



SHEMAROO ENTERTAINMENT LIMITED

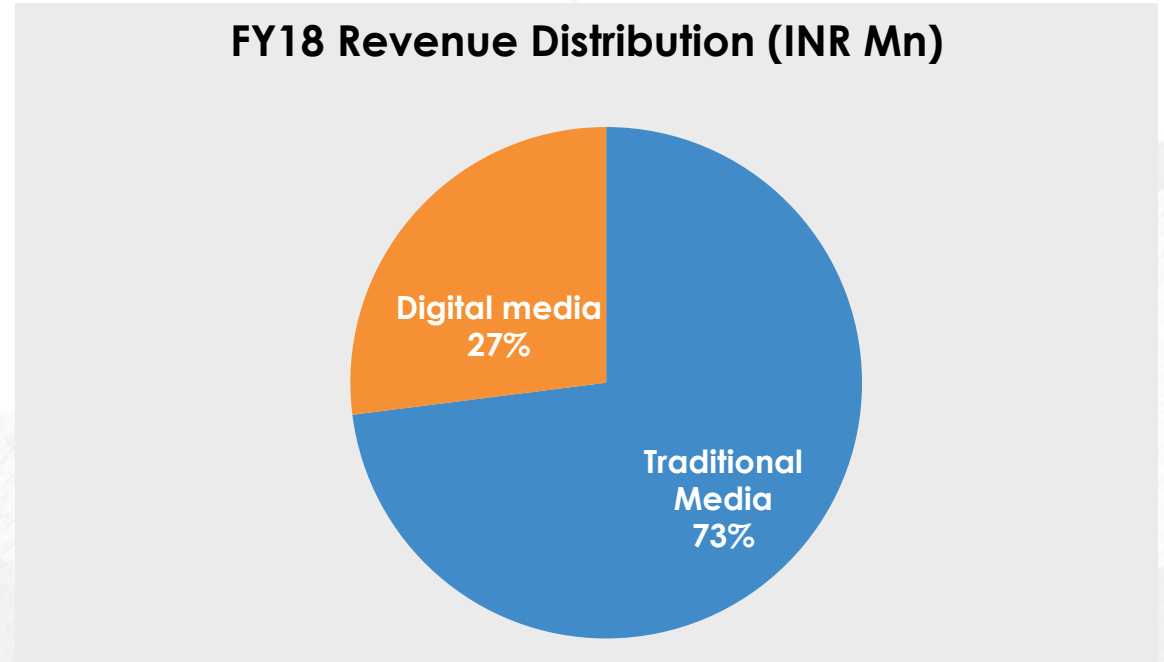
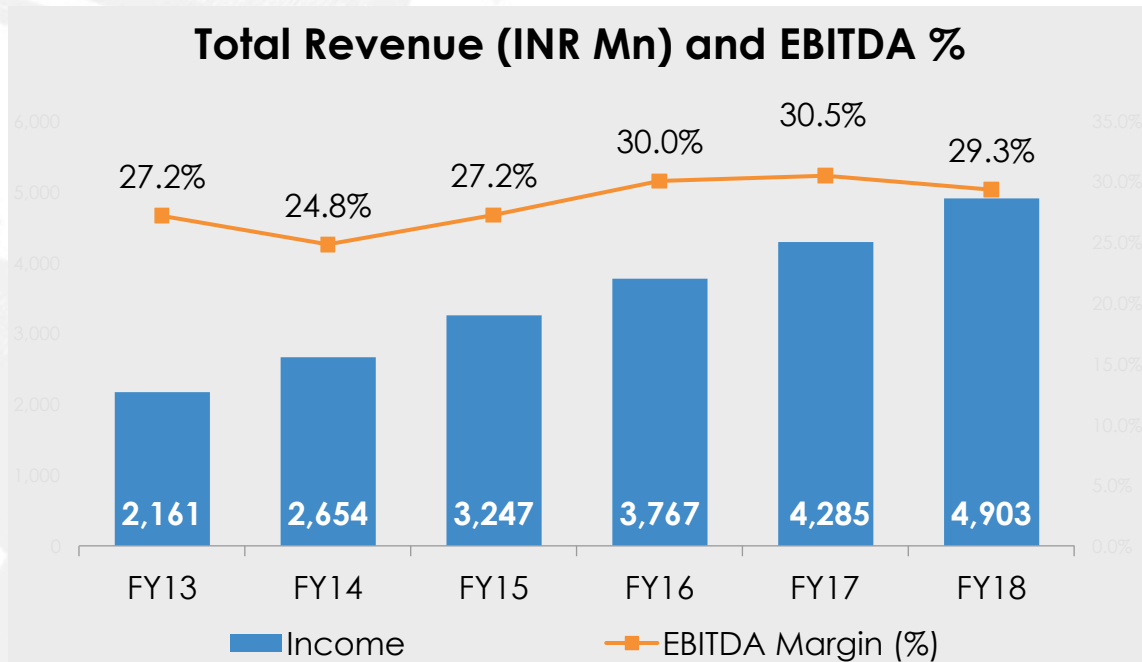
Q4-FY18 / FY18

