

Q1FY19
Results Presentation
August 08, 2018



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The Company has prepared Financial Results based on the Indian Accounting Standards (Ind AS) and has reported and analyzed these results on a consolidated basis in this presentation.

UFO Moviez at a Glance



India's Largest In-Cinema Advertising Platform

3,857 High Impact Ad Screens



Wide Base of Advertisers

861 Advertisers in Q1FY19



Pan India Presence

1,350 Cities & Towns

1,219 Multiplex &
2,638 Single Screens

Leading Presence Across All Screen Varieties



Average weekly seating capacity

~48 million

448 Movies
20 Languages
767 Distributors

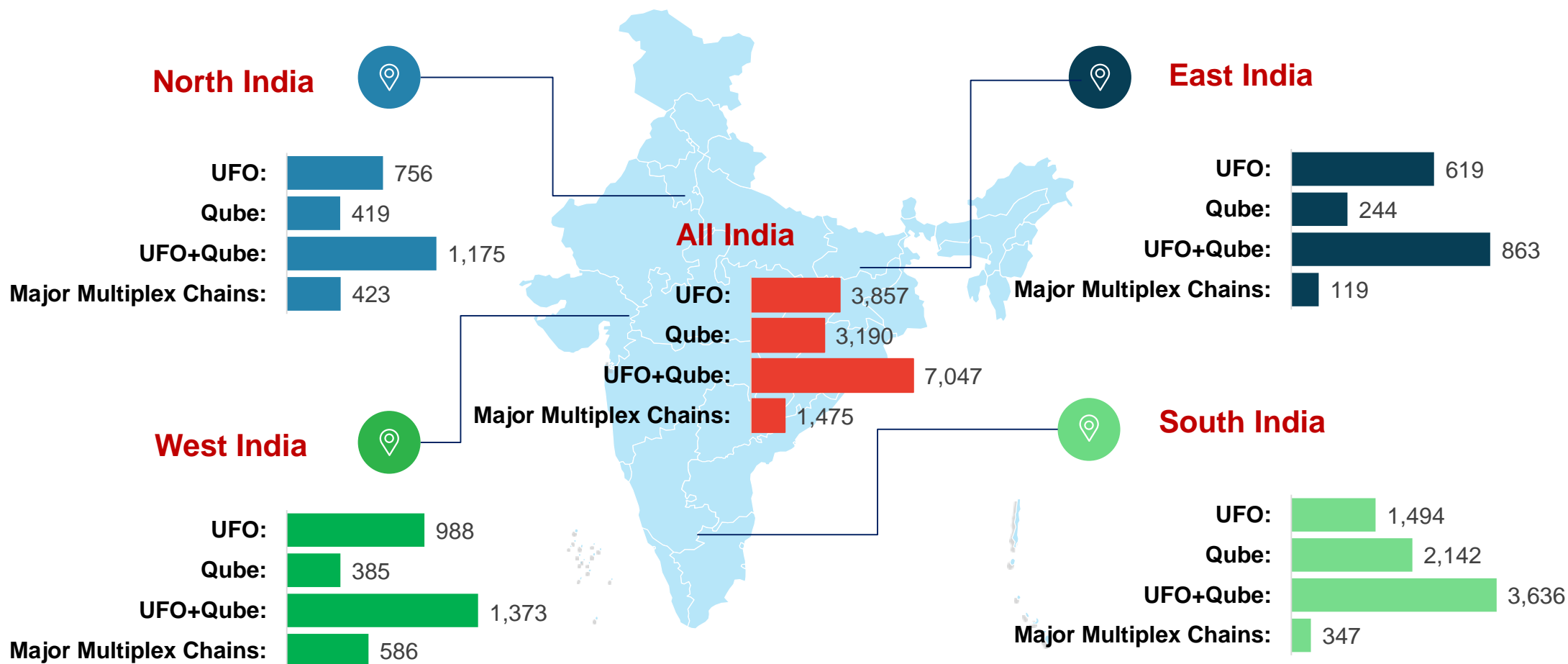
Digitally Delivered



Data as on June 30, 2018

Strong Presence of Advertisement Screens across India

Region wise Distribution of Advertisement Screens

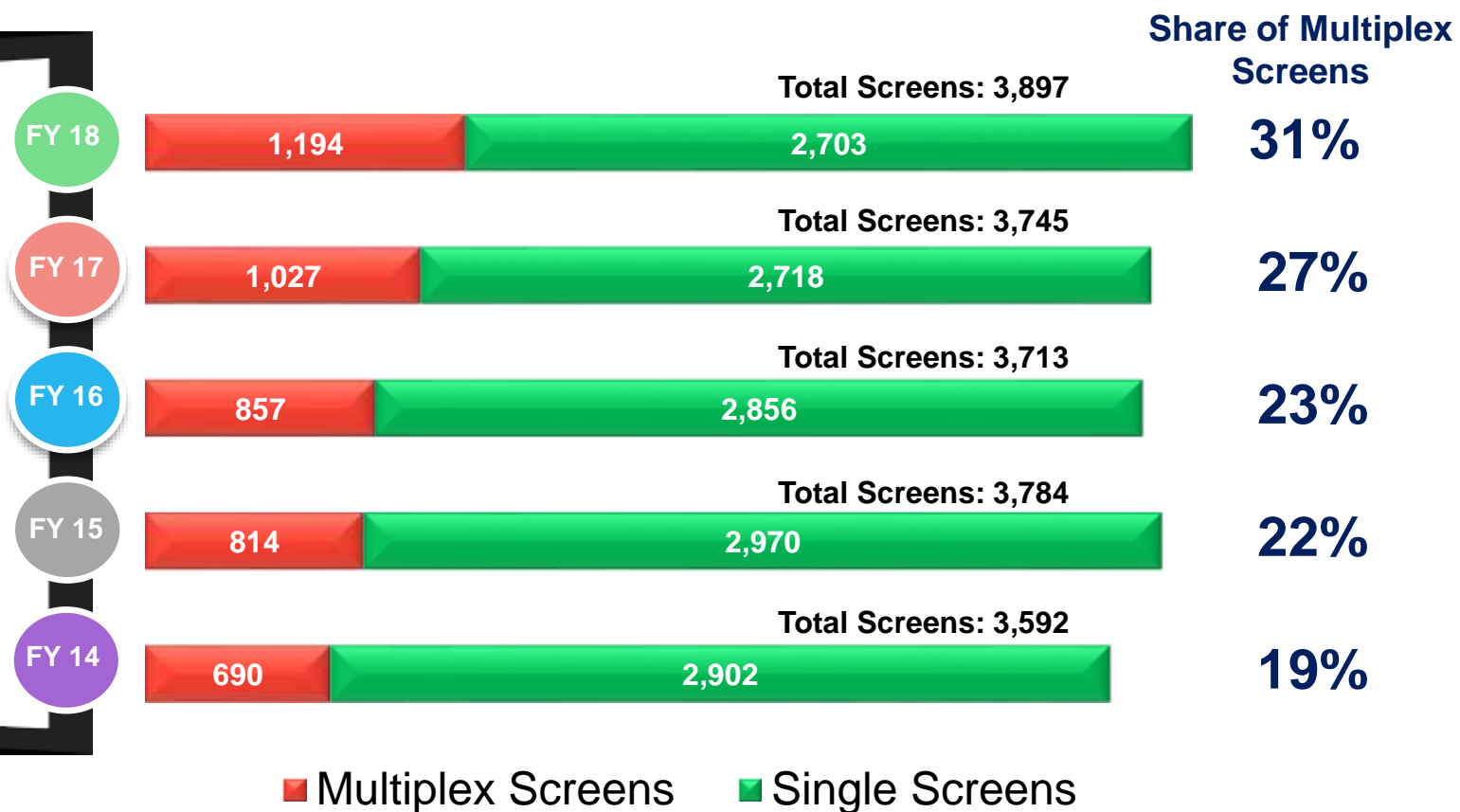


Data as on June 30, 2018

UFO+Qube = Post merger Figures, Merger is Awaiting Regulatory Approvals

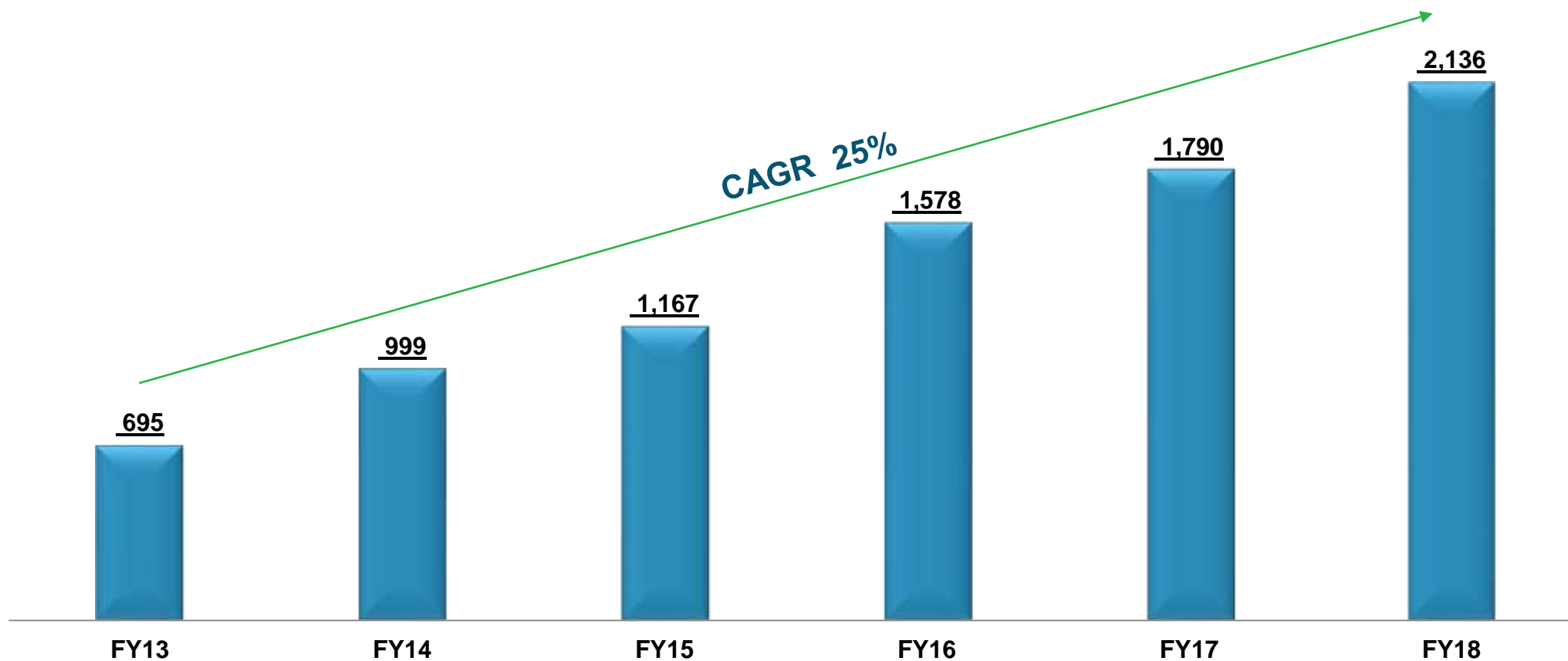
In Cinema Advertisement Network

**Stable
Advertisement
Screen Network,
with an increasing
