

Date: July 1, 2020

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BSE Scrip Code: 539141

To,
National Stock Exchange of India Limited
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Dear Sir / Ma'am,

Sub: Transcript for the Q4&FY20 Earnings Conference Call held on June 23, 2020

Attached herewith transcript for the Q4&FY20 Earnings Conference Call held on June 23, 2020.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **UFO Moviez India Limited**

Sameer Chavan
Company Secretary

Encl: a/a



UFO Moviez India Limited
Q4&FY20 Earnings Conference Call

June 23, 2020



MANAGEMENT:

MR. KAPIL AGARWAL - JOINT MANAGING DIRECTOR, UFO MOVIEZ INDIA LIMITED

MR. ASHISH MALUSHTE - CHIEF FINANCIAL OFFICER, UFO MOVIEZ INDIA LIMITED

ANALYST:

MR. URMIL SHAH - IDBI CAPITAL MARKETS & SECURITIES LIMITED

Moderator: Ladies and Gentlemen, good day and welcome to the UFO Moviez India Limited Q4&FY20 Earnings Conference Call, hosted by IDBI Capital Markets & Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Urmil Shah from IDBI Capital. Thank you and over to you Sir!

Urmil Shah: Thank you Faizan. On behalf of IDBI Capital Markets & Securities, I welcome you to UFO Moviez Q4&FY20 earnings concall. I trust and wish that you and your dear ones are safe in this challenging environment. I also thank the management of UFO Moviez for giving us an opportunity to host the call. On the call, we have UFO Moviez’s senior management represented by Mr. Kapil Agarwal - Joint Managing Director and Mr. Ashish Malushte – Chief Financial Officer. We shall have the opening remarks by Mr. Kapil followed by Q&A session. Over to you Mr. Agarwal.

Kapil Agarwal: Thanks Urmil and greetings everyone and thanks for joining us on the UFO’s Q4&FY20 earnings call.

First of all, I do hope everyone on the call today and your loving ones and colleagues are safe amid this unprecedented COVID-19 pandemic. The world has ever experienced an event with such a drastic impact on business, trade and personal life.

Let me now come to the business, as you are aware, the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic on March 11, 2020, soon after that Cinemas started shutting down. In fact, Cinemas were the first to be impacted as social distancing was the only way to stop the spread of COVID-19. In a few days, all Cinemas across the Country shutdown and the Company’s operations came to a complete standstill. In this challenging time, we remain committed to all our employees. You will be happy to know that your Company has not laid off any employee. More importantly, the health and safety of our employees is our priority. We have extended the facility of Work From Home to our employees to ensure their safety as well as business continuity. Also, we continue to engage with our customers and the community at large.

Since the operations are temporarily shut, we have stopped generating revenues and we continue to incur cash outflows primarily on account of salary expenses and fixed costs. To help us tide over the current situation, we have taken certain measures to minimize the adverse impact on the business, like 1) We have optimized costs like manpower and SG&A wherever possible and curtailed variable and discretionary expenses. 2) Capex spends have been put on hold until further notice. 3) We have taken relief on the term loan facility and credit facility offered by RBI on interest and principal repayments. 4) Overall, our current liquidity position is comfortable and we are confident that we will be able to meet all our obligations with the available cash and working capital limits, which are available to us right now.

Looking forward, Cinemas are likely to re-open in Phase 3 of unlocking as announced by the Government. However, the date of re-opening remains uncertain as it will depend on how the COVID-19 situation progresses. At this time, we are keeping ourselves prepared for the re-opening. We have also held wide-ranging discussions with various stakeholders on ‘Building Trust with Audiences’ so that the audiences are comfortable coming back to cinemas. Implementing SoPs and protocols in Cinemas is the best way to make them feel safe. While national multiplex chains will be able to implement these SoPs and protocols by themselves, independent cinemas including smaller multiplexes and single screens all over the Country will require support and guidance. We, at UFO, have taken it upon ourselves to help them with the implementation of these protocols including training their employees. These will be like thousands of Cinemas and tens

of thousands of people around the Country, but before we do that, we are just waiting for the Government nod on these SoPs and protocols that have been submitted to the Government by the multiplexes and by us before we start this process.

When the Cinemas are re-opened, footfalls are expected to be impacted and this is going to influence revenues until the situation normalizes. However, we are cautiously optimistic about the future.

