



The Must Have HITS

May 13, 2023

To,  
Listing Department  
**BSE Limited**  
P.J Towers, Dalal Street,  
Fort, Mumbai – 400 001

To,  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai – 400 050

Scrip Code: **532375**

Symbol: **TIPSINDLTD**

Dear Sir/ Ma'am,

**Subject: Submission of Presentation of Analysts/Investors Meeting**

This is further to our letter on the Investor/ Analyst call scheduled on May 15, 2023 at 11:30 a.m. (IST) and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith a copy of Investor Presentation with respect to Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

The same shall be uploaded on our website <https://tips.in>

We request you to kindly take the above information on record.

Thanking you,

For **Tips Industries Limited**

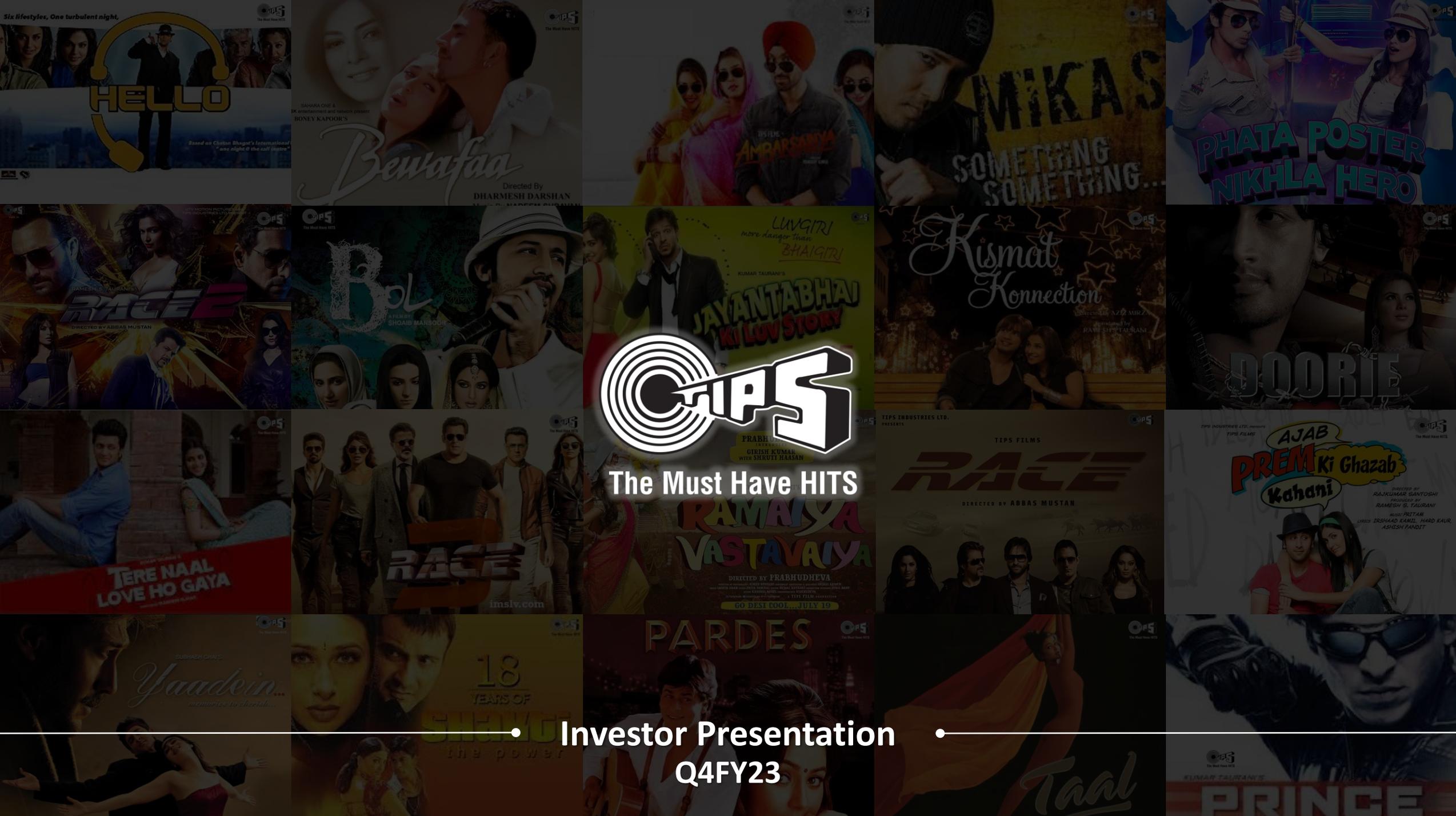
**Bijal R. Patel**  
Company Secretary

Encl: a/a

**TIPS INDUSTRIES LTD.**

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601, Durga Chambers, 6th Floor, Linking Road, Khar (West), Mumbai 400 052.  
Tel. : 6643 1188 Email : [response@tips.in](mailto:response@tips.in) Website : [www.tips.in](http://www.tips.in)  
CIN: L92120MH1996PLC099359



The Must Have HITS

Investor Presentation  
Q4FY23

# Safe harbor

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## KEY FACTS

Only listed player to write off 100% of content cost in the quarter of release

Debt free company with ₹ 117 cr of cash & investments

Catalogue comprises of music in over **25 languages** available across multiple platforms **globally**

FY23 Content Cost ₹ 62.4 cr.

