

SHEMAROO ENTERTAINMENT LIMITED

H1 / Q2-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%

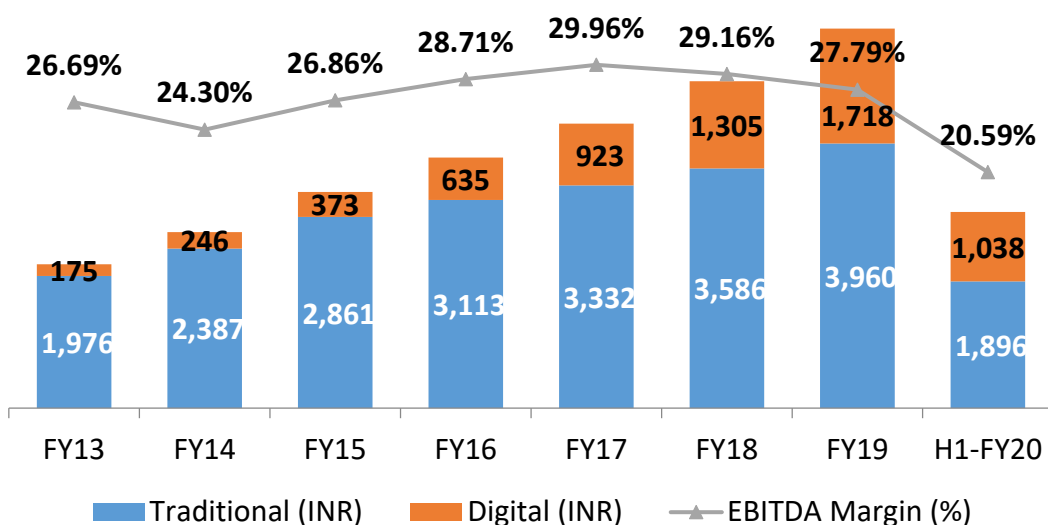
NETWORTH
FY19

INR **5,717** Mn

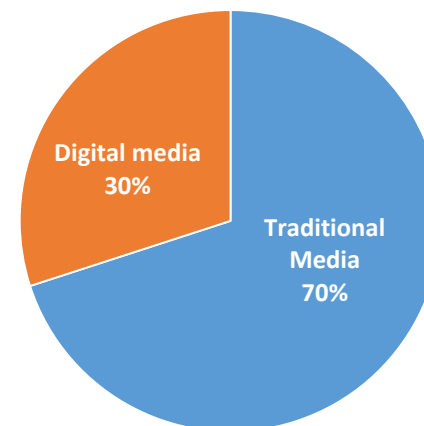
5 Year CAGR 26.79%

- 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)



H1 / Q2-FY20 HIGHLIGHTS

H1 / Q2-FY20 Key Financial Highlights



Q2-FY20 performance (Consolidated):

- **Revenue from Operations:** INR 1,503 Mn
- **EBITDA:** INR 285 Mn
- **EBITDA Margin:** 18.96%
- **Net Profit:** INR 195 Mn
- **Net Profit Margin:** 12.97%
- **EPS:** INR 7.17

H1-FY20 performance (Consolidated):

- **Revenue from Operations:** INR 2,934 Mn
- **EBITDA:** INR 604 Mn
- **EBITDA Margin:** 20.59%
- **Net Profit:** INR 356 Mn
- **Net Profit Margin:** 12.13%
- **EPS:** INR 13.11

Divisional Breakup (Consolidated):

INR Mn	Q2-FY20	Q2-FY19	YOY Growth	H1-FY20	H1-FY19	YOY Growth
Digital Media	551	456	20.8%	1,038	845	22.8%
Traditional Media	952	1,177	(19.1)%	1,896	2,022	(6.2)%
Income from Operations	1,503	1,633	(8.0)%	2,934	2,867	2.3%

