ADLABS Entertainment Limited

May 24, 2016

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

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

imagica

badi interesting jagah hai

Adlabs Entertainment Limited

Investor Presentation - May 2016

Safe Harbour

This presentation and the accompanying slides (the "Presentation"), which have been prepared by Adlabs Entertainment Limited (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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

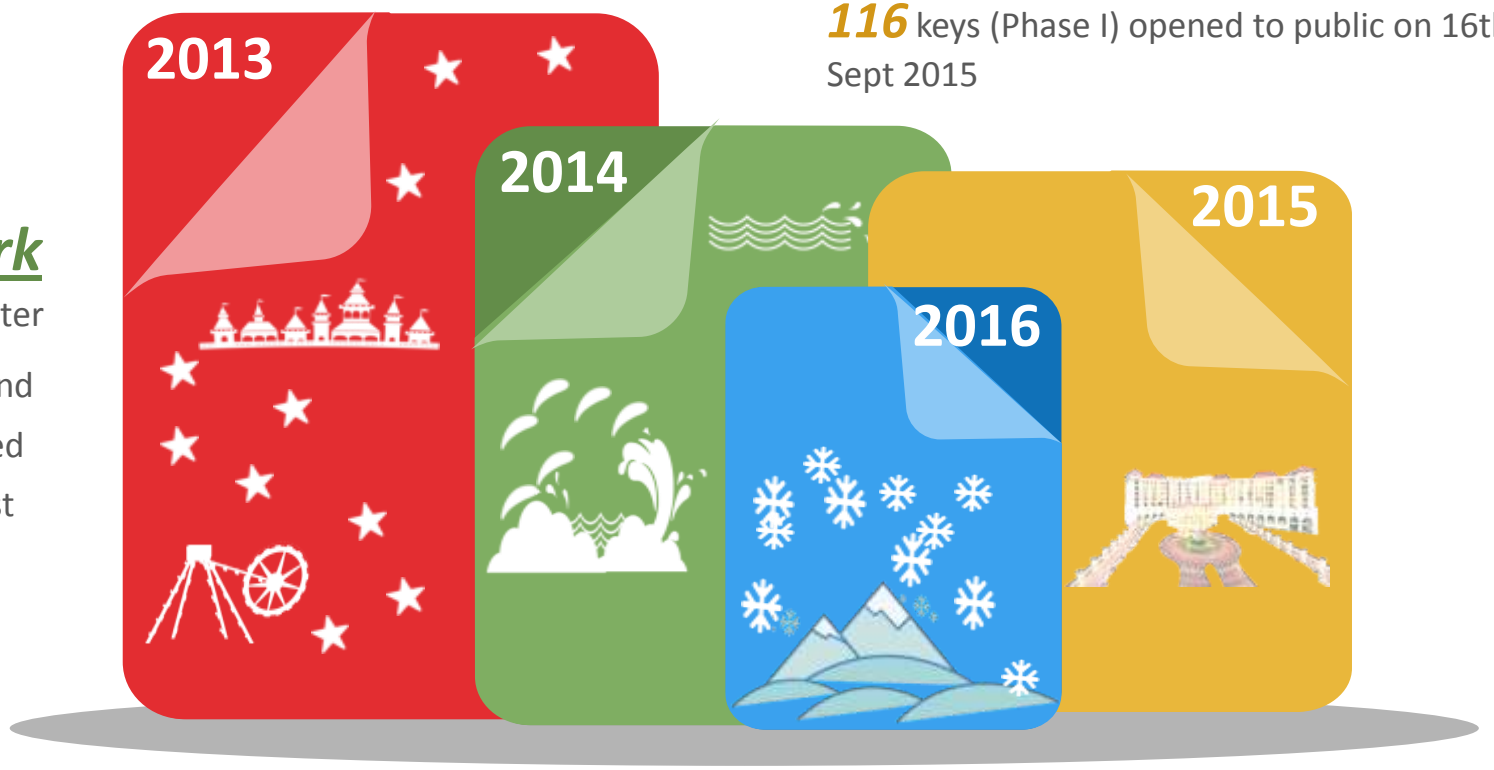
2015: Novotel Imagica

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...

