April 13, 2020

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: Equity - 505537
Pref - 717503

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE Scrip Code: Equity - ZEEL EQ
Pref - ZEEL P2

Dear Sirs,

Sub: Conference call on April 13, 2020

Further to today's investor call with respect to an additional investment in Margo Networks Private Limited (SugarBox), a subsidiary of the Company, which was hosted on Microsoft Teams, enclosed please find a copy of the presentation that was discussed during the call.

Thanking you,

Yours faithfully,

For **Zee Entertainment Enterprises Limited**

-sd-

Ashish Agarwal
Company Secretary

Encl : As above

Note: Due to ongoing COVID -19 pandemic outbreak and consequent lockdown, this intimation is being submitted without signature of the authorized person.



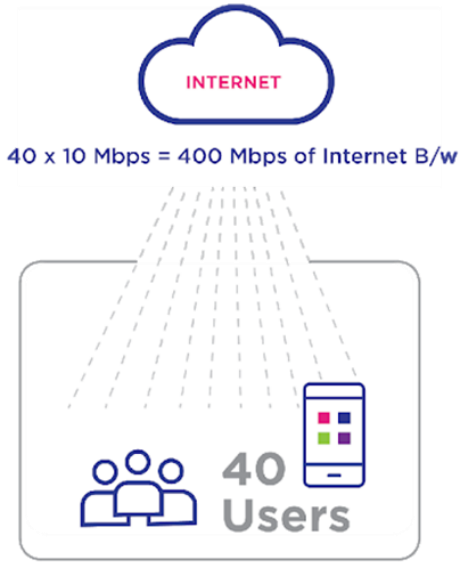
SugarBox

Business Summary

Introduction to SugarBox

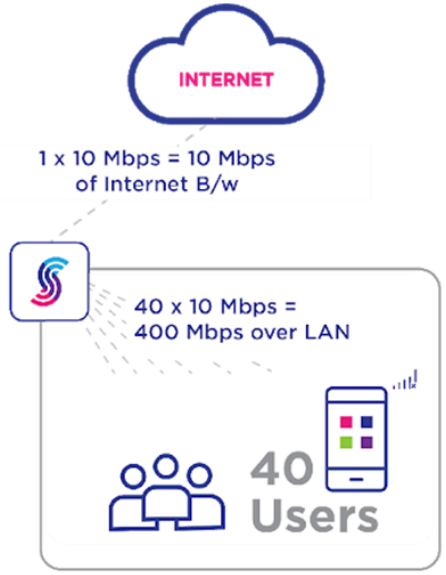
Without SugarBox

Only users with internet connectivity can use Apps. Experience dependent on reliability of connection. User bears the cost of data

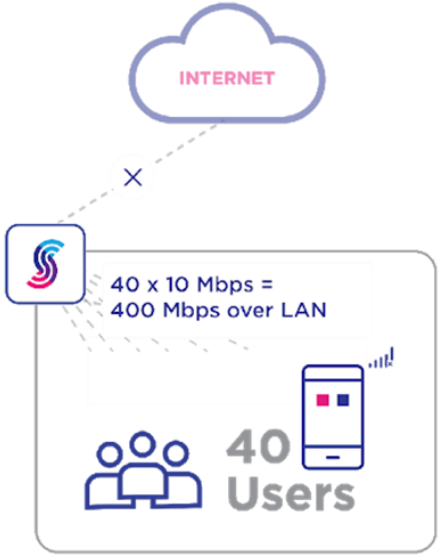


With SugarBox

Users without internet connectivity can user Apps seamlessly & without data cost



Even when the SugarBox doesn't have internet access, users can continue to access App data stored on the server



SugarBox's patented technology stores relevant App data on a local server and also manages other technical requirements like user registration, personalization, Ad delivery & Payment processing; enabling digital services to work without depending on internet access

Disruption it Creates

- Apps will **continue to work seamlessly**, even in areas with **bad or no network** **(Zee5 or Flipkart working in an aircraft)**

- Even users **without a data pack or free Wi-Fi internet access** will be able to access Digital services **(An est. 300 mn users in India with a Sim, but no active data pack)**

- Apps will get **access to user context** – travel, home, office, mall, café, etc. In the digital world, only Google & Apple have this data **(and its measured in Gold)**

