



Earnings Update for Q3'FY21

Zee Entertainment Enterprises Limited – 4th February, 2021



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Key highlights for the quarter



- Domestic advertising grew by 7.5% and domestic subscription revenue grew by 9.3% on a like-to-like basis
- Consolidated revenue grew by 33.2% to Rs.27,293mn; excluding content syndication deal of 5,512mn revenue grew 6.3%
- Underlying EBITDA (excluding content syndication revenue and cost) stood at Rs. 6,375mn, EBITDA margin of 29.3%
- 18.2% all India viewership share in Q3, continues to be strong #2 TV entertainment network in India
- Launched 2 new channels – *Zee Zest* and *Zee Vajwa*, taking the network channel count to 47
- ZEE5 global MAUs and DAUs stood at 65.9mn and 5.4mn respectively in Dec'20
- Zee Studios released *Suraj Pe Mangal Bhari* in theatres, first Hindi Movie to be released in theatres after COVID
- ZEE5 released 7 movies on 'Pay Per View' model

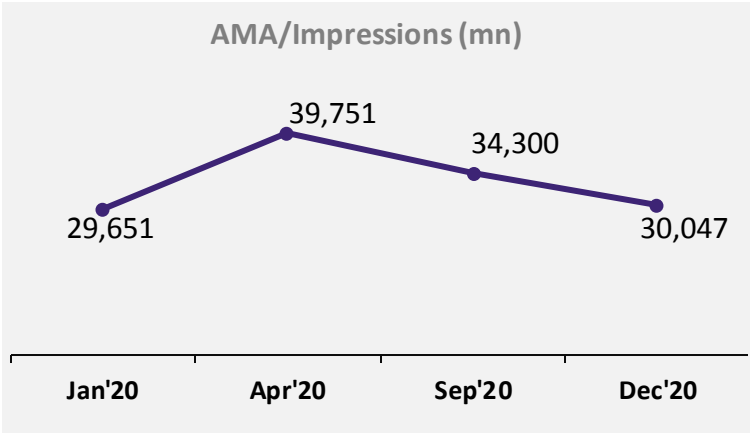


Business Performance

Broadcast network expansion continues with new channels

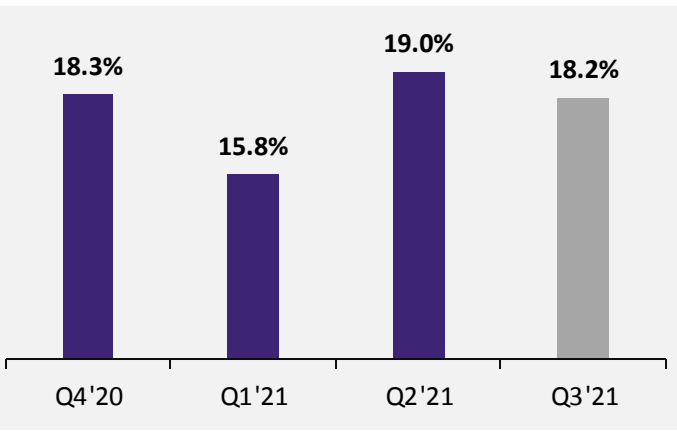


TV viewership normalizes



While TV viewership reverted to earlier level, movie genre share dropped due to lack of new movie releases

ZEE network share back to pre-COVID levels



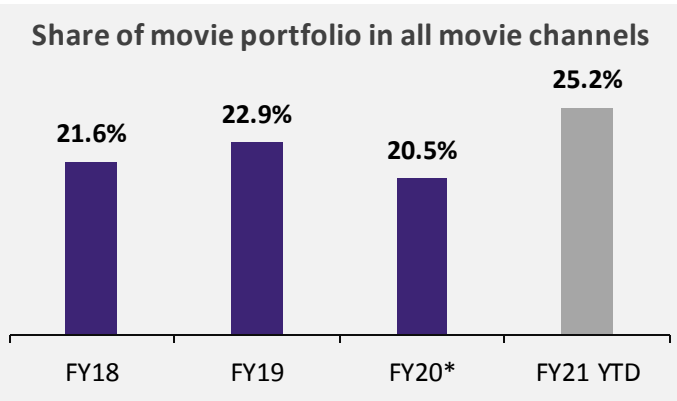
Network share declined due to FTA channels losing share and decline in overall Hindi movie genre

