



QUINT DIGITAL MEDIA LIMITED

Transcript- Call organized by Antique Broking Private Limited

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| Antique Broking Private Limited | <ul style="list-style-type: none">▪ Mr. Anish Zaveri▪ Mr. Vikas Ahuja▪ Mr. Ashish Aggarwal |
| Quint Digital Media Limited | <ul style="list-style-type: none">▪ Mr. Piyush Jain (Head - Special Projects)▪ Company Advisors |
| Quintillion Business Media Private Limited | Mr. Anup Dutta (Chief Financial Officer) |

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| Piyush Jain | So, just as a brief background about the company, Quint Digital Media is listed entity, which is listed on the Bombay Stock Exchange. |
| Advisors | <p>The promoters of the company are Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal Jain.</p> <p>The Promoters as on June 30 approximately hold 55%+ of the outstanding share capital of the company.</p> <p>This company was acquired by the promoters in November 2018 when they entered into an agreement with the erstwhile promoters to acquire the company.</p> <p>Thereafter in January of 2019, the acquisition was completed and post that the company has been operated by Mr. Bahl, Ms. Kapur and Mr. Jain as promoters and the management team.</p> <p>In terms of Quint's business which is part of the company, Quint Digital Media Limited acquired the Quint business from Mr. Bahl's private company on July 1, 2020. So, with effect from July 1,2020 the Quint's website and the platform resides in this Company. It was acquired on a slump sale basis.</p> <p>So that's in terms of the corporate structure of the company. There are no subsidiaries, it's just a single entity and is headquartered in Noida with its corporate office and it's Registered Office is in Delhi.</p> <p>There's a small office in Bombay where the marketing team from Bombay operates. So that's in terms of the company.</p> <p>The Company's board, in addition to the three promoters, there are three independent directors and another woman director including Ms. Vandana Malik, so that the board has seven directors.</p> <p>The Auditors are Grant Thornton, their affiliate Walker Chandiok, they are the auditors of the company.</p> <p>The first quarter results were declared on June 16, sorry July 16¹ which are in public domain. So that's briefly about the company, and now Piyush I just request if you could briefly run them through the corporate profile of the company in terms of the business etc.</p> |
| Piyush Jain | <p>Yeah, sure. Thank you.</p> <p>Hi this is Piyush Jain, I am representing the Quint and I am associated with the Quint as the Business Head Special Projects.</p> |

¹ <https://www.bseindia.com/xml-data/corpfiling/AttachHis/1b098bfe-3704-4418-97a8-f74881a9d485.pdf>

We prepared a brief presentation². Just to give you an overview of, you know, a couple of industry points plus, how the businesses in performing for the QUINT.

Over the last year or so.

This is the industry background slide. So the last two years obviously has been very difficult for most industries across, and so has been the case for the media industry with the COVID pandemic, we've had a lot of ups and downs, for the entire industry.

So, you'll see that, you know, the only growth area. In fact, you know some such kind of problems like pandemics also comes with an opportunity.

And I think this opportunity was for the digital growth or digital acceleration that has happened over the last couple of years. So you would see that the growth has happened only for the digital part and rest of the media has actually be decelerated.

So there's been negative growth for most, You know, media verticals.

Pandemic being hit the maximum, and that entire shift has happened to the digital media. And this is why you see a huge growth in terms of digital.

The reasons are also you know obviously because we've also seen a lot of mobile. You know there's been a mobile exponential growth. There's been a data growth, or you've seen various companies launching your very cheap data plans.

Therefore, that is also exploded. So all this is actually held in the growth of digital media, and certainly the COVID pandemic you know, just kind of compare you to move digital.

So I think that's really the background to the slide. You can move to the next.

Digital segment is expected to grow to about 425 billion by 2023, CAGR again 22%. The only growth that you see it you know again TV 7% print 11% of all these are you know in in in in layman terms. These are traditional media, and therefore they're all, you know, losing out to the growth and digital media so that I think that there's a shift happening towards digital media across and online gaming. So again, all the related parties which are towards the digital side. So they are all gaining united the cost of TV and print, print being the maximum.

We've seen a huge growth in the news on digital platform to consumption. And this is, again, like I said, because of the COVID I think this also accelerated.

Earlier we used to say that print is habitually driven. It's a fact actually because while print is not, you know, there was a growth of broadcast from 2000 onwards, even then print state, and print continued its growth.

