



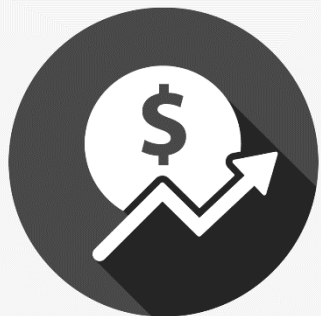
Earnings Update for Q1'FY22

Zee Entertainment Enterprises Limited – 6th August, 2021



This Release/Communication, except for the historical information, may contain statements, including the words or phrases such as ‘expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should’ and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

COVID impacts margins for the quarter - lower ad revenue and higher costs



+127.9%

YoY domestic ad growth;
-22.7% vs Q1FY20

+2.0%

YoY subscription revenue
growth

19.4%

EBITDA margin for the quarter
with EBITDA of Rs. 3,440mn



17.0%

All India TV network share

80.2 mn

ZEE5 global MAUs in Jun'21

190 min

Average watch time of
ZEE5 viewer per month

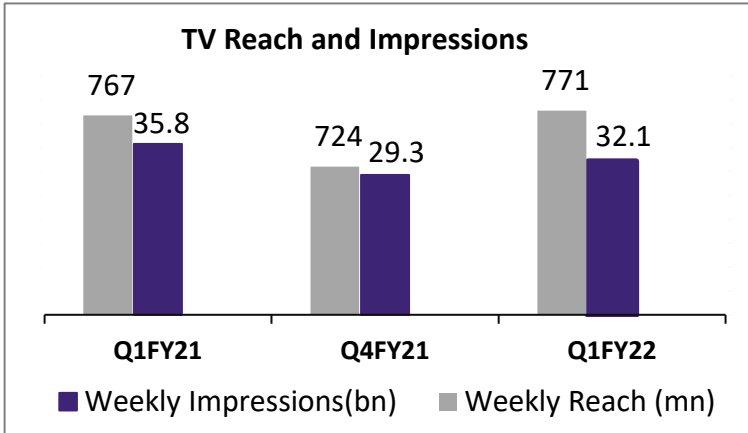


Business Performance

Broadcast business: 30+ new shows to be launched across the network in Q2, to help improve viewership share

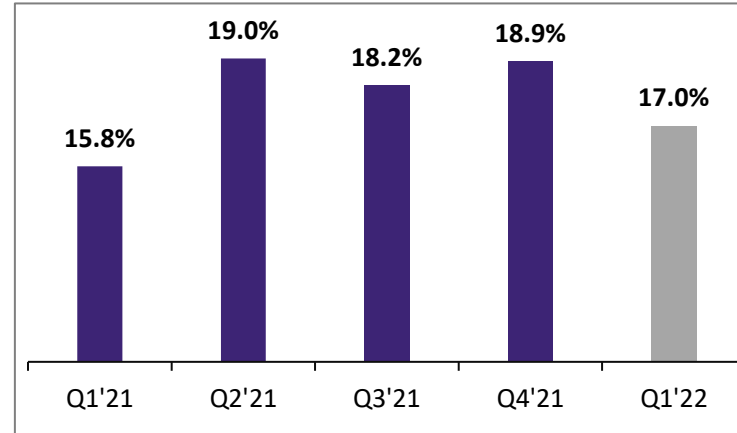


TV reach and impressions grew by 7% and 9% QoQ



With lockdowns in most states, TV viewership again jumped during the quarter, though lower than Q1 of last year

ZEE network share dropped 190bps QoQ



Network share dropped due to lockdown disruption and soft performance in some markets

