



Earnings Update for Q4 FY24

Zee Entertainment Enterprises Limited – 17 May 2024

Extraordinary Together

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Use of Operating Metrics: The operating metrics reported in this presentation are calculated using internal company data. While these numbers are based on what we believe to be reasonable estimates for the applicable period of measurement, there are some inherent challenges in these measurements. The methodologies used to measure these metrics are susceptible to source issues, calculation or other technical errors. We regularly review our processes for calculating these metrics, and from time to time we may discover inconsistencies in our metrics or may make adjustments to improve their accuracy, which can result in adjustments to previously disclosed metrics. In addition, our metrics will differ from estimates published by third parties due to differences in methodology.

Key Performance Highlights



Delivering growth coupled with effective cost management

Healthy Balance sheet and cash generation



6.8%

FY24 Operating Revenue growth

10.5%

FY24 EBITDA Margin

Rs 11.9Bn

Cash and Cash Equivalent
as of Mar'24

Rs 1.0

Dividend (per share) announced
by the Board of Directors

Linear business gains market share

Healthy performance in digital continues



17.1%

FY24 All India TV Network Share;
Up 30 bps YoY



24%

FY24 Revenue Growth

461 Mn

Reduction in Q4 FY24
EBITDA losses YoY;
FY24 EBITDA loss steady

89

Shows and Movies (Incl. 15
Originals) Released in FY24

3 Viewership Share: BARC, All 15+ Yrs, (U)

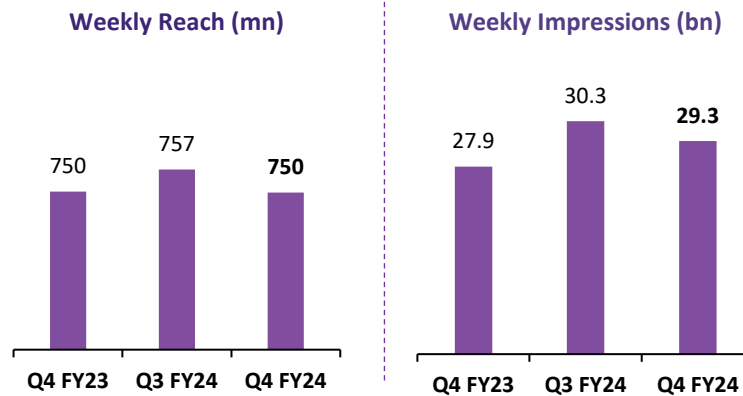


Business Performance

Domestic Linear: TV Landscape Continues to Remain Healthy; FY24 Network Market Share Up 30 bps YoY

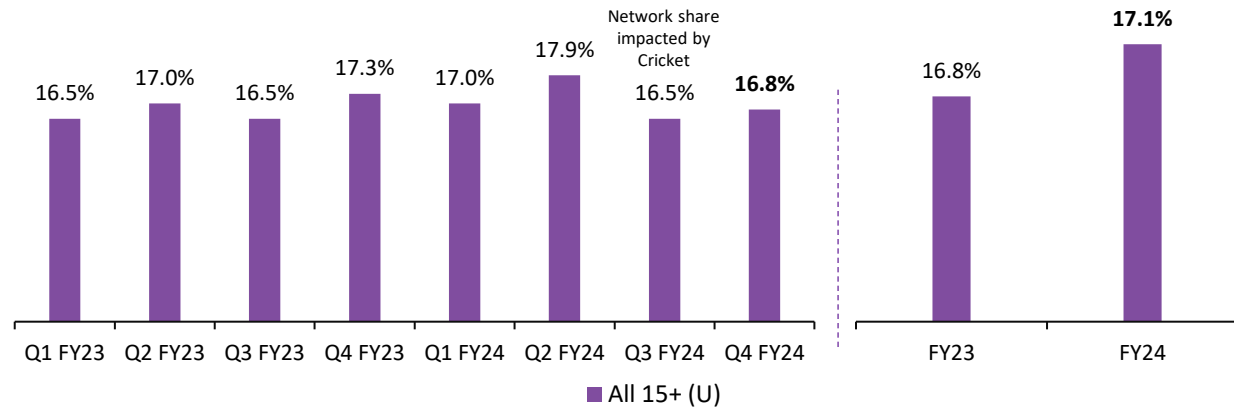
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TV Reach and Impressions



