

# LIFESTYLE

entertainment



Quarterly Briefing

# 3Q15

# MAJOR CINEPLEX GROUP PLC.

**Analyst Meeting 3Q15**

**Paragon Cineplex, 9<sup>th</sup> November 2015**

# 3Q15 QUARTERLY BRIEFING

## Financial Highlights



Bt. Million	3Q14		3Q15		growth	
	Amt.	%	Amt.	%	Amt.	%
Revenue	2,153	100%	2,189	100%	37	2%
Gross margin	803	37%	739	34%	(63)	-8%
EBITDA	620	29%	696	32%	75	12%
EBIT	412	19%	465	21%	53	13%
Net Profit	293	14%	343	16%	50	17%

	9M14		9M15		growth	
	Amt.	%	Amt.	%	Amt.	%
	6,499	100%	6,605	100%	105	2%
	2,418	37%	2,356	36%	(61)	-3%
	1,827	28%	2,069	31%	242	13%
	1,222	19%	1,412	21%	191	16%
	879	14%	1,032	16%	153	17%

- **Revenue growth** from Blockbuster movies , New branches , increasing of guest count in Cambodia & price increased.

- **Gross margin dropped** mainly from Movie contents business & high costs from Blockbuster movies.

- **Net profit improved** from

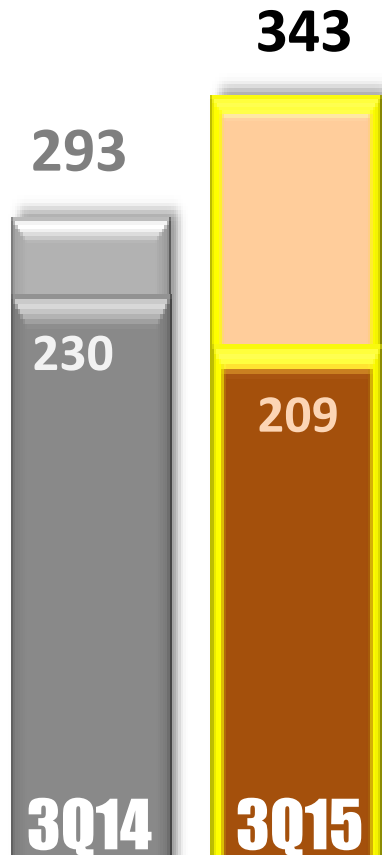
- Efficiency expenses management.
- Profit from divestment in PVRL.
- High profit from portfolio.

# 3Q15 QUARTERLY BRIEFING



## Net profit & Margin

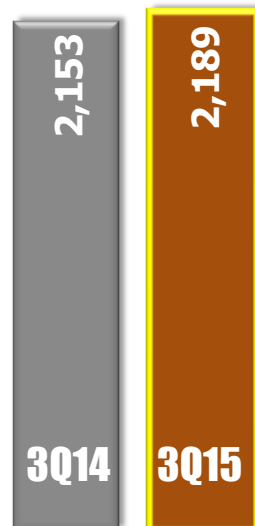
**Net Profit**  
**+17%** (50mb.)



**-9%**  
(21mb.)  
**Net profit Excl.**  
gain from  
divestment.

### Revenue

**+2%** (37mb.)



**Gross margin dropped from;**  
**Cinema** : from 12 branches expansion.

**Concession** : from clearance sale  
(old bucket set).

**Advertising** : from more movies events.

**Bowling** : from performance dropped.

Margins	3Q14	3Q15	variance
Admissions	18%	12%	(6%)
Concessions	71%	65%	(6%)
Advertising services	86%	85%	(1%)
Bowling group	37%	36%	(1%)
Rentals & services	19%	20%	1%
Movie Contents	9%	12%	4%
<b>Consol</b>	<b>37%</b>	<b>34%</b>	<b>(4%)</b>

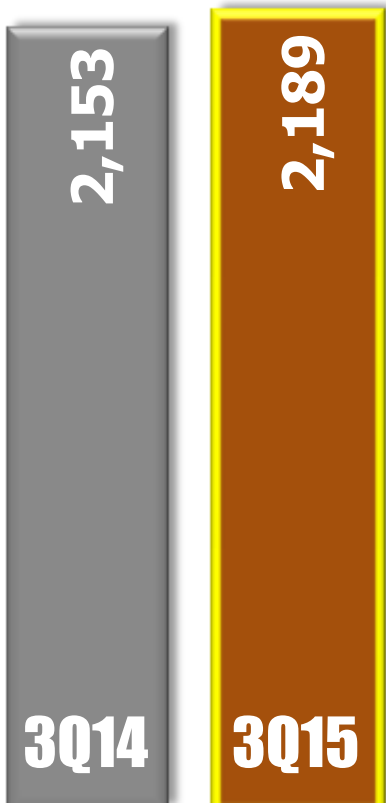
Bt.million

# 3Q15 QUARTERLY BRIEFING

## 3Q15 Revenue Breakdown



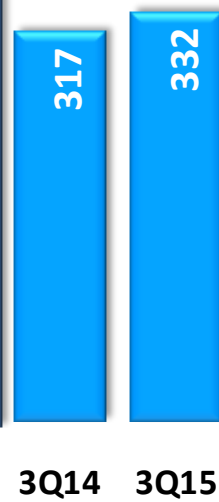
Revenue  
**+2%** (37mb.)



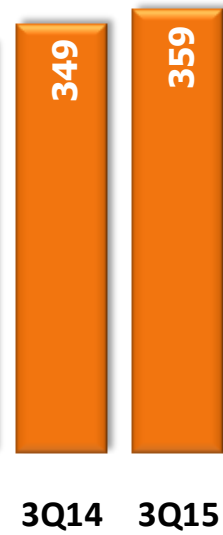
Admissions  
**+0.4%**  
(5mb.)



Concession  
**+5%**  
(16mb.)



Advertising  
**+3%**  
(11mb.)



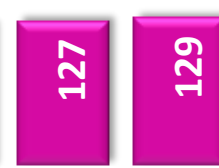
- Revenue growth in every businesses except Bowling business.

- Bowling revenue dropped from closed down 3 locations (34 bowling lanes, 45 karaoke rooms) and declined performance.

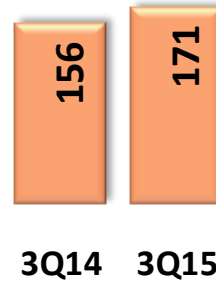
Bowling group  
**-9%**  
(-12mb.)



