



Adlabs Entertainment Limited

Investor Presentation - May 2017

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First and Only Global Scale Theme Destination in India

2013: Theme Park

All-weather theme park spread over **132** acres with **25** rides and attractions targeted at visitors of all age groups with an estimated daily capacity of **15,000** guest

2015: Novotel Imagica

287 keys family hotel to be managed under the name “Novotel Imagica Khopoli”

116 keys (Phase I) opened to public on 16th Sept 2015



2014: Water Park

A Mykonos theme based water park with **14** water slides and wave pools with an estimated daily capacity of **5,450** guest

2016: Snow Park

India's Largest Snow Park with **100%** natural snow



International Theme Concept...

Imagica has sourced rides from Leading Global OEM's & Designers...



BOLLIGER & MABILLARD



...these OEMs have built marquee Attractions at "best of the Global Parks"



Hulk Roller Coaster
Islands of Adventure
Universal Studios
Orlando



Soaring Over
California
Disney World, USA



Space Mountain
Disneyland



Haunted Mansion
Magic Kingdom
Disneyland



Simpson
Universal Studios
Orlando



Dumbo, Magic
Kingdom
Disneyland



Buzz light year
Magic Kingdom
Disneyland Orlando



Bubble Show,
Macau



Dinosaur Flume
Ride
Universal Studios
Orlando



Pirates
Magic Kingdom,
Disneyland



Poseidon's Fury
Islands of Adventure
Universal Studios
Orlando

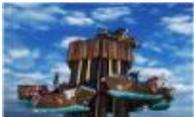


Mine Train
Ocean Park
Hong Kong



India's First True International Theme Experience...

Creative customization of International rides helped us develop numerous attractions at Imagica

Nitro		I for India		Save The Pirate		Zoobaloo	
Deep Space		Salimgarh		Bump It Boats		Dare 2 Drop	
Mr. India		Tubby Takes Off		Wagon O Wheel		Mambo Chai Chama Crazy Tea Cups	
Alibaba & Chalis Chorr		Cinema 360 - Prince of the Dark Waters		Scream Machine		The Magical Carousel	
Rajasaurus		Splash Ahoy		Detective Bow Wow Show		Happy Wheels	
Wrath Of Gods		Gold Rush Express		Humpty's Fall			

An assortment of international level attractions at Imagica provide an Immersive Entertainment Experience



...Global Scale, Quality & Safety

- Spread over 132 acres with 25 rides at Imagica, 14 rides at Aquamagica & high capacity
- Surplus land to add 3-4 rides over the next 5 years including one major ride or attraction every two years

Global
Scale

International
Quality

- Themed rides customized to Indian sensibilities designed and supplied by international vendors
- “Nitro” – largest roller coaster in India

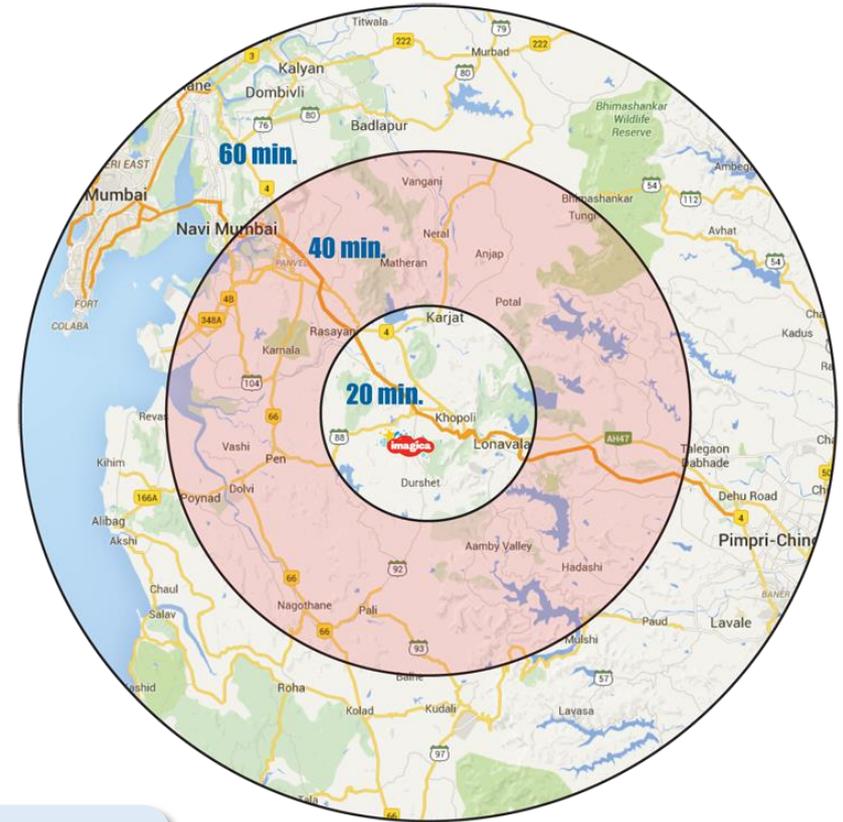
- Best in class Master Plan, Design & Services to build high Safety
- Vendors compliant with international standards – ASTM, European or EN Standard
- International safety certifications
- TUV SUD South Asia Pvt Ltd engaged to carry out inspection, testing and installation certification

World class
design &
safety



...Evolving into India's First Holiday Destination...

- Imagica has positioned itself as a tourist zone consisting of
 - Weekend hill retreats nearby Lonavala & Kandhala (20 mins away)
 - Connectivity to the Navi Mumbai Airport (25 mins away)
 - Pilgrim circuit as Ashtavinayak tourism, located in close proximity to Pali & Mahad Ganapati (30 mins away)
 - Also beach tourism in Alibaug, Kashid, Murud (Just 60 mins away)
- Proximity to Mumbai & Pune, 2 of the biggest city's of Maharashtra
- Connected via Mumbai-Pune Expressway



- Located on the Mumbai Pune Expressway
- 1-2 hours drive from Mumbai and from Pune
- Pick up and drop off service from designated locations in Mumbai and Pune



- Located 6 kms from Khopoli station, serviced regularly by the Mumbai suburban train services
- Free shuttle services to and from the Khopoli station at designated intervals



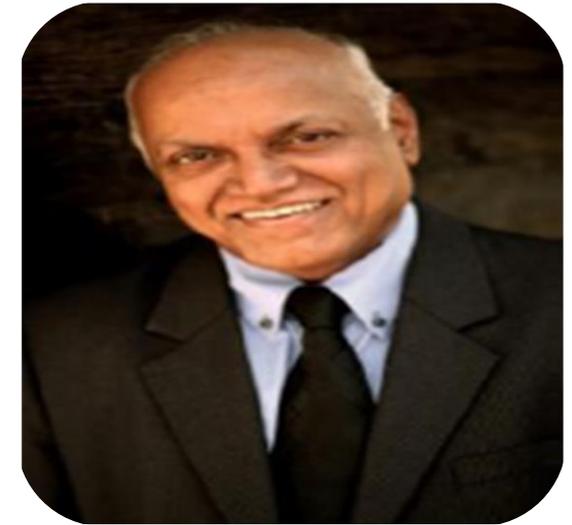
- Mumbai Airport at a distance of 79 kms
- Pune airport at a distance of 82 kms



...Conceptualized by Entertainment Entrepreneur..



- Conceptualized and launched 'Adlabs Imagica' and in-charge of overall business operations
- More than three decades of experience in the Indian media and entertainment business including theatrical exhibition business and the digital cinema business in India
- Founded Adlabs Films Limited which went public in January 2001
- Served as the Chairman of the National Film Development Corporation set up by the Government of India and the President of the Film and Television Producers Guild of India



Mr. Manmohan Shetty
Chairman & Managing Director

“

A Pioneer in film processing laboratory and production in India

”

Year 1978

“

A Pioneer in 'IMAX' & Multiplex Revolution in India

”

Year 2001

“

Thrive for Innovation & Thrill, he has conceptualized and launched **ADLABS IMAGICA**

”

Year 2013



...Experienced Leadership Team...

