

**UFO MOVIEZ INDIA LIMITED**
**STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020**
*Rs. in lacs*

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		(Unaudited)	(Audited) Refer Note 1	(Unaudited) Refer Note 3	(Audited)	(Unaudited)	(Audited) Refer Note 1	(Unaudited)	(Audited)
1	<b>Income from operations</b>								
	Net sales / income from operations	67	7,663	9,195	34,753	1,675	10,934	12,643	50,212
	Other income	62	20	21	133	105	2	35	180
	<b>Total income from operations (net)</b>	<b>129</b>	<b>7,683</b>	<b>9,216</b>	<b>34,886</b>	<b>1,780</b>	<b>10,936</b>	<b>12,678</b>	<b>50,392</b>
2	<b>Expenses</b>								
	(a) Operating direct costs								
	- Cost of consumables and spares consumed	(1)	83	103	359	(1)	113	116	547
	- Purchases of digital cinema equipment and lamps	-	504	335	1,331	1,276	2,165	1,949	9,175
	- Changes in inventories	1	(50)	2	23	6	9	(94)	(255)
	- Advertisement revenue share	-	833	1,588	5,392	-	833	1,588	5,392
	- Virtual print fees sharing	-	189	197	794	1	174	313	903
	- Other operating direct cost	554	843	1,250	4,131	743	918	1,466	4,864
	(b) Employee benefits expense	1,087	1,576	1,795	7,358	1,341	1,881	2,088	8,557
	(c) Other expenses	538	1,691	2,037	7,435	732	2,091	2,364	9,266
	<b>Total expenses</b>	<b>2,179</b>	<b>5,669</b>	<b>7,307</b>	<b>26,823</b>	<b>4,098</b>	<b>8,184</b>	<b>9,790</b>	<b>38,449</b>
3	<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (1-2)</b>	<b>(2,050)</b>	<b>2,014</b>	<b>1,909</b>	<b>8,063</b>	<b>(2,318)</b>	<b>2,752</b>	<b>2,888</b>	<b>11,943</b>
4	Depreciation and amortisation expense	(1,478)	(1,594)	(1,516)	(6,128)	(1,687)	(1,833)	(1,772)	(7,103)
5	Finance cost	(285)	(231)	(294)	(1,006)	(307)	(251)	(246)	(1,010)
6	Finance income	129	4,373	4,831	9,427	119	190	450	991
7	<b>Profit/(loss) before tax and share of profit from associates</b>	<b>(3,684)</b>	<b>4,562</b>	<b>4,930</b>	<b>10,356</b>	<b>(4,193)</b>	<b>858</b>	<b>1,320</b>	<b>4,821</b>
8	Share of profit/(loss) of associates (net of taxes)	-	-	-	-	(79)	84	33	397
9	<b>Profit/(loss) before tax and after share of profit/(loss) from associates</b>	<b>(3,684)</b>	<b>4,562</b>	<b>4,930</b>	<b>10,356</b>	<b>(4,272)</b>	<b>942</b>	<b>1,353</b>	<b>5,218</b>
10	<b>Tax expense</b>								
	- Current tax	-	9	467	57	30	761	807	1,519
	- Deferred tax	(916)	45	(257)	167	(979)	(497)	(272)	(178)
	<b>Total tax expense</b>	<b>(916)</b>	<b>54</b>	<b>210</b>	<b>224</b>	<b>(949)</b>	<b>264</b>	<b>535</b>	<b>1,341</b>
11	<b>Profit/(loss) for the period (9 - 10)</b>	<b>(2,768)</b>	<b>4,508</b>	<b>4,720</b>	<b>10,132</b>	<b>(3,323)</b>	<b>678</b>	<b>818</b>	<b>3,877</b>
12	<b>Other comprehensive income (OCI)</b>								
A	(i) Items that will not be reclassified to profit or loss	-	176	(13)	136	-	192	(12)	156
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(44)	5	(34)	-	(46)	4	(36)
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	(40)	109	(7)	209
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
13	<b>Total comprehensive income/(loss) for the period</b>	<b>(2,768)</b>	<b>4,640</b>	<b>4,712</b>	<b>10,234</b>	<b>(3,363)</b>	<b>933</b>	<b>803</b>	<b>4,206</b>
14	<b>Net profit/(loss) attributable to</b>								
	a) Equity shareholders of the company					(3,323)	678	818	3,877
	b) Non-controlling interest					-	-	-	-
15	<b>Other comprehensive income attributable to</b>								
	a) Equity shareholders of the company					(40)	255	(15)	329
	b) Non-controlling interest					-	-	-	-
16	<b>Total comprehensive income for the period attributable to</b>								
	a) Equity shareholders of the company					(3,363)	933	803	4,206
	b) Non-controlling interest					-	-	-	-
17	Paid-up equity share capital (Face Value of Rs. 10/- each)	2,835	2,835	2,835	2,835	2,835	2,835	2,835	2,835
18	Other equity				37,833				35,286
19	<b>Earnings per share of Rs. 10/- each (quarters numbers are not annualised):</b>								
	(a) Basic (in Rs.)	(9.76)	15.90	16.65	35.74	(11.72)	2.39	2.89	13.68
	(b) Diluted (in Rs.)	(9.76)	15.90	16.65	35.74	(11.72)	2.39	2.89	13.68

