



Investor Presentation

Zee Entertainment Enterprises Limited – November 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.

Content

M&E Industry Opportunity

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ZEE's Business

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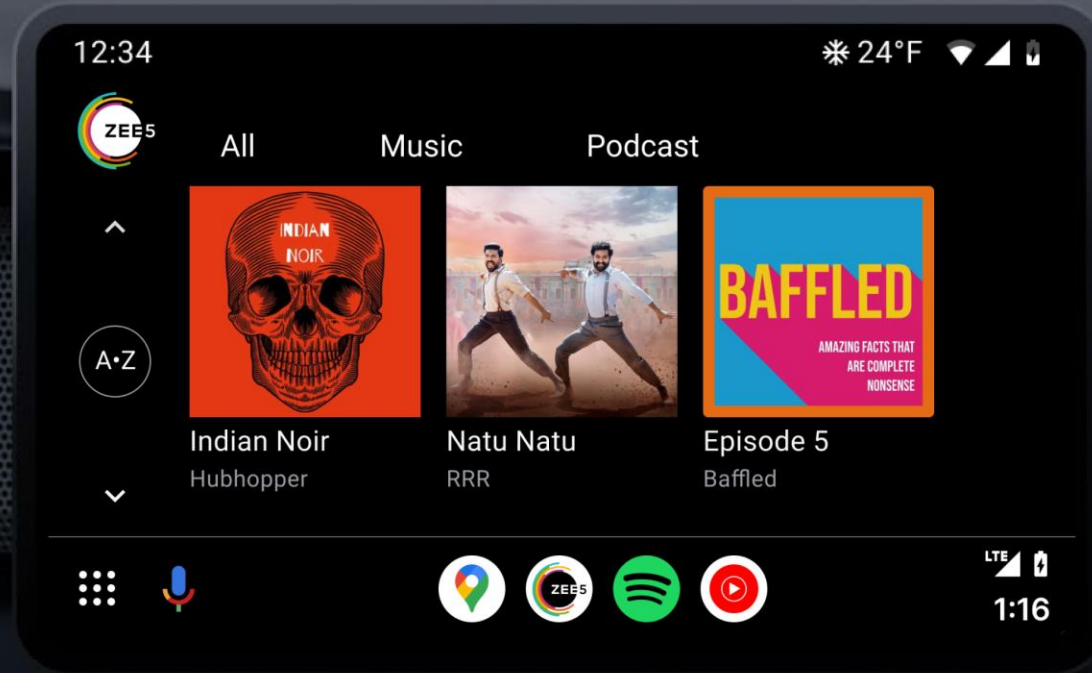
Financial History & Road Ahead

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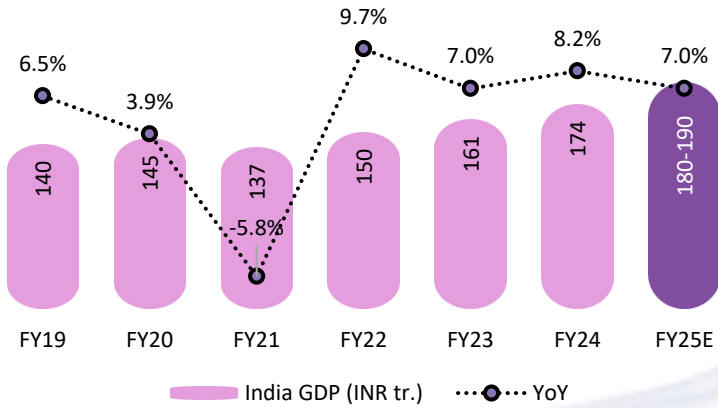
Growth Strategy

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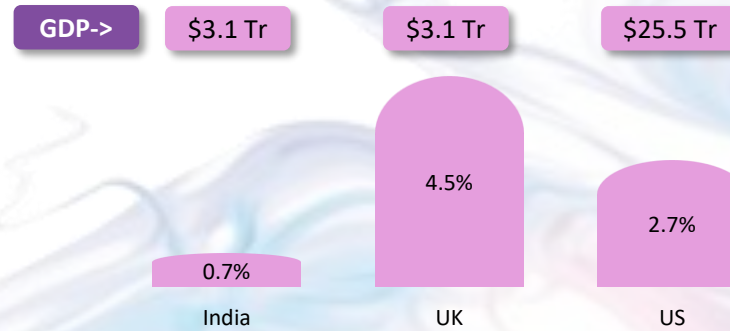
M&E Industry Opportunity



