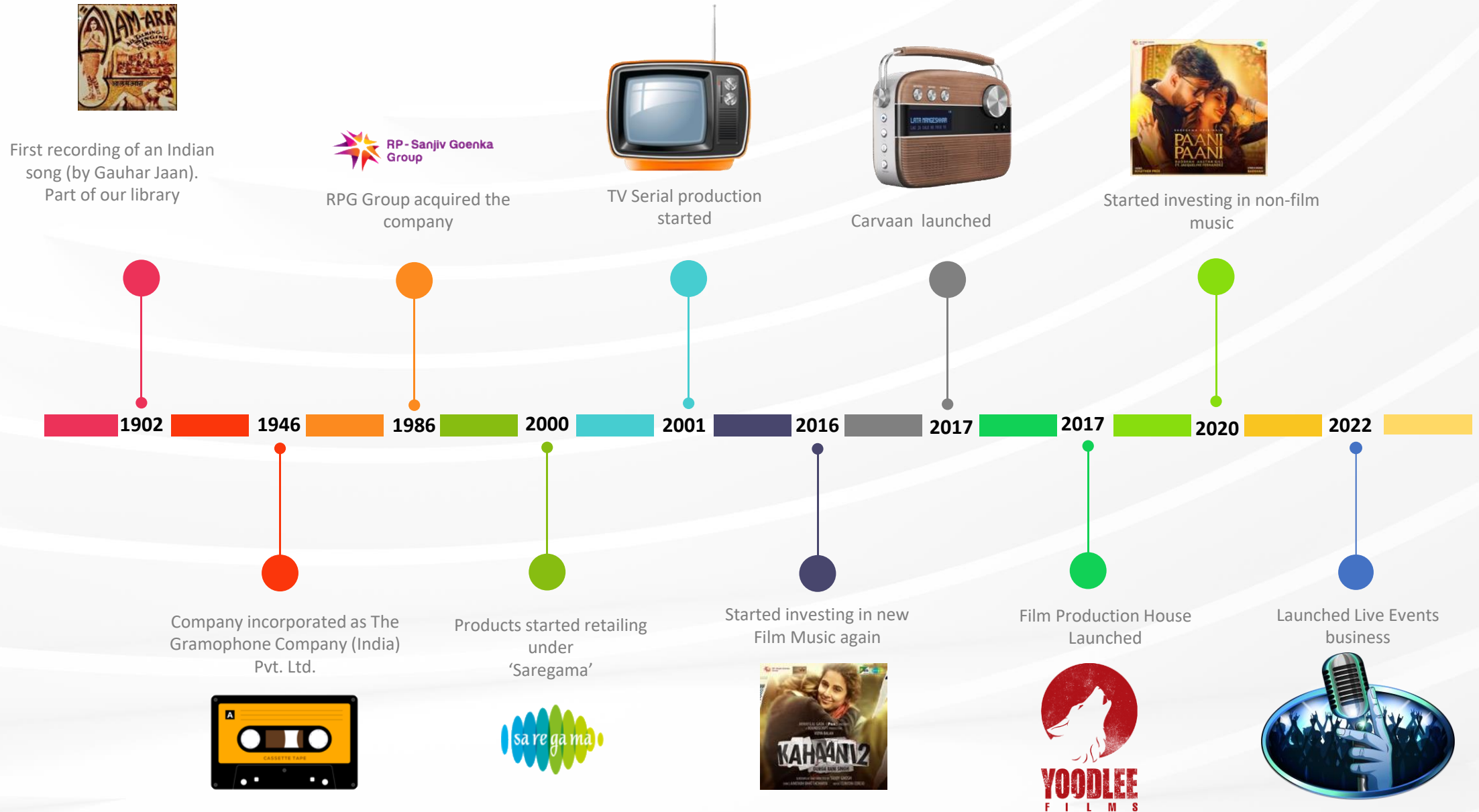




INDIA'S LARGEST IP COMPANY

# JOURNEY

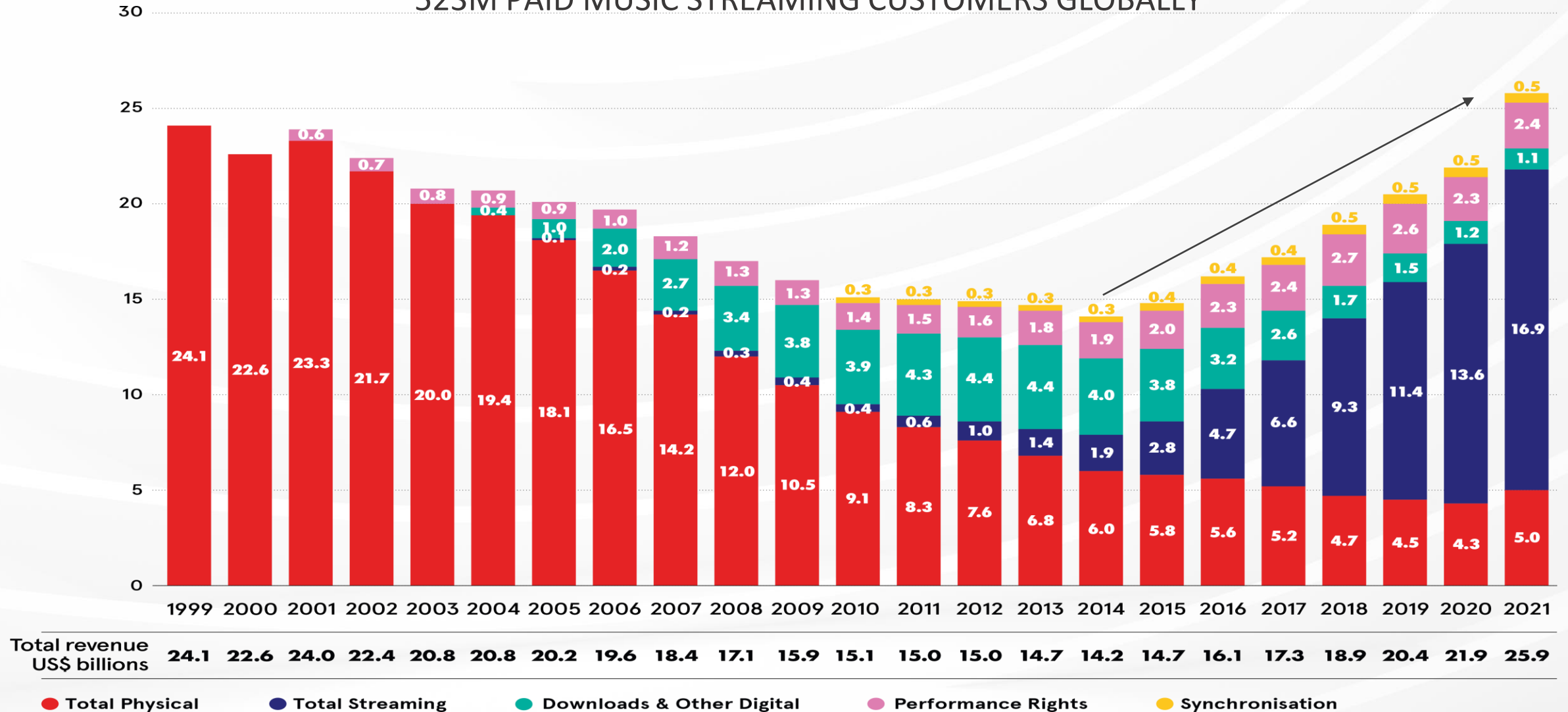


# INDUSTRY OVERVIEW



# GLOBAL MUSIC INDUSTRY CONTINUES TO GROW

523M PAID MUSIC STREAMING CUSTOMERS GLOBALLY



# INDIAN MEDIA & ENTERTAINMENT SECTOR IS GROWING RAPIDLY

- Media & Entertainment sector to grow 17% in 2022 to reach INR 1889 Bn and then to grow at a CAGR of 11% to reach INR 2320 Bn by 2024.
- India's sustained economic growth and the universal acceleration of digital adoption by users across geographies are the two areas that offer encouragement.
- The Government of India increased the FDI limit from 74% to 100%, thus inviting more foreign capital in the sector

