

DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2020

STEERING THROUGH THE PANDEMIC

3Q FY21 OPERATING REVENUES OF Rs. 8,157 MILLION

EBITDA OF Rs. 5,039 MILLION

EBITDA MARGIN AT 61.8%, UP 350 BPS Y-o-Y

PAT OF Rs. 864 MILLION AS AGAINST A LOSS OF Rs. 668 MILLION IN 3Q LAST YEAR

3Q FY21 Highlights

- ❖ Operating revenues of Rs. 8,157 million
- ❖ Subscription revenues of Rs. 7,449 million
- ❖ EBITDA of Rs. 5,039 million
- ❖ EBITDA margin at 61.8%
- ❖ PAT of Rs. 864 million

NOIDA, India; January 29, 2021 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported third quarter fiscal 2021 unaudited consolidated subscription revenues of Rs. 7,449 million and operating revenues of Rs. 8,157 million. EBITDA for the quarter stood at Rs. 5,039 million. EBITDA margin was at 61.8%, up 350 bps Y-o-Y. Profit after tax was at Rs. 864 million as against a net loss of Rs. 668 million in the same quarter last year.

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 December 31, 2020.

Steering through the Pandemic

Dish TV India Limited has been harnessing its digital edge to make way through the challenges thrown by the pandemic. Consistent technological upgrades, over the years, helped the Company remain up and running all through the COVID induced lockdown. Working on all fronts, the Company continued to build on its strengths while developing new technologies to strengthen areas requiring improvement.

Expectations that consumer sentiment too would catch some tailwind, with the commencement of the cricketing season at the end of the second quarter, and that it would remain elevated through the traditionally strong third quarter, didn't see much light as the consuming class remained

conservative despite somewhat easing COVID restrictions. Spending related cautiousness amongst subscribers, coupled with moderate new subscriber additions by the Company led to a spike in the subscriber churn rate.

Festivals were without the usual consumer exuberance and low levels of spending in November and December was in a sharp contrast to the spending around Diwali.

Mr. Anil Dua, Group CEO, Dish TV India Limited, said, “The effect of the pandemic is carrying on. While some uptick was expected during the festival period, it was offset by a muted consumer sentiment. Our focus on the cost front and on driving operational efficiencies however continued unabated thus leading to higher operating margins and a better net profitability.”

Operating revenues for the quarter were Rs. 8,157 million, down 6.0% Y-o-Y. EBITDA at Rs. 5,039 million was down 0.3% Y-o-Y. EBITDA margin at 61.8%, was up 350 bps Y-o-Y. Profit after tax was Rs. 864 million as against a loss of Rs. 668 million last year.

“We continued to re-configure our range of offerings to make them fit the contours of a changing ecosystem as well as the evolving needs of the traditional television users. Watcho - our home grown OTT platform and our recently launched Android set-top-boxes are well positioned to meet that requirement. Watcho is now close to the 14 million members mark and is poised to grow at a fair pace,” added Mr. Dua.

The Watcho platform saw the launch of two major series - ‘*Jaalsaazi* - The single horn mystery’ and ‘The Game Plan,’ both adding to the existing originals. Activities around Watcho that target user engagement and recharge of the underlying DTH connection, are being regularly planned and carried-out by the Company.

Headwinds, from elevated inflation levels and significant job losses, may keep the industry striving for growth for some time, but Dish TV India chose to be resilient long back. The Company continues to evolve with innovative digital offerings for its subscribers. Dish TV India Limited introduced the ‘scan to help’ feature on the Dish TV app during the quarter.

The new ‘scan to help’ feature empowers all Dish TV India subscribers to self-help in case of any technical errors in their set-top-box. In case of any error on the screen, all a subscriber needs to do is to just scan it and get access to his account details along with the relevant troubleshooting guide. The feature also provides an option to raise a ‘service ticket’ in the process. The ‘AI’ enabled ‘scan to help’ feature aims to go a long way to provide unparalleled service and TV viewing experience to Dish TV India subscribers amidst these challenging times.

Revised Guidelines for providing Direct to Home (DTH) Services in India

The Union Cabinet on December 23, 2020, approved the proposal for revision of the guidelines for obtaining license for providing DTH broadcasting services in India.

Dish TV India’s DTH license was valid up to December 31, 2019, and the Company had duly filed the requisite applications for extension of the DTH license. Subsequently, on June 25, 2020, the Company had received interim extension of the DTH license from the Ministry with a validity till March 31, 2021, or till the date of notification of ‘New DTH guidelines,’ whichever is earlier.