India: Robust GDP Growth

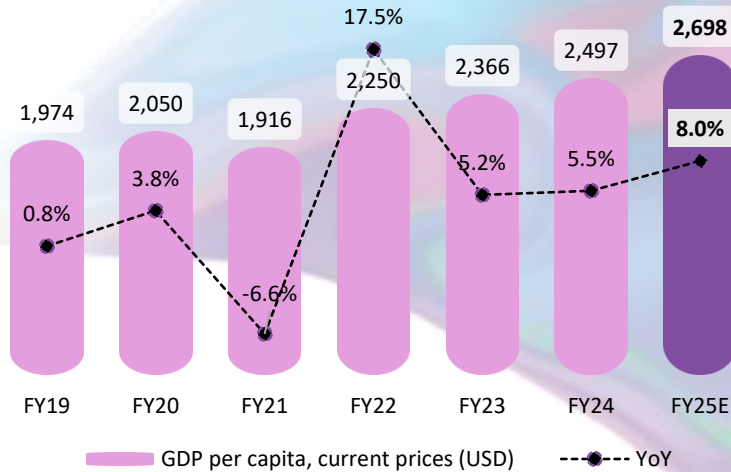


M&E industry's revenue as % of GDP (2022)

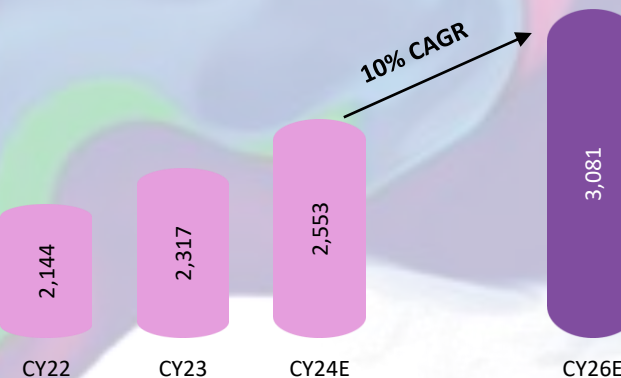


- India is 5th largest and fastest growing economy with over 1.4 billion people
- India's M&E industry has significant headroom for growth given rising income levels and relatively lower spending compared to global norm
- Rising middle class population in India would promote growth in Indian M&E industry
- Indian demographic changing: Increasing affluence¹ (>25% HH by 2050) along with higher media consumption in Tier 2, 3 cities
- India M&E industry is expected to grow at a healthy pace of 10% CAGR till CY26E.

India: Increasing Per Capita GDP



India: M&E Industry Revenue (Rs Bn)



This changing shape of the Media and Entertainment market ...

... presents numerous opportunities to media companies



High demand for relevant local language content across platforms



TV & OTT “additive” consumption phenomena



Different consumption patterns across TV & OTT



Consumer funding will continue to be prominent



Exit of international studios from the Indian market



Fast growth gaming market penetrating beyond kids



Shaping local language markets & consumer behavior



Network effect–TV & OTT interplay



Focused investments in OTT & UGC



Strengthening Direct-to-Consumer & IP offerings



Scope for movie growth path



Explore new frontiers in adjacencies

Creating the Content ...

- **260K+ hours** of content created in 11+ Indian languages
- **490+ hours** of fresh content **every week**
- ZEE **owns all original content and IP**
- Several strategically aligned business support content creation



- Content Production (Film, TV & Digital) and distribution arm of ZEE
- Over 20 Movies & Web Series released in FY24 across 6 languages



- One of the Fastest growing music label of the country with presence in 20+ languages
- Partnerships with major movie studios & distribution partners

And Monetizing it...



- One of the leading entertainment network in India with a market share of 17.4%* in Q2 FY25
- Offered in 11 languages across 50 channels



- Presence in over 190 countries
- International Broadcast has reach of ~470mm viewers
- 40+ international channels; focusing on providing content for local audiences in across geographies

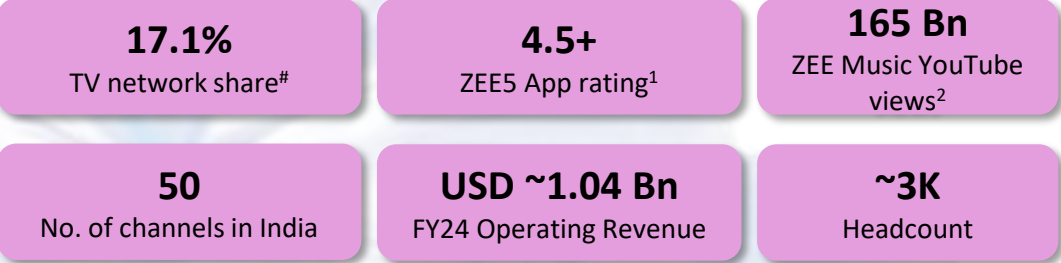


- Our OTT Platform offers over 3,600+ films/movies, 1,600+ TV shows, 300+ originals and 5 lakhs+ hours of on-demand content across 12 languages
- ZEE5 recorded strong engagement in FY 2023-24 continues, with around 100 billion streaming minutes

