

## CEO'S MESSAGE

# Transforming for the next era

## DEAR SHAREHOLDERS,

Building for the future requires clear intention and sharp execution. This very thought has governed us during the year, as we focused on strengthening the business with discipline, resilience and a relentless focus on the consumer. I firmly believe that strategy is the bridge between vision and generating value; and we are taking concerted action in this direction to identify and capitalise on the emerging opportunities in a constantly evolving landscape.

The year remained impacted due to a soft macro-economic environment which resulted in slower than expected growth for the industry at large. But the Media & Entertainment sector harbours immense resilience, which could be witnessed in the returns generated by your Company itself. When the winds are unfavourable, agility is not optional. It is in fact, a competitive advantage. That advantage is precisely what your Company demonstrated during the year – swift action and a strategic pivot to ensure a sharper focus on Performance and Profitability. As we move forward, your Company is transforming for the next era and building a strong springboard to propel into the future with a robust roadmap for long-term success.

## FUELLING FUTURE GROWTH

During the year, your Company leveraged its unique internal strengths and focused on sharpening its core to build a stronger foundation. For us at 'Z', growth does not stem only from expansion. It is a result of strategic calibration, exercising sharp cost discipline, effectively optimising the resources and capitalising on the emerging opportunities. In the year gone by, your Company took concerted efforts in each of these areas to build a healthy growth momentum. This enabled us to deliver a steady and positive performance, in turn generating returns for you – our esteemed shareholders.



Our clear focus during the year was on implementing sharp, result-oriented steps in line with our strategic growth plan actioned in the previous fiscal. This plan centred around Frugality, Optimisation and Focus on Quality Content, and we have strengthened our business levers in all three areas. We continued to drive significant efforts during the year to fortify our balance sheet to achieve our set goals. We exercised a prudent cost discipline that also resulted in a cost calibration of certain key business segments. This enabled us to streamline the businesses and position them to accrue gains in this evolving landscape, by seamlessly combining our core strength of content creation with emerging technologies to build immersive entertainment experiences.

Over the years, 'Z's distinctive strength has been its synergistic portfolio that leverages cross-platform capabilities to maximise reach and monetisation. As a Content & Technology powerhouse, your Company aims to build a more robust foundation for future growth by harnessing its capabilities to design an omni-channel business model. We continue to believe that India will remain a TV and Digital Market going forward and this approach will further enable us to drive a well-rounded content creation, distribution and monetisation strategy to give us a more competitive edge in the M&E sector.

I firmly believe a resilient strategy will balance our performance today with the potential of tomorrow. As a result, we are also driving focused investments into the business and identifying newer avenues to fuel long-term value creation. We want to capitalise on the opportunities

resulting from newer, emerging segments and we are creating a strategic roadmap to achieve these ambitions.

During the year, we have made meaningful progress in building a more agile and futuristic Company. Substantial efforts are being undertaken to integrate data-led decisions into content creation, embedding technology deeper into our operations. To give you an insight, we are implementing unique storytelling formats, leveraging our strength across languages to design a compelling value proposition across platforms, scaling our distribution footprint and pushing boundaries to redefine entertainment. Your Company recognises that the consumer of today is not passive; they are co-creators and curators. And we remain well-poised to engage with them through entertainment experiences across formats, languages and platforms.

We are investing in the future, in terms of Business and Human Capital – which is our most valuable asset. Guided by our rich value system, we are further nurturing the entrepreneurial spirit and encouraging teams to enhance their capabilities and attain higher responsibilities. We are building a future-ready talent pool, equipping them with the skills and mindset needed to thrive in a highly competitive landscape. The culture of 'Z' has been shaped by innovation and collaboration, and we continue to take the necessary steps to drive a performance-oriented workplace for the future.

As we move forward, we remain guided by our simple and clear **Vision** *“to bring about a positive change in people's lives through purposeful entertainment.”*

In line with this thought, we also aim to create a meaningful impact in the society through targeted initiatives in the realm of Corporate Social Responsibility (CSR) and Environmental, Social, Governance (ESG). Through our focused CSR efforts, we continue to generate positive societal impact, empowering lives and enabling progress across the Nation. We are also taking firm steps in ESG to reduce our environmental footprint with conscious efforts to drive sustainable growth. We have also focused on fortifying Governance by implementing robust frameworks to ensure higher transparency and accountability. During the year, your Company also strengthened the Board by including two new members – Mr. Saurav Adhikari and Ms. Divya Karani. We remain guided by a diversified and highly experienced Board, enabling us to strengthen the efforts towards achieving our long-term aspirations.

I am also pleased to share that during the year we released our first ESG Report that highlighted the meticulous efforts undertaken to create value and build a sustainable tomorrow. Your Company also earned an exceptional ESG score in the annual S&P Global Corporate Sustainability Assessment, outperforming the industry and reaffirming our commitment towards implementing the best practices in sustainability. As we step into the next era, we remain committed to delivering value for you, our esteemed shareholders and create lasting positive impact for the society at large.

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### THE YEAR GONE BY

The Indian M&E sector grew at a modest rate during the year. Even as the new-age media segment has been growing at a healthy pace, other segments like television, print and radio are yet to fully recover to the pre-pandemic levels. During the fiscal, linear TV witnessed a soft advertising environment as spends by FMCG brands and Direct-to-Consumer (D2C) brands were curtailed. The New Tariff Order (NTO) 3.0, aided in partially mitigating the softness in advertisement revenue with an increase in subscription, that was in line with inflation. Despite these challenges, your Company remained resilient, enhancing business fundamentals and strategic initiatives, maintaining its core principles of frugality, optimisation and quality content.

Your Company also maintained its viewership in key markets during the year and fortified its position as a strong entertainment network across the Nation. On the digital front, ZEE5 continued its growth in FY25, launching over 50 new titles, including originals and movies in collaboration with renowned content creators. Zee Music Company continued to remain one of the largest music publishing

labels with ~164 mn subscribers. It has a catalogue of ~18,000 songs across 22 languages, making it one of the fastest-growing music labels in the country.

### BUILDING A ROBUST FOUNDATION

Increasingly, the M&E landscape is being redefined by new models of content consumption and technology-led innovations due to evolving consumer preferences. These shifts are also changing the definition of entertainment for consumers across age groups. For us at 'Z', scripting this new definition as pioneers of the industry is a responsibility and privilege. As a result, your Company is accelerating its strategy to build a robust future with laser-sharp intent. At the heart of this strategy lies our continued focus on profitability and quality content. Our new brand identity is in line with this approach, reflecting the Company's rich legacy, agile approach and futuristic outlook. The cutting-edge design leverages the strong consumer connect your Company has established over the last three decades and displays our commitment to embracing emerging technologies and enhance the overall

consumer experience. We recognise that to be truly future-ready, we must be innovative in our creative ambition, yet disciplined in our cost approach. This dual mindset is now deeply embedded across the Company and drives all our decisions.

As we progress swiftly towards achieving the targeted aspirations, our Human Capital remains our greatest strength. In this journey, all of you, our valuable stakeholders also play a pivotal role. Your unwavering belief in our vision continues to inspire our momentum. Thank you for your continued trust and support in our abilities. With you by our side, we will continue to challenge the status quo and build the future of 'Z' with conviction, clarity and confidence.

As we navigate this dynamic environment, your Company remains steadfast in its commitment to delivering long-term value and build a platform-agnostic business with a robust foundation for growth.

As an eternal optimist, I see the road ahead filled with opportunities. We are ready to lead the future by setting the pace, rather than following it!

Yours Truly,

**Punit Goenka**

Chief Executive Officer  
Zee Entertainment Enterprises Limited