

SHEMAROO ENTERTAINMENT LIMITED

H1 / Q2-FY19

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.



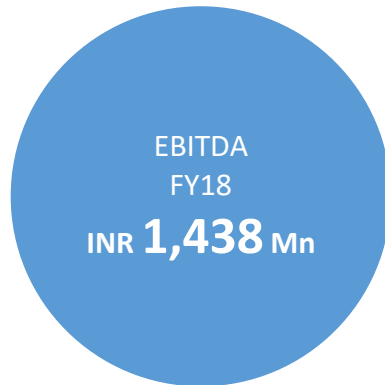
Strong understanding of Consumer's Entertainment Needs



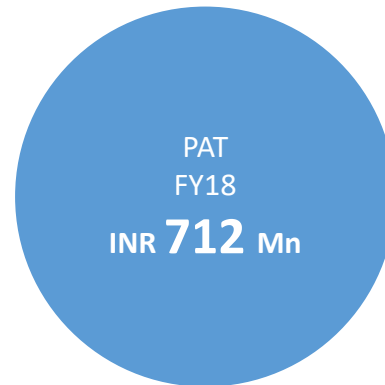
Strong content offerings in multiple countries across the globe



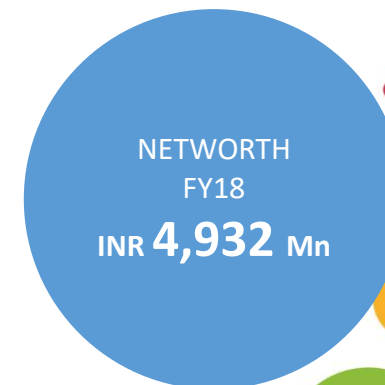
5 Year CAGR 17.80%



5 Year CAGR 19.63%



5 Year CAGR 24.71%

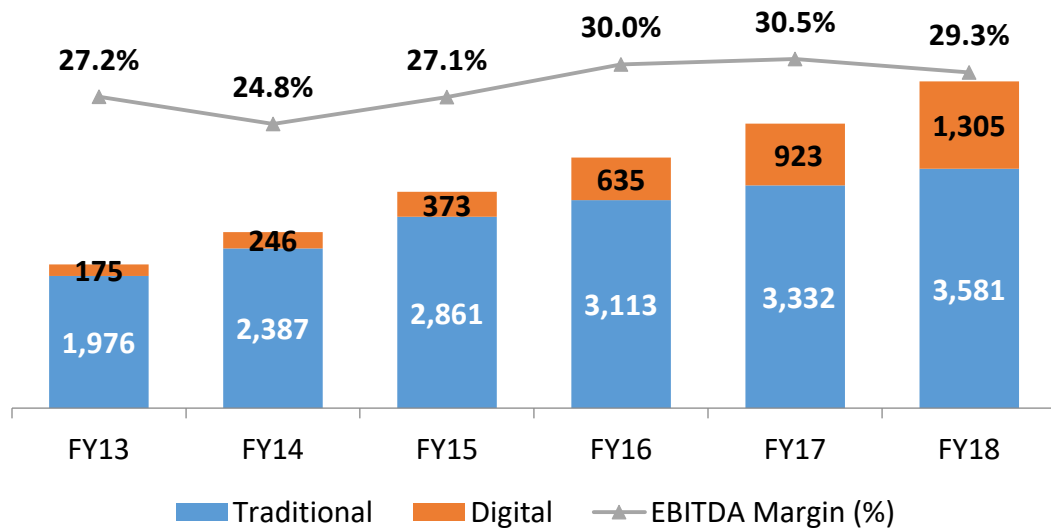


5 Year CAGR 27.13%

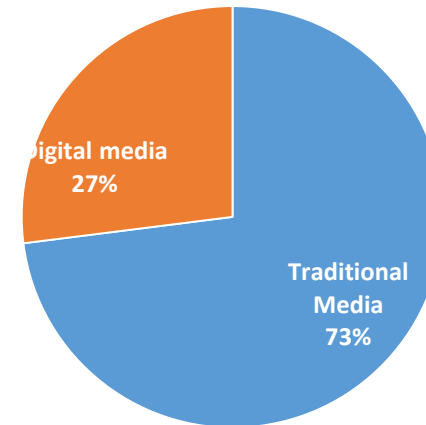


- Founded in 1962 as a book circulating library, today Shemaroo Entertainment Limited (Shemaroo) is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 750 people.
- Shemaroo is a pioneer in content aggregation and distribution in India and globally 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.
- Our Digital business contribution has grown from less than 10% in FY14 to over 25% in FY18.

