

Q1FY20 Results Presentation

August 13, 2019

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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

3,600 High Impact Ad Screens



Wide Base of Advertisers

876 Advertisers in Q1FY20



Pan India Presence

1,249 Cities & Towns

1,280 Multiplex &
2,320 Single Screens

Leading Presence Across All Screen Categories



Average weekly seating capacity

~41 million

438 Movies
in **21** Languages
for **908** Distributors

Digitally Delivered in Q1FY20



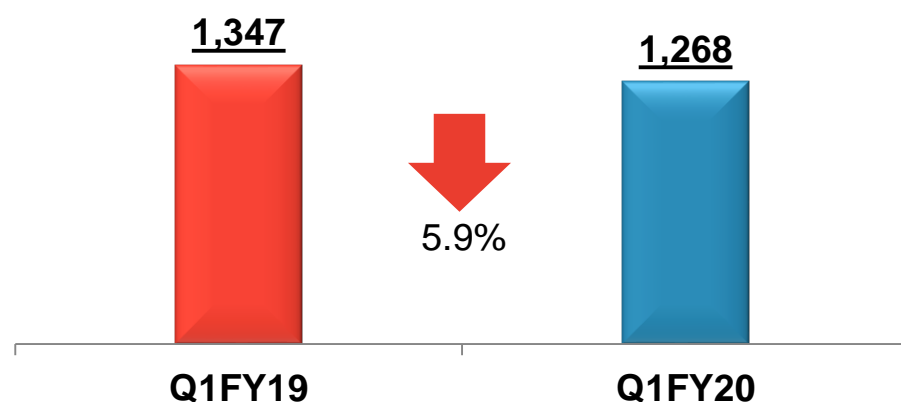
Data as on June 30, 2019

Average weekly seating capacity is based on 4 shows per day

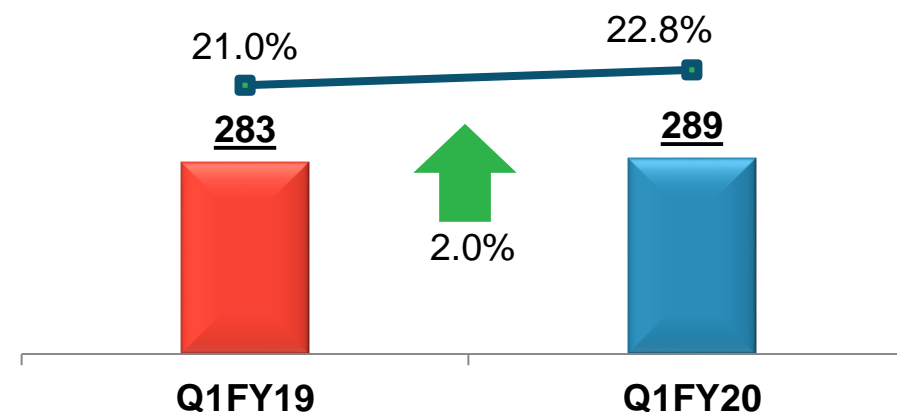
Financial & Operating Highlights

Consolidated Financial Highlights

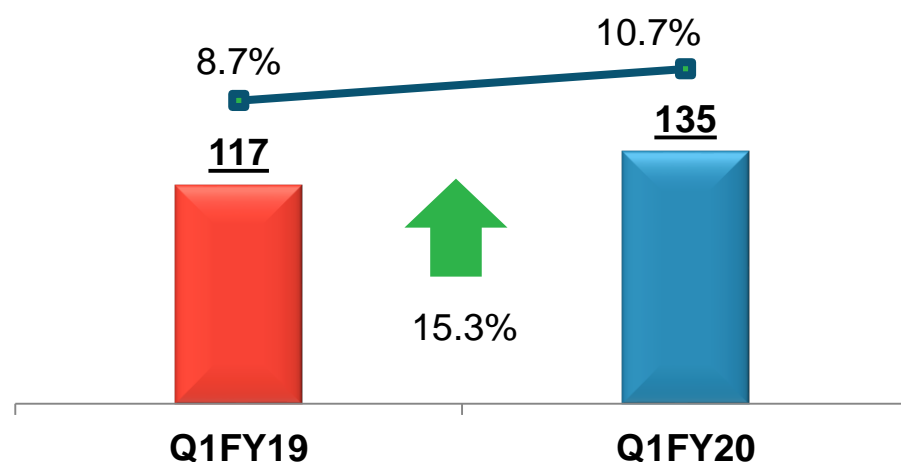
Total Revenue (INR Mn)



