

UFO MOVIEZ INDIA LIMITED
STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021
Rs. in lacs

| Sr. No. | Particulars | Standalone | | | | | Consolidated | | | | |
|---------|--|---------------------------|----------------|---------------------------|-----------------|---------------|---------------------------|----------------|---------------------------|-----------------|---------------|
| | | Quarter ended | | Year ended | | | Quarter ended | | Year ended | | |
| | | 31-Mar-21 | 31-Dec-20 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Dec-20 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| | | (Audited) Refer Note 1 | (Unaudited) | (Audited) Refer Note 1 | (Audited) | (Audited) | (Audited) Refer Note 1 | (Unaudited) | (Audited) Refer Note 1 | (Audited) | (Audited) |
| 1 | Income from operations | | | | | | | | | | |
| | Net sales / income from operations | 1,398 | 203 | 7,663 | 1,779 | 34,753 | 3,244 | 2,602 | 10,934 | 8,657 | 50,212 |
| | Other income | 103 | 84 | 20 | 333 | 133 | 28 | 138 | 2 | 413 | 180 |
| | Total income from operations (net) | 1,501 | 287 | 7,683 | 2,112 | 34,886 | 3,272 | 2,740 | 10,936 | 9,070 | 50,392 |
| 2 | Expenses | | | | | | | | | | |
| | (a) Operating direct costs | | | | | | | | | | |
| | - Cost of consumables and spares consumed | 69 | 57 | 83 | 150 | 359 | 63 | 74 | 113 | 163 | 547 |
| | - Purchases of digital cinema equipment and lamps | (2,188) | (179) | 504 | 189 | 1,331 | (1,749) | 1,439 | 2,165 | 3,965 | 9,175 |
| | - Changes in inventories | 2,318 | 205 | (50) | (25) | 23 | 2,514 | 185 | 9 | 364 | (255) |
| | - Advertisement revenue share | 21 | (6) | 833 | 15 | 5,392 | 21 | (6) | 833 | 15 | 5,392 |
| | - Virtual print fees sharing | 33 | - | 189 | 34 | 794 | 130 | (2) | 174 | 129 | 903 |
| | - Other operating direct cost | 650 | 484 | 843 | 2,118 | 4,131 | 886 | 736 | 918 | 2,999 | 4,864 |
| | (b) Employee benefits expense | 1,268 | 832 | 1,576 | 4,152 | 7,358 | 1,555 | 1,070 | 1,881 | 5,182 | 8,557 |
| | (c) Other expenses | 1,987 | 982 | 1,691 | 4,124 | 7,435 | 1,445 | 1,516 | 2,091 | 4,619 | 9,266 |
| | Total expenses | 4,158 | 2,375 | 5,669 | 10,757 | 26,823 | 4,865 | 5,012 | 8,184 | 17,436 | 38,449 |
| 3 | Earnings before interest, tax, depreciation and amortisation (EBITDA) (1-2) | (2,657) | (2,088) | 2,014 | (8,645) | 8,063 | (1,593) | (2,272) | 2,752 | (8,366) | 11,943 |
| 4 | Depreciation and amortisation expense | (1,356) | (1,391) | (1,594) | (5,674) | (6,128) | (1,481) | (1,521) | (1,833) | (6,300) | (7,103) |
| 5 | Finance cost | (286) | (313) | (231) | (1,230) | (1,006) | (301) | (330) | (251) | (1,307) | (1,010) |
| 6 | Finance income | 200 | 528 | 4,373 | 967 | 9,427 | 184 | 531 | 190 | 950 | 991 |
