



CINE MEDIA NETWORK

## UFO Corporate Presentation

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# Cinema In India is a Way of Life

**Cinema is India's greatest passion**

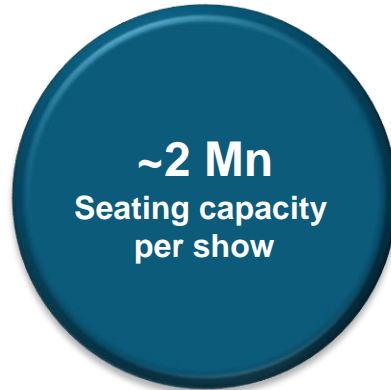
**India is the Largest Producer of Movies in the World**

**~1,800 movies are produced annually in more than 25 languages**

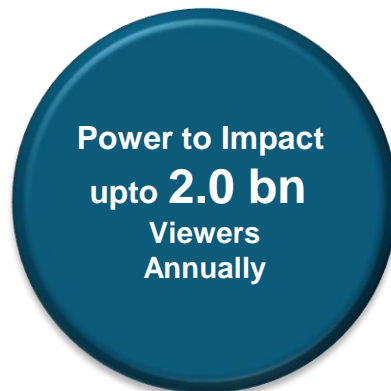
**USD ~2.3 billion Gross Box Office**

# UFO Moviez at a Glance

## Indian Film Industry's Largest Content Distribution Highway



## India's Largest In-cinema High Impact Advertising Platform



Data as on December 31, 2020

# Value Proposition

## Core Offering

Creating Value Across the Value Chain

Offers end-to-end, high-reach and high-quality digital cinema solution for producers, distributors and exhibitors.

## Value Addition and Growth Driver

Leveraging on UFO's theatrical network to Drive Advertising

Offers a flexible, transparent and high-impact platform that allows advertisers to have maximum engagement with cinema-goers.

**Core Business ensures stickiness for the Advertising Business**

# Core Offering has Transformed the Indian Film Industry

Analog Cinema Era beset with Issues

## Analog Cinema Era



Physical Delivery of Celluloid Prints



Producer

Distributor

Exhibitor

Audience

High Print Cost

Limited Prints

Low Distribution

Staggered Release

Piracy Leakage

Poor Print Quality

Poor Viewing Experience

Low Footfalls

Lower Box Office

## Digital Cinema's Innovative Solution

## Digital Cinema Era



Satellite or Physical Delivery of Digital Prints



Producer

Distributor

Exhibitor

Audience

Low Cost of Digital Prints

No Limit on Prints

Low Distribution Cost

Widespread Release

Reduced Piracy

HD Quality

Excellent Viewing Experience

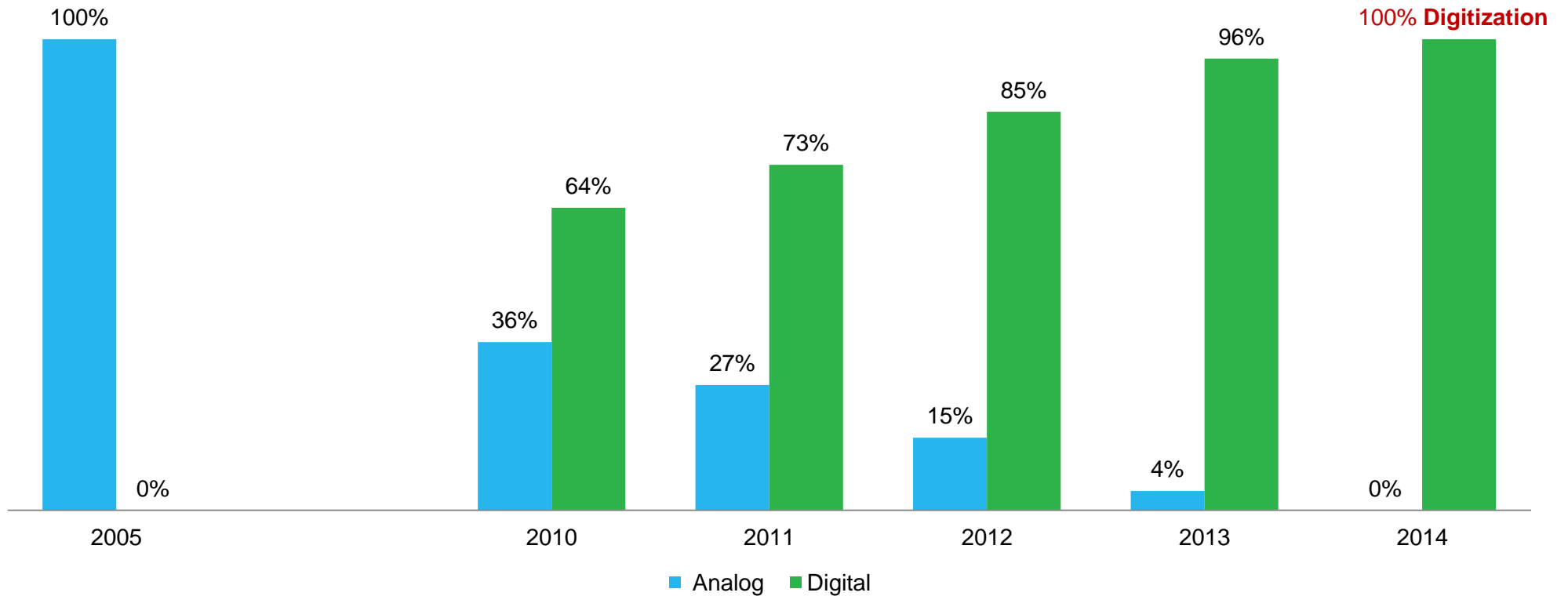
High Footfalls

Increased Box Office

**Digitization has redefined film economics by enabling pan-India releases on day one and improving viewing experience**

# Journey of Digitization in India

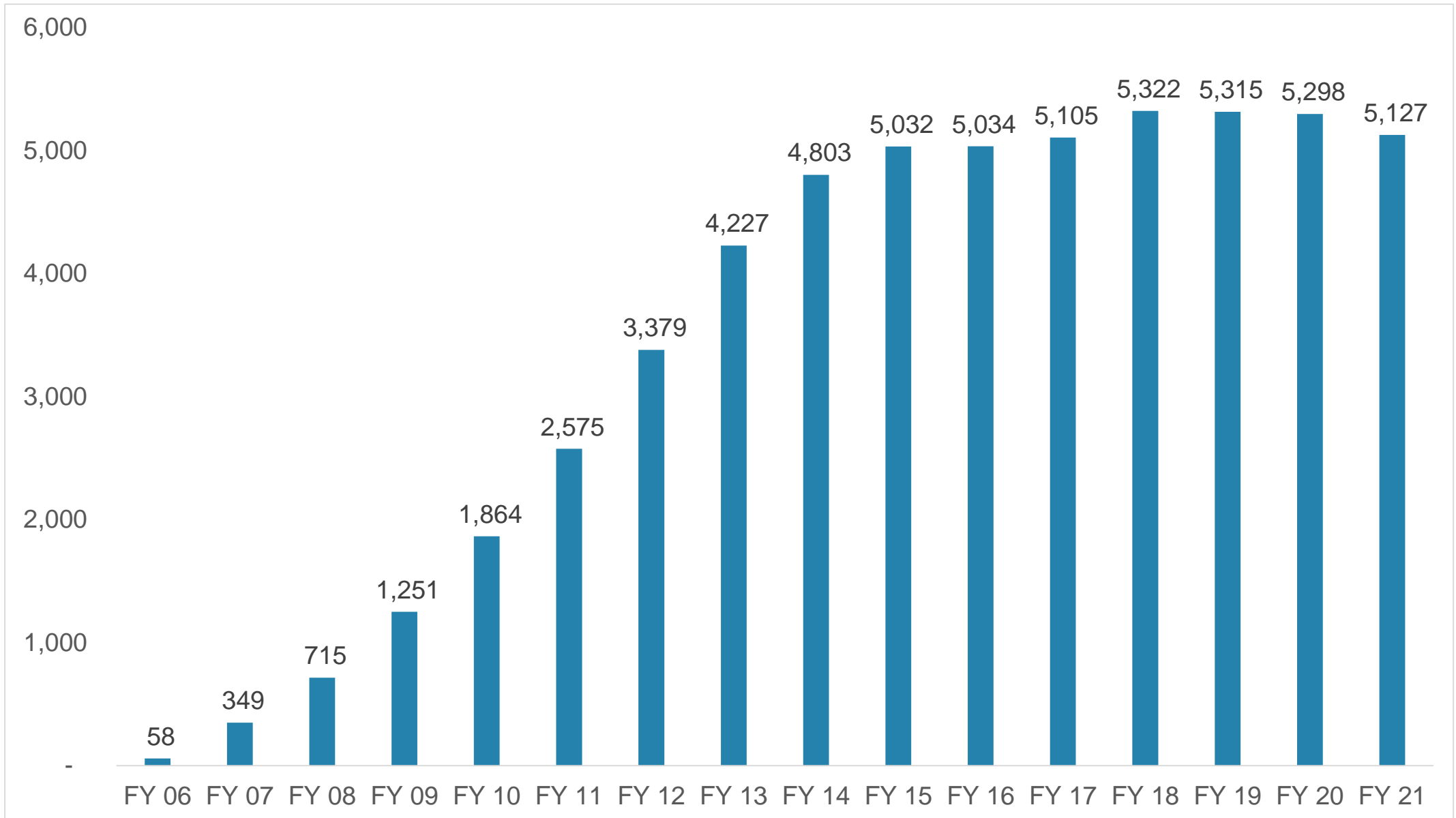
## Analog and Digital Prints Released in India



