

Prime Focus reports robust revenue growth for June quarter

Q1FY19 consolidated revenues at Rs 638cr, up 22% YoY

Growth driven by Creative Services, up 30% YoY

Adj. EBITDA at Rs. 118cr, margin at 18.4%

Delivered Hollywood Blockbusters like *Avenger's: Infinity War* and *Deadpool 2*, Tech/ Tech-enabled Services signs strategic deal with *Discovery Communications India*

Robust Order Book maintained at \$500mn+

Mumbai, August 14, 2018: Prime Focus Limited (PFL), a global leader in media and entertainment services, declared its financial results for the quarter ending June 30, 2018. The Company delivered robust growth of 22% YoY in consolidated revenues to reach Rs. 638cr. Creative Services division continues to drive the growth, delivering 3 out of top 5 Hollywood Box Office Hits in YTD CY 2018.

Key financial highlights

Q1FY19 (Consolidated Financials)

- Consolidated Income increased 21.7% YoY at Rs. 638cr (Q1FY18: Rs. 524cr) powered by strong growth of 29.7% YoY in Creative Services
- Creative and Tech/Tech Enabled Services contributed 81% and 12% to revenues, respectively
- Adjusted EBITDA¹ at Rs. 118cr with margin at 18.4%
- Creative Services delivers highest-ever June-quarter revenues at Rs 527cr, EBTIDA at Rs. 98cr, up 19% YoY with margin at 18.6%
- Finance charges include Rs. 6cr on account of change in accounting treatment towards redemption premium on NCDs. Finance charges also include accounting Non-cash charges towards fair valuation of derivative instruments – Rs. 8cr and amortization component of processing fees towards debt financing amounting to Rs.4cr.
- Non-Cash ESOP charges of Rs. 5cr during the quarter (Q1FY18: Rs. 12cr)

(Note: 1 Adjusted for Non-Cash ESOP charges and Other Income)

Operational highlights for the quarter

Creative Services

Prime Focus Ltd

- Delivered biggest Hollywood blockbusters like *Avenger's: Infinity War* and *Deadpool 2* for the quarter. Including the earlier delivered *Black Panther*, Prime Focus has delivered work on 3 out of top 5 Hollywood blockbusters in YTD CY 2018
- Strong upcoming Hollywood Releases include: *Venom*, *The New Mutants*, *Mission: Impossible - Fallout* and *Fantastic Beasts: The Crimes of Grindelwald*, among others
- Order Book stands at US\$270mn+

Tech/Tech-Enabled Services

- Consolidated Order-book stands at \$230mn+
- Signed a strategic deal with Discovery Communications India for managing long form content operations using the company's flagship product CLEAR™ Cloud MAM. PFT will also be providing post-production services for all of Discovery's on-air promos for India. Additionally, as a Netflix Preferred Vendor for Media Processing, Original Master Fulfillment, Timed Text and Originals Localization; PFT will be responsible for delivering Discovery India's content to Netflix.
- Won Gold at the PromaxBDA India Awards for 'Best Original Music Composition' for the Tata Sky Emergency Top Up ad.

Commenting on the results, Mr. Namit Malhotra, Founder, Executive Chairman and Global CEO, Prime Focus Ltd said:

FY19 has started on a strong note. Our Creative Services division has not only delivered 3 out of top 5 worldwide box office grosses in current year – *Avengers: Infinity war* (#1, \$2 bn+), *Black Panther* (#2, \$1.3bn+) and *Deadpool 2* (#5, \$0.7 bn+), but the division also continues to cross new milestones. The June quarter saw us achieve record-highs in revenues and consistent EBITDA performance despite investments in people and infrastructure ahead of time to cater to the burgeoning visible contracted orders for the business. Our pipeline remains robust with marquee projects like *Mission Impossible – Fallout*, *The New Mutants*, *Mowgli*, *Venom*, *Godzilla – King of Monsters* to name a few. The Tech/Tech Enabled business worked towards strengthening our relationships with leading OTT platforms like Netflix & Amazon Prime, while winning new clients. India FMS also continues to deliver steady performance. With a stronger Order Book and expanded capacity, we look forward to the achieving greater heights in the coming quarters.

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 and 7-time zones. 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.

Prime Focus Ltd

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, South Africa, Abu Dhabi, Toronto, Montreal, Chennai, Sydney and Vancouver.

For more details

www.primefocus.com

www.primefocusindia.com

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