Extraordinary Together

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 Madam/Sirs,

Sub: Outcome of the Board Meeting held on February 13, 2024

In compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the Board of Directors of the Company in its meeting held today has, inter-alia, approved the Unaudited Financial Results of the Company and Limited Review Reports, both Standalone and Consolidated, for the quarter and nine months ended December 31, 2023 ('Financial Results').

A copy of the Financial Results along with Earnings Release and Limited Review Certificate(s) issued by the Auditors of the Company are enclosed herewith.

The Board Meeting commenced at 3:15 p.m. and concluded at 5.52 p.m.

Kindly take the above on record.

Thanking You,

Yours faithfully,
For **Zee Entertainment Enterprises Limited**

Ashish Ramesh Agarwal
Digitally signed by Ashish Ramesh Agarwal
Date: 2024.02.13 17:55:55 +05'30'

Ashish Agarwal
Company Secretary
FCS6669

Encl: As above

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
16th Floor, Tower III,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Zee Entertainment Enterprises Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Zee Entertainment Enterprises Limited** ('the Company') for the quarter ended **31 December 2023** and the year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

5. We draw attention to:

   (a) Note 5 to the accompanying Statement with respect to the legal dispute between the Company and Culver Max Entertainment Private Limited ("Culver Max") and Bangla Entertainment Private Limited ("BEPL") being a significant subsequent event, pursuant to the termination letter of Merger Cooperation Agreement (MCA) and termination fee claimed by Culver Max and BEPL. In view of the management, based on a legal opinion, the claims against the Company in aforesaid matter are not tenable and accordingly, no adjustments are required to the accompanying Statement.

   (b) Note 8 to the accompanying Statement relating to the uncertainties on account of the ultimate outcome of the ongoing investigation being conducted by the Securities and Exchange Board of India ('SEBI') and inspection being conducted by the Ministry of Corporate Affairs under Section 206(5) of the Act, with respect to certain transactions with the vendors of the Company and one of the subsidiary companies. The management, based on review of records of the company and its subsidiary, has determined that the transactions (including refunds) were against consideration for valid goods and services received from such vendors, and therefore no adjustments are required to the accompanying Statement.

   (c) Note 9 to the accompanying Statement describing the dispute with Star India Private Limited ('Star') in relation to the Alliance Agreement for broadcasting rights of the International Cricket Council's ('ICC') men's global events for a period of four years. The management, based on a legal opinion and its internal assessment, has determined that the Company is not in default of the Alliance Agreement.

Our conclusion is not modified in respect of above matters.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Gautam Wadhera

Gautam Wadhera
Partner
Membership No. 508835

UDIN: 24508835BKFFBF3037

Place: Mumbai
Date: 13 February 2024

Extraordinary Together

ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

www.zee.com

Statement of unaudited standalone financial results for the quarter and nine months ended 31 December 2023

(₹ in Lakhs)

	Particulars	Quarter ended on			Nine months ended on		Year ended on
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	191,420	229,937	193,121	604,592	548,769	742,191
2	Other income	1,705	6,997	782	9,883	21,470	27,320
	Total income [1 + 2]	**193,125**	**236,934**	**193,903**	**614,475**	**570,239**	**769,511**
3	**Expenses**						
	(a) Operational cost	116,533	137,410	106,179	365,383	301,696	429,159
	(b) Employee benefits expense	20,404	22,311	16,224	64,960	49,643	67,528
	(c) Finance costs	1,805	2,190	1,250	6,300	2,847	6,757
	(d) Depreciation and amortisation expenses	5,621	5,579	5,190	16,642	13,761	19,173
	(e) Fair value (gain)/loss on financial instruments at fair value through profit and loss	(785)	(342)	(881)	(2,138)	3,470	2,362
	(f) Advertisement and publicity expenses	20,643	24,525	20,691	69,360	68,529	92,688
	(g) Other expenses	11,749	11,820	13,403	34,838	37,482	49,860
	Total expenses [3(a) to 3(g)]	**175,970**	**203,493**	**162,056**	**555,345**	**477,428**	**667,527**
4	**Profit before exceptional item and taxes [1+2-3]**	**17,155**	**33,441**	**31,847**	**59,130**	**92,811**	**101,984**
5	Exceptional items (Refer note 3, 6 and 7)	(6,034)	(11,975)	(16,897)	(28,524)	(24,551)	(66,686)
6	**Profit before tax [4+5]**	**11,121**	**21,466**	**14,950**	**30,606**	**68,260**	**35,298**
7	Tax expense :						
	(a) Current tax	6,404	10,901	5,589	17,305	18,183	24,279
	(b) Current tax - earlier years	-	-	-	-	-	4,647
	(c) Deferred tax	(2,914)	(4,959)	415	(8,439)	(1,412)	(10,016)
	Total tax expense [7(a) + 7(b) + 7(c)]	**3,490**	**5,942**	**6,004**	**8,866**	**16,771**	**18,910**
8	**Profit for the period/year [6 - 7]**	**7,631**	**15,524**	**8,946**	**21,740**	**51,489**	**16,388**
9	Other comprehensive income/(loss)						
	Items that will not be reclassified to profit or loss						
	(a) (i) Re-measurment of defined benefit obligation	359	151	(77)	(1,193)	(1,468)	(1,579)
	(ii) Fair value changes of equity instruments through other comprehensive income	-	-	-	-	(25)	(26)
	(b) Income-tax relating to items that will not be reclassified to profit or loss	(91)	(37)	19	300	369	397
	Total other comprehensive income/(loss) [9(a) to 9(b)]	**268**	**114**	**(58)**	**(893)**	**(1,124)**	**(1,208)**
10	**Total comprehensive income/(loss) [8 + 9]**	**7,899**	**15,638**	**8,888**	**20,847**	**50,365**	**15,180**
11	Paid-up Equity share capital (face value of ₹ 1/- each)	9,606	9,606	9,606	9,606	9,606	9,606
12	Other equity						961,518
13	Earnings per equity share (not annualised for the quarter and nine months) :						
	Basic (₹)	0.79	1.62	0.93	2.26	5.36	1.71
	Diluted (₹)	0.79	1.62	0.93	2.26	5.36	1.71

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited Mumbai

Notes to standalone financial results

1. The above standalone financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors in their meeting held on 13 February 2024 and subjected to limited review carried out by the Statutory Auditors who have expressed unmodified review conclusion.

2. The above standalone financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, including relevant circulars issued from time to time.

3. During an earlier year, SNL legally ceased to be a related party and the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL). During, the quarter and year ended 31 March 2023, the Company had reached a settlement with certain lenders of SNL. Full payments have been made in accordance with the terms of settlement and the Company has stepped into the shoes of the lenders of SNL as per the applicable law to recover the amounts from SNL, as confirmed by the Insolvency Resolution Professional of SNL. The Company has adequate provisions to meet the Company's obligations to meet any remaining DSRA claim.

   Considering the financial condition of SNL, the Company without prejudice to its legal rights had fully provided for the balances recoverable from SNL.

4. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company incorporated in Mauritius is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to acquire the issued share capital held by LEL to the extent of 64.38% in Veria International Limited (VIL) (another related party of the Company) at an exercise price of $ 105 million. The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank, DIFC Branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. Based on certain representations made by LEL, the Put Option agreement was renewed and amended by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026, and the exercise price was set at $52.50 million (Rs 43,675 lakhs as at 31 December 2023, Rs 43,628 lakhs as at 30 September 2023, , Rs 43,134 lakhs as at 31 March 2023 and, Rs 43,444 lakhs as at 31 December 2022) for the same quantum of shares and LEL extended the assignment of the Put Option to the security trustee.

   During the financial year ended 31 March 2020, the Bank invoked the Put Option pursuant to the assignment and demanded ATL to pay the exercise price. Subsequently, upon inquiry, ATL became aware of certain misrepresentations by LEL at the time of renewal of the Put Option agreement and consequently, ATL has rescinded the Put Option from the renewal date of the Put Option agreement and also filed a suit against LEL

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited Mumbai

and the security trustee of the said Bank (security trustee subsequently excluded in the amended plaint filed during the quarter ended 30 September 2021) in the Hon'ble Supreme Court of Mauritius for inter-alia declaration that the amended Put Option agreement has been properly rescinded and no longer binding and enforceable. The matter is now sub-judice in Mauritius.

In May 2016, the Company had issued a Letter of Comfort (LOC) to the said Bank confirming its intention, among other matters, to support ATL by infusing equity/debt for meeting all its working capital requirements, debt requirements, business expansion plans, honouring the Put Option, take or pay agreements and guarantees. The Company has received communication from the Bank mentioning defaults committed by LEL in repayment of their loans to the Bank and calling upon the Company to support ATL in connection with honouring the Put Option. However, the Bank and LEL remained in discussion to settle the borrowing.