	2019	2020	2021	2022E	2024E	CAGR 2021-2024
Television	787	685	720	759	826	5%
Digital media	221	235	303	385	537	21%
Print	296	190	227	241	251	3%
Online gaming	65	79	101	120	153	15%
Filmed entertainment	191	72	93	150	212	32%
Animation and VFX	95	53	83	120	180	29%
Live events	83	27	32	49	74	32%
Out of Home media	39	16	20	26	38	25%
Music	15	15	19	21	28	15%
Radio	31	14	16	18	21	9%
<b>Total</b>	<b>1,822</b>	<b>1,386</b>	<b>1,614</b>	<b>1,889</b>	<b>2,320</b>	<b>13%</b>

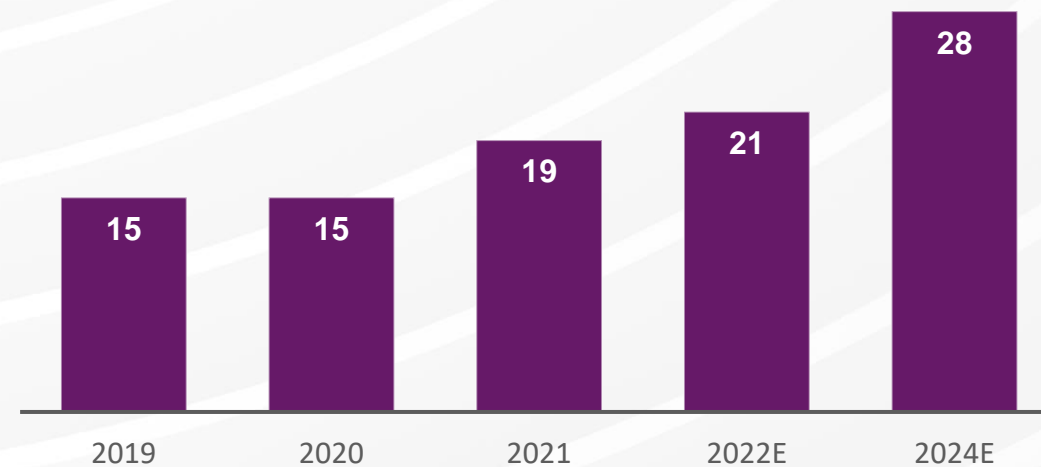
All figures are gross of taxes (INR in billion) for calendar years | EY estimates

# INDIAN MUSIC INDUSTRY

- The growth in India has come on the back of digital consumption led by smartphone popularity and low data tariffs
- The success of audio streaming services is fuelled by the ease of accessibility, cheaper data and efficient distribution models
- While India-based Audio OTT streaming services may have gathered over 200=225 Mn monthly active users, the overall paid subscribers are estimated to be ~2%, thus offering a huge headroom for growth. Audio OTT streaming companies have 523 Mn paid subscribers globally
- Ancillary benefit of streaming services is the rising popularity of Regional music namely, Tamil, Bhojpuri, Punjabi, Gujarati, Telugu, Bengali, Malayalam etc
- Streaming services have made access to catalogue music easy, thus giving push to its consumption

**Indian Music Industry is expected to grow at a CAGR of 15%**

Indian Music Industry Size (INR Bn)



# COMPANY OVERVIEW

# SAREGAMA STRENGTHS



India's only entertainment company with IP offerings across media channels (music, film, web series AND TV serials), delivery platforms (physical and digital) and business models (licensing and retail)



Large intellectual property portfolio of 142K+ songs, 64 films, 1 web-series, 6K+ hours of television content



Strong licensing relationships with streaming applications and platforms for music and video



Increasing IP library with a growing presence in all leading Indian languages



Investments and Capabilities in Data Analytics and Technology for content acquisition and IP protection



Strong financial position with track record of revenue growth, margin expansion and cash flow generation



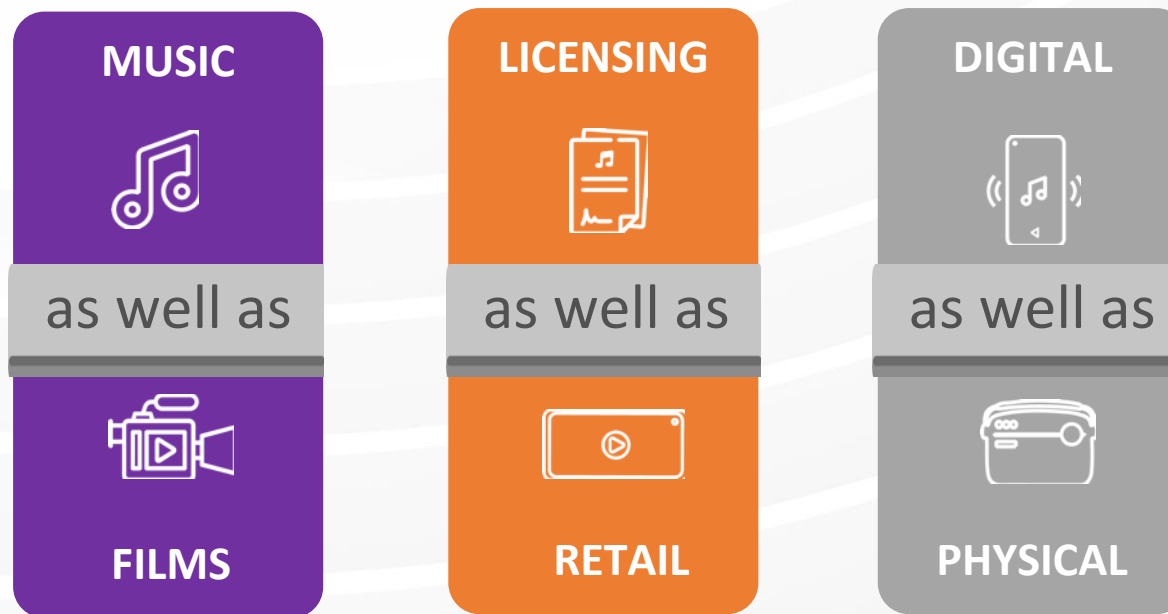
Experienced and creative leadership through Management Team and Promoter Group