**Col Austosh Kale,
Chief Operating Officer**

- Over two decades of experience in the safety and security largely serving the Indian Army
- He has worked with Go Air and has been awarded by United Nations



**Mr. Kapil Bagla,
Chief Executive Officer**

- Over two decades of experience
- Prior experience with Adlabs Films, Centrum Capital, Apple Industries and Larsen & Toubro



**Mr. Dhimant Bakshi,
Chief Revenue Officer**

- Over a two decade of experience in Retail
- Has worked with Future Group, Reliance Retail, Shoppers Stop, Globus & Piramyd Retail.



**Mr. Mayuresh Kore,
Chief Financial Officer**

- 14+ years of experience in Project Finance, Treasury and Investment Banking
- Has worked with Centrum Finance Limited and Adlabs Films Limited



An International Theme Destination in India



theme park • water park • snow park • hotel



Integrated Theme Park Destination

An exciting opportunity for India

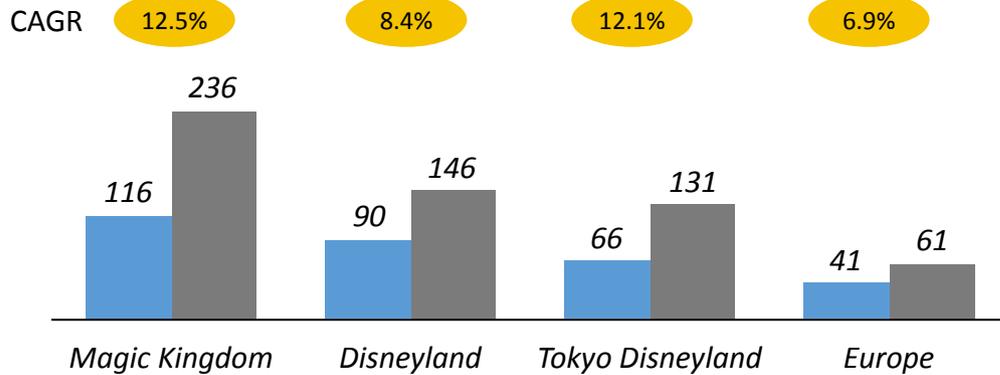


- Quality **Theme Parks across globe** have witnessed high footfalls and secular growth
- India lacks a High End family Entertainment Destination, Adlabs Imagica is a first and only such destination
- Burgeoning Indian middle class provide Favourable macroeconomic and demographic dynamics

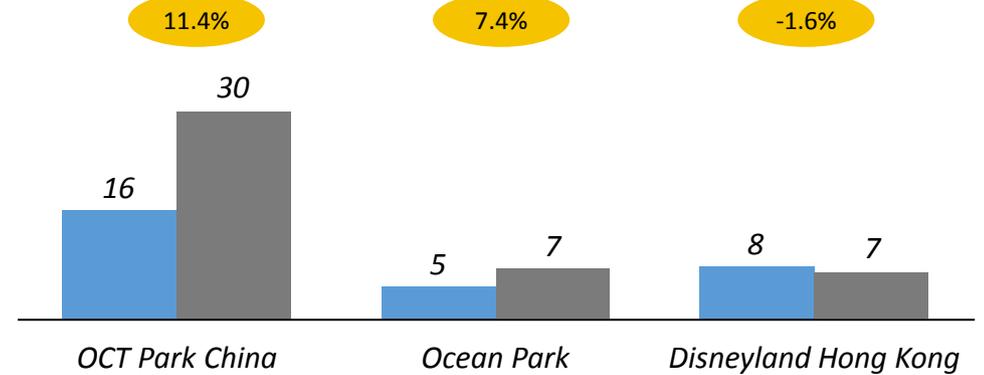


Theme Parks – Secular Growth Story

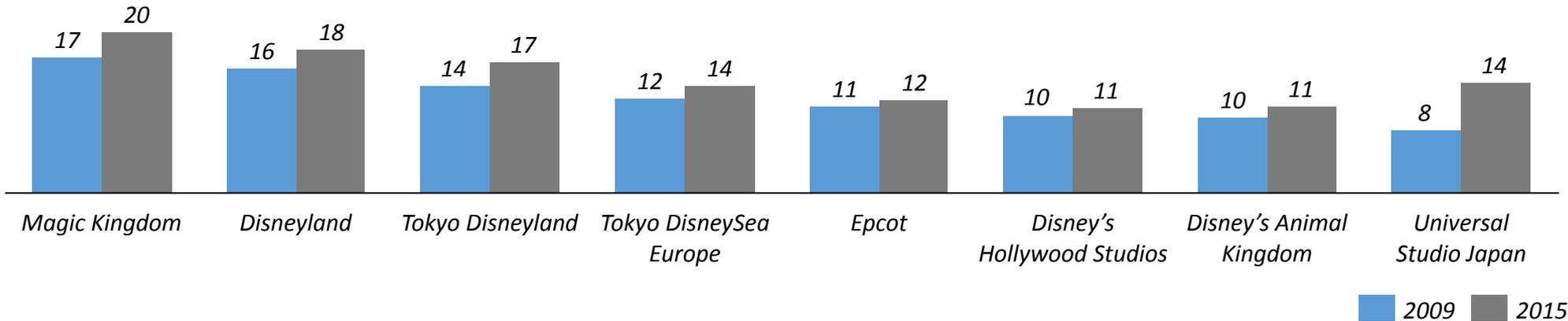
Regional attendance (top 10 parks)



Attendance at select Asian parks



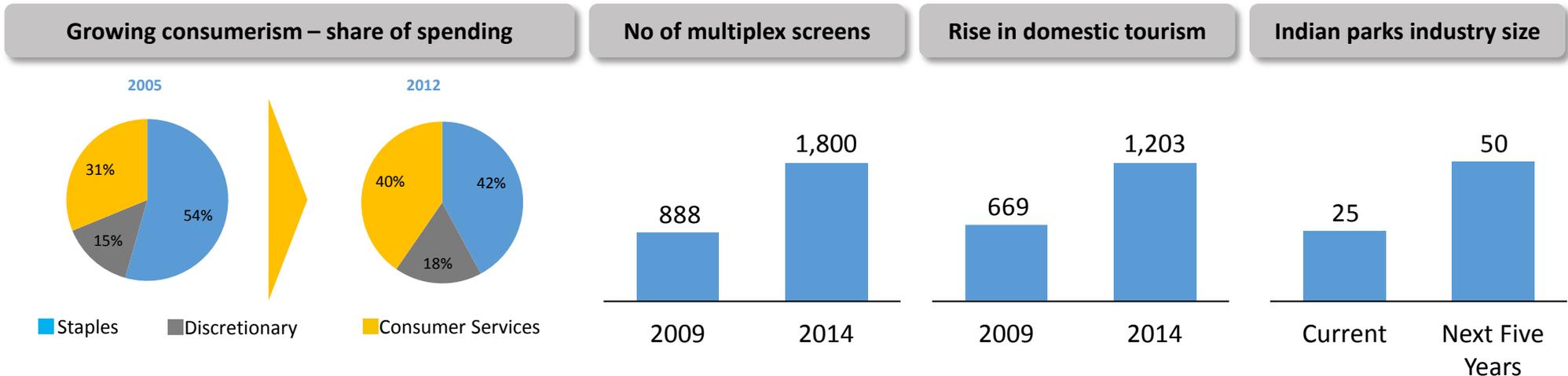
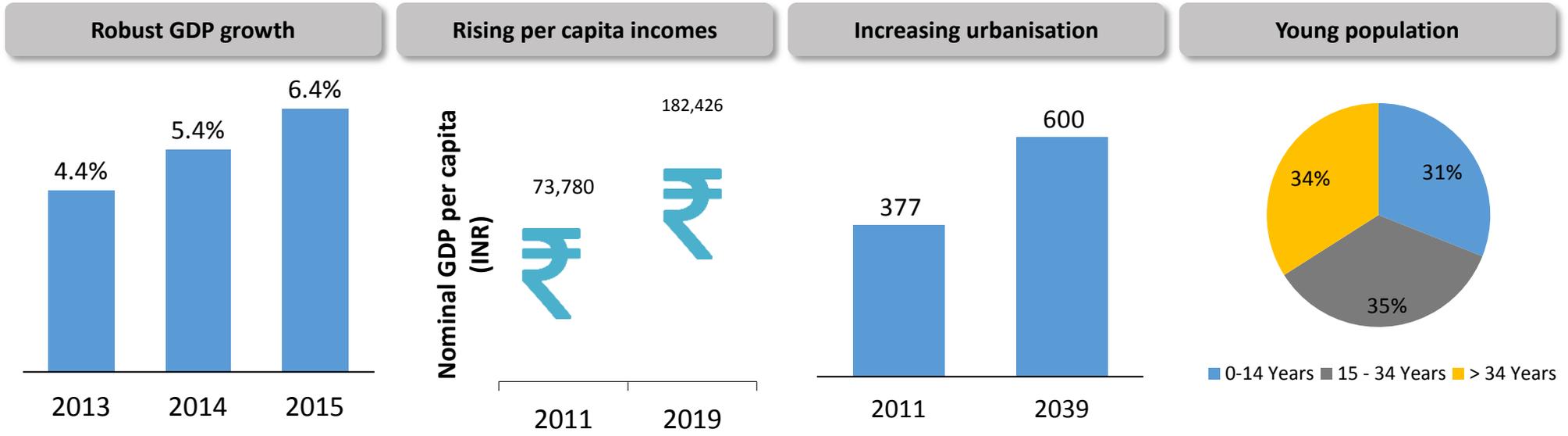
Attendance at select global theme parks



