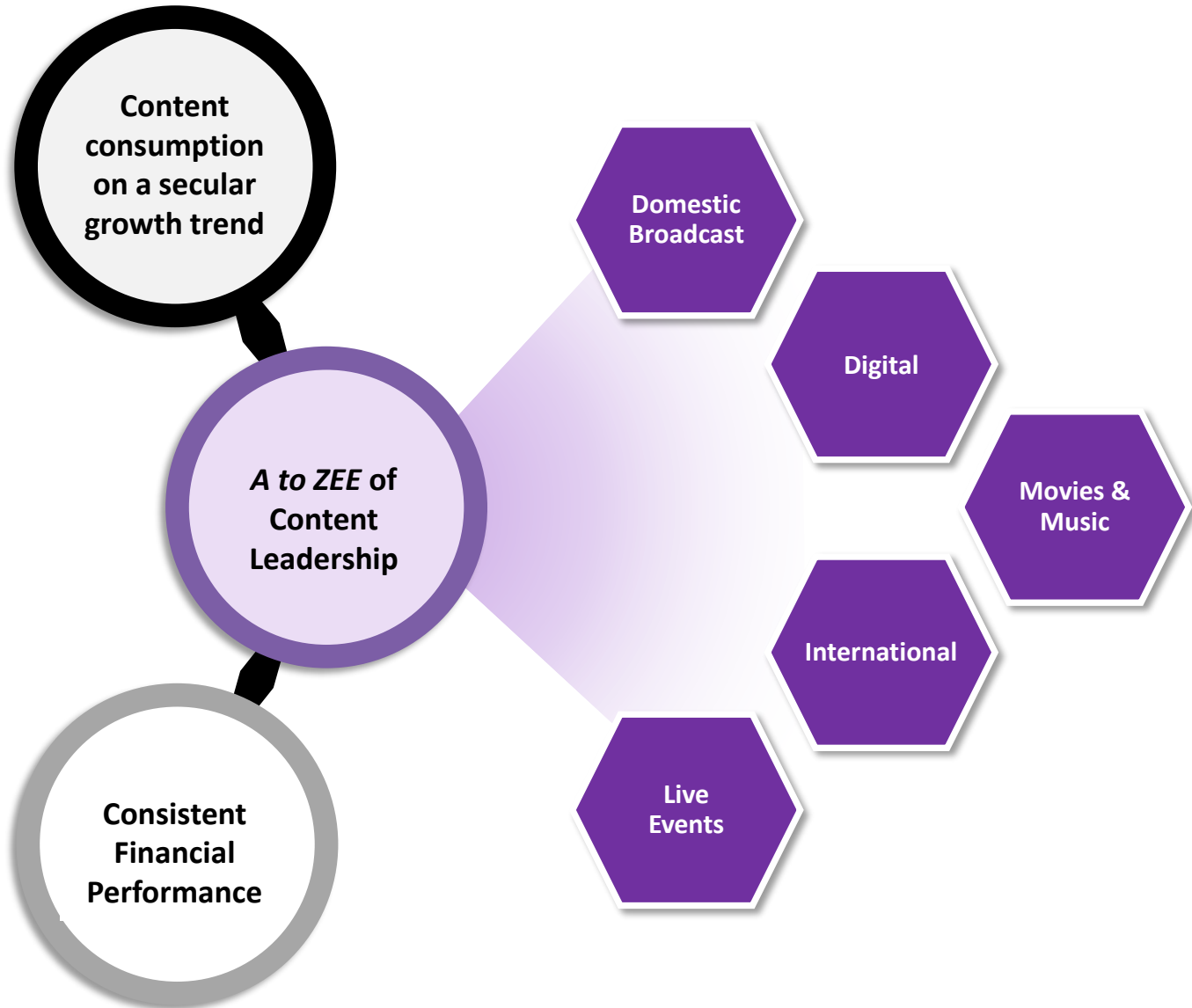


# Zee Entertainment

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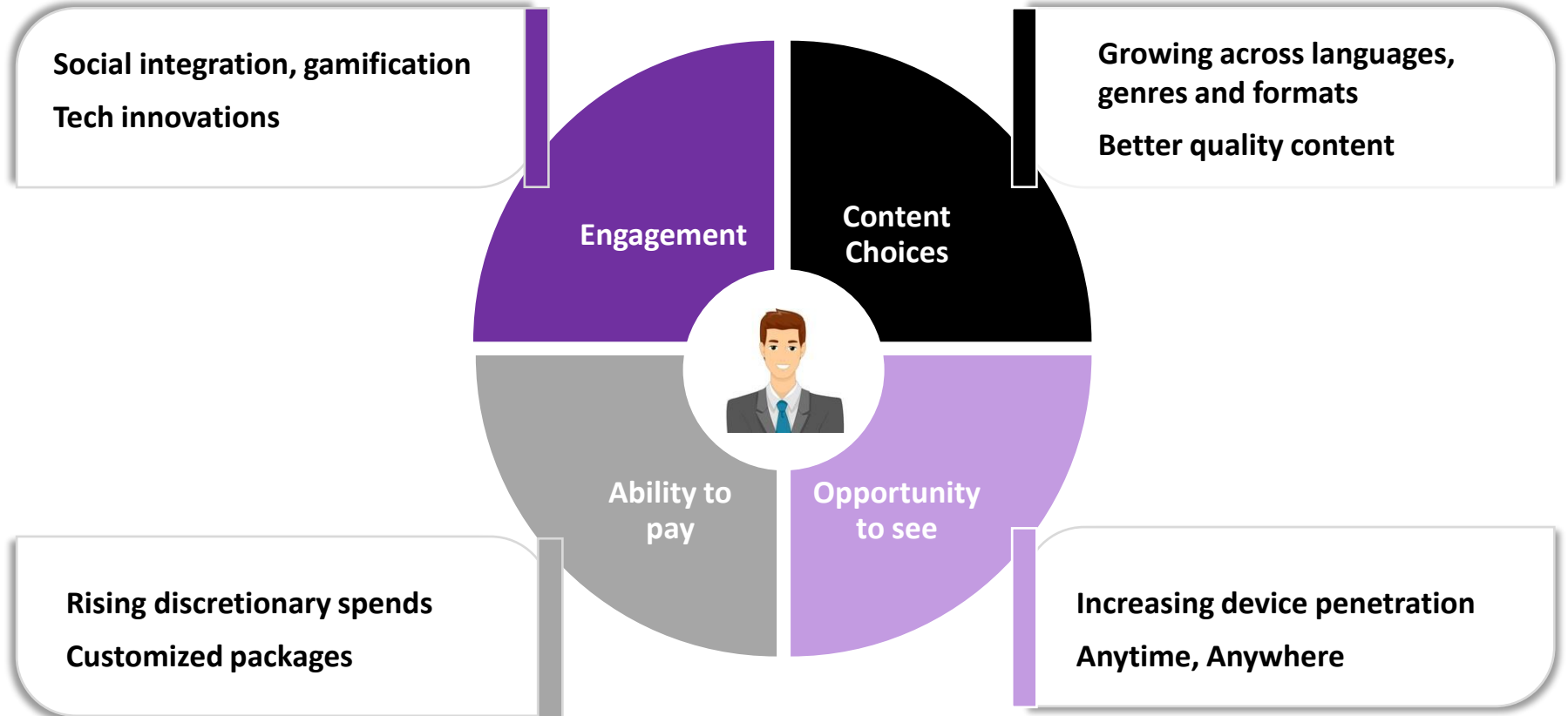
360° Entertainment Content Company

# Presentation Flow



# Content consumption is taking off

An adult spends on average around a quarter of his awake time consuming some form of content..  
And it is expected to grow further



Growth drivers in place to boost India's low per capita entertainment consumption and spends

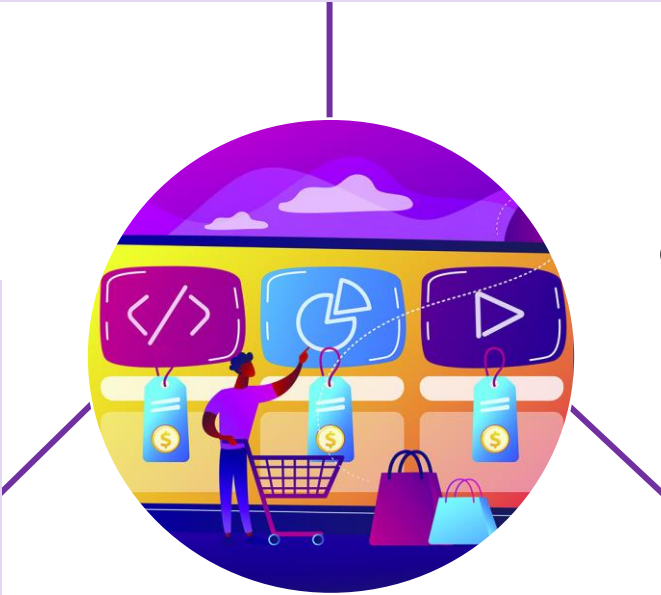
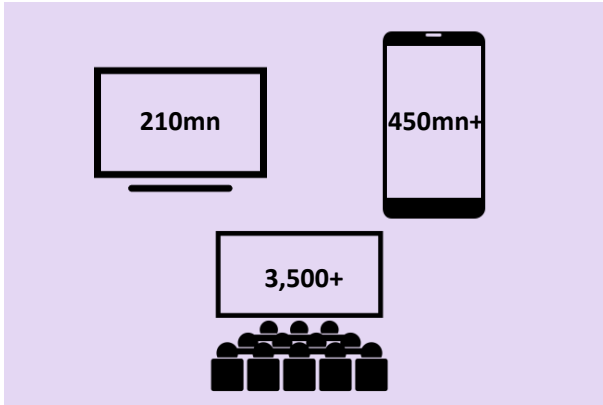


# ...with multiple options for the consumer

..giving multiple options for consuming same content...



Platform penetration at an all-time high and growing...



