

Wonderla Holidays Ltd.



Annual Report

2015-2016

An Exciting Ride



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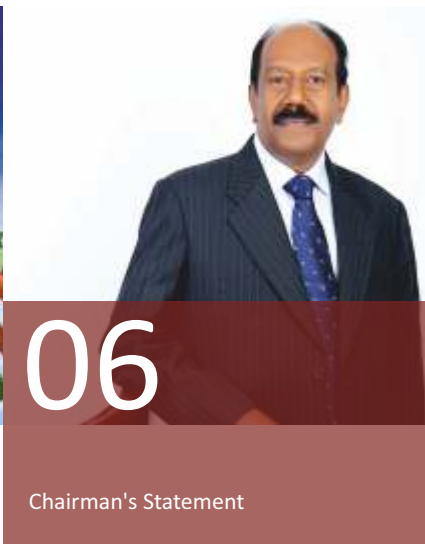
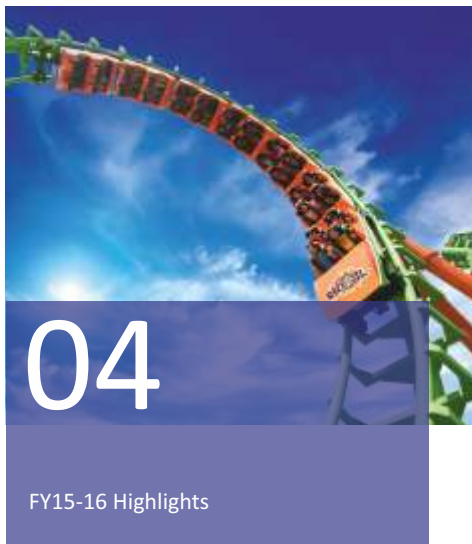
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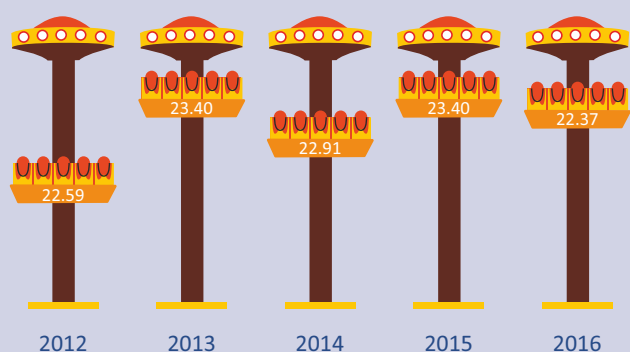


Disclaimer
Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials' cost or availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes.

FY2015-16 Highlights

Key Performance Indicators

Number of Visitors (in lakhs)



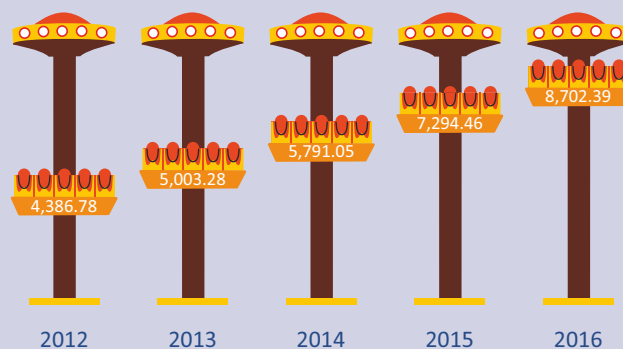
Turnover (₹ Lakhs)



Operating Profit (₹ lakhs)



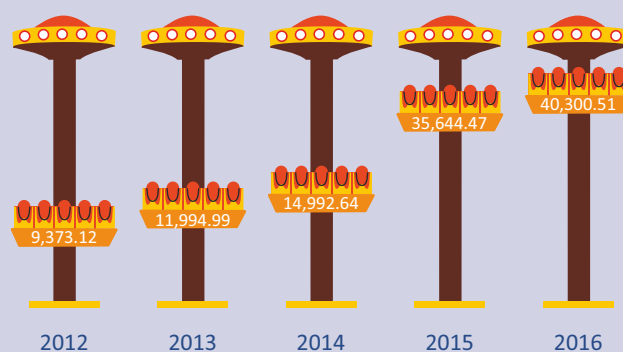
Profit Before Tax (₹ Lakhs)



Profit After Tax (₹ Lakhs)



Net Worth (₹ Lakhs)



ABOUT WONDERLA

WONDERLA HOLIDAYS LIMITED OPERATES THREE LARGE SIZE AMUSEMENT PARKS IN KOCHI, BANGALORE AND HYDERABAD UNDER THE BRAND NAME WONDERLA.

