



Earnings Update for Q4'FY21 and FY21

Zee Entertainment Enterprises Limited – 20th May, 2021



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Strong advertising growth during the quarter



+8.9%

Q4 domestic advertising revenue growth

+5.6%

Q4 domestic subscription revenue growth (LTL)

27.5%

EBITDA margin for the quarter with EBITDA of Rs. 5,408mn



18.9%

All India TV network share

75+

Original shows and movies released on ZEE5 in FY21

250%

Dividend announced by the BoD

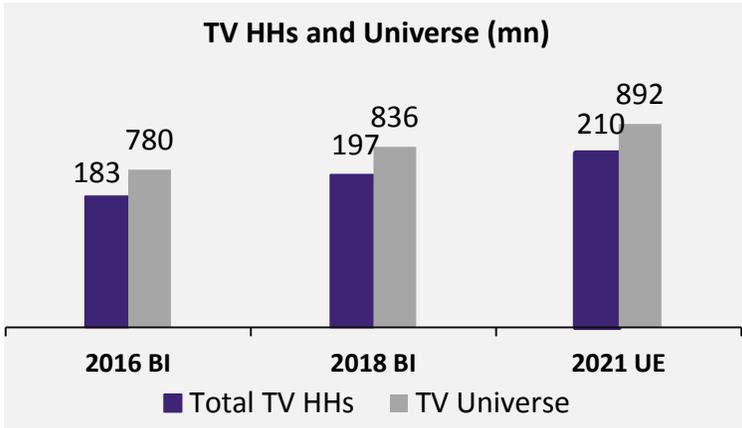


Business Performance

ZEE network share improves to 18.9%, continues to be India's #2 TV entertainment network

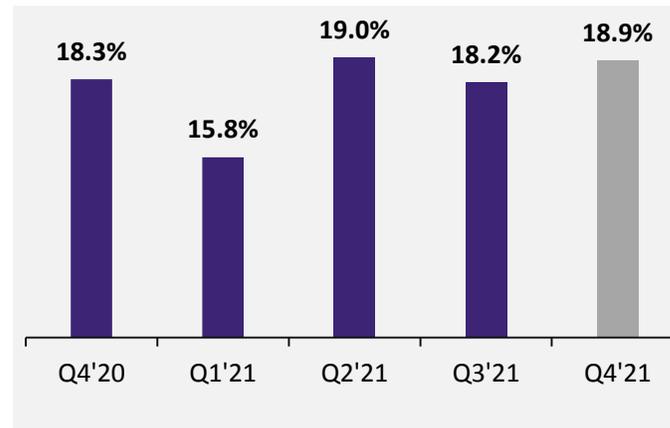


TV reaches ~900mn people now



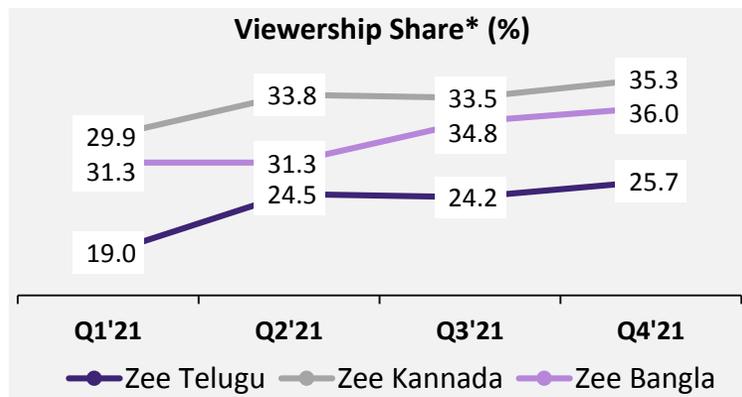
7% increase in TV universe reaffirms its status as the biggest reach media in the country

ZEE network share improves 70bps QoQ



Network share grew by 70bps QoQ led by FTA and two channels in South markets

Performance of regional channels shows improvement



Bengali, Telugu and Kannada channels improved shares during the year. Performance in Tamil and Marathi lagging expectations

ZEE's new channels off to a strong start



In first full year of operations, ZEE's new regional channels have established strong positions in their respective markets

5 *Relative share in respective markets; TG: U+R 2+

ZEE5 released 75+ originals during FY21



- 72.6mn global MAUs*, 6.1mn global DAUs* in Mar'21
- 156 minutes average watch time per viewer per month in Q4FY21
- Q4 Revenue and EBITDA# stood at Rs. 1,075mn and Rs. (1,625)mn
- Annual pricing revised to Rs. 499 to enable increased adoption of yearly subscription packs