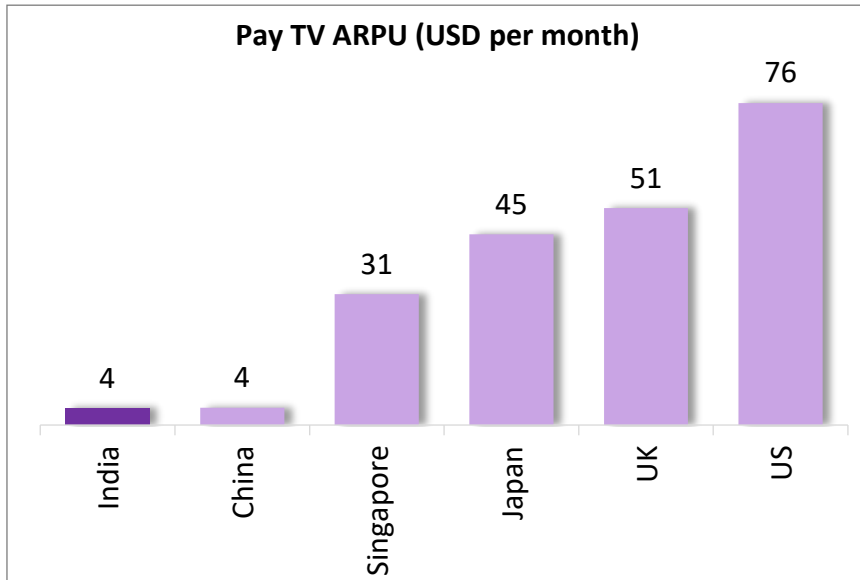
..internet has removed time and place constraints, growing total consumption



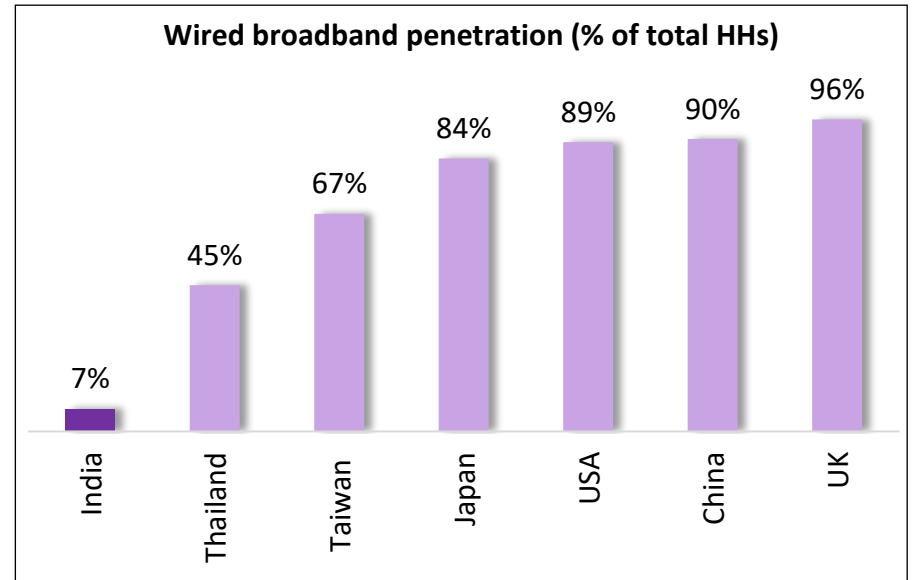
# **TV *or* Digital?**

# Indian market is different on two key parameters

Low TV ARPUs and wired broadband penetration make TV the preferred medium for content consumption



Source: MPA



Source: Industry estimates



Wired broadband is a prerequisite for digital to become the mainstay for content consumption

Mobile broadband is driving the digital content consumption growth in India

35% of Indian households still don't own a TV set, representing a significant headroom for growth





# TV offers abundant choices at an affordable price

200+ channels

~2,000 hours of  
new content every  
week

Monthly tariff of  
\$4

GEC, Movies,  
News, Kids,  
Sports, Music,  
Infotainment

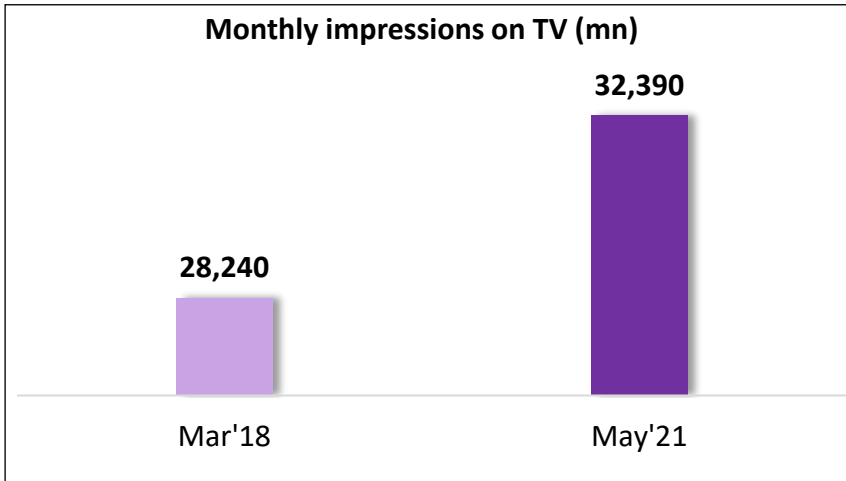
Entertainment for  
the family



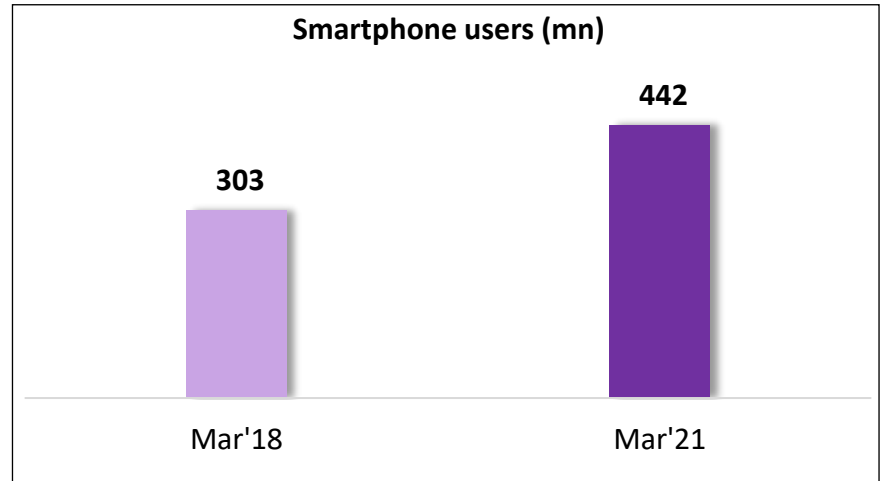




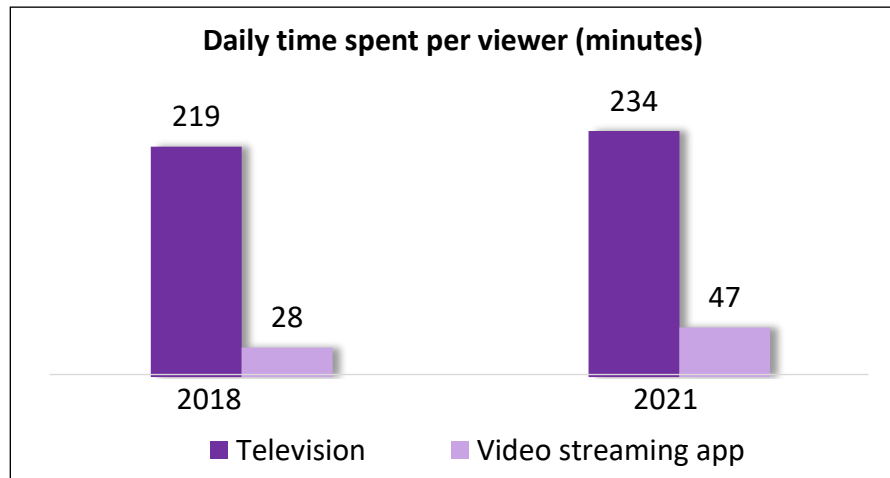
# TV and digital are growing in tandem in India...



Source: BARC



Source: CLSA research report



Source: BARC, FICCI EY M&E report 2020

# ..with digital presenting a new growth opportunity

**>95% single TV homes**



**Content for audiences who are not regularly available on TV**

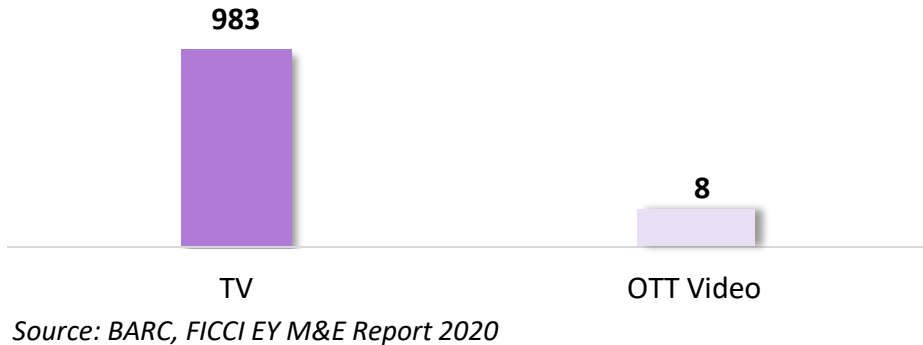
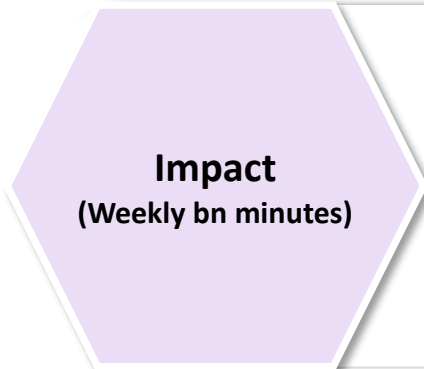
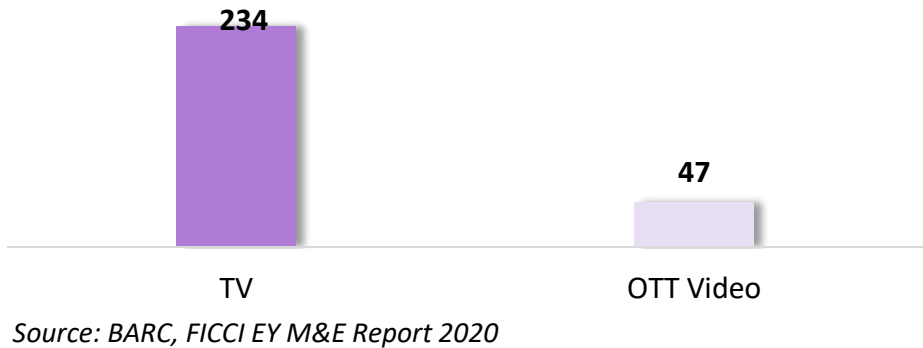
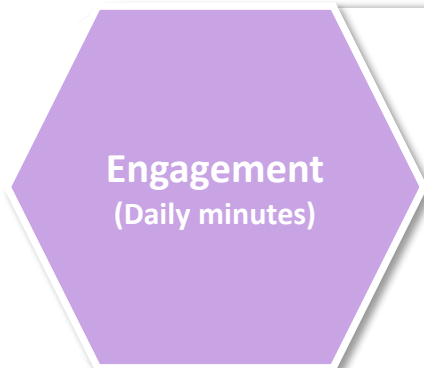
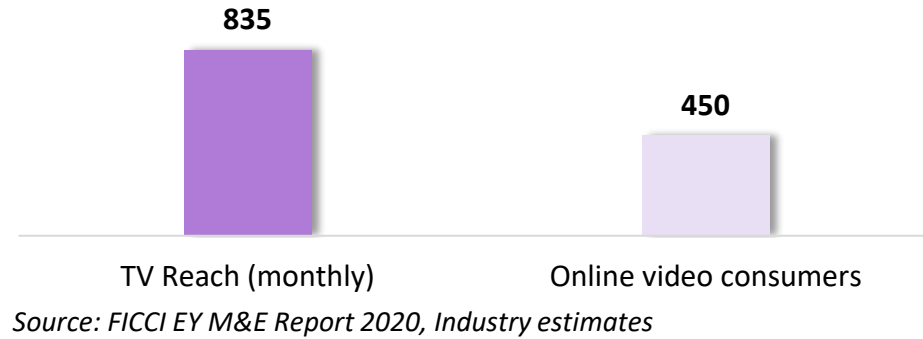
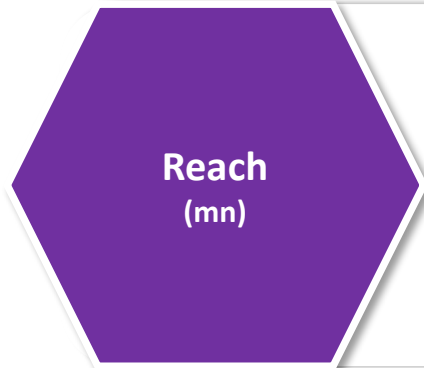