# SAREGAMA

INDIA'S ONLY Entertainment Company into



## Music

### Licensing

India's Largest Music IP  
**142k+**  
Songs

**FY22: Rs 3585 Mn\***

### Retail

Distribution network  
**20k+**  
Retailers

**FY22: Rs 1056 Mn**

## Films & TV

### Television Series

Content IP rights of  
**6k+**  
Hours of Television Series

**FY22: Rs 1024 Mn**

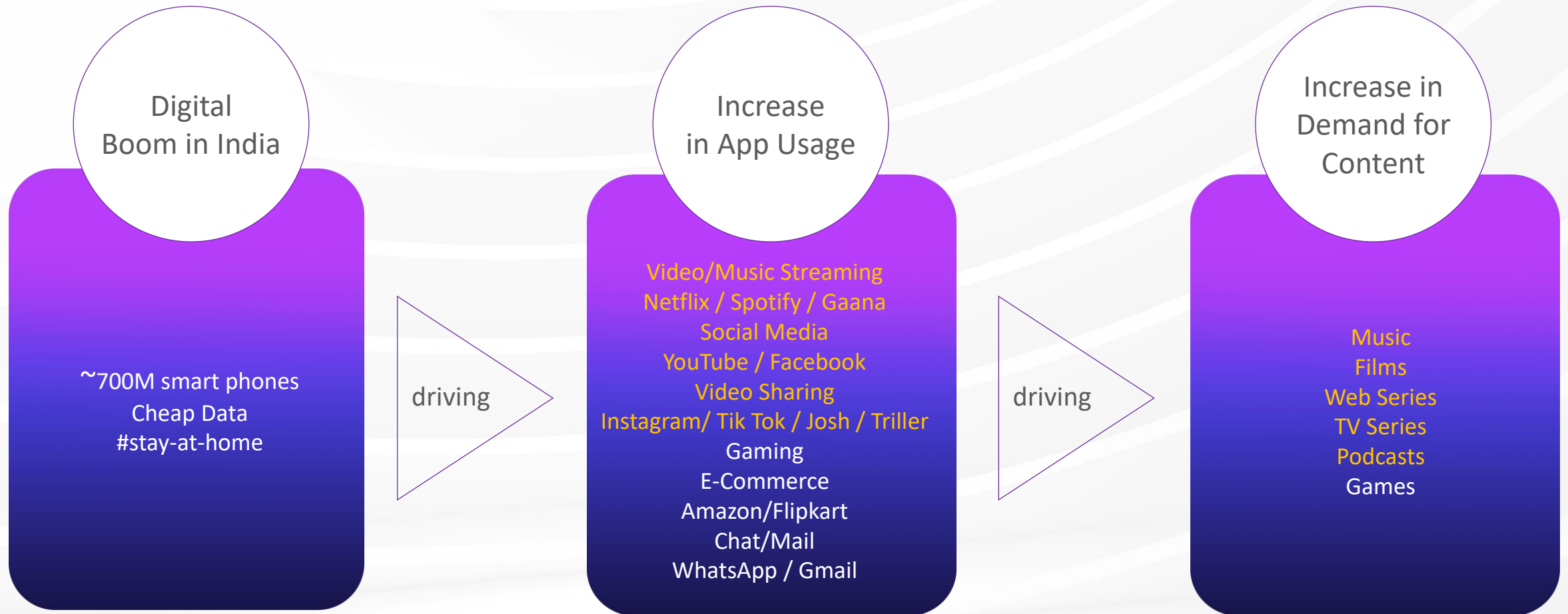
### Films & Web Series

Content IP rights of  
**64 | 1**  
Films | Web Series

\* Excludes one time income of INR 97 Mn

# STRATEGIC OVERVIEW

Digitisation Driving Growth

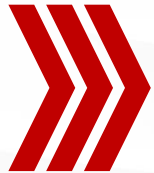


142k+ Songs | 64 Movies | 1 Web Series | 6k+ hrs of TV Series | Advantage **Saregama**

# STRATEGIC OVERVIEW

To be a **Pure Play Content Company** capitalising on the global content consumption boom  
driven by the ever-increasing **Digitisation**

## Monetisation of Existing IP



Through licensing to EVERY 3rd party Digital (music, video, social) and TV platform.



Carvaan transitioning from being a Product with only one-time margin to a Platform with upfront margin and recurring advertising and subscription revenue.

## Building of New IP



Cementing leadership position with New film and non-film music acquisition across Hindi, Tamil, Telugu, Bhojpuri, Gujarati, Punjabi, Malayalam, Bengali and other regional languages.



Producing Theatrical Films in only Regional languages and Web Series in all languages. Revenue secured through pre-licensing to digital platforms. Scale allowing lower cost of production.