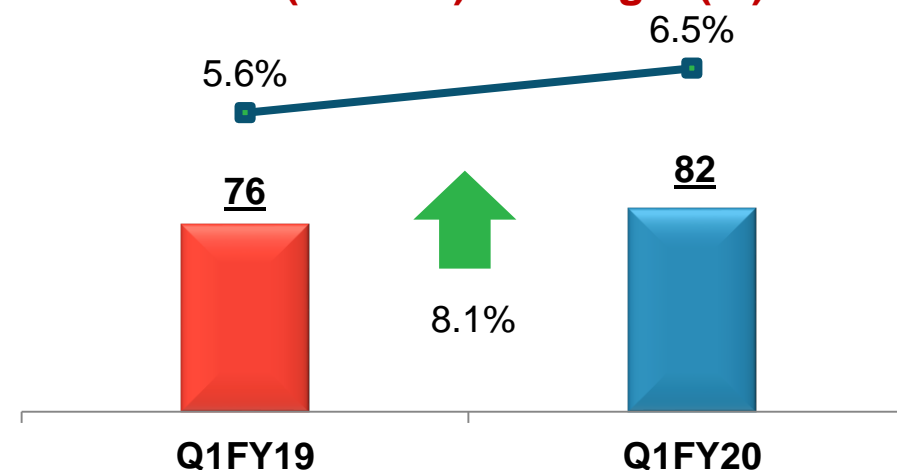
EBITDA (INR Mn) & Margin (%)



PBT (INR Mn) & Margin (%)

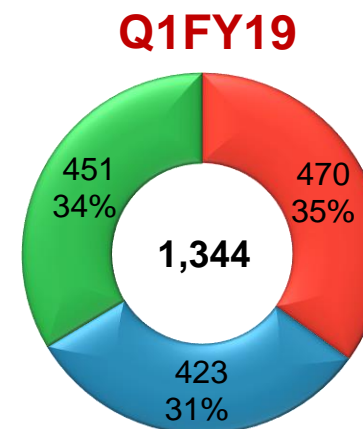
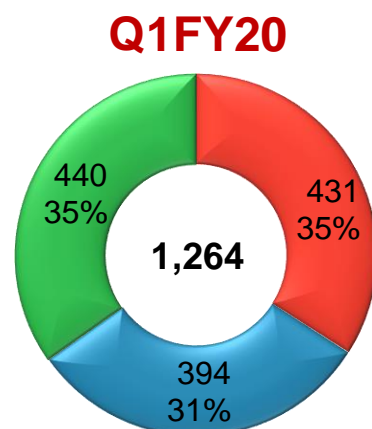


PAT* (INR Mn) & Margin (%)



Consolidated Revenue Mix

(INR Mn)



Advertisement Revenue



Distributor Revenue



Exhibitor Revenue

(INR Mn)	Q1FY19	Q1FY18	Growth
Advertisement Revenue	440	451	-2.6%
- In-Cinema Advertisement Revenue	401	401	0.2%
- Caravan Advertisement Revenue	38	51	-24.3%
Virtual Print Fees - E-Cinema	241	237	2.0%
Virtual Print Fees - D-Cinema	98	172	-43.0%
Lease rental income - E-Cinema	142	139	2.3%
Lease rental income - D-Cinema	24	28	-13.3%
Other Operating Revenues*	95	46	105.8%
Total Sale of Services	1,040	1,073	-3.1%
Total Sales of Products	224	271	-17.4%
Revenue from Operations	1,264	1,344	-5.9%

Note: Excludes Other Income

In-Cinema Advertising Performance

In-Cinema Advertisement Operating Parameter



Number of Screens
3,600



Multiplex Screens
1,280



Single Screens
2,320



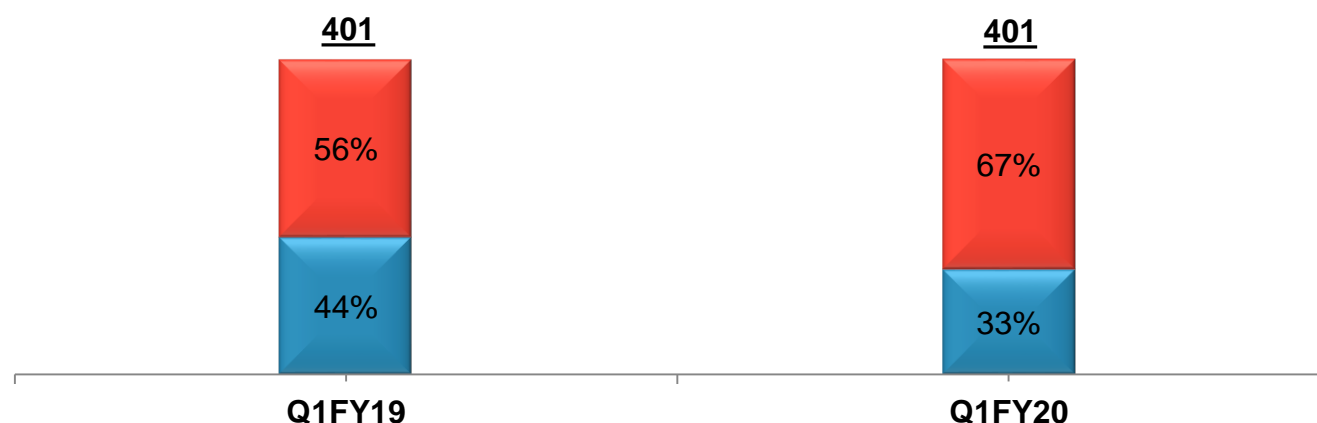
Full House Seating Capacity - Annualized
2,121 Mn

