

# Adlabs Entertainment Ltd.

Investor Presentation – February 2016



# Safe Harbour



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# First and Only Global Scale Theme Destination in India



## Theme Park – Adlabs Imagica

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



## Water Park – Aquamagica

- A Mykonos theme based water park with 14 water slides and wave pools
- Estimated daily capacity of 5,450 guest



## Family Hotel - Novotel

- 287 keys family hotel to be managed under the name "Novotel Imagica Khopoli"
- 116 keys (Phase I) opened to public on 16th September 2015



Integrated One-Stop Family Entertainment Destination

# 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

- 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

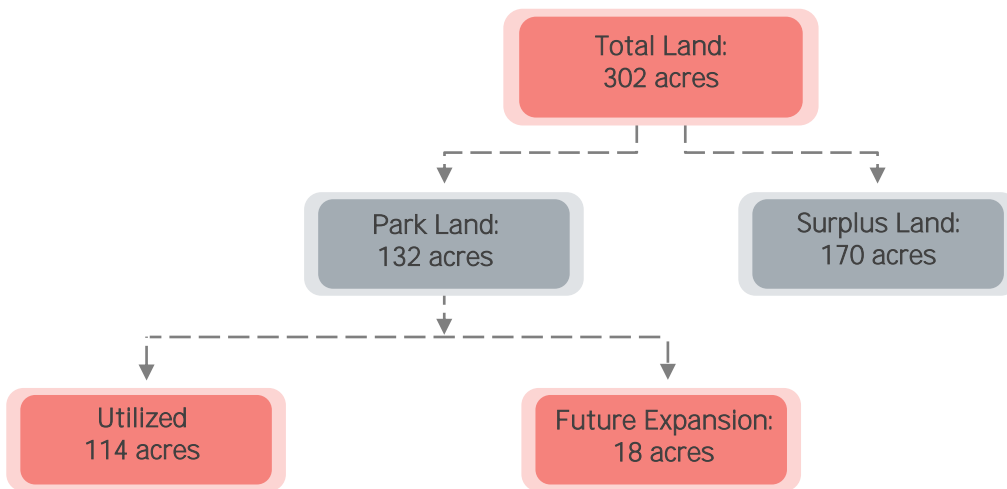
International  
Quality

- 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

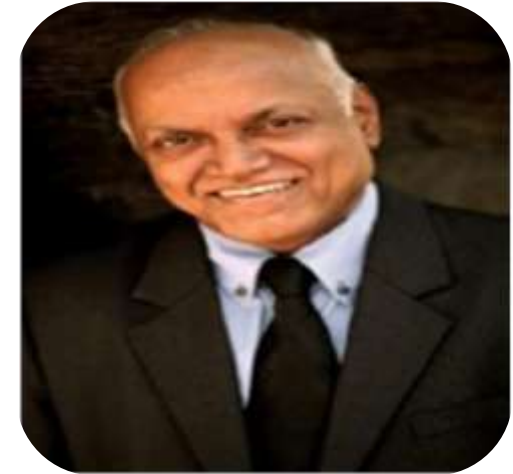
# ...Evolving into India's First Holiday Destination...



- ✓ Till date India has only experienced small and large Amusement Parks
- ✓ Theme Park have a Central Idea, with a unique setting or idea or rides with specific themes
- ✓ Our park to evolve as Holiday Destination for Indians
- ✓ Industry growing at 20-25% in past 4-5 years
- ✓ Early Mover Advantage

# ...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...



Kapil Bagla  
CEO & Director

- Over two decades of experience
- Prior experience with Adlabs Films, Centrum Capital, Apple Industries and Larsen & Toubro
- Holds a bachelor's degree in Mechanical Engineering and a master's degree in Management Studies



Harjeet Chhabra  
CMO

- Over a decade of experience in the marketing domain
- Has worked in consumer electronics, media and entertainment industry
- Leadership marketing role experience with Worldwide Media, TV channel Sab TV
- Holds a PG diploma in business management from IPM Lucknow



Rakesh Khurmi  
CFO

- Over two decades of experience
- Prior experience as the CFO of Tikona Digital Networks
- Has held leadership positions at Bharti Airtel & Reliance Infocom
- Holds an MBA and is also a Cost Accountant



Col. Ashutosh  
Kale  
VP Operations

- Over two decades of experience in the safety and security largely serving the Indian Army
- He has worked with Go Air as a General Manager - Security.
- He has been awarded by United Nations for his mission in Ethiopia and Eritrea
- Holds a master's degree of Science in Defence and Strategic Studies from University of Madras

# ...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
- Kotak Mahindra Bank Ltd.
- HDFC Standard Life
- Reliance Mutual Fund
- Bajaj Allianz Life Insurance
- Sundaram Mutual Fund
- Kotal Mahindra Insurance Ltd.

\* As on December 31, 2015

# An International Theme Destination in India

ALL ADVENTURES NEED  
A BASE CAMP.

The thrilling 5 STAR getaway.

NOVOTEL  
HOTELS  
IMAGICA

ADLABS  
IMAGICA!

Adlabs  
Aqua  
magica  
Water Park!



# Imagica – The Theme Park

## International Concept & Design

An all weather park designed by Peter Smulders, CEO of Attractions International, an internationally renowned theme parks designer



## Rides & Attractions

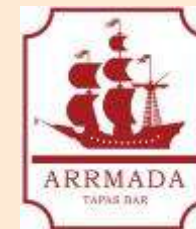
25 rides and attractions developed in line with leading theme parks globally to appeal to Indian culture and sensibilities of all age group



## Food & Beverages and Retail Merchandise

5 themed restaurants provides creative menu offerings that appeal to diverse guest base

6 retail stores selling 'Imagica' branded merchandise





# Aquamagica – The Water Park

## International Concept & Design

An all weather park water park modelled on a Mykonos theme

Designed on a raised area above theme park to provide panoramic views of theme park



## Rides & Attractions

14 kinds of water slides and wave pools and other water-based entertainment



## Food & Beverages and Retail Merchandise

Primarily designed as 'grab and go' options

3 retail stores selling Aquamagica branded swimwear, towels, caps, floats etc



# Novotel Imagica Khopoli - the First Theme Park Hotel in India



## Positioning

Family hotel will help us position Adlabs Mumbai as one-stop a destination for entertainment, corporate meetings, off-sites and other events



## Facilities

Apart from being in close proximity, the Hotel would also have Banquet Halls, Conference Rooms, Specialty Restaurants, a Gourmet Bar and Recreation Areas