- Reach out to consumers at the right time & **provide instant gratification** with an **experience guarantee** **(First network in the world to be able to do so)**

- Financial viability is based on **zero data charges** to consumers! **(First network in the world to achieve this)**

- **Ad delivery guarantee** to partners like GroupM & **Payment guarantee** for partners like PayTM **(Current failure rates lie in the range of 15% for both)**

Shift in User Journey

User Journey Today

Pre-journey
- Download Content
- Charge Mobile

During Commute
- Watch downloaded content
- Keep checking network
- Wait for the journey to finish

At Arrival
- Stand in line for cab / auto
- Stand in line for food

User Journey with SugarBox

Pre-journey
- Charge Mobile

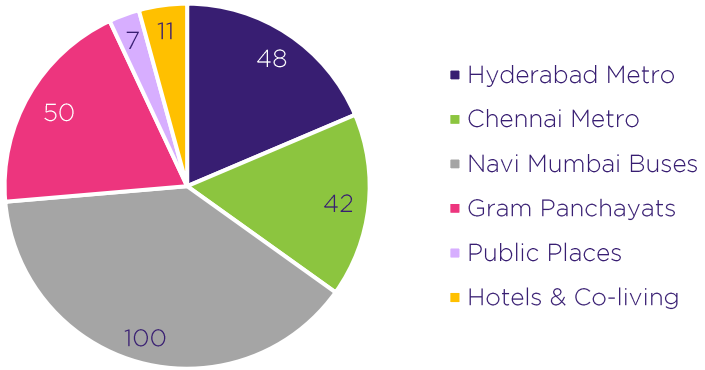
During Commute
- Stream & Download Videos + Music, Play Games, Learn on-the-go
- Shop Online
- Pay bills, Order Food & groceries, get things done
- Book onward transport, access other digital services & more

At Arrival
- A more fulfilling & productive journey
- Cab / Auto waiting at the pick-up point
- Food delivered en-route or at home & office
- Orders delivered at home

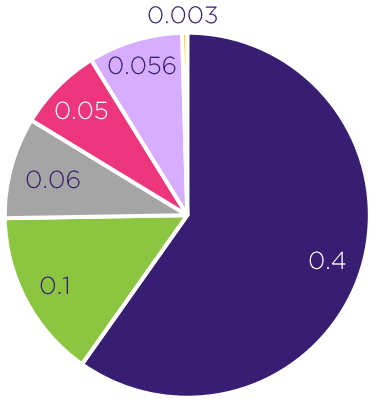
To use services supported on the SugarBox platform, a consumer connects to SugarBox Wi-Fi, at a POI. The consumer will now be able explore & access all services via the SugarBox App (one-stop shop) substantially improving the fragmented user experience today and driving incremental value

