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September 15, 2020

To,
The National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Bandra Kurla Complex
Bandra East,
Mumbai - 400 051
Fax Nos.: 26598237/26598238

To,
BSE Limited
Listing Department,
Phiroze Jeejebhoy Towers,
Dalal Street,
Mumbai - 400 001
Fax Nos.: 22723121/2037/2039

Dear Sir/ Madam,

Ref.: Scrip code: BSE — 532748/NSE – PFOCUS

Sub.: Presentation to the Analyst / Institutional Investor on Un-audited Financial Results for the quarter ended June 30, 2020

Dear Sir / Madam,

Please find enclosed the Presentation to the Analyst / Institutional Investor on Un-audited Financial Results for the quarter ended June 30, 2020.

Kindly take the above on your record and acknowledge the receipt of the same.

Thanking You,

FOR PRIME FOCUS LIMITED

**PARINA SHAH
COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl.: a/a



PRIME FOCUS LIMITED

Investor Presentation
September 2020

Safe Harbor



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

Prime Focus will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Contents

1 Q1 FY21 Performance ... 4-12

2 About Prime Focus ... 13-23

3 Annexures ... 24-27

The background is a vibrant red color with a subtle grid pattern. A white, wavy banner is positioned on the left side, containing the text. The text is in a bold, sans-serif font, with the first line in a larger size than the second line.

Q1 FY21 Performance

Q1FY21 highlights - Resilient performance despite Covid19 disruptions

Consolidated
Income

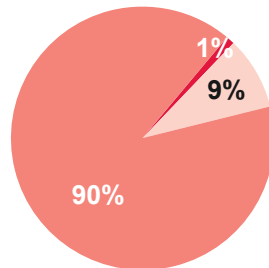
Rs. 608 Cr

Change YoY

**-10.5%
YoY**



Divisional
Revenue
share



- India, FMS
- Tech/Tech Enabled Services
- Creative Services

Adjusted
EBITDA¹

Rs. 179 Cr

Adjusted EBITDA¹
Margin

29.4%



'Westworld Season 3' and 'Devs' nominated for Best VFX at 72nd Emmy Awards – Major contribution from DNEG

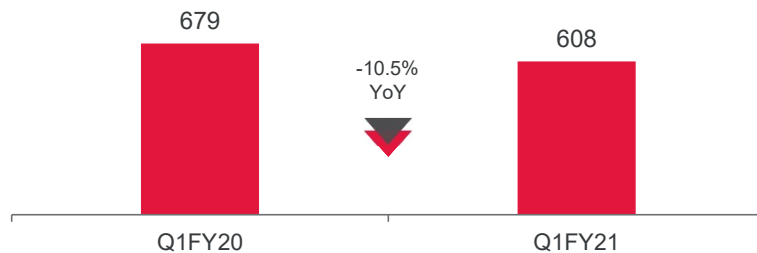


DNEG's VFX Work on 5 major projects covered in-depth by Cinefex's 'TV - Special' Issue



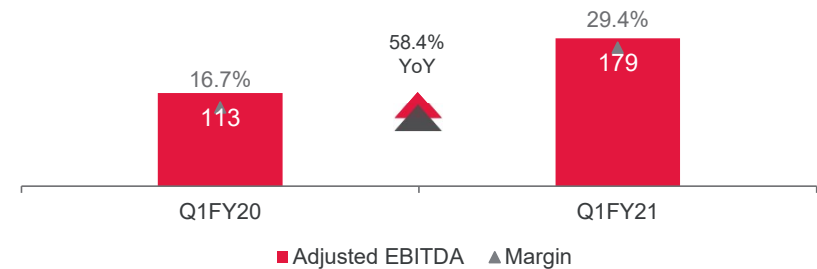
Q1FY21 – Cost Optimization led to PAT positive quarter (2nd in a row)

Revenue



Figures in Rs Crore; Consolidated financials

Adjusted EBITDA¹

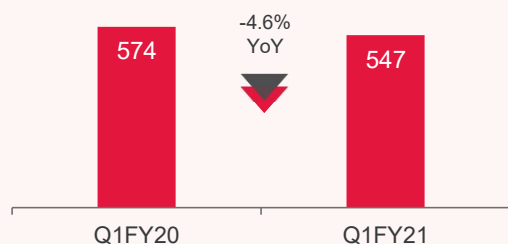


- Consolidated revenues fell by 10.5% YoY to Rs 607.8 Cr – resilient financial performance despite Covid impact
- Adjusted EBITDA stood at Rs 179 Cr with margins at 29.4%
 - Positive impact of global workforce rationalization and government wage relief schemes in UK and Canada helped tide over covid19 disruptions – employee cost as % of revenue at historic low of 54.7%
 - Major operating cost reduction measures – renegotiation of rental agreements for office premises across locations with strict control over all discretionary spending
 - Non Cash ESOP charges stood at Rs 7cr for the quarter
- Interest and Finance charges at Rs. 57 Cr in line with Q1FY20 cost at Rs. 59cr and Q4FY20 cost at Rs. 52cr
 - Includes non-cash interest on studio loan Rs. 5cr
- Depreciation charges at Rs 98 Cr – in line with Q4FY20 numbers of Rs. 99cr

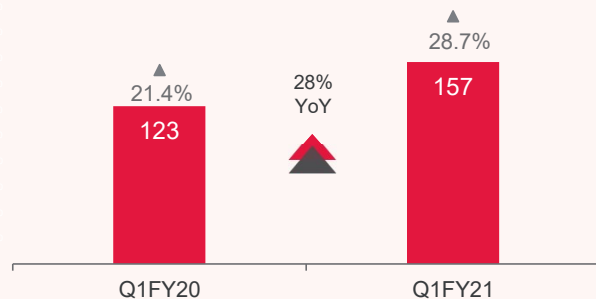
Creative Services shows resilience; higher EBITDA despite lower revenue



