

Zee Learn Q1FY20 Consolidated Total Topline ₹ 166.2 Cr; EBITDA at ₹ 54.7 Cr

Q1 FY20 Consolidated Total Topline & EBITDA up 40 % and 30 % YoY respectively

Q1 FY20 Standalone Total Topline & EBITDA up 11 % and 38 % YoY respectively

ANNOUNCES INTENT TO DISPOSE REAL ESTATE ASSETS & DELEVERAGE

Mumbai, 14th August, 2019: Zee Learn Limited, India's leading Education company and India's Most Trusted Diversified Education Brand*, today reported its Standalone and Consolidated Q1FY20 financial results.

Q1 FY20 performance on consolidated basis:

- **Total Topline for Q1FY20 at Rs. 166.2 Cr up from Rs. 119.1 Cr in Q1 FY19**
- **EBITDA for Q1FY20 at Rs. 54.7 Cr up from Rs. 42.1 Cr in Q1 FY19**

Commenting on the financial performance, **Umesh Pradhan, CFO**, Zee Learn Ltd said, "We continue to maintain our strong position in Pre School and K-12 business in Q1 FY20. The resilient performance owes to operational capabilities, world class service deliverables, strong franchisee network, resource optimization and rich product portfolio. The Company's focus remains on improving business performance while driving synergies across our platforms. The same has resulted in a healthy growth of 40 % in total topline and 30 % in EBITDA.

Our strategic acquisition of MT Educare is yet another example of Zee Learn's ability to turn around the business with great potential. Our focus on organically growing our platforms into market leading positions and monetizing our growth investments is beginning to crystalize."

Zee Learn Ltd. also informed the stakeholders that the Company wishes to dispose off Real Estate assets pertaining to its school operations in order to release funds for de-leveraging its balance sheet, subject to necessary approvals.

Commenting on the business performance, **Mr. Debshankar Mukhopadhyay, CEO**, Zee Learn Ltd, said "We see customers continuing to spend on the growth and transformation initiatives, and that is reflecting in our business numbers. ZLL through its varied forays including Early Childhood Care and Education (ECCE), K-12 School Education, Youth and Vocational education, Test Prep and tuition courses is playing a pivotal role in India's education system. The new initiatives started by the company in last financial year are being well received by the children, parents, franchisee partners and all other stakeholders and we are confident that ZLL will continue to grow its business and is committed to create long-term value for its franchisees, parents and students, shareholder. Our contextual knowledge, full spectrum capabilities and investments in research and innovation are the bedrock of our discontinuous growth and transformation initiatives."

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Financial Highlights: ZLL Consolidated

Figs in Rs Cr

Particulars	Quarter ended			FY19	YoY Q1 %
	30 June, 19	31 March, 19	30 June, 18		
Revenue					
Revenue from operations	154.76	165.35	113.14	517.25	37%
Other Income	11.52	10.69	6.01	32.00	92%
Total Revenue	166.28	176.04	119.15	549.25	40%
Expenses					
COGS / Operational Cost	43.87	46.66	28.69	145.37	53%
Employee benefits expense	38.43	41.23	28.01	141.57	37%
Selling and marketing expenses	6.67	7.67	7.02	27.19	-5%
Other expenses	11.03	17.85	7.25	45.39	52%
Total expenses	100.00	113.41	70.97	359.52	41%
EBITDA	54.75	51.93	42.17	157.72	30%
EBITDA %	35%	31%	37%	30%	
Finance Cost	14.80	13.45	9.36	47.31	58%
Depreciation and amortisation expenses	14.95	7.46	4.61	27.89	225%
Profit before tax	36.53	41.72	34.22	114.53	7%
Profit before tax %	22%	24%	29%	21%	
Tax	9.91	10.44	10.14	31.15	-2%
Profit after tax	26.62	31.28	24.08	83.39	11%
Profit after tax %	16%	18%	20%	15%	

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Key Business indicators

	June 2019 end	FY19 end	June 2018 end	FY18 end
Net Operational Kidzee (F)	1999	1914	1890	1813
Net Operational MLZS (F)	129	124	118	117
Net Kidzee Students (F)	109,689	136,954	100,207	127,201
Net MLZS Students (F)	78,252	63,875	58,029	56,264
ZLL Standalone EBITDA %	52%	45%	42%	39%

Key Financial indicators (Standalone)

	June 2019	FY19	June 2018	FY18
Free Cash Flow (Rs. In Cr)	31.49	78.70	27.67	70.00
Borrowings (Rs. In Cr)	171.08	181.21	140.75	133.26
Debt Equity Ratio	0.40	0.44	0.38	0.38

Key Financial indicators (Consolidated)

	June 2019	FY19
Borrowings (Rs. In Cr)	423.98	431.67
Debt Equity Ratio	0.66	0.71
EPS (Rs.)	3.03	2.33

Recent Recognitions for Zee Learn:

- Zee Learn awarded Great Place to Work for the Financial Year Apr 2019 – Mar 2020
- Kidzee wins the award for Leading brand of the Year – Preschools by WCRC, Apr 2018
- MLZS wins the award for Leading brand of the Year – Schools by WCRC, Apr 2018
- Zee Learn has been awarded Franchisor of the year 2018 by Franchise India, Oct 2018
- MLSI Awarded Great Place to Study by Forbes Marquee Magazine, Oct 2018
- MLZS Awarded Great Place to Study by Forbes Marquee Magazine, Oct 2018
- Luminosity - Learning Management System Portal for MLZS wins award by IDC Insight Awards, Nov 2018
- Innovative Practices For Academic Excellence by ELETS, Dec 2018
- Innovation In Curriculum In Early Childhood Development by ELETS, Dec 2018
- Most Admired Preschool Brand – by White Page International, Dec 2018
- Wins the award for Great Companies to work for in Education Sector 2019 by World HRD Congress, Feb 2019
- Zee Learn ranked 16 as Great Companies to work for in 2019 by World HRD Congress, Feb 2019
- Kidzee wins the award for National Early Child Playschool Chain 2019 by Franchise India, Feb 2019.
- MLZS wins the award for National K12 School Chain of the Year 2019 by Franchise India, Feb 2019.

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ZEE LEARN LIMITED:

Zee Learn Limited is an Essel Group Company listed on National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and on Luxemburg Stock Exchange, and is India's leading company in education segment with the fastest growing chain of K-12 schools and Asia's No 1 chain of pre-schools in its portfolio. The Company through its brand 'Zee Institute of Media Arts' (ZIMA), a TV and Film training institute, offers Certificate courses in Direction, Acting, Sound, Editing, Production and Cinematography. Another offering from the company, 'Zee Institute of Creative Art' (ZICA) is the nation's first full-fledged Classical and Digital Animation Training Academy that trains youth in classical 2D and modern 3D animation.

For additional information on financial results, please contact:

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