| 7 | Profit/(loss) before tax and share of profit from associates | (4,099) | (3,264) | 4,562 | (14,582) | 10,356 | (3,191) | (3,592) | 858 | (15,023) | 4,821 |
| 8 | Share of profit/(loss) of associates (net of taxes) | - | - | - | - | - | 161 | (125) | 84 | (72) | 397 |
| 9 | Profit/(loss) before tax and after share of profit/(loss) from associates | (4,099) | (3,264) | 4,562 | (14,582) | 10,356 | (3,030) | (3,717) | 942 | (15,095) | 5,218 |
| 10 | Tax expense | | | | | | | | | | |
| | - Current tax | - | - | 9 | - | 57 | 3 | (3) | 761 | 30 | 1,519 |
| | - Tax Expenses relating to prior years | 100 | - | - | 100 | - | 100 | - | - | 100 | - |
| | - Deferred tax | (695) | (893) | 45 | (3,418) | 167 | (583) | (893) | (497) | (3,466) | (178) |
| | Total tax expense | (595) | (893) | 54 | (3,318) | 224 | (480) | (896) | 264 | (3,336) | 1,341 |
| 11 | Profit/(loss) for the period (9 - 10) | (3,504) | (2,371) | 4,508 | (11,264) | 10,132 | (2,550) | (2,821) | 678 | (11,759) | 3,877 |
| 12 | Other comprehensive income (OCI) | | | | | | | | | | |
| A | (i) Items that will not be reclassified to profit or loss | 47 | - | 176 | 47 | 136 | 50 | - | 192 | 50 | 156 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (12) | - | (44) | (12) | (34) | (12) | - | (46) | (12) | (36) |
| B | (i) Items that will be reclassified to profit or loss | - | - | - | - | - | (15) | (28) | 109 | (25) | 209 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - | - | - | - | - |
| 13 | Total comprehensive income/(loss) for the period | (3,469) | (2,371) | 4,640 | (11,229) | 10,234 | (2,527) | (2,849) | 933 | (11,746) | 4,206 |
| 14 | Net profit/(loss) attributable to | | | | | | | | | | |
| | a) Equity shareholders of the company | | | | | | (2,550) | (2,821) | 678 | (11,759) | 3,877 |
| | b) Non-controlling interest | | | | | | - | - | - | - | - |
| 15 | Other comprehensive income attributable to | | | | | | | | | | |
| | a) Equity shareholders of the company | | | | | | 23 | (28) | 255 | 13 | 329 |
| | b) Non-controlling interest | | | | | | - | - | - | - | - |
| 16 | Total comprehensive income for the period attributable to | | | | | | | | | | |
| | a) Equity shareholders of the company | | | | | | (2,527) | (2,849) | 933 | (11,746) | 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 | 2,835 | 2,835 |
| 18 | Other equity | | | | 26,672 | 37,833 | | | | 23,637 | 35,286 |
| 19 | Earnings per share of Rs. 10/- each (quarters numbers are not annualised): | | | | | | | | | | |
| | (a) Basic (in Rs.) | (12.36) | (8.36) | 15.90 | (39.73) | 35.74 | (8.99) | (9.95) | 2.39 | (41.48) | 13.68 |
| | (b) Diluted (in Rs.) | (12.36) | (8.36) | 15.90 | (39.73) | 35.74 | (8.99) | (9.95) | 2.39 | (41.48) | 13.68 |