Total TV viewership improved by 5% YoY

ZEE Network Share



Key Launches in Q4 FY24



Invest & Grow



Viewership Focus:

Zee TV, Zee Marathi and Zee Tamil

Strengthen & Monetize



Monetization Focus:

Zee Kannada, Zee Bangla, Zee Sarthak, Zee Telugu & Hindi movies/ Cinema

ZEE5: Steady Growth Momentum Continues



Q4 FY24 Highlights

- 16 shows and movies released during the quarter

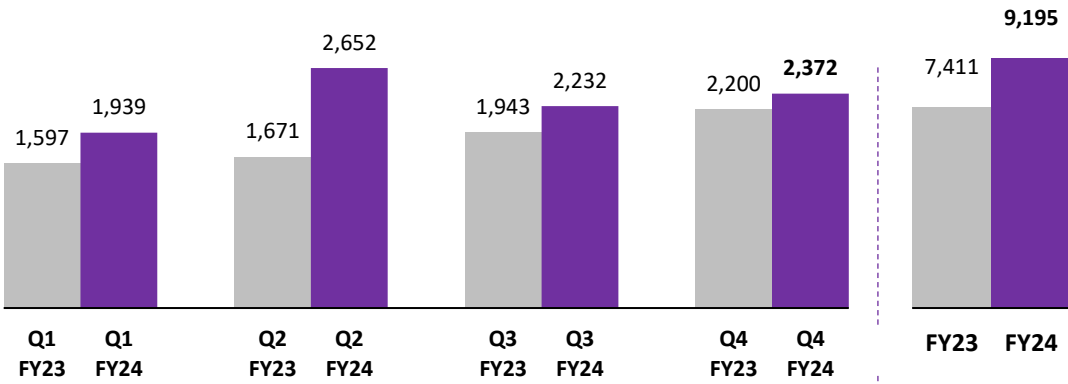
Q4 FY24 Impact Releases



Q1 FY25 Slate



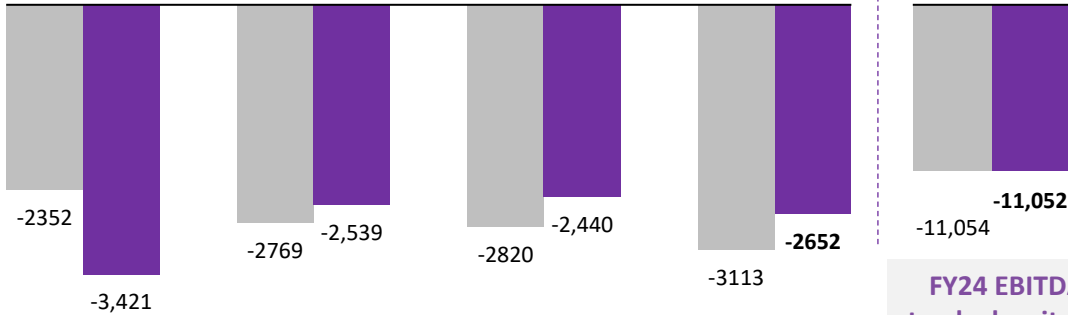
Total Revenue (Rs Mn)



FY24 revenues up 24% YoY

Q4 FY24 revenues up 8% YoY

EBITDA* (Rs Mn)



FY24 EBITDA loss steady despite step up in investment across content, marketing and technology