**Digitization of Cinemas in India has led to widespread release of Movies resulting in Multiplier effect on Box Office Collections.**

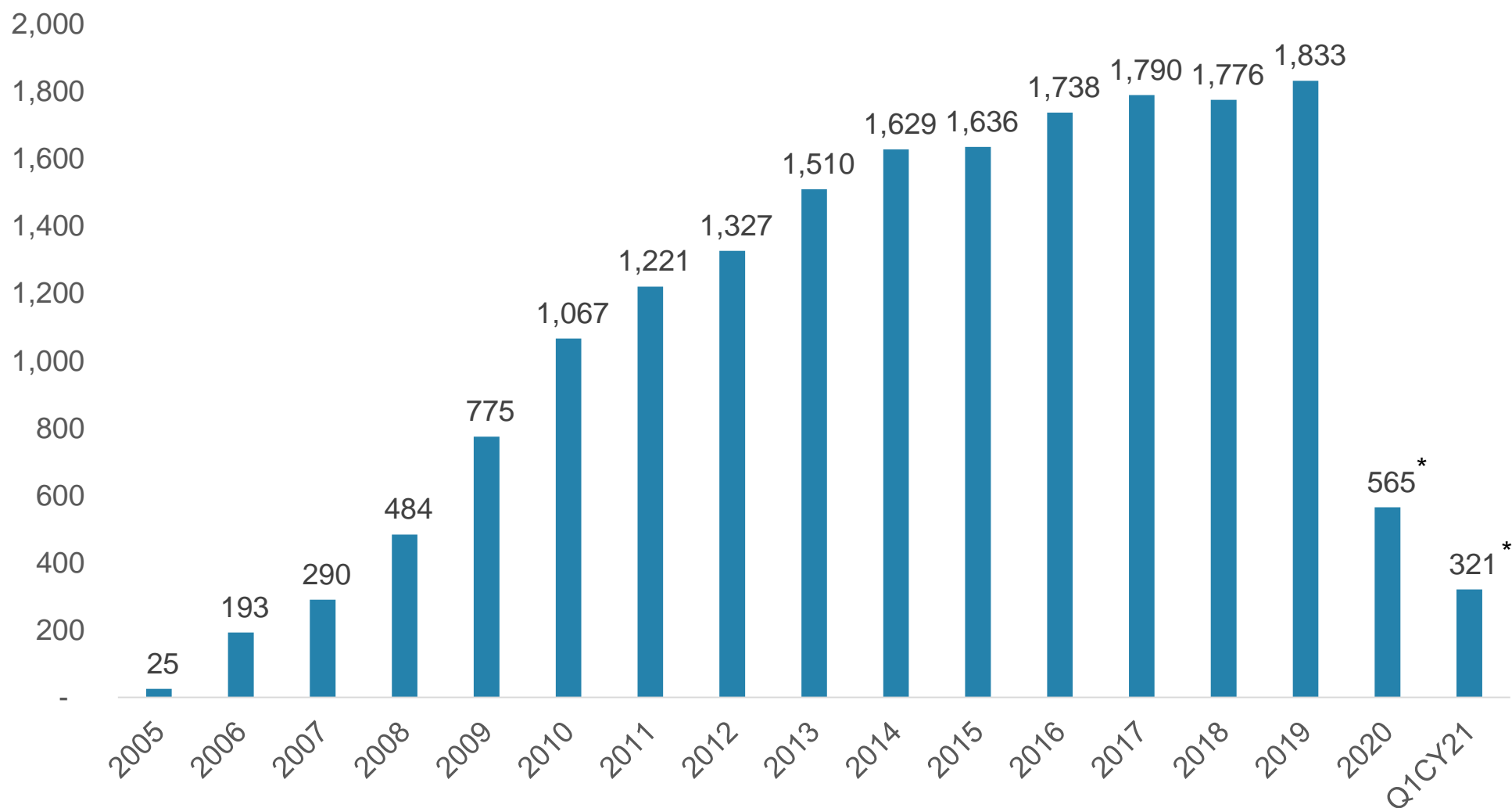
\*Data is based on the top movies released during the period on UFO's network