Earnings Presentation

# ABOUT SHEMAROO



- Founded in 1962 as a book circulating library, today Shemaroo is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 500 people
- The Company is one of the largest independent content aggregators with a library of more than 3,500 titles, which it distributes across various existing and emerging media platforms
- 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 multi-fold over the years, developing excellent relationships across the media industry value chain, to become one of the largest organised players in a fragmented industry.







# Q4-FY18 / FY18 HIGHLIGHTS

# Q4-FY18/FY18 KEY FINANCIAL HIGHLIGHTS



## Q4-FY18 performance (Consolidated):

- **Total Revenue\***: INR 1,188 Mn; (10.5)% QoQ; 19.6 % YoY
- **EBITDA**: INR 372 Mn; 3.3% QoQ; 15.2% YoY
- **EBITDA Margin**: 31.31%; 420 bps QoQ; (122) bps YoY
- **Net Profit**: INR 187 Mn; 5.1% QoQ 35.5 % YoY
- **Net Profit Margin**: 15.74 %; 234 bps QoQ 184 bps YoY
- **Diluted EPS**: 6.89 INR /share

## FY18 performance (Consolidated):

- **Total Revenue\***: INR 4,903 Mn; 14.4% YoY
- **EBITDA**: INR 1,438 Mn; 10.2% YoY
- **EBITDA Margin**: 29.32%; (114) bps YoY
- **Net Profit**: INR 712 Mn; 16.0% YoY
- **Net Profit Margin**: 14.52%; 19 bps YoY
- **Diluted EPS**: 26.18 INR /share

\* - Includes Other Income

## DIVISIONAL BREAKUP (CONSOLIDATED):

INR Mn	Q4-FY18	Q4-FY17	YOY Growth	FY18	FY17	YOY Growth
Digital Media	347	247	40.5%	1,305	923	41.3%
Traditional Media	836	739	13.2%	3,581	3,332	7.5%
Income from Operations	1,183	986	20.0%	4,886	4,255	14.8%