Wonderla Amusement Park Bangalore

Wonderla - Bangalore India's favourite amusement park is located on Bangalore - Mysore Road, just 28 kms from Bangalore city. Spread across 82 acres, Wonderla Bangalore has 62 thrill packed rides offering a monster dose of entertainment and fun for all age groups. Wonderla - Bangalore has thrilled over 9.5 million visitors since our opening in 2005. In 2012, Wonderla Bangalore added a resort inside the amusement park - making it the first amusement park in India to have a resort built right inside it.



Wonderla Amusement Park Hyderabad

Wonderla has now marked its presence in Hyderabad to unfold an all-new chapter of thrill. Brace yourself, Wonderla Amusement Park, Hyderabad will take you on a ride you have never experienced before. Our 43 world-class rides at the park will mesmerize you and will leave you asking for more. Wonderla Hyderabad offers the perfect package for all the age groups with its 25 land based rides and 18 water based attractions. Soak and splash in exhilarating water rides, feel the rush of adrenaline on high-thrill rides, and get pampered with the finest facilities in leisure for the whole family.

Wonderla Amusement Park Kochi

Wonderla Amusement Park in Kochi, previously known as Veega Land, is located 15 kms from Kochi city and is home to 59 amusement rides. Spread over 93 acres of landscaped space and built to international standards Wonderla Kochi is impeccably maintained. We have provided joyful experience to over 14 million visitors over the past 16 years.

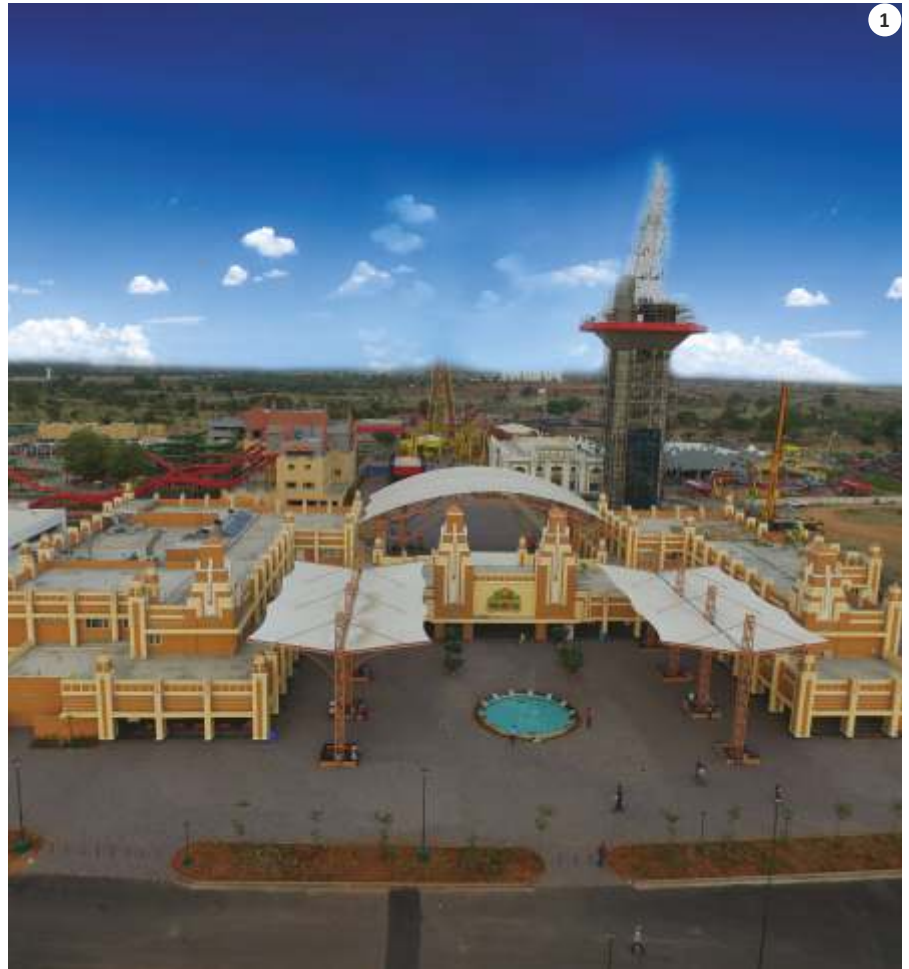
Wonderla Kochi is the first park in India to get ISO14001 certificate for eco-friendliness and OHSAS 18001 certificate for safety.