Q1FY20	Top 50 Cities		Rest of India	
	Multiplex	Single	Multiplex	Single
# of UFO Screens	467	472	813	1,848
Full House Seating Capacity – Per Show All Screens	116,992	269,475	200,361	885,792
Seating Capacity Per Screen Per Show	251	571	246	479
*Full House Seating Capacity Annualised (in Mn Seats)	168	388	289	1,276

*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



	Q1FY19	Q1FY20
Ad Revenue / Screen for the period (Avg) (Rs.)	103,346	110,021
Average # of minutes sold / show / Ad Screen	4.46	4.64
# of In Cinema Advertising Clients*	861	876
Advertisement Sharing with Exhibitors	40.11%	39.56%

*Excluding Framez customers

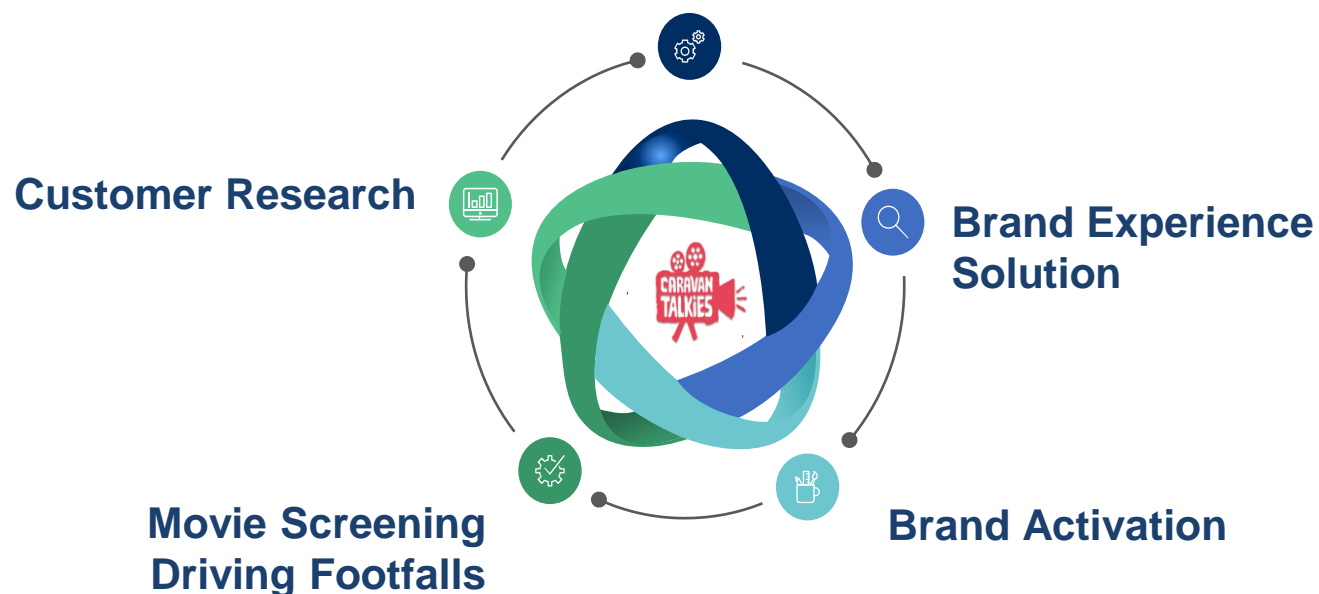
Excludes Caravan Talkies Revenues

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 and Utilization

- Revenue growth driven by higher realization and increased van utilization

Taking Brands to Rural India



VDSPL's Financial Performance

(INR Mn)	Q1FY20	Q1FY19	Change
Revenue	48	56	(8)
EBITDA	1	(8)	9

Caravan Talkies has not added new Vans in FY17, FY18 & FY19

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

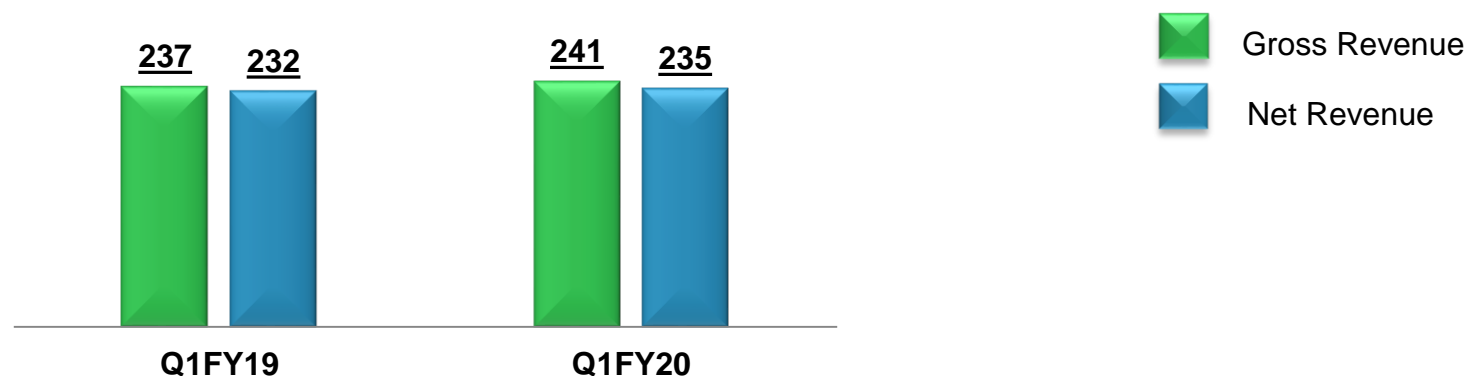


Theatrical Revenues

Theatrical revenues from Distributors

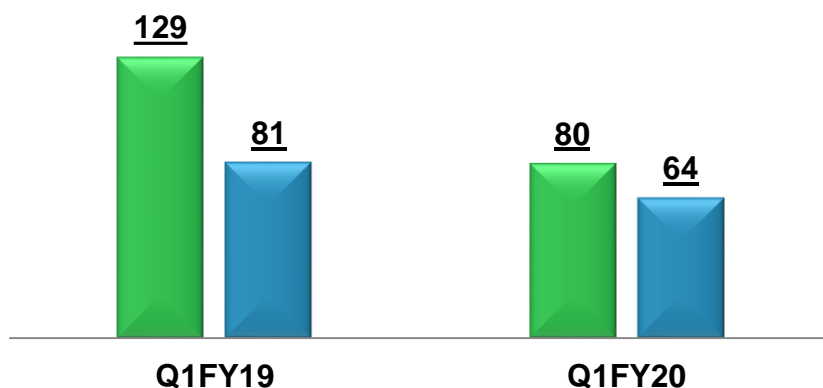
E – Cinema - VPF

Domestic Revenue (INR Mn)

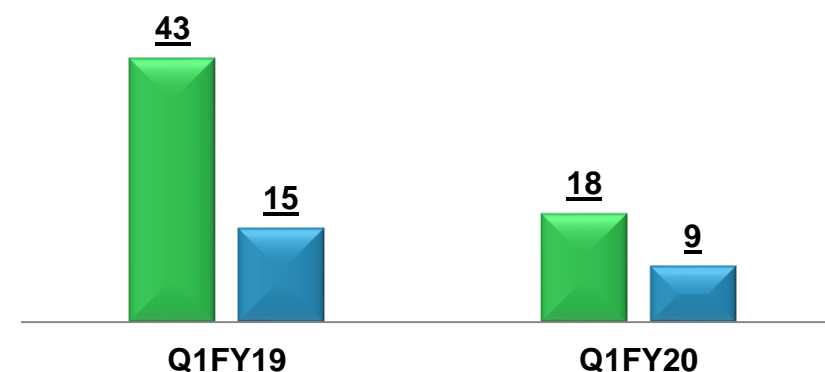


D – Cinema - VPF

Domestic Revenue (INR Mn)



International Revenue (INR Mn)



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*	Q1FY20	Q1FY19
E – Cinema	3,503	3,679
D – Cinema	1,741	1,617
Total	5,244	5,296

of Screens as on June 30, 2019

