

DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED JUNE 30, 2021

ON TRACK DESPITE HEIGHTENED CHALLENGES*1Q FY22 OPERATING REVENUES of Rs. 7,310 MILLION**EBITDA of Rs. 4,388 MILLION**EBITDA MARGIN AT 60%**PAT OF Rs. 491 MILLION***1Q FY22 Highlights**

- ❖ Operating revenues of Rs. 7,310 million
- ❖ Subscription revenues of Rs. 6,659 million
- ❖ EBITDA of Rs. 4,388 million
- ❖ EBITDA margin at 60%
- ❖ PAT of Rs. 491 million

NOIDA, India; August 12, 2021 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported first quarter fiscal 2022 unaudited consolidated subscription revenues of Rs. 6,659 million and operating revenues of Rs. 7,310 million. EBITDA for the quarter was Rs. 4,388 million. PAT was Rs. 491 million.

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 June 30, 2021.

On Track despite Heightened Challenges

The unexpected spike in Covid-19 infections, this time both in urban as well as rural areas, brought the country to a grinding halt once again within a span of few months. The spread of the devastating second wave of the pandemic during the quarter had a severe impact on the emotional and financial well-being of people across India.

Early signs of normalisation of economic activity that had started to emerge during the beginning of the calendar year 2021 disappeared with the re-emergence of the virus. The second wave and the consequent restriction on activities imposed by various state governments disrupted the return to normalcy. With priorities re-aligned, consumers treaded the cautious path in the quarter and consumer sentiment dipped to a low that was not even witnessed during the peak of the first wave.

Corporates, who had already tightened their belts during the last one year, found the going to be tough.

Entertainment, including basic linear television, went off the radar for many despite plenty of cricketing action being telecasted live initially for a few weeks around that time.

For Dish TV India, the burden came in the form of delayed recharges and high churn with widespread Covid sufferings in the stronghold rural areas adding to the slippages.

Operating revenues for the quarter were Rs. 7,310 million. EBITDA was Rs. 4,388 million. EBITDA margin was at 60%. Profit before tax for the quarter was Rs. 665 million. Net profit for the quarter was Rs. 491 million.

With the Company having already decided to stay on course to pay down debt, the net subscriber base remained under stress as restricted capital expenditure limited new subscriber additions. Dish TV continued to depend on its internal cash flows for debt repayments and capital expenditure.

The overall debt came down to Rs. 6,263 million at the end of the quarter from Rs. 8,099 million in the previous quarter. Deleveraging should continue and the Company believes it can become net debt free by FY 2023.

Mr. Anil Dua, Group CEO, Dish TV India Limited, said, “Having managed to stand our ground through the pandemic last year we started the new fiscal with a sense of cautious optimism however, the magnitude of the second wave came as a rude shock. Though we were operationally buffered due to our digital infrastructure, what did impact us was the fall in consumer spending on entertainment due to other pressing needs. The setback to consumer confidence will impact customer spending during the first half this fiscal. We plan to counter the sluggishness by re-energizing our distribution network with fresh schemes and offers that would maintain our mission of providing unmatched entertainment at unbeatable value-for-money.”

With India’s cumulative Covid-19 vaccination coverage surpassing more than one-third of the total population and with steadily declining active cases, demand scenario is expected to improve in the second half this fiscal.

Mr. Jawahar Goel, CMD, Dish TV India Limited, said, “Dish TV has been actively doing its bit to extend support in the fight against Covid-19. One crucial way to fight the pandemic is to accelerate the vaccination drive. During the quarter, Dish TV went a step further by crediting one full day of television entertainment free of cost to all those subscribers who got themselves vaccinated and uploaded their vaccination certificate on its website. A day of extra subscription was also credited to all hospitals and medical facilities with a Dish TV or d2h connection as a mark of gratitude. Hopefully, the worst is behind us now and the pace with which vaccination is going on in the country we would not face another stumbling block in the road to economic normalization.”

‘Watcho,’ the home grown OTT platform of the Company has been expanding its reach to viewers across the country.

“We keep experimenting with Watcho’s content and one thing that has surprised us is that unlike many popular OTT platforms, ‘Watcho’ has the potential to connect with viewers in the non-urban, tier-2 towns and cities as well. The platform gets this strength from its Dish TV DNA and we plan to boost it using relevant programming content going forward,” said Mr. Anil Dua.

The Year Ahead

Dish TV India Limited has been steadily progressing towards a net debt free level. Relying on internal accruals, the Company has been finding a trade-off between capex for subscriber growth and de-leveraging for balance sheet strength with the later getting priority most of the time.

Fresh Covid induced restrictions and their impact on consumer behaviour is not easy to predict for anyone and hence Dish TV intends to continue optimizing operating costs so as to aid margin expansion when revenue growth may not be easy to come.

Television is and would continue to be the most dominant, value-for money and fuss-free entertainment option that a majority of Indians have today and will continue to have in the future as well. Dish TV India Limited believes in that enduring relevance of television and intends to come back stronger this fiscal.

Fund Raising

On February 17, 2021, the Board of Directors of Dish TV India Limited had constituted a 'Fund Raising Committee' for recommending, taking actions and monitoring in the matters of raising funds and related matters thereof.

The 'Fund Raising Committee,' has been actively working since then and any update on the matter shall be disclosed separately by the Company.

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the first quarter ended June 30, 2021 compared to the quarter ended June 30, 2020:

	Quarter ended June 2021	Quarter ended June 2020	% Change Y-o-Y
Rs. million			
Subscription revenues	6,659	7,915	(15.9)
Operating revenues	7,310	8,356	(12.5)
Expenditure	2,922	2,842	2.8
EBITDA	4,388	5,514	(20.4)
Other income	84	149	(44.1)
Depreciation	2,973	3,420	(13.1)
Financial expenses	833	1,216	(31.5)
Profit / (Loss) before exceptional items & tax	665	1,027	(35.2)
Exceptional items	-	-	-
Profit / (Loss) before tax	665	1,027	(35.2)
Tax expense:			
- Current tax	100	-	-
- Current tax -prior years	-	(47)	-

- Deferred tax	74	328	(77.5)
- Deferred Tax -prior years	-	-	-
Profit / (Loss) for the period	491	745	(34.1)

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:

	Quarter ended	% of	Quarter ended	% of	% change
Rs. million	June 2021	Revenue	June 2020	Revenue	Y-o-Y
Subscription revenues	6,659	91.1	7,915	94.7	(15.9)
Additional marketing, promotional fee and bandwidth charges	383	5.2	231	2.8	66.0
Advertisement income	115	1.6	31	0.4	268.7
Other income	152	2.1	178	2.1	(14.9)
Total revenues	7,310	100.0	8,356	100.0	(12.5)

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:

	Quarter ended	% of	Quarter ended	% of	% change
Rs. million	June 2021	Revenue	June 2020	Revenue	Y-o-Y
Cost of goods & services	1,596	21.8	1,797	21.5	(11.2)
Personnel cost	379	5.2	328	3.9	15.6
Other expenses (Including S&D exp.)	947	12.9	717	8.6	32.1
Total expenses	2,922	40.0	2,842	34.0	2.8

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 1134 MHz, the largest held by any DTH player in the country. Dish TV India Limited has on its platform more than 596 channels & services including 31 audio channels and 78 HD channels & services. The Company has a vast distribution network of over 3,100 distributors & around 303,000 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