The revised guidelines, amongst other features, provide for the issue of a DTH license for a period of 20 years as against the present 10 years with the period of license getting renewed by 10 years at a time. The Cabinet revised the license fees from 10% of Gross Revenues (GR) to 8% of Adjusted Gross

Revenues (AGR) with AGR being calculated by deduction of Goods and Services Tax (GST) from GR. Further, license fee will be collected on a quarterly basis in lieu of the present annual basis. Also, the cap of 49% Foreign Direct Investment (FDI) in the existing DTH guidelines shall be aligned with the extant Government (DPIIT's) policy on FDI (100%).

Talking on the development, Mr. Jawahar Goel, CMD, Dish TV India Limited, said, "We are thankful to the Government for the amended DTH guidelines with longer license period and clarity on renewals, relaxed FDI limits etc. However, our representation for a unified license fee structure and a level playing field for the entire distribution sector where cable TV is also subject to license fees, remained unanswered. The 8% license fee, though lower, is still prohibitive considering other taxes and should be brought to a more sustainable level."

New Offerings

Dish TV and d2h Android boxes offer a host of features including built-in Google Assistant, Chromecast, Google Play and access to popular OTT platforms like Watcho, You Tube, Amazon Prime Video, Zee 5 etc.

In a bid to further strengthen the offerings on its Android box, the Company during the quarter brought on board the 'Hungama Play' app for its smart box users.

In yet another addition, Dish TV India also introduced the 'EPIC ON' app on its Dish SMRT Hub and d2h Stream Android set-top-boxes.

Both these platforms bring with them a massive content library with more than 2,000 hours of series, movies, talks and documentaries.

Expanding its reach deeper into North-East India markets, the d2h brand of the Company initiated services in Upper Assam and rest of the North-Eastern region. With this launch, d2h aims to bring technologically advanced HD set-top boxes and a comprehensive service network for the entire population staying in this beautiful part of the country.

The COVID induced lockdown saw many students struggling to stay up to speed with their erstwhile education routine. With limited broadband accessibility, DTH streaming became one of the preferred mediums to reach out to students. One such educational channel - 'Kalvi Tholaikkatchi,' launched by the Tamil Nadu Government, introduced by Dish TV India on both its platforms, enabled millions of students to receive quality education every day from the safety of their homes. This channel is in addition to 33 other educational channels that are being beamed across the country from both the Dish TV and d2h platforms.

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the third quarter ended December 31, 2020 compared to the quarter ended December 31, 2019:

	Quarter ended	Quarter ended	% Change
	Dec. 2020	Dec. 2019	Y-o-Y
Rs. million			
Subscription revenues	7,449	7,982	(6.7)
Operating revenues	8,157	8,678	(6.0)

Expenditure	3,117	3,622	(13.9)
EBITDA	5,039	5,056	(0.3)
Other income	31	31	0.7
Depreciation	3,148	3,472	(9.3)
Financial expenses	974	1,369	(28.9)
Profit / (Loss) before exceptional items & tax	949	245	286.5
Exceptional items	-	-	-
Profit / (Loss) before tax	949	245	286.5
Tax expense:			
- Current tax	-	-	-
- Current tax -prior years	-	-	-
- Deferred tax	84	913	(90.7)
- Deferred Tax -prior years	-	-	-
Profit / (Loss) for the period	864	(668)	-

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
	Dec. 2020	Revenue	Dec. 2019	Revenue	Y-o-Y
Subscription revenues	7,449	91.3	7,982	92.0	(6.7)
Additional marketing, promotional fee and bandwidth charges	429	5.3	536	6.2	(20.1)
Advertisement income	96	1.2	(120)	(1.4)	-
Other income	183	2.2	280	3.2	(34.7)
Total revenues	8,157	100.0	8,678	100.0	(6.0)

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		Quarter ended		% change Y-o-Y
	Dec. 2020	% of Revenue	Dec. 2019	% of Revenue	
Cost of goods & services	1,755	21.5	1,910	22.0	(8.1)
Personnel cost	366	4.5	461	5.3	(20.5)
Other expenses (Including S&D exp.)	996	12.2	1,251	14.4	(20.4)
Total expenses	3,117	38.2	3,622	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.



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 704 channels & services including 31 audio channels and 71 HD channels & services. The Company has a vast distribution network of over 3,200 distributors & around 322,000 dealers that span across 9,300 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