

DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2020

WORKING ON ALL FRONTS

2Q FY21 OPERATING REVENUES OF Rs. 8,464 MILLION

EBITDA OF Rs. 5,253 MILLION, UP 0.9% Y-o-Y

EBITDA MARGIN OF 62.1%, UP 380 BPS Y-o-Y

PAT OF Rs.645 MILLION

2Q FY21 Highlights

- ❖ Operating revenues of Rs. 8,464 million
- ❖ Subscription revenues of Rs. 7,657 million
- ❖ EBITDA of Rs. 5,253 million
- ❖ EBITDA margin at 62.1%
- ❖ PAT of Rs. 645 million

NOIDA, India; November 05, 2020 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported second quarter fiscal 2021 unaudited consolidated subscription revenues of Rs.7,657 million and operating revenues of Rs. 8,464 million. EBITDA for the quarter stood at Rs. 5,253 million, up 0.9% Y-o-Y. EBITDA margin was at 62.1%, up 380 bps Y-o-Y.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited consolidated financial results of Dish TV India Limited and its subsidiaries for the quarter ended September 30, 2020.

Working on All Fronts

Dish TV reported strong 2Q numbers despite the challenges of the ongoing pandemic and a generally weak quarter. Working on all fronts, the Company continued to build on its strengths while exploring and developing new technologies and processes to strengthen areas requiring improvement.

As one of the steps towards retaining existing subscribers the Company, in a bid to enhance subscriber engagement with the platform, upgraded its home grown OTT platform 'Watcho.' The upgrade introduced a popular feature that allows subscribers to create and upload videos. 'Watcho,' hosts a variety of indigenous web series and is believed to be an important connect between the DTH platform and its subscribers. The newly introduced feature provides a stage for creators to produce

content in multiple formats - short to very short videos and short films, thus giving them exposure while helping 'Watcho' gain momentum in the user-generated content ecosystem.

With social distancing norms keeping majority of the people indoors for most of the quarter, the Company considered it critical to continue to work on further streamlining the touchless and digital recharge and buying experience. While home delivery of set-top boxes picked up speed, the sales and service teams spent significant time upskilling themselves and the on-ground network to integrate the new normal into their regular business practices.

On the cost front, work on enhancing operational efficiencies and cost optimization carried on. In a significant departure from years of practice the Company decided to procure set-top-boxes and other key accessories from India, going forward. The first consignment of 'Made in India' set-top-boxes was deployed during the quarter and India made power adaptors and remote controls are next on the list. The Company initially plans to procure almost 50% of its requirement of STBs from India.

Elaborating Dish TV India's, 'Make in India' plan, Mr. Jawahar Goel, CMD, Dish TV India Limited, said, "We are excited to be a part of the Government of India's, 'Make in India' initiative and are geared up to localize the manufacturing of set-top-boxes and other key accessories. With the vision of 'Make in India,' we reiterate our commitment to quality products that would exceed the rapidly evolving needs of customers. We thank the Government for their support and favourable policies that would help grow the sector."

Performance during the Quarter

In the absence of fresh television content from pay entertainment broadcasters, subscribers remained picky in channel selection.

Operating revenues for the quarter were Rs. 8,464 million, down 5.2% Y-o-Y as lack of new content on entertainment channels made consumers wary of spending. EBITDA at Rs. 5,253 million was up 0.9% Y-o-Y. EBITDA margin at 62.1%, was up 380 bps Y-o-Y. Profit after tax was Rs. 645 million as against a loss of Rs. 964 million last year.

Total expenses during the quarter were down 13.9% Y-o-Y despite the loss from discard of consumer premises equipment (CPE), with trade partners, due to regional floods. The loss on account of write-off of such CPE was to the tune of Rs. 99 million, as against Rs. 30 million in the previous year.

Mr. Anil Dua, Group CEO, Dish TV India Limited, said, "We continue to be cautious yet agile, listening to market and customer voices. As we tread through these never seen before times, we remain committed to leveraging our strengths and overcoming our shortcomings to keep Dish TV India strong, relevant and profitable. Our performance during the quarter was in line with our larger strategic decisions such as, disciplined acquisition and sensible capital investment. Lower overall revenues were more than offset by our expense management measures."

New Offerings

Dish TV and d2h continued to strengthen their regional content portfolio during the quarter. Both platforms added 6 new HD channels for their respective subscribers down South, making them amongst the strongest content platforms in those markets.

Other regional markets like Bengal and Orissa too witnessed fresh content being added to their list of channels.

In Bengal, Dish TV India partnered with ‘Hoichoi,’ a leading Bengali on-demand platform. The ‘Hoichoi’ app was also added in the App Zone of the Companies Android based connected devices, Dish SMRT Hub and d2h Stream. The Company looks forward to enhance the content offering on its hybrid STB through more such partnerships aimed at catering to the entertainment appetite of its native language subscribers.

Dish TV India Limited, in an industry-first initiative, announced the launch of ‘Korean Drama Active’ service. Observing a surge in consumption of content of Korean origin online, the Company in its endeavour to meet subscriber viewing preferences launched the Korean Active service at a nominal subscription price of Rs. 47 plus taxes per month. The service enriches subscribers’ DTH experience by giving them access to more than 300 hours of premium Korean content dubbed in Hindi language.

