S.CHAND GROUP

S Chand And Company Limited

Corporate Office: A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi - 110044, India
Registered Office: Ravindra Mansion, Ram Nagar, New Delhi - 110055, India.
P:+91 11 4973 1800 | F:+91 11 4973 1801 | E: info@schandgroup.com | www.schandgroup.com

Date: August 10, 2018

To	To
Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001	Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051

Dear Sir,

Re: Investors Presentation-Financial Results-Q1 FY 2018-19 -pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The presentation for the analysts and investors for the conference call scheduled to be held on Friday, August 10, 2018 at 12:00 P.M. to discuss the financial results for the quarter ended June 30, 2018 is attached herewith.

The Company shall also disseminate the above information on the website of the Company i.e. www.schandgroup.com.

Request you to kindly take note of the same.

For S Chand And Company Limited

S Chand and Company Ltd. New Delhi-55

Jagdeep Singh
Company Secretary
Membership No-A15028
Add- A-27, 2nd Mohan Co-operative Industrial Estate,
New Delhi-110044

Encl: As above

S. Chand and Company Limited

Q1 – FY2018-19

Results Presentation

August 09, 2018

CONTENTS

- Q1 FY 2018-19 Results Update
- Proposed 51% beneficial interest in Chetana Publications (India) LLP
- Annexure: Industry Overview and Group Profile

CONSOLIDATED FINANCIAL PERFORMANCE: Q1FY2018-19 (3 MONTHS)

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S Chand and Company Limited (Figures in INR Million)	Consolidated		
	QE 30.6.18	QE 30.6.17	YE 31.3.2018
Revenue from Operations	577	606	7,944
Other Income	24	15	127
Revenues	**601**	**621**	**8,072**
Cost of goods (net of inventory change)	347	277	2562
Publication expenses	77	94	683
Selling & distribution expenses	135	133	737
Employee benefit	357	323	1386
Other expenses	173	161	650
EBIDTA	**-488**	**-367**	**2,054**
Depreciation and amortization	55	50	193
Finance costs	54	88	240
Profit before tax	**-597**	**-505**	**1,622**
Share of profit/(loss) in associates	-5	-2	-12
Exceptional Items	-58	0	0
Tax expenses	162	135	-539
Profit after taxation	**-498**	**-371**	**1,071**

Fire resulted in loss of finished good lying at the warehouse worth INR 58 mn for which the company has adequate insurance coverage for the same and claim with the insurance company has been filed.

STANDALONE FINANCIAL PERFORMANCE: Q1FY2018-19 (3 MONTHS)

S. CHAND GROUP

S Chand and Company Limited (Figures in INR Million)	Standalone		
	QE 30.6.18	QE 30.6.17	YE 31.3.2018
Revenue from Operations	189	294	3,440
Other Income	46	46	270
Revenues	**235**	**340**	**3,710**
Cost of goods (net of inventory change)	135	114	1,334
Publication expenses	33	48	380
Selling & distribution expenses	40	46	234
Employee benefit	136	129	544
Other expenses	70	71	298
EBIDTA	**-180**	**-68**	**920**
Depreciation and amortization	9	11	34
Finance costs	21	40	97
Profit before tax	**-209**	**-120**	**790**
Exceptional Items	**0**	**0**	**0**
Tax expenses	-69	-41	282
Profit after taxation	**-141**	**-79**	**508**

KEY HIGHLIGHTS: Q1FY2018-19

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I. **Consolidated Revenues from Operation at INR 577 mn, down 4.8% YOY**
   - K12 segment sales remained at similar level of around INR 475 mn YOY
   - Sales of Higher Education segment at INR 74 mn from INR 125 mn in Q1FY2017-18 primarily on account of higher pre ordering in certain regions in Q1FY2017-18

II. **Consolidated EBITDA loss at INR 488 mn vs Loss of INR 367 mn in Q1FY2017-18**
   - Higher direct costs on account of GST to the extent of around INR 30 mn
   - Inventory rebalancing to the extent of INR 35 million
   - Q1 is a negative EBIDTA quarter due to seasonal nature of business (historical trend)

III. **Net Debt as on 30th June 2018: INR 873 mn**

IV. **51% beneficial interest in Chetana Publications (India) LLP for INR 585 mn**
   - Board approved proposal to invest INR 585 mn to gain 51% beneficial interest
   - Details discussed in ensuing slides

V. **Board approved investment of up to INR 100 mn in Nuri Nori, VRX and Test Coach products to augment new lines of business**

QUARTERLY WORKING CAPITAL CYCLE (CONSOLIDATED)

