

May 24, 2016

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| The Manager DCS - CRD BSE Limited Phiroze Jeejeeboy Towers Dalal Street, Fort, Mumbai- 400 001 Fax No.: 22722037/39/41/61/3121/3719 <u>BSE Scrip Code: 539056</u> | The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Fax No.: 26598237/38 <u>NSE Scrip Symbol: ADLABS</u> |
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Dear Sirs,


Sub.: Investor presentation on Q4 FY16 and FY15-16 Results

Pursuant to the relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we enclose herewith analyst presentation on financial results of the Company for the quarter and year ended March 31, 2016 and the same is also uploaded on Company's website.

You are requested to take the same on records.

Thanking you,

Yours faithfully,
For Adlabs Entertainment Limited



Madhulika Rawat
Company Secretary & Compliance Officer
(Membership No. A21728)

Encl: As above



Adlabs Entertainment Limited

Investor Presentation - May 2016

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This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.



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...

SALLY
CORPORATION

BOLLIGER & MABILLARD

WHITEWATER
The Whitewater & Attractions Company

S&S WORLDWIDE

Premier Rides, Inc.
Inspire. Create. Entertain.

SANDERSON

Neptune-Benson

ERM
TECHNOLOGIES

ZAMPERLA

ATTRACTIONS
INTERNATIONAL

...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

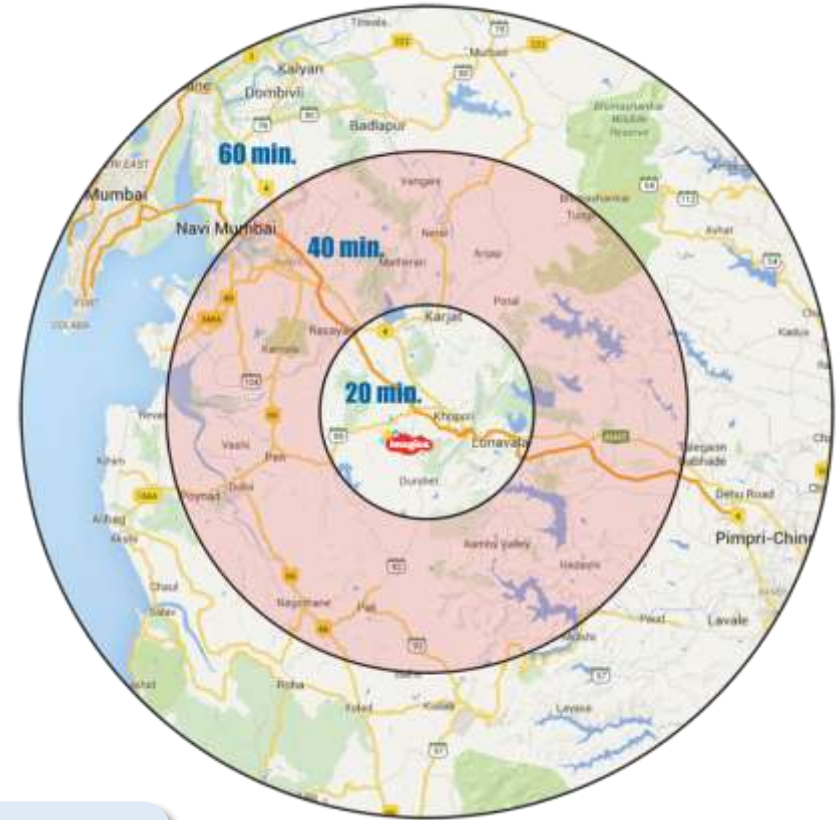
- Best in class Master Plan, Design & Services to build high Safety
- Vendors compliant with international standards – ASTM, European or EN Standard
- International safety certifications
- TUV SUD South Asia Pvt Ltd engaged to carry out inspection, testing and installation certification

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



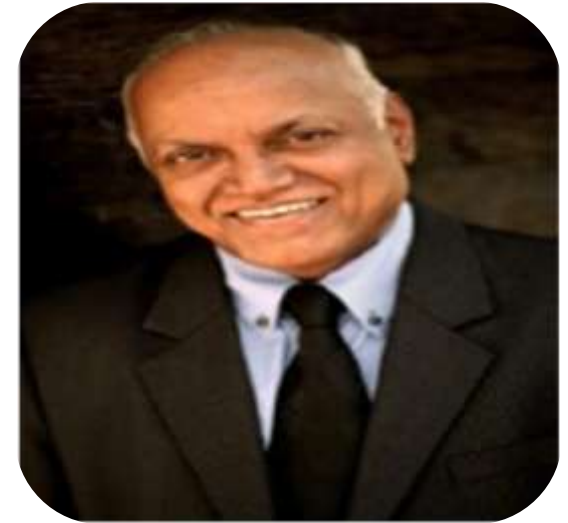
- Mumbai Airport at a distance of 79 kms
- Pune airport at a distance of 82 kms



...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...

**Mr. Rakesh Khurmi,
CFO**

- Over two decades of experience
- Has held leadership positions at Tikona Digital Networks, Bharti Airtel & Reliance Infocom

**Col Austosh Kale,
VP Operations**

- 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,
CEO**

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

**Mr. Harjeet Chabbra,
CMO**

- Over a decade of experience in marketing
- Has been in Leadership role experience with Worldwide Media, TV channel Sab TV

**Mr. Dhimant Bakshi,
VP Non Ticketing**

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



...Strong Independent Board and Marquee Investors...

