



Shemaroo Entertainment Limited | 9M / Q3-FY20

INDIA **KHUSH** HUA



2 | At a Glance



Over 55 years experience as a Household Media Brand



One of the largest content houses with 3,900+ 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

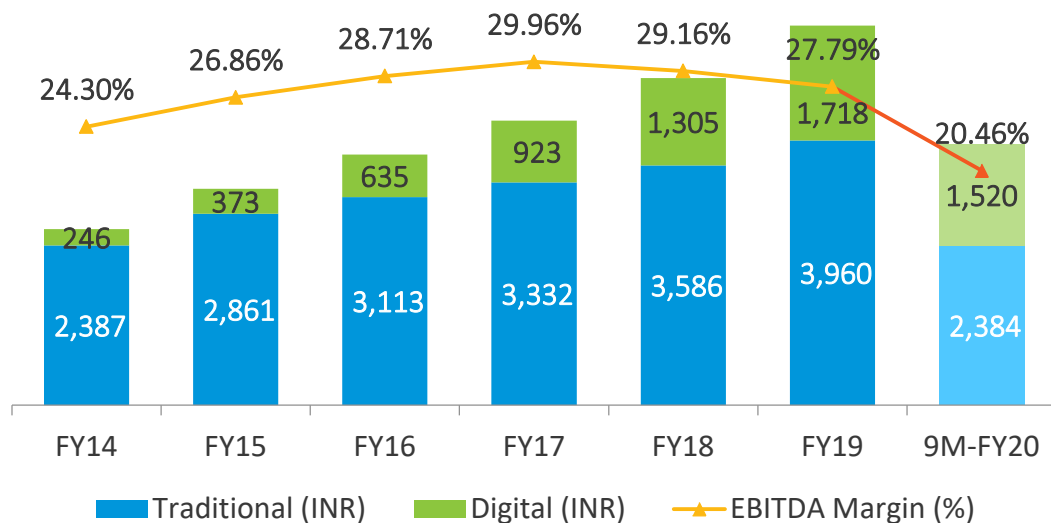
5 Year CAGR 26.79%

Overview

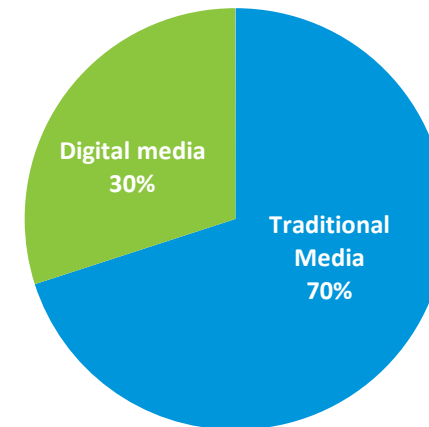


- Founded in 1962 as a book circulating library, today Shemaroo Entertainment Limited (Shemaroo) is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 750 people.
- Shemaroo is a pioneer in content aggregation and distribution in India and globally with offerings spread across Television, Mobile, Internet, OTT, Preloaded devices, 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)



9M / Q3-FY20 HIGHLIGHTS



9M / Q3-FY20 Key Financial Highlights



Q3-FY20 performance (Consolidated):

- **Revenue from Operations:** INR 970 Mn
- **EBITDA:** INR 195 Mn
- **EBITDA Margin:** 20.07%
- **Net Profit:** INR 85 Mn
- **Net Profit Margin:** 8.76%
- **EPS:** INR 3.13

Profit and Loss includes expenses on new initiatives (net of revenue) - INR 70.19 Mn

9M-FY20 performance (Consolidated):

- **Revenue from Operations:** INR 3,904 Mn
- **EBITDA:** INR 799 Mn
- **EBITDA Margin:** 20.46%
- **Net Profit:** INR 441 Mn
- **Net Profit Margin:** 11.31%
- **EPS:** INR 16.24

Profit and Loss includes expenses on new initiatives (net of revenue) -INR 157.12 Mn

Divisional Breakup (Consolidated):

INR Mn	Q3-FY20	Q3-FY19	YOY Growth	9M-FY20	9M-FY19	YOY Growth
Digital Media	482	426	13.2%	1,520	1,271	19.6%
Traditional Media	488	1,063	(54.1)%	2,384	3,085	(22.7)%
Income from Operations	970	1,489	(34.9)%	3,904	4,356	(10.4)%

