

SHEMAROO ENTERTAINMENT LIMITED

Q1-FY20

Earnings Presentation



INDIA KHUSH HUA



Over 55 years experience as a Household Media Brand



One of the largest content houses with 3700+ content library



Offering content to most Bollywood services across leading platforms



Offering content across Bollywood, Devotional, Regional, Comedy, Kids, Health & Lifestyle, etc.



Strong understanding of Consumer's Entertainment Needs



Strong content offerings in multiple countries across the globe

REVENUE
FY19

INR **5,678** Mn

5 Year CAGR 16.50%

EBITDA
FY19

INR **1,578** Mn

5 Year CAGR 19.67%

PAT
FY19

INR **830** Mn

5 Year CAGR 25.00%

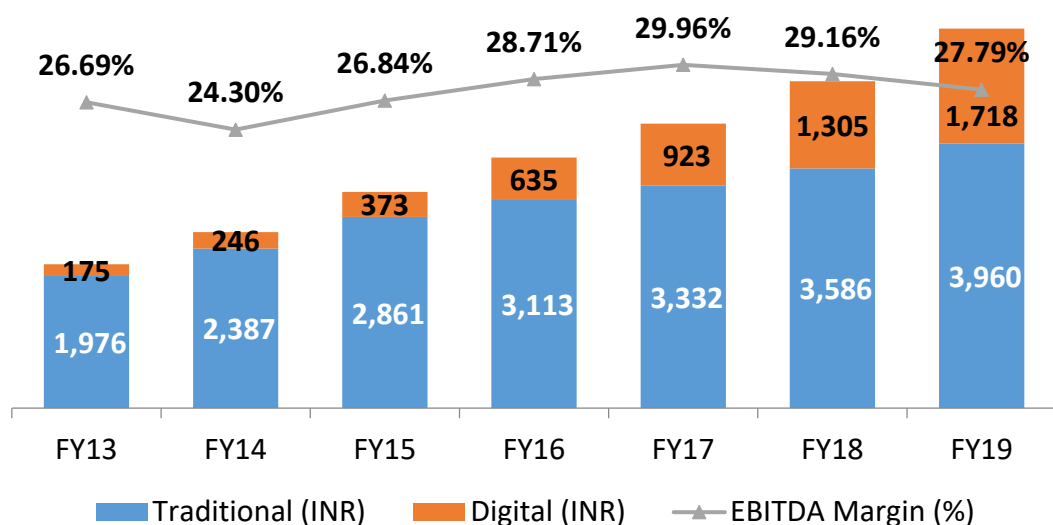
NETWORTH
FY19

INR **5,717** Mn

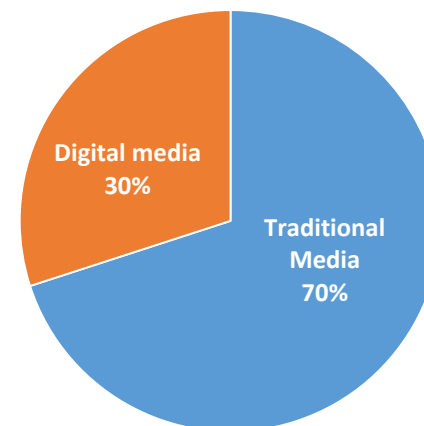
5 Year CAGR 26.79%

- Founded in 1962 as a book circulating library, today Shemaroo Entertainment Limited (Shemaroo) is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 750 people.
- Shemaroo is a pioneer in content aggregation and distribution in India and globally with offerings spread across Television, Mobile, Internet, OTT, etc.
- Identifying that movies have the longest shelf life for television and other media content, Shemaroo pioneered the movie library syndication business by acquiring movie titles from producers and distributing it to broadcasters and other media platforms.
- Shemaroo has grown multifold over the years, developing excellent relationships across the media industry value chain, to become one of the largest organised players in a fragmented industry.
- The company's digital business contribution has grown from less than 10% in FY14 to over 30% in FY19.