Independent Directors



Prashant Purker
Non-Executive
Independent
Director

- Over two decades of experience across financial markets. Worked with ICICI, Citibank, Lehmann Brothers
- Holds a bachelor's degree in Technology from IIT, Kanpur and holds a post graduate diploma in Management from IIM Ahmedabad



Anjali Seth
Non-Executive
Independent
Director

- Over two decades of experience as a legal counsel in the banking and real estate space
- Previously worked in Legal teams of Standard Chartered, IFC
- Holds a bachelors' degree in Law



Ghulam Mohammed
Non-Executive
Independent
Director

- Over four decades of experience
- Held various senior management positions in the Mahindra & Mahindra Group of companies
- Holds a bachelors' degree in Arts (Hons)



Steven A Pinto
Non-Executive
Independent
Director

- Over four decades of experience
- He has worked with Citibank, Dubai
- Holds a bachelors' degree in Arts (Economics Hons) and a master's degree in Management

Few Large Investors *

- India Advantage Fund (ICICI Ventures)
- SBI Mutual Fund
- New York Life Insurance (NYLIM) & Jacob Ballas India
- Sundaram Mutual Fund
- Kotak Mahindra Bank Ltd.
- HDFC Standard Life
- Bajaj Allianz Life Insurance
- Reliance Mutual Fund
- Kotal Mahindra Insurance Ltd.

* As on March 31, 2016

An International Theme Destination in India



theme park • water park • snow park • hotel



Integrated Theme Park Destination

An exciting opportunity for India

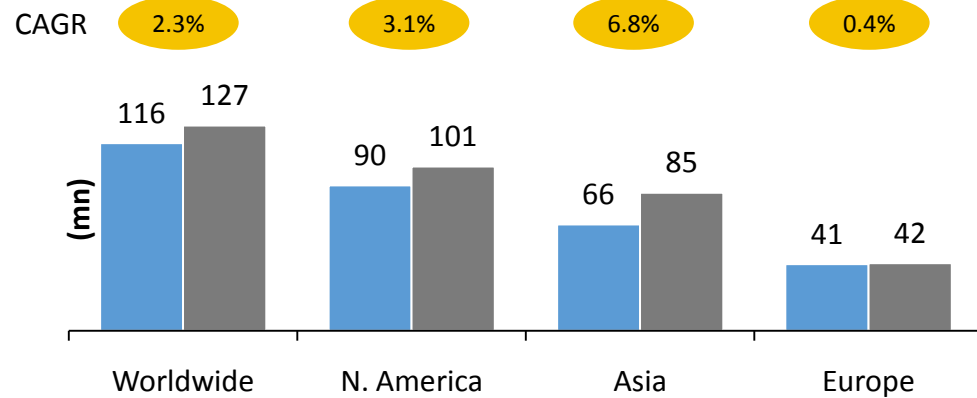


- Quality **Theme Parks across globe** have witnessed high footfalls and secular growth
- India lacks a High End family Entertainment Destination, Adlabs Imagica is a first and only such destination
- Burgeoning Indian middle class provide Favourable macroeconomic and demographic dynamics

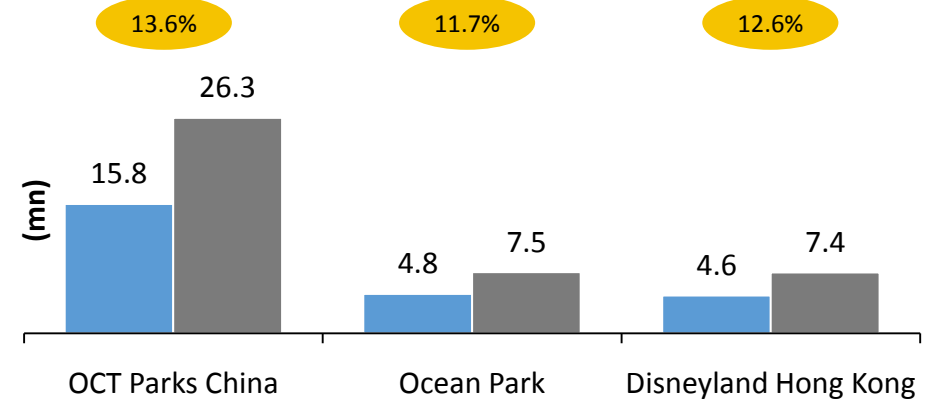


Theme Parks – Secular Growth Story

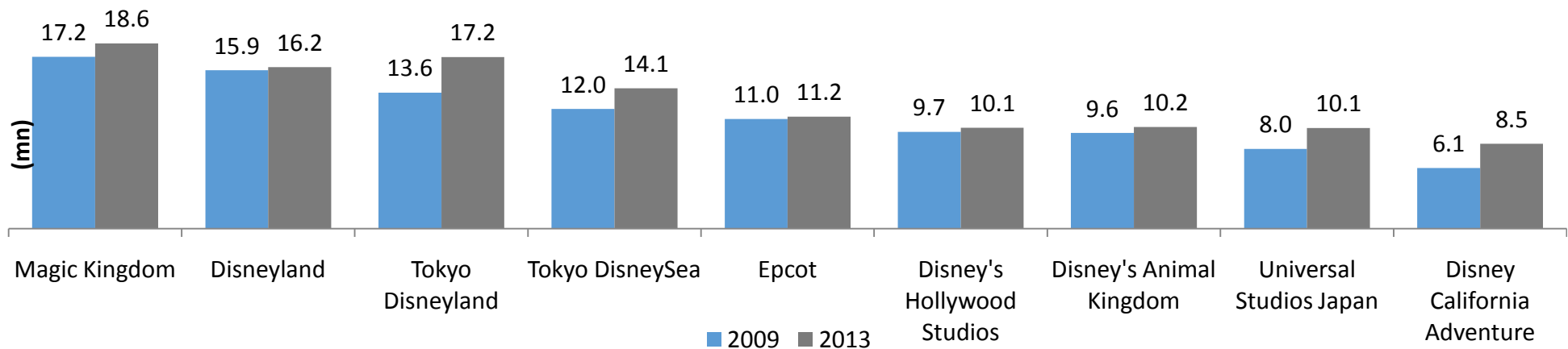
Regional attendance (top 10 parks)



