

SAREGAMA ORIGINALS

PAANI PAANI

BADSHAH AASTHA GILL
FT. JACQUELINE FERNANDEZ



RP - Sanjiv Goenka
Group

SAREGAMA INDIA LIMITED

QUARTERLY PRESENTATION | Q1 FY22



- India's **oldest Music Label and youngest Film Production** house

- Owns irreplaceable must-have Music IP (sound-recording and publishing rights) of **130k songs**, Films IP of **61 films** and **6k+ hours** of TV serials

- **Music** : Simple, Predictable Business with Formidable Entry Barriers. Primary revenue source is Streaming which is substantial, fast-growing, capital-light annuity business

- **Music**: Growing at **20%** for last 3 years. Expected to continue on the back of sustained New Content Investment

- **Films** : Licensing based business with focus on Regional Content

- **TV Series** : Leading Tamil content producer with long-term profitability track record

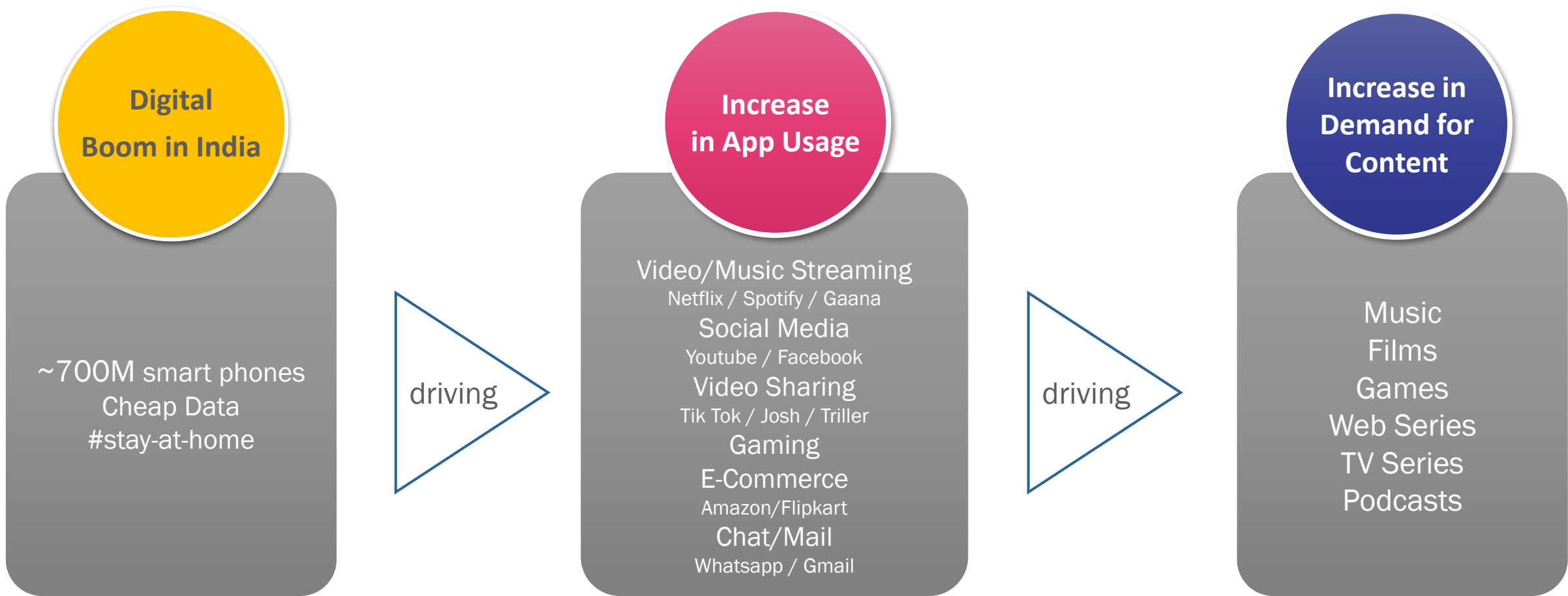
- **Carvaan** : A Differentiated and Premium Retail brand

- Limited Exposure to **External Environment** that we can't control

- Consistent Dividend paying **Zero Net Debt** Company

- Strong management team **with experienced professionals** from the entertainment industry

DIGITISATION DRIVING GROWTH



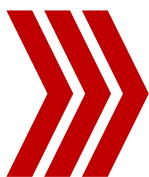
130k+ Songs | 61 Movies | 6k+ hrs of TV Series | Advantage **Saregama**

Strategic Overview



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

Monetisation of Existing IP

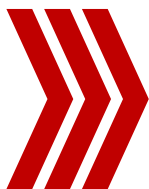


Through licensing to EVERY 3rd party Digital (music, video, social) and TV platform



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, Bhojpuri, Gujarati, Punjabi, Telugu and other regional languages



Producing Thematic films, with Story as the only hero, targeted at youth. Revenue primarily from licensing to digital platforms. Scale allowing lower cost of production