proportion of
Multiplex Screens**

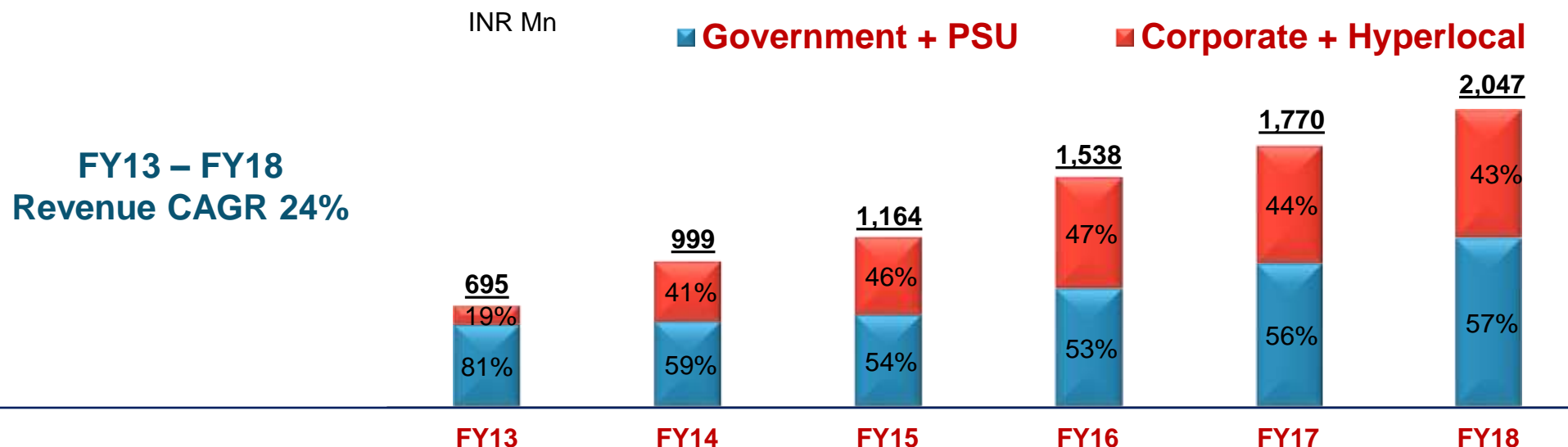


Robust Advertisement Performance

Advertisement Revenues (INR Mn)



Sustained Growth in In-Cinema Advertising



# of Screens with Ad Rights	3,071	3,592	3,784	3,713	3,745	3,897
Annual Ad Revenue / Screen (Avg) (INR)	243,081	299,711	316,346	410,275	474,597	535,847
# of Minutes Sold / Show / Ad Screen	2.46	3.25	3.36	4.15	4.34	5.19
Ad Sharing with Exhibitors	18.11%	31.00%	33.76%	30.66%	29.14%	31.75%

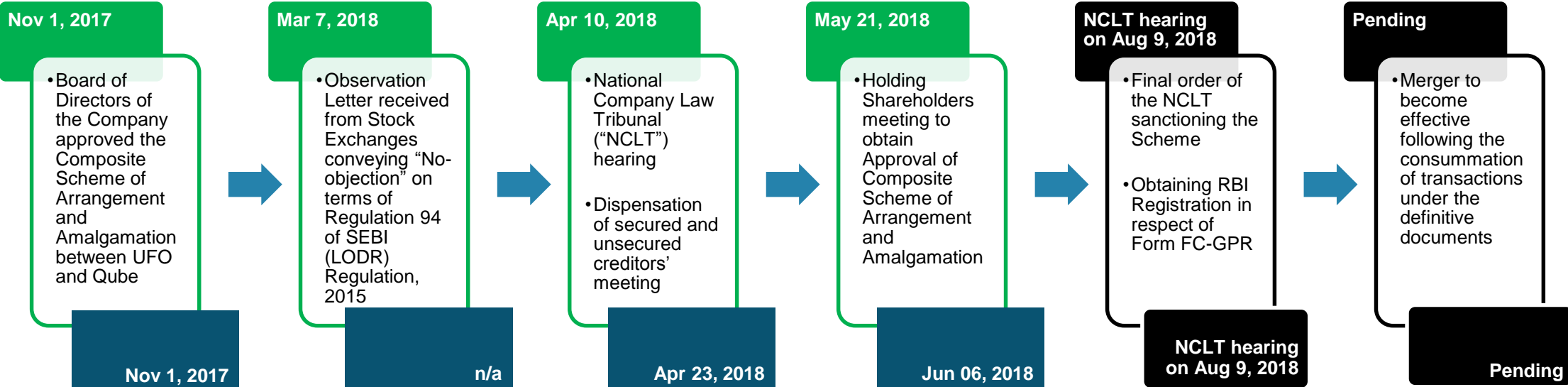
*Excludes Advertisement Revenues from Caravan Talkies

