

saregama

Investor Update
Q4 17'18



SAREGAMA
CARVAAN™
BENGALI | বাংলা



5000 EVERGREEN
SONGS INSIDE

FROM THE DIRECTOR OF MY BROTHER NIKHIL

kuchh bhegge
alfaaz

HEMANTHA HUMBERJEE
MEHER JAIN DIN GILLI

DIRECTED BY
ON IR

OFFICIAL SELECTION
INDIAN FILM FESTIVAL STUTTGART 2018

OFFICIAL SELECTION
EDINBURGH UK FILM FESTIVAL 2018

OFFICIAL SELECTION
NEWCASTLE INTERNATIONAL FILM FESTIVAL N.I.F.

OFFICIAL SELECTION
LONDON UK FILM FESTIVAL 2018

OFFICIAL SELECTION
LEICESTER UK FILM FESTIVAL 2018

OFFICIAL SELECTION
PIFF

DEETRAJALI TRAPA, ZAIN KHAN SHIBANI, SHIRAZ BAI TIBANI, MINA AMBESADKHAR, CHANDRICEE GHOSH
MUSIC COMPOSED BY SHASHWAT SOUVASTIKA, CASTING AND ART BY THE CASTING COUCH TALENTS PVT LTD, ANTICLOCK FILMS TALENT DIVISION, EDITOR: POST HOUSE
EDITED BY POJANA KADU SETHI, EXECUTIVE PRODUCERS: MEENC DILIP MALIK, SONIA BISHNOY, ARUN KANWAR, PRODUCED BY: NIKHIL BASTIA, SHASHWATI RAJYU,
DIP NIGRAJ F. JAFRI, EXECUTIVE PRODUCERS: SUNEETI BHOWMI, SAURAB CHATURANI, SAHIL SHARMA, SHIBANI LINDHARDHARAJ
TITLE, STORYBOARD AND BALANCE: ABHIRAM CHATTERJEE, PRODUCED BY: VIKRAM MEHRA, SIDDHARTHA ANAND KUMAR, DIRECTED BY: ONIR

SAREGAMA
CARVAAN™

NOW IN
CHERRYWOOD RED COLOR



Cautionary Statement

Statement in this “Management Discussion and Analysis” describing the company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other factors such as litigations and labor negotiations.

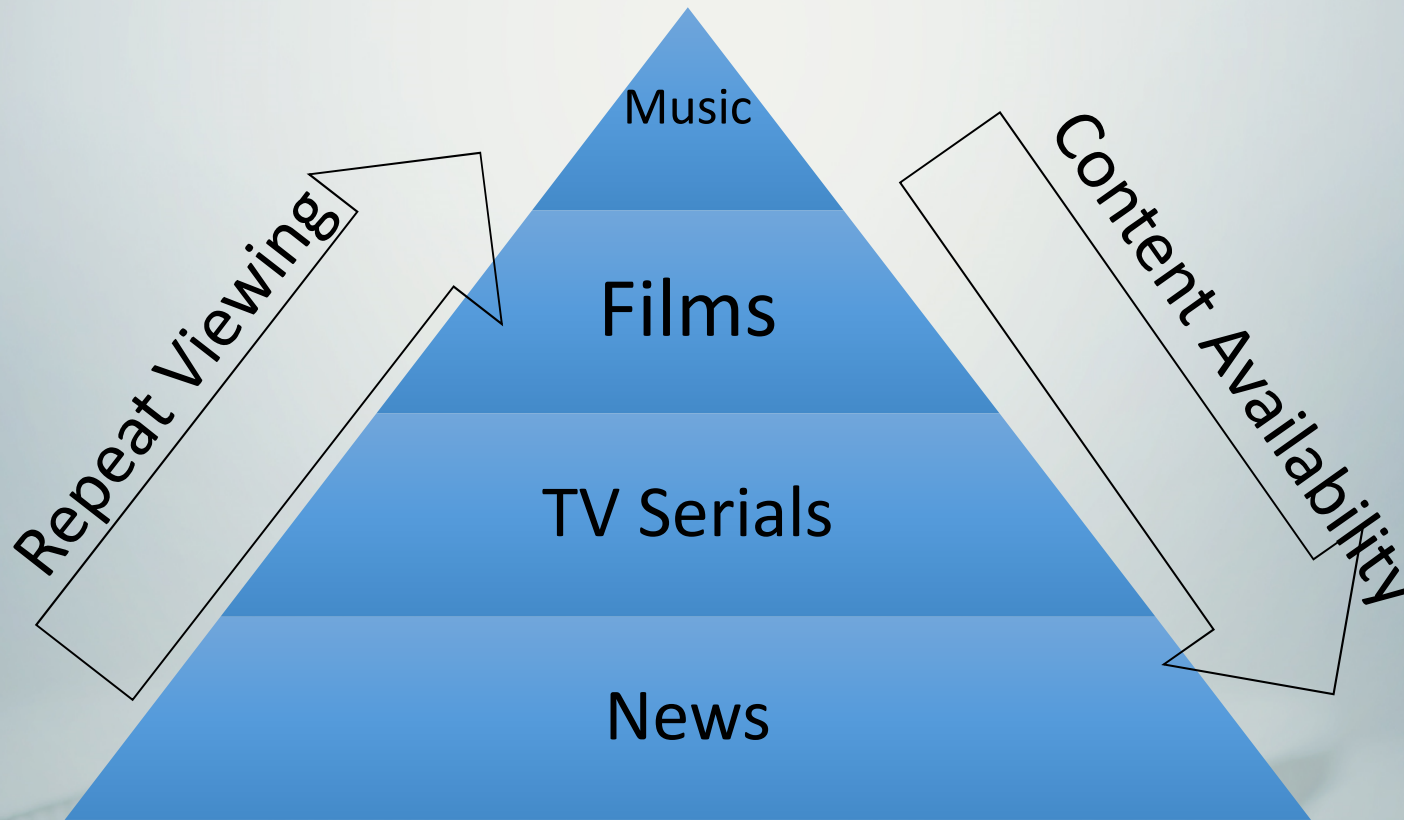
For enquiries mail us at investors_relation@rp-sg.in