Total Revenue (INR Mn) and EBITDA %



FY18 Revenue Distribution (INR Mn)



H1 / Q2-FY19 HIGHLIGHTS

H1 / Q2-FY19 Key Financial Highlights



Q2-FY19 performance (Consolidated):

- **Total Revenue***: INR 1,633 Mn; 32.1% QoQ; 21.3% YoY
- **EBITDA**: INR 426 Mn; 9.0% QoQ; 17.4% YoY
- **EBITDA Margin**: 26.09%; (554) bps QoQ; (88) bps YoY
- **Net Profit**: INR 230 Mn; 17.9% QoQ; 23.0% YoY
- **Net Profit Margin**: 14.08%; (170) bps QoQ; 19 bps YoY
- **EPS**: INR 8.45/share

H1-FY19 performance (Consolidated):

- **Total Revenue***: INR 2,869 Mn; 20.0% YoY
- **EBITDA**: INR 818 Mn; 15.9% YoY
- **EBITDA Margin**: 28.51%; (102) bps YoY
- **Net Profit**: INR 425 Mn; 22.8% YoY
- **Net Profit Margin**: 14.81%; 34 bps YoY
- **Diluted EPS**: INR 15.64/share

* - Includes Other Income

Divisional Breakup (Consolidated):

INR Mn	Q2-FY19	Q2-FY18	YOY Growth	H1-FY19	H1-FY18	YOY Growth
Digital Media	456	342	33.3%	845	627	34.8%
Traditional Media	1,177	1,002	17.5%	2,022	1,753	15.3%
Income from Operations	1,633	1,344	21.5%	2,867	2,380	20.5%