6 | Key Financial Highlights

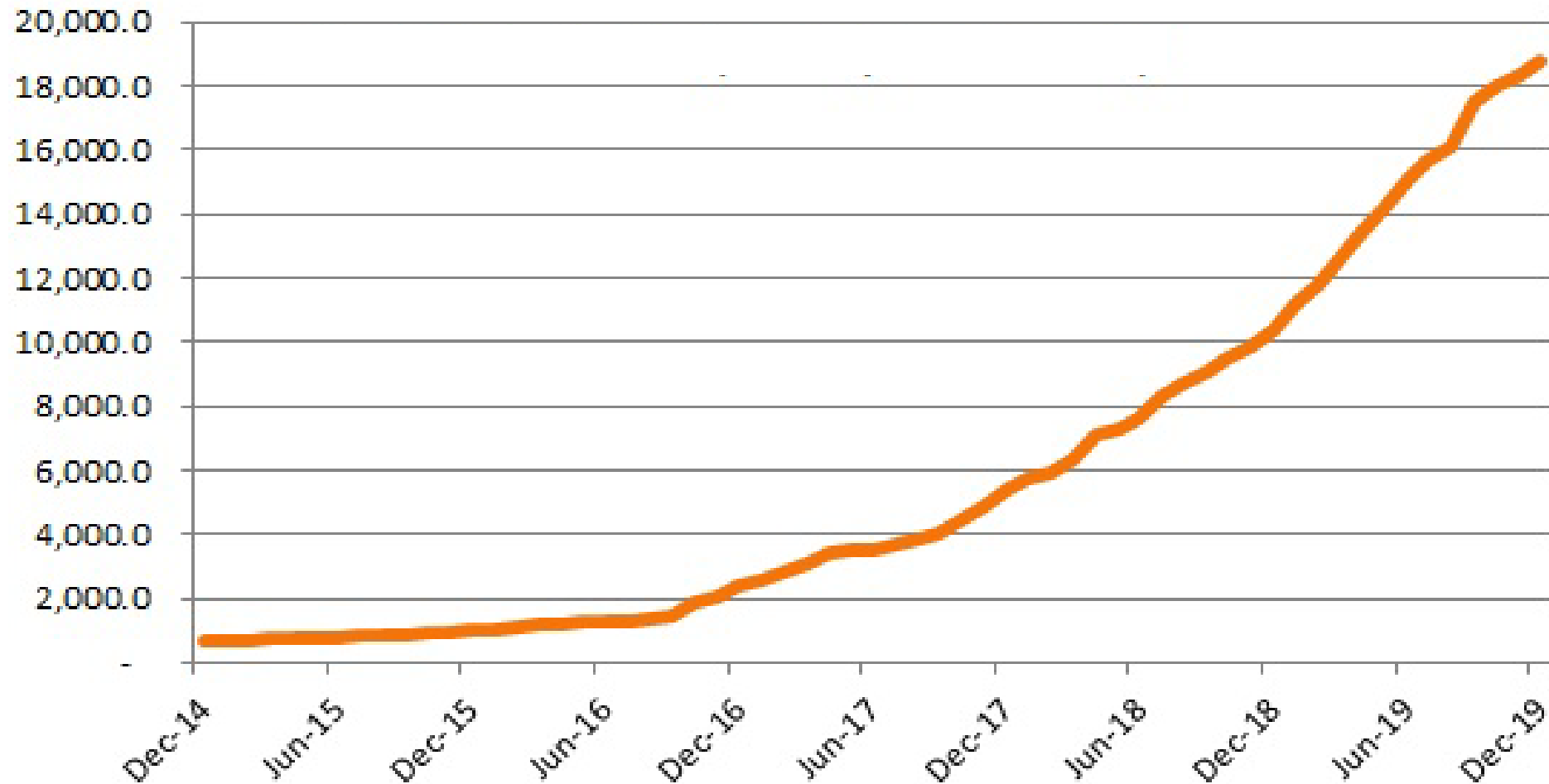


- ShemarooMe
 - 1) Launched globally; Now available in 150 countries
 - 2) Signed Strategic partnership with MX Player
 - 3) Made available on Cloudwalker TV, TCL TV, Android TV globally and Roku devices in the US
- Crossed 30 mn subscribers on YouTube channel 'FilmiGaane' and 20 mn subscribers on Youtube channel "ShemarooEnt"
- Launched 2 new pre-loaded audio speakers - Amrit Bani (Sikh Devotional Speaker) and Sai Bhajan Vaani
- Shemaroo signed a content deal with Mubi, a London based VOD streaming service
- Launched a new service on DTH: Gujarati Cinema on Tata Sky in Oct 2019
- Launched Shemaroo MarathiBana
 - Free to Air Marathi Movies satellite Channel
 - Available on DD FreeDish and leading DTH and cable operators
- Weak macro-economic conditions in India have resulted in an overall slowdown in the country which has impacted consumption and hence advertising spends. Shemaroo has also been steadily investing in new B2C products and services to fuel its growth, which has impacted the margins.
 - In order to offset the impact, Shemaroo has undertaken various organization wide cost rationalization measures

7 | Key Financial Highlights



YouTube Views (Monthly Views in Lakhs) Graph till December 2019:



Q3-FY20 Consolidated Income Statement (Ind-AS)



Particulars (INR Mn)	Q3-FY20	Q2-FY20	Q-o-Q	Q3-FY19	Y-o-Y
Revenue from Operations	970	1,503	(35.5)%	1,489	(34.9)%
Total Expenses	775	1,218	(36.4)%	1,136	(31.8)%
EBITDA	195	285	(31.6)%	353	(44.8)%
EBITDA Margin (%)	20.07%	18.96%	111 Bps	23.69%	(362) Bps
Other Income	5	6	(16.7)%	7	(28.6)%
Depreciation	20	20	0%	14	42.9%
Finance Cost	59	56	5.4%	65	(9.2)%
PBT	120	215	(44.2)%	280	(57.1)%