VPF Revenue / Screen (Average**) (in Rs.)	Q1FY20	Q1FY19
E – Cinema Gross	68,509	64,057
E – Cinema Net	66,570	62,812
D – Cinema Gross***	45,682	79,759
D – Cinema Net***	36,693	49,907

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

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

***Reduction in Gross VPF Revenue/Screen is due to Sunset

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	Q1FY20	Q1FY19
Total*	150	416
# of Screens as on June 30, 2019		
VPF Revenue / Screen (Average**) (in Rs.)	Q1FY20	Q1FY19
D – Cinema Gross	119,418	104,085
D – Cinema Net	61,795	37,219

*Total # of VPF Generating Screens in Middle East

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

Financial Performance

Consolidated Reported P&L Statement

(INR Mn)	Q1FY19	Q1FY18	Growth
Revenue from Operations	1,264	1,344	-5.9%
Other Income	3	3	7.3%
Total Revenue	1,268	1,347	-5.9%
Total Expenses*	979	1,064	-8.0%
EBITDA	289	283	2.0%
Depreciation and Amortisation	177	188	-5.9%
EBIT	112	95	17.5%
Finance Cost	25	15	69.1%
Finance Income	45	25	77.9%
Profit from Associates	3	12	-71.8%
PBT	135	117	15.3%
Tax	53	48	10.8%
PAT	82	69	18.4%
Non-Controlling Interest	0	(7)	-100.0%
PAT after Non-Controlling Interest**	82	76	8.1%
Basic EPS	2.89	2.67	8.1%

*Ind AS 116 Impact on P&L – certain operating lease expense of Rs. 5.62 Mn are recognised as Depreciation expense for the right of use assets of Rs. 4.52 Mn and Finance Cost for interest accrued on lease liability of Rs. 1.76 Mn. Hence the reported EBITDA is higher by Rs. 5.62 Mn and the reported PAT after Non-Controlling Interest is lower by Rs. 0.43 Mn.

