



Tips Industries Limited

Investor Presentation
Q1FY23

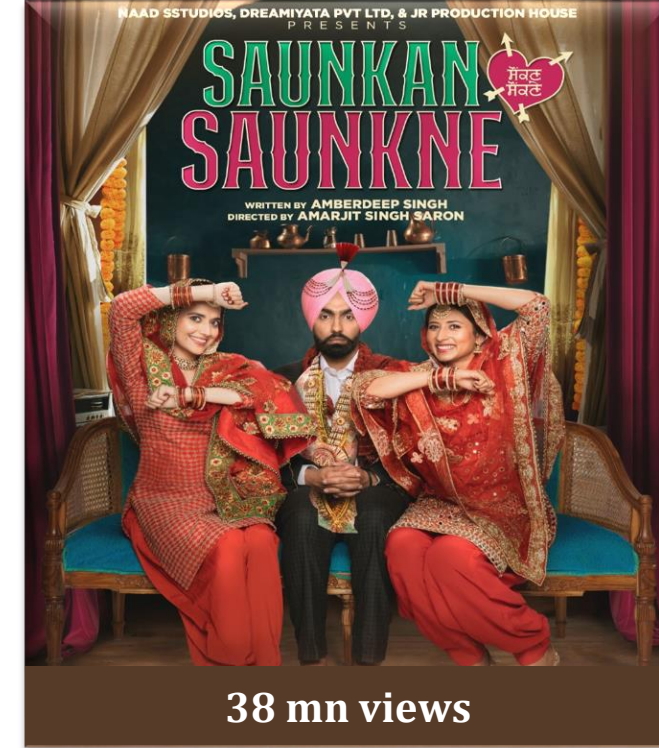
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New Release Highlights



Total **185** new
Songs Released in
Q1FY23

142 Non-Film
songs released in
Q1FY23

43 Film songs
released under Tips
Originals





Financial Overview

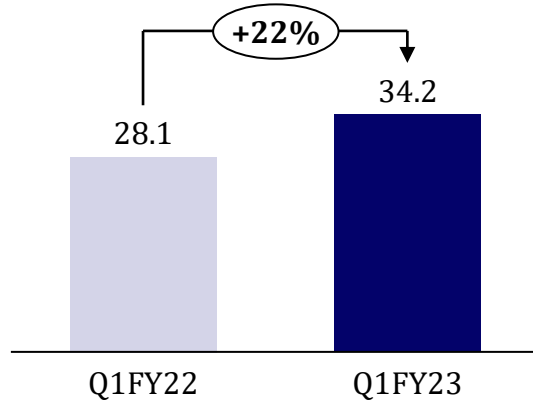


Quarterly Business Performance

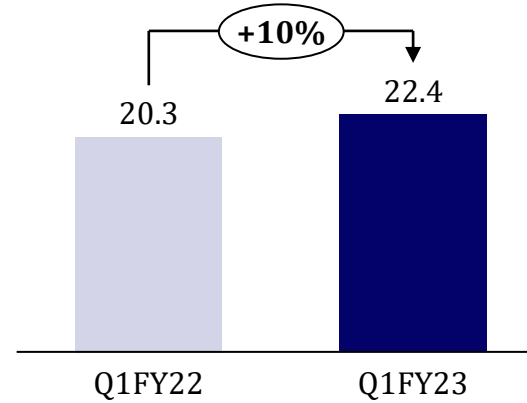


Y-o-Y

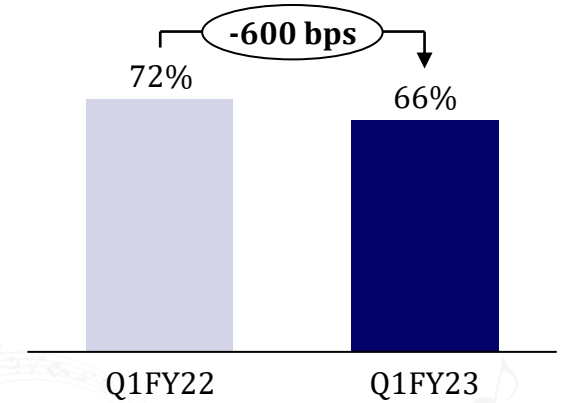
Revenue (Rs. in Crs)



Op. EBITDA (Rs. in Crs)