Large format parks have visitors in excess of 8-9 million per annum



Favourable macroeconomic and demographic dynamics in India



Source: India Brand Equity Foundation ('IBEF'), IHS, 2011 Census of India, IMAcS report, FICCI – KPMG report, India Tourism Statistics 2013, Corporate Catalyst Report on Tourism



India lacks a High End family Entertainment Destination

Consumer Options	Availability	Concepts	Average Cost
Theatre	Yes	The Comedy Store, Prithvi Theatre, NCPA etc.	INR.800- INR.1,000 per person for 2-3 hours of entertainment
Standard Amusement Parks	Yes	Essel World & Water Kingdom	INR.800-1,000/- with no major attractions and they lack scale and ambience
Family Entertainment Destinations	Yes	Malls (Retail, Dining, Pubs, Cinema)	INR.1000/- onwards for a family
Weekend Get away Destinations	Yes	Aamby Valley City, Lavasa, Kashid, Lonavala etc.	INR 3,000 onwards per day
Full Fledged Entertainment Destination with Theme park, Water park, Retail, Dining etc.	No	Non Existent	Towards the highest end of live entertainment value chain

Lack of Entertainment Destinations in and around Mumbai

Significant gap in market for World Class Live Entertainment Destinations in India
First mover advantage to AEL



Enhancing Footfalls

Huge Potential in Primary Catchment Area

- Mumbai-Pune & Peripheral area provide the largest and the best demographic of catchment population across all of India
- Enhancing customer base to mid-strata

Targeting Pan-India

- Marketed as Holiday Destination across India
- Tie-ups with various Travel & Tourism Intermediaries

New Attractions

- To add 3-4 rides & attractions over the next 5 years, including 1 major ride every 2 year
- Snow Park opened for guest in first week of April '16

Increasing Entertainment Options

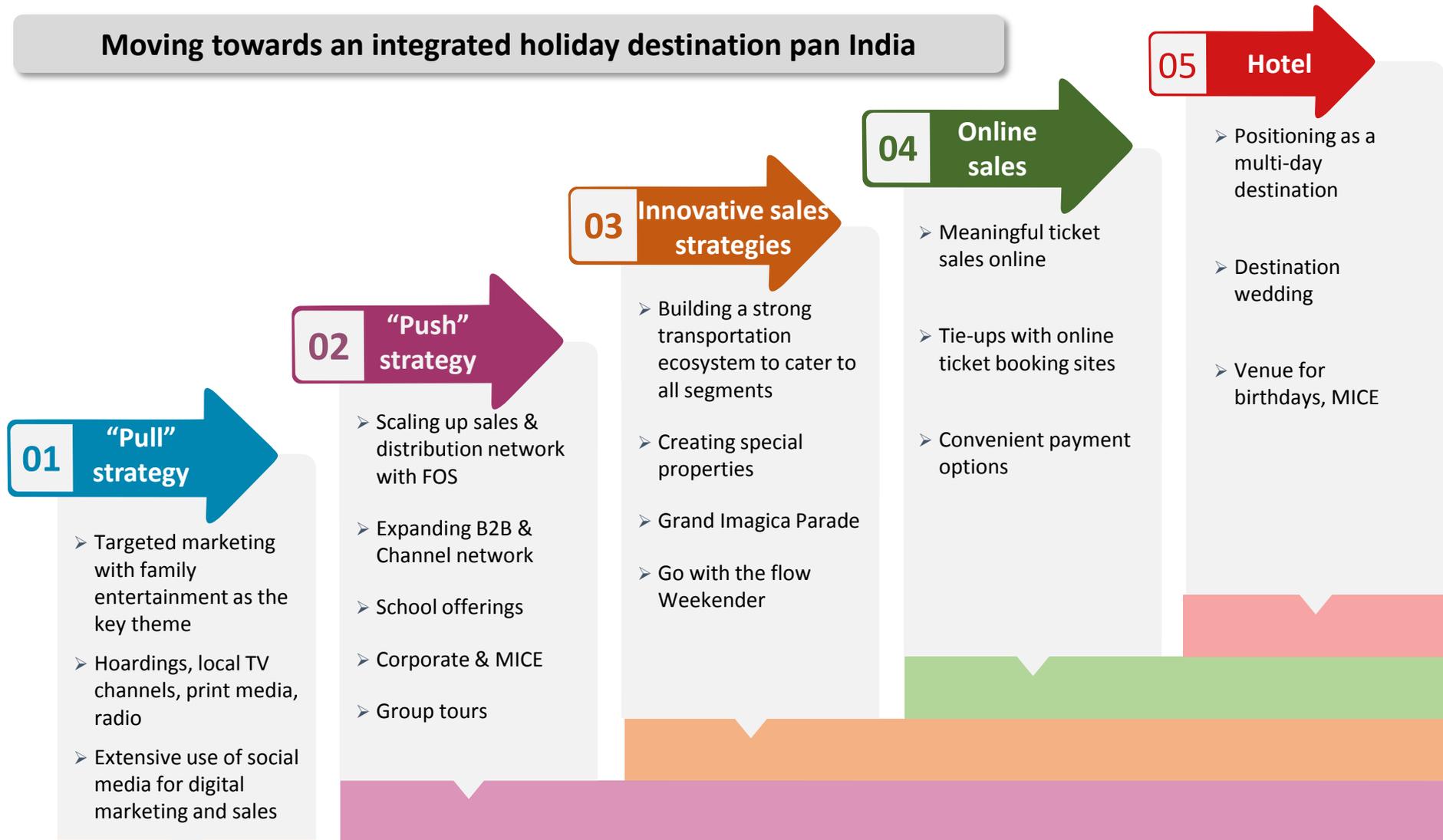
New Holiday Destinations

Intend to set up integrated holiday destinations in other locations in India, either through parks owned and operated by us or through a partnership or a franchise model