14 original shows and movies released during the quarter



*Operating KPIs based on internal data analytics

#EBITDA loss excludes costs incurred by the business on ZEEL network

Radhey received an unprecedented response across multiple platforms



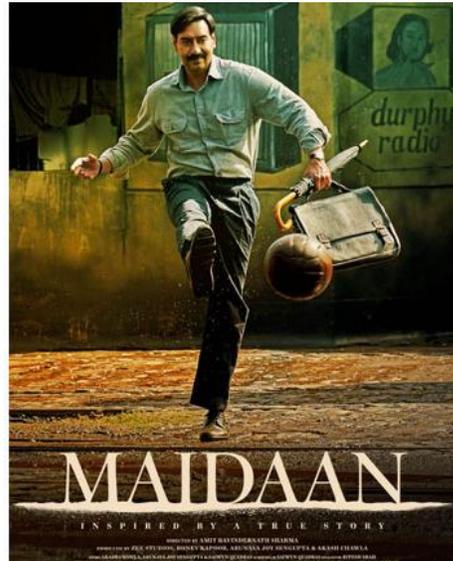
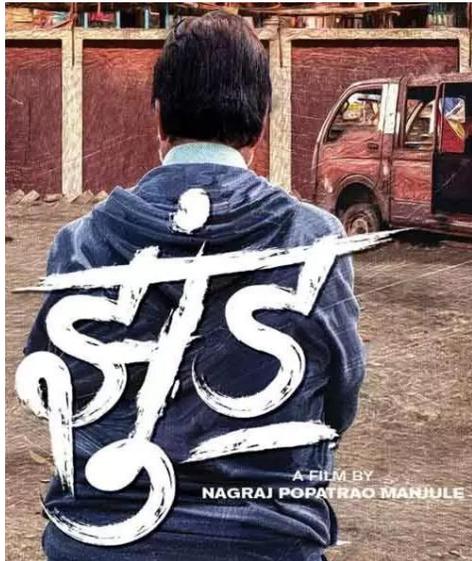
Extraordinary Together

Resurgence in COVID cases impacted the near-term plan of Movies business



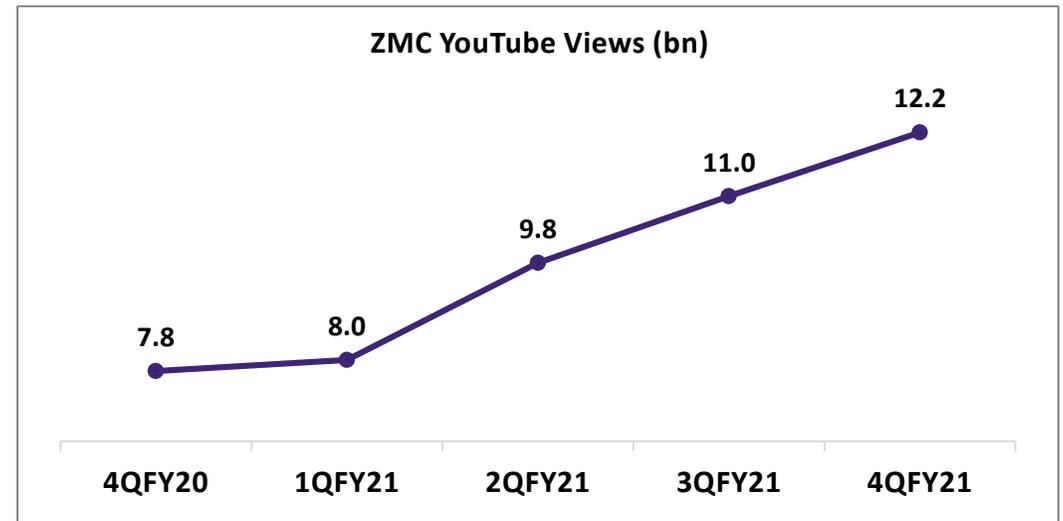
ZEE STUDIOS

- A strong slate of movies across languages in FY22
- COVID cases and lockdown guidelines will have a bearing on Zee Studios' release plans



ZEE MUSIC CO.