SugarBox Presence – Feb'20 vs Jun'22

Feb'20 Network Overview = 250 POIs

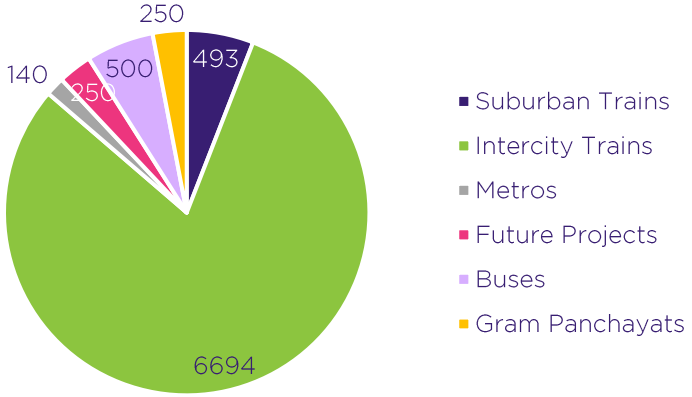


Feb'20 Network Reach = 0.7 mn

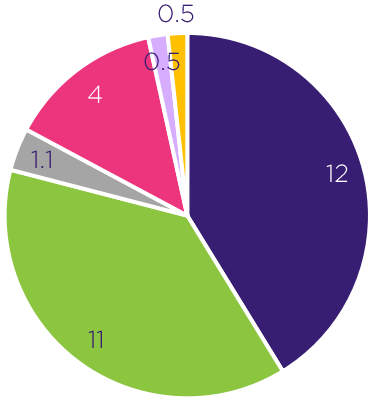


~35x Scale-up from today

Jun'22 Network Overview = 8,300 POIs



Jun'22 Network Reach = 27 mn



- This is the first year in decades that the Telecom sector has shown negative growth at the back of a 34% price hike and expiry of free data offers from operators
- On 05/03/20, Telcos made an application to TRAI to set a floor price for the industry, which will result in a data price hike of 6x to 10x from today's prices, drastically impacting the numbers of active data subscribers in the coming year
- SugarBox will enable seamless digital access for over 300 mn users monthly and is critical in getting the Next Billion Users connected, not just in India, but the world over

1 POI = 1 physical space / Train / Metro / Bus | Network Reach = Aggregate Daily unique users across all SugarBox POIs

SugarBox in the News

'SugarBox' zones to offer infotainment on Metro trains

One can watch, download movies, music and games without using mobile data

SPECIAL CORRESPONDENT
HYDERABAD

Hyderabad Metro Rail has become one of the first public transport systems to allow passengers to watch content or download movies and music through 'SugarBox' zones, using closed loop Wi-Fi system available, providing seamless streaming service sans mobile data in metro stations across the two corridors from Tuesday onwards.

Music, movies, games, etc., can be viewed for free for the first 60 days through this app, which needs a one-time log in when pre-recorded content from Hollywood to Indian movies to other programmes of OTT – over the top platforms of Zee5 and Preplay are currently available to passengers, said CEO of SugarBox Systems Rohit Paranjpe.

The new cutting-edge technology that is presently used in aeroplanes, will be live in all trains and at 10 stations at begin with. Movies can be downloaded in five minutes flat from the new smartphones and can be watched later at home, he said, at the launch.

"Telecom companies will be increasing tariffs for using mobile data to cope up with the losses soon. In this light, this new seamless platform without depending on mobile data and providing uninterrupted access without any data charges will benefit passengers. I have advised introduction of 'productive' data too other than entertainment as metro is going to change lifestyles here," said HMR Managing Director N.V.S. Reddy.



Hyderabad Metro Rail managing director N.V.S. Reddy with Sugarbox Network CEO Rohit Paranjpe (left), L&T Metro Rail Hyderabad Limited CEO K.V.B. Reddy and COO Anil Kumar Saini at the launch of Sugarbox in-train entertainment app in the city on Tuesday. • NAGARA GOPAL

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Happening places

Asserting that the metro project and stations will be 'happening' places in the coming days with more amenities and activities for the entire family, Mr. Reddy foresaw a situation where working women and others can look cabs, bikes, coffee, food, vegetables and medicines too through this facility as soon as they get onto the metro system before they reach the destination.

L&T Metro Rail Hyderabad (L&TMRH) Chief Executive Officer and Managing Director K.V.B. Reddy said that the SugarBox was tested for the past eight months, and assured to see all stations will be similarly connected. He expects ecommerce and other transport modes to get onto it for passengers' convenience.

Based on research

Chief Operating Officer A.K. Saini informed that a passenger at an average spends between 30 minutes to one hour in a metro train and mostly it is music, games and movies which are watched. A lot of research went into loading all the trains with content through a central server every day by SugarBox.

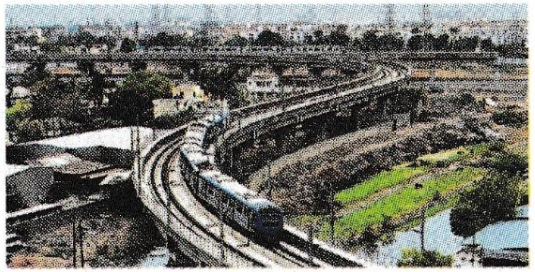
Mr. Paranjpe said SugarBox is operating in nine cities in buses and trains. Revenue is through advertising and soon to be unveiled monthly and daily fees with the target to reach one lakh users.

> I have advised introduction of 'productive' data too, other than entertainment, as metro is going to change lifestyles here.
>
> N.V.S. REDDY, MD, Hyderabad Metro Rail

Movies, television shows, original Zee5, Free play content and music videos are now available for viewing and soon e-commerce, e-learning modules, food delivery, etc., too will be introduced.