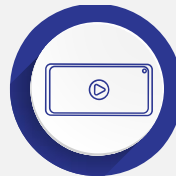
IP Creation over next 3 years (through Internal Cash Flows)



20-25% Market Share
in New Music



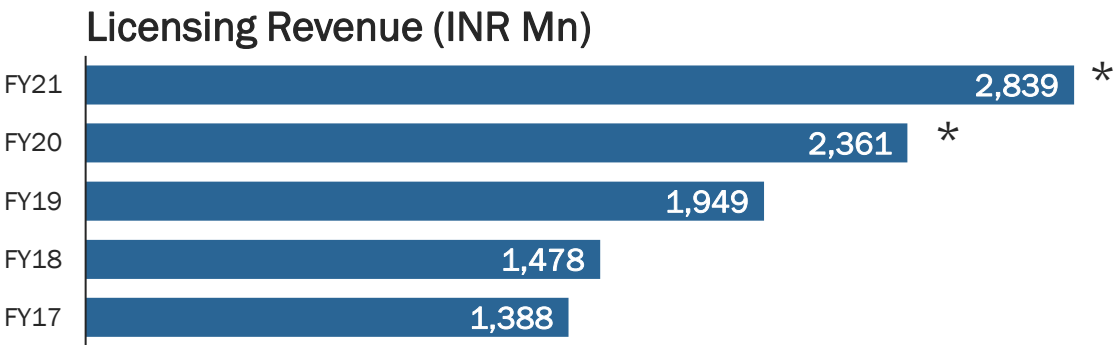
50 New Films and
Web Series Episodes



1200 - 1500 hrs
of new TV serials content



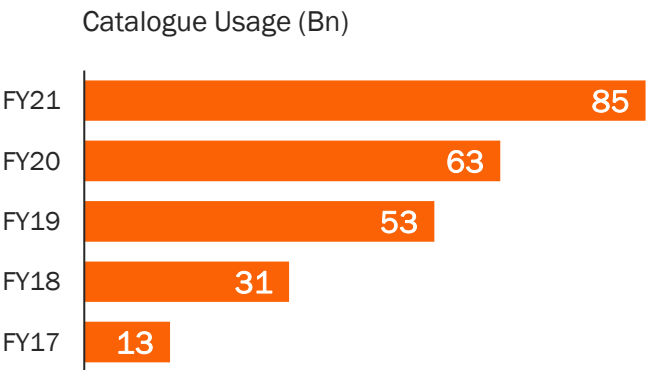
Fast Growing Licensing Revenue



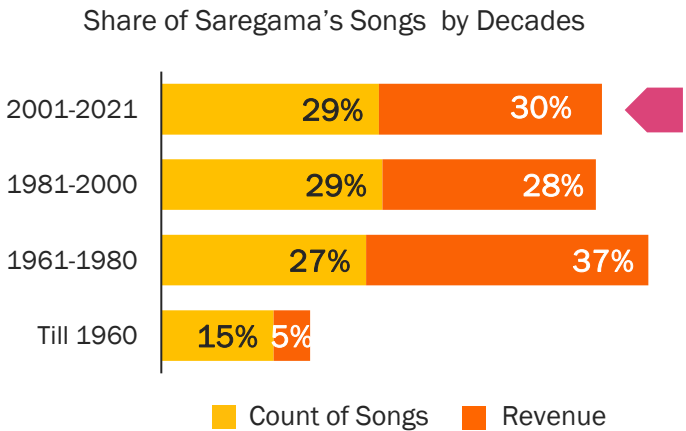
* One time income of INR 155 Mn (FY21) and INR 21 Mn (FY20) are excluded

On account of

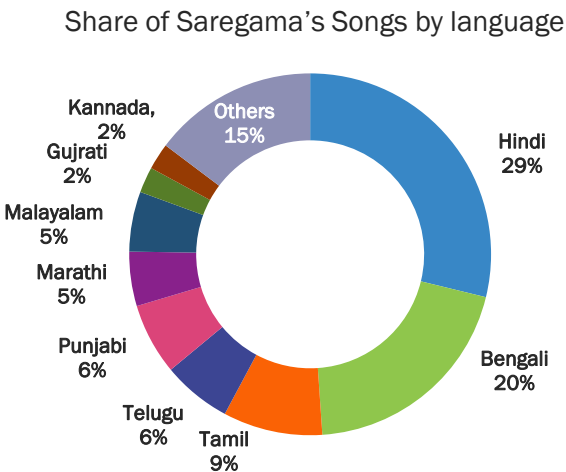
A. Growing customer interest in Retro Music



B. Saregama’s Focus on New 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 130k songs, each digitised with rich metadata behind it, giving it a big competitive advantage