Established **A&R** capability

**89** Employees (2023)

**75%** Revenue through digital platforms

**25+** Partners across media business

**82.09 mn** subscribers on YouTube

Founded Year **1988**

Website **www.tips.in**

Industry **Media & Entertainment**

Target **Indian Subcontinent & Diaspora**

# What Makes Us Unique

Optimising Capital Allocation

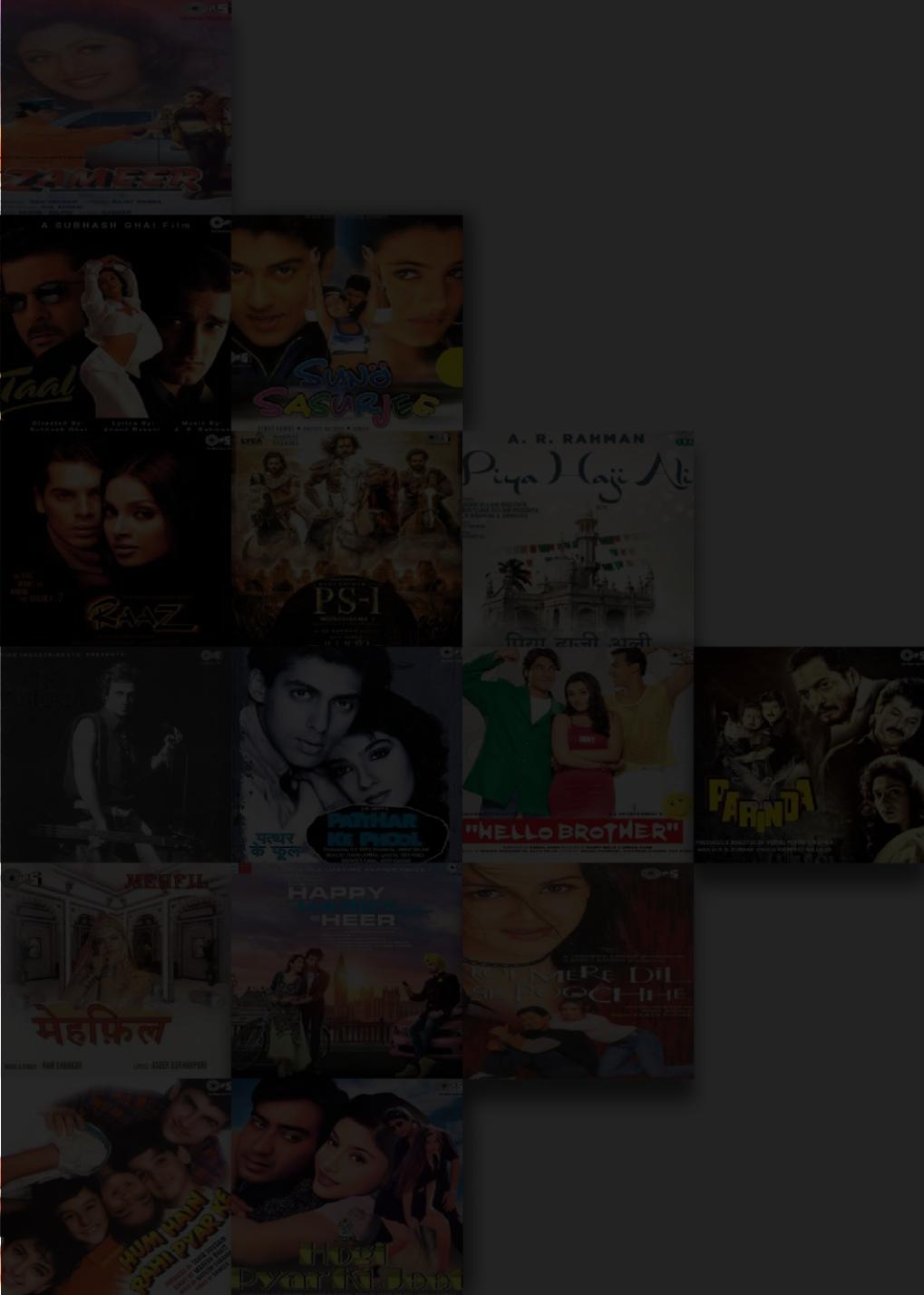
Sustainably Increasing market share

Two Pronged Content Acquisition Strategy

Our Content Powers Global Platforms

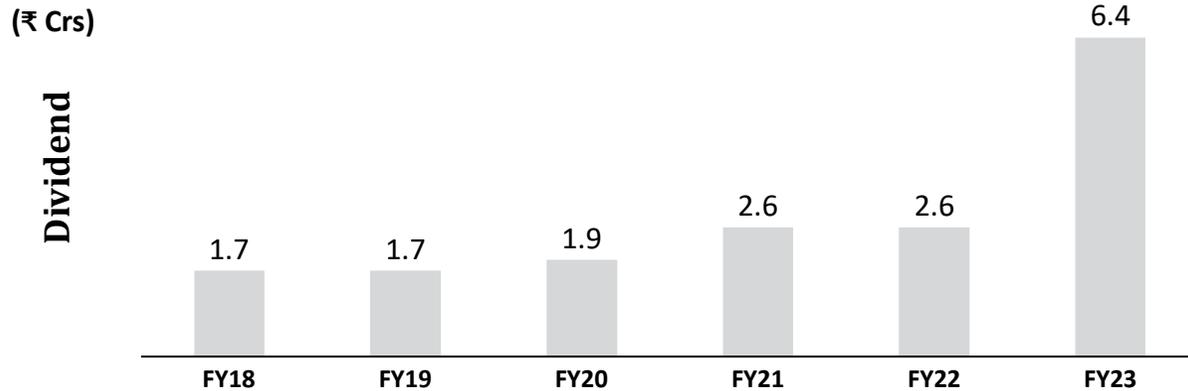
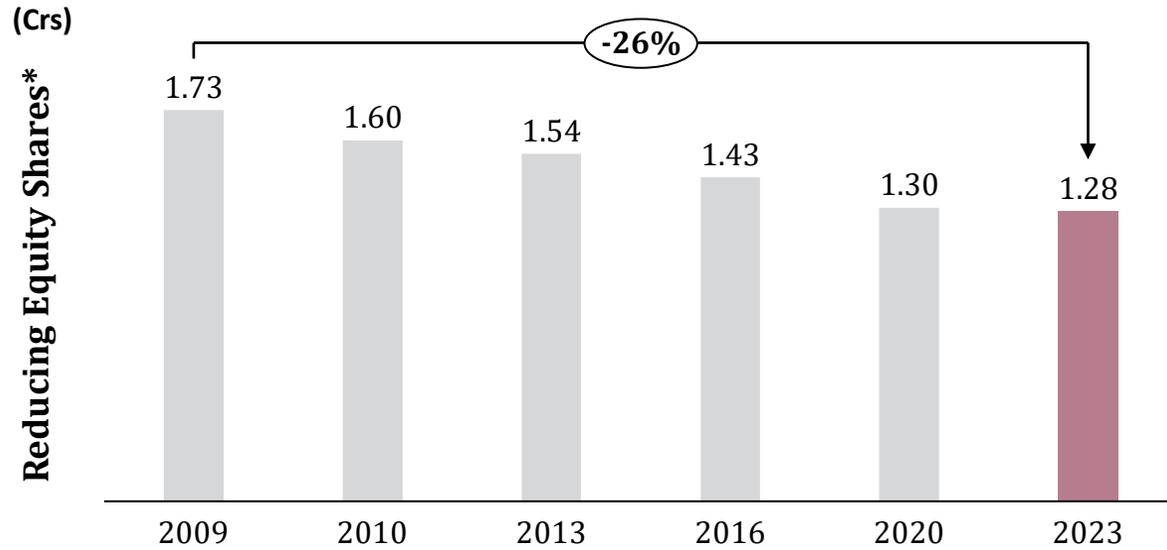
Growing listenership & Increasing Content Addition

Exploring new avenues for Digital Growth



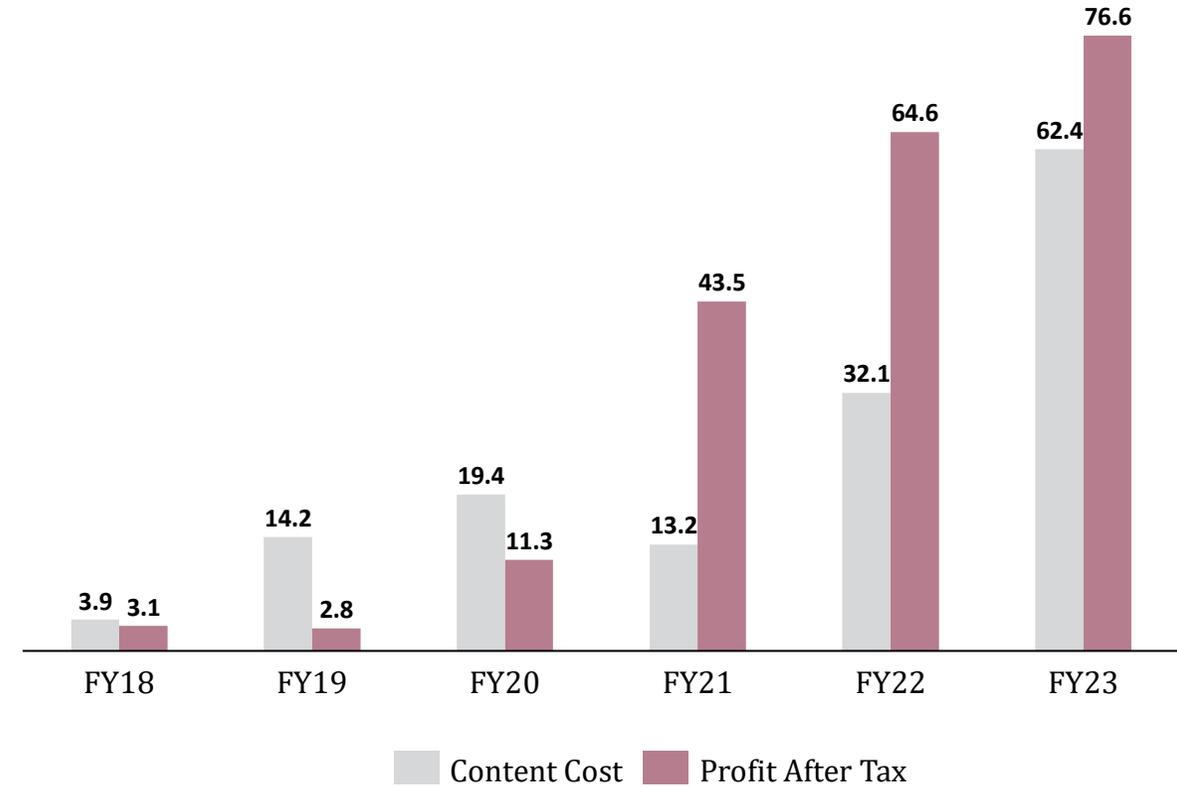
# Optimising Capital Allocation : FY23 Payout Ratio - 60.8% (Buyback + Dividend)