Key Operational Highlights

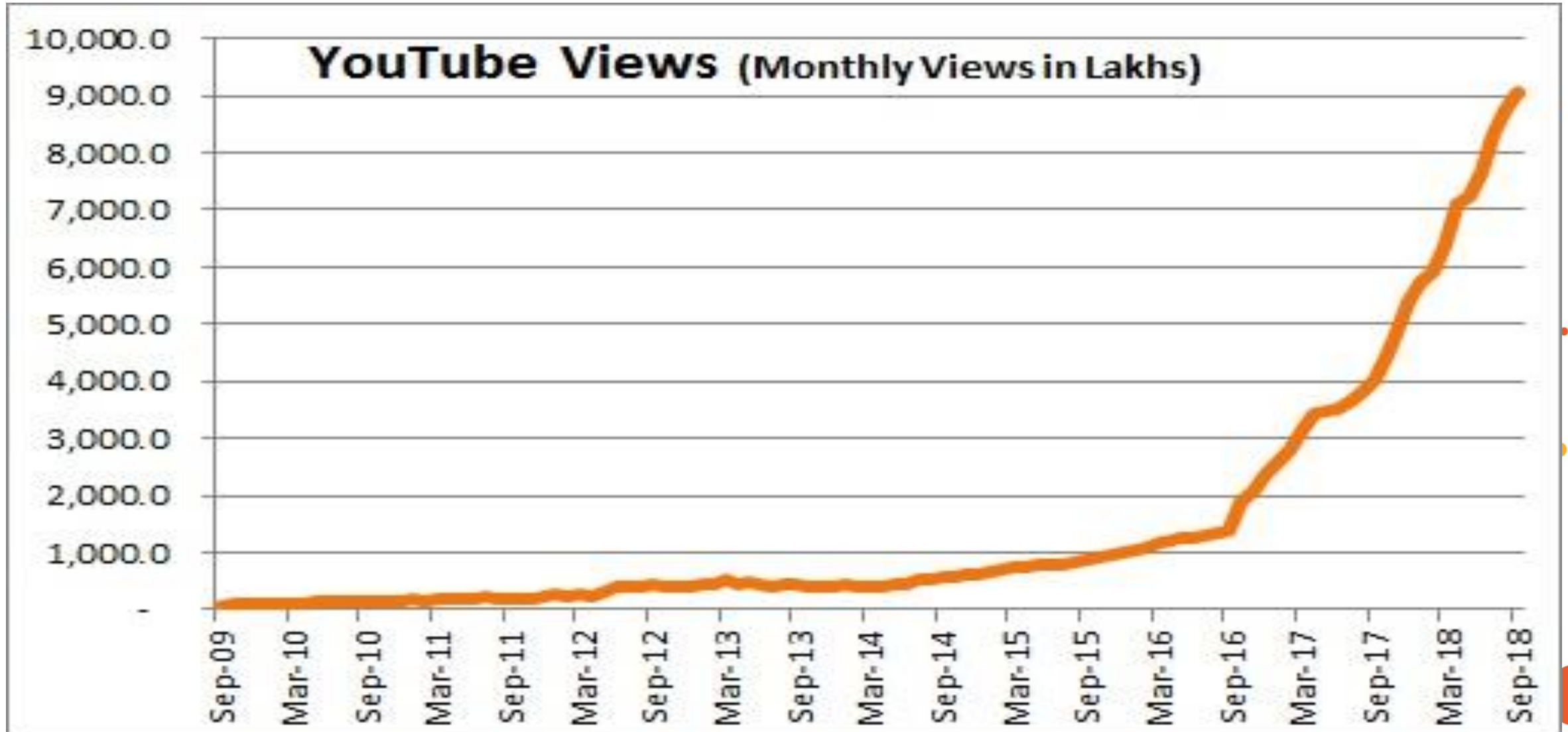


- Acquired the video music rights for the 'NH Studioz' Catalog
- Crossed 7 Bn cumulative views on our YouTube channel 'FilmiGaane'
- Crossed 10 Mn subscribers on our YouTube channel 'ShemarooEnt'
- Crossed 1 Mn subscribers on our YouTube channel 'Shemaroo Gujarati'
- Thriller Service launched with Videocon d2h and Dish TV in September 2018
- Bhojpuri Service launched with Videocon d2h, Dish TV in July 2018 and Tata Sky in September 2018
- Marathi language Service launched with Airtel Digital TV in July 2018

Key Operational Highlights



YouTube Monthly Views Graph till September 2018:



Q2-FY19 Consolidated Income Statement (IndAS)



Particulars (INR Mn)	Q2-FY19	Q1-FY19	Q-o-Q	Q2-FY18	Y-o-Y
Revenue from Operations	1,633	1,234	32.3%	1,344	21.5%
Other Income	-	2	NA	2	NA
Total Revenue	1,633	1,236	32.1%	1,346	21.3%
Total Expenses	1,207	845	42.8%	983	22.8%
EBITDA	426	391	9.0%	363	17.4%
EBITDA Margin (%)	26.09%	31.63%	(554) bps	26.97%	(88) bps
Depreciation	13	14	(7.1)%	13	-
Finance Cost	56	61	(8.2)%	84	(33.3)%
PBT	357	316	13.0%	266	34.2%
Tax	127	121	5.0%	78	62.8%
PAT	230	195	17.9%	188	22.3%
Minority Interest & Share of profit/ (loss) in associate company	-	-	-	(1)	NA
PAT after adjustments	230	195	17.9%	187	23.0%
PAT Margin (%)	14.08%	15.78%	(170) bps	13.89%	19 bps
Comprehensive Income	-	(5)	NA	-	NA
Total Profit including Comprehensive Income(Net of tax)	230	190	21.1%	187	23.0%
EPS (INR)(not annualised)	8.45	7.19	17.5%	6.88	22.8%

H1-FY19 Consolidated Income Statement (IndAS)



