



**PT MD PICTURES Tbk**

April 2019



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# Indonesia Industry Overview

## HIGH POPULATION AND INCREASE IN INCOME LEADING TO HIGHER MARKET DEMAND

Population of Indonesia in 2018 was 265 million, estimated to be 267 million in 2019  
2018 GDP per capita was IDR 55.1 million, estimated to be IDR 58.7 million in 2018.

## GROWTH IN MOVIE INDUSTRY AND HIGHER REVENUE IN CINEMA TICKETS

Revenue in the cinema tickets segment amounts to US\$68m as of November 2018.  
Cinema ticket revenue is expected to show an annual growth rate (CAGR 2018-2023) of 18.1%, resulting in a market volume of US\$156 million by 2023.

## MOVIE VIEWERS PROJECTED TO INCREASE BY 38% IN THE NEXT 5 YEARS

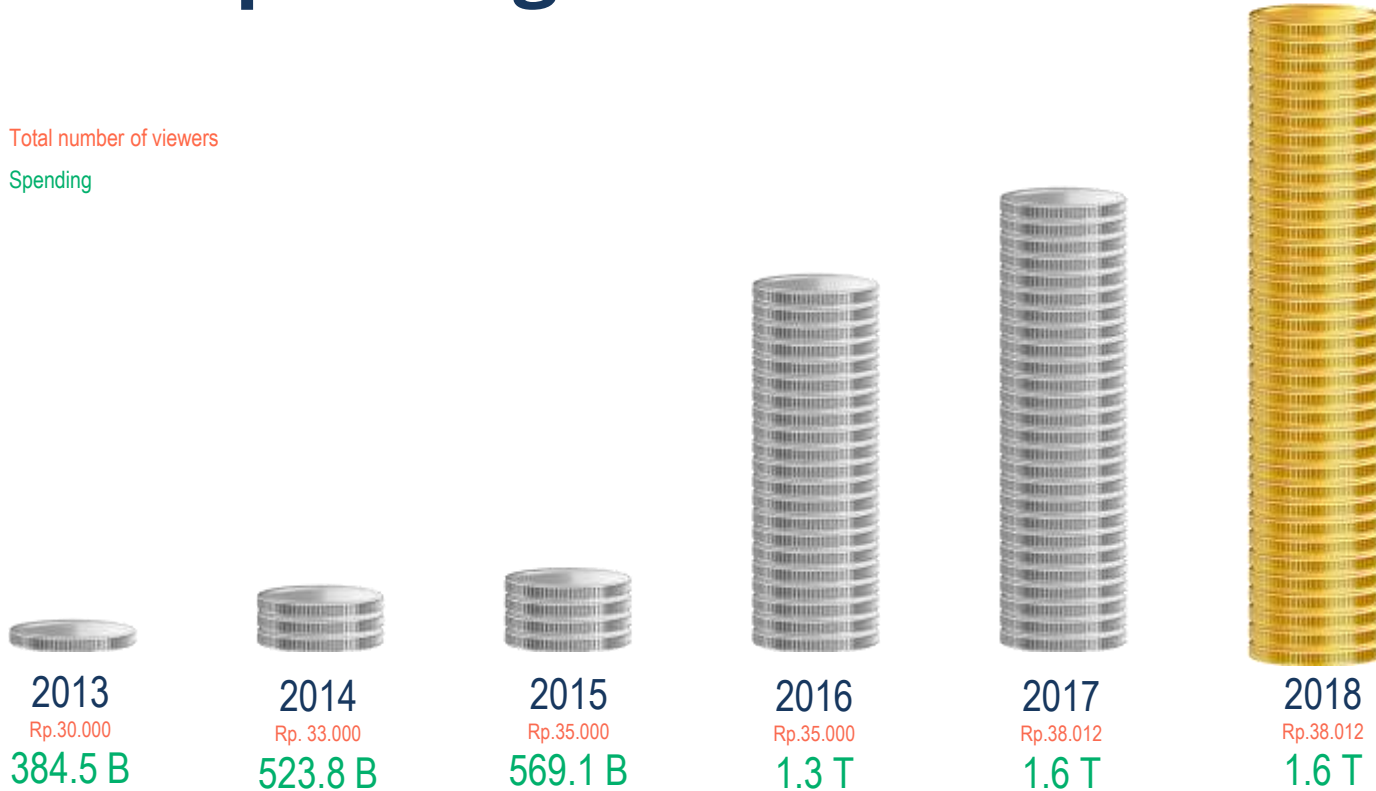
Number of viewers is expected to be 30.2 million in 2023 compared to 21.9 million in 2018 an increase in 38% over the next 5 years.

The average revenue per user (ARPU) spent on cinema tickets currently amounts to US\$3.10