## Consistently rewarding shareholders through Buybacks & Dividends

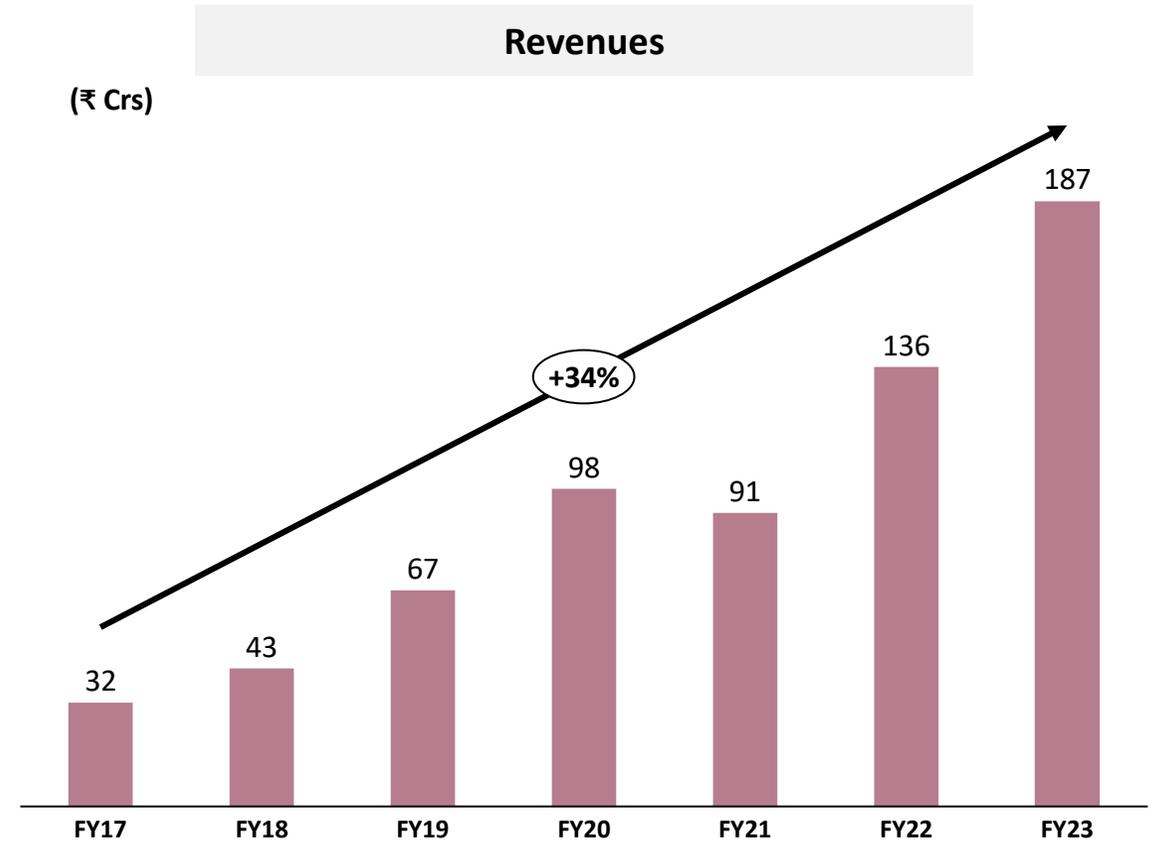
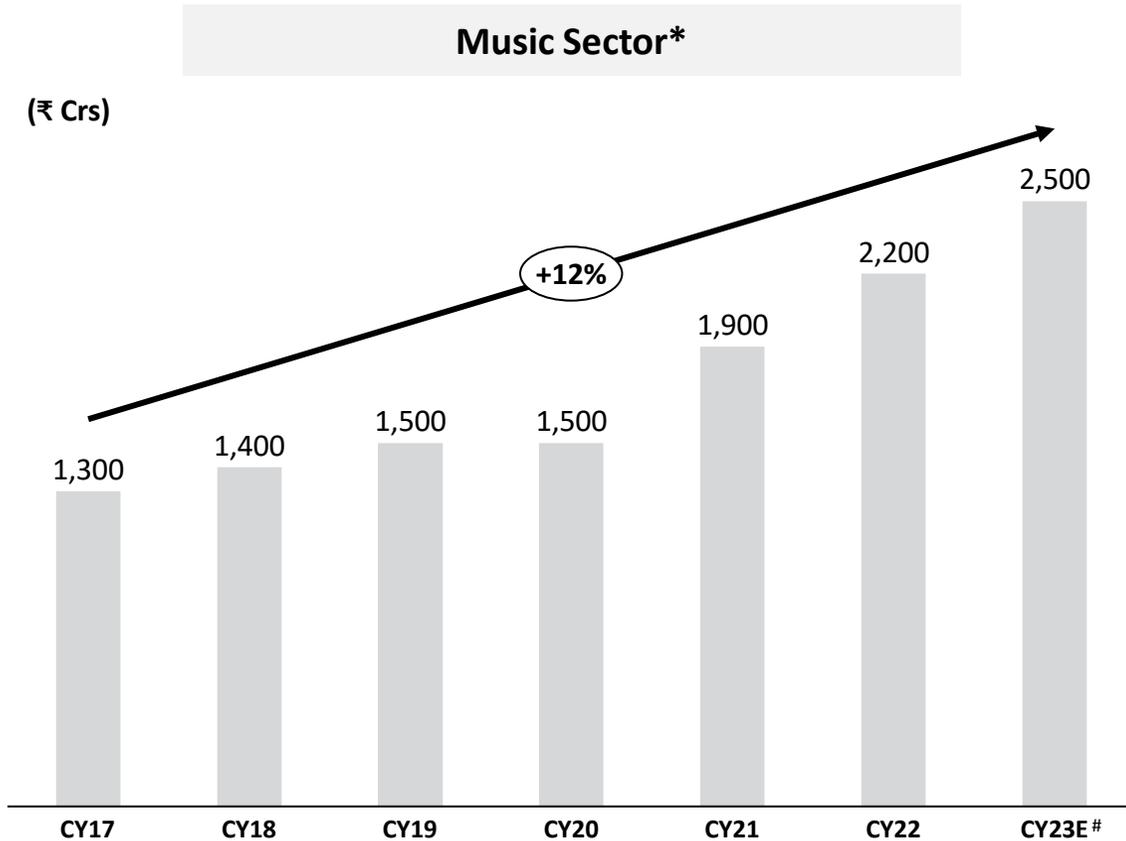


## Investment in content

(₹ Cr)



# Sustainably Increasing market share: Revenues Doubled in Last 2 Years



**Tips Industries outperformed sectoral growth by 2.8x over the past 7 years**

# Two Pronged Content Acquisition Strategy

## PRODUCE

### STRATEGY

- To introduce promising singers (Tips) is in our DNA
- We have a strong A&R team which engages with artistes across genres and languages which allows us to promote upcoming talent
- Our team has a deep understanding of music & a track record of creating a repertoire of **“Must Have Hits”**

## PURCHASE

### STRATEGY

- We purchase music rights from other producers when we see profitable opportunities
- Our understanding of music and its creative process provides us deep insight on costs and returns and therefore we always maintain cost consciousness while acquiring music rights

## CONTENT COST

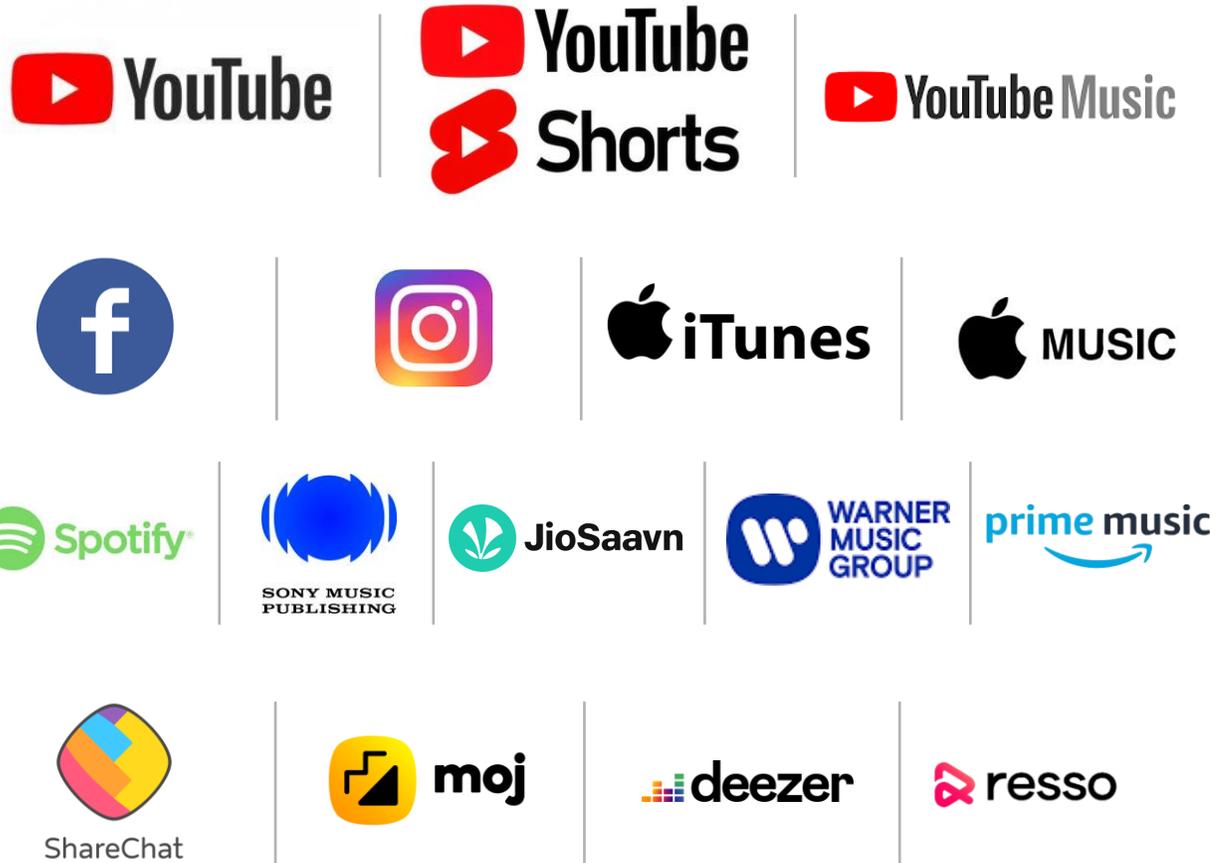
**100% of content cost is written off from profit & loss account in the quarter of release**  
**No capitalization & no pending write-offs in the future. Company has consistently followed this policy since inception**