Network expansion continues



Zee Zest (Lifestyle) and Zee Vajwa (Marathi Music) launched in Q3'21, making it 6 new channels in the last 14 months

ZEE's movie portfolio gaining traction



ZEE's multi-lingual movie portfolio now garners a quarter of total viewership across all movie channels in India

ZEE5 released 20 originals during the quarter

ZEE

- 65.9 mn global MAUs*, 5.4 mn global DAUs* in Dec'20
- 133 minutes average watch time per viewer per month in Dec'20
- Q3 Revenue and EBITDA# stood at Rs. 1,178 mn and Rs. (1,757) mn

18 original shows and 2 original movies released during the quarter



Released 7 movies across languages on PPV model on ZEE5



**Operating KPIs based on internal data analytics*
#EBITDA loss excludes costs incurred by the business on ZEEL network

Extraordinary Together

Suraj Pe Mangal Bhari was the first Hindi theatrical release in country post lockdown

ZEE

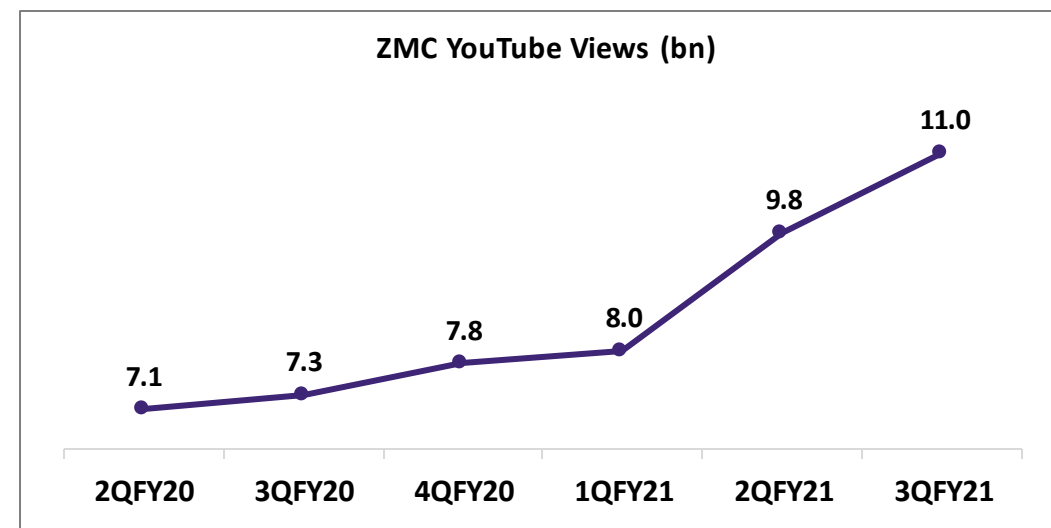
ZEE STUDIOS

- Released 5 movies during the quarter, including 4 theatrical release
- Plans to release 2 Hindi and 2 Regional Movies in Q4



ZEE MUSIC CO.

- 50%+ YoY growth in YouTube video views, showing strong consumer affinity for ZMC music library
- ZMC added ~5mn subscribers on YouTube; with 68.3mn subscribers it is the second most subscribed Indian music channel on YouTube