Particulars (INR Mn)	H1-FY19	H1-FY18	Y-o-Y
Revenue from Operations	2,867	2,380	20.5%
Other Income	2	11	(81.8)%
Total Revenue	2,869	2,391	20.0%
Total Expenses	2,051	1,685	21.7%
EBITDA	818	706	15.9%
EBITDA Margin (%)	28.51%	29.53%	(102) bps
Depreciation	27	25	8.0%
Finance Cost	118	165	(28.5)%
PBT	673	516	30.4%
Tax	248	167	48.5%
PAT	425	349	21.8%
Minority Interest & Share of profit/ (loss) in associate company	-	(3)	-
PAT after adjustments	425	346	22.8%
PAT Margin (%)	14.81%	14.47%	34 bps
Comprehensive Income	(5)	-	-
Total Profit including Comprehensive Income(Net of tax)	420	346	21.4%
EPS (INR)(not annualised)	15.64	12.74	22.8%

H1-FY19 Consolidated Balance Sheet (Ind-As)

Equity and Liabilities (INR Mn)	H1-FY18	H1-FY19
Shareholders Fund		
Share Capital	272	272
Other Equity	4,394	5,032
Non Controlling Interest	-	(38)
Total Equity	4,666	5,266
Non Current Liabilities		
Long Term borrowings	69	2
Deferred tax liabilities (Net)	60	36
Long tem provisions	8	16
Total Non-Current Liabilities	137	54
Current Liabilities		
Short Term Borrowings	2,402	1,669
Trades payables	344	466
Other Financial Liabilities	2	139
Other Current Liabilities	3	27
Short Term Provisions	296	26
Current Tax Liabilities (Net)	-	124
Total Current Liabilities	3,047	2,451
Total	7,850	7,771

Assets (INR Mn)	H1-FY18	H1-FY19
Non Current Assets		
Fixed Assets		
Property, Plant & Equipment	334	319
Intangible assets	11	14
Investments	155	65
Long Term Loan and Advances	105	-
Other Financial Assets	3	4
Other Non Current Assets	18	62
Total Non-Current Assets	626	464
Current Assets		
Inventories	5,618	5,661
Trade Receivables	1,245	1,409
Cash and cash equivalents	28	12
Short Term loan and advances	108	5
Prepayments	11	-
Other Current Assets	214	220
Total Current Assets	7,224	7,307
Total	7,850	7,771

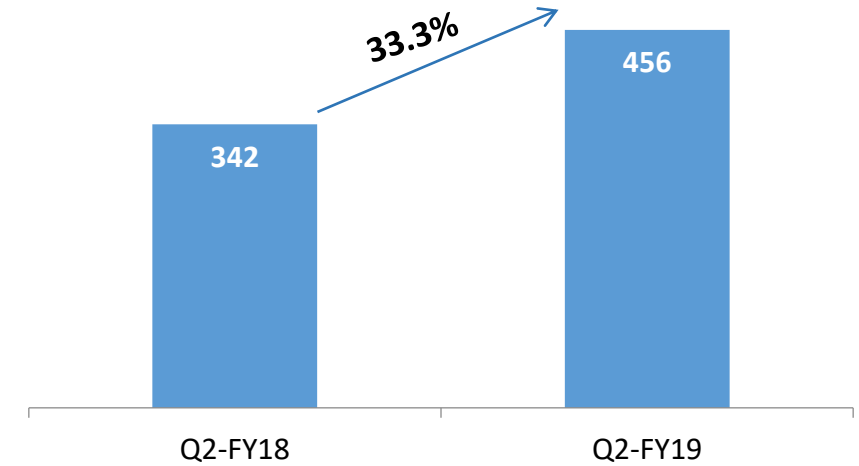
Shemaroo In Digital Media



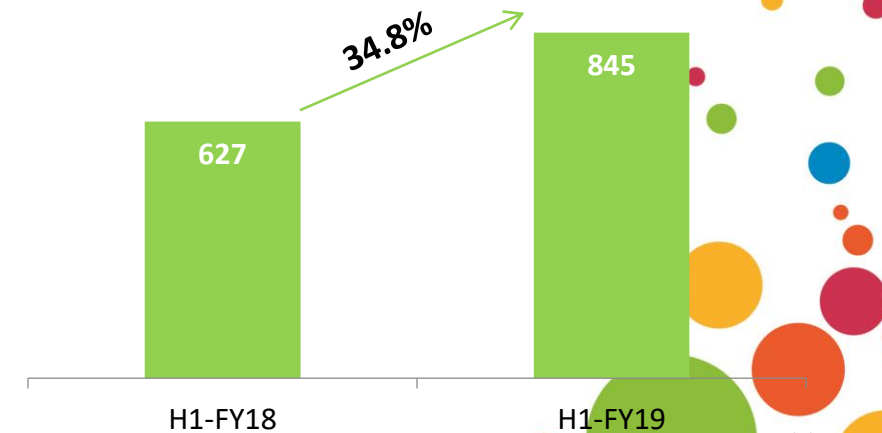
- The company caters to all types of revenue models like subscription, pay per transaction, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the digital media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