The Company is of the view, based on legal advice, that the LOC neither provides any guarantee, commitment or assurance to pay the Bank. On 26 June 2020, the Bank filed a plaint seeking ad-interim relief in the Hon'ble High Court of Bombay on the grounds that the aforesaid LOC provided to the Bank is a financial guarantee.

The Hon'ble High Court of Bombay, vide Orders dated 30 June 2020 and 19 August 2020 has refused/dismissed the ad-interim relief sought by the Bank, including as part of the appeal proceedings filed by the Bank that were in favour of the Company. The primary suit filed by the Bank on 26 June 2020 is yet to be heard by the Hon'ble High Court of Bombay.

The Management has assessed the nature of the LOC and based on legal advice obtained, the LOC has not been considered as a financial guarantee by the Management, which would require recognition of a liability in the books of account of the Company. Further, based on an independent valuation of ATL obtained, the Management has determined that the LOC also does not result in any executory contract that is onerous on the Company which requires any recognition of liability in the books of account of the Company.

5. The Board of Directors of the Company, at its meeting on 21 December 2021, has considered and approved the Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 (Scheme), whereby the Company and Bangla Entertainment Private Limited (BEPL) (an affiliate of Culver Max Entertainment Private Limited (Culver Max) (formerly known as Sony Pictures Networks India Private Limited)) shall merge in Culver Max in accordance with terms of Merger Corporation Agreement (MCA). After receipt of requisite approvals / NOC's from shareholders and certain regulators including SEBI, CCI, ROC etc., the Scheme was sanctioned by Honorable NCLT on 10 August 2023. Both the parties had been engaged in the process of obtaining the balance regulatory approvals, completion of closing formalities for the merger to be effective as per MCA.

Post expiry of the long stop date on 21 December 2023, as per the terms of the MCA, the Company initiated good faith discussions with Culver Max to agree on revised effective date. On 22 January 2024, Culver Max and BEPL issued a notice to the Company purporting to terminate the MCA entered into by the parties in relation to the Scheme and have sought termination fee of USD 90,000,000 (United States Dollars Ninety Million) on account of alleged breaches by the Company of the terms of the MCA and initiated arbitration for the same before the Singapore International Arbitration Centre (SIAC).

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited
Mumbai

Based on legal advice, the Company has issued a reply to Culver Max and BEPL specifically denying any breach of its obligations under the MCA and reiterated that the Company has complied and/ or has taken steps to comply with all its obligations in good faith. The Company has denied that Culver Max and BEPL are entitled to terminate the MCA and believes that the claim for termination fee is legally untenable. The Company reserves its right to make claims including counter claims against Culver Max / BEPL for breaches of the MCA at the appropriate stage.

Further Culver Max and BEPL sought interim relief before SIAC requesting to injunct the Company from approaching NCLT for implementation of the Scheme. The interim relief application was heard by SIAC and no relief was granted to Culver Max and BEPL vide the order dated 4 February 2024.

The Company has filed an application before the Hon'ble NCLT Mumbai seeking directions to implement the Scheme and the matter is scheduled for hearing before the Hon'ble NCLT on 12 March 2024.

The Board continues to monitor the progress of aforesaid matters. Based on legal opinion, the management believes the above claims against the Company including towards termination fees is not tenable and does not expect any material adverse impact on the Company with respect to the above and accordingly, no adjustments are required to the accompanying statement.

6. The management as part of its portfolio rationalisation initiative and conditions of impending merger is in the process of either liquidating / discontinuing / selling certain entities (primarily Margo Networks Private Limited). Basis the same, the management has classified the investment in relation to these entities as Non-current Assets held for sale/disposal under IND AS 105 ("Non-current Assets Held for Sale and Discontinued Operations"). Accordingly, during the year ended 31 March 2023, the Company had recorded impairment aggregating to Rs 33,138 lakhs, the impact on consolidated financial results was Rs 9,757 lakhs as the losses incurred by such entities in the earlier financial years was recorded in the consolidated financial statements of those respective years. During the nine months ended 31 December 2023, the management of the Company has estimated liability to fund the closure costs at Rs 3,240 lakhs, which has been approved by the board and impairment of Rs 211 lakhs which has been treated as exceptional item.

The management continues to believe, based on legal opinion, there is no change in the underlying circumstances which necessitate a reassessment of the carrying value as assets and the outcome of litigation as at balance sheet date.

Zee Entertainment Enterprises Limited Mumbai

7. Exceptional items includes:

(Rs in lakhs)

Particulars	Quarter ended on			Nine months ended on		Year ended on
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
Merger related cost (Refer note 5)	6,034	11,975	6,886	25,073	11,420	17,620
Dispute settlement with Indian Performing Rights Society Limited (IPRS)	-	-	-	-	-	2,700
Provision for impairment of NCD investment in Zee Learn Limited	-	-	2,551	-	2,551	2,551
Provision in relation to DSRA liability for SNL (Refer Note 3)	-	-	1,620	-	4,740	4,740
Provision for receivables related litigation for SNL (Refer Note 3)	-	-	5,840	-	5,840	5,927
Provision for Non-current Assets Held for Sale and Discontinued Operations (Refer Note 6)	-	-	-	3,451	-	33,138
Total	**6,034**	**11,975**	**16,897**	**28,524**	**24,551**	**66,686**

8. Securities and Exchange Board of India (SEBI) had passed an ex-parte interim order dated 12 June 2023 and Confirmatory Order dated 14 August 2023 ('SEBI Order') against one of the current KMP of the Company for alleged violation of Section 4(1) and 4(2)(f) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices (FUTP) relating to Securities Market) Regulations, 2003.

On 30 October 2023, the Honorable Securities Appellate Tribunal (SAT) set aside the above order passed by SEBI granting relief to the current KMP. The SAT order also directed that the SEBI will continue with the investigation.

Pursuant to the above, SEBI has issued summons and sought comments/ information/explanation from Company, its subsidiary, certain directors (including former directors) and KMPs who have provided or are in the process of providing the information requested. The Company had also received a follow-up communication from the Ministry of Corporate Affairs ('MCA') for the ongoing inspection under section 206(5) of the Companies Act, 2013 against which the Company had submitted its response.

The management has informed the Board that based on its review of records of the Company / subsidiary, the transactions (including refunds) relating to the Company/ subsidiary were against consideration for valid goods and services received.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited Mumbai

The Board of Directors continues to monitor the progress of aforesaid matters. Based on the available information the management does not expect any material adverse impact on the Company / subsidiary with respect to the above and accordingly, believes that no adjustments are required to the accompanying statement.

9. On 26 August 2022, the Company had entered into an agreement with Star India Private Limited ("Star") for setting out the basis on which Star would be willing to grant sub-license rights in relation to television broadcasting rights of the International Cricket Council's (ICC) Men's and Under 19 (U-19) global events for a period of four years (ICC 2024-2027) on an exclusive basis (Alliance Agreement). The Company / Board had identified this acquisition of strategic importance ensuring the Company is present in all 3 segments of the media and entertainment business. The performance of the Alliance Agreement was subject to certain conditions precedent including submission of financial commitments, provision of bank guarantee and corporate guarantee and pending final ICC approval for sub-licensing to the Company.

   Till date, the Company has accrued Rs. 7,214 lakhs for Bank guarantee commission and interest expenses for its share of bank guarantee and deposit as per the Alliance Agreement.

   During the quarter ended 31 December 2023 and subsequently, Star has sent letters to the Company through its legal counsel alleging breach of the Alliance agreement on account of non-payment of dues for the rights in relation to first installment of the rights fee aggregating to USD 203.56 million (Rs. 169,342 lakhs) along-with the payment for bank guarantee commission and deposit interest aggregating Rs. 1,700 lakhs and financial commitments including furnishing of corporate guarantee/ confirmation as stated in the Alliance agreement. Based on the legal advice, the management believes that Star has not acted in accordance with the Alliance Agreement, and, has failed to obtain necessary approvals, execution of necessary documentation and agreements. The management also believes that Star by its conduct has breached the Alliance agreement and is in default of the terms thereof and consequently, the contract stands repudiated. The Company has already communicated to Star that the Alliance Agreement cannot be proceeded with for the reasons set out above and has also sought refund of Rs. 6,854 lakhs paid to Star.

   The Board continues to monitor the progress of aforesaid matter. Based on the available information and legal advice, the management believes that the Company has strong and valid grounds to defend any claims. Accordingly, the Company does not expect any material adverse impact with respect to the above as in its view the contract has been repudiated and no adjustments are required to the accompanying statement.