Multi pronged approach to increase visitors

Moving towards an integrated holiday destination pan India



Avenues to enhance non-ticketing revenues

Sponsorships and alliances

- Sponsorship and alliances with other brands
- Brand activation at the park

Food & Beverages

- Increase the per capita spend on F&B
 - Increase the number of meals
 - Adding beverage portfolio
- Promoting concepts like breakfast and dinner with characters
- Catering to evening events



Tie-up opportunities

- Snow Park
- Adventure-course tower
- Tie-ups on a revenue share basis

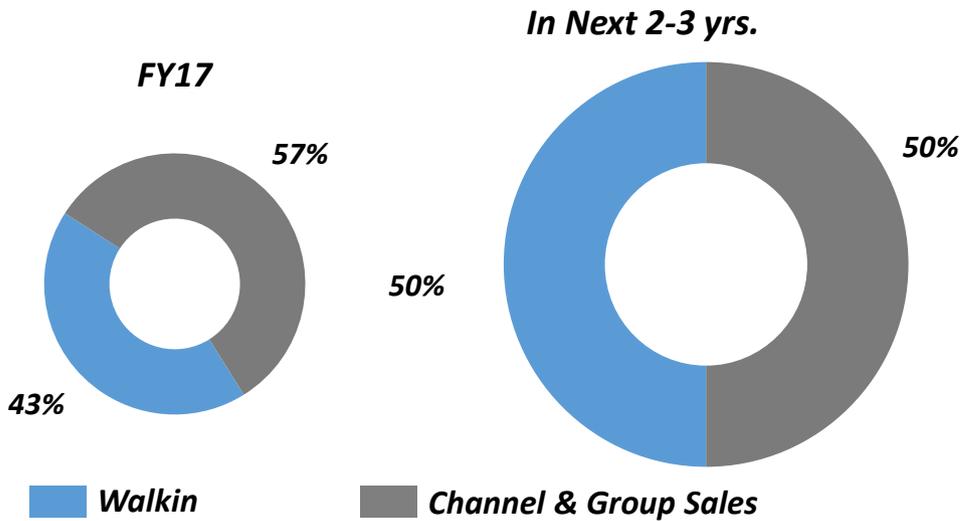
Merchandise and Intellectual property

- Licensing park characters
- Out of park sales on Imagica stores, website and other online portals
- Expanding product portfolio