Revenues¹



Adjusted EBITDA¹



➔ Stable Revenues despite Covid Headwinds

- Strong execution pipeline of projects in Film VFX, TV/OTT and Animation backed by credible studios led to limited Covid disruption on the revenue front. With shoots expected to recommence shortly, optimistic for the future
- Operations demonstrated high agility – enabled workflow transition to Work from Home
- Won high value contracts even during challenging times – *Justice League with HBO Max, Uncharted with Sony, Matrix 4 with Warner Bros*
- Advanced Stage talks on key projects – *Pinocchio with Disney and Journey to the West*, advanced discussions on a min guarantee and multi year deal with a large OTT player
- Strong releases scheduled for coming quarters like *Tenet, Dune, New Mutants, Wonder Woman 1984, Cursed* among others

➔ Adj. EBITDA up 28% YoY

- Strong operating performance despite seasonally slower quarter and Covid disruptions
- Workforce rationalization, government wage relief, temporary pay-cuts, shifting/closure of offices and tight control over discretionary spending led to reduction in operating cost

Working on top Hollywood projects



Upcoming Movie Projects



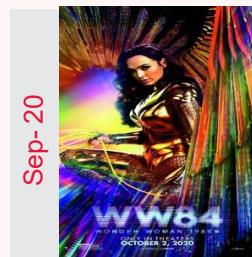
Dune



Tenet



The New Mutants



Wonder Woman 1984

Upcoming TV Projects



Riviera Season 3



Away



Cursed

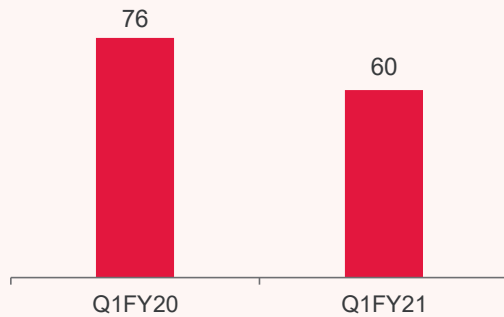


Strike: Lethal White

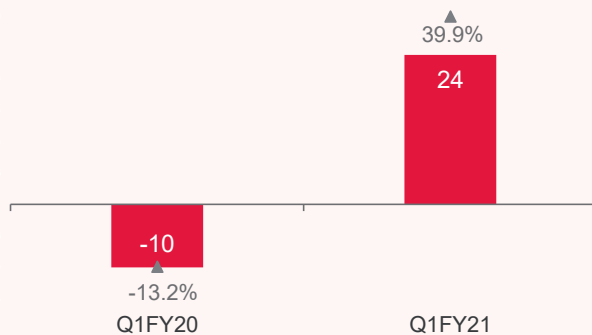
Tech/Tech Enabled Services – Signs of recovery



Revenue

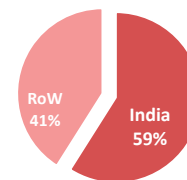


Adjusted EBITDA¹

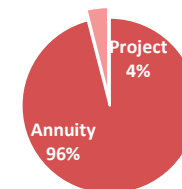


Rebound in EBITDA Margins – at ~40% for Q1FY21

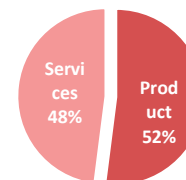
- Covid Impact on revenues has been limited – backed by strong client relations
- Business turnaround plan accelerated due to Covid headwinds - company has delivered significantly higher margins driven largely by workforce rationalization and control over discretionary expenditure
- IPL 2020 starting in September 2020 – positive for the company
- Adj EBITDA calculation includes Other Income and excludes ESOP charges



By Geography



By Contract type



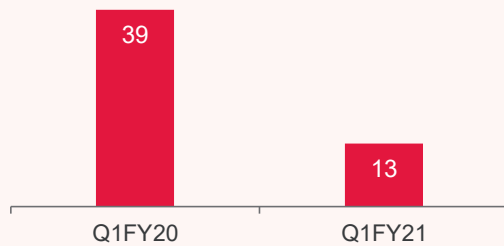
By Product Mix

¹ Adjusted for Non-Cash ESOP Charges

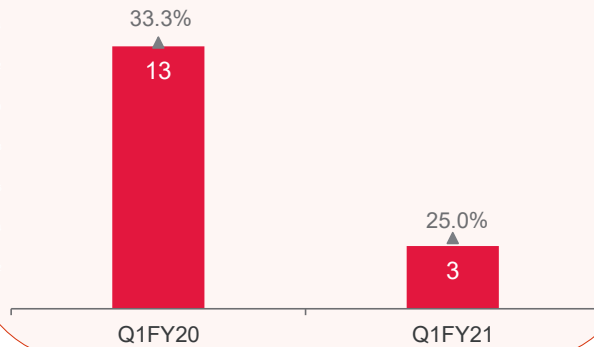
India FMS – Heavily Impacted by Covid



Revenues



Adjusted EBITDA¹



Figures in Rs Crore

Highlights:

- Delivered revenue of Rs 13 Cr with Adj, EBITDA margin at 25%
- With relaxation in government imposed restrictions and shoots beginning from August, revenues are expected to bounce back in H2FY21
- Worked on the Bollywood blockbusters *Gunjan Saxena (Netflix)*, *Angrezi Medium (Hotstar)*, *Dil Bechara (Hotstar)*, *Hundred (Hotstar)* among others
- Strong Movie Releases scheduled for coming quarters: *Coolie No. 1*, *Chhalaang*, *Gangubai Kathiawadi*, *World Cup 1983*, *Brahmastra*, *Maidaan* among others
- Adj EBITDA calculation includes Other Income and excludes ESOP charges

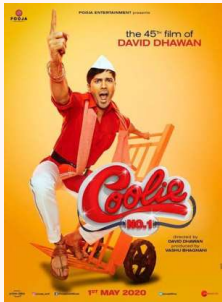
Top Bollywood Projects



Upcoming Movie Projects



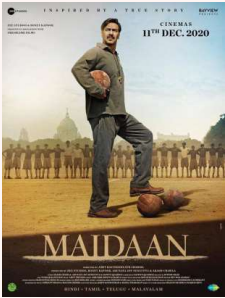
83



Coolie No 1



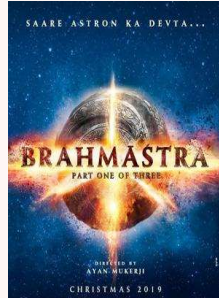
Gangubai Kathiawadi



Madaan



Chhalaang



Brahmastra

Recent TV Commercials

Netflix



<https://www.youtube.com/watch?v=vJIntV2iFEQ>

Kellogg's



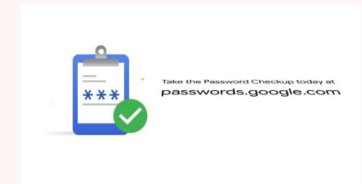
<https://www.youtube.com/watch?v=0BTVID2IG0g>

Vivo IPL 2020



<https://www.youtube.com/watch?v=AvTXSeDmho>

Google



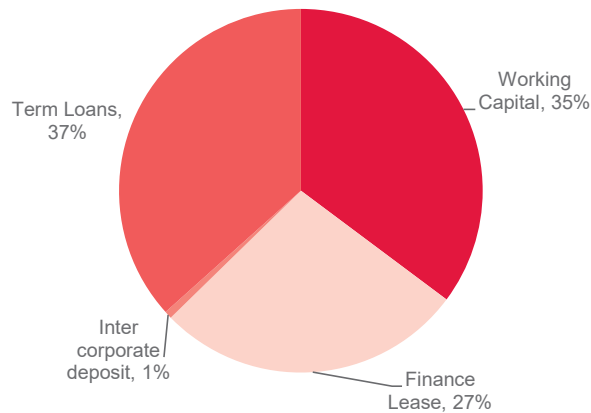
<https://www.youtube.com/watch?v=VYnpzgNcmDk>

Debt profile

- Consolidated Net Debt of Rs. 3,216 Cr as on 30th Jun'20
 - Includes Operating Lease Liability of ~ Rs. 600 Cr added to the Balance Sheet on adoption of IndAS 116

- LTM Net Debt / Adj EBITDA lower at ~3.8x levels vs 4.0x as on Mar'20 (ex Operating Lease as per IndAS 116)
- The Company and its subsidiaries continue to consider options to raise funding through equity (including through private placement and public offering) and debt, and unlock value across the Group with a view to enhancing growth, shareholder value and the efficiency of the business

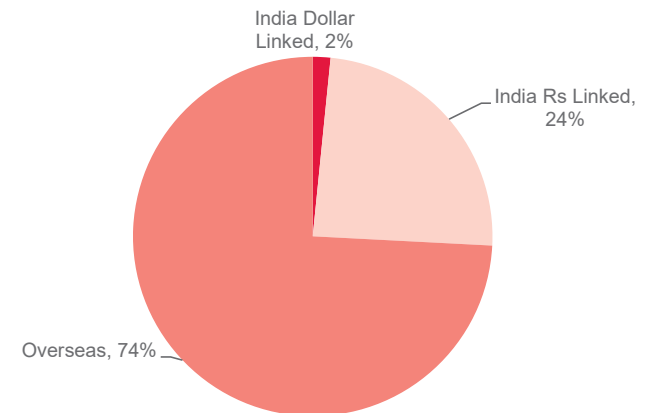
Debt Composition



\$1 = 69.8

Note: Equity Instruments of Horizon Coast, Macquarie and Ambit PE is not included

Geographical Breakup



The background is a vibrant red color with a subtle, intricate grid pattern. The grid consists of concentric circles and radial lines, creating a sense of depth and focus. A white, rectangular box with a slightly wavy bottom edge is positioned on the left side of the image. Inside this box, the text "About Prime Focus" is written in a clean, red, sans-serif font.

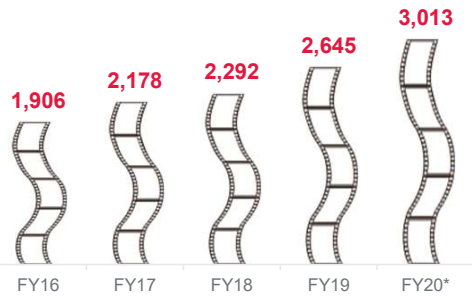
About Prime Focus



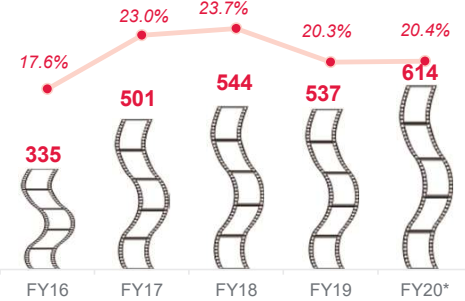
PFL@ FY20

Delivered creative services in 4 of top 10 global B.O. hits released in FY20

Revenues¹



Adj. EBITDA² & EBITDA Margin (%)