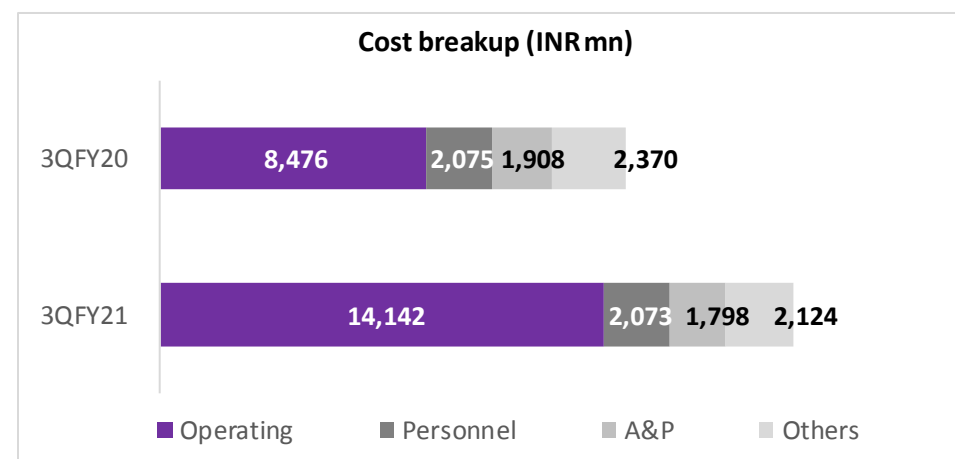
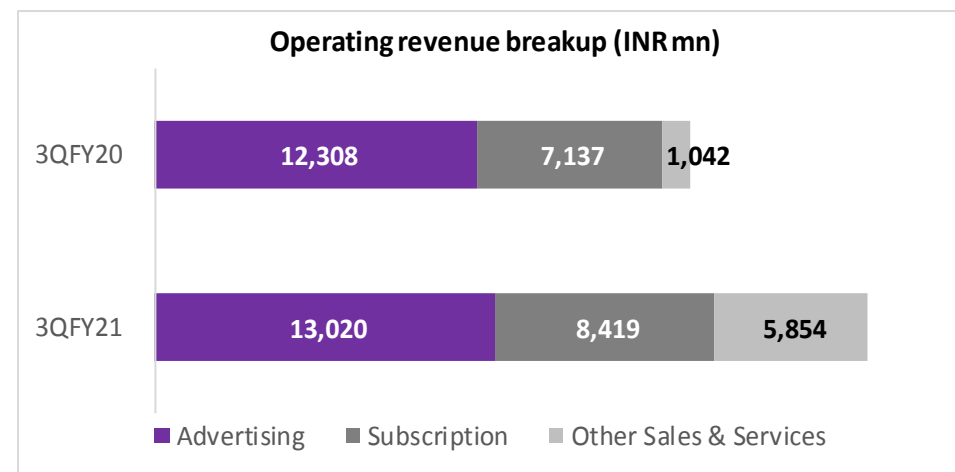
Extraordinary Together



Financial Performance

Sharp improvement in margin led by revenue growth

INR million	3QFY21	3QFY20	Growth
Operating revenue	27,293	20,487	33.2%
Expenditure	(20,136)	(14,829)	35.8%
EBITDA	7,157	5,658	26.5%
Add: Other income	275	710	-61.2%
Less: Depreciation	(652)	(656)	-0.5%
Less: Finance cost	(21)	(200)	-89.5%
Less: Fair value through P&L	(839)	(401)	
Profit Before Tax (PBT)	5,920	5,110	15.8%
Less: Provision for Tax	(1,937)	(1,622)	19.4%
Add: Share of Profit of Associates	(3)	(2)	
Less: Minority interest	19	8	
Profit after Tax (PAT)	3,999	3,494	14.4%



Extraordinary Together

Strong recovery in domestic advertising

The ZEE logo is a white circle containing the letters "ZEE" in a bold, sans-serif font.

Advertising revenues	Domestic advertising revenue for the quarter grew by 7.5% YoY and 43.6% QoQ; a sharp recovery post H1 reflects the rebound in consumer demand and spending
Subscription revenues	Reported growth of 18% includes revenue from music business which has been reclassified as subscription revenue in this fiscal. Comparable growth of 9.3% in domestic business driven by both television and ZEE5
Other Sales & Services	Increased due to a content syndication deal worth Rs. 5,512mn during the quarter. The syndicated content had an inventory value of Rs. 4,730mn which was amortized during the quarter
Operating cost	Comparable programming cost (excluding inventory amortisation of syndicated content) grew by 11% during the quarter primarily led by increased content and transmission costs in digital business
A&P and Other expenses	A&P and other expenses declined by 8.3% YoY during the quarter
Fair Value through P&L	Primarily contains impact of change in market price of Redeemable Preference Shares
International revenue break-up	Advertising revenue - Rs. 577mn, Subscription revenue - Rs. 1,091mn, Other Sales & Services – Rs. 5,695mn