² https://www.bseindia.com/corporates/anndet_new.aspx?newsid=4b9d30c6-7f87-465a-a001-a273b4e83a9f

Do it last to television, but it still stayed. I would have always said that, you know, print is, it will not move out completely, but you know the last two years, because it has been a compulsive behavior for the people who actually move to digital.

I think you've seen print lose out quite a bit on this. And therefore, again, the first device that people are actually you know, are using for accessing the news and information is the mobile.

So it's always mobile first platform that's dominating. So we've had smartphones growth, mobile devices growth and overwhelming 80% of all news is consumed in India on social media platforms, that's the other, you know, growth that we're seeing. So social media today is actually a huge source of news information and consumption.

These are the core values of the Quint. So, you know, we launched about five- six years back, as the digital only company. And we've always believed in Innovation, Audience first.

I'll share that video my report is one of the sections we have which is based on citizen journalism so as promote citizen journalists across the country.

Trust and credibility are the two basic factors or basic hygiene that you know any media company has to have and therefore we are clear that you know we want to be trustworthy, credible, independent and impactful.

This is our network. So we have the Quint which is in the English. We have a Quint Hindi, this is the sub domain of the Quint. So, and we have the Quint fit which is a health site for us.

And these are just some of the newsroom initiatives I was mentioning including my report to you, which is a citizen journalism project, we promote it.

We kind of invite normal people to become citizen journalists of the day, and they do their own report. So some people keep sharing their videos/ tech stories to us.

Whereas, in fact, for any problem or anything that they see, and they share that with us. Neon is again you know basically it's a take it's up on anything that goes viral we take about we you know we go and take box pops and we do kind of queries with the people take their feedback, etc. It's more youth oriented, special projects etc we continue to do in addition branded content projects, etc.

This is on the fact checking work, which is today very popular. And we were one of the first few people to get the IFC recognition for this and accreditation.

And that is a must for being a fact checker website. Next.

This is how, QUINT, has grown over the last six years. . We have 72 million unique visitors visited our network. And when I say the network. It includes the Hindi Quint and the fit.

425 million plus views on video. 188 million plus page views 5.5 billion less pressure impressions again about 16 million followers 110 million plus average us on Facebook.

So this is just a snapshot of how went in just about six years has grown to this level, where we are seeing you know impressions, to the tune of five and a half billion.

This is a social reach. So, YouTube is about 190 million plus video views, with 4.7 million subscribers touching 5 million based one about 737,000 followers on twitter.

69,000 followers on LinkedIn. 1.2 billion impressions on Facebook. So Facebook has been a huge growth story for us as well. And 1 million plus followers on Instagram.

This is the competitive edge Quint has.

Again, this is drawn down from various social media sources. Now that we have analytical tools that we use. So, on YouTube, you know in terms of subscriber, we are ahead of most of the legacy brands that you know, which are like Times Now, CNN-News18. And then you have the digital brands like the print, brut, scroll, first post.

So, we are competing with the big boys of this industry.

You know, in India in terms of video views also you'll see that we are again in the league of the big boys. So the most important point to note here is you know that we are digital only, whereas if you see all the other top five six brands, they have multiple multimedia verticals, like, for example, NDTV is in broadcast as well as digital and now India Today print, broadcast, as well as digital.

So we are going in this space as digital only; wire is pure digital, for sure.

But in terms of video views, again the top five and again you know, with their multiple media verticals happens.

This is just to compare ourselves with the legacy brands like NDTV etc. and they have also done phenomenally well on the digital side as well.

But like NDTV has been in existence for the last you know 25 years or more.

And we are here, six-year-old brand, we are comparing with such brands is itself an achievement for us.

So we've done a kind of a comparison of the major metrics in terms of YouTube subscribers, video views, Facebook page followers, etc. and compare them with the

NDTV and we've tried to come up with a power ratio. So we looked at our own costs and looked at the NDTV's costs, now these costs are actually pulled out from their financials- the audited financials of FY 2021.

We've excluded the distribution costs in the marketing costs etc because distribution costs would not apply to us. And because NDTV is in the broadcast space, so therefore that those costs and finance costs have been excluded.

We have stuck to only content costs and employee costs in production cost here just to do a comparison.