**On the go, on demand**



**Will the revenue shift?  
Revenues will follow eyeballs**

# Television currently has a higher reach and engagement...



# ...but digital offers a differentiated value proposition to advertisers and is expanding the total market

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**Targeted ads,  
nudge for  
transaction**

**Helps in better  
conversion**

**Valuable data  
and analytics**

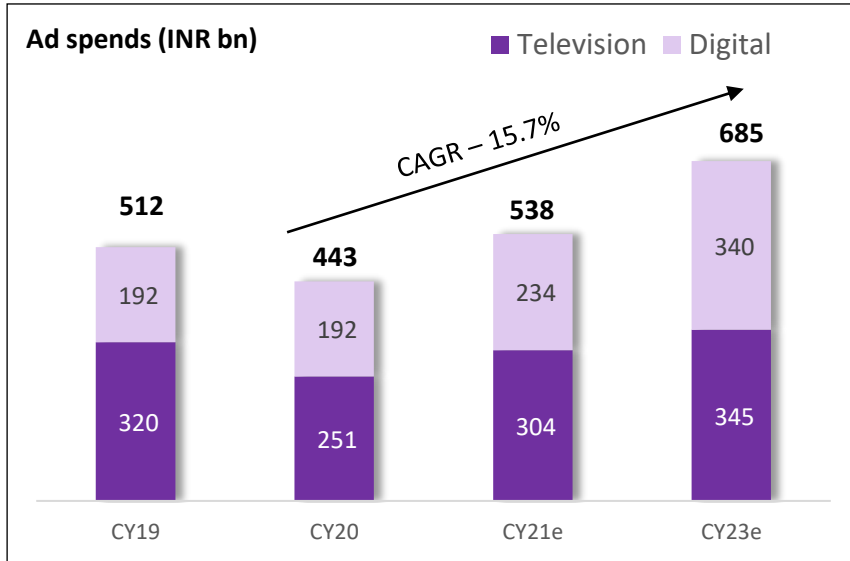
**Helps to improve  
product and  
marketing strategy**

**New  
advertisers**

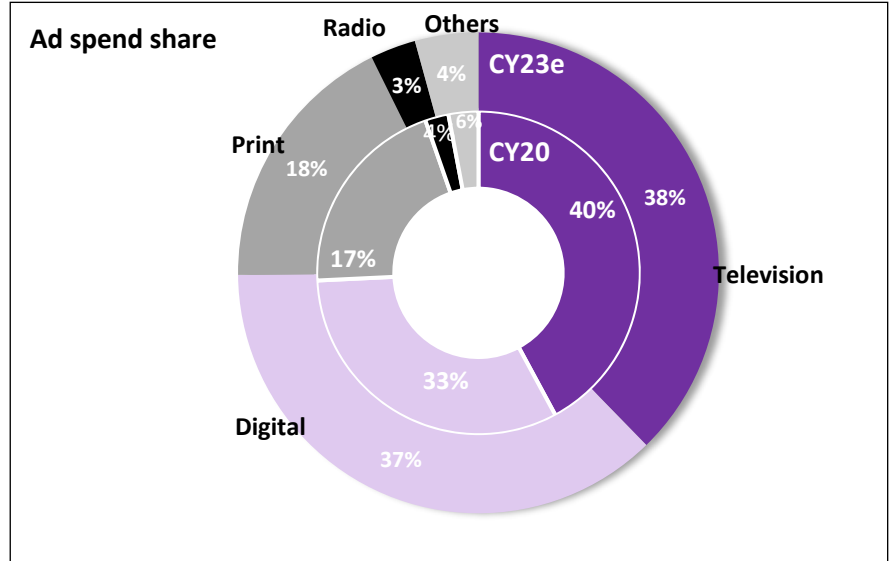
**~400K SMEs use digital  
advertising**

# TV + Digital to capture over 75% of ad spends

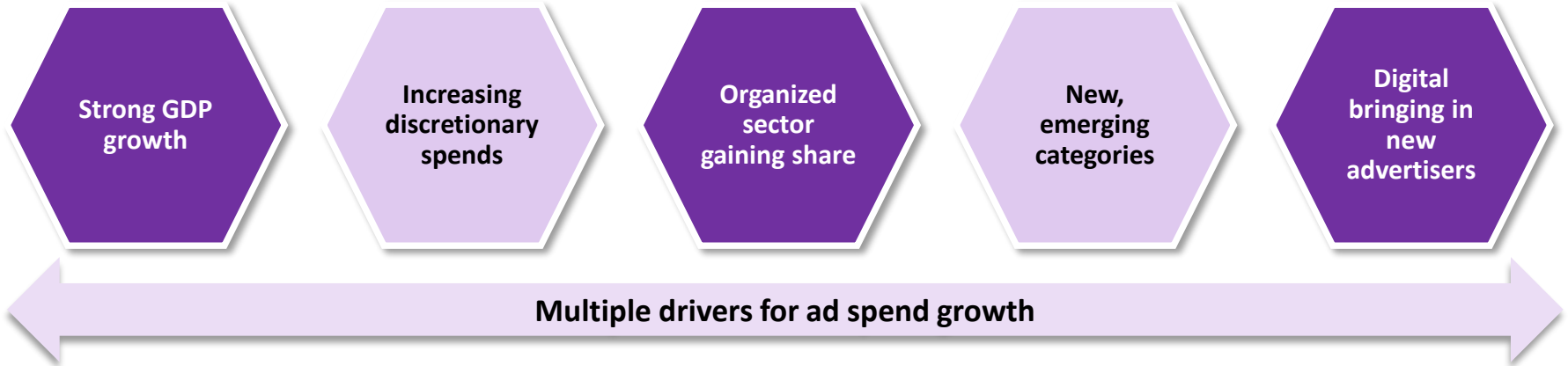
## Digital expected to grow at ~2x of TV ad growth



Source: FICCI EY M&E Report 2020

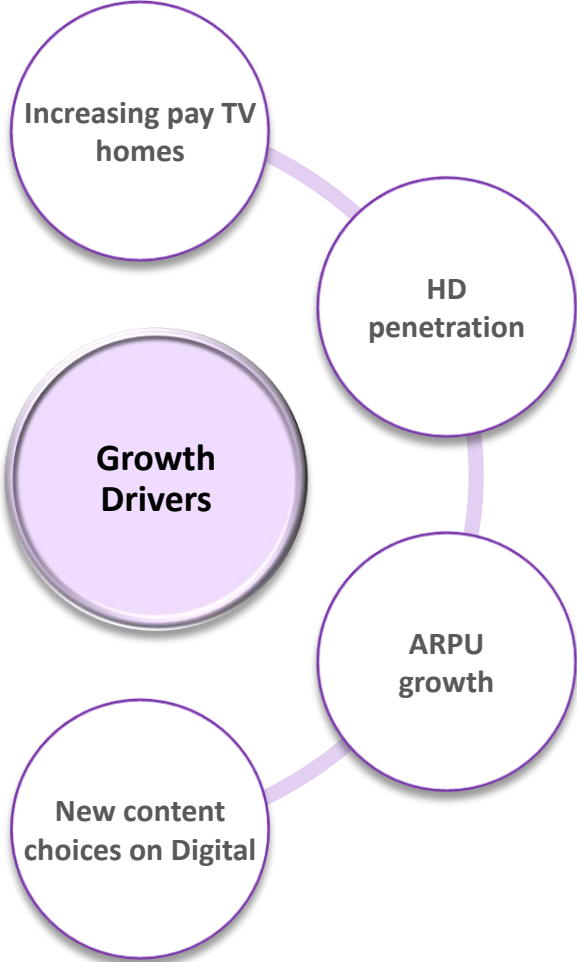


Source: FICCI EY M&E Report 2020

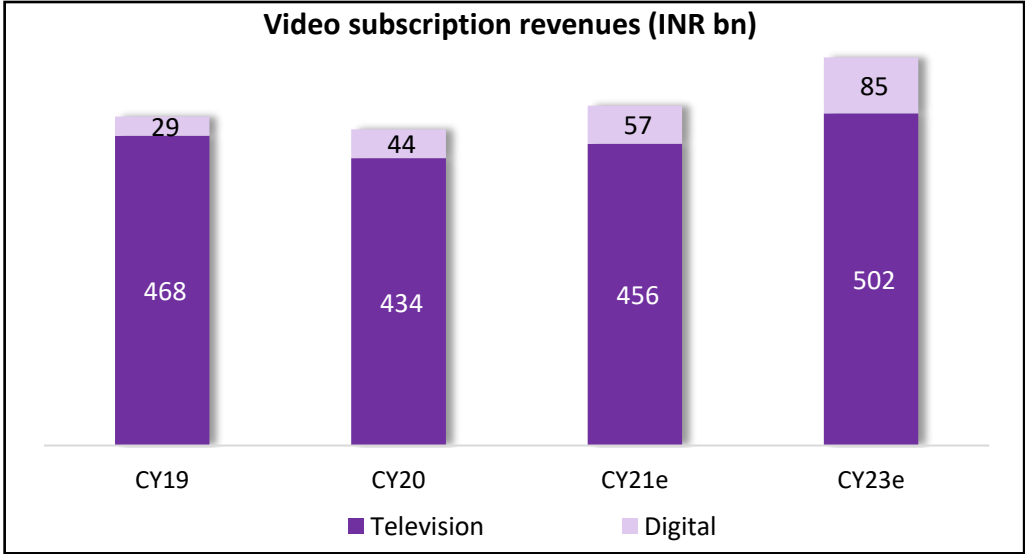




# Drivers in place for subscription revenue growth



## Digital subscription to grow at a faster pace on a much smaller base



Source: FICCI EY M&E Report 2020, TV subscription revenue represents end customer price