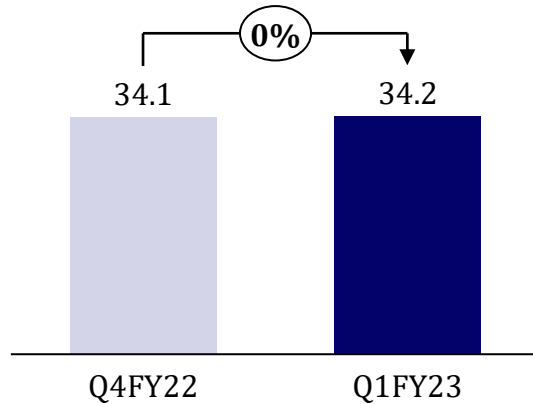


Op. EBITDA Margins (%)

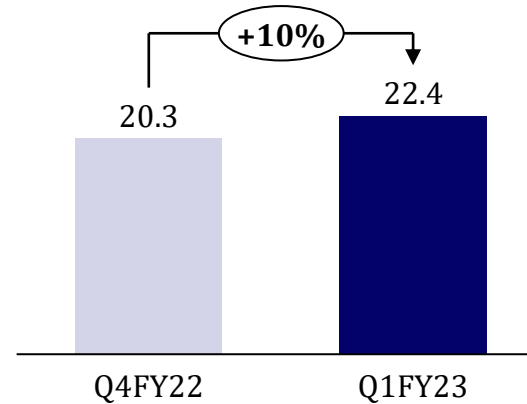


Q-o-Q

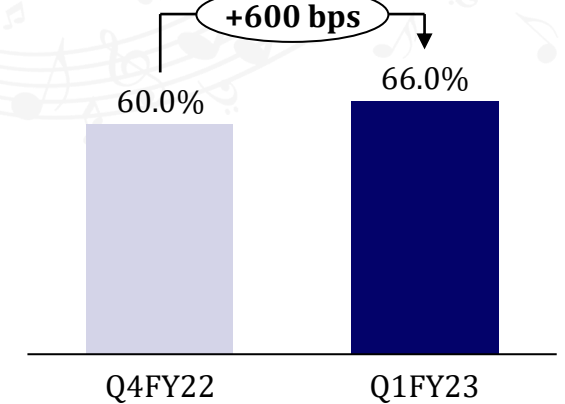
Revenue (Rs. in Crs)



Op. EBITDA (Rs. in Crs)



Op. EBITDA Margins (%)



Q1 FY23 Profit & Loss Statement



Particulars (Rs. in Crs)	Q1FY23	Q1FY22	Y-o-Y	Q4FY22	Q-o-Q	FY22
Revenue From Operations	34.2	28.1	22%	34.1	0%	135.6
Other Income	1.0	0.6		1.4		3.2
Total Income	35.3	28.7		35.5		138.8
Employee Benefits Expenses	1.6	1.5		1.6		6.3
Other Expenses	10.2	6.3		12.2		43.1
Op. EBITDA	22.4	20.3	10%	20.3	10%	86.2
Op. EBITDA %	66%	72%		60%		64%
Depreciation and Amortisation Expense	0.4	0.1		0.3		0.7
Op. EBIT	22.1	20.2	9%	20.1	10%	85.5
Finance Costs	0.1	0.0		0.1		0.1
PBT	23.0	20.8	11%	21.4	8%	88.6
Tax	5.9	5.2		5.4		24.1
PAT	17.2	15.6	10%	15.9	8%	64.6
PAT %	50%	56%		47%		48%
EPS	13.3	12.1		12.3		49.8



Company Overview



Company Overview



Established in 1988, Tips Industries is one of the large corporate houses in the field of music and films



Consistent success in creating and acquiring high quality music I.P.R.



Since 1990, Tips has been amongst players with the highest number of gold and platinum discs to their credit



Extensive catalogue of Film, Non-Film, Devotional, Pop, Remixes

Catalogue is licensed to

- OTT platforms
- Content Aggregators
- TV Channels
- Telecom Companies
- Radio Stations,
- Advertisers
- Event Management Companies
- Hotels, Restaurants, and Others

Hindi | Punjabi | Gujarati | Bhojpuri & many others...