…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

Global Scale

- 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

International Quality

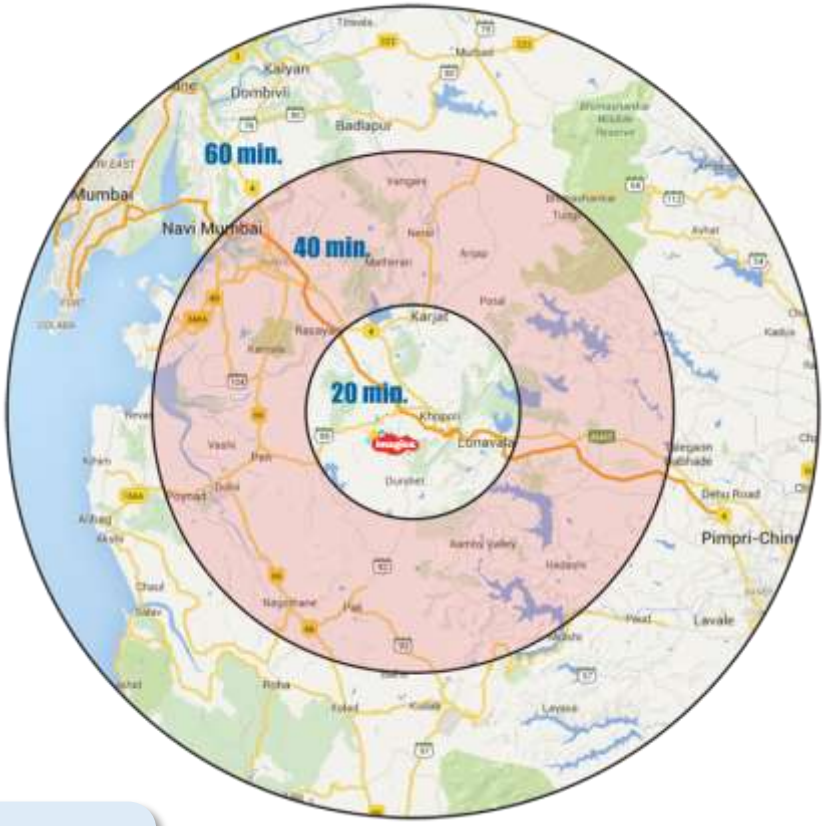
- Themed rides customized to Indian sensibilities designed and supplied by international vendors
- "Nitro" – largest roller coaster in India

World class design & safety

- 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

…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



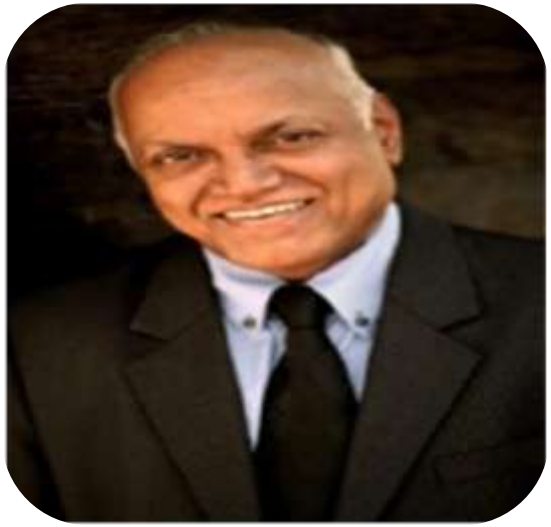
- Located on the Mumbai Pune Expressway
- 1-2 hours drive from Mumbai and from Pune
- Pick up and drop off service from designated locations in Mumbai and Pune

- 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*

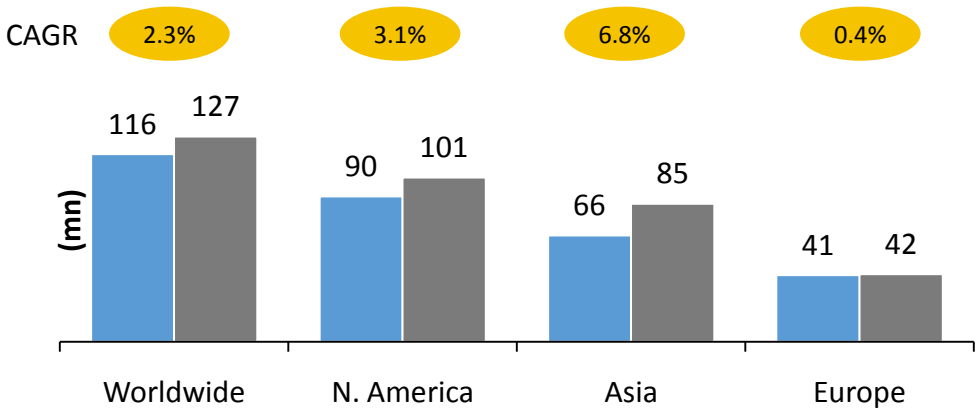
An International Theme Destination in India

Integrated Theme Park Destination
An exciting opportunity for India

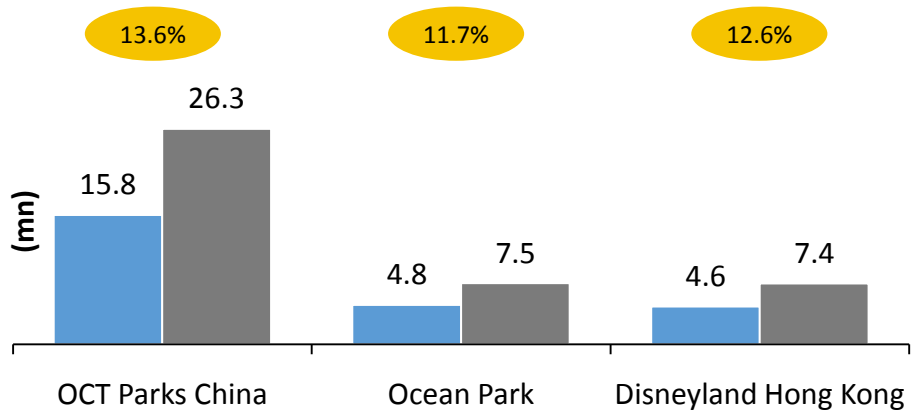
- Quality **Theme Parks across globe** have witnessed high footfalls and secular growth
- India lacks a High End family Entertainment Destination, Adlabs Imagica is a first and only such destination
- Burgeoning Indian middle class provide Favourable macroeconomic and demographic dynamics