**Will content cost rise?**

# Cost to move differently for different categories of content

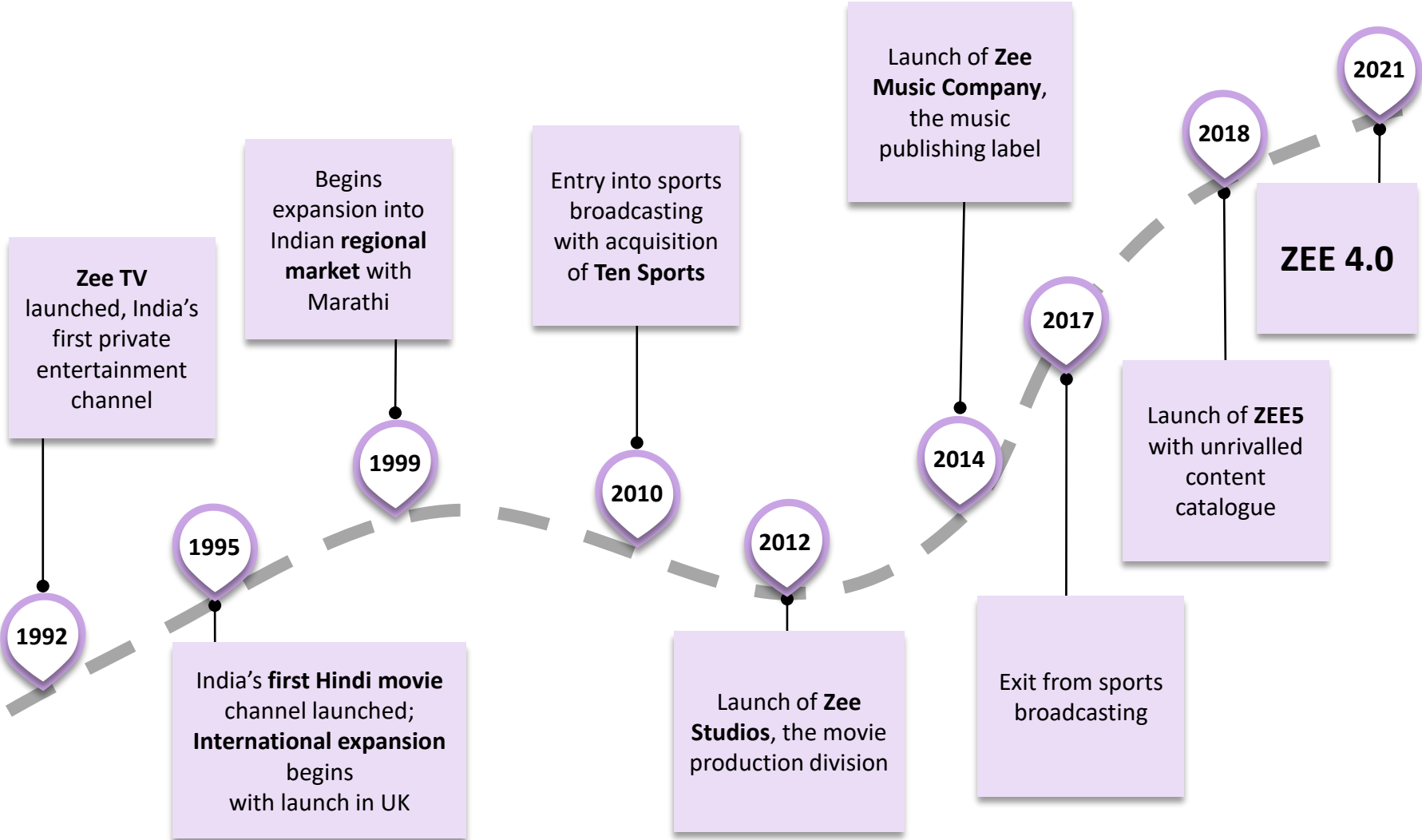
|                    |  | Volume | Cost | Inflation |
|--------------------|--|--------|------|-----------|
| Shows (TV)         | Abundant availability of talent; Broadcasters enjoy high control over production cost; 100,000+ hours of content produced annually                               |        |      |           |
| Shows (OTT)        | Strong demand for established talent; Outdoor shoot and limited episodes raise content cost; Low on volumes – industry produces ~2,000 hours of content annually |        |      |           |
| Movie rights (TV)  | Well established pricing based on revenue potential; Disciplined buying behaviour of broadcasters; Digital premiere prior to TV easing pricing pressure          |        |      |           |
| Movie rights (OTT) | Elevated competition for acquisition of digital rights   |        |      |           |

# A to ZEE of Content Leadership





# ZEEL has evolved into a 360° entertainment content company



With many firsts to its credits, ZEEL is India's biggest homegrown entertainment network



# Diverse content offering for a diverse Indian audience...

## Scripted fiction content in 10 languages



Family shows;  
Differentiated content  
in 10 languages  
**Primary Target:** 25+  
women, family viewing

## Homegrown reality show formats



Weekend family  
entertainment  
**Primary Target:** All age  
groups, family viewing

## Digital exclusive content in multiple Indian languages



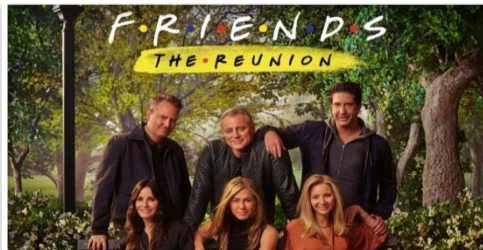
Edgy, finite-format  
content  
**Primary Target:** Male,  
youth audience

## Movie and music catalogue across languages



One of the biggest  
movie libraries and  
music catalogues  
**Primary Target:** All age-  
groups

## International content from leading Studios



Curated global content  
**Primary Target:**  
Premium audience

## Live entertainment



Live events, Theatre  
plays, online events.  
**Primary Target:** Youth  
audience

 ZEE offers compelling content to audience across diverse demographic and socio-economic clusters





# ....reaching consumers wherever they are

Family viewing at home



Anytime, Anywhere



Multiplexes



Live audience connect



On demand music catalogue



# Strong position in the M&E eco-system



30 years of content creation expertise and strong partnerships across the content ecosystem



Strong consumer connect through TV channels, OTT platform, movies, music, events



3,000+ brands reach their consumers through Zee network



Strong partnerships across distribution value chains – Cable, DTH, Theatres, Telcos, ISPs



