

**MOORE WATTS LIMITED**  
 (IN AFRICA) PUBLIC COMPANY LIMITED  
 Part 1 - Statement of unaudited financial results for the quarter ended 31 December 2014

Particulars	3 months ended 31 December 2014		3 months ended 31 December 2013		9 months ended 31 December 2014		9 months ended 31 December 2013	
	Rand	US\$	Rand	US\$	Rand	US\$	Rand	US\$
1 Income from operations	4,800,977	2,109,427	7,418,048	3,348,426	12,729,313	5,818,353	12,729,313	5,818,353
(1) Other operating expenses	(4,828,968)	(2,134,956)	(7,646,648)	(3,425,708)	(12,527,080)	(5,818,353)	(12,527,080)	(5,818,353)
2 Total income from operations (net)	4,828,968	2,134,956	7,646,648	3,425,708	12,527,080	5,818,353	12,527,080	5,818,353
(3) (Decrease) / increase in stock in trade	8,091	(4,420)	2,852	(1,237)	(8,731)	4,273	(8,731)	4,273
(4) Increase of and decrease in	1,343,431	591,408	6,697,633	3,018,142	11,218,326	5,106,274	11,218,326	5,106,274
(5) Prepaid expenses and other receivables	28,647	13,306	158,448	71,848	453,737	214,229	453,737	214,229
(6) Employee benefits expense	28,647	13,306	158,448	71,848	453,737	214,229	453,737	214,229
(7) Depreciation of tangible assets (including items right)	3,824	1,737	13,546	6,148	42,427	20,129	42,427	20,129
(8) Depreciation of intangible assets	491,999	225,244	3,011,124	1,372,442	9,115,127	4,142,809	9,115,127	4,142,809
(9) Other expenses	2,371,118	1,091,178	3,953,331	1,800,143	5,818,353	2,757,015	5,818,353	2,757,015
3 Profit/(loss) from operations before other income, finance costs and exceptional items	2,138,777	978,787	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
4 Finance costs	(2,138,777)	(978,787)	(3,947,777)	(1,797,142)	(6,142,809)	(2,757,015)	(6,142,809)	(2,757,015)
5 Profit/(loss) from ordinary activities before finance costs and exceptional items	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
6 Finance costs	(2,138,777)	(978,787)	(3,947,777)	(1,797,142)	(6,142,809)	(2,757,015)	(6,142,809)	(2,757,015)
7 Profit/(loss) from ordinary activities before finance costs and exceptional items	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
8 Profit/(loss) from ordinary activities before tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
9 Profit/(loss) from ordinary activities before tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
10 Profit/(loss) from continuing operations before tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
11 Tax expense (including VAT credit mid-term and deferred tax)	(2,138,777)	(978,787)	(3,947,777)	(1,797,142)	(6,142,809)	(2,757,015)	(6,142,809)	(2,757,015)
12 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
13 Profit/(loss) from continuing operations before tax (for Note 4)	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
14 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
15 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
16 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
17 Net profit/(loss) for the period	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
18 Net profit/(loss) for the period	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
19 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
20 Profit/(loss) from continuing operations after tax	2,138,777	(978,787)	3,947,777	1,797,142	6,142,809	2,757,015	6,142,809	2,757,015
21 Basic and diluted earnings per share (EPS) (not annualised) from continuing operations	8.39	(4.01)	14.41	(6.82)	23.85	11.43	23.85	11.43
22 Basic and diluted earnings per share (EPS) (not annualised) from discontinued operation	-	-	-	-	-	-	-	-

**Part B**

**A. Particulars of shareholdings**

Particulars	31 December 2014	31 December 2013
1 Public shareholding	6,688,808	6,688,808
2 Preference and promoter group shareholding	26,635	26,635
3 % of shares (as a % of the total shareholding of the Company)	26.635%	26.635%
4 Number of shares	15,688,290	15,688,290
5 % of shares (as a % of the total shareholding of the Company)	100%	100%
6 Number of shares	15,688,290	15,688,290
7 % of shares (as a % of the total shareholding of the Company)	100%	100%

**B. Investor compensation**

Particulars	3 months ended 31 December 2014	3 months ended 31 December 2013
1 Received during the quarter	2	2
2 Disposed during the quarter	2	2
3 Outstanding at the end of the quarter	-	-

**NOTES**

- Financial results have been reviewed by the audit committee and approved by the Board of Directors of the company on 12 February 2015. The terms of order dated 28 February 2015 passed by the High Court of Botswana in the matter of *Moore Watts Limited v. Botswana Development Corporation (MWDCC)* (referred to as the "MWDCC Order") are being complied with. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order.
- Government of Botswana to make an application to Botswana High Court. The motion continues to request that the High Court of Botswana should set aside the MWDCC Order. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order. The MWDCC Order is being complied with by the company in accordance with the terms of the MWDCC Order.
- During the year ended 31 March 2015, the Board of Directors approved the formation of a company as a subsidiary of Moles A/S Limited. The company was incorporated in Denmark on 12 February 2015. The company is a subsidiary of Moles A/S Limited. The company is a subsidiary of Moles A/S Limited. The company is a subsidiary of Moles A/S Limited.
- During the quarter ended 31 December 2014, the Company has received a request from the Danish authorities to provide information regarding the company's financial statements for the year ended 31 December 2014. The company is currently in the process of providing the requested information to the Danish authorities. The company is currently in the process of providing the requested information to the Danish authorities.
- During the quarter ended 31 December 2014, the Company has received a request from the Danish authorities to provide information regarding the company's financial statements for the year ended 31 December 2014. The company is currently in the process of providing the requested information to the Danish authorities. The company is currently in the process of providing the requested information to the Danish authorities.
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Date: 12 February 2015  
 Place: 1 (Blank)