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

Key Updates

Update on Composite Scheme of Arrangement and Amalgamation between UFO and Qube

UFO

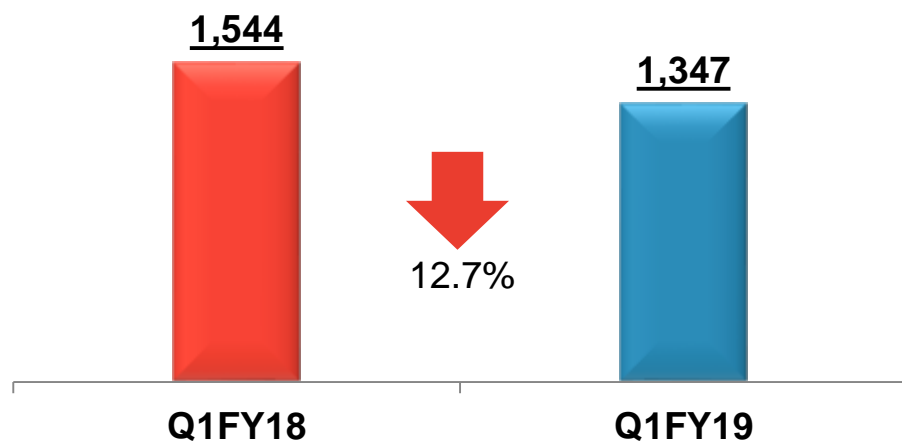


Qube

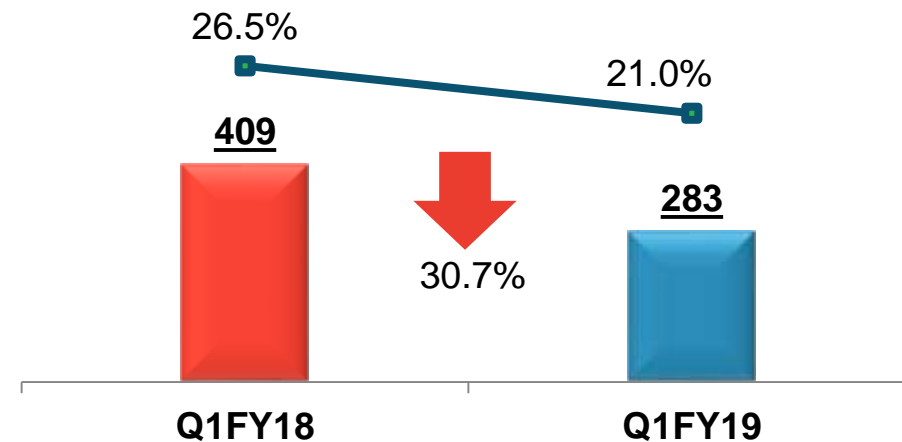
Financial and Operating Highlights for Q1FY19

Consolidated Financial Highlights

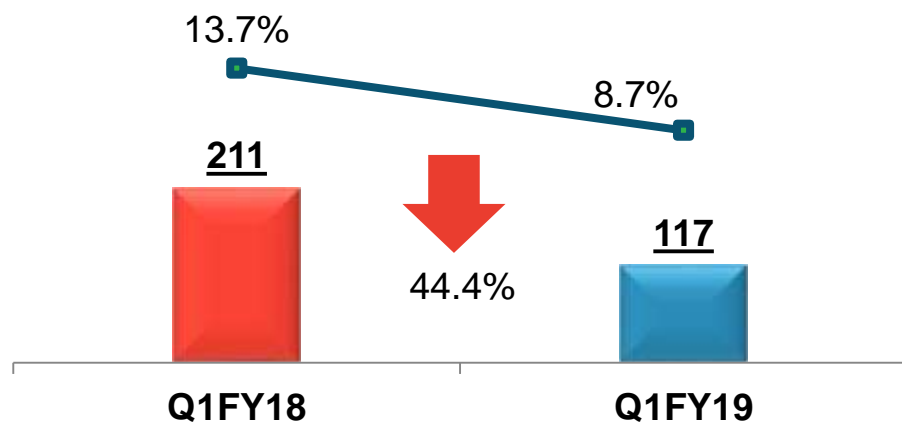
Total Revenue (INR Mn)



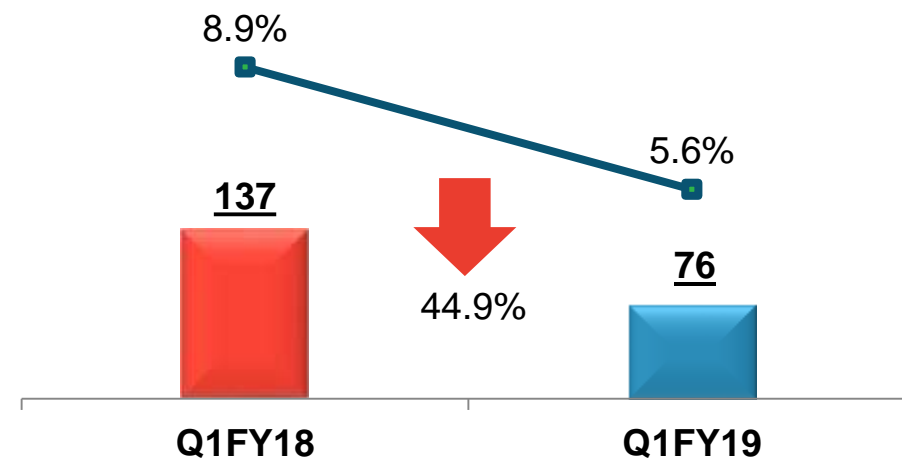
EBITDA (INR Mn) & Margin (%)



PBT (INR Mn) & Margin (%)



PAT* (INR Mn) & Margin (%)



*PAT after Minority Interest

Consolidated Revenue Mix

(INR Mn)



■ Advertisement Revenue
 ■ Distributor Revenue
 ■ Exhibitor Revenue

(INR Mn)	Q1FY19	Q1FY18	Growth
Advertisement Revenue	451	493	-8.5%
- In-Cinema Advertisement Revenue	401	457	-12.4%
- Caravan Advertisement Revenue	51	36	39.9%
Virtual Print Fees - E-Cinema	237	237	-0.2%
Virtual Print Fees - D-Cinema	172	271	-36.5%
Lease rental income - E-Cinema	139	125	11.8%
Lease rental income - D-Cinema	28	30	-6.8%
Other Operating Revenues	46	43	7.0%
Total Sale of Services	1,073	1,199	-10.5%
Total Sales of Products	271	338	-19.7%
Revenue from Operations	1,344	1,537	-12.5%