Digital Media Presence	
Internet and OTT	Mobile Value Added services (MVAS) / Mobile Internet
<ul style="list-style-type: none"> • Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Reliance Jio, Apple iTunes, Google Play, YuppTV, etc. 	<ul style="list-style-type: none"> • 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-FY19 Digital Media Performance (INR Mn)



H1-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

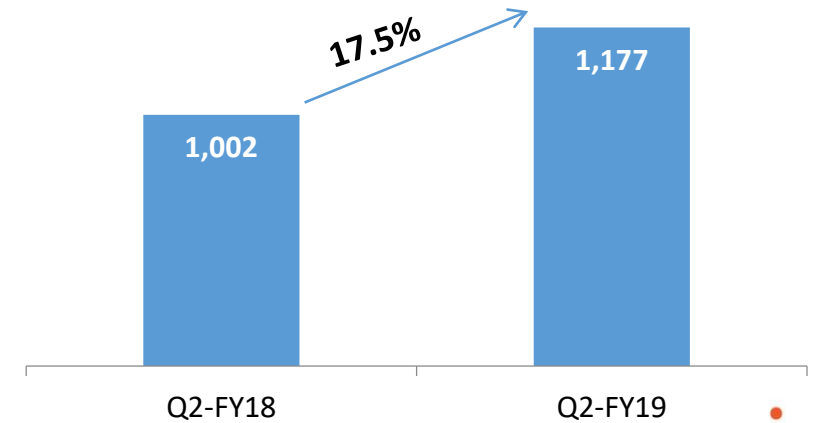
Subscription Based Services

- 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

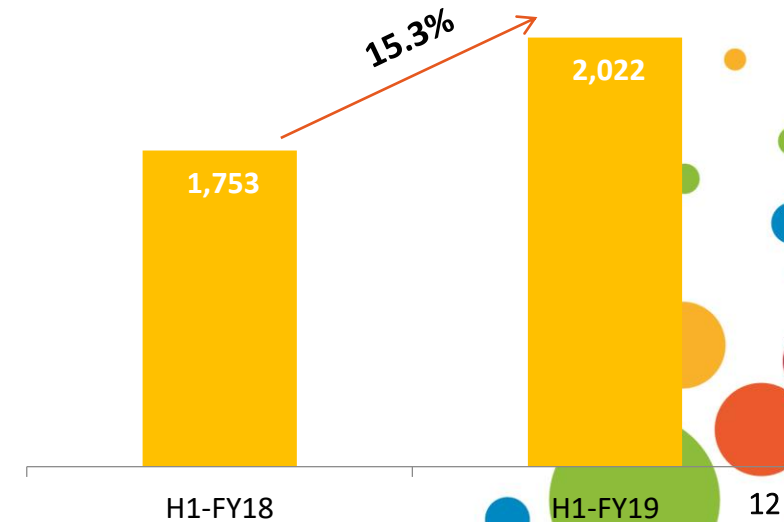
TV Syndication Platforms

Satellite Television	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • The company also licenses content for broadcasting on terrestrial television network
Cable Television	<ul style="list-style-type: none"> • Revenue stream, wherein an increasing number of cable operators are licensing rights of Shemaroo’s content

Q2-FY19 Traditional Media Performance (INR Mn)



H1-FY19 Traditional Media Performance (INR Mn)



Consolidated Income Statement (Ind-As)