IP Creation ambition over next 3-5 years



Market Leadership  
In Music Segment

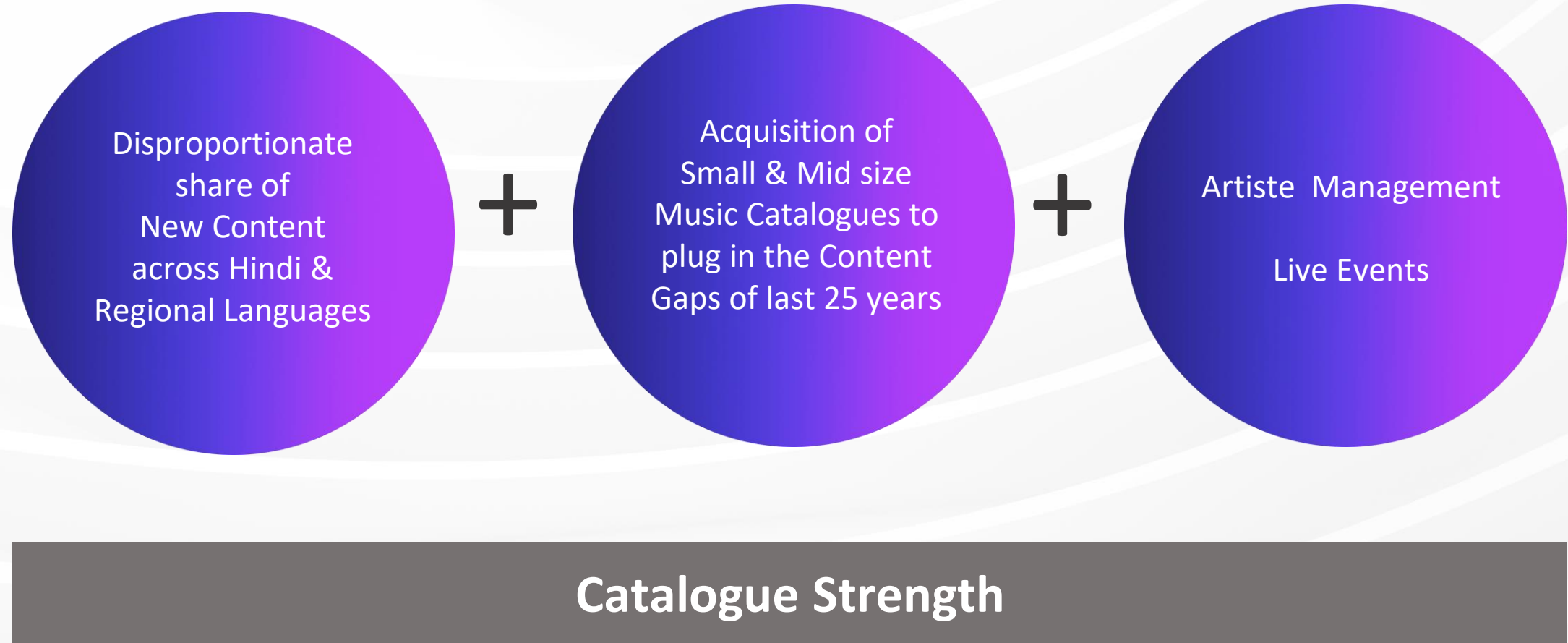


60 New Films and  
Web Series Episodes



1200 - 1500 hrs  
of new TV serials content

## SAREGAMA WANTS TO TAKE MARKET LEADERSHIP POSITION IN INDIAN MUSIC





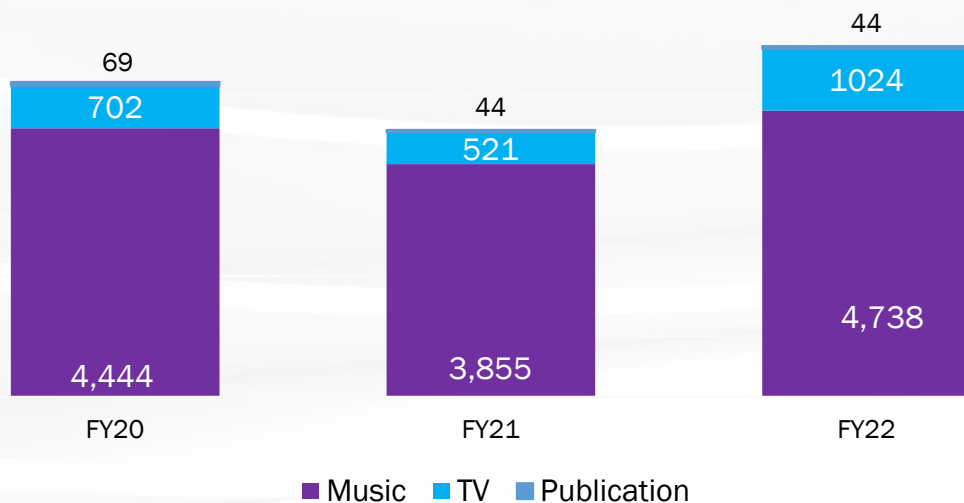
# FINANCIAL SUMMARY

Particulars (INR Mn)	FY22	FY21	Y-o-Y Growth	FY20
<b>Revenue from Operations</b>				
• Music	4,738	3,855	23%	4,444
• TV & Films	1,024	521	97%	702
• Publication	44	44	-	69
<b>Revenue from Operations</b>	<b>5,806</b>	<b>4,420</b>	<b>31%</b>	<b>5,215</b>
<b>Operating Income before Content Charge, Interest and Depreciation (OIBCID)</b>	<b>2,230</b>	<b>1,451</b>	<b>54%</b>	<b>763</b>

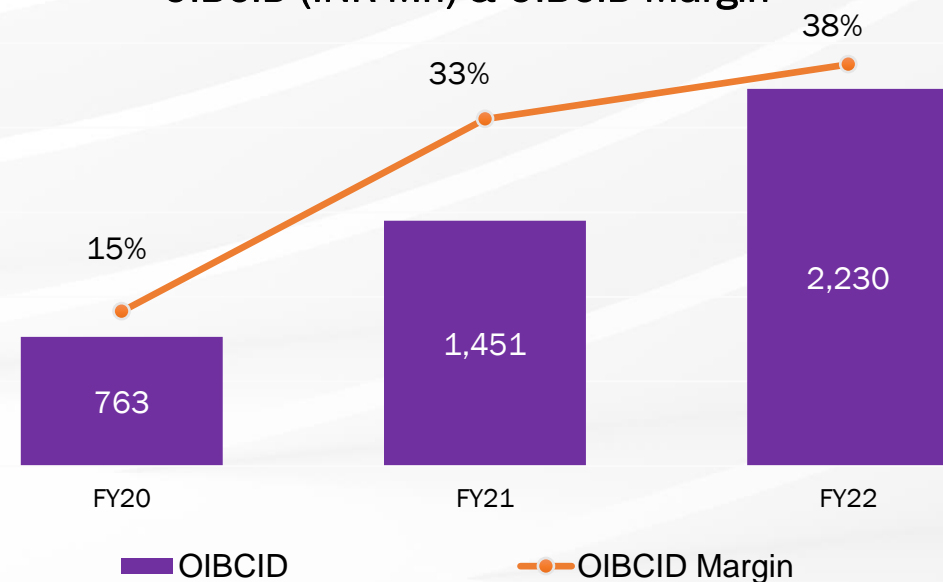
**Content Charge** include the following charges related to the new content during the year:

- 1) Amount amortised in case of Royalty based deals
- 2) Amount amortised against the one-time fee paid in case of Outright purchase based deals
- 3) Marketing of new content
- 4) Content charge does not include any royalty paid post recoupment of the Minimum Guarantee amount

## Revenue from Operations (INR Mn)



## OIBCID (INR Mn) & OIBCID Margin



# OIBCID to PAT

Particulars (INR Mn)	FY22	FY21	Y-o-Y Growth	FY20
Revenue from Operations (A)	5,806	4,420	31%	5,215
Total Expenses (B)	3,576	2,969	20%	4,452
<b>OIBCID (C= A-B)</b>	<b>2,230</b>	<b>1,451</b>	<b>54%</b>	<b>763</b>
<i>OIBCID Margin (%)</i>	<b>38%</b>	<b>33%</b>		<b>15%</b>
Content Charge (D)	463	179	159%	176
Depreciation (E)	27	27	-	29
Finance Cost (F)	45	35	29%	67
Other Income (G)	349	309	13%	112
<b>PBT (C-D-E-F+G)</b>	<b>2,043</b>	<b>1,519</b>	<b>35%</b>	<b>603</b>
Tax	518	384	35%	168
<b>PAT</b>	<b>1,525</b>	<b>1,135</b>	<b>34%</b>	<b>435</b>
<i>PAT Margin (%)</i>	<b>26%</b>	<b>26%</b>		<b>8%</b>
<b>Diluted EPS (Face value Re.1)</b>	<b>8.42</b>	<b>6.50</b>		<b>2.53</b>

**Content Charge** include the following charges related to the new content during the year:

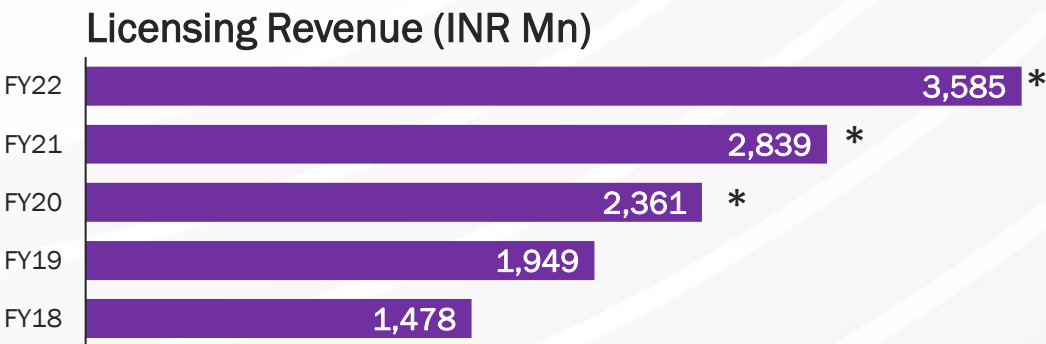
- 1) Amount amortised in case of Royalty based deals
- 2) Amount amortised against the one-time fee paid in case of Outright purchase based deals
- 3) Marketing of new content
- 4) Content charge does not include royalty paid post-Minimum Guarantee amount recouped

