

Prime Focus reports steady revenue growth for the first half of the year

H1FY19 consolidated revenues at Rs 1,256cr, up 15% YoY

Growth driven by Creative Services, up 24% YoY

Adj. EBITDA at Rs. 197cr

Delivered Creative Services in 3 of top 5 Hollywood Box Office Hits released in H1FY19 - *Avenger's: Infinity War*, *Mission Impossible: Fallout* and *Deadpool 2*

Robust Order Book / pipeline maintained at ~\$500mn

Mumbai, November 14, 2018: Prime Focus Limited (PFL), a global leader in media and entertainment services, declared its financial results for the half year ending Sep 30, 2018. The Company delivered robust growth of 15% YoY in consolidated revenues to reach Rs. 1,256cr. The growth was driven by 24% YoY growth in the Creative Services division.

Key financial highlights

H1FY19 (Consolidated Financials)

- Consolidated Income increased 14.9% YoY at Rs. 1,256cr (H1FY18: Rs. 1,093cr) powered by strong growth of 23.6% YoY in Creative Services.
- Creative and Tech/Tech Enabled Services contributed 81.7% and 12.0% to revenues, respectively
- Adjusted EBITDA¹ at Rs. 197cr with margin at 15.7%
- Creative Services delivered revenues at Rs 1,050cr, EBITDA at Rs. 176cr
- One time Finance charge of Rs.26cr on account of early extinguishment of a financial liability
- Non Cash ESOP charges stood at Rs. 24 Cr for the first half of the fiscal year. Higher charge on ESOP for Q2 on account of extension of exercise period on options

(Note: 1 Adjusted for Non-Cash ESOP charges; Also includes the impact on adoption of IFRS 15)

Creative Services

- Delivered Hollywood blockbusters like *Mission Impossible: Fallout* and *Ant Man & the Wasp*
- Strong Hollywood releases scheduled for coming quarters: *Venom*, *The New Mutants*, *Mowgli* and *Fantastic Beasts: The Crimes of Grindelwald*, among others
- Order book continues to look extremely promising with higher visibility

Prime Focus Ltd

Tech/Tech-Enabled Services

- Business continues to face challenges especially in Western markets
- Launched new module of PFT's CLEAR Media ERP Suite, Vision Cloud which is a native media recognition Artificial Intelligence (AI) platform that builds Machine Wisdom from Intelligence to transform business operations
- PFT enhanced CLEAR™ Media ERP to further improve collaboration across the production supply chain
- Partnered with Virtual Artificial Intelligence to deliver practical, affordable AI solutions to Media & Entertainment (M&E) enterprises, and simplifying business processes through process automation

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

First half of the year has ended with mixed results. Our Creative Services division delivered work on another Hollywood blockbuster for the year with *Mission Impossible: Fallout*. The pipeline continues to stay strong with marquee projects like *Venom*, *Fantastic Beasts*, *Bohemian Rhapsody* and *First Man* to name a few. The Tech/Tech Enabled division is witnessing headwinds as the lead time on conversion of some of the marquee RFPs in Western markets continues to be longer than expected. We continue to consolidate our global workforce to cater to our growing order book. This has had a transiently impacted on our margins and we expect to see the benefits of our strategy to pan out in 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.

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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