Attendance at select Asian parks



Attendance at select global theme parks

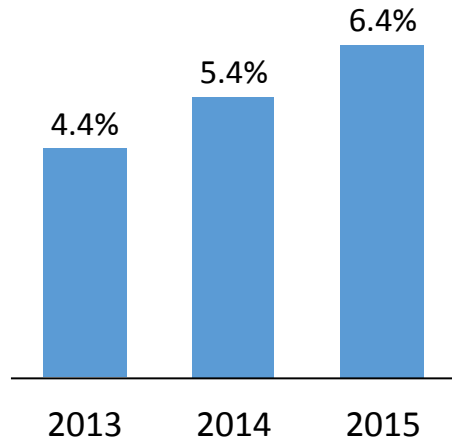


Large format parks have visitors in excess of 8-9 million per annum

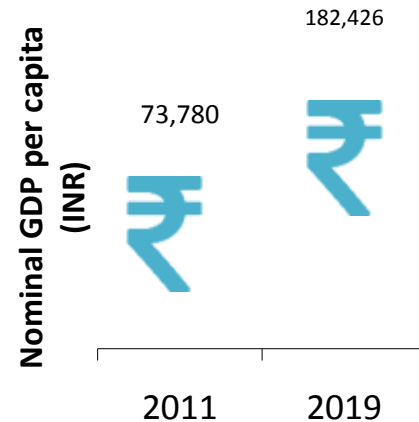


Favourable macroeconomic and demographic dynamics in India

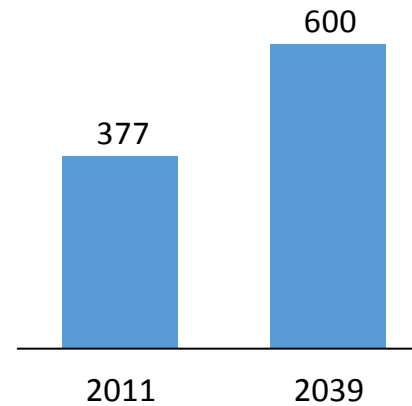
Robust GDP growth



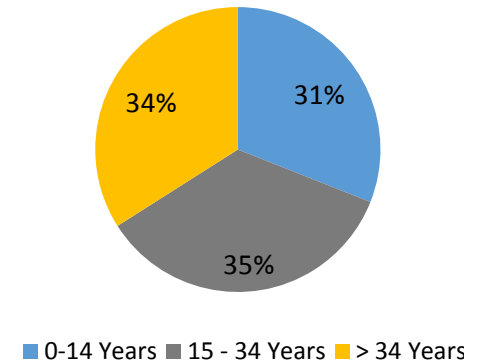
Rising per capita incomes



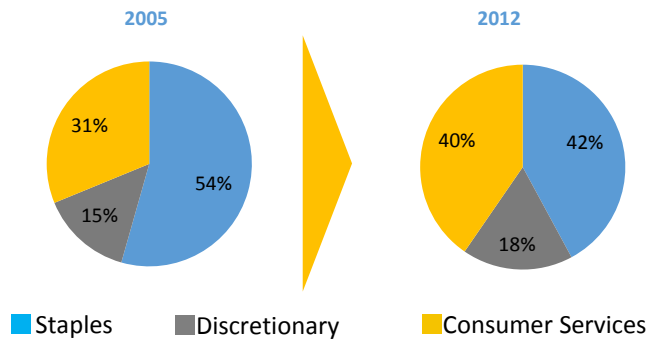
Increasing urbanisation



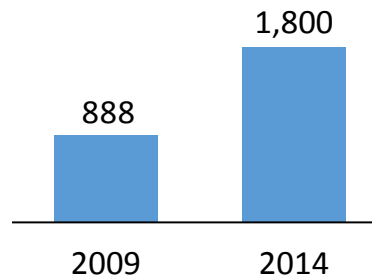
Young population



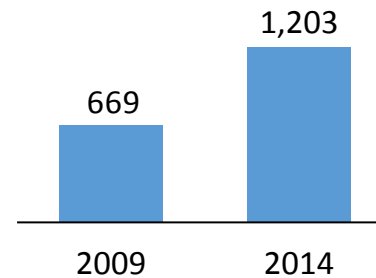
Growing consumerism – share of spending



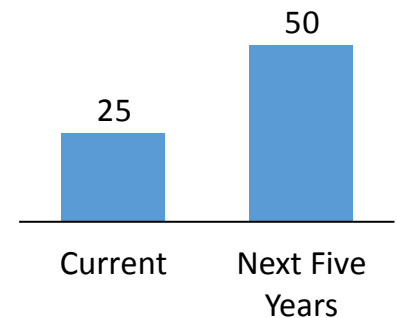
No of multiplex screens



Rise in domestic tourism



Indian parks industry size



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

Increasing Entertainment Options

New Attractions

- To add 3-4 rides & attractions over the next 5 years, including 1 major ride every 2 year
- Snow Park to be operational in Q4FY16.