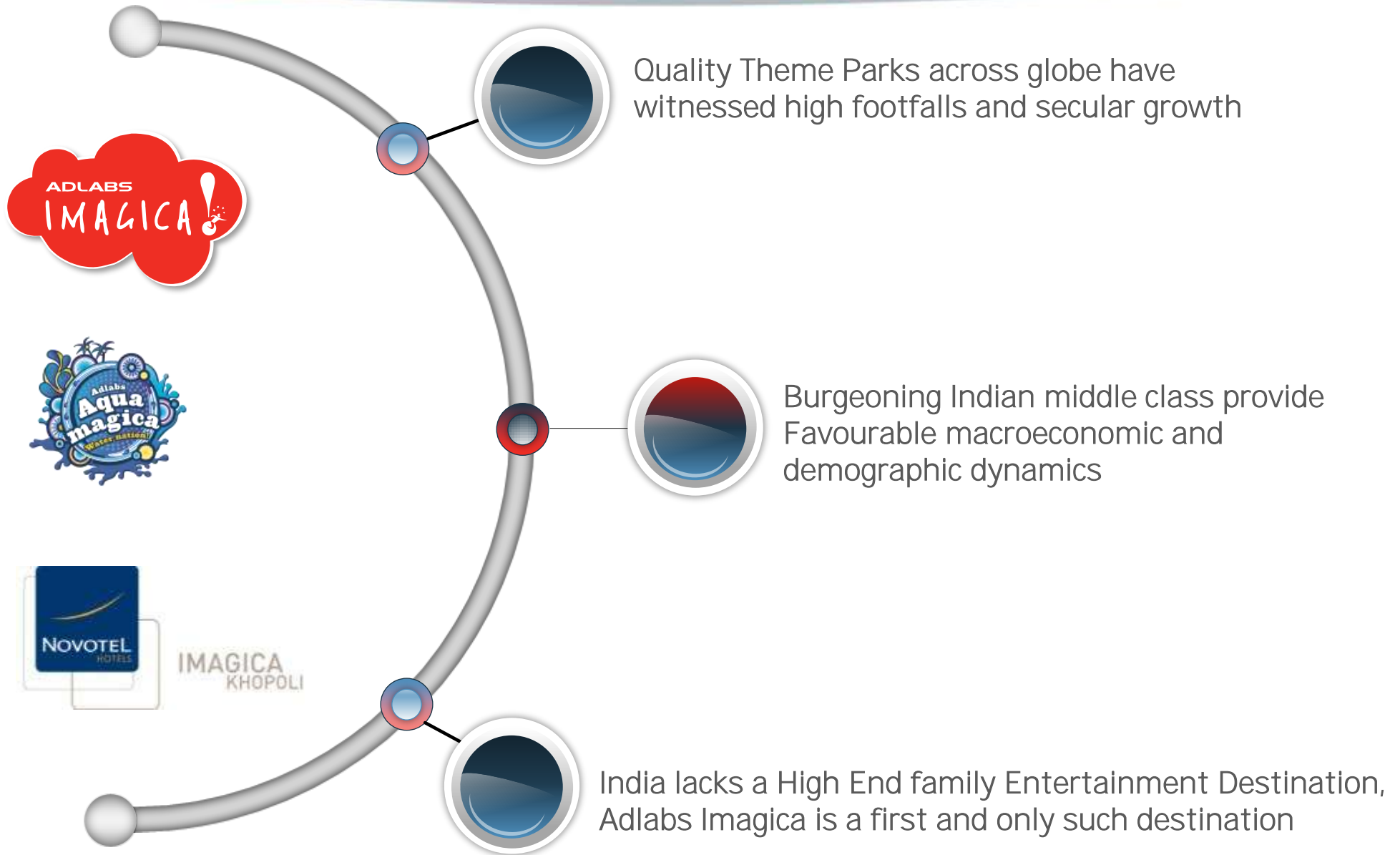
## Operations

To be managed under the name "Novotel Imagica Khopoli" by Accor Group Company



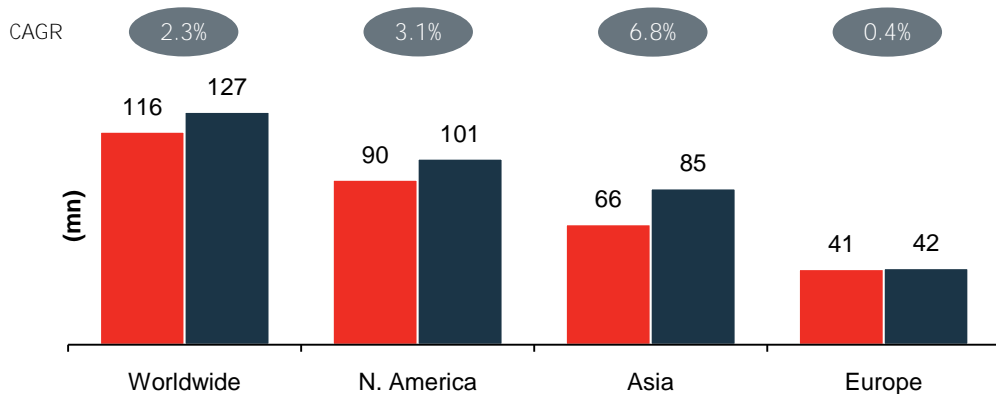
# Integrated Theme Park Destination

## An exciting opportunity for India

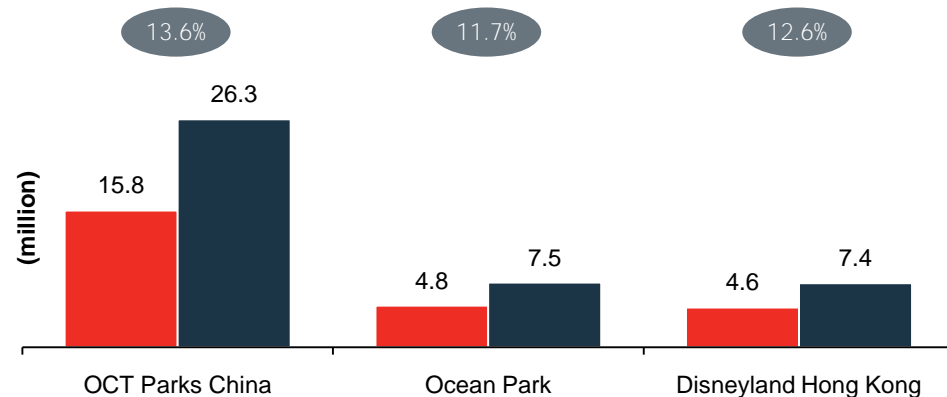


# Theme Parks – Secular Growth Story

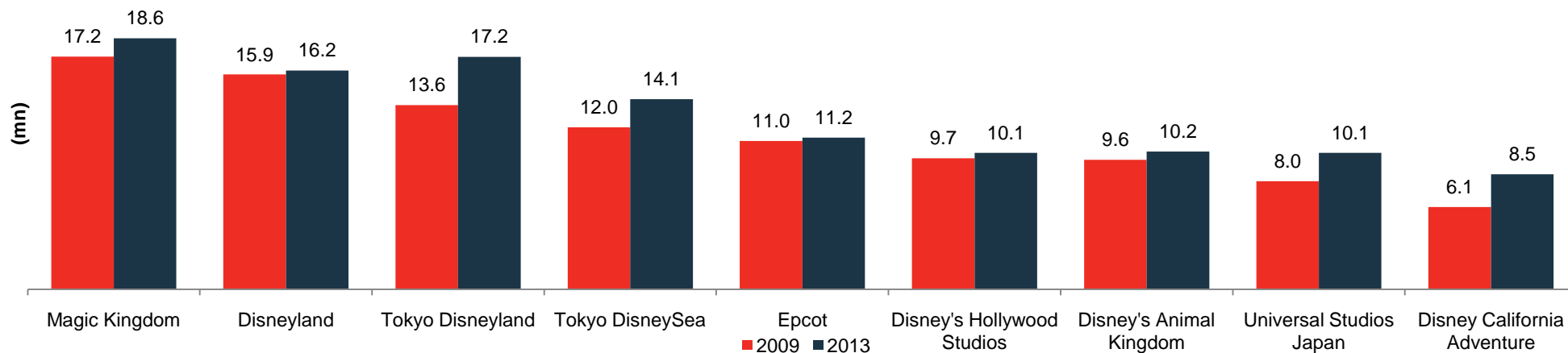