While we understand that they are into broadcast, therefore their monetization capabilities are in different mediums. Having said that, we are looking at, like I said in the past that, you know, there are traditional media which are, which are on the losing side currently and digital is the one that is going upwards. So therefore, the cost them become equally important going forward.

I was able to get about 50,000 subscribers on YouTube, with this 253 cost if YouTube is doing about 10,000 subscribers, then what is the power ratio that we arrive at so the Quint's power ratio is almost 3.4 times of NDTV.

So that's how we've done this power ratio so we do, you know, we see that our power ratios and most of the metric, are over one or two, whereas only on Twitter, you know, we see that we are we are half of them which is also an achievement.

I think Twitter is something which is hard to grow. It's an organic growth that is happening here. And in six years if we have grown to about seven or 737,000, again, looking at a million may shortly.

So our growth has been phenomenal there as well.

This is us our audience, you know, pick up whatever the 70:30 ratio gender ratio. And just to give you a snapshot of what our radio audience Consume in terms of what is the lifestyle, what are the food and eating habits, etc. So is this a general overview of the audience for the Quint.

Monetization content formats, like we said that we've always focused on innovation and we've always, you know, given a lot of, you know, talk about how we can integrate, you know, innovate in this particular space because standard display advertising is something which normally everybody would do, but we innovated in branded content videos today we are a brand to reckon with in terms of branded content so many clients to reach out to us only for branded content.

We are doing native articles, editorial integration, social media integration, sponsorship, and Ips. We've done standard display banners which is standard format or then rich innovation, we're doing with, you know, done some Google deals, and we are doing performance-based campaigns is something which we experimented with the last one year and we will continue to that experience. So this

is just, you know, monetization opportunities that we have with various kinds of formats events and webinars we have done in past, though, you know, because of Covid we've had a little bit of a blip here, in terms of events but we are now innovating in terms of webinars and more online virtual events, but hopefully I think this Covid situation will also improve, and we'll have this event back into the radar.

These are global revenue partnerships that we have; so we've been partnering with Google that Facebook, Yahoo, most of the other you know top brands. We've done syndication deals with Daily Hunt, with Opera, we had with Tik- Tok as well but we are not doing any other any further syndication with them.

That's really an overview of our global revenue yesterday partnerships, we didn't need to change. This is an editorial initiative that you know focuses solely on the aspirations of first time Women Voters in 2019.

This is hugely popular amongst women at that time, so we had a good, you know, basically audience, based on this 51% female and 49% male was our audience gender ratio in this next.

These are some of the partnerships we have now like I mentioned, we've done the Google and Facebook there's about a million dollars partnership between the two.

This is the GNI initiative for COVID vaccine fact check. There's the recent initiative we've just got this year and we were the only company actually in the digital space to get this particular google initiative with some of the partners, we have some partners associated with us for this.

And we are doing with Covid vaccine fact check here because google wanted to promote vaccine vaccination in the country and that's I think this was more than either the CSR before they wanted to do this activity.

Therefore, we got this project. On Facebook, we are doing a fact checking program with them for the last two years. And this is essentially because we had IFCN accreditation. So they are, we do about 80 videos of 70 to 80 videos every month for them on the fact check program.

This is the IFCN certified fact checking initiative as mentioned to you about, and will be on now, because of this IT Act, the new IT Act that thought into force.

We are now a founding member of the Digihub, this is the only digital news association that this is an established this year. So we are a member of that as well.

Yes, some of the awards that we got in the last years.

Yeah, we can go ahead.

These are the board of directors, as briefly mentioned to you about seven directors, Raghav Bahl Non- executive Director, Ritu Kapur who is CEO and Managing Director,