10. During the nine months ended 31 December 2023, the company received show cause cum demand notice (SCN) from Indirect Tax Authorities in relation to availment of inadmissible input tax credit under Goods and Service Tax (GST) aggregating to Rs 17,364 lakhs (inclusive of consequential interest & penalty) which forms part of contingent liability. The company has made payments / reversal of input credit of the SCN amount have been made under protest and to ensure the interest accrual on the same are limited. The management based on legal advice, believes that these balances are recoverable and is taking the necessary legal recourse to challenge the SCN under the available law which have been initiated.

11. In an earlier year, Zee Studio Limited (Formerly known as Essel Vision Productions Limited), a subsidiary had been allotted plot of land on lease for the purpose of construction of film studio by Rajasthan State Industrial

Development & Investment Corporation Limited (RIICO), Jaipur. The subsidiary had constructed the studio on the aforesaid plot of land.

This lease was subsequently cancelled by RIICO primarily on account of construction related dispute. The cancellation order challenged by ZSL by way of review application before the concerned authorities which has been rejected vide order dated 16 October 2023.

Based on the legal opinion obtained, the subsidiary has initiated the process for further necessary action for obtaining appropriate relief (including filing of appeal at appropriate forums). The management considering the merits and facts of the case including legal opinion believes it has a strong legal position and there is no impairment of the investment in the subsidiary.

12. Other income includes dividend received from a subsidiary company aggregating to Rs Nil lakhs for quarter and nine months ended 31 December 2023 (Rs Nil for quarter ended 30 September 2023, Nil and Rs 18,667 lakhs for quarter and nine months ended 31 December 2022 respectively and Rs 23,684 lakhs for year ended 31 March 2023).

13. Other income for the nine months ended 31 December 2023 includes profit on sale of freehold premises aggregating to Rs 4,170 lakhs which was earlier classified as held for sale.

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

For and on behalf of the Board

Zee Entertainment Enterprises Limited

Punit Goenka
Managing Director & CEO

Place: Mumbai
Date: 13 February 2024

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited
Mumbai

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
16th Floor, Tower III,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Zee Entertainment Enterprises Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **Zee Entertainment Enterprises Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture (refer Annexure 1 for the list of subsidiaries and joint venture included in the Statement) for the quarter ended **31 December 2023** and the consolidated year to date results for the period 1 April 2023 to 31 December 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

5. We draw attention to:

   (a) Note 5 to the accompanying Statement with respect to the legal dispute between the Holding Company and Culver Max Entertainment Private Limited ("Culver Max") and Bangla Entertainment Private Limited ("BEPL") being a significant subsequent event, pursuant to the termination letter of Merger Cooperation Agreement (MCA) and termination fee claimed by Culver Max and BEPL. In view of the management, based on a legal opinion, the claims against the Holding Company in aforesaid matter are not tenable and accordingly, no adjustments are required to the accompanying Statement.

   (b) Note 8 to the accompanying Statement relating to the uncertainties on account of the ultimate outcome of the ongoing investigation being conducted by the Securities and Exchange Board of India ('SEBI') and inspection being conducted by the Ministry of Corporate Affairs under Section 206(5) of the Act, with respect to certain transactions with the vendors of the Holding Company and one of the subsidiary companies. The management, based on review of records of the Holding company and its subsidiary, has determined that the transactions (including refunds) were against consideration for valid goods and services received from such vendors, and therefore no adjustments are required to the accompanying Statement.

   (c) Note 9 to the accompanying Statement describing the dispute with Star India Private Limited ('Star') in relation to the Alliance Agreement for broadcasting rights of the International Cricket Council's ('ICC') men's global events for a period of four years. The management, based on a legal opinion and its internal assessment, has determined that the Holding Company is not in default of the Alliance Agreement.

   Our conclusion is not modified in respect of the above matters.

6. We also draw attention to Note 4 to the Statement on which the following Emphasis of Matter is given by another firm of Chartered Accountants vide their report dated 23 January 2024 on the financial information of ATL Media Limited, a subsidiary of the Holding Company, which is reproduced by us as under:

   "We draw attention to Note XX of the interim financial information, where the directors explained the reasons for not accounting for the Put Option.

   The directors do not consider that any liability will arise based on legal advice.

   In view of the above and based on current available information and legal advice received, the interim financial information do not include any adjustments that may be deemed necessary in respect of the fair value of the Put Option (including any impact in the prior periods) in the interim financial information of the Company."

   Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of eleven (11) subsidiaries included in the Statement, whose financial information reflects total revenues of Rs. 24,581 lakhs and Rs.71,768 lakhs, total net loss after tax of Rs. (1,762) lakhs and Rs. (6,866) lakhs and total comprehensive loss of Rs. (1,864) lakhs and Rs. (6,872) lakhs, for the quarter and year to date period ended on 31 December 2023, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, nine (9) subsidiaries are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under International Standards on Review Engagement (ISRE) applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

8. The Statement includes the interim financial information of nine (9) subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflects total revenues of Rs. 2,600 lakhs and Rs. 9,423 lakhs, net loss after tax of Rs. (337) lakhs and Rs. (143) lakhs and total comprehensive loss of Rs. (337) lakhs and Rs. (143) lakhs for the quarter and year to date period ended 31 December 2023 respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 10 lakhs and Rs. 28 lakhs, and total comprehensive income of Rs. 10 lakhs and Rs. 28 lakhs for the quarter and year to date period ended on 31 December 2023 respectively, in respect of a joint venture, based on its interim financial results, which has not been reviewed by its auditors, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, are based solely on such unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Gautam Wadhera

Gautam Wadhera
Partner
Membership No. 508835

UDIN: 24508835BKFFBG7063

Place: Mumbai
Date: 13 February 2024

Annexure 1

List of entities included in the Statement

S. No.	Particulars
	Subsidiaries
1	Zee Studios Limited
2	Margo Networks Private Limited
3	Zee Multimedia Worldwide (Mauritius) Limited
4	ATL Media Limited
	Step Down Subsidiaries
1	Asia Multimedia Distribution Inc.
2	Zee Unimedia Limited (Ceased to be subsidiary w.e.f. 17 August 2023)
3	Pantheon Productions Limited (liquidated on 23 September 2022)
4	Asia Today Limited
5	Asia Today Singapore Pte Limited
6	Asia TV Gmbh
7	Asia TV Limited (UK)
8	Asia TV USA Limited
9	ATL Media FZ-LLC
10	Expand Fast Holdings (Singapore) Pte Limited (Struck off on 4 September 2023)
11	000 Zee CIS LLC
12	Taj TV Limited
13	Z5X Global FZ – LLC
14	Zee Entertainment Middle East FZ-LLC
15	Zee Studio International Limited (liquidated on 23 September 2022)
16	Zee TV South Africa (Proprietary) Limited
17	000 Zee CIS Holding LLC
18	ZEE UK Max Limited (incorporated on 28 September 2023)
	Joint Venture
1	Media Pro Enterprise India Private Limited
	Associate
1	Asia Today Thailand Limited (ceased to be an associate w.e.f. 22 December 2022)

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

ZEE

Extraordinary Together

ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futures, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

www.zee.com

Statement of unaudited consolidated financial results for the quarter and and nine months ended 31 December 2023

(₹ in Lakhs)