Headroom for growth in key markets



Bengali, Telugu, Kannada and Hindi movies continue strong performance

Zee TV, Zee Marathi and Zee Tamil performance was soft during the quarter

Hindi, Marathi and Tamil programming line-up to be revamped in Q2



Extraordinary Together

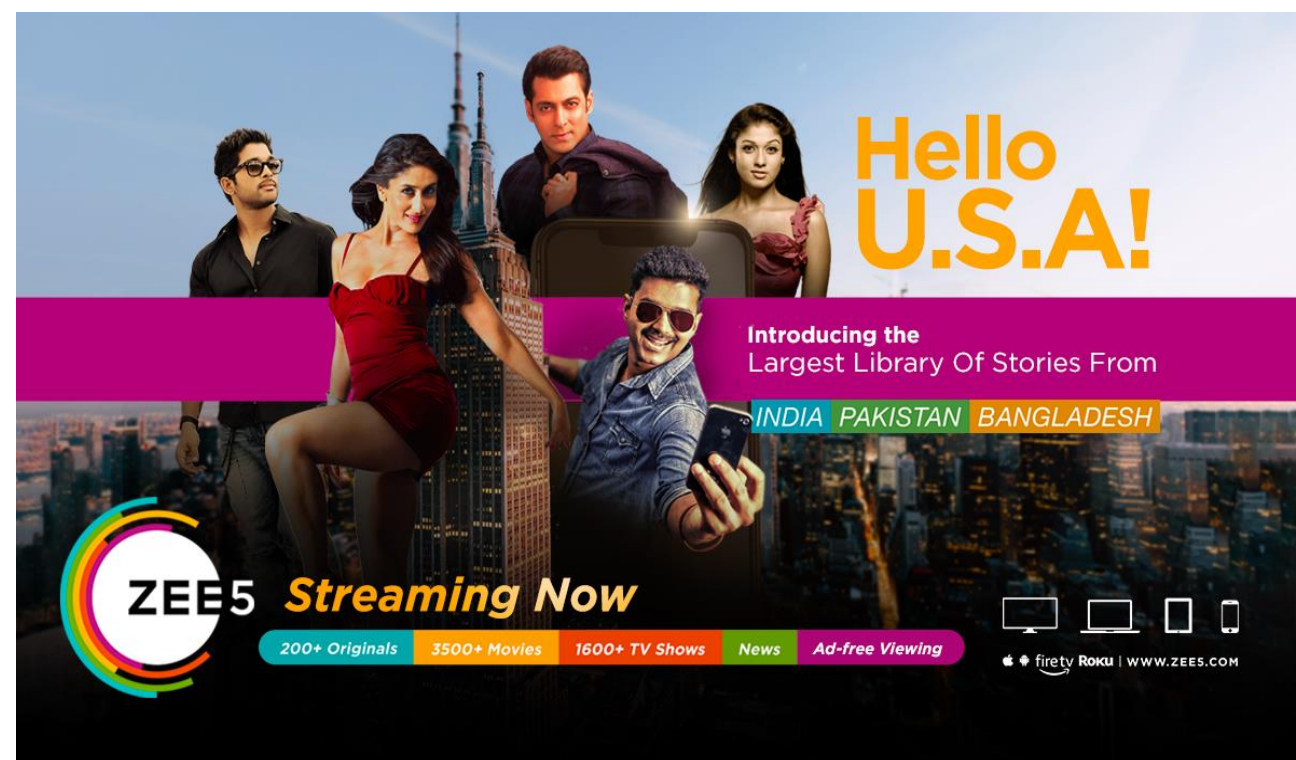
ZEE5: Gaining momentum backed by an expansive content catalogue

ZEE

- 80.2mn global MAUs, 7.1mn global DAUs in Jun'21
- 190 minutes average watch time per viewer per month in Q1
- Q1 Revenue and EBITDA* stood at Rs.1,117mn and Rs. (2,033mn)
- 11 original shows and movies released during the quarter



ZEE5 launched in USA



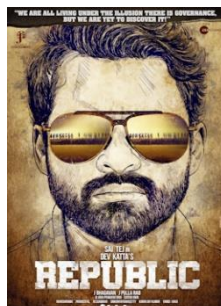
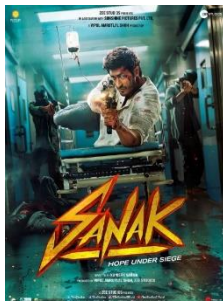
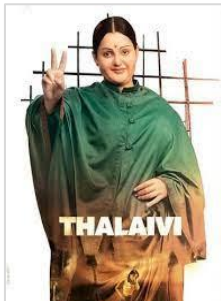
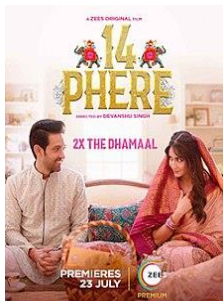
*EBITDA loss excludes costs incurred by the business on ZEEL network