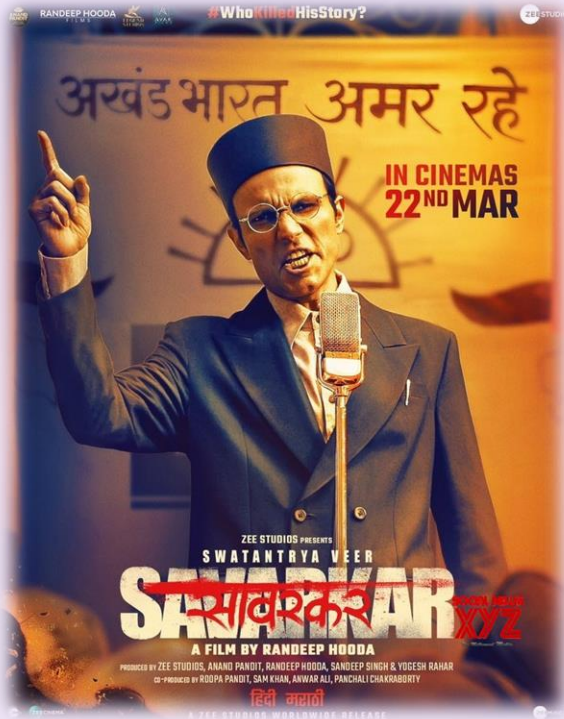
6 *EBITDA loss excludes costs incurred by the business on ZEEL network; ZEE5 Revenue and EBITDA includes Zee's other digital businesses

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ZEE Studio: 1 Hindi and 1 Other Language Movies Released During Q4 FY24

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Hindi
Movies



Distributed by
ZEE Studio

Other
Language
Movies



Produced by
ZEE Studio

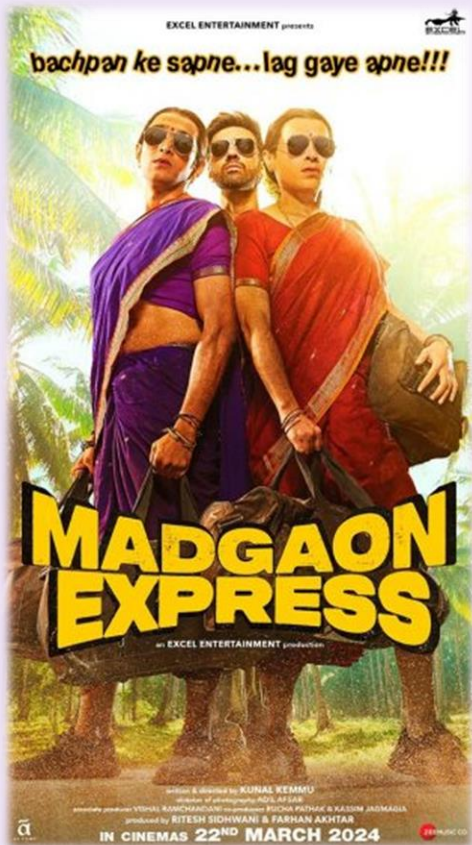
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Zee Music Company (ZMC)

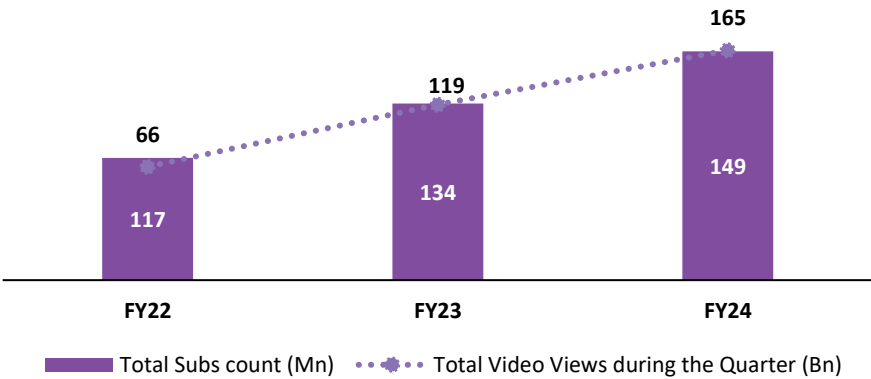
2nd Largest Music Label with ~149 Mn Subscribers on YouTube