The SugarBox in-train entertainment facility is now available in all the trains and on the platforms of Ameerpet, JNTU, Begumpet, Nagole, Uppal, Miyapur, KPHB, Kukatpalli and Secunderabad (East) Metro stations.

S READ



SugarBox app: Stream videos on metro trains now

Chennai : Chennai Metro Rail Limited has introduced a video streaming smartphone application that will have downloadable content in several languages to stream videos on metro trains. The app titled 'SugarBox' is an online streaming platform which has servers to support it in all metro trains. People can download the app from Play Store or Apple store. Minister M C Sampath inaugurated the service at Central Metro Station on Friday. ENS

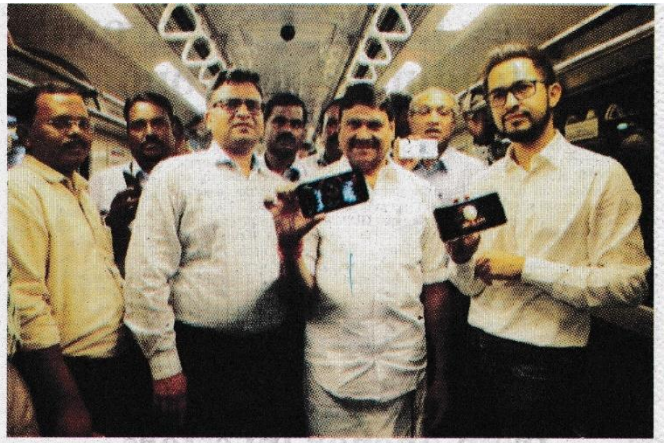
On Metro, stream free movies on your mobile

TIMES NEWS NETWORK

Hyderabad: Listen to your favourite music, download movies or watch a TV series of your choice on your mobile phones while commuting on Metro Rail, but without relying on your internet connection. To provide seamless on-the-go entertainment experience, Hyderabad Metro Rail will allow commuters to access apps and services, without depending on mobile data.

Launching the facility, HMRL managing director NVS Reddy said that the service comes free cost and will work on local WiFi network. "Commuters generally spend about 35 to 40 minutes on trains and this service provides them entertainment. Zones to avail the facility have been set up on all trains and some Metro stations," said Reddy. Stations where the facility is available include Ameerpet, JNTU, Begumpet, Nagole, Uppal, Miyapur, KPHB, Kukatpalli and Secunderabad (East).

Reddy also told Rohit Paranjpe, CEO, SugarBox Networks, which is partnering with HMRL in the venture, to include knowledge related movies and videos, e-learning, shopping, food delivery, last-mile connectivity, cab booking options on the network to cater to the needs of all commuters.



Chennai metro to provide free wifi, downloads via SugarBox

Chennai, Feb 29: Chennai Metro commuters are in for a treat as Chennai Metro Rail Limited (CMRL) has partnered with SugarBox Networks to equip the metros with a revolutionary technology that allows users to seamlessly access Apps.

Chennai Metro commuters will have to just download the Sugarbox app and register; after that, they can watch content for free. "From TV series to films, in languages including English, Tamil and Hindi, commuters can watch during travel and also download the content and later view it offline as well. It may take only about 10 minutes to download a film, that's the kind of speed this app will provide for commuters. We want to keep commuters engaged while travelling and give them more reasons to use public transport," an official said.

CMRL has already begun putting up advertisements inside the trains about this facility.SugarBox Zones have been set up in most of the metro trains across the city where commuters can sign in to SugarBox and watch their favourite movies andlisten to music at the click of a button.

Rohit Paranjpe, CEO of SugarBox Networks, said, "In the long run, the SugarBox platform will also support e-commerce, music streaming, gaming, last mile transport booking, food ordering and other relevant value added services will revolutionize the metro travel greatly.