	Particulars	Quarter ended on			Nine months ended on		Year ended on
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	**Continuing operations:**						
1	Revenue from operations						
	(a) Advertisement revenue	102,738	97,517	106,336	234,746	305,212	405,780
	(b) Subscription revenue	92,125	88,763	89,440	271,657	248,805	333,547
	(c) Other sales and services	9,704	57,079	15,099	80,323	43,562	69,454
2	Other income	2,769	7,178	1,481	11,393	6,548	7,972
	Total income [1(a) to 1(c) + 2]	**207,336**	**250,957**	**212,356**	**658,119**	**604,127**	**816,762**
3	**Expenses**						
	(a) Operational cost	118,762	142,541	112,770	375,630	314,643	446,860
	(b) Employee benefits expense	24,417	25,986	19,544	76,365	60,835	82,379
	(c) Finance costs	1,834	2,340	1,298	6,517	3,060	7,024
	(d) Depreciation and amortisation expense	7,614	7,723	8,369	23,189	22,941	31,275
	(e) Fair value (gain) on financial instruments at fair value through profit and loss	-	-	(579)	(384)	(579)	(579)
	(f) Advertisement and publicity expenses	25,309	27,305	23,992	80,348	78,468	105,536
	(g) Other expenses	15,162	14,672	17,566	44,697	48,693	63,902
	Total expenses [3(a) to 3(g)]	**193,098**	**220,567**	**183,360**	**606,362**	**528,061**	**736,397**
4	**Profit before share of profit in associate and joint venture, exceptional item and taxes from continuing operations [1+2-3]**	**14,238**	**30,390**	**28,996**	**51,757**	**76,066**	**80,365**
5	Share of profit/(loss) of associate/joint venture	10	8	(22)	28	(19)	(10)
6	**Profit before exceptional items and tax from continuing operations [4 + 5]**	**14,248**	**30,398**	**28,974**	**51,785**	**76,047**	**80,355**
7	Exceptional items (Refer note 3,5, 6, and 7)	(6,034)	(11,975)	(16,897)	(25,073)	(24,551)	(33,548)
8	**Profit before tax from continuing operations [6 + 7]**	**8,214**	**18,423**	**12,077**	**26,712**	**51,496**	**46,807**
9	Tax expense :						
	(a) Current tax	6,525	11,092	6,600	17,887	20,696	27,265
	(b) Current tax - earlier years	-	-	-	-	-	4,878
	(c) Deferred tax	(3,645)	(5,657)	(226)	(9,884)	(1,627)	(10,474)
	Total tax expense [9(a) + 9(b) + 9(c)]	**2,880**	**5,435**	**6,374**	**8,003**	**19,069**	**21,669**
10	**Profit for the period/year from continuing operations [8 - 9]**	**5,334**	**12,988**	**5,703**	**18,709**	**32,427**	**25,138**
B	**Discontinuing operations (Refer note 6):**						
11	(Loss)/Profit before tax from discontinuing operations	(72)	21	(3,455)	(5,901)	(8,303)	(20,690)
12	Tax (reversal)/expense from discontinuing operations	(592)	713	(184)	-	(258)	(331)
13	**Profit/(Loss) for the period/year from discontinuing operations [11 - 12]**	**520**	**(692)**	**(3,271)**	**(5,901)**	**(8,045)**	**(20,359)**
14	**Profit for the period/year**	**5,854**	**12,296**	**2,432**	**12,808**	**24,382**	**4,779**
	Other comprehensive income/(loss)						
15	**In respect of continuing operations:**						
	(A) Items that will not be reclassified to profit or loss						
	(a) (i) Re-measurment of defined benefit obligation	253	156	(79)	(1,293)	(1,470)	(1,574)
	(ii) Fair value changes of equity instruments through othe comprehensive income	-	-	-	-	(25)	(25)
	(b) Income-tax relating to items that will not be reclassified to profit or loss	(88)	(39)	20	302	368	396
	(B) Items that will be reclassified to profit or loss						
	(a) Exchange differences on translation of financial statements of foreign operations	773	1,047	2,956	1,703	11,647	10,885
	Total other comprehensive income from continuing operations [15(A) + 15(B)]	**938**	**1,164**	**2,897**	**712**	**10,520**	**9,682**
16	**In respect of discontinuing operations:**						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurment of defined benefit obligation	-	91	11	91	-	16
	Total other comprehensive income discontinuing operations	-	**91**	**11**	**91**	-	**16**
17	**Total other comprehensive income [15 + 16]**	**938**	**1,255**	**2,908**	**803**	**10,520**	**9,698**
18	**Total comprehensive income [14 + 17]**	**6,792**	**13,551**	**5,340**	**13,611**	**34,902**	**14,477**
19	Profit for the period/year attributable to :						
	Shareholders of the Company	5,854	12,296	2,432	12,808	24,382	4,779
	Non-controlling interests	-	-	-	-	-	-
20	Total comprehensive income attributable to						
	Shareholders of the Company	6,792	13,551	5,340	13,611	34,902	14,477
	Non-controlling interests	-	-	-	-	-	-
21	Paid-up Equity share capital (face value of ₹ 1/- each)	9,606	9,606	9,606	9,606	9,606	9,606
22	Other equity						1,062,581
23	Earnings per equity share from continuing operations(not annualised for the quarter and nine months):						
	Basic (₹)	0.56	1.35	0.59	1.95	3.38	2.62
	Diluted (₹)	0.56	1.35	0.59	1.95	3.38	2.62
24	Earnings per equity share from discontinuing operations (not annualised for the quarter and nine months) :						
	Basic (₹)	0.05	(0.07)	(0.34)	(0.61)	(0.84)	(2.12)
	Diluted (₹)	0.05	(0.07)	(0.34)	(0.61)	(0.84)	(2.12)
25	Earnings per equity share from total operation (not annualised for the quarter and nine months)						
	Basic (₹)	0.61	1.28	0.25	1.33	2.54	0.50
	Diluted (₹)	0.61	1.28	0.25	1.33	2.54	0.50

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

Zee Entertainment Enterprises Limited ★ Mumbai

Notes to consolidated financial results

1. The above consolidated financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors in their meeting held on 13 February 2024 and subjected to limited review carried out by the Statutory Auditors who have expressed unmodified review conclusion.

2. The above consolidated financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS), prescribed under Section 133 of the Companies Act, 2013 (the Act), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, including relevant circulars issued from time to time.

3. During an earlier year, SNL legally ceased to be a related party and the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL). During the quarter and year ended 31 March 2023, the Company had reached a settlement with certain lenders of SNL. Full payments have been made in accordance with the terms of settlement and the Company has stepped into the shoes of the lenders of SNL as per the applicable law to recover the amounts from SNL, as confirmed by the Insolvency Resolution Professional of SNL The Company has adequate provisions to meet the Company's obligations to meet any remaining DSRA claims.

   Considering the financial condition of SNL, the Company without prejudice to its legal rights had fully provided for the all balances recoverable from SNL.

4. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company incorporated in Mauritius, is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to acquire the issued share capital to the extent of 64.38% held by LEL in Veria International Limited (VIL) (another related party of the Group) at an exercise price of $ 105 million.

   The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing, from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank DIFC branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. The Put Option agreement was amended and renewed by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026 based on certain representations made by LEL and the exercise price was set at $52.50 million (Rs 43,675 lakhs as at 31 December 2023, Rs. 43,628 lakhs at at 30 September 2023, Rs 43,134 lakhs as at 31 March 2023 and Rs 43,444 lakhs as at 31 December 2022) for the same quantum of shares as per the earlier Put Option agreement and LEL extended the assignment of the Put Option to the security trustee.

   During the financial year ended 31 March 2020, the Bank invoked the Put Option pursuant to the assignment and demanded ATL to pay the exercise price. Subsequently, upon inquiry, ATL became aware

Walker Chandiok & Co LLP Chartered Accountants Mumbai

Zee Entertainment Enterprises Limited Mumbai

of certain misrepresentations by LEL at the time of renewal of the Put Option agreement and consequently, ATL has rescinded the Put Option from the renewal date of the Put Option agreement and also filed a suit against LEL and the security trustee of the said Bank (security trustee subsequently excluded in the amended plaint filed during the quarter ended 30 September 2021) in the Hon'ble Supreme Court of Mauritius for inter-alia declaration that the amended Put Option agreement has been properly rescinded and no longer binding and enforceable. The matter is now sub-judice in Mauritius.

Subsequent to the quarter end, the subsidiary has received a pre-litigation notice from security trustee in relation to this matter demanding the Company to fulfill its obligation under the Put Option agreement. The management believes that the legal notice is not tenable as the underlying instrument i.e. Put Option agreement is a matter of litigation and hence sub-judice in Mauritius.

As per the legal advice sought by ATL, it has a arguable case to the effect that the Put Option Amendment Deed has been properly rescinded by the Company and is no longer binding and enforceable against the Company, the Company has a reasonable chance of success in this respect in the Amended plaint.
ATL does not consider that any liability will devolve on it and hence has not recognized any liability towards the fair value of the Put Option in its books of account.

The statutory auditors of the Group have put an Emphasis of Matter (EOM) paragraph on this matter in their review/audit report on the quarter ended 30 September 2023 and year ended 31 March 2023 based on a similar EOM by the auditors of ATL in Mauritius.

The predecessor statutory auditors of the Group had qualified this matter in their review/audit report on the financial results for the quarter ended 30 June 2022 based on a similar qualification by the auditors of ATL in Mauritius.

5. The Board of Directors of the Company, at its meeting on 21 December 2021, has considered and approved the Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 (Scheme), whereby the Company and Bangla Entertainment Private Limited (BEPL) (an affiliate of Culver Max Entertainment Private Limited (Culver Max) (formerly known as Sony Pictures Networks India Private Limited)) shall merge in Culver Max in accordance with terms of Merger Corporation Agreement (MCA). After receipt of requisite approvals / NOC's from shareholders and certain regulators including SEBI, CCI, ROC etc., the Scheme was sanctioned by Honorable NCLT on 10 August 2023. Both the parties had been engaged in the process of obtaining the balance regulatory approvals, completion of closing formalities for the merger to be effective as per MCA.