FY15-16 HIGHLIGHTS

1. Wonderla Hyderabad:

Wonderla's 3rd amusement park in Hyderabad was launched in April 2016. The 50 acre park is situated near the international airport and was completed in a record time of 18 months. Current Park development is on 27 acres of Land. The park would initially comprise of 43 rides (18 wet rides + 25 dry rides). Hyderabad park has a capacity to entertain over 10,000 people daily. Company is in the process of adding three more new attractions, including India's first space theme Flying Theater Experience. Wonderla Hyderabad Became the first park in India with cashless RFID based transactions facility called EZ pay across the park.



2. RECOIL

80 kmph, hitech roller coaster, first of its kind in India, named as Recoil, was commissioned during the year at the Wonderla Bangalore.

Imported from Netherlands, it has two track ramps that go up to a height of 40 meters. The train first climbs one ramp and accelerates to 80 kmph in one second, before encountering a 'cobra roll' and a 'loop' in the tracks, climbing the second ramp, again to a height of 40 metres. The rider gets to experience all this again backwards.





KORNETO

A new water slide was introduced in Bangalore. In this ride the riders accelerate down a steep 1.5 m diameter tunnel at a speed of 35 kmph onto the mouth of a large 12m diameter funnel. The momentum allows the riders travel high up the opposing wall of the funnel and experience momentary weightlessness as they oscillate back and forth in the narrowing funnel and then exit into a splash at the base.

MOU with Government of Tamil Nadu

In September, 2015 signed a memorandum of understanding (MoU) with the Tamil Nadu government to set up an amusement park in Chennai.

MOU with Government of Karnataka

A MOU was signed with the Government of Karnataka at "Invest Karnataka Meet 2016" on February 04, 2016. The Company proposes to make an investment of Rs. 150 Crores in Bangalore Park expansion in the next two years through combination of debt and internal accruals.

MOU with Government of Andhra Pradesh

The Company signed MOU with the Government of Andhra Pradesh on September 14, 2015 to set up an Amusement park in Andhra Pradesh over a period of next four to five years.



TripAdvisor ranked Wonderla, Bangalore as No.1 and Wonderala Kochi as No.2 amusement parks in India.

TripAdvisor ranked Wonderla Bangalore as No.7 and Kochi as No.9 in Asia, highest for any theme parks in India.

AN EXCITING RIDE

TODAY, WONDERLA OFFERS ITS GUESTS MORE EXCITEMENT AND FUN-FILLED ACTIVITIES THAN EVER BEFORE



"BY 2020 INDIA WILL HAVE ROUGHLY 35% LIVING IN URBAN AREAS. MORE OVER 66% OF INDIA'S POPULATION IS UNDER 35 YEARS WHICH IS THE PRIME AUDIENCE FOR AMUSEMENT PARKS"

Dear Shareholders

Welcome to 2015-16 Annual Report. Thank you for taking out time to read this report which comes with the theme "An Exciting Ride".

Since commencement of our first park in Kochi we have been expanding both in terms of parks as well as by adding more amusement options. During the year under review we achieved a major milestone by launching our 3rd park in Hyderabad – which was completed in a record time of 18 months proving our strong execution capabilities. In this financial year we also commissioned "Recoil" - one of the most exciting roller coaster now available in India. Recoil was first introduced during this year in Bangalore while the Hyderabad park also comes with this new – exciting ride. Today, Wonderla offers its guests more excitement and fun-filled activities than ever before. Closing of FY15-16 we were delighted to see more than 2.2 million visitors grace us with their presence at Wonderla.

Strategic Environment

The Rs.25bn amusement park industry in India is in a transition period. Various studies estimate that this sector will grow at a CAGR of 20% to become a Rs.60bn

industry in the next 5 years.

As on today India has been behind in park to population ratio with only 150 parks for 1.21 bn population. In USA the same ratio stands at 400 parks for 319m population. As one of the fastest growing economy in the world coupled with a growing middle, upper middle and wealthy class. This sector is poised to leap frog in the coming years. By 2020 India will have roughly 35% living in urban areas. More over 66% of India's population is under 35 years which is the prime audience for amusement parks.

Among the existing amusement park Wonderla has an early mover advantage. Our competitive advantages also include multiple parks in multiple states, own R&D to develop state of the art rides, operational agility, a leadership team with focus on innovation and geographical expansions in the pipe line. Last but not the least our focus on hygiene and safety is yet another key differentiator.