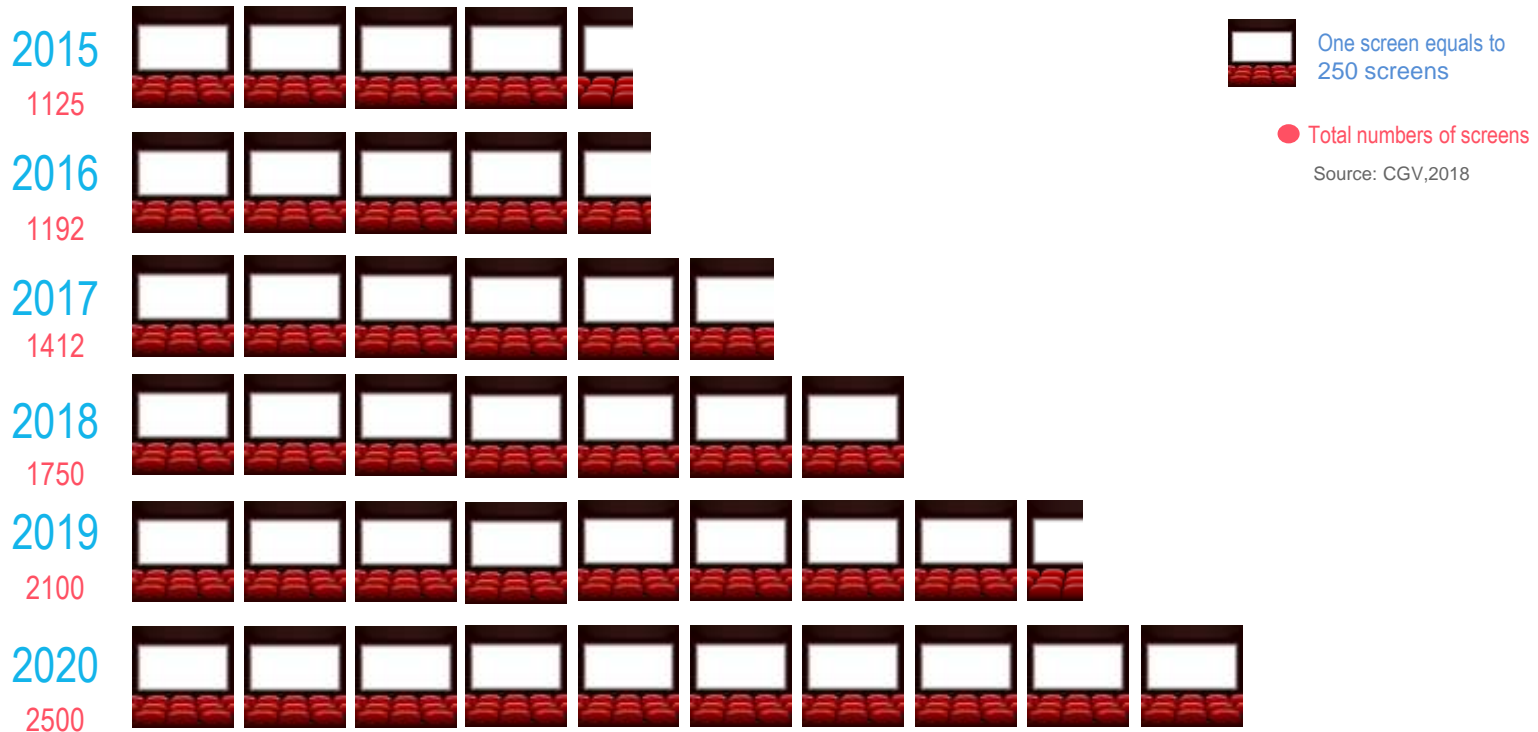
# Spending on Indonesian Movie

- Total number of viewers
- Spending

Source:  
filmindonesia.or.id dan  
Beritagar.id



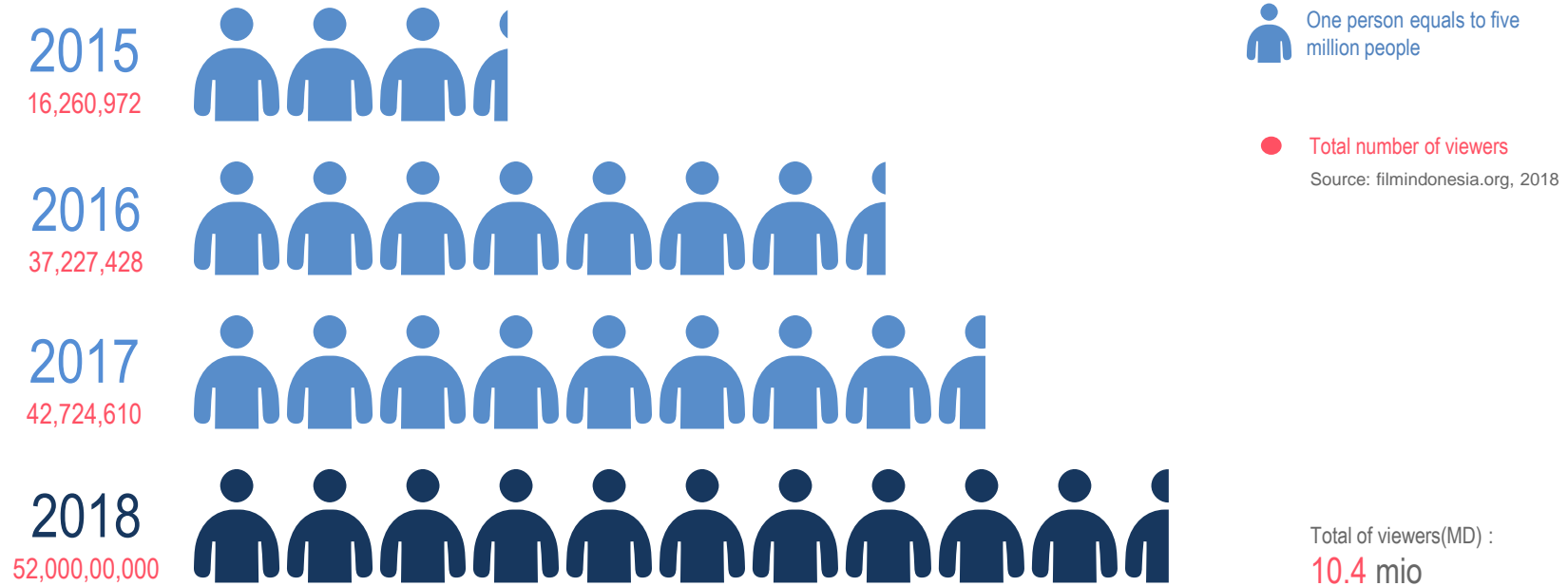
# Total Number of Screens



The total number of screens in Indonesia are projected to rise by over 40% in the next 2 years



# Total Audience of Indonesian Films



In 2017, the local film market share was 38% and as many as 119 local films were released

The numbers in 2018 are estimated to go up to approximately 41%





# Our Opportunities

- + Increasing number of screens
- + Increasing number of viewers
- + Increasing spend on entertainment
- + Other supporting factors including high market potential for digital businesses and removal of the film industry from Negative Investments list



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# Profile

## MD PICTURES

- Film Production

### MD PLACE

- Unique, cutting edge building symbolizing the living and growing nature of the company
- Houses MD Music and MD Entertainment offices
  - Houses award winning restaurants such as Akira Back, Valentino and AB Steak

### STUDIO 7

- Develop sound stages and extensive filming facilities

# WHAT DO WE STAND FOR?

## VISION

Our vision is for the stories we tell to inspire, and find a place in the homes, hearts and memories of audiences worldwide.

## MISSION

Our mission is to be a front-runner in the local film industry and launch globally by working together collaboratively to innovate, create and consistently produce high value films.