Q4 FY24 Key Catalogue Additions



All ZMC YouTube Channels Video Views & Subscribers Count



Zee Music company added 15.8 Mn subscribers during the year on back of new acquisition and catalogue

Rights Acquired in FY24	Hindi	Other Languages	Singles / Albums
	71	78	943

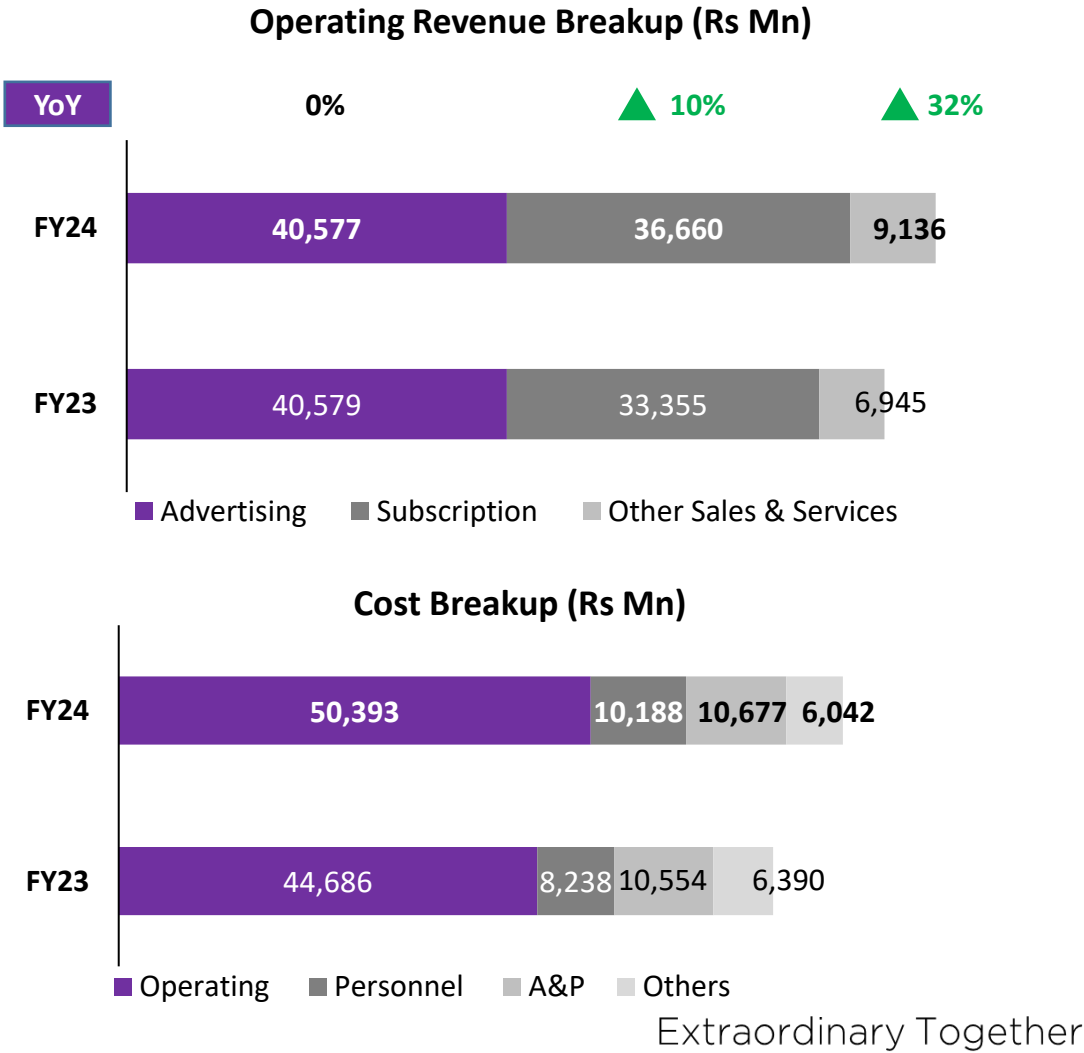


FY24 & Q4 FY24 Financial Performance

FY24 Revenue Growth of 6.8% Driven by Subscription Revenue and Other Sales & Services, EBITDA Margin Impacted by Investments in Content & Technology



