February 13, 2024

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code Equity: 505537

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE Symbol: ZEEL EQ

Dear Sirs,

Sub: Audio recording of conference call for the quarter and nine months ended December 31, 2023

This has reference to our communication dated February 8, 2024 and pursuant to the provisions of Regulation 46(2)(oa)(i) read with Schedule III of Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this is to inform you that the audio recording of the conference call held today on the Company's performance for the quarter and nine months ended December 31, 2023 is available on Company's website at:

https://www.zee.com/investors/investor-financials/

This is for your information and record.

Thanking you,

Yours faithfully,
For Zee Entertainment Enterprises Limited

Ashish Ramesh Agarwal

Digitally signed by Ashish Ramesh Agarwal
DN: c=IN, o=Personal, title=2117, pseudonym=3e2f15805bc242a2b63fc9cebfc16816, 2.5.4.20=1bae016adfa46bb588a685c7f2771bc2dc4174500a4a36bf9dcb2b25f0928f6, postalCode=400064, st=Maharashtra, serialNumber=2d484d33b95e6004b8529e3fc750f2413e1a7b7b01ecb532e879129f4a45d565, cn=Ashish Ramesh Agarwal
Date: 2024.02.13 20:52:41 +05'30'

Ashish Agarwal
Company Secretary
FCS6669



Earnings Update for Q3 FY24

Zee Entertainment Enterprises Limited – 13 February 2024

Extraordinary Together

Disclaimer

Safe Harbor Statement: This Release/Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

This document should be read in conjunction with the published financial results. Certain analysis undertaken and represented in this document may constitute an estimate or interpretation and may differ from the actual underlying results.

Use of Operating Metrics: The operating metrics reported in this presentation are calculated using internal company data. While these numbers are based on what we believe to be reasonable estimates for the applicable period of measurement, there are some inherent challenges in these measurements. The methodologies used to measure these metrics are susceptible to source issues, calculation or other technical errors. We regularly review our processes for calculating these metrics, and from time to time we may discover inconsistencies in our metrics or may make adjustments to improve their accuracy, which can result in adjustments to previously disclosed metrics. In addition, our metrics will differ from estimates published by third parties due to differences in methodology.

Content

Key Performance Highlights	4
Business Performance	6
9M & Q3 FY24 Financial Performance	11
Way Forward	17



Key Performance Highlights (1/2)

Delivering growth and market share gains coupled with effective cost management



17.1%

YTD FY24 All India TV Network Share; Up 40 bps YoY

8.2%

YTD FY24 YoY Total Operating Revenue growth

10.8%

YTD EBITDA Margin; Q3 FY24 EBITDA margins at 10.2%

Healthy performance in digital continues

31%

ZEE5 YTD YoY Revenue Growth; YTD FY24 Revenue Rs 6,823 Mn

15%

ZEE5 YoY Revenue Growth; Q3 FY24 Revenue Rs 2,232 Mn

19

Shows and Movies (Incl. 5 Originals) Released in Q3 FY24

 Viewership Share: BARC, All 15+ Yrs, (U)

Key Performance Highlights (2/2)

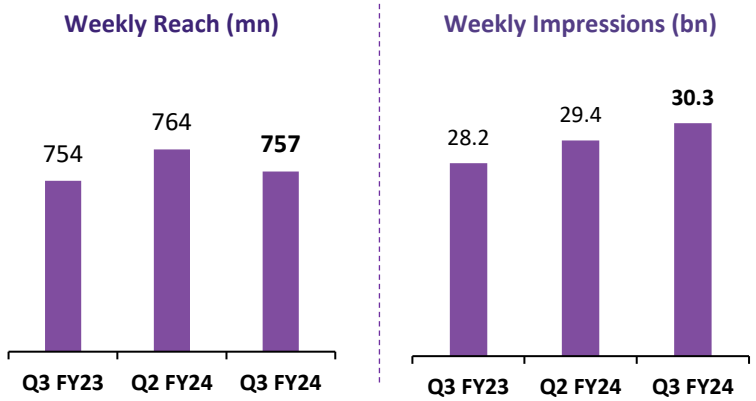
Driving fiscal prudence and strengthening financial position during the quarter

- **Further reduction in ZEE5 quarterly EBITDA losses through cost optimisation**
- **YTD reduction of Rs 4.4 Bn in Content inventory, advances and deposits driven by optimised acquisition**
- **Strong FCF generation driven by optimisation of working capital.**
- **Improved liquidity with total cash and cash equivalents of Rs 8.3 Bn**

