

DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2022

CASTING A WIDER NET

2Q FY23 OPERATING REVENUES OF Rs. 5,963 MILLION

SUBSCRIPTION REVENUES OF Rs. 4,364 MILLION

EBITDA OF Rs. 3,129 MILLION

PAT OF Rs. 221 MILLION, UP 23.7% QoQ

2Q FY23 Highlights

- ❖ Operating revenues of Rs. 5,963 million
- ❖ Subscription revenues of Rs. 4,364 million
- ❖ EBITDA of Rs. 3,129 million
- ❖ EBITDA margin at 52.5 %
- ❖ PAT of Rs. 221 million

NOIDA, India; November 14, 2022 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported second quarter fiscal 2023 unaudited consolidated subscription revenues of Rs. 4,364 million and operating revenues of Rs. 5,963 million. EBITDA for the quarter was Rs. 3,129 million. Profit after tax was Rs. 221 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 September 30, 2022.

Casting a Wider Net

Dish TV India Limited has been innovating to stay ahead of viewer preferences as the television industry in India witnesses a tectonic shift in production, presentation and viewership of content.

Regional linear channels, notwithstanding the influx of streaming services with vernacular content, have been holding ground unlike Hindi entertainment and movie channels that have been facing some competition from internet based platforms as personal viewing content gains an edge over family viewing in the absence of a uniform content code.

Talking about the need to have a presence in both, television and streaming services distribution, Mr. Anil Dua, Group CEO, Dish TV India Limited, said, “The viewers seem to be going for content that is relevant to them, it could be on television, or on OTT, there doesn’t seem to be a specific affinity or indifference to any medium so far as the offering is rightly priced and in tune with the changing times. The earlier arguments about streaming services being advertisement-free no longer hold as even mature streaming service platforms are giving a long, hard look at ad-free models. Hence, to cater to every type of video viewer out there, we have widened our offering to include popular OTT content in the form of pre-designed bouquets.”

Casting a wider net to attract both, linear television and streaming services viewers, Dish TV India Limited expanded its offering to provide popular OTT platforms, bundled in packages, in a soft launch at an introductory price starting from Rs. 49 and going up to Rs. 299 per month during the quarter.

Starting next quarter, OTT fans would be able to subscribe to OTT bundles at special prices from Dish TV India Limited. The packages would be available for both, in-house and external subscribers, and should create an alternate revenue stream in addition to increasing customer stickiness.

Subscriber numbers, in general, remained stressed due to continued inflationary pressures and related weak demand in both urban and rural India though more pronounced in rural areas and the Hindi speaking markets. Alternate platforms also continued to impact the recharge behavior of DTH subscribers with top-end consumers intermittently sampling streaming services and cost conscious customers switching to free-to-air DTH to avoid spending, thus affecting overall revenues and net base.

With an abnormally wet second quarter, DTH technicians had a busy season ensuring the show goes on for their valued subscribers. The average rainfall across the country being almost 7% higher than the same quarter last year subscriber retention, which has been tricky due to diversifying consumer preferences and a challenging external environment, was even trickier as downpours battered parts of the country till the fag end of September.

Closing net base at the end of the quarter was impacted to the extent of 0.82 million connections on account of adjustments related to swap, courtesy and demo installations.

Gearing up for the Festive Season

In anticipation of a strong festival season ahead, Dish TV India Limited launched special schemes and packages for the few, early celebration days falling in the month of September 2022.

The festival of *Onam* in Kerala marks the beginning of the festival season in the country. To make *Onam* special for its subscribers, Dish TV India launched an initiative to convert every existing DTH home in the southern state into a High Definition (HD) home by curating three new HD packages starting from as low as Rs. 1,499 for 6 months.

HD is generally perceived as an expensive alternative to Standard Definition. The special HD offerings hence, enabled unlimited entertainment at affordable prices along with popular HD sports channels at no additional cost. The offer was open for all new and existing subscribers.

The Company also offered special discounts on other popular packages so as to make them more appealing to customers during the festivals.

Dish TV India Limited remains cautiously optimistic about recovery in consumer spending going forward and hopes inflation will somewhat moderate due to softening prices and positive government action.

Watcho - Gaining Traction

Dish TV India's in-house OTT app, Watcho, continued to gain traction during the quarter.