Case Study

Statistics for Zee5 at Hyderabad Metro in February 2020

400k daily commuters

Travel for on an average for 30 minutes

Bad mobile network, patchy data

At stations possible to stream limited content,
but large patches have unstable mobile data

Consumers rely on pre-loaded content

Habituated to deal with bad network by
downloading Music / shows at home or office

Enter Sugarbox

SugarBox Edges are installed at major
stations & in all trains at Hyderabad metro

Zee5 provides relevant content

Curated selection of Movies, TV Shows, Originals,
Music and Videos across Hindi, English and Telugu

27k DAUs, 110k MAUs and existing user delight

Avg. session time of 14 minutes

3x increase in Data consumption since Oct'19

5x Network throughput vs a telco network

Ongoing Projects

RailTel Tender

- Tender awarded
- 7,032 rakes + 6,077 stations
- 19 mn Daily travellers + 270 mn Monthly Uniques
- Exclusivity for 10 years
- Installation yet to be commenced

Mumbai Suburban

- Tender awarded
- 135 rakes
- 4 mn Daily travellers + 9.6 mn Monthly Uniques
- Exclusivity for 5 years, to be merged with the RailTel tender from Y6
- Pilot train installed

Hyderabad Metro

- Contract awarded
- 48 rakes + 40 stations
- 0.4 mn Daily travellers + 1 mn Monthly Uniques
- Exclusivity for 6 years
- Installation in all rakes and 10 stations completed

Chennai Metro

- Tender awarded
- 42 rakes
- 0.15 mn Daily travellers + 0.4 mn Monthly Uniques
- Exclusivity for 10 years
- Installation in all rakes completed

Navi Mumbai Municipal Buses

- Tender awarded
- 472 buses + 11 terminus
- 0.3 mn Daily travellers + 0.75 mn Monthly Uniques
- Exclusivity for 5 years
- Installation will commence in H1 of FY22 (est.)

Common Services Centres

- Pilot awarded
- 100 Gram Panchayats
- 1 mn Daily Unique Users
- Installation in 50 Gram Panchayats completed
- Total opportunity of 340,000 villages reaching 600 mn Daily users

Scope & Scale of Work



- **Largest planned deployment** of an infotainment solution worldwide



- **Scope of Project –** 7,700 rakes (Intercity + Suburban + Metros) + 500 Buses + 6,077 stations



- **Scale of Project –** 75,000 Edge Servers



- **Daily Ridership –** 25 mn commuters



- **Monthly uniques –** 300 mn commuters



- An **opportunity** to unlock 2.5 bn hours of captive digital consumption per month