## VALUES

Innovation, Collaboration,  
Integrity & Passion

# Management Team



Dhamoo Punjabi  
President Commissioner



Sanjeva Advani  
Commissioner



Bachtiar Effendi  
Independent Commissioner



Manoj Punjabi  
President Director



Soundararajan Venkatachari  
Director

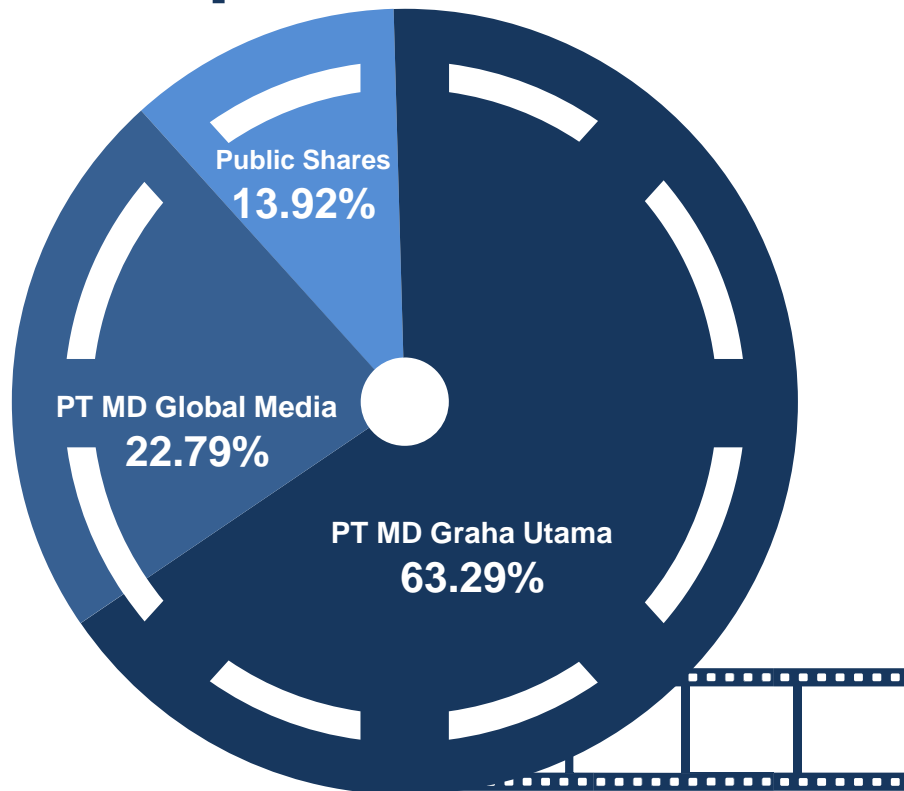


Shania Punjabi  
Director



Sanjay Mulani  
Independent Director

# Corporate Structure



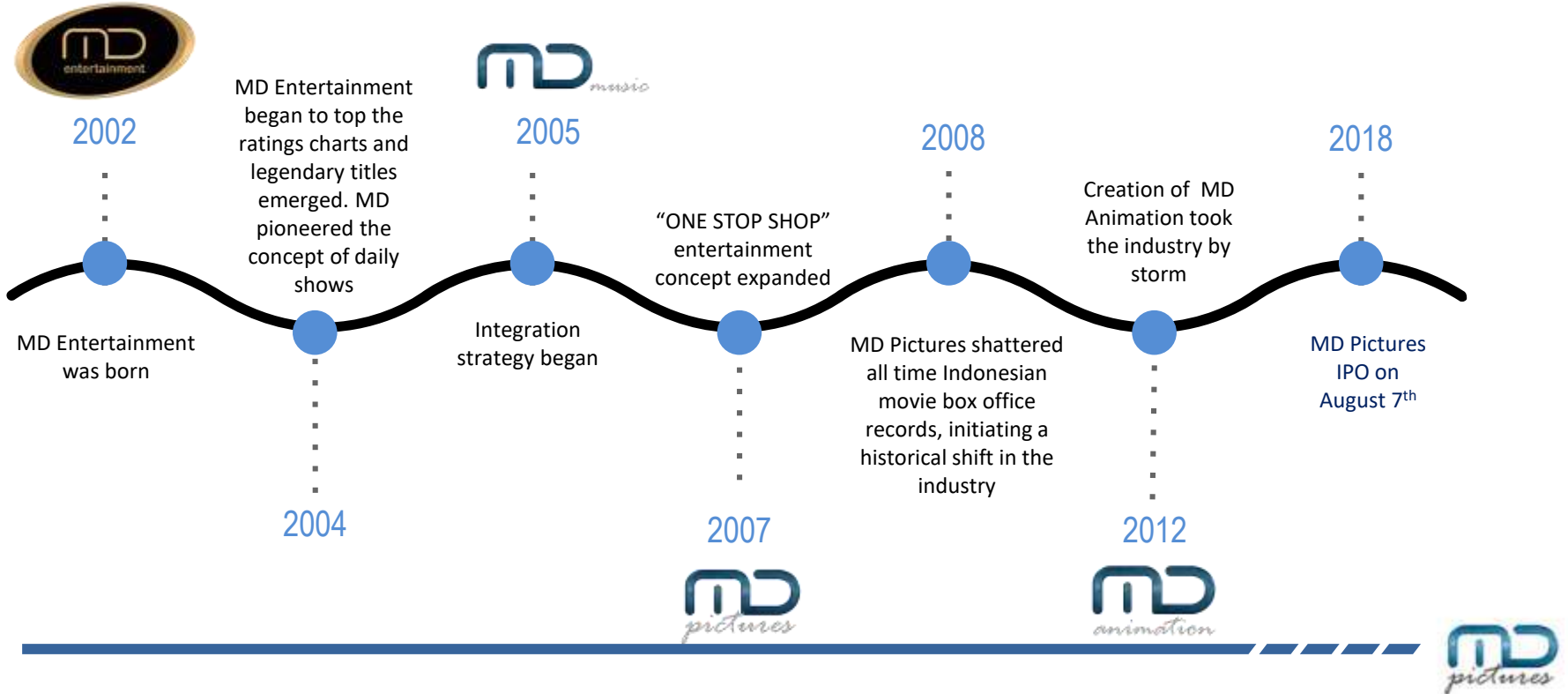
# MD Group



A part of a much larger synergy