Regional attendance (top 10 parks)



Attendance at select Asian parks



Attendance at select global theme parks



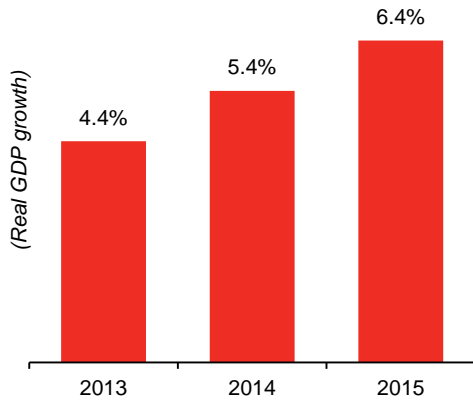
Large format parks have visitors in excess of 8-9 million per annum



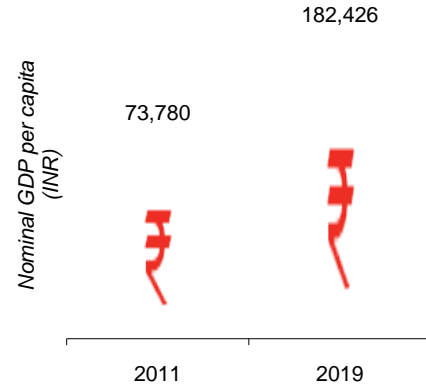
# Favourable macroeconomic and demographic dynamics in India