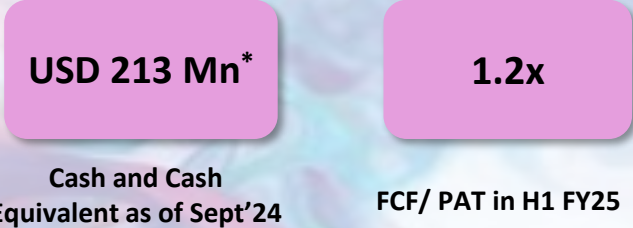


- 1 A diversified media and entertainment (M&E) platform with wide array of content offerings for viewers across segments
- 2 Well positioned to capitalize on high growth India M&E market with demonstrated history of quality content and experienced management team
- 3 One of the leading OTT services provider with strong presence in rapidly growing digital media space
- 4 Compete effectively for advertisers and viewers in the dynamic and competitive TV market being one of the leading TV networks in India
- 5 Strong synergies across businesses - Build a holistic reach, distribution and monetization strategy across TV, OTT and Studio businesses to emerge as a leader in a changing market landscape
- 6 Healthy Balance Sheet, proven track record of profitable growth, and further enhance cost leadership to drive growth

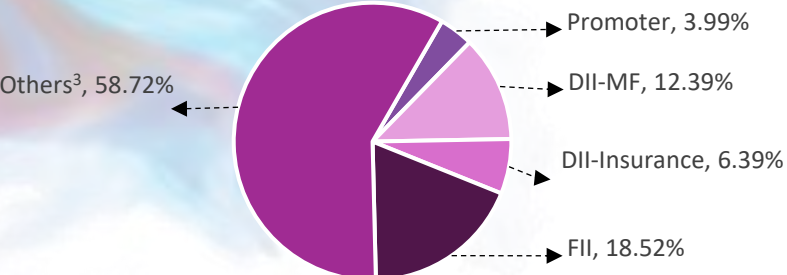
Key Headline KPIs



Healthy Balance sheet and cash generation



Shareholding Pattern Sept'24



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8 Note: 1: App Rating on Android Play store and iOS App store; 2: Across all ZEE Music Company (ZMC) channels in FY24; 3: Others: includes AIF, Domestic co, Body Corp, Govt co, Retail, Foreign Nationals/Entity
 # Source: BARC All 15+ (U); * Cash and cash eq. includes Rs 2 Bn proceeds from first tranche of FCCB
 USDINR: 82.78 in FY24 & 83.79 as on 30th Sept'24



ZEE's Business

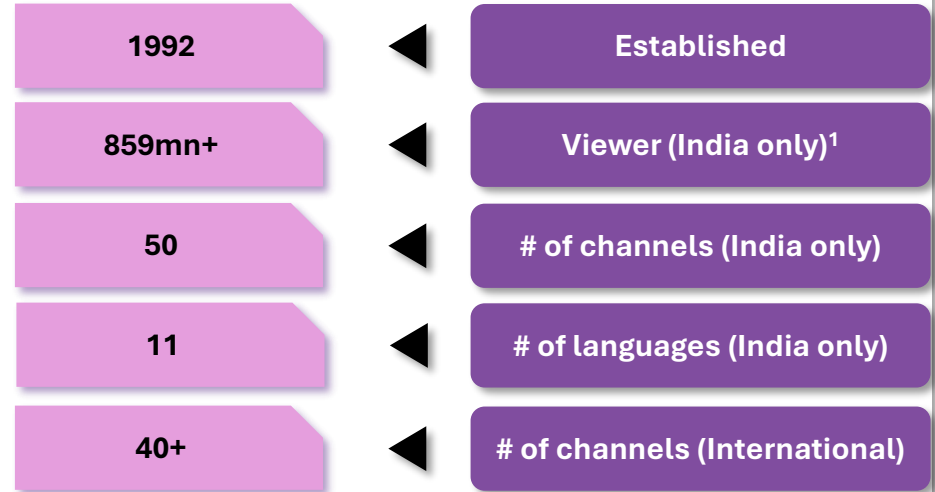
From giving India its first private satellite TV channel in 1992, to reaching 1.3 billion viewers around the world through linear and digital platforms. ZEE, today, is the global entertainment go-to, with an integrated team creating and serving extraordinary content.