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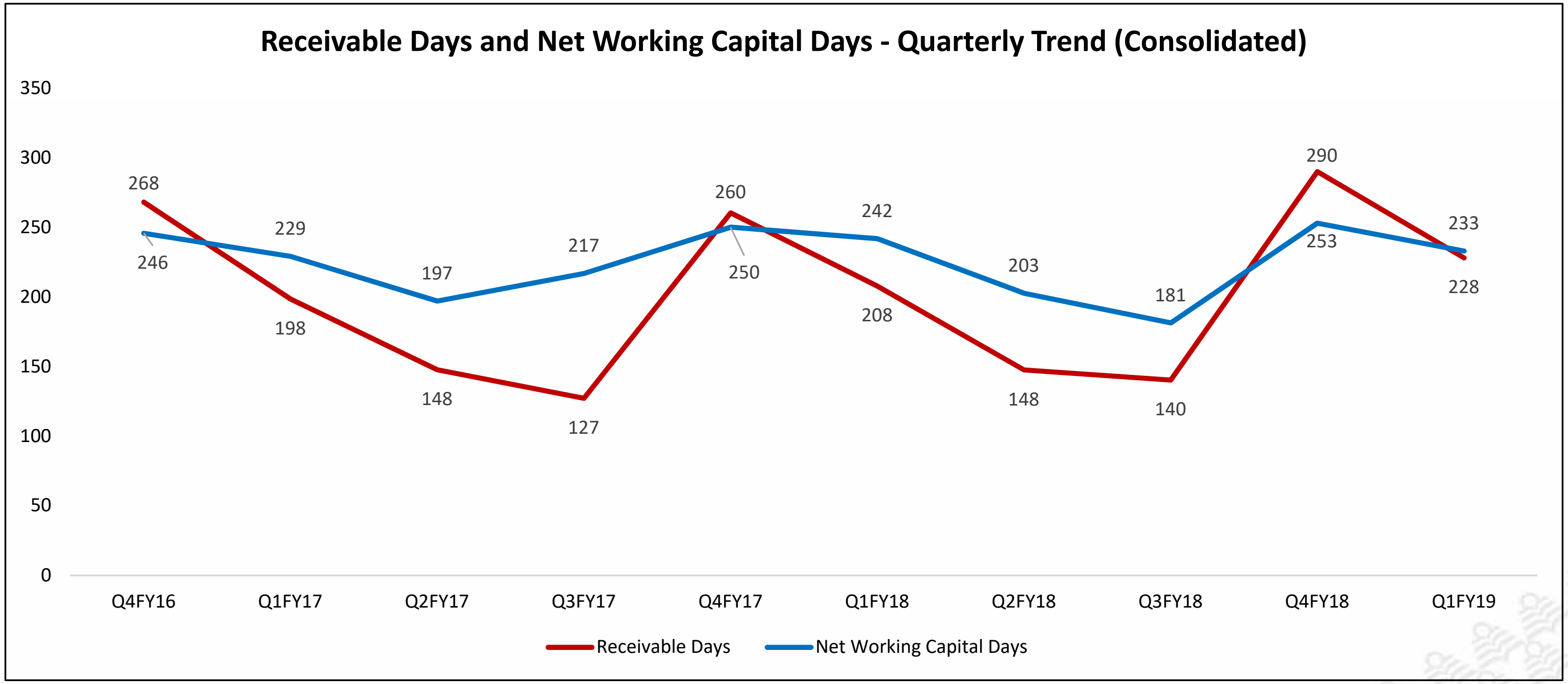
Working Capital : Debtors reduced from INR 6,312 Mn as on 31.03.2018 to INR 5,016 Mn as on 30.06.18.

- ~ 30% debtor realization during the quarter
- Overall working capital down from peak of 253 days to 228 days



Investment in Chetana Publications

Investment of INR 585 Mn in Chetana Publications (India) LLP for 51% beneficial interest.

- Chetana is a well recognized brand in the educational publishing industry with strong presence in the Maharashtra State Board curriculum market.
- Portfolio of ~ 1600 titles, primarily comprises supplementary educational material for K-12.
- Reaches out to 2500+ coaching centers and 10000+ schools, selling over 8 million books.
- Publishing revenues of Chetana brand ~ INR 75 Crores on TTM basis. Ebidta margins of around 27-28% (normalized).
- Seasonal business, Q1 (AMJ) contributes to around 85% of business revenues of Chetana.
- S Chand to acquire remaining partnership interest after 30th November 2022 at an agreed pricing formula linked to TTM performance.
- Transaction expected to close by 15th September 2018.

Investment Rationale

✓ **Investment is in sync with S Chand's "Accelerate" strategy:**

- Diversification into regional market (Maharashtra State Board).
- Increase in reach amongst schools and coaching centers by over 12,000.
- Fourth acquisition in education publishing since 2012 (roll up strategy).

✓ **Synergies**

- Chetana has strong growth prospects considering student/ school population in the West regional market.
- Integrating with S Chand to help accelerate growth with benefit of access to group resources ,i.e., distribution network , printing infrastructure, preferred paper prices, digital content, etc.

✓ **Seasonal Variability**

- Around 85 % of Chetana sales booked in the AMJ quarter, which is a weak quarter for S Chand. Integrating with Chetana will help S Chand better utilize its capacities and resources during this lean season.

PERFORMANCE – FULL YEAR FY 17-18

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+ 18% yoy
Revenue growth
FY 2017-18

+ 21% yoy
Ebidta growth
FY 2017-18

+ 73% yoy
PAT growth
FY 2017-18

INR 31.1
Earning Per Share
FY 2017-18

Summary : Consolidated Figures in INR Mn	FY 2018 Audited	FY 2017 Proforma*	YOY%	FY 2017 Audited
Total Revenues	8,072	6,868	18%	6,622
Ebidta	2,054	1,705	21%	1,687
Profit before taxation	1,622	1,081	50%	1,069
Profit after taxation	1,071	619	73%	613
EPS (in INR)	31.1	20.7	-	20.5

Financial results have been prepared in accordance with IND-AS.
* 2017 Proforma includes consolidation of operational performance of Chhaya for the full year.