Coming to the headline numbers for the quarter and full-year ended March 31, 2020.

In Q4FY20, as operations started shutting down post-March 11, the Company's financial performance has been significantly impacted. Consolidated Revenues stood at ₹1,094 Mn, lower by 43.6% Y-o-Y on account of weak Government advertisement revenues and the impact of COVID-19. EBITDA stood at ₹275 Mn, lower by 58.0%. PBT stood at ₹94 Mn and PAT stood at ₹68 Mn.

Now I come to the advertisement revenue because it is the main factor for this decline because the COVID-19 impact was there only for a few days in the month of March. The total advertisement revenue during the quarter stood at ₹302 Mn. In comparison to Q4FY19, the in-cinema advertisement revenue declined by 58.0% to just ₹301 Mn. Government advertisement revenue declined by 76.0% to ₹114 Mn on account of cut in spending by the Central Government. We have been reporting this in the previous quarters also. Central Government advertisement revenues have declined by 93% Y-o-Y to ₹24 Mn in Q4FY20. The Central Government's contribution to Total Government revenues has reduced from 74% in Q4FY19 to 21% in Q4FY20. The Corporate revenues were lower by 22.3% to ₹187 Mn primarily on account of COVID-19 led shutdown. It is just the impact of last ~20 days. Similarly, the Caravan Talkies business was also impacted on account of cut in spending by the Government.

Talking about the fiscal year, the Consolidated Revenues stood at ₹5,039 Mn. EBITDA stood at ₹1,194 Mn, PBT stood at ₹522 Mn and PAT stood at ₹388 Mn. Profitability was impacted primarily on account of the Government advertisement revenue which I just talked about and the impact of COVID-19.

For the whole year, the advertisement revenue stood at ₹1,547 Mn. The in-cinema advertisement revenue declined by 30.5% to ₹1,481 Mn. The Government revenue declined by 54.6% to ₹509 Mn. The Central Government advertisement revenue in that declined by 77% Y-o-Y. The Central Government advertisement revenue which contributed 68% of the total Government revenue in FY19 declined by 77% in FY20. The Corporate advertisement revenue de-grew just by 3.7% to ₹972 Mn. Corporate revenue has been flat, it showed a marginal improvement in the first nine months and there is a slight decline because of the last ~20 days on account of COVID-19.

Finally, moving to the Balance Sheet, as on March 31, 2020, the Net Cash declined to ₹454 Mn from ₹890 Mn as on December 31, 2019, that is mainly because of the dividend payout of ₹457 Mn in March. The Capex intensity during the year stood at ₹428 Mn compared to ₹400 Mn in FY19, it was more or less the same at the same level and in line with our guidance, which we have been talking in the past. The Company's net cash flows from operations remained healthy at ₹1,203 Mn during the year as compared to ₹976 Mn as on March 31, 2019. The DSOs have also improved. DSOs were down to 95 days as on March 31, 2020, compared to 119 days as on March 31, 2019.

With that, I open the floor to take your questions.

Moderator: The first question is from the line of Krunal Shah from Enam Investment & Services Pvt Ltd.

Krunal Shah: What are the cost levers present in our business and what kind of loss is to be expected in FY21?

Kapil Agarwal: In terms of cost structure, we have brought it down by almost 65%. In this 65%, two-third is salary cost and we have optimized the salary cost substantially. In fact, for March, myself and the Managing Director, Mr. Sanjay Gaikwad have cut down 50% of our salary and from April 1, 2020, we have not been taking a salary at least for the first three months and we did a graded salary reduction. The overall salary reduction is 37%, from 0% for the lowest grade employees to almost 45-46% for senior management. The average salary reduction is 37% and it represents two-third of the fixed cost. We are happy to inform you that we have not laid off a single employee. We believed that in this difficult time laying off employees will be cruel and it will be very difficult for people to find another job. Since cash flows could support this, we have not laid off a single on-roll or even off-roll employee and we are paying everyone.

Krunal Shah: Any cost reduction in the other expenses?

Kapil Agarwal: We have done the cost reduction in rental contracts and other costs. Everything has been re-negotiated and all the costs have been brought down. The salary cost has gone down by 37%, but the overall cost has gone down by almost 65%. We have done a very drastic cut in all the expenses. The operations should continue and we should sail through this difficult period. Because of the good cash flows position, we took very proactive measures and decisions as soon as the operations shut. We took the decisions by the first week of April and we had re-negotiated and cut down everything. It is all-effective from April.