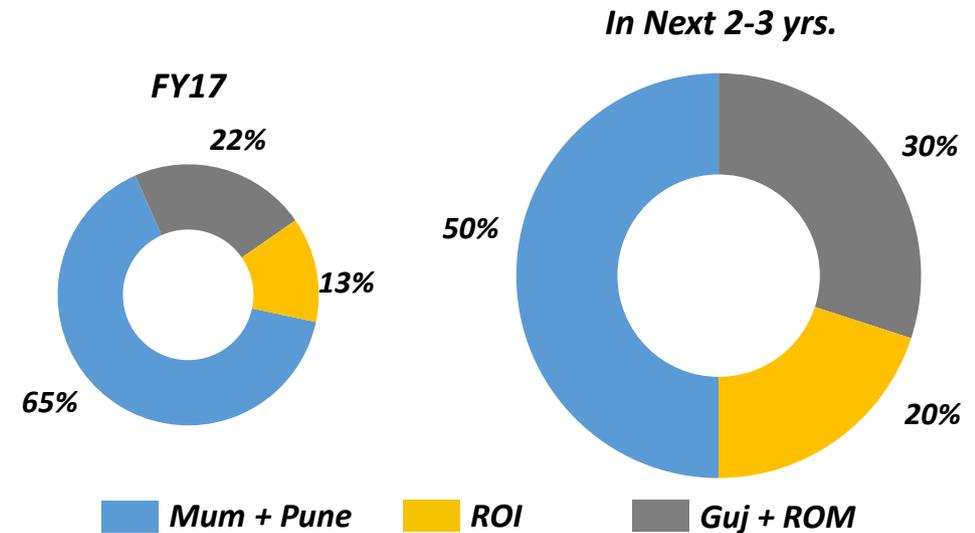


Growth Strategies

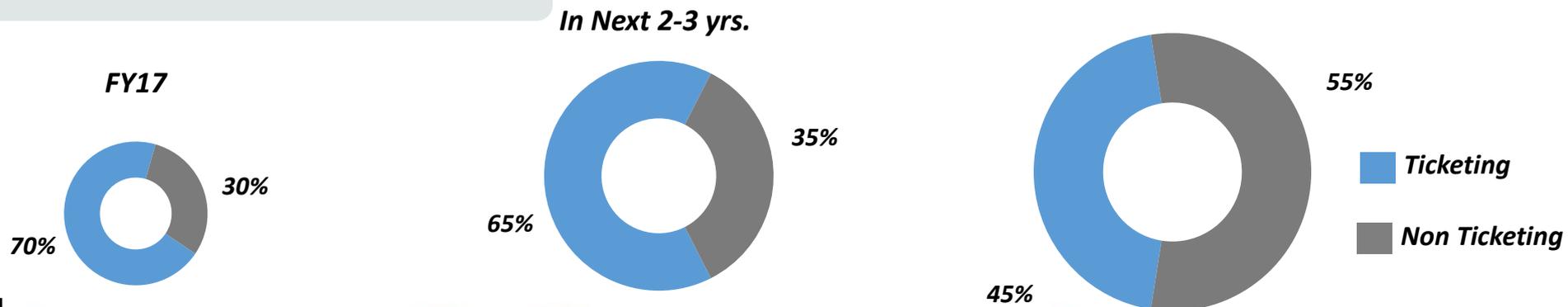
Walkin V/s Channel & Group Sales



Catchment Area



Ticketing & Non-Ticketing*

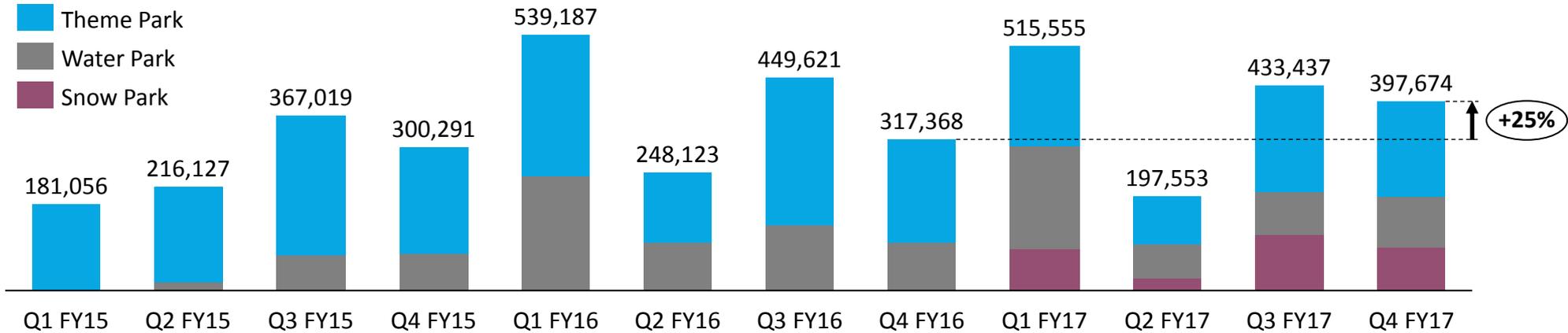


* Excl. Hotel

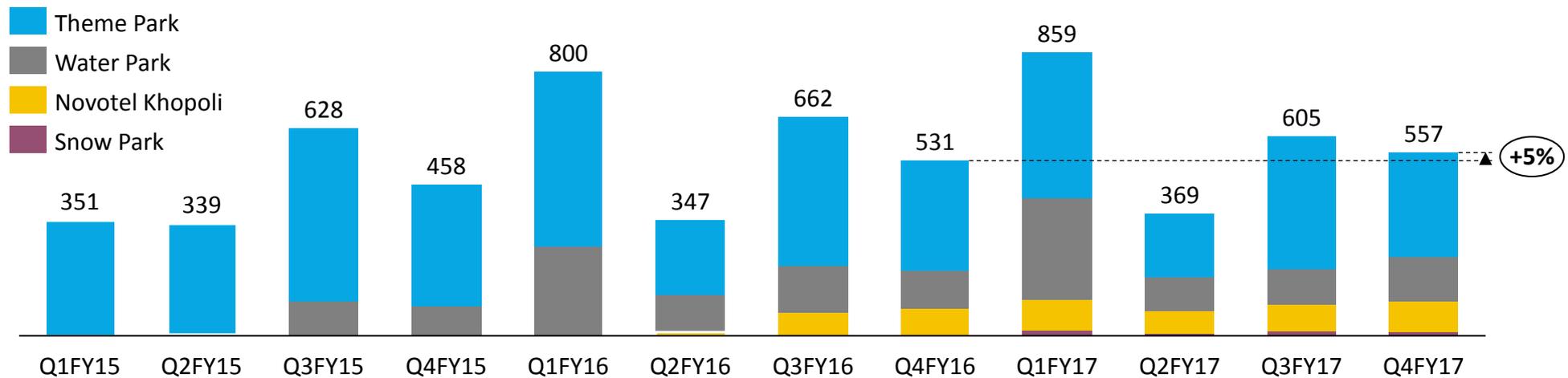


Growing Footfalls and Revenue

Total Number of Guests

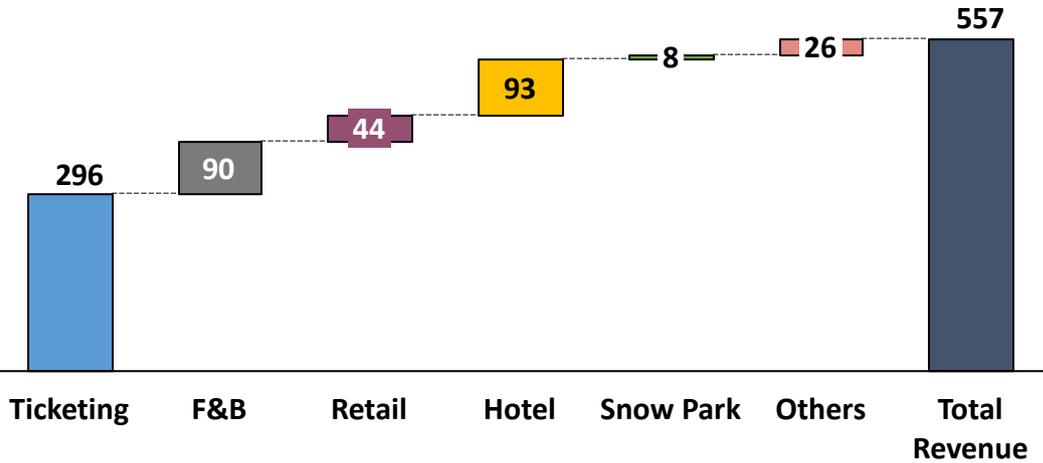


Total Revenue (in Rs. mn)

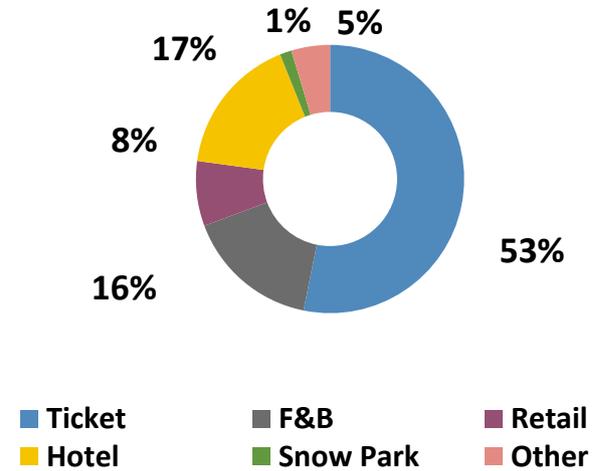


Revenue Break-up – Quarter & Full Year

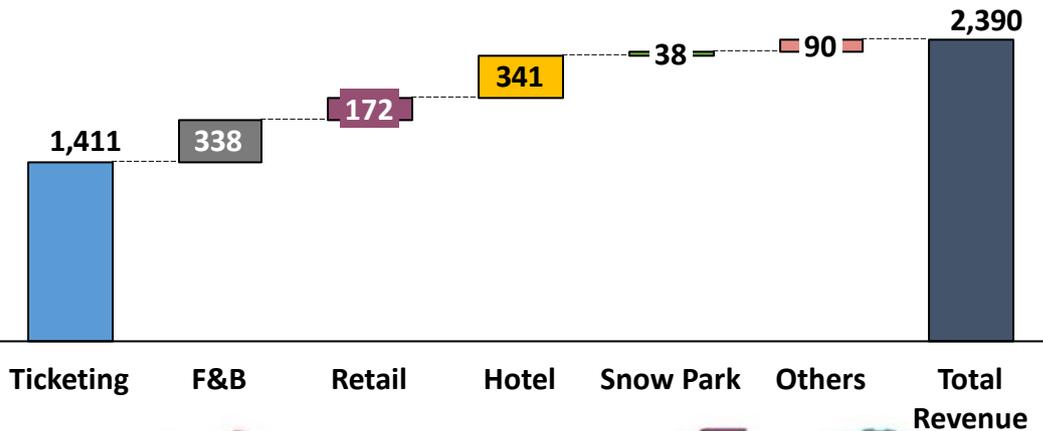
Q4FY17 Revenue Build-up (Rs. mn)



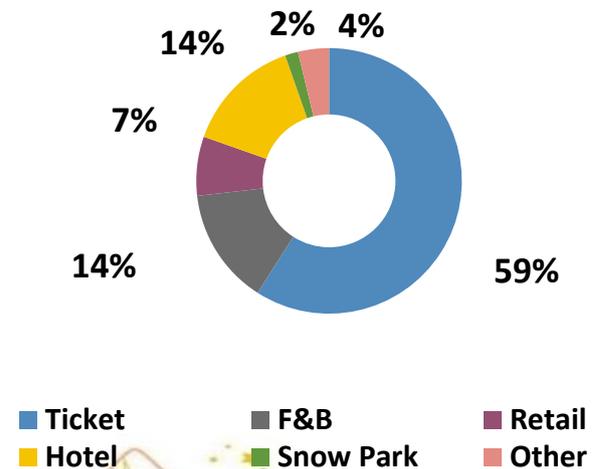
Q4FY17 Revenue Break-up



FY17 Revenue Build-up (Rs. mn)