PERFORMANCE TREND

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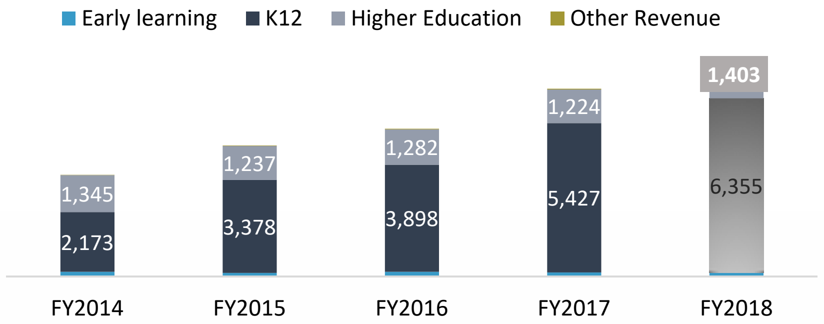
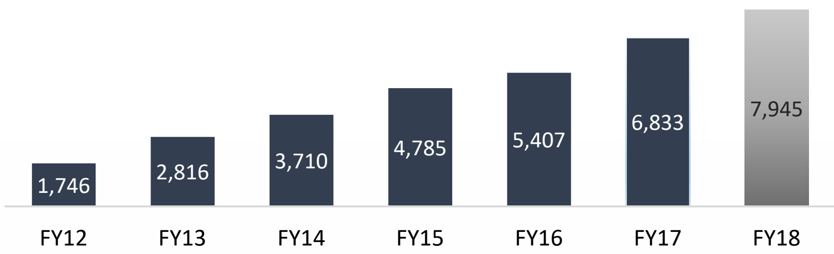
Increasing Contribution of K-12 to Group Revenues.



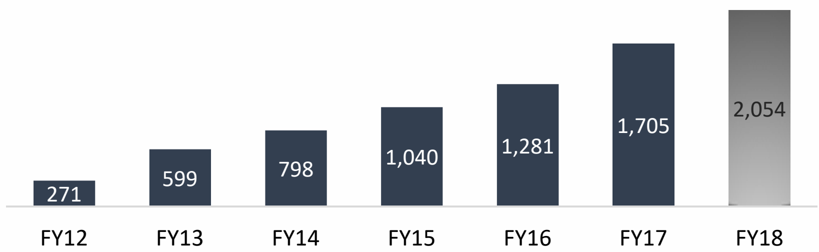
Revenue Growth = Organic Growth + Acquisitions.

6 - Year CAGR : 29%



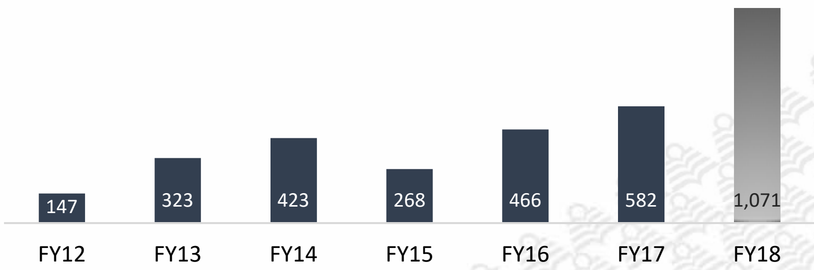
EBIDTA Growth at a Faster Pace.

6 - Year CAGR : 40%



Net Profit Growth (excluding minority).

6 - Year CAGR : 39%



Figures for FY 2017 & FY 2018 are as per IND-AS. Prior year figures are as per Indian GAAP and may be fully comparable.

