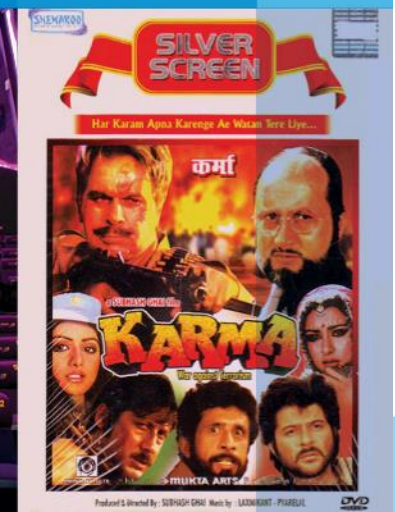
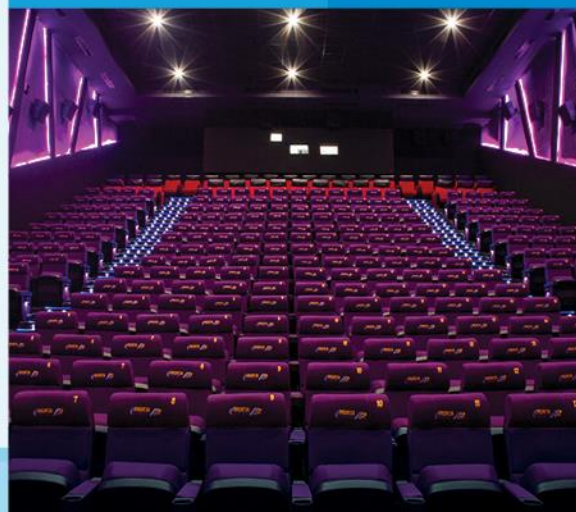




MUKTA ARTS LTD

INVESTOR PRESENTATION
AUG 2019



DISCLAIMER



MUKTA ARTS LTD

This presentation and the following discussion may contain “forward looking statements” by Mukta Arts Limited (“Mukta” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Mukta about the business, industry and markets in which Mukta operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Mukta’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Mukta.

In particular, such statements should not be regarded as a projection of future performance of Mukta. It should be noted that the actual performance or achievements of Mukta may vary significantly from such statements.

DISCUSSION SUMMARY



MUKTA ARTS LTD

4

COMPANY OVERVIEW

9

EXHIBITION BUSINESS

15

EDUCATION BUSINESS

19

OTHER BUSINESSES

22

CONSOLIDATED FINANCIALS



COMPANY OVERVIEW



COMPANY OVERVIEW

DIFFERENTIATED BUSINESS MODEL ACROSS ENTIRE FILM INDUSTRY VALUE CHAIN



MUKTA ARTS LTD

- Leading production house in India with a rewarding legacy of more than 30 years
- Pioneered by multidimensional founder and creative head – Mr. Subhash Ghai
- Globally recognised high quality film library of more than 35 hit films
- Going forward, focus on low risk high value projects leveraging our prestigious film content IPR

FILM PRODUCTION

FILM DISTRIBUTION

- Well penetrated Distribution network presents opportunities for other business opportunities
- 4 offices across India with strong presence in North India (Punjab, Delhi)
- Works with leading production companies – 20th Century Fox, Disney-UTV, Warner Brothers etc.
- Offers Programming service to more than 600 screens across India

- One of Asia's largest Film, Television, Animation and Media School
- Spread over 5.5 acres campus, operating 10 schools in India
- Significant growth from 80 students studying in 8 courses in 2006 to 1088 students in 2019, studying in 14 courses at present.
- Rated as one of the 10 best film schools in the world - by 'The Hollywood Reporter' magazine.