Presence across platforms



MUSIC... THE RHYTHM OF LIFE



Our Vision

To maintain and grow a **MUST HAVE HITS** catalogue



Our Mission

To create, acquire and deliver quality music to a wide range of audiences



Our Purpose

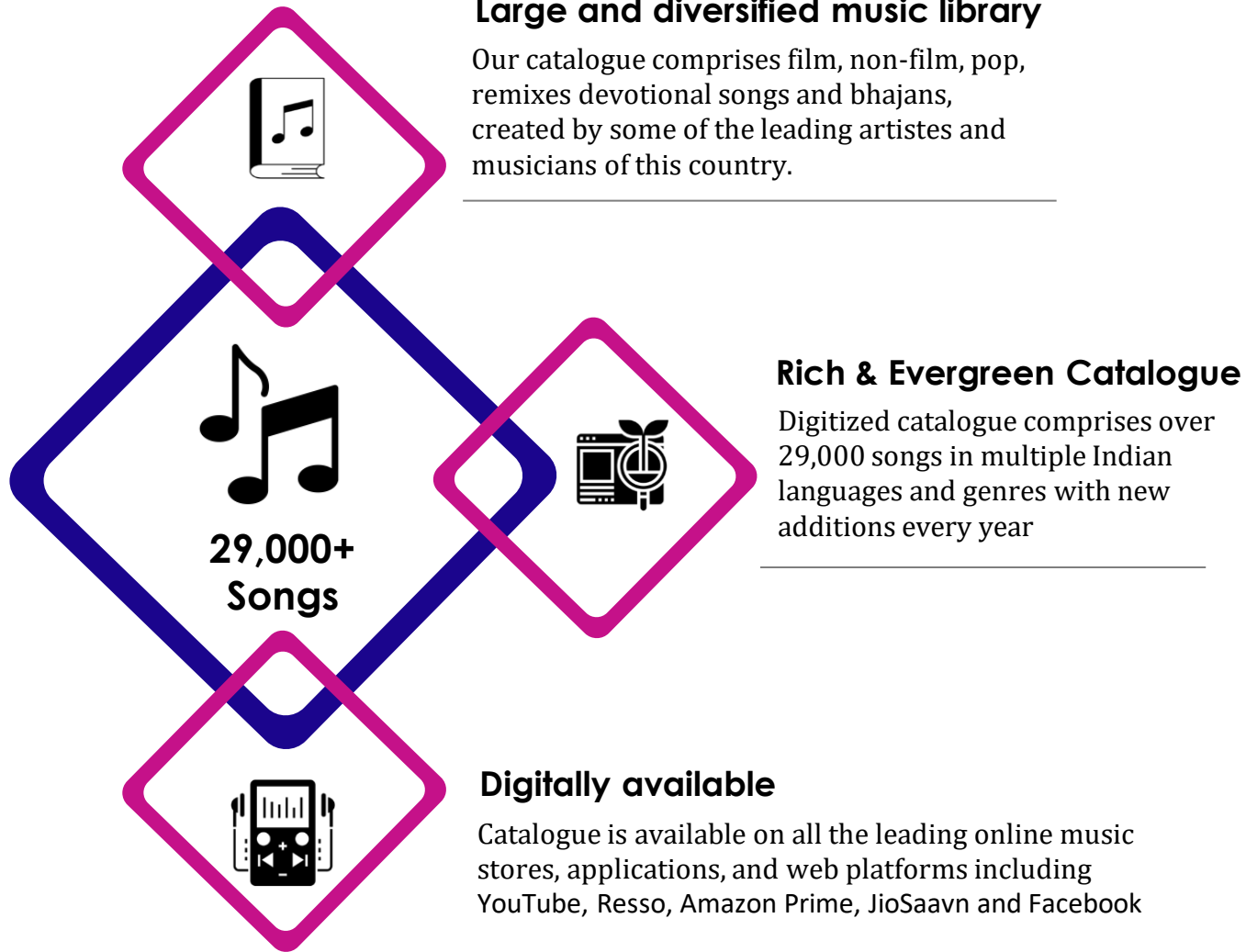
Deliver Entertainment



Our Core Values

- Honesty
- Commitment
- Teamwork
- Passion
- Positive attitude

Generating multiple revenue streams



YouTube Over **70.47 Mn** YouTube channel subscribers/followers

Rich content can be leveraged to generate multiple revenue streams via following

Sync Deals



Broadcast Partners



Two Pronged Content Acquisition Strategy



Our endeavour is to cater to a wide range of audiences

1

Produce

Strategy



- To introduce promising singers (TIPS) is in our DNA
- We have a strong A&R team which engages with artistes across genres and languages which allows us to present upcoming talent to our listeners.
- Our team has a deep understanding of music which allows us to create and build a repertoire of **"Must Have Hits"**

2

Purchase

Strategy



- We also engage with other producers to buy music rights to complement our repertoire
- Our understanding of music and its creative process provides us deep insights on costs and returns and therefore we always remain cost conscious while acquiring music rights

Content Cost

100% of Content cost is charged off to profit & loss account in the year of release, thus no Capitalization & no write-offs in the future. Company follows this policy since inception