Particulars (INR Mn)	FY18	FY17
Revenue from Operations	4,886	4,255
Other Income	17	30
Total Revenue	4,903	4,285
Total Expenses	3,465	2,976
EBITDA	1,438	1,305
EBITDA Margin (%)	29.33%	30.46%
Depreciation	51	43
Finance Cost	307	324
PBT	1,080	938
Tax	367	342
PAT	713	596
Minority Interest & Share of profit/ (loss) in associate company	(1)	18
PAT after adjustments	712	614
PAT Margin (%)	14.52%	14.33%
Comprehensive Income	3	-
Total Profit including Comprehensive Income(Net of tax)	715	614
EPS (INR)(not annualised)	26.18	22.60

Consolidated Balance Sheet (Ind-As)

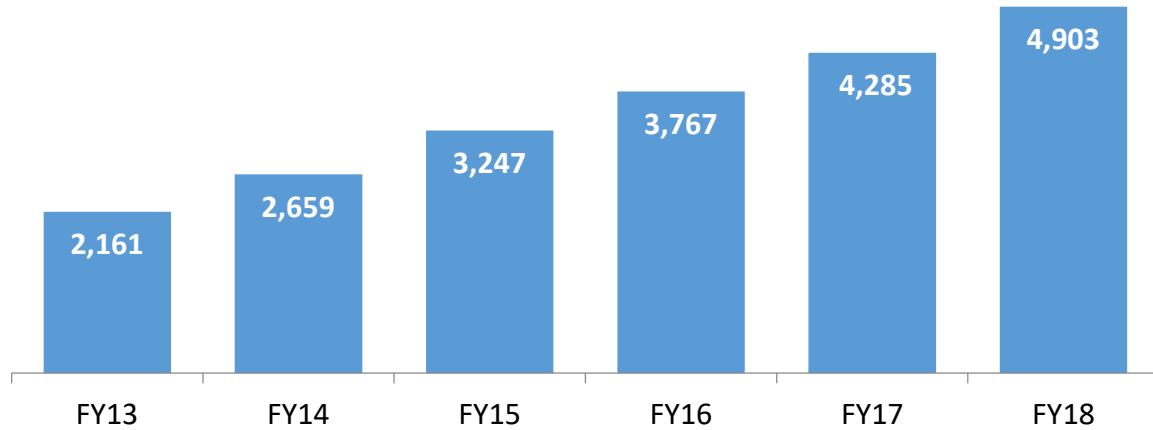
Equity and Liabilities (INR Mn)	FY18	FY17
Shareholders Fund		
Share Capital	272	272
Other Equity	4,692	3,992
Total Equity	4,964	4,264
Non controlling interest	(31)	(32)
Non Current Liabilities		
Long Term borrowings	21	131
Deferred tax liabilities	36	65
Long tem provisions	16	10
Total Non-Current Liabilities	73	206
Current Liabilities		
Short Term Borrowings	1,858	2,541
Trades payables	181	190
Other Financial Liabilities	136	320
Other Current Liabilities	28	70
Short Term Provisions	139	246
Total Current Liabilities	2,342	3,367
Total	7,348	7,805

Assets (INR Mn)	FY18	FY17
Non Current Assets		
Fixed Assets		
Property, Plant & Equipment	323	337
Intangible assets	10	11
Investments	101	72
Long Term Loan and Advances		68
Other Financial Assets	3	3
Other Non Current Assets	31	35
Total Non-Current Assets	468	526
Current Assets		
Inventories	5,297	5,004
Trade Receivables	1,406	1,906
Cash and cash equivalents	13	19
Short Term loan and advances	4	3
Other Current Assets	160	347
Total Current Assets	6,880	7,279
Total	7,348	7,805