   Post expiry of the long stop date on 21 December 2023, as per the terms of the MCA, the Company initiated good faith discussions with Culver Max to agree on revised effective date. On 22 January 2024, Culver Max and BEPL issued a notice to the Company purporting to terminate the (MCA) entered into by the parties in relation to the Scheme and have sought termination fee of USD 90,000,000 (United States Dollars Ninety Million) on account of alleged breaches by the Company of the terms of the MCA and initiated arbitration for the same before the Singapore International Arbitration Centre (SIAC).

   Based on legal advice, the Company has issued a reply to Culver Max and BEPL specifically denying any breach of its obligations under the MCA and reiterated that the Company has complied and/ or has taken

Zee Entertainment Enterprises Limited Mumbai

Walker Chandiok & Co LLP Mumbai Chartered Accountants

steps to comply with all its obligations in good faith. The Company has denied that Culver Max and BEPL are entitled to terminate the MCA and believes that the claim for termination fee is legally untenable. The Company reserves its right to make claims including counter claims against Culver Max / BEPL for breaches of the MCA at the appropriate stage.

Further Culver Max and BEPL sought interim relief before SIAC requesting to injunct the Company from approaching NCLT for implementation of the Scheme. The interim relief application was heard by SIAC and no relief was granted to Culver Max and BEPL vide the order dated 4 February 2024.

The Company has filed an application before the Hon'ble NCLT Mumbai seeking directions to implement the Scheme and the matter is scheduled for hearing before the Hon'ble NCLT on 12 March 2024.

The Board continues to monitor the progress of aforesaid matters. Based on legal opinion, the management believes the above claims against the Company including towards termination fees is not tenable and does not expect any material adverse impact on the Company with respect to the above and accordingly, no adjustments are required to the accompanying statement.

6. The management as part of its portfolio rationalisation initiative and conditions of impending merger is in the process of either liquidating / discontinuing / selling certain entities (primarily Margo Networks Private Limited). Basis the same, the management has classified the investment in relation to these entities as Non-current Assets held for sale/disposal under IND AS 105 ("Non-current Assets Held for Sale and Discontinued Operations"). The results of the operation of these entities have been presented separately in the profit and loss account as discontinuing operations. Considering these assets are held for sale, the assets have been recorded at their realisable value.

    a) Accordingly, during the year ended 31 March 2023 the Group had recorded impairment aggregating to Rs. 9,757 lakhs. During the nine months ended 31 December 2023, in line with the decision of the board to fund the closure cost, the Group had recorded an additional charge on account of committed closure costs as an exceptional item aggregating to Rs.3,240 lakhs.
    The management continues to believe, based on legal opinion, there is no change in the underlying circumstances which necessitate a reassessment of the carrying value as assets and the outcome of litigation as at balance sheet date.

    b) During the nine months ended 31 December 2023, the Group has sold 100% Equity shares of one of its subsidiary, Zee Unimedia Limited.

    c) During the nine months ended 31 December 2023, Zee UK Max Limited, was incorporated in United Kingdom on 28 September 2023, as a wholly owned subsidiary of Asia Today Limited.

(Rs in lakhs)

	Quarter ended on			Nine months ended on		Year ended on
Particulars	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	**31-Mar-23**
Total Income	6	116	1,148	268	1,148	1,792
Total Expenses	(78)	(95)	(4,603)	(2,929)	(9,451)	(12,725)

Zee Entertainment Enterprises Limited Mumbai

Walker Chandiok & Co LLP Mumbai Chartered Accountants

Profit / (loss) before Tax & exceptional items	(72)	21	(3,455)	(2,661)	(8,303)	(10,933)
Exceptional items	-	-	-	(3,240)	-	(9,757)
Profit / (loss) before Tax	(72)	21	(3,455)	(5,901)	(8,303)	(20,690)
Less: Total tax expenses/(reversal)	(592)	713	(184)	-	(258)	(331)
Net profit/ (loss) for period/year	520	(692)	(3,271)	(5,901)	(8,045)	(20,359)

7. Exceptional items includes :

(Rs in lakhs)

	Quarter ended on			Nine months ended on		Year ended on
Particulars	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
Merger related cost (Refer note 5)	6,034	11,975	6,886	25,073	11,420	17,620
Dispute settlement with Indian Performing Rights Society Limited (IPRS)	-	-	-	-	-	2,700
Provision for impairment of NCD investment in Zee Learn Limited	-	-	2,551	-	2,551	2,551
Provision in relation to DSRA liability for SNL (Refer Note 3)	-	-	1,620	-	4,740	4,740
Provision for receivables related litigation for SNL (Refer Note 3)	-	-	5,840	-	5,840	5,927
Total	6,034	11,975	16,897	25,073	24,551	33,548

8. Securities and Exchange Board of India (SEBI) had passed an ex-parte interim order dated 12 June 2023 and Confirmatory Order dated 14 August 2023 ('SEBI Order') against one of the current KMP of the Company for alleged violation of Section 4(1) and 4(2)(f) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices (FUTP) relating to Securities Market) Regulations, 2003.

   On 30 October 2023, the Honorable Securities Appellate Tribunal (SAT) set aside the above order passed by SEBI granting relief to the current KMP. The SAT order also directed that the SEBI will continue with the investigation.

   Pursuant to the above, SEBI has issued summons and sought comments/ information/explanation from Company, its subsidiary, certain directors (including former directors) and KMPs who have provided or are/ in the process of providing the information requested. The Company had also received a follow-up communication from the Ministry of Corporate Affairs ('MCA') for the ongoing inspection under section 206(5) of the Companies Act, 2013 against which the Company had submitted its response.

The management has informed the Board that based on its review of records of the Company / subsidiary, the transactions (including refunds) relating to the Company/ subsidiary were against consideration for valid goods and services received.

The Board of Directors continues to monitor the progress of aforesaid matters. Based on the available information the management does not expect any material adverse impact on the Company / Group with respect to the above and accordingly, believes that no adjustments are required to the accompanying statement.

9. On 26 August 2022, the Company had entered into an agreement with Star India Private Limited ("Star") for setting out the basis on which Star would be willing to grant sub-license rights in relation to television broadcasting rights of the International Cricket Council's (ICC) Men's and Under 19 (U-19) global events for a period of four years (ICC 2024-2027) on an exclusive basis (Alliance Agreement). The Company / Board had identified this acquisition of strategic importance ensuring the Company is present in all 3 segments of the media and entertainment business. The performance of the Alliance Agreement was subject to certain conditions precedent including submission of financial commitments, provision of bank guarantee and corporate guarantee and pending final ICC approval for sub-licensing to the Company.

Till date, the Company has accrued Rs. 7,214 lakhs for bank guarantee commission and interest expenses for its share of bank guarantee and deposit as per the Alliance Agreement.

During the quarter ended 31 December 2023 and subsequently, Star has sent letters to the Company through its legal counsel alleging breach of the Alliance agreement on account of non-payment of dues for the rights in relation to first installment of the rights fee aggregating to USD 203.56 million (Rs. 169,342 lakhs) along-with the payment for bank guarantee commission and deposit interest aggregating Rs. 1,700 lakhs and financial commitments including furnishing of corporate guarantee/ confirmation as stated in the Alliance agreement. Based on the legal advice, the management believes that Star has not acted in accordance with the Alliance Agreement, and has failed to obtain necessary approvals, execution of necessary documentation and agreements. The management also believes that Star by its conduct has breached the Alliance agreement and is in default of the terms thereof and consequently, the contract stands repudiated. The Company has already communicated to Star that the Alliance Agreement cannot be proceeded with for the reasons set out above and has also sought refund of Rs. 6,854 lakhs paid to Star.

The Board continues to monitor the progress of aforesaid matter. Based on the available information and legal advice, the management believes that the Company has strong and valid grounds to defend any claims. Accordingly, the Company does not expect any material adverse impact with respect to the above as in its view the contract has been repudiated and no adjustments are required to the accompanying statement.

Zee Entertainment Enterprises Limited Mumbai

Walker Chandiok & Co LLP Mumbai Chartered Accountants

10. During the nine months ended 31 December 2023, the company received show cause cum demand notice (SCN) from Indirect Tax Authorities in relation to availment of inadmissible input tax credit under Goods and Service Tax (GST) aggregating to Rs 17,364 lakhs (inclusive of consequential interest & penalty) which forms part of contingent liability. The company has made payments / reversal of input credit of the SCN amount have been made under protest and to ensure the interest accrual on the same are limited. The management based on legal advice, believes that these balances are recoverable and is taking the necessary legal recourse to challenge the SCN under the available law which have been initiated.