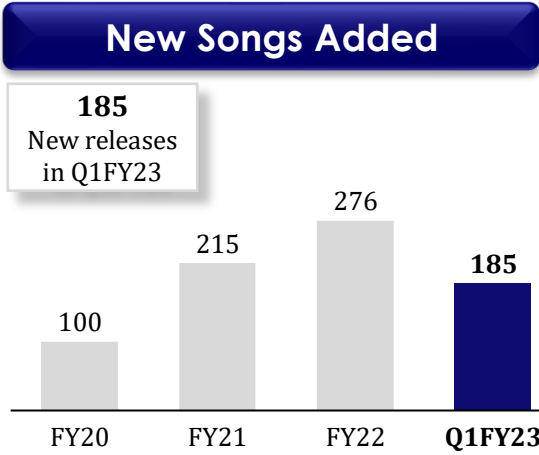
Content acquisition cost is only funded through internal accruals

Strong A&R team to acquire content across languages & genres. 5 Artist signed exclusively

Growing listenership & Increasing Content Addition

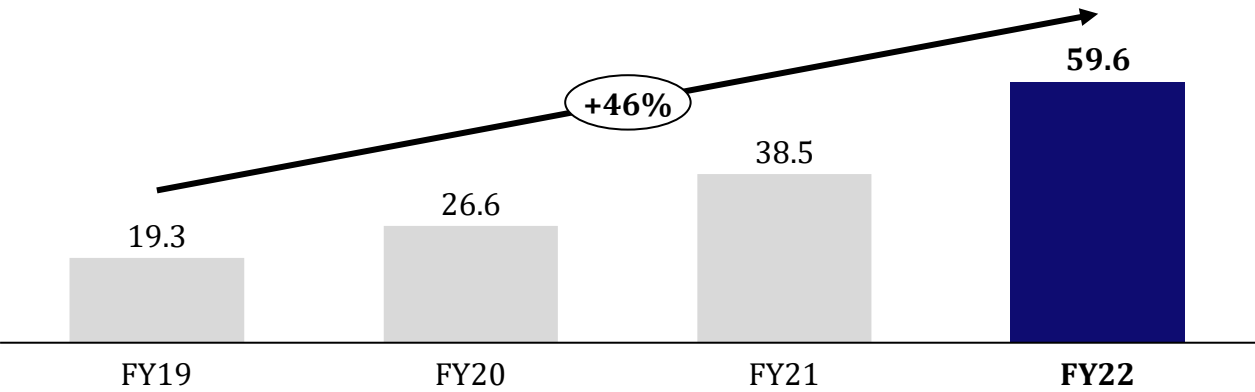


Evergreen & Rich content of **over 29,000 songs** across genres, languages & decades giving us high visibility of music revenue

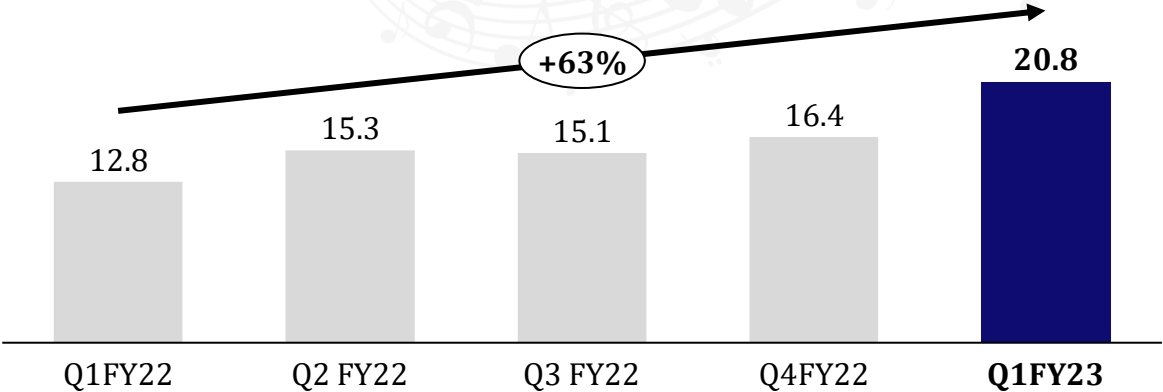


Existing Content + Continuous Additions : Increasing Music Revenue

YouTube Views (in. Bn)



YouTube Views (in. Bn)