Note: Excludes Other Income

In-Cinema Advertising Performance

In-Cinema Advertisement Operating Parameter



Number of Screens
3,857



Multiplex Screens
1,219



Single Screens
2,638



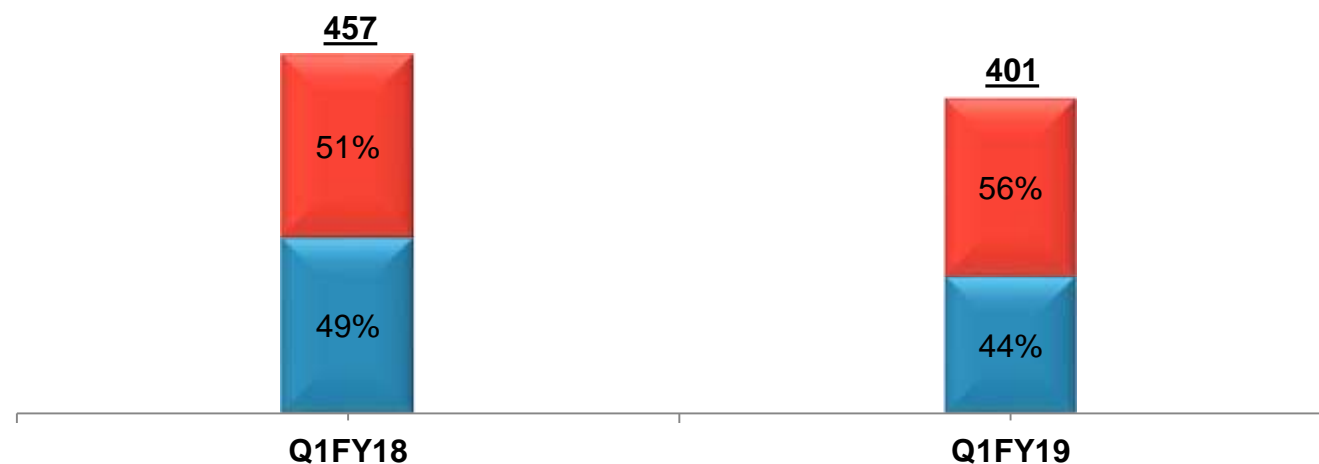
Full House Seating Capacity - Annualized
2,467 Mn

Q1FY19	Top 50 Cities		Rest of India	
	Multiplex	Single	Multiplex	Single
# of UFO Screens	476	518	743	2,120
Full House Seating Capacity – Per Show All Screens	123,684	306,125	197,225	1,086,283
Seating Capacity Per Screen Per Show	260	591	265	512
*Full House Seating Capacity Annualised (in Mn Seats)	178	441	284	1,564

*Full house seating capacity – Annualised is calculated by multiplying full house seating capacity per show x 4 shows a day x 30 days x 12 months

In-Cinema Advertisement Revenue Analysis

INR Million ■ Government + PSU ■ Corporate + Hyperlocal



	Q1FY18	Q1FY19
Ad Revenue / Screen for the period (Avg) (Rs.)	117,568	103,346
Average # of minutes sold / show / Ad Screen	4.65	4.46
# of In Cinema Advertising Clients*	1,275	861
Advertisement Sharing with Exhibitors	33.03%	40.11%

*Excluding Framez customers

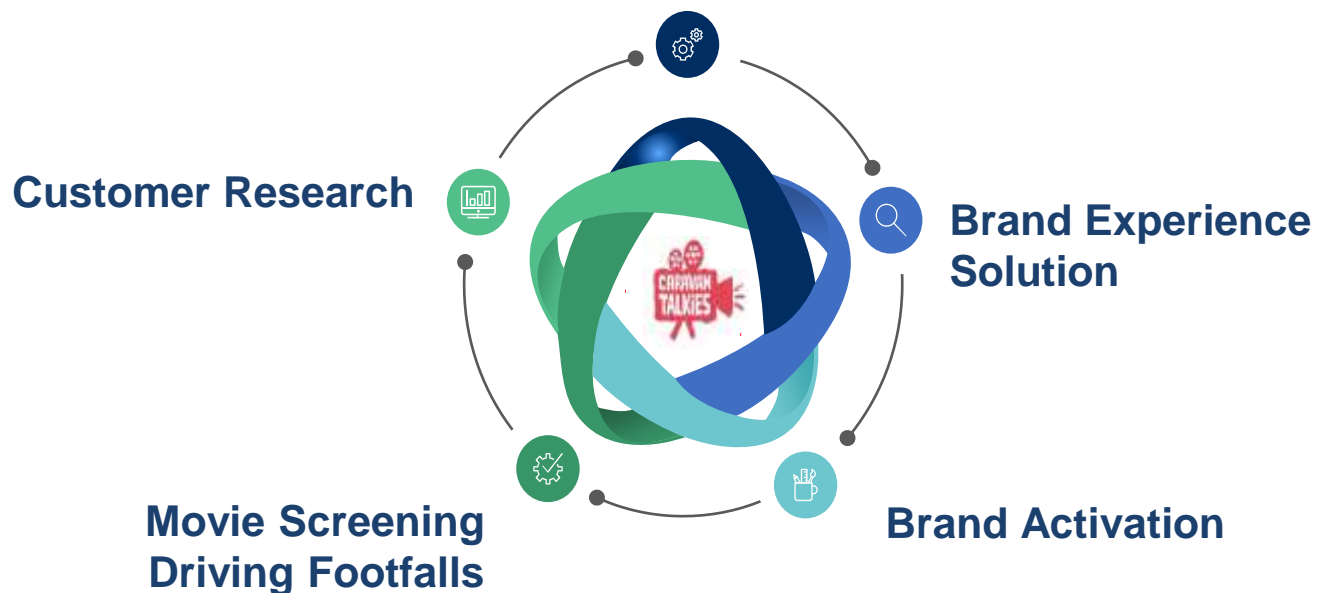
Excludes Caravan Talkies Revenues

Average # of minutes sold / show / Ad Screen is calculated by dividing total # of advertisement minutes sold by average # of Screens with Ad Rights during the period