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| | <p>Mr. Mohan Lal Jain, Ms. Vandana Malik, Mr. Parshotam Dass Agarwal, Ms. Abha Kapoor and Mr. Sanjeev. So, this is seven Board of Director that we have.</p> <p>This is the senior management team, Piyush Jain that's me, Vivek Agarwal is our CFO, Sanjay Pugalía Ji who's also a known face in the industry. He has more than three decades of industry experience in 35 years in fact, with various leading brands in the country from print to broadcast to now digital, and Devika Dayal is our chief revenue officer again over two decades of experience.</p> <p>This is the financial snapshot of the last 12 months, nine months being of the last financial year and this Q1 of this financial year.</p> <p>And this is, this is also released in our press release that went out in July.</p> <p>So we I think open to questions.</p> |
| <p>Vikas Ahuja</p> | <p>Hi, Thanks a lot for the presentation. It was really helpful.</p> <p>So, so, you know, I just want to understand you know initially on in one of your slides you are explaining that last year, digital subscription and online gaming is worth two sectors, which kind of saw an uptake.</p> <p>If You know, one was up around 50% and the other one, close to 20 and rest of the verticals you are expected you, they actually declined. And obviously this is of Covid, you know, all these trends, TV, radio everything got distracted.</p> <p>But, you know, when we are, you know, showing the forecast in 2022.and look at the CAGR or obviously may be in 2021 or 2022, we are expecting of the sectors to go above pre Covid level even the Legacy one.</p> <p>So, what are the assumptions we are using the are we building in that Covid will, go away and few months, or, you know, what is giving you that confidence that we are saying that 70% CAGR in the next two three years.</p> <p>And just maybe start with that. Thank you.</p> |
| <p>Piyush Jain</p> | <p>Sure, Vikas this is, you know, this is a report that to the EY and FICCI had come out with in March 21 this year.</p> <p>We've cut this out from there. Now, you see, I'm sure they would have not taken COVID into consideration for this year as well because COVID was there in 2020 years, but I think no one expected this to continue in 21 and, you know, since they release this in March.</p> <p>I expect them to come up with another report next year, which would consider the COVID 2.0 pandemic as well, because if you will remember COVID 2.0 started sometime in late March or April this year.</p> |

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| | <p>Therefore, they would have not considered that. So, I would only see this, you know, increasing further the gap increasing further between digital media and the other because if COVID 2.0 is considered.</p> <p>But having said that this is an industry report we have taken from EY, FICCI so you know I would not be able to comment on exactly what kind of assumptions they've taken in this to forecast the CAGR.</p> |
| Vikas Ahuja | OK sure I sorry I thought this is more of our internal. |
| Piyush Jain | No, this is got from industry report. |
| Vikas Ahuja | Okay |
| Piyush Jain | And like I said this is probably only be better next year entirely for digital |
| Vikas Ahuja | <p>And you are also talking about your competitors like NDTV, TV Today and the others, they are you know the subscriptions are in some of them is still higher but do you think being the present in more of a Digital's and it's helping us to leapfrog and come</p> <p>you know, doing as good as maybe some of your larger bills, which has a big legacy present and secondly, you know, this, the decline we have seen in others, and the improvement we have seen in the digital part given digital and online mobile and everything, do you, how much of this is structural and how much of this technical which you think maybe pushed COVID is over. Some of that will reverse that some of that trend will reverse.</p> <p>And, you know, the legacy will again you have a decent size me maybe it's obviously a digital has to grow faster, but in the near term maybe the legacy will also bounce back.</p> |
| Piyush Jain | <p>Sure. So, your question and I think there are multiple questions in this let me first try address the first.</p> <p>You said that, you know, as compared to the other legacy players and we are performing really well.</p> <p>Being the only digital company, obviously, it helps us because adaptation is much easier. Our costs are under control.</p> <p>Because with legacy brands, you see there they have multiple media platforms so their costs will always be little higher, they'll have to really focus on cost, giving you know, current situation even in the industry in terms of revenue monetization to with digital be being digital only adaptation is much easier. Plus, monetization. You see, what happens is today, you know, digital the growth that we've seen in digital is huge.</p> |