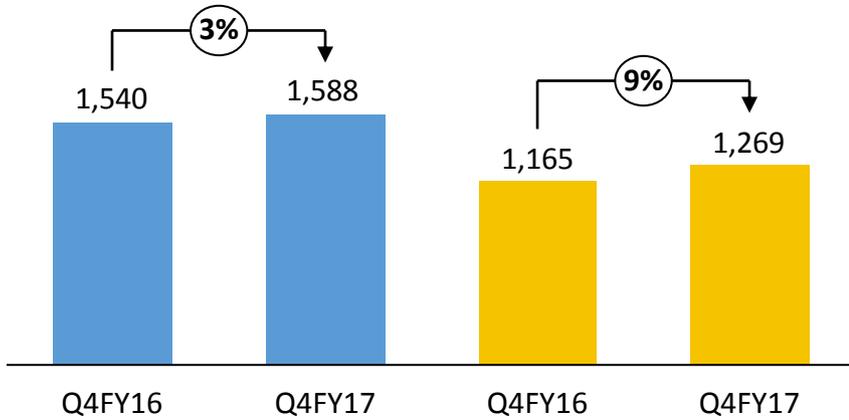


FY17 Revenue Break-up

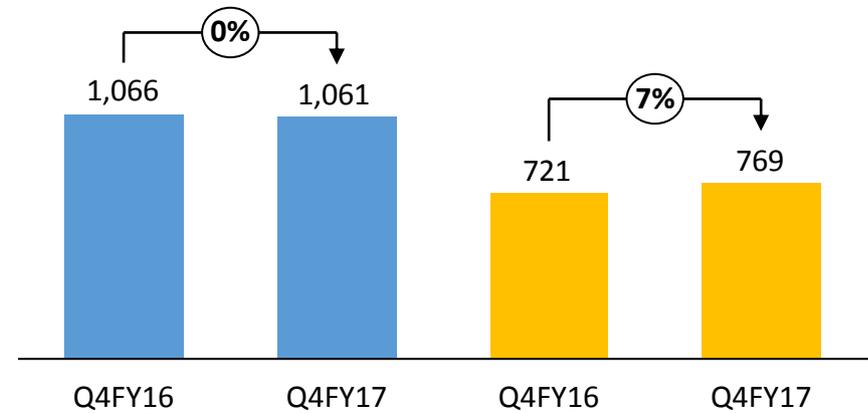


ARPU Break-Up: Quarter

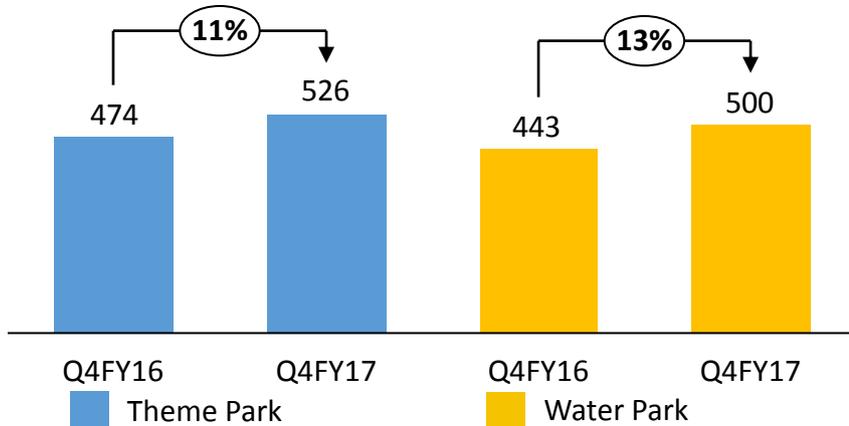
ARPU (Rs.)



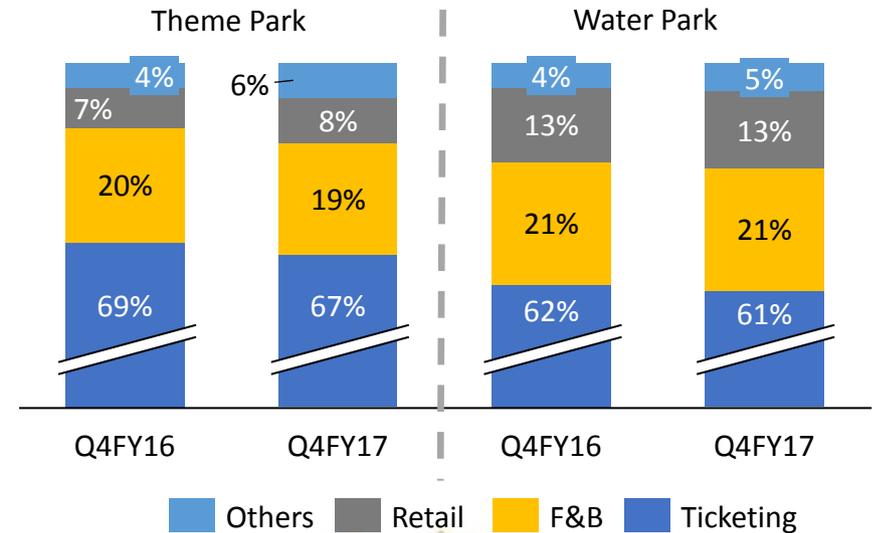
ARPU - Ticketing (Rs.)



ARPU - Non Ticketing (Rs.)

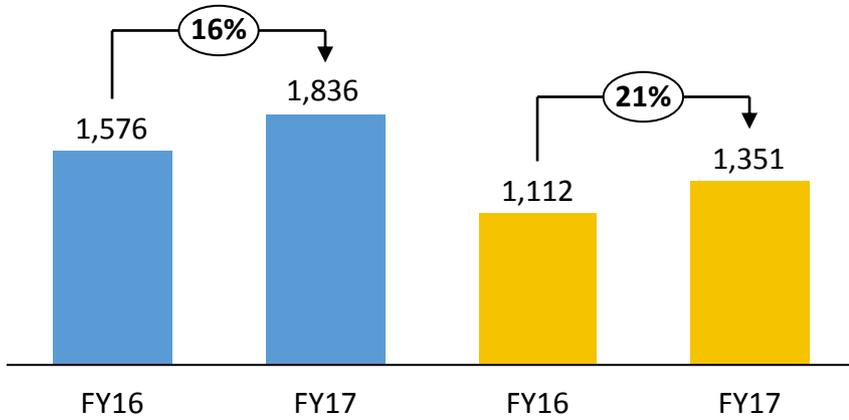


ARPU Break Up (%)

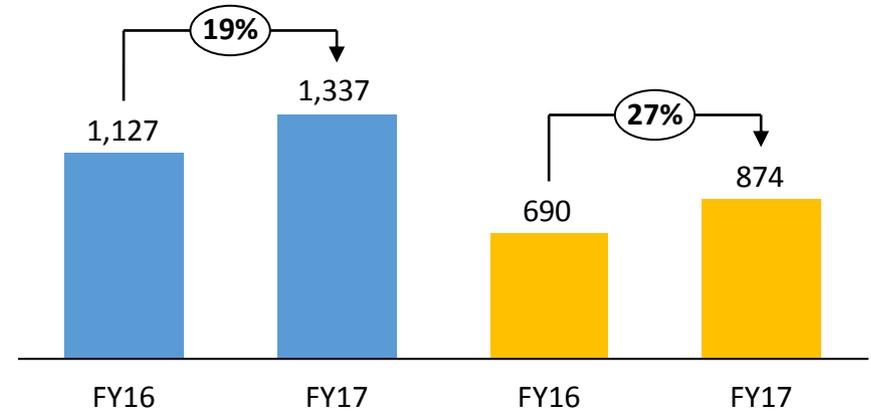


ARPU Break-Up: Full Year

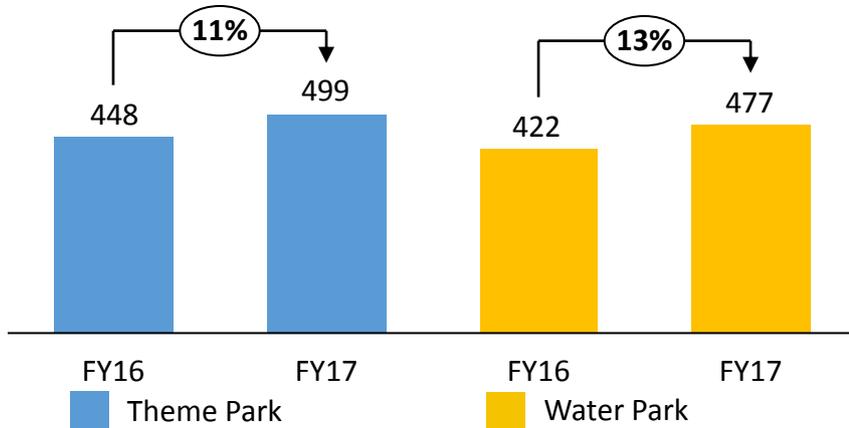
ARPU (Rs.)