Theme Parks – Secular Growth Story

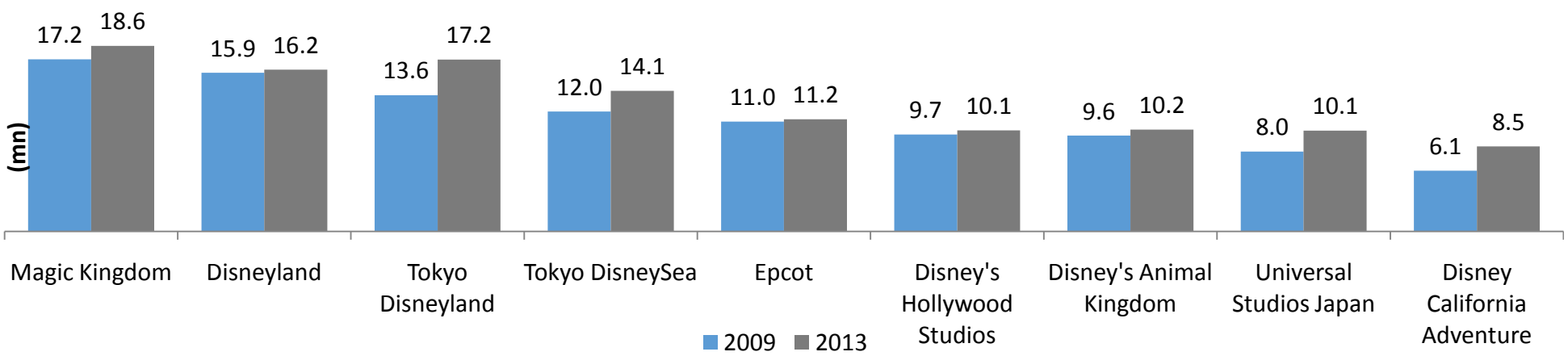
Regional attendance (top 10 parks)



Attendance at select Asian parks



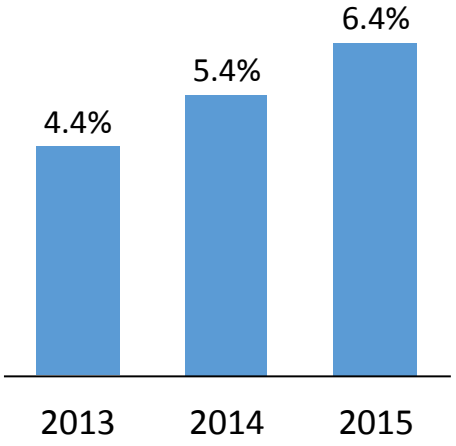
Attendance at select global theme parks



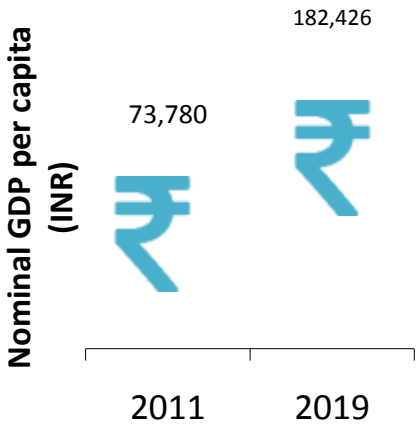
Large format parks have visitors in excess of 8-9 million per annum