**Content acquisition is entirely funded through internal accruals.**  
**No borrowings/leverage**

**Large A&R team to acquire content across languages, genres and to sign up promising artists**

# Our Content Powers Global Platforms

## Digital Partners



## Sync Deals



## Broadcast Partners

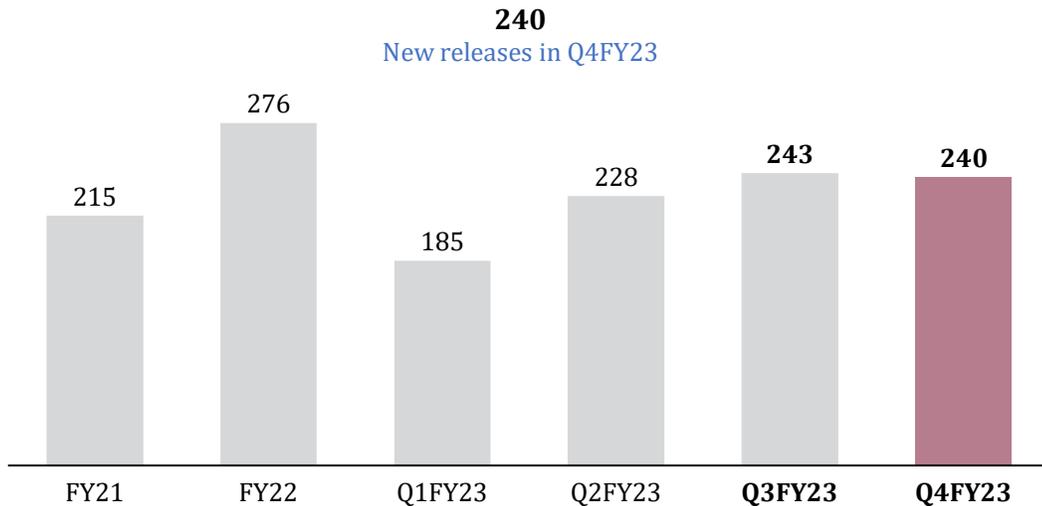


# Growing listenership & Increasing Content Addition



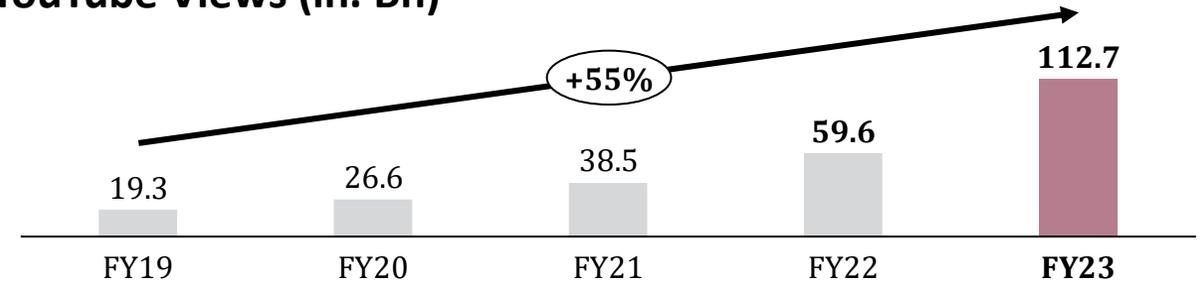
Evergreen & Rich content of **over 30,000 songs** across genres, languages & decades giving us high visibility of music revenue

## New Songs Added

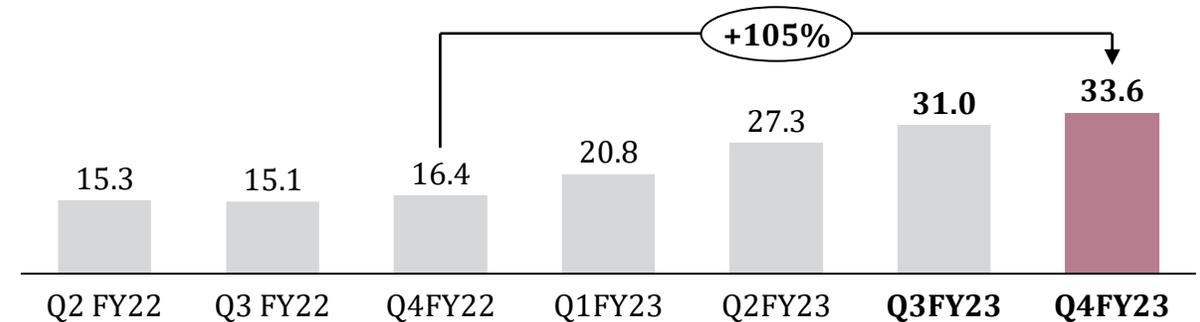


Existing Content + Continuous Additions : Increasing Music Revenue

## YouTube Views (in. Bn)



## YouTube Views (in. Bn)

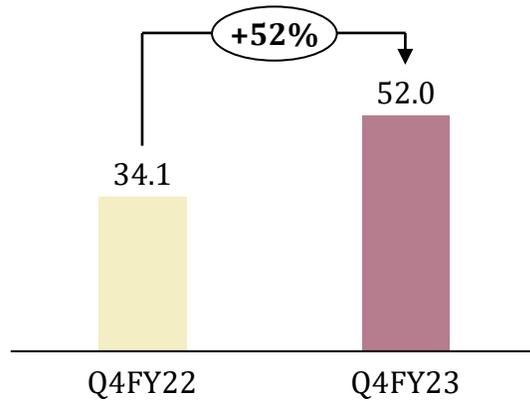


Some of our songs with more than 100 million views/streams

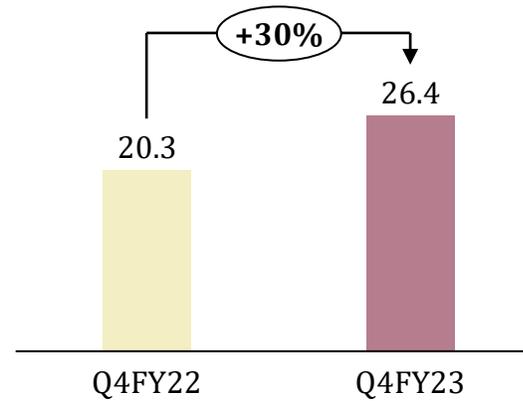




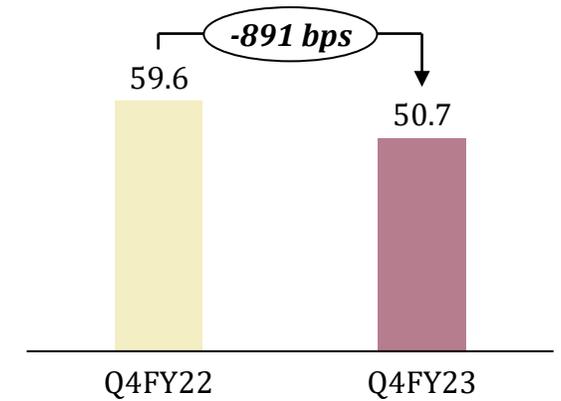
Revenue (Rs. in Crs)



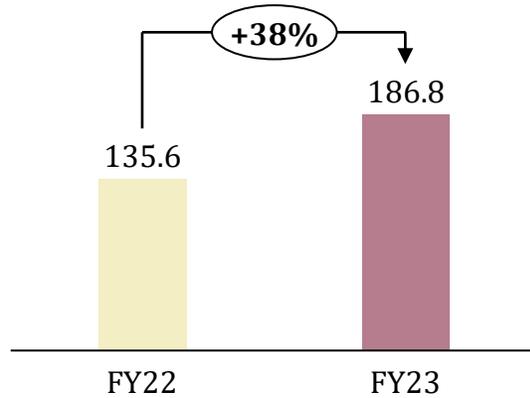
Op. EBITDA (Rs. in Crs)



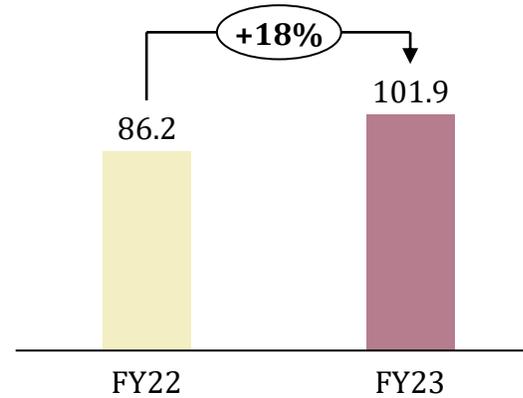
Op. EBITDA Margins (%)