# UFO's Screen growth over the years in India





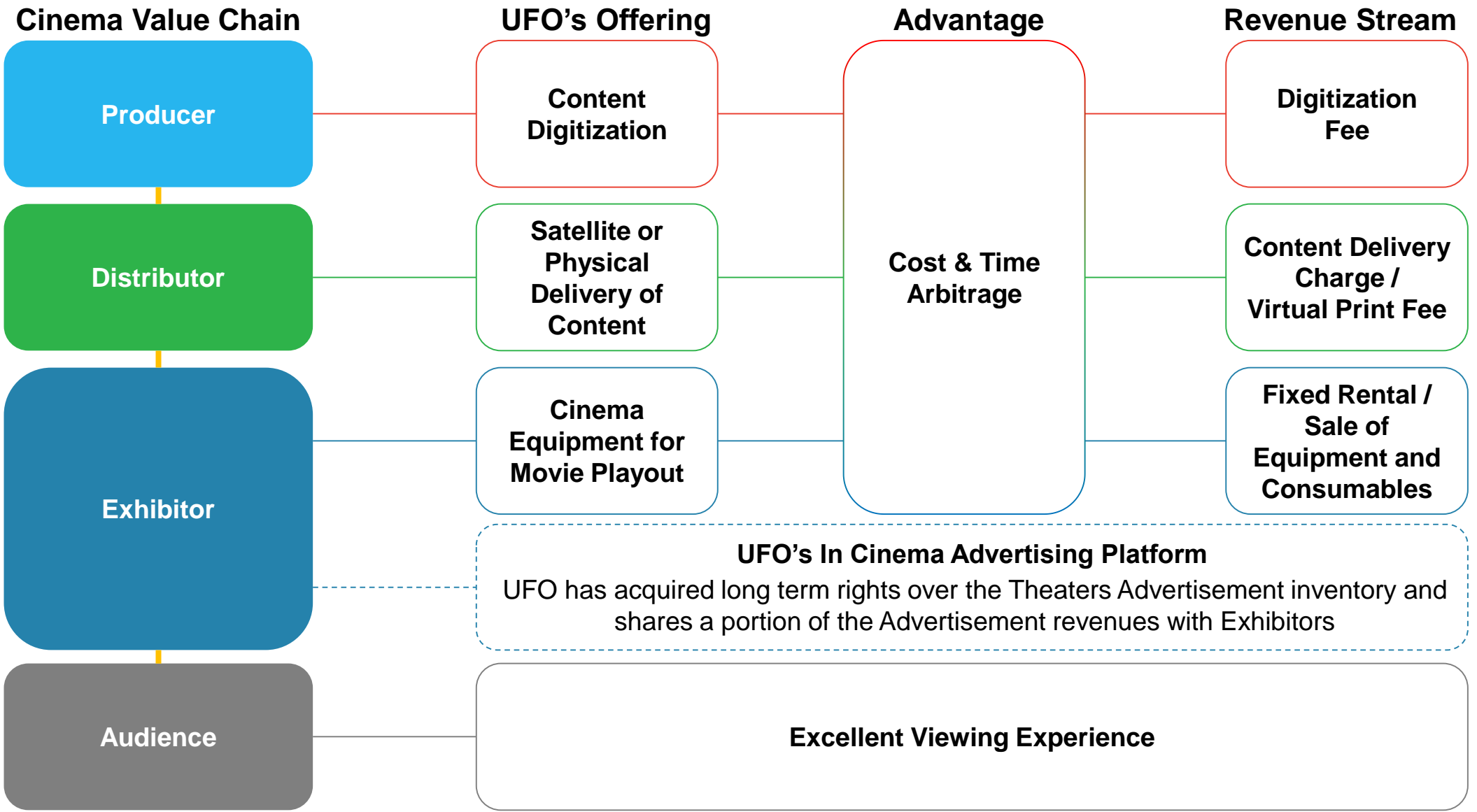
# Movies released on UFO network



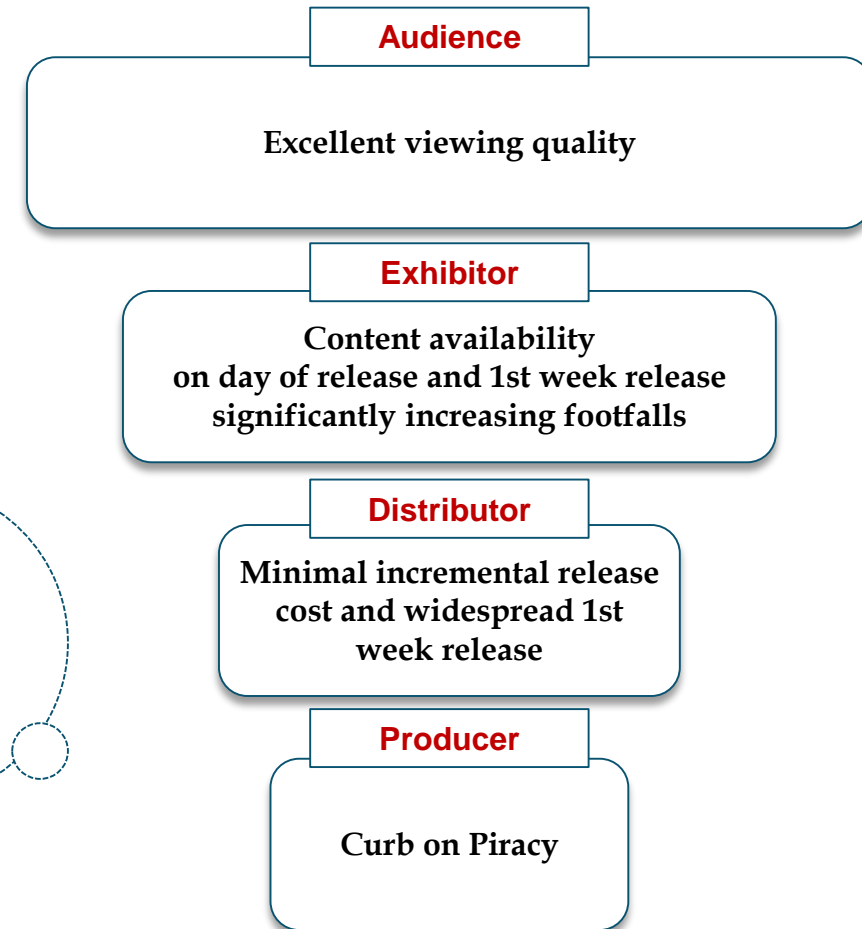
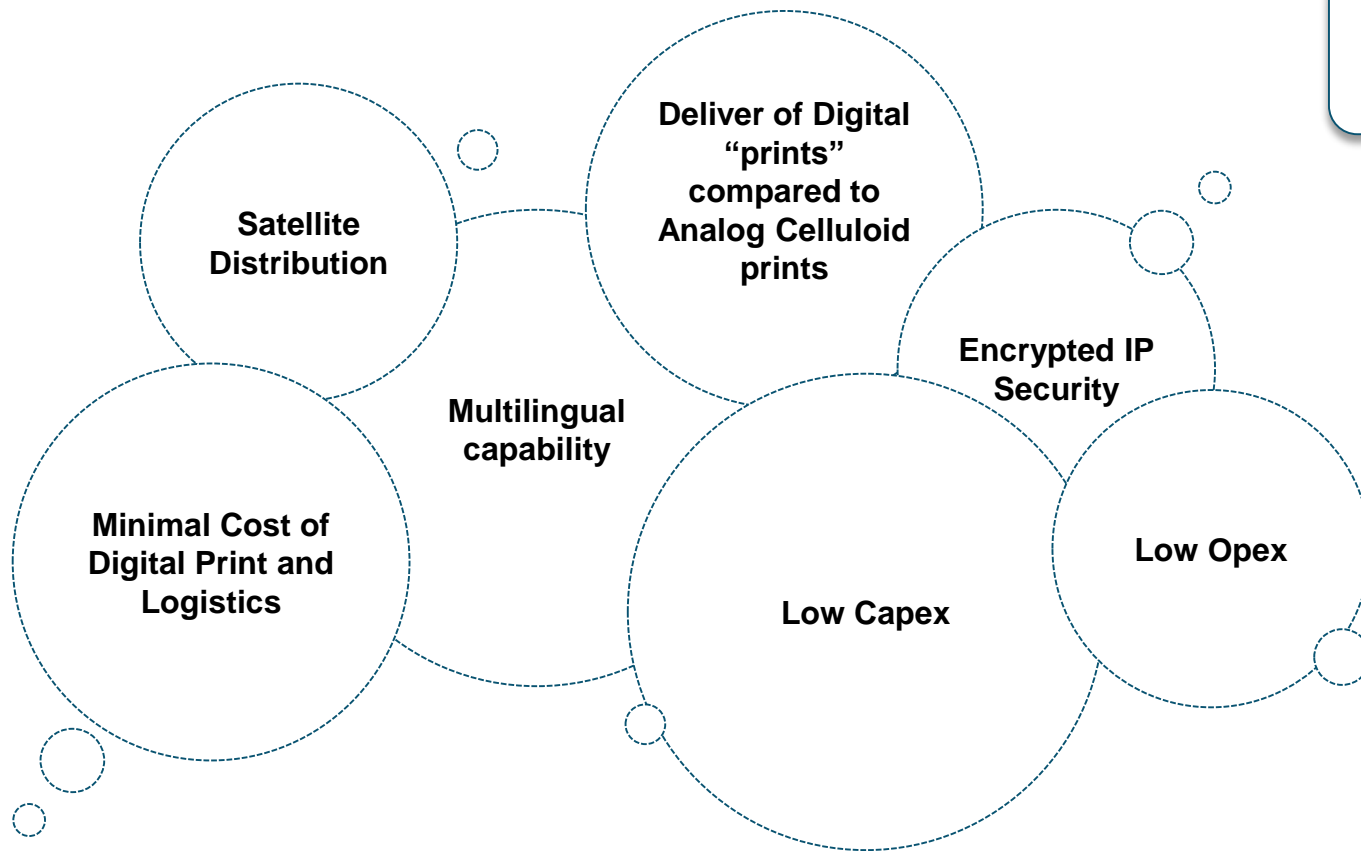
Calendar Year Data