Key Operational Highlights

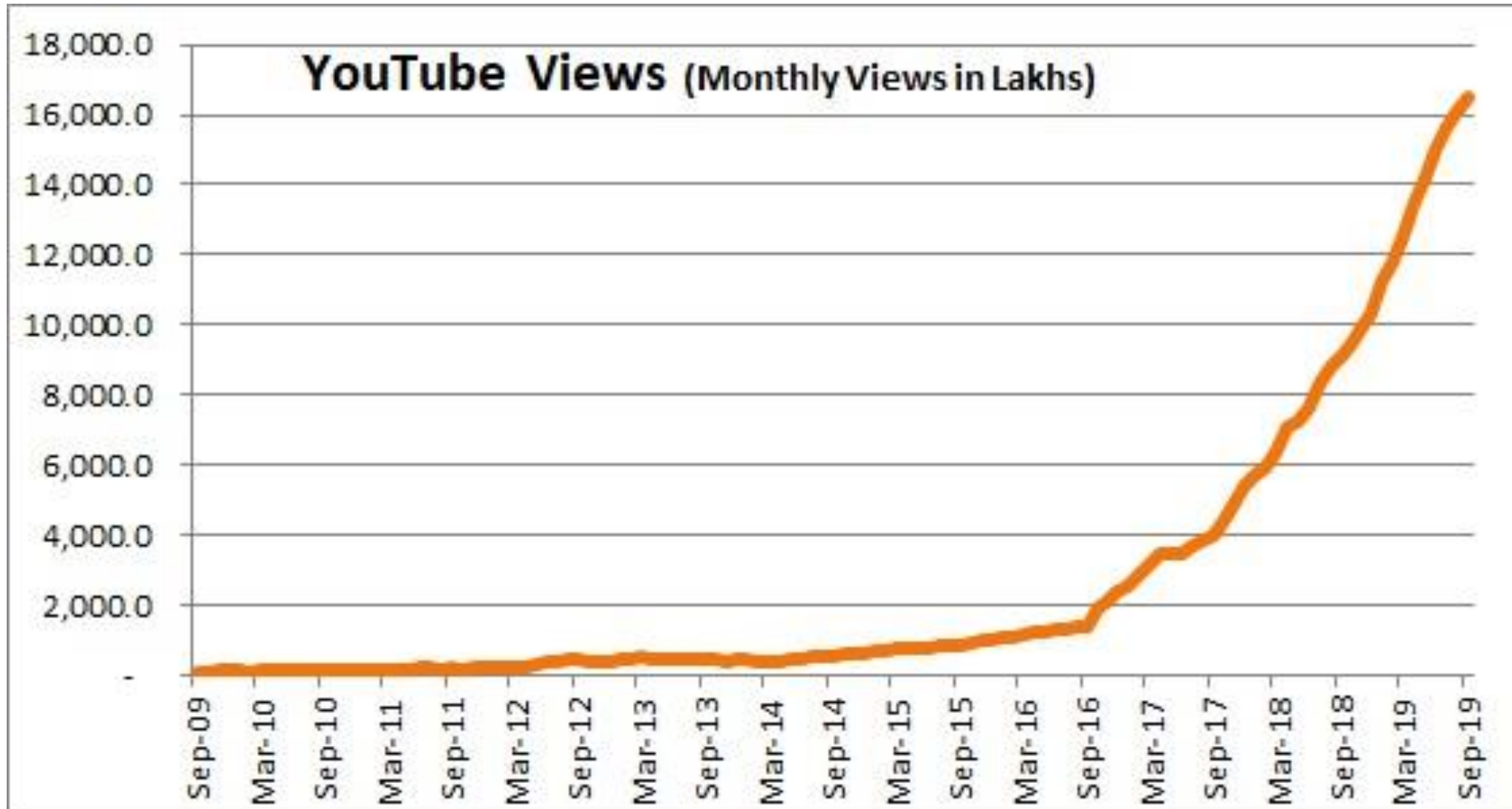


- ShemarooMe:
 - 1) Launched 52 weeks 52 premiere service
 - 2) Made available on MiTV and Cloudwalker TV
 - 3) Partnered with Ixigo and Dainik Bhaskar
- Launched 2 new pre-loaded audio speakers - Ganesha Bhajan Vaani and Shri Krishna Bhajan Vaani
- Launched 2 new services on DTH:
 - 1) Telugu service on Airtel, Dish and d2h in August 2019
 - 2) Punjabi service on Dish and D2h in August 2019
- Crossed 28 Mn subscribers on our YouTube channel 'FilmiGaane'; the channel became the 5th most subscribed channel in India and 36th in the world
- The economic situation continued to be sluggish resulting in weak business sentiment and slowdown in advertising spends. This, along with ongoing investments by Shemaroo in new products, services, geographies and people, has affected the margins