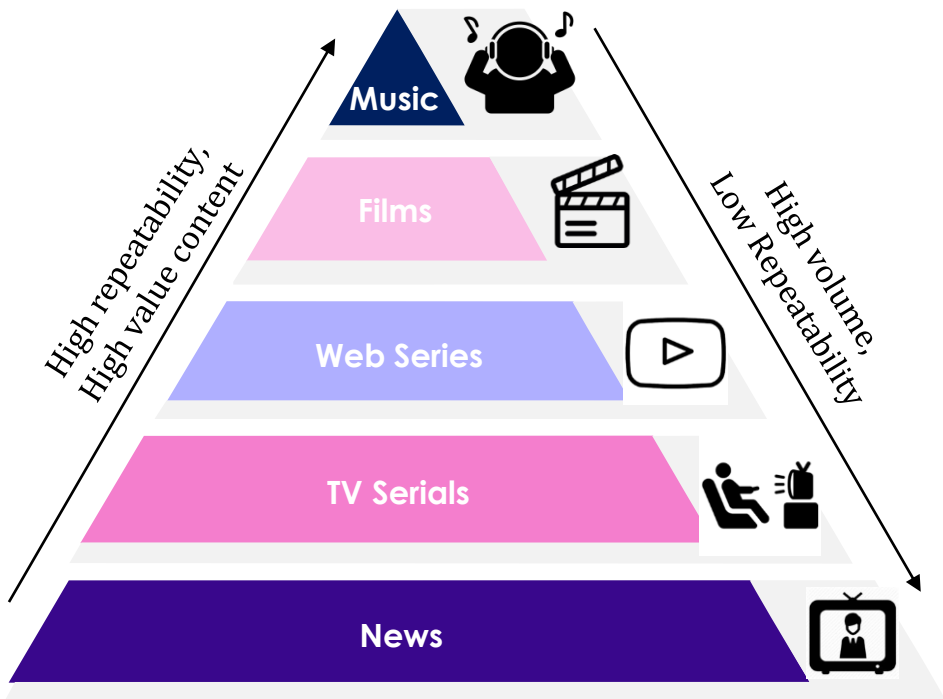
Annexures



Music is the most valuable content



Ranking on repeated monetization



Content that can be monetized multiple times commands greater economic value

Music ranks at the top of the content pyramid when ranked on repeated monetization

Yearly performance

Streaming

Streaming continued to grow strongly in 2021, up by 24.3% to US\$16.9 billion. Paid streaming revenues rose by 21.9% and accounted for 47.3% of the global market (US\$12.3 billion).

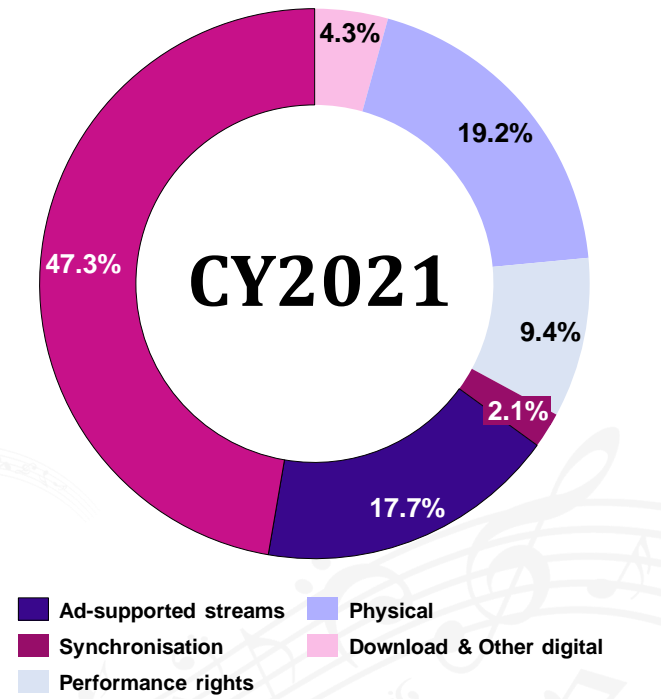
Synchronisation

Use of recorded music in advertising, film, games and TV climbed by 22.0% (US\$549.1 million) in 2021. Revenues from synchronization accounted for 2.1% of the global market.

Downloads

Revenues from permanent downloads fell by 15.3% to US\$839.3 million and represented just 3.2% of the global market in 2021. Other digital formats experienced growth (+6.8 %) but represent only 1.1% of global revenues

Music is now an internet business



Streaming comprised **65%** of total revenues in 2021, an increase of **24.3%** vs 2020, for the Global Music Industry