\* Impact of COVID-19 Pandemic

# UFO's Offerings



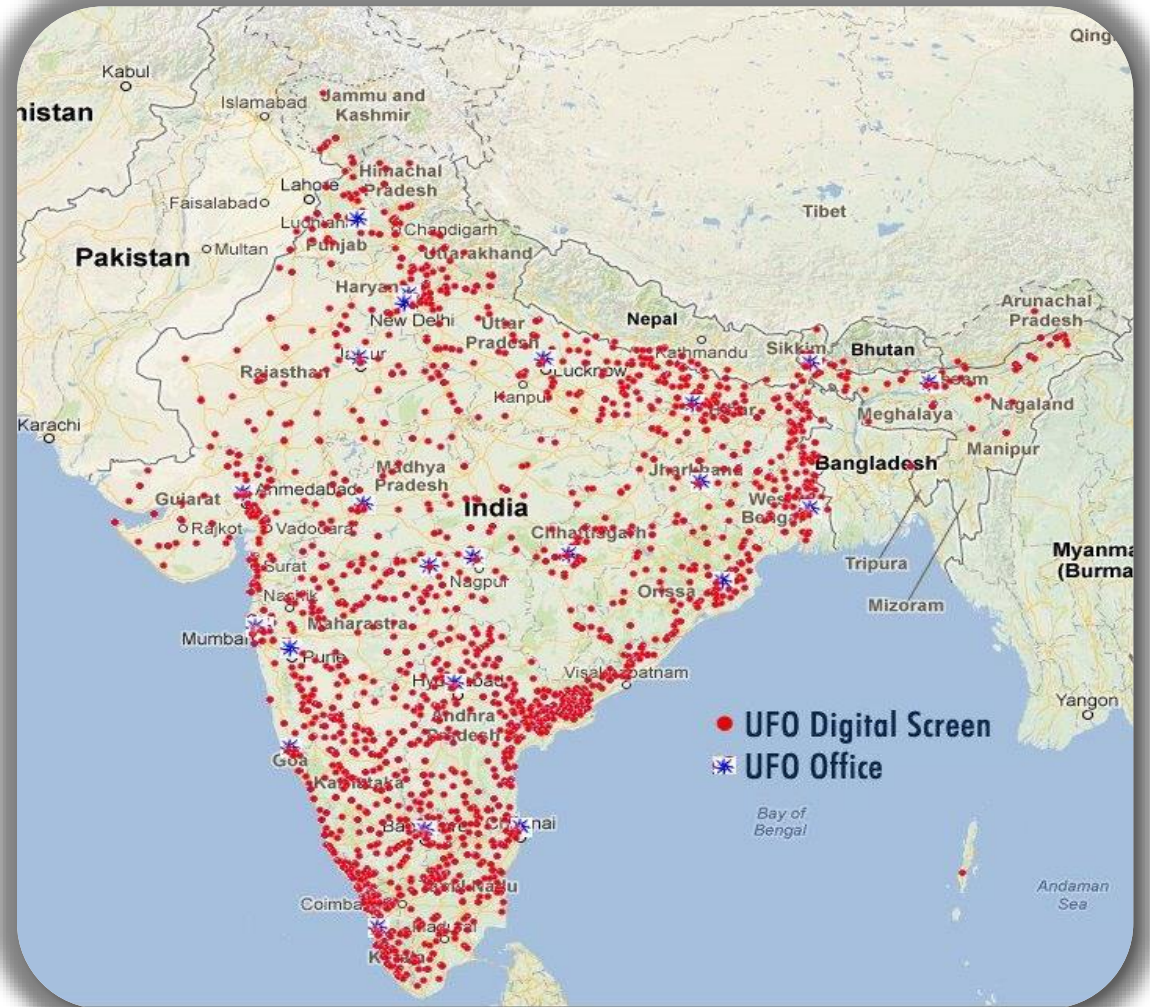
# Advantages of Digital Cinema



# PAN India Presence

## Sales Offices

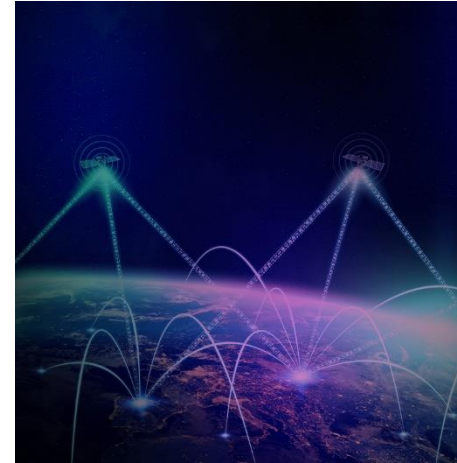
- Ahmadabad, Gujarat
- Amravati, Maharashtra
- Bangalore, Karnataka
- Bhusaval, Maharashtra
- Chennai, Tamil Nadu
- Cochin, Kerala
- Cuttack, Orissa
- Delhi
- Ghaziabad, Uttar Pradesh
- Gorakhpur, Uttar Pradesh
- Guwahati, Assam
- Hyderabad, Andhra Pradesh
- Indore, Madhya Pradesh
- Jaipur, Rajasthan
- Jalandhar, Punjab
- Kolkata, West Bengal
- Lucknow, Uttar Pradesh
- Mumbai, Maharashtra
- Nagpur, Maharashtra
- Patna, Bihar
- Ranchi, Jharkhand
- Raipur, Chhattisgarh
- Siliguri, West Bengal
- Vijaywada, Andhra Pradesh



# UFO's In-Cinema Advertising at a Glance

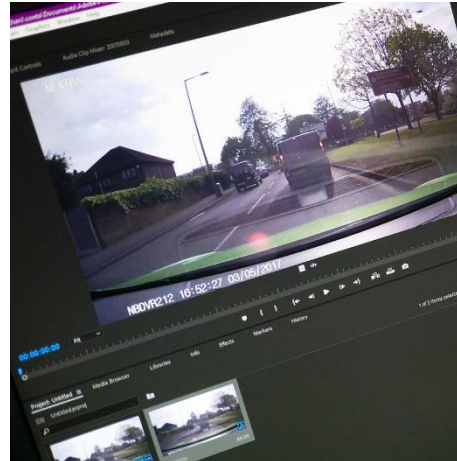


**3,558  
High Impact  
Ad Screens**



**1,201  
Cities & Towns  
Across India**

**~1,800\*  
Movies  
Released  
Annually**



**Power to Impact  
upto 2 billion  
Viewers  
Annually**



Ad Screens comprise of 1,911 PRIME CHANNEL (multiplexes and hollywood release centres) Screens and 1,647 POPULAR CHANNEL (standalone screens and mass appeal screens) Screens

Data as on March 31, 2021

\* Except for 2020 as cinemas were temporarily closed due to COVID-19

# Effectiveness of In Cinema Advertisement

**Market Reports suggest that In Cinema Advertising is more effective than other Advertisement mediums:**

- Cinema advertising is more effective at making your brand stand out than TV
- Cinema audiences are more likely to be emotionally engaged than TV audiences
- If you show people an unbranded still from an ad, more cinemagoers will actually recall which brand it is for when compared with TV viewers
- Audiences exposed in cinema ads are more likely to recall a brand compared to TV

# Advantages of UFO's In Cinema Advertising

## UFO's In Cinema Advertising Platform is

### Transparent.

- Know when its played

### Remote Capable.

- Access to even the most remote areas of India

### High Recall.

- Follow your audience home

### Captive.

- Targeted audience

### Multi-lingual.

- Go local

### Unique.

- Advertise

### Flexible.

- Plan by region, film, show or cinema

# Marquee Advertiser Base

Leading MNCs and Indian corporates across sectors advertise on UFO platform

FMCG	
MEDIA	
FIG	
AUTO	
TELECOM	
OTHERS	



# Marquee Advertiser Base

## Central Government, State Government & PSU Clients that advertise on UFO platform



भारत सरकार  
सूचना एवं प्रसारण मंत्रालय  
<http://mib.gov.in>  
Government of India  
Ministry of Information & Broadcasting



सत्यमेव जयते  
MINISTRY OF WOMEN & CHILD DEVELOPMENT | GOI



Ministry of Rural Development  
Government of India



सत्यमेव जयते  
MINISTRY OF FINANCE  
GOVERNMENT OF INDIA




Unique Identification Authority of India  
Planning Commission, Government of India



Government of India  
Ministry of Human Resource Development



Election Commission of India



सत्यमेव जयते  
Ministry of Social Justice and Empowerment  
GOVERNMENT OF INDIA



Income Tax Department  
Government of India



सत्यमेव जयते  
NDMA  
National Disaster Management Authority  
Government of India



सत्यमेव जयते  
National Mission for Clean Ganga  
(Reg. Society)  
Ministry of Water Resources, River Development & Ganga Rejuvenation  
Government of India



ESIC  
Employees' State Insurance Corporation

Incredible India  
Ministry of Tourism  
Government of India



GOVERNMENT OF KARNATAKA  
Karnataka  
One state. Many worlds.  
Department of Tourism



Gujarat  
Tourism



MAHARASHTRA TOURISM



HIMACHAL  
TOURISM



Indian Railway Catering and  
Tourism Corporation Limited  
IRCTC  
A Government of India Enterprise



भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA



NEW INDIA ASSURANCE  
दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड  
The New India Assurance Co. Ltd



uti  
UTI Mutual Fund

# Organic Diversification

# Distribution Business

- Forayed into film distribution in December 2020; a natural backward integration.
- Endeavor is guided by three-fold objectives:
  - Launching fee-based film distribution with zero content risk.
  - Building a robust professional architecture to effectively handle the film distribution throughout India, and
  - Charging Virtual Print Fee (VPF) as a percentage of box-office revenue instead of upfront fixed charge.
- Providing ease-of-access of content to single screens and independent multiplexes.
- Enabling filmmakers to release their content to a wider set of audience.
- To ensure films get a wide release under a totally de-risked business model.
- Helping theatres re-open post the Pandemic led shutdown with an assured line-up of content.
- Intent to consolidate and position UFO as a one-stop pan India film distributor.

# Distribution Business

## Advantage UFO

- Technology led advancements as the core driving factor.
- Strives to achieve greater transparency by providing content to exhibitors having computerized ticketing system.
- Fostering a regular and timely reporting and settlement of dues culture.
- Eliminate minimum guarantee (MG) system thereby de-risking exhibitors.
- Amplified distribution reach & present an all-year round content line-up.

## Movies Released till Date

### All India Basis:

Jio's "Ram Prasad Ki Tehravi", "Shakeela" - starring Richa Chadha and Pankaj Tripathi, Ram Gopal Varma's "12'O Clock", English Movie "The Marksman" and thriller called "Flight"

### In select circuits across languages:

Mega Tamil hit "Master", "Naandhi", "Chakra", "Check", "Mosagallu" and "99 Songs".

**More movies are under discussion.**

# Agreement with Collective Artist Network

- Agreement with Collective Artist Network Pvt Limited (“CAN”) to provide social media marketing services.

## About CAN

- CAN is the leading talent management company of India,
- Exclusive arrangement with ~270 top celebrities from various walks of life including Bollywood, Kollywood, Sports etc.
- Some of these celebrities are Deepika Padukone, Shraddha Kapoor, Kriti Senon, Ranbir Kapoor, Tiger Shroff, Kartik Aryan, Rana Daggubatti, R. Ashwin etc.
- Over 5000 social media influencers on its network.
- Monetizes social media assets of celebrities and social media influencers under CAN network through its division - Big Bang Social (BBS)

## Rational of the Tie Up

- UFO has total dependence on single industry – Cinema.
- Ring fence the business of the company through diversification into non-cinema related businesses.
- Have an experienced pan-India sales team to monetize In-cinema advertising rights for cinema screens across India.
- Leverage existing sales team by reskilling them to monetize the huge advertising potential of the social media assets of celebrities and social media influencers under CAN network.

# Agreement with Collective Artist Network

## Advantages and Opportunity

- Social media is the fastest growing advertising media in India and globally.
- Social media spend is around 6%-8% of digital Ad spend globally
- Digital Ad spend in India is estimated at Rs 20,000 Cr annually, of which social media is estimated at Rs 600-800 Cr.
- At current level of digital spend, social media spend in India should have been ~Rs 1200-1600 Cr.
- Social media opportunity is a 24/7 business and will only grow with penetration of digital in our lives.
- Digital is becoming critical for the success of brands in the current times.
- With more and more advertisers allocating budgets for digital advertising, Influencer marketing has substantial growth potential in years to come.

# New B-2-C Business Initiatives

# Zinglin – Video Making App



- Social media platform for creating and sharing short lip sync videos (SVC) between 15-60 seconds.

## Key Features/USP:

- Unique ability to shoot videos in landscape and portrait mode.
- Featured section for Short Video Format (SVF) content over 1 minute for mini webs series
- Offers a unique feature called Raffles where users can win Products.