Operational Revenue (INR Mn) and EBITDA Margin (%)



FY19 Revenue Distribution (INR Mn)



Q1-FY20 HIGHLIGHTS

Q1-FY20 Key Financial Highlights



Q1-FY20 performance (Consolidated):

- **Revenue from Operations:** INR 1,430 Mn
- **EBITDA:** INR 319 Mn
- **EBITDA Margin:** 22.31%
- **Net Profit:** INR 162 Mn
- **Net Profit Margin:** 11.33%
- **EPS:** INR 5.94 / share

Divisional Breakup (Consolidated):

INR Mn	Q1-FY20	Q1-FY19	YOY Growth	FY19	FY18	YOY Growth
Digital Media	487	389	25.2%	1,718	1,305	31.6%
Traditional Media	943	845	11.6%	3,960	3,586	10.4%
Income from Operations	1,430	1,234	15.9%	5,678	4,891	16.1%

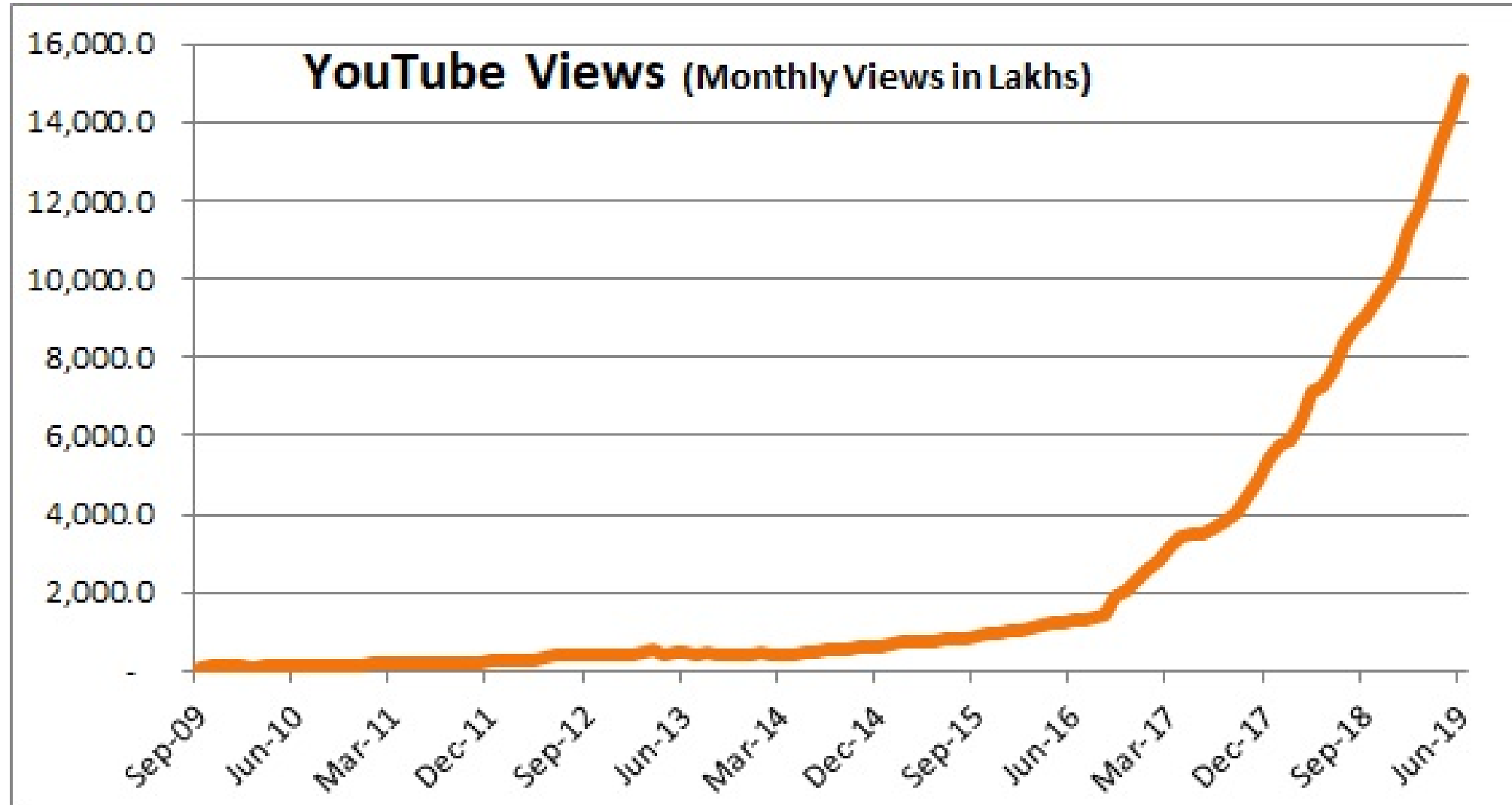
Key Operational Highlights



- ShemarooMe:
 - 1) Available on Amazon Firestick and Apple TV
 - 2) Launched Marathi Category on the platform
 - 3) ShemarooMe recognized as the 'Best Newcomer' at OTTv Mumbai 2019
- Shemaroo forayed into the devices space with the launch of pre-loaded speakers - 'Bhagwad Gita', 'Bhajan Vani' and 'Quran Majeed'
- 'The Horror TV' service launched with Airtel Digital TV in May 2019
- Crossed 25 Mn subscribers on our YouTube channel 'FilmiGaane'