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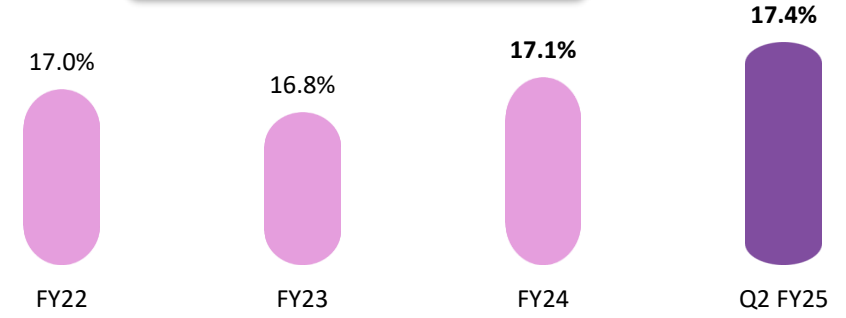


Customer Offerings Through its vast Portfolios

- Focus on family audience
- Balanced focus on localized content
- Strong fiction-based entertainment content
- Broad regional presence with vernacular content
- Strong global reach



Viewership share²



More than 30 years in India M&E Industry



ZEE5 has a compelling content slate:
 500k+ hours of on-demand content
 300+ Original Shows & Movies

Launch year

2018

On Demand Content (Hrs)

500k+

Languages

12

App Rating²

4.5+

FY24 Digital Revenue¹

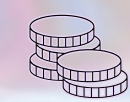
Rs 9,195 Mn

29%

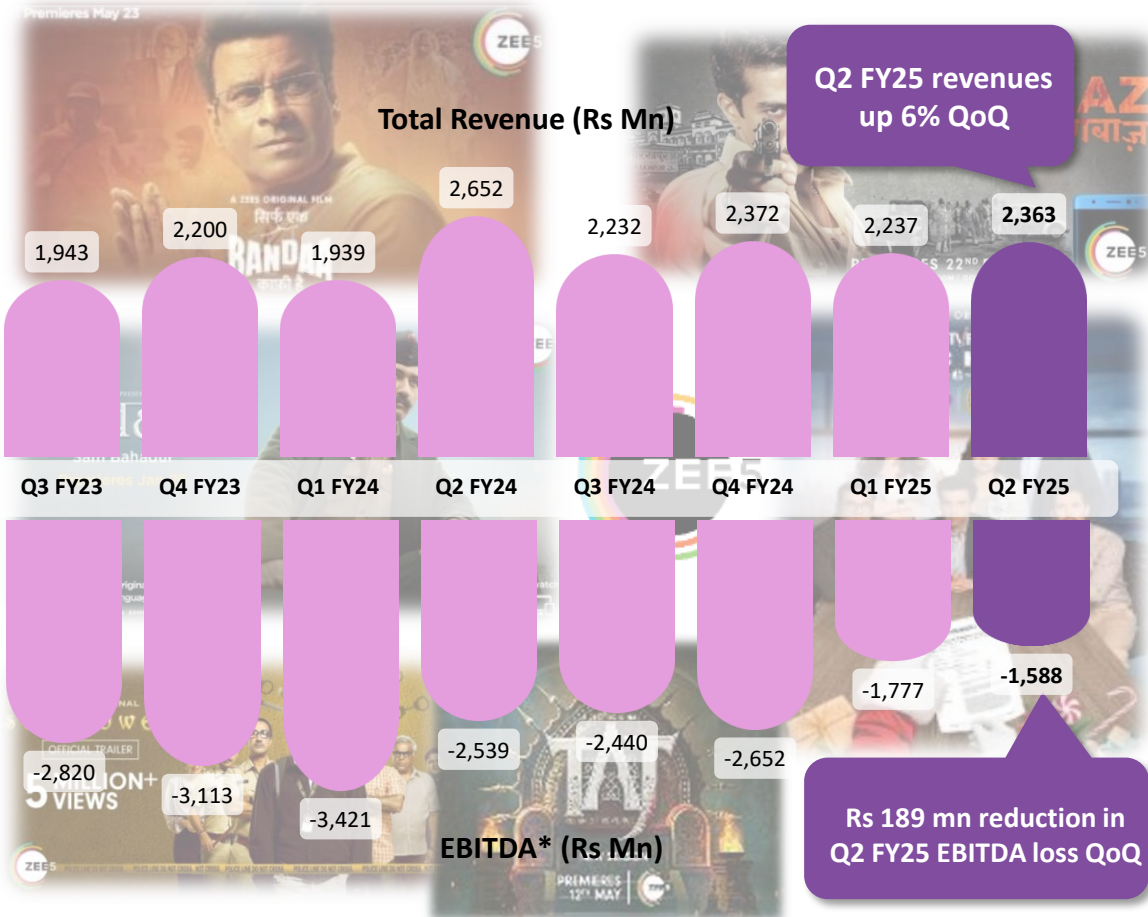
3-year Revenue CAGR

FY24 Digital EBITDA Loss¹

Rs 11,052 Mn



Investments have been peaked
 Journey towards reduction in EBITDA losses has begun