Tax	33	21	57.1%	84	(60.7)%
PAT	87	194	(55.2)%	196	(55.6)%
Minority Interest & Share of profit/ (loss) in associate company	(2)	1	N/A	0	NA
PAT after adjustments	85	195	(56.4)%	196	(56.6)%
PAT Margin (%)	8.76%	12.97%	(421) Bps	13.14%	(438) Bps
Comprehensive Income	0	0	N/A	-	NA
Total Profit including Comprehensive Income(Net of tax)	85	195	(56.4)%	196	(56.6)%
EPS (INR)(not annualised)	3.13	7.17	(56.3)%	7.20	(56.5)%

9M-FY20 Consolidated Income Statement (Ind-AS)



Particulars (INR Mn)	9M-FY20	9M-FY19	Y-o-Y
Revenue from Operations	3,904	4,357	(10.4)%
Total Expenses	3,105	3,189	(2.6)%
EBITDA	799	1,168	(31.6)%
EBITDA Margin (%)	20.46%	26.81%	(635) Bps
Other Income	19	9	111.1%
Depreciation	55	42	31.0%
Finance Cost	173	183	(5.5)%
PBT	591	953	(38.0)%
Tax	146	332	(56.0)%
PAT	445	621	(28.3)%
Minority Interest & Share of profit/ (loss) in associate company	(4)	0	NA
PAT after adjustments	441	621	(29.0)%
PAT Margin (%)	11.31%	14.25%	(294) Bps
Comprehensive Income	0	(6)	NA
Total Profit including Comprehensive Income (Net of tax)	441	615	(28.3)%
EPS (INR)(not annualised)	16.24	22.83	(28.9)%

H1-FY20 Consolidated Balance Sheet (Ind-As)



Equity and Liabilities (INR Mn)	H1-FY20	FY19
Shareholders Fund		
Share Capital	272	272
Other Equity	5,747	5,445
Non Controlling Interest	(41)	(42)
Total Equity	5,978	5,675
Non Current Liabilities		
Long Term borrowings	3	4
Lease liability	23	-
Deferred tax liabilities (Net)	24	34
Long tem provisions	41	32
Total Non-Current Liabilities	91	70
Current Liabilities		
Short Term Borrowings	2,136	1,969
Trades payables	490	298
Other Financial Liabilities	185	63
Other Current Liabilities	14	68
Short Term Provisions	8	8
Current Tax Liabilities (Net)	116	151
Total Current Liabilities	2,949	2,557
Total	9,018	8,302