Key Operational Highlights



YouTube Monthly Views Graph till September 2019:



Q2-FY20 Consolidated Income Statement (Ind-AS)



Particulars (INR Mn)	Q2-FY20	Q1-FY20	Q-o-Q	Q2-FY19	Y-o-Y
Revenue from Operations	1,503	1,430	5.1%	1,633	(8.0)%
Total Expenses	1,218	1,111	9.6%	1,207	0.9%
EBITDA	285	319	(10.7)%	426	(33.1)%
EBITDA Margin (%)	18.96%	22.31%	(335) Bps	26.09%	(713) Bps
Other Income	6	9	(33.3)%	-	NA
Depreciation	20	14	42.9%	13	53.8%
Finance Cost	56	58	(3.4)%	56	NA
PBT	215	256	(16.0)%	357	(39.8)%
Tax	21	92	(77.2)%	127	(83.5)%
PAT	194	164	18.3%	230	(15.7)%
Minority Interest & Share of profit/ (loss) in associate company	1	(2)	NA	-	NA
PAT after adjustments	195	162	20.4%	230	(15.2)%
PAT Margin (%)	12.97%	11.33%	164 Bps	14.08%	(111) Bps
Comprehensive Income	-	-	NA	-	NA
Total Profit including Comprehensive Income(Net of tax)	195	162	20.4%	230	(15.2)%
EPS (INR)(not annualised)	7.17	5.94	20.7%	8.45	(15.1)%

H1-FY20 Consolidated Income Statement (Ind-AS)



Particulars (INR Mn)	H1-FY20	H1-FY19	Y-o-Y
Revenue from Operations	2,934	2,867	2.3%
Total Expenses	2,330	2,051	13.6%
EBITDA	604	816	(26.0)%
EBITDA Margin (%)	20.59%	28.46%	(787) Bps
Other Income	14	2	NA
Depreciation	35	27	29.6%
Finance Cost	113	118	(4.2)%
PBT	470	673	(30.2)%
Tax	112	248	(54.8)%
PAT	358	425	(15.8)%
Minority Interest & Share of profit/ (loss) in associate company	(2)	-	NA
PAT after adjustments	356	425	(16.2)%
PAT Margin (%)	12.13%	14.82%	(269) Bps
Comprehensive Income	-	(5)	NA
Total Profit including Comprehensive Income(Net of tax)	356	420	(15.2)%
EPS (INR)(not annualised)	13.11	15.64	(16.2)%

H1-FY20 Consolidated Balance Sheet (Ind-As)

Equity and Liabilities (INR Mn)	H1-FY19	H1-FY20
Shareholders Fund		
Share Capital	272	272
Other Equity	5,032	5,747
Non Controlling Interest	(38)	(41)
Total Equity	5,266	5,978
Non Current Liabilities		
Long Term borrowings	2	3
Lease liability	-	23
Deferred tax liabilities (Net)	36	24
Long tem provisions	16	41
Total Non-Current Liabilities	54	91
Current Liabilities		
Short Term Borrowings	1,669	2,136
Trades payables	466	490
Other Financial Liabilities	139	185
Other Current Liabilities	27	14
Short Term Provisions	26	8
Current Tax Liabilities (Net)	124	116
Total Current Liabilities	2,451	2,949
Total	7,771	9,018

Assets (INR Mn)	H1-FY19	H1-FY20
Non Current Assets		
Fixed Assets		
Property, Plant & Equipment	319	324
Intangible assets	14	11
Intangible assets under development	-	2
Right of use Assets	-	22
Investments	65	89
Long Term Loan and Advances	-	1
Other Financial Assets	4	1
Other Non Current Assets	62	45
Total Non-Current Assets	464	495
Current Assets		
Inventories	5,661	6,794
Trade Receivables	1,409	1,410
Cash and cash equivalents	12	27
Short Term loan and advances	5	6
Prepayments	-	-
Other Current Assets	220	286
Total Current Assets	7,307	8,523
Total	7,771	9,018