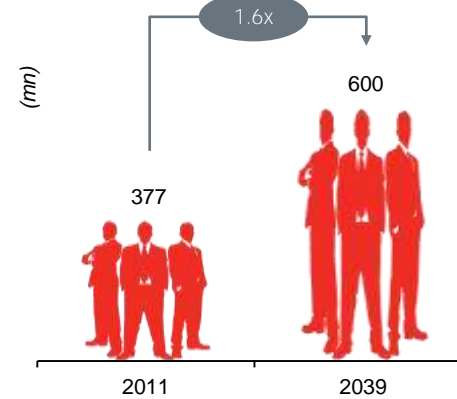
Robust GDP growth



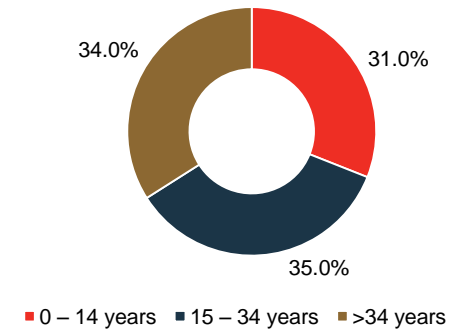
Rising per capita incomes



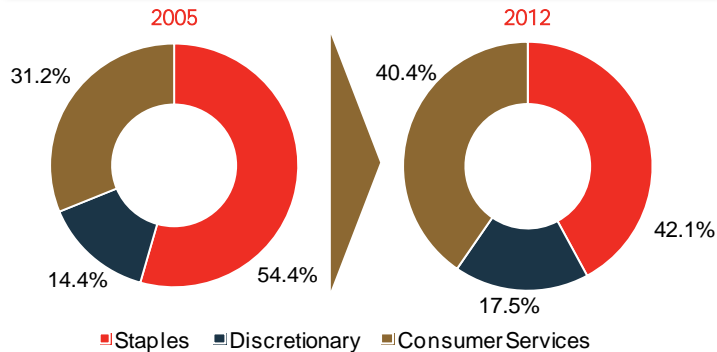
Increasing urbanisation



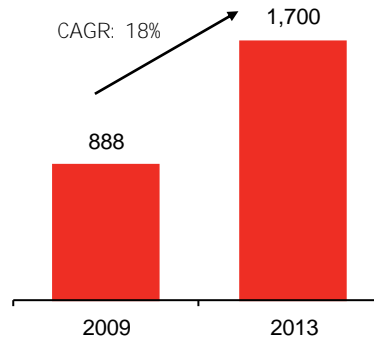
Young population



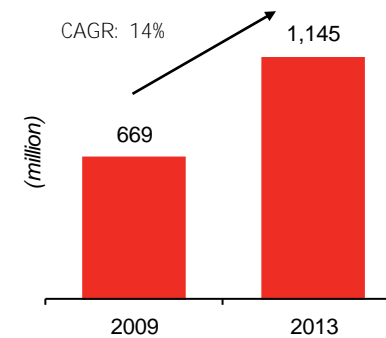
Growing consumerism – share of spending



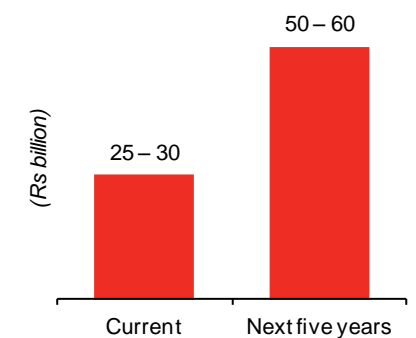
No of multiplex screens



Rise in domestic tourism



Indian parks industry size



# 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

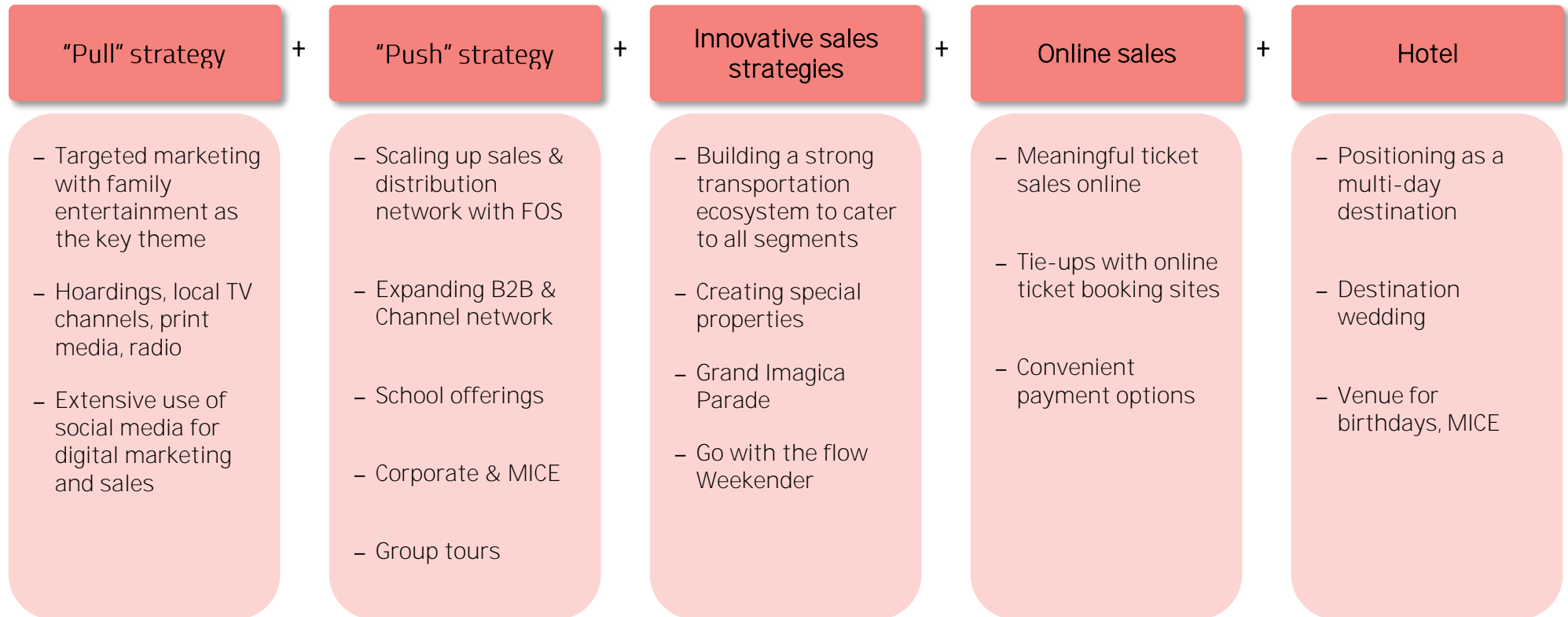
### New Attractions

- 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

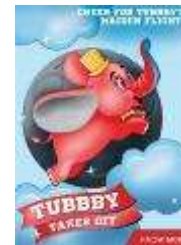
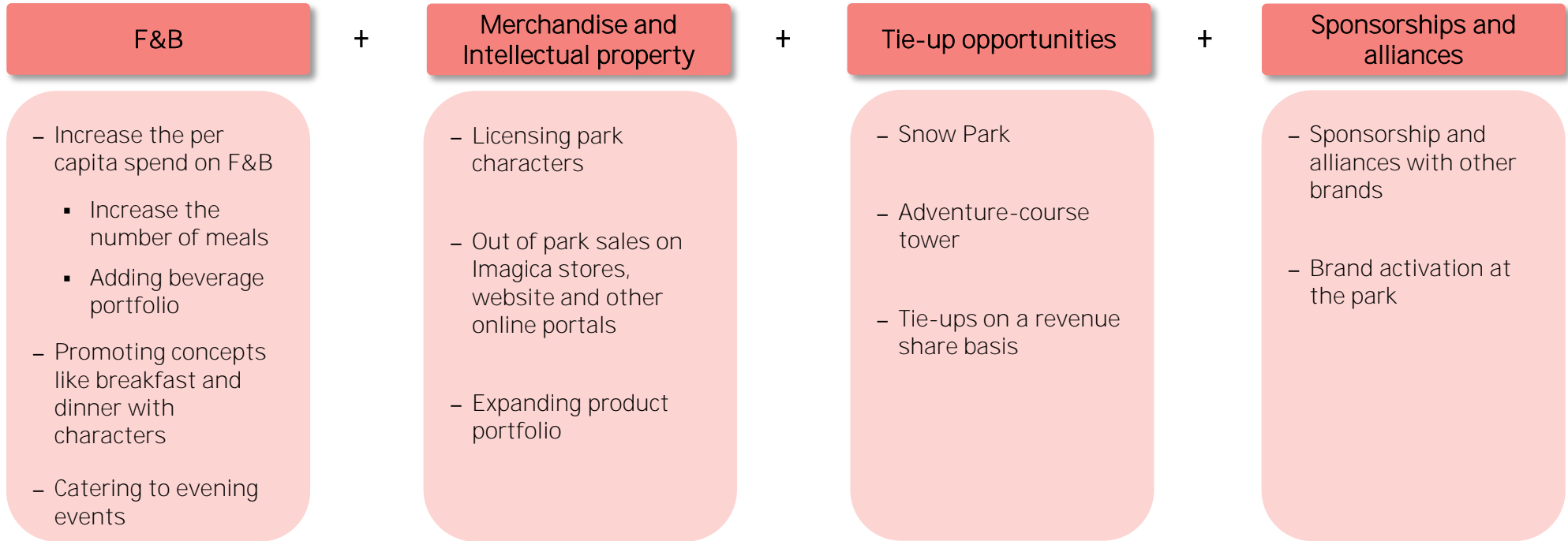
Intend to set up integrated holiday destinations in other locations in India, either through parks owned and operated by us or through a partnership or a franchise model