Favourable macroeconomic and demographic dynamics in Indiaa

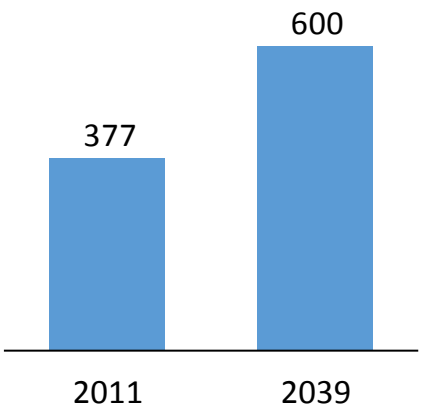
Robust GDP growth



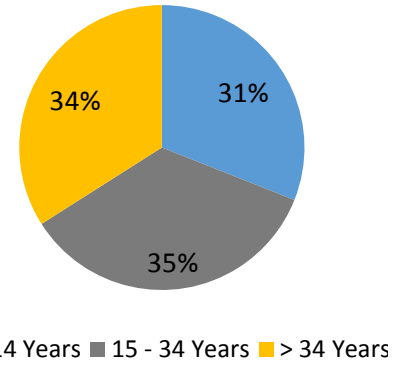
Rising per capita incomes



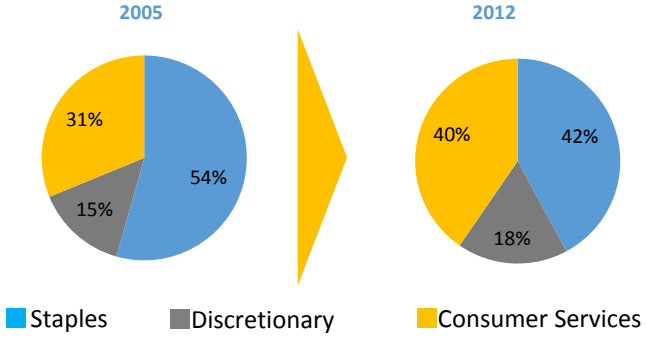
Increasing urbanisation



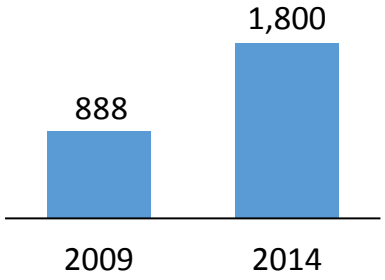
Young population



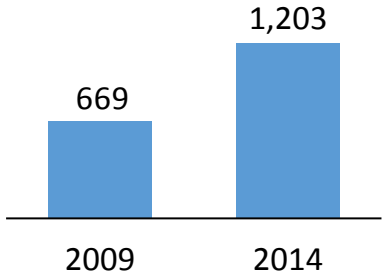
Growing consumerism – share of spending



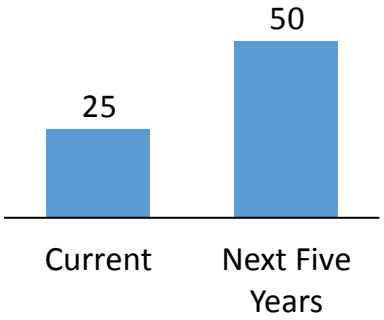
No of multiplex screens



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

Growth Drivers

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

01 "Pull" strategy

- Targeted marketing with family entertainment as the key theme
- Hoardings, local TV channels, print media, radio
- Extensive use of social media for digital marketing and sales

02 "Push" strategy

- Scaling up sales & distribution network with FOS
- Expanding B2B & Channel network
- School offerings
- Corporate & MICE
- Group tours

03 Innovative sales strategies

- Building a strong transportation ecosystem to cater to all segments
- Creating special properties
- Grand Imagica Parade
- Go with the flow Weekender

04 Online sales

- Meaningful ticket sales online
- Tie-ups with online ticket booking sites
- Convenient payment options

05 Hotel

- Positioning as a multi-day destination
- Destination wedding
- Venue for birthdays, MICE

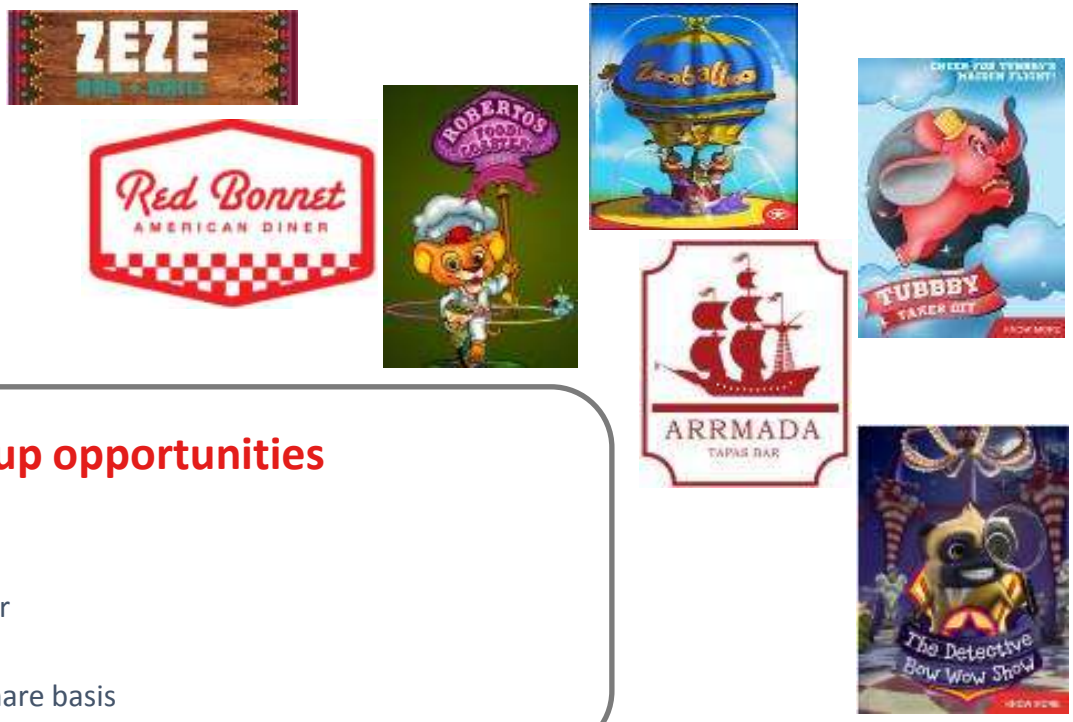
Avenues to enhance non-ticketing revenues