- Weak macro-economic conditions and regulatory flux in India is resulting in overall tepid growth in the country, leading to slowdown in consumption and hence, advertising spends
- This coupled with continuous investments by Shemaroo in new products, services, geographies and people, to fuel its growth has impacted the margins

Key Operational Highlights

YouTube Monthly Views Graph till June 2019:



Q1-FY20 Consolidated Income Statement (Ind-AS)



Particulars (INR Mn)	Q1-FY20	Q4-FY19	Q-o-Q	Q1-FY19	Y-o-Y
Revenue from Operations	1,430	1,322	8.2%	1,234	15.9%
Total Expenses	1,111	912	21.8%	845	31.5%
EBITDA	319	410	(22.2)%	389	(18.0)%
EBITDA Margin (%)	22.31%	31.01%	(870) bps	31.52%	(921) bps
Other Income	9	8	12.5%	2	350.0%
Depreciation	14	14	NA	14	NA
Finance Cost	58	73	(20.5)%	61	(4.9)%
PBT	256	331	(22.7)%	316	(19.0)%
Tax	92	125	(26.4)%	121	(24.0)%
PAT	164	206	(20.4)%	195	(15.9)%
Minority Interest & Share of profit/ (loss) in associate company	(2)	3	NA	-	NA
PAT after adjustments	162	209	(22.5)%	195	(16.9)%
PAT Margin (%)	11.33%	15.81%	(448) bps	15.80%	(447) bps
Comprehensive Income	-	9	NA	(5)	NA
Total Profit including Comprehensive Income(Net of tax)	162	218	(25.7)%	190	(14.7)%
EPS (INR)(not annualised)	5.94	7.68	(22.7)%	7.19	(17.4)%