Retails  
**+2%**  
(3mb.)



Movie Content  
**+10%**  
(15mb.)



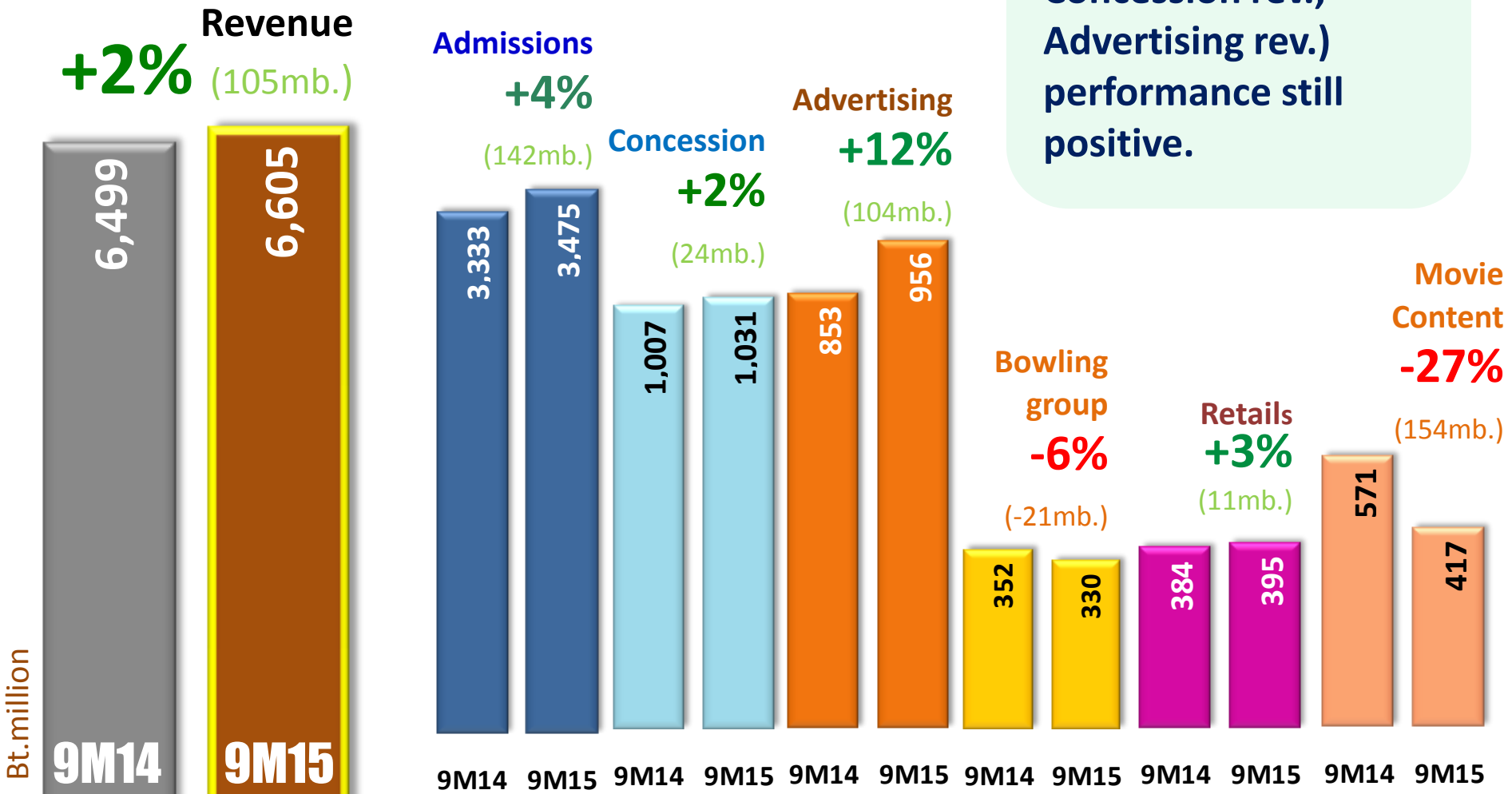
Bt. million

# 3Q15 QUARTERLY BRIEFING

## 9M15 Revenue Breakdown



•9M15 core businesses (Admission rev., Concession rev., Advertising rev.) performance still positive.



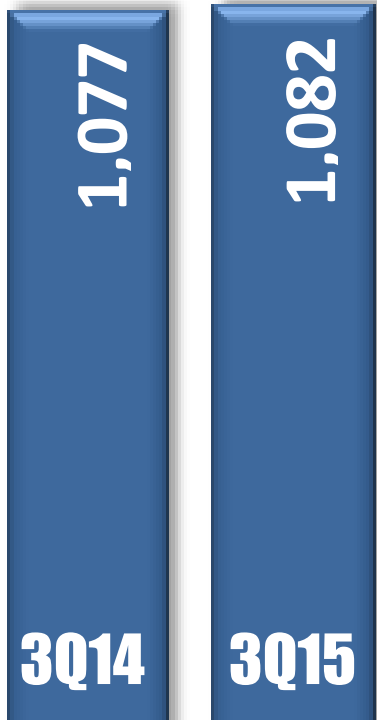
Bt. million

# 3Q15 QUARTERLY BRIEFING

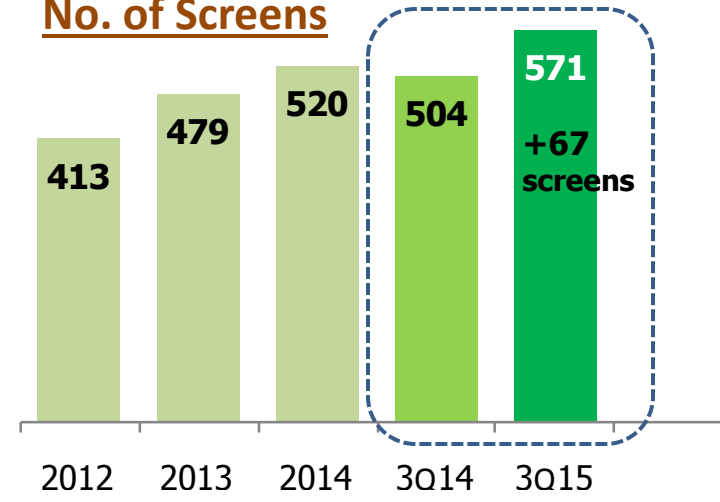


## Revenue : Admissions Sale

Admissions sale  
**+0.4%** (5mb.)