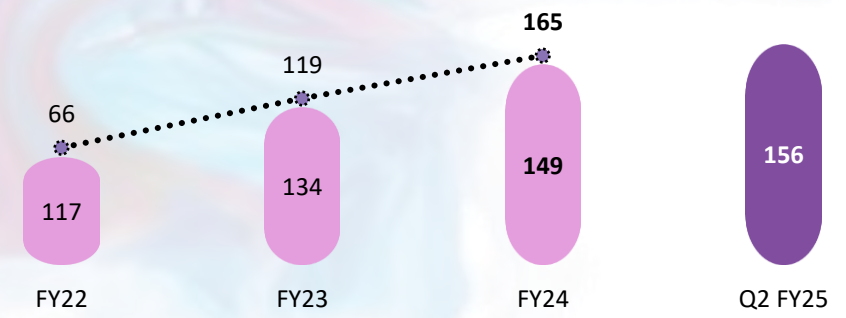
1. EBITDA loss excludes costs incurred by the business on ZEEL network; ZEE5 Revenue and EBITDA includes Zee's other digital businesses
 2. Google Play Store & iOS app Store



ZMC is well positioned to capitalise the growing opportunity

- More than 14,000 hours of music content
- Over 156 Mn Subscribers on YouTube*
- New age catalogue enabling higher consumption
- Diversified library and new acquisition across Hindi, other languages and singles / albums
- Supports new talent by way of its production of non-film music under the 'ZEE Music Originals' brand name.
- Strong track record of acquiring new Hindi movies title

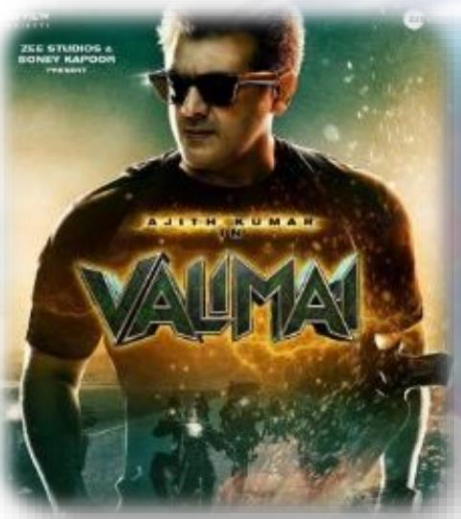
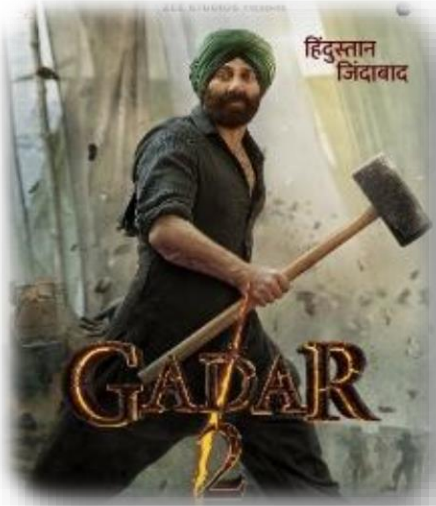
All ZMC YouTube Channels Video Views & Subscribers Count



■ Total Subs count (Mn) ●●● Total Video Views during the year (Bn)

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* Across all Zee Music Channels in Q2 FY25



Strong synergies with other businesses

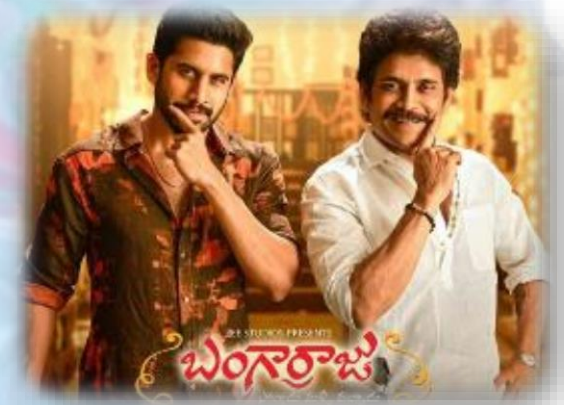
ZEE's Linear, digital and, music businesses are buyers of movie rights, enabling the movies business to aggregate comprehensive rights at competitive price

Multi-pronged approach

Production/Acquisition/Distribution model has enabled it to become one of the leading studio in India and have a strong presence in movie production and monetisation eco-system