# Milestone

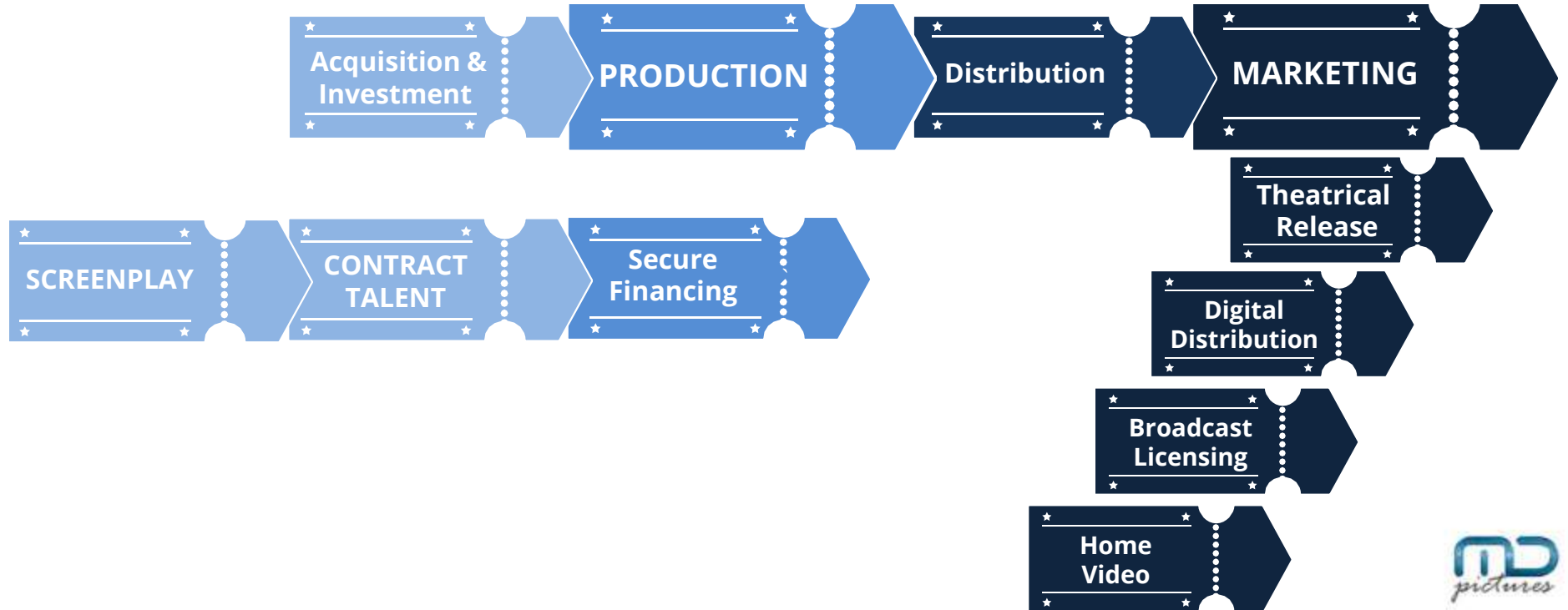




# Our Core Business

One of the few companies in Indonesia that does the whole process internally

Film Value Chain



# Competitive Advantage



## MARKETING

- + In 2015, our film *Surga Yang Tak Dirindukan* changed film marketing in Indonesia
- + Digital marketing became a norm



## TALENT MANAGEMENT

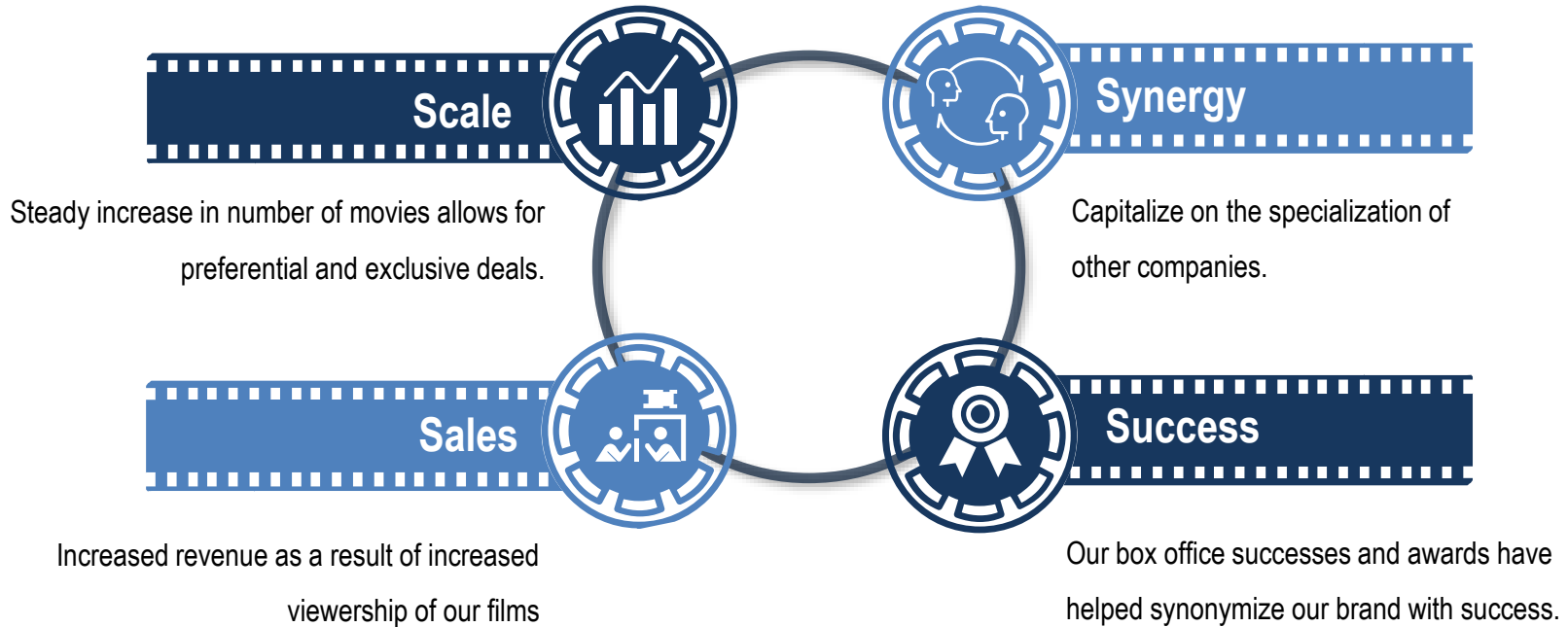
- + Top artists and specialists (such as directors and writers) are on exclusive contracts with MD
- + MD is associated with commercial success and scale