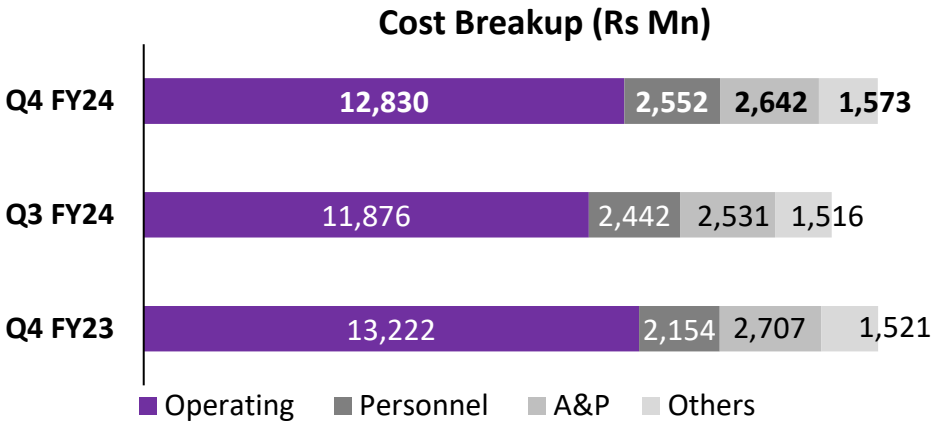
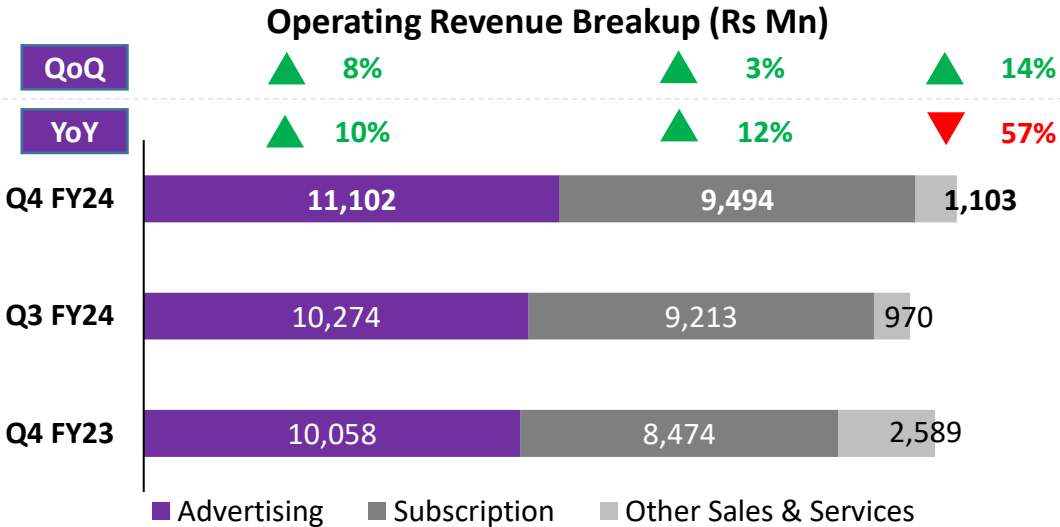
(INR Million)	FY23	FY24	YoY
Operating Revenue	80,879	86,372	6.8%
Expenditure	-69,868	-77,301	10.6%
EBITDA	11,011	9,071	-17.6%
EBITDA Margin	13.6%	10.5%	
Other Income	797	1,293	
Depreciation	-3,128	-3,091	
Finance cost	-702	-721	
Fair value through P&L	58	38	
Exceptional Items/ JV & Associate	-3,356	-2,780	
Profit Before Tax (PBT) from continuing operations	4,681	3,811	-18.6%
Provision for Tax	-2,167	-1,818	
Profit after Tax (PAT) from continuing operations	2,514	1,993	-20.7%
Profit from discontinuing operations	-2,036	-578	
Profit for the period/year	478	1,414	195.9%