FILM EDUCATION

FILM EXHIBITION

- Growing chain of multiplexes operated under "Mukta A2 Cinemas" brand
- "Value for Money" – high quality experience at an affordable value
- Currently operate 68 screens across properties in cities & states across India, including a 6-screen property in Bahrain
- First Indian company to venture into GCC region with a 6-screen multiplex in 2016



EXHIBITION BUSINESS



EXHIBITION BUSINESS

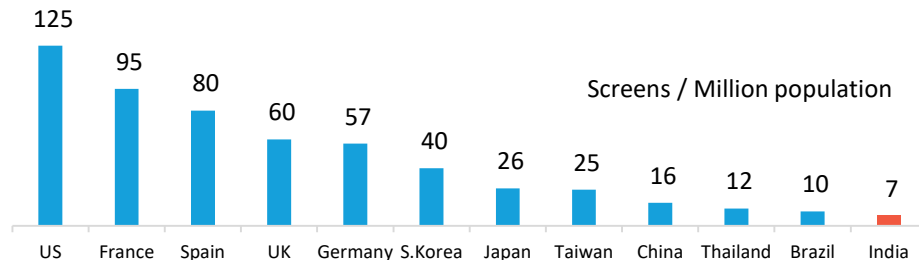
INDIAN FILM EXHIBITION – LONG TERM SUSTAINABLE GROWTH OPPORTUNITY



MUKTA ARTS LTD

INDIA IS LARGELY UNDERSCREENED WITH SIGNIFICANT POTENTIAL FOR NEW SCREEN ADDITIONS ACROSS TIER 2 AND TIER 3 CITIES

MOVIE SCREENS IN INDIA ARE STILL THE LOWEST



SIGNIFICANT SCOPE FOR MULTIPLEX PENETRATION IN TIER 2 & 3 CITIES

Tier	No. of Cities	Cities with Multiplex	% Penetration	No. of Multiplex	Multiplex/ City
T1	8	8	100%	261	32.6
T2	88	78	89%	303	3.9
T3	372	94	26%	136	1.4

AFFORDABLE MOVIE WATCHING EXPERIENCE TO DRIVE NEW SCREENS GROWTH BEYOND METROS

- Affordable multiplexes set to gain share from declining number of single screens in Tier 2 & Tier 3 cities across India
- Positive drivers behind organic expansion of multiplexes beyond metros & Tier 1 cities –
 - Majority of upcoming malls in Tier 2 & Tier 3 cities
 - Lower operating overheads including lower rentals
 - Improving state of regional film industry etc.

EXHIBITION BUSINESS

MUKTA A2 CINEMAS – UNIQUE VALUE PROPOSITION



MUKTA ARTS LTD



WE OFFER “VALUE FOR MONEY & HIGH QUALITY” MOVIE WATCHING EXPERIENCE IN INDIA

WE LEVERAGE OUR EXPERIENCE AND CAPABILITIES

More than 30 years of experience in the film industry

Presence across film industry value chain - spanning across production, distribution and programming functions

Deep understanding of films of various genres, varying audience tastes, film content preferences and spending propensities

Strong relationships with various regional distributors through its programming service