Historical Consolidated Financial Charts

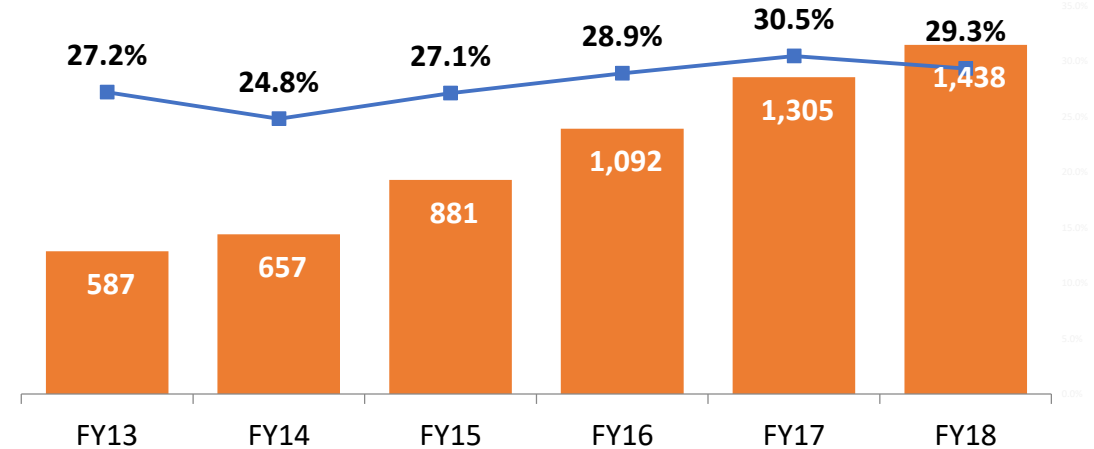
Total Income* (INR Mn)

5 Year CAGR 17.8 %



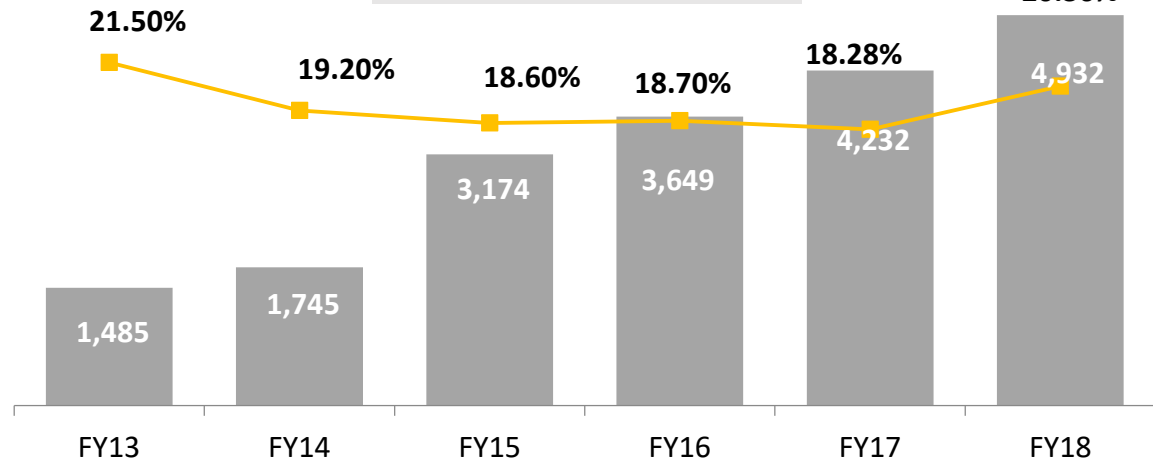
EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 19.63%



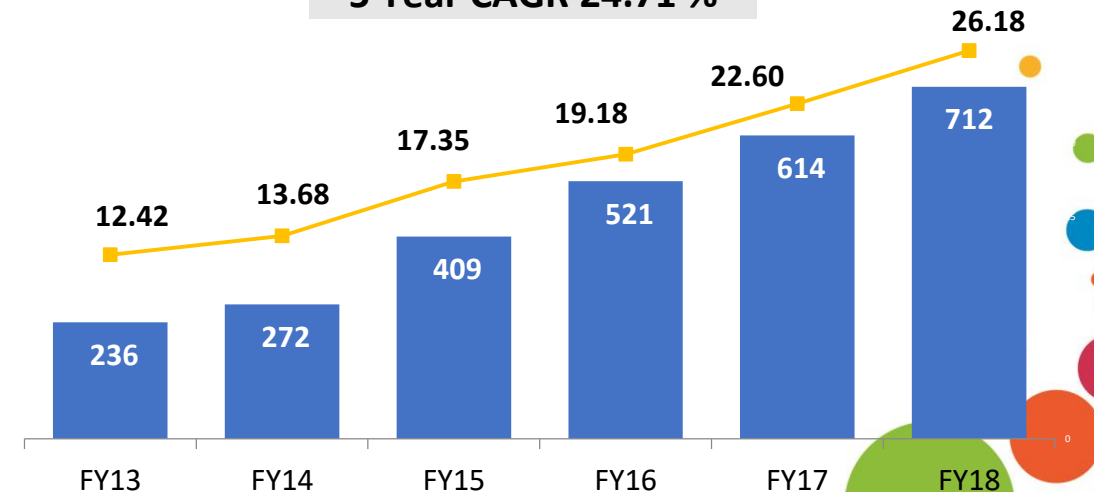
Net Worth (INR Mn) and ROCE (%)