# Multi pronged approach to increase visitors



Moving towards an integrated holiday destination pan India

# Avenues to enhance non-ticketing revenues

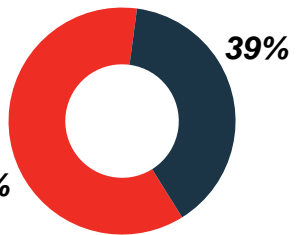


Significant opportunity to increase non-ticketing revenue

# Growth Strategies

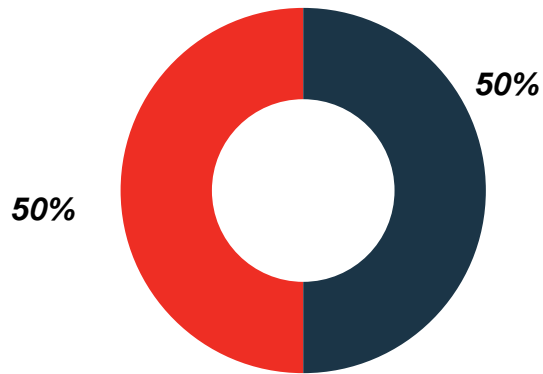
## Walkin V/s Channel & Group Sales

Currently



Walkin

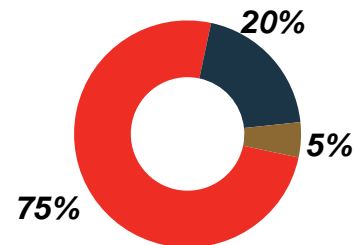
In Next 2-3 yrs.



Channel & Group Sales

## Catchment Area

Currently

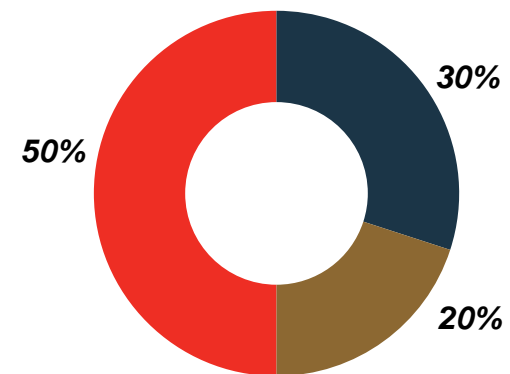


Mum + Pun

ROI

Guj + ROM

In Next 2-3 yrs.



## Ticketing & Non-Ticketing

Current



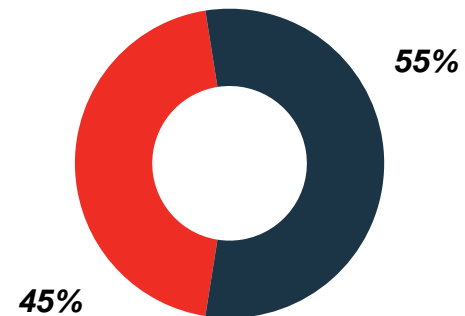
In Next 2-3 yrs.



Ticketing

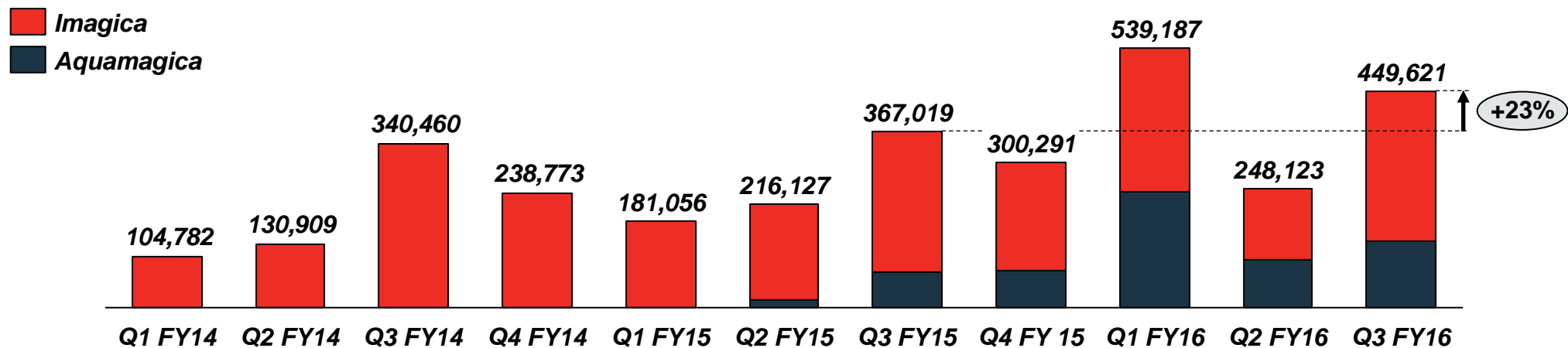
Non Ticketing

International

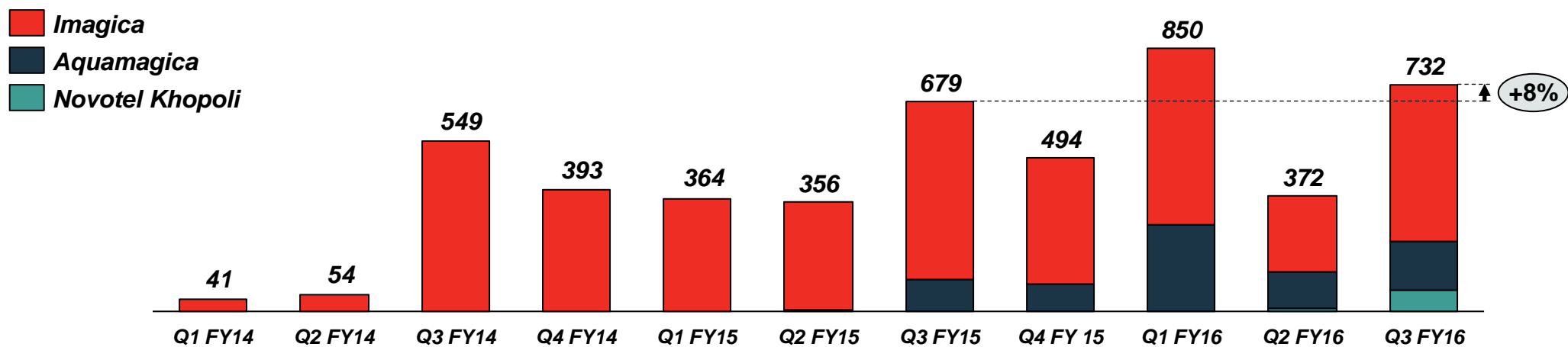


# Growing Footfalls & Revenue

Total No. Of Guests (nos.)