Q4 FY24 Growth in Ad Revenue led by FMCG; EBITDA Margin aided by Effective Cost Management & Operating Leverage



(INR Million)	Q4 FY23	Q3 FY24	Q4 FY24	QoQ	YoY
Operating Revenue	21,121	20,457	21,699	6.1%	2.7%
Expenditure	-19,604	-18,365	-19,597	6.7%	0.0%
EBITDA	1,517	2,092	2,103	0.5%	38.6%
EBITDA Margin	7.2%	10.2%	9.7%		
Other Income	142	277	154		
Depreciation	-833	-761	-772		
Finance cost	-396	-183	-69		
Fair value through P&L	0	0	0		
Exceptional Items/ JV & Associate	-899	-602	-276		
Profit Before Tax (PBT) from continuing operations	-469	821	1,140	38.8%	
Provision for Tax	260	288	1,018		
Profit after Tax (PAT) from continuing operations	-729	533	122	-77.2%	
Profit from discontinuing operations	-1,231	52	12		
Profit for the period/year	-1,960	585	134	-77.2%	



Q4 FY24: Improving Advertising Environment



Advertising revenues	➤ Domestic advertising revenue for the quarter grew by 10.6% YoY driven by the continued recovery in macro advertising environment and spending pickup by FMCG clients
Subscription revenues	➤ Subscription revenue growth driven by pick up in Linear subscription revenue post NTO 3.0 & ZEE5.
Other Sales & Services revenues	➤ Other sales and services revenue YoY down 57% due to fewer movie releases and syndication during the quarter.
Operating cost	➤ Programming and Technology cost declined YoY; ➤ QoQ Programming cost increased primarily due to sports
A&P and Other expenses	➤ A&P and other expense remain flat YoY
EBITDA	➤ EBITDA for the quarter came at Rs 2,103 Mn; ➤ Q4 FY24 Margin at 9.7%;
International revenue break-up	➤ Q4 FY24 Advertising revenue : Rs 442 Mn, Subscription revenue : Rs 1,020 Mn, Other Sales & Services : Rs 264 Mn