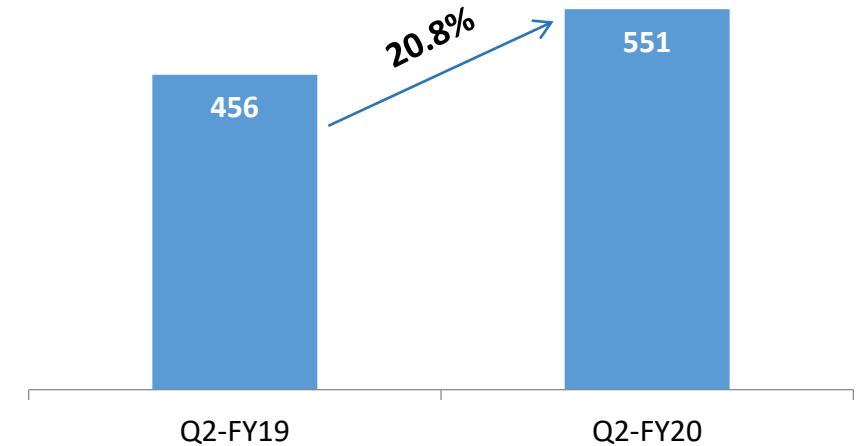
Shemaroo In Digital Media



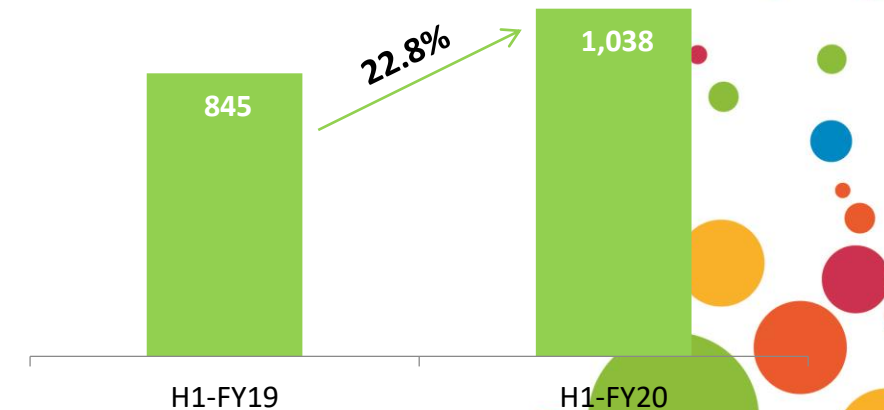
- The company caters to all types of revenue models like subscription, pay per transaction, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the digital media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

Q2-FY20 Digital Media Performance (INR Mn)