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| | <p>And now I've come to the second question, while COVID may have acted as a catalyst, but the growth has been structured is not just because of Covid.</p> <p>So, you're seeing that shift happening over the last few years. If not, if not 10 but maybe last five years, that shift is continuously happening.</p> <p>So, it's not that this shift is seen only in the last few years. I am saying the gap has widened, only because two years has been a catalyst. So, I don't think it's going to be reversing.</p> <p>This is not a reversal. This is now a fundamental change that is happening in the consumption habits of people.</p> <p>You see if you today. You could look at your own consumption pattern. The consumption pattern has actually moved to mobile and digital. So therefore, that this is a structural shift happening and you know we are best way is to exploit that and monetize that because we're digital only. We have costs under control, or adaptation is much quicker and easier. So, turnaround and you know, adapting to better strategies to innovate, to come out with new opportunities, and you know capture them is going is going to be far better.</p> |
| <p>Vikas Ahuja</p> | <p>Yeah, yes sorry to talking in between. So, so my question is more around that. Earlier, maybe we were expecting digital to grow 2x of legacy, do we think that, then that's, that's just an example.</p> <p>Do we think that that after COVID, Now that the speed of growth, you know, the digital the growth in digital is going to be even higher maybe now, or maybe a 3x or 4x of what we use to estimate earlier, and the same on the other side the lead legacy is going to lose even faster.</p> <p>So that, I understand you know the digital has to grow faster because now you know next two three years, everybody was talking about 5g coming. Apple has already started you know manufacturing 5g the phone so everything has to move on, on digital</p> <p>platform in the medium to long term, but I was just trying to understand the pace of growth. Do we think that it's, it has become much faster.</p> |
| <p>Piyush Jain</p> | <p>You know it's difficult to suggest that it will be much faster the pace will increase. But yes, you know, we will certainly see this growth continuing with us where it's 2x, 3x, 4x it is very difficult to a say at this stage.</p> <p>Let's just give this another year, you know, for us to really, again assess the situation post COVID 2.0, and then probably will be in a better position to kind of assess the situation going forward</p> |
| <p>Anish Zaveri</p> | <p>Piyush I have a question.</p> |

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| Anish Zaveri | <p>Well, you know, my attention was drawn to Quint because of the kind of funding that I saw coming along IN-SHORTS that actually drew attention to each other listed players in the country in a similar or comparable space. So, I have a slightly fundamental question. Can you let us know what are the various verticals subsidiaries the listed company has which verticals will be contributing how much in FY21 how much this contributed and FY22, what's going to be the contribution?</p> <p>So those are the two slightly fundamental questions. I want to clear before we go ahead.</p> |
| Piyush Jain | Okay |
| Company Advisors | <p>So, Anish, as of now, you know, there are no subsidiaries at the listed company as mentioned in the beginning. It's a standalone entity and the entire QUINT business is housed within the company, and in terms of the verticals also. This is the only platform which is into the listed company which is a QUINT platform, and which is essentially three verticals. The Quint Hindi, the Quint English, and the Quint Fit. So, these are the three verticals which are there and all are housed within QDML itself.</p> <p>Then, there is an announcement which the Company had made in the board meeting held on 16th July, in terms of the proposal presented to acquire certain other media operations. If you want, we can dive into that or first we could dive into the, you know, the financial aspects of QUINT and then we could dive on what disclosures were made, as part of that press release.</p> |
| Anish Zaveri | Fine whatever you feel comfortable, I am ok. |
| Piyush Jain | <p>Yeah. so as mentioned in the start that QDML has been operating the QUINT platforms from July 1, 2020.</p> <p>So, it's been now what 12 months that we're operating this, the last financial year, we had a nine month, operation in this in this company which is QDML.</p> <p>We recorded overall revenues about 18 Crores with an EBIDTA of 4.69 Crores; 26% EBIDTA margin. In, if you look at 12 month period from July 1 till July 1 2020 till June 30 2021, this would be about INR 24 Crores of revenue, which is roughly about INR 6 crores, averaging INR 6 crores on quarterly basis.</p> <p>In Q1 of FY 21- 22 which was just released in July this year. Despite the Covid lockdown in fact, you know, COVID was a serious concern because we weren't at the peak of over 2.0 in April to June.</p> <p>Given the current difficult situation even then, I think, you know, we've really outperformed with respect to the industry we had INR 6.4 crores of revenue vis-à-vis 3.1 crores in the last in the last quarter so 100% growth Y-on-Y, Q-on-Q actually I am referring to the last year quarter.</p> |