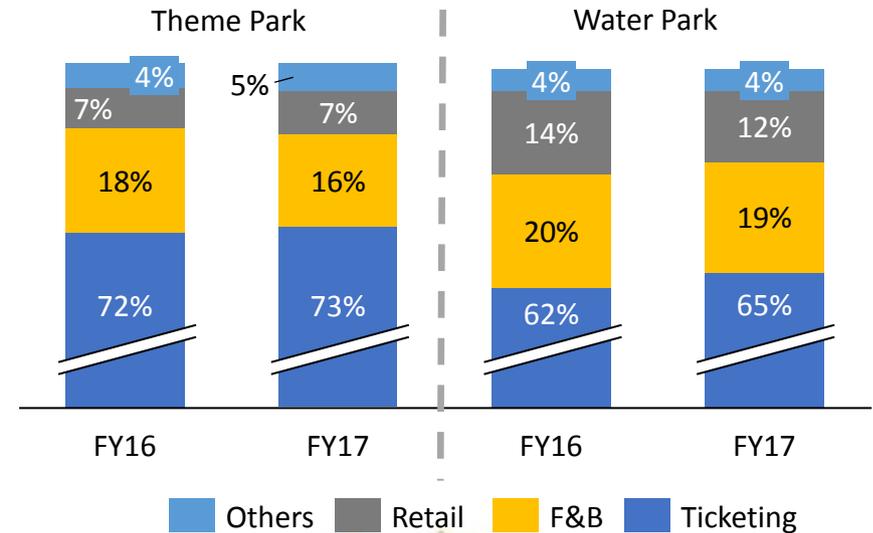
ARPU - Ticketing (Rs.)



ARPU - Non Ticketing (Rs.)



ARPU Break Up (%)



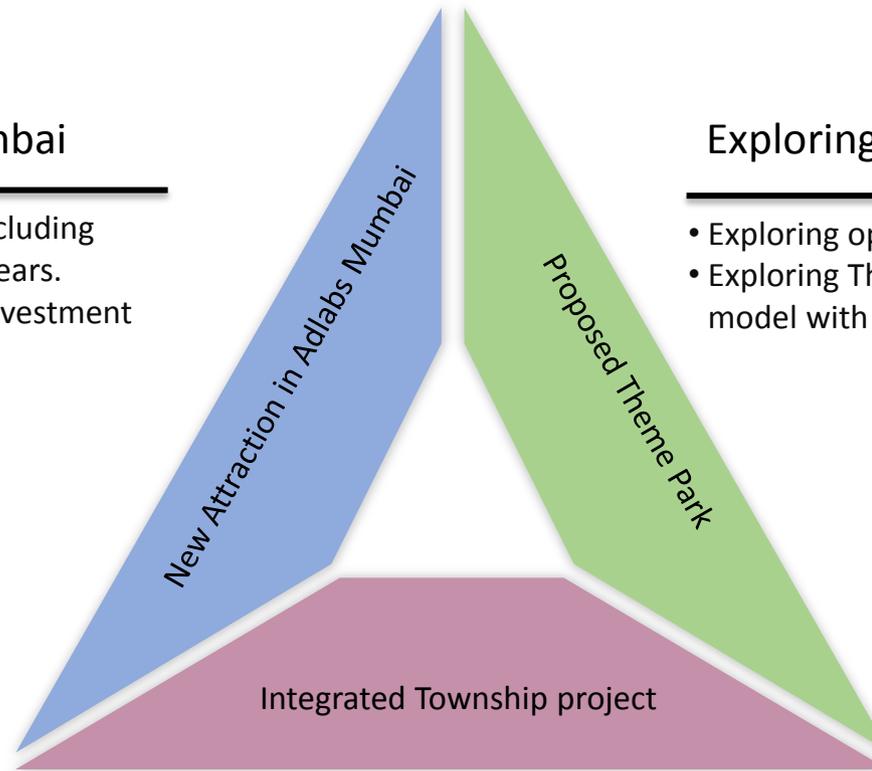
Medium Term Strategies

New Attractions at Adlabs Mumbai

- To add 3-4 rides over the next 5 years including one major ride or attraction every two years. Looking at models which do not entail investment from Adlabs.

Exploring Theme Parks

- Exploring options in Delhi /NCR
- Exploring Theme park project through a JV model with land owners in Hyderabad



Monetization of Real Estate - Khapoli

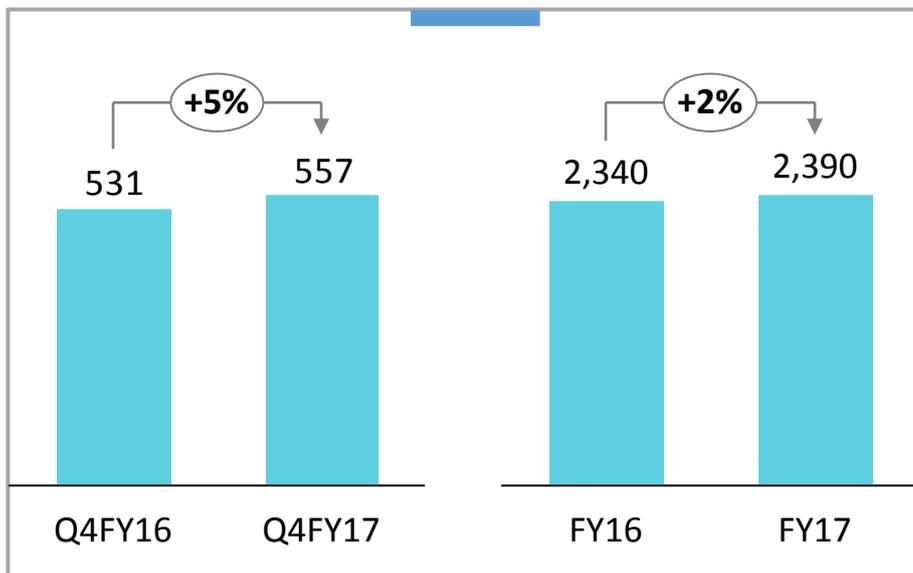
- Development of a township project at Adlabs Mumbai on the 170 acres of surplus land through a wholly owned subsidiary
- Signed Lol with Rustomjee & Axis Spaces
- Opportunity to generate high cash flow



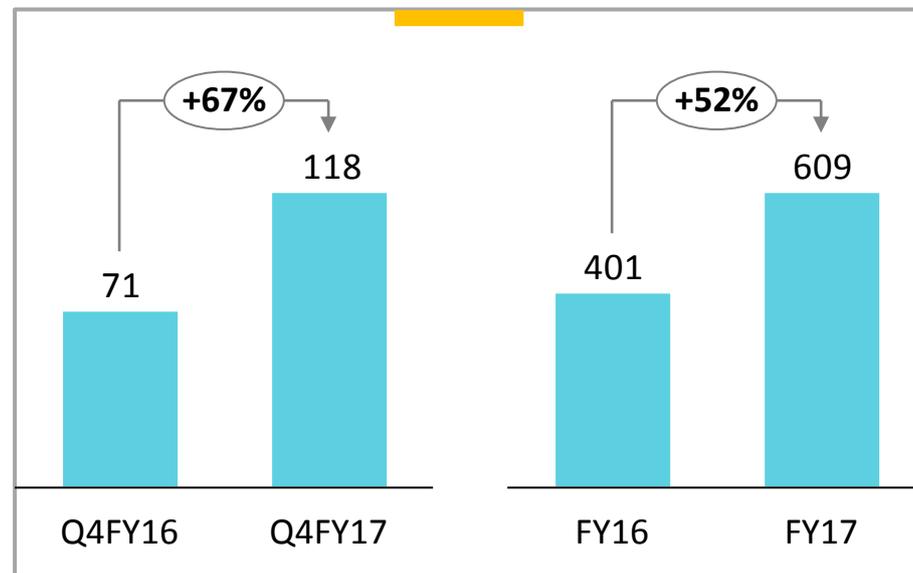
Key Financial Highlights



Revenue (Rs. mn)