OUR MUSIC LICENSING PARTNERS



Music Streaming Platforms



Broadcasting Platforms



Video Streaming Platforms



Social Media Platforms



Brands



OPERATIONAL HIGHLIGHTS

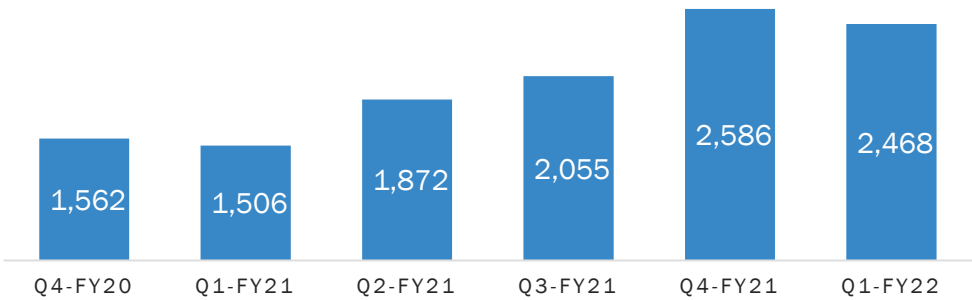
Music Segment Operational Highlights



Licensing

- Music licenses to following brands:
Dream 11, ITC, Spotify etc
- Digital Content Licenses:
Filmfare Awards, Tikli and Laxmi Bomb (Netflix), Phonebooth (Excel Entertainment), Sultan (Tamil film) etc

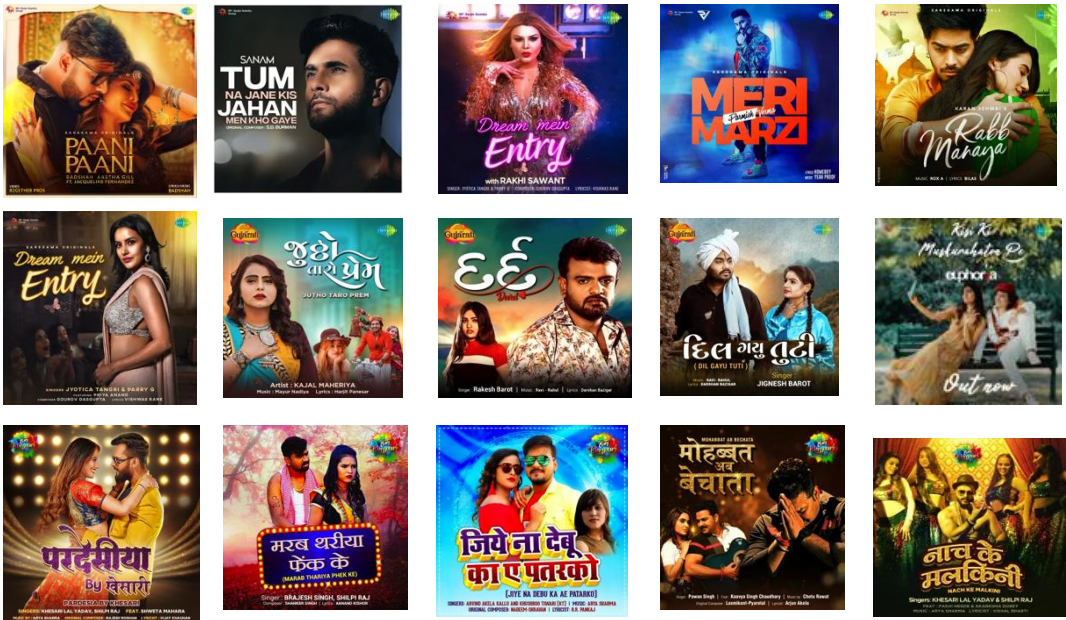
YOUTUBE VIEWS (MN) PER QUARTER



Views count is ONLY from 25 Saregama owned channels. UGC related views are additional

WHAT'S NEW

- 2 Hindi Original songs were released in Q1 with Badshah and Jyotica Tangri.
- PAANI PAANI- This latest song trended at no. 1 position across all music streaming platforms, social media and YouTube
- 20 Bhojpuri songs, 23 Gujarati, 2 Punjabi and 1 Bengali song were released. Overall, 48 new non film songs released this quarter
- Film songs Tamil- 8 new releases



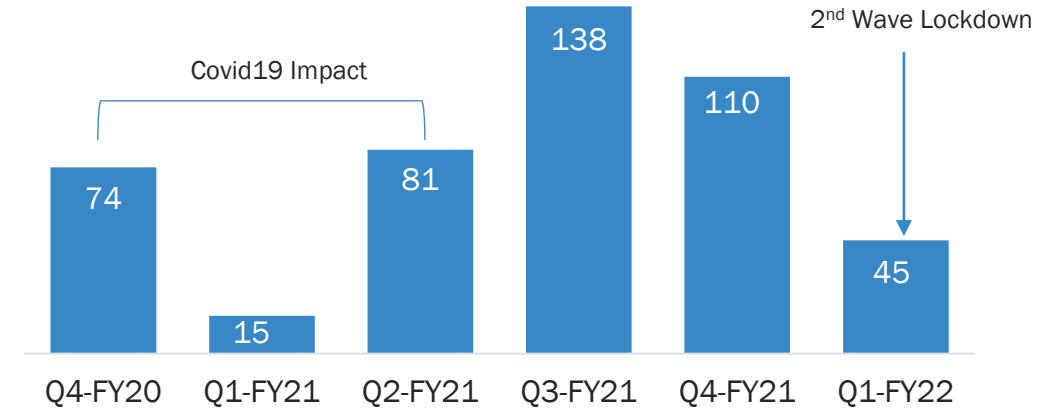
Music Segment Operational Highlights



- Carvaan sales was adversely affected due to Covid (2nd wave) lockdowns
 - All major Stores were closed
 - E-commerce platforms were delivering only essential commodities
- Podcast stations listenership continues to grow on Carvaan 2.0
- New variant of Carvaan Mini Kids launched