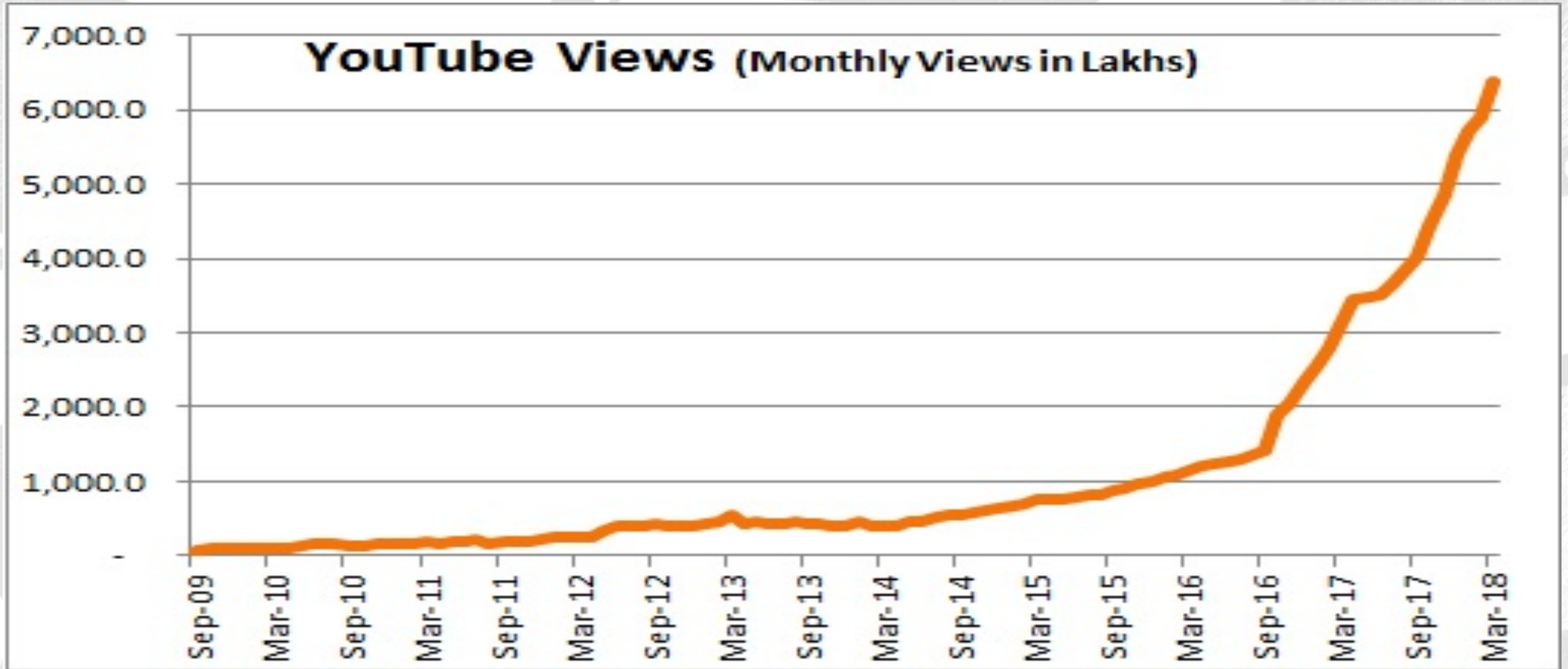
# KEY OPERATIONAL HIGHLIGHTS



- With a clear focus on strengthening the organisation for the next phase of development, few changes in the leadership structure have been implemented:
  - Hiren Gada becomes the Chief Executive Officer (CEO) in addition to his original role as the CFO. He will lead the firm through its next phase of growth
  - Kranti Gada becomes the Chief Operating Officer (COO). She will lead the revenue function of the company to drive extensive and sustainable growth
  - Jai Maroo moves on to a new role to focus on the Organizational transformation and excellence
- Signed a content deal with Airtel Wynk Music
- Crossed 3 Bn cumulative views on our YouTube channel 'ShemarooEnt'
- Crossed 8 Mn subscribers on our YouTube channel 'FilmiGaane'
- Crossed 1 Mn subscribers on our YouTube channel 'Shemaroo Movies'
- Some brands have pulled their advertising out from YouTube since some of their ads were shown next to hateful and offensive content. As a result, YouTube has implemented stricter brand safety guidelines and therefore the overall monetisation of content on YouTube has been impacted
- Marathi language Service launched with Videocon d2h & Dish TV in March 2018
- Classic Cinema Service launched with Videocon d2h in February 2018
- Acquired the live streaming rights for Shani Shignapur in Maharashtra and Ajmer Sharif in Rajasthan for digital and traditional platforms

# KEY OPERATIONAL HIGHLIGHTS

YouTube Monthly Views Graph till March 2018:



# Q4-FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn)	Q4-FY18	Q3-FY18	Q-o-Q	Q4-FY17	Y-o-Y
Revenue from Operations	1,184	1,326	(10.7)%	986	20.1%
Other Income	4	2	100.0%	7	(42.9)%
<b>Total Revenue</b>	<b>1,188</b>	<b>1,328</b>	<b>(10.5)%</b>	<b>993</b>	<b>19.6%</b>
Total Expenses	816	968	(15.7)%	670	21.8%
<b>EBITDA</b>	<b>372</b>	<b>360</b>	<b>3.3%</b>	<b>323</b>	<b>15.2%</b>
<b>EBITDA Margin (%)</b>	<b>31.31%</b>	<b>27.11%</b>	<b>420 Bps</b>	<b>32.53%</b>	<b>(122) Bps</b>
Depreciation	13	13	NA	11	18.2%
Finance Cost	71	71	NA	99	(28.3)%
<b>PBT</b>	<b>288</b>	<b>276</b>	<b>4.3%</b>	<b>213</b>	<b>35.2%</b>
Tax	104	96	8.3%	75	38.7%
<b>PAT</b>	<b>184</b>	<b>180</b>	<b>2.2%</b>	<b>138</b>	<b>33.3%</b>
Minority Interest & Share of profit/ (loss) in associate company	3	(2)	NA	-	NA
<b>PAT after adjustments</b>	<b>187</b>	<b>178</b>	<b>5.1%</b>	<b>138</b>	<b>35.5%</b>
<b>PAT Margin (%)</b>	<b>15.74%</b>	<b>13.40%</b>	<b>234 Bps</b>	<b>13.90%</b>	<b>184 Bps</b>
Comprehensive Income	4	-	NA	-	NA
<b>Total Profit including Comprehensive Income( Net of tax)</b>	<b>191</b>	<b>178</b>	<b>7.3%</b>	<b>138</b>	<b>38.4%</b>
Diluted EPS	6.89	6.55	5.2%	5.07	35.9%

# FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn)	FY18	FY17	Y-o-Y
Revenue from Operations	4,886	4,255	14.8%
Other Income	17	30	(43.3)%
<b>Total Revenue</b>	<b>4,903</b>	<b>4,285</b>	<b>14.4%</b>
Total Expenses	3,465	2,980	16.3%
<b>EBITDA</b>	<b>1,438</b>	<b>1,305</b>	<b>10.2%</b>
<b>EBITDA Margin (%)</b>	<b>29.32%</b>	<b>30.46%</b>	<b>(114) Bps</b>
Depreciation	51	43	18.6%
Finance Cost	307	324	(5.2)%
<b>PBT</b>	<b>1,080</b>	<b>938</b>	<b>15.1%</b>
Tax	367	342	7.3%
<b>PAT</b>	<b>713</b>	<b>596</b>	<b>19.6%</b>
Minority Interest & Share of profit/ (loss) in associate company	(1)	18	NA
<b>PAT after adjustments</b>	<b>712</b>	<b>614</b>	<b>16.0%</b>
<b>PAT Margin (%)</b>	<b>14.52%</b>	<b>14.33%</b>	<b>19 Bps</b>
Comprehensive Income	3	-	NA
<b>Total Profit including Comprehensive Income( Net of tax)</b>	<b>715</b>	<b>614</b>	<b>16.4%</b>
Diluted EPS	26.18	22.60	15.8%



# CONSOLIDATED BALANCE SHEET (IndAS)



Equity and Liabilities (INR Mn)	FY18	FY17
<b>Shareholders Fund</b>		
Share Capital	272	272
Other Equity	4,692	3,992
<b>Total Equity</b>	<b>4,964</b>	<b>4,264</b>
Non controlling interest	(31)	(32)
<b>Non Current Liabilities</b>		
Long Term borrowings	21	131
Deferred tax liabilities	36	65
Long tem provisions	16	10
<b>Total Non-Current Liabilities</b>	<b>73</b>	<b>206</b>
<b>Current Liabilities</b>		
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
<b>Total Current Liabilities</b>	<b>2,342</b>	<b>3,367</b>
<b>Total</b>	<b>7,348</b>	<b>7,805</b>

Assets (INR Mn)	FY18	FY17
<b>Non Current Assets</b>		
<b>Fixed Assets</b>		
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
<b>Total Non-Current Assets</b>	<b>468</b>	<b>526</b>
<b>Current Assets</b>		
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
<b>Total Current Assets</b>	<b>6,880</b>	<b>7,279</b>
<b>Total</b>	<b>7,348</b>	<b>7,805</b>

# 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 pay per transaction, subscription, 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

- Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Reliance Jio, Apple iTunes, Google Play, YuppTV, etc.