## NOTES

1. The above standalone and consolidated financial results for the quarter ended June 30, 2020 of UFO Moviez India Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 7, 2020. The Statutory Auditors of the Company have carried out Limited Review of the above standalone and consolidated financial results pursuant to Regulation 33 of the Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended and issued an unmodified limited review report. The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures for the year ended March 31, 2020 and limited reviewed figures for 9 months period ended December 31, 2019.
2. On May 27, 2020, the Company converted its investment in compulsorily convertible preference shares (CCPS) of Cinestaan Digital Private Limited (CDPL) into equity shares as per the terms of the agreement and were allotted 1,162,618 equity shares against CCPS. In addition, on the same day, the Company also exercised 350,000 warrants by making payment of Rs. 135.35 lacs @ Rs. 38.67 per share for 350,000 equity shares issued against these warrants. Post conversion, UFO holds 18.75% of voting rights of CDPL.
3. On July 18, 2019, the Company and Valuable Digital Screens Private Limited (VDSPL), its wholly owned subsidiary company, had filed a joint application in relation to the Scheme of Arrangement between VDSPL and the Company and their respective shareholders with the Hon'ble National Company Law Tribunal ("NCLT"). NCLT vide its order dated November 21, 2019 sanctioned the Scheme for demerger of Caravan division of VDSPL with the Company with effect from April 1, 2019 (the Appointed date). The Scheme became effective from December 4, 2019.

The Scheme was accounted using the 'pooling of interest' method and the figures (standalone) for each quarter beginning from April 1, 2018 were recasted as if the demerger had occurred from April 1, 2018 in accordance with the requirements of Appendix C of Ind AS 103 on Business Combinations. Pursuant to the Scheme, the carrying amount of all the assets, liabilities, income and expenses pertaining to the Caravan division were transferred to the Company.

4. The World Health Organization (WHO) declared the COVID-19 outbreak a global pandemic on March 11, 2020 and economic activities in India started getting impacted as COVID-19 started spreading. Cinemas were the first to be impacted by COVID-19 and they started shutting down in accordance with the orders passed by various regulatory authorities and in a few days, all Cinemas across India temporarily shut down. Later the Government of India declared a nationwide lockdown that came into effect from March 25, 2020.

The management of the Company has carried out a financial review of the COVID-19 impact on the business and financial risks based on information available in the public domain on the economic outlook, Governments measures and GDP growth estimates. Since cinemas have remained shut and the Company is in the business of monetizing in-cinema advertising inventory and providing digital cinema services to cinemas, the operations of the Company have therefore remained shut till date since the middle of March 2020, severely impacting its revenues and profitability. The management believes that COVID-19 will severely impact the business in the short-term but it does not anticipate material risk to its business prospects over the medium to long term. The management of the Company has carried out an assessment of the appropriateness of going-concern, impairment of assets and other related aspects, and as on the date of approval of these financial results, it believes that there is no significant impact. However, the Company will continue to monitor the impact on account of changes in future economic conditions. The outcome of the impact of the COVID-19 pandemic may differ from those estimated as on the date of approval of these financial results.

On account of COVID-19, the management of the Company has taken measures to mitigate any adverse impact on the business, which inter alia includes:

- Reduction in fixed overheads for the period of the lockdown
- Reduction in salaries at various levels across the organization

Resuming of the Company's operations fully depends on the reopening of cinemas. The Government vide its Order [Guidelines for Phased Re-opening (Unlock 3) [As per Ministry of Home Affairs (MHA) Order No. 40-3/2020-DM-1(A) dated 29th July 2020] has stated that the dates for reopening of Cinemas and other entertainment avenues will be decided separately. Given this uncertainty, these cost optimization measures will help the Company to conserve cash to sustain this phase until cinemas re-open.