**PAT after Non-Controlling Interest excludes Other Comprehensive income (OCI)

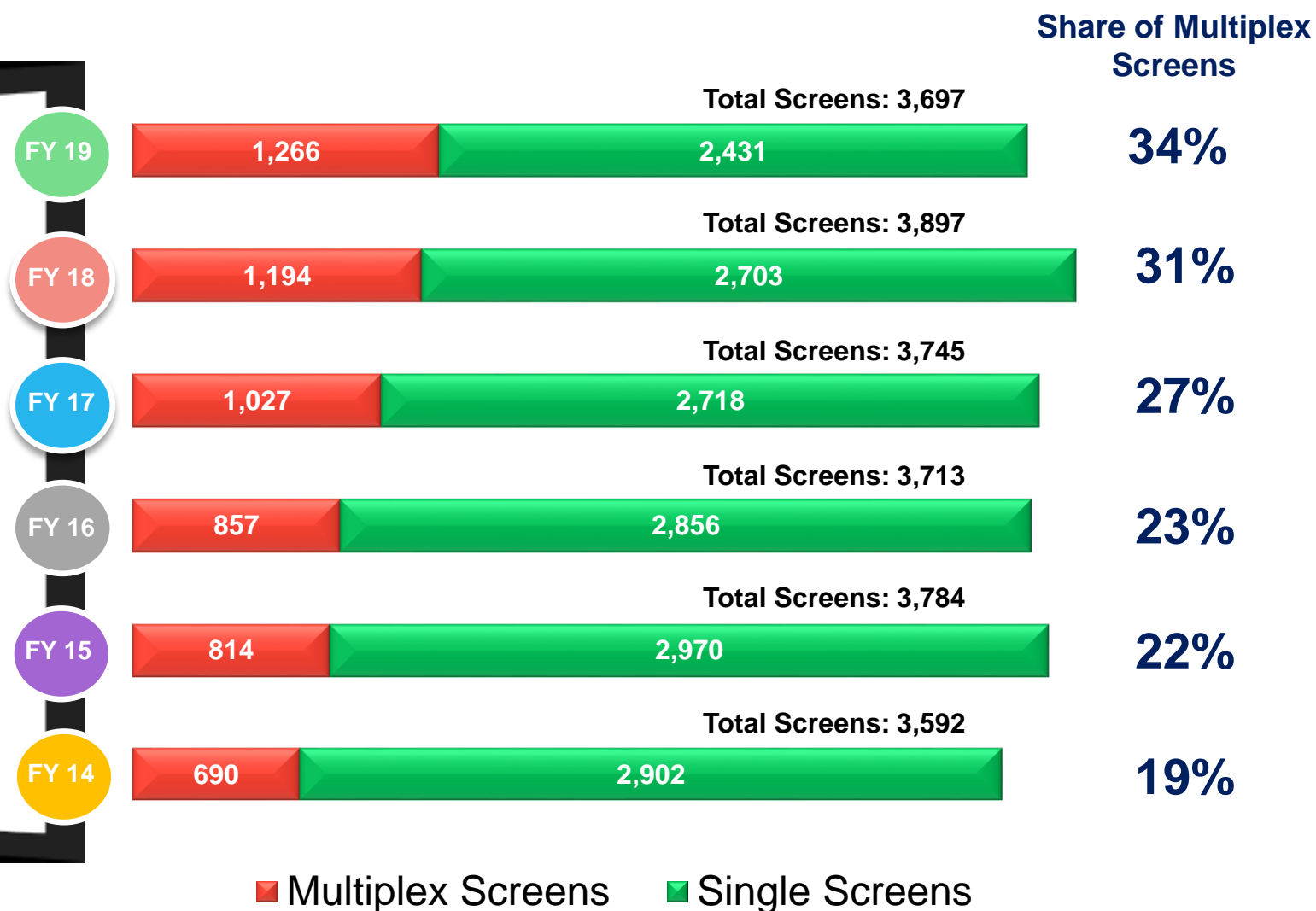
Consolidated Expenditure Analysis

Expenses as a % of Total Revenue	Q1FY19	Q1FY18
1) Total Operating Direct Cost	42.1%	46.3%
Key Operating Direct Cost Components		
i) Advertisement revenue share payment	<u>12.5%</u>	<u>11.9%</u>
ii) VPF D-Cinema share payment to D-Cinema Exhibitors	<u>1.9%</u>	<u>5.6%</u>
iii) Purchase of Equipment, Lamps and Spares	<u>14.6%</u>	<u>14.0%</u>
2) Employee Benefit Expenses	16.5%	15.2%
3) Other Expenses (SG&A)	18.6%	17.5%
Total Expenses	77.2%	79.0%
EBITDA Margin	22.8%	21.0%