# **MUSIC SEGMENT**

## **LICENSING & RETAILING**

# SAREGAMA MUSIC IP

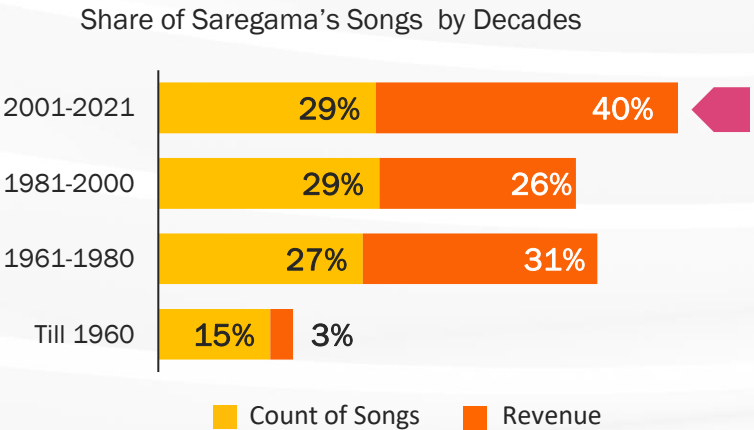
## Fast Growing Licensing Revenue



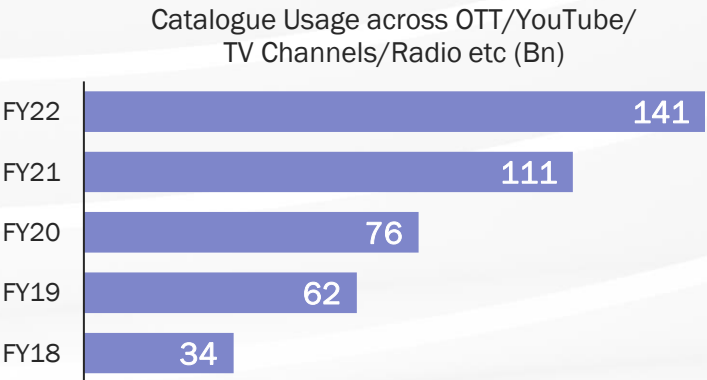
\* One time income of INR 97 Mn (FY22), 155 Mn (FY21) and INR 21 Mn (FY20) are excluded

### On account of

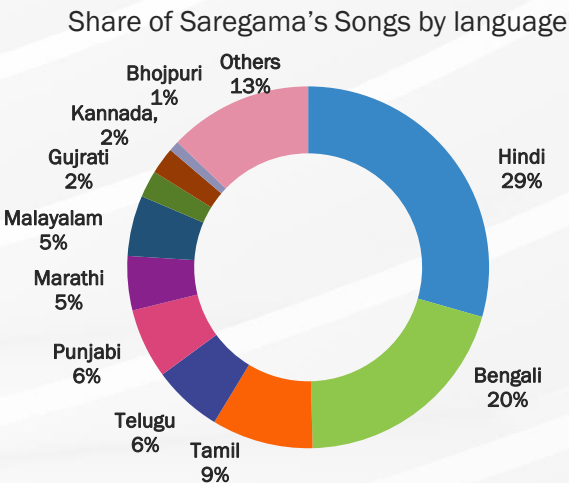
#### A. Saregama’s Focus on New Music



#### B. Growing customer interest in Retro Music



#### C. Presence across all Indian Languages



A typical movie has 5 songs. Assuming a music label acquires 1000 movies in a year, it will get 5k songs. By comparison, Saregama owns 142k songs, each digitised with rich metadata behind it, giving it a big competitive advantage



# OUR MUSIC LICENSING PARTNERS

## Music Streaming Partners



## Broadcasting Partners



## Video Streaming Partners



## Social Media Platforms



## Brands



# MAKING MONEY FROM MUSIC



## A. MUSIC STREAMING APPS (OTT)



Saregama Music is licensed to **multiple Global Platforms**

- Saregama licenses its music to various OTT platforms for online streaming. This segment has seen >20% YoY growth for Saregama, and is expected to grow even faster with increasing number of people staying at home
- The growth is driven by both: increasing number of users (growth in smartphones) and higher usage (cheaper data)
- **Saregama earns every time a customer listens to Saregama owned song on any OTT app**

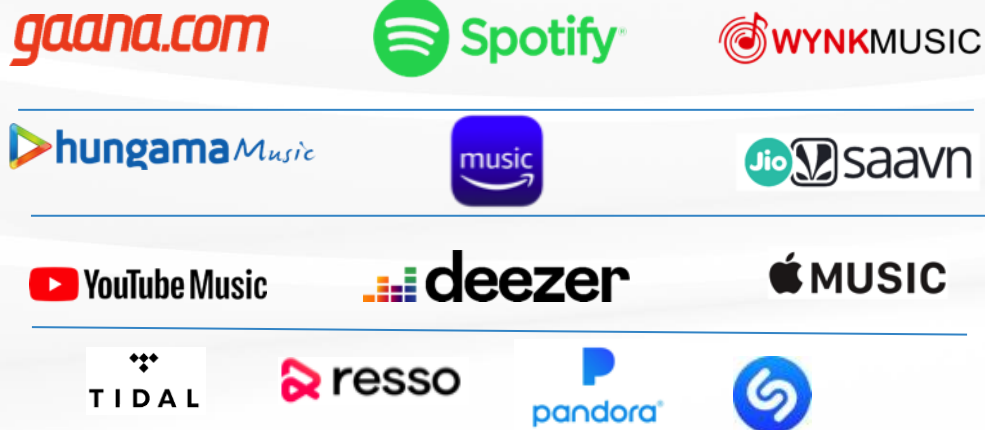
## B. SOCIAL MEDIA PLATFORMS (incl. Video sharing Apps)

Saregama has **26 channels** on YouTube with a cumulative subscriber base of over **64 Mn** (i.e. **45% increase from FY21 base of 44Mn**)

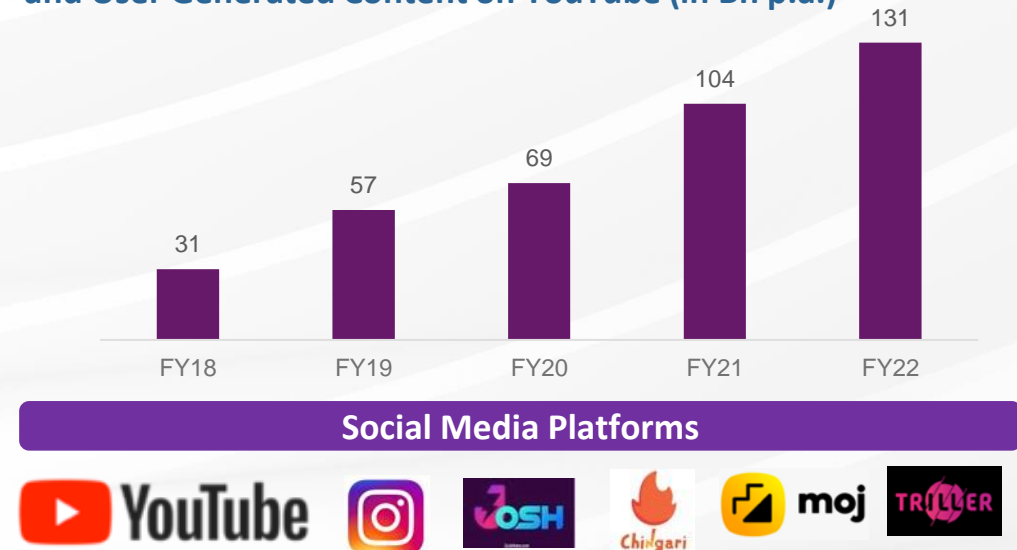
**YouTube generates advertising revenues on views which are shared with Saregama.** This also applies to advertising running on 3rd party content that is using any of Saregama's IP (song, lyrics, music composition, dialogues) within the video.