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

Sponsorships and alliances

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



Tie-up opportunities

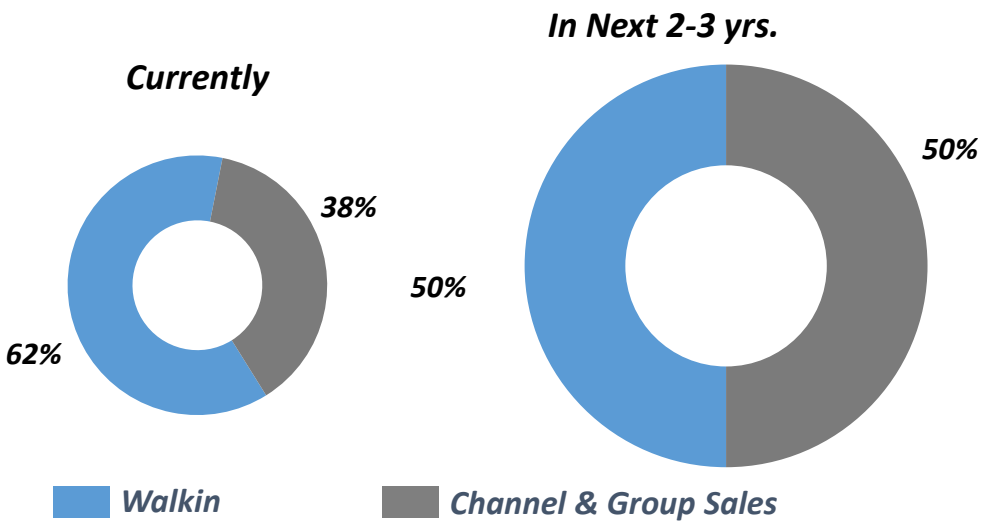
- Snow Park
- Adventure-course tower
- Tie-ups on a revenue share basis

Merchandise and Intellectual property

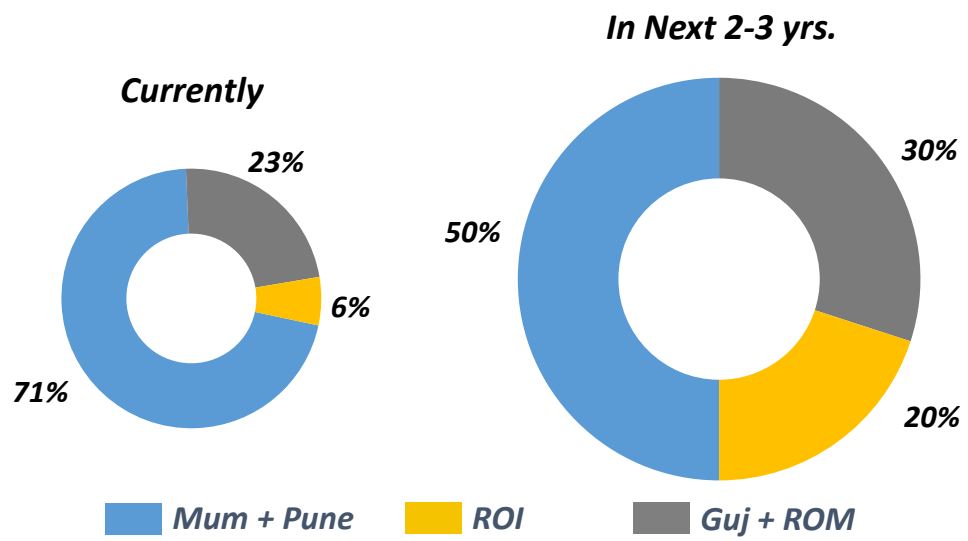
- Licensing park characters
- Out of park sales on Imagica stores, website and other online portals
- Expanding product portfolio