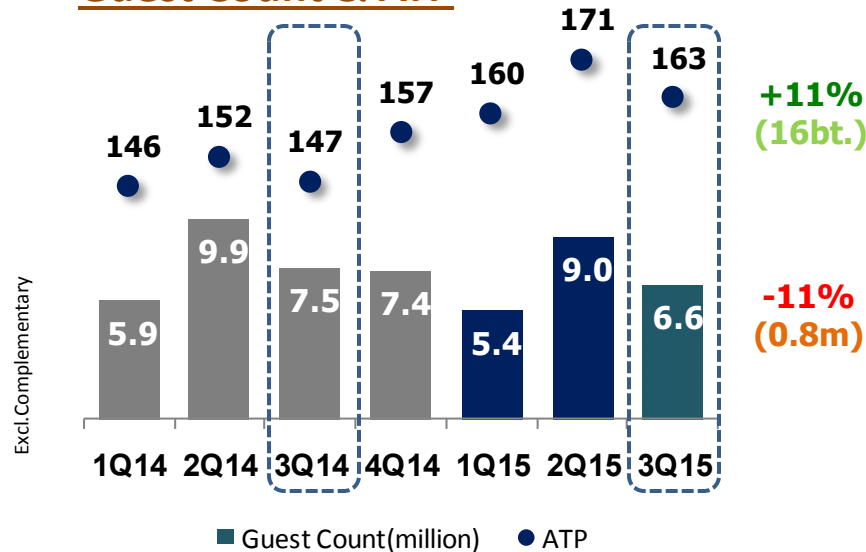


### No. of Screens



**3Q15**  
**+67 new screens**  
**(12 branches)**

### Guest Count & ATP



**ATP increased**  
**from raise the**  
**ticket price and**  
**manage price tiers**  
**and promotion**  
**in each locations.**

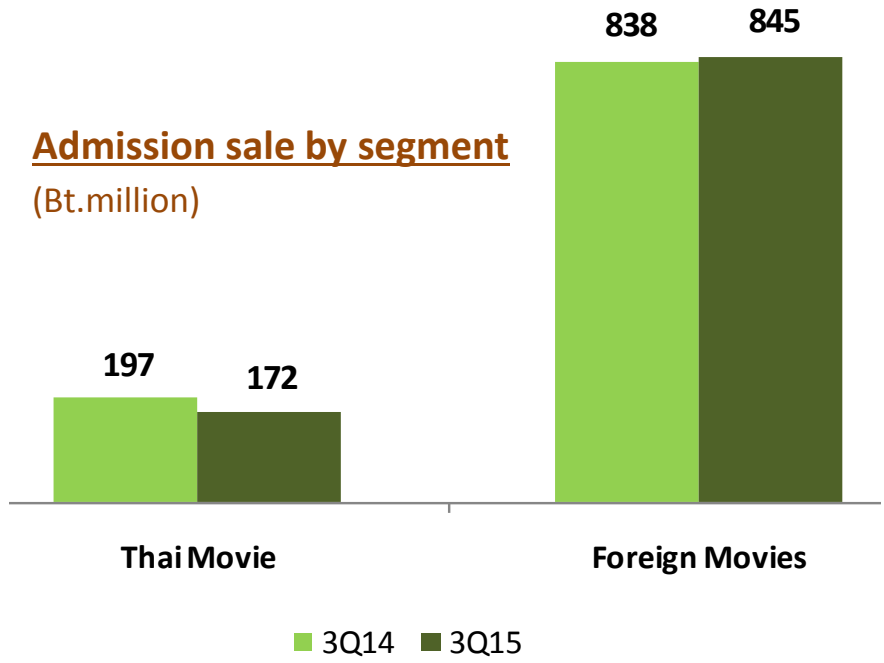
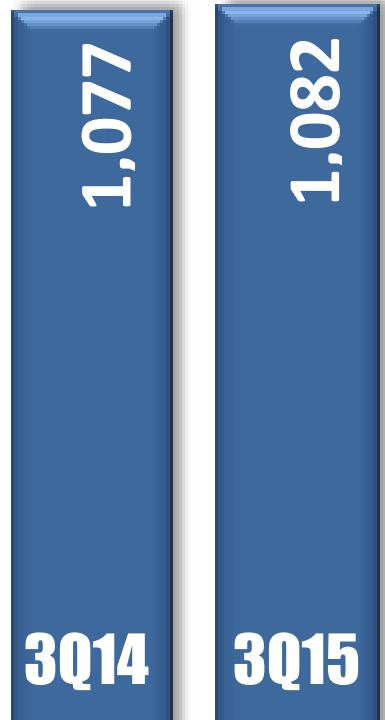
# 3Q15 QUARTERLY BRIEFING



## Revenue : Admissions Sale

3Q15: Thai movies under perform.

Admissions sale  
**+0.4%** (5mb.)



"3Q14"



"3Q15"