Extraordinary Together

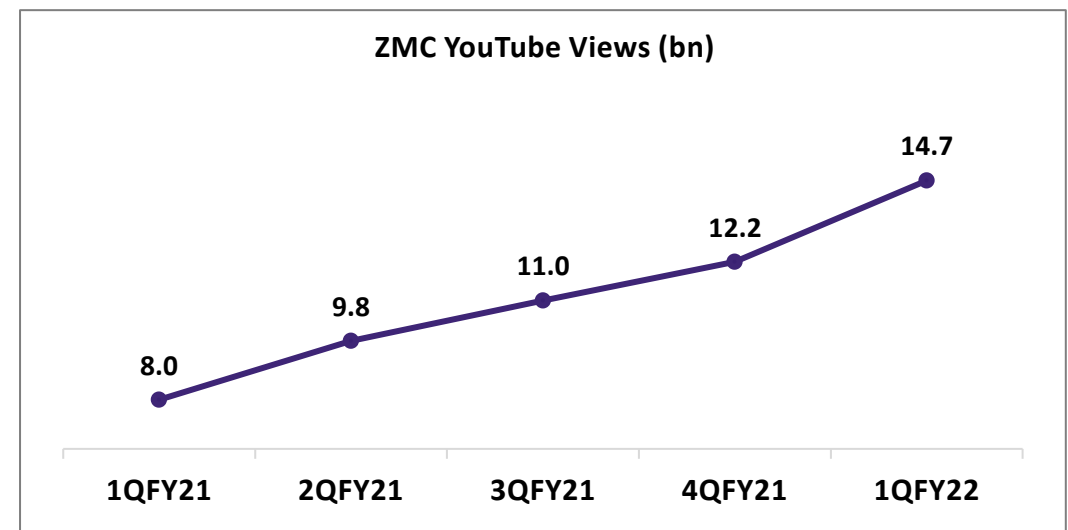
Zee Studios: Strong slate of movies ready for release in H2FY22



- Strong slate of movies across Hindi, Tamil, Telugu, Marathi and Punjabi languages being planned for releases starting H2FY22
- Opening of cinemas across the country to boost prospects of theatrical revenue in second half of the fiscal



- 80%+ YoY growth in YouTube video views, highlighting strength ZMC music catalogue and library
- ZMC added ~3mn subscribers on YouTube; with 75mn+ subscribers it is the second most subscribed Indian music channel on YouTube



Extraordinary Together

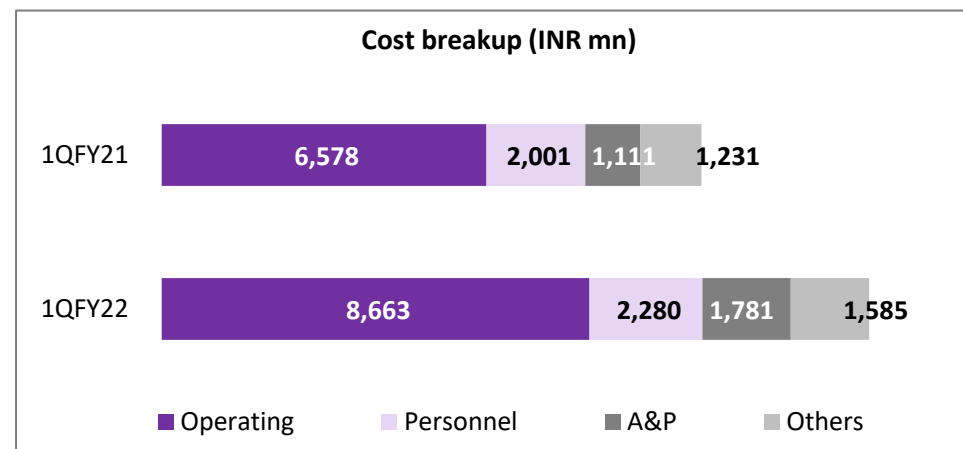
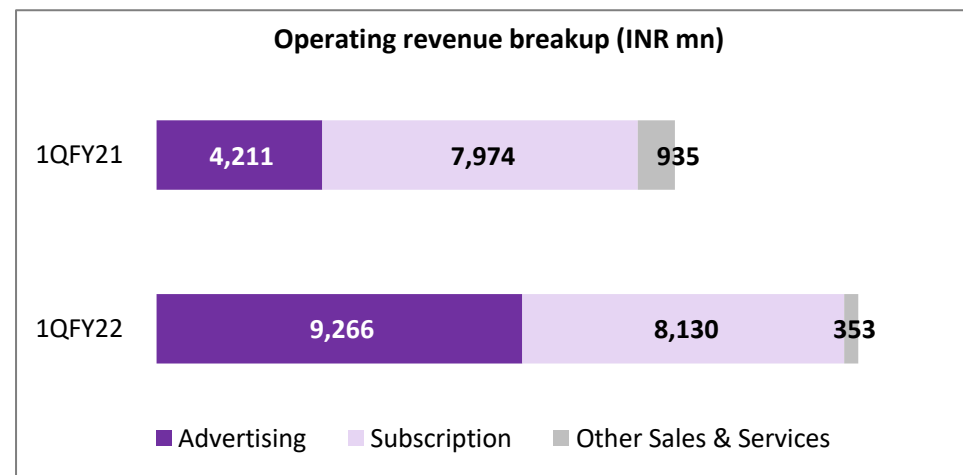