## Launch and Project Initialization

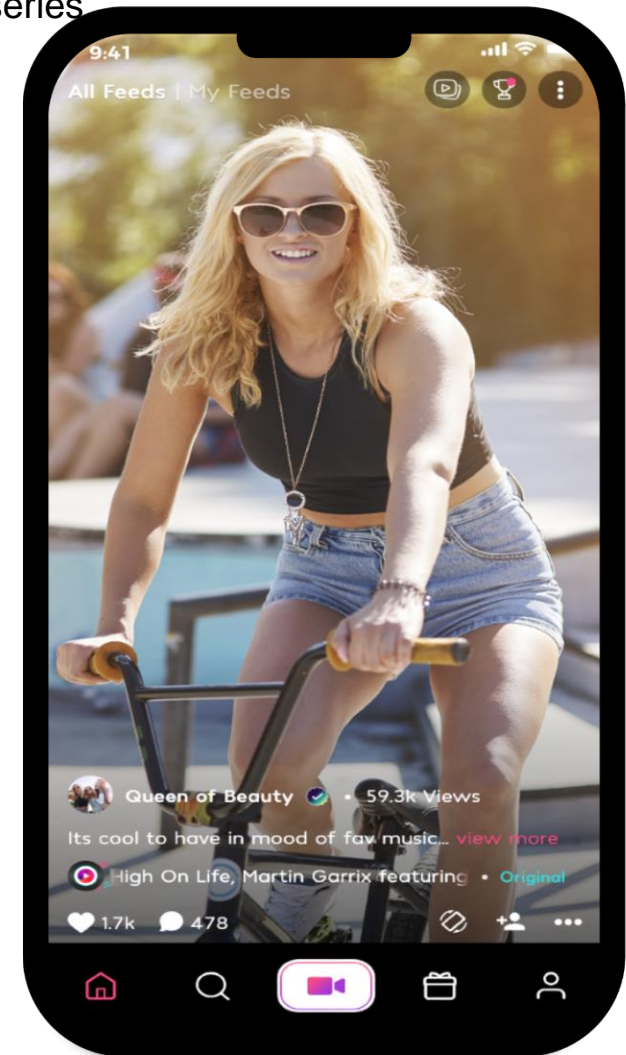
- Soft launched in October 2020 in the Indian market.
- Focused on generating quality content and acquire new users.

## Opportunity

- Growing number of social media platforms and standalone apps in the SVC space.
- SVC is now permanent part of the social media landscape for influencer marketing, paid advertising, and social commerce.
- Millennials and Gen Z love this new social media outlet for creating, sharing and viewing short videos.
- TikTok's ban in June 2020 created a void of 170 million users in India.
- Zinglin through its Raffles is keeping the platform interesting for users who can win exciting prizes

## Monetization

- In feed advertising (SVC and SVF)
- Brings brands and its users together through Product Trials using Raffles.
- Sponsored Contests/Challenges