Portfolio approach

Movies across budgets and multiple languages to reduce risk



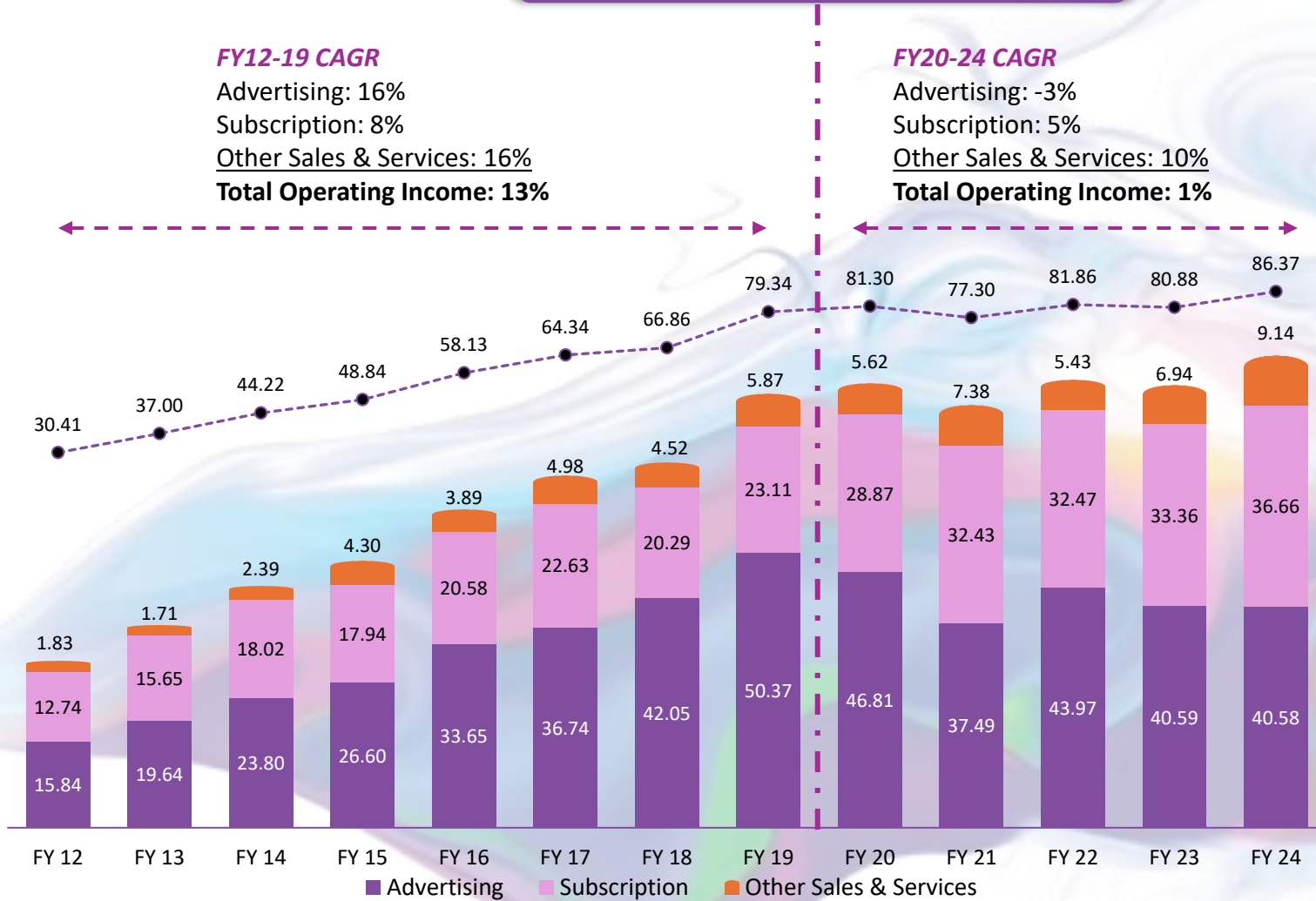
The only Studio from India to premiere 3 films at 3 different leading film festivals in the world in same calendar year.



