WONDERLA

Q3 & 9M FY19 RESULT UPDATE
January 2019

DISCUSSION SUMMARY

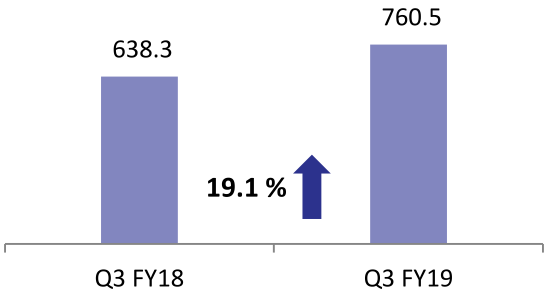
- Q3 & 9M FY19 RESULT HIGHLIGHTS
- Q3 & 9M FY19 PORTFOLIO UPDATE
  - AMUSEMENT PARK, BANGALORE
  - RESORT, BANGALORE
  - AMUSEMENT PARK, KOCHI
  - AMUSEMENT PARK, HYDERABAD
- FINANCIALS
- COMPANY OVERVIEW

Q3 & 9M FY19 RESULT HIGHLIGHTS

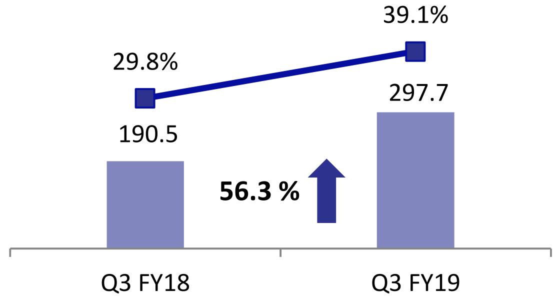
Q3 FY19 YoY Analysis

In Rs Mn

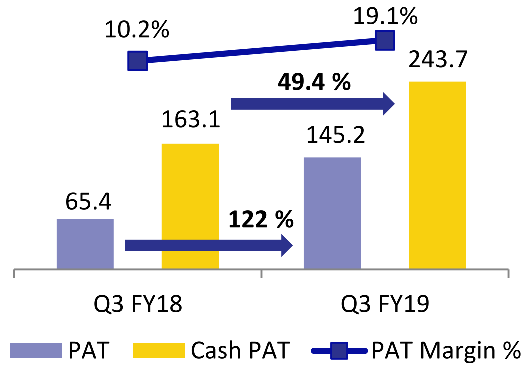
REVENUES



EBITDA & EBITDA MARGIN

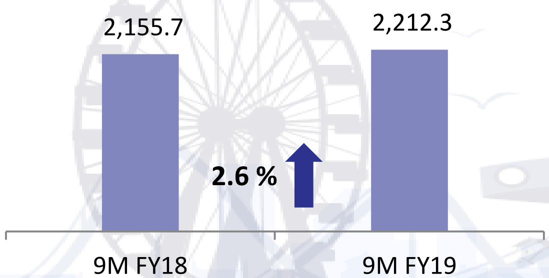


CASH PAT, PAT & PAT MARGIN



9M FY19 YoY Analysis

REVENUES



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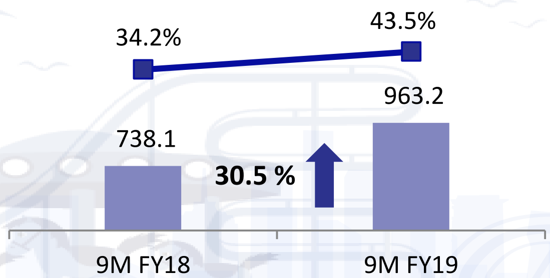

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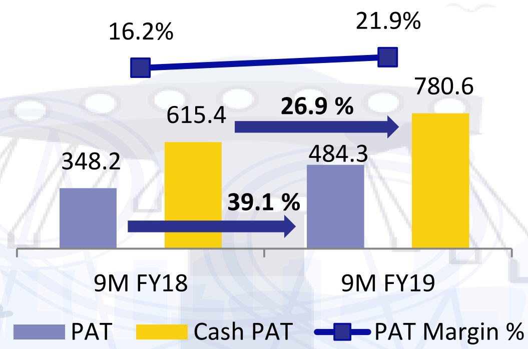


Q3 FY19 RESULT HIGHLIGHTS

FINANCIAL UPDATE

- **Q3 FY19 revenue from operations grew 19.1% YoY to Rs 760.5 mn driven by 10.5% YoY growth in footfalls and 8.7% YoY growth in avg. revenue per visitor**

- Q3 FY19 ticket revenue grew by 19.5% YoY and non-ticket revenue grew by 18.2% YoY
  - Bangalore park witnessed 8.3% YoY growth in avg. ticket revenue, 4.2% YoY growth in avg. non-ticket revenue and 22.5% YoY growth in footfalls. Footfall growth was driven by increased market penetration initiatives, focussed media promotions and contribution of online portals like MakeMyTrip, Paytm etc.
  - Kochi park witnessed 3.4% YoY growth in avg. ticket revenue, 14.9% YoY growth in avg. non-ticket revenue and 1.2% YoY decline in footfalls. Decline in footfalls was due to the lag effect of the floods during October. However, Kochi park recorded 20% YoY rise in footfalls during November and December.
  - Hyderabad park witnessed 8.8% YoY growth in avg. ticket revenue, 9.9% YoY growth in avg. non-ticket revenue and 11.7% YoY growth in footfalls.
  - Avg. ticket revenue per visitor at Bangalore and Hyderabad parks was positively impacted due to shift in Dussehra festival from September last year to October this year.