Annexure

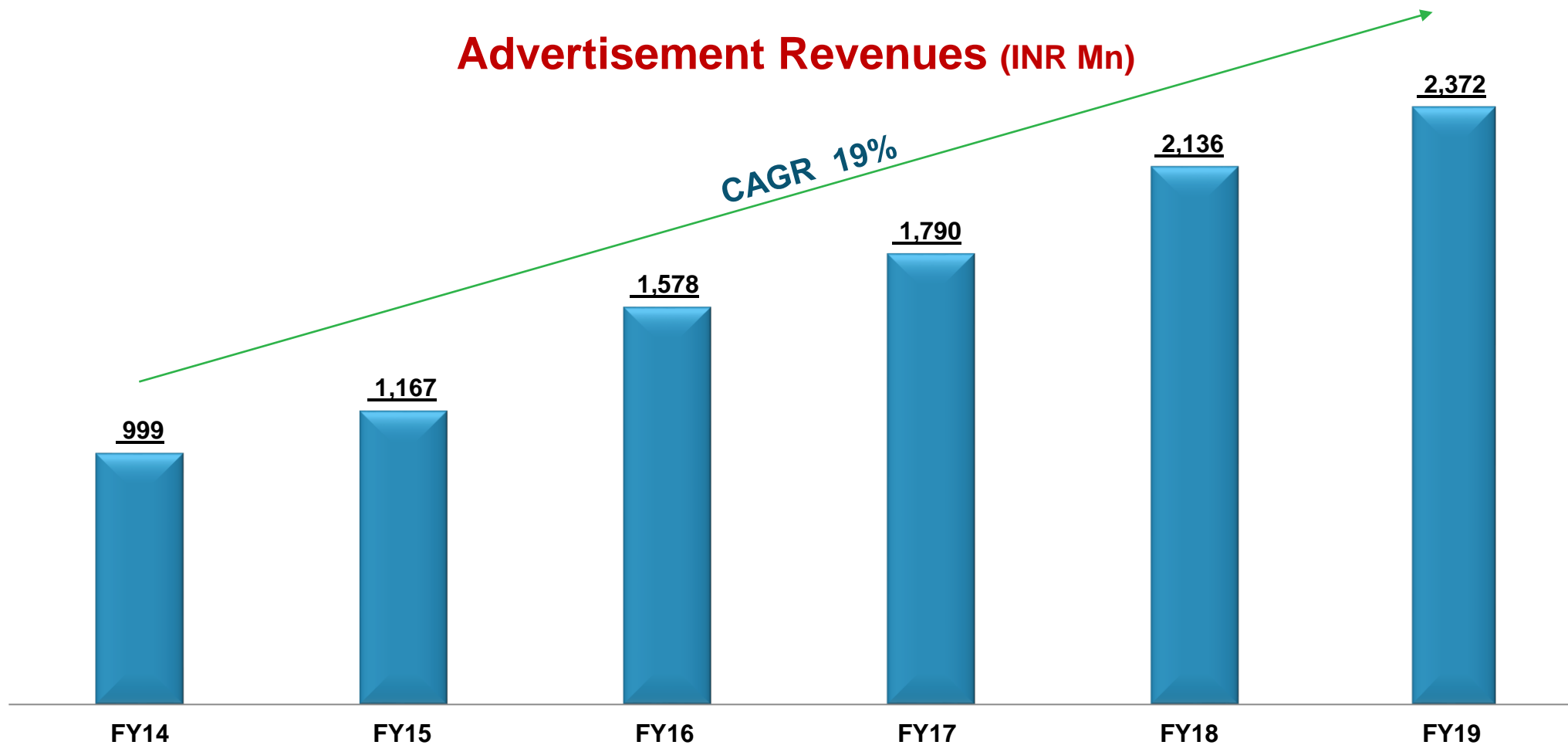
In Cinema Advertisement Network

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

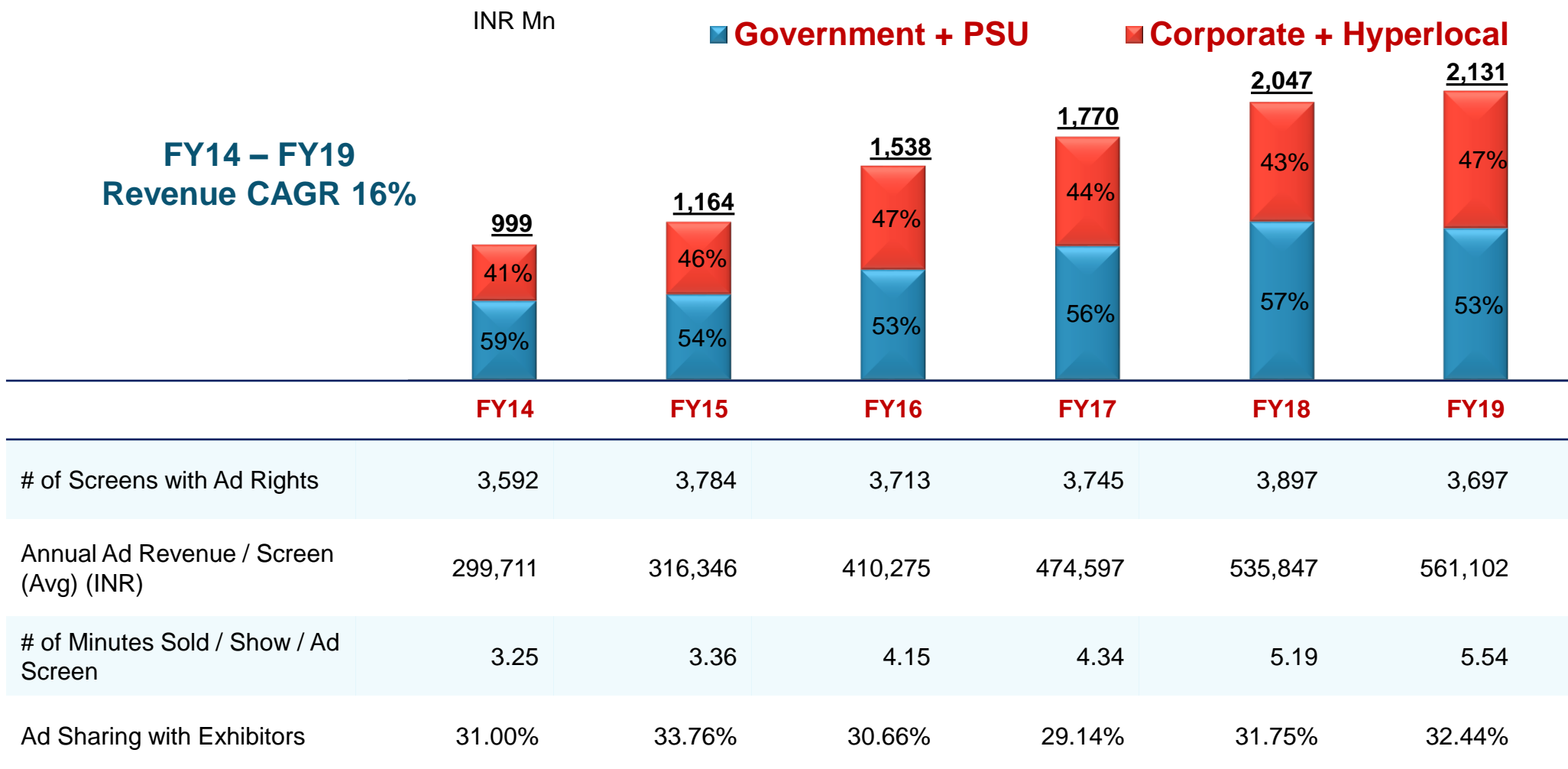


Robust Advertisement Performance

Advertisement Revenues (INR Mn)



Sustained Growth in In-Cinema Advertising



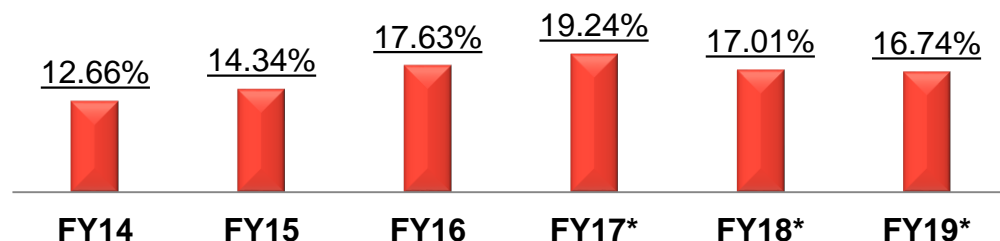
*Excludes Advertisement Revenues from Caravan Talkies

of minutes sold / show / Ad Screen is calculated by dividing total # of advertisement minutes sold by average # of advertisement screens during the period

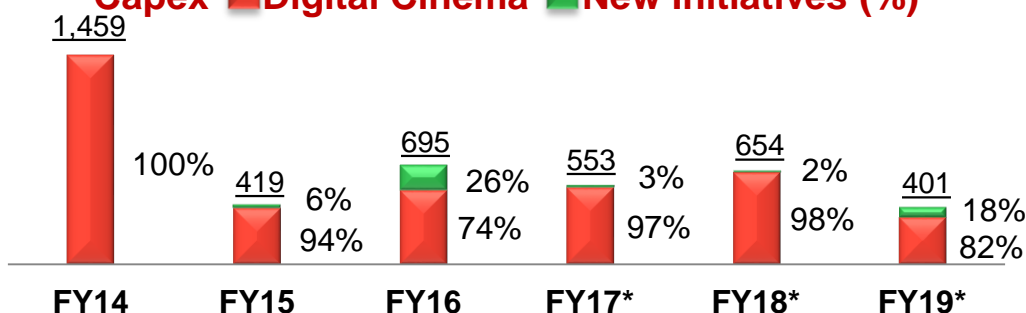