**Saregama has issued 1-2yrs fixed-fee licenses to other social media platforms, allowing their users to upload videos containing Saregama songs**

### Music Streaming Platforms (OTT)



**All views related to Saregama IP across its Owned Channels and User Generated Content on YouTube (in Bn p.a.)**



# MAKING MONEY FROM MUSIC



## C. VIDEO STREAMING PLATFORMS

With the rising popularity of video streaming in India, platforms like Netflix, Disney+ Hotstar, Amazon, MX Player, Zee5, Alt Balaji etc are aggressively investing in Indian content. Most of these new shows license Saregama owned music, for the global territory, thus creating a rapidly growing revenue stream for the company.

**Saregama issues fixed fee licenses to Program Producers for use of its music in their Programs that they in turn license to Video Streaming Platforms**

Digital Films/Web series licensing Saregama Music



## D. BROADCASTING PLATFORMS – TV CHANNELS, BRANDS

- Saregama Licenses its music to Television Channels for use in various TV serials, reality shows, promotions, etc., and also to Production houses for use in ads running on TV, Digital including Social Media and Radio.
- The Company has built a browser-based search functionality, using the song metadata, helping content creators find the best song fit for their situation.
- Saregama issues 1-2 yrs fixed-fee licenses to TV channels for use of its music in programs running on their channels**

TV Channels, Brand Advertising



# CATALOGUE STRENGTH

## HOME OF LEGENDS

Lata  
Mangeshkar

90%



Shamshad  
Begum

95%



Mohd.  
Rafi

90%



Geeta  
Dutt

90%



Mukesh

90%



Kishore  
Kumar

80%



Asha  
Bhosle

80%



Laxmikant-  
Pyarelal

90%



Kalyanji –  
Anandji

90%



Shankar –  
Jaikishan

90%



Ravi

90%



S.D.  
Burman

90%



Madan  
Mohan

90%



C. Ramchandra

90%



Naushad

80%



R.D.  
Burman

80%



Purshottam  
Das Jalota

70%



Jagjit  
Singh

70%



Hari Om  
Sharan

80%



Manna  
Dey

60%



Talat  
Mahmood

90%



Begum  
Akhtar

90%



Amar Singh  
Chamkila

90%



Surinder  
Kaur

90%



Viswanathan -  
Ramamoorthy

100%



K.V.  
Mahadevan

90%



G. Devarajan

90%



Ghantasala

95%



M.S.  
Viswanathan

90%



% of their total released tracks with Saregama



# CATALOGUE STRENGTH

## MUSIC OF THE BIGGEST BOLLYWOOD FILMS



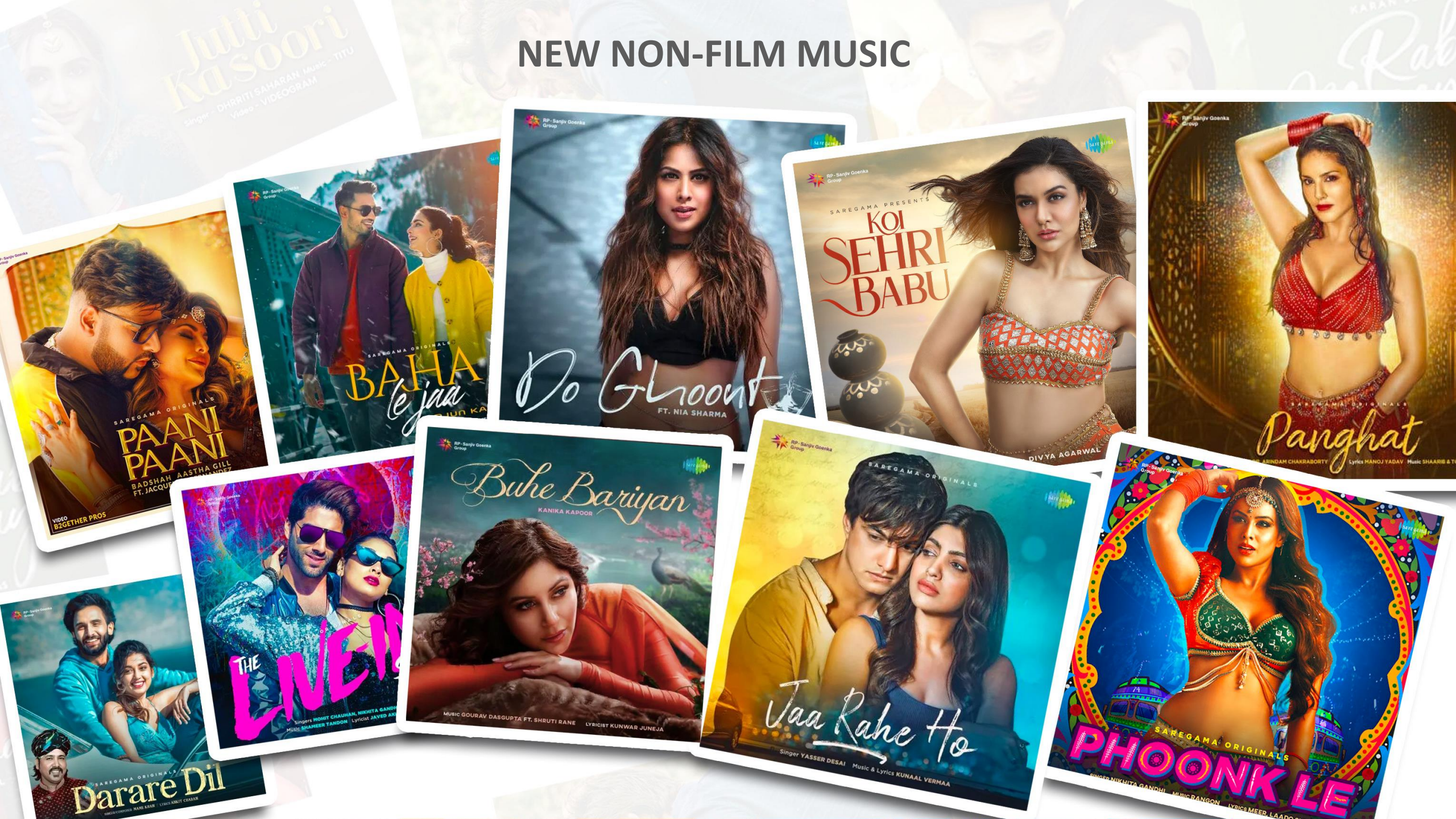


# NEW BOLLYWOOD FILMS MUSIC





## NEW NON-FILM MUSIC





## LATEST TAMIL FILM MUSIC





## LATEST TELUGU FILM MUSIC





# LATEST MALAYALAM FILM MUSIC





# MUSIC RETAILING : DIRECTLY THROUGH CARVAAN

India's most "DIFFERENTIATED" and  
"PREMIUM" music brand



SAREGAMA  
**CARVAAN**®

Targeted at the 35+ generation, who **value Convenience over Control** for their audio listening experience

## The Product

- Perfect blend of digital technology and a retro form factor.
- Available in multiple sizes, price points and languages, including one with Harman Kardon.
- The product is retailed through 20k+ retail outlets and all leading e-commerce platforms

# MUSIC RETAILING : DIRECTLY THROUGH CARVAAN

## Product to Platform

Carvaan has been a huge success with middle-aged Indians.