Average # of Advertising Screens = (Sum of # of Opening Advertisement Screens and # of Closing Advertisement Screens) / 2

Repositioned and Retooled Caravan Talkies for Growth

360 Degree Activation



Improved Realizations

- Revenue growth driven by higher realization

Taking Brands to Rural India



VDSPL's Financial Performance

(INR Mn) Q1FY19 Q1FY18 Growth

Revenue	56	44	28.1%
EBITDA	(8)	4	n/a

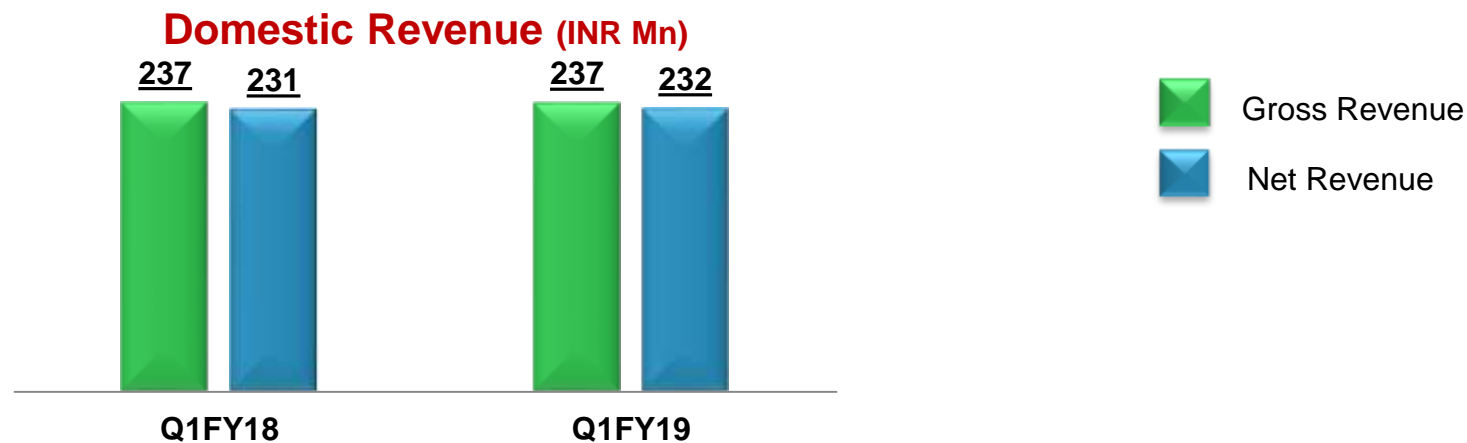
Caravan Talkies has not added new Vans in FY17 & FY18

*VDSPL comprises of Caravan Talkies, NOVA Cinemas and Club Cinema businesses

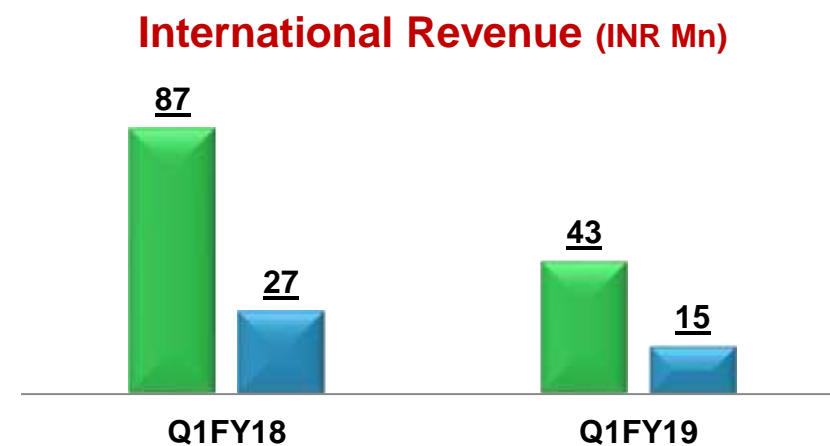
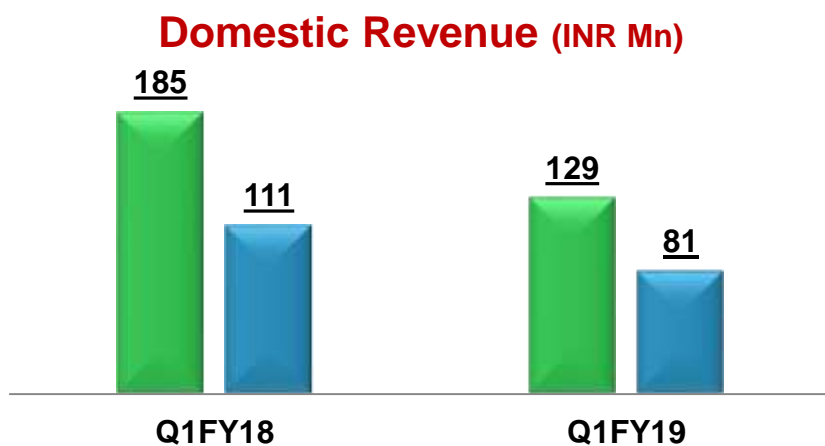
Theatrical Revenues

Theatrical revenues from Distributors

E – Cinema - VPF



D – Cinema - VPF



Domestic includes revenues generated from screens in Nepal
 Net Revenue = Gross Revenue less Revenue Share with the Exhibitors

Operating Parameter – VPF Revenue India

# of Screens*	Q1FY19	Q1FY18
E – Cinema	3,679	3,836
D – Cinema	1,617	1,554
Total	5,296	5,390

of Screens as on June 30, 2018

VPF Revenue / Screen (Average**) (in Rs.)	Q1FY19	Q1FY18
E – Cinema Gross	64,057	64,258
E – Cinema Net	62,812	62,750
D – Cinema Gross***	79,759	118,351
D – Cinema Net***	49,907	70,942

*Includes Franchisee screens (Example: UMW, IWDL, etc).