- **Q3 FY19 EBITDA increased by 56.3% YoY to Rs 297.7 mn. EBITDA margin increased from 29.8% in Q3 FY18 to 39.1% in Q3 FY19**
  - Operating overheads were kept under strict control with continued focus on operational efficiency

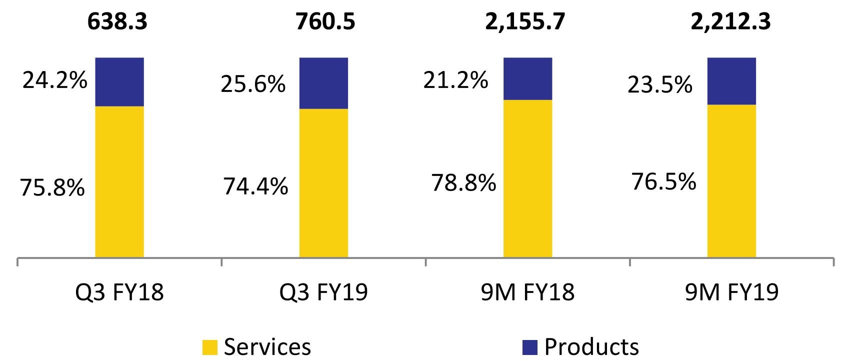
- **Q3 FY19 PAT increased by 122% YoY from Rs 65.4 mn to Rs. 145.2 mn. PAT margin increased from 10.2% in Q3 FY18 to 19.1% in Q3 FY19**

- **Q3 FY19 Cash PAT (PAT + depreciation) increased by 49.4% YoY from Rs. 163.1 mn to Rs 243.7 mn, indicating continued generation of healthy operating cash flows**

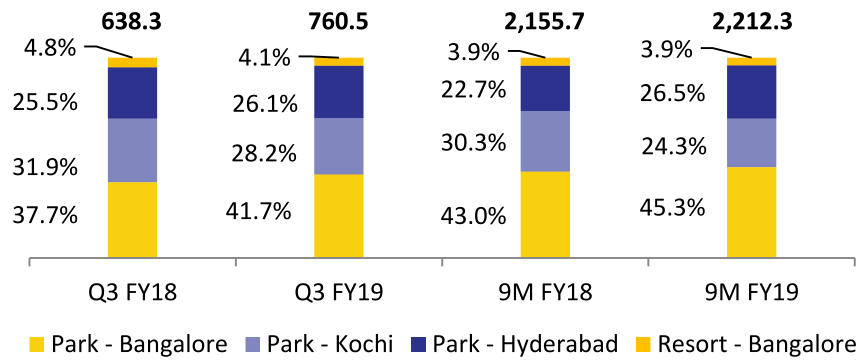
Q3 & 9M FY19 REVENUE ANALYSIS

In Rs Mn

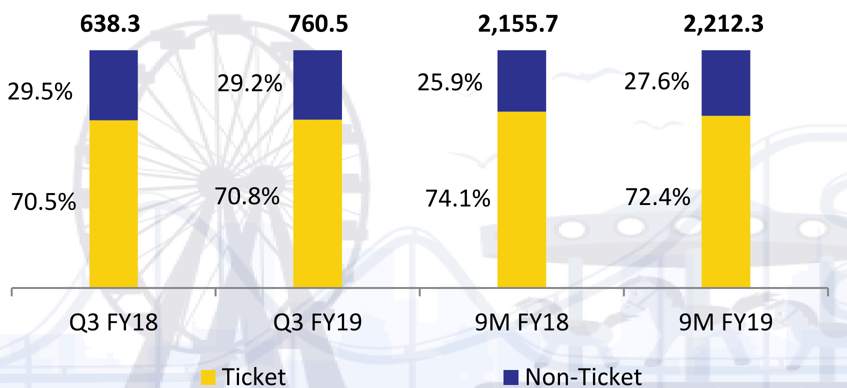
SERVICES VS. PRODUCTS



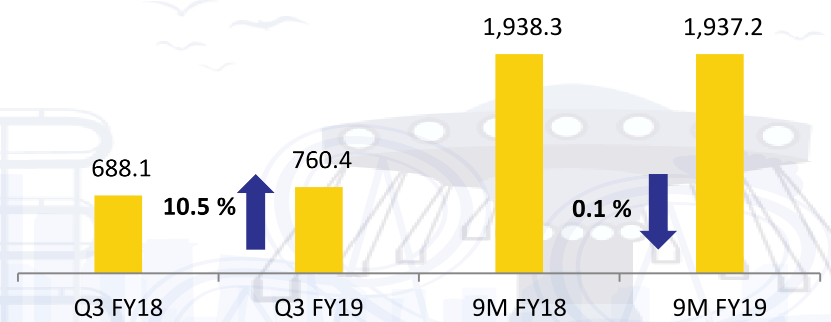
PORTFOLIO BREAKUP



TICKET VS. NON-TICKET

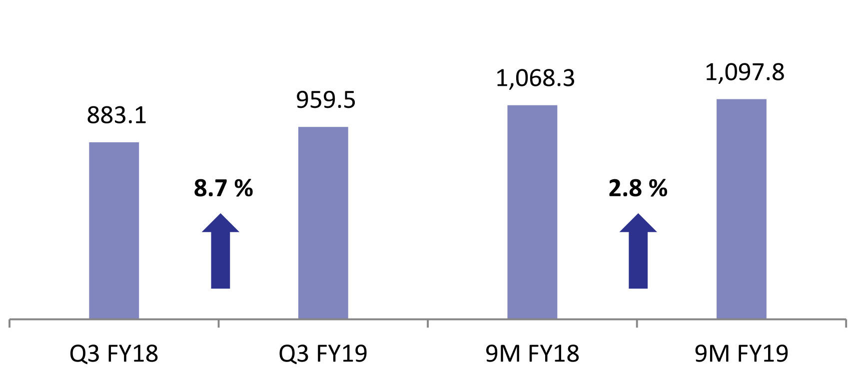


TOTAL FOOTFALLS (In '000)