EBITDA (Rs. mn)



Management Commentary

- Performance for FY 2016 - 17
 - Revenue stands at Rs. 239 crore, vis-à-vis Rs. 234 Crores in FY 2015-16, a growth of 2%.
 - EBITDA of Rs. 60.85 crores vs. Rs. 40.12 crores signifying a growth of 52%.
- Performance for Q4 FY 2016 - 17
 - Revenue for Q4 stands at Rs. 55.67 crores vis-à-vis Rs. 53.09 crore signifying an increase of 5%
 - EBITDA for Q4 stands at Rs. 11.83 crores vs. Rs. 7.07 crores signifying a growth of 67%.
 - EBITDA margin has increased from 13.3% to 21.3%.
 - Overall Theme Park and Water Park ARPU have improved by 4% over the corresponding quarter in FY17 and the non-ticketing ARPUs have grown by 11%.
- Novotel Imagica continues with its robust performance
 - For FY 2016-17 with average occupancy at 74% and overall average ARR (including F&B) of Rs. 10,946 signifying a growth of 18% over previous year.
 - For Q4 FY 2016-17, with average occupancy of 81% and overall ARR (including F&B) of INR 10,982 signifying a growth of 12% over the corresponding quarter last year.



Recent updates

- GST Implications
 - The 14th GST Council meeting held at Srinagar has broadly approved GST rates, with the applicable rates for our major revenue streams being as follows:
 - 28% on Park tickets; 12% on F&B; 28% on room rates for hotel.
 - The GST which shall be applicable on the park tickets broadly adds up to the currently applicable taxes on park tickets i.e. 15% ST plus 15% ET (for ET we have an exemption from the state government, for which the mechanism of refund is being chalked out by respective governments along with other area based exemptions which are applicable to other industries)
 - As the above mechanisms get notified, the management shall review the tariffs such that there is minimal impact to the end consumer.
- Brand Capital – Issue of Equity Shares & Convertible Warrants*
 - Allotment of Equity Shares on Preferential basis upto INR 12 crores at an issue price of INR 95 per share to Bennett Coleman & Co. Ltd.
 - Allotment of Convertible Warrants on preferential basis upto INR 12 crores at a minimum issue price of INR 95 per share to Bennett Coleman & Co. Ltd. convertible within 18 months from date of allotment

** Subject to shareholders approval*



Profitability Statement – Quarter

Particulars (Rs. mn)	Q4 FY17	Q4 FY16	YoY
Footfall* (Nos.)	397,674	317,268	25%
Revenue	556.7	530.9	5%
Raw Material	61.5	57.5	7%
Advertisement, sales and marketing expenses	97.9	82.3	19%
Employee benefits expense	135.5	149.6	-9%
Repairs and Maintenance	28.8	32.1	-10%
Power, fuel and water	29.5	38.2	-23%
Other expenses	85.2	100.5	-15%
EBITDA	118.3	70.7	67%
EBITDA Margin	21.3%	13.3%	793 bps
Other Income	0.3	123.1	-100%
Depreciation	226.5	216.3	5%
Finance Cost	299.1	287.2	4%
Profit Before Tax	-407.0	-309.8	-
Tax	-95.2	-150.1	-
Profit after Tax	-311.8	-159.6	-
Other Comprehensive Income	-0.2	-	-
Total Comprehensive Income	-312.0	-159.6	-

* Excl. Hotel



Profitability Statement – Full Year

Particulars (Rs. mn)	FY17	FY16	YoY
Footfall* (Nos.)	1,544,219	1,554,199	-1%
Revenue	2,389.9	2,339.8	2%
Raw Material	240.6	247.9	-3%
Advertisement, sales and marketing expenses	394.9	425.3	-7%
Employee benefits expense	558.1	595.4	-6%
Repairs and Maintenance	105.6	139.7	-24%
Power, fuel and water	159.4	165.1	-3%
Other expenses	322.7	365.3	-12%
EBITDA	608.5	401.2	52%
EBITDA Margin	25.5%	17.1%	831 bps
Other Income	5.2	166.8	-97%
Depreciation	944.7	877.1	8%
Finance Cost	1,198.9	1,106.0	8%
Profit Before Tax	-1,530.0	-1,415.2	-
Tax	-358.7	-503.9	-
Profit after Tax	-1,171.4	-911.3	-
Other Comprehensive Income	-0.3	2.1	-
Total Comprehensive Income	-1,171.7	-909.3	-

* Excl. Hotel



Balance Sheet

Equity & Liabilities (Rs. mn)	Mar-17	Mar-16
Equity	4,859.8	6,042.6
Equity Share Capital	799.0	799.0
Other Equity	4,060.9	5,243.7
Non-Current Liabilities	9,900.6	9,597.6
Financial Liabilities		
- Borrowings	9,868.2	9,571.2
- Trade payables	-	-
Long-term provisions	32.4	26.4
Current Liabilities	1,606.0	1,162.4
Financial Liabilities		
- Borrowings	613.8	461.9
- Trade payables	413.9	316.0
- Other Financial Liabilities	400.9	7.3
Other current liabilities	175.5	372.9
Short-term provisions	1.8	4.3
Total Equity & Liabilities	16,366.4	16,802.7

Assets (Rs. mn)	Mar-17	Mar-16
Non-Current Assets	15,040.3	15,244.4
Fixed Assets		
- Property, plant and equipment	12,047.2	12,902.1
- Capital work- in-progress	948.6	608.1
- Other intangible assets	280.6	321.8
- Intangible assets under development	5.4	3.3
Financial assets		
- Non-Current investments	4.6	29.2
Deferred tax Assets (net)	1,654.1	1,295.4
Other Non-Current Assets	99.8	84.7
Current Assets	1,326.1	1,558.2
Inventories	1,128.7	1,112.3
Other Financial Assets		
- Trade receivables	35.8	37.7
- Cash and cash equivalents	72.2	203.1
- Short-term Loans and Advances	0.5	1.1
- Others	65.2	204.0
Current tax assets	23.7	0.0
Total Assets	16,366.4	16,802.7

Positive Momentum

01

Over 5.0 mn

Achieved a milestone of entertaining over 5 mn guest since launch

02

14,128

Highest single day footfall of 14,128 at Imagica in December '15

03

12,000+

Highest ever footfall on New Years Eve i.e. 31st December 2016

04

89%

Highest ever monthly occupancy at Novotel Imagica achieved in December 2016

05

~35%+

Non-catchment including Gujarat activation has resulted in ~35% contribution for FY17

06

60%+

Over 60% of overall ticket booking through non-cash mode i.e. online or card payments



Awards & Recognitions



- OTM Award for Excellence
 - Most Promising New Destination Award, 2015
- Voted among the Top 10 Amusement parks in Asia
- Tripadvisor's Traveller's Choice Award 2015
- Tripadvisor's Certificate of Excellence 2015
- TRA Research
 - India's Most Attractive Brands 2015 – Entertainment category
- IAAPI Awards 2017 - Most Innovative Rides & Attractions – Winner
- Kids Stop Press' Digital Awards 2017 – Best Outdoor Park
- IAAPI Awards 2016
 - Print Media – Winner
 - Electronic Media – TV Channel – Winner
- Hotel Investment Conference South East Asia
 - Novotel Imagica Khopoli Awarded the Best New Hotel of the Year – *"Upper Mid Scale Segment"*
- Imagica gets ISO certified for Integrated Management Systems by Bureau Of Indian Standards (BIS)
 - Quality Management System- IS/ISO 9001:2008
 - Environmental Management System-IS /ISO 14001:2004
 - Occupational Health and Safety Management system – IS 18001:2007



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