Business Performance

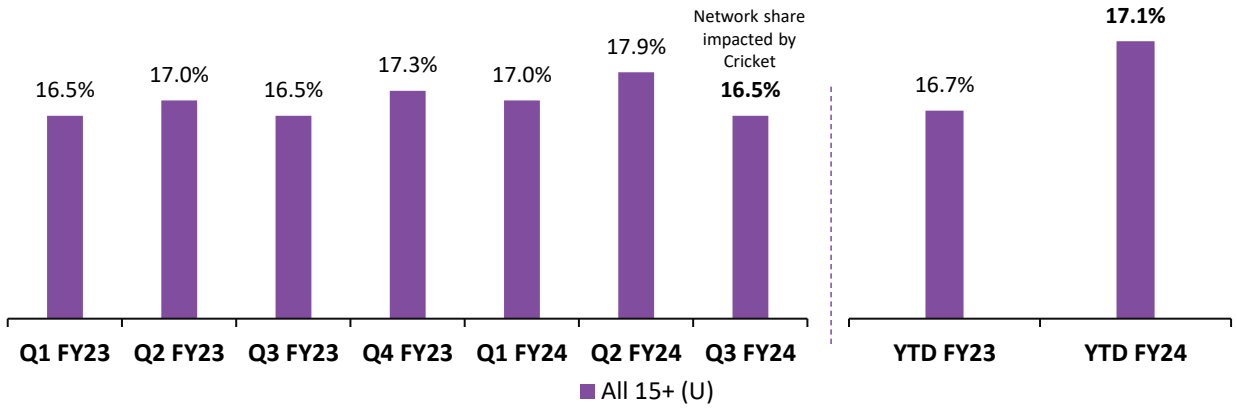
Domestic Linear: TV Landscape Continue to Remains Healthy; YTD FY24 Network Market Share up 40bps YoY

TV Reach and Impressions



Total TV viewership improved

ZEE Network Share



Invest & Grow

ZEE TV ZEE मराठी

Viewership Focus:

Zee TV & Zee Marathi

Strengthen & Monetize

ZEE ಕನ್ನಡ ZEE বাংলা ZEE ସାର୍ଥକ ZEE తెలుగు ZEE CINEMA

Monetization Focus:

Zee Kannada, Zee Bangla, Zee Sarthak, Zee Telugu & Hindi movies/ Cinema

Key Launches in Q3 FY24













Extraordinary Together

TV reach & Impression Source: BARC, All 2+ Yrs, (U + R)
Impression is defined as the total human-minutes of viewing of content, averaged per minute across total duration.

ZEE5: Strong Growth Momentum Continues; Prudent Cost Management Further Narrows EBITDA Losses

Q3 FY24 Highlights

- 19 shows and movies (incl. 5 originals) released during the quarter

Q3 FY24 Impact Releases









Q4 FY24 Slate





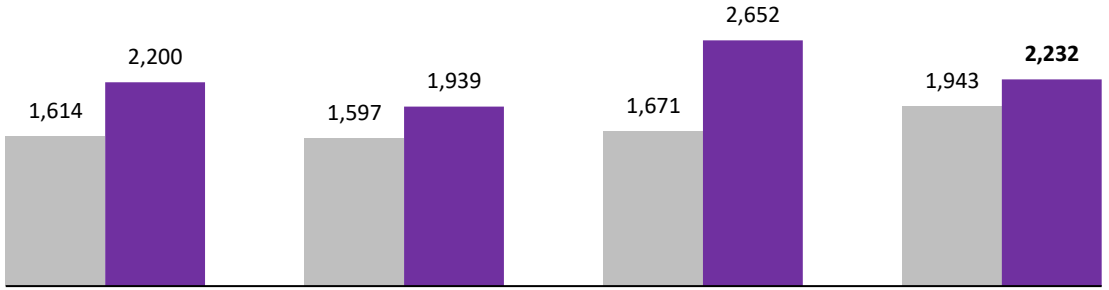




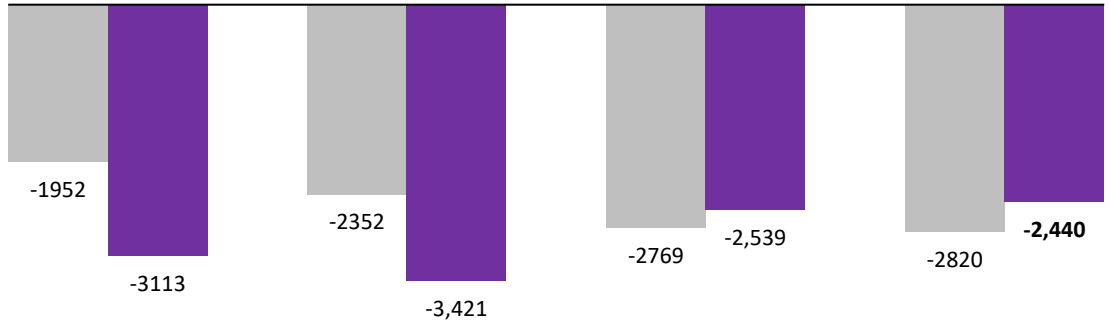
FY24 YTD revenues up 31% YoY

Q3 FY24 revenues up 15% YoY

Total Revenue (Rs Mn)



EBITDA* (Rs Mn)



Q3 FY24 EBITDA loss lower by Rs 99 Mn QoQ

*EBITDA loss excludes costs incurred by the business on ZEEL network; ZEE5 Revenue and EBITDA includes Zee's other digital businesses