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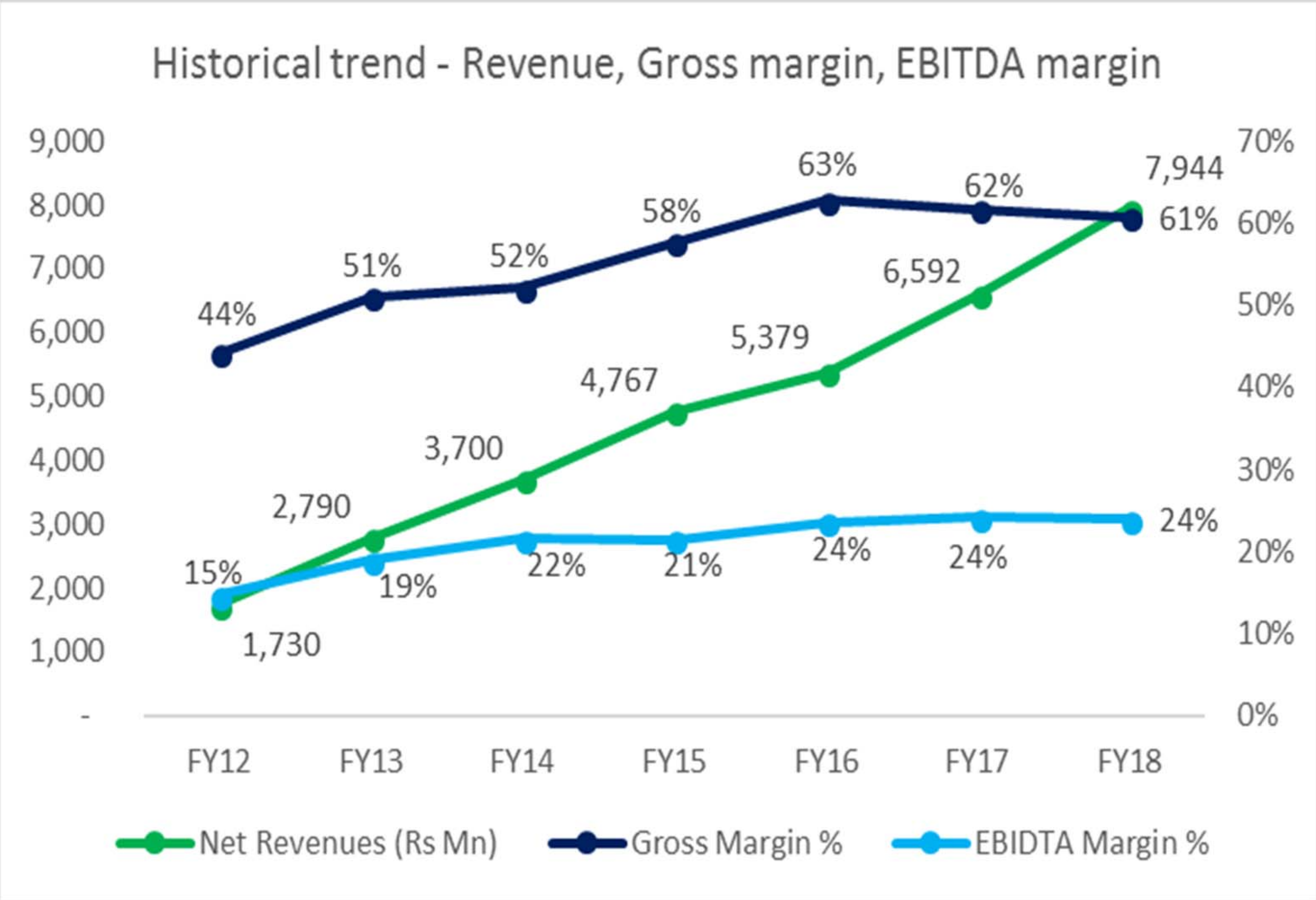

Improving Margin Profile

- Economies of scale
- Production Efficiency
- Rationalization of Royalty
- Improved realization from DEBs
- Operating Leverage

QUARTERLY BUSINESS CYCLE – NATURE OF OUR BUSINESS

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7% to 8% Revenues
Negative WC

Q1 April - June

- Last leg of K-12 sales for new academic session and delivery of books to distributors/ schools.
- New academic session commences in April for CBSE/ ISCE schools.
- Annual paper contracts negotiated.
- Finalisation of title catalogue for next academic year (new and revised titles).
- Sales performance review. (regional/ branches)

4% to 5% Revenues
Negative WC

Q2 July - September

- Content revision/ development by editorial team in collaboration with authors.
- Engagement with schools & teachers. (training sessions, workshops, etc.).
- Sample distribution. (September)
- Return of unsold stock from distributors as per contractual agreement.
- Semester 1 (Higher Education) and Test preparation sales based on government vacancy examinations.

8% to 9% Revenues
Peak Inventory

Q3 October - December

- Sample distribution and evaluation by schools.
- Printing of back list and best seller titles.
- Final reconciliation and closure of distributor accounts before commencement of season sales.
- Order visibility from schools starts building up.
- Significant sales quarter for HE segment.

77% to 80% Revenues
Peak Receivables

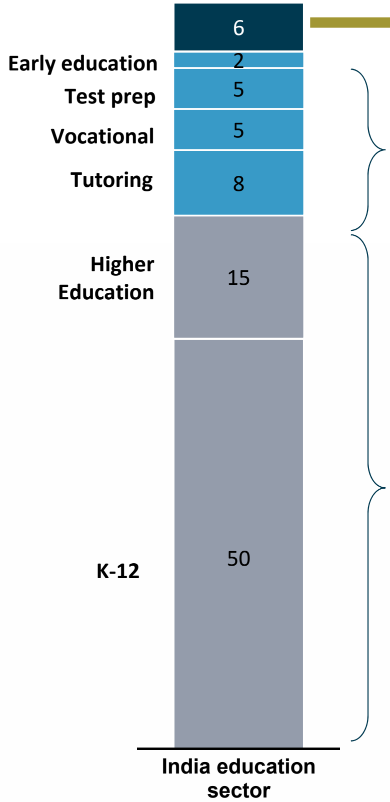
Q4 January - March

- K-12 season sales and delivery to distributors/ schools. (Peak Season)
- Semester 2 (Higher Education) and Test preparation sales based on government vacancy examinations.
- Printing of front list titles.
- Additional printing runs for back list / best seller titles based on demand.

Annexure: Industry Overview and Group Profile

LARGE ADDRESSABLE OPPORTUNITY

US$90 BN Market Size for the Indian Education Sector



Informal Education Segment

- **US$20 BN**
- Comprises of test prep, tutoring, early education and vocational training.
- Less regulated; no restrictions on profit distribution.

Formal Education Segment

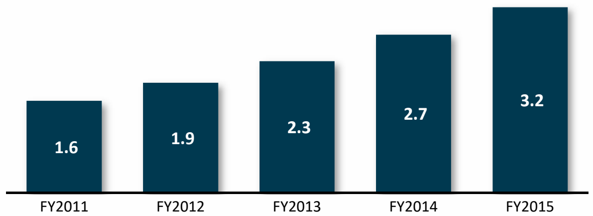
- **US$65 BN**
- Comprises both K-12 schools and higher education institutions (colleges, engineering institutes, etc.).
- Regulated segment, institutions cannot be set up on a *'for profit'* basis.