Strategic Direction

Monetise Existing IP Better, Build IP for Tomorrow

- Higher monetisation of existing IP
(1.2L owned songs & 4100 hours of Tamil serials)
 - through greater presence on all 3rd party digital and TV platforms
 - launch of Saregama branded physical products with embedded music
- Building of new IP
 - through new film music acquisition across Hindi, Tamil and Marathi languages
 - TV programs in Tamil language
 - Low budget thematic films targeted at youth with primary exploitation on digital platforms

Content IP Value Pyramid



Saregama focus : Top 2 Higher Value segments

An Year when **IP Value** finally started getting **Unlocked**

<i>Rs. Lacs</i>	<i>FY 17-18</i>	<i>FY 16-17</i>	<i>% Growth YOY</i>
<u>REVENUES</u>			
Music	29268	14124	107%
TV & Films	5293	6692	-21%
Total	34561	20816	66%
<u>EBIDTA w/o SAR provision</u>	5608	2626	114%
<u>PBT w/o SAR provision</u>	4892	1987	146%
<u>PBT post SAR provision</u>	4112	1730	138%
<u>PAT</u>	3051	1000	205%

Q4 17-18 Financial Performance

<i>Rs. Lacs</i>	<i>Q4 17-18</i>	<i>Q4 16-17</i>	<i>% Growth YOY</i>	<i>Q1 17-18</i>	<i>Q2 17-18</i>	<i>Q3 17-18</i>
<u>REVENUES</u>						
Music	9163	3948	132%	4551	7320	8234
TV & Films	1374	1822	-25%	1653	1126	1140
Total	10537	5770	83%	6204	8446	9374
<u>EBIDTA w/o SAR provision</u>						
	1978	1112	78%	934	1315	1381
<u>PBT w/o SAR provision</u>						
	1784	1025	74%	775	1137	1196
<u>PBT post SAR provision</u>						
	2113	768	175%	677	901	421
<u>PAT</u>						
	2145	498	331%	330	446	130

And we have just scratched the surface of the Real IP Value

Year Highlights

- Carvaan has taken the market by storm. ~400k units sold even before conventional advertising started. 10k retail distribution network in 10 months
- Streaming business growing ~40% YOY, on the back of growing smartphones (350M) and falling data rates (Rs 5/GB)
- Restarted acquiring new film music IP
- First set of Yoodlee films already sold to digital buyers
- Exit from all non core (read non IP) revenue streams
- Creating and riding “Retro is Cool” trend
- Global music industry seeing a revival. India growing faster than Global. Saregama growing much faster than Indian music industry