## CONVEYOR BELT MODEL

- + Allows for increased scale and number of films
- + Easy to replicate models for consistency and efficiency

# One Stop Shop



# MD Pictures' Exceptional Concepts



#2 IN 2008  
3.676.135 viewers



#1 IN 2012  
4.583.641 viewers



#1 IN 2015  
1.523.617 viewers



#4 IN 2017  
2.736.157 viewers

# Franchise Value



#6 IN 2016  
2.012.025 viewers



#7 IN 2017  
1.637.472 viewers



#3 IN 2017  
2.840.159 viewers



#2 MARCH 2018  
2.572.133 viewers

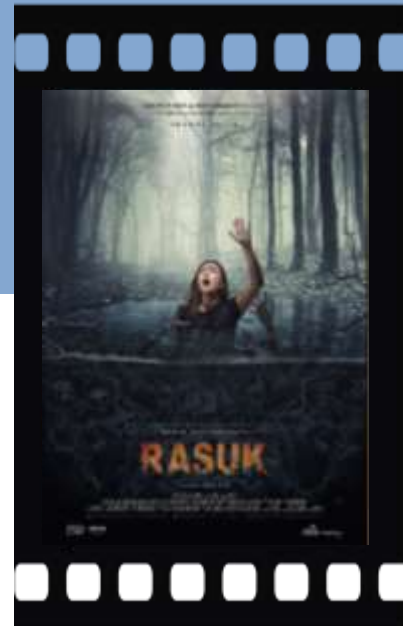
# 2018 Top Box Office Hits



1.680.037 Viewers



2.572.672 Viewers



900.362 Viewers



# PRODUCER OF THE YEAR AWARD

Awarded to the company that  
achieves the highest number of  
viewers

  
INDONESIAN  
BOX OFFICE  
MOVIE  
2018  
*Awards*

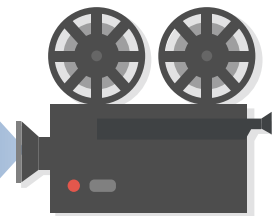
  
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pictures

# Award Highlights



- 2018 ● IBOMA Producer of the Year
- 2017 ● Producer of the Year  
Most Favorite TV film
- 2016 ● Best Selling Movie of the Year
- 2015 ● All Time Box Office Success  
Best Visual Effects
- 2013 ● Movie of the Year
- 2008 ● Best Film  
Editors Choice Award
- 2008 ● Most Appreciated Film of the Year
- 2007 ● Best Indonesian Language

*and many more !*







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*pictures*

# Leading with Highest Market Share

with a leap in Total Assets and decline Total Liabilities

	IDR million		
	2018	2017	YOY
Current Assets	330,903	34,876	849%
Fixed Assets	1,049,923	166,508	531%
<b>Total Assets</b>	<b>1,380,826</b>	<b>201,384</b>	<b>586%</b>
Current Liabilities	35,527	53,454	-34%
Non-Current Liabilities	1,399	1,598	-12%
<b>Total Liabilities</b>	<b>36,926</b>	<b>55,052</b>	<b>-33%</b>
<b>Total Equity</b>	<b>1,343,900</b>	<b>146,332</b>	<b>818%</b>

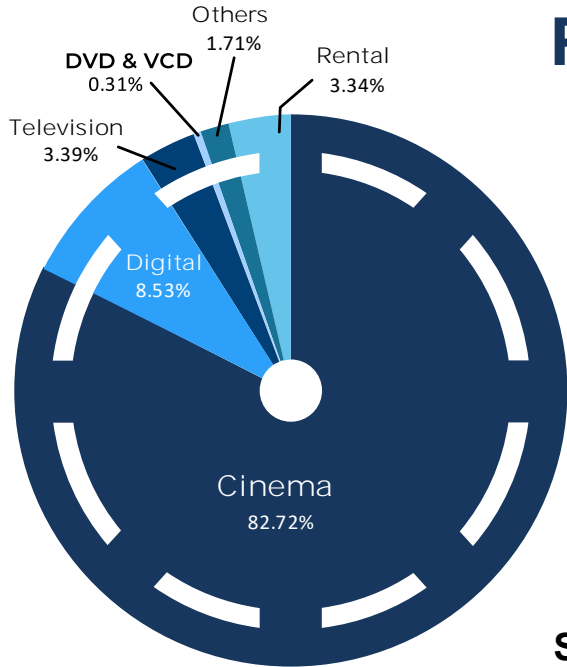
# Excellent Operations with Solid Financial Performance

Jump in Revenue and increase in Net Income

IDR million

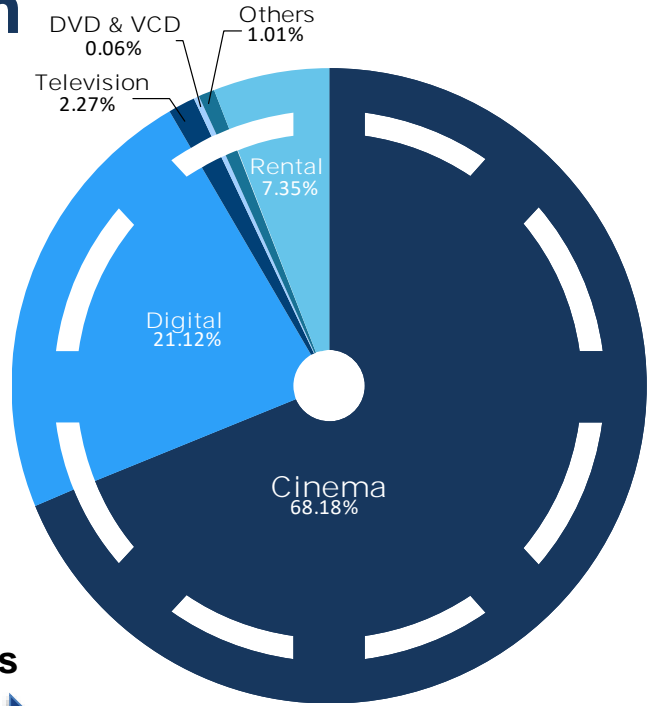
		2018	2017	YOY
<b>Revenue</b>		<b>293,928</b>	<b>153,719</b>	<b>91%</b>
Cost of Sales		(72,461)	(46,340)	56%
<b>Gross Profit</b>		<b>221,467</b>	<b>107,379</b>	<b>106%</b>
Operating Cost		(91,945)	(30,804)	198%
<b>Operating Profit</b>		<b>129,522</b>	<b>76,575</b>	<b>69%</b>
Other Income		7,561	1,471	414%
Other Cost		62	66	-6%
Other Income, Net		7,499	1,405	434%
<b>EBIDTA</b>		<b>137,021</b>	<b>77,980</b>	<b>76%</b>
<b>Net Income</b>		<b>109,049</b>	<b>60,881</b>	<b>79%</b>