WE BRING MOVIE WATCHING EXPERIENCE FOR EVERY INDIAN

20 CITIES & 9 STATES ACROSS INDIA

1 SIX SCREEN MULTIPLEX IN BAHRAIN

30 PROPERTIES OVERALL

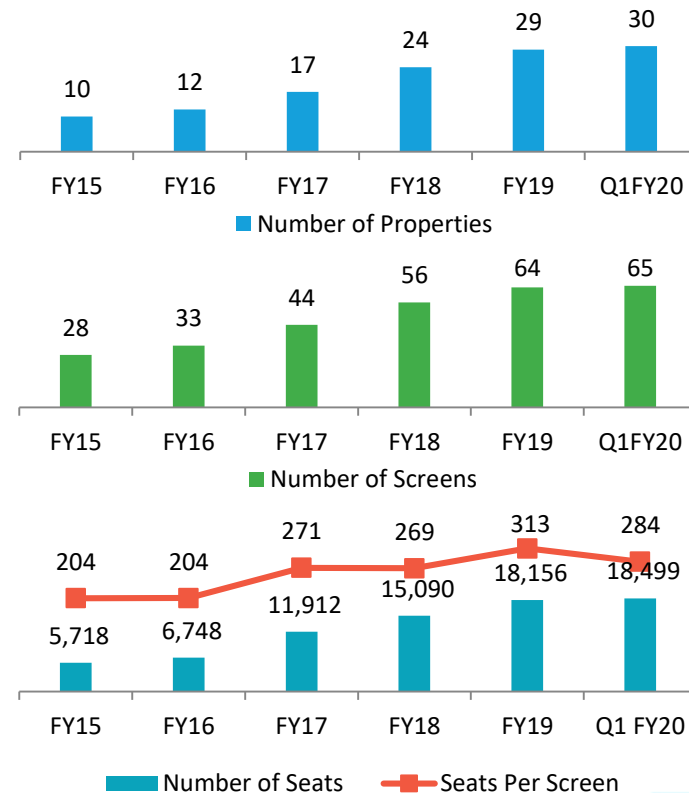
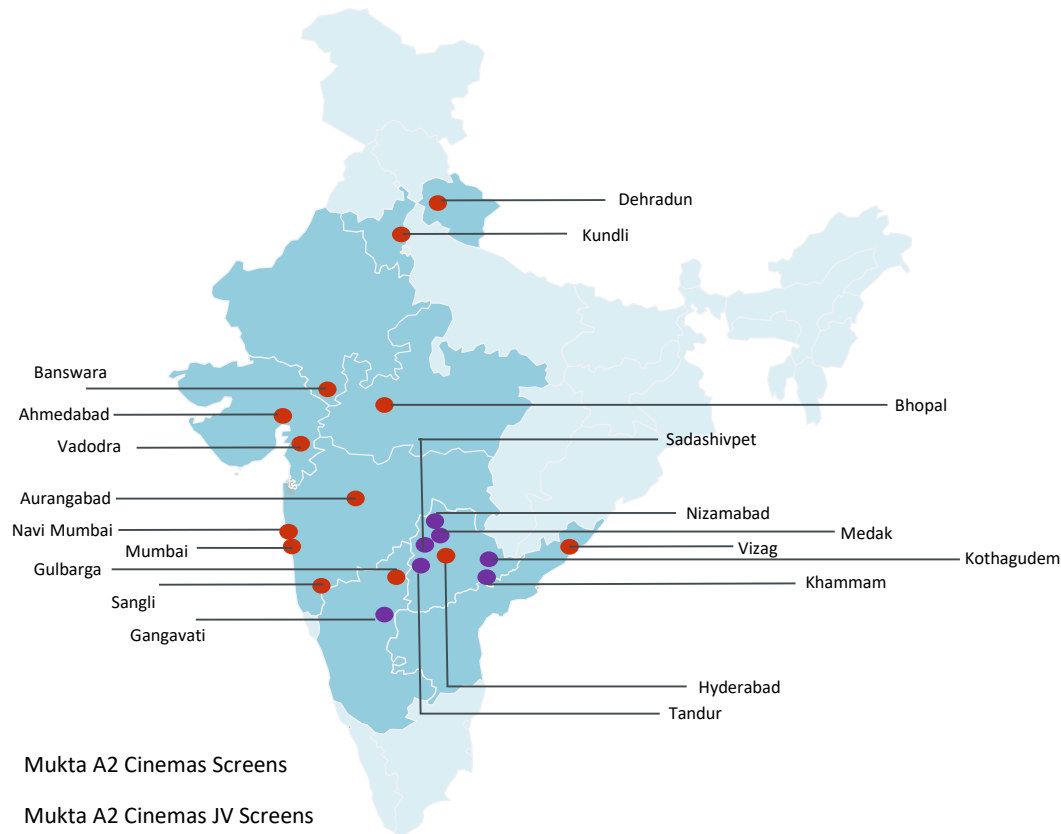
INCLUDING 65 SCREENS

EXHIBITION BUSINESS

MUKTA A2 CINEMAS – OUR GROWING PRESENCE



MUKTA ARTS LTD



NOTE: Includes 1 Property with 6 screens in Bahrain



“LOW FIXED OPEX” AND “CAPEX LIGHT” – DIFFERENTIATED BUSINESS MODEL

CAPITALISING ON UNDER-PENETRATED MARKETS:

- Focus on providing affordable and high quality movie viewing experience
- Focus on organic growth in under-penetrated catchments as well as opportunistic conversion of single screen properties into smaller 2-3 screen multiplexes

