



theme park • water park • snow park • hotel

November 7, 2017

<b>The Manager</b> <b>DCS - CRD</b> <b>BSE Limited</b> Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai- 400 001 Fax No.: 22722037/39/41/61/3121/3719 <b><u>BSE Scrip Code: 539056</u></b>	<b>The Manager</b> <b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Fax No.: 26598237/38 <b><u>NSE Scrip Symbol: ADLABS</u></b>
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Dear Sirs,

**Sub: Press Release**

We enclose herewith the press release dated November 7, 2017 being issued by the Company which is self-explanatory.

Kindly inform your members accordingly.

Thanking you,

Yours faithfully,  
For **Adlabs Entertainment Limited**

**Mayuresh Kore**  
**Chief Financial Officer**

Adlabs Entertainment Ltd.

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## Adlabs Entertainment reports Q2FY18 Results. Footfall up by 16.8%, Revenues decline by 2.9%

**Mumbai, November 7, 2017:** Adlabs Entertainment Limited, which operates Imagica – Theme Park, Water Park, Snow Park and a family hotel Novotel Imagica Khopoli, announced its unaudited Financial Results for the Quarter ending 30<sup>th</sup> September 2017.

### Performance highlights for the Quarter ended September 30th, 2017:

- Footfall of the parks, Theme Park, Water Park and Snow Park put together stand at 2.31 lakhs, vis-a-vis 1.98 lakhs in Q2FY17.
- Revenues declined by 2.9% to Rs. 35.86 crore vis-a-vis Rs. 36.92 crore in Q2FY17.
- EBITDA was negative at Rs. 1.85 crore vs. positive Rs. 1.07 crore in Q2FY17.

### Standalone Financials at a Glance:

Rs. Crore	Q2 FY18	Q2 FY17	Variance
<b>Combined Footfall (nos.)*</b>	2,30,754	1,97,553	+33,201
<b>Revenue</b>	35.86	36.92	-1.06
<b>EBITDA</b>	-1.85	1.07	-2.92

Note: These are abridged financial highlights. For details please refer to published results.

\* Footfall include Theme Park, Water Park, and Snow Park

Commenting on the results, **Dhimant Bakshi, Jt. CEO, Adlabs Entertainment Limited** said:

Despite unprecedented rainfall in the catchment, which was a key factor in restricting footfall growth in Q2FY18, total footfall grew by 16.8% vis-à-vis Q2FY17 from 1.98 lakhs to 2.31 lakhs in Q2FY18.

The revenues for Q2FY18 stand at Rs. 35.86 crore vis-a-vis Rs. 36.92 crore in Q1FY17, reporting a decline of 2.9% on a YoY basis. The revenues were on the softer side as management launched initiatives such as SAVEGST offer, with a view to negate the significant GST impact on the customer's wallet. The management has taken up the matter of 14% State GST refund (in lieu of the previous Entertainment Tax exemption given to Imagica, which has now been subsumed in GST) with the Government of Maharashtra and the same is under process. Consequently, Q2FY18 saw an EBITDA loss of Rs 1.85 crore as against a profit of Rs 1.07 crore in Q2FY17, primarily since we had already reduced prices in anticipation of the said SGST refund.

The management continues with its sustained efforts to ramp up footfall as a robust long term strategy. We believe Q2FY18 revenue and profitability outcome is a short term impact.

Hotel Novotel Imagica continued with its good performance in Q2 FY18 with occupancy of ~69% and overall ARR (incl. F&B) of ~Rs. 10,267. Revenue from the Hotel business saw an improvement of 5.4% over the corresponding quarter last year.

Recently, TripAdvisor, in the Traveller's Choice Awards of 2017 had ranked Imagica among the Top 10 Amusement Parks & Water Parks in India and Top 25 Water Parks of the World.

### **Key update:**

The management believes that the core strength of AEL lies in operating and managing theme parks while exploitation of Surplus land and Hotel are the non-core businesses. It is with this intent that AEL has decided to divest its non-core assets and reduce a substantial part of its debt. AEL will now fully concentrate towards providing a differentiated experience and higher capacity utilization at the parks which are unmatched in India and built as per global standards.

Accordingly, the management is pleased to update that the plans for monetizing the non-core assets (Surplus Land and Hotel) have been crystallized. Subject to shareholders and lenders approval, the board has approved the sale of surplus land and hotel which would effectively reduce overall debt of approximately Rs 350 crore from the balance sheet. The board has also approved a preferential issuance of Rs 50 crore, the pricing for which will be in accordance with SEBI regulations.

AEL will continue to hold specifically earmarked additional land of 30 acres for future additions to its core business.

### **About Adlabs Entertainment Limited**

Adlabs Imagica is a project of Adlabs Entertainment Limited (AEL), promoted by Mr. Manmohan Shetty. Imagica is one of India's leading holiday destinations and offers a gamut of interesting experiences in one place through its Theme park, Water park, Snow park and Hotel. With Imagica, Adlabs Entertainment Limited has created an 'all weather entertainment destination' that provides unique experiences to its guests. Located conveniently off the Mumbai-Pune Express Highway, Adlabs Imagica is just a happy drive away from Mumbai and Pune.

### **Safe harbor statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For more Information, please contact:**

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