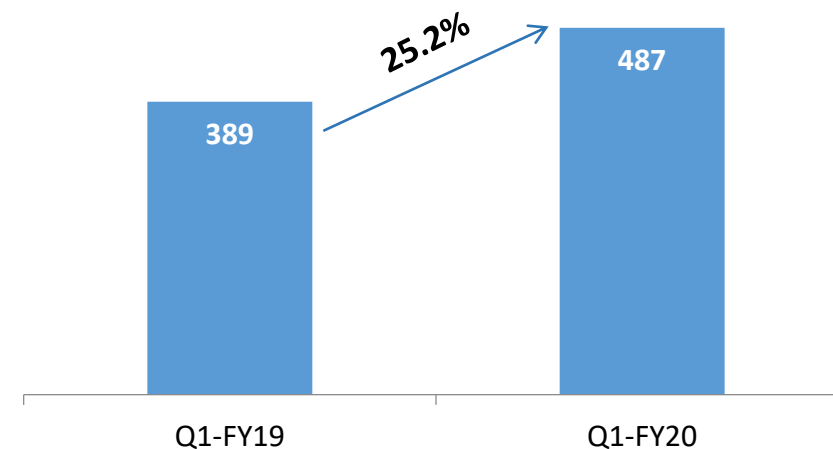
Shemaroo In Digital Media



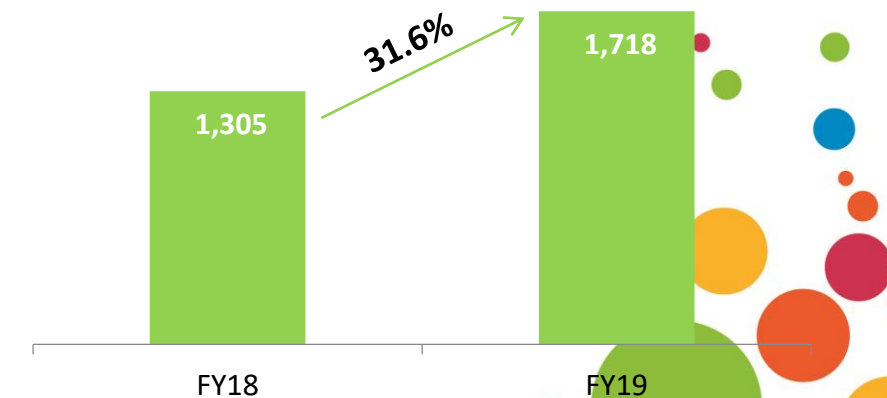
- The company caters to all types of revenue models like subscription, pay per transaction, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the digital media platforms

Digital Media Presence	
Internet and OTT	Mobile Value Added services (MVAS) / Mobile Internet
• Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Reliance Jio, Apple iTunes, Google Play, YuppTV, etc.	• The company has agreements with major telecom operators, namely Airtel, Vodafone, Idea, etc. • Shemaroo distributes imagery, videos, full songs, live streaming etc. under MVAS through both operator branded portals as well as its own branded portals

Q1-FY20 Digital Media Performance (INR Mn)



FY19 Digital Media Performance (INR Mn)



Shemaroo in Traditional Media

Traditional Media Includes – Television Syndication, Overseas Distribution and Others

Television Syndication

- Shemaroo has a diverse content library which it syndicates rights to various Satellite Channels, Cable & Terrestrial Networks
- Considering the vast and diverse library of Shemaroo, it can be easily assumed that most broadcasting channels would have some content syndicated from Shemaroo at sometime or the other