Growth Strategies

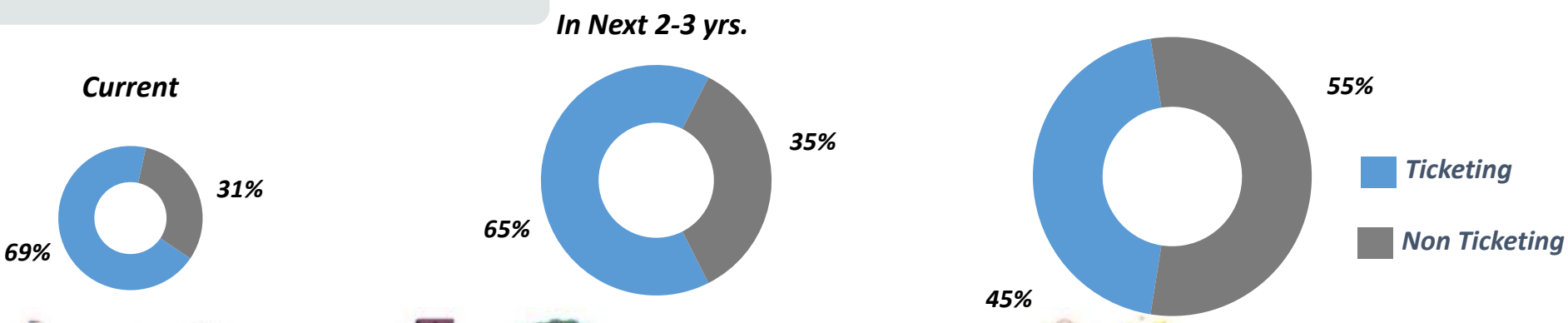
Walkin V/s Channel & Group Sales



Catchment Area



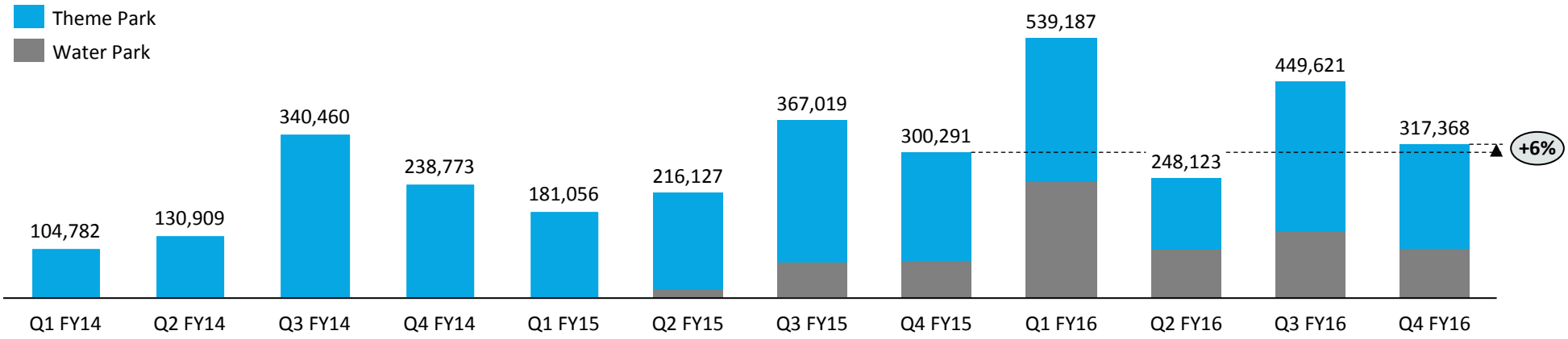
Ticketing & Non-Ticketing*



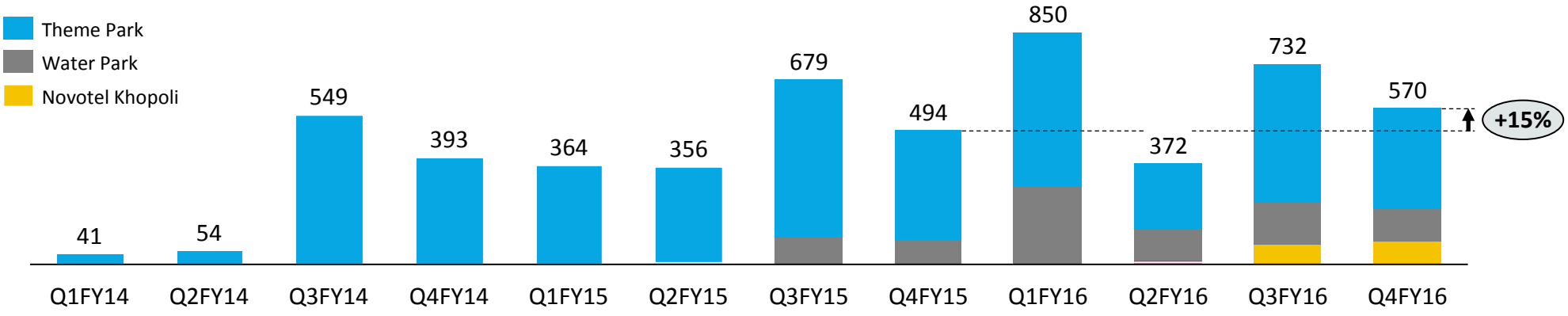
* Excl. Hotel

Growing Footfalls and Revenue

Total Number of Guests