### Mobile Value Added services (MVAS) / Mobile Internet

- 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

### Internet

YouTube

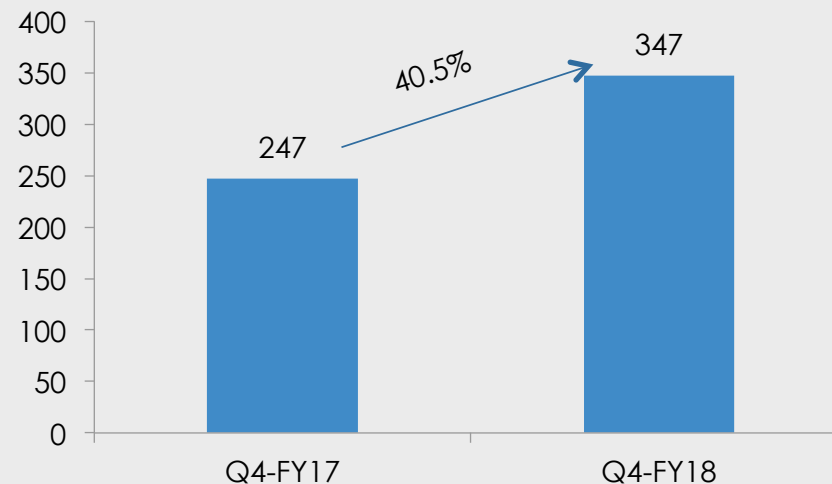
Hotstar

### MVAS

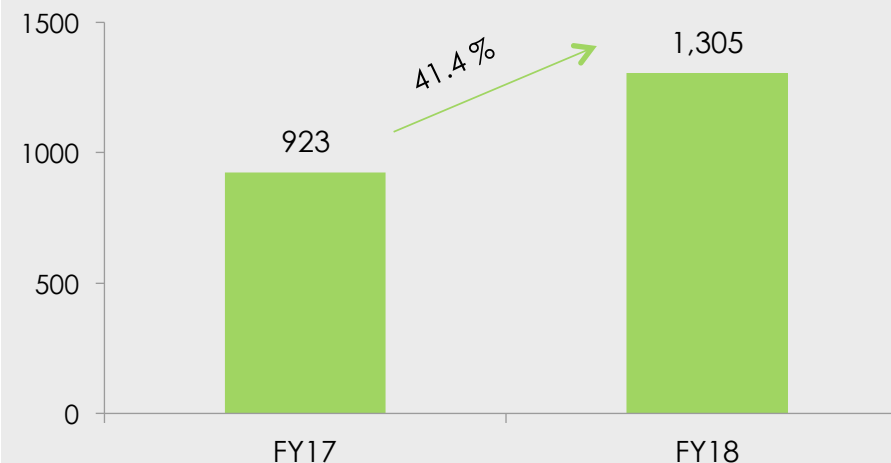
Airtel

Vodafone

## Q4-FY18 Digital Media Performance



## FY18 Digital Media Performance





# TRADITIONAL MEDIA



*Traditional Media Includes – Television Syndication, Home Entertainment, 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 has launched subscription-based, ad-free content services across various genres like Movies, Devotion, Comedy and Regional

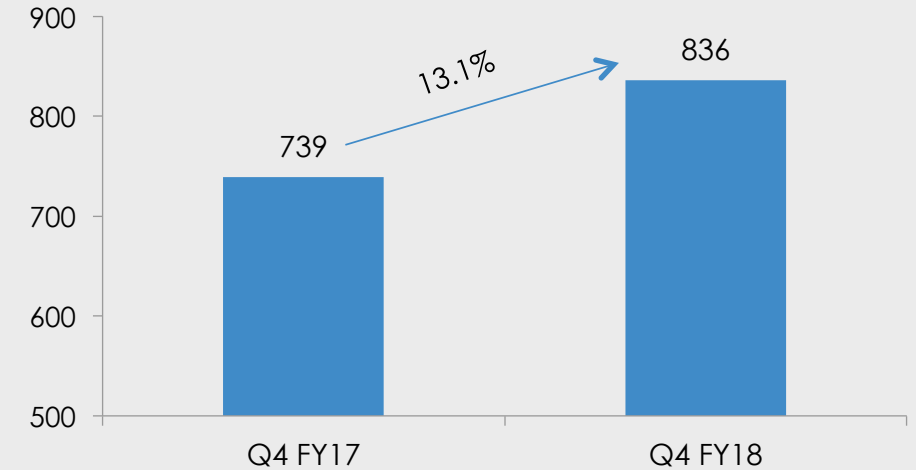
## Home Entertainment:

- The Home Entertainment business has helped Shemaroo to garner the legacy of becoming a nationwide well known and accepted brand
- Has successfully migrated from one content format to another (Video VHS to VCD to DVD to Blu-Ray)

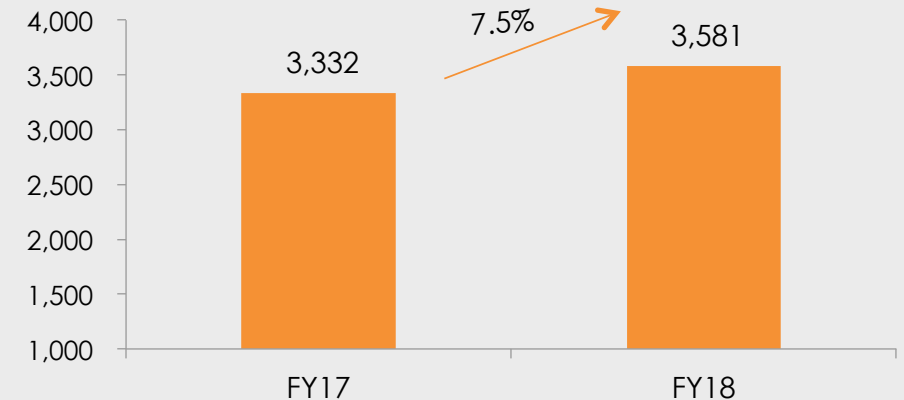
## Other Media:

- Shemaroo also distributes its contents to other media platforms like Airborne rights for In-flight entertainment, Overseas, International Film festivals, etc.
- The company has a market presence in USA, UK, Canada, UAE, Australia, East Europe, Singapore and North Africa

## Q4-FY18 Traditional Media Performance



## FY18 Traditional Media Performance



# HISTORICAL CONSOLIDATED INCOME STATEMENT (iGAAP)



Particulars (INR Mn)	FY13	FY14	FY15	FY16
Revenue from Operations	2,147	2,646	3,234	3,751
Other Income	14	13	13	16
<b>Total Revenue</b>	<b>2,161</b>	<b>2,659</b>	<b>3,247</b>	<b>3,767</b>
Total Expenses	1,574	2,003	2,366	2,675
<b>EBITDA</b>	<b>587</b>	<b>657</b>	<b>881</b>	<b>1,092</b>
<b>EBITDA Margin (%)</b>	<b>27.16%</b>	<b>24.71%</b>	<b>27.13%</b>	<b>28.99%</b>
Depreciation	30	30	37	37
Finance Cost	183	192	212	228
<b>PBT</b>	<b>374</b>	<b>435</b>	<b>632</b>	<b>827</b>
Tax	128	165	222	307
<b>PAT</b>	<b>247</b>	<b>270</b>	<b>410</b>	<b>520</b>
Share of profit/ (loss) in associate company	(11)	1	(1)	1
<b>PAT after adjustments</b>	<b>236</b>	<b>272</b>	<b>409</b>	<b>521</b>
<b>PAT Margin (%)</b>	<b>10.92%</b>	<b>10.23%</b>	<b>12.60%</b>	<b>13.89%</b>
Diluted EPS	12.42	13.68	17.35	19.18



# HISTORICAL CONSOLIDATED BALANCE SHEET (iGAAP)



Equity and Liabilities (INR Mn)	FY15	FY16
<b>Shareholders Fund</b>		
Share Capital	272	272
Reserves and Surplus	2,902	3,377
<b>Net worth</b>	<b>3,174</b>	<b>3,649</b>
Minority Interest		(8)
<b>Non Current Liabilities</b>		
Long Term borrowings	3	229
Deffered tax liabilities	68	67
Long tem provisions	5	7
	<b>76</b>	<b>303</b>
<b>Current Liabilities</b>		
Short Term Borrowings	1,054	1,544
Trades payables	165	105
Other Current Liabilities	339	395
Short Term Provisions	77	139
	<b>1,635</b>	<b>2,183</b>
<b>Total</b>	<b>4,885</b>	<b>6,127</b>

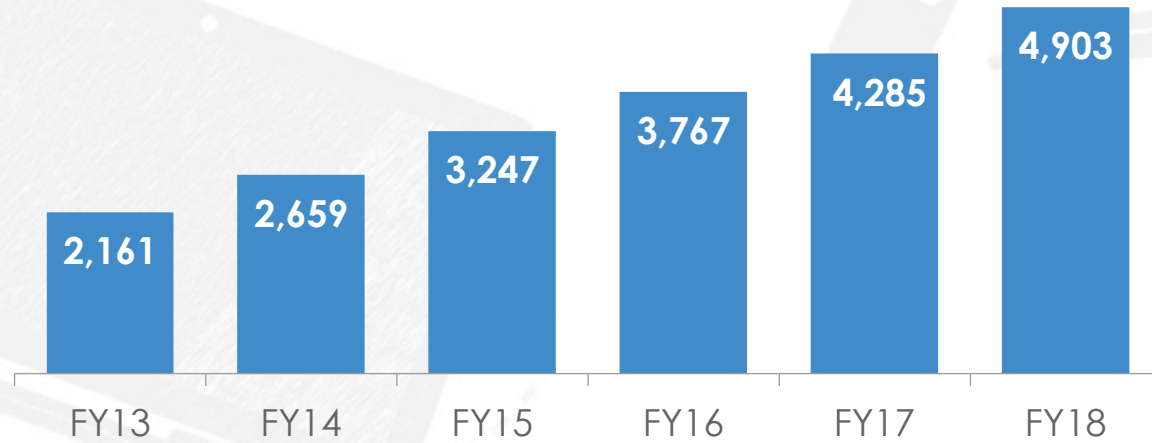
Assets (INR Mn)	FY15	FY16
<b>Non Current Fixed Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	287	285
Intangible assets	8	11
Capital WIP	-	14
<b>Total Fixed Assets</b>	<b>295</b>	<b>310</b>
Non Current Investments	168	81
Long Term Loan and Advances	71	65
Trade receivables	-	-
Other Non Current Assets	1	28
	<b>240</b>	<b>485</b>
<b>Current Assets</b>		
Inventories	2,887	3,876
Trade Receivables	1,268	1,069
Cash and cash equivalents	25	19
Short Term loan and advances	170	13
Other Current Assets	-	665
<b>Total</b>	<b>4,885</b>	<b>6,127</b>