Bt. million

# 3Q15 QUARTERLY BRIEFING

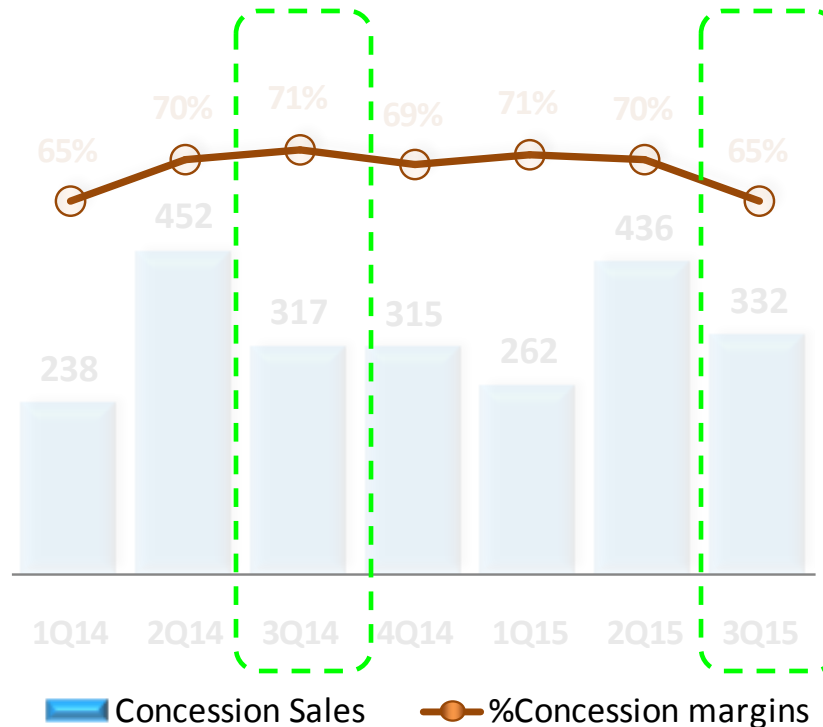
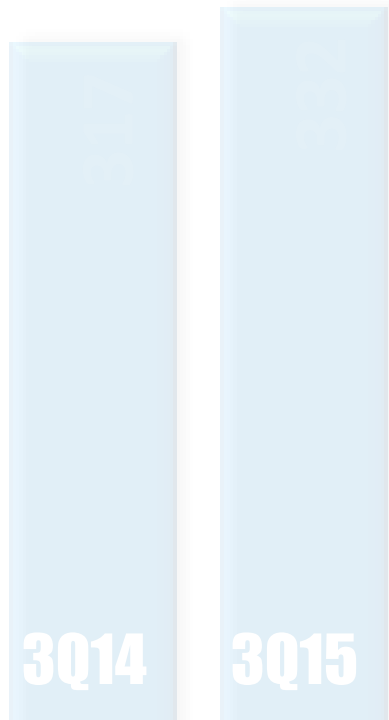
## Revenue : Concession



- Concession sales growth from popular bucket sets
- Margin dropped from clearance sale (old bucket set)



Concession sale  
**+5%**  
 (16mb.)



Bt. million



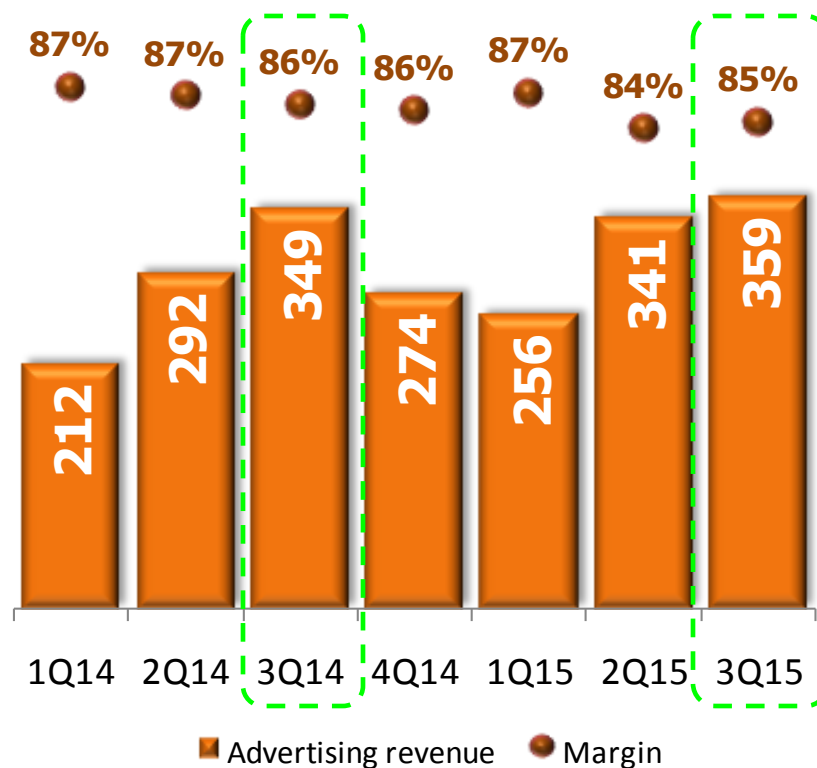
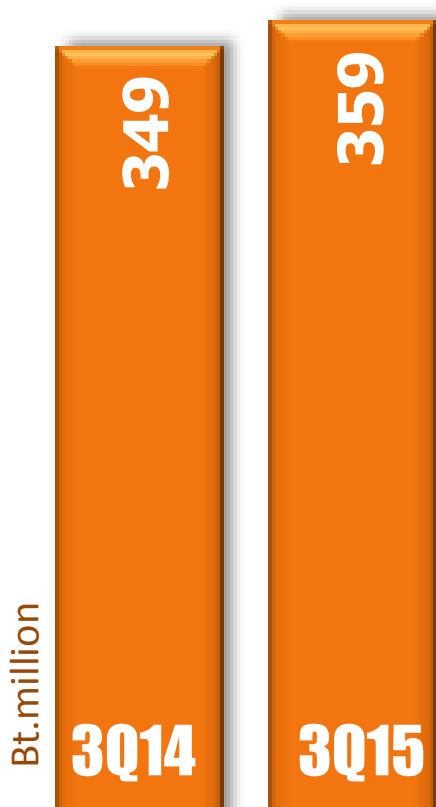
# 3Q15 QUARTERLY BRIEFING

## Revenue : Advertising



Advertising sale  
**+3%**  
(11mb.)

- Revenue growth from movie highlight, expansion screens and sponsor of film production (ใจหัวแดงโม)
- Gross margin dropped from more movies events.