(Source: Technopak Research Report. Technopak Outlook on India's Schooling Segment June 2017. Nielsen: India Book Market Report 2015)

US$6 BN Ancillary Education Segment

S. Chand operates in this segment (K-12/ Higher Education content).

- **Supports formal and informal education segments.**
  - Comprises of content, digital content & services like curriculum management.
  - Mostly caters to K-12 & higher education institutions.
- **Less regulated; no restrictions on profit distribution.**
- **K-12 ancillary market is a fast growing segment.**



(K-12 ancillary market, US$ in billion)

- **Robust growth drivers.**
  - Eligible K-12 population of about 296 MN students in age group 6 to 17 years.
  - Private unaided schools increased at average rate of 10.4% during 2011-15.
  - India has largest education system in the world with over 750 Universities & 35,000 colleges.
- **Highly fragmented segment providing room for growth.**

INDIAN EDUCATION SECTOR: INFLECTION POINT, STRONG POTENTIAL

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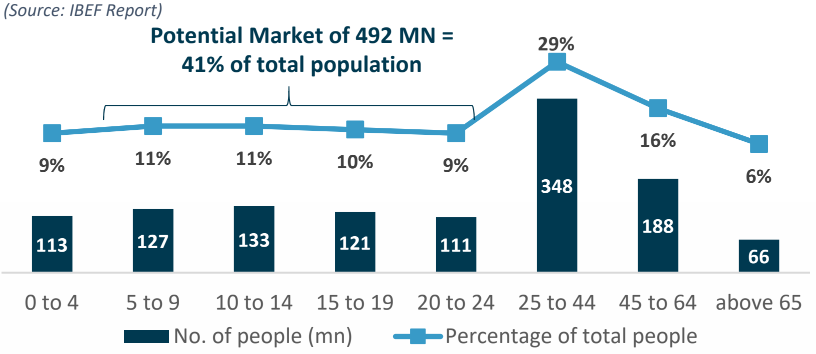
Age-wise population distribution in India : S. Chand target market

(Source: IBEF Report)



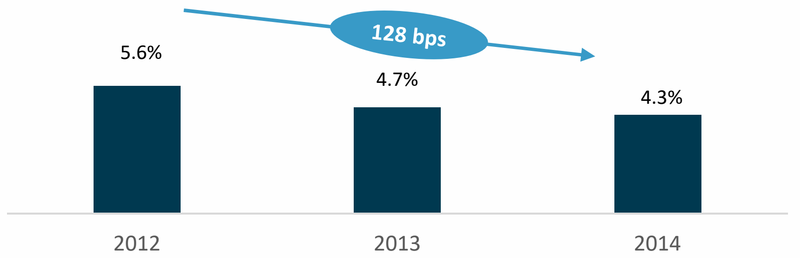
Literacy rate improving with higher participation from students

(Source: Technopak's Outlook on India Schooling Segment)

Level of Education	Estimated Population %	2017 (MN)	%	2022 (MN)
Illiterate	**20%**	**269**	**18%**	**250**
Literate but no formal schooling	2%	27	1%	14
School - Up to 5th standard	35%	471	36%	501
School - Up to 10th standard	18%	242	18%	250
School - Up to 12th standard	11%	148	11%	153
Some college but not graduate	5%	67	5%	70
Graduate	6%	81	7%	97
Postgraduate	3%	40	4%	56
Literate	**80%**	**1076**	**82%**	**1141**
Total	**100%**	**1345**	**100%**	**1391**

Decrease in drop-out rates for primary education in India

(Source: Nielsen Report)



S. Chand well positioned to benefit from sector tailwinds

- Gross enrolment ratio and students completing primary & secondary education gradually improving in India.
- Falling dropout rates and increased girls participation led to improvement in literacy rate.
- Government promoting education through various schemes with budgetary support.

PREFERENCE TOWARDS PRIVATE, CENTRAL CURRICULUM SCHOOLS

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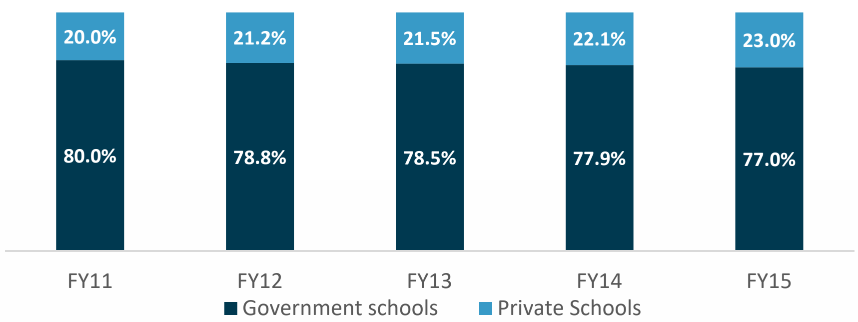
Private schools market share increasing every year

(Source: IBEF Report)



Indian K-12 education infrastructure

(Source: Technopak's Outlook on India's Schooling Segment)