**Financial History
&
Road Ahead**

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Operating Income (in ₹ Bn)



FY12-19 CAGR

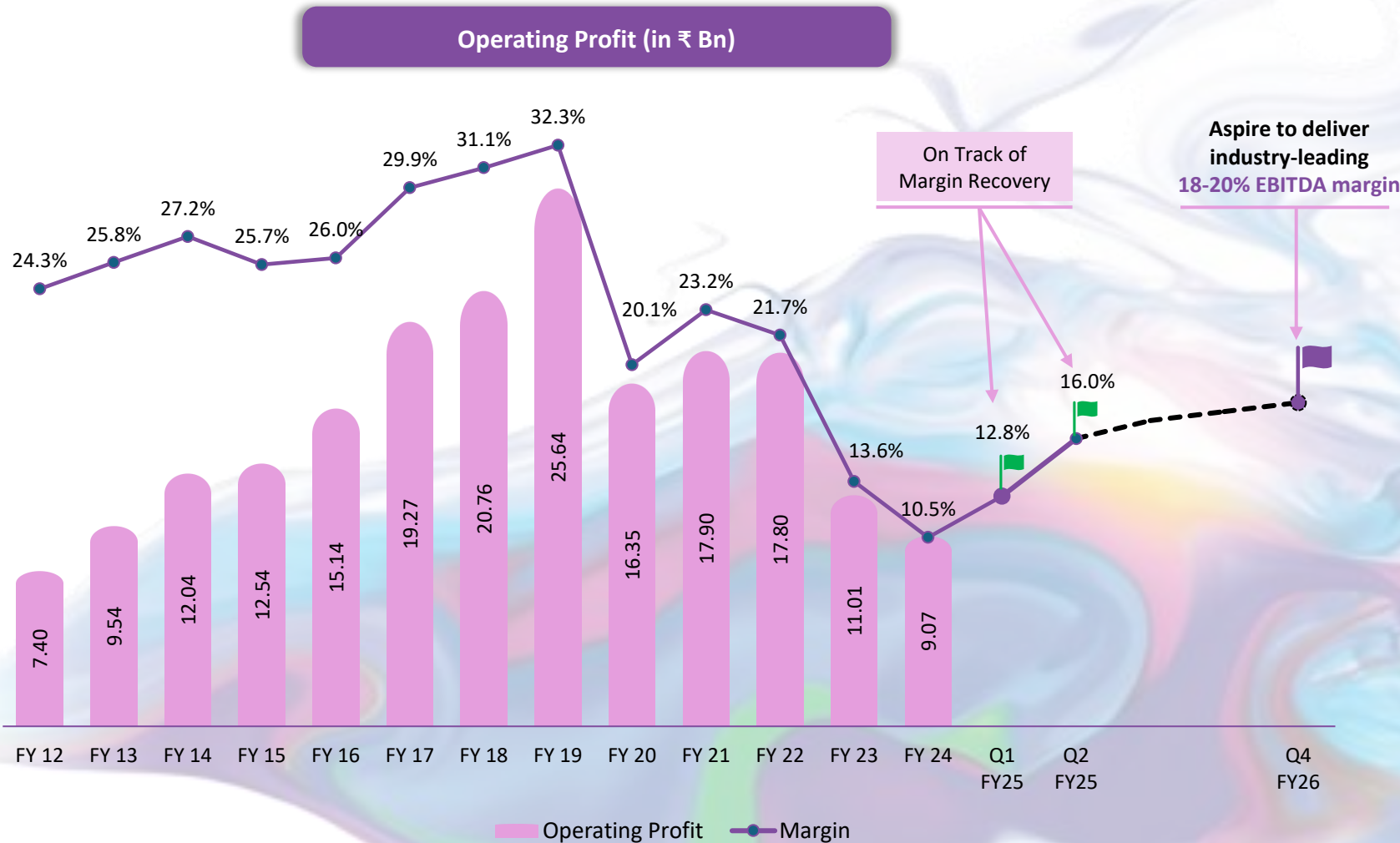
Advertising: 16%
 Subscription: 8%
 Other Sales & Services: 16%
Total Operating Income: 13%

FY20-24 CAGR

Advertising: -3%
 Subscription: 5%
 Other Sales & Services: 10%
Total Operating Income: 1%

...Last few year has been impacted by

- Slowdown in Ad Spending
 - Covid 19 Pandemic
 - Consumption slowdown impacting FMCG Ad spends
 - Slow down in new age companies spending with crunch for funding
- Trading near term revenue for longer term strategic
 - Exit From DDFree Dish (ZEE Anmol)
- Delay in implementation of NTO 3.0 had stagnated subscription revenues
- Significant investments in Digital Business (ZEE5) towards content, marketing and technology
- Merger related distraction



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

- Prudent investments with optimum cost structures
- Build synergies to core business and be a leader in new business models
- Reduction in Digital Losses

Our aspiration

Progress we have made

Revenue growth



Target **8-10% overall revenue CAGR** with current portfolio

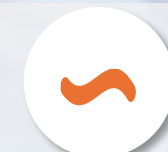
Subscription Revenue

- YoY growth has **exceeded 9% YoY** in last 3 quarters



Advertising Revenue

- Macro Ad **environment softness** has restrained our ability to drive advertising revenue growth
- Ad revenue **performance remains ahead of comparable industry peers**
- **Strengthened competitive positioning with 60 bps network viewership share gain** in last two-quarters and well positioned to capitalise on Ad spends recovery