UFO MOVIEZ INDIA LIMITED
BALANCE SHEET AS AT 31 MARCH 2021

Rs. in Laacs

| Sr. No. | Particulars | Standalone | | Consolidated | |
|----------|---|---------------|---------------|---------------|---------------|
| | | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| | | (Audited) | (Audited) | (Audited) | (Audited) |
| | Assets | | | | |
| A | Non-current assets | | | | |
| | Property, plant and equipment | 13,062 | 16,872 | 13,876 | 17,988 |
| | Capital work-in-progress | 1,765 | 1,941 | 1,826 | 1,976 |
| | Right-of-use assets | 557 | 1,250 | 858 | 1,862 |
| | Goodwill (including Goodwill on consolidation) | 340 | 340 | 2,311 | 2,311 |
| | Other Intangible assets | 105 | 157 | 302 | 162 |
| | Financial Assets | | | | |
| | (i) Investment in Subsidiaries and Associates | 12,502 | 11,610 | 2,468 | 1,779 |
| | (ii) Loans receivables | 569 | 594 | 629 | 679 |
| | (iii) Other financial assets | 409 | 1 | 446 | 8 |
| | Income tax assets (net) | 3,272 | 4,606 | 3,728 | 4,875 |
| | Deferred tax assets (net) | 7,099 | 3,693 | 8,039 | 4,367 |
| | Other non-current assets | 367 | 722 | 417 | 840 |
| | Total non-current assets | 40,047 | 41,786 | 34,900 | 36,847 |
| B | Current assets | | | | |
| | Inventories | 673 | 557 | 1,127 | 1,449 |
| | Financial assets | | | | |
| | (i) Investments | 2,543 | 6,593 | 4,065 | 8,700 |
| | (ii) Trade receivables | 1,375 | 8,257 | 3,894 | 13,117 |
| | (iii) Unbilled receivables | 108 | 143 | 208 | 280 |
| | (iv) Cash and cash equivalents | 243 | 309 | 1,253 | 1,368 |
| | (v) Bank balances other than cash and cash equivalents | 1,201 | 930 | 2,185 | 1,455 |
| | (vi) Loans receivables | 152 | 785 | 109 | 138 |
| | (vii) Other financial assets | 150 | 129 | 14 | 29 |
| | Other current assets | 3,481 | 2,700 | 4,261 | 3,688 |
| | Total current assets | 9,926 | 20,403 | 17,116 | 30,224 |
| | Total (A+B) | 49,973 | 62,189 | 52,016 | 67,071 |
| | Equity and liabilities | | | | |
| C | Equity | | | | |
| | Share capital | 2,835 | 2,835 | 2,835 | 2,835 |
| | Other equity | 26,672 | 37,833 | 23,637 | 35,286 |
| | Equity attributable to owners | 29,507 | 40,668 | 26,472 | 38,121 |
| | Non-controlling interest | - | - | - | 1 |
| | Total equity | 29,507 | 40,668 | 26,472 | 38,122 |
| D | Liabilities | | | | |
| | Non-current liabilities | | | | |
| | Financial liabilities | | | | |
| | (i) Borrowings | 6,013 | 3,355 | 6,013 | 3,355 |
| | (ii) Lease liabilities | 281 | 691 | 520 | 1,186 |
| | (iii) Other financial liabilities | 3,321 | 4,532 | 3,352 | 4,669 |
| | Provisions | 581 | 495 | 769 | 648 |
| | Deferred tax liabilities (net) | - | - | 558 | 359 |
| | Other non-current liabilities | 379 | 509 | 446 | 606 |
| | Total non-current liabilities | 10,575 | 9,582 | 11,658 | 10,823 |
| E | Current liabilities | | | | |
| | Financial liabilities | | | | |
| | (i) Borrowings | - | 727 | 60 | 727 |
| | (ii) Lease liabilities | 350 | 620 | 469 | 786 |
| | (iii) Trade payables | | | | |
| | a) Total outstanding dues of micro enterprises and small enterprises | - | - | - | - |
| | b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,497 | 4,244 | 6,058 | 8,329 |
| | (iv) Other financial liabilities | 4,700 | 4,550 | 5,135 | 5,014 |
| | Provisions | 420 | 408 | 449 | 439 |
| | Other current liabilities | 924 | 1,390 | 1,715 | 2,831 |
| | Total current liabilities | 9,891 | 11,939 | 13,886 | 18,126 |
| F | Total liabilities (D+E) | 20,466 | 21,521 | 25,544 | 28,949 |
| | Total equity and liabilities (C+F) | 49,973 | 62,189 | 52,016 | 67,071 |