- 50%+ YoY growth in YouTube video views, showing strong consumer affinity for ZMC music library
- ZMC added ~4mn subscribers on YouTube; with 72.8mn subscribers it is the second most subscribed Indian music channel on YouTube



Extraordinary Together

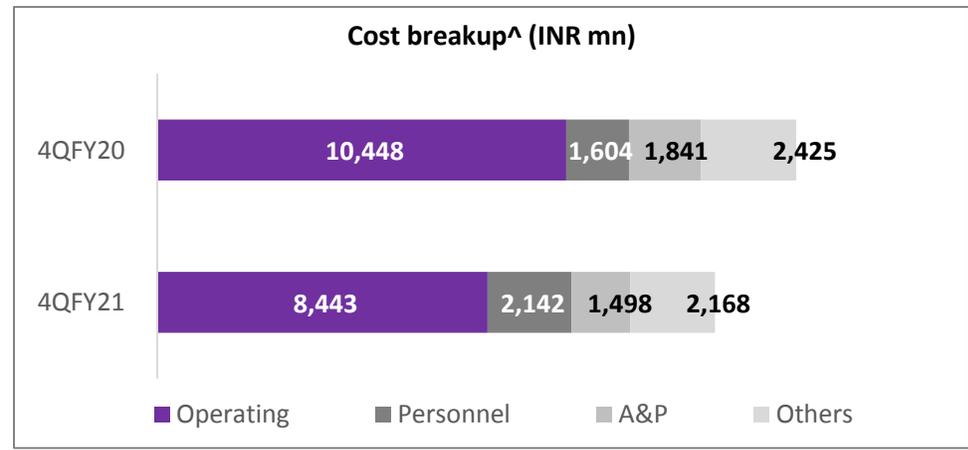
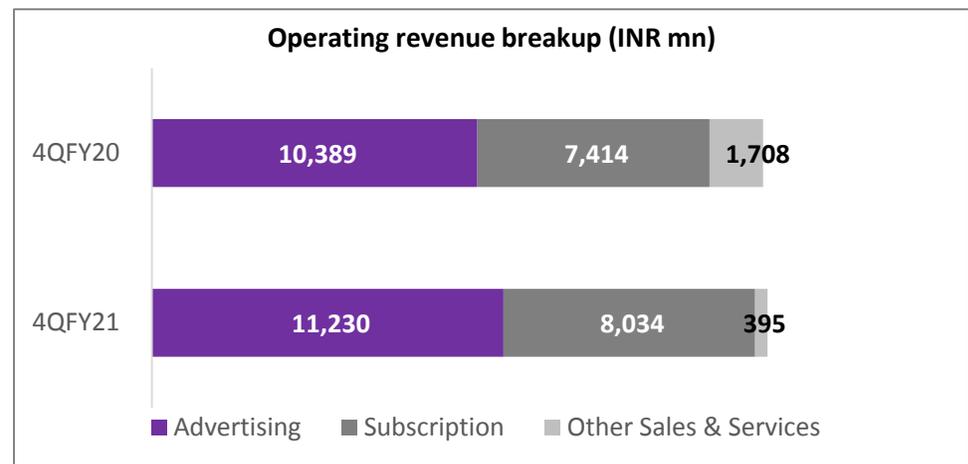


Financial Performance

EBITDA margin for the quarter at 27.5%



(INR million)	4QFY21	4QFY20	Growth
Operating revenue	19,658	19,511	0.8%
Expenditure	(14,250)	(22,349)	-36.2%
EBITDA	5,408	(2,839)	
EBITDA excluding one-offs[^]	5,408	3,193	69.4%
Other income	186	407	-54.3%
Depreciation	(627)	(778)	-19.3%
Finance cost	(491)	(864)	-43.1%
Fair value through P&L	207	(2,787)	
Exceptional items	(295)	(1,137)	
Profit Before Tax (PBT)	4,388	(7,997)	
PBT excl. exceptional and one-offs^{^^}	4,683	3,006	55.8%
Provision for Tax	(1,664)	372	
Share of Profit of Associates	1	(33)	
Minority interest	34	(9)	
Profit after Tax (PAT)	2,758	(7,667)	