Saregama plans to now evolve the brand from a standalone Product to a Platform offering all kinds of daily updatable audio content to 35+ people living in India and abroad.



The biggest advantage of converting

**Carvaan to a Platform is that it will allow us to generate recurring advertising and subscription revenue in the future**

# VIDEO SEGMENT

## FILMS, SERIES AND TV



# YOODLEE FILMS

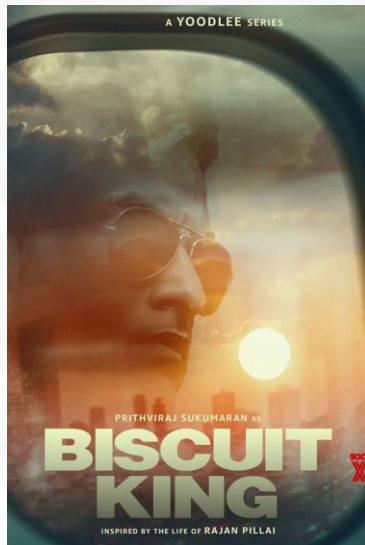
- Yoodlee Films is Saregama's production house focussed on creating content for 3<sup>rd</sup> party digital platforms
- Saregama issues period-based licenses for its movies to these platforms for a fixed-fee. In some cases, it also licenses the same movie to TVoD platforms and TV channels
- Yoodlee films, as a studio is positioned as a "Writer's Studio" focussed on telling powerful stories targeted at younger audiences across the world who primarily consume content on personal devices
- Yoodlee has successfully licenced/released 18 films in the last 4yrs on various digital streaming platforms
- The Company follows a business model of hedging the risk by keeping upfront talent cost low by offering assured profit sharing
- Focus on output deals to generate assured revenues up front but with the IP remaining with Saregama



**18 Movies**

12 on Netflix  
4 on Disney Hotstar  
2 on Zee5

**1 Web Series**



# TV Serials



## TAMIL TV SERIALS

- Saregama is leading TV series content producer for Southern channels. *In the past, it also produced shows for Hindi GECs, but due to IP ownership, it decided to focus on business where the company can retain the IP.* It now produces TV content in South Indian languages
- Saregama has created approximately 6k+ hours of content for Sun TV over the last 20 years
- The IP of all these serials is owned by Saregama
- Saregama is already monetising the serials on Youtube and Facebook and plans to do the same on other video platforms too



The revenue stream is through sale of commercial time (advertising slot). The Company also monetises these serials on digital platforms like YouTube.

Our South TV YouTube channel garnered 2.1 Bn views in FY22



- [Roja and Anbe Vaa](#) being the Slot Leader in their respective prime time slots.
- Chandralekha earned the rare honour of being the first Tamil serial to cross 2000 episodes
- Unlocking the value of existing IP through language remakes, new platform licensing and syndication.

# FINANCIALS



# CONSOLIDATED INCOME STATEMENT

Particulars (INR Mn)	FY22	FY21	FY20
Revenue from Operations	5,806	4,420	5,215
Other Income	349	309	112
<b>Total Revenue</b>	<b>6,155</b>	<b>4,729</b>	<b>5,327</b>
Total Expenses	3,934	3,119	4,610
Depreciation and Amortisation	132	56	47
Finance Cost	45	35	67
<b>PBT</b>	<b>2,044</b>	<b>1,519</b>	<b>603</b>
Tax	518	384	168
<b>PAT</b>	<b>1,526</b>	<b>1,135</b>	<b>435</b>
<b><i>PAT Margins (%)</i></b>	<b>26%</b>	<b>26%</b>	<b>8%</b>
Other Comprehensive Income	384	308	(650)
Total Comprehensive Income (After Tax)	1,910	1,443	(215)
Diluted EPS (INR) (Face Value Re.1)	8.42	6.5	2.53

# HISTORICAL CONSOLIDATED BALANCE SHEET

Equity and Liabilities (INR Mn)	FY22	FY21	FY20	Assets (INR Mn)	FY22	FY21	FY20
<b>Shareholders Fund</b>				<b>Non Current Fixed Assets</b>			
(a) Equity Share Capital	193	174	174	(a) Property, Plant and Equipment	2,141	2,046	2,053
(b) Other Equity	13,584	4,884	3,814	(b) Right to use assets	13	11	5
<b>Net worth</b>	<b>13,777</b>	<b>5,058</b>	<b>3,988</b>	(c) Investment Properties	22	23	23
(c) Non Controlling Interest	32	31	22	(d) Intangible assets	602	179	112
<b>Non Current Liabilities</b>				(e) Intangible Assets under development	17	19	-
(a) Employee Benefit Obligations	42	42	35	(f) Financial Assets			
(b) Deferred tax liabilities (Net)	562	505	458	(i) Investments	1,453	1,114	754
(c) Lease liabilities	7	7	-	(ii) Other Financial Assets	20	19	47
<b>Current Liabilities</b>				(g) Other Non Current Assets	292	112	24
(a) Financial Liabilities				<b>Current Assets</b>			
(i) Borrowings	-	-	92	(a) Inventories	1,054	692	936
(ii) Trade Payables	645	563	579	(b) Financial Assets			
(iii) Lease Liabilities	6	4	5	(i) Investment in Mutual Fund	5,308	252	-
(iv) Other Financial Liabilities	431	648	235	(ii) Trade Receivables	1,078	874	1,085
(b) Other Current Liabilities	466	255	244	(iii) Cash and cash equivalents	1,527	111	70
(c) Provisions	902	709	516	(iv) Bank Balances other than (iii)	1,710	1,338	19
(d) Employee Benefit Obligation	8	18	23	above			
(e) Current Tax Liabilities	1	-	-	(v) Loans	228	92	3
<b>Total</b>	<b>16,879</b>	<b>7,840</b>	<b>6,197</b>	(vi) Other Financial Assets	79	42	1
				(c) Current Tax Assets (Net)	257	197	369
				(d) Other Current Assets	1,078	719	696
				<b>Total</b>	<b>16,879</b>	<b>7,840</b>	<b>6,197</b>