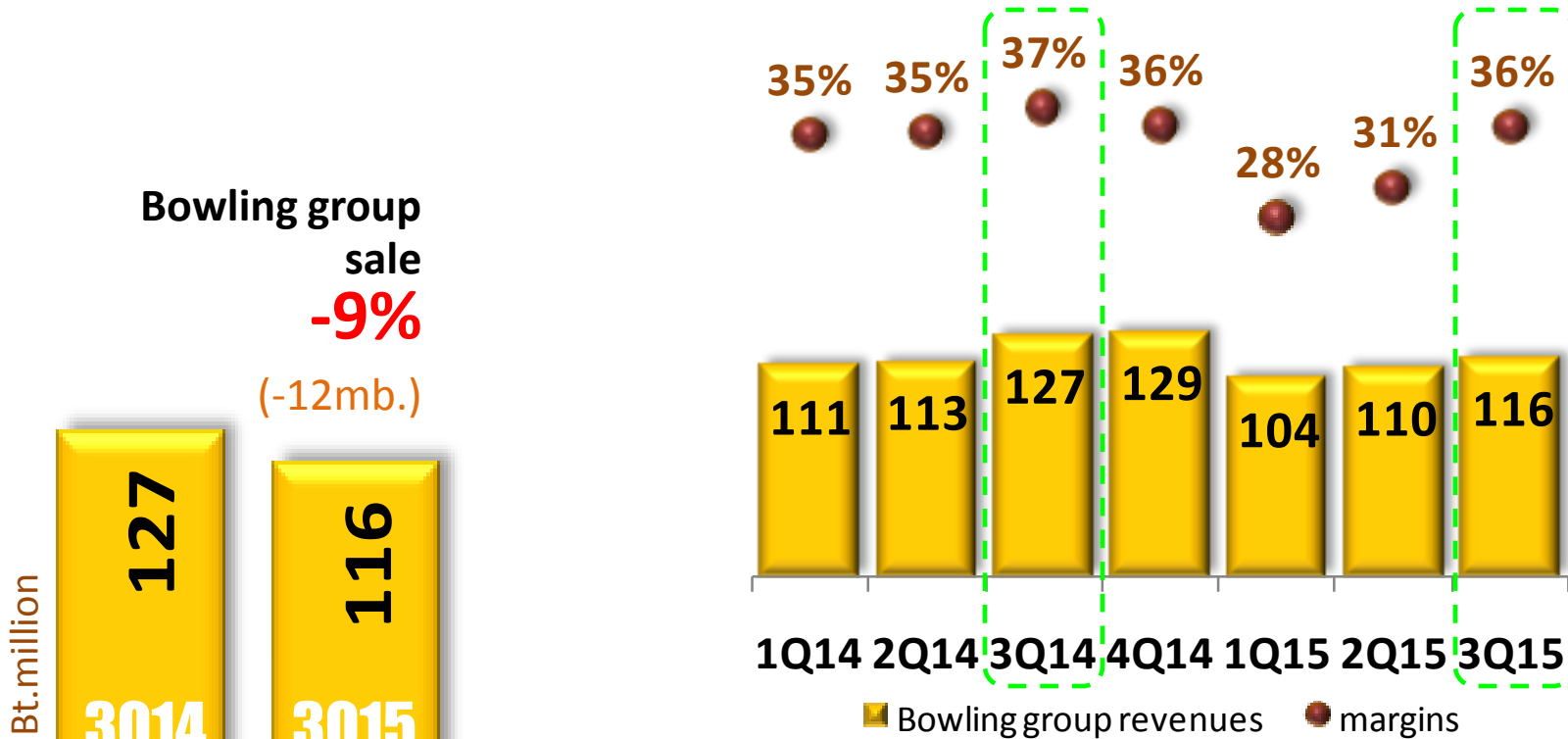


# 3Q15 QUARTERLY BRIEFING



## Revenue : Bowling Group

- Revenue dropped from 3 locations closed down and Activity “Bowling world tour” postponed.
- Gross margin improved from 2Q15 by efficiency cost management.

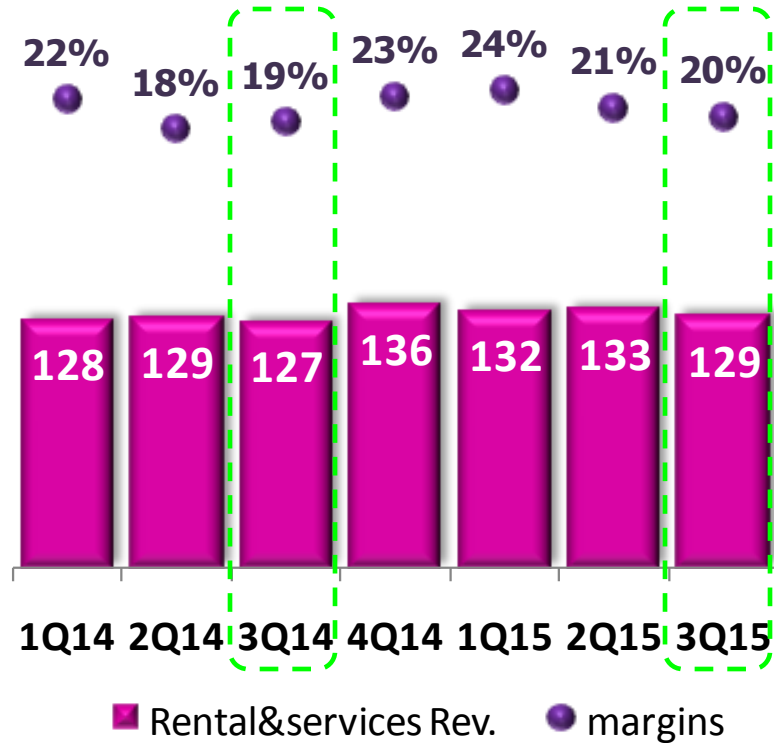
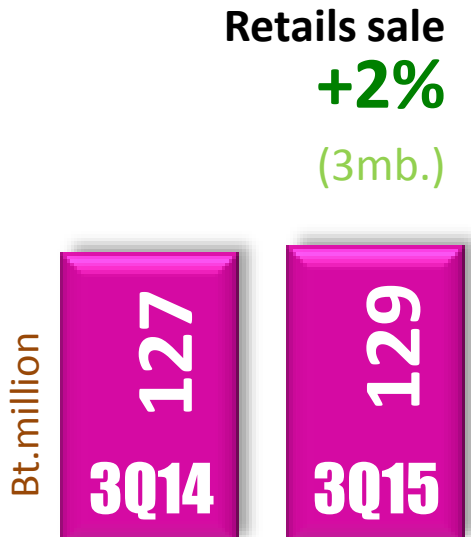


# 3Q15 QUARTERLY BRIEFING



## Revenue : Retails

- Revenue increased at Center point - Ratchayothin and Mini mall at Aomyai and raised the price at Metropolis.
- Occupancy increased from 90.5% to 91.4%
- Gross margin maintained.