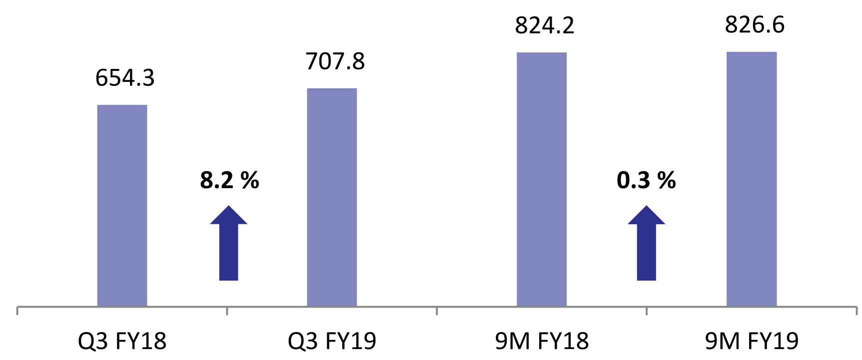


Q3 & 9M FY19 REVENUE ANALYSIS

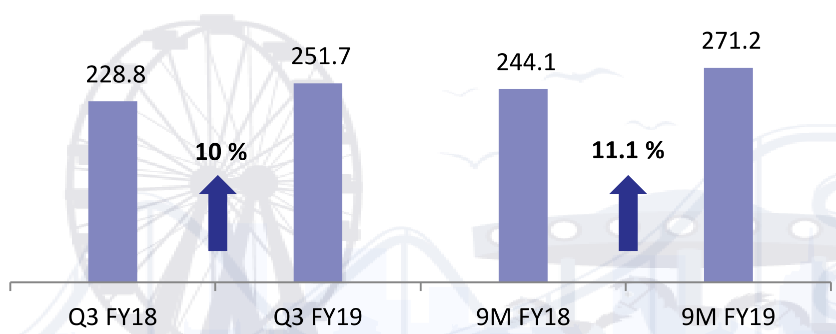
AVG. REVENUE PER VISITOR (PARKS) (In Rs) *



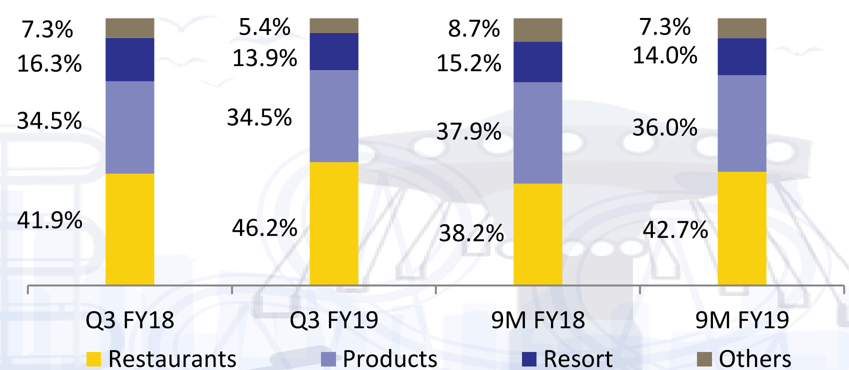
AVG. TICKET REVENUE PER VISITOR (PARKS) (In Rs)



AVG. NON-TICKET REVENUE PER VISITOR (PARKS) (In Rs)



BREAK-UP OF NON-TICKET REVENUE (PARKS + RESORT) (In Rs Mn) *



* Includes sale of services, sales of products & other operating income.

WONDERLA

BANGALORE PARK

PORTFOLIO UPDATE – AMUSEMENT PARK, BANGALORE

- Launched in 2005 by the name 'Wonderla'
- Wonderla Bangalore is located off the Bangalore-Mysore highway, 28 km from Central Bangalore
- Situated on 81.75 acres of land with 61 land and water based attractions and other allied facilities
- 5 restaurants offering various cuisines, of which all are operated by the Company
- The park has won 11 awards since inception

	Q3 FY19	Q3 FY18	YoY %
Total Revenues (Rs Mn) *	316.8	240.9	31.5%
No of Visitors (In '000)	290.4	236.9	22.5%
Avg. Revenue Per Visitor (Rs)	1,090.9	1,016.8	7.3%

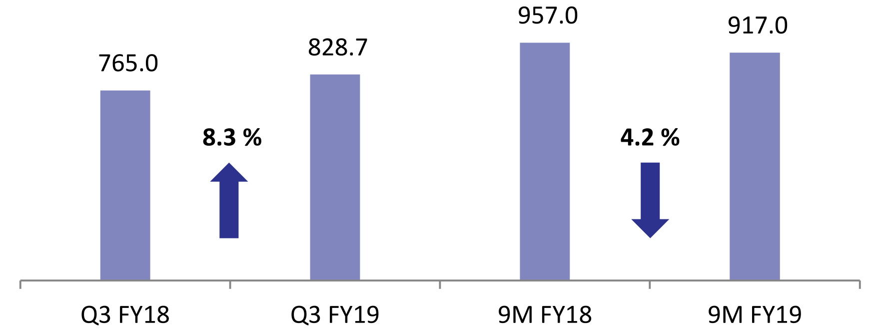
	9M FY19	9M FY18	YoY %
Total Revenues (Rs Mn) *	1,001.9	927.5	8.0%
No of Visitors (In '000)	837.8	765.6	9.4%
Avg. Revenue Per Visitor (Rs)	1,195.9	1,211.4	-1.3%

* Includes sale of services, sales of products & other operating income.