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| | <p>In terms of the guidance for the Q2, we are looking at, you know, a decent growth here and I think we should be able to achieve about 30 to 40% growth for on a full year basis, we should be able to do at 80 to 100 growth over the last year.</p> <p>And this is largely led by the acceleration and digital adoption, like we just mentioned in over the last few minutes, but I was explaining that the how digital industry is growing, with respect to the other traditional media and the company expect this trend to continue. And we will consolidate going forward.</p> <p>Post the capitalization, QDML will expect about an EBIDTA margin for the full year to be in the range of 30 to 35%.</p> <p>That's our overall view for this particular financial year.</p> |
| Anish Zaveri | <p>So, what happens with Bloomberg Quint. Is this going to be part of the listed company in the near future, or me because there's a lot of traction out there as well</p> |
| Company Advisors | <p>So Anish, it's just, you know, as you would have noticed earlier also that in the board meeting held on 16th of July., the company had, you know, received a proposal from the founders, Mr. Bahl and Ms. Kapur regarding their know intention to sell the stakes in the various digital media operations they own or control or have interest which even includes Bloomberg Quint. So, the five operations which they're offered to QDML includes Quintillion Business Media Private, which is housing and owning the Bloomberg Quint platform.</p> <p>Quintype Technologies India Private Limited India, which is a SAS based media tech company.</p> <p>Then, there is a company called Spunklane Media Private Limited which operates a South based digital news platform.</p> <p>Then, Youth Ki Awaaz, which isa youth based social media platforms on social issues and some news aspects. And then there is an entity called Owlet, which houses the OTT business in terms of content creation for OTT players.</p> <p>So, just one point to be noted that it's important to understand that this is just a proposal which was given by the founders to QDML and this is subject to detailed evaluation by the independent directors of the QDML including you know conducting diligence and valuation by advisors and structuring from an acquisition perspective and it's only post that the board will take a call on whether the proposal for acquisition makes sense or not.</p> <p>Also, just to clarify, as and when this matter is reporting back to the Board, this being a related party transaction, will require due approvals from the Board of Directors, Independent directors, Audit Committee and the public shareholders of the company.</p> |

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| | <p>If the matter is approved by the Board and taken to the shareholders for approval, promoters will not be entitled to vote on the resolution, because it will be a related party resolution. So, and in terms of the businesses you know which I mentioned, which has been offered. First one is correctly as you mentioned is Quintillion Business Media Private Limited, which is the entity which houses the Bloomberg Quint platform, and I will request if Anup can briefly explain what the financial and structural profile of the company is.</p> |
| <p>Anup Dutta</p> | <p>Hi, Anish and Vikas. okay on Quintillion Business Media, it was formed on 12th December 2015. It is a joint venture entity between Quintillion Media Private Limited, and Bloomberg LP, all of his know, Bloomberg LP, so there's no need for any introduction of that.</p> <p>Quintillion Media own 74.03% stake in QBM and Bloomberg LP owns 25.97% Quintillion Business Media runs the business news platform bloombergquint.com. For the year ended 31st March, 2021 QBM has reported revenue of ~ INR 9.1 crores.</p> <p>For the first four months of FY22, QBM has entered into advertising contracts, totaling around INR 5.2 crores and in the first four months, including July, it has subscription and programmatic revenues which are in the tune of INR 1.2 to 1.3 crores. This display revenues of INR 5.2 Crores that I just mentioned, when we can compare it vis-a-vis, INR 1 Crore in Q1 of 2021 and 2 Crores in Q1 of FY20.</p> <p>Now, QBM expects to achieve a cash breakeven during Q4 FY22, in Q4, they expected monthly advertising consumption is expected to be in the range of INR 1.5 Crores per month. and the programmatic and subscription revenues will be in the range of INR 0.4 to 0.6 crores per month.</p> <p>While we are operating in the business news space, which is having competitors like Money control, ET, Livemint, FT, the, the fact is that all of these are legacy players with a short of network effect - ET is part of the Times Group, Moneycontrol is part of the CNBC TV 18 Group, LIVEMINT is part of HT Media. All these legacy players are having upwards of 20 to 30 million unique visitors and page views over approximately 100 million per month.</p> <p>In spite of this legacy players and with all of this, I mean, enormous unique visitors and, page views etc, BQ is uniquely positioned as a standalone independent brand, which has built a reputation for yourself in a short span of five years.</p> <p>We feel that our credibility and influence is certainly equal to everybody else. The team in BQ is accuracy. The content is deeply analytical with zero biases, independent and good quality, which has helped to our understanding in building of the product.</p> <p>This is also reflected in the premium we command in the market. We sell at between 350 to 550 CPM compared to our competitors who average out at around 150 per CPM.</p> |