H1-FY20 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

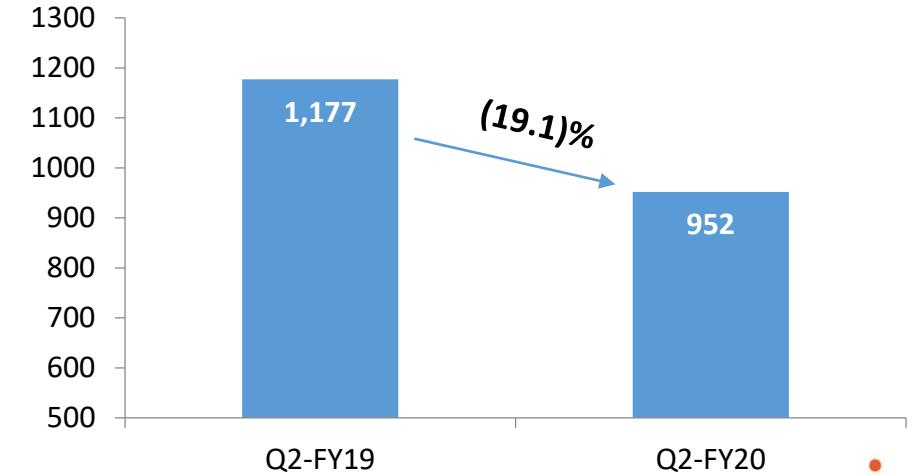
Subscription Based Services

- 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

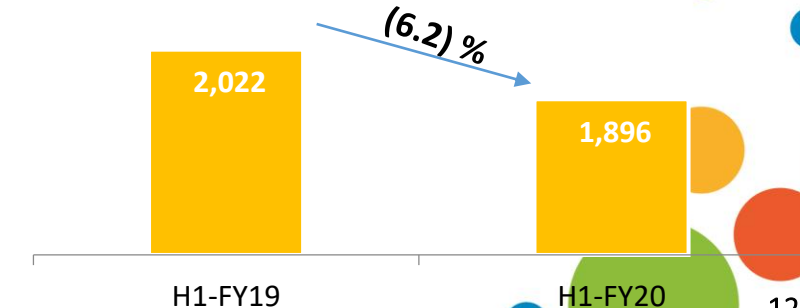
TV Syndication Platforms

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

Q2-FY20 Traditional Media Performance (INR Mn)



H1-FY20 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)

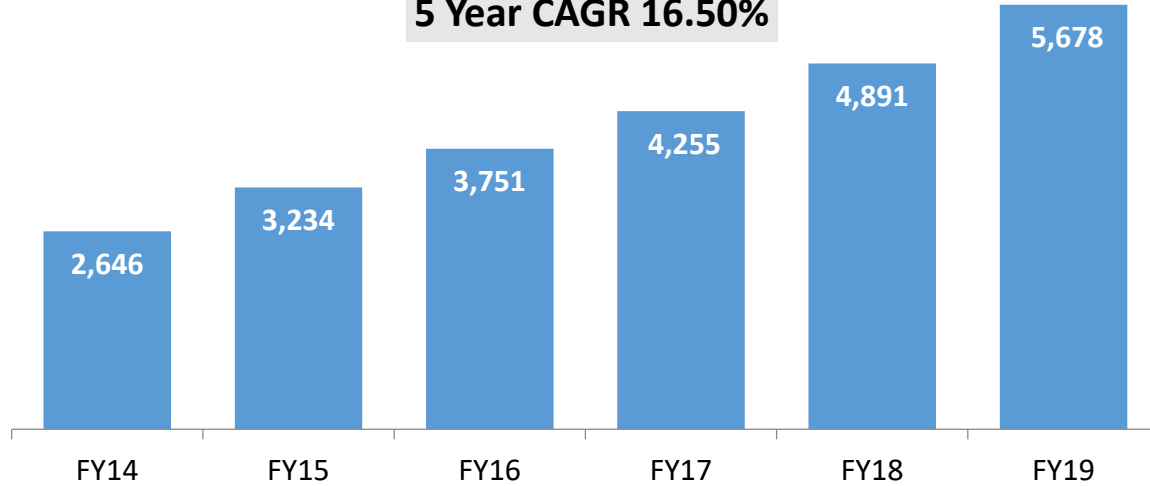
Equity and Liabilities (INR Mn)	FY18	FY19
Shareholders Fund		
Share Capital	272	272
Other Equity	4,662	5,445
Total Equity	4,934	5,717
Non controlling interest	(36)	(42)
Non Current Liabilities		
Long Term borrowings	21	4
Deferred tax liabilities (Net)	36	34
Long tem provisions	16	32
Total Non-Current 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