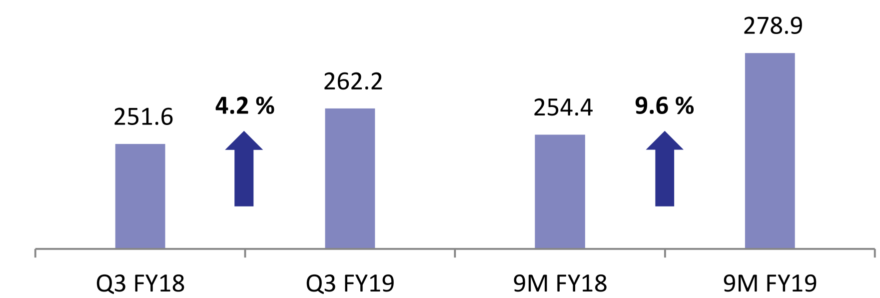
LOCATION	BANGALORE
Total Land Available (In Acres)	81.75
Developed Land (In Acres)	39.20
Land Availability for Future development (In Acres)	42.55
Total No of Rides	61
No of Wet Rides	21
No of Dry Rides	40

BANGALORE PARK – REVENUE & FOOTFALL ANALYSIS

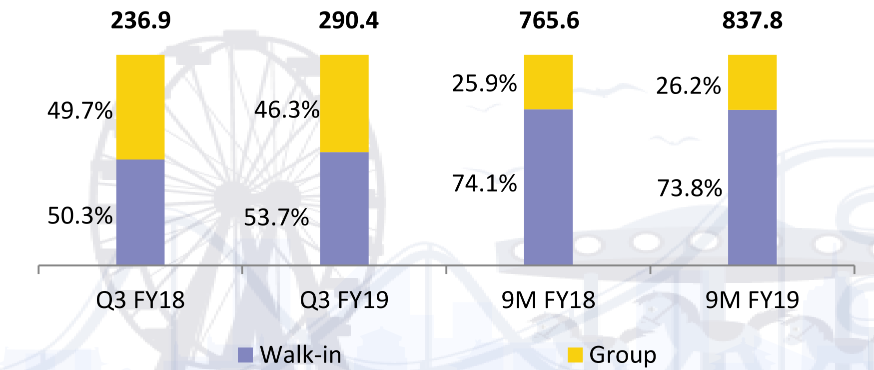
AVG. TICKET REVENUE PER VISITOR (In Rs)



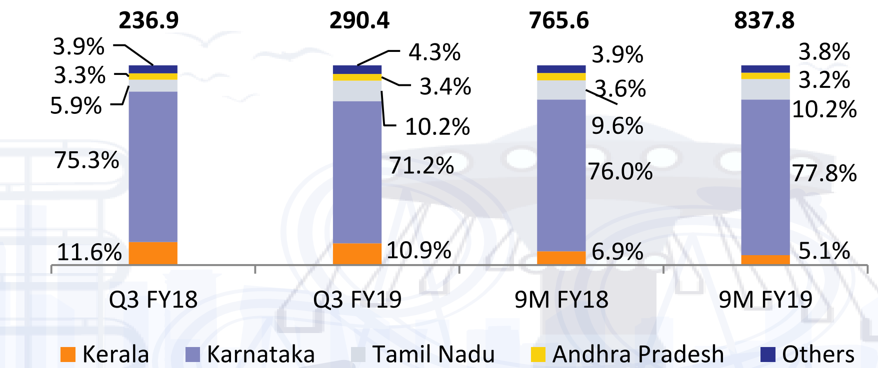
AVG. NON-TICKET REVENUE PER VISITOR (In Rs)



FOOTFALLS – WALK-IN Vs. GROUP / CHANNEL ('000)



FOOTFALLS – REGIONWISE BREAKUP ('000)



PORTFOLIO UPDATE – WONDERLA RESORT, BANGALORE

- Three Star leisure resort attached to the amusement park; launched in March 2012
- The resort has 84 luxury rooms
- The resort also has 4 banquet halls / conference rooms, totalling 8,900 sq. ft. with a capacity to hold 800 guests and a well equipped board room
- Suitable for hosting wedding receptions, parties and other corporate events and meetings
- Other amenities include a multi-cuisine restaurant, rest-o-bar, solar heated swimming pool, recreation area, kids' activity centre and a well equipped gym

	Q3 FY19	Q3 FY18	YoY %
Total Revenues (Rs Mn) *	31.3	31.8	-1.4%
Total No of Room Nights Available (No.) to Guests	7,549	7,564	0.6%
Occupancy %	47%	50%	-
Avg. Room Rental for the period (Rs)	4,420	5,084	4.2%

	9M FY19	9M FY18	YoY %
Total Revenues (Rs Mn) *	86.4	86.8	-0.23%
Total No of Room Nights Available (No.) to Guests	22,612	22,573	0.17%
Occupancy %	43%	46%	-
Avg. Room Rental for the period (Rs)	4,626	5,011	-7.7%

* Includes other operating income.