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| | <p>The strength of our brand lies in the fact that from an advertising standpoint top brands like Accenture, Oracle, Cisco, IBM, Intel, think and learn, Motilal, IIFL, Kodak securities, HDFC and LIC have been partnering us for nearly five years.</p> <p>Our total subscriptions as of today's stand for 40k plus the corporates, we are also looking at corporate deals from ICICI, HDFC, Amex and Citibank for the subscription part.</p> <p>Currently we have 4.5 to 5 million unique visitors and 10 to 12 million page views per month. And on the revenue front, our revenues, mainly comprises of display advertisements branded content leads webinars videos microsites.</p> <p>So, this is an overall picture of Quintillion business. Questions.</p> |
| Anish Zaveri | Go ahead, Go ahead. |
| Company Advisors | <p>So in addition to QBM which Anup explained, the other four operations which are being offered to QDML from an acquisition perspective and again, and I just say that this proposal is subject to regulatory approvals, including the recommendation of independent directors', valuations and diligences etc.</p> <p>The 2nd Company is Quintype Technologies, a Bangalore based company which is a SaaS based media tech company, in which Quintillion Media owns 50% plus on a fully diluted basis.</p> <p>This Company has raised, INR 25 crores as part of a Series A funding last year from IIFL AMC which is part of the IIFL Wealth Management Group. And the founding team here is led by Chirdeep Shetty who is the CEO.</p> <p>Presently, Quintype has done an overall investment of INR 70 plus crores in growth and development of the SaaS platform and the platform is fully ready and does not require any significant investments going forward. On the revenue perspective, the Company recorded revenues of INR 6.5 crores as on March 31 2021.</p> <p>And going forward, the company's expecting an ARR of INR 10 Crores for year ending March 31, 2022.</p> <p>Overall, you know, if you look at Q4 of FY 21-22, the company expects a revenue in the range of INR 2.5 to 3 crores and a cost of around INR 4.5- to 5 crores; that is roughly a INR 2 crores burn on a quarterly basis – this the company expects after a significant downsizing and cost rationalization exercise that is being undertaken.</p> <p>So, this is on Quintype Technologies, and also Quintillion Media, has the right to maintain its stake in in any further fresh round which the company does to raise funds.</p> <p>The third operation is Spunklane. This operates a South based digital media news platform called thenewsminute.com.</p> |

This platform is operated by operated by Vignesh and Dhanya, who are the founders of this platform. The platform has significant presence in the 4 southern states – Tamil Nadu, Kerala, Karnataka, and Andhra Pradesh.

Mr. Bahl in his personal capacity owns 48% stake in this company. As on March 31, 2021, this Company had revenues in the range of INR 4 to 4.5 crores.

On a going forward basis, the company expects revenues of INR 5 Crores for FY 21-22 on the cost base of INR 6 to 7 Crores.

The amount invested is INR 12 crores and Mr. Bahl has the right to maintain his stake or participate in any future fund raise with the company does.

The fourth operation is Youth Ki Awaaz - a digital media platform based for social issues.

Here, it's a minority investment which Quintillion Media. It it's a 21% stake plus some convertibles. In addition, it has a right to participate in future rounds as well.

This Company is majorly owned by its founder Mr. Anshul Tiwari. It's a profitable company for the current financial year and is expected to have a topline of INR 5 crores and be profitable.

The amount which Quintillion Media has invested is ~ INR 6 Crores.

And the last of the entities/ operations is Owlet. This as mentioned initially is not a news vertical or news based digital platform. This is an entity which is engaged in creating content for OTT platforms.

Quintillion Media owns a minority stake of 27.5% in this company with an investment of INR 2.75 crores.

And this company is own majorly and operated by its founder Mr. Manish Hari Prasad, who was the Ex- CEO at Red Chillies and then he set up his own venture as Owlet.

The company is engaged in creating a content/a web series for a leading OTT platform at a tentative cost of INR 30 to 35 crores - that's a project value. We have been given to understand that these projects have a marginal of around 10%.

So, this is one of the project company is executing plus there are couple of other active projects in the pipeline where story writing and other development activities are happening.