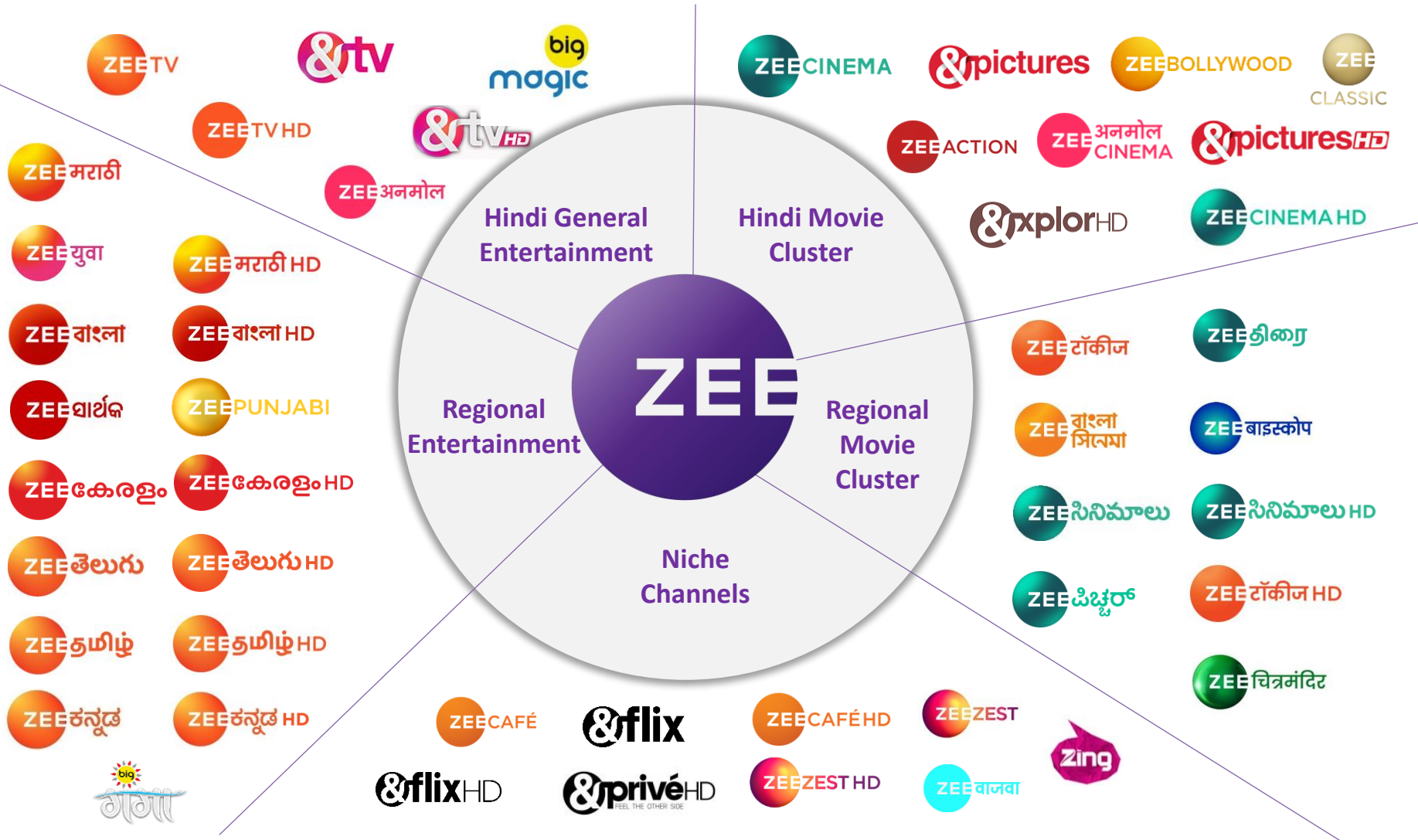
# Domestic Broadcast







# Pan-India network with the widest Indian language footprint

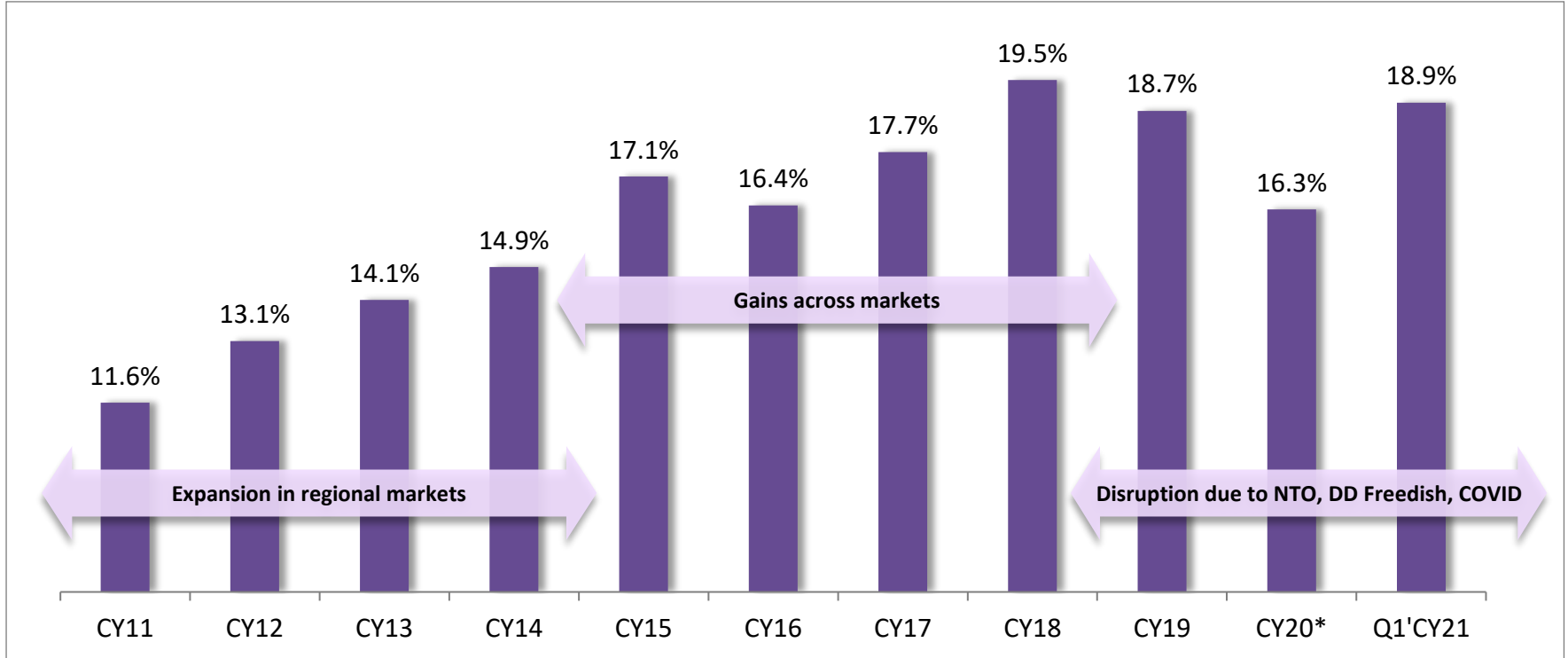


49 channels | 11 language | 600mn+ weekly reach | 160bn+ weekly viewing minutes



# Continuously improving viewership....

Over the past decade, ZEEEL has consistently increased its viewership share; Disruptions led by NTO, DD FreeDish portfolio shuffle and COVID impacted growth over last 24 months



\*CY20 excludes Apr-Jun'20 data; Data as per TAM upto March 2015 and as per BARC from April 2015 onwards;

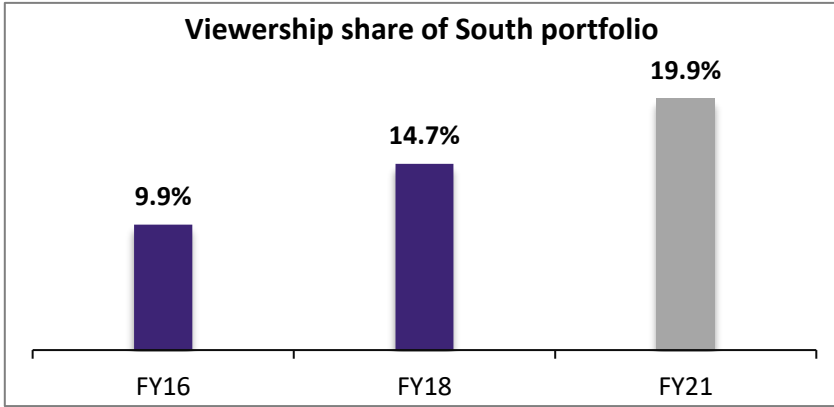


ZEEL channels are amongst the top 2 in 7 out of 10 language markets



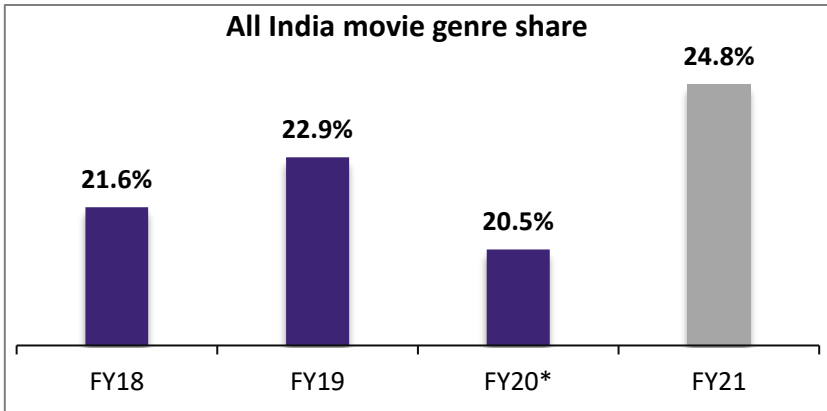
# ...especially in South market and movies genre

ZEE's share in South markets has seen a significant improvement, driven by popular fiction and non-fiction shows



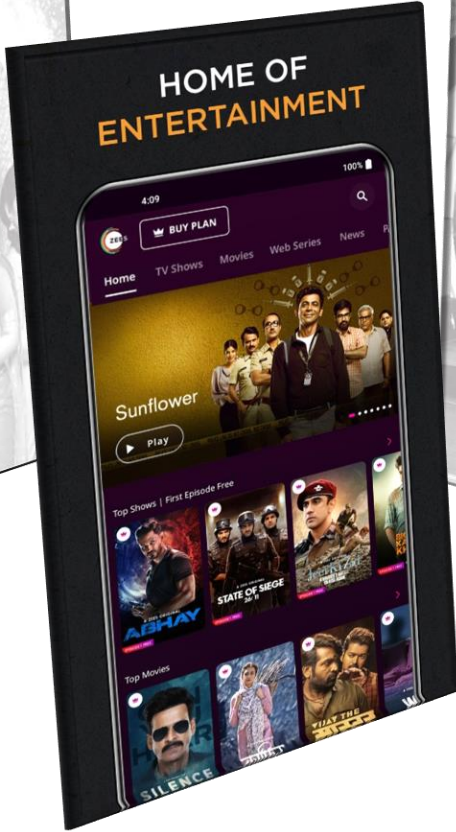
Share of South GEC and movie channels amongst all local language channels

ZEE is the leader in the movie genre with an expansive movie library across languages



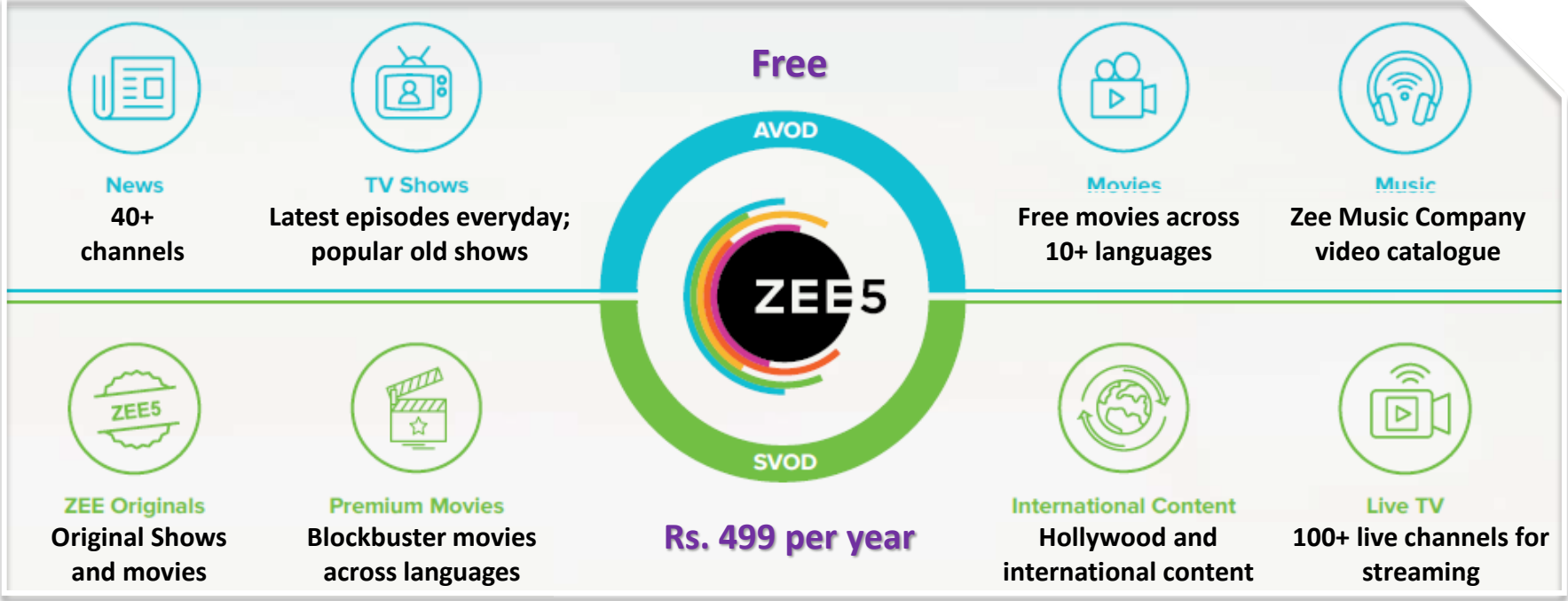
\*FY20 share dropped due to shutdown of a channel on DD FreeDish







# ZEE5's freemium model offers content for every Indian



▶ ZEE5's rich mix of originals, blockbuster movies, TV shows, music, news caters to a diverse Indian audience



# Biggest Indian original content catalogue for SVOD consumers



▶ With 200+ original shows and movies, ZEE5 is already the biggest producer of digital exclusive content in India  
ZEE5 original content is primarily targeted for the younger audience that are largely under-served on TV