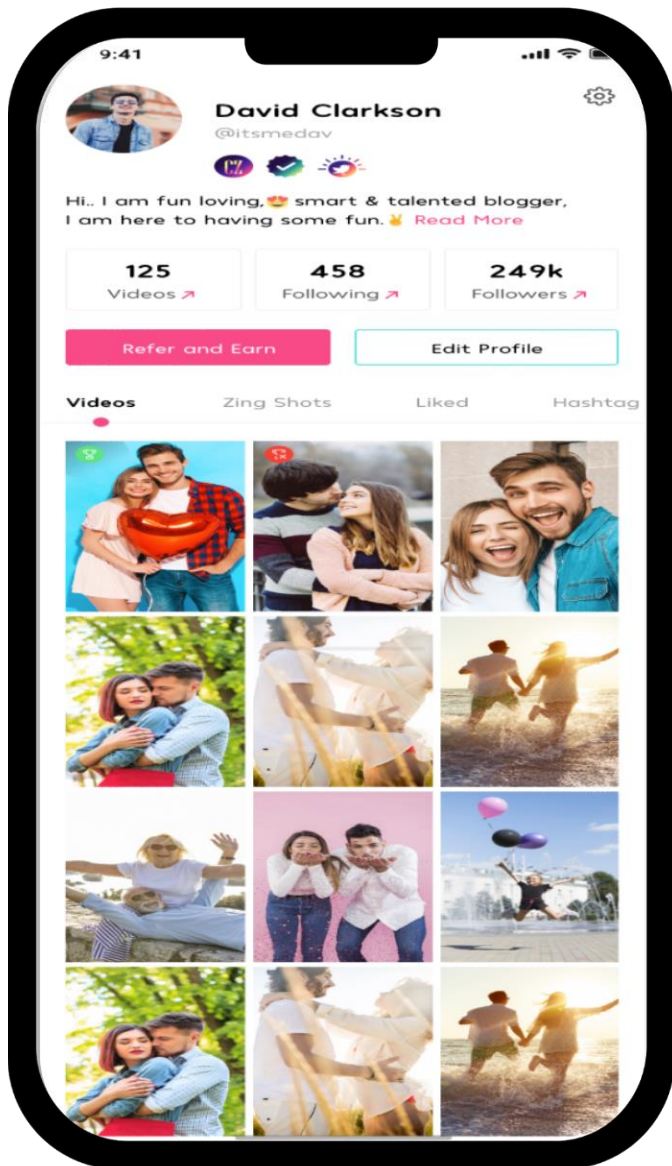




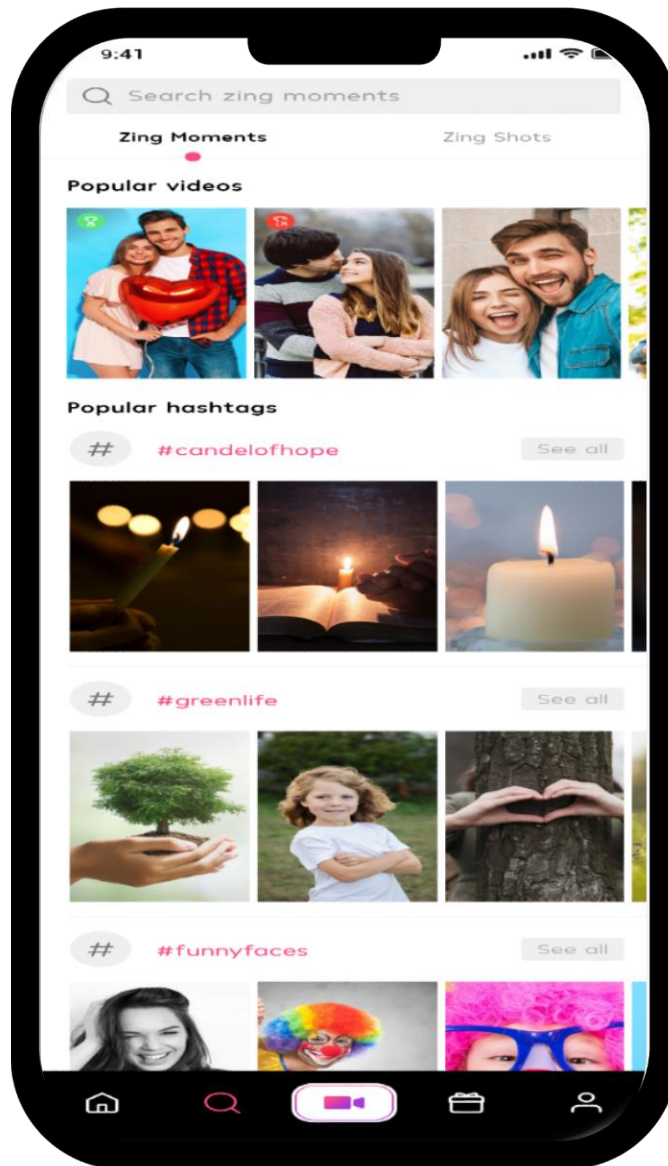
ZINGLIN

# Zinglin – Video Making App

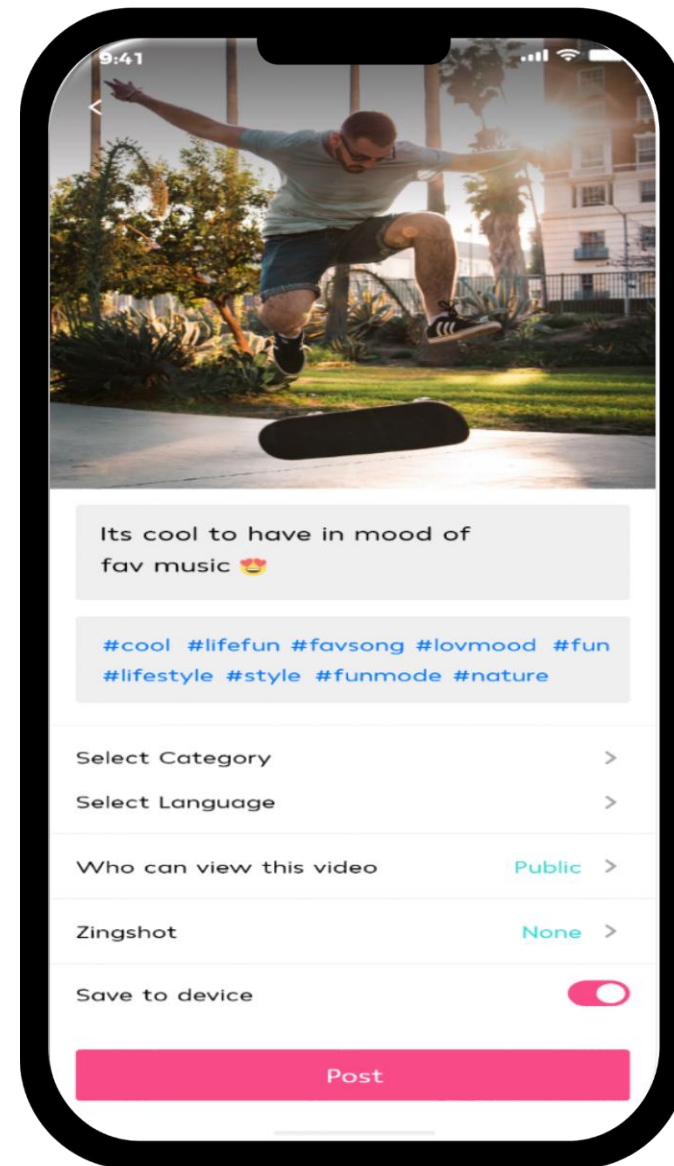
## Profile



## Discover



## Post





# Plexigo – Premium Discovery OTT Platform

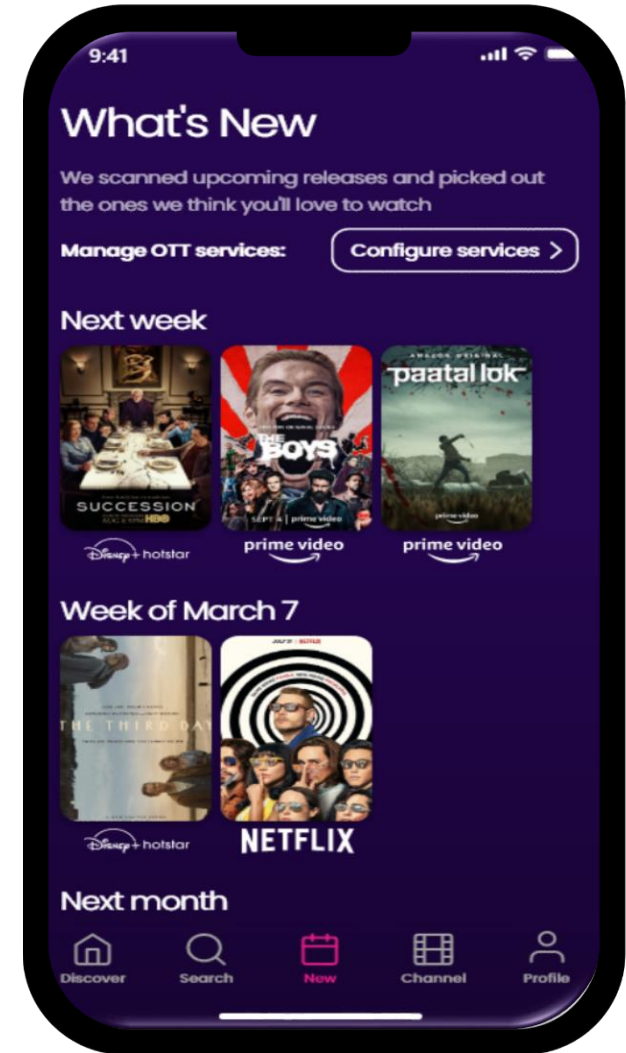
Soft launched in October 2020 in India

## Key Features/USP:

- Video on-demand streaming Service under Transactional and Subscription models.
- OTT Discovery for Movies in theaters & online as well as for online Web Series
- Intelligent service that suggests movies and online shows to users.
- Live Events Streaming service.
- Using unique geo-locking technology, can make movies and content available in those centers and territories where the theatrical release is not available.
- An end-to-end OTT platform for Indian and international markets.
- Content can be viewed on Android and Apple Mobile apps, Apple TV, Android TV, Fire TV, Airtel Xstream, Jio TV and Tata Sky.

## Opportunity

- Around 40 OTT service providers in India; searching for content is difficult.
- Bundled OTT SVOD is only available through Jio Fibre and Telcos.
- The OTT market is expected to reach Rs. 4,000 crore by 2025.
- Bundling of Subscription services can expediate the growth of overall OTT market



# Plexigo – Premium Discovery OTT Platform



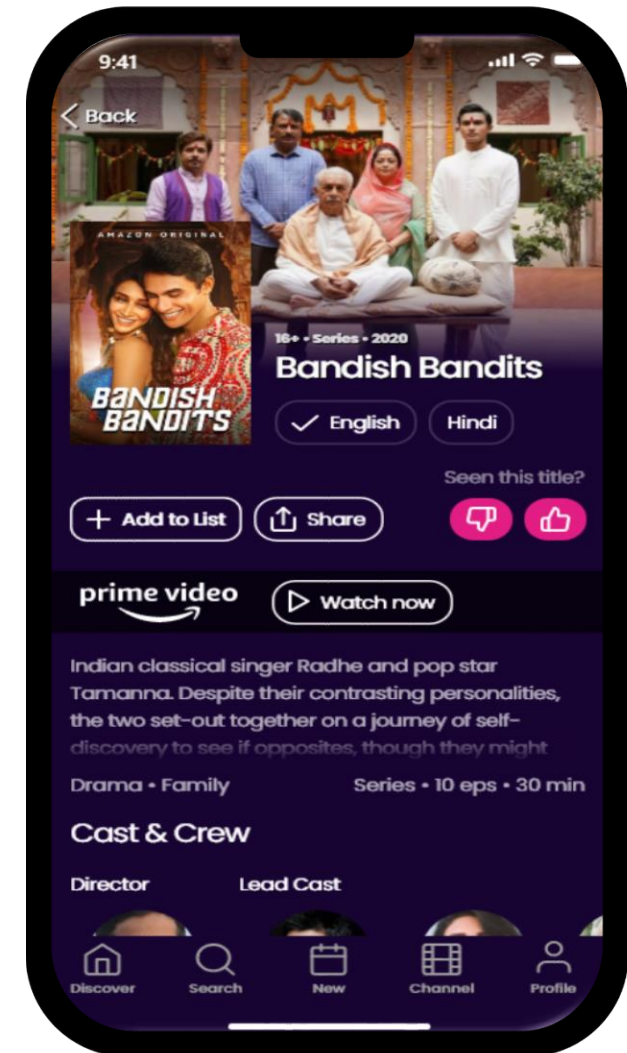
## Opportunity Overseas

- Indian films are released in only 40-50 countries.
- Release of small to medium budget films is almost negligible.
- Cost of distribution and releasing is major hinderance.
- Potentially 4.6 crore viewers outside India spread in over 190 countries.
- Around 1.3 crore viewers do not get any access to Indian content.
- Opportunity to give access to latest movies to this untapped market.

## Monetization

- To charge a percentage from various content owners and OTT service providers.
- Partnering with OTT services through their affiliate marketing programs and earning revenue for every lead.
- Generating revenue by lead generation for online ticket booking platforms and independent exhibitors.
- By collecting user profiles of millions of cinema goers and learning their individual tastes
- Data analytics to run highly efficient trailer campaigns for movies.