Average # of Advertising Screens = (Sum of # of Opening Advertisement Screens and # of Closing Advertisement Screens) / 2

Demonstrated Levers for Shareholder Value Creation

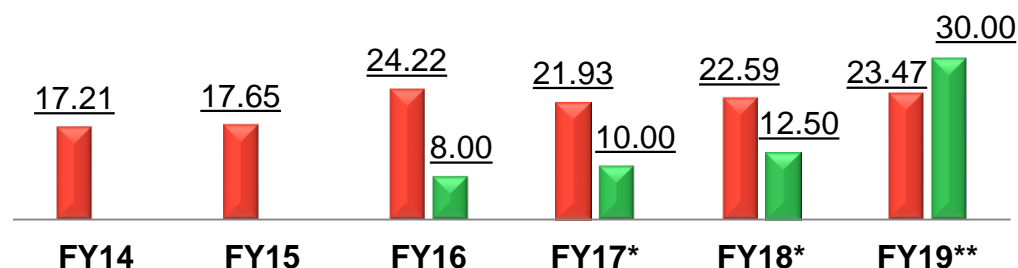
RoCE (%)



Capex Digital Cinema New Initiatives (%)



EPS DPS (INR)



RoCE = EBIT/(Networth + Long Term Debt + Short Term Debt + Current Maturing Long Term Debt + Non-Controlling Interest)

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

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

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.