WONDERLA

KOCHI PARK

PORTFOLIO UPDATE – AMUSEMENT PARK, KOCHI

- Launched in 2000 by the name 'Veegaland' and operating under the name 'Wonderla' since April 2011
- Situated on 93.17 acres of land, and currently occupying 28.75 acres for 57 land and water based attractions and other allied facilities
- 6 restaurants offering various cuisines, of which five are operated by the Company
- The park has won 16 awards since inception

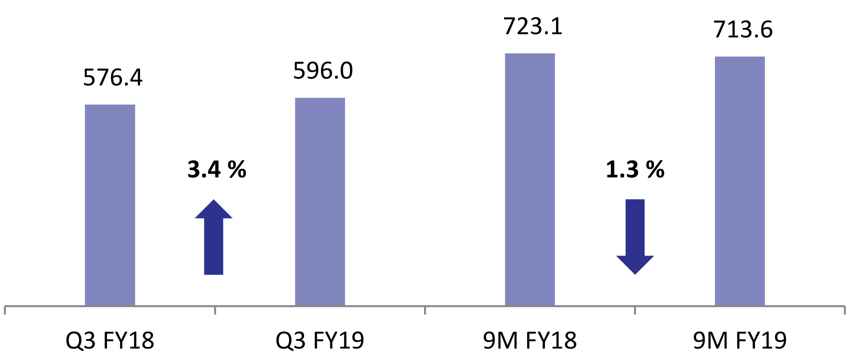
	Q3 FY19	Q3 FY18	YoY %
Total Revenues (Rs Mn) *	214.1	203.7	5.1%
No of Visitors (In '000)	260.3	263.4	-1.2%
Avg. Revenue Per Visitor (Rs)	822.7	773.8	6.3%
	9M FY19	**9M FY18**	**YoY %**
Total Revenues (Rs Mn) *	537.5	652.9	-17.7%
No of Visitors (In '000)	564.3	696.9	-19.0%
Avg. Revenue Per Visitor (Rs)	952.6	936.9	1.7%

* Includes sale of services, sales of products & other operating income.

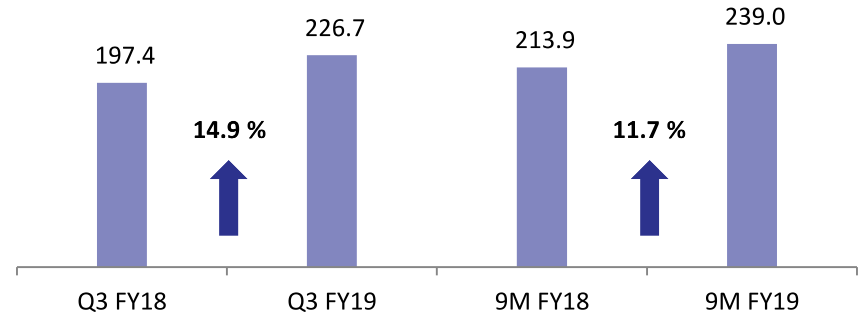
LOCATION	KOCHI
Total Land Available (In Acres)	93.17
Developed Land (In Acres)	28.75
Land Availability for Future development(In Acres)	64.42
Total No of Rides	57
No of Wet Rides	22
No of Dry Rides	35

KOCHI PARK – REVENUE & FOOTFALL ANALYSIS

AVG. TICKET REVENUE PER VISITOR (In Rs)



AVG. NON-TICKET REVENUE PER VISITOR (In Rs)



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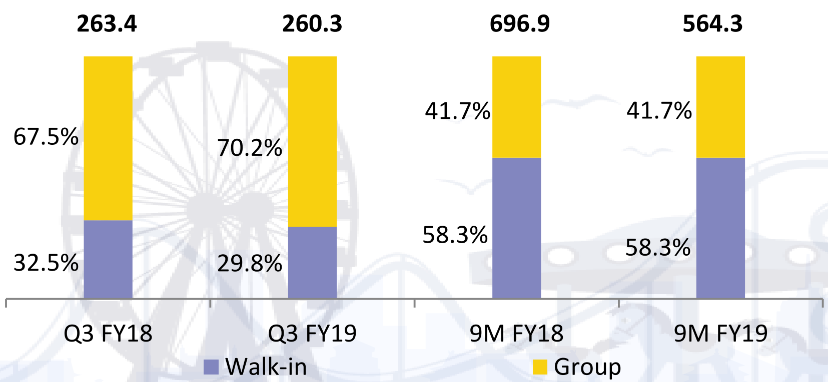

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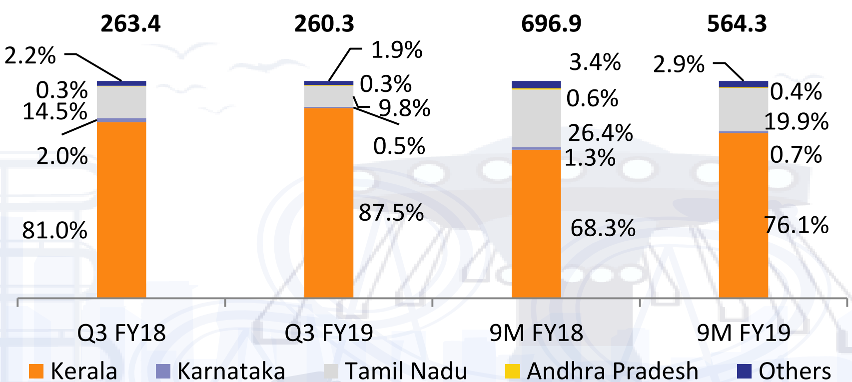


HYDERABAD PARK

PORTFOLIO UPDATE – AMUSEMENT PARK, HYDERABAD

- Launched in April 2016 by the name 'Wonderla'.
- Situated on 49.5 acres of land, and currently occupying 27.0 acres for 44 land and water based attractions and other allied facilities.
- 4 restaurants offering various cuisines, of which all are operated by the Company.
- The Park has won 3 Awards since inception