Financial Performance

Second COVID wave reverses the strong recovery witnessed in H2FY21

ZEE

(INR million)	1QFY22	1QFY21	Growth
Operating revenue	17,750	13,120	35.3%
Expenditure	(14,310)	(10,921)	31.0%
EBITDA	3,440	2,199	56.4%
Other income	336	264	27.4%
Depreciation	(590)	(719)	-17.9%
Finance cost	(19)	(45)	-58.0%
Fair value through P&L	(97)	(1,123)	
Exceptional items	(37)	-	
Profit Before Tax (PBT)	3,033	576	426.5%
Provision for Tax	(945)	(285)	233.0%
Minority interest	50	11	
Profit after Tax (PAT)	2,138	304	604.1%



Extraordinary Together

Lower ad revenue flows through to EBITDA



Advertising revenues	Domestic ad revenues for both Q1FY22 and Q1FY21 were impacted by lockdowns. However, the impact this year was much lower, reflected in 127.9% YoY growth. Compared to Q1FY20, domestic ad revenues were lower by 22.7%
Subscription revenues	Embargo on pricing change due to NTO 2.0 litigation continued to hurt domestic television pay revenue growth. The 2% growth over Q1FY21 is driven primarily by digital business.
Other Sales & Services revenues	The drop in revenue is on account of a large movie syndication deal in the previous year
Operating cost	Programming cost increased YoY as original content production largely continued across the states during the lockdown at alternate locations
A&P and Other expenses	Increase in marketing cost on a YoY basis is on account of release of <i>Radhe</i> and continued investments in ZEE5. Marketing costs in Q1FY21 was lower on account of much lower original content production
EBITDA	Lower ad revenues on one hand and increase in costs due to lockdown (Rs. 271mn) on the other affected EBITDA for the quarter
International revenue break-up	Advertising revenue - Rs. 514mn, Subscription revenue - Rs. 956mn, Other Sales & Services – Rs. 109mn