So, these are the five companies i.e. five assets, which have been offered to QDML from an acquisition perspective. And now, the independent directors are appointing necessary consultants and professionals to undertake diligence and recommend to

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| | the independent directors and board, their views on the company's plus the valuations etc. |
| Anish Zaveri | Thanks, thanks for that. |
| Vikas Ahuja | Yeah, hi. I have one more question regarding the, you know, we have various verticals digital legacy and everything right. So, is it possible to provide you don't what kind of margins are doing, you know, what is the margins of digital subscription was versus online gaming and versus maybe the TV print and all. Maybe the broader one, which you have given in terms of the, the share of major industries. |
| Piyush Jain | When you say margins. What do you mean, sorry, I could not get? |
| Vikas Ahuja | EBIDTA Margin, I mean so we have the revenue here right in the presentation. Is it possible to get maybe a rough idea of what kind of margins they are doing? |
| Piyush Jain | Most of them are unlisted companies so it was very difficult to get any sort of information for unlisted whatever is in the public domain, in terms of the listed company where we can cut out the furniture that you provide that but apart from that, the most of the players you see are all unlisted, it's very difficult to get. |
| Vikas Ahuja | Sir, I'm asking about your own segment with just so digital you save TV you say 50% of the revenue of the overall comes from TV right so what are the margin share of TV versus the other. |
| Piyush Jain | For our company, we are not in TV |
| Vikas Ahuja | Okay. Okay, sure. So, I think Ashish has few questions. Ashish you can just ask, may be |
| Ashish Aggarwal | Asking Breakup of subscription versus and advertisement revenue. |
| Piyush Jain | Breakup of subscription and advertisement, is that right? |
| Ashish Aggarwal | Yes, and within the advertisement which are the major sectors driving, is it FMCG or any other sector? |
| Piyush Jain | Okay, I get it. Now, on the first question breakup of advertising revenues and subscription. See currently we have minimal subscriptions Though, that's a focus area for the QUINT, because that's where you know we've seen that there's a growth happening. |

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| | <p>And we are clearly now, you know, points to, you know, exploit that, and therefore we will be focusing on membership and subscription this year and next. So currently we don't have any subscription rates, it's minimal.</p> <p>On the second part, and the, the industry verticals is mainly telecom, infrastructure, entertainment, VFSI, gaming education technology, food and beverages.</p> <p>So those are the kind of industries, FMCG is not so much there today. But, yeah, because their rates are very minimal you know in terms of what they offer, but these are the really industry sectors in terms of our advertising opportunity.</p> |
| Ashish Aggarwal | Can you please give us what proportion, what percentage top 4 top 5, how much percentage of revenue contributes? |
| Piyush Jain | Between industry? |
| Ashish Aggarwal | Yeah, it could be industry first. |
| Piyush Jain | <p>Well we can say telecom contributed about 20%, Infrastructure about 10 to 15% Entertainment again about 10 to 15%, VFSI again 10 to 15%.</p> <p>So, in gaming again 10%, education similar. In education like you know in this quarter we'll see a little bit of more education coming in because these are admission times.</p> <p>So, it depends on, you know, different quarters you'll have different verticals performances.</p> |
| Ashish Aggarwal | And one final question What's your cost per view that sort of a major to compare between paid media and other media. Do we have something like that cost per view, because I want to compare the digital versus print versus TV versus OTT. |
| Piyush Jain | <p>No again, we need to know the cost for every party then that's something which is very difficult to find out to really to get a deliverable as well in terms of how much circulation they're doing and what kind of viewership they have.</p> <p>So you know these are the figures that are mainly privy to the companies. And whatever available in public domain.</p> |
| Ashish Aggarwal | I mean, just like, for example, Print is costliest thing in their own way, they charge around 1 crore for a front page and all the things which we compare now on cost per view. |
| Piyush Jain | And i sense that because you know today discounting happens so much in the market so you know we'll never know whether that's one quarter that's 10 lakhs or 2 lakhs, we will never get to know what kind of a full page is sending it unless you |

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| | want to advertise yourself. It is difficult, so you know, different verticals deliverable as well as cost. |
| Ashish Aggarwal | Thanks. Got it. |
| Vikas Ahuja | Hi Ashish, Anish, if there is no other questions can we close this call. |
| Anish Zaveri | Yeah, I am pretty much done by just a revenue outlook for FY22. How's it looking just to one will you give us some kind of guidance, |
| Piyush Jain | So, For QDML? |
| Anish Zaveri | Yes, for the listed entity. |
| Piyush Jain | Yes, I had provided that earlier and I will mention again for FY22 |
| Piyush Jain | For a full year basis - FY 21-22, we expect a growth of 80 to 100% growth in terms of revenues. We should be also looking at EBITDA margin of 30 to 35%. |
| Vikas Ahuja | Thanks Piyush thanks Anup, thanks everybody for joining the call. and thanks management for taking the time out. Appreciate. |

Note: Transcript has been edited to improve readability.

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