**Average # of Screens = (Sum of # of Opening Screens and # of Closing Screens) / 2

***Certain D-Cinema screens, part of planned Sunset, are generating small service revenue with nil VPF revenue, resulting in lower per screen D Cinema VPF revenue.

Operating Parameter – VPF Revenue International

Number of Screens	Q1FY19	Q1FY18
Total*	416	807
# of Screens as on June 30, 2018		
VPF Revenue / Screen (Average**) (in Rs.)	Q1FY19	Q1FY18
D – Cinema Gross	104,085	106,456
D – Cinema Net	37,219	33,619

*Total # of VPF Generating Screens only in Middle East and Israel

**Average # of Screens = (Sum of # of Opening Screens and # of Closing Screens) / 2

Financial Performance

Consolidated P&L Statement

(INR Mn)	Q1FY19	Q1FY18	Growth
Revenue from Operations	1,344	1,537	-12.5%
Other Income	3	7	-55.4%
Total Revenue	1,347	1,544	-12.7%
Total Expenses	1,064	1,135	-6.3%
EBITDA	283	409	-30.7%
Depreciation and Amortisation	188	206	-8.2%
EBIT	95	203	-53.3%
Finance Cost	15	26	-44.6%
Finance Income	25	23	9.5%
Profit from Associates	12	11	6.2%
PBT	117	211	-44.4%
Tax	48	71	-32.0%
PAT	69	140	-50.7%
Minority Interest	(7)	3	-332.4%
PAT after Minority Interest*	76	137	-44.9%
Basic EPS	2.67	4.98	-46.4%

*PAT after Minority Interest excludes Other Comprehensive income (OCI)

Consolidated Expenditure Analysis

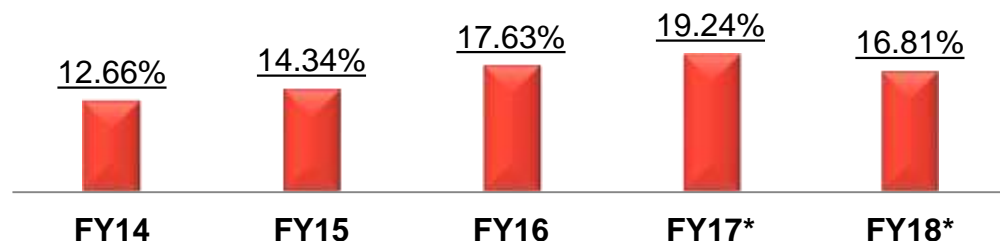
Expenses as a % of Total Revenue	Q1FY19	Q1FY18
1) Total Operating Direct Cost	46.3%	46.5%
Key Operating Direct Cost Components		
i) Advertisement revenue share payment	<u>11.9%</u>	<u>9.8%</u>
ii) VPF D-Cinema share payment to D-Cinema Exhibitors	<u>5.6%</u>	<u>8.6%</u>
iii) Purchase of Equipment, Lamps and Spares	<u>14.0%</u>	<u>17.7%</u>
2) Employee Benefit Expenses*	15.2%	13.2%
3) Other Expenses (SG&A)	17.5%	13.8%
Total Expenses	79.0%	73.5%
EBITDA Margin	21.0%	26.5%

* Includes ESOP expenses of INR 21 Mn in Q1FY19

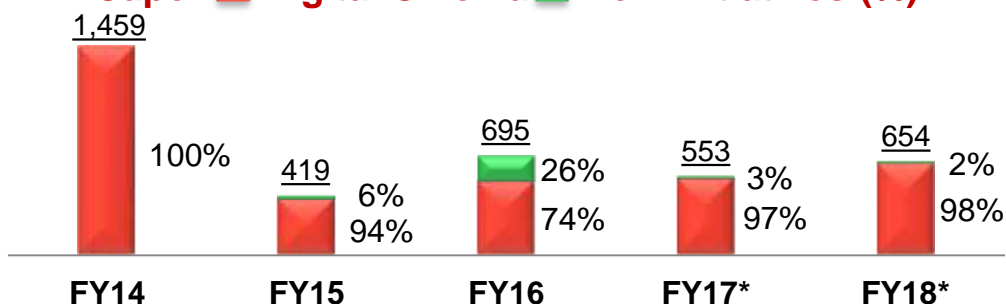
Annexure

Demonstrated Levers for Shareholder Value Creation

RoCE (%)



Capex Digital Cinema New Initiatives (%)



EPS DPS (INR)



Low Capital Intensity

Initial high capital intensity over; generating higher revenues with lower incremental Capex.

Improving Capital Efficiency

Network Effect and Operational Efficiencies have led to improving RoCE

Low Content Risk

Growing in synergistic businesses with low content risk.

Dividend Distribution

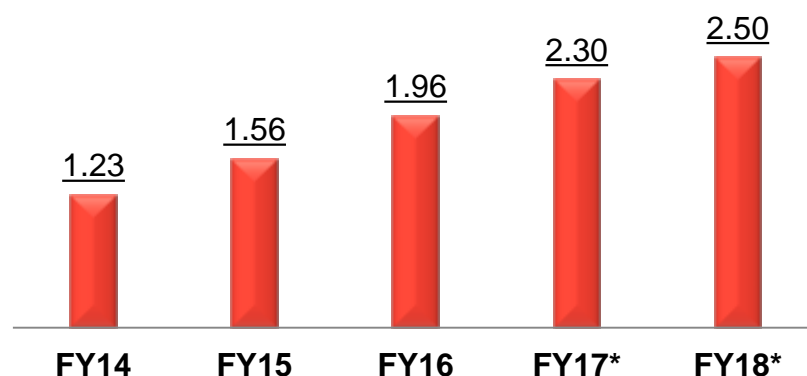
Distributing ≥ 25% of PAT annually.