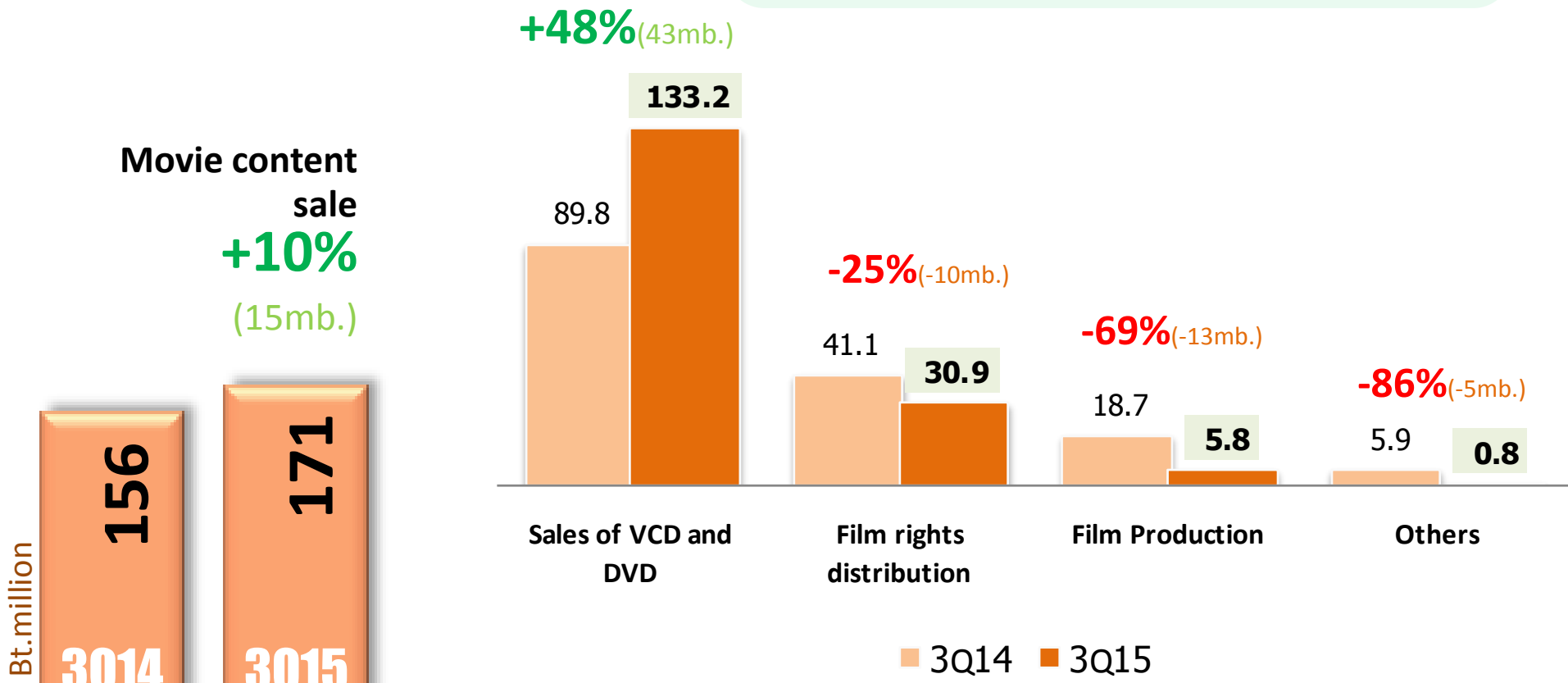


# 3Q15 QUARTERLY BRIEFING

## Revenue : Movie Contents



Revenue growth from increasing sale agent for home entertainment.



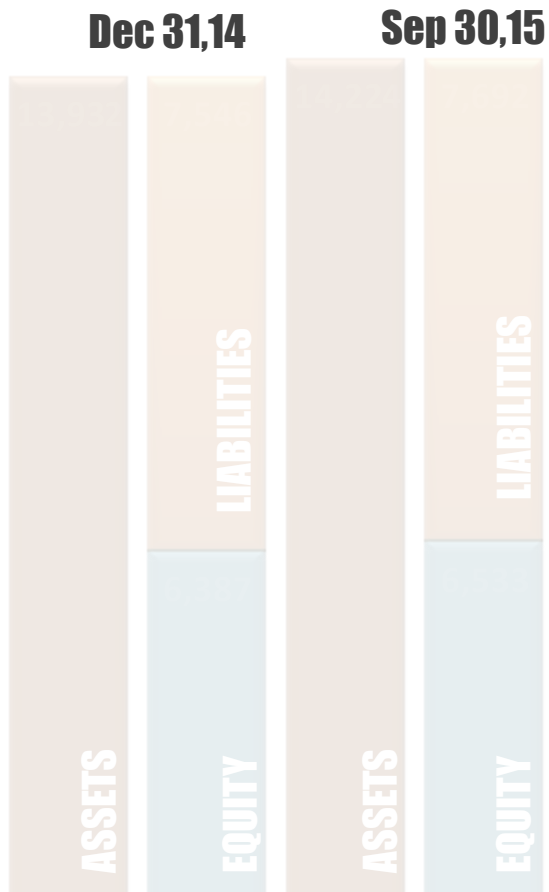
# 3Q15 QUARTERLY BRIEFING



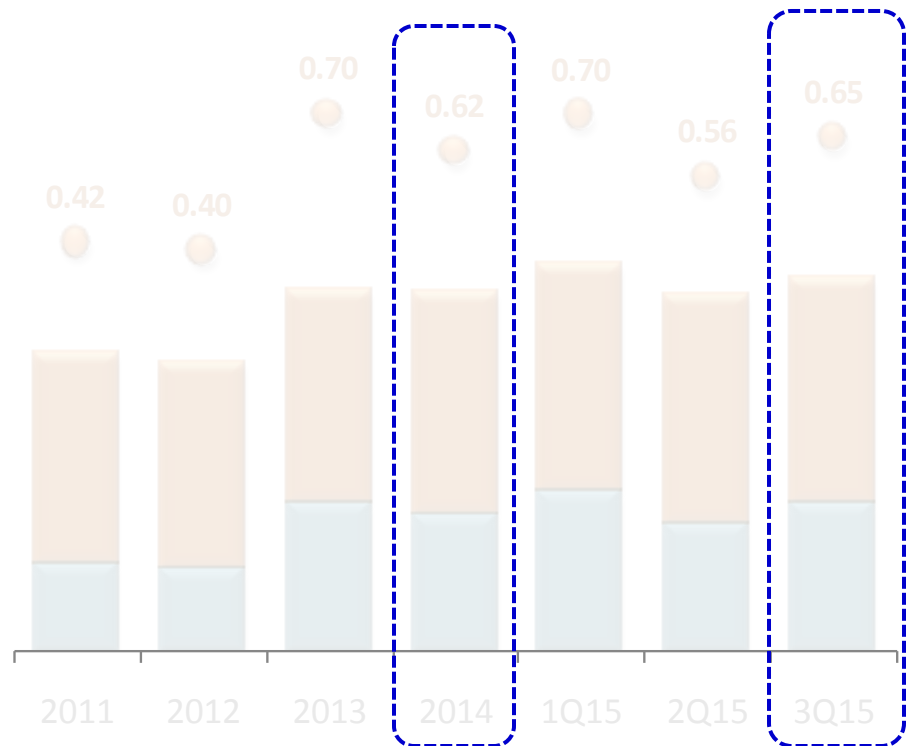
## B/S Snapshot

Bt. million	Dec 31,14	Sep 30,15	%chg
Assets	13,932	14,224	2.1%
Liabilities	7,546	7,692	1.9%
Equity	6,387	6,533	2.3%

Loan increased from expansion branch.



