

DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2022

OTT AGGREGATION PLATFORM LAUNCHED

3Q FY23 OPERATING REVENUES OF Rs. 5,521 MILLION

SUBSCRIPTION REVENUES OF Rs. 4,274 MILLION

EBITDA OF Rs. 2,616 MILLION

3Q FY23 Highlights

- ❖ Operating revenues of Rs. 5,521 million
- ❖ Subscription revenues of Rs. 4,274 million
- ❖ EBITDA of Rs. 2,616 million
- ❖ EBITDA margin at 47.4%

NOIDA, India; February 10, 2023 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported third quarter fiscal 2023 unaudited consolidated subscription revenues of Rs. 4,274 million and operating revenues of Rs. 5,521 million. EBITDA for the quarter was Rs. 2,616 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 December 31, 2022.

OTT Aggregation Platform Launched

Dish TV India Limited has always endeavoured to stay ahead of the technology adoption curve by updating, re-inventing, innovating and collaborating so as to enable its customers to enjoy a world class television viewing experience wherever they are.

Unlike popular belief, television content and its distribution has evolved with changing times and despite every new evolution bringing with itself major challenges for content owners, distributors and other players in the value chain, both television content and distribution have stood the test of time notwithstanding the scale of transition, be it something simple like standard definition to high definition, real time to time shifted, 2K to 4K or significantly complex like going digital from analog, card less from card driven or online from offline. Two things have been common throughout and that have been the existing platforms resilience, coupled with the viewer's attraction towards television as a medium. The latter, of course, being demonstrated by the ever increasing number of TV households with the current penetration of 56% still promising a massive scope for growth.

With viewers lately exploring streaming content on television, content distributors like Dish TV India couldn't be far behind. Working towards its objective of being a one-stop shop for video viewers the Company officially launched the OTT aggregation and distribution business under the Watcho brand with the tagline, '*Watcho One Hai To Done Hai*,' which means that just one app (Watcho) is needed to access all content on television and beyond. Targeted big-scale events, to launch the OTT streaming-app bundles, were held across different markets in the country during the quarter.

Dish TV India Limited now provides popular streaming-OTT platforms, bundled in packages, at a monthly price of Rs. 49 for 5 apps, Rs. 99 for 8 apps, Rs. 199 for 10 apps and Rs. 299 for 11 apps. There are annual packages as well. In addition, Dish TV India's homegrown OTT app - 'Watcho Exclusive' is available at an introductory price of Rs. 39 per month.

Pursuing streaming video viewers, the Company also intends to bring into its fold customers who may generally be watching content on the go since the Watcho OTT bundles procured from Dish TV India would be as good to consume on mobile devices as they would be on the Dish TV/d2h hybrid box.

Dish TV India's hybrid set-top-box enables subscribers with or without smart TV's to access their choice of streaming content while parallelly subscribing to standard linear TV content thus addressing the dynamic needs of the consumer.

Dish TV India's specialization in procuring and bundling content, so as to give the best value for money to its subscribers, should go a long way in helping it maintain an edge in this business.

Talking about the need to bundle streaming-OTT apps and sell them as a package with a single log-in and single recharge date, Mr. Anil Dua, CEO, Dish TV India Limited, said, "In addition to leveraging our strengths in content procurement and distribution there is otherwise also a strong case for us to bundle the plethora of OTT content available in the Indian market today. Reports and surveys highlight the viewers lack of inclination to register, pay and manage multiple subscriptions on multiple platforms and hence the need to offer all content services, be it linear or OTT, under one roof. We see this service filling in a gap in our portfolio of content offerings which now includes original shows on Watcho Exclusive, other popular OTT apps, streaming TV, educational content and user generated content in addition to linear TV channels."

The Company is optimistic about the OTT aggregation service helping reduce churn in the short to medium term while being revenue accretive in the medium to long term.

Festivals Drive Net Adds into Positive Territory

The third quarter of the fiscal is traditionally a period of higher consumer spending due to festivals and related celebrations.

With two consecutive Covid-19 impacted festival quarters in the past two years, the Company had anticipated and prepared for a strong festival quarter this time and had launched special schemes and packages to help boost subscriber additions during the period.

A strong festival season aided subscriber additions which ultimately led to higher net adds during the quarter. However, fresh additions were lukewarm in rural India. Erratic rainfall in the third quarter did not help the already fragile rural sentiment resulting in rural consumers continuing to maintain spending cautiousness.

Challenges like low average revenues per user (ARPU) resulting from loss of revenues due to delayed and missing recharges impacted Company revenues as offerings from Free DTH and OTT remained alternatives for video watchers in the bottom and upper end of the pyramid respectively.

The popularity of OTT video platforms, with personal viewing content, remained high as compared to platforms with family content. However, growing consumption of content on OTT may have a direct impact on data prices in future. Infact, rising data costs are already a hot topic of discussion in the country.

Dish TV India is hopeful of an overall recovery in rural and urban consumer spending driven primarily by the massive impetus to increase disposable income in the hands of the consuming class in the recently announced Union Budget.

NTO 3.0

The Telecom Regulatory Authority of India (TRAI) notified amendments to the New Tariff Order (NTO 2.0) for broadcasting and cable services on November 22, 2022, which came into effect for consumers on February 1, 2023.

TRAI has restored the cap on the maximum retail price (MRP) of TV channels, which can be part of a bouquet, to Rs 19, instead of Rs 12 earlier.

The maximum Network Capacity Fee (NCF) remains at Rs 160, with Rs 130 for the first 200 SD channels and an additional