# AVOD offering enables access to growing online audience

TV shows and an expansive movie library for AVOD users

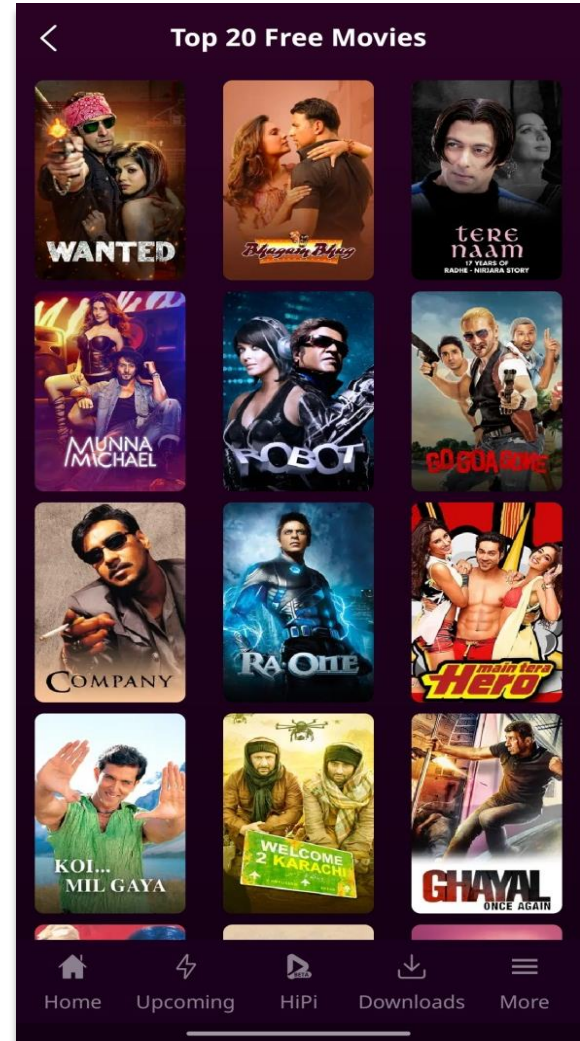


Catch-up content for TV audience

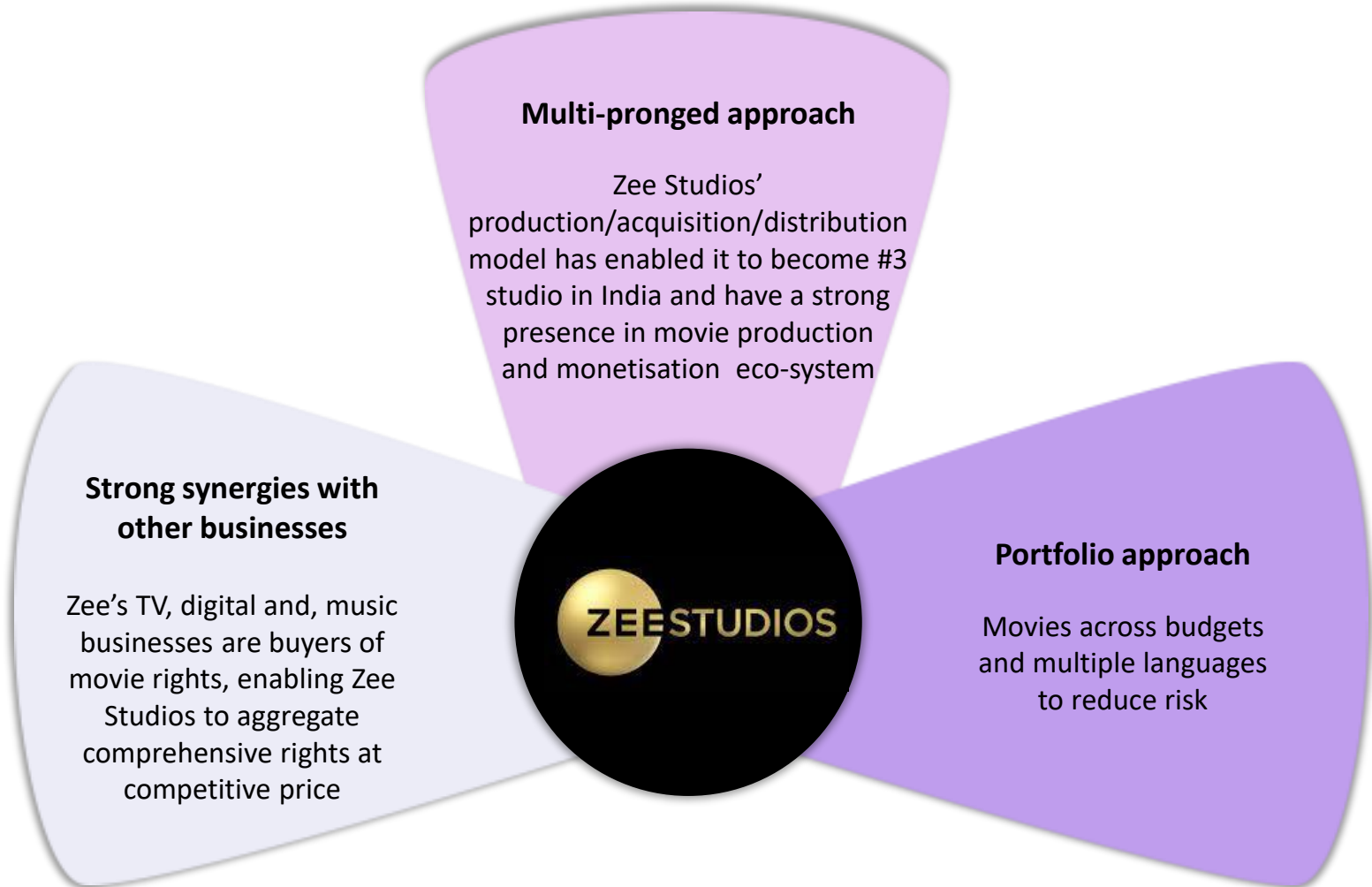
Connects with audience not ready to pay for content yet

Acts as a funnel for conversion to SVOD

Building own Ad Tech platform for better monetization







Zee Studios plans to ramp-up its movie production slate to 30-40 movies a year





# Leading movie production studio in India

**Hindi Movies**

The collage features four Hindi movie posters. At the top left is 'Gunjan Saxena: The Kargil Girl' starring Janhvi Kapoor, with the tagline 'Ladkiyan Pilot Nahin Banti' and a release date of 13th March 2020. To its right is 'Khaali Peeli' featuring a man and a woman, with the tagline 'Ladke bote hai aise level ka!!!' and a release date of 2nd Oct. Below these are 'Manikarnika: The Queen of Jhansi' and 'Mom', both featuring Alia Bhatt. A ZEEPLEX logo and the text 'WATCH EXCLUSIVELY ON' are also present.

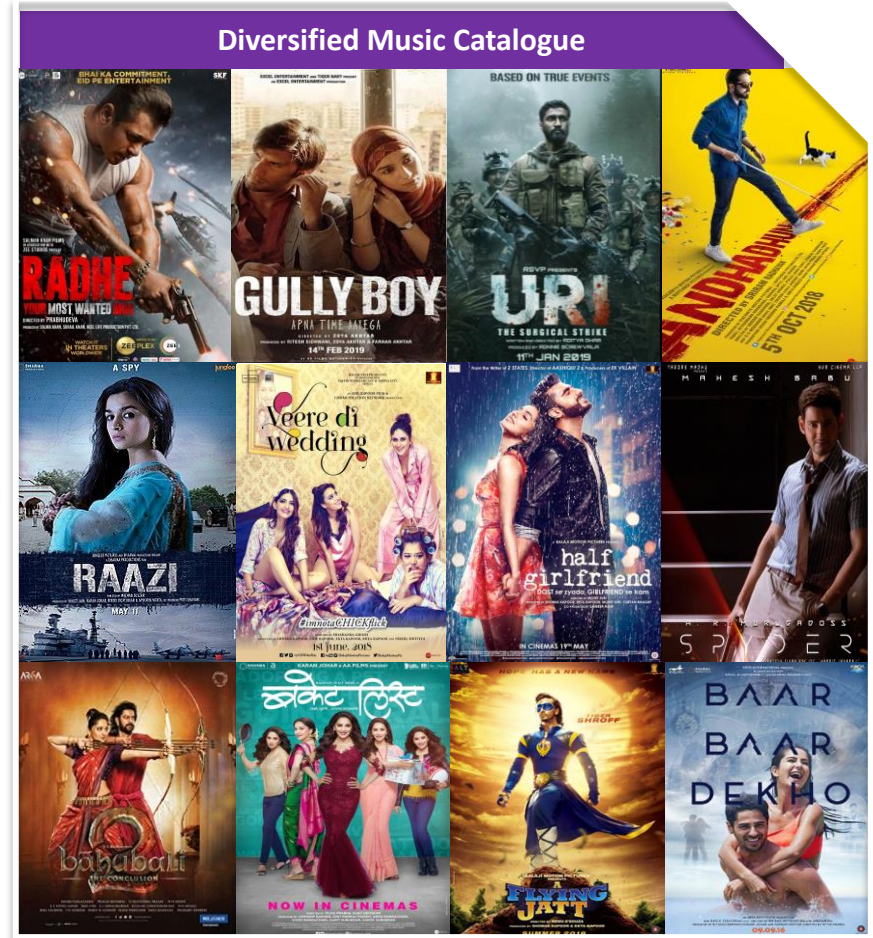
**Regional Movies**

The collage features two regional movie posters. On the left is 'Anandi Gopal', an untold love story of a rostrman 'Gopal' who fought all odds 132 years ago to make his wife 'Anandi' India's first female doctor, with a release date of 15 Feb. On the right is 'Sunkhi Bindi', presented by Zee Studios & Shri Haritash Jai Film Production, with a release date of 30 Aug. The posters show a man and a woman in traditional attire.



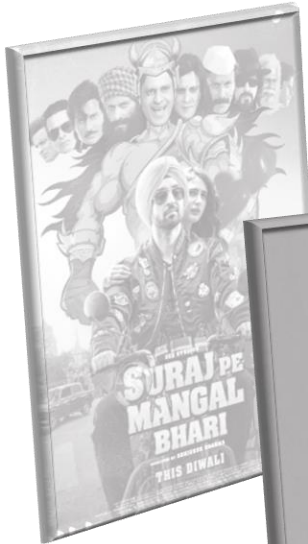
Zee Studios has established itself as one of India's leading movie production studios

# Zee Music Company – India’s fastest growing music label



Zee Music Company (ZMC) is building a strong portfolio in Hindi and regional language markets  
ZMC's Youtube channel is the 3<sup>rd</sup> most subscribed Indian channel and 2<sup>nd</sup> most subscribed music channel







# International portfolio serving diaspora and local audience

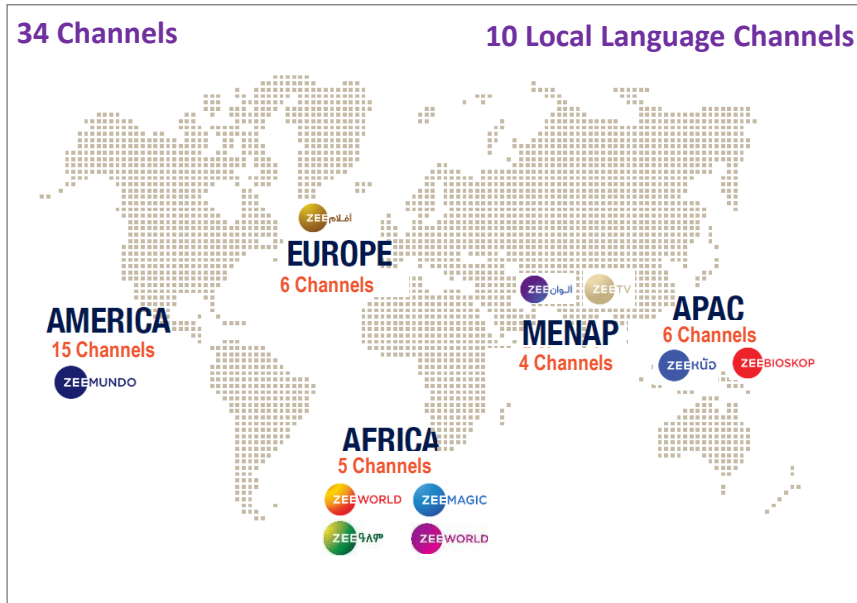
Presence in **170+** countries with a reach of **500mn+**