11. In an earlier year, Zee Studio Limited (Formerly known as Essel Vision Productions Limited), a subsidiary had been allotted plot of land on lease for the purpose of construction of film studio by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), Jaipur. The subsidiary had constructed the studio on the aforesaid plot of land.

    This lease was subsequently cancelled by RIICO primarily on account of construction related dispute. The cancellation order challenged by ZSL by way of review application before the concerned authorities which has been rejected vide order dated 16 October 2023.

    Based on the legal opinion obtained, the subsidiary has initiated the process for further necessary action for obtaining appropriate relief (including filing of appeal at appropriate forums). The management considering the merits and facts of the case including legal opinion believes it has a strong legal position and there is no impairment required to be carried out to the aforesaid assets.

12. Other income for the nine months ended 31 December 2023 includes profit on sale of freehold premises aggregating to Rs 4,170 lakhs which was earlier classified as held for sale.

13. The Group operates in a single reporting segment namely 'Content and Broadcasting'.

14. The unaudited standalone financial results for the quarter and nine months ended 31 December 2023 are available on the Company's website i.e. www.zee.com under Investor Information section and on the stock exchange websites i.e. www.bseindia.com and www.nseindia.com.

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

For and on behalf of the Board
Zee Entertainment Enterprises Limited

Punit Goenka
Managing Director & CEO

Place: Mumbai
Date: 13 February 2024

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Zee Entertainment Enterprises Limited
Mumbai

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 (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

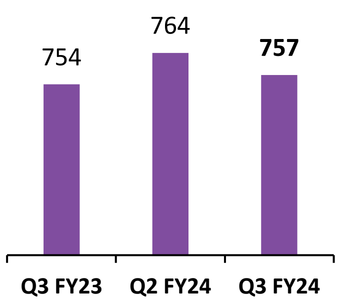
- Further reduction in ZEE5 quarterly EBITDA losses through cost optimisation
- YTD reduction of Rs 4.4 Bn in Content inventory, advances and deposits driven by optimised acquisition
- Strong FCF generation driven by optimisation of working capital.
- Improved liquidity with total cash and cash equivalents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

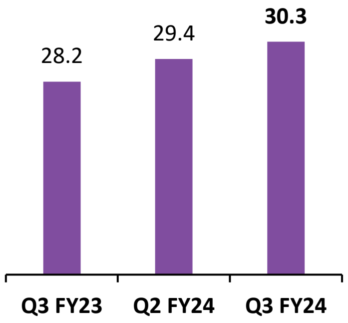
Business Performance

Extraordinary Together

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

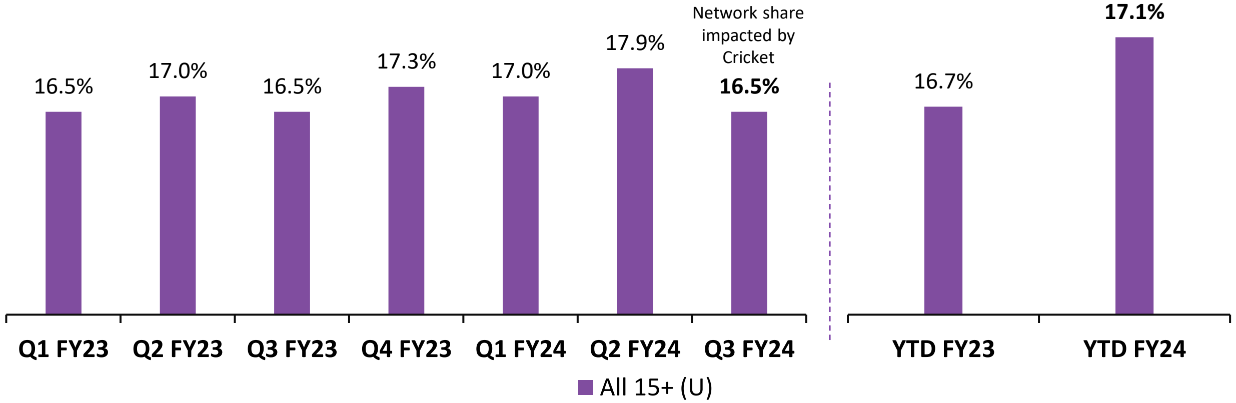
TV Reach and Impressions





Total TV viewership improved

ZEE Network Share



Invest & Grow

Viewership Focus:

Zee TV & Zee Marathi

Strengthen & Monetize

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

ZEE

Q3 FY24 Highlights

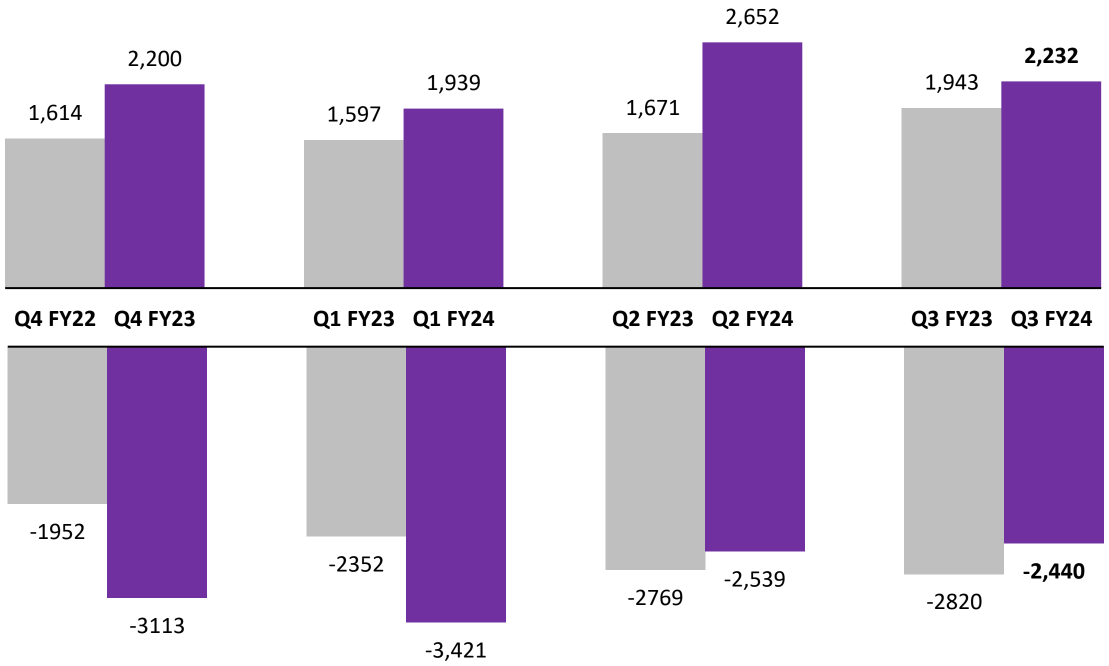
➢ 19 shows and movies (incl. 5 originals) released during the quarter