Carvaan Sales (units '000s)

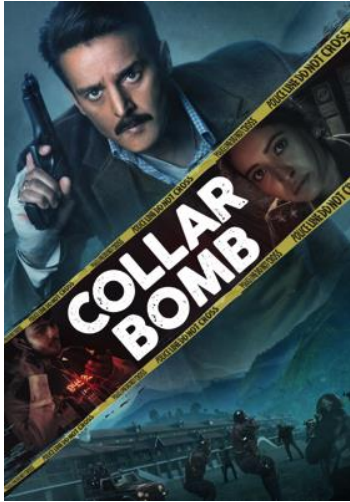


Future Outlook

- Reliance on Natural Pull from the market
- Tight cost controls to continue

Films & TV Segment Operational Highlights

Film Segment



- **Collar Bomb** got released in Disney +Hotstar
- Collar Bomb was the Most watched OTT content in India during 12-18th July (according to Ormax Media)



Future Outlook

- Marathi Movie **Zombivli** shoot over. To be released in FY22
- First Web Series- Mindscapes is expected to be licensed in FY22

TV Segment



- **Roja** continues to hold its leadership position on Sun TV
- **Chandralekha** holds No 1 position in the afternoon slot
- New Tamil TV serial **Anbe Vaa** launched on Prime Time slot holds its leader position in 9.30 p.m. slot
- South TV Youtube channel garnered 570Mn views in Q1
- Our old show Athipookal is being re-telecasted on SunTV
- Hindi dubbing rights for Roja licensed

Future Outlook

- Covid19 may impact shoots
- Monetisation of IP on various platforms

FINANCIAL HIGHLIGHTS

CONSOLIDATED

Quarterly Financial Summary

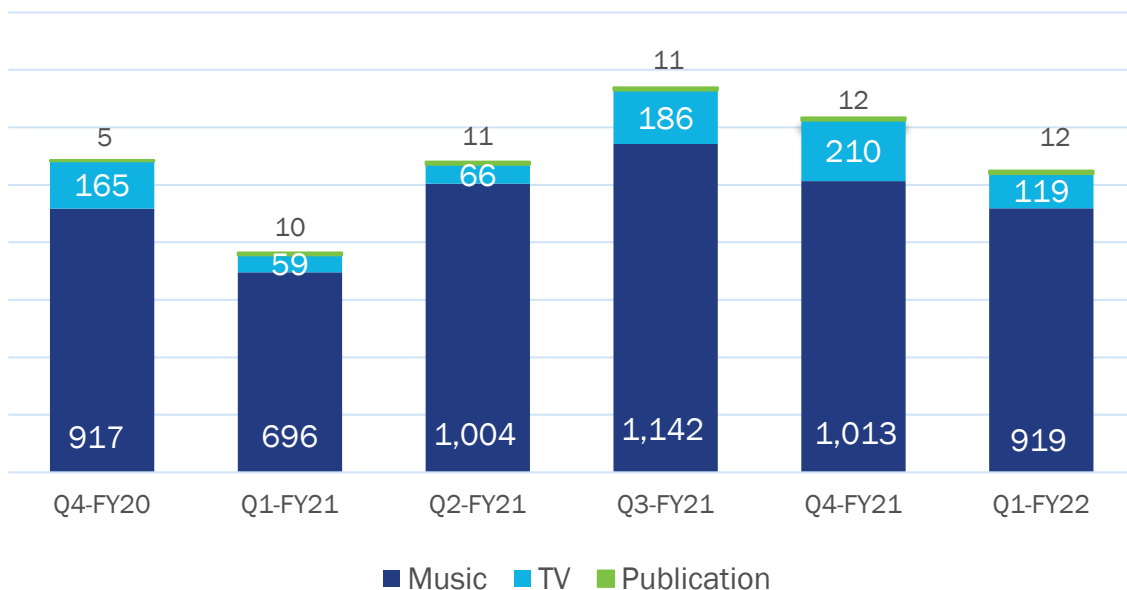


Particulars (INR Mn)	Q1 FY22	Q4 FY21	Q-o-Q Growth	Q1 FY21	Y-o-Y Growth
Revenue from Operations					
• Music	919	1,013	(9)%	695	32%
• TV & Films	119	210	(43)%	59	102%
• Publication	12	12	-	10	20%
Revenue from Operations	1,050	1,235	(15)%	764	37%
Operating Income before Content Charge, Interest and Depreciation (OIBCID)	421	411	2%	217	94%