ZEE Studio: 3 Hindi and 3 Other Language Movies Released During Q3 FY24

Hindi Movies



Distributed by ZEE Studio



Distributed by ZEE Studio



Produced by ZEE Studio

Other Language Movies



Produced by ZEE Studio

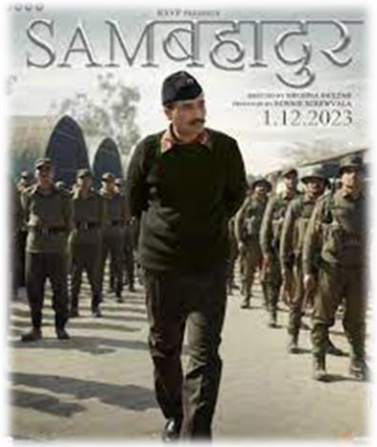


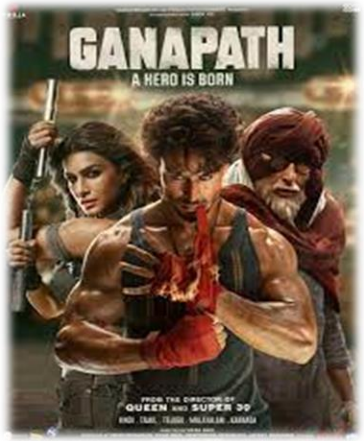
Produced by ZEE Studio



Produced by ZEE Studio

Zee Music Company (ZMC)
2nd Largest Music Label with ~146 Mn Subscribers on YouTube





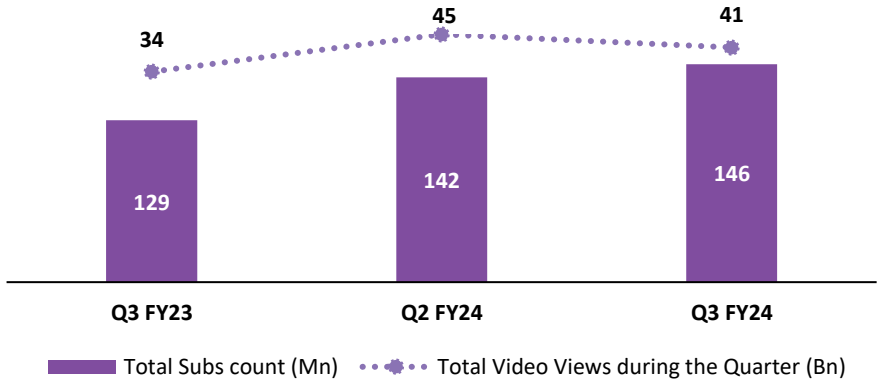








All ZMC YouTube Channels Video Views & Subscribers Count



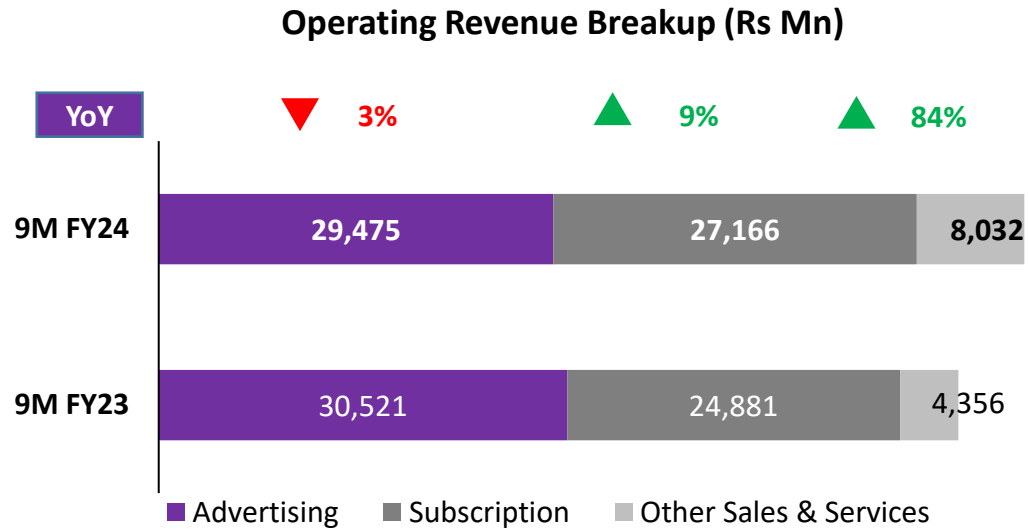
Zee Music company added 4.2 Mn subscribers during quarter on back of new age catalogue