**Both Plexigo and Zinglin are at nascent stage but have good growth potential**



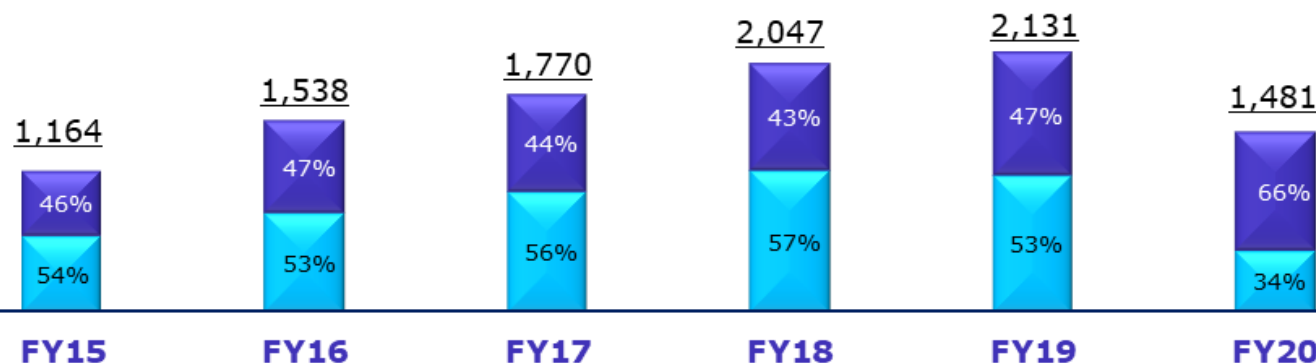
# UFO Moviez Financials

# In-Cinema Advertisement Performance

INR Mn

■ Government + PSU

■ Corporate + Hyperlocal



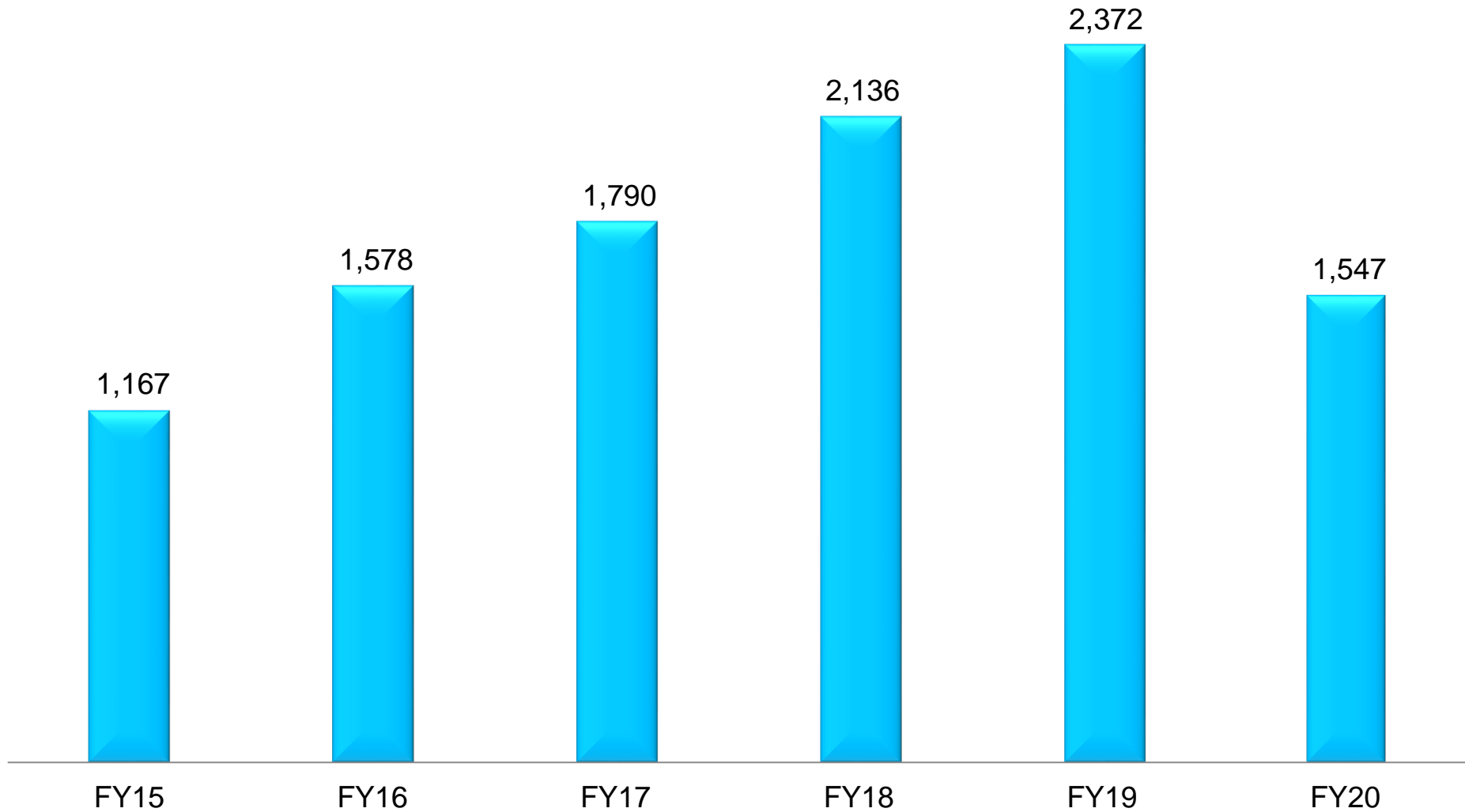
	FY15	FY16	FY17	FY18	FY19	FY20
# of Screens with Ad Rights	3,784	3,713	3,745	3,897	3,697	3,792
Annual Ad Revenue / Screen (Avg) (INR)	316,346	410,275	474,597	535,847	561,102	395,524
# of Minutes Sold / Show / Ad Screen	3.36	4.15	4.34	5.19	5.54	4.16
Ad Sharing with Exhibitors	33.76%	30.66%	29.14%	31.75%	32.44%	36.41%

\*Excludes Advertisement Revenues from Caravan Talkies

# of minutes sold / show / Ad Screen is calculated by dividing total # of advertisement minutes sold by average # of advertisement screens during the period  
 Average # of Advertising Screens = ( Sum of # of Opening Advertisement Screens and # of Closing Advertisement Screens) / 2

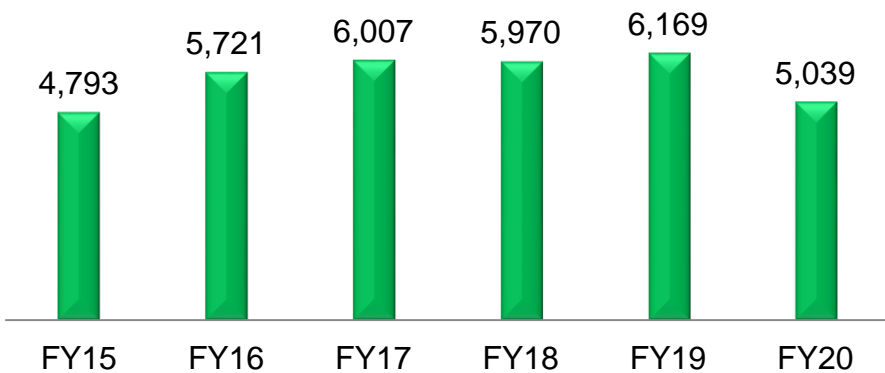
# Total Advertisement Performance

Advertisement Revenues (INR Mn)

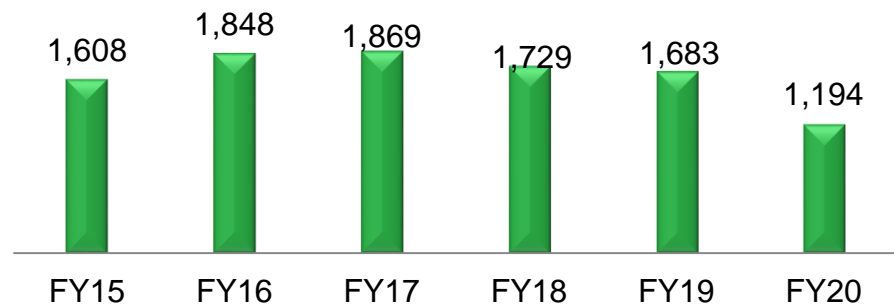


# Financial Performance

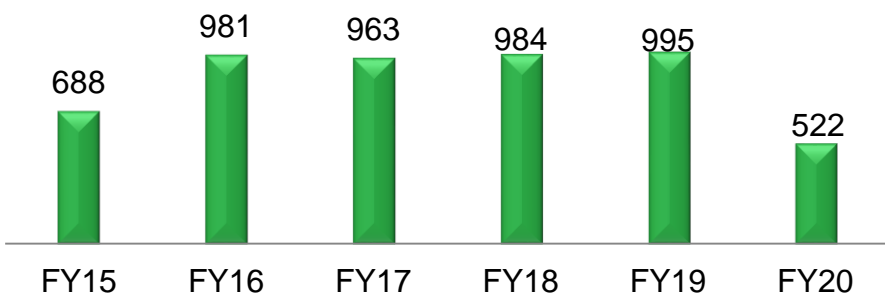
## Total Revenue (INR Mn)



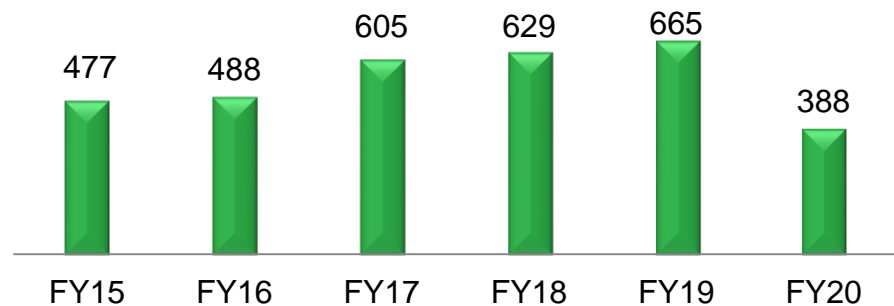
## EBITDA (INR Mn)