Robust & growing Order Book despite COVID outbreak

10,000+
People



1 VES

For work on Chernobyl



1 Emmy

For work on Chernobyl

Figures in Rs Crore; Consolidated Financials

Working with top broadcasters, studios and OTT players



Delivered top Hollywood & Bollywood grossers in FY20



\$2.79 bn



\$386 mn



\$253 mn



\$1.12 bn



\$404 mn



\$759 mn



₹379 crore



₹208 crore



₹215 crore



₹280 crore



₹318 crore

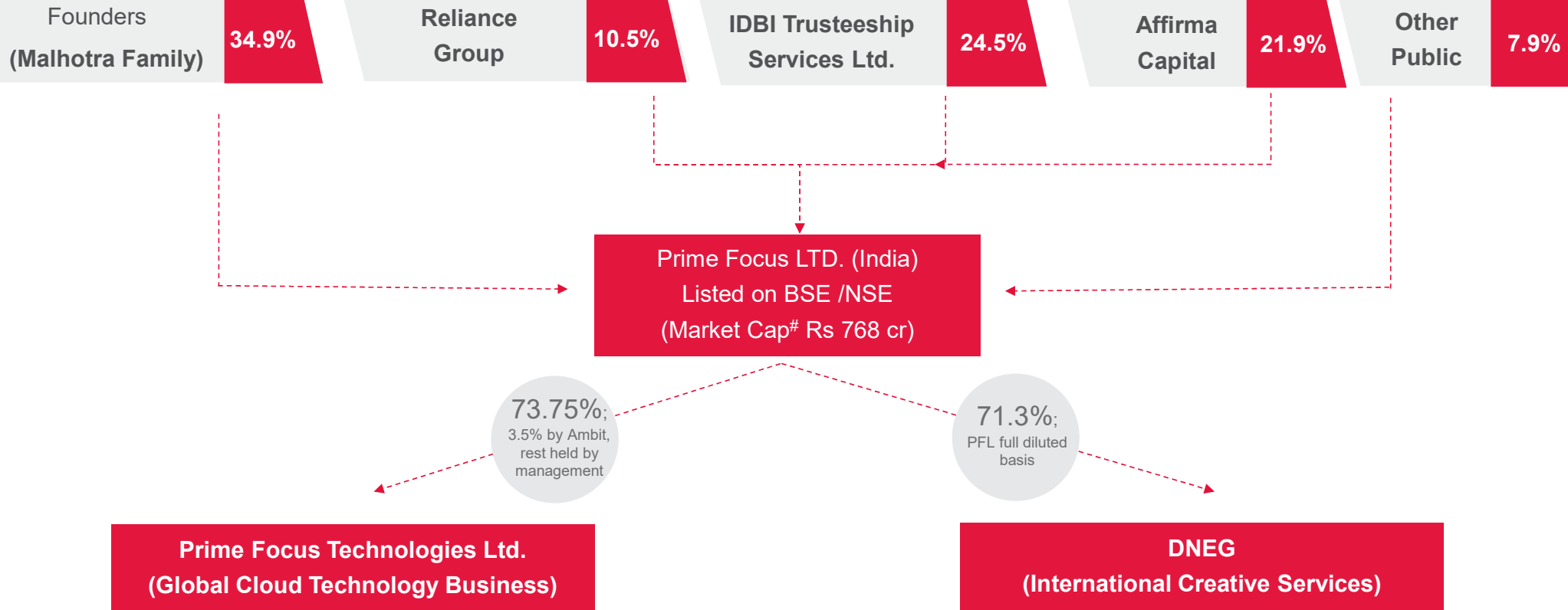


₹230 crore

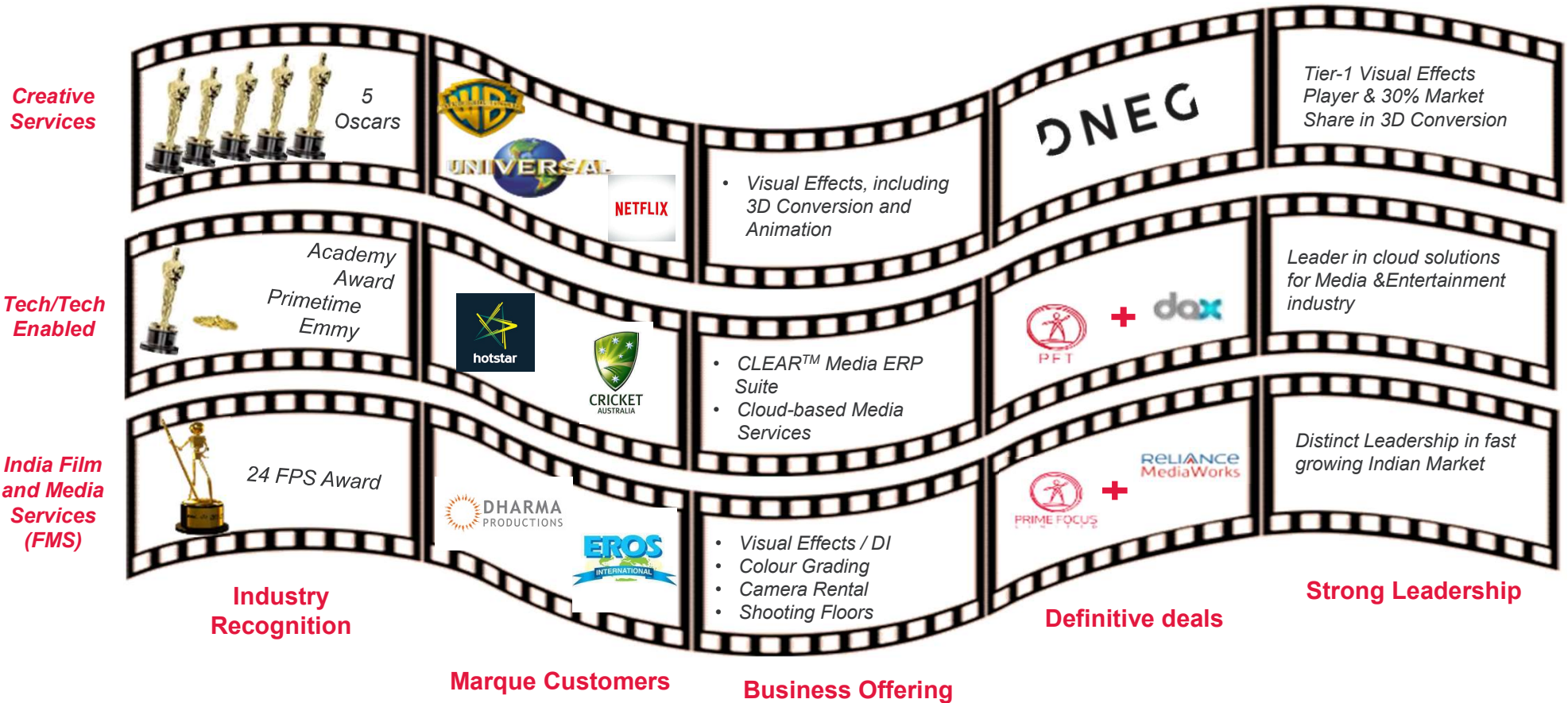
1 Including Other Income
2 Excluding ESOP expense

* FY20 numbers include the effect of Adoption of IndAS 116. Hence, numbers are not comparable with previous years

Corporate Structure



Strong Leadership in all 3 verticals



Creative Services: World's leading independent Tier 1 player



Strong Leadership

Tier-1 Visual Effects Player

House of choice for visually enhanced services

Proven Expertise



5 Oscar wins for Inception, Interstellar, Ex Machina, Blade Runner 2049 & First Man

Top Grossers



Unprecedented scale

US\$355 mn (FY20), Revenues

8,000+ personnel across 10 facilities as of FY20

89% contribution in FY20 revenues

Robust Order Book

Deeper engagement with leading studios



Poised for Profitable growth

- Increasingly diversified offering across multiple service offerings (VFX / 3D conversion / Animation services), geographies and screens
- Robust model – reduced seasonality, lower dependence on individual projects and clients
- Margin expansion via scale economics and delivery from global locations



Technology Services: Pioneer & leader in cloud solutions for M&E industry

Owns & operates World's **only hybrid cloud enabled Media ERP platform** – CLEAR™

Continue to have a robust order book to be executed over next 3-5 years

Revenue **at Rs. 3.0 bn**, 9% share in FY20

Strong revenue model with **91% Annuity** contribution & **29% from International** markets