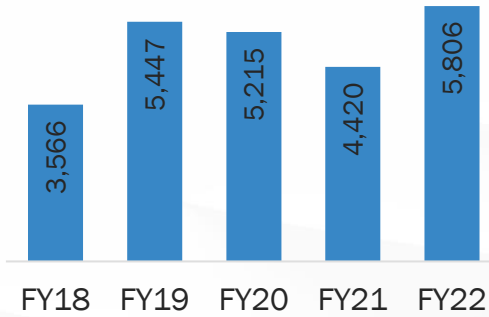
# CONSOLIDATED CASH FLOW STATEMENT

Particulars (INR Mn)	FY22		FY21		FY20	
Pre-Tax Profit	2,044		1,519		603	
Change in other operating activities ( including non-cash Items)	(139)		(176)		25	
Change in Working capital	(389)		692		388	
Taxes Paid	(572)		(139)		(221)	
<b>Net cash generated from/(used in) Operating Activities (A)</b>		<b>944</b>		<b>1,896</b>		<b>795</b>
Investment in Fixed Deposits with Maturity more than 3 months	(718)		(971)		(1.2)	
Investment in Mutual Fund	(4,995)		(250)		-	
Net cash (used in) Fixed assets and other Investing activities	(590)		(139)		(49)	
<b>Net cash (used in) Investing Activities (B)</b>		<b>(6,303)</b>		<b>(1,360)</b>		<b>(50)</b>
Net cash (used in) Treasury Shares	33		(17)		(76)	
Proceeds/(Repayment) of Short-term Borrowing	-		(92)		(546)	
Proceeds from Issue of Share Capital	7,332		1		2	
Repayment of Lease Liability	(4)		(6)		(9)	
Dividend and taxes thereon paid	(577)		(375)		(63)	
Interest Paid	(11)		(6)		(33)	
<b>Net cash generated from/(used in) Financing Activities ( C )</b>		<b>6,773</b>		<b>(495)</b>		<b>(725)</b>
<b>Net Inc./(Dec.) in Cash and Cash Equivalent</b>		<b>1,414</b>		<b>41</b>		<b>20</b>
Cash and Cash Equivalents at the beginning of the period		111		70		50
Effect of Translation of foreign currency cash and cash equivalents		2		-		-
<b>Cash and Cash Equivalents at End of the period *</b>		<b>1,527</b>		<b>111</b>		<b>70</b>

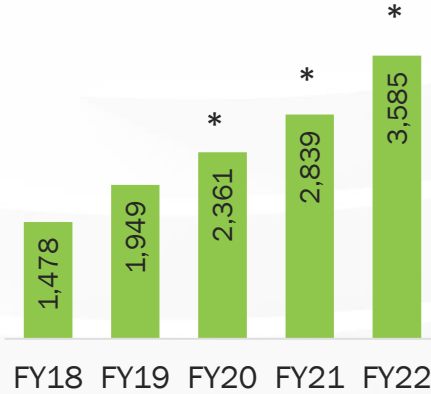
\*dividend paid as on 31 March 2021 include Dividend declared on 23rd March 2021 – INR 349 Mn which is paid in FY22

# FINANCIAL CHARTS (CONSOLIDATED)

**Revenue from Operations  
(Turnover) (INR Mn)**

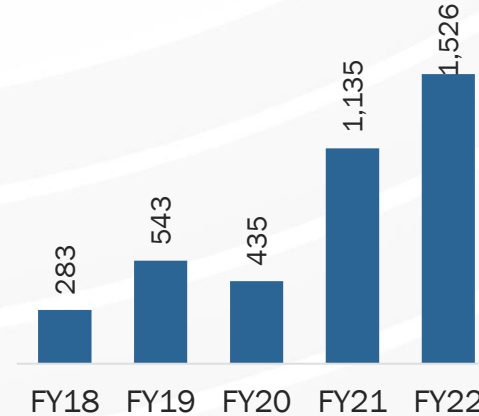


**Music Licensing Revenue  
(INR Mn)**

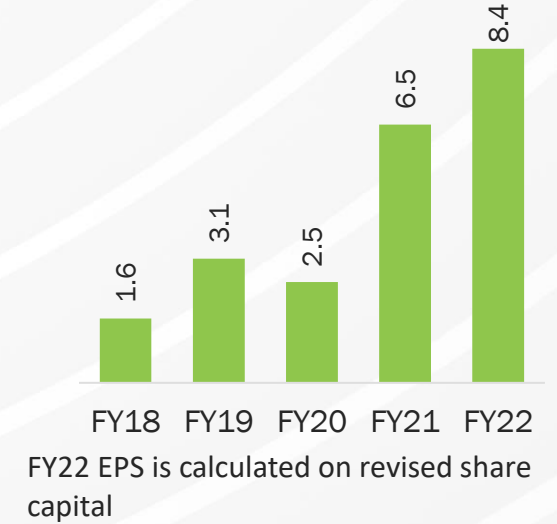


\* One time income of IINR 97 Mn (FY22), NR 155 Mn (FY21) and INR 21 Mn (FY20) are excluded

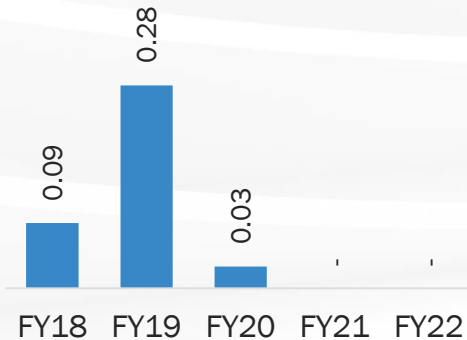
**PAT (INR Mn)**



**Diluted EPS (INR)**

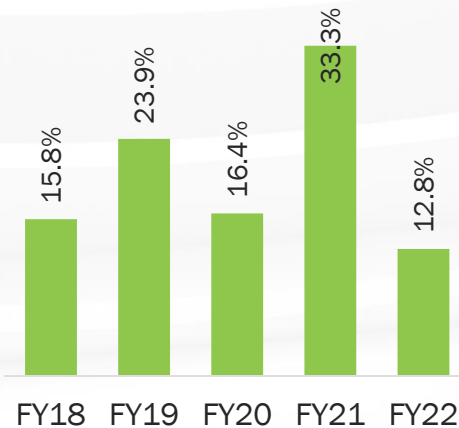


**Debt to Equity Ratio**



\* Debt is Nil as on 31<sup>st</sup> Mar'22 and 31<sup>st</sup> March'21.

**Return on Equity (ROE)  
(%)\***

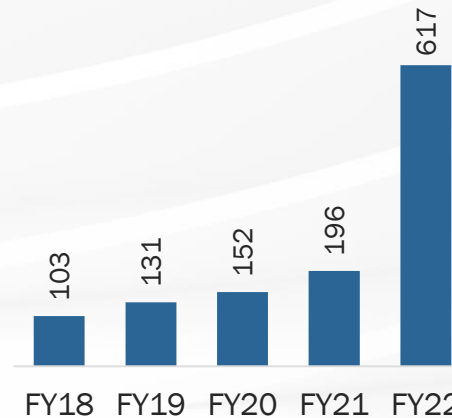


\* ROE = PAT / Shareholders Equity

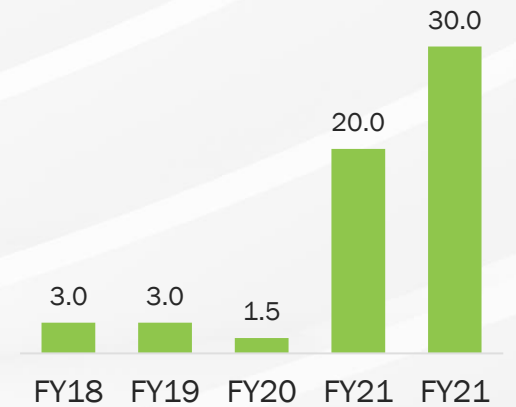
\* Shareholders Equity = Equity share capital and free reserves

The decrease in ROE for FY22 is on account of fresh fund raise through QIP of Rs.7500 MN

**Book Value Per Share  
(INR)**



**Dividend per Share  
(INR)**



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