- Access to **native Apps** for consumers using SugarBox's patented technology

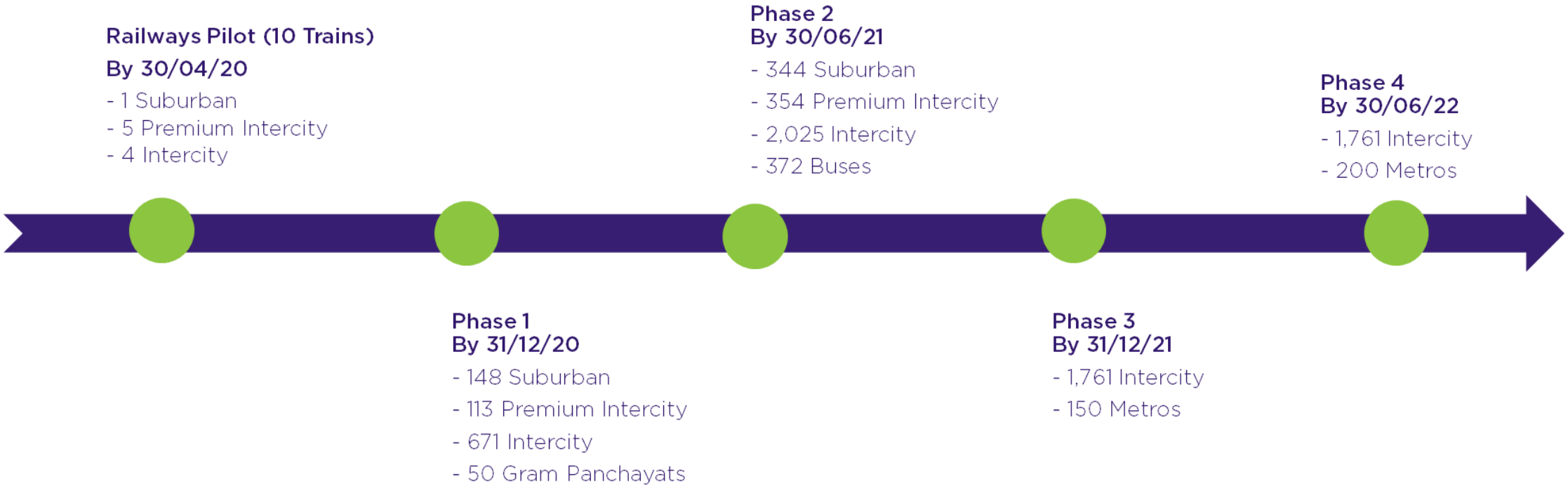


- **Offline monetization** enabled using SugarBox's patent-pending technology



- **Long-term Exclusive** contracts (Minimum 5 year contract, most for 10 years)

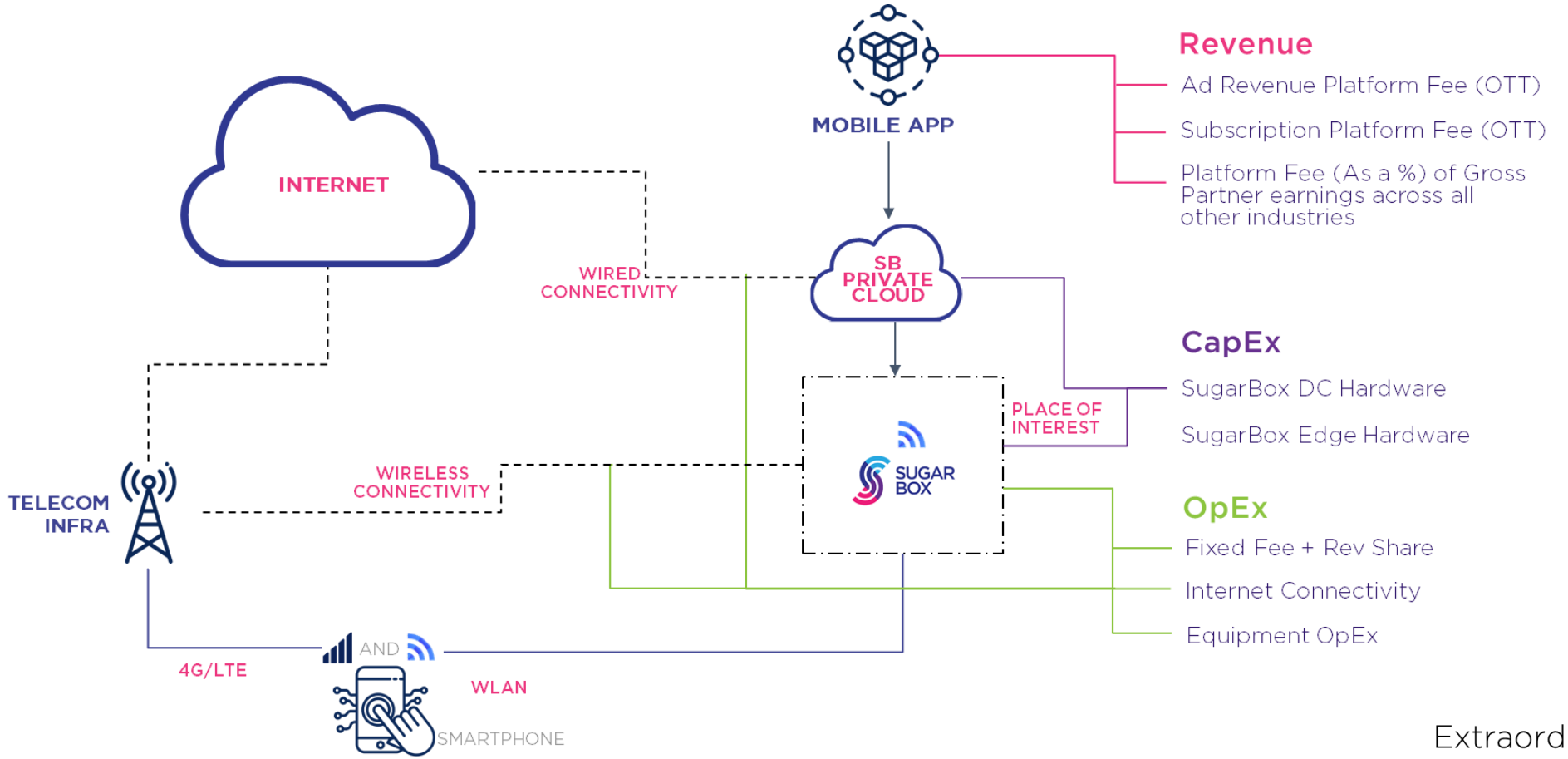
Deployment Outlay*



*Subject to delay due to Covid-19 Impact on operations, equipment procurement & availability of permissions for installation