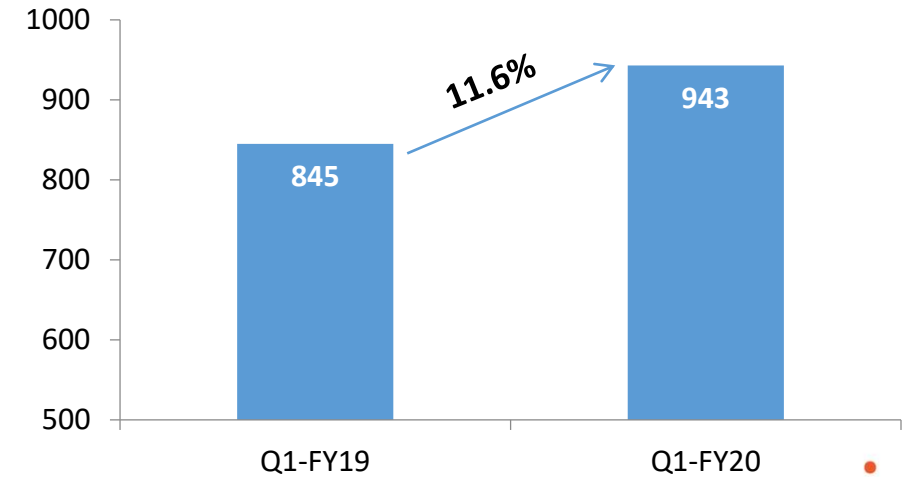
Subscription Based Services

- In partnership with major DTH and Cable operators, Shemaroo operates subscription-based, ad-free content services across various genres like Movies, Devotion, Comedy and Regional

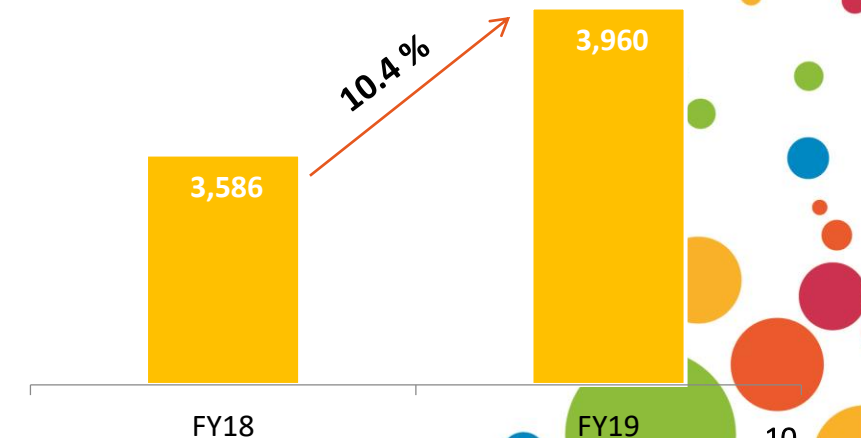
TV Syndication Platforms

Satellite Television	• Predominantly consists of Hindi films • This includes Movie Channels, Kids Channels, Music Channels, News Channels etc. • Enter into exclusive agreements for a film or package of films with a particular group of movie channels for a specified period of time
Terrestrial Television	• The company also licenses content for broadcasting on terrestrial television network
Cable Television	• Revenue stream, wherein an increasing number of cable operators are licensing rights of Shemaroo's content

Q1-FY20 Traditional Media Performance (INR Mn)



FY19 Traditional Media Performance (INR Mn)



Consolidated Income Statement (Ind-As)

Particulars (INR Mn)	FY17	FY18	FY19
Revenue from Operations	4,255	4,891	5,678
Total Expenses	2,980	3,465	4,100
EBITDA	1,275	1,426	1,578
EBITDA Margin (%)	29.96%	29.16%	27.79%
Other Income	30	12	18
Depreciation	43	51	56
Finance Cost	324	307	256
PBT	938	1,080	1,284
Tax	342	367	457
PAT	596	713	827
Minority Interest & Share of profit/ (loss) in associate company	18	(1)	3
PAT after adjustments	614	712	830
PAT Margin (%)	14.43%	14.56%	14.62%
Comprehensive Income	-	3	3
Total Profit including Comprehensive Income(Net of tax)	614	715	833
EPS (INR)(not annualised)	22.60	26.18	30.52

Consolidated Balance Sheet (Ind-As)