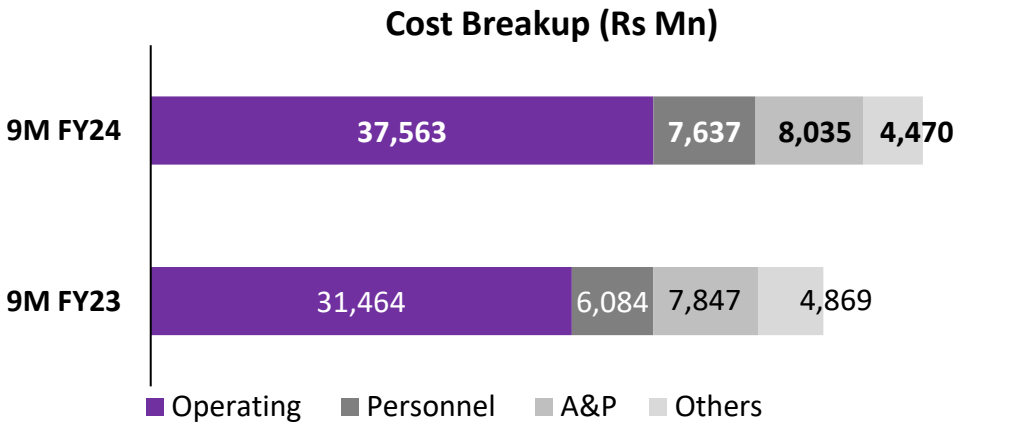
Rights Acquired in Q3 FY24	Hindi	Other Languages	Singles / Albums
	22	**17**	**253**

9M & Q3 FY24 Financial Performance

9M FY24 Revenue Growth of 8.2% Driven by Subscription Revenue and Other Sales & Services, EBITDA Margin Impacted by Investment in Content and ZEE5

(INR Million)	9M FY23	9M FY24	YoY
Operating Revenue	**59,758**	**64,673**	**8.2%**
Expenditure	-50,264	-57,704	14.8%
EBITDA	**9,494**	**6,969**	**-26.6%**
EBITDA Margin	**15.9%**	**10.8%**	
Other Income	655	1,139	
Depreciation	-2,294	-2,319	
Finance cost	-306	-652	
Fair value through P&L	58	38	
Exceptional Items/ JV & Associate	-2,457	-2,504	
Profit Before Tax (PBT) from continuing operations	**5,150**	**2,671**	**-48.1%**
Provision for Tax	1,907	800	
Profit after Tax (PAT) from continuing operations	**3,243**	**1,871**	**-42.3%**
Profit from discontinuing operations	-805	-590	
Profit for the period/year	**2,438**	**1,281**	**-47.5%**



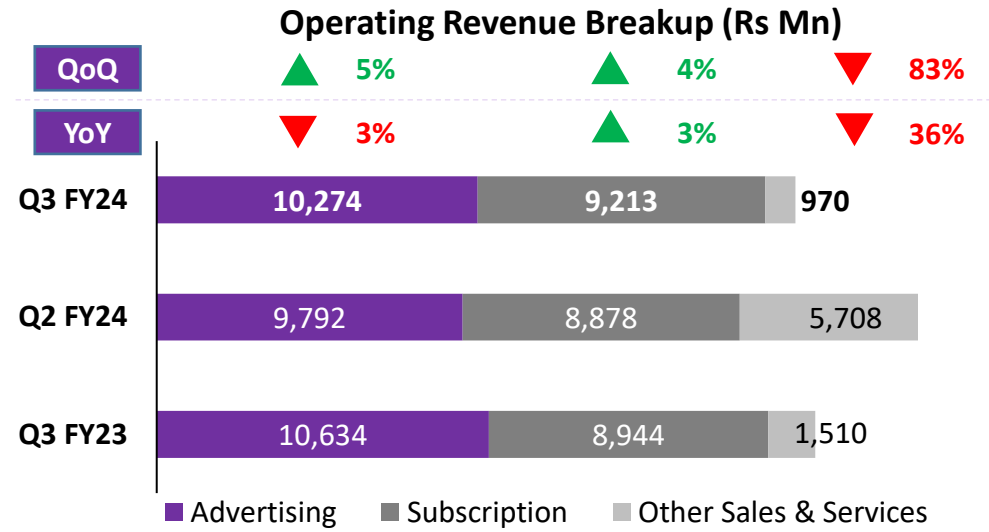


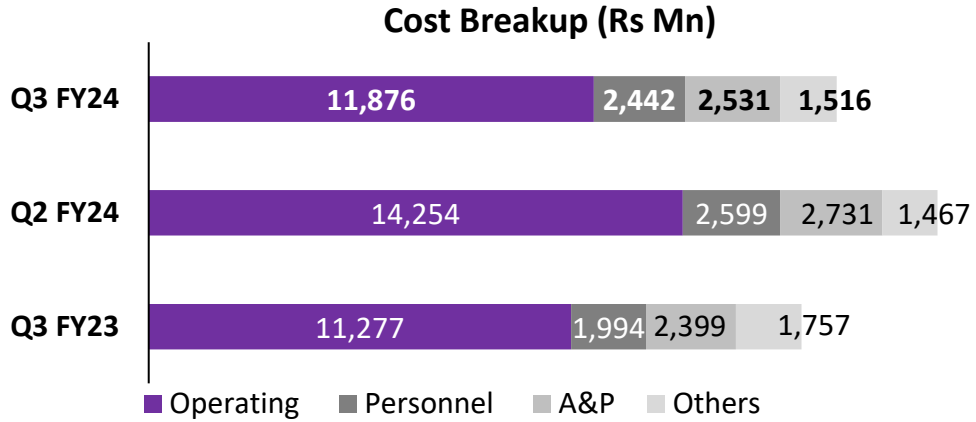
Extraordinary Together

Figures for the previous year/period have been regrouped and/or reclassified wherever considered necessary

