B S R & Co. LLP
Chartered Accountants

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The Board of Directors
UFO Moviez India Limited
Valuable Techno Park,
Plot 53/1, Road 7, MIDC Marol,
MIDC Andheri (East),
Mumbai – 400 093

04 June 2024

Independent Auditor's Certificate in relation to proposed accounting treatment in the books of UFO Moviez India Limited as specified in the Proposed Scheme of Arrangement amongst Scrabble Digital Limited, UFO Software Technologies Private Limited, UFO Moviez India Limited and their respective shareholders under Sections 230 to 232 read with Section 66 and Section 52 and other applicable provisions of the Companies Act, 2013 and rules made thereunder

1. This certificate is issued in accordance with the terms of our engagement letter dated 31 May 2024.

2. We have been requested by the management of UFO Moviez India Limited ("the Company" or "the Transferee Company") to issue a certificate in relation to the proposed accounting treatment specified in Clause 7 and Clause 15.3 of the proposed Scheme of Arrangement amongst Scrabble Digital Limited and UFO Software Technologies Private Limited (collectively "Transferor Companies") and the Transferee Company and their respective shareholders ("Proposed Scheme"), as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 read with Section 66 and Section 52 and other applicable provisions of the Companies Act, 2013 ("the Act") and rules made thereunder, with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant Rules issued thereunder and other Generally Accepted Accounting Principles in India.

3. The Proposed Scheme is approved by the Board of Directors of the Transferee Company and the Transferor Companies on 03 June 2024 and is subject to approval of the respective Shareholders, the National Company Law Tribunal (the "NCLT") and Statutory and Regulatory Authorities, as applicable.

   The appointed date for the purpose of the Proposed Scheme is 01 April 2024.

Management's Responsibility

4. The preparation of the Proposed Scheme and Annexure A to this certificate and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the management of the companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.

5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and Annexure A to this certificate and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the Company complies with the requirements of the Act and rules made thereunder and providing all relevant information with respect to the Proposed Scheme to the National Company Law Tribunal ('NCLT') and any other regulatory authority.

Auditor's Responsibility

7. Pursuant to the requirements of the Act and rules as mentioned in Paragraph 2 above, our responsibility is to provide a reasonable assurance on whether the proposed accounting treatment specified in Clause 7 and Clause 15.3 of the Proposed Scheme and as reproduced in Annexure A to this certificate is in conformity with the Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.

8. We conducted our examination of the proposed accounting treatment referred to in Clause 7 and Clause 15.3 of the Proposed Scheme and as reproduced in Annexure A to this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

10. (i) As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 01 April 2024 in the Proposed Scheme.

    (ii) Based on our examination and according to the information and explanations given to us and representations obtained from the Company, we report that the proposed accounting treatment referred to in Clause 7 of the Proposed Scheme and as reproduced in Annexure A to this certificate, signed and stamped by us for the purpose of identification only, is in conformity with Ind AS 103 'Business Combinations' i.e. the applicable Accounting Standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.

    (iii) Based on our examination, explanations and representations given to us, and representations obtained from the Company, we report that the debit balance in profit and loss account as on the Appointed Date and debit balance in Amalgamation Deficit Reserve Account (including any debit balance arising pursuant to the Proposed Scheme) may be adjusted against the securities premium account, only subject to confirmation by the NCLT in accordance with the provisions of Section 66 and Section 52 of the Act. If confirmed by the NCLT, the proposed

accounting treatment for reduction of securities premium account as specified in Clause 15.3 of the Proposed Scheme and as reproduced in Annexure A to this certificate, signed by us for the purpose of identification only, is in conformity with the generally accepted accounting principles in India.

Restriction on use

11. This certificate is issued at the request of the management of the Transferee Company solely for the purpose of onward submission to NCLT and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of Sections 230 to 232, Section 52 and Section 66 of the Act and relevant Rules thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

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

RAJESH RAMESH MEHRA

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Date: 2024.06.04 19:37:30 +05'30'

Rajesh Mehra
Partner
Membership No: 103145
UDIN: 24103145BKFWLK7478

Place: Mumbai
Date: 04 July 2023

Annexure A

7 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

7.1 Upon the Scheme coming into effect and with effect from Appointed Date, since the Scheme involves entities which are under common control before and after the Amalgamation, the Transferee Company shall account for in its books of account in accordance with "Pooling of interest method" laid down by Appendix C of Ind AS 103 (Business Combination under common control) notified under the provisions of the Act.

7.2 All the assets and liabilities recorded in the books of the Transferor Companies shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as appearing in the books of the Transferor Companies.

7.3 Inter-company balances /investment, if any, will stand cancelled.

7.4 All the reserves of the Transferor Companies under different heads shall become the corresponding reserves of the Transferee Company.

7.5 The difference, if any, between the carrying value of investment in the equity shares of the Transferor Companies in the books of the Transferee Company and the amount of equity share capital of the Transferor Companies, being deficit, arising pursuant to the Scheme shall be accounted as amalgamation deficit reserve account, based on the accounting principle prescribed under Appendix C of the Ind AS-103.

RAJESH RAMESH MEHRA

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For UFO MOVIEZ INDIA LTD.

Authorised Signatory

15 REDUCTION OF SECURITIES PREMIUM ACCOUNT OF THE TRANSFEREE COMPANY

15.1 Immediately after Part II of the Scheme becoming effective and with effect from the Appointed Date, the balance in securities premium account available with the Transferee Company after consolidation of the Securities Premium of the Transferor Companies with the Transferee Company on account of amalgamation, would be utilized against (i) debit balance in Profit and Loss Account as on Appointed Date; and (ii) debit balance in Amalgamation Deficit Reserve Account (including any debit balance in Amalgamation Deficit Reserve Account arising on this amalgamation pursuant to clause 7 above) in the books of the Transferee Company

15.2 This utilization of securities premium and consequential capital reduction of the Transferee Company shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Companies and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required. The Transferee Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and / or creditors for obtaining their approval sanctioning the reduction of the securities premium account of the Transferee Company; or (ii) obtain any additional approvals / compliances under section 66 and section 52 of the Act.

For UFO MOVIEZ INDIA LTD.

Authorised Signatory

15.3 ACCOUNTING TREATMENT FOR REDUCTION OF SECURITIES PREMIUM ACCOUNT AS PER CLAUSE 15.1 AND 15.2 ABOVE:

Debit balance in Profit and Loss Account as on Appointed Date; and debit balance in Amalgamation Deficit Reserve Account (including any debit balance in Amalgamation Deficit Reserve Account arising on this amalgamation pursuant to clause 7 above) in the books of Transferee Company as on the Appointed Date shall be adjusted against credit balance of Securities Premium Account.

RAJESH RAMESH MEHRA

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For UFO MOVIEZ INDIA LTD.

Authorised Signatory