And we have just scratched the surface of the Real IP Value

Feb'18:

3.1B times a Saregama music IP was consumed by someone in some part of the world in 28 days

This number is steadily growing

Each usage is monetisable...either through advertising or licensing or subscription

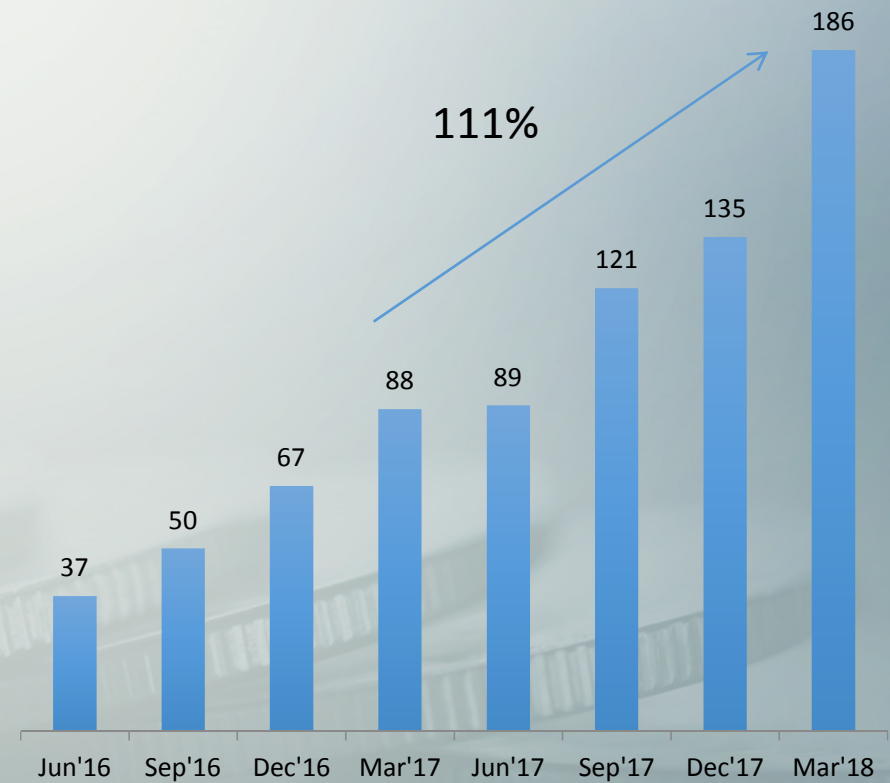
And we know which song got played for each of these 3.1B instances

Growth from 3rd party digital / TV platforms continues

OTT Streams (mn) per Quarter



YT Views(mn) per Month



- **146k** units sold of Carvaan & Mini in Q4'18
- Carvaan Bengali launched in Feb 18
- Carvaan launched in UK. Price: £120
- Delivery from India based manufacturer on track. Supply from May'18
- On track for a 2018 model launch during festival season

	Q4 17-18	Q3 17-18	Q2 17-18	Q1 17-18
Sale	146k	132k	95k	14k
Billing Outlets	9820	7126	4640	752
Gross Margin	22%	20%	19%	17%



How Big can Carvaan Become

Market Sizing Criteria :

- Can Afford (basis SEC)
- Will like to Buy (someone in home above age of 40)
- Product Relevant (Saregama catalogue strength in that language)