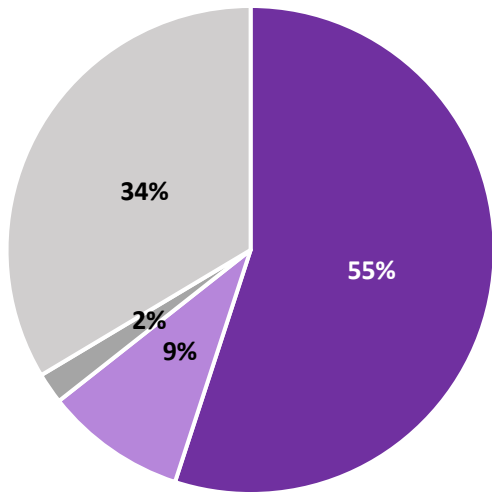
Condensed Balance Sheet



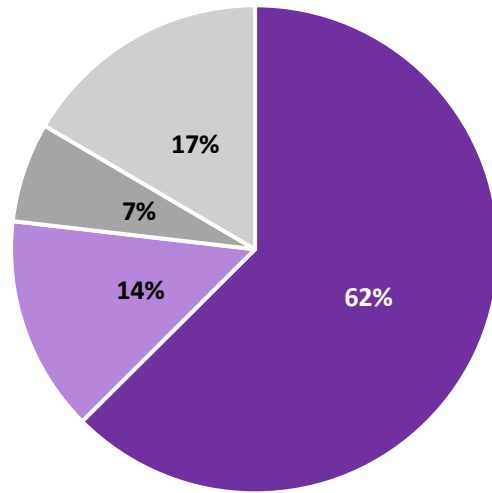
Assets (Rs. mn)	Dec'20	Sep'20	Jun' 20
Non-Current Assets			
Fixed assets	12,688	12,919	13,646
Investments	363	477	440
Other financial assets	432	443	490
Income tax & Deferred tax assets (net)	7,525	7,295	6,923
Others Non-Current Assets	119	102	102
Current Assets			
Inventories	48,768	52,086	52,177
Cash, Loans and other investments	17,931	14,177	13,203
Trade receivables	24,768	20,087	17,355
Others financial assets	3,847	3,825	3,621
Other current assets	10,243	9,691	12,902
Non-current assets - Held for Sale	857	933	949
Total Assets	1,27,542	1,22,035	121,808

Liabilities (Rs. mn)	Dec' 20	Sep' 20	Jun' 20
Equity Capital	98,322	94,409	93,950
Non-Current Liabilities			
Preference shares	4,014	3,631	3,520
Other borrowings	220	276	459
Provisions	1,524	1,432	1,458
Current Liabilities			
Trade Payables	14,293	13,969	15,890
Redeemable preference shares	4,014	3,631	3,520
Other financial liabilities	3,117	3,083	1,568
Other current liabilities	1,133	1,420	1,104
Provisions	170	149	140
Income tax liabilities	735	39	198
Deferred tax liabilities (net)	-	-	-
Total Equity & Liabilities	1,27,542	1,22,035	121,808

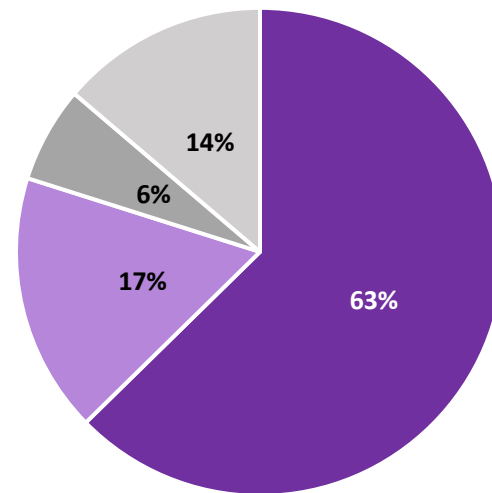
Break-up of content inventory, advances and deposits



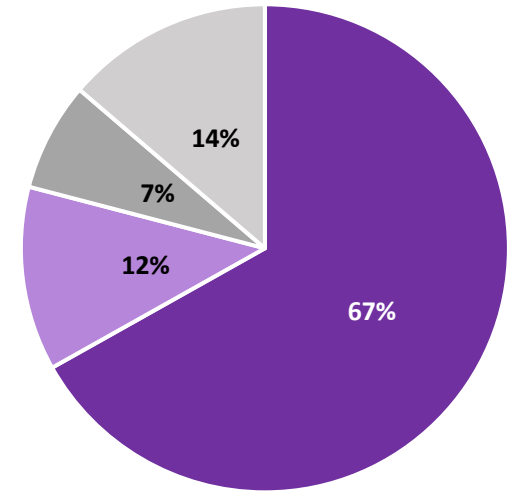
FY19: Rs. 58.0bn



FY20: Rs. 64.1bn



Q2'FY21: Rs. 60.4bn



Q3'FY21: Rs. 56.5bn

■ Movie Rights ■ Shows ■ Movie production, Music & Others ■ Content Advances & Deposits



THANK YOU