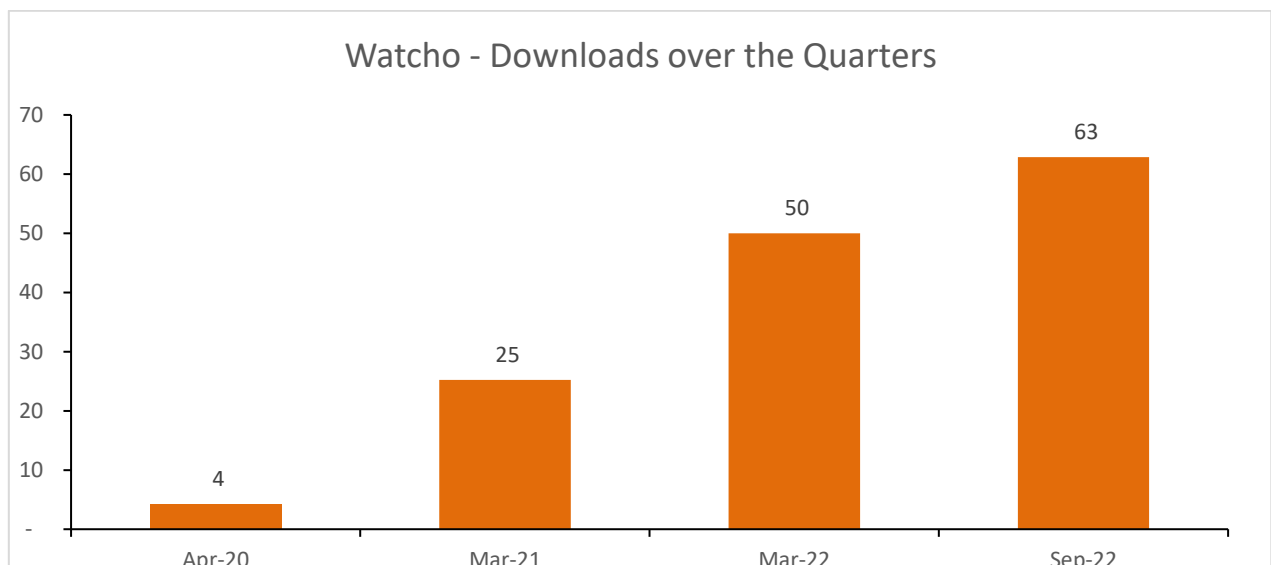
The platform crossed 63 million downloads and now offers over 35 original series, 300 plus exclusive plays and more than 100 live channels in Hindi, Kannada and Telugu languages. Watcho is available across screens - Android and iOS smart phones, Dish SMRT devices, d2h Magic devices, Fire TV Stick as well as online at Watcho.com.

Watcho's content library continued to grow with new content including, 'Lips Don't Lie' and 'Tara Bhaiya Zindabad.' The latter is a fun-filled, family entertainer, Hindi language web series that would keep viewers on the edge of their seat with its suspense and comedy. The story is about a former village head who resolves to safeguard his candidature despite being ineligible due to a new legislation that prohibits men with more than two children from contesting any election.

Watcho took on an altogether new role during the quarter and would now be much more than just an OTT platform with a mix of original and live content. Post the soft launch of multiple streaming-app bundles during the quarter, Dish TV India Limited would now be distributing popular OTT content in well-defined packages and Watcho would be the go to medium for that.

Watcho users would be able to either subscribe to Watcho alone or pick a pack of five, eight, ten or eleven OTT apps at a substantial discount as compared to standalone subscription.

The Watcho platform already offers multiple value added services like recharge of Dish/d2h connections, purchase of new Dish/d2h connections, live TV channels, ability to upload videos and ability to participate in talent hunts etc.



NTO 2.0 - Update

The Telecom Regulatory Authority of India (TRAI) on September 1, 2022 extended the deadline for the implementation of the New Tariff Order (NTO 2.0) to February 28, 2023.

NTO 2.0 was earlier scheduled to be implemented with effect from November 30, 2022.

TRAI had notified the New Regulatory Framework 2020 by amending the New Regulatory Framework 2017, on January 1, 2020. Most provisions, including network carriage fees, multi-TV connections and long term subscriptions, have already been implemented and those relating to tariff framework, covering bouquets of channels and discount structures on formation of bouquets, are pending. The second of the twin conditions has already been set aside by the Honourable Bombay High Court vide its judgement dated June 30, 2021.

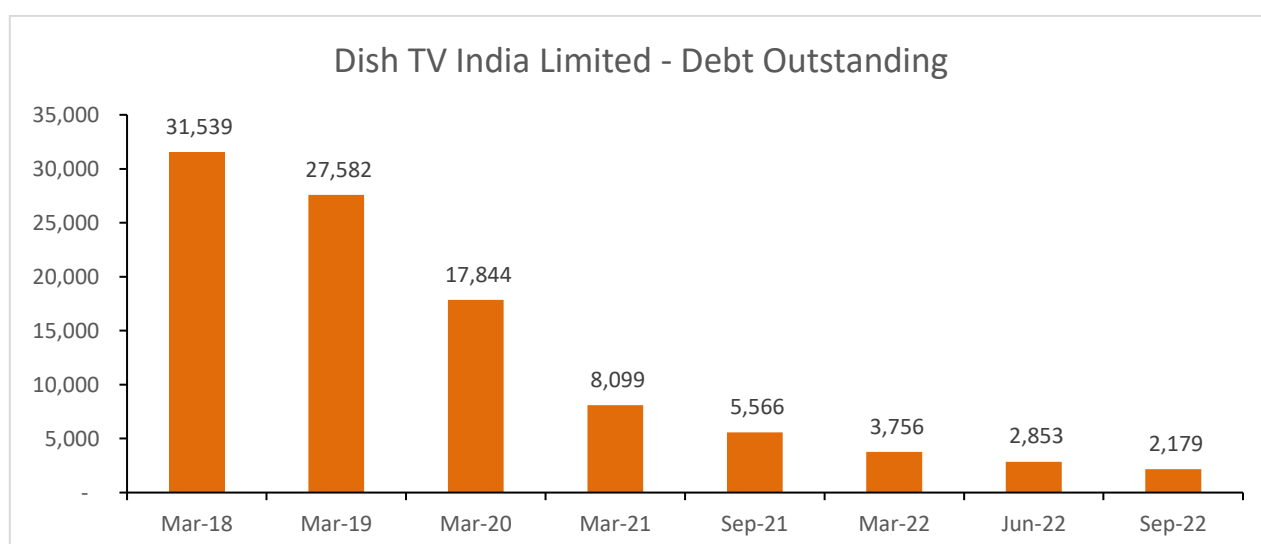
Dish TV India Limited had previously submitted Reference Interconnect Offers (RIOs), in accordance with the New Regulatory Framework 2020, and all such information has also been published on its websites.