Assets (INR Mn)	H1-FY20	FY19
Non Current Assets		
Fixed Assets		
Property, Plant & Equipment	324	306
Intangible assets	11	10
Intangible assets under development	2	-
Right of use Assets	22	-
Investments	89	65
Long Term Loan and Advances	1	1
Other Financial Assets	1	3
Other Non Current Assets	45	58
Total Non-Current Assets	495	443
Current Assets		
Inventories	6,794	6,027
Trade Receivables	1,410	1,590
Cash and cash equivalents	27	16
Short Term loan and advances	6	6
Other Financial Assets	-	8
Other Current Assets	286	212
Total Current Assets	8,523	7,859
Total	9,018	8,302

Shemaroo In Digital Media



Digital Media

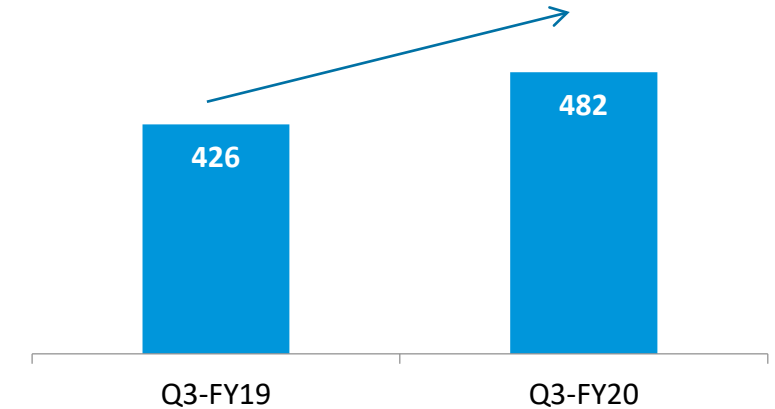


Shemaroo was one of the early Indian media companies to syndicate its library in the high growth digital media platforms, thereby gaining early mover advantage

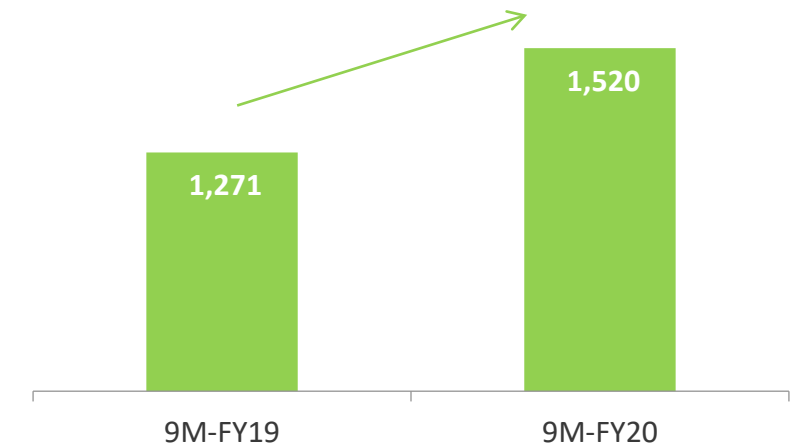
- The company caters to all types of revenue models like subscription, pay per transaction, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the digital media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

Digital Media Presence		
Internet and OTT	Mobile Value Added services (MVAS) / Mobile Internet	ShemarooMe
<ul style="list-style-type: none"> • Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Reliance Jio, Apple iTunes, Google Play etc. 	<ul style="list-style-type: none"> • The company has agreements with major telecom operators, namely Airtel, Vodafone, Idea to distribute videos, full songs, live streaming etc. under MVAS 	<ul style="list-style-type: none"> • ShemarooMe is the OTT platform launched in Feb'19 – offering vast content library across Bollywood, Gujarati, Marathi, Kids, Punjabi, Devotional etc.

Q3-FY20 Digital Media Performance (INR Mn)



9M-FY20 Digital Media Performance (INR Mn)