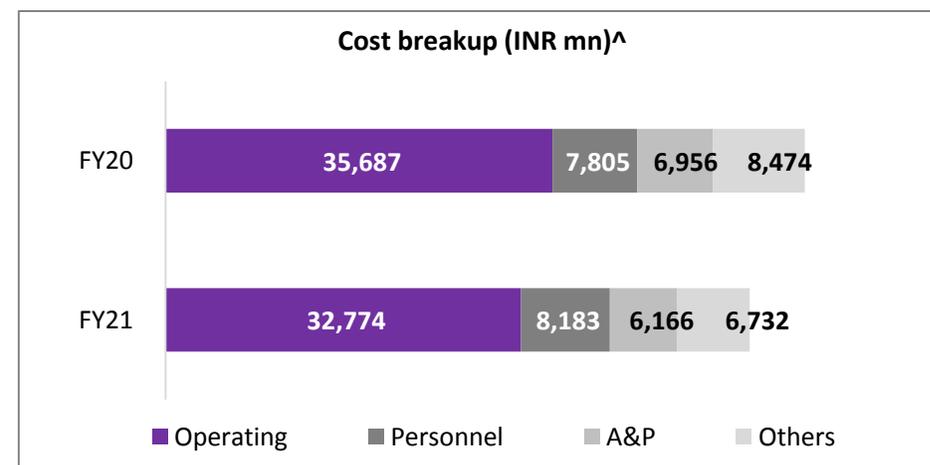
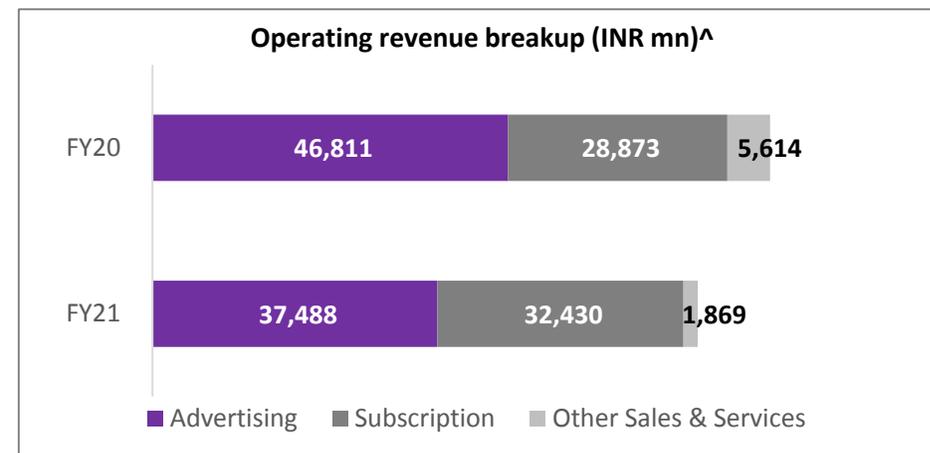
[^] Excludes one offs in Operating cost (Rs. 2,598 mn) and Other costs (Rs. 3,433 mn) in 4QFY20

^{^^} Excludes above-mentioned one offs, exceptional items and loss on sale of Investments (Rs. 3,835 mn in FVTPL) in Q4FY20

FY21 revenues remained suppressed due to impact of COVID in H1FY21



(INR million)	FY21	FY20	Growth
Operating revenue	77,299	81,299	-4.9%
Expenditure	(59,398)	(64,953)	-8.6%
EBITDA	17,901	16,346	9.5%
EBITDA excluding one-offs[^]	17,932	22,377	-19.9%
Other income	1,104	2,836	-61.1%
Depreciation	(2,649)	(2,706)	-2.1%
Finance cost	(571)	(1,449)	-60.6%
Fair value through P&L	(1,962)	(2,597)	
Exceptional items	(1,266)	(2,843)	
Profit Before Tax (PBT)	12,556	9,587	31.0%
PBT excl. exceptional and one-offs^{^^}	13,852	22,297	-37.9%
Provision for Tax	(4,625)	(4,317)	7.1%
Share of Profit of Associates	(1)	(24)	
Minority interest	70	19	
Profit after Tax (PAT)	8,001	5,265	51.9%



[^] FY20 excludes one offs in Operating cost (Rs. 2,598 mn) and Other costs (Rs. 3,433 mn)

[^] FY21 excludes one offs for content syndication deal (Revenue of Rs. 5,512mn and operating cost of Rs. 4,730 mn), and Other costs (Rs. 812 mn)

^{^^} Excludes above-mentioned one offs, exceptional items and loss on sale of Investments (Rs. 3,835 mn in FVTPL) in FY20

Strong recovery in domestic advertising continues



Advertising revenues	Domestic advertising revenue for the quarter grew by 8.9% YoY driven by the continued recovery in macro advertising environment; FY21 domestic advertising revenue declined by 19.7% due to impact of pandemic in H1
Subscription revenues	Like to like growth (excluding reclassification of music subscription revenue) of 5.6% and 5.8% for the quarter and year respectively, was primarily driven by ZEE5
Other Sales & Services	Decreased YoY due to continued impact of pandemic on theatrical revenues and reclassification of music revenue to subscription
Operating cost	Programming cost (excluding one-time inventory write-off of Rs. 2,598mn in Q4FY20) declined by 19.2% during the quarter, primarily due to lower accelerated inventory amortisation this quarter; Adjusted programming cost for the year declined by 8.2% due to lower original programming during first quarter
A&P and Other expenses	A&P and other expenses (excluding one time provision of Rs. 3,433mn in Q4FY20) declined by 14.1% YoY during the quarter; there was a decline of 16.4% in FY21 due to lower marketing spends in the first quarter
International revenue break-up	Advertising revenue - Rs. 526mn, Subscription revenue - Rs. 553mn, Other Sales & Services – Rs. 154mn