CAPEX SHARING WITH THE MALL / PROPERTY OWNER:

- Mall / Property owner provides immovable fit-outs – interiors & civil work, HVAC, electricals
- Mukta provides seats, projector (leased from UFO) and sound system

EFFICIENT ALIGNMENT OF REVENUES AND COSTS:

- Fixed costs are around 32% - 35% of total revenues as compared to 50% - 52% in case of major multiplexes
- Variable Rentals at all properties either on revenue sharing or profit sharing basis

CAPEX MODELS

Model 1: Signing of new property

Capex Per Screen
Rs 15 mn

Mukta's Share
Rs 7 - 8 mn

Model 2: Takeover of existing property

Capex Per Screen
Rs 2 - 4 mn

EXHIBITION BUSINESS

MUKTA A2 CINEMAS – OUR PROPERTIES



MUKTA ARTS LTD



EXHIBITION BUSINESS

MUKTA A2 CINEMAS – Q1 FY20 RESULT HIGHLIGHTS

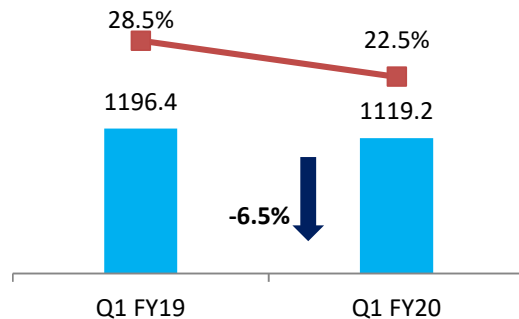


MUKTA ARTS LTD

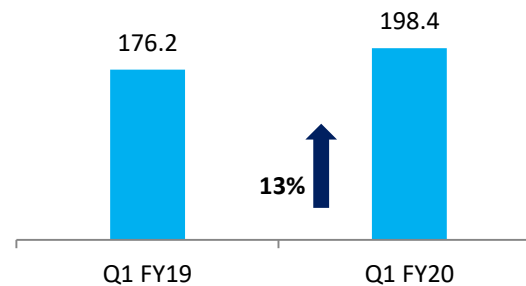
In Rs. Mn

Q1 FY20 YoY ANALYSIS

FOOTFALLS ('000) & OCCUPANCY (%)



REVENUES



EXHIBITION BUSINESS

BAHRAIN MULTIPLEX (6 Screens) – Q1 FY20 RESULT HIGHLIGHTS

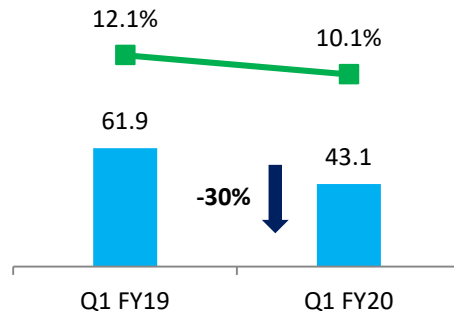


MUKTA ARTS LTD

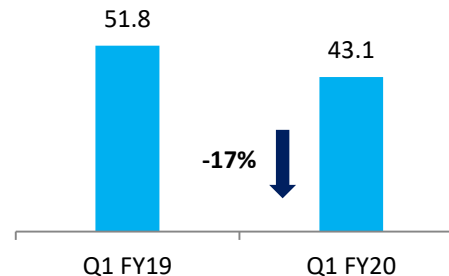
In Rs. Mn

Q1 FY20 YoY ANALYSIS

FOOTFALLS ('000) & OCCUPANCY (%)



REVENUE (Rs mn)



**EDUCATION
BUSINESS**



EDUCATION BUSINESS

WHISTLING WOODS INTERNATIONAL

INDIA'S PREMIER FILM, COMMUNICATION & MEDIA ARTS INSTITUTE
WWI IS ONE OF THE ASIA'S LARGEST MEDIA ARTS INSTITUTES
RATED AMONGST THE TOP 10 FILM SCHOOLS IN THE WORLD