	Q3 FY19	Q3 FY18	YoY %
Total Revenues (Rs Mn) *	198.6	163.0	21.9%
No of Visitors (In '000)	209.7	187.8	11.7%
Avg. Revenue Per Visitor (Rs)	947.3	868.0	9.1%

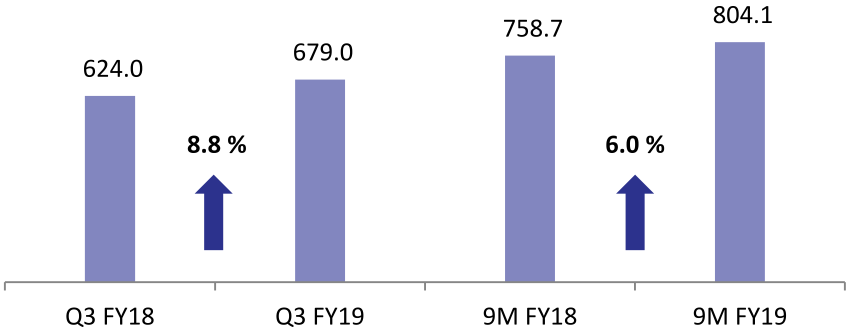
	9M FY19	9M FY18	YoY %
Total Revenues (Rs Mn) *	587.1	490.4	19.7%
No of Visitors (In '000)	535.0	475.8	12.4%
Avg. Revenue Per Visitor (Rs)	1,097.3	1,030.6	6.5%

* Includes sale of services, sales of products & other operating income.

LOCATION	HYDERABAD
Total Land Available (In Acres)	49.5
Developed Land (In Acres)	27.0
Land Availability for Future development(In Acres)	22.5
Total No of Rides	44
No of Wet Rides	18
No of Dry Rides	26

HYDERABAD PARK – REVENUE & FOOTFALL ANALYSIS

AVG. TICKET REVENUE PER VISITOR (In Rs)



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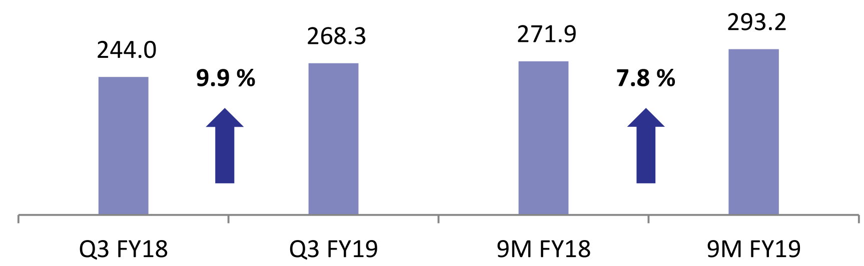

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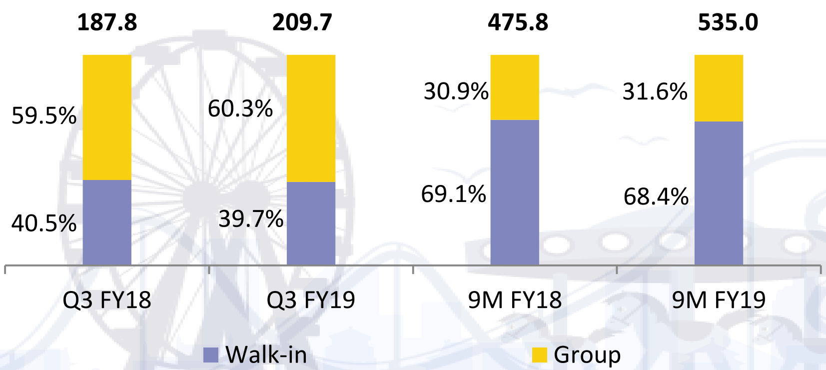
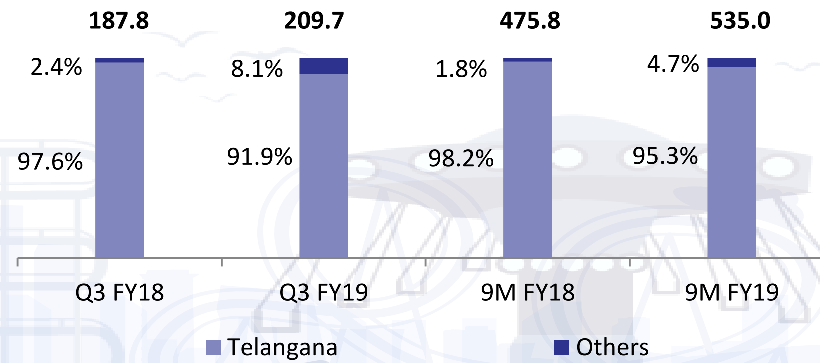


FOOTFALLS – REGIONWISE BREAKUP (‘000)