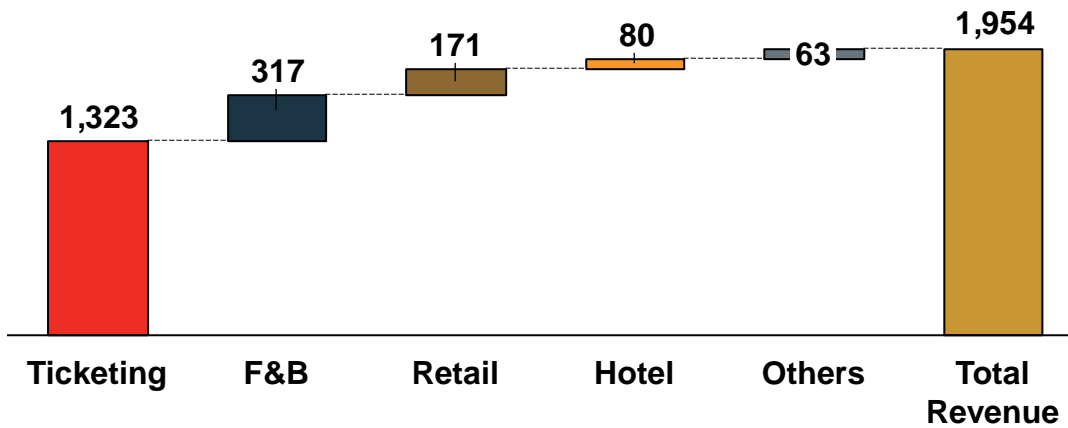


Total Revenue (in mn)

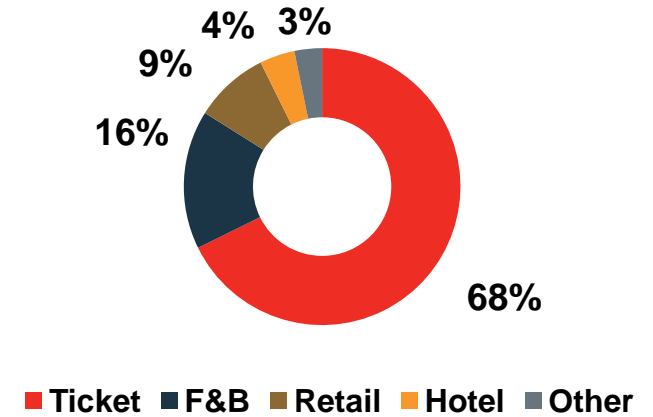


# Revenue Break-up

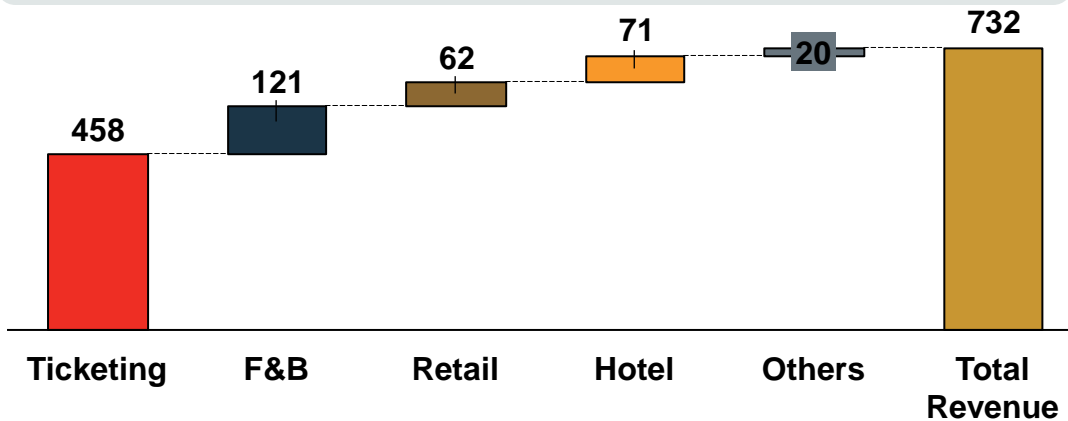
9m FY16 Revenue Build-up (Rs. mn)



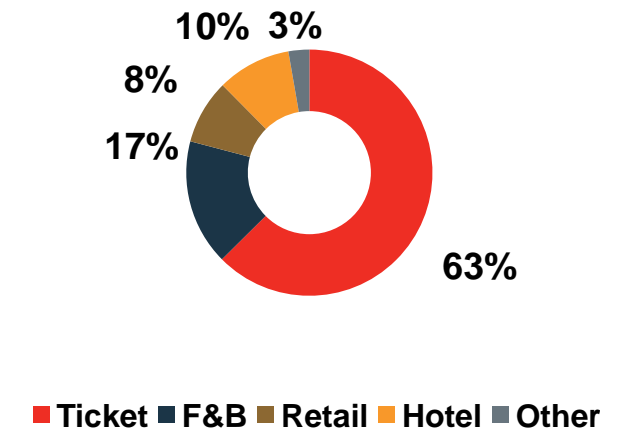
9m FY16 Revenue Break-up



Q3 FY16 Revenue Build-up (Rs. mn)