Krunal Shah: This year has been bad in terms of Government advertisement revenues. Going forward, can we expect this to be the new base or there can be a sharp bounce back, probably in 2-3 years?

Kapil Agarwal: In the past, Government advertisement revenues have been very consistent. In the last 10 years, we have seen very healthy growth. This is the first year where we have seen the impact from April/May. The Central Government advertisement revenue is down by 77%, which constituted 68% of the overall Government advertisement revenue. In Q4FY20 it is down by 93% and in FY20 it is down by 77%. We do not believe it to be the new normal. This year has been bad for the Government financials, probably that is why this cut has happened. We cannot talk about the immediate future because again the Government finances this year are under stress. But, we do not believe this to be a new normal. The basic difference between many multiplex chains and us is that the Government does not advertise there since Government messages are for the masses and not for the classes. We have a very large mass base and the Government has been very actively utilizing the mass base whether it is the in-cinema advertising or our other product called Caravan Talkies. The Government has been a very steady user of advertising on our medium and it should come back. We do not think it is a new normal but in the immediate future, at least this year the stress is there.

Moderator: The next question is from the line of Kinjal Desai from Nippon Life India Asset Management Ltd.

Kinjal Desai: What is the kind of debt increase we would be expecting?

Kapil Agarwal: No new debts are being taken by the Company. Currently, it is not a question of profit and loss but survival for all the Companies in India and globally in our sector. We have been maintaining a healthy cash position and have done three things, first, we have taken advantage of the RBI announcement regarding deferment of repayments of principal and interest. Second, in the past, we were not using our working capital limits and now we have started using so that we have healthy gross cash on the books of the Company. Third, we have been very aggressively pushing our debtor collection. All these three things taken together put us in a comfortable cash position for this year at the current level of expenses. We expect that in July or August, the cinemas should start opening and we should start having the cash revenue streams towards the end of this year. With that in mind, we are in a comfortable cash position to meet all our obligations. If the situation prolongs or worsens, we will further relook at our current expenses and further optimize them.

- Kinjal Desai:** Would it be right to assume that in Q1FY21 we would be having zero revenues or is there any feasible revenue stream?
- Kapil Agarwal:** Absolutely, no operating revenue will be there apart from some revenue on our cash deposits.
- Kinjal Desai:** From the cost structure, if ~100% is the revenue than would of 40% revenue be the fixed cost or would it be higher?
- Ashish Malushte:** Out of the total revenue, the fixed cost on a full-year basis on a consolidated level should be in the range of 30-35%.
- Kinjal Desai:** The variable costs would be down like 70-75% in terms of absolute control that we would be having.
- Ashish Malushte:** The revenue related expenses would go down substantially.
- Moderator:** The next question is from the line of Arun Prasath from Spark Capital Advisors.
- Arun Prasath:** Assuming that the Government advertisement revenue remains the same and the Corporate revenues as a percentage of revenue have increased substantially now. How are the volumes and pricing going to pan out?
- Kapil Agarwal:** In the past years, our major focus has been to enhance the Corporate advertisement revenue. Seven-eight years ago, the Corporate advertisement revenue was ~20% and now it is a healthy 60-70%. In a normal situation, it is ~50:50 between the Government and the Corporate. This year has been a bad year for the Government and thus, the Corporate revenue is higher. Corporate revenue had been very high and this year apart from the last month, it has been stable. Depending on how the situation emerges, we will realign our thinking to ensure that we get healthy Corporate rates and revenues. Although when the situation re-opens, there will be stress for a couple of months because there will be sectors that will be bouncing back. We think, after a couple of months of re-opening of cinemas, the Corporate revenue should start stabilizing.
- Arun Prasath:** Will there be a cut in the rates or initial discounts so that you can fill the volume, will the volumes be filled or go off?
- Kapil Agarwal:** Our major stress will be on making sure that the cash registers are ringing. We think initially the rates will be under pressure and we do not mind giving concession on the rates to achieve the cash flows of the Company.
- Arun Prasath:** From your interactions with all the single screen owners across the country, do you feel that three-four months of zero revenue will push them more towards finding an alternate source for their property since most of them own the land? Do you see the trend accelerating that we have been seeing in the past?
- Kapil Agarwal:** Not really. Firstly, the fixed overheads in the case of multiplexes are very high and in single screens are pretty low on a per-screen basis. These are owner-driven single screens who have a second or third-generation ownership of screens. They are not run by large and expensive professionals. Secondly, they have on average three-four employees who are not paid at the scale at which the multiplex employees are paid. So, their overheads are pretty low. At one point in time, there was the pressure of conversion of single screens leveraging their real estate into malls or alternate businesses. Looking at the current situation of the real estate of the Country and the way work from home is happening, these three-four months of lockdown has pushed up online shopping and we believe that single screens will find it very difficult to find alternative use of their real estate. We do not think that there is going to be a massive shut down but admittedly, we expect that 2-3% of the single screens will probably shut down during this period.
- Moderator:** The next question is from the line of Vaibhav Badjatya from HNI Investment.