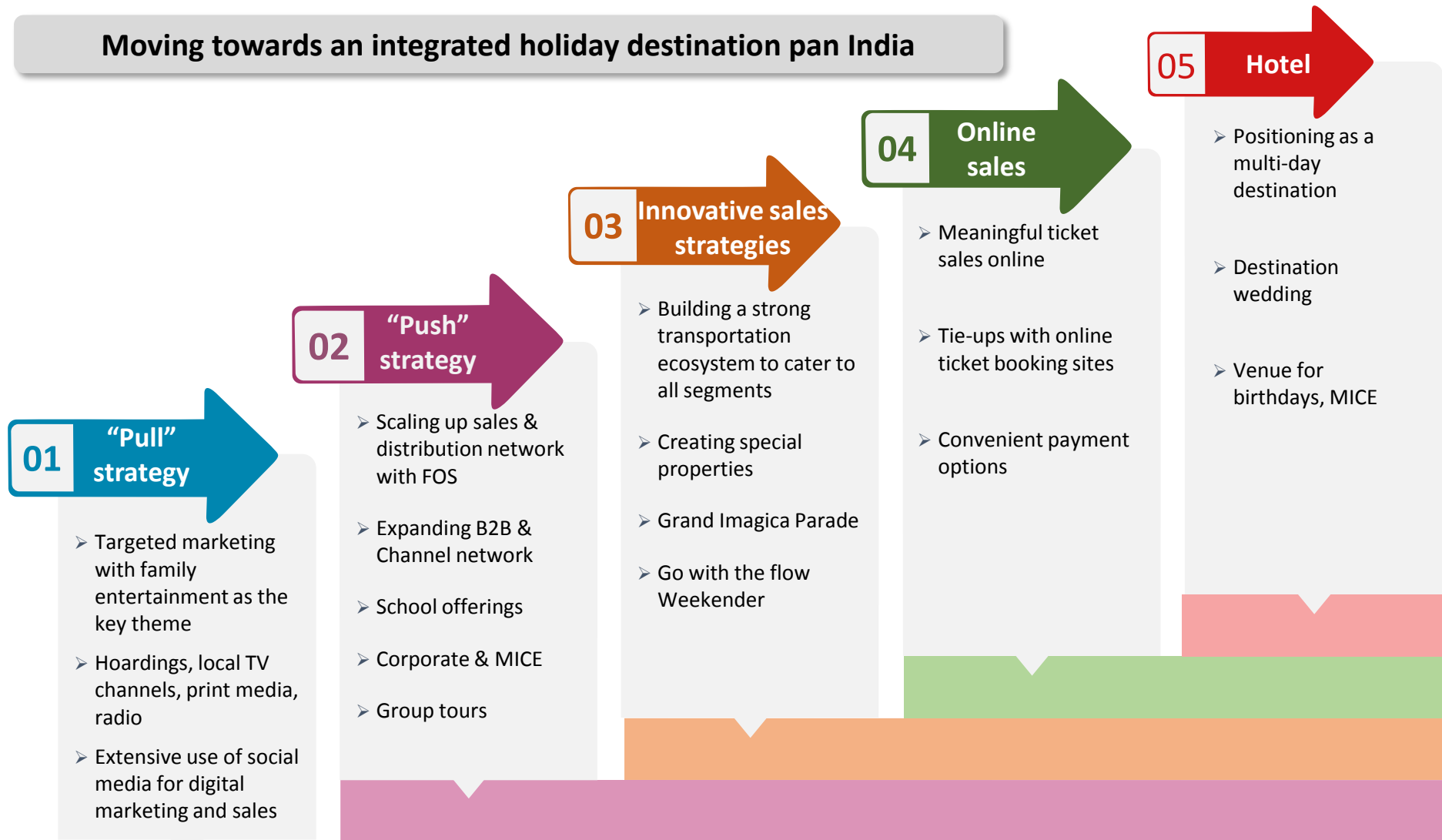
New Holiday Destinations

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

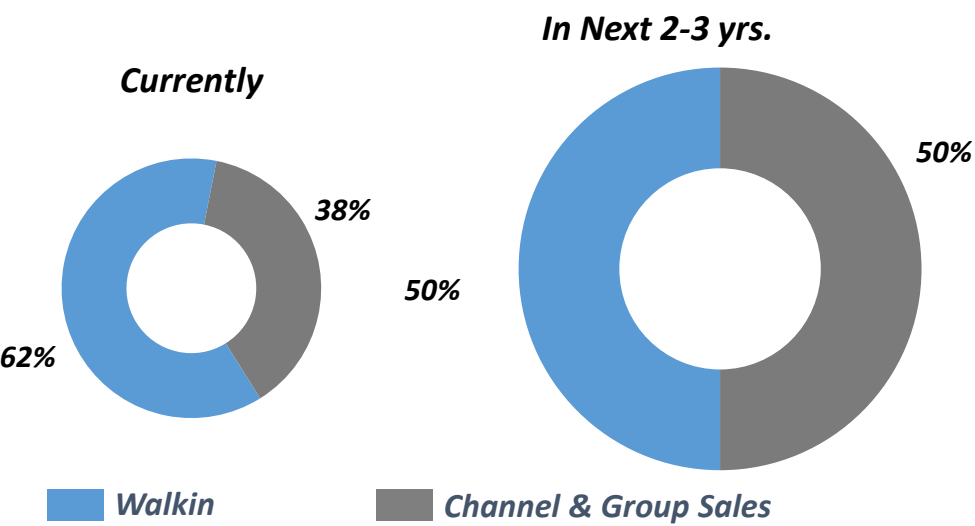
- Licensing park characters
- Out of park sales on Imagica stores, website and other online portals
- Expanding product portfolio