Number of Schools: 1.5 MN	
Government: 1.1 MN	Private: 0.4 MN
Number of Students: 260 MN	
Government: 150 MN	Private: 110 MN
No. of Teachers: 9 MN	
Government: 5 MN	Private: 4 MN
Annual Intake: 18 MN	
Government: 10 MN	Private: 8 MN
Additional Capacity Required: 36 MN	
Additional Requirement of Teachers: 2 MN	
Additional Resources: USD 55 BN	

CBSE & ICSE increasing faster amongst affiliated board schools

Board	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR
CBSE	11,349	12,337	13,898	14,778	15,933	17,474	19,446	9.4%
ICSE	1,461	1,565	1,678	1,798	1,927	2,181	2,295	7.8%
State Boards	13,16,401	13,63,862	14,47,487	14,65,871	14,60,455	NA	NA	NA
Total	**13,29,211**	**13,77,764**	**14,63,063**	**14,63,447**	**14,78,315**	**NA**	**NA**	**NA**

(Source : Nielsen Research Report, School Board reports, DISE)

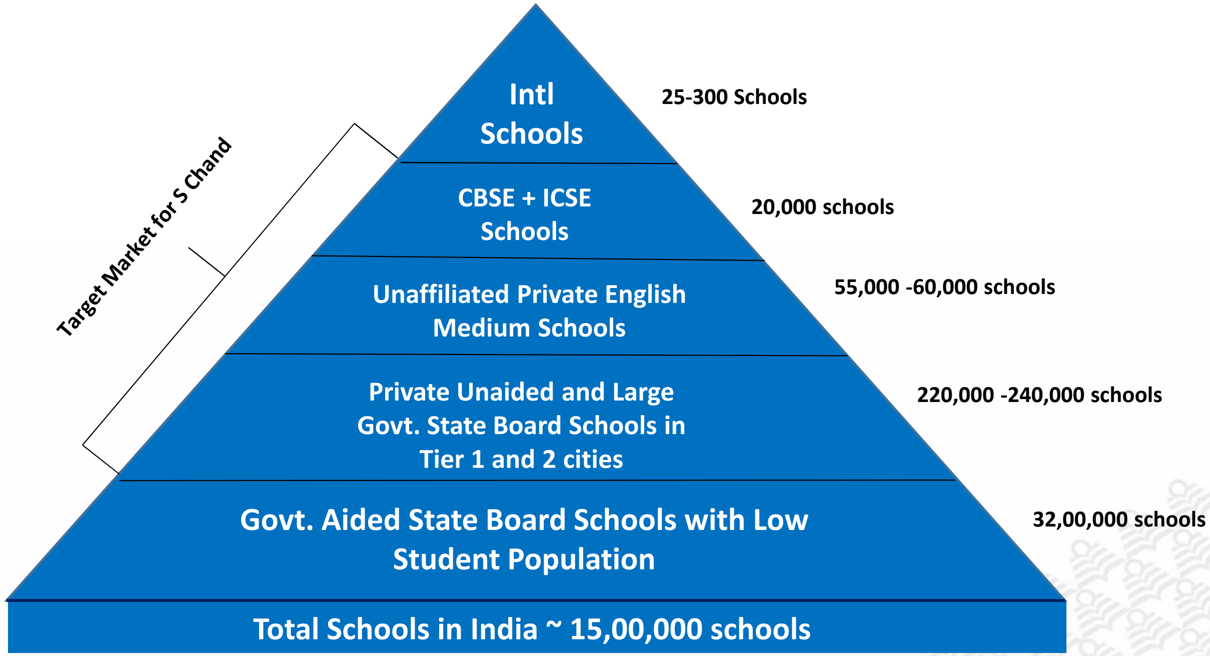
Preference towards private schools continue to rise

- Student share of private schools increasing consistently despite subsidised fees and free meals/ books in government schools.
- Government schools losing favour even amongst the rural and not so affluent population.
- CBSE and ICSE schools are preferred for their superior curriculum and better pedagogy.
- S. Chand is a key beneficiary of increasing number of CBSE and ICSE schools, being the leading content provider to such schools amongst the private publishers.

PREFERENCE TOWARDS PRIVATE, CENTRAL CURRICULUM SCHOOLS

Target Market is 3,00,000 schools – growing at 8-10 % annually and student strength growing at 7-8%

- Currently covering 38,000 schools in the target market
- Target market growing at 8-10% annually in the no. of schools
- Total student strength in India is est. 260 million
- Students strength in the target market is est. 120 million and growing at 7-8 annually.



INDIA EXPECTED TO FOLLOW CHINA TREND IN EDUCATION

CHINA 2006

- GDP per capita US$ 2,100.
- Private education market < US$ 50 Billion*.

INDIA 2017

- GDP per capita US$ 1,940
- K-12 market growing at ~ 20%.
- Private education market ~ US$ 30 Billion*.
- Education market expected to double to US$ 180 Billion by 2020.

230 MN Student Population 315 MN

CHINA 2017

- GDP per capital US$ 8,836
- K-12 market doubled in last 5 years.
- Private education market at US$ 260 Billion, expected to touch US$ 330 Billion by 2020.
- Largest global educational companies in book publishing, digital and vocational learning. (TAL - $ 21B, New Oriental - $ 15B, China South Publishing – $ 4 B).

INDIA 2025

- GDP per capita expected ~ US$ 3,600**.
- Over 50% students expected to enroll in private schools.
- Emergence of private education market led by K-12 segment.
- Billion dollar enterprises in education industry.