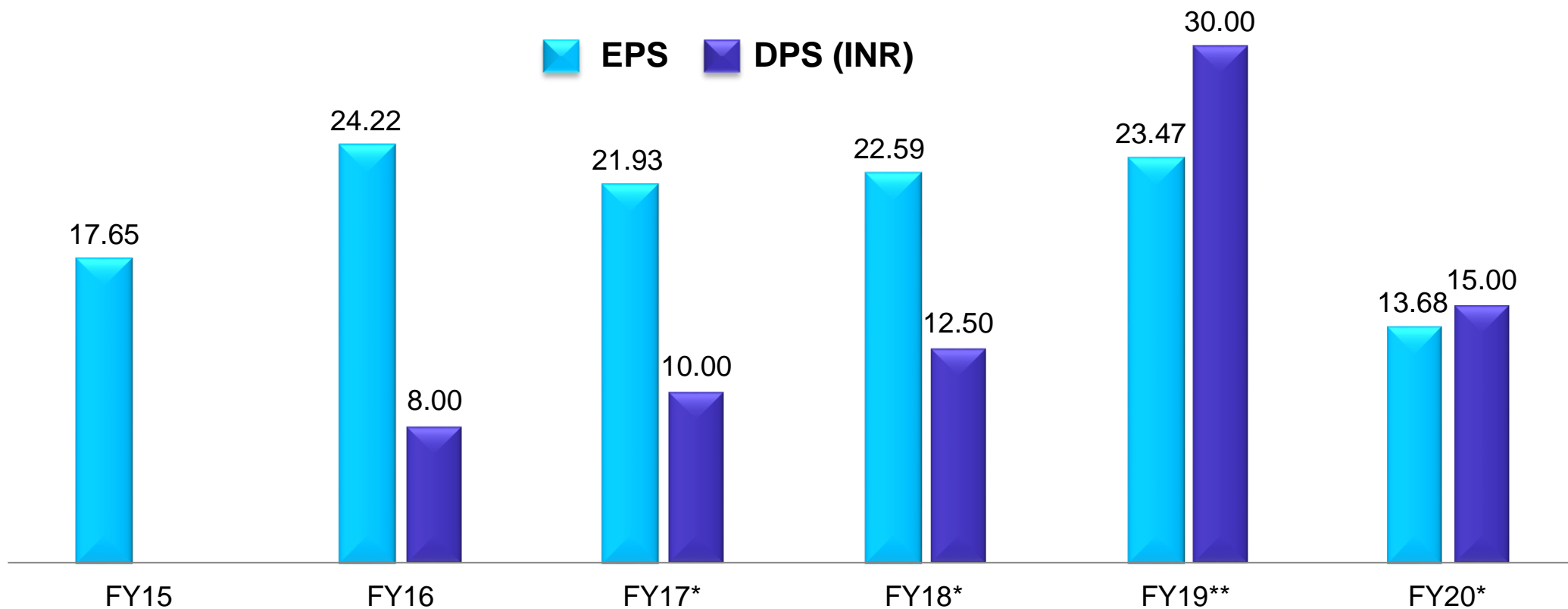
## PBT (INR Mn)



## PAT\* (INR Mn)



# Dividend Distribution

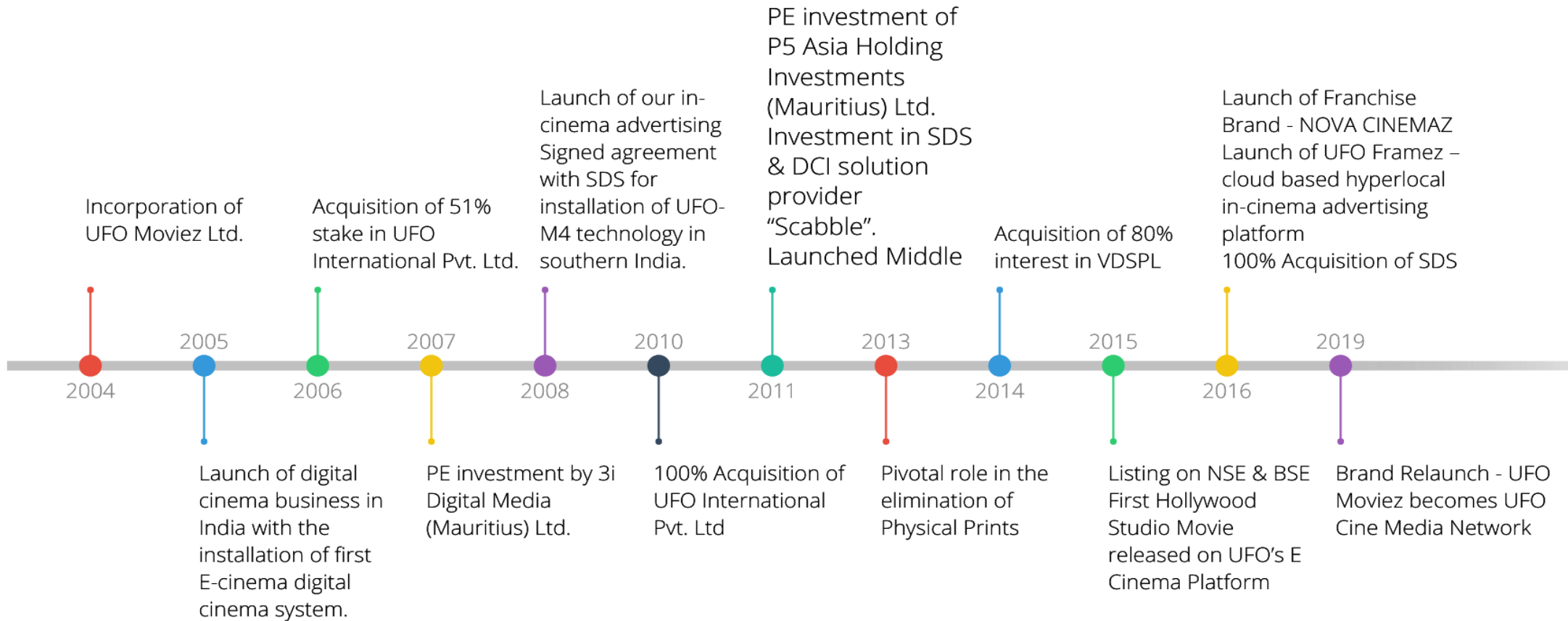


\*FY17, FY18, FY19 & FY20 are based on closing Ind AS financials,

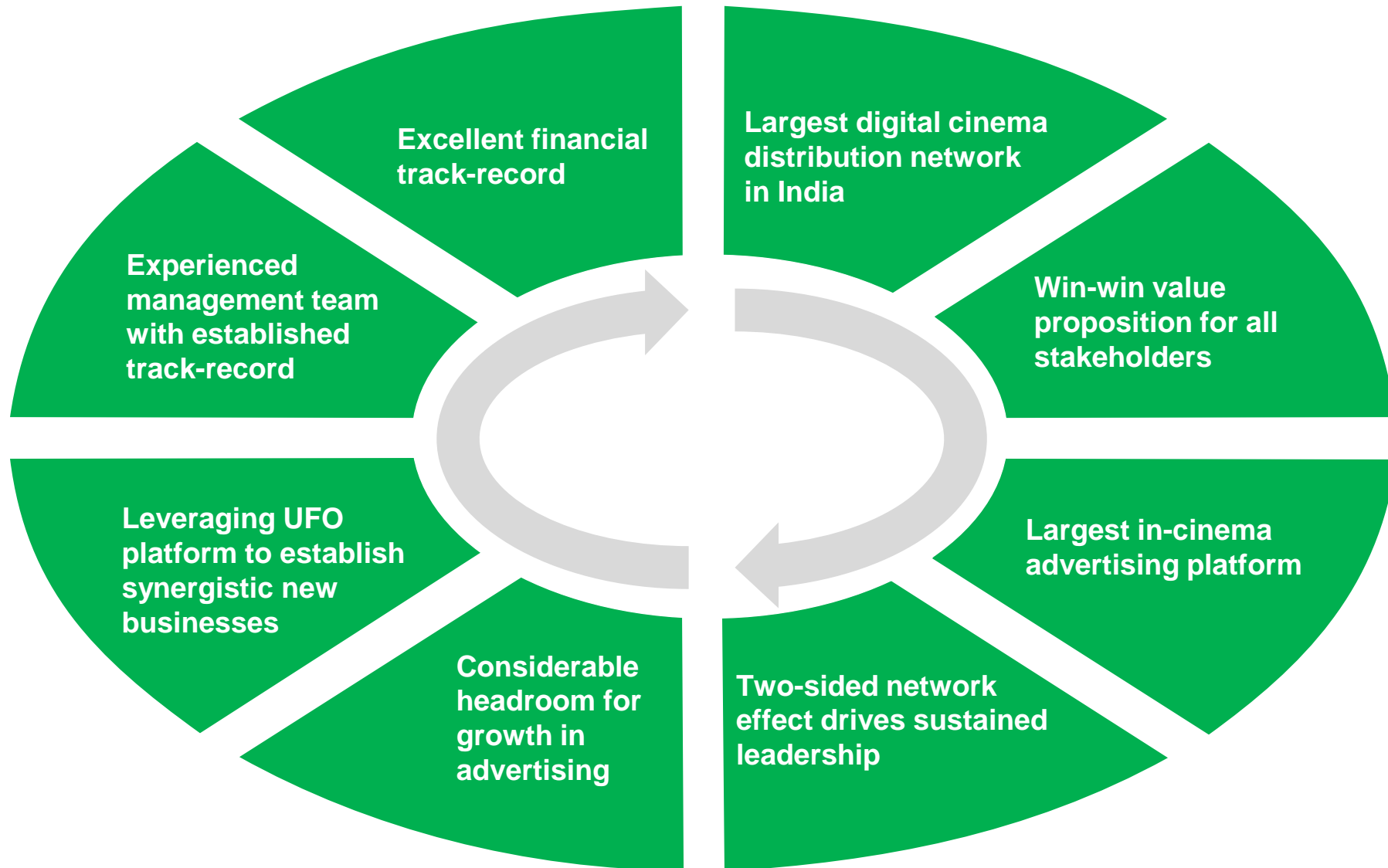
\*\*FY19 DPS includes one-time special interim DPS of ₹ 15.00



# Milestones



# Conclusion





# UFO

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## Thank You

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