Net interest-bearing debts    Equity    Net D/E



# 3Q15 QUARTERLY BRIEFING



## Investments Portfolio vs. Interest-bearing debts

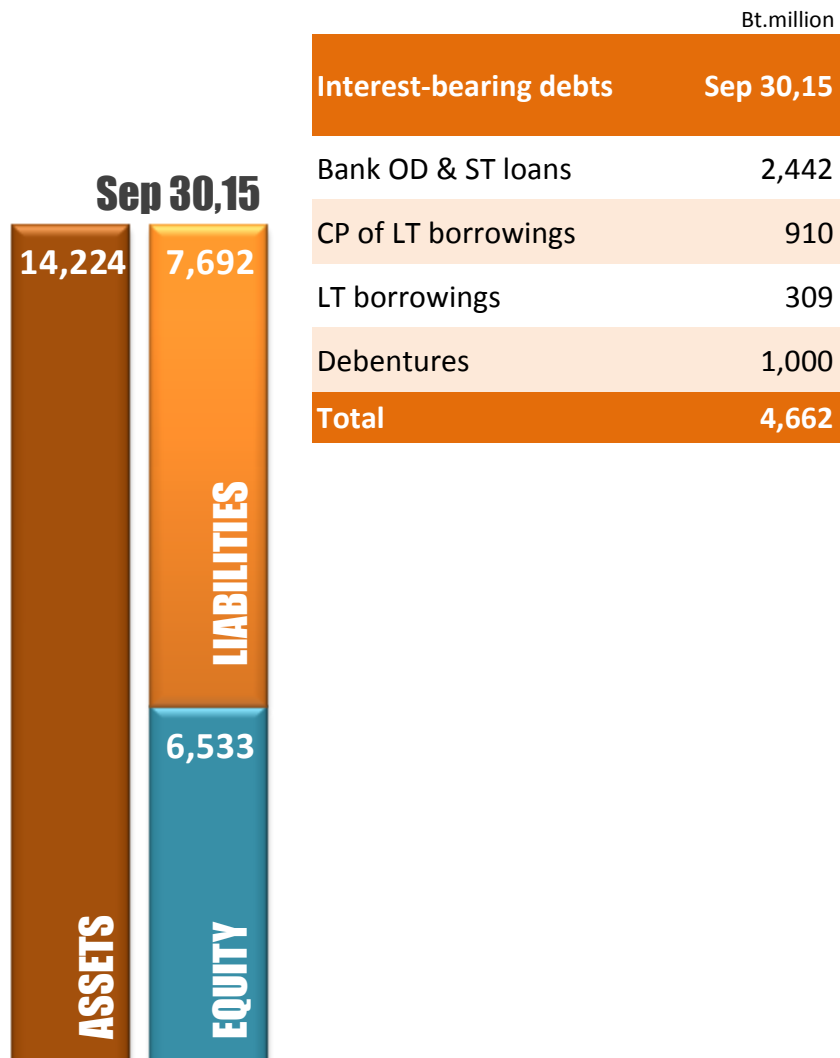
Bt.million

Investments	%Share (as of 3 Nov'15)	Cost per Share	Market value*	Major's Cost	Gain(Loss)
Siam Future	23.29%	2.60	2,482	1,074	1,408
MJLF	33.00%	10.00	1,492	1,089	403
MPIC	92.46%	1.67	1,827	2,003	(176)
PVRL	3.95%	120.45	783	221	562
<b>Total</b>			<b>6,585</b>	<b>4,387</b>	<b>2,198</b>

\*% Share & Closing price on 3 Nov'15

- **Investment portfolio as of 3 Nov,2015:**

- 92.46% in M Pictures Entertainment Plc. (MPIC)
- 23.29% in Siam Future Development Plc. (SF)
- 33.00% in Major Cineplex Lifestyle Leasehold Property Fund (MJLF)
- 40.00% in ThaiTicketMajor Co., Ltd.
- 3.95% in PVR Limited (PVRL)
- 49.00% in PVR blu-O Entertainment Limited
- 70.00% in Major Platinum Cineplex Co.,Ltd.(Cambodia)



# LIFESTYLE

entertainment



# GROWTH POTENTIALS

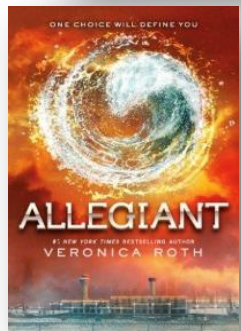
# GROWTH POTENTIALS



## Blockbuster Highlight Released In 2016

- Year 2016
- Batman VS Superman: Dawn of Justice
- Suicide Squad
- Captain America 3
- X-Men Apocalypse
- Amazing Spider-Man 3
- Deadpool
- Resident Evil: The Final Chapter
- The Divergent Series: Allegiant Part 1
- Independence Day 2 Resurgence
- Teenage Mutant Ninja Turtles 2
- London Has Fallen
- Kung Fu Panda 3
- Ice Age 5
- Frozen 2
- Finding Dory
- Knights of the Round Table King Arthur

Mega Blockbuster in Year 2016 are still attractive. Superhero-related, sequels or animated films are continuous released.



\*Please note that release dates are subject to change.