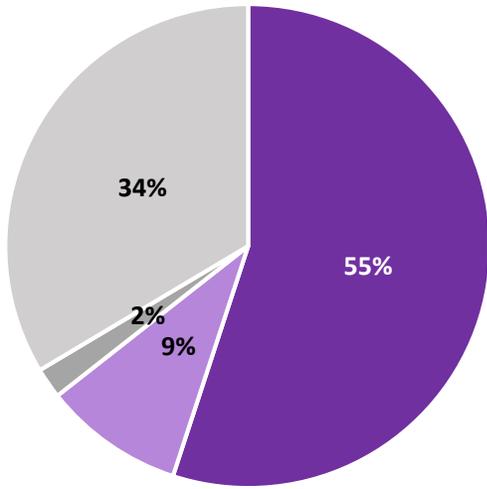
Condensed Balance Sheet



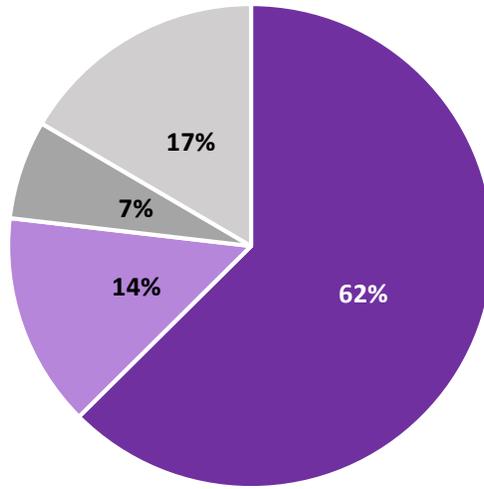
Assets (Rs. mn)	Mar'21	Sep'20	Mar' 20
Non-Current Assets			
Fixed assets	12,667	12,919	13,979
Investments	316	477	478
Other financial assets	347	443	429
Income tax & Deferred tax assets (net)	7,380	7,295	6,844
Others Non-Current Assets	227	102	90
Current Assets			
Inventories	54,030	52,086	53,475
Cash, Loans and other investments	18,574	14,177	10,115
Trade receivables	19,452	20,087	21,286
Others financial assets	3,418	3,825	3,732
Other current assets	11,035	9,691	12,804
Non-current assets - Held for Sale	742	933	945
Total Assets	1,28,187	1,22,035	124,176

Liabilities (Rs. mn)	Mar'21	Sep'20	Mar' 20
Equity Capital	1,01,074	94,409	93,549
Non-Current Liabilities			
Preference shares	-	3,631	2,975
Other borrowings	195	276	526
Provisions	1,546	1,432	1,405
Current Liabilities			
Trade Payables	13,982	13,969	16,803
Redeemable preference shares	3,832	3,631	2,975
Other financial liabilities	3,498	3,083	2,808
Other current liabilities	2,811	1,420	2,107
Provisions	163	149	121
Income tax liabilities	1,085	39	906
Deferred tax liabilities (net)	-	-	-
Total Equity & Liabilities	1,28,187	1,22,035	124,176

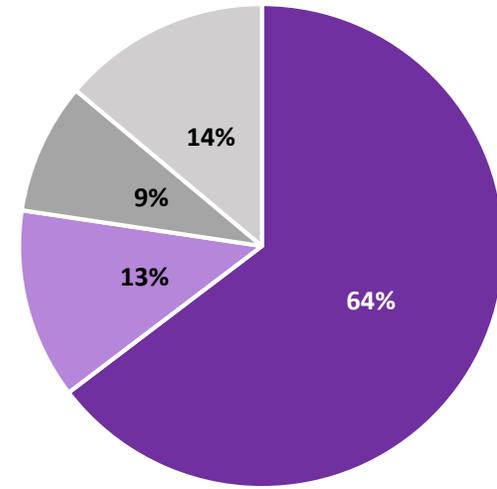
Break-up of content inventory, advances and deposits



FY19: Rs. 58.0bn



FY20: Rs. 64.1bn



FY21: Rs. 62.7bn

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



THANK YOU