RoCE = EBIT/(Networth + Long Term Debt + Short Term Debt + Current Maturing Long Term Debt + Minority Interest)

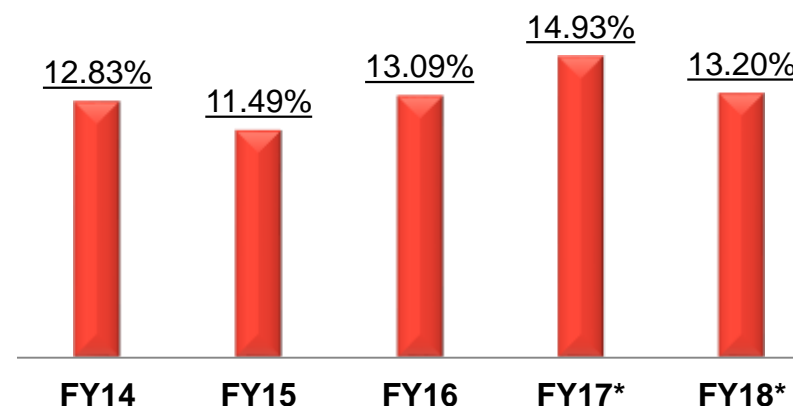
*FY17 and FY18 are based on closing Ind AS financials

Key Financial Parameters

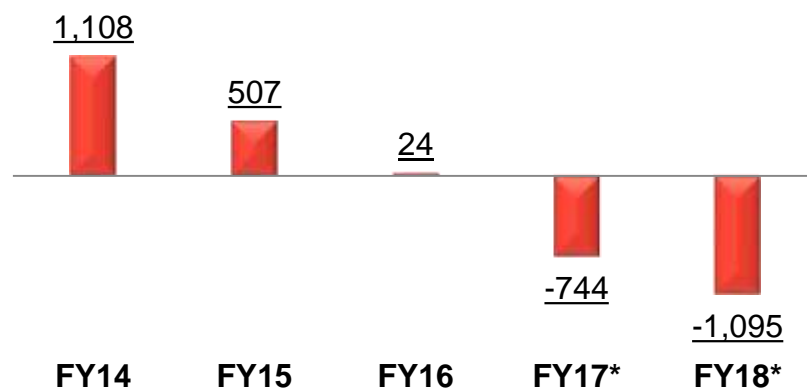
Net Fixed Asset Turnover (x)



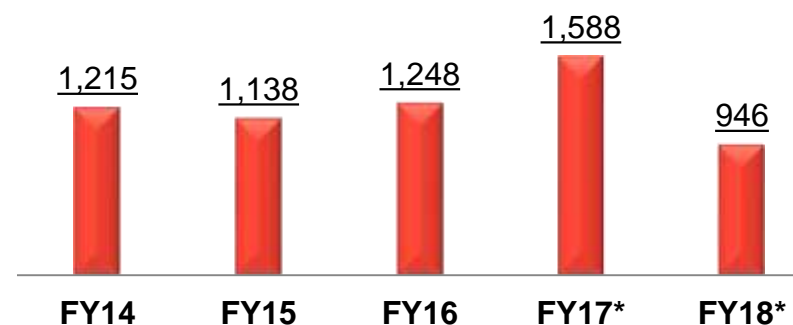
RoE (%)



Net Debt** (INR Mn)



Net Cash Flow from Operating Activities (INR Mn)



*FY17 and FY18 are based on Ind AS closing financials
 **Net Debt = Total Debt less Cash and Cash Equivalents
 Net Fixed Asset Turnover = Total Income/Net Fixed Assets
 RoE = PAT after Minority Interest / Networth

Shareholding

(% of Total # of shares)	June 30, 2018
Promoters	30.04%
Foreign Venture Capital Investors	18.52%
Foreign Portfolio Investors	3.95%
Mutual Funds	20.39%
Corporate Bodies	3.57%
Others	23.53%
Total # of Shares	28,350,801

Marquee Institutional Investors*
SBI Mutual Fund
Reliance Capital Asset Management
DSP Blackrock
Equinox Partners
Nomura Singapore

*As on June 30, 2018

About Us

UFO Moviez India Limited

UFO Moviez India Limited (BSE Code: 539141; NSE Code: UFO) is India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens. UFO operates India's largest satellite-based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. As on June 30, 2018, UFO's global network, along with subsidiaries and associates, spans 6,361 screens worldwide, including 5,296 screens across India and 1,065 screens across the Middle East, Israel, Mexico and the USA.

UFO's digitization and delivery model has been a key driver of extensive digitization of Indian cinemas and has enabled wide-spread, same day release of movies across India. UFO adds value to all stakeholders in the movie value chain, spanning movie producers, distributors, exhibitors and the cinema-going audience. UFO provides value to movie producers and distributors by reducing distribution costs, providing reach to a wide network, providing a faster method of delivery of content and reducing piracy through encryption and other security measures. We provide value to movie exhibitors throughout India by providing access to first day release of movies on our digital platform. Audiences benefit from faster access to new movie releases and a consistently high quality viewing experience.

UFO has created a pan India, high impact in-cinema advertising platform with generally long-term advertising rights to 3,857 screens, with an aggregate seating capacity of approximately 1.71 million viewers and a reach of 1,350 cities and towns across India, as on June 30, 2018. UFO's in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. UFO's in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetise their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

Visit us at www.ufomoviez.com. For further details, contact:

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