- Vaibhav Badjatya:** As far as the Government business is concerned, is the advertisement rate linked to contracts or eyeballs/footfalls in the screens? Even if the lockdown re-opens, there might be a reduction in the footfalls, can that have an impact on the Government advertisement rates?
- Kapil Agarwal:** The Government advertisement rates are fixed on a per-screen basis irrespective of the footfalls. They are divided into two categories: screens with a seating capacity of up to 500 and screens with a seating capacity above 500 seats. The Government rates are decided by the DAVP and were fixed 10 years ago in 2010. And for the first time, there was an increase of 20% in November 2018. But, the rates are fixed and are not linked to footfalls.
- Moderator:** The next question is from the line of Gaurav Arora from Avendus Wealth Management Pvt Ltd.
- Gaurav Arora:** What sort of Government advertising is this? Is this predominantly the Government advertising their social schemes? What kind of other forms of advertising is included in this? And, have you seen such a drastic fall in the Government advertising in other media as well or is it the cinema that has been hit hard and other avenues of advertisement are not hit as hard?
- Kapil Agarwal:** Government advertising is down across the board. If you analyze the listed Companies in radio, the Central Government advertising is down by almost 80%. Even in our case, it is down by 77% for the year. It is down across the mediums whether it is newsprint, radio or cinemas. On the first question, Government advertising includes three revenue streams: the Central Government, State Government, PSUs and the political parties where the advertising is minuscule. PSUs are all commercial advertisements like LIC or State Bank of India that advertise their products. When it is PSU, it is classified as Government and when it is other banks or other insurance Companies they are classified as Corporate. The Central Government is the single largest advertiser in the Government segment of advertising. They largely are Government social messages for the masses, for example, Jan-Dhan Yojana, or the messages of the Health Ministry, or messages related to the elections, etc. And, the State Government's advertisements are largely like the Central Government's social messages but is within the State and many States advertise for promoting tourism in other States. This is how it is classified.
- Gaurav Arora:** Out of these streams would all of them have been hit as hard or are there any ones that are still somewhat resilient?
- Kapil Agarwal:** The Central Government has been hit the hardest in that segment. During the fiscal year, the Central Government is down by 77%, PSUs are down by 11% and States are down by 17%.
- Gaurav Arora:** The Central Government would be the biggest chunk among these four.
- Kapil Agarwal:** The Central Government is the largest sector in total Government advertising. In FY19, the Central Government was 68% and in FY20 it is only 35%. Overall, it is down by 77%.
- Moderator:** The next question is from the line of Sunil Kumar an Individual Investor.
- Sunil Kumar:** Considering the current situation of the pandemic, various stakeholders like distributors and exhibitors are not having any revenues. Once the situation normalizes and the theatres re-opens, will there be any change in the revenue sharing dynamics between the stakeholders, distributors and exhibitors?
- Kapil Agarwal:** Yes, there will be changes in the dynamics. We are engaged with all the stakeholders including the distributors, producers, and exhibitors. Currently, in the Hindi market, we charge on a pay per show basis. In the first week, we charge ₹425 per show irrespective of the movie and in the second week we charge ₹360 per show and from the third week

onwards, we do not charge anything. Now, we are talking to them because we believe that there will be fewer footfalls and people will be under stress. We are already engaged with them on how we can change the dynamics. Instead of a fixed fee on a per-show basis, we can charge a percentage of the collection. This will give them relief and we will not lose any revenue. Whether the movie is doing ₹200 Crore or ₹400 Crore we are charging ₹425 per show in the first week, ₹360 in the second week and overall we cap it at ₹20,000 i.e. we do not charge more than ₹20,000. Even if a movie does ₹300 Crore of business, it is capped at ₹20,000 while a movie which does not do well, we will be getting around ₹5,000 to ₹8,000. By linking it to the box office, we will get higher revenues on films which will do well and we will get lower revenues on films which do not do well. Overall, we will average out. These kinds of things are already being discussed within the industry and we are socializing with the industry on that.