UFO MOVIEZ INDIA LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021
Rs. in Lacs

| PARTICULARS | Standalone | | Consolidated | |
|---|-----------------|---------------|-----------------|---------------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| | (Audited) | (Audited) | (Audited) | (Unaudited) |
| Cash flow from / (used in) operating activities | | | | |
| Profit / (loss) before share of profit from associates and tax | (14,582) | 10,356 | (15,023) | 4,821 |
| Adjustment to reconcile profit before tax to net cash flows: | | | | |
| Depreciation and amortization expense | 5,674 | 6,128 | 6,300 | 7,103 |
| Bad debts written off | 44 | 70 | 103 | 160 |
| Provision for doubtful debts | 742 | 171 | 1,082 | 523 |
| Provision for doubtful loans and advance | 776 | - | - | 72 |
| Unrealised foreign exchange (gain) / loss (net) | 1 | 68 | 1 | 70 |
| Loss on sale of property, plant and equipments | (4) | - | (5) | (9) |
| Sundry balances written back | (141) | (248) | (392) | (353) |
| Net gain on current investments | (242) | (438) | (282) | (640) |
| ESOP compensation | 64 | - | 69 | - |
| Interest cost on financial liabilities carried at amortised cost | 135 | 140 | 137 | 144 |
| Interest expense on lease liabilities | 131 | 102 | 189 | 154 |
| Gain on lease concession and modification | (251) | - | (318) | - |
| Finance cost | 940 | 741 | 952 | 679 |
| Interest income | (725) | (123) | (668) | (347) |
| Dividend income | - | (8,867) | - | - |
| Operating profit before working capital changes | (7,438) | 8,100 | (7,855) | 12,377 |
| Movements in working capital | | | | |
| (Decrease) in trade payables | (746) | (1,132) | (2,339) | (1,885) |
| (Decrease) in other financial liabilities (current and non-current) | (393) | (572) | (534) | (1,134) |
| Increase / (Decrease) in other liabilities (current and non-current) | (456) | (414) | (866) | 28 |
| Increase in provisions (current and non-current) | 144 | 89 | 266 | 129 |
| Decrease in trade receivables | 6,096 | 6,098 | 8,075 | 6,075 |
| (Increase) / Decrease in financial assets (current and non-current) | (45) | 440 | 160 | 500 |
| (Increase) in other assets (current and non-current) | (533) | (776) | (548) | (756) |
| Increase / (Decrease) in inventories | (115) | 70 | 307 | (207) |
| Cash generated from operations | (3,486) | 11,903 | (3,334) | 15,127 |
| Direct taxes paid (net of refunds) | 1,823 | (2,282) | 1,733 | (3,101) |
| Net cash flow from operating activities (A) | (1,663) | 9,621 | (1,601) | 12,026 |
| Cash flows from / (used in) investing activities | | | | |
| Purchase of property, plant and equipments, including capital work in progress and capital advances | (2,126) | (3,888) | (2,471) | (4,390) |
| Proceeds from sale of property, plant and equipments including capital work in progress | 84 | 79 | 89 | 281 |
| Payment of purchase consideration for purchase of subsidiary shares from non-controlling interest | (1) | - | (1) | - |
| Receipt of capital from associates | - | - | 92 | - |
| Payment of purchase consideration for purchase of shares / warrant of a associates | (485) | (500) | (523) | (500) |
| Payment of purchase consideration for purchase of shares of a subsidiary | (101) | - | (1) | - |
| Payment of purchase consideration for purchase of preference shares of a associates | - | - | (338) | - |
| Payment of purchase consideration for purchase of preference shares of a subsidiary | (300) | - | - | - |
| Purchase of current investments (including dividend reinvestment) | (8,710) | (30,987) | (10,405) | (41,549) |
| Proceeds from sale / redemption of current investments | 13,002 | 36,376 | 15,323 | 47,466 |
| Proceeds from Maturity of / (Investment in) bank deposits (with original maturity for more than 3 months) (net) | (678) | 415 | (1,172) | 2,166 |
| Interest received | 75 | 82 | 88 | 322 |
| Dividend received | - | 8,867 | 59 | 355 |
| Loan (given to) /repayment from related party | 2 | (350) | - | - |
| Net cash flow from investing activities (B) | 762 | 10,094 | 740 | 4,151 |