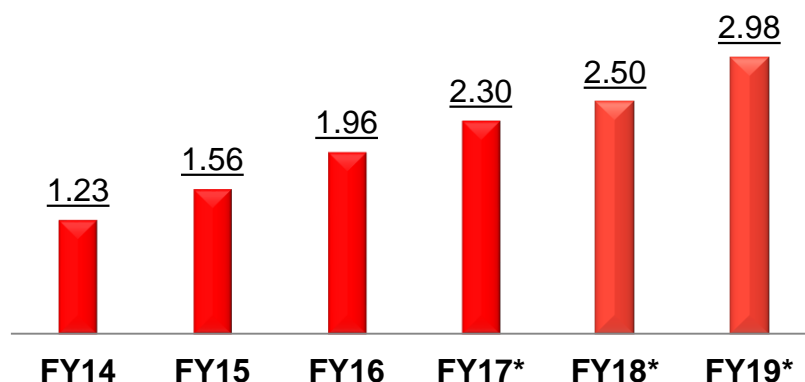
Dividend Distribution



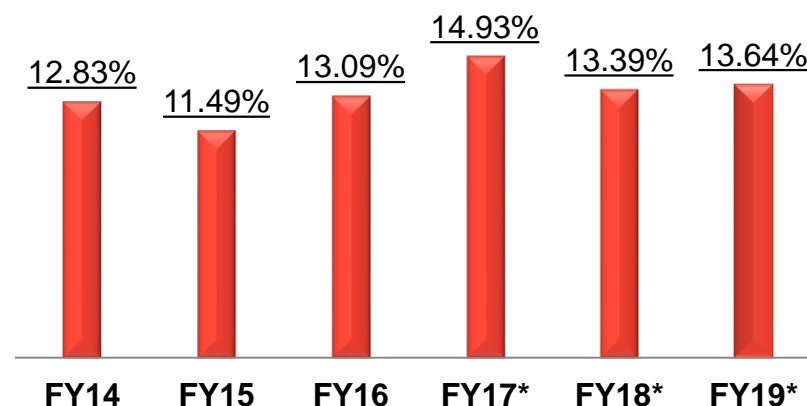
Distributing ≥ 25% of PAT annually.

Key Financial Parameters

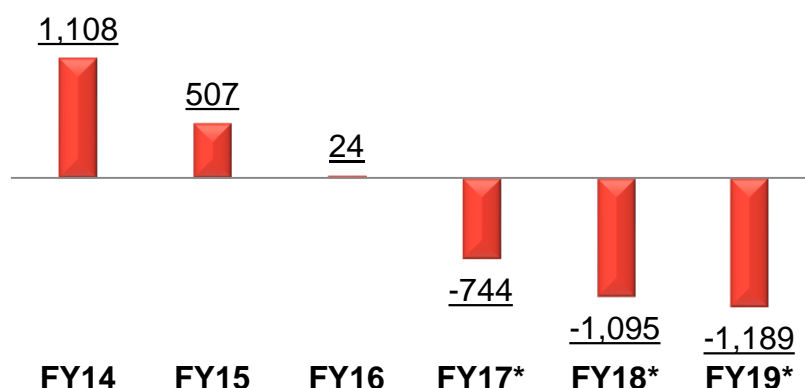
Net Fixed Asset Turnover (x)



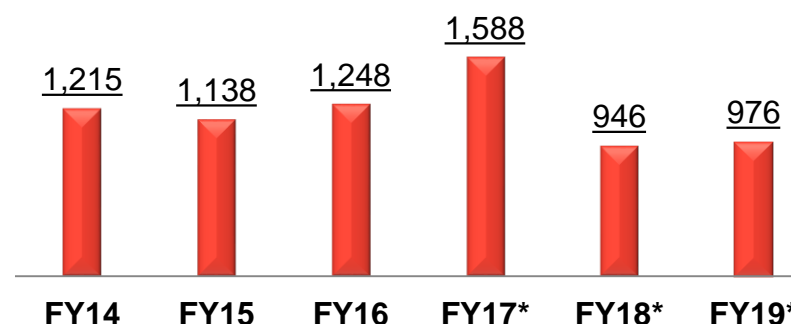
RoE (%)



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 Non-Controlling Interest / Networth

Shareholding

(% of Total # of shares)	June 30, 2019
Promoters	30.09%
Foreign Venture Capital Investors	18.52%
Foreign Portfolio Investors	3.06%
Mutual Funds	19.23%
Corporate Bodies	3.69%
Others	25.41%
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, 2019

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, 2019, UFO's global network, along with subsidiaries and associates, spans XXXX screens worldwide, including 5,244 screens across India and XXX screens across the Middle East, 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 3,600 screens, with an aggregate seating capacity of approximately 1.47 million viewers and a reach of 1,249 cities and towns across India, as on June 30, 2019. 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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