Financials

Operating revenues for the quarter were Rs. 5,963 million. Corresponding EBITDA was Rs. 3,129 million. EBITDA margin for the quarter was at 52.5%. Profit after tax for the period was Rs. 221 million.

The Company paid-off Rs. 674 million debt during the quarter thus reducing its overall debt to Rs. 2,179 million at the end of the second quarter of fiscal 2023 as compared to Rs. 2,853 million at the end of the first quarter of the same fiscal.

Dish TV India's focus on paying down debt, like earlier years, should continue unabated and the Company should be close to net debt free by the end of the current fiscal.



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, 2022 compared to the quarter ended September 30, 2021:

Rs. million	Quarter ended	Quarter ended	% Change
	Sept. 2022	Sept. 2021	Y-o-Y
Subscription revenues	4,364	6,445	(32.3)
Operating revenues	5,963	7,181	(17.0)
Expenditure	2,834	2,912	(2.7)
EBITDA	3,129	4,269	(26.7)
Other income	54	40	35.8
Depreciation & amortization expenses	2,146	2,920	(26.5)
Financial expenses	737	836	(11.8)
Profit / (Loss) before exceptional items & tax	300	553	(45.7)
Exceptional items	-	-	-
Profit / (Loss) before tax	300	553	(45.7)
Tax expense:			
- Current tax	8	154	(94.6)
- Current tax -prior years	-	-	-
- Deferred tax	71	45	57.1
Profit / (Loss) for the period	221	354	(37.6)

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, marketing and promotional fee, 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. 2022	Revenue	Sept. 2021	Revenue	Y-o-Y
Subscription revenues	4,364	73.2	6,445	89.7	(32.3)
Marketing and promotional fees	1,330	22.3	445	6.2	198.8
Advertisement income	102	1.7	116	1.6	(11.8)
Other income	166	2.8	175	2.4	(5.5)
Total revenues	5,963	100.0	7,181	100.0	(17.0)

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	% of	Quarter ended	% of	% change
	Sept. 2022	Revenue	Sept. 2021	Revenue	Y-o-Y
Cost of goods & services	1,666	27.9	1,648	23.0	1.1
Personnel cost	354	5.9	398	5.5	(10.9)
Other expenses (Including S&D exp.)	813	13.6	866	12.1	(6.1)
Total expenses	2,834	47.5	2,912	40.5	(2.7)

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 unaudited balance sheet as on September 30, 2022:

Rs. million	As on Sept. 30, 2022 (Unaudited)
Equity and liabilities	
Equity	
(a) Equity share capital	1,841
(b) Other equity	7,502
(c) Non-controlling interest	(1)
Liabilities	
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	747
(ii) Lease liability	19
(iii) Other financial liabilities	-
(b) Provisions	195
(c) Other non-current liabilities	57
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	1,432
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	63

Total outstanding dues of creditors other than micro enterprises and small enterprises	5,633
(iii) Lease liability	1
(iv) Other financial liabilities	740
(b) Other current liabilities	5,349
(c) Provisions	40,036
(d) Current tax liabilities	209
Liabilities directly associated with assets classified as held for sale	-
Total Equity & Liabilities	63,824
Assets	
(1) Non-current assets	
(a) Property, plant & equipment	14,111
(b) Capital work in progress	4,536
(c) Goodwill	6,211
(d) Other intangible assets	7,521
(e) Intangible assets under development	4,931
(f) Financial assets	
(i) Investments	0
(ii) Loans	-
(iii) Other financial assets	73
(g) Deferred tax assets (net)	11,836
(h) Current tax assets (net)	555
(i) Other non-current assets	6,355
(2) Current assets	
(a) Inventories	91
(b) Financial assets:	
(i) Trade receivables	705
(ii) Cash and cash equivalents	770
(iii) Other bank balances	1,051
(iv) Other financial assets	133
(c) Other current assets	4,944
Assets classified as held for sale	0
Total assets	63,824

**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 1098 MHz, the largest held by any DTH player in the country. Dish TV India Limited has on its platform more than 760 channels & services including 31 audio channels and 88 HD channels & services. The Company has a vast distribution network of over 2,700 distributors & around 2,33,000 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