5 Year CAGR 27.13 %



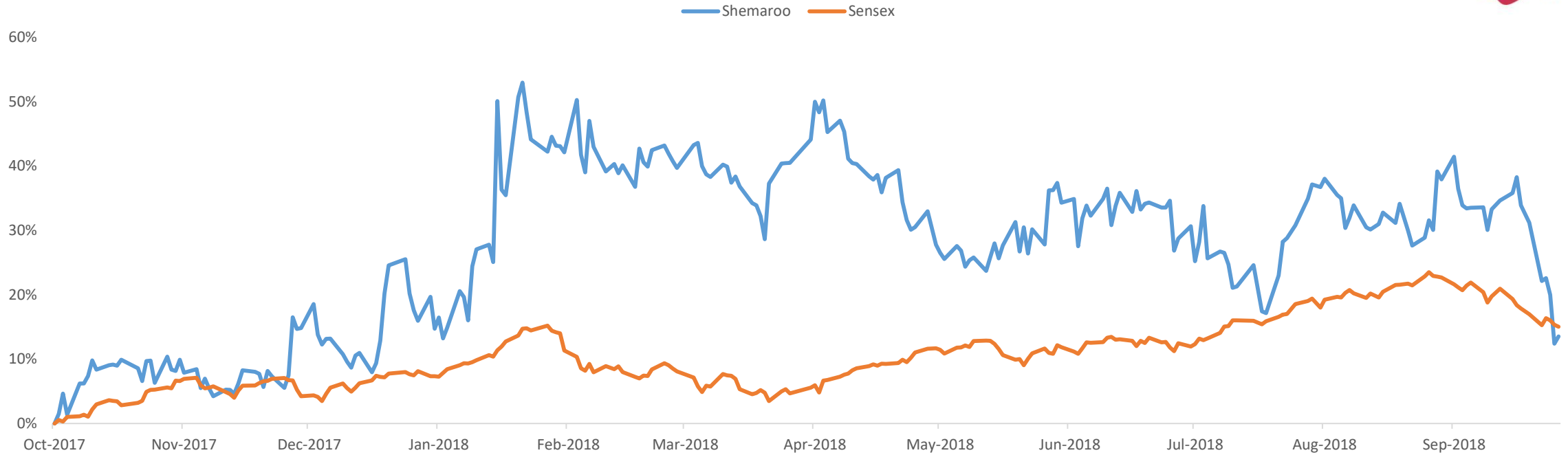
PAT (INR Mn) and EPS

5 Year CAGR 24.71 %



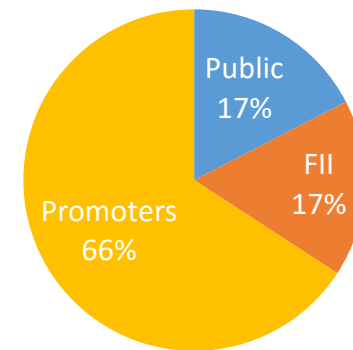
* Includes other Income Note: FY17 and FY18 numbers are as per IND-As

Capital Market



Price Data (As of 30 th September, 2018)		INR
Face Value		10
Market Price		416.7
52 Week H/L		595.0/360.5
Market Cap (INR Mn)		11,326.8
Equity Shares Outstanding (Mn)		27.18
1 Year Avg. Trading Volume ('000)		25.23

Share Holding Pattern as on 30th September, 2018



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THANK YOU