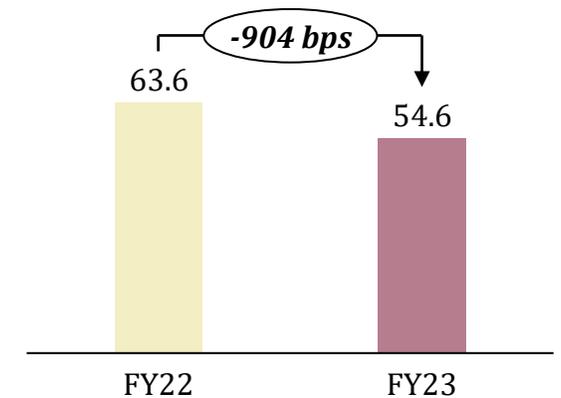
Revenue (Rs. in Crs)



Op. EBITDA (Rs. in Crs)



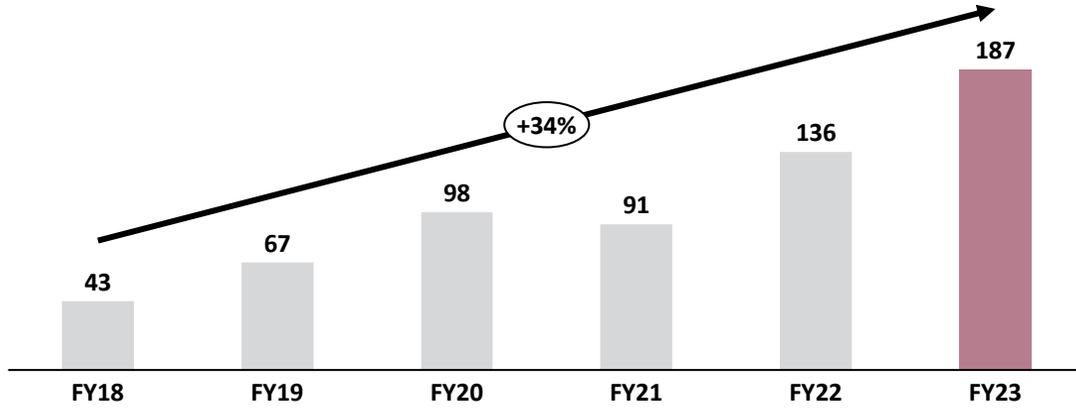
Op. EBITDA Margins (%)



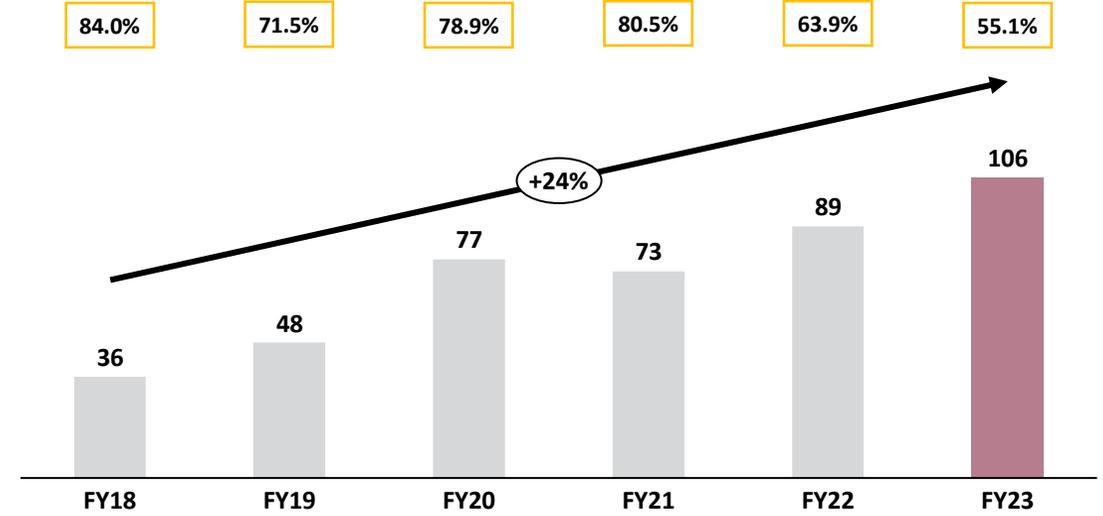
# Industry Leading Financial Performance

(₹ Crs)

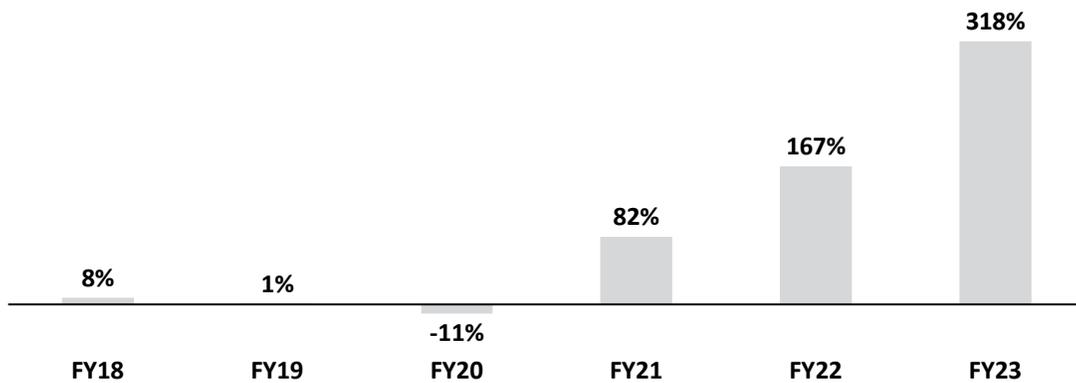
## Revenue



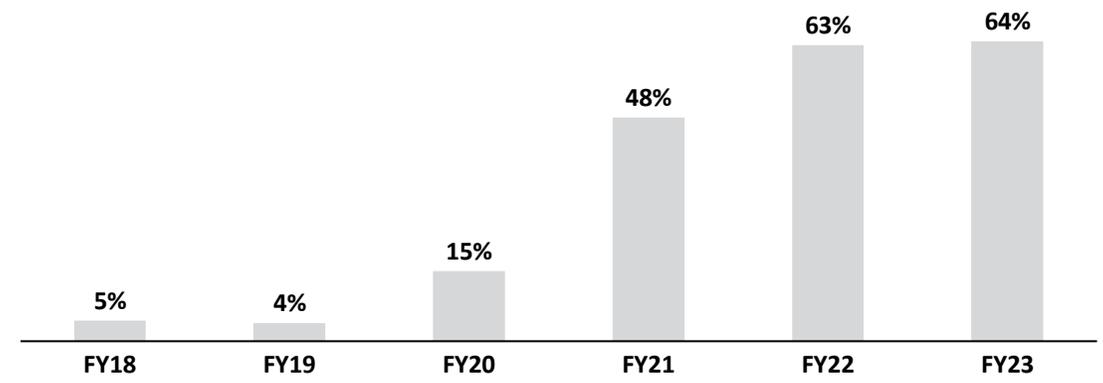
## EBIT & EBIT Margin\*



## ROIC (Post Tax)#



## ROE#



Note \*Segmental EBIT before allocating corporate overheads (Upto FY21); #ROIC & ROE upto FY21 before demerger

# Profit & Loss Statement

Particulars (Rs. in Crs)	Q4FY23	Q4FY22	Y-o-Y	Q3FY23	Q-o-Q	FY23	FY22	Y-o-Y
<b>Revenue From Operations</b>	<b>52.0</b>	<b>34.1</b>	<b>52%</b>	<b>51.0</b>	<b>2%</b>	<b>186.8</b>	<b>135.6</b>	<b>38%</b>
Content Cost	19.0	8.6	120%	18.7	1%	62.4	32.1	95%
Employee Benefits Expenses	2.0	1.6		1.9		7.3	6.3	
Other Expenses	4.7	3.6		4.5		15.1	11.0	
<b>Op. EBITDA</b>	<b>26.4</b>	<b>20.3</b>	<b>30%</b>	<b>25.9</b>	<b>2%</b>	<b>101.9</b>	<b>86.2</b>	<b>18%</b>
<b>Op. EBITDA %</b>	<b>50.7%</b>	<b>59.6%</b>		<b>50.9%</b>		<b>54.6%</b>	<b>63.6%</b>	
Other Income	1.9	1.4		1.3		5.4	3.2	
Depreciation and Amortisation Expense	0.4	0.3		0.2		1.3	0.7	
<b>Op. EBIT</b>	<b>27.9</b>	<b>21.4</b>	<b>30%</b>	<b>27.0</b>	<b>3%</b>	<b>105.9</b>	<b>88.7</b>	<b>19%</b>
Finance Costs	0.1	0.1		0.1		0.3	0.1	
<b>PBT</b>	<b>27.9</b>	<b>21.4</b>	<b>30%</b>	<b>26.9</b>	<b>3%</b>	<b>105.7</b>	<b>88.6</b>	<b>19%</b>
Tax	9.5	5		6.8		29.1	24.1	
<b>PAT</b>	<b>18.3</b>	<b>15.9</b>	<b>15%</b>	<b>20.2</b>	<b>-9%</b>	<b>76.5</b>	<b>64.6</b>	<b>19%</b>
<b>PAT %</b>	<b>35.2%</b>	<b>46.5%</b>		<b>39.6%</b>		<b>41.0%</b>	<b>46.5%</b>	
EPS	1.42	1.23		1.56		5.91	4.98	