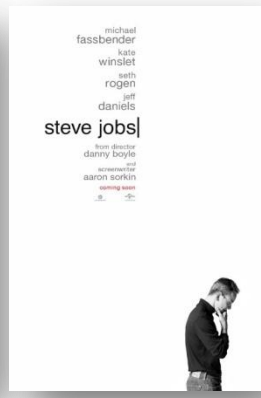


# GROWTH POTENTIALS



## 1Q16 Blockbuster Highlight

1Q16
Deadpool (Fox)
Batman V Superman : Dawn of Justice (WB)
Kung Fu Panda 3 (Fox)
Zoolander 2 (UIP)
Pride and Prejudice and Zombie (Mongkol)
The New Adventures of Aladin (MPIC)
London Has Fallen (MPIC)
Victor Frankenstein (Fox)
13 Hours: The Secret Soldiers of Benghazi (UIP)
Joy (Fox)
The Revenant (Fox)
Steve Jobs (UIP)
The Finest Hours (Disney)



\*Please note that release dates are subject to change.

# GROWTH POTENTIALS

LIFESTYLE  
entertainment



Major is expert in online entertainment and interesting in online media.



ID line: **MajorFriends**

**15,107,000 Friends**



**Mobile Application**

**5,050,000 Download**



Facebook: **[www.facebook.com/MajorGroup](http://www.facebook.com/MajorGroup)**

**2,326,000 Fan page**



Twitter: **MajorGroup**

**1,100,000 Followers**



Instagram: **MajorFriends**

**201,000 Followers**



YouTube Channel: **Major Trailers**

**70,000 Subscriber**

## Online Booking: E-Ticketing, Mobile Application and Online ticketing

- Customers can book the ticket through many channels like E-Ticketing Machines, Mobile Application (iOS, Android), Major Cineplex's website, also customers can pick up the tickets by using barcode at kiosks or receive the tickets at 7-11 (Convenience store)
- 87% of admission revenue comes from non box office (Data as of 3Q15)
- Those technology will come to replace manpower in box office areas.

### E-Ticketing Machine

496 Units



# MAJOR CINEPLEX GROUP

**LIFESTYLE**  
entertainment



## Expansion Plan: 85 new screens additional (Total 600 Screens)

(Data as of November 2015)

No.	Location	Screens	Opening Date
1	Emquartier (Opened 1Apr)	8	2Q15 (22 Screens)
2	Lotus Nakornsrihammarat (Opend 10Apr)	4	
3	Central Rayong (Opend 27May)	8	
4	Big C Nan (Opend 29May)	2	
5	Big C Udonthani (Opened 9July)	4	3Q15 (34 Screens)
6	Sahathai Suratthani (Opened 16July)	7	
7	Vientiane Center, Laos (Opened 7August)	5	
8	Lotus Suratthani (Opened 20August)	6	
9	Central West Gate (Opened 28August)	12	4Q15 (29 Screens)
10	Central Samui (Opened 9October)	3	
11	Lotus Khon Kaen (Opened 15October)	5	
12	Promanade (Opened 23October)	8	
13	Central East Ville (Ekamai - Ramindra) (Open 27November)	8	
14	Diana (Hat Yai) (Open 25 December)	5	



**Remark\* Screen postponed to 1Q16**

1	Big C Ratburanah	4
2	Big C Ratchaburi	4
3	Lotus Yasothon	3
4	Big C Lampang	5
5	Lotus Nadee (Udon)	5

# LIFESTYLE

entertainment

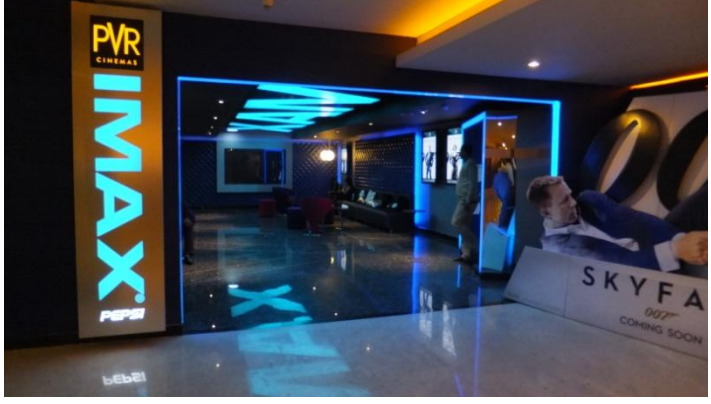


# INTERNATIONAL PROJECT

# International Project



## India: PVR Cinemas



Currently, PVR cinemas has got **477** Screens in **107** Locations.

Major hold 3.95% of PVR Cinemas (PVRL)

PVR Cinemas is now India's Largest Multiplex Chain.



# International Project

LIFESTYLE  
entertainment



## India: PVR BluO

Currently, PVR BluO has got 125 Bowling lanes in 7 Locations.



PEPSI  
bluO  
RHYTHM & BOWL

Bowling | Dining | Party Lounges | Live DJ

INDIA'S LARGEST BOWLING CENTRE

**NOW OPEN**

Orion Mall, Dr. Rajkumar Road, Malleshwaram-Rajajinagar



# International Project

LIFESTYLE  
entertainment



## Cambodia

**Cambodia:** Major is partnering Japan's Aeon Mall to operate a cinema complex in Cambodia's capital with **7 screens** comprising five standard cinemas, one VIP cinema and one 4D cinema (1,560 seats) **and 14 bowling lanes** .

The investment of 150 million baht will be made through a holding company of Major's international joint venture with a local firm. Major hold 70% of JV.

**This project opened since 30<sup>th</sup> June 2014**

The first year since Major Cineplex Cambodia opened, become the biggest cinema chain with 70% market share and 850,000 admissions has been sold.



Major Cineplex's Mr Vicha (centre) and partners Sila Chy Thmor (left) and Raam Punjabi.



# International Project

LIFESTYLE  
entertainment



MAJOR • PLATINUM  
CINEPLEX  
BY HUAWEI

## Laos

**Laos:** Major will open a cinema complex called **“Major Platinum Cineplex By Huawei”** in Vientiane center with **5 screens (1,150 seats)**.

The investment of **50 million baht** will be made through a holding company of Major's international joint venture with Platinum Cineplex Ltd. (Local). Major hold **60%** of JV.

**This project opened since 7<sup>th</sup> Aug 2015.**



Also the second project in Laos partnering THE LAOS World Trade Centre (WTC) and Major Cineplex Group have signed a cooperation agreement to open a new cinema complex in Vientiane in the signing ceremony in Bangkok on July 24.



# LIFESTYLE entertainment

LIFESTYLE  
entertainment



# Thank You