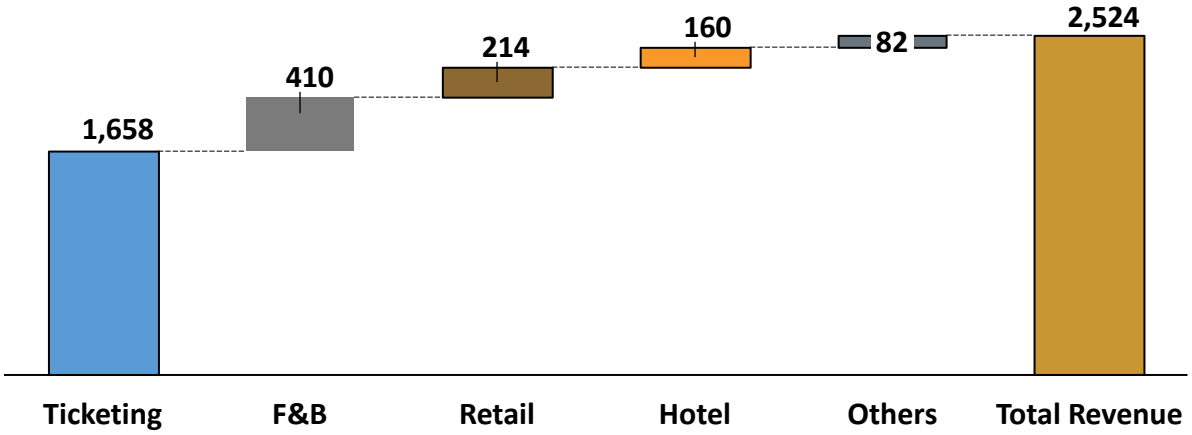


Total Revenue (in mn)

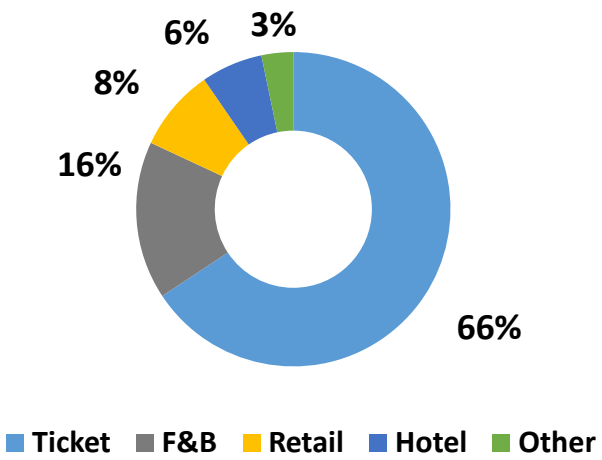


Revenue Break-up

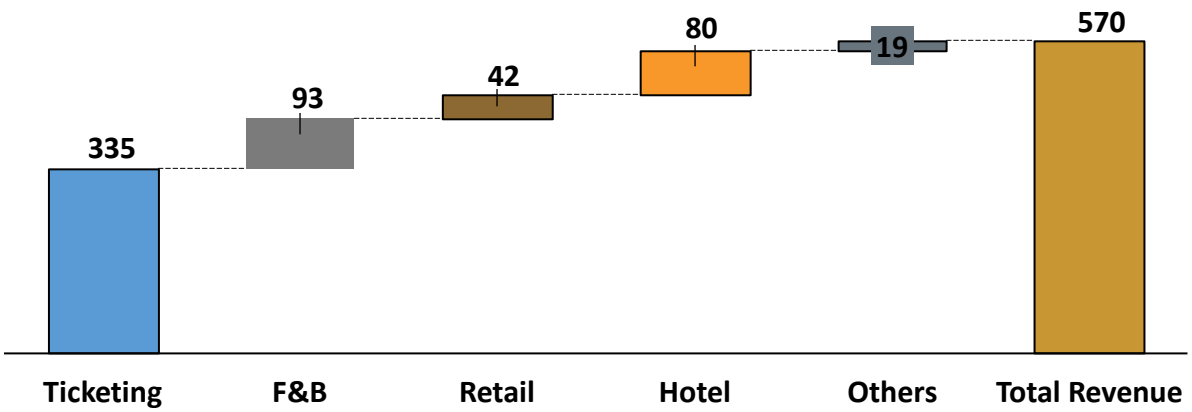
FY16 Revenue Build-up (Rs. mn)



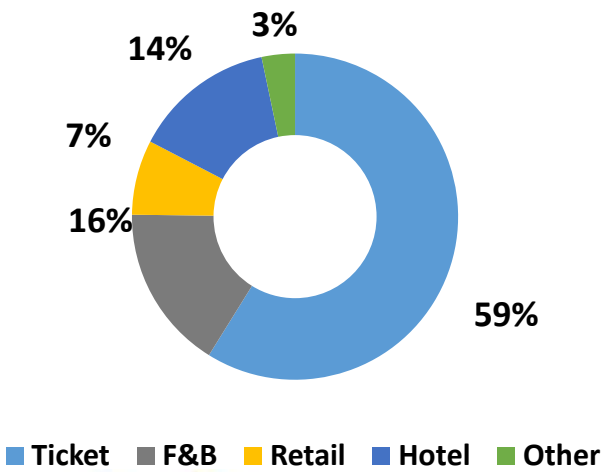
FY16 Revenue Break-up



Q4 FY16 Revenue Build-up (Rs. mn)