# Balance Sheet

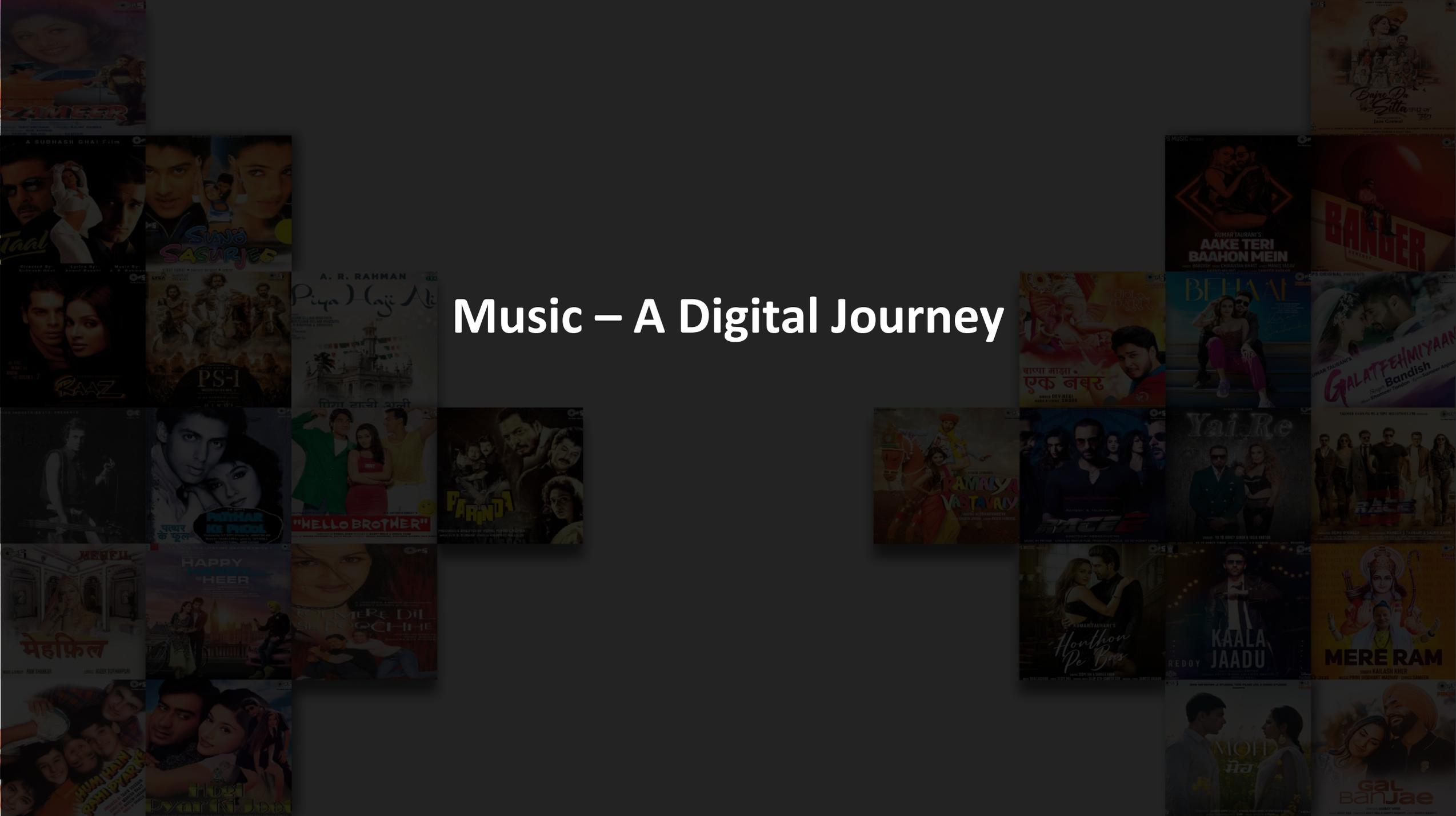
Equity & Liabilities (₹ in Cr)	Mar'23	Mar'22
Equity Share Capital	12.8	13.0
Other Equity	123.3	89.4
<b>Total Equity</b>	<b>136.2</b>	<b>102.4</b>
<b>Non-Current Liabilities</b>		
(i) Lease Liabilities	3.1	3.6
Deferred Tax Liabilities, (net)	0.0	0.0
Employee Benefit Obligations	0.1	0.1
Other Non Current Liabilities	0.0	29.7
<b>Total Non-Current Liabilities</b>	<b>3.2</b>	<b>33.4</b>
<b>Current Liabilities</b>		
(i) Lease Liabilities	0.7	0.3
(ii) Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises	0.0	0.0
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	16.0	4.2
(iii) Other Financial Liabilities	0.1	0.2
Employee benefit Obligations	0.0	0.0
Current Tax Liabilities (net)	0.3	5.2
Other Current Liabilities	36.1	1.1
<b>Total Current Liabilities</b>	<b>53.3</b>	<b>11.0</b>
<b>Total Equity &amp; Liabilities</b>	<b>192.7</b>	<b>146.8</b>

Assets (₹ in Cr)	Mar'23	Mar'22
<b>Non-Current Assets</b>		
Property, plant and equipment	5.0	6.3
Investment Property	0.1	0.2
(i) Investments	0.0	0.0
(ii) Loans & Deposits	0.1	0.0
(iii) Other Financial Assets	7.0	3.0
Deferred Tax Assets	0.5	0.4
Other Non-Current Assets	15.3	8.0
<b>Total Non-Current Assets</b>	<b>28.1</b>	<b>17.9</b>
<b>Current Assets</b>		
(i) Investments	13.1	5.4
(ii) Trade receivables	20.3	17.9
(iii) Cash and cash equivalents	11.4	22.1
(iv) Bank balances other than (ii) above	85.5	39.9
(v) Loans	2.6	3.2
(vi) Other Financial Assets	3.3	8.7
Other Current Assets	27.4	27.4
Current Tax Assets (Net)	1.0	4.2
<b>Total Current Assets</b>	<b>164.6</b>	<b>128.9</b>
<b>Total Assets</b>	<b>192.7</b>	<b>146.8</b>

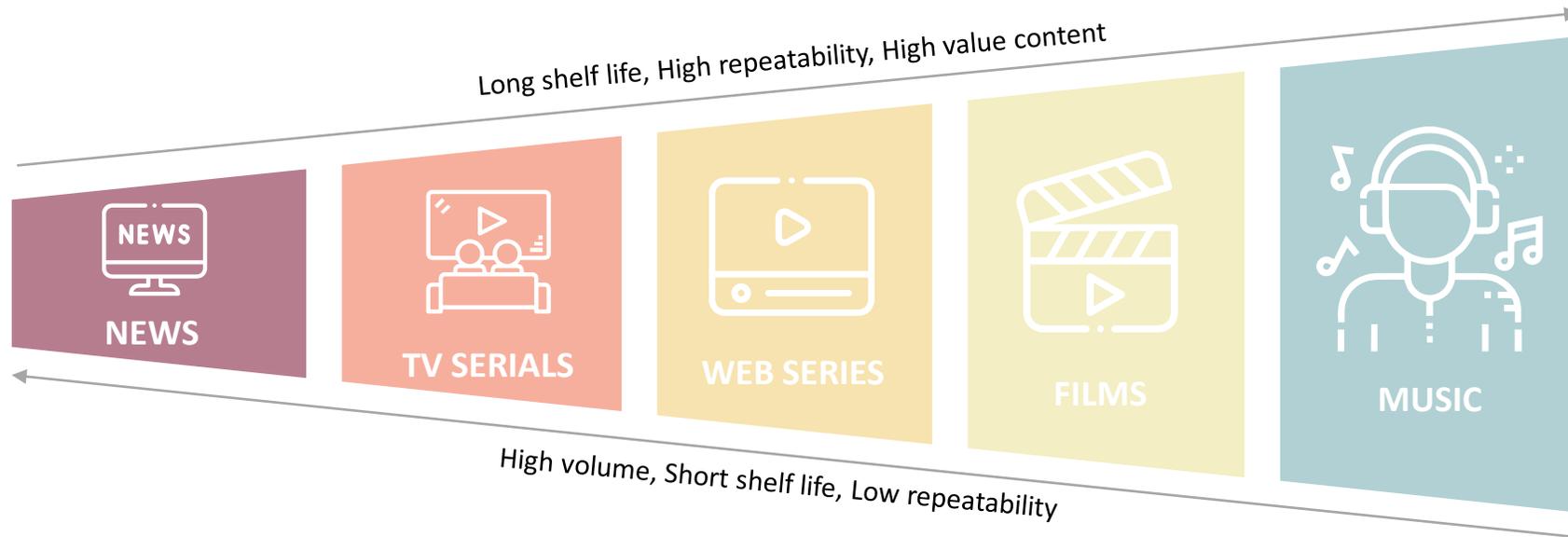
# Cash Flow Statement

Cash Flow Statement (Rs. Crs.)	Mar-23	Mar-22
<b>Cash Flow from Operating Activities</b>		
Profit before Tax	105.6	88.6
Adjustment for Non-Operating Items	-2.6	-1.4
<b>Operating Profit before Working Capital Changes</b>	<b>103.1</b>	<b>87.2</b>
Changes in Working Capital	10.2	-36.0
<b>Cash Generated from Operations</b>	<b>113.3</b>	<b>51.2</b>
Less: Direct Taxes paid	-31.0	-21.9
<b>Net Cash from Operating Activities</b>	<b>82.3</b>	<b>29.3</b>
Cash Flow from Investing Activities	-49.5	-27.1
Cash Flow from Financing Activities	-43.5	-2.8
<b>Net increase/ (decrease) in Cash &amp; Cash equivalent</b>	<b>-10.7</b>	<b>-0.6</b>
Add : Cash and cash equivalents at the beginning of the year	22.1	22.7
<b>Cash and cash equivalents at the end of the year</b>	<b>11.4</b>	<b>22.1</b>