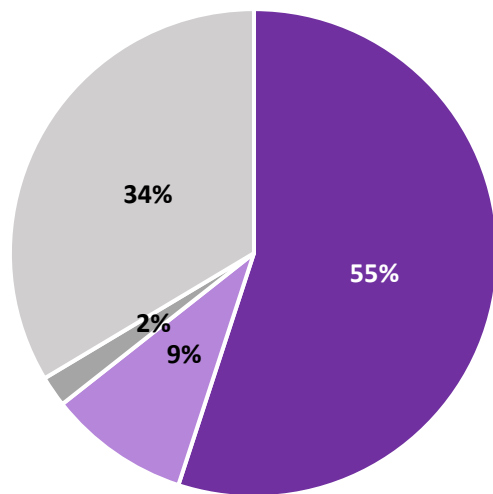
Condensed Balance Sheet



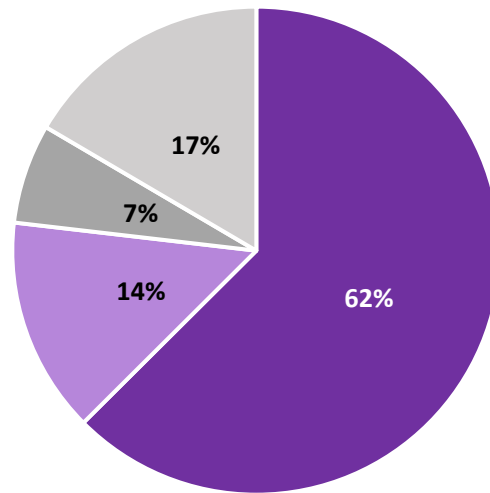
Assets (Rs. mn)	Jun'21	Mar'21	Jun' 20
Non-Current Assets			
Fixed assets	12,695	12,667	13,646
Investments	309	316	440
Other financial assets	364	347	490
Income tax & Deferred tax assets (net)	7,476	7,380	6,923
Others Non-Current Assets	319	227	102
Current Assets			
Inventories	54,932	54,030	52,177
Cash, Loans and other investments	17,244	18,574	13,203
Trade receivables	18,318	19,452	17,355
Others financial assets	3,459	3,418	3,621
Other current assets	12,315	11,035	12,902
Non-current assets - Held for Sale	715	742	949
Total Assets	1,28,145	1,28,187	121,808

Liabilities (Rs. mn)	Jun'21	Mar'21	Jun' 20
Equity Capital	1,03,318	1,01,074	93,950
Non-Current Liabilities			
Preference shares	-	-	3,520
Other borrowings	158	195	459
Provisions	1,039	1,546	1,458
Current Liabilities			
Trade Payables	13,185	13,982	15,890
Redeemable preference shares	4,014	3,832	3,520
Other financial liabilities	2,423	3,498	1,568
Other current liabilities	2,199	2,811	1,104
Provisions	557	163	140
Income tax liabilities	1,253	1,085	198
Deferred tax liabilities (net)	-	-	-
Total Equity & Liabilities	1,28,145	1,28,187	121,808

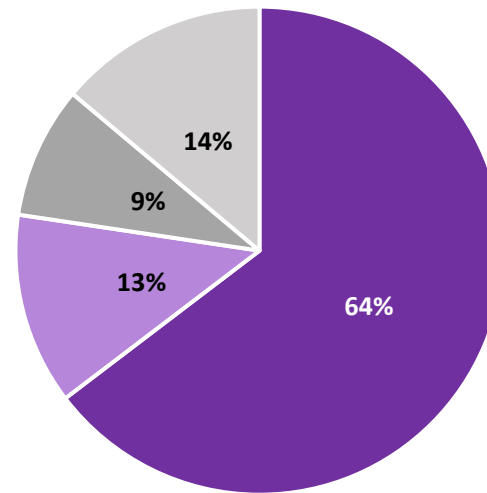
Break-up of content inventory, advances and deposits



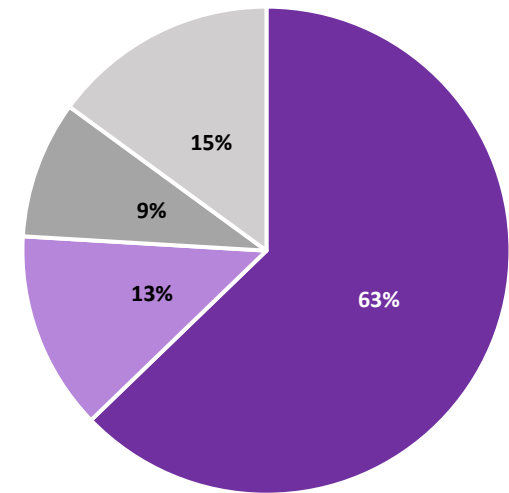
FY19: Rs. 58.0bn



FY20: Rs. 64.1bn



FY21: Rs. 62.7bn



Q1FY22: Rs. 64.6bn

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



THANK YOU