Shemaroo in Traditional Media



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

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

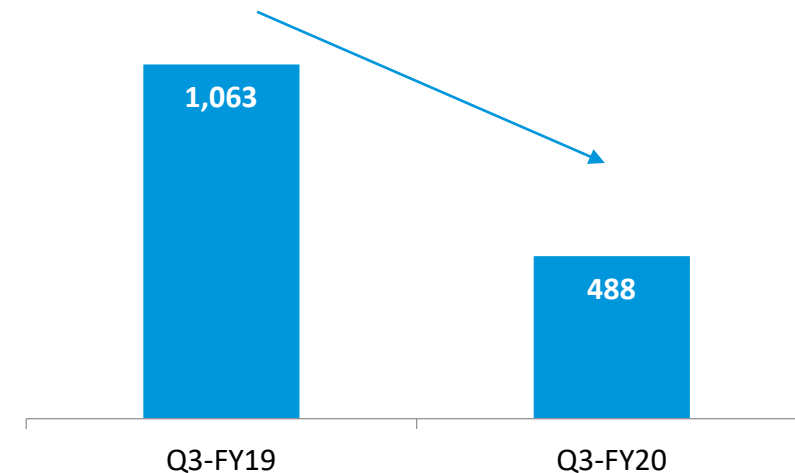
Subscription Based Services

- 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

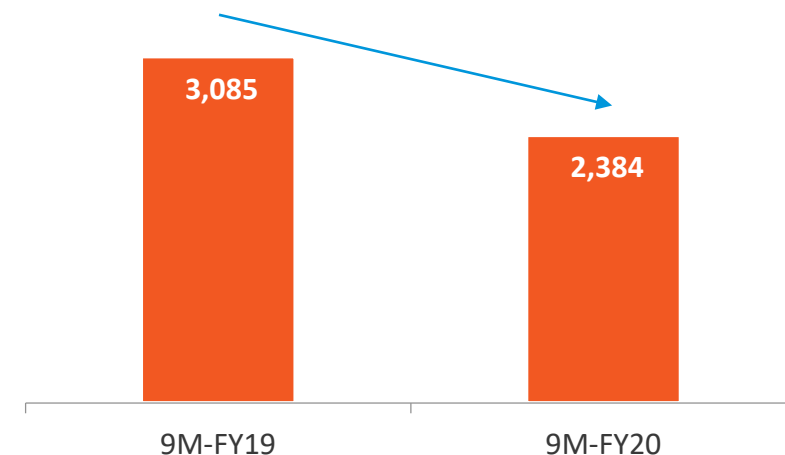
Advertisement led Satellite Channel

- Shemaroo launched a satellite FTA channel named as 'Shemaroo MarathiBana' in Dec'19, targeted to be a prominent leader in the Marathi movie genre
- The company has over the years built a strong library in the regional space through which it plans to strategically capture a vacuum in the Marathi movie genre

Q3-FY20 Traditional Media Performance (INR Mn)



9M-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)



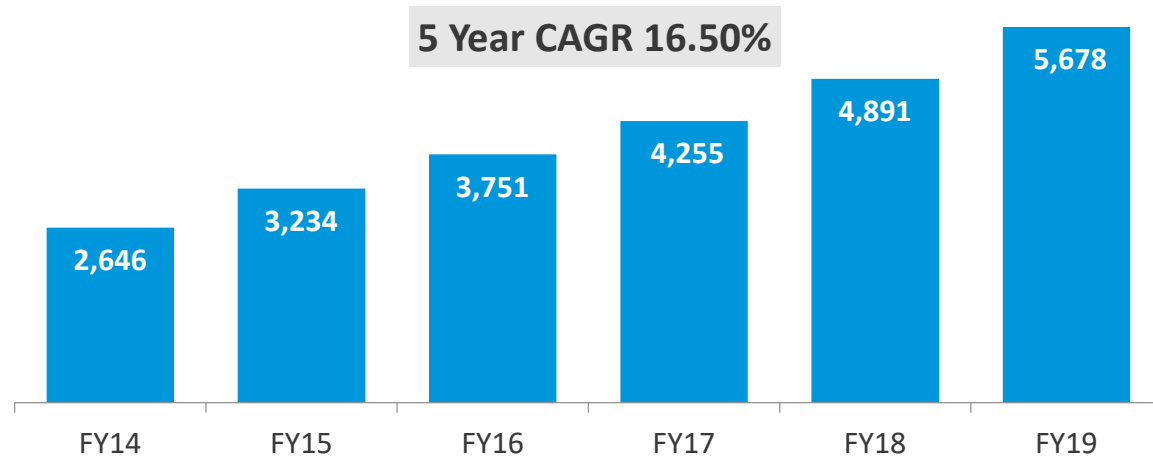
Equity and Liabilities (INR Mn)	FY18	FY19
Shareholders Fund		
Share Capital	272	272
Other Equity	4,662	5,445
Total Equity	4,934	5,717
Non controlling interest	(36)	(42)
Non Current Liabilities		
Long Term borrowings	21	4
Deferred tax liabilities (Net)	36	34
Long tem provisions	16	32
Total Non-Current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