# Music – A Digital Journey

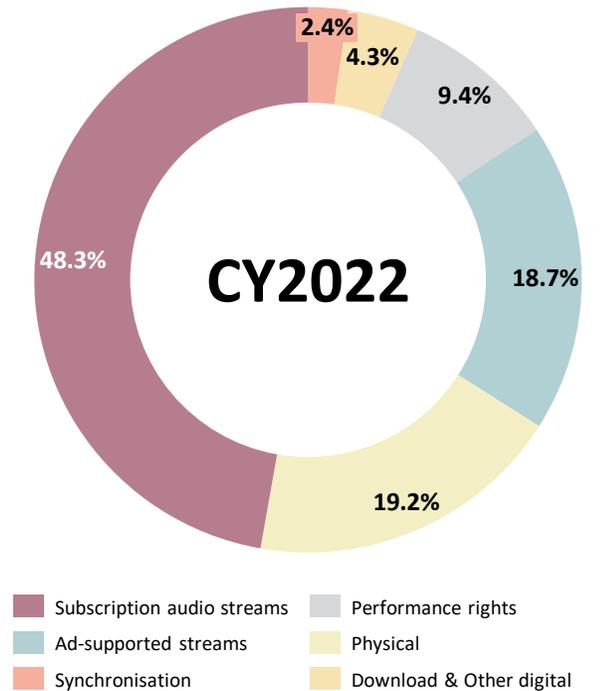


# Music Is The Most Valuable Content



**Content that can be monetized multiple times naturally commands greater economic value**  
**Music ranks at the top of the content pyramid when ranked on repeated monetization**

## Music Revenue Sources



Streaming comprised **67%** of total revenues in 2022  
**48.3%** of all streams were subscription based

### STREAMING

Streaming continued to grow strongly in 2022, up by 11.5% to US\$17.5 billion. Paid streaming revenues for CY22 were US\$12.7 billion

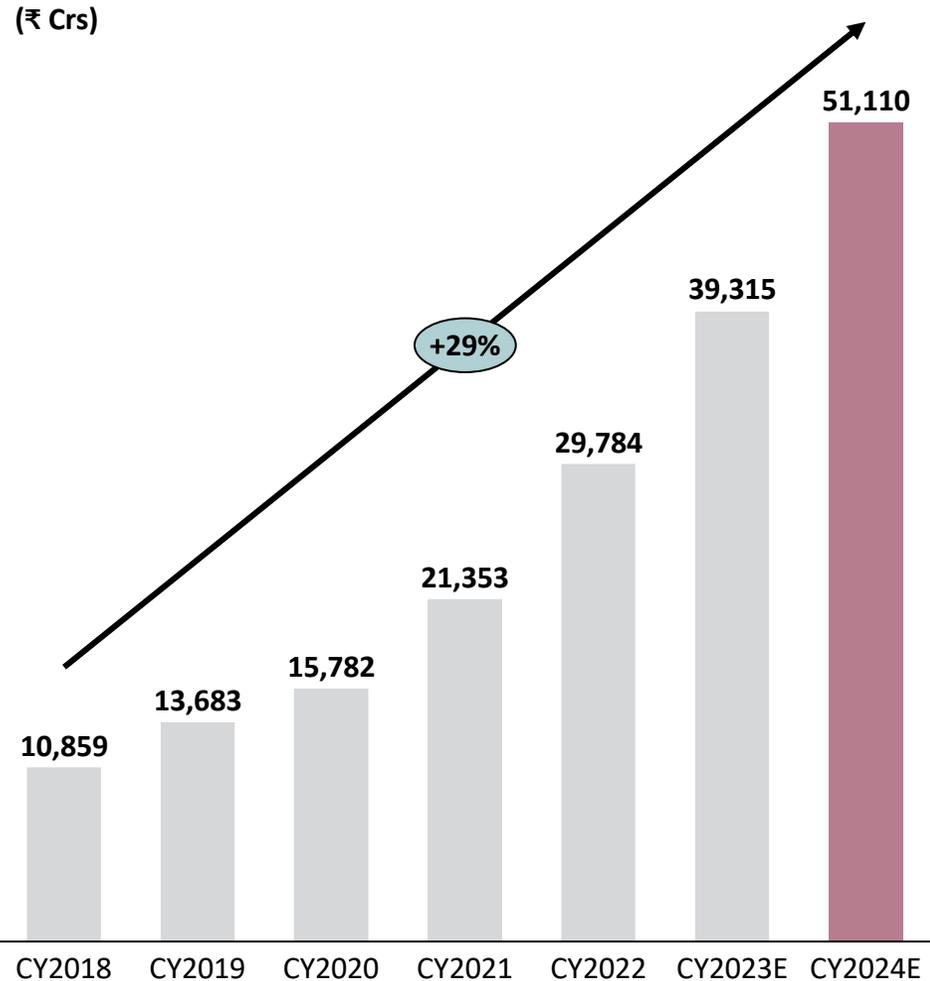
### SYNCHRONISATION

Use of recorded music in advertising, film, games and TV grew by 22.4% (US\$640.4 million) in 2022. Revenues from synchronization accounted for 2.4% of the global market

### PERFORMANCE RIGHTS

Performance rights are now a US\$2.5 billion revenue stream which grew 8.6% in CY2022

## Indian Digital Ad Industry



The Indian digital advertising industry stood at Rs 29,784 crore by the end of 2022, up from Rs 21,353 crore in the previous year. **It has grown at a rate of 39%**

This swift growth can be attributed to the rapid development of digital infrastructure and the development of mass market applications of e-commerce, education, entertainment, healthcare, etc.

The highest proportion of spends on digital media is claimed by **social media (30%, Rs 8,757 crore)**, closely followed by **online Video (28%, Rs 8,319 crore)**. Paid search claims 23% (Rs 6,895 crore), while display banners claim 16% (Rs 4,816 crore).

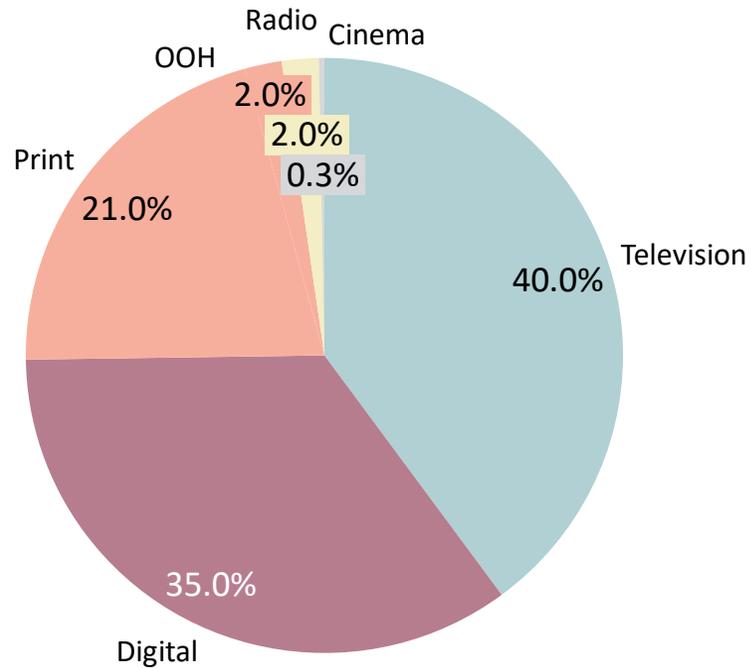
Social media is expected to grow with a CAGR of 31% to have a spend share of 29% by 2024.

On average, Indians spend 2-3 hours on Social Media daily, which is at par with the global average.