5. During the quarter, the Company has renegotiated certain existing long-term lease contracts and the gain on such renegotiation of Rs. 56.18 lacs in the standalone results and Rs. 70.80 lacs in the consolidated results has been included under Other Income.
6. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluated the Group's performance as a whole. Accordingly, the business of Digital Cinema Services and the sale of digital cinema equipments ancillary to the sale of services is considered as a single operating segment.
7. Previous year / period figures have been regrouped / reclassified, where necessary, to conform to current period classification.

**For and on behalf of the Board of Directors of  
UFO Moviez India Limited**

**Kapil Agarwal  
Joint Managing Director**

Place of signature: Mumbai  
Date: August 7, 2020

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## **Limited review report on Unaudited Quarterly Standalone Financial Results of UFO Moviez India Limited under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements ) Regulations, 2015**

### **To Board of Directors of UFO Moviez India Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of UFO Moviez India Limited ("The Company") for the quarter ended 30 June 2020 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



**Limited review report on Unaudited Quarterly Standalone Financial Results of UFO Moviez India Limited under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (*Continued*)**

**UFO Moviez India Limited**

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Rajesh Mehra**

*Partner*

Membership No: 103145

ICAI UDIN: 20103145AAAABY6833

Mumbai

7 August 2020

# B S R & Co. LLP

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## **Limited review report on Unaudited Quarterly Consolidated Financial Results under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

### **To Board of Directors of UFO Moviez India Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of UFO Moviez India Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of net (loss) after tax and total comprehensive (loss) of its associates for the quarter ended 30 June 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable

B S R & Co (a partnership firm with  
Registration No. BA61223) converted into  
B S R & Co. LLP (a Limited Liability, Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

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**Limited review report on Unaudited Quarterly Consolidated Financial Results under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)**

**UFO Moviez India Limited**

4. The Statement includes the results of the following entities:

**Subsidiaries and Step-down subsidiaries**

- (i) Scrabble Entertainment Limited
- (ii) Scrabble Entertainment DMCC
- (iii) Scrabble Entertainment (Mauritius) Limited
- (iv) Scrabble Digital Inc.
- (v) Scrabble Entertainment Lebanon Sarl
- (vi) UFO Software Technologies Private Limited
- (vii) Valuable Digital Screens Private Limited
- (viii) UFO Lanka Private Limited
- (ix) UFO Film Organizers Nepal Private Limited
- (x) PJSA Technosoft Private Limited
- (xi) Scrabble Digital Limited

**Associates**

- (i) Mukta VN Limited
- (ii) Scrabble Digital DMCC
- (iii) Scrabble Ventures LLC
- (iv) Scrabble Ventures S. de. R. L. de C.V. Mexico
- (v) Scrabble Audio Visual Equipment Trading LLC
- (vi) Cinestaan Digital Private Limited

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration of review report of other auditor referred to in paragraph 7 below , nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review interim financial information of one (1) step down subsidiary included in the statement, whose interim financial information reflect total revenues of Rs. 1,605 lakhs, total net profit after tax of Rs. 80 lakhs and total comprehensive income of Rs. 80 lakhs for the quarter ended 30 June 2020, as considered in the Statement. This interim financial information have been reviewed by other auditor whose reports has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of other auditor and the procedures performed by us as stated in paragraph 3 above.
- Our conclusion is not modified in respect of this matter.

**Limited review report on Unaudited Quarterly Consolidated Financial Results under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (*Continued*)**

**UFO Moviez India Limited**

8. The Statement includes interim financial results of nine (9) subsidiaries including stepdown subsidiaries which have not been reviewed, whose interim financial information reflect total revenue of Rs. 1 lakh, total net (loss) of Rs. 237 lakhs and total comprehensive (loss) of Rs. 237 lakhs for the quarter ended 30 June 2020, as considered in the Statement. The Statement also includes the Group's share of net (loss) after tax of Rs. 79 Lakhs in respect of six (6) associates, based on interim financial information which has not been reviewed. According to the information and explanation given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of above matter.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Rajesh Mehra**

*Partner*

Mumbai  
7 August 2020

Membership No: 103145  
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