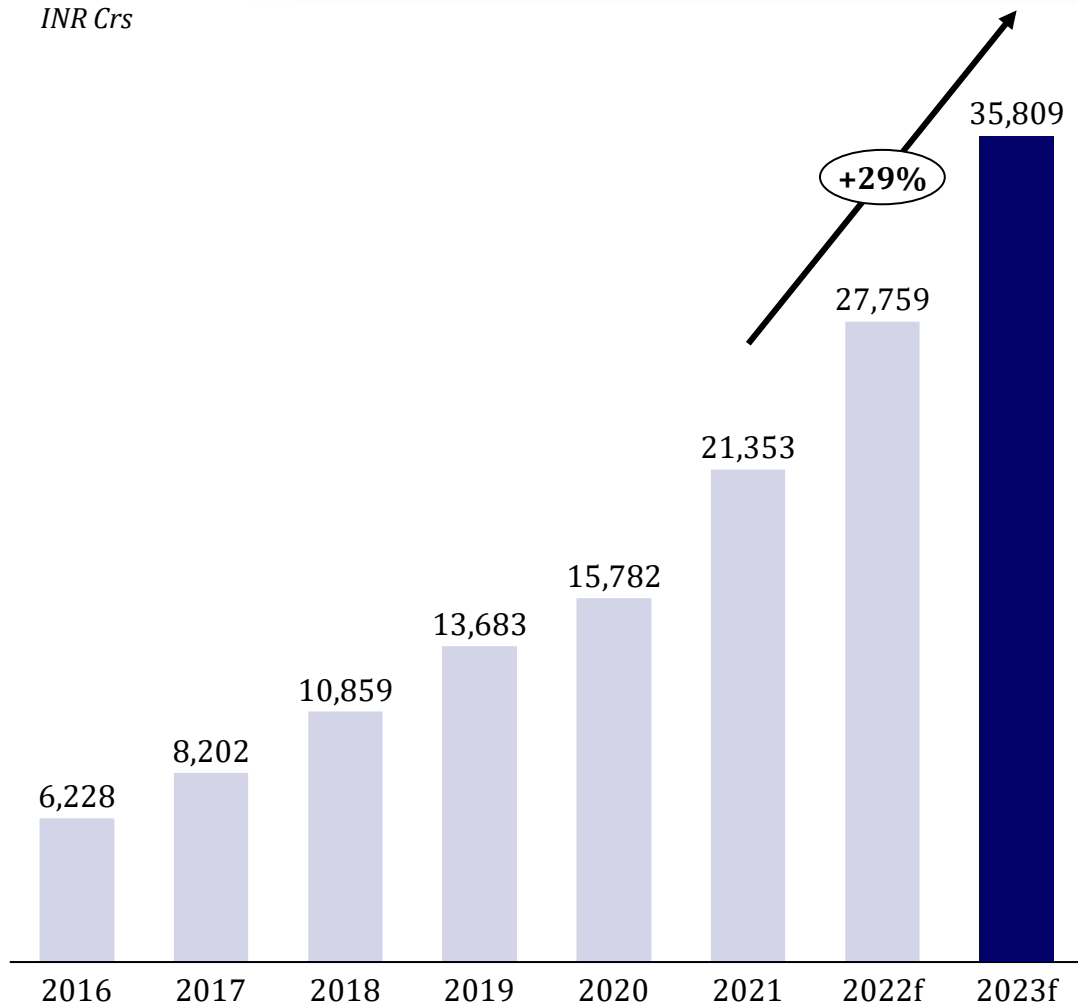
*Source: IFPI GMR (2022)