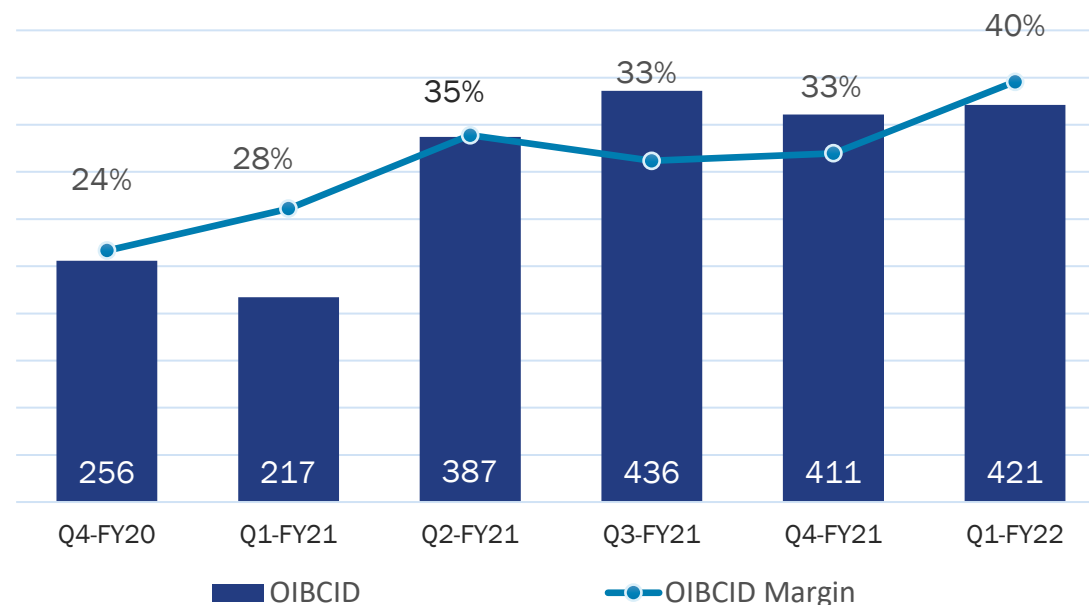
Content Charge include the following charges related to the new content during the year:

- 1) Amount amortised against the Minimum Guarantee advance paid 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
- 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)	Q1-FY22	Q4-FY21	Q-o-Q Growth	Q1-FY21	Y-o-Y Growth	FY 21	FY 20	Y-o-Y Growth
Revenue from Operations (A)	1,050	1,235	(15)%	765	37%	4,420	5,215	(15)%
Total Expenses (B)	629	824	(24)%	548	15%	2,969	4,452	(33)%
OIBCID (C= A-B)	421	411	2%	217	94%	1,451	763	90%
OIBCID Margin (%)	40%	33%		28%		33%	15%	
Content Charging Cost (D)	68	79	(14)%	34	100%	179	176	2%
Depreciation (E)	6	6	-	7	(14)%	27	29	(7)%
Finance Cost (F)	7	9	(22)%	10	(30)%	35	67	(48)%
Other Income (G)	28	186	(85)%	54	(48)%	309	112	176%
PBT (C-D-E-F+G)	368	503	(27)%	220	67%	1,519	603	152%
Tax	95	131	(27)%	62	53%	384	168	129%
PAT	273	372	(27)%	158	73%	1,135	435	161%
PAT Margin (%)	26%	30%		21%		26%	8%	
Diluted EPS	15.62	21.21		9.09		64.97	25.26	

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

1) Amount amortised against the Minimum Guarantee advance paid in case of Royalty based deals
Content charge does not include any royalty paid post recoupment of the Minimum Guarantee amount

2) Amount amortised again the one-time fee paid in case of Outright purchase based deals

3) Marketing of new content

Balance Sheet



Equity and Liabilities (INR Mn)	As on 30 th June 2021	As on 31 st March 2021
Shareholders Fund		
(a) Equity Share Capital	174	174
(b) Other Equity*	5,541	4,884
Net worth	5,715	5,058
(a) Non-Controlling Interest	33	31
Non-Current Liabilities		
(a) Employee Benefit Obligations	44	42
(b) Deferred tax liabilities (Net)	565	505
(c) Lease liabilities	7	7
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Trade Payables	516	563
(iii) Lease Liabilities	4	4
(iv) Other Financial Liabilities	322	648
(b) Other Current Liabilities	382	255
(c) Provisions	765	709
(d) Employee Benefit Obligation	16	18
Total	8,369	7,840