5.5 Acre
Campus

10 Schools
14 Courses

1088 Students

15%
International Students

95%
Successful Placements

School of Filmmaking

3 Year BSc/BA by TISS, 2 Year Diploma by WWI, 1 Year Certificate Diploma in Screenwriting

School of Media & Communication

3 Year BBA & 1 Year PGD by TISS

School of Fashion

3 Year BA by TISS, 2 Year Diploma by WWI in Fashion Designing

School of Vocational Education

3/6 month certificate course by TISS

Virtual Academy

1 Year Certificate Course in Filmmaking (online)

School of Animation

3 Year BSc/BA by TISS

Actor's Studio

3 Year BA by TISS, 2 Year Diploma by WWI

School of Music

3 Year BA by TISS, 2 Year Diploma by WWI in Music Production & Composition

School of Design *

3 Year BA by TISS in Visual Communication & Design

Short Course Unit

24 short courses with duration ranging from 2 days to 5 months



MUKTA ARTS LTD

**Whistling Woods
International**
INSTITUTE OF FILM, COMMUNICATION & MEDIA ARTS



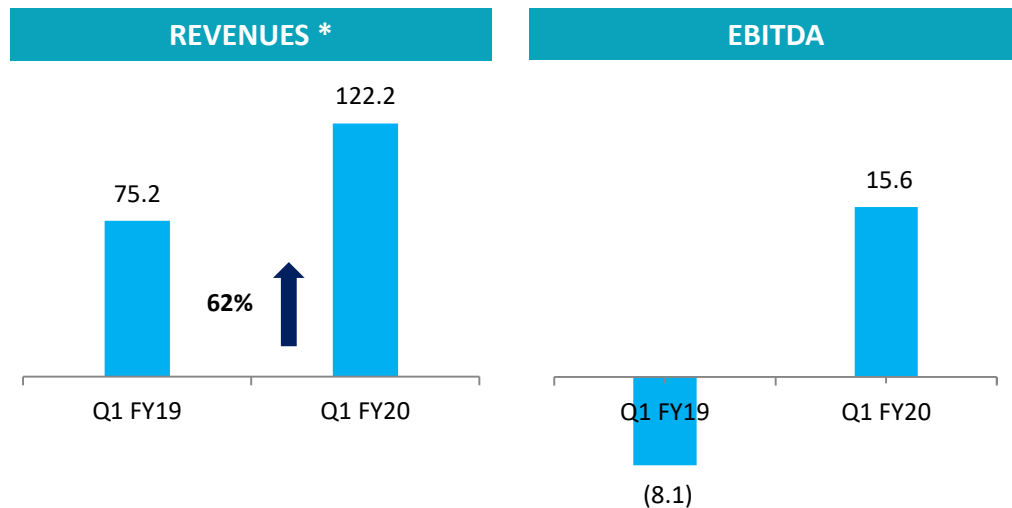
EDUCATION BUSINESS

WHISTLING WOODS INTERNATIONAL – Q1FY20 RESULT HIGHLIGHTS



MUKTA ARTS LTD

In Rs. Mn



Note: * Net Revenue from Operations inclusive of other income

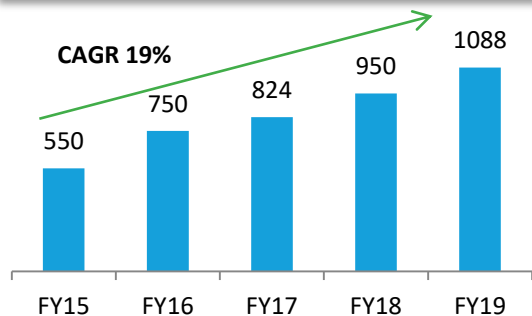
EDUCATION BUSINESS

WHISTLING WOODS INTERNATIONAL – OPERATIONAL HIGHLIGHTS



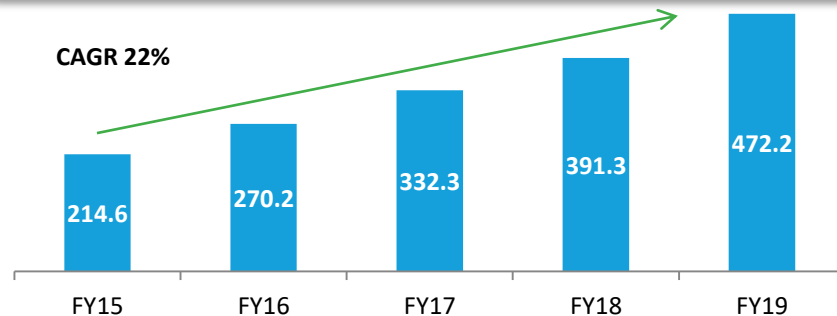
MUKTA ARTS LTD

NUMBER OF STUDENTS

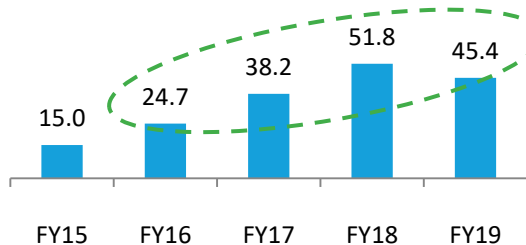


New students addition is gaining strong momentum

REVENUES (RS MN)



CASH PROFIT (RS MN)



Operational turnaround with positive cash profit over last four years

EDUCATION BUSINESS

WHISTLING WOODS INTERNATIONAL



MUKTA ARTS LTD

KEY ACHIEVEMENTS

- Rated as one of the 10 best film schools in the world - by 'The Hollywood Reporter' magazine
- Member of CILECT[^] (amongst the 160 schools out of the 3,000+ film schools globally)
- Partnered with Sony to setup The Sony Media Technology Center focussing on Digital Cinematography and 3D Stereoscopic Filmmaking