On FY15-16 Performance

The overall operating environment continue to be challenging due to slow pace of reforms, inflationary pressures, high tax rate and subdued corporate earnings resulting in low market and consumer sentiments. Despite a difficult year your board and management focused on improving the performance of your company in key areas of our operations.

In FY15-16 our revenue from operations increased to Rs. 2053 million from Rs. 1819 million in the previous year - an increase of 12.9 %. While our EBITDA increased by 4.5% to 842 million. EBITDA margins decreased from 44.3% in the previous year to 41% in FY15-16.

Our PAT increased by 18.1% YoY basis however PAT margin increased only by 2.7%. Increased employee cost on account of our new Hyderabad Park, Key management and senior managerial recruitments resulted in increased expenses thus impacting our margins. However these initiatives are crucial to support our long term goals and our strategic focus on enhancing our leadership capabilities. My colleague Arun Chittilappilly - Managing Director, will be elaborating more on our recent initiatives and key strategies in the following pages.

The Board of Directors of the company have recommended a final dividend of Rs. 0.50 (5%) per equity share of Rs. 10/- each. This is in addition to the interim dividend of Rs. 1.50 (15%) per share distributed in March 2016.

Governance and Sustainability

Governance and sustainable practices are ingrained in our founding principles. As Chairman of the company I have been attending with my other board members, all the periodic review meetings of each park to monitor, review and set long term and short term strategies related to business, safety, health, service, environment and social responsibility. To manage the key risk aspect of safety we have a strong technical team, ensuring high safety standards and regular maintenance. Ride inspection is carried out by third-party inspectors, for a thrilling, exciting and safe experience for visitors. Since commencement there has not been any accidents due to mechanical errors at Wonderla.

We give prime importance to preserving natural resources we use at our park. We use reverse-osmosis-treatment technology to treat water in each pool, and a quality-control laboratory to carry out checks on samples of water collected regularly. Water required at the Bengaluru park is obtained extensively through rainwater harvesting (after reverse-osmosis treatment). In Kochi, it is obtained from local panchayat sources and rain-water harvesting. The company has generators (combined capacity: 8 MVA) to ensure continuous power supply.



Further to reduce the emissions, as much as possible, we encourage our visitors to use state transport buses to reach our Bangalore park. We offer a discount of 15% to each visitor who travel by state transport bus to our park.

The company on a continuous basis supports various education, health & livelihood initiatives through various NGOs.

Conclusion

On behalf of the Board of Directors and every member of Wonderla team, I wish

to gratefully acknowledge the support and confidence of our Patrons, Investors, Regulators, Financial Institutions, Bankers and Vendors. I would also like to congratulate each and every member of Wonderla Team for their sincere and committed contribution. I look forward to their continued support and encouragement as we continue our exciting ride.

Best Wishes
Sincerely yours

George Joseph
Chairman



Arun Chittilappilly
Managing Director

"AMONG PURE PLAY AMUSEMENT PARKS, TODAY WONDERLA IS INDIA'S BIGGEST IN TERMS OF TOTAL AREA, NUMBER OF RIDES, MULTIPLE LOCATIONS AS WELL AS ANNUAL FOOTFALLS. MANY OF OUR RIDES LIKE RECOIL ARE UNMATCHED BY ANY OTHER PARKS IN INDIA"

ADVANTAGE WONDERLA

FY15-16 OUR REVENUE WENT UP BY 12.9%. REVENUE INCREASE WAS AIDED BY INCREASE IN AVERAGE TICKET AND NON-TICKET REVENUE

About FY15-16

FY15-16 has been a mixed bag in terms of achievements. Launching of the 3rd park in Hyderabad during April 2016 is a major milestone achieved in our 16 years history. We also added couple of state-of-the art rides including Recoil - the first ever reverse looping roller coaster in India.

The number of visitors in Bangalore went down by 5%, Park at Kochi recorded 4% less numbers resulting in an overall 5% less footfalls y-o-y basis. Despite this in FY15-16 our revenue from operations went up by 12.9%. Revenue increase was aided by increase in average ticket and non-ticket revenue. While the avg. ticket revenue went up by 16.7%, Non-ticket revenue from operation went up by 23.6%. EBITDA went up by 4.5% however margins went down by 3.3% largely owing to increased expenses on employee hiring and training for Hyderabad Park and top level recruits. In FY15-16 our F&B revenue grew by over 40%. Revenue from Wonderla Resort went up by 6.6%.