# Revenue Stream



**2017**

**IDR 153.7 billion**



**2018**

**IDR 293.9 billion**

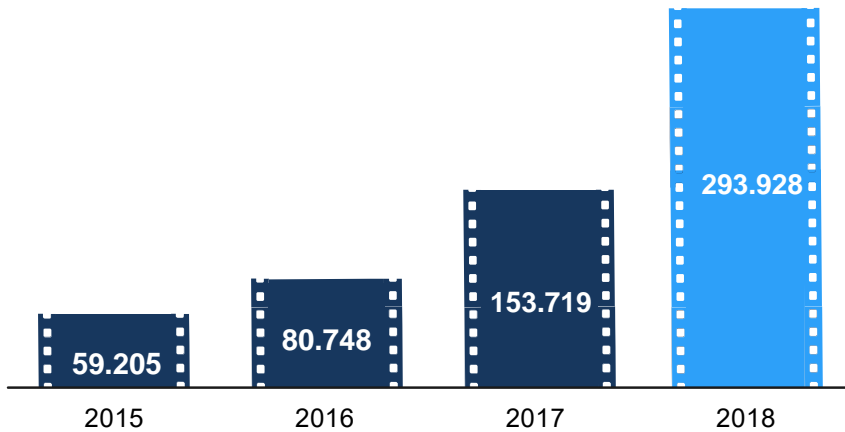
Shift in revenue contribution,  
12.59% increase in digital sales

