

## Call with someone of importance from North India (dated: 24<sup>th</sup> Feb 2026)

1. Total 25+ LOIs pending in North India
2. There are a few developers (under Capex model) who have contracted to set up multiplexes as far as 2028 and 2029. Such that these developers will complete construction of their properties within 2028 and they don't want Connplex to set up cinema around the area before that. So, they have contracted beforehand.
3. Connplex has a rule to not set up two consecutive cinemas within 5 kms of each other. In case it's a high footfall area and has a prospect of operating even another cinema hall they will open beyond 3.5 kms but not closer than that. Such policies help to prevent cinema franchisees from cannibalizing each other sales.
4. Devgan cinemas, Miraj cinemas, Murugan cinemas and other competitors in the multiplex segment are all upcoming, are having to set up new teams and learning the trade on the go. Hence, Connplex still has a significant advantage in the multiplex segment.
5. Their models work better in Tier 2 and 3 cities
6. In Bihar, he said they do 65 lakhs a month on average. In NCR it may even go up to 80 lakhs.
7. Payback periods can stretch maximum up to 30 months for franchisee and 33 month for capex if we account for 6 months of lean period.
8. Capex intensity per format: Express: ₹3500, Signature: ₹4000 and Luxuriance: ₹4500 per sq. ft.
9. Avg. 2.5 Cr for an express format cinema hall under capex model after civil works.
10. Top things contended in contract negotiations (capex model): Lock-in period (Connplex offers 5 vs. developer wants 7 years). Lock-in period refers to the period till which Connplex promises MG, higher rentals or revenue share.
11. Second point is tenor of rent-free period when Connplex does its fitouts and hence does not pay (Connplex wants 150 days vs builder wants them to complete by 90 days)
12. Projector need lens changes every 3-4 months which cost 30k on avg. per screen
13. Staff problems and attrition is the biggest issue. Owners have problem retaining them plus using them optimally (pushing for higher workloads e.g. 9-hour regular workdays vs 13 hours).
14. There can be other minor problems such as the owner would want to play a regional movie which may have come out but Connplex wants to play a blockbuster/ another movie. These things are resolved with discussion.
15. The guy said that not even one cinema hall is underperforming.
16. It usually takes 3 months to close a deal/sign a cinema hall and sometimes 5 months.
17. The steps involve preparation of auto cad designs by Connplex engineers, developer suggesting changes, then agreeing on it and then legal.

18. There are quite a few people who have signed for a second location. He did not give the number. But as an extreme he said there was a guy who had 5 cinemas in Gujarat under the Connplex brand.
19. There was an instance when a developer closed down a loss making Miraj Cinema to open a Connplex.
20. The Jammu cinema is likely going to open in 3 months.