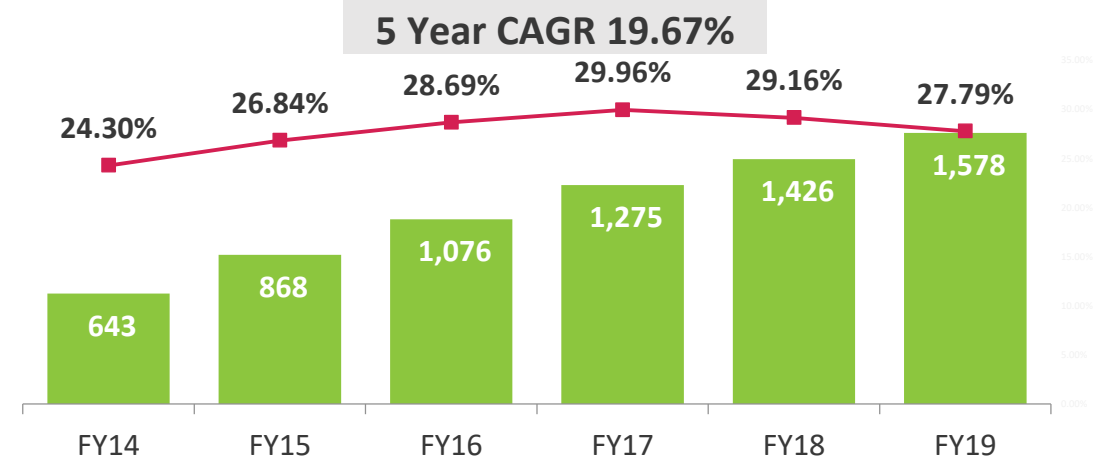
Historical Consolidated Financial Charts



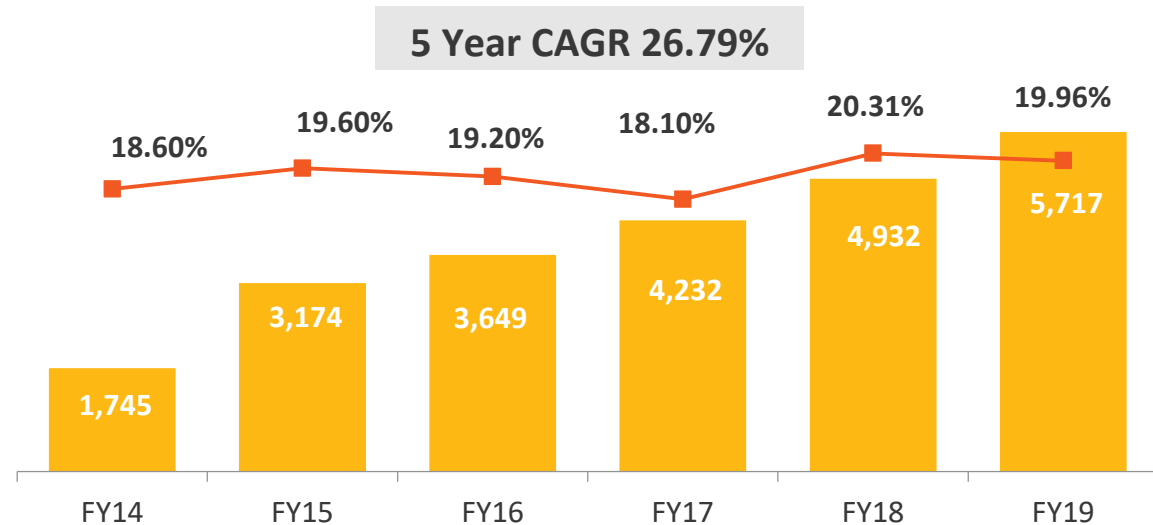
Operational Revenue* (INR Mn)