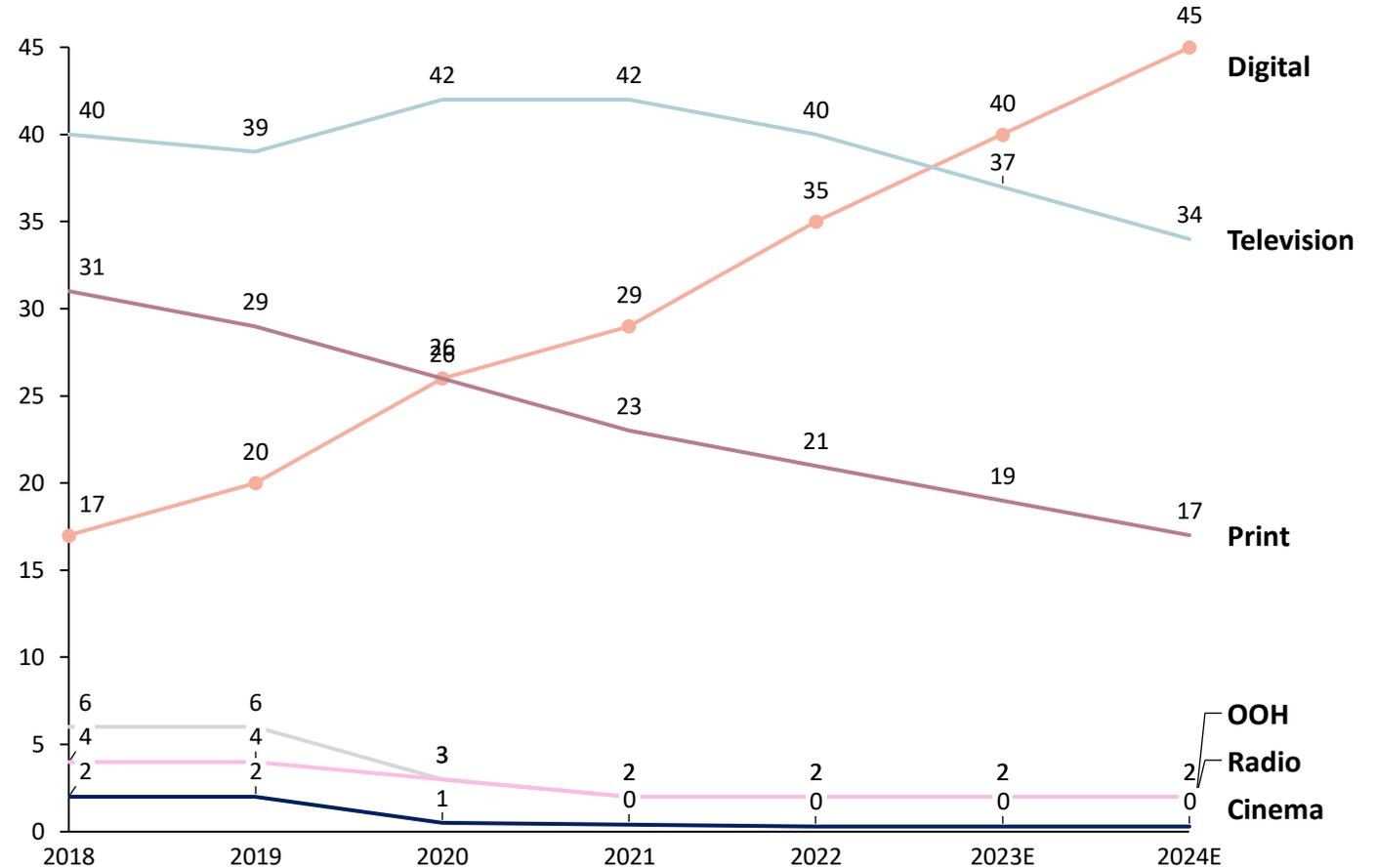
73% of the audience belonging to the age group of 45 years to 54 years use YouTube to watch online content.

# Digital Advertising will Dominate Media Spending

Advertising spends on different media



Advertising spends across various media (%) - Forecast

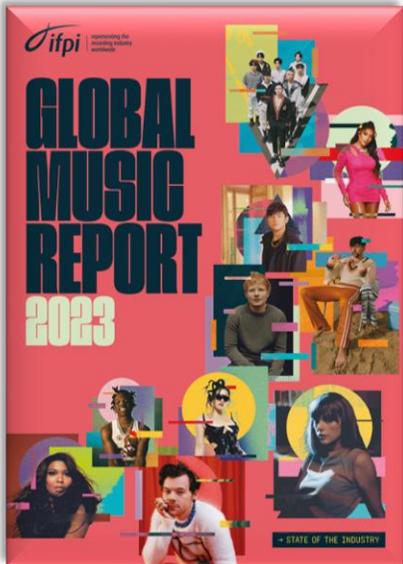


The current pie of digital ad spends constitutes 35% of the advertising spends in 2022, and moving forward in 2023 and 2024, the percentage is expected to increase to 40% and 45% respectively.

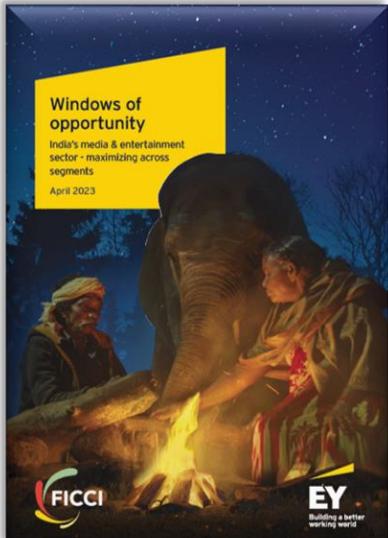
# Few Industry Reports



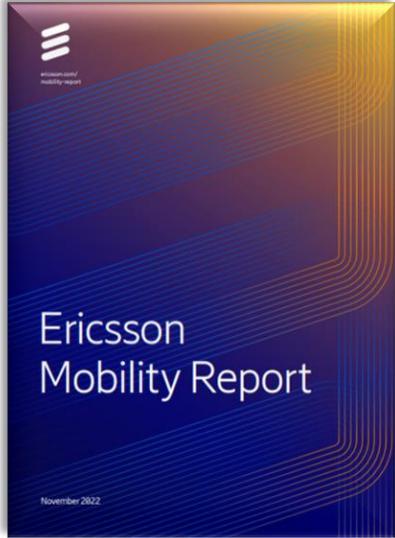
**dentsu**  
Digital Advertising in India



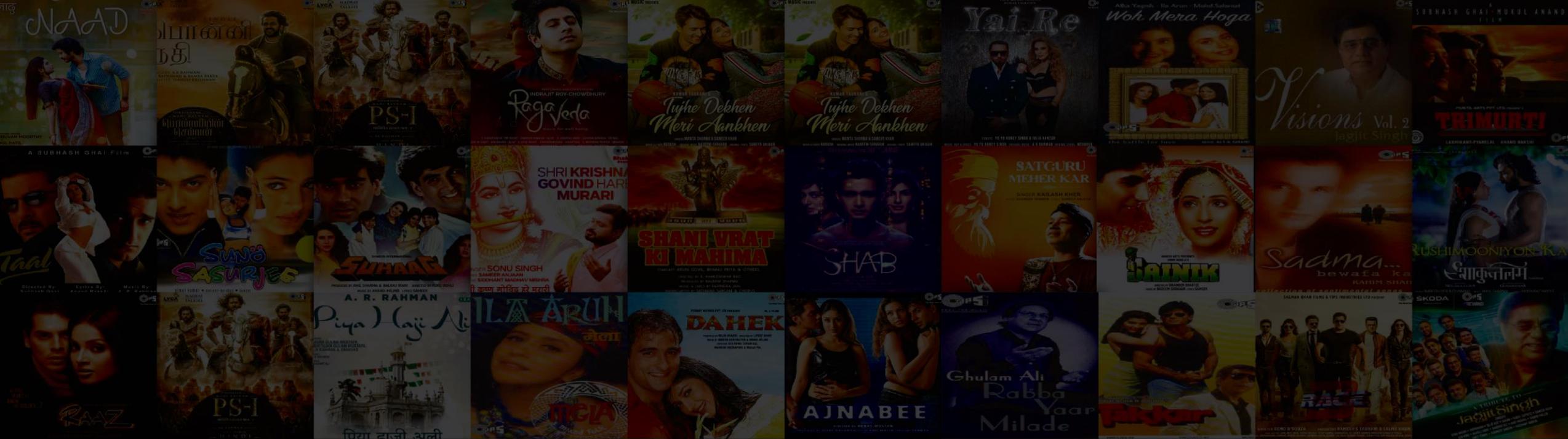
**IFPI**  
Global Music Report



**FICCI**  
EY Media & Entertainment Report 2023



**Ericsson**  
Mobility Report



# Thank You

## Company Details:

Tips Industries Limited

CIN: L92120MH1996PLC099359

Email id: [investorrelations@tips.in](mailto:investorrelations@tips.in)

## Investor Relations Advisors:

Orient Capital (a division of Link Group)

Mr. Nikunj Jain | Mr. Amar Yardi

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