# HISTORICAL CONSOLIDATED FINANCIAL CHARTS



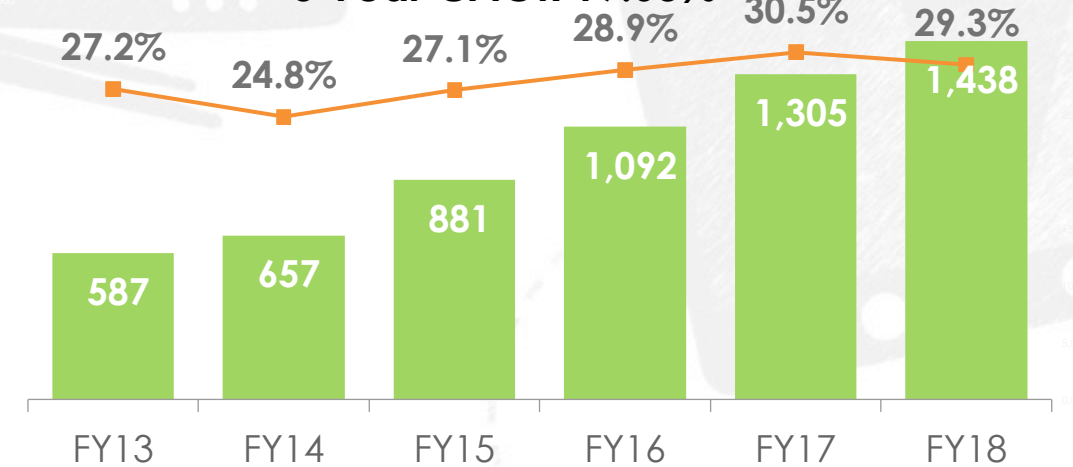
## Total Income (INR Mn)

5 Year CAGR 17.8 %



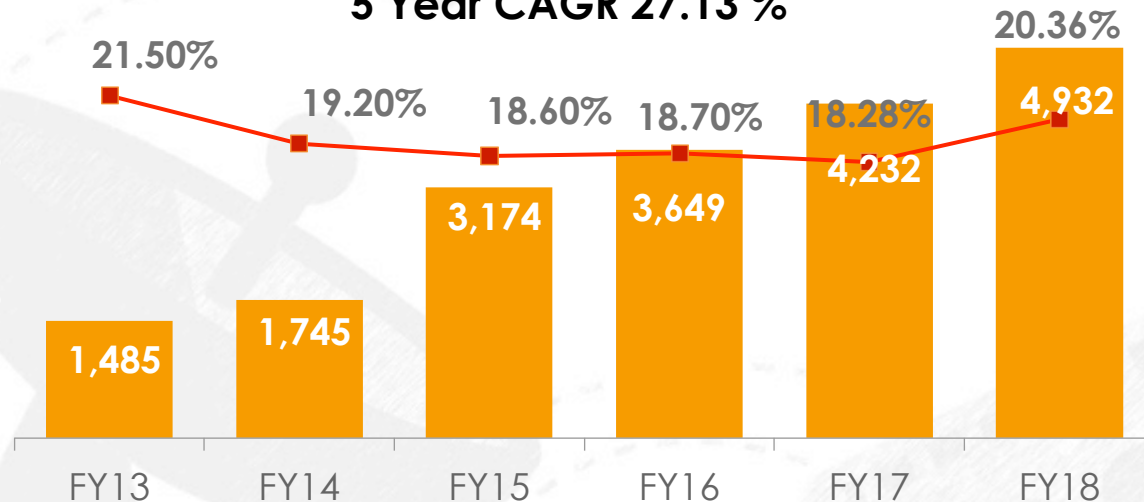
## EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 19.63%