Sunil Kumar: Any change in the dynamics between you and the exhibitors? Any additional sources of revenues as you have a wide network of theatres, are we planning something?

Kapil Agarwal: There should be no change in the dynamics with theatres. The exhibitors pay lease rental for the use of equipment. In that lease rental, we maintain the equipment and when the equipment goes out of life, we replace them over a period. Essentially, we are charging the maintenance and equipment costs from the exhibitor. The exhibitor is supposed to bear that cost, but, we are financing that cost and charging a lease rental from them. We do not envisage any changes in that dynamic and they get an advertisement revenue share from us.

Sunil Kumar: Considering the financial situation of all the players' someone like UFO that is efficient will come out with flying colours from this situation. Do you see more consolidation in the whole industry?

Kapil Agarwal: We do not see much consolidation happening because if you look at the multiplexes, they have consolidated whatever they could consolidate and they are not interested in whatever smaller chains are left, otherwise that consolidation would have happened. On the exhibition side, we do not see much consolidation happening. Similarly, on the content side, it is a very fragmented industry. As said in the opening remarks, we are cautiously optimistic about our future because of the comfortable cash flow position that we have to tide over this crisis.

Sunil Kumar: Currently UFO has more than 55% market share, do you see it going up after this pandemic?

Kapil Agarwal: All the other players in our industry are unlisted. We do not know their financial position because their data is not published. Everybody knows our data and where we stand. It depends on the situation of other people, but we do believe that over a period of time the efficient players should gain a bigger market share and the inefficient players should eventually go down.

Moderator: The next question is from the line of Junaid Shabeer from Money Control.

Junaid Shabeer: On this current pandemic situation, do you see any transfer in share or revenue from your industry to the OTT industry and how are you going to counter this change if it is there?

Kapil Agarwal: It is a live question in every platform for all the multiplexes, producers and distributors. What impact is OTT going to have on the industry? Firstly, in the past for the filmed entertainment exhibition sector, there have been many competitors and every time it has been predicted that they were going to kill cinemas, but the cinema revenues grew. OTT came a few years ago and every time it was questioned that the exhibition sector will go down but it did not. Last year was a blockbuster year. In the first 10-11 months of last year, the exhibition sector saw very good revenues. There was a substantial increase in the revenues, which is seen in the numbers of the listed exhibition Companies. Secondly, with no visibility of the cinemas re-opening, some content producers may be financially stressed and to relieve that stress may

decide to go to OTT if their content is ready. Some films admittedly will go to OTT and we do not see it as a trend. We think movies are made for big screens and they will continue to be released on the big screens. The name, fame, and 60-70% revenues of films come from theatres. We do not think it will be a large trend that movies will start going to OTT. That shift may be temporary for the next few months until cinemas re-open. Every content creator aspires to go to the big screens first which contributes 60-80% of the revenues and then the next window of satellite TV and OTT. However, we are seeing that a lot of original series and a lot of movies had been separately made for the OTTs. They do not have to invest much money in making those movies because they are for the viewers of the small screen. Thus, we do not see any major change and threat from the OTT sector.

Moderator: The next question is from the line of Urmil Shah from IDBI Capital.

Urmil Shah: Based on the interaction you would be having with the industry, when do you see good content coming up once the lockdown is open? Secondly, we have a lineup of Hollywood content in July, are there any discussions going on that content to be shown on the non-multiplex network because of the uncertainty as to when the multiplexes will open up?