UFO MOVIEZ INDIA LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021
Rs. in Lacs

| PARTICULARS | Standalone | | Consolidated | |
|---|-------------|-----------------|--------------|-----------------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| | (Audited) | (Audited) | (Audited) | (Unaudited) |
| Cash flows from / (used in) financing activities | | | | |
| Proceeds from issuance of equity share capital(including premium) | - | - | 1 | - |
| Share Issue expenses | - | - | (5) | - |
| (Repayment) / Proceeds from short term borrowing (net) | (727) | (4,539) | (668) | (669) |
| Proceeds from long-term borrowings | 5,070 | 2,865 | 5,070 | 2,865 |
| Repayment of long-term borrowings | (1,990) | (3,008) | (1,990) | (3,008) |
| Interest paid | (943) | (1,493) | (955) | (718) |
| Repayment of Lease liabilities | (575) | (517) | (686) | (609) |
| Dividend paid on equity shares | - | (12,758) | - | (12,758) |
| Tax on dividend paid on equity shares | - | (800) | - | (2,065) |
| Net cash flow used in financing activities (C) | 835 | (20,250) | 767 | (16,962) |
| Net decrease in cash and cash equivalents (A + B + C) | (66) | (535) | (94) | (785) |
| Unrealised gain on foreign currency cash and cash equivalents | - | - | (21) | (72) |
| Cash and cash equivalents at the beginning of the period | 309 | 844 | 1,368 | 2,225 |
| Cash and cash equivalents at the end of the period | 243 | 309 | 1,253 | 1,368 |
| Components of cash and cash equivalents | | | | |
| Cash on hand | 2 | 2 | 5 | 3 |
| Balance with banks: | | | | |
| - on current accounts | 241 | 307 | 1,248 | 1,365 |
| Cash and cash equivalents | 243 | 309 | 1,253 | 1,368 |

NOTES:

1. The above audited standalone and consolidated financial results for the quarter and year ended March 31, 2021 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 26 May, 2021. The Statutory Auditors of the Company have carried out an audit 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 audit report. The figures for the quarters ended as on 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter. Also, the figures upto the third quarter were subject to limited review.
2. During the previous quarter ended December 31, 2020, all outstanding Employee Stock Options (Options) granted to eligible employees lapsed as the same were not exercised during the exercise period which expired on December 11, 2020.

On January 15, 2021, the Compensation Committee of the Board of Directors of the Company at its meeting held, granted 10,93,700 Options to the eligible employees of the Company under its Employee Stock Option Scheme 2014 (ESOP 2014) out of which 3,600 Options are lapsed due to resignation of eligible employees.

3. On October 12, 2020, the Board of Directors of Scrabble Entertainment Limited (SEL), a wholly owned subsidiary of the Company, had approved an investment of upto Rs. 800 lacs in Mumbai Movie Studios Private Limited (MMSPL). Accordingly, SEL made an investment of Rs. 37.50 lacs on December 4, 2020, subscribing to 3,75,000 number of equity shares of Rs. 10 each. Post this acquisition, SEL holds 30.74% stake in MMSPL and it has been treated as an associate for the purpose of accounting.

Further on November 13, 2020, SEL made an investment of Rs. 150 lacs, subscribing to 75,00,000 Optionally Convertible Redeemable Preference Shares ("OCRPS") of Rs. 10 each, paid up value per share is Rs. 2 and on March 5, 2021, SEL made additional investment of Rs. 187 Lacs towards 1st call of Rs. 2.5 per share.

4. The Board of Directors of the Company at its meeting held on September 21, 2020 has approved the acquisition of 10,000 equity shares, having a face value of Rs. 10 each, in SAPJ Media and Entertainment Private Limited [now renamed to Plexigo Entertainment Private Limited (Plexigo)] from its existing equity shareholders for an aggregate consideration of Rs. 1 lac. Consequent to the acquisition, the company holds 100% of the issued and paid-up equity share capital of Plexigo and for the purpose of accounting, it is treated as a subsidiary.