* Industry estimates. ** Per market estimates of GDP being US$ 5 trillion by 2025.

LEADER IN INDIAN EDUCATION CONTENT

S. CHAND GROUP

Delivering content, services and solutions…

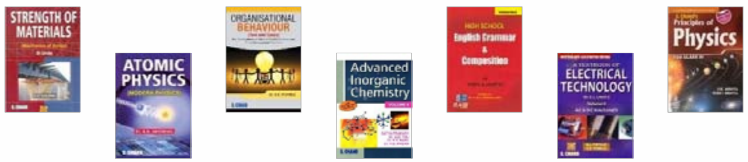
…across the education continuum

- Offerings spanning entire the education spectrum
  - o Early learning
  - o K-12
  - o Higher education

…with Pan India reach

- Pan-India sales and distribution network driving deep market reach.
- Presence in Central (CBSE, ICSE) and State Board affiliated schools across India.

Strong content, multiple best-sellers.



- **Long operating history of over seven decades.**
- **High brand equity across multiple brands.**
- **Strong author relationships.**
- **Keeping pace with time - transition from print into digital content and services.**

75+ Years of operating history	**10,000+** Active book titles	**53 MN** Books sold in FY2018
~ 2,443 Author relationships	**29%** Revenue CAGR FY2012-18	**90 TPD** Print Capacity in number of sheets

Portfolio of brands focused on print / digital content.

S.CHAND
VIKAS
MADHUBUN
NEW SARASWATI HOUSE
chhaya prakashani pvt.ltd.
mylestone
mystudygear
DESTINATION SUCCESS

BUSINESS SEGMENTS

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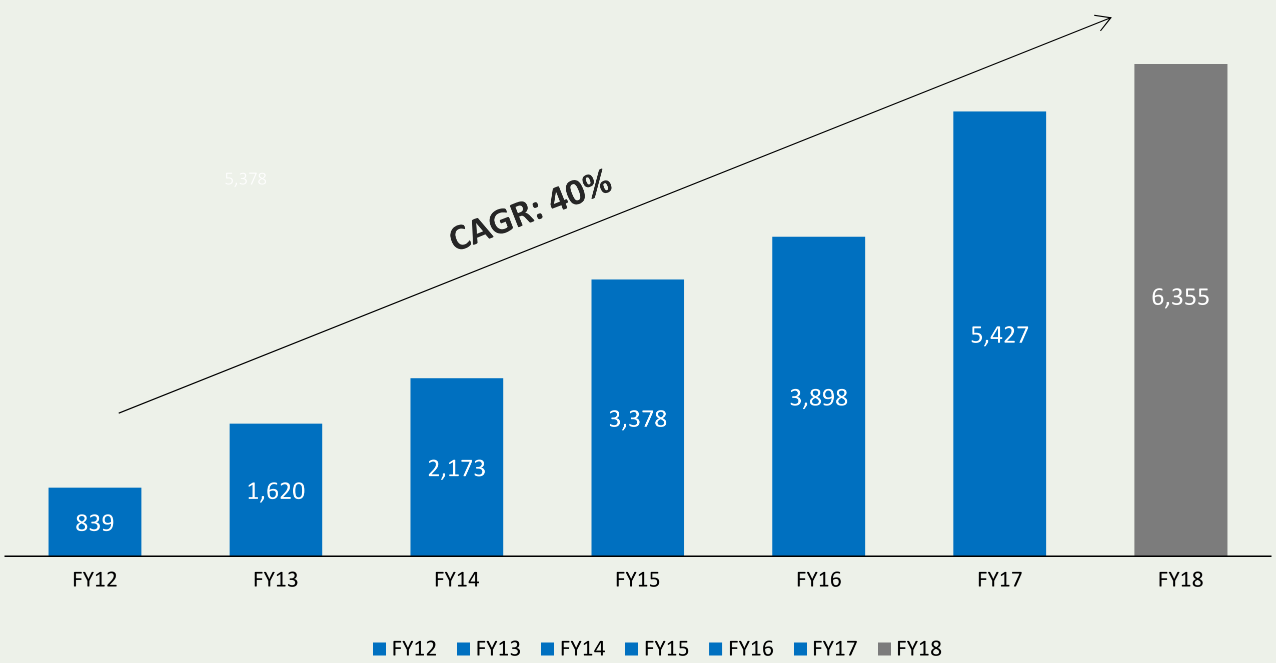
	K-12	Higher Education	Early Learning
Revenue contribution	80% of FY2018 revenues 40% revenue CAGR (2012-2018)	18% of FY2018 revenues 9% revenue CAGR (2012-2018)	2% of FY2018 revenues
Target Segment	School students (4 -18 years)	Test prep (>18 years) College students / professionals	Children (2-5 Years)
Description/ Highlights	• Schools affiliated to Central / State Board. • Offers print content (books) and digital / hybrid content and solutions. • Largest K-12 content player in India. Dominant presence in Central Board affiliated schools and increasing presence in State Board affiliated schools.	• Colleges and universities (arts, science & commerce degrees). • Test prep for competitive exams (engineering, government jobs). • Offers books, e-books, web and mobile delivery of content.	• STEM based learning. • Children books, educative games, activity based modules (experiential learning). • Also operates 6 pre-schools under 'RiseKids' brand.
Strategy	• Consolidate leadership position in Central schools as preferred content partner. • Increase presence in large regional markets.	• Exam oriented content for test preparation. • Institutional partnerships.	• Focus on digital to expand reach and product offering. • Complete presence across student lifecycle.
Brands	S. CHAND, MADHUBUN, NEW SARASWATI HOUSE, mystudygear, DESTINATION SUCCESS INSPIRES LEARNING, mylestone, chhaya prakashani pvt. ltd., IGNITOR	S. CHAND, OnlineTyari, IGNITOR, VIKAS, testbook	bpi, Smartivity, RISEKIDS

GROWTH ANCHORED BY LEADERSHIP IN K-12 SEGMENT



✓Best selling titles in core subjects (Mathematics, Science, English, Hindi) .