Kapil Agarwal: Unhinged is due to release on July 9, 2020, Tenet which was on July 17, 2020, is now on July 31, 2020, Mulan is on July 24, 2020, Wonder Woman is on August 12, 2020. There is a lot of Hollywood content lined up and cinemas in America have started opening and they are planning big releases even in India. They are expected to dub them in multiple languages and release them in a big way. Currently, these movies are released on both multiplex and non-multiplex screens on the DCI compliance/2K system and will definitely release on the DCI compliance system. We are the single largest player in DCI as well as non-DCI. We are engaged with a couple of studios and it is possible that the movies may release on non-DCI systems also. And, if it happens it will not be the first time. In the past, Universal Studios released Jurassic World and Fast and the Furious 7 widely on non-DCI system in India. There is a precedent to that and we would not rule it out. However, there is no deal on the table today but it is under discussion. As far as the Indian content is concerned, we think 125-150 movies are ready. One-third of those movies are in the ready to release stage and the balance two-third movies are in the stage where some post-production is left. The various associations are engaged with the Government and in some of the States, the post-production has already started. The effort is that the movies come and release when the cinemas start re-opening. Many movies are going to release and by the time these movies release, more movies will get finished because a lot of movies are half-finished and are in the shooting stage. So, slowly as things start opening up it will happen. One important thing, how long will 125-150 movies last? Now, the entire industry from east to west and north to south are working together. Earlier, 30-35 movies were released every week in different parts of the Country and they were competing for screens space. Tamil films used to release more in Tamil Nadu, Telegu films in Andhra Pradesh and Telangana, and Hindi films in the rest of the Country. If a Hindi film releases in 20-25 screens in entire Telangana and Andhra Pradesh, the rest of the space was taken by the Telegu movies. Now, there is a pan Country discussion between the various filmmakers that every film should see a wider release and let us not compete when there is a shortage of content with each other. For example: when Sooryavanshi or 83 releases, let it release in multiple languages all over India, get a much wider release, and RRR a Telegu movie should not be released then. And, when RRR releases, it releases in Hindi and other languages and it gets a much wider release. The available movies should not compete with each other and each movie should get a wider release. That is the collaboration which is going on at the industry level to ensure that the audiences get to see content and cinema halls are not empty once the cinemas re-open. This should give a lot of comfort and revenue streams to cinemas.

Urmil Shah: Would it be safe to assume that for now, it looks like FY22 content would be at least similar to FY20. There should not be a risk to the supply of content and we can have a similar line up as it was in FY20?

Kapil Agarwal: We do not know how FY22 would be because FY20 was another year where 1,762 movies were released. In this period, in FY21, many movies are not going to release and even if the cinemas open by the end of July or mid-August it will take two to three months for the audiences to gain confidence and start coming back to cinemas. The big movies will not release until the audiences are back and the audiences will not come back until they trust that they are safe going to cinemas and till big movies come. This is a Catch-22 paradoxical situation going on in the industry. It will take two to three months and as explained you will not see 30-35 movies releasing every week as seen in FY20 but, lesser movies will release and each movie will see a wider release. So, thus the cinemas will have content and movies will not compete for the screens.

Moderator: The next question is from the line of Sunil Kumar an Individual Investor.

Sunil Kumar: How many screens are there under NOVA Cinemas? What is the outlook for the next two to three years? What is the difference in the revenue sharing dynamics of a normal screen versus NOVA screens?

Kapil Agarwal: We have 52 screens in 25 sites across the Country and another 10 screens are under installation. Total of 52 operational screens and 10 upcoming screens thus, 62 screens. During this lockdown, we are working aggressively on how to push this model going forward and how to create the local entrepreneurs who will be the owner as rightly pointed out, this an asset-light franchisee model and this is how we are pushing it. Our revenues are franchisee revenues. We are not making any investment or even if we are investing, it is very minuscule to give confidence to the people. We charge a franchisee fee on a per ticket sold basis. There are multiple models but this is how we work. Our objective is not to be in the exhibition space, but to make sure that there are more screens in the Country because we only have seven screens per million of the population in the Country. Our objective is to work in the industry and push more screens in the Country. Theoretically, we should have another 15,000 more screens in the Country. We cannot add all screens but we have started this movement of adding franchisee screens. It may expand and thousands of screens will be added over the years but we will not be the cinema owners, rather will own the brand and help people come up with cinemas.

Moderator: Ladies and gentlemen, that was the last question I would now like to hand the conference over to Mr. Urmil Shah from IDBI Capital for closing comments.

Urmil Shah: Thank you Faizan. I thank you all for participating in the call for UFO Moviez and management for sparing time for the call. Thank you so much and stay safe.

Moderator: Thank you. On behalf of IDBI Capital, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

The transcript has been edited for language and grammar; it, however, may not be a verbatim representation of the call.