In the same meeting, the Board of Directors approved the following further investments:

- a. Investment upto Rs. 275 lacs [upto Rs. 50 lacs through equity shares and upto Rs. 225 lacs through non-cumulative optionally convertible redeemable preference shares (NCOCRPS)] in Plexigo
- b. Investment upto Rs. 360 lacs (upto Rs. 50 lacs through equity shares and upto Rs. 310 lacs through NCOCRPS) in PJS Technosoft Private Limited [now renamed to Zinglin Media Private Limited (Zinglin)]

Accordingly, the Company has made an investment of Rs. 150 lacs in Plexigo, subscribing to 500,000 equity shares of Rs. 10 each and 10,000 NCOCRPS of Rs. 1,000 each, allotment of which has been approved by the Board of Directors of Plexigo at its meeting held on November 5, 2020 and February 17, 2021 respectively.

Further, the Company has made an investment of Rs. 250 lacs in Zinglin, subscribing to 500,000 equity shares of Rs. 10 each and 10,000 NCOCRPS of Rs. 1,000 each, allotment of which has been approved by the Board of Directors of Zinglin at its meeting held on November 5, 2020 and an additional investment 10,000 NCOCRPS of Rs. 1,000 each, allotment of which has been approved by the Board of Directors of Zinglin at its meeting held on February 17, 2021.

Also, on April 12, 2021, the Company had further invested an amount of Rs. 50 lacs by subscribing 5,000 NCOCRPS of Plexigo and Rs. 109.91 lacs by subscribing 10,991 NCOCRPS of Zinglin. As on the date of the result, the Company has invested an aggregate amount of Rs. 201 lacs in Plexigo and Rs. 359.91 lacs in Zinglin.

Post the aforesaid allotments, the Company continues to hold 100% voting rights in Plexigo and Zinglin.

5. 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.

Further, on August 25, 2020, the Company exercised 362,037 warrants by making payment of Rs. 140 lacs @ 38.67 per share for 362,037 equity shares issued against these warrants.

Further, on November 27, 2020, the Company exercised 284,459 warrants by making payment of Rs. 110 lacs @ 38.67 per share for 284,459 equity shares issued against these warrants.

Further, on March 4, 2021, the Company exercised 258,598 warrants by making payment of Rs. 100 lacs @ 38.67 per share for 258,598 equity shares issued against these warrants.

Post above conversions, the Company holds 29.97% of voting rights of CDPL.

6. After COVID-19 was declared as a pandemic in March 2020, and a nationwide lockdown was announced, the film exhibition industry was the first to be impacted as all cinemas across India were temporarily shut down. Cinemas were allowed to re-open only post 15th October 2020 to operate with up to 50% of their seating capacity, in areas outside the containment zones. Further, despite the restrictions being eased, many cinemas opted to remain shut for lack of new content.

The southern market witnessed good traction during January to March 2021 with multiple new releases. The non-southern markets were also hoping for an uptick. However, the second wave of COVID-19 towards the end of FY21, and the reimposition of lockdown restrictions, has once again led to widespread cinema closures.

Since the Company is primarily in the business of monetizing in-cinema advertising inventory and providing digital cinema services to cinemas, the operations of the Company continue to remain impacted severely resulting in lower revenues and losses. The Company has conserved its cash reserves by implementing cost optimization measures, which, inter alia, have included reduction in fixed overheads and salary cuts across the organization. The Company has also evaluated raising finances through dividends from its subsidiaries and availing further debt facilities. As on 31 March 2021, the Company's funds position (group level) stood at Rs. 79.48 crores, and the Company has also obtained approval for additional banking facility of Rs. 22.2 crores in the month of May 2021. The Company is watching events closely. 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.

The management believes that COVID-19 will impact the Company's 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 the going-concern assumption, impairment of assets and other related aspects and as on the date of approval of these financial statements, it believes that there is no significant impact.

Further, despite various uncertainties, the management and the Board of Directors believe that the Company would be able to meet its financial obligations in the foreseeable future based on the above actions, continued support from various stakeholders and availability of financing from lenders. Accordingly, the management and the Board of Directors believe that the operations of the Company can be sustained on a going concern basis.