Serves South Asian diaspora as well as local audience in select countries

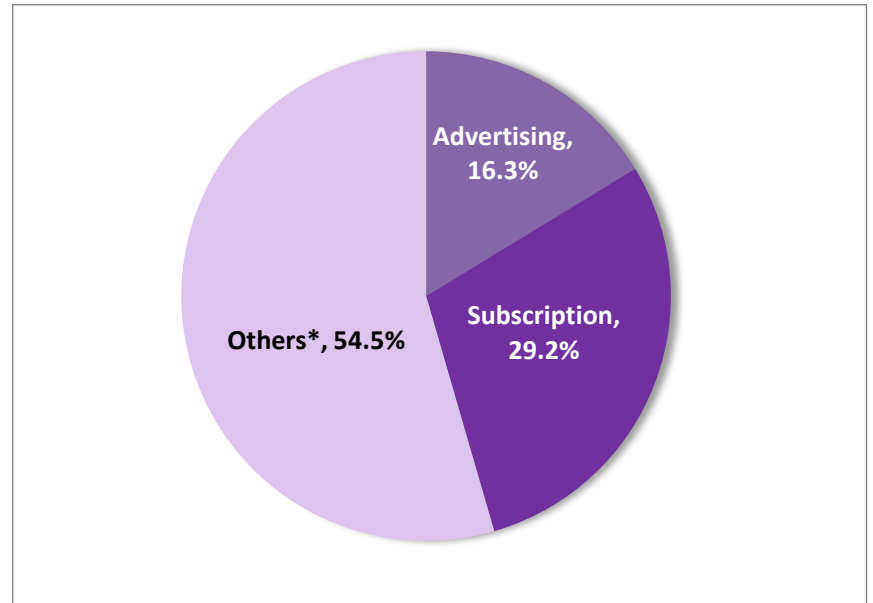
**34** international channels with **10** channels in **8** non-Indian languages

ZEE5 is ramping up its presence across global markets

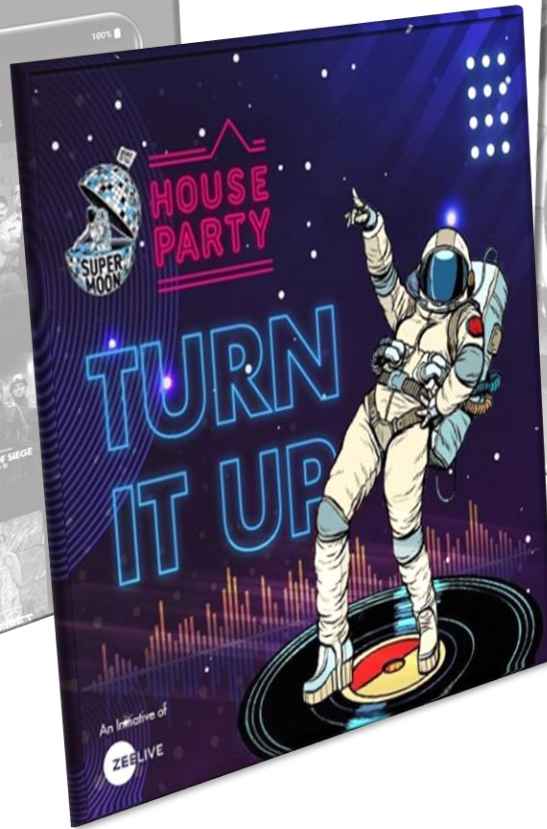
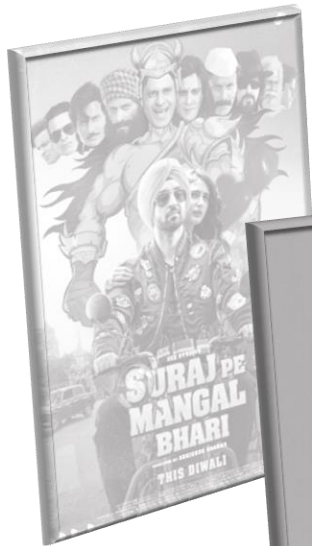
## A strong global presence



## FY21 International revenues break-up (INR 11,270\* mn)



\*Others includes syndication revenue of 5,512mn in Q3FY21



## MUSIC & COMIC



## CULTURE



## COMMUNITY



India is opening up to ticketed live events which presents a growth opportunity

Zee Live is dedicated to all forms of live entertainment including Festivals, Theatre, and Concerts

# ZEE 4.0 – All-round approach for growth in the new landscape



With five Gs at the foundation, the new philosophy is geared towards a holistic approach to content creation, monetization and growth

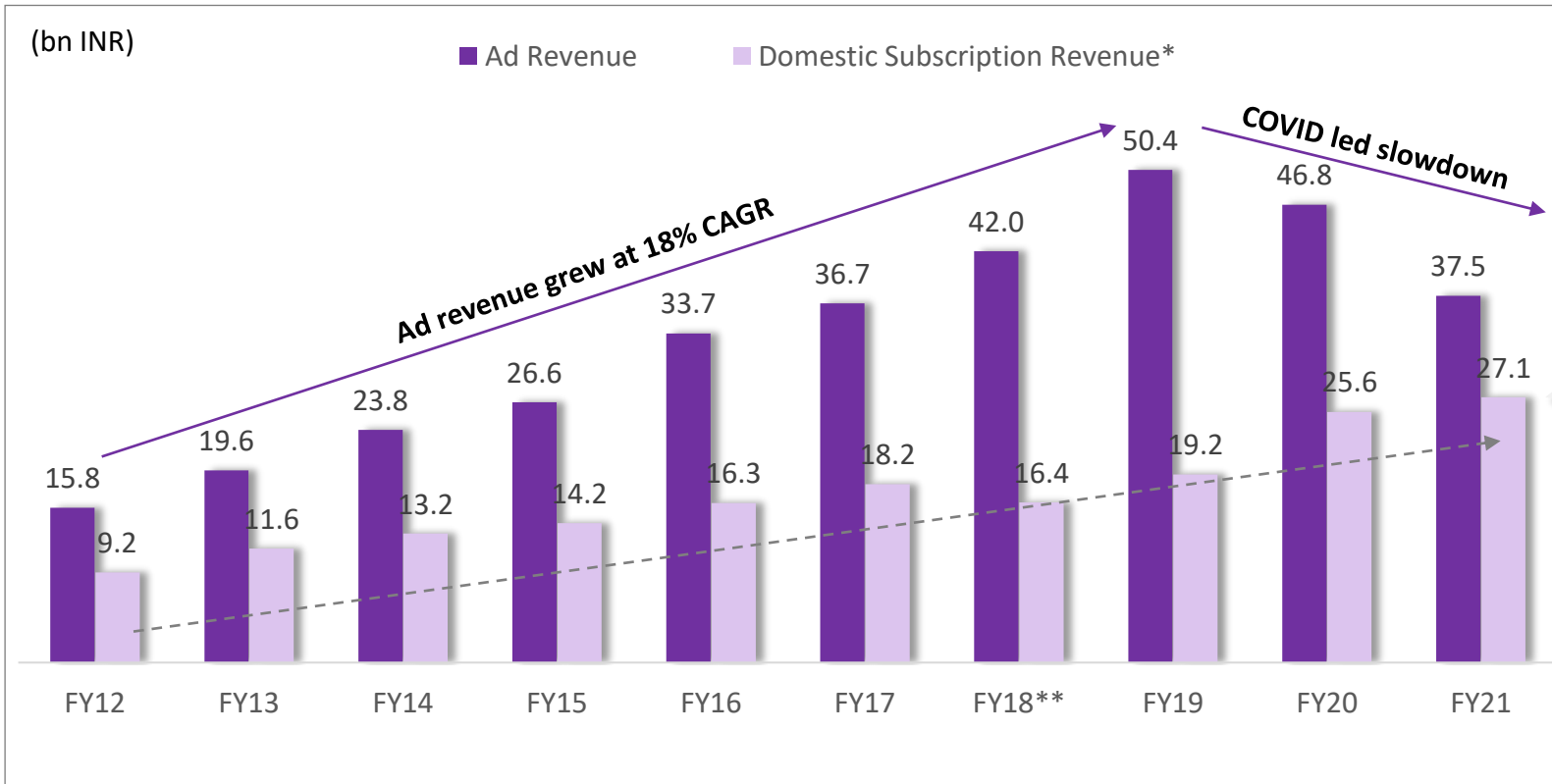






# Robust growth in advertising and subscription revenues

Industry-leading ad revenue growth for almost a decade along with a strong growth in subscription

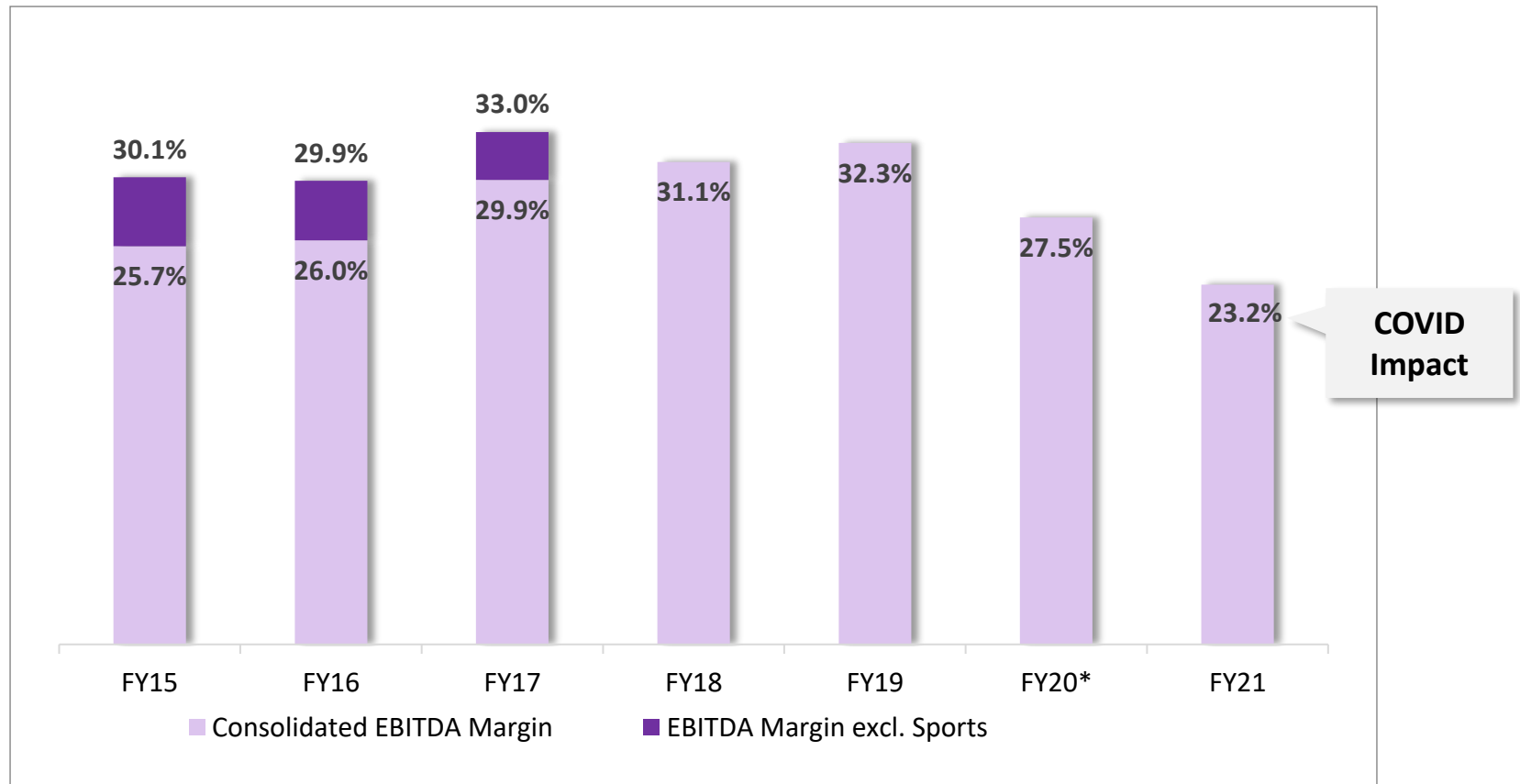


\*FY21 subscription revenue excludes music licensing income which is classified as subscription revenue from FY21