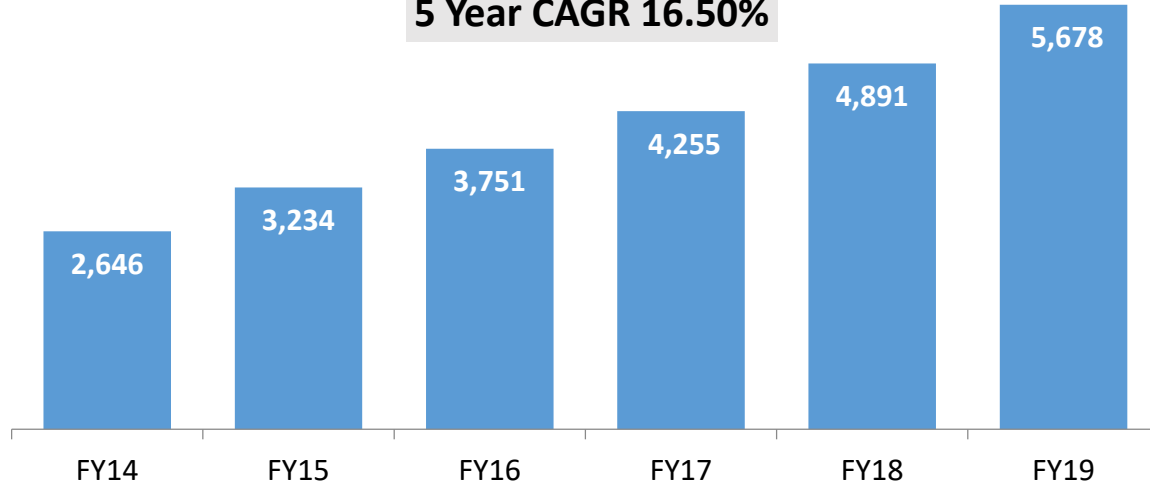
Equity and Liabilities (INR Mn)	FY18	FY19
Shareholders Fund		
Share Capital	272	272
Other Equity	4,662	5,445
Total Equity	4,934	5,717
Non controlling interest	(36)	(42)
Non Current Liabilities		
Long Term borrowings	21	4
Deferred tax liabilities (Net)	36	34
Long tem provisions	16	32
Total Non-Current Liabilities	73	70
Current Liabilities		
Short Term Borrowings	1,858	1,969
Trades payables	181	298
Other Financial Liabilities	135	63
Other Current Liabilities	28	68
Short Term Provisions	15	8
Current Tax Liabilities (Net)	125	151
Total Current Liabilities	2,342	2,557
Total	7,313	8,302

Assets (INR Mn)	FY18	FY19
Non Current Assets		
Fixed Assets		
Property, Plant & Equipment	323	306
Intangible assets	10	10
Investments	67	65
Long Term Loan and Advances	-	1
Other Financial Assets	3	3
Other Non Current Assets	31	58
Total Non-Current Assets	434	443
Current Assets		
Inventories	5,297	6,027
Trade Receivables	1,406	1,590
Cash and cash equivalents	13	16
Short Term loan and advances	4	6
Other Financial Assets	-	8
Other Current Assets	159	212
Total Current Assets	6,879	7,859
Total	7,313	8,302

Historical Consolidated Financial Charts

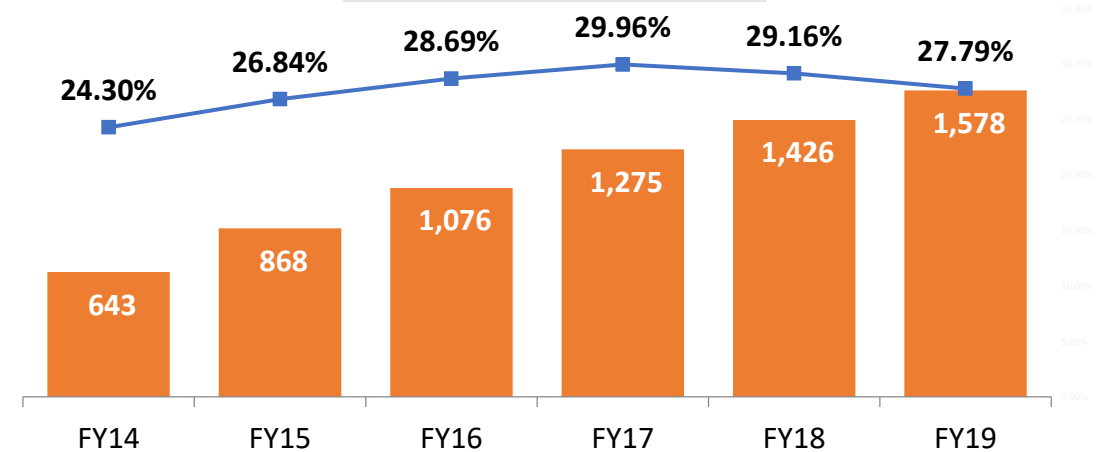
Operational Revenue* (INR Mn)