# B S R & Co. LLP

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## Review Report

### To the Board of Directors of Mukta Arts Limited

1. We have reviewed the accompanying Statement of un-audited financial results ('the Statement') of Mukta Arts Limited ('the Company') for the quarter ended 31 December 2014 and year to date results for the period 1 April 2014 to 31 December 2014, except for the disclosures regarding 'Public Shareholding and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 12 February 2015. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review 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 un-audited financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters 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.
3. *As explained in Note 3 to the accompanying Statement of un-audited financial results, remuneration paid to the erstwhile managing director (including as film director fees) for earlier financial years from 2005-06 to 2013-2014 aggregating to Rs 125,744,747 is in excess of the limits prescribed under Schedule XIII to the Companies Act, 1956. During the year 2011-12, the Company had received approval for part of the excess remuneration paid (approval received for remuneration aggregating to Rs 25,200,000 for the financial years 2005-06, 2006-07 and 2007-08) and made applications to the authorities requesting reconsideration/ approval for the balance excess remuneration and for recognition of the erstwhile managing director as a professionally qualified person under the Companies Act, 1956. Through its communications dated 18 June 2014 and 25 July 2014, the Ministry of Corporate Affairs has directed the Company to recover the excess remuneration paid during the financial years 2008-09 to 2010-11 and 2011-12 respectively. The Company has requested the authorities to reconsider their orders in respect of the above. Pending final communication from the authorities in this regard, no adjustment has been made in these financial results.*



## Review Report (Continued)

### Mukta Arts Limited

4. *As explained in Note 2 to the accompanying Statement of un-audited financial results, through its order of 9 February 2012, the High Court of Judicature at Bombay ('High Court') had quashed the Joint Venture Agreement ('JVA') between the Company and Maharashtra Film Stage and Cultural Development Corporation ('MFSCDCL') and passed consequential orders. WWI's petition for special leave to appeal filed with the Supreme Court of India had also been dismissed. The Company and WWI had filed applications to review the said order with the High Court and an interim stay was granted on 30 July 2014 which required to deposit Rs 100,038,000 by January 2015 against payment of arrears of rent for the years 2000-01 to 2013-14 and payment of Rs 4,500,000 per annum from financial year 2014-15 till the settlement of the case. The State Government of Maharashtra and MFSCDCL challenged the order of the High Court in the Supreme Court, which special leave petition was dismissed by the Supreme Court on 22 September 2014. Having regard to the circumstances explained above and pending final outcome of the matter under litigation, the Company has not made any adjustment to the carrying value of investments in and amounts due from WWI. Accordingly, the impact on the un-audited financial results is not determinable.*
5. *As explained in Note 8 to the accompanying Statement of un-audited financial results, the Company in earlier years had entered into an agreement for sale/ second sale of satellite rights for a future telecast period to the existing assignee through a new agreement. During the quarter ended 31 December 2014, having regard to the completion of Company's obligation to the satisfaction of the assignee, the Company has recognised revenue for the entire period in respect of movies for which the rights are already being exploited by the assignee. In our view, revenue recognition should be postponed till the date effective which the right to telecast is available to assignee under the second agreement, being two separate, distinct agreements. Accordingly, the Company has recognized excess revenue of Rs 213,000,000 with corresponding equal impact on the profit after tax for the quarter ended 31 December 2014 and loss after tax for the nine months ended 31 December 2014.*
6. *As explained in Note 7 to the accompanying Statement of un-audited financial results, during the quarter ended 30 September 2014, the Company had recognised income of Rs 35,000,000 relating to sale of certain rights. As the Company has not fulfilled certain conditions precedent, in our view, having regard to the provisions of AS 9 - Revenue Recognition and the generally accepted accounting principles in India, revenue recognition should be postponed till the said conditions are fulfilled. Consequently, loss after tax for the quarter ended 30 September 2014 and nine months ended 31 December 2014 is lower by Rs 35,000,000.*



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**Review Report (Continued)**

**Mukta Arts Limited**

7. Based on our review conducted as referred to above, *except for the matter relating to WWI referred to in paragraph 4 above, the outcome and consequent adjustments to the un-audited financial results of which cannot be presently determined, and for the matters referred to in paragraphs 3, 5 and 6 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited financial results for the quarter ended 31 December 2014 and year to date results for the period 1 April 2014 to 31 December 2014, prepared in accordance with the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement 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

Mumbai  
12 February 2015