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the second quarter ended September 30, 2020 compared to the quarter ended September 30, 2019:

	Quarter ended	Quarter ended	% Change
Rs. million	Sept. 2020	Sept. 2019	Y-o-Y
Subscription revenues	7,657	7,920	(3.3)
Operating revenues	8,464	8,932	(5.2)
Expenditure	3,211	3,727	(13.9)
EBITDA	5,253	5,205	0.9
Other income	44	36	21.6
Depreciation	3,386	3,687	(8.2)
Financial expenses	1,069	1,382	(22.7)
Profit / (Loss) before exceptional items & tax	842	171	392.0
Exceptional items	-	-	-
Profit / (Loss) before tax	842	171	392.0
Tax expense:			
- Current tax	-	(165)	-
- Current tax -prior years	-	-	-
- Deferred tax	197	1,300	(84.9)
- Deferred Tax -prior years	-	-	-
Profit / (Loss) for the period	645	(964)	-

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Revenues

Dish TV's operating revenues include subscription revenues, additional marketing, promotional fee & bandwidth charges, advertisement income and other income. The table below shows each as a percentage of operating revenues:

Rs. million	Quarter ended	% of	Quarter ended	% of	% change
	Sept. 2020	Revenue	Sept. 2019	Revenue	Y-o-Y
Subscription revenues	7,657	90.5	7,920	88.7	(3.3)
Additional marketing, promotional fee and bandwidth charges	500	5.9	346	3.9	44.3
Advertisement income	83	1.0	355	4.0	(76.5)
Other income	224	2.6	311	3.5	(28.1)
Total revenues	8,464	100.0	8,932	100.0	(5.2)

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Expenditure

Dish TV's primary expenses include cost of goods and services, personnel cost and other expenses. The table below shows each as a percentage of operating revenues:

Rs. million	Quarter ended	% of	Quarter ended	% of	% change
	Sept. 2020	Revenue	Sept. 2019	Revenue	Y-o-Y
Cost of goods & services	1,897	22.4	1,940	21.7	(2.2)
Personnel cost	382	4.5	440	4.9	(13.1)
Other expenses (Including S&D exp.)	931	11.0	1,346	15.1	(30.9)
Total expenses	3,211	37.9	3,727	41.7	(13.9)

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Condensed Balance Sheet

The table below shows the consolidated balance sheet as on September 30, 2020:

Rs. million	As on Sept. 30, 2020 (Unaudited)
Equity and liabilities	
Equity	
(a) Equity share capital	1,841
(b) Other equity	38,091
(c) Non-controlling interest	(549)

Liabilities	
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	4,500
(ii) Other financial liabilities	19
(b) Provisions	264
(c) Other non-current liabilities	287
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	3,103
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	25
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,509
(iii) Other financial liabilities	7,462
(b) Other current liabilities	6,679
(c) Provisions	37,289
Total Equity & Liabilities	112,521
Assets	
(1) Non-current assets	
(a) Property, plant & equipment	24,674
(b) Capital work in progress	6,170
(c) Goodwill	28,170
(d) Other intangible assets	19,460
(e) Intangible assets under development	5,250
(f) Financial assets	
(i) Investments	0
(ii) Loans	109
(iii) Other financial assets	32
(g) Deferred tax assets (net)	10,953
(h) Current tax assets (net)	977
(i) Other non-current assets	8,678
(2) Current assets	
(a) Inventories	231
(b) Financial assets	
(i) Investments	-
(ii) Trade receivables	1,029
(iii) Cash and cash equivalents	1,927
(iv) Other bank balances	316
(v) Loans	160

(vi) Other financial assets	12
(c) Other current assets	4,370
Total assets	112,521

Note: 1) Numbers in the table may not add up due to rounding-off.
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Footnotes:

This Earnings Release contains consolidated unaudited results that are prepared as per Indian Accounting Standards (Ind-AS).

Caution Concerning Forward-Looking Statements:

This document includes certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Dish TV's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Dish TV's present & future business strategies and the environment in which Dish TV will operate in the future. Among the important factors that could cause Dish TV's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the condition of and changes in India's political and economic status, government policies, applicable laws, the Indian media and entertainment sectors, and international and domestic events having a bearing on Dish TV's business and the media and entertainment sectors, particularly in regard to the progress of changes in those sectors' regulatory regimes, and such other factors beyond Dish TV's control. Dish TV India Limited is under no obligation to and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

About Dish TV India Limited:

Dish TV India Limited is India's leading direct-to-home (DTH) Company and owns multiple individual brands like Dish TV, Zing and d2h under its umbrella. The company benefits from multiple satellite platforms including SES-8, GSAT-15 and ST-2 and has a bandwidth capacity of 1188 MHz, the largest held by any DTH player in the country. Dish TV India Limited has on its platform more than 719 channels & services including 31 audio channels and 76 HD channels & services. The Company has a vast distribution network of over 3,600 distributors & around 352,000 dealers that span across 9,400 towns in the country. Dish TV India Limited is connected with its pan-India customer base through call-centres that are spread across 22 cities and are equipped to handle customer queries 24X7 in 12 different languages. For more information on the Company, please visit www.dishtv.in