FINANCIALS – P&L STATEMENT

Particulars (Rs Mn)	Q3 FY19	Q3 FY18	YoY %	9M FY19	9M FY18	YoY %
Sale of Services	566.1	483.7	17.0%	1,691.9	1,699.5	-0.4%
Sale of products	194.4	154.7	25.7%	520.4	456.2	14.1%
Total Revenue from Operations	**760.5**	**638.3**	**19.1%**	**2,212.3**	**2,155.7**	**2.6%**
Cost of Material Consumed	37.4	43.4	-13.8%	99.8	111.1	-10.2%
Purchase of Stock-in-Trade	55.5	41.4	34.1%	133.7	118.8	12.6%
Changes in Inventories of Stock-in-trade	-6.4	-4.1	-	-3.7	0.1	-
Employee Expenses	95.7	97.7	-2.1%	289.9	314.9	-8.0%
Other Expenses	280.7	269.4	4.2%	729.5	872.7	-16.4%
EBITDA	**297.7**	**190.5**	56.3%	**963.2**	**738.1**	**30.5%**
EBITDA Margin %	**39.1%**	**29.8%**	**930 bps**	**43.5%**	**34.2%**	**930 bps**
Depreciation	98.6	97.8	0.8%	296.3	267.1	10.9%
Other Income	25.8	15.4	67.8%	68.7	63.9	7.6%
Finance Cost	0.4	2.8	-86.3%	4.0	9.8	-58.7%
PBT	**224.6**	**105.4**	**113.1%**	**731.6**	**525.1**	**39.3%**
Tax Expense	79.4	40.0	98.6%	247.3	176.8	39.8%
PAT	**145.2**	**65.4**	**122.0%**	**484.3**	**348.2**	**39.1%**
PAT Margin %	**19.1%**	**10.2%**	**884 bps**	**21.9%**	**16.2%**	**574 bps**
Earnings Per Share (EPS)	**2.57**	**1.17**	**119.7%**	**8.57**	**6.17**	**38.9%**

Note –
Income from services includes income from sale of entry tickets, share of revenue from restaurant sales and income from resort.
Income from sale of products includes income from sale of traded goods, packaged food and other merchandise sold within amusement parks

COMPANY OVERVIEW – ABOUT US

OUR PEDIGREE

- One of the largest amusement park operators in India with over 18 years of successful operations. Management has operational experience in the amusement park industry for over a decade
- The promoters launched the first amusement park in 2000 in Kochi under the name Veegaland and later successfully launched the second park in Bangalore in 2005 and third park in Hyderabad in 2016 under the name "Wonderla"
- Promoted by Mr. Kochouseph Chittilappilly and Mr. Arun Chittilappilly – Mr. Kochouseph Chittilappilly also incorporated V-Guard Industries Ltd., a publicly listed company since 2008

BUSINESS OVERVIEW

- Own and operate three amusement parks under the brand name Wonderla situated at Kochi, Bangalore and Hyderabad and a resort at Bangalore
- The Company and its first two parks have won 30 awards / certifications since inception, including National Awards for Excellence from Indian Association of Amusement Parks & Industries in the areas of total number and variety of rides, most innovative ride, etc
- In-house manufacturing facility located at Kochi which manufactures / constructs rides and attractions for both the parks
- Reduction in GST rates from 28% to 18% effective from 25th January 2018 to reduced inflationary pressure on pricing

NEW PROJECT

- The Company has acquired 61.87 acres of land for the new Amusement Park project in Kelambakkam in Chennai.
- The project work will commence immediately after we receive necessary approval from Government of Tamilnadu.

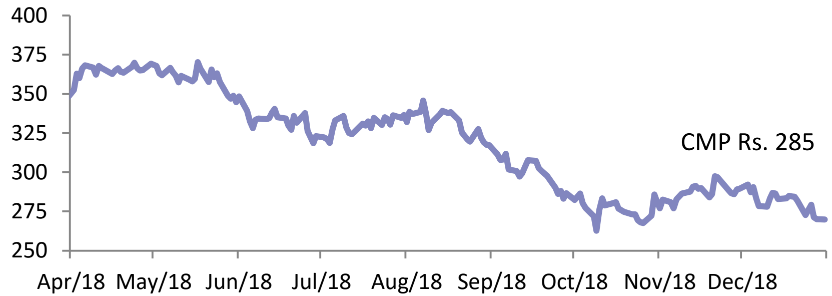
STRONG FINANCIALS *

- Consolidated Revenues, EBITDA and PAT were Rs. 2,704.9 mn, Rs 891.1 mn and Rs 385.0 mn in FY18.
- All Business Units- Parks and Resorts are generating positive cash flows from operations.
- Robust balance sheet with zero Debt as of FY18.

* I GAAP Financials

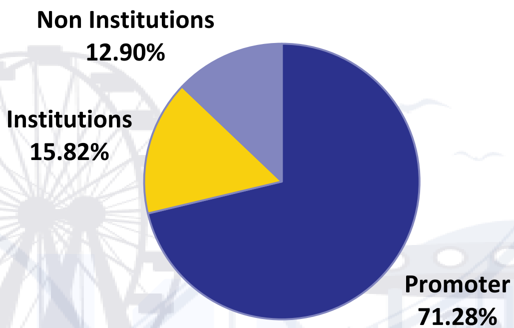
COMPANY OVERVIEW – SHAREHOLDING STRUCTURE

Share Price Performance



Market Data	25th January 2019
Market capitalization (Rs Mn)	15,992
Price (Rs.)	285
No. of shares outstanding (Mn)	56.5
Face Value (Rs.)	10
52 week High-Low (Rs.)	408.9 - 258.7

% Shareholding – December 2018



Key Institutional Investors – December 2018	% Holding
Steinberg India Emerging Opp. Fund Limited	2.83%
Svenska Hendelsbanken	2.22%
UTI Long Term Equity Fund	2..01%
Valuequest India Moat Fund Limited	2.00%
HDFC Capital Builder Value Fund	1.15%

Source: BSE

COMPANY OVERVIEW – BOARD OF DIRECTORS & MANAGEMENT TEAM

KOCHOUSEPH CHITTILAPPILLY
PROMOTER AND
EXECUTIVE VICE CHAIRMAN

- 18 yrs in the industry
- Founded V-Guard Industries Ltd., a publicly listed company since 2008 and is currently its Chairman
- Post Graduate Degree in Physics

ARUN KOCHOUSEPH CHITTILAPPILLY
PROMOTER AND
NON EXECUTIVE DIRECTOR

- 13+ yrs in the industry
- Holds a masters degree in industrial engineering
- Actively involved in day-to-day operations and management of Wonderla since 2003

GEORGE JOSEPH
JOINT MANAGING DIRECTOR

- 38+ yrs of total work experience
- Director in Muthoot Finance Ltd.