Q3 FY24 Other Sales & Services Revenue Moderates; EBITDA Margin at 10.2%

(INR Million)	Q3 FY23	Q2 FY24	Q3 FY24	QoQ	YoY
Operating Revenue	**21,088**	**24,378**	**20,457**	**-16.1%**	**-3.0%**
Expenditure	-17,427	-21,050	-18,365	-12.8%	5.4%
EBITDA	**3,660**	**3,328**	**2,092**	**-37.1%**	**-42.9%**
EBITDA Margin	**17.4%**	**13.6%**	**10.2%**		
Other Income	148	718	277		
Depreciation	-837	-772	-761		
Finance cost	-130	-234	-183		
Fair value through P&L	58	0	0		
Exceptional Items/ JV & Associate	-1,692	-1,197	-602		
Profit Before Tax (PBT) from continuing operations	**1,208**	**1,842**	**822**		**-32.0%**
Provision for Tax	637	544	288		
Profit after Tax (PAT) from continuing operations	**570**	**1,299**	**534**		**-6.4%**
Profit from discontinuing operations	-327	-69	52		
Profit for the period/year	**243**	**1,230**	**585**		**140.8%**





Extraordinary Together

Figures for the previous year/period have been regrouped and/or reclassified wherever considered necessary

Q3 FY24: Soft Advertising Environment Partially Offset by Pickup in Subscription Revenue

Advertising revenues	➢ Domestic Ad revenues came at Rs 9,867 Mn, QoQ up by 4.9%, YoY declined by 2.7% ➢ Domestic Ad revenue was impacted by Cricket during Q3. While Q3 saw some seasonal festive uptick, overall pace of Ad environment recovery continues to be slow
Subscription revenues	➢ Subscription revenue growth driven by pick up in Linear subscription revenue post NTO 3.0 & ZEE5. ➢ Normalised YoY revenue growth of 10%. (Q3 FY23 subscription revenues were aided by recognition of INR 59 crores amount from Siti Network)
Other Sales & Services revenues	➢ Other sales and services revenue YoY down 36% due to fewer movie releases during the quarter.
Operating cost	➢ Programming and Technology cost increased YoY.
A&P and Other expenses	➢ Prudent cost management drives moderation in A&P
EBITDA	➢ EBITDA for the quarter came at Rs 2,092 Mn; ➢ Q3 FY24 Margin at 10.2%;
International revenue break-up	➢ Q3 FY24 Advertising revenue : Rs 400 Mn, Subscription revenue : Rs 944 Mn, Other Sales & Services : Rs 169 Mn