- Partnered with Google to host Asia's 2nd & India's 1st 'YouTube Space'
- WWI has setup a campus in the UK, in partnership with Bradford College
- WWI is also setting up a campus in Nigeria, in partnership with TrendCorp Africa, called 'The African Film & TV Academy'

ACADEMIC PARTNERS



TECHNOLOGY PARTNERS



[^]CILECT - Centre International de Liaison des Ecoles de Cinéma et de Télévision - a global association of film schools

OTHER BUSINESSES

FILM PRODUCTION



MUKTA ARTS LTD



MUKTA ARTS IS ONE OF THE LEADING PRODUCTION HOUSES IN INDIA

- Successful operating history for over last 30 years since inception
- Founded by Mr Subhash Ghai – one of the India's most prolific film writer, director and producer
- Strong repertoire of more than 35 commercially successful Hindi and regional films

CLASSICS FROM THE HOUSE OF MUKTA



BUSINESS STRATEGY

- Focus on high value low risk opportunities
- Leverage existing movies IP for future film productions
- Effectively monetise fully amortised library of films
 - Sale of exclusive rights to TV channels
 - Sale of exclusive rights to film producers for movie remakes



MUKTA ARTS LTD

OTHER BUSINESSES

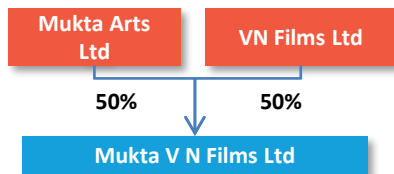
FILM DISTRIBUTION & PROGRAMMING, DIGITAL CONTENT

FILM DISTRIBUTION



- One of India's leading film distributors releasing over 50 films every year
- Offices across India with strong presence in North India (Punjab, Delhi, UP)
- Works with leading production companies – 20th Century Fox, Disney-UTV, Warner Brothers etc.
- Leverages its Production and Programming relationships to provide high quality service to producers

PROGRAMMING SERVICE



- The Programming service business since April 2014 is carried out through Joint Venture called Mukta VN Films Limited
- Post this JV the programming business has growth to over 600 screens across India
- While this business has lower margins, it helps Mukta Arts build strategic relationships with many distributors and single screen operators across India