SugarBox Business Model

SugarBox operates in a Revenue model which has already been adopted by Internet Services across industries (including OTT)
Revenue to SugarBox, acts as a replacement cost for Services (they pay us instead of a Telco / Cloud computing company)



Revenue

- Ad Revenue Platform Fee (OTT)
- Subscription Platform Fee (OTT)
- Platform Fee (As a %) of Gross Partner earnings across all other industries

CapEx

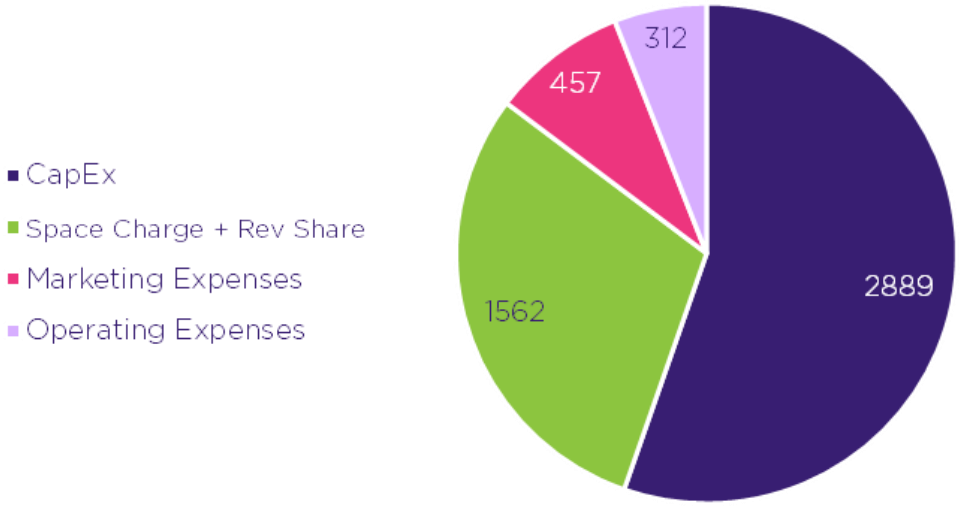
- SugarBox DC Hardware
- SugarBox Edge Hardware

OpEx

- Fixed Fee + Rev Share
- Internet Connectivity
- Equipment OpEx

Fund Utilization & Key Highlights

Total Fund Utilization (Y1 + Y2) = Rs. 5,220 mn



- Rev Share, Marketing & Operating Expenses are variable costs and come into effect only when the expected rollout, uptake & monetization is achieved

Key Highlights of the Investment

Particulars	(In INR mn)
Peak Fund Requirement (Y1 + Y2)	**5,220**
Total CapEx	**12,470**
Break-even	**Y4**

- In addition to the Zee Investment, balance CapEx will be procured on vendor lease / vendor long-term finance from the likes of Qualcomm, HPE, Cisco, etc. and through internal accruals
- Life of hardware installed in trains & metros is 10 years. Life of all other hardware is 5 years
- The hardware is also interchangeable across POIs, with ~10% wastage / loss during the interchange

Strategic Nature to Zee

- Part of Zee's **broader digital strategy** that expands their presence beyond OTT & AdTech

- Enables Zee to contribute to the growth of digital & **benefit from the success of the entire ecosystem**

- In line with Zee's core vision of becoming **a global Media Tech company** & building disruptive products for the masses

- An ecosystem play (similar to DTH in the broadcast domain) that offers an **additional distribution platform** for Zee's content across categories

- **Strong synergies with existing businesses** of Zee, including Zee5 and other digital businesses

- A key piece in Zee's overall pursuit of **offering relevant content to consumers** across platforms

THANK YOU