Assets (INR Mn)	As on 30 th June 2021	As on 31 st March 2021
Non Current Fixed Assets		
(a) Property, Plant and Equipment *	2,143	2,046
(b) Right of use Asset	10	11
(c) Investment Properties	22	22
(d) Intangible assets	227	179
(e) Intangible asset under development	20	19
(f) Financial Assets		
(i) Investments	1,464	1,114
(ii) Loans and Deposits	20	19
(iii) Other Financial Assets	-	-
(g) Other Non Current Assets	100	112
Current Assets		
(a) Inventories	785	692
(b) Financial Assets		
(i) Investments	-	252
(ii) Trade Receivables	922	874
(iii) Cash and cash equivalents	104	111
(iv) Bank Balances other than (iii) above	1,274	1,338
(v) Loans	114	116
(vi) Other financial assets	32	19
(c) Current Tax Assets (Net)	162	197
(d) Other Current Assets	970	719
Total	8,369	7,840

* Include INR.96 Mn arising on account of Revaluation of land during the quarter ended 30 June, 2021 with corresponding credit to Other Equity.

Cash Flow Statement



Particulars (INR Mn)	Q1-FY22		FY 21	
Pre-Tax Profit	368		1,519	
Change in other operating activities (including non-cash Items)	5		(176)	
Change in Working capital	(231)		692	
Taxes Paid	(63)		(139)	
Net cash generated from/(used in) Operating Activities (A)		79		1,896
Redemption/(Investment) in Fixed Deposits with maturity > 3m	(282)		(971)	
Redemption/(Investment) in Mutual Fund	254		(250)	
Net cash (used in) Fixed assets and other Investing activities	(57)		(139)	
Net cash (used in) Investing Activities (B)		(85)		(1,360)
Net cash (used in) Treasury Shares	-		(17)	
Repayment of Short-term Borrowing	-		(92)	
Proceeds from Issue of Share Capital	-		1	
Repayment of Lease Liability	(1)		(6)	
Dividend and taxes thereon paid	(349)		(26)	
Interest Paid	-		(6)	
Net cash generated from/(used in) Financing Activities (C)		(350)		(146)
Net Inc./(Dec.) in Cash and Cash Equivalent		(356)		390
Cash and Cash Equivalents at the beginning of the period		460		70
Cash and Cash Equivalents at End of the period *		104		460

* Balance as on 31 March 2021 include cash earmarked for Dividend declared on 23rd March, 2021 – INR 349 Mn

FINANCIAL HIGHLIGHTS

STANDALONE

Financial Performance



Particulars (INR Mn)	Q1-FY22	Q4-FY21	Q-o-Q Growth	Q1-FY21	Y-o-Y Growth	FY 21	FY 20	Y-o-Y Growth
Turnover	1,022	1,210	(16)%	744	37%	4,343	5,001	(13)%
Other Income	28	173	(84)%	54	(48)%	290	115	152%
Total Revenue	1,050	1,383	(24)%	798	32%	4,633	5,116	(9)%
Total Expenses	649	878	(26)%	538	21%	3,090	4,347	(29)%
Depreciation & Amortisation	23	18	28%	12	92%	54	44	23%
Finance Cost	7	9	(22)%	10	(30)%	35	67	(48)%
PBT	371	478	(22)%	238	56%	1,454	658	121%
Tax	95	131	(27)%	62	53%	384	168	129%
PAT	276	347	(20)%	176	57%	1,070	490	118%
<i>PAT Margin (%)</i>	27%	29%		24%		25%	10%	
Diluted EPS	15.88	19.88		10.15		61.78	28.16	

Balance Sheet



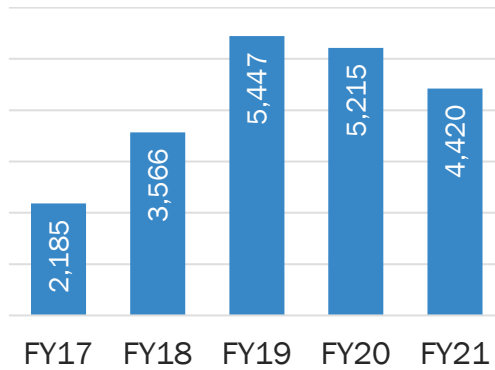
Equity and Liabilities (INR Mn)	As on 30 th June 2021	As on 31 st March 2021	Assets (INR Mn)	As on 30 th June 2021	As on 31 st March 2021
Shareholders Fund			Non Current Fixed Assets		
(a) Equity Share Capital	174	174	(a) Property, Plant and Equipment*	2,142	2,045
(b) Other Equity*	5,526	4,921	(b) Right to use assets	10	11
Net worth	5,700	5,095	(c) Investment Properties	22	22
Non-Current Liabilities			(d) Intangible assets	226	179
(a) Employee Benefit Obligations	37	36	(e) Intangible asset under development	20	19
(b) Deferred tax liabilities (Net)	544	492	(f) Investment in subsidiaries and joint venture	187	186
(c) Lease liabilities	7	7	(g) Financial Assets		
Current Liabilities			(i) Investments	1,198	912
(a) Financial Liabilities			(ii) Loans and Deposits	19	19
(i) Borrowings	-	-	(h) Other Non Current Assets	100	112
(ii) Trade Payables	485	526	Current Assets		
(iii) Lease Liabilities	4	4	(a) Inventories	751	655
(iv) Other Financial Liabilities	303	630	(b) Financial Assets		
(b) Other Current Liabilities	357	234	(i) Investments	-	252
(c) Provisions	763	708	(ii) Trade Receivables	953	896
(d) Employee Benefit Obligation	16	17	(iii) Cash and cash equivalents	38	63
Total	8,216	7,749	(iv) Bank Balances other than (iii) above	1,274	1,338
			(v) Loans	133	133
			(vi) Other Financial Assets	33	19
			(c) Current Tax Assets (Net)	154	189
			(d) Other Current Assets	956	699
			Total	8,216	7,749