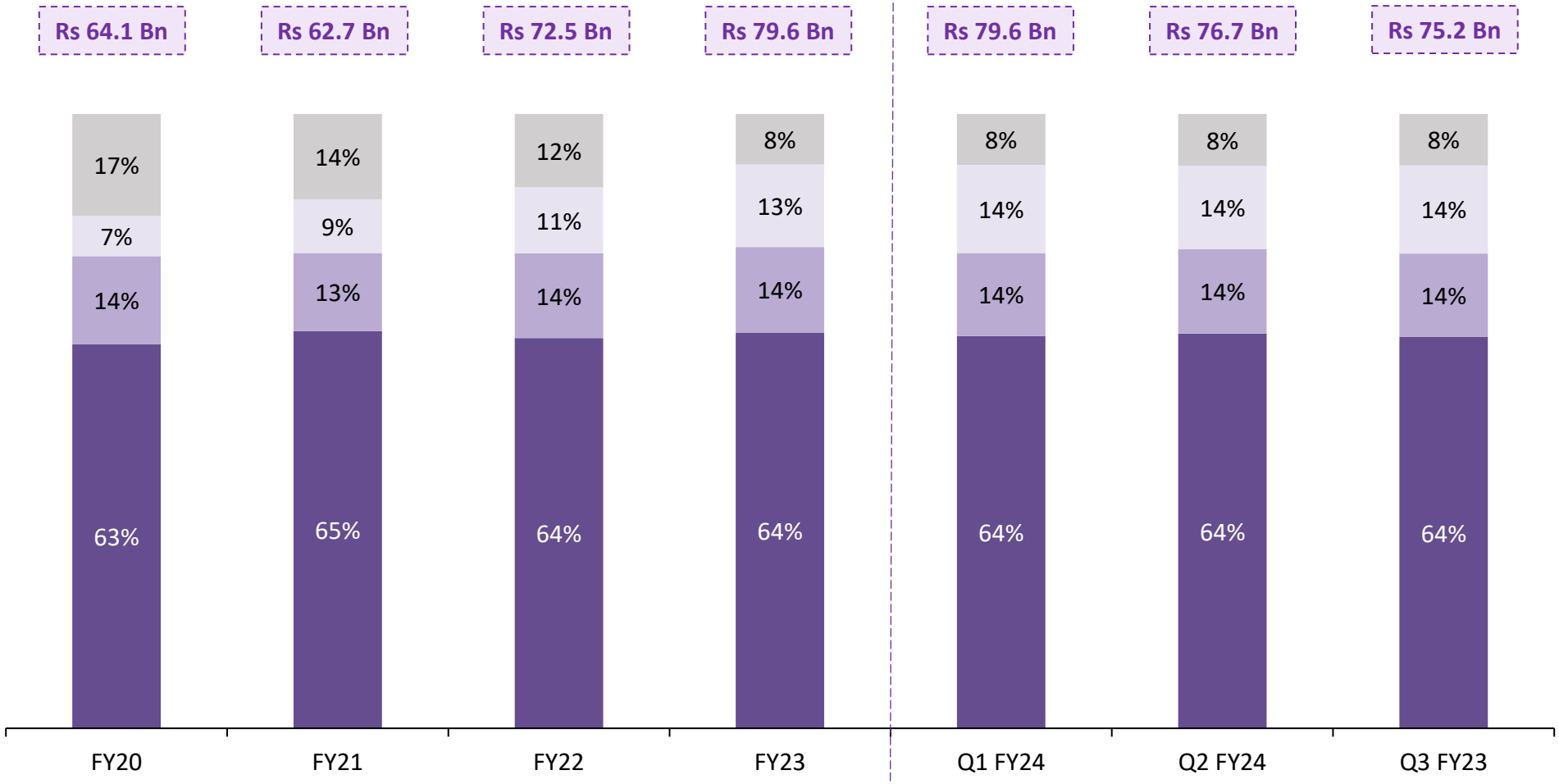
Condensed Balance Sheet

Assets (Rs. Mn)	Mar'23	Dec'23
Non-Current Assets		
Fixed assets	13,789	12,507
Investments	349	390
Other financial assets	589	596
Income tax & Deferred tax assets	8,496	9,219
Others Non-Current Assets	143	97
Current Assets		
Inventories	73,079	68,978
Cash and other investments	8,040	8,286
Trade receivables	16,088	19,731
Others financial assets	3,634	3,651
Other current assets	11,433	11,142
Non-current assets - HFS	**1,645**	**907**
Total Assets	**1,37,283**	**1,35,505**

Liabilities (Rs. Mn)	Mar'23	Dec'23
Equity Capital	**1,07,219**	**1,08,576**
Non-Current Liabilities		
Lease Liab/Other borrowings	2,167	1,691
Provisions	1,362	1,629
Current Liabilities		
Lease Liab/Other borrowings	653	662
Trade Payables	17,494	16,534
Other financial liabilities	4,247	2,754
Other current liabilities	3,690	3,433
Provisions	135	172
Income tax liabilities	103	12
Liabilities associated with assets- HFS	**213**	**41**
Total Equity & Liabilities	**1,37,283**	**1,35,505**

***The cash & treasury investments of the company as of Dec'23 stood at Rs 8,286 Mn, including Cash balance of Rs 6,166 Mn and FDs of Rs 2,120 Mn**

Content Inventory, Advances and Deposits Declined in Q3 FY24 Driven by Optimised Acquisition