Digital Advertising – Key Driver of Indian Music Industry



Indian Digital Ad Industry

INR Crs

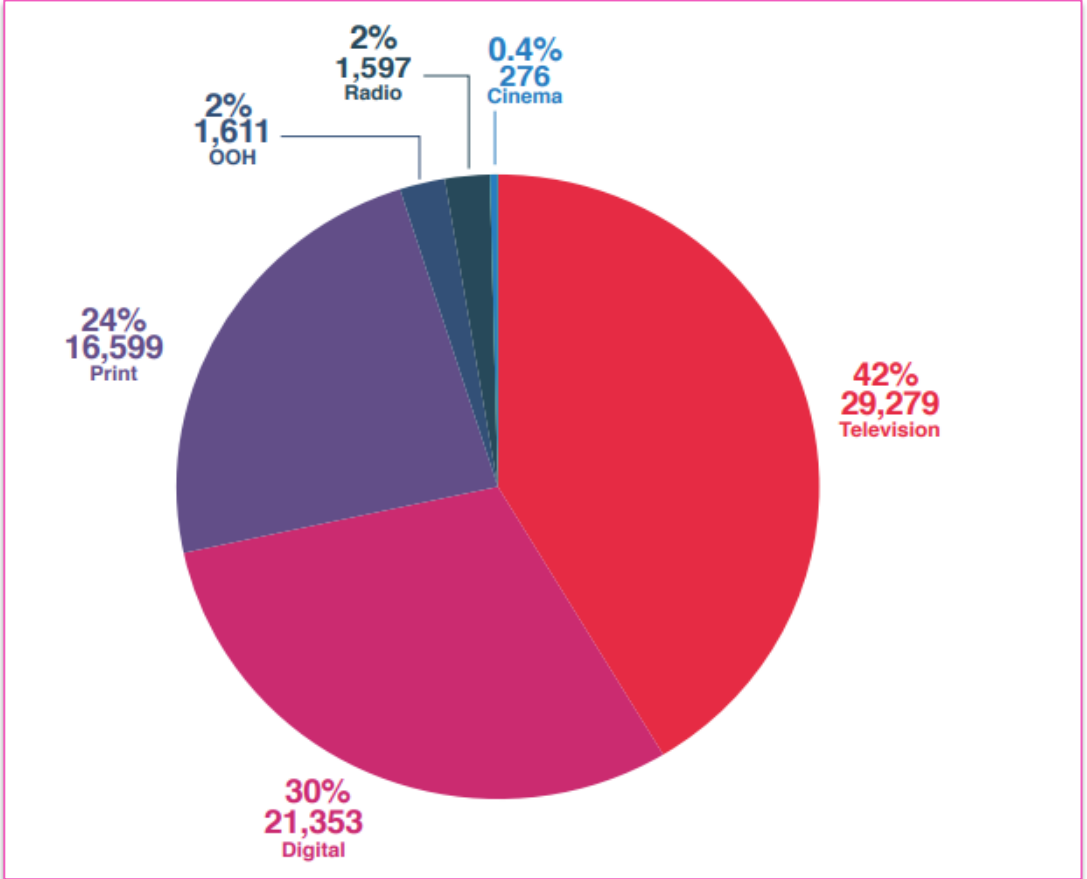


- The Indian digital advertising industry stood at Rs 21,353 crore by the end of 2021, up from Rs 15,782 crore in the previous year. It has grown at a rate of 35.3%
- This sustained growth can be attributed to the technological advancements, improvements in data science & analytics, introduction of policies & regulations, among others.
- The highest proportion of spends on digital media is claimed by social media (29%, Rs 6,218 crore), closely followed by online Video (28%, Rs 5,907 crore). Paid search claims 23% (Rs 5,039 crore), while display banners claim 16% (Rs 3,420 crore).
- Social media is expected to grow with a CAGR of 29.79% to have a spend share of 29% by 2023.
- On an average, Indians spend 2-3 hours on Social Media, which is at par with the global average.
- 73% of the audience belonging to the age group of 45 years to 54 years use YouTube to watch online content.

Growing Digital Ad spend



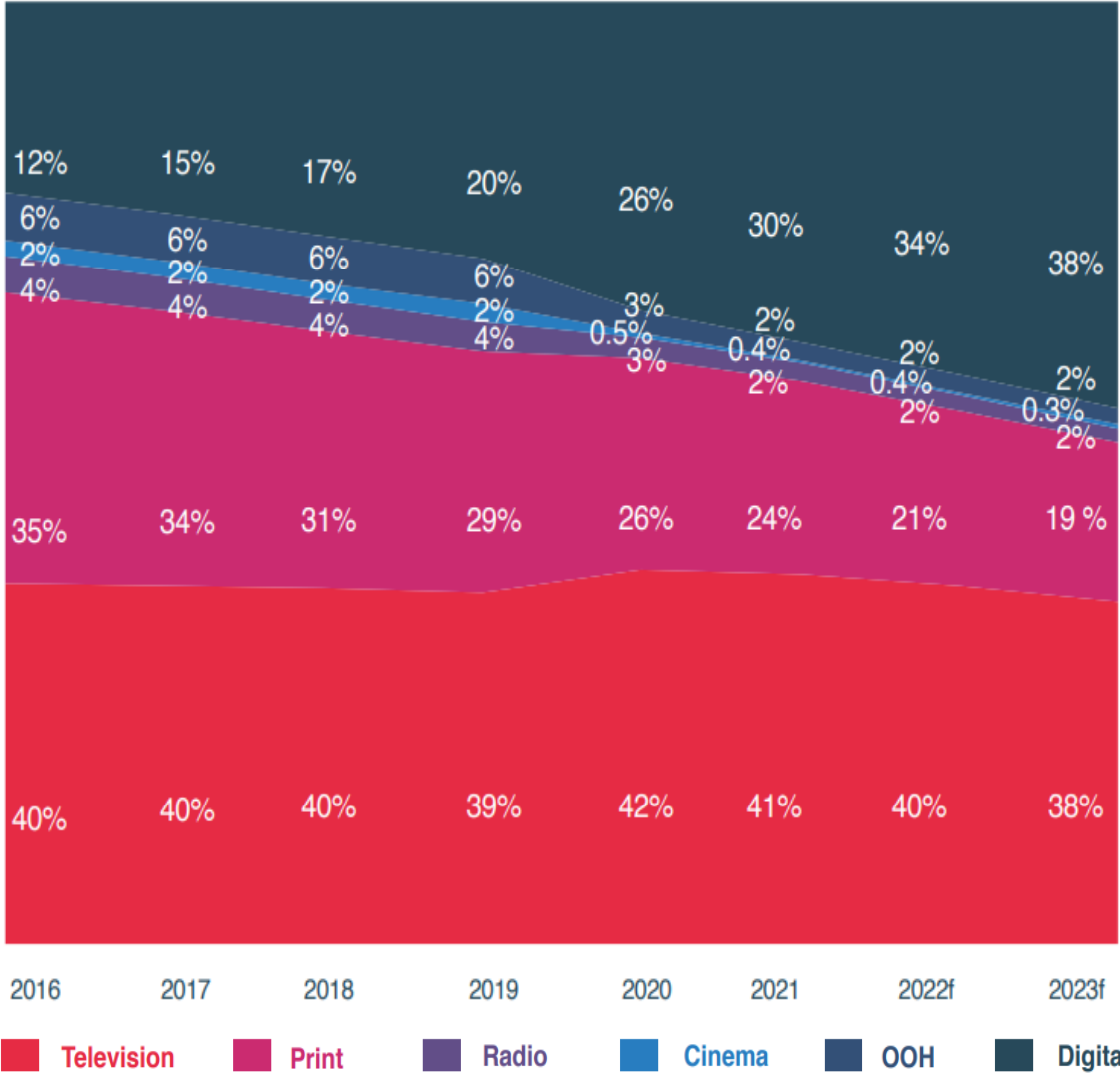
Advertising spends on different media (Rs. Crore)