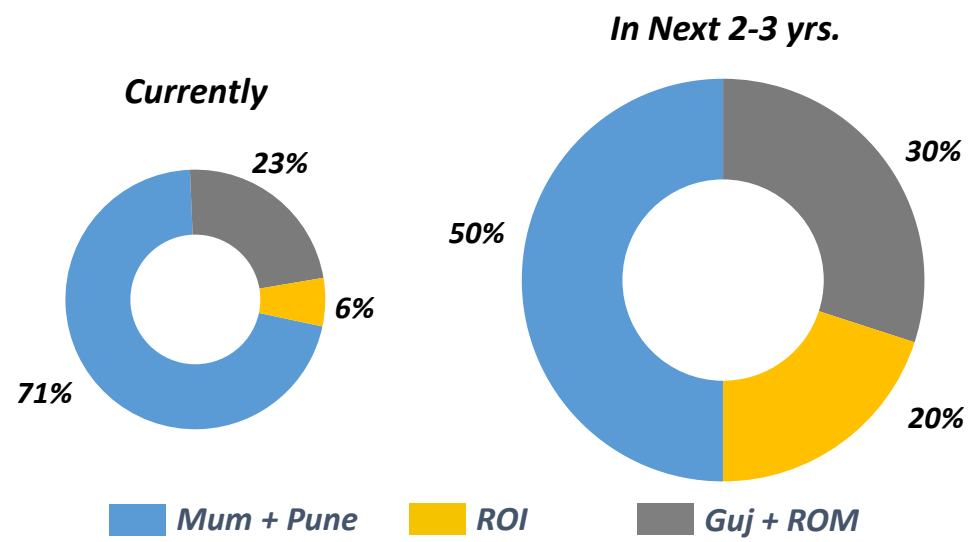
Growth Strategies



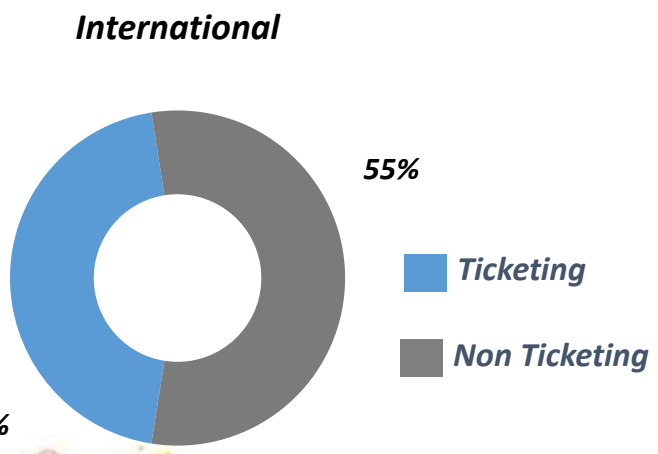
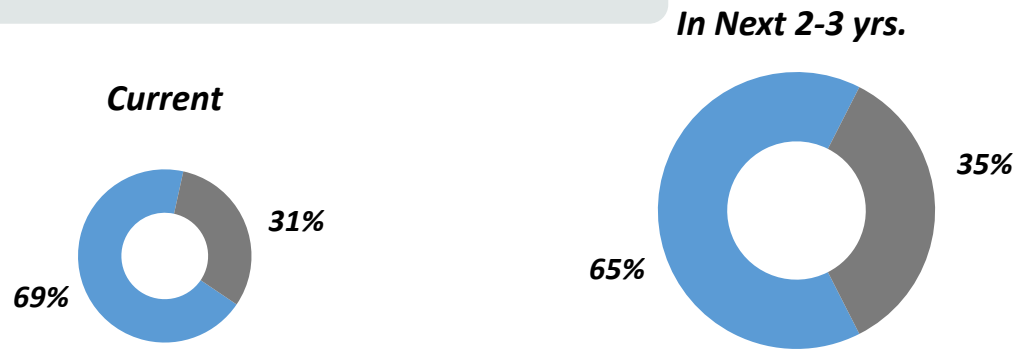
Walkin V/s Channel & Group Sales