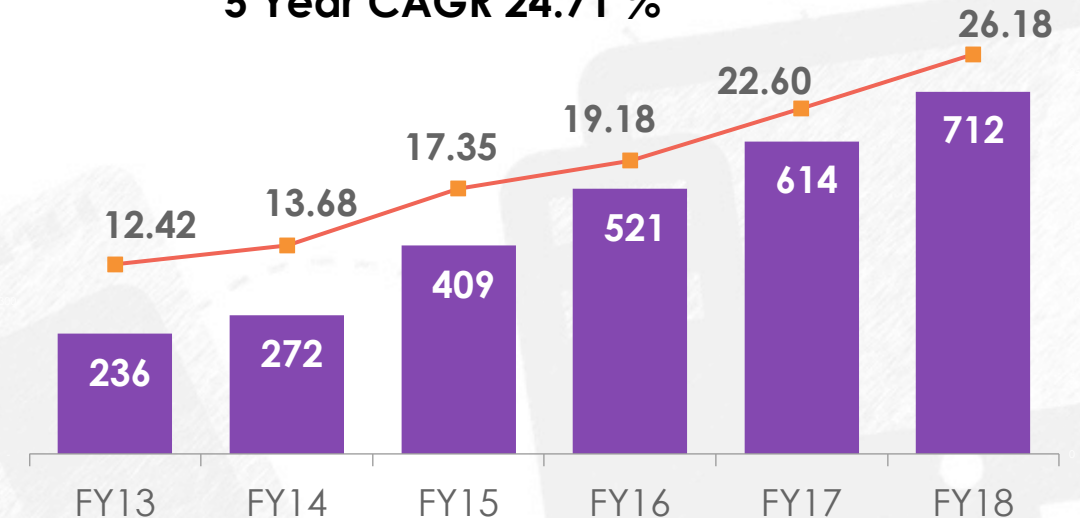
## Net Worth (INR Mn) and ROCE (%)

5 Year CAGR 27.13 %



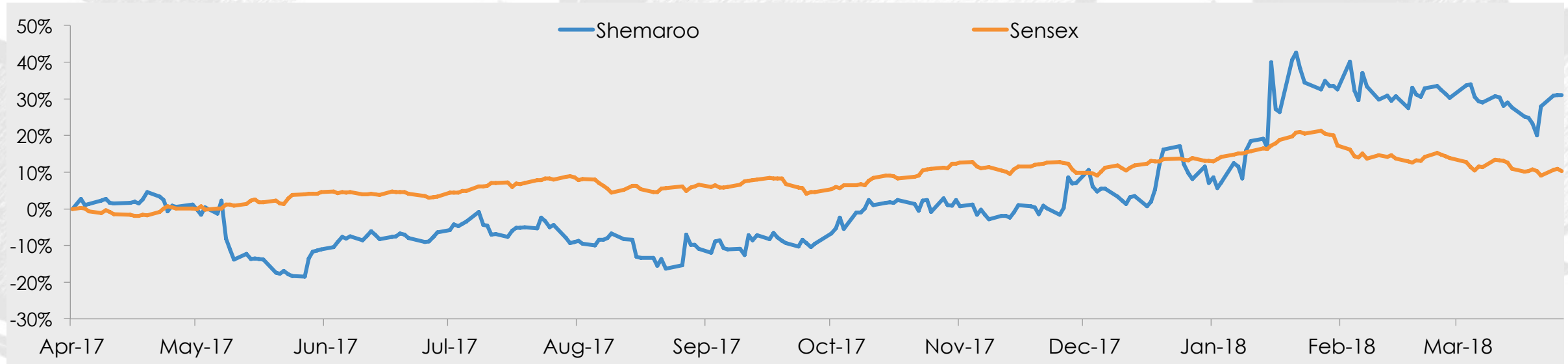
## PAT (INR Mn) and EPS

5 Year CAGR 24.71 %





# CAPITAL MARKET

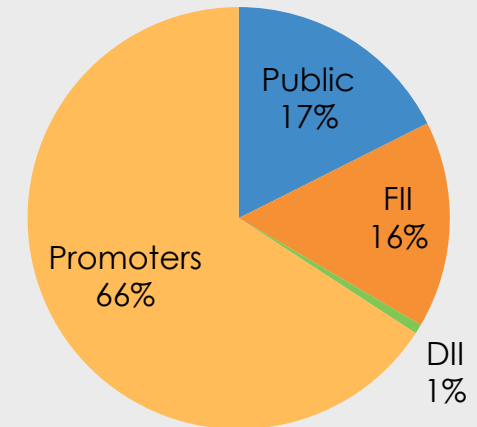


## Price Data (As of 31<sup>st</sup> March, 2018)

INR

Face Value	10
Market Price	515.6
52 Week H/L	595.00/316.55
Market Cap (INR Mn)	14,015
Equity Shares Outstanding (Mn)	27.18
1 Year Avg. Trading Volume ('000)	32.87

## Shareholding Pattern as on 31<sup>st</sup> March, 2018



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