Our aspiration

Progress we have made

Profitability

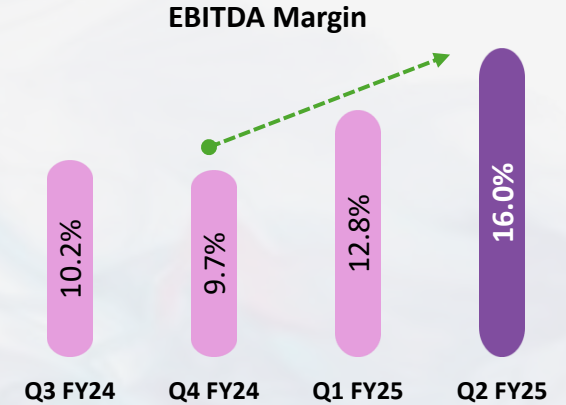
Aspire to deliver industry-leading 18-20% EBITDA margin by Q4 FY26



Overall Business



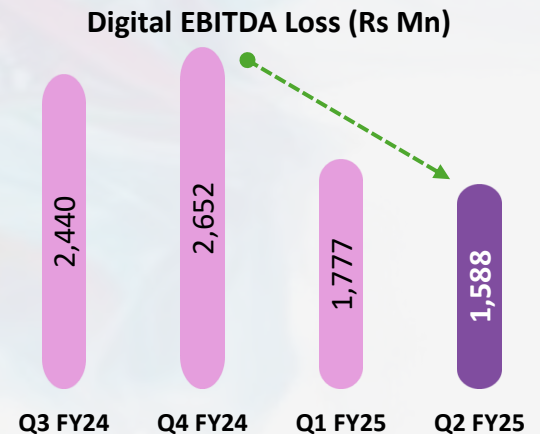
- Prudent cost discipline and focused execution has enabled us to clock 630 bps improvement in EBITDA margins in a challenging macro environment



Digital Business



- Significant progress has been made towards achieving a balanced cost structure, to sustain long-term growth in ZEE5



Our aspiration

Progress we have made

Balance Sheet

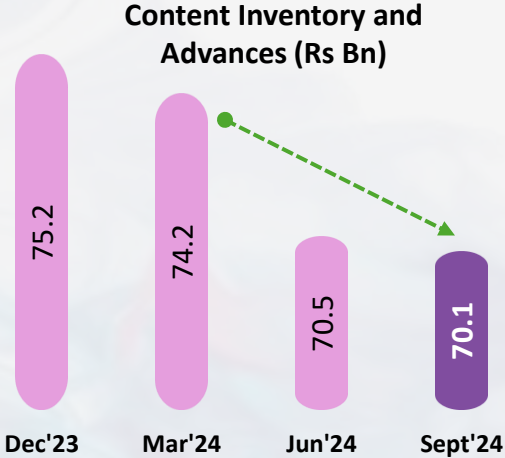


Continue to maintain a **Healthy Balance Sheet and liquidity**

Content inventory and advances



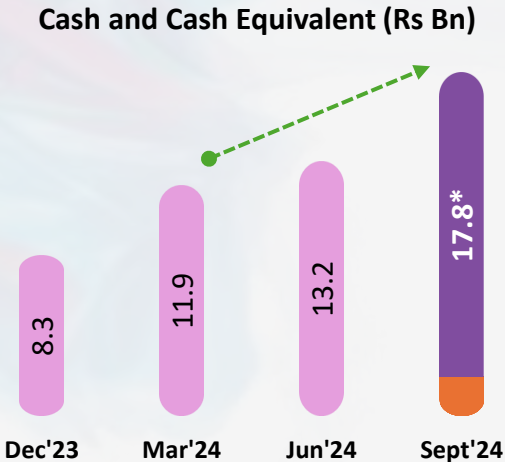
- Content Inventory and Advances Continues to decline **driven by optimised acquisition and movie releases**



Cash and Cash equivalent



- **Strong FCF generation** driven by improving profitability and optimisation of working capital
- Secured **access to growth capital**



* Sep-2024 Cash and cash eq. includes Rs 2 Bn proceeds from first tranche of FCCB

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Growth Strategy



Refreshing & Sharpening content offerings across linear and digital business

- New Show Launches in Hindi and language markets
- Marketing investments for brand building
- Content experimentation
- Selective new content/ IP Acquisition



Investing in high growth segments

- Digital (ZEE5)
- International Business
- Music
- Language Markets



Monetisation of existing IP & Content

- Monetization avenues for our rich content library while balancing our longer-term strategic objectives through content syndication

**THANK
YOU**