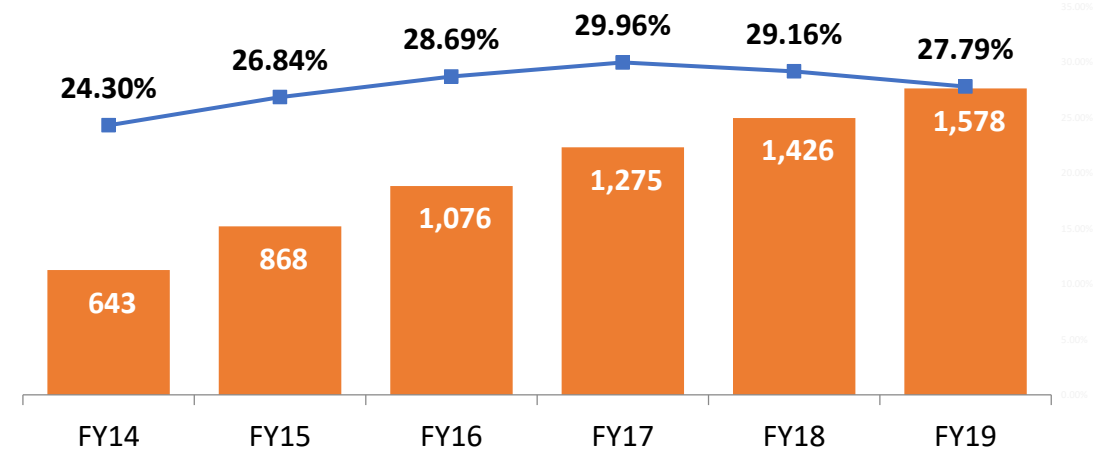
Operational Revenue* (INR Mn)

5 Year CAGR 16.50%



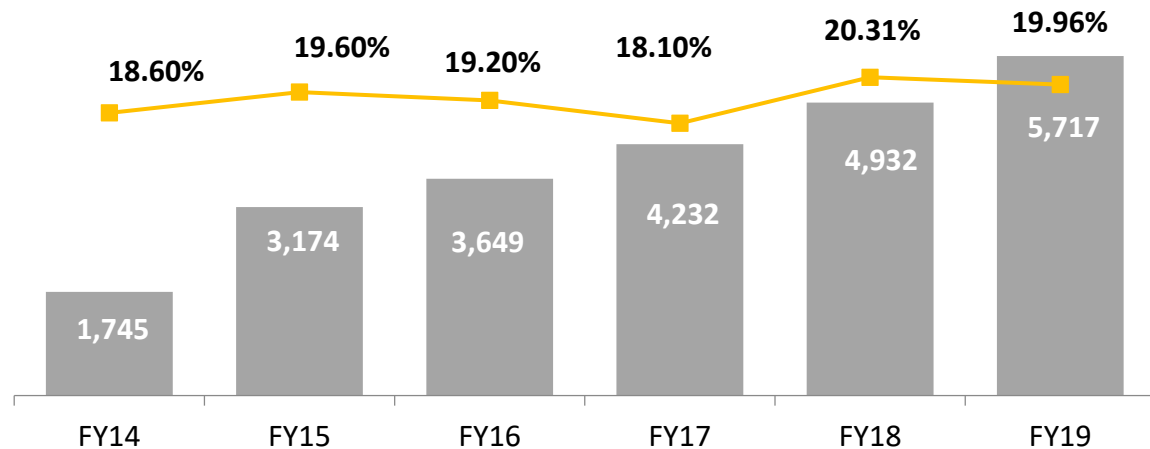
EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 19.67%



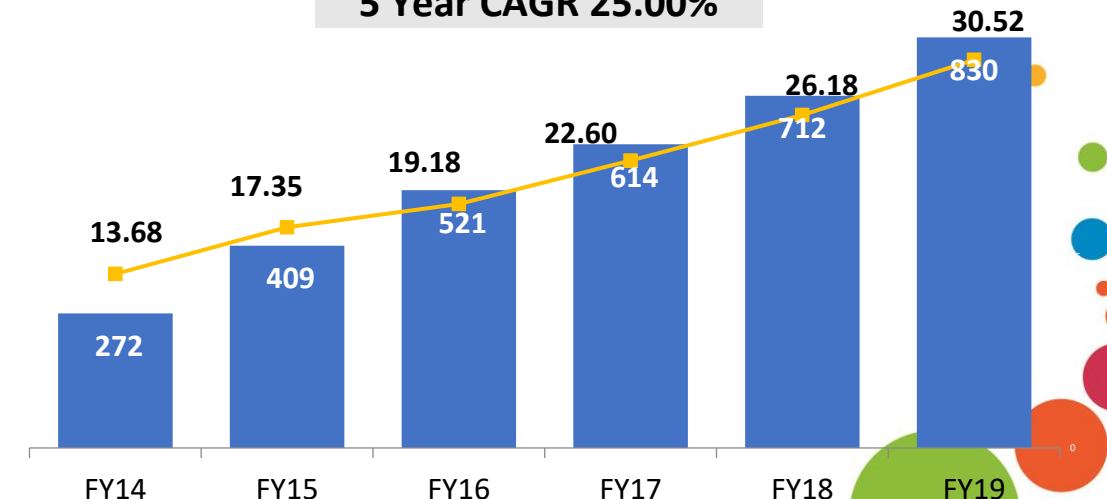
Net Worth (INR Mn) and ROCE (%)