DIGITAL CONTENT



- Connect.1 is the digital arm of Mukta Arts set up in 2012 for creation, aggregation & distribution of content on multiple digital platforms
- It has curated & syndicated more than 100 short films produced by WWI on various digital platforms including YouTube and Dailymotion
- It has entered into a strategic partnership with SonyLIV (Sony Pictures Networks), India's digital video entertainment platform, wherein SonyLIV will showcase content produced by Content.1 and WWI
- Connect.1 has also undertaken several digital brand related campaigns, utilizing the well trained talent from WWI

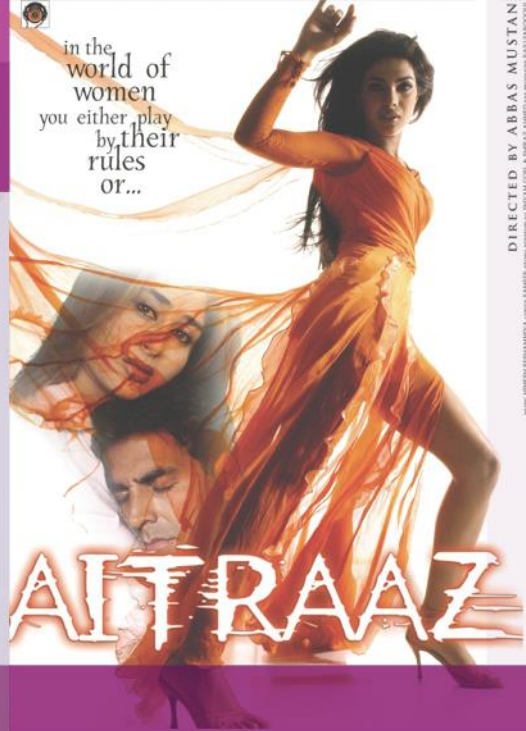
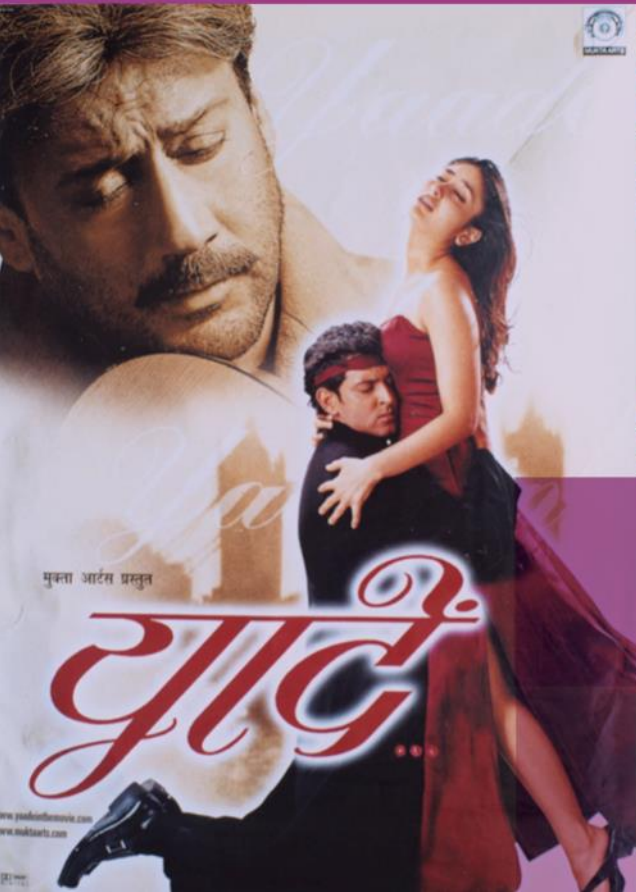
CONSOLIDATED FINANCIALS





CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (Rs Mn)	Q1 FY20	Q1 FY19	YoY %	Q4 FY19	QoQ %	FY19
Revenue from Operations	457.1	325.8	40.3%	438.8	4.2%	1618.9
Expenses	406.6	322.2	26.2%	406.1	0.1%	1,469.4
Distributors & Producers' Share	119.1	76.2	56.3%	91.5	30.1%	347.7
Other Direct Operation Expenses	3.9	15.1	-74.3%	13.4	-71.1%	19.9
Food & Beverages Cost	12.5	13.2	-5.2%	18.8	-33.4%	59.2
Employee Benefits Expense	73.1	64.9	12.7%	70.9	3.1%	275.6
Other Expenses	198.0	152.8	29.6%	211.4	-6.3%	767.0
EBITDA	50.5	3.6	-	32.7	54.5%	149.5
EBITDA Margin %	11.0%	1.1%	995 bps	7.4%	360 bps	9.2%
Depreciation & Amortization	28.0	28.7	-2.7%	32.5	-14.0%	122.0
Other Income	22.3	15.4	44.2%	54.9	-59.5%	117.4
Interest Expense	27.4	24.5	12.0%	26.2	4.6%	101.8
PBT	17.4	-34.2	-	28.9	-39.8%	43.1
Tax Expense	4.7	-2.2	-317.5%	18.4	-74.3%	15.9
Share in JV	0.8	0.0	-	-2.1	-136.4%	-1.1
PAT	13.4	-32.0	-	8.4	59.7%	26.1
PAT Margin %	2.9%	-9.8%	1277 bps	1.9%	102 bps	1.6%



ANNEXURE



COMPANY OVERVIEW

BOARD OF DIRECTORS



MUKTA ARTS LTD



Mr. Subhash Ghai
Executive Chairman

- One of India's most prolific film writer, director and producer
- More than 40 years of experience having created over 35 hit films



Mr. Rahul Puri
Managing Director

- Joined Mukta Arts in 2003
- Head of Academics at Whistling Woods
- Worked with UBS, Ambit in Corporate Finance



Mr. Parvez Farooqui
Director

- Associated with Mukta Arts since 1984
- Experienced in Marketing, Sales, Purchase, Accounts, Taxation and Legal



Mr. Kewal Handa
Director

- More than 30 years across Finance, commercial strategy and business development functions.
- Visiting faculty at NMIMS



Mr. Manmohan Shetty
Director

- More than 3 decades of experience in media and entertainment business
- Responsible for conceptualizing Imagica



Mrs. Paulomi Dhawan
Director

- Over 35 years experience in Media, Marketing and Brand Communications
- Treasurer of Indian Society of Advertisers (ISA)

COMPANY OVERVIEW

MANAGEMENT



MUKTA ARTS LTD



Mr. Prabuddha Dasgupta
CFO

- Chartered Accountant with over 20 years of experience in finance and accounts
- Worked for 16 years in Entertainment industry



Mrs. Meghna Ghai Puri
President, Whistling Woods

- Honorary Fellow of Bradford College, UK
- Spearheaded the launch of 8 schools within Whistling Woods International



Mr. Ashish Gharde
COO, Mukta Arts Ltd.

- 18 years of experience in Operations and Human Resources.
- Previously associated with TATA, Balaji Telefilms, L&T.



Mr. Sacchidanand Shetty
Business Head, A2 Cinemas

- Ex GM, Inox Leisure
- Over 20 years of experience across sectors like Hospitality and Entertainment



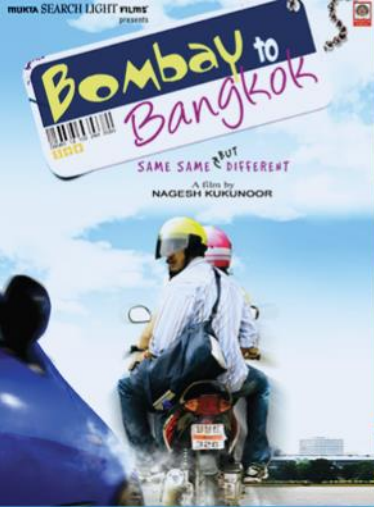
Mr. Raju Farooqui
Head of Production

- Joined Mr. Subhash Ghai's production house as an Assistant Director in 1976
- Instrumental in setting-up Audeus studio



Mr. Tolu Bajaj
COO, Distribution & Exhibition

- In the film Production and Distribution field for more than 30 years
- Previously associated with Yashraj Films, Tips Films



FOR FURTHER QUERIES



MUKTA ARTS LTD

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CFO

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IR Consultant

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