

June 3, 2024

To,
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code:539141

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor Plot no.C/1,
G Block, Sandra Kurla Complex,
Sandra (East), Mumbai 400 051
NSE Scrip Symbol: UFO

Dear Sir/ Ma'am,

Sub: Disclosure of events or information under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") – Approval of Scheme of Arrangement amongst Wholly Owned Subsidiaries viz. Scrabble Digital Limited, UFO Software Technologies Private Limited with Holding Company – UFO Moviez India Limited and their respective shareholders

The Board of Directors of the Company at its meeting held on June 3, 2024 has approved Scheme of Amalgamation of **Wholly Owned Subsidiaries** viz. Scrabble Digital Limited ("SDL" or "Transferor Company 1"), UFO Software Technologies Private Limited ("USTPL" or "Transferor Company 2"), (together known as "**Transferor Companies**") with **Holding Company** – UFO Moviez India Limited ("**UFO / Transferee Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 read with Section 66 and Section 52 and other applicable provisions of the Companies Act, 2013.

The proposed Scheme contemplates the amalgamation of Transferor companies/wholly owned subsidiaries into and with the Transferee Company and the dissolution without winding up of the Transferor Companies pursuant thereto, and the adjustment of the debit balance in Profit and Loss Account and debit balance in Amalgamation Deficit Reserve Account in the books of Transferee Company, including any debit balance in Amalgamation Deficit Reserve Account (arising on amalgamation) as on the Appointed Date against the Securities Premium Account of the Transferee Company. The proposed Scheme is conditional and subject to approval of the shareholders, and applicable regulatory authorities.

The Scheme will be filed with the Stock Exchanges as per the provisions of Regulation 37 of the SEBI LODR Regulations and SEBI Master Circular dated June 20, 2023.

The detailed disclosure as required under Regulation 30 of the SEBI LODR Regulations (as amended from time to time) read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed as **Annexure-I** to this intimation.

Request you to kindly take the above on record.

Thanking you.

Yours faithfully,

For UFO Moviez India Limited

Ms. Kavita Thadeshwar
Company Secretary

ANNEXURE I

Information required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Sr. No.	Particulars	Details
1	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	<p><u>Transferor Companies:</u></p> <p>i. Scrabble Digital Limited: Turnover – Rs. 1359.39 lacs (as on March 31, 2024)</p> <p>ii. UFO Software Technologies Private Limited: Turnover – Nil (as on March 31, 2024)</p> <p><u>Transferee Company:</u></p> <p>iii. UFO Moviez India Limited: Turnover Rs. 32,090.70 lacs (as on March 31, 2024)</p>
2	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”;	<p>SDL and USTPL are wholly owned subsidiaries of UFO and therefore the proposed amalgamation is amongst related parties.</p> <p>The proposed amalgamation does not fall within purview of related party transaction in terms of Circular No. 30/2014 dated 17.07.2014 issued by Ministry of Corporate Affairs. Further, pursuant to Regulation 23(5) of the LODR Regulation, the related party provisions are not applicable to the proposed Scheme.</p>
3	Area of business of the entity(ies);	<p>SDL is engaged in the business of providing Digital Cinema Services.</p> <p>USTPL is engaged into the business of providing software solutions and development services.</p> <p>UFO is India’s largest in-cinema advertising platform and is the first one, to enable cinema digitization with satellite technology in India. It is the end-to-end service provider for all DCI and non-DCI related cinema solutions.</p>
4	Rationale for amalgamation/merger	<p><u>Amalgamation of Transferor Companies into Transferee Company</u></p> <p>a. The Transferor Companies are wholly owned subsidiaries of the Transferee Company.</p> <p>b. The proposed amalgamation of Transferor Company 1 will assist the Transferee Company</p>

		<p>to serve existing customer with all products and services within digital cinema industry's needs, giving customers a one-stop shopping experience with credible services.</p> <p>c. Transferor Company 2 is not of the significant size and therefore consolidation will result into decrease in the administration cost associated with day-to-day operations.</p> <p>d. The amalgamation of the Transferor Companies with the Transferee Company will lead to better business synergies, improved overall operational efficiencies and cost savings.</p> <p>e. The amalgamation will also result in reduction in legal and regulatory compliances that are currently carried out by multiple entities.</p> <p>f. The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.</p> <p><u>Utilisation of Securities Premium Account</u></p> <p>g. Due to COVID 19 pandemic, the Transferee Company has incurred losses from FY 2020-21 to FY 2022-23. As per audited financial results as on March 31, 2024, the Transferee Company had (i) Profit and Loss Account (debit balance) of about INR 130.82 crores (Indian Rupees One Hundred and Thirty Crores and Eighty Two Lakhs only); (ii) Securities Premium Account of about INR 388.57 crores (Indian Rupees Three Hundred and Eighty Eight Crores and Fifty Seven Lakhs only); (iii) Amalgamation Deficit Reserve Account (debit balance) of about INR 67.46 crores (Indian Rupees Sixty Seven Crores and Forty Six Lakhs only). All these balances are part of "Other Equity".</p> <p>h. The Transferee Company believes that utilization of the Securities Premium Account to set off the debit balances in (i) Profit and Loss Account and (ii) Amalgamation Deficit Reserve Account would result in a true and fair</p>
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		<p>reflection of the “Other Equity” in the balance sheet.</p> <p>i. The right-sizing of the balance sheet is also likely to facilitate the efforts of the Transferee Company while raising funds in future.</p> <p>j. The proposed adjustment / set off, of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of the Transferee Company.</p> <p>k. The Scheme does not involve any financial outlay / outgo and therefore, would not affect the ability or liquidity of the Transferee Company to meet its obligations/ commitments in the normal course of business. Further, this Scheme would also not in any way adversely affect the ordinary operations of the Transferee Company.</p>
5	In case of cash consideration – amount or otherwise share exchange ratio;	Not applicable. As SDL and USTPL are wholly owned subsidiaries of UFO, no shares will be issued in consideration of the amalgamation.
6	Brief details of change in shareholding pattern (if any) of listed entity.	There will be no change in the shareholding pattern of the Transferee Company as no shares are being issued pursuant to the amalgamation.