Catchment Area



Ticketing & Non-Ticketing*

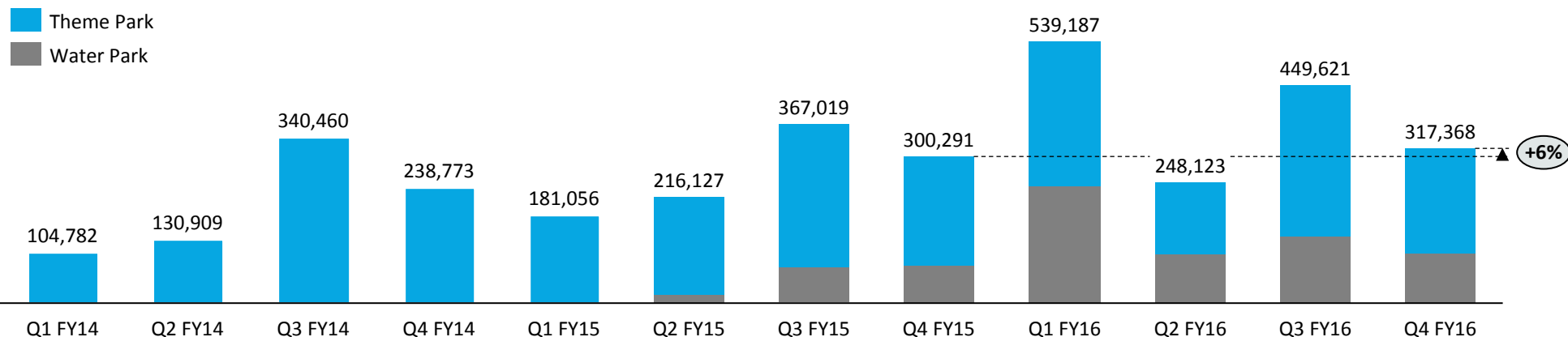


* Excl. Hotel

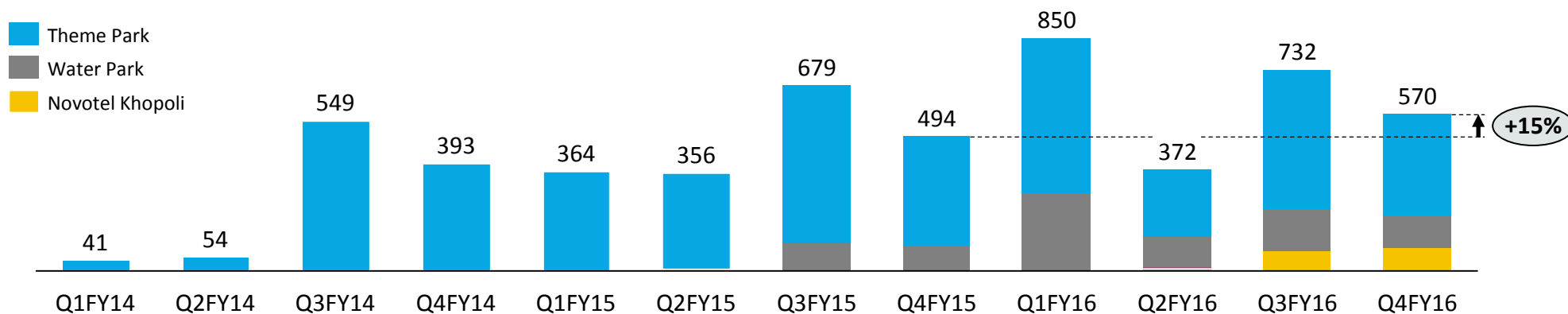


Growing Footfalls and Revenue

Total Number of Guests

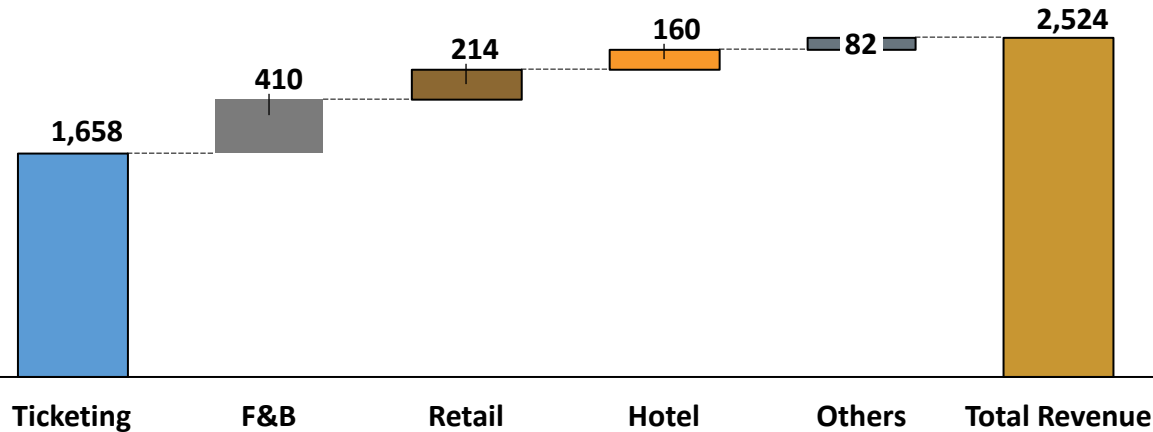


Total Revenue (in mn)

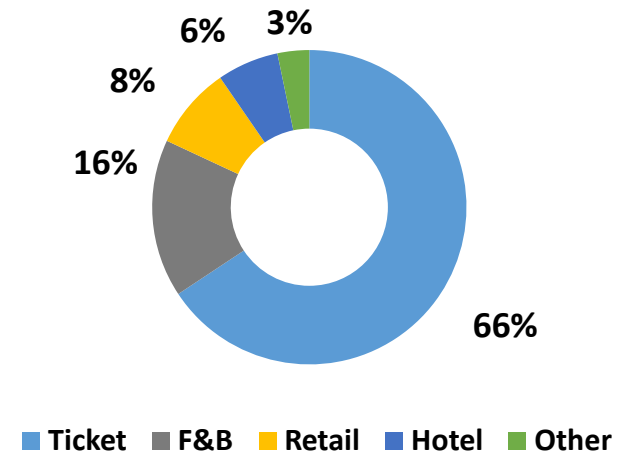


Revenue Break-up

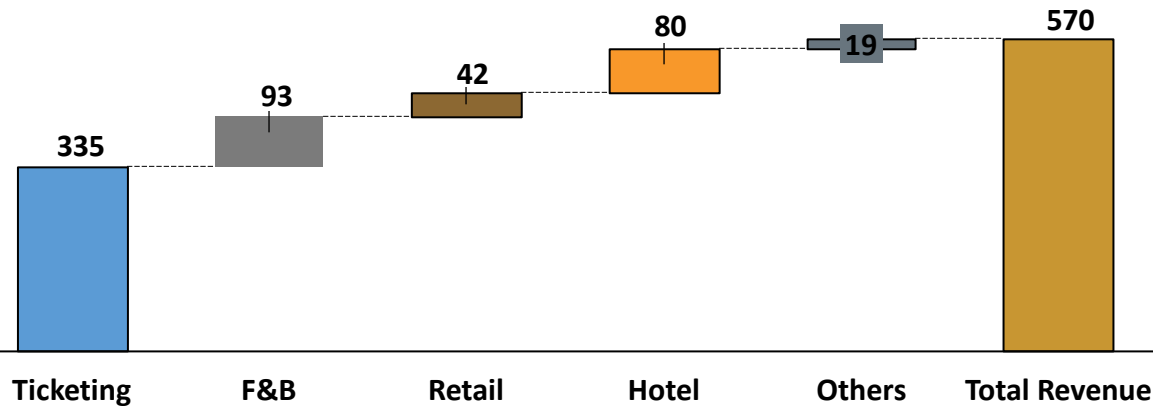
FY16 Revenue Build-up (Rs. mn)



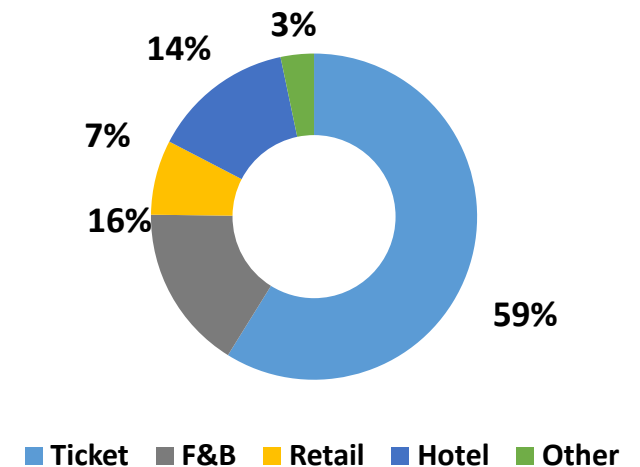
FY16 Revenue Break-up



Q4 FY16 Revenue Build-up (Rs. mn)