GOPAL SRINIVASAN
INDEPENDENT DIRECTOR

- 25+ yrs of work experience
- Chairman of TVS Capital Funds & Independent Director in TVS & Sons Limited.

PRIYA SARAH CHEERAN JOSEPH
EXECUTIVE DIRECTOR

- 13+ yrs in the Industry
- Involved in F&B Operations and HR department of Wonderla since 2005

R LAKSHMINARAYANAN
INDEPENDENT DIRECTOR

- 10+ yrs of work experience in Retail
- Independent Director in Jyothi Laboratories Limited

M RAMACHANDRAN
CHAIRMAN &
INDEPENDENT DIRECTOR

- 43+ years of work experience
- Served as partner for 20 years with audit firm Deloitte Haskins & Sells LLP
- Member of ICAI & ICSI

SIVADAS M.
PRESIDENT – OPERATIONS

- 27 yrs of experience
- Bachelor's Degree in Physics

JACOB KURUVILA
CHIEF FINANCIAL OFFICER (CFO)

- Previously CFO of V-Guard Industries for 7 years
- Won Best CFO- Asia(ex Japan) in 2017
- Fellow Member of Institute of Chartered Accountants of India

MAHESH M.B.
AVP – COMMERCIAL

- 21 yrs of experience
- MBA in International Business

AJIKRISHNAN A. G.
VP – PROJECTS

- 18 yrs of experience
- B.E, MBA

COMPANY OVERVIEW – UNDERSTANDING THE WONDERLA ADVANTAGE

KEY CONCERNS ON SCALABILITY	WONDERLA ADVANTAGE
HIGHLY CAPITAL INTENSIVE BUSINESS	• In-House Design Capability for the Amusement Park • In-House Ride Manufacturing Facility in Kochi • Manufactured / constructed 42 rides / attractions in-house • Typical Capex for a New Park is ~Rs 2,500 mn – Rs 3,500 mn including Land cost
AFFORDABILITY – TICKET PRICES ARE HIGH	• Typical Target Audience is the Middle class which can spend Rs 4,000-5,000 per trip for a Family • All three Parks have Land as well as Water rides under the same Ticket • Average ticket prices in the range of Rs 800 – Rs 1200
LAND AVAILABILITY, LOCATION & CONNECTIVITY	• All three Operational Parks have large Land Parcels and have good connectivity (Within 15-25 km from the city) • Parks witness audiences from neighbouring states like Tamil Nadu and Kerala

COMPANY OVERVIEW – SUSTAINABLE COMPETITIVE ADVANTAGES

OVER A DECADE OF OPERATIONAL EXPERIENCE AND BRAND EQUITY

- 18+ yrs of successful operations of the parks has built significant brand equity
- Mr. Kochouseph and Mr. Arun have over 18 yrs and 13+ yrs of experience respectively in amusement park industry
- Won several awards, including 'best tourism destination' and 'highest number and variety of innovative rides'

PROXIMITY TO CITY WITH AMPLE LAND AVAILABLE FOR FUTURE DEVELOPMENT

- Owns 93.17 acres in Kochi, 81.75 acres in Bangalore and 49.50 acres in Hyderabad, within which further expansion of existing parks can be undertaken
- All the three parks - Kochi, Bangalore and Hyderabad - are situated in the proximity of the main city.

IN-HOUSE MANUFACTURING FACILITY AT WONDERLA KOCHI

- Benefits from certain cost efficiencies and improves maintenance efficiency of rides
- Enables customisation and modification of rides purchased
- Manufactured / constructed 42 rides / attractions in-house

STRONG CUSTOMER INSIGHTS - CONSTANTLY INNOVATING NEW ATTRACTIONS

- In-depth understanding of customer preference and needs helps while conceptualising new rides
- Won the IAAPI excellence award for the highest number and variety of innovative rides four times

COMPANY OVERVIEW – FUTURE GROWTH STRATEGY

SCALABILITY – EXPANSION THROUGH SETTING NEW AMUSEMENT PARKS	• Currently in process of acquiring land in Chennai as well as identifying potential opportunities for setting up new parks in other key geographies
FOCUS ON IMPROVISING EXISTING PARKS TO IMPROVE FOOTFALLS	• Evaluate customer preferences to innovate attractions based on popular concepts • Develop the undeveloped land at existing parks to increase operational capacity
ENHANCED VISITOR EXPERIENCE THROUGH PARKS INTEGRATED WITH RESORTS	• Wonderla Resort enables visitors to stay longer at the park and increases spend per head • Enhance visitor experience at other parks by integrating them with resorts
EXPAND IN-HOUSE RIDE DESIGN AND MANUFACTURING CAPABILITIES	• Introduce new rides and attractions based on customer preferences and research done by visiting parks in other parts of the world • Continue to invest in new manufacturing facilities at upcoming parks
EXPAND REVENUE STREAMS AND INNOVATING MARKETING INITIATIVES TO SUPPLEMENT INCOME FROM ENTRY FEES	• Bolster revenues from entry tickets by offering value-added services • Introduce character and theme based attractions and promote this through marketing initiatives , ad campaigns using media as well as tour operators

Wonderla parks in Bangalore, Kochi and Hyderabad were ranked at #2, #3 and #8 in India by Tripadvisor

Wonderla Bangalore ranked 7th Best and Wonderla Kochi ranked 11th Best in Asia.

THANK YOU

FOR FURTHER QUERIES -

WONDERLA

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