Condensed Balance Sheet

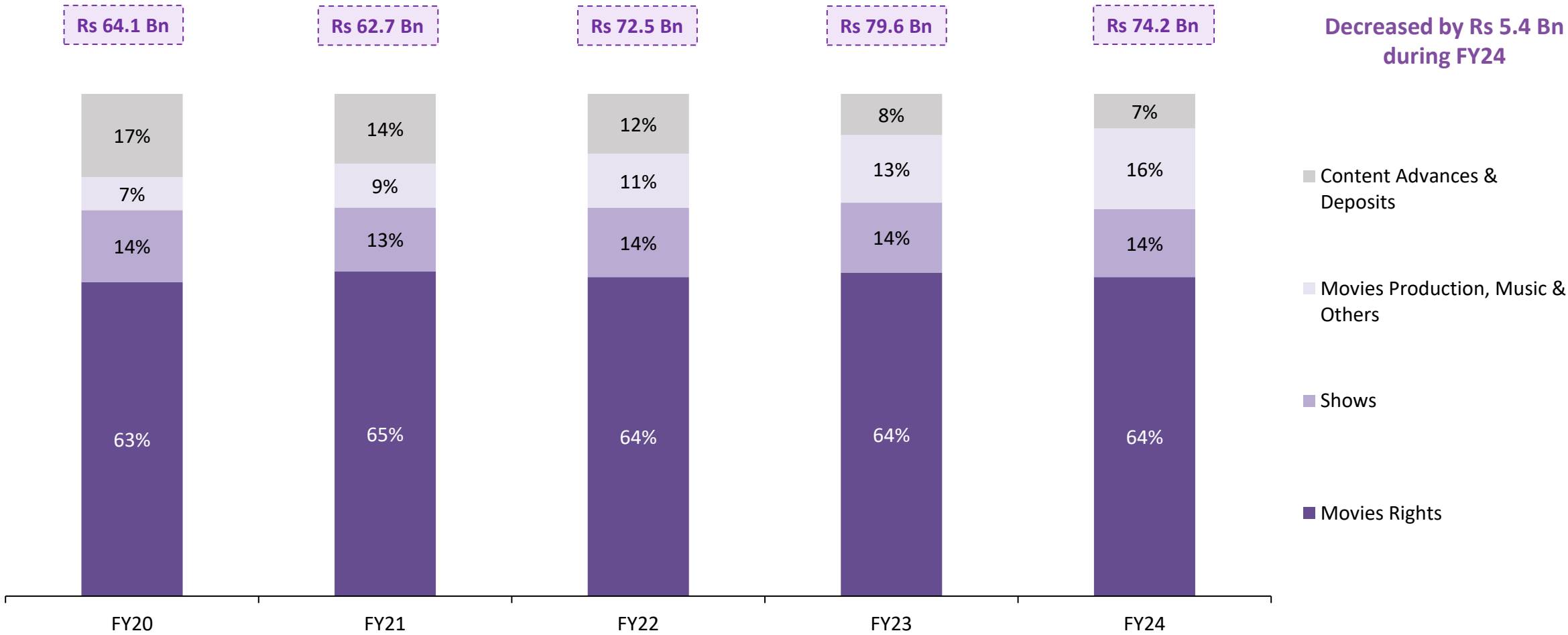
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Assets (Rs. Mn)	Mar'23	Mar'24
Non-Current Assets		
Fixed assets	13,789	12,136
Investments	349	390
Other financial assets	589	603
Income tax & Deferred tax assets	8,496	9,024
Others Non-Current Assets	143	65
Current Assets		
Inventories	73,079	69,129
Cash and other investments	8,040	11,932
Trade receivables	16,088	17,016
Others financial assets	3,634	3,630
Other current assets	11,433	9,725
Non-current assets - HFS	1,645	846
Total Assets	1,37,284	1,34,497

Liabilities (Rs. Mn)	Mar'23	Mar'24
Equity Capital	1,07,219	1,08,729
Non-Current Liabilities		
Lease Liab/Other borrowings	2,167	1,622
Provisions	1,362	1,671
Current Liabilities		
Lease Liab/Other borrowings	653	682
Trade Payables	17,494	14,355
Other financial liabilities	4,247	2,816
Other current liabilities	3,690	4,421
Provisions	135	172
Income tax liabilities	103	12
Liabilities associated with assets- HFS	213	18
Total Equity & Liabilities	1,37,284	1,34,497

*The cash & treasury investments of the company as of Mar'24 stood at Rs 11,932 Mn, including Cash balance of Rs 5,752 Mn and FDs of Rs 6,180 Mn

Content Inventory, Advances and Deposits Declined in FY24 Driven by Optimised Acquisition and Movie releases



ZEEL Revenue Growth & Profitability Outlook



Significant work already underway to implement identified margin improvement interventions across the business. Based on these efforts, our visibility and confidence on performance enhancement plan has further improved.

Q1 FY25

- Will see most of one-time higher costs towards implementing the interventions, offsetting underlying operating performance improvements and causing softness on margins

**From
Q2 FY25**

- Gradual margin improvement to kick in
- FY25 margins to be meaningfully better than FY24

FY26

- Aspire to deliver industry-leading 18-20% EBITDA margin





THANK YOU