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

Extraordinary Together

*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

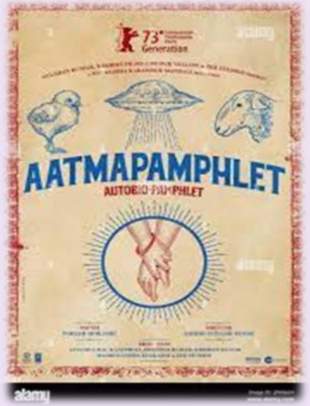
Hindi Movies

Distributed by ZEE Studio

Distributed by ZEE Studio

Produced by ZEE Studio

Other Language Movies

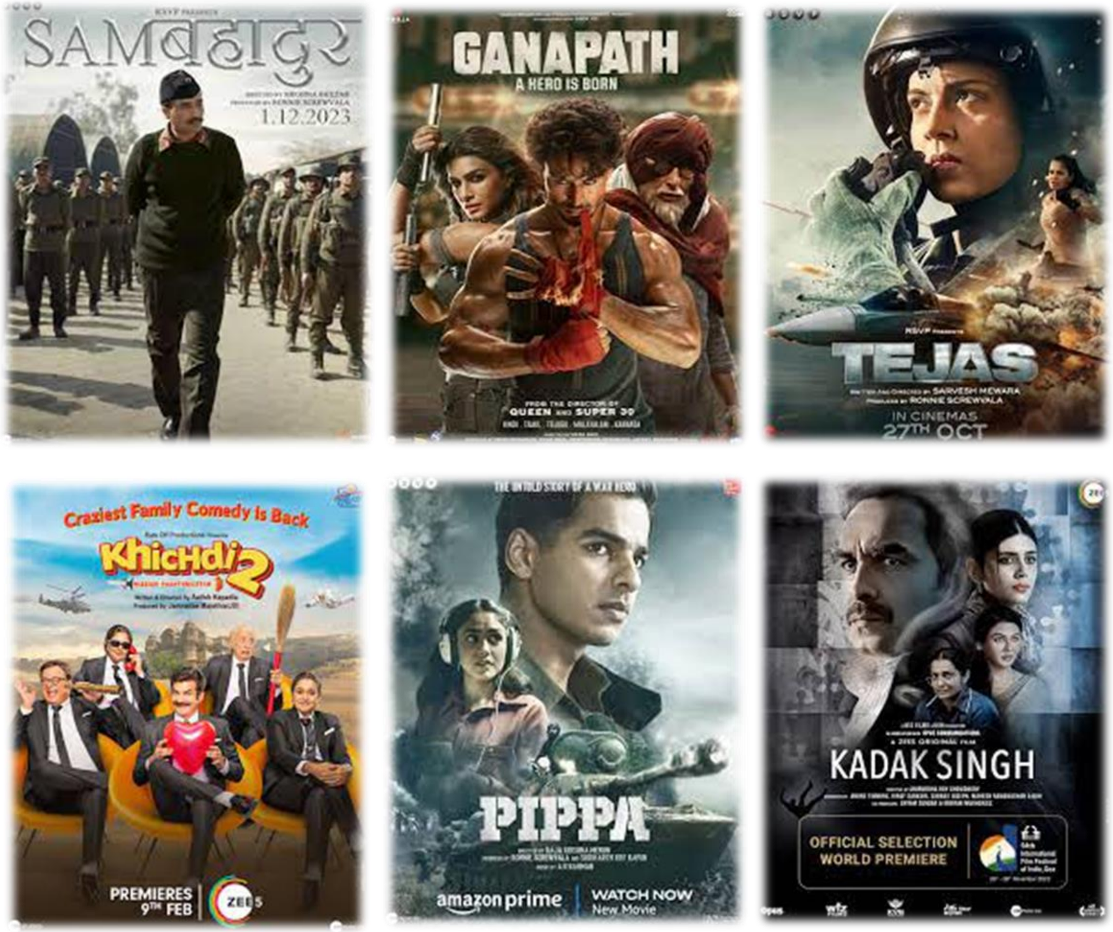


Produced by ZEE Studio

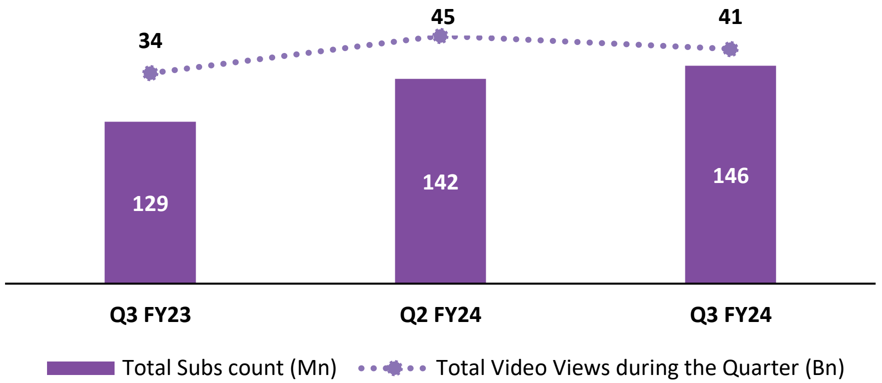
Produced by ZEE Studio

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

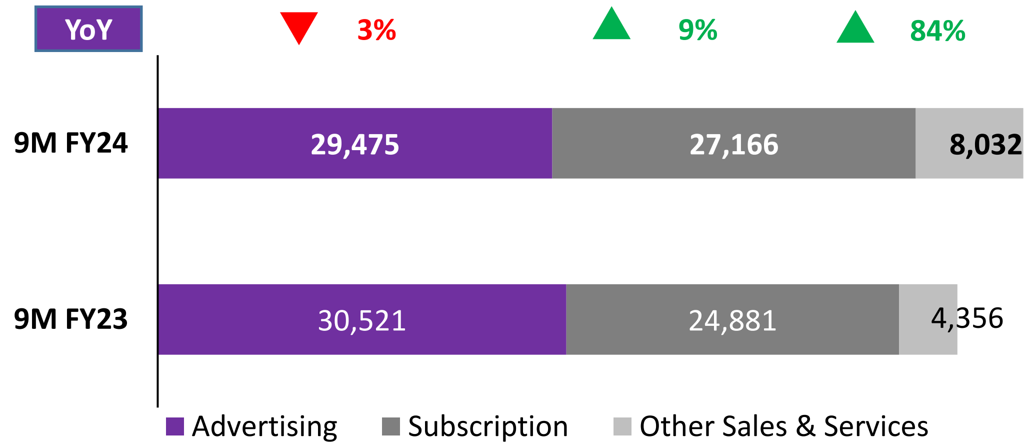
Extraordinary Together

9M & Q3 FY24 Financial Performance

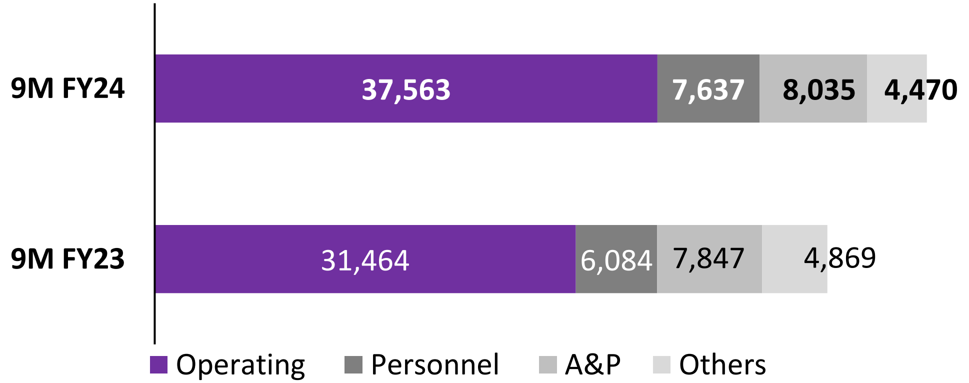
9M FY24 Revenue Growth of 8.2% Driven by Subscription Revenue and Other Sales & Services, EBITDA Margin Impacted by Investment in Content and ZEE5

(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%

Operating Revenue Breakup (Rs Mn)



Cost Breakup (Rs Mn)



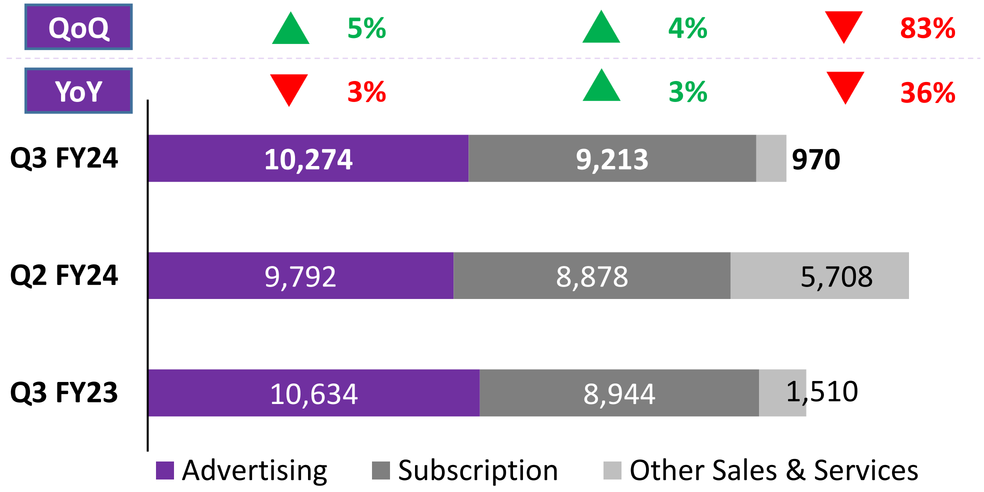
Extraordinary Together

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

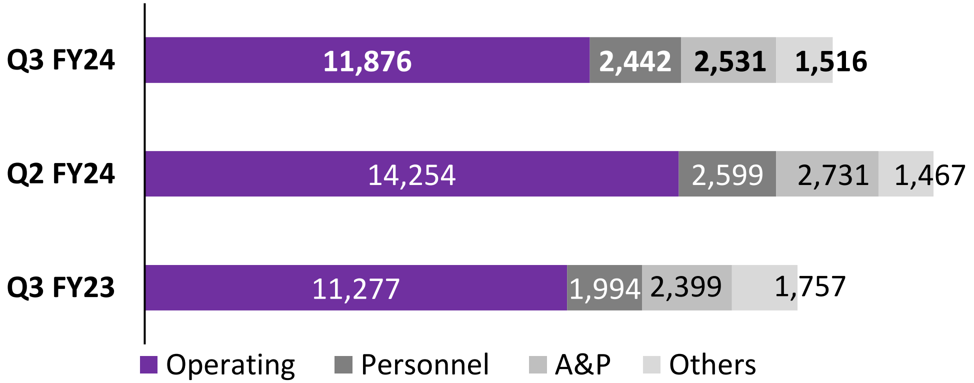
Q3 FY24 Other Sales & Services Revenue Moderates; EBITDA Margin at 10.2%