5 Year CAGR 26.79%



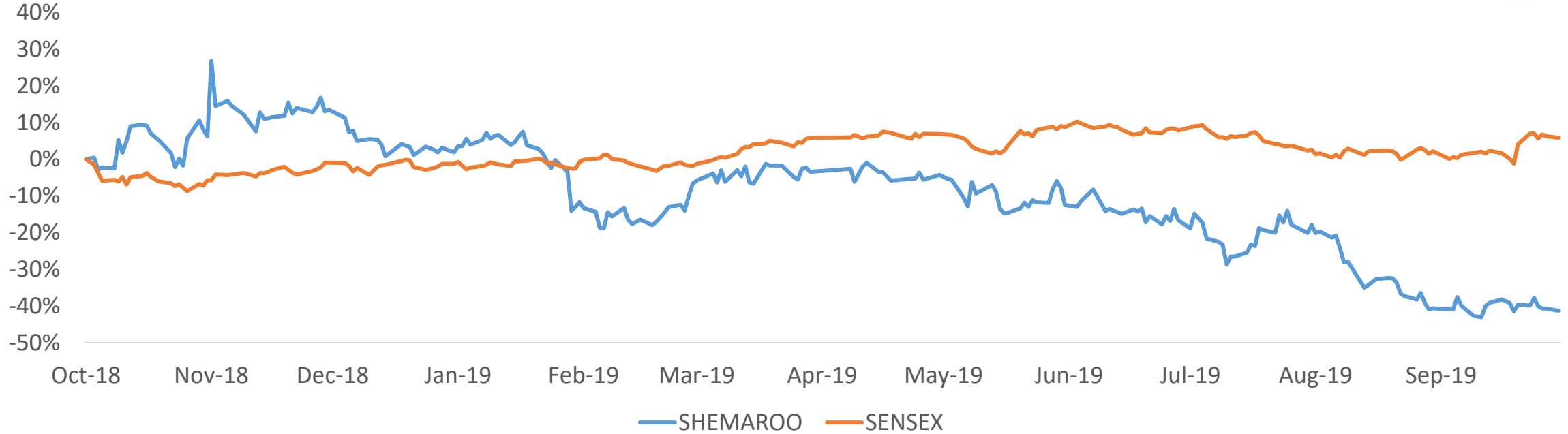
PAT (INR Mn) and EPS (INR)

5 Year CAGR 25.00%



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

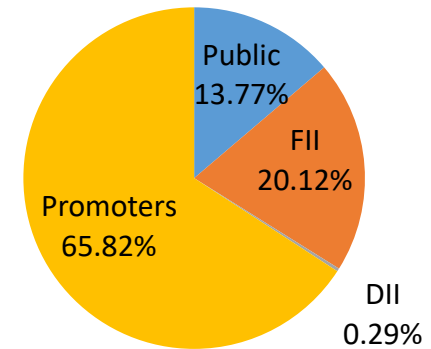
Capital Market



Price Data (As of 30th September, 2019)

	INR
Face Value	10.0
Market Price	243.1
52 Week H/L	527.9/233.0
Market Cap (INR Mn)	6,608.0
Equity Shares Outstanding (Mn)	27.2
1 Year Avg. Trading Volume ('000)	13.2

Share Holding Pattern as on 30th September, 2019



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THANK YOU

