 102 in respect of subsidiary undertakings 100% or more of voting rights are controlled within a group.

13. Parent undertaking and controlling party

For the period from 19 March 2018 to 31 December 2018 and as of 31 December 2018, the immediate parent undertaking was Dualitas Tech LLC, a company registered in the United States of America.

The ultimate parent undertaking and controlling party of the company is Light Field Holdings, LP, a company formed in the United States of America.

14. Events after the reporting period

There have been no significant events affecting the company since the period end.

15. Approval of financial statements

The financial statements were approved by the directors' on 4th February 2020.