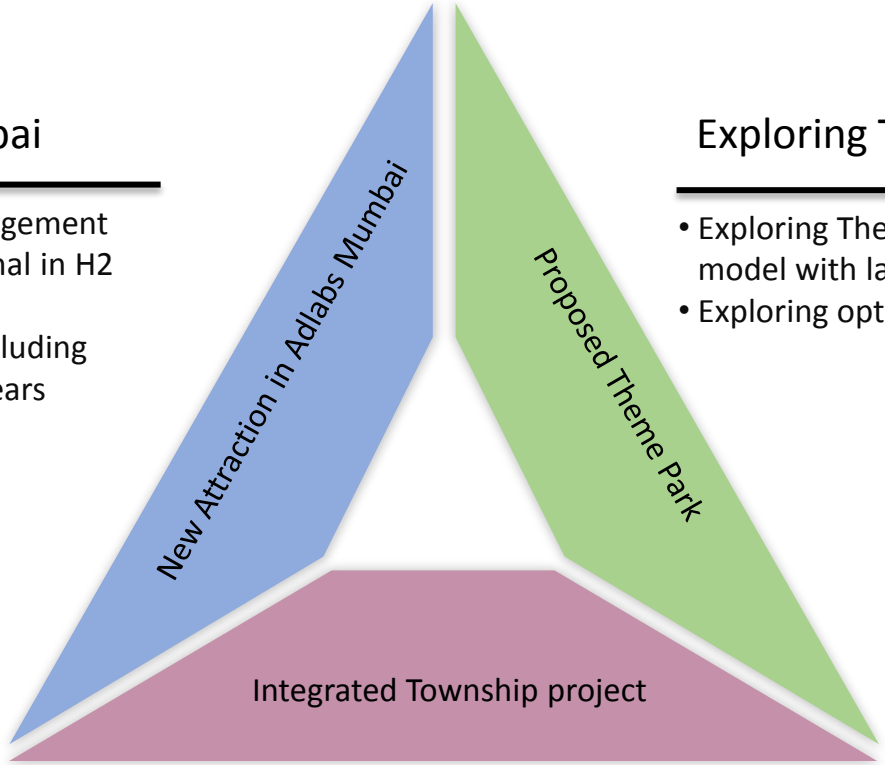
Q4 FY16 Revenue Break-up



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



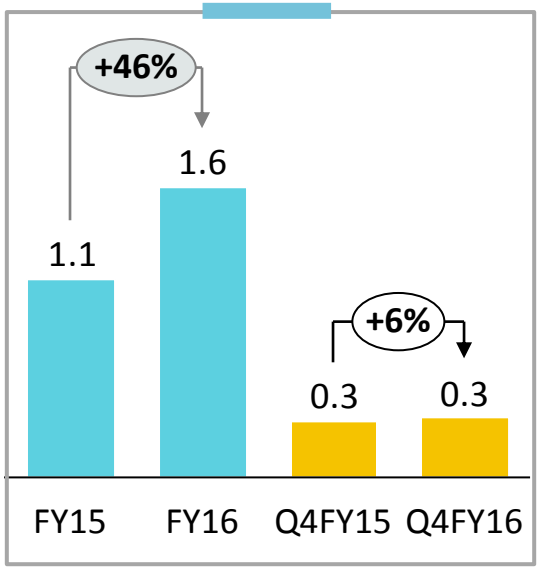
Exploring Theme Parks

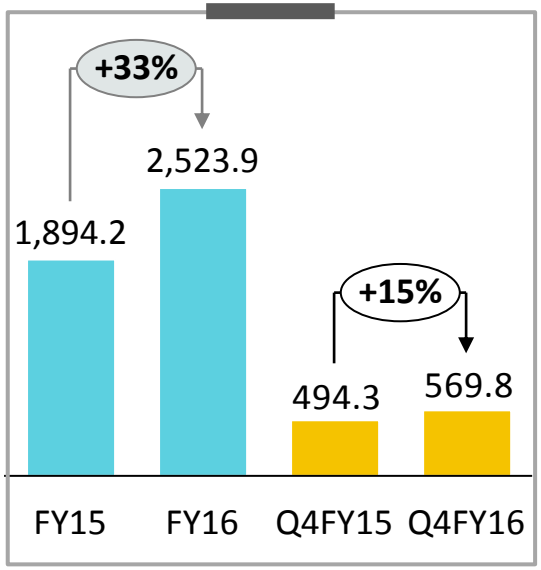
- Exploring Theme park project through a JV model with land owners in Hyderabad
- Exploring options in Delhi /NCR

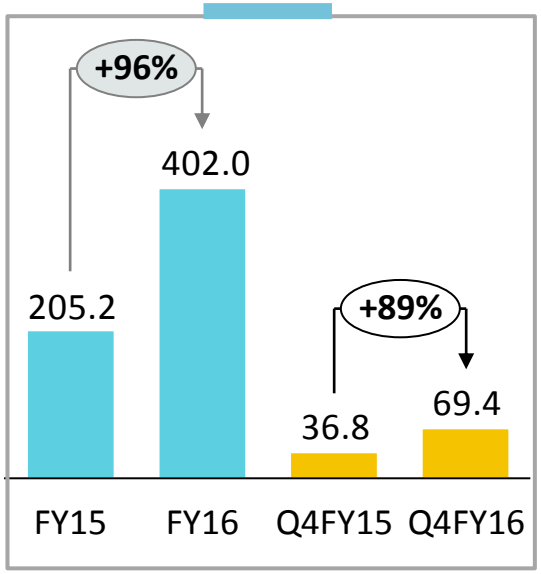
Monetization of Real Estate - Khapoli

- 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







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 mln+ 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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