(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%

Operating Revenue Breakup (Rs Mn)



Cost Breakup (Rs Mn)



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

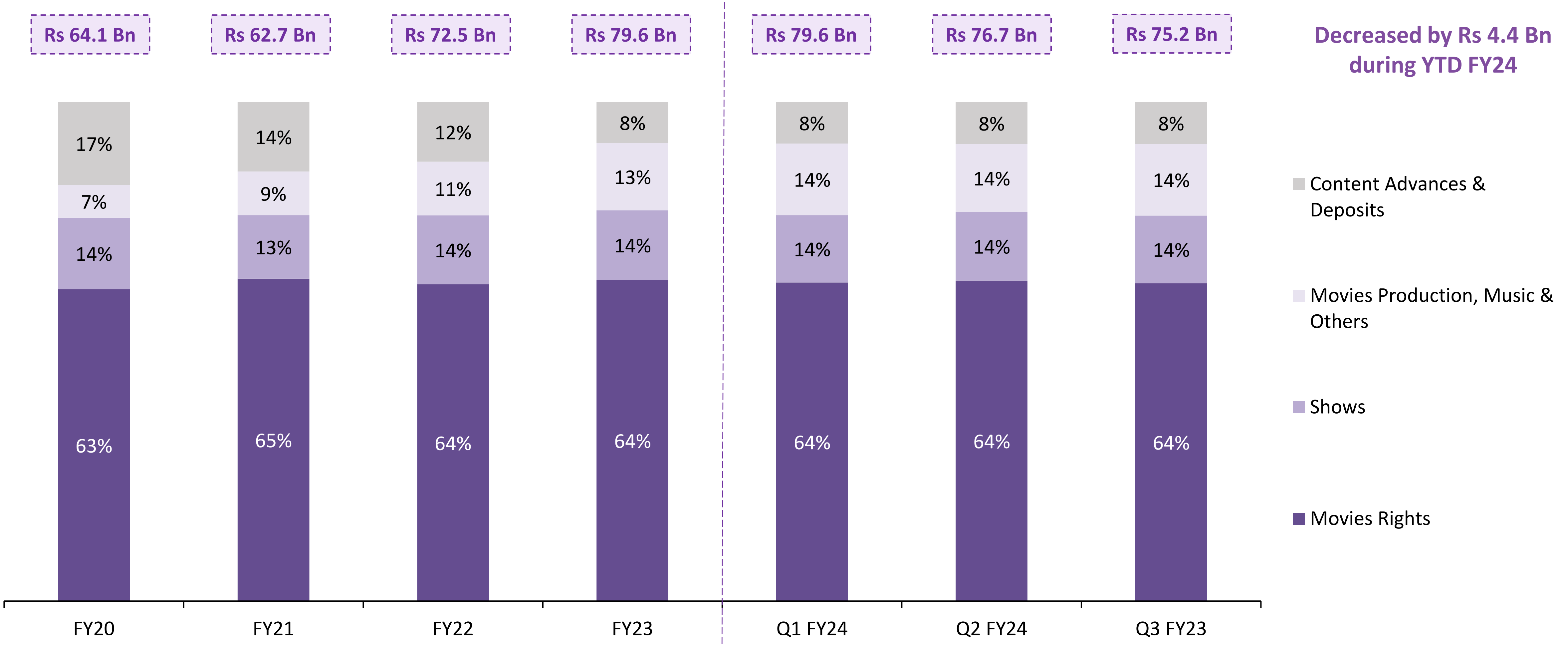
Condensed Balance Sheet

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

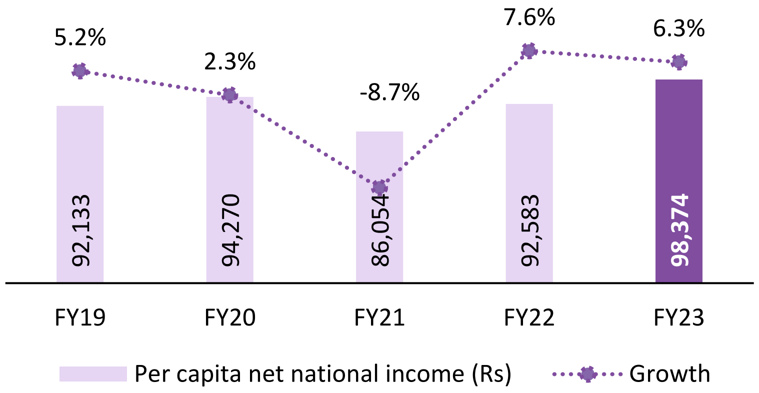
Extraordinary Together

Way Forward

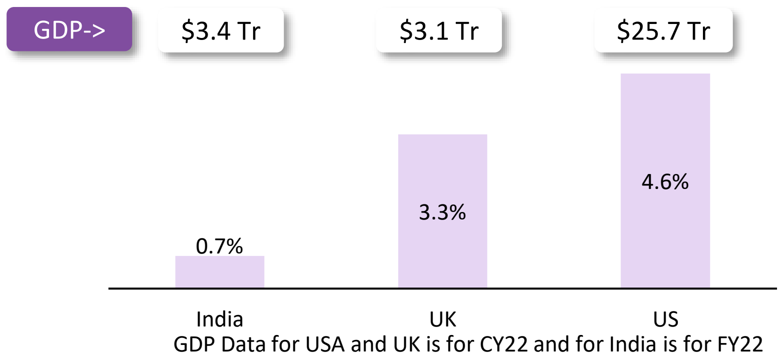
India is a High Growth Economy with Attractive M&E Market Opportunity

ZEE

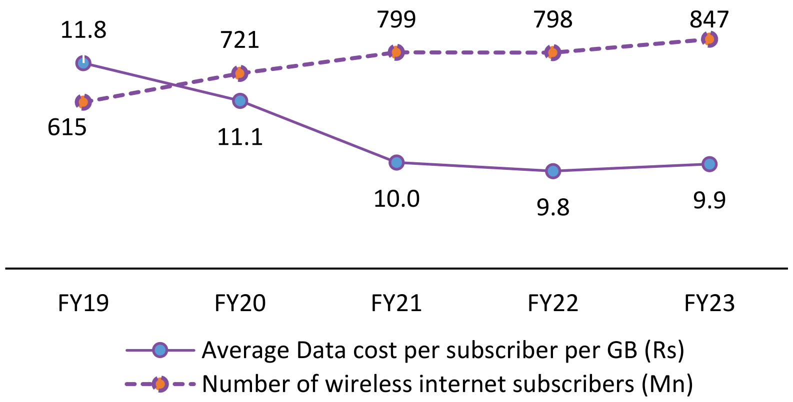
India: Increasing Per Capita NNI



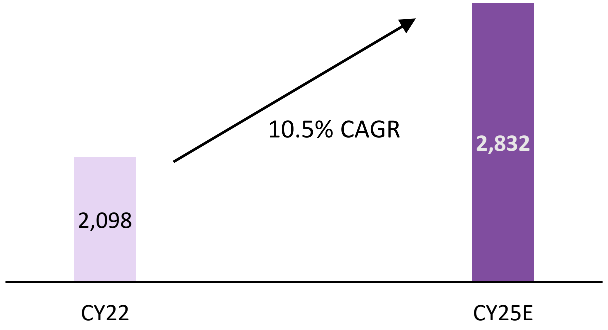
M&E industry's revenue as % of GDP (2022)



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.

Extraordinary Together

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

ZEE

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

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

- 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