Price: Rs7k-8k : **25M Homes**

Research confirms that 40+ people

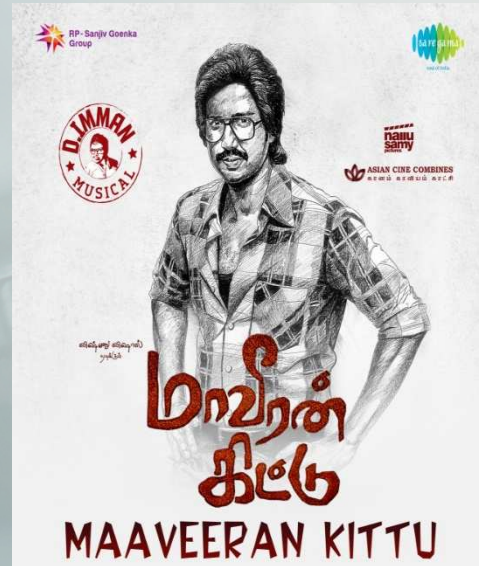
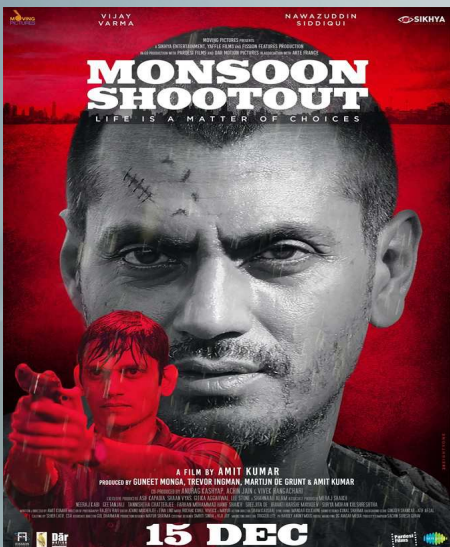
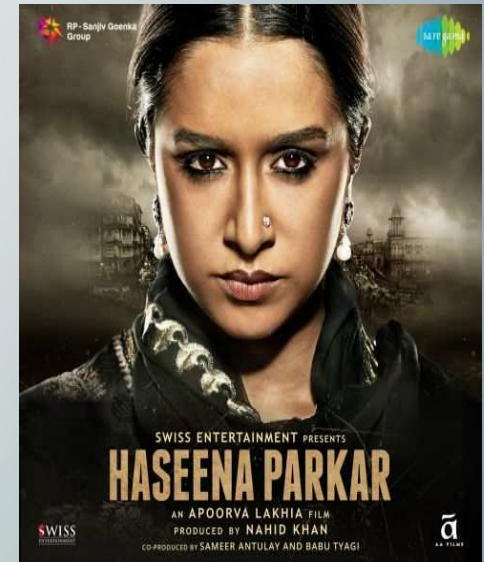
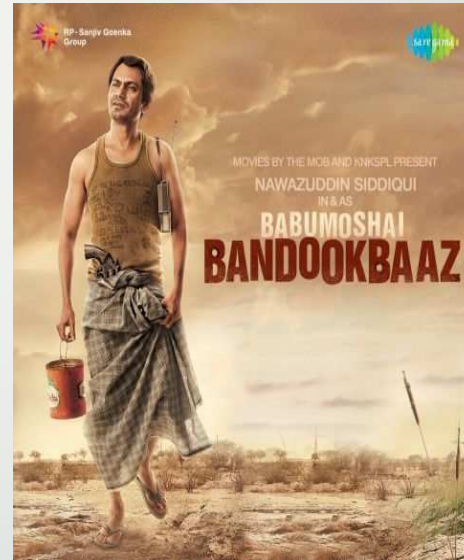
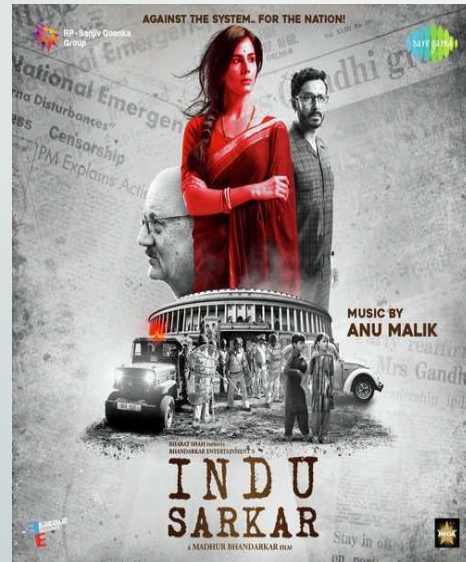
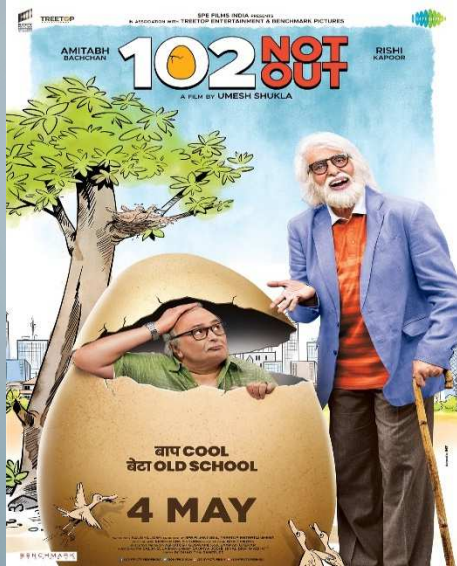
- prefer listening to retro music
- Want a hassle free lean back listening experience