Unique & Comprehensive PRODUCT + SERVICES approach

Products

Cloud Media ERP

Cloud MaM
Broadcast cloud
Production cloud
Distribution cloud

Operations Cloud

Playout cloud
Playout monitoring

Digital & OTT platforms

Services

Data Services

Metadata
Analytics

Content Localization

Content Transformation

Digitization & QC
Content Preparation
Editorial and Packaging

Marquee Clients

Broadcasters



Studios



Brands

Content Creation



Content Transformation



Content Distribution



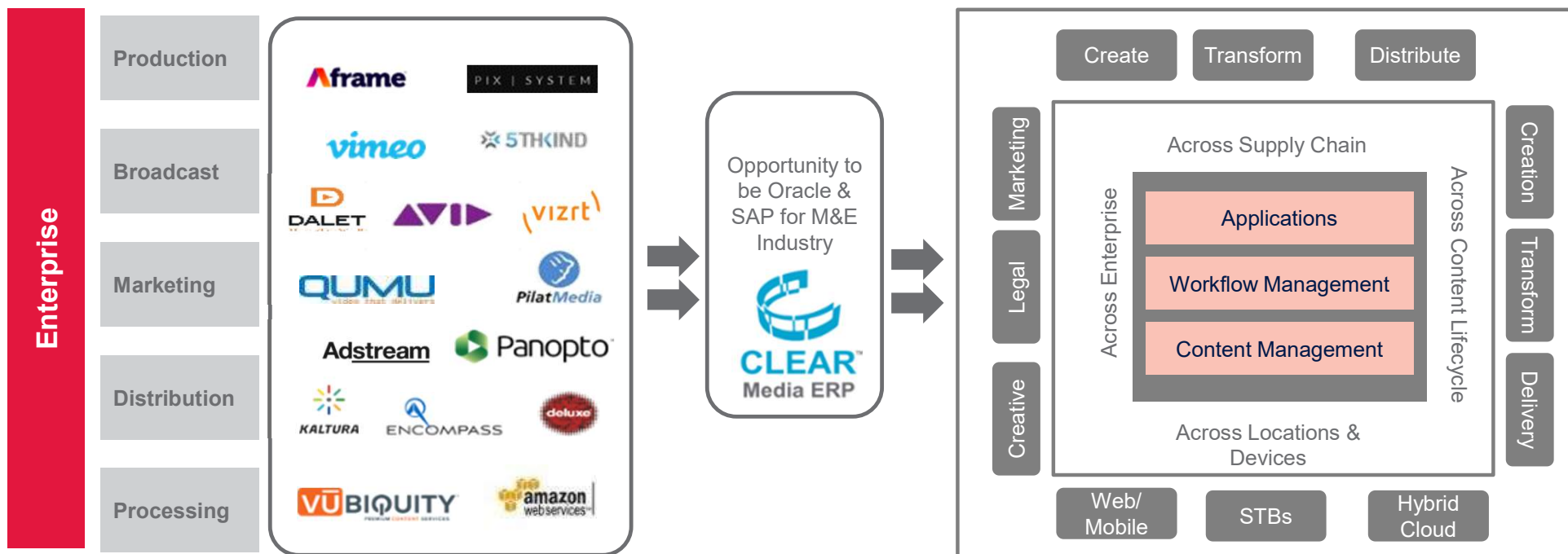
Content Exhibition



Service Providers



CLEAR™ Media ERP – One Software for the entire M&E Enterprise

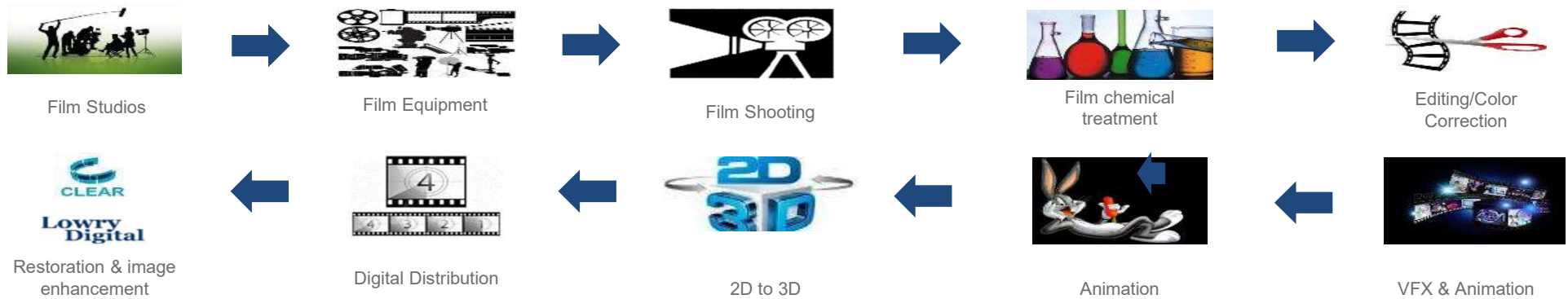


- The Enterprise Application Domain has been consolidated with few Mega-suite Providers
- The same evolution is panning out in Media and Entertainment Enterprises
- CLEAR™ is the most established Hybrid Cloud Media ERP across the globe

India FMS: Dominating on home turf



Offering complete media services across the spectrum. .



Leading player in fast growing Indian M&E market

Owns India's largest integrated studio with ~25% capacity of Mumbai studio market

High Margin in range of 30-40% Margin in price competitive
Bollywood market, testimony to PFL's Quality work

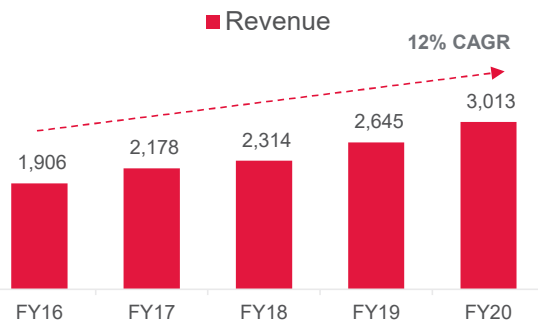
Excellent relationships with Indian studios & broadcasters. .



Robust financial performance ...

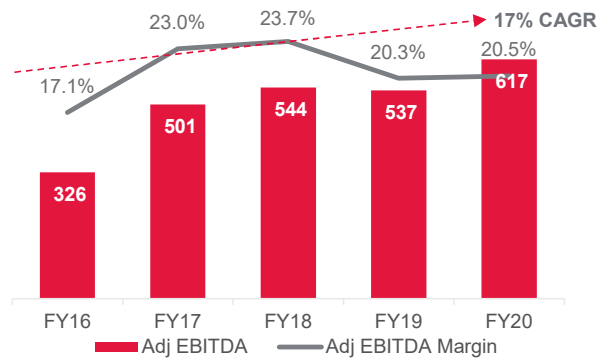


Strong Revenue Growth

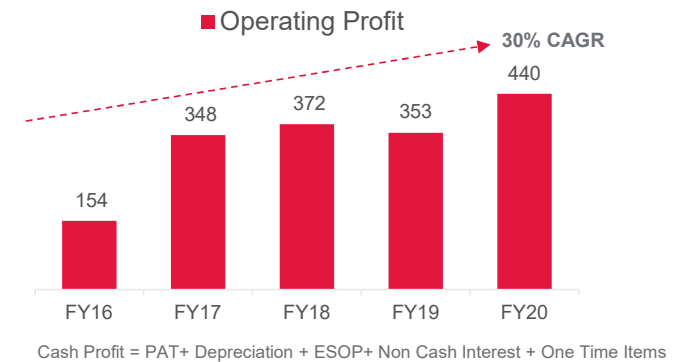


All absolute figures in Rs. crores;