**67% increase in revenue**

# Earnings Growth

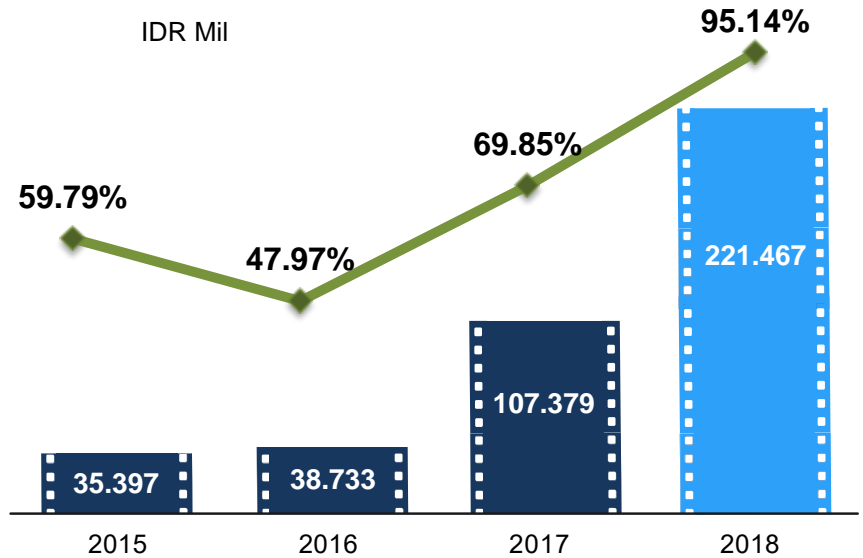
## Net Sales

IDR Mil



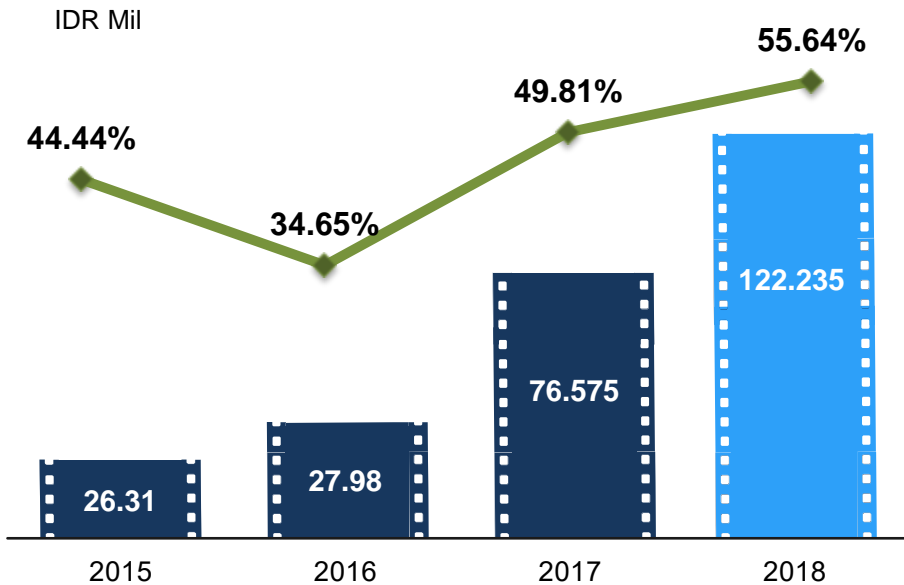
## Gross Profit & Gross Margin %

IDR Mil

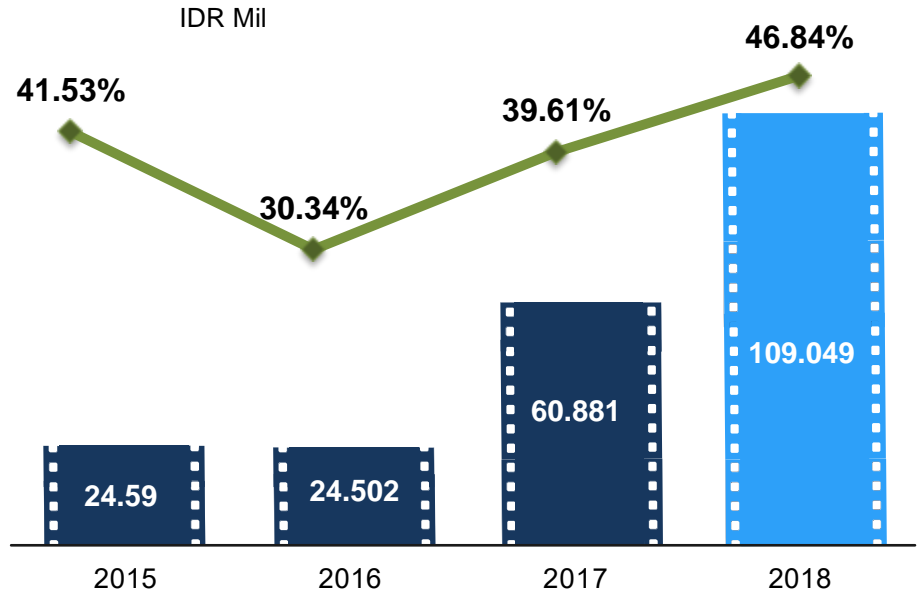


# Earnings Growth

## Operating Profit & Operating Margin %



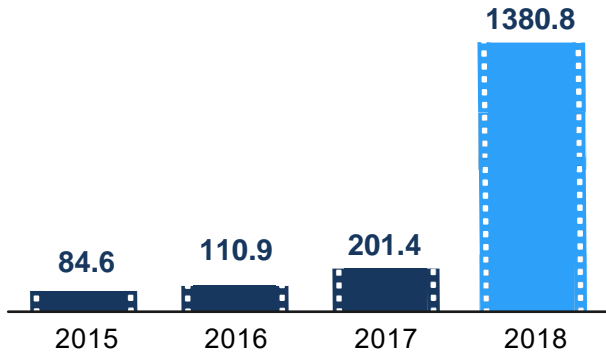
## Net Profit & Net Margin %



# Company Growth

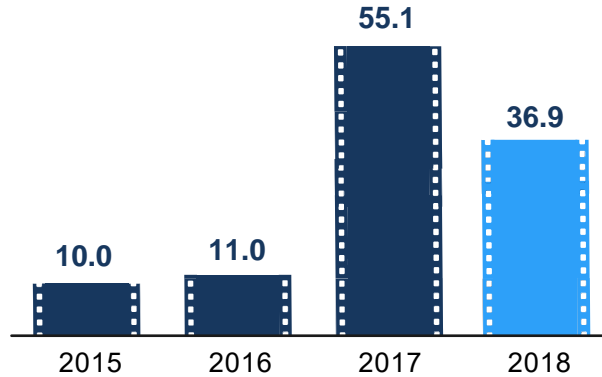
## Total Assets

IDR Mil



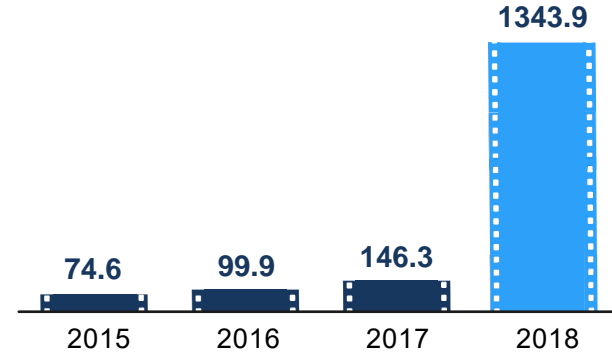
## Total Liabilities

IDR Mil



## Total Equity

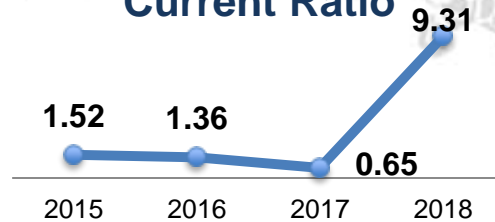
IDR Mil



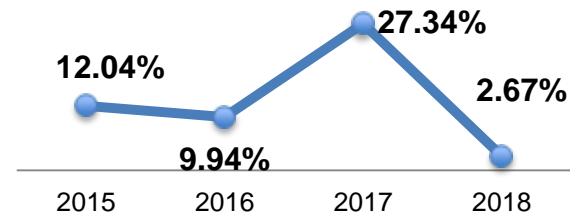
# Healthy Financial Ratios

	2018
ROA	7.90%
ROE	8.11%
Gross Profit Margin	75.35%
Operating Profit Margin	44.07%
Net Profit Margin	37.10%
Current Ratio	9.31
Cash Ratio	7.08
Debt to Assets	2.67%
Debt to Equity	2.75%
Asset Turnover Ratio	0.21