✓Hybrid offerings provide more value per unit to student compared to pure print content

Growth Strategy

❖ **Consolidated leadership in CBSE/ ICSE schools as preferred content provider.**

✓ More offerings in K-12 through multiple brands.

✓ Curriculum management.

❖ **Geographical diversification in large regional markets/ state board schools.**

✓ Acquisitions/ Joint Ventures.

❖ **Higher share of education spend with enhanced content offerings.**

✓ Digital/ hybrid offerings.

❖ **Continuous content development**

POWERFUL BRAND CONNECT

Connecting with Learners

- Art of Book making tour of the Printing Facilities
- Mystudygear App
- Social Media

Connecting with Teachers with

- Teacher Conclaves and Awards
- Over 2000 Workshops
- The Progressive Teacher magazine

Connecting with School Leadership

- Best Practices in Education Tour to Finland
- The Progressive School magazine

Connecting with Channel Partners

- Dealer Meets , Events and Awards
- Monthly mailer “Sampark”

Increasing Brand presence

- Brand Ambassador
- Strategic Advertising

OUR 3 – PRONGED STRATEGY

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1 Maintain Leadership

- Continue to dominate share of K-12 content market (CBSE/ICSE/WBB).
- Improve share of wallet & student reach.
- Cover 100,000 schools by FY 2023 from current reach of 40,000+ schools.

2 Leverage Reach & Expand

- Expand into regional markets through strategic alliances/ acquisitions.
- ”Phygital” to broaden reach and improve outcome.
- Expand digital & service offerings to new geographies and segments.

3 Be Future Ready

- Smart books for the mobile generation.
- Education streaming for learners.
- Activity based learning tools (STEM).

LEVERAGE REACH & EXPAND – STRATEGIC ALLIANCES / ACQUISITIONS

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STRATEGIC ALLIANCES / ACQUISITIONS

- **Strengthen penetration in the CBSE, ICSE Schools and expand into regional markets.**
- **Made multiple successful acquisitions in the past, integrating companies with S. Chand Group philosophy**
- **Alliances with HMH (USA) , Sigong Media (S. Korea), Robosoft**
- **Acquisitions made by the Group in the recent past:**

VIKAS® MADHUBUN®

Driver for acquisition → Complemented S. Chand portfolio of books specially Hindi, Commerce , Management , Distance Learning Program

NEW SARASWATI HOUSE

Driver for acquisition → Complemented S. Chand portfolio of books specially Sanskrit, French , Art & Craft , Physical Education , Regional Languages

chhaya prakashani pvt. ltd.

Driver for acquisition → Expansion in Regional Market of West Bengal, State Board, Supplementary and text book business

DIGITAL INITIATIVES – COMPLEMENTING CORE BUSINESS THROUGH “PHYGITAL"

S. CHAND GROUP

Short Multi-media / videos to better illustrate difficult topic to students.

- Extensive support to teachers for better understanding of particular topics.
- Teacher can seek support from S. Chand.

Test preparation and simulated papers for learners to test their understanding.

- Students can gauge their performance and better prepare for exams.

More content in form of animations/ videos.

- Online digital library accessible to students.

Hybrid Offerings through e-books, QR Codes, mystudygear etc.

- Complements existing books / content, not a compete / alternative.
- Not an independent revenue stream but acts as a sales multiplier of the books relative to the books from unorganized players.
- Price of the book includes cost of digital access / content. Incremental Revenue ~ **₹600** million (FY18)

DIGITAL INITIATIVES – SYNERGIES TO THE CORE BUSINESS

In-House (Revenue Stream)

- Offerings include **digital classroom learning solutions, learning management systems and curriculum management** which contribute to the revenue streams in the business.
- Approximated Investments ₹**976** million.

Digital Investments (Inorganic)

- Focused on investing in **early stage digital companies**.
- Total investments in digital investee companies is **~Rs.304 mn.**
- Currently, Investment portfolio commands a valuation of around 2X as per the latest funding rounds for respective companies.
- Focus is on **establishing synergies with core business** along with investment returns.

S. CHAND GROUP

S. CHAND GROUP

a knowledge corporation

Saurabh Mittal
Chief Finance Officer
Contact No : +91 11 4973 1800
Email : investorrelations@schandgroup.com

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Disclaimer

This presentation and the following discussion may contain "forward looking statements" by S. Chand & Company Limited ("S. Chand" or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of S. Chand about the business, industry and markets in which S. Chand operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond S. Chand's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of S. Chand.

In particular, such statements should not be regarded as a projection of future performance of S. Chand. It should be noted that the actual performance or achievements of S. Chand may vary significantly from such statements.