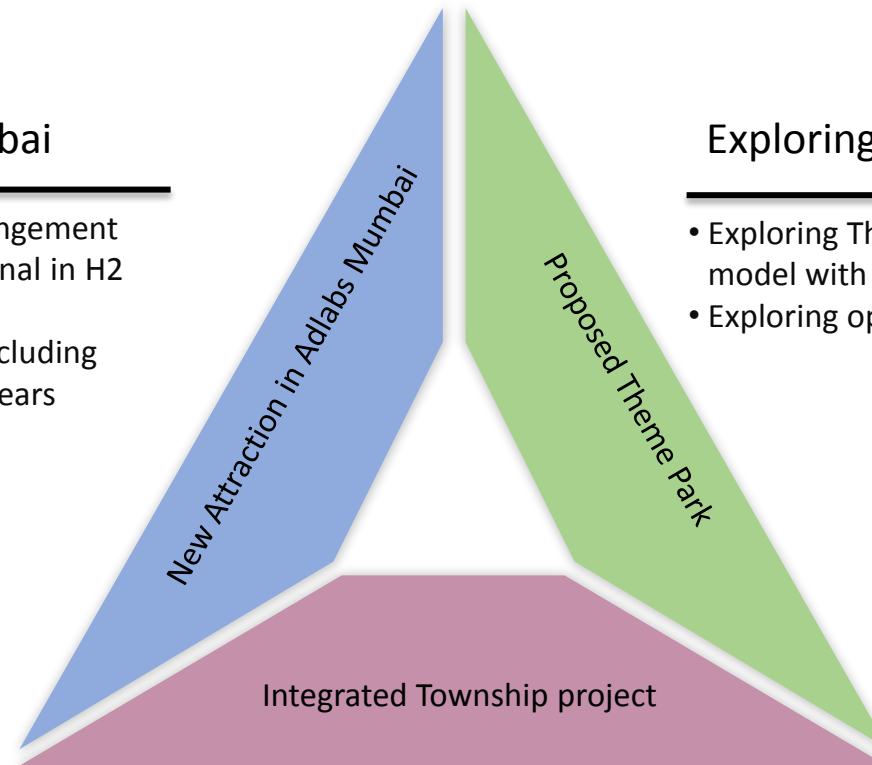
Q4 FY16 Revenue Break-up



Medium Term Strategies

New Attraction at Adlabs Mumbai

- Adventure Park – (Revenue sharing arrangement with no Capex). Expected to be operational in H2 FY17
- To add 3-4 rides over the next 5 years including one major ride or attraction every two years



Exploring Theme Parks

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

Monetization of Real Estate - Khapoli

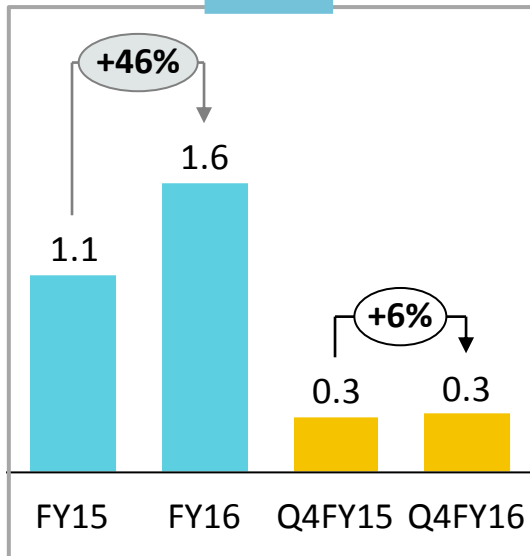
- Development of a township project at Adlabs Mumbai on the 170 acres of surplus land through a wholly owned subsidiary
- Opportunity to generate high cash flow



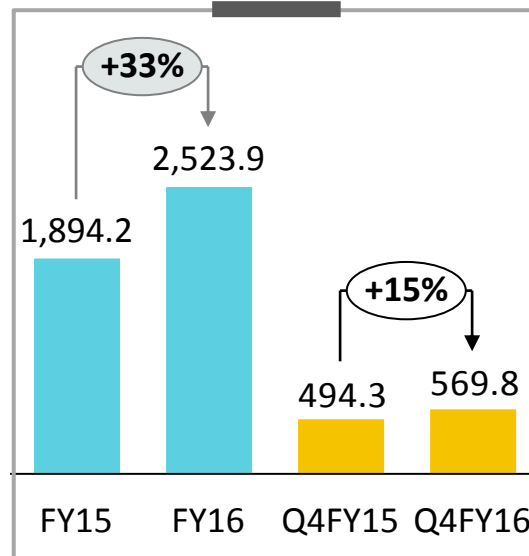
Key Financial Highlights



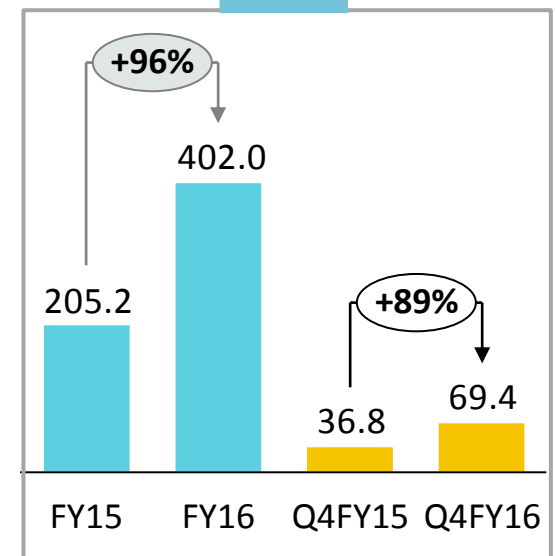
Footfall



Revenue



EBITDA



Highlights Q4 FY 15 - 16



| Particulars (Rs.mn) | Q4 FY16 | Q4 FY15 | % change |
|--------------------------|----------|----------|----------|
| Combined Footfall (nos.) | 3,17,368 | 3,00,290 | 6% |
| Revenue | 569.8 | 494.3 | 15% |
| EBITDA | 69.4 | 36.8 | 88% |

- Ticket has been moved to plus tax model
- Low ARPU promotions like Happy Tuesday & Wat-a-Wednesday have been discontinued
- For Novotel Imagica the average occupancy for Q4 stood at 78% and average ARR was Rs. 5,800+ and inclusive of F&B the ARR was Rs. 9,900
- During the 6 months of operations till March 2016 NIK has hosted 155 corporates and 6 destination weddings