5 Year CAGR 16.50%



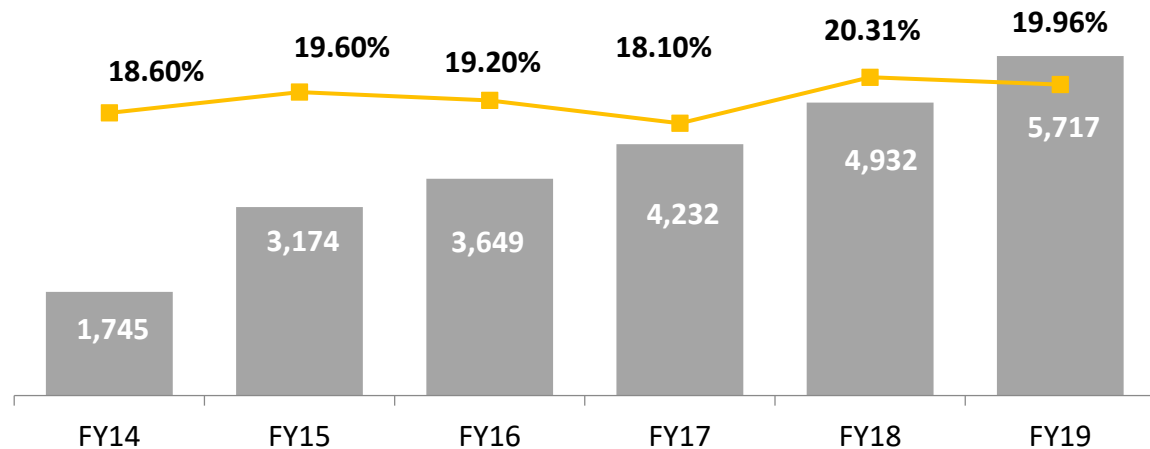
EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 19.67%



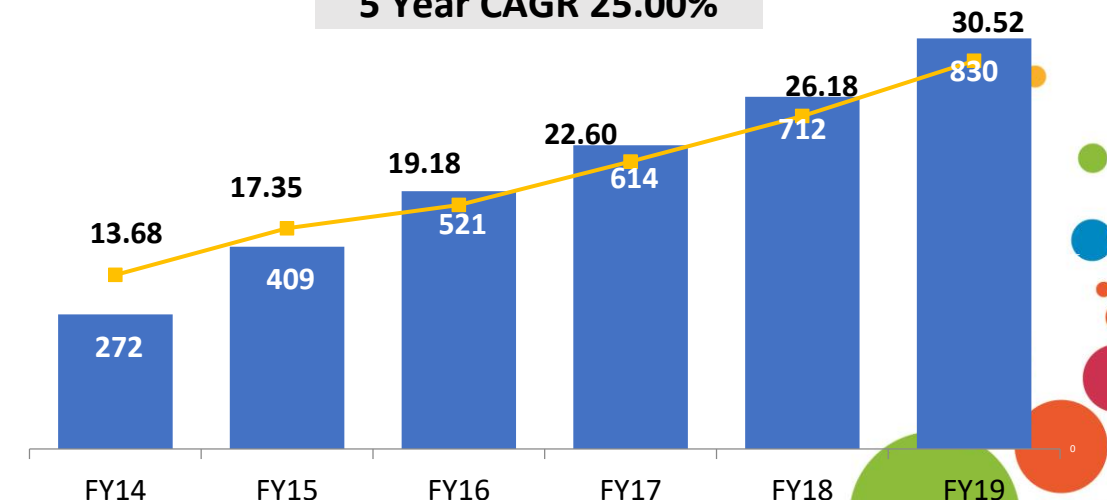
Net Worth (INR Mn) and ROCE (%)