Q3 FY16 Revenue Break-up



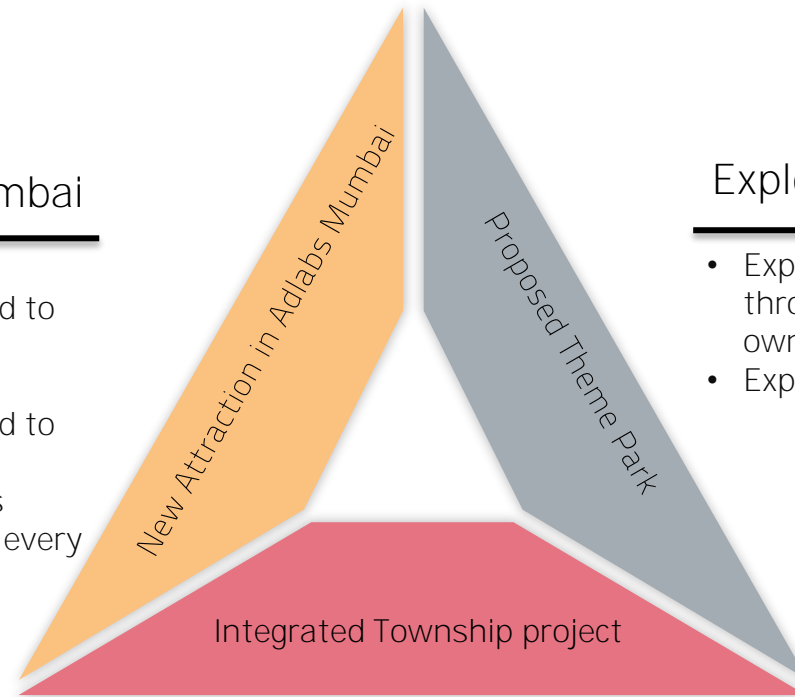


# Medium Term Strategies



## New Attraction at Adlabs Mumbai

- Snow Park – (Revenue sharing arrangement with no Capex). Expected to be operational by Q4 FY16.
- 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

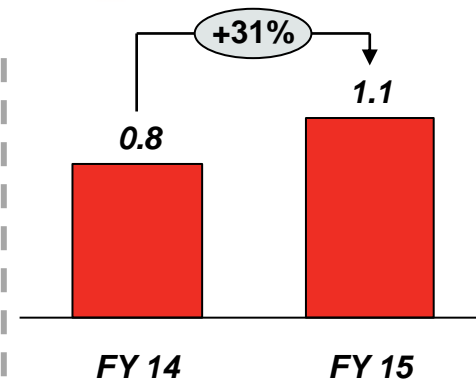
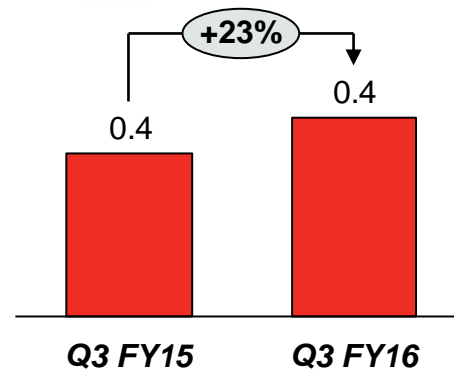
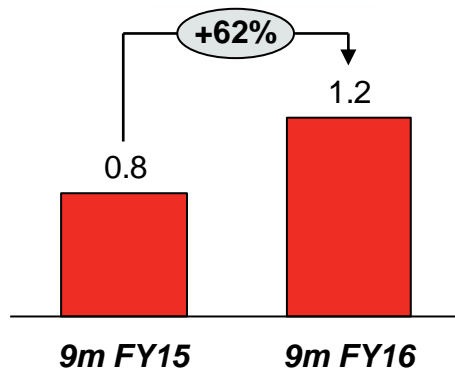
- Exploring Theme park project through a JV model with land owners in Hyderabad
- Exploring options in Delhi /NCR

## Monetization of Real Estate - Khapoli

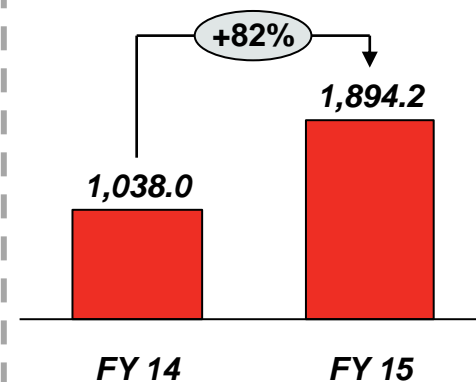
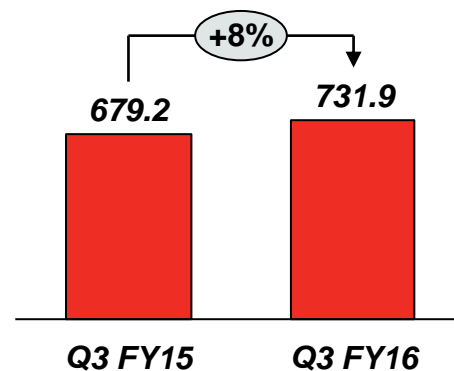
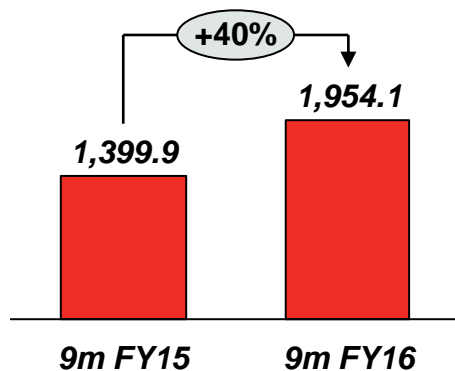
- Development of a township project at Adlabs Mumbai on the 170 acres of surplus land through a wholly owned subsidiary
- Opportunity to generate high cash flow

# Key Financial Highlights

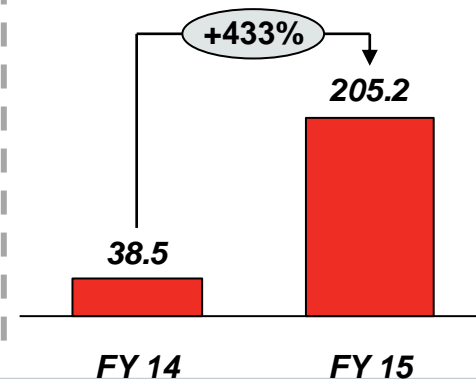
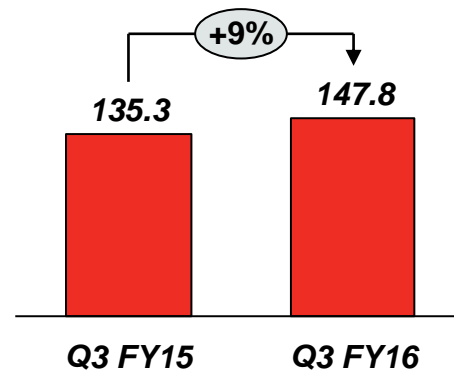
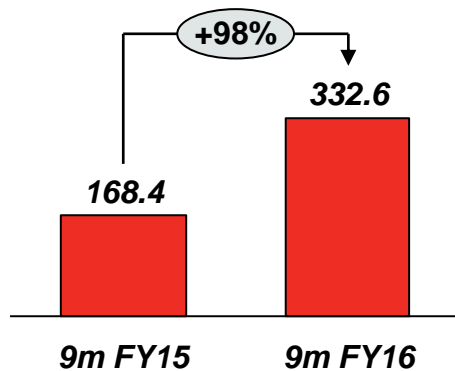
Footfalls (nos. in mn)