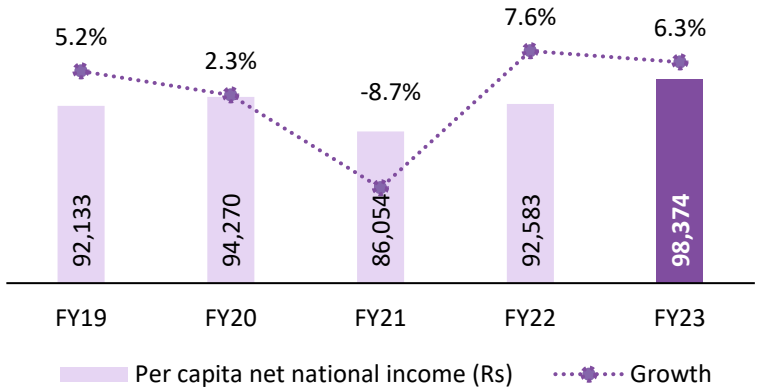
Decreased by Rs 4.4 Bn during YTD FY24

Extraordinary Together

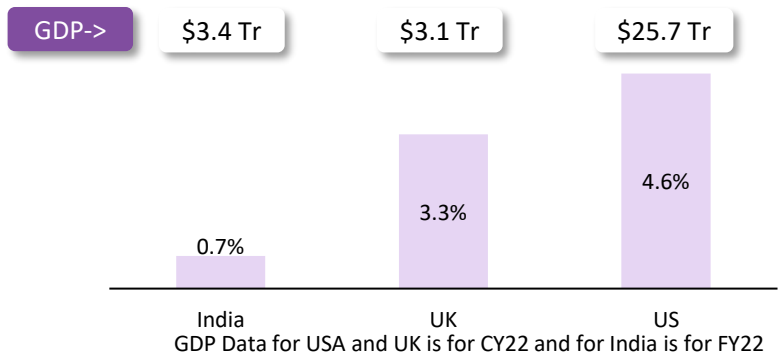
Way Forward

India is a High Growth Economy with Attractive M&E Market Opportunity

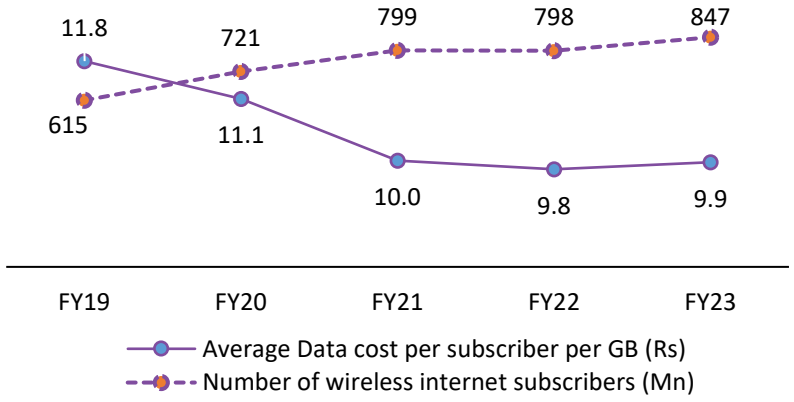
India: Increasing Per Capita NNI



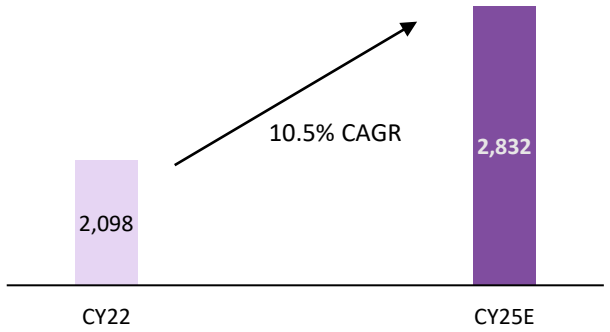
M&E industry's revenue as % of GDP (2022)



Steep drop in tariff boosted internet subscriber



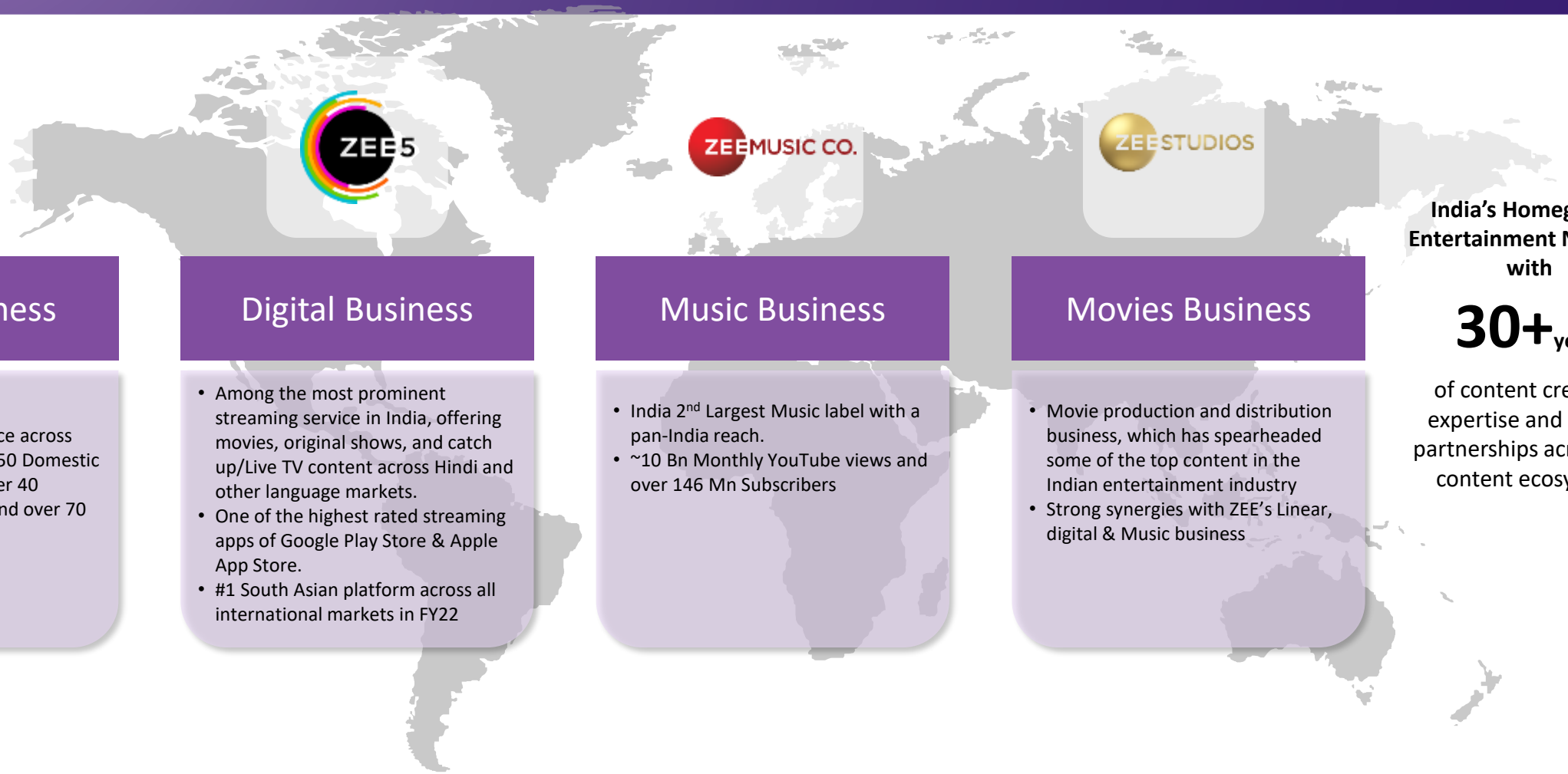
India: M&E Industry Revenue (Rs Bn)