5 Year CAGR 26.79%



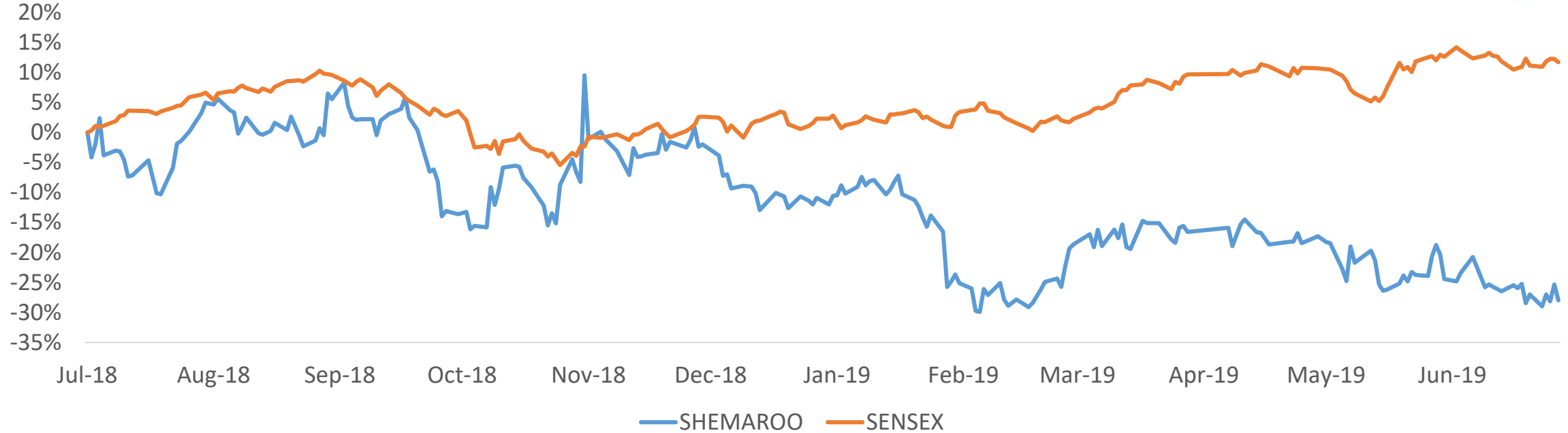
PAT (INR Mn) and EPS (INR)

5 Year CAGR 25.00%



* Note: FY17 to FY19 numbers are as per IND-As

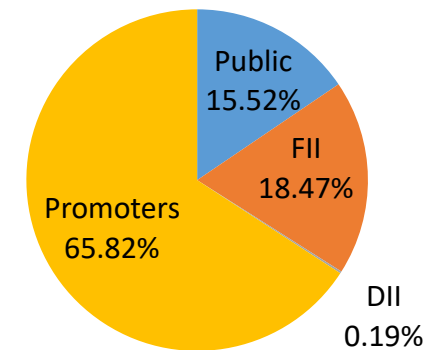
Capital Market



Price Data (As of 30th June, 2019)

	INR
Face Value	10.0
Market Price	345.4
52 Week H/L	530.0/325.0
Market Cap (INR Mn)	9,387.4
Equity Shares Outstanding (Mn)	27.2
1 Year Avg. Trading Volume ('000)	10.8

Share Holding Pattern as on 30th June, 2019



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THANK YOU