Revenues



EBITDA



\*Figures in INR mn

# Highlights



- Achieved a milestone of entertaining 3 million guest since launch
  - Probably the fastest and highest ramp-up of any outdoor destination
- Average occupancy at Novotel Imagica has been ~75% for Q3FY16
  - Average room ARR of Rs. 5,800+
- Highest single day footfall of 14,128 at Imagica in December 2015
- Non-catchment contributes ~30% for Q3 FY16
- YoY Growth for 9m FY16
  - Footfall: 62%
  - Revenue: 40%
  - EBITDA: 98%
- Significant progress on Snow Park, to be opened to public by Q4 FY16

# Profitability Statement – Q3 & YTD

Particulars (Rs. mn)	Q3 FY16	Q3 FY15	9m FY16	9m FY15
Footfall	4,49,621	3,67,019	12,36,931	7,64,202
Revenue	731.9	679.2	1,954.1	1,399.9
Raw Material	77.1	57.4	190.4	114.4
Advertisement, sales and marketing expenses	185.3	161.4	488.6	328.6
Employee benefits expense	140.6	143.9	443.8	348.8
Repairs and Maintenance	33.1	14.3	107.5	46.6
Power, fuel and water	49.7	44.6	126.9	98.5
Other expenses	98.3	122.3	264.2	294.6
<b>EBITDA</b>	<b>147.8</b>	<b>135.3</b>	<b>332.6</b>	<b>168.4</b>
<b>EBITDA Margin</b>	<b>20.2%</b>	<b>19.9%</b>	<b>17.0%</b>	<b>12.0%</b>
Other Income	2.5	4.0	42.6	15.6
Depreciation	237.9	204.5	660.8	572.2
Finance Cost	285.3	298.1	815.5	838.2
<b>Profit Before Tax</b>	<b>(372.9)</b>	<b>(363.3)</b>	<b>(1,101.1)</b>	<b>(1,226.4)</b>
Tax	(121.0)	(139.4)	(353.8)	(466.3)
<b>Profit after Tax</b>	<b>(251.9)</b>	<b>(223.9)</b>	<b>(747.3)</b>	<b>(760.1)</b>
<b>Cash Profit</b>	<b>(14.0)</b>	<b>(19.4)</b>	<b>(86.5)</b>	<b>(187.9)</b>

# Profitability Statement

Particulars (Rs. mn)	FY15	FY14
Footfall	10,64,493	8,14,924
Revenue	1,894.2	1,038.0
Raw Material	161.0	103.1
Advertisement, sales and marketing expenses	447.9	399.1
Employee benefits expense	479.1	200.0
Repairs and Maintenance	70.9	29.0
Power, fuel and water	134.2	54.7
Other expenses	395.8	213.5
<b>EBITDA</b>	<b>205.2</b>	<b>38.5</b>
<b>EBITDA Margin</b>	<b>10.8%</b>	<b>3.7%</b>
Other Income	18.3	32.1
Prior period items	-	3.7
Depreciation	797.5	305.2
Finance Cost	1,145.7	425.3
<b>Profit Before Tax</b>	<b>(1,719.6)</b>	<b>(663.6)</b>
Tax	(648.0)	(136.0)
<b>Profit after Tax</b>	<b>(1,071.6)</b>	<b>(527.6)</b>
<b>Cash Profit</b>	<b>(274.1)</b>	<b>(222.3)</b>

# Balance Sheet

Rs. mn	Sept-15	Mar-15
Shareholder's Fund	6,599.2	7,094.6
Share Capital	799.0	799.0
Reserves & Surplus	5,800.3	6,295.7
<b>Non-Current Liabilities</b>	<b>9,139.0</b>	<b>10,414.4</b>
Long Term Borrowings	9,114.1	10,393.5
Long term provisions	24.8	20.9
<b>Current Liabilities</b>	<b>1,221.0</b>	<b>2,531.1</b>
Short Term Borrowings	475.0	840.0
Trade Payables	204.5	284.1
Other Current Liabilities	533.8	1,401.1
Short-term provisions	7.7	5.9
<b>Total Equity &amp; Liabilities</b>	<b>16,959.2</b>	<b>20,040.1</b>

Rs. mn	Sept-15	Mar-15
<b>Non-Current Assets</b>	<b>16,010.9</b>	<b>15,636.4</b>
Fixed Assets	14,873.1	14,733.2
Non-Current Investments	4.2	4.2
Other Non-Current Assets	109.4	107.7
Deferred tax assets (net)	1,024.2	791.5
<b>Current Assets</b>	<b>948.3</b>	<b>4,403.7</b>
Inventories	120.1	105.2
Trade Receivables	44.2	58.9
Cash and Bank Balances	426.9	3,935.7
Short-term Loans and Advances	0.8	3.8
Other Current Assets	356.2	300.1
<b>Total Assets</b>	<b>16,959.2</b>	<b>20,040.1</b>

# Use of IPO Proceeds

Particulars (Rs. mn)	Utilization Planned	Amount Utilized*	Amount Pending Utilization		Particulars	Amount Rs. mn
Repayment of Debt	2,700.0	2,520.8	179.2	A	Fresh Issue	3,377.4
Issue Expenses	303.9	241.2	62.7		Offer for Sale	368.6
General Corporate Purposes	373.4	361.9	11.5	B	Initial Public Offering	3,746.0
					Less: Offer for Sale portion	368.6
<b>Total</b>	<b>3,377.3</b>	<b>3,123.9</b>	<b>253.4</b>	C	<b>Total Net Fund Raised</b>	<b>3,377.3</b>

# Positive Momentum

Novotel Imagica successfully launched with average occupancy of ~75% for Q3 FY16

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

We have initiated marketing coverage beyond catchment through Television campaigns

## Exciting Current Trends

Mobile APP launched on Android & IOS. Current downloads over 1 lakh

Over **1,860** agents added since Apr '15. Total Agents base over **4,800**

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





For further information, please contact:

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