The current pie of digital ad spends constitutes 30% of the advertising spends in 2021, and moving forward in 2022 and 2023, the percentage is expected to increase to 34% and 38% respectively.

Source: Dentsu Aegis Network Report 2022

Advertising spends across various media (%) - Forecast



Global Music Subscription Update



USA

On Demand Audio streaming in the US was up
~17% y-o-y.

76 Mn Music services subscribers v/s
74 Mn subscribers of Netflix



Netherlands

Proportion of Streaming doubled in last 8 years & **~60%**
have premium subscriptions



Brazil

Paid streaming contributes **~75%** of revenue for
Music Labels



Russia

Music revenue grew by **~50%** in 2019 and streaming
grew by **~76%** for 2020, this was partially aided by high
profile launch of Spotify



France

Slightly under 1/3rd of population is using Streaming
services & of that more than **~62%** of people are using
paid streaming services



China

Number of paid subscribers doubled in 2 years to 60 Mn;
Second highest globally but still **under 5%**
penetration of country's total population.



India

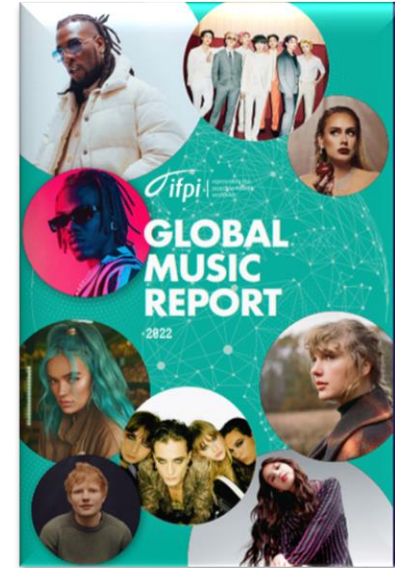
Listenership on audio streaming services grew by
40% Y-o-Y in first half of 2020

Few Industry Reports



dentsu – Digital Advertising in India

[Click Here](#)



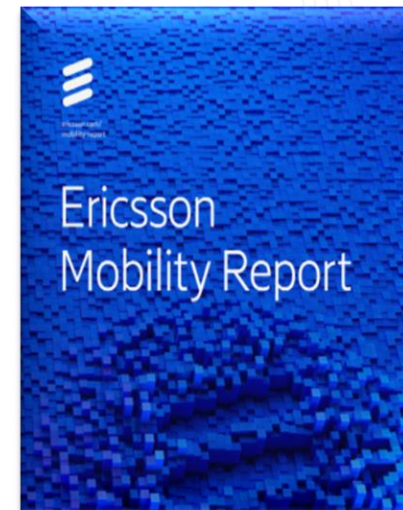
IFPI – Global Music Report

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FICCI – EY Media & Entertainment Report 2022

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Ericsson Mobility Report

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**Thank
You**

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