\*\* FY18 subscription revenue declined as ZEEL divested its sports business in FY17 which was primarily a subscription driven business

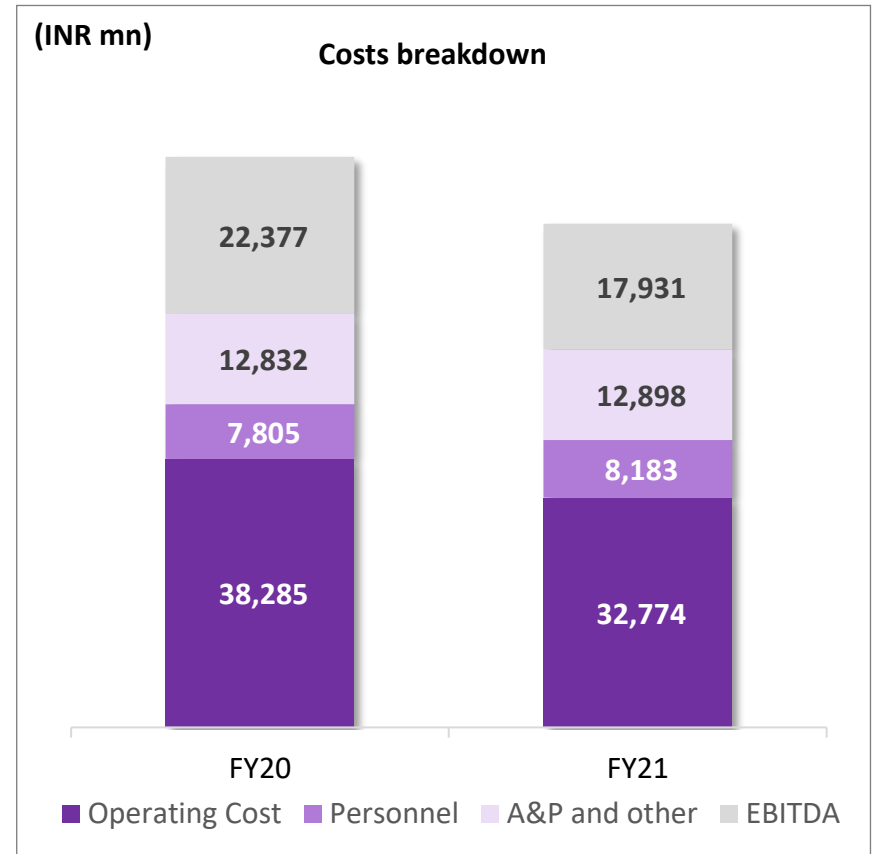
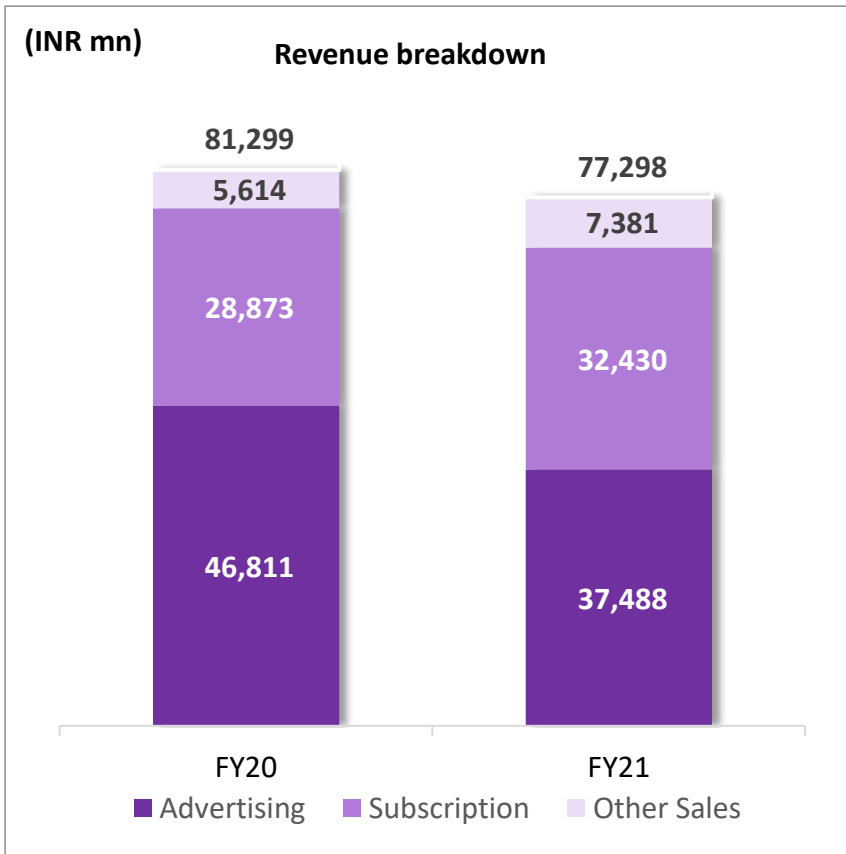
# Investments in ZEE5 to impact margins in the near term

ZEE's underlying EBITDA margins at 30%+ is amongst the best in the M&E industry



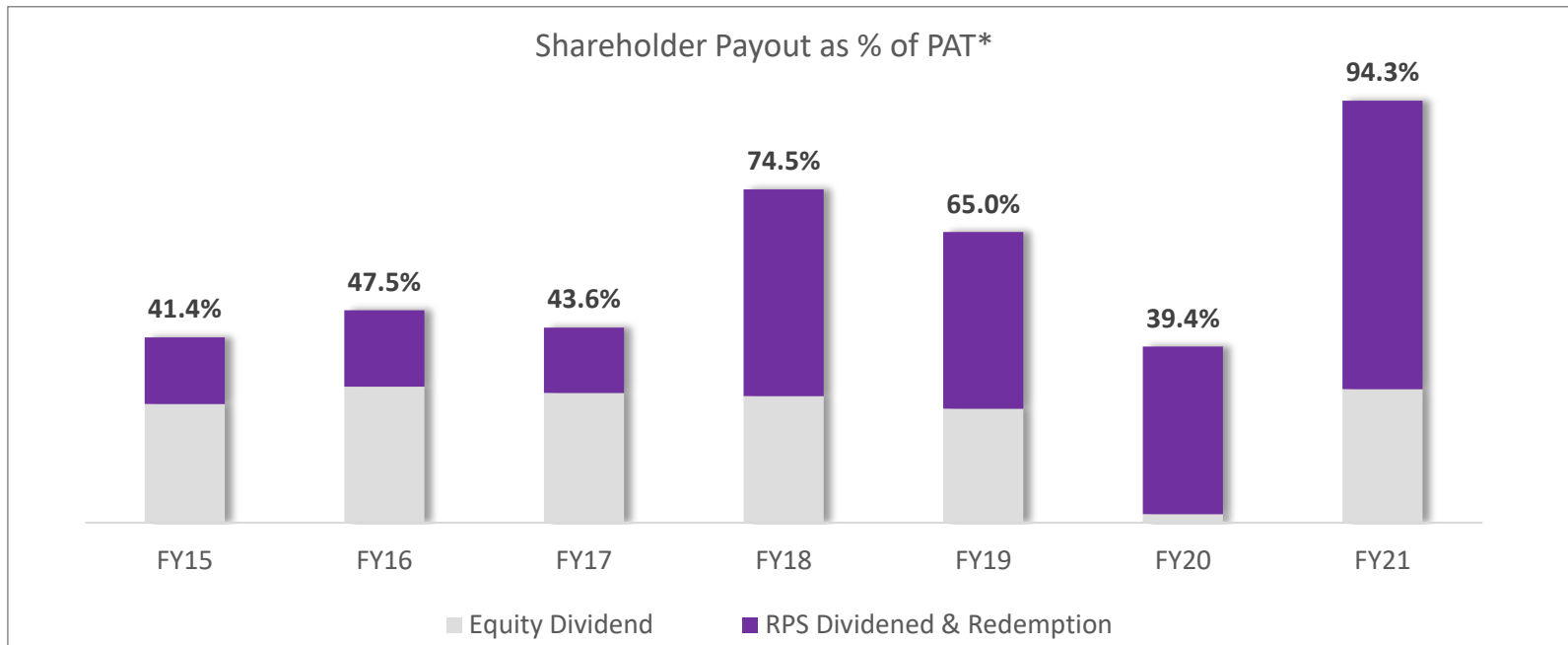
*\*FY20 consolidated EBITDA excludes one-off cost provisions due to COVID impact; ZEE divested its sports business in FY17*

# Revenues and cost breakdown



# Consistent payout to shareholders

**ZEEL's cumulative shareholder payout has been ~60% of total PAT over FY15-21**



*\*Payout calculated on PAT excluding exceptional items and non-recurring gains; Redeemable Preference Shares (RPS) worth INR 21 bn issued in 2014*



**As per Dividend policy approve by the Board, ZEEL will pay 25-30% of Consolidated profits or 33% of Standalone profits, whichever is higher**

**ZEEL has used buyback and bonus preference shares to boost payout to shareholders**



# Condensed Balance Sheet

| Assets (Rs. mn)                        | Mar'21          | Mar' 20        |
|--|-----------------|----------------|
| <b>Non-Current Assets</b>              |                 |                |
| Fixed assets                           | 12,667          | 13,979         |
| Investments                            | 316             | 478            |
| Other financial assets                 | 347             | 429            |
| Income tax & Deferred tax assets (net) | 7,380           | 6,844          |
| Others Non-Current Assets              | 227             | 90             |
| <b>Current Assets</b>                  |                 |                |
| Inventories                            | 54,030          | 53,475         |
| Cash, Loans and other investments      | 18,574          | 10,115         |
| Trade receivables                      | 19,452          | 21,286         |
| Others financial assets                | 3,418           | 3,732          |
| Other current assets                   | 11,035          | 12,804         |
| Non-current assets - Held for Sale     | 742             | 945            |
| <b>Total Assets</b>                    | <b>1,28,187</b> | <b>124,176</b> |

| Liabilities (Rs. mn)                  | Mar'21          | Mar' 20        |
|---------------------------------------|-----------------|----------------|
| Equity Capital                        | 1,01,074        | 93,549         |
| <b>Non-Current Liabilities</b>        |                 |                |
| Preference shares                     | -               | 2,975          |
| Other borrowings                      | 195             | 526            |
| Provisions                            | 1,546           | 1,405          |
| <b>Current Liabilities</b>            |                 |                |
| Trade Payables                        | 13,982          | 16,803         |
| Redeemable preference shares          | 3,832           | 2,975          |
| Other financial liabilities           | 3,498           | 2,808          |
| Other current liabilities             | 2,811           | 2,107          |
| Provisions                            | 163             | 121            |
| Income tax liabilities                | 1,085           | 906            |
| Deferred tax liabilities (net)        | -               | -              |
| <b>Total Equity &amp; Liabilities</b> | <b>1,28,187</b> | <b>124,176</b> |



**Thank You**