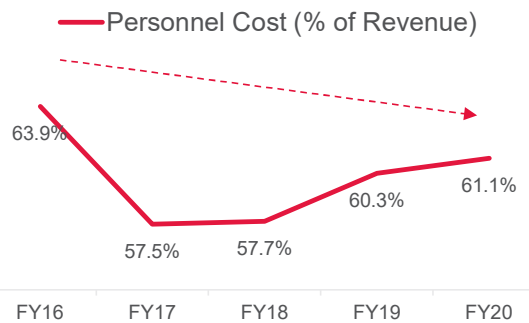
Strong Growth in Adj. EBITDA Margins



Operating profit

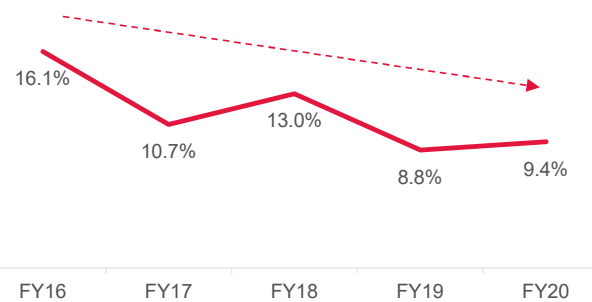


Personnel cost (% of Revenue)

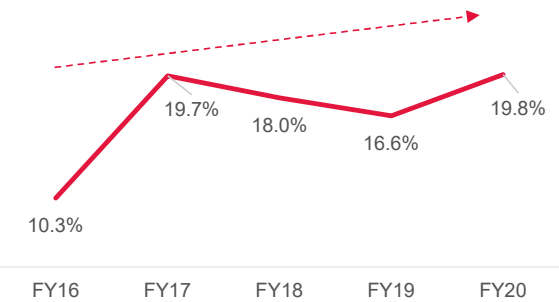


Personnel Cost = Employee expense + Technician fees

Capex (% of Revenue)



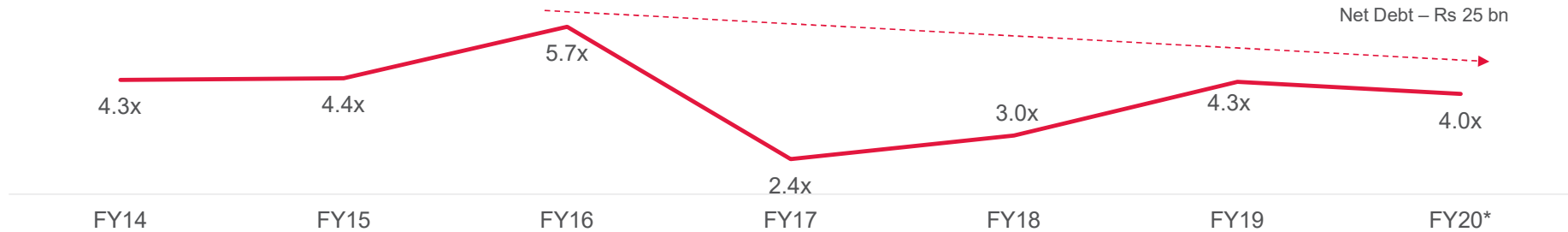
Cash ROCE



Cash ROCE = EBITDA / Average Total Capital Employed

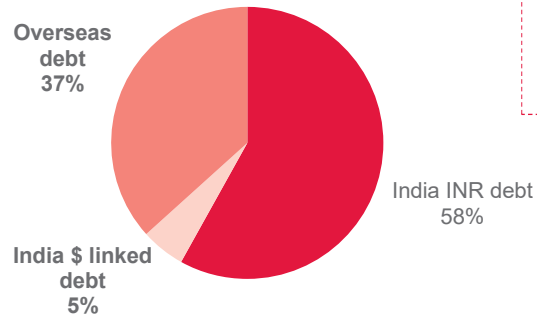
.. and continued focus on leverage

Reported Net Debt / EBITDA



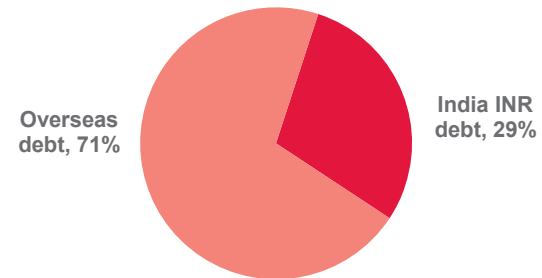
Interest cost <10% on the back of higher share of foreign currency loans

As on 30th March, 2013



Proportion of \$ linked debt has increased from 42% in FY13 to 71% in FY20

As on 31st Mar, 2020



Significant “dollarization” of Debt - reduction in interest costs

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Annexure

Consolidated Profit & Loss Statement



Particulars (Rs Crores)	Q1FY21	Q1FY20	% YoY Variance	Q4FY20	% QoQ Variance
Net sales / income from operations	605	677	-11%	905	-33%
Other Income	3	2	41%	8	-59%
Total Income	608	679	-10%	913	-33%
Total Expenditure	429	566	-24%	679	-37%
Personnel Cost (including technician fees)	332	425	-22%	528	-37%
Other Expenditure	96	140	-31%	151	-36%
Income from writeback	-	-	NM	-	NM
Adj. EBITDA*	179	113	58%	234	-24%
One Time Expenses	-	-	NM	-	NM
EBITDA (including Exch. Gain (net))	179	113	58%	234	-24%
Depreciation & amortization	98	96	2%	98	-1%
ESOP Charges	7	3	146%	23	-70%
EBIT	75	15	408%	113	-34%
Interest & Finance charges	57	59	-2%	52	10%
PBT Before Exceptional Items	17	-44	NM	60	-71%
Exceptional Items- Expenditure/ (Income)	-	-	NM	68	NM
PBT	17	-44	NM	-7	NM
Tax Expense	13	-3	NM	-16	NM
PAT before Minority	4	-41	NM	9	-50%
Minority Interest	0	-9	NM	-4	NM
PAT	4	-32	NM	13	-65%