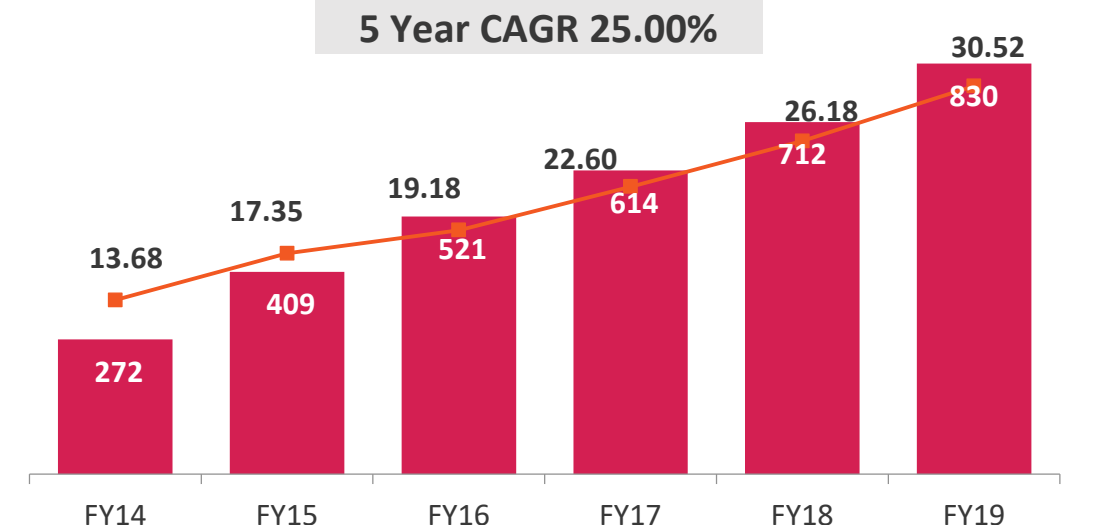
EBITDA (INR Mn) and EBITDA Margin (%)



Net Worth (INR Mn) and ROCE (%)

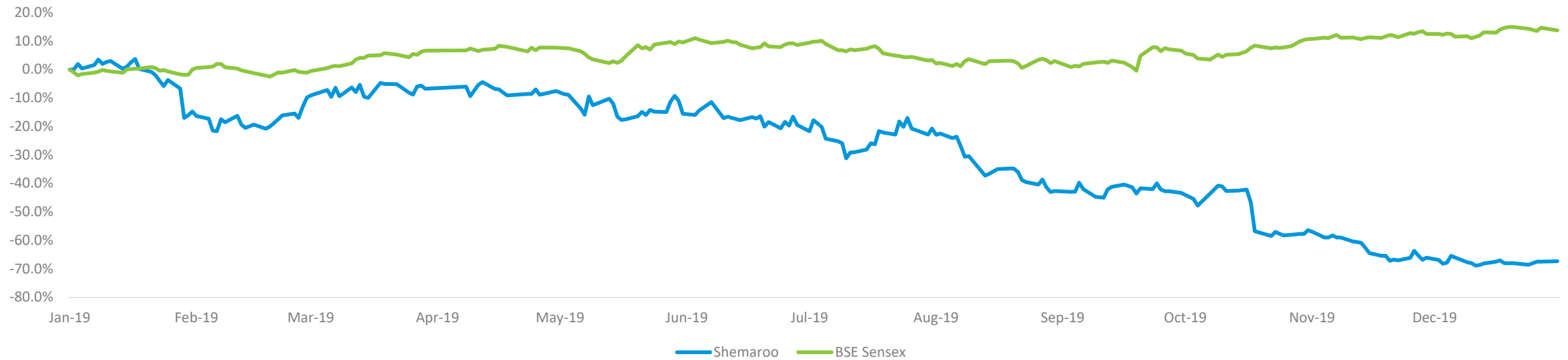


PAT (INR Mn) and EPS (INR)



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

Capital Market

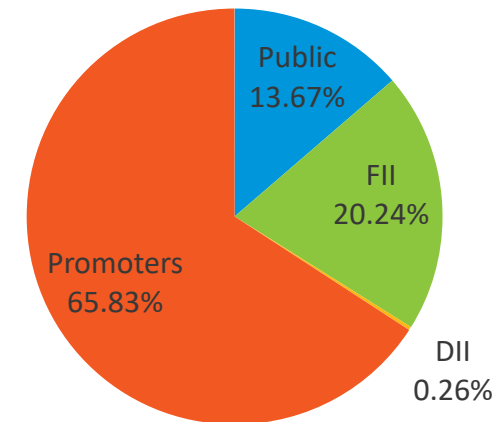


Price Data (As of 31st December, 2019)

INR

Face Value	10.0
Market Price	140.4
52 Week H/L	454.9/131.0
Market Cap (INR Mn)	3,817.7
Equity Shares Outstanding (Mn)	27.2
1 Year Avg. Trading Volume ('000)	13.4

Share Holding Pattern as on 31st December, 2019



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THANK YOU