* Include INR.96 Mn arising on account of Revaluation of land during the quarter ended 30 June, 2021 with corresponding credit to Other Equity.

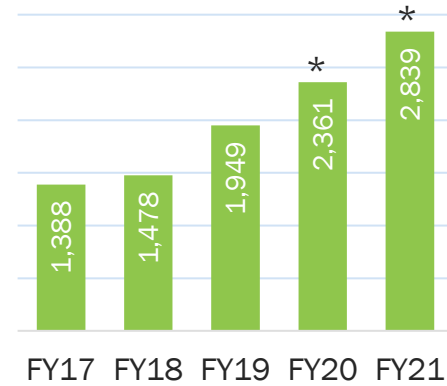
Financial Charts (Consolidated)



Revenue from Operations
(Turnover) (INR Mn)

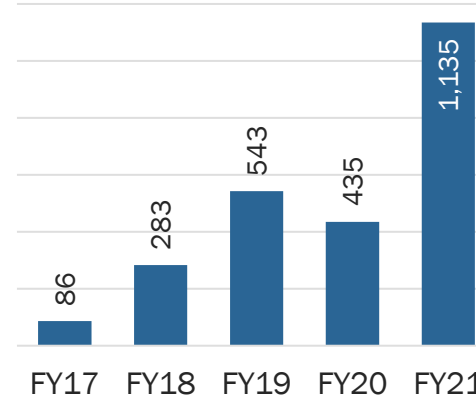


Music Licensing Revenue
(INR Mn)

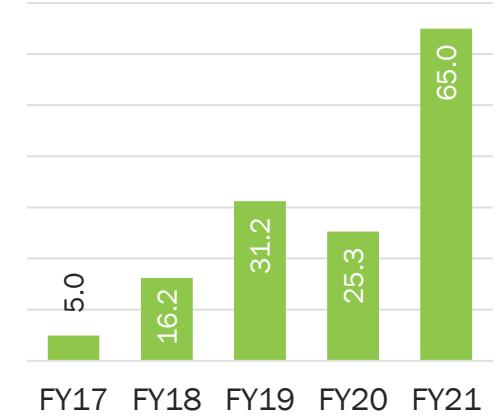


* One time income of INR 155 Mn (FY21) and INR 21 Mn (FY20) are excluded

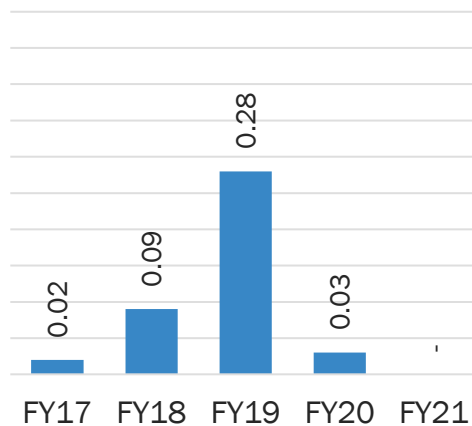
PAT (INR Mn)



Diluted EPS (INR)