Key Ratios	Q1FY21	Q1FY20	Q4FY20
Adjusted EBITDA Margin	29%	17%	26%
Total Expenditure/ Revenues	71%	84%	75%
Personnel Cost/ Total Operating Income	55%	63%	58%
Other Expenditure/ Total Operating Income	16%	21%	17%

Standalone Profit & Loss Statement



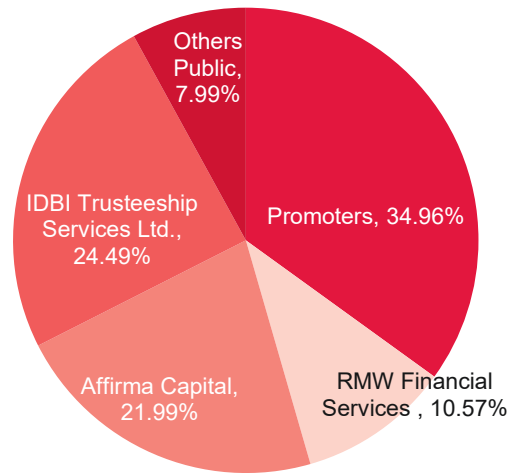
Particulars (Rs Crores)	Q1FY21	Q1FY20	% YoY Variance	Q4FY20	% QoQ Variance
Net sales / income from operations	7	36	-80%	29	-76%
Other Income	6	3	81%	5	7%
Total Income	13	39	-68%	34	-63%
Total Expenditure	10	26	-63%	18	-48%
Personnel Cost (including technician fees)	4	12	-69%	9	-58%
Other Expenditure	6	14	-59%	10	-39%
Income from writeback	-	-	NM	-	NM
Adj. EBITDA*	3	13	-77%	16	-81%
One Time Expenses/ (Income)	-	-	NM	-	NM
EBITDA (including Exch. Gain (net))	3	13	-77%	16	-81%
Depreciation & amortization	16	16	-1%	17	-4%
ESOP Charges	-	1	NM	-	NM
EBIT	-13	-4	NM	-1	NM
Interest & Finance charges	15	16	-6%	16	-3%
PBT Before Exceptional Items	-28	-20	NM	-17	NM
Exceptional Items- Expenditure/ (Income)	-	-	NM	-200	NM
PBT	-28	-20	NM	184	NM
Tax Expense	0	-0	NM	-44	NM
PAT	-28	-20	NM	228	NM

Key Ratios	Q1FY21	Q1FY20	Q4FY20
Adjusted EBITDA Margin	24%	33%	47%
Total Expenditure/ Revenues	136%	72%	63%
Personnel Cost/ Total Operating Income	51%	32%	29%
Other Expenditure/ Total Operating Income	85%	40%	34%

PFL Shareholding Pattern



As on 30th June 2020
Outstanding shares – 299 mn





Contact us

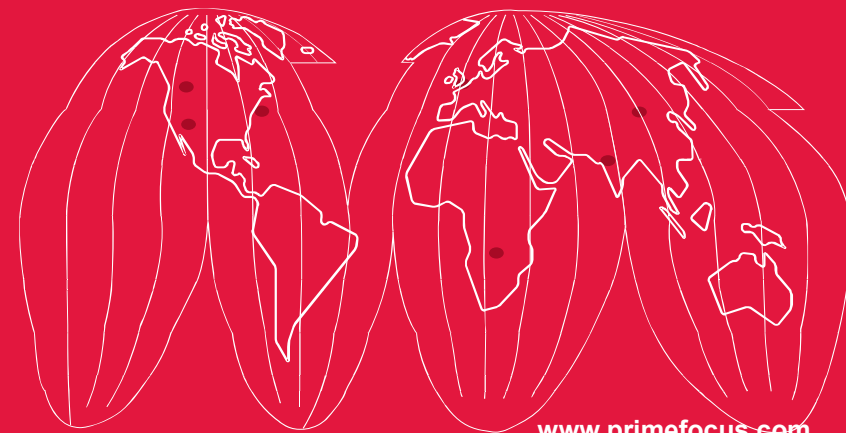
Alok Gupta
Prime Focus Limited
Phone: +91 8291070073
Email: alok.gupta@primefocus.com

About Prime Focus Limited

Prime Focus Limited (PFL), the world's largest independent integrated media services powerhouse, employs over 9,000 professionals in 18 cities across 5 continents. We provide end-to-end creative services (visual effects, stereo 3D conversion and animation), technology products & services (CLEAR™ Media ERP Suite and Cloud-enabled media services), production services (equipment rental) and post-production services (Digital Intermediate and picture post) to the Media & Entertainment industry.

Listed on the BSE and NSE of India and recognized on the Fortune India 'Next 500' list, Prime Focus has operations in Bangalore, Chandigarh, New Delhi, Goa, Hyderabad, Kolkata, London, Los Angeles, Mumbai, New York, Johannesburg, Capetown, Abu Dhabi, Toronto, Montreal, Chennai, Sydney and Vancouver.

For more details
www.primefocus.com
www.primefocusindia.com
www.dneg.com
www.primefocustechnologies.com



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