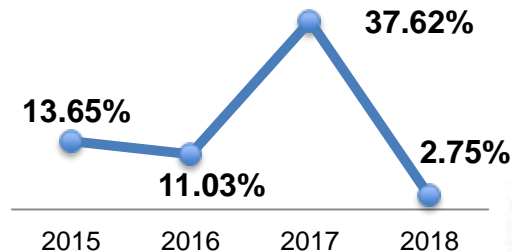
## Current Ratio



## Debt To Assets %



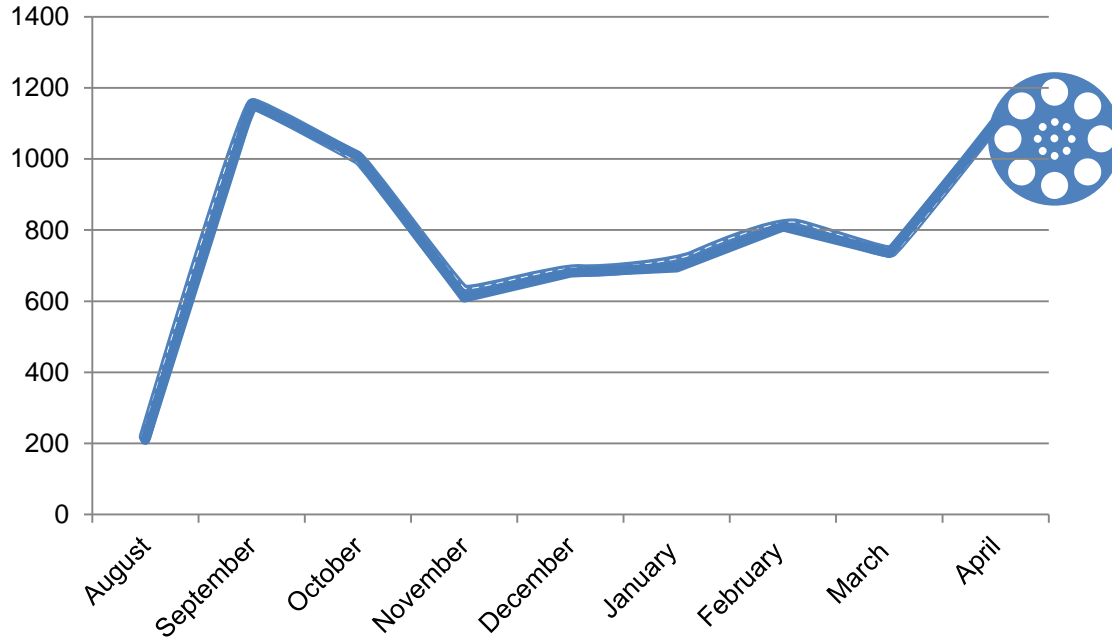
## Debt to Equity %

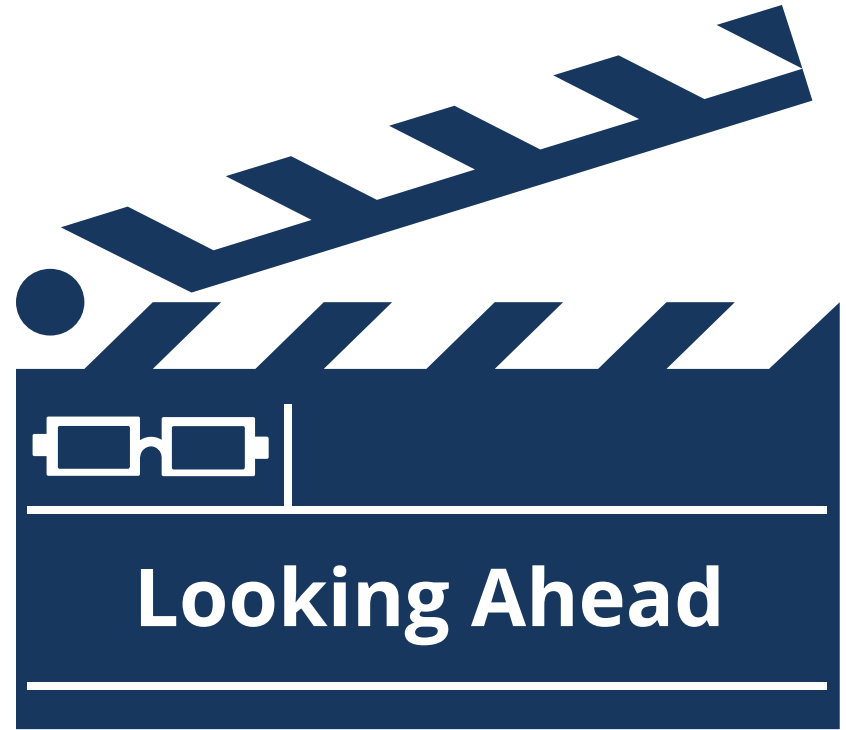




# Strong Share Performance

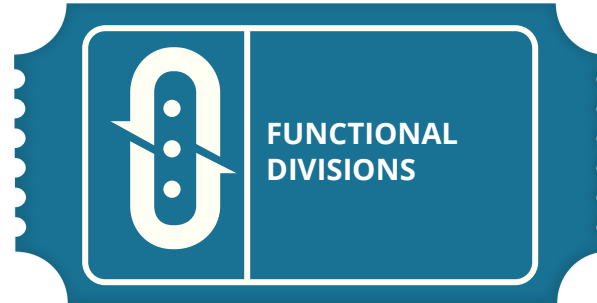
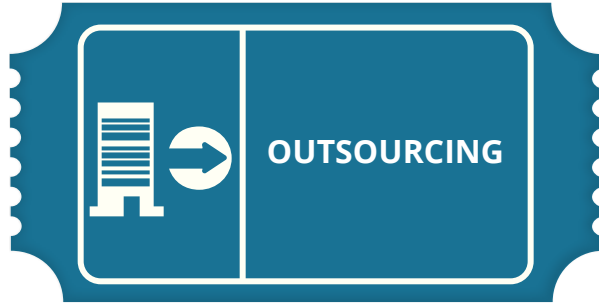
Approximately 424% increase in share price, 9 months since IPO





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*pictures*

# Growth Strategies



# Growth Drivers



- Hire key personnel at managerial level
- HR policies in place for ongoing training and transfer of knowledge
- Nurturing 'young producers'

## IMPROVE ORGANIZATIONAL CAPACITY



- Tie up with local and international production houses to boost number and variety of movies produced
- Create independent producers

## ENTER INTO JVs AND STRATEGIC PARTNERSHIPS



- Collaborating with independent novelist and writers to cultivate innovative movie concepts
- Manage fixed cost by engaging external production teams

## INCREASE EFFICIENCY BY OUTSOURCING



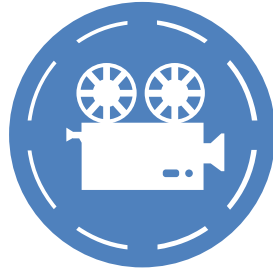
- Enable conveyor belt model system to maximize efficiency at each point of the value chain
- Ensure stability and sustained growth

## ENABLE FUNCTIONAL DIVISIONS

# Future Plans



**EFFECTIVELY  
IMPLEMENT  
GROWTH  
STRATEGIES**



**EXPAND  
FILMING  
FACILITIES  
AND UPGRADE  
EQUIPMENT**



**DEVELOP NEW  
BUSINESS  
POTENTIAL**



**INVEST IN  
FILM  
EDUCATION**



**STRENGTHEN  
TIES WITH THE  
COMMUNITY**



**Thank You**