- India's M&E industry is poised for sustained long-term growth given rising income levels and relatively lower spending compared to global norm.
  - Content consumption in India is at an inflection point and has significant headroom to grow due to lower penetration, favorable demographics, and affordability.
  - Conducive digital infrastructure and increasing digital adoption in India paves way for long-term growth of OTT ecosystem.
- India M&E industry is expected to grow at a healthy pace of 10.5% CAGR till CY25E.

Source: Bloomberg, MoSPI, IMF, EY FICCI Report April 2023, UK Office for National Statistics, USA Bureau of Economic Analysis, PwC UK Entertainment & Media Outlook 2022-2026, TRAI

ZEEL is Well Position to Capitalize on Growth Opportunities



Linear Business

- #2 TV network in India
- Broad Pan-India presence across language markets with 50 Domestic Linear TV Channel & over 40 International Channel and over 70 International feeds

Digital Business

- Among the most prominent streaming service in India, offering movies, original shows, and catch up/Live TV content across Hindi and other language markets.
- One of the highest rated streaming apps of Google Play Store & Apple App Store.
- #1 South Asian platform across all international markets in FY22

Music Business

- India 2nd Largest Music label with a pan-India reach.
- ~10 Bn Monthly YouTube views and over 146 Mn Subscribers

Movies Business

- Movie production and distribution business, which has spearheaded some of the top content in the Indian entertainment industry
- Strong synergies with ZEE's Linear, digital & Music business

India's Homegrown Entertainment Network with

30+ years

of content creation expertise and strong partnerships across the content ecosystem

Source: Company information

Current Growth Slowdown And Subdued Margin Profile Is Cyclical And Transitory In Nature; Not A Structural Issue

Revenue Headwinds

1 Advertisement Revenues

- Impacted due to macroeconomic headwinds and consumption slowdown
- Higher exposure to FMCG magnifies the impact on ZEEL performance

2 Subscription Revenue

- Impacted due to NTO related issues

Headwinds are now beginning to ease

Profitability Headwinds

1 Industry-Wide Headwinds Impacting Margins

- Increased competitive intensity leading to escalation in content cost and higher prices for acquiring rights for third-party content.
- Higher investment intensity for building new capabilities such as Digital / OTT
- Lack of operating leverage due to slower revenue growth

2 Impact on Cost Structure due to Merger

- We had accelerated our technology and digital investments in anticipation of impending merger to be able to hit the ground running on merger synergies.
- Distraction or discontinuation on certain profitable businesses – three channels to be divested, discontinuation of certain profitable international businesses etc.
- Merger related expenses – legal, compliance, advisors fee, people etc.

Specific interventions identified towards margin recovery

ZEEL Revenue Growth & Profitability Outlook

Revenue Outlook

As Ad environment stabilizes, we are confident on our ability to accelerate revenue growth

Steady state aspiration will be to target 8-10% overall revenue CAGR with current portfolio

- Digital will grow at a faster pace

Profitability Outlook

Headroom for driving significant margin improvement

Some of the key levers we are working with include:

- Revisiting the overall cost structure across the business with a view to reset to a lower cost baseline as we get in FY25 – Tech, content, marketing, and people.
- Further recalibrating digital / OTT cost structure in Zee5 which is already at its peak investment.
- Exploring and evaluating alternative content monetization avenues for our rich content library while balancing our longer-term strategic objectives
- Moderating third-party content acquisition

- **8-10% Revenue growth CAGR**
- **Intervention to unlocks industry-leading 18-20% EBITDA margin in a stable macro environment**

Journey Towards Margin Recovery

Given our current cost baseline and lead time associated with implementing these margin improvement interventions, we do expect to take 6-8 months for these efforts to start showing up in the performance



Next 3-6 Months

- May have Pressure on margins due to incurring one-time higher costs towards implementing the interventions

From H2 FY25

- Gradual margin improvement to kick in
- FY25 margins to be meaningfully better than FY24

FY26

- Aspire to deliver industry-leading 18-20% EBITDA margin

THANK YOU

Extraordinary Together