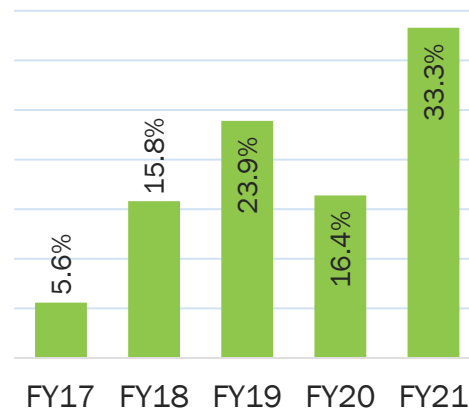


Debt to Equity Ratio



* As on 31st Mar'21, Debt is Nil

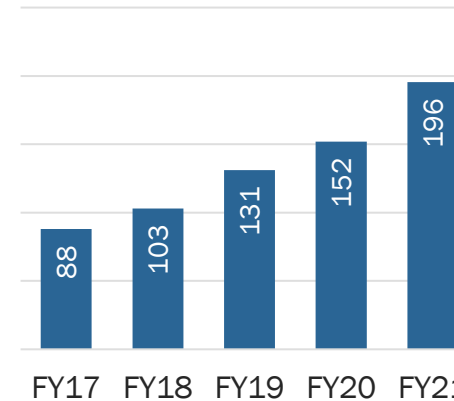
Return on Equity (ROE)
(%)*



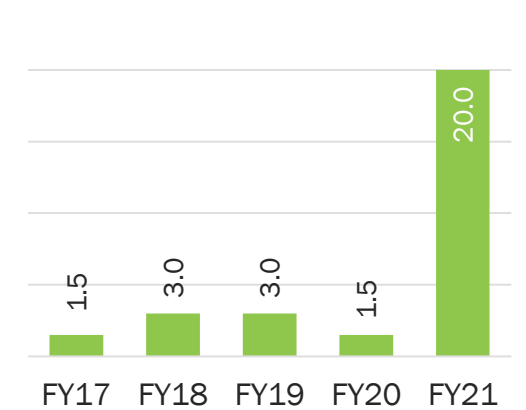
* ROE = PAT / Shareholders Equity

* Shareholders Equity = Equity share capital and free reserves

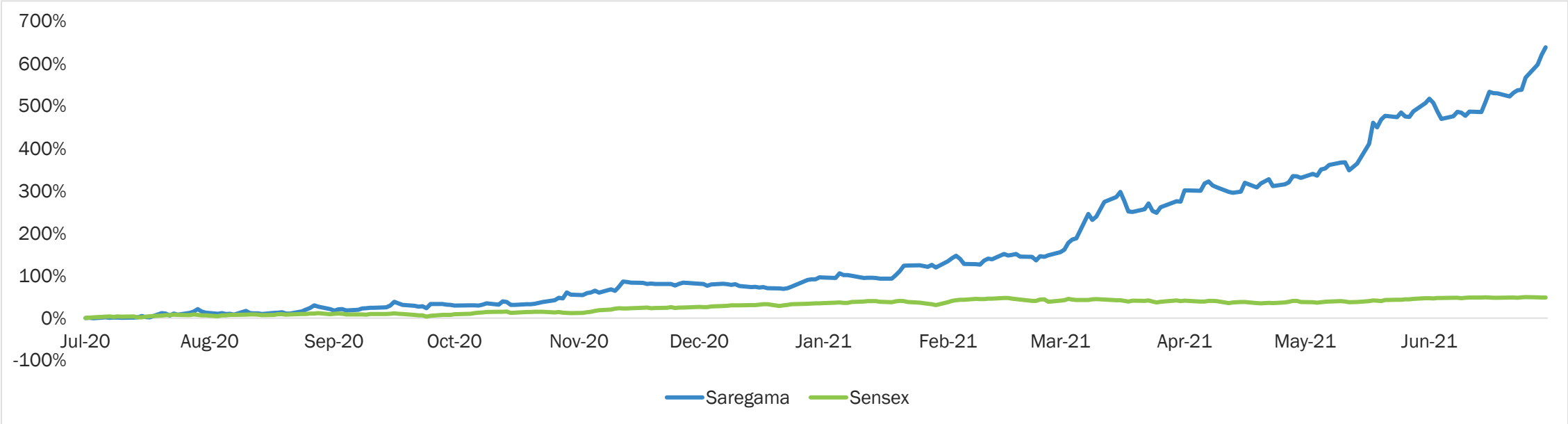
Book Value Per Share
(INR)



Dividend per Share
(INR)

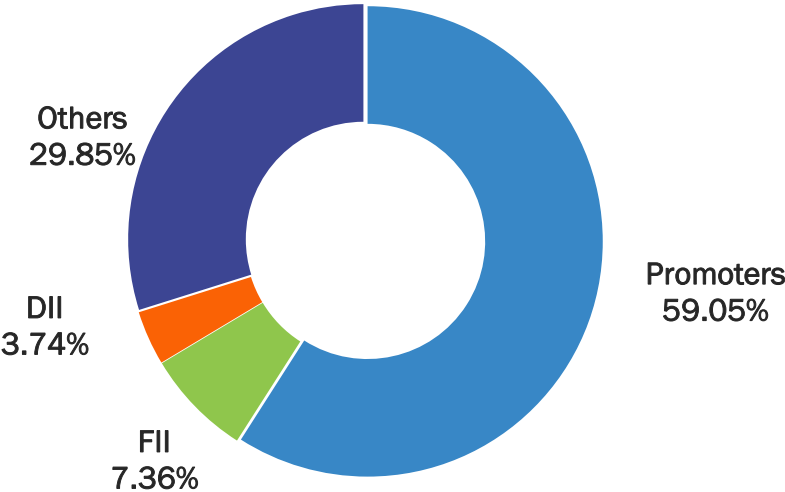


Capital Market Data



Price Data (As of 30 th June, 2021)		INR
Face Value		10.0
Market Price		3,144.9
52 Week H/L		3,200.0/412.1
Market Cap (INR Mn)		54,809.4
Equity Shares Outstanding (Mn)		17.4
1 Year Avg. Trading Volume ('000)		52.6

Shareholding Pattern as on 30th June 2021



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