Carvaan satisfies that need

And we are our only Competitors

Nobody else has the rights to offer our music in physical format

Building IP New MUSIC



Building IP Films

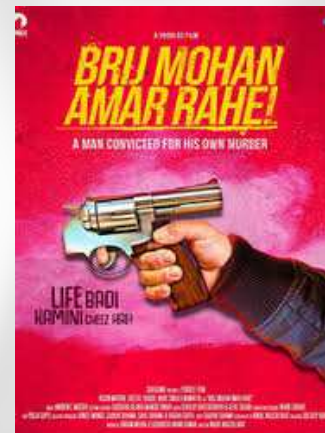


- Data explosion resulting in growing demand for 'exclusive' content from all OTT players and TV channels
- Thematic films with tightly controlled budgets; targeted at 18-35 yrs segment; story and not the starcast being the hero
- Launched under sub-brand Yoodlee Films
- International audience also considered while selecting stories
- Risk hedging by keeping upfront talent cost low, and offering profit sharing
- Movies in all languages
- Promo www.youtube.com/Yoodleefilms

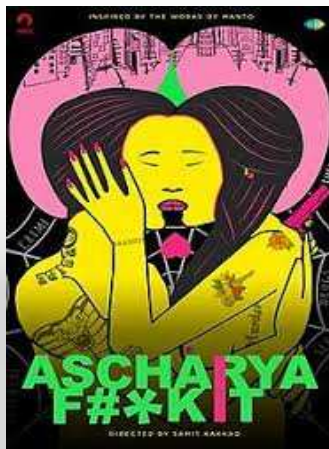
- 8 films ready. All shot in 18-21 days each
- First film "Ajji" release in Nov 17
- Digital rights licensing for Ajji and "Brij Mohan Amar Rahein" closed with Netflix.
- Kuch Bheege Alfaz , deal is under negotiation for right valuation.
- Abi & Anu , a Tamil & Malayalam Bilingual is scheduled to release in May'18
- Noblemen, Ascharya tentative schedule in May/Jun'18.

Yoodlee Films

Movies released / deals closed



Releases in coming quarter



AJJI has travelled to over 20 Festivals



One of India's strongest independents of the year - Hollywood Reporter

Must watch indie film of the year – Screen Anarchy

Ajji is a flesh-and-blood product of 'realism' films – Film Companion

Cinema cannot get any more basic or honest than this – Subhash K Jha

Won 3 Awards

Best Film at Beaune Film Festival, Best actress in Indian Film Festival of LA and UK Asian Film Festival

KUCH BHEEGE ALFAAZ



One story you will definitely want to hear – TOI

It's the perfect combination of fluff and old school love saga – FilmFare

Onir's Kuch Bheeg Alfaaz leaves you with moist eyes and a joyful heart. – Rediff

Onir's most tender, lyrical, gentle and evocative work to date - Subhash K Jha

Publication Biz - Open Magazine

- Publication Biz in 100% subsidiary
- Sustained Circulation and Ad Revenues
- Association of premium brands
- No unprovided drag on financial results of parent - Saregama

Outlook - Music Business

Music B2B

- OTT & YouTube will continue double digit growth while Telecom will continue to decline
- Consolidation may happen across OTT buyers, but the total streams will continue growing
- Acquisition of new music content will start helping publishing business to grow further
- Industry organization like PPL & IPRS will get strengthened, and will start contributing higher revenues

Music B2C

- Sales of Carvaan and its variants will grow further in next few quarters
- Growth to be fueled by larger scale marketing activities
- Carvaan 2.0 to be launched this year. More stations. Change in front façade. Premium version
- Improvement in gross margins expected with volumes

Outlook - TV , Films & Publication Businesses

Television Business

- South TV – Banked inventory will start getting contributing to Profits from Q1, FY 18-19

Films (Yoodlee)

- Greater focus on U/A and U films
- Some films will be released in theatre, while some will go straight to digital platforms
- Focus on building catalogue
- Cost of movies to be fully charged off in the year of release

Publication Business

- Achieve break even through subscription and ad revenues



Thank
You