Highlights FY 15 - 16



- Achieved a milestone of entertaining 3.4 million guest since launch
- YoY Growth for FY16
 - Footfall: 46%
 - Revenue: 33%
 - EBITDA: 96%
- Highest single day footfall of 17,250 at Imagica Theme Park & Water Park combine in May 2015
- Highest single day footfall of 14,128 at Imagica Theme Park in December 2015
- In the first 6 months of Novotel Launch it has shown an average occupancy of over 75% & average ARR of 5800+ & inclusive of F&B the ARR was 9000+
- Imagica worked on a new branding and positioning with our creative agency and decided to merge the entire offering under a single brand of Magical. We feel that consolidating the TP, WP & SP under a single brand name Imagica will lead to an optimization of marketing cost and a much better brand recall
- Non-catchment including Gujarat contributes ~30% for Q3 FY16
- Snow park was completed in March 2016 and conducted trial runs for the same and was opened for guest in first week April '16



Profitability Statement – Quarter

| Particulars (Rs. mn) | Q4 FY16 | Q4 FY15 |
|---|---------------|---------------|
| Footfall | 317,368 | 300,290 |
| Revenue | 569.8 | 494.3 |
| Raw Material | 57.5 | 46.7 |
| Advertisement, sales and marketing expenses | 121.3 | 119.3 |
| Employee benefits expense | 151.0 | 130.4 |
| Repairs and Maintenance | 32.1 | 24.3 |
| Power, fuel and water | 38.2 | 35.7 |
| Other expenses | 100.3 | 101.2 |
| EBITDA | 69.4 | 36.8 |
| EBITDA Margin | 12.2% | 7.5% |
| Other Income | 124.1 | 2.7 |
| Depreciation | 216.3 | 225.3 |
| Finance Cost | 287.1 | 307.5 |
| Profit Before Tax | -309.9 | -493.2 |
| Tax | -150.1 | -181.7 |
| Profit after Tax | -159.8 | -311.6 |



Profitability Statement – Full Year

| Particulars (Rs. mn) | FY16 | FY15 |
|---|-----------------|-----------------|
| Footfall | 1,554,199 | 1,064,492 |
| Revenue | 2,523.9 | 1,894.2 |
| Raw Material | 247.9 | 161.1 |
| Advertisement, sales and marketing expenses | 609.9 | 447.9 |
| Employee benefits expense | 594.7 | 479.1 |
| Repairs and Maintenance | 139.7 | 70.9 |
| Power, fuel and water | 165.1 | 134.2 |
| Other expenses | 364.5 | 395.8 |
| EBITDA | 402.0 | 205.2 |
| EBITDA Margin | 15.9% | 10.8% |
| Other Income | 166.7 | 18.3 |
| Depreciation | 877.1 | 797.5 |
| Finance Cost | 1,102.6 | 1,145.7 |
| Profit Before Tax | -1,411.0 | -1,719.6 |
| Tax | -503.9 | -648.0 |
| Profit after Tax | -907.1 | -1,071.6 |



Balance Sheet

| Rs. mn | Mar-16 | Mar-15 |
|---------------------------------------|-----------------|-----------------|
| Shareholder's Fund | 6,160.2 | 7,094.6 |
| Share Capital | 799.0 | 799.0 |
| Reserves & Surplus | 5,361.2 | 6,295.7 |
| Non-Current Liabilities | 9,607.6 | 10,414.4 |
| Long Term Borrowings | 9,581.2 | 10,393.5 |
| Long term provisions | 26.4 | 20.9 |
| Current Liabilities | 1,117.8 | 2,531.1 |
| Short Term Borrowings | 461.9 | 840.0 |
| Trade Payables | 316.0 | 284.1 |
| Other Current Liabilities | 335.5 | 1,401.1 |
| Short-term provisions | 4.3 | 5.9 |
| Total Equity & Liabilities | 16,885.6 | 20,040.1 |

| Rs. mn | Mar-16 | Mar-15 |
|-------------------------------|-----------------|-----------------|
| Non-Current Assets | 16,295.7 | 15,636.4 |
| Fixed Assets | 13,818.7 | 14,733.2 |
| Non-Current Investments | 1,061.7 | 4.2 |
| Other Non-Current Assets | 119.9 | 107.7 |
| Deferred tax assets (net) | 1,295.4 | 791.5 |
| Current Assets | 589.9 | 4,403.7 |
| Inventories | 123.7 | 105.2 |
| Trade Receivables | 37.9 | 58.9 |
| Cash and Bank Balances | 202.7 | 3,935.8 |
| Short-term Loans and Advances | 1.2 | 3.6 |
| Other Current Assets | 224.5 | 300.1 |
| Total Assets | 16,885.6 | 20,040.1 |



Use of IPO Proceeds

| Particulars | | Amount Rs. mn |
|-------------|--------------------------------|----------------|
| A | Fresh Issue | 3,377.4 |
| | Offer for Sale | 368.6 |
| B | Initial Public Offering | 3,745.9 |
| | Less: Offer for Sale portion | 368.6 |
| C | Total Net Fund Raised | 3,377.4 |

| Particulars (Rs. mn) | Utilization Planned | Amount Utilized* | Amount Pending Utilization |
|----------------------------|---------------------|------------------|----------------------------|
| Repayment of Debt | 2,700.0 | 2,560.0 | 140.0 |
| Issue Expenses | 303.9 | 314.9 | -11.0 |
| General Corporate Purposes | 373.4 | 362.5 | 11.0 |
| Total | 3,377.4 | 3,237.4 | 140.0 |



Positive Momentum

01

3.4 mn+

Achieved a milestone of entertaining 3.4 mn+ guest since launch

02

14,128

Highest single day footfall of 14,128 at Imagica in December 2015

03

75%+

Novotel Imagica successfully launched with average occupancy of ~75%+ in FY16

04

30%+

Non-catchment including Gujarat activation has resulted in 30% contribution for Q3FY16

05

4,800+

Over 1,860 agents added since April 2015
Total Agents base over 4,800

06

5+

We have initiated marketing coverage beyond catchment through Television campaigns

07

2,70,000+

Mobile APP launched on Android & IOS. Current downloads over 2.7 lakh

08

20%+

Digital Sales as % to overall ticket sales

09

17%

Repeat Footfalls
More than 1 time visit: 14%
More than 2 times visit: 3%



Awards & Recognitions



- OTM Award for Excellence
 - Most Promising New Destination Award, 2015
- 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 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



For further information, please contact:

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