7. The Company has renegotiated certain existing long-term lease contracts and the gain on such renegotiation of Rs. 59.41 lacs in the standalone results and Rs. 50.79 lacs in the consolidated results for the quarter ended March 31, 2021 and Rs. 251.42 lacs in the standalone results and Rs. 309.76 lacs in the consolidated results for the year ended March 31, 2021 has been included under Other Income.
8. Based on the management approach as defined in Ind AS 108, the chief operating decision maker largely evaluates performance of digital cinema services including new ventures and the sale of digital cinema equipment, currently as single operating segment.
9. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and rules for quantifying the financial impact are yet to be framed. The Company will assess the impact of the Code once the relevant rules thereunder are prescribed and will record any related impact in the period the Code becomes effective.
10. 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: May 26, 2021

B S R & Co. LLP

Chartered Accountants

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Independent Audit report on Standalone Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
UFO Moviez India Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of UFO Moviez India Limited (hereinafter referred to as the “Company”) for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net (loss) and other comprehensive income and other financial information for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditors’ Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Independent Audit report on Standalone Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

UFO Moviez India Limited

Emphasis of Matter

We draw attention to Note 6 to the standalone annual financial results which describes the economic and social disruptions as a result of COVID-19 pandemic and the impact thereof on the Company's operations, financial statements and management's assessment of going concern assumption.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net (loss) and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 SAs 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 standalone annual financial results.

Independent Audit report on Standalone Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

UFO Moviez India Limited

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (Continued)

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

B S R & Co. LLP

Independent Audit report on Standalone Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Continued*)

UFO Moviez India Limited

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
26 May 2021

Rajesh Mehra
Partner
Membership Number: 103145
ICAI UDIN - 21103145AAAACC3952

B S R & Co. LLP

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Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
UFO Moviez India Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of UFO Moviez India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and associates, the aforesaid consolidated annual financial results:

a. include the annual financial 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) United Film Organizers Nepal Private Limited
- x) Zinglin Media Private Limited (Formerly known as PJSA Technosoft Private Limited)
- xi) Scrabble Digital Limited
- xii) Plexigo Entertainment Private Limited (Formerly known SAPJ Media and Entertainment Pvt. Ltd.)

Associates

- i) Mukta VN Films 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
- vii) Mumbai Movie Studios Private Limited

Registered Office:

Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Opinion (Continued)

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

We draw attention to Note 6 to the consolidated annual financial results which describes the economic and social disruptions as a result of COVID-19 pandemic and the impact thereof on the Group’s operations, financial statements and management’s assessment of going concern assumption.

Our opinion is not modified in respect of this matter.

Management’s and Board of Directors’ Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results (Continued)

The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 SAs 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 consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associates to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Other Matters

- (a) The consolidated annual financial results include the audited financial results of seven subsidiaries (including step-down subsidiaries), whose financial statements reflect total assets (before consolidation adjustments) of Rs. 7,369 lakhs as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 6,336 lakhs, Group's share of total net loss after tax (before consolidation adjustments) of Rs. 185 lakhs and net cash inflow (before consolidation adjustments) amounting to Rs. 20 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The consolidated annual financial results also include the Group's share of net profit (and other comprehensive income) of Rs. 27 lakhs for the year ended 31 March 2021, in respect of four associates, as considered in the consolidated annual financial results, whose financial results have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- (b) Of the above, two subsidiaries and two associates are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.
- (c) The consolidated annual financial results include the unaudited financial results of four subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 72 lakhs as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. Nil lakhs, Group's share of total net (loss) after tax (before consolidation adjustments) of Rs. 74 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 9 lakhs for the year ended on that date, as considered in the consolidated annual financial results. The consolidated annual financial results also includes the Group's share of net loss (and other comprehensive loss) of Rs. 99 lakhs for the year ended 31 March 2021, as considered in the consolidated annual financial results, in respect of three associates. These unaudited financial statements have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on such unaudited annual financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / information are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Board of Directors.

B S R & Co. LLP

Independent Auditors' report on Consolidated Annual Financial Results of UFO Moviez India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Other Matters (Continued)

- (d) The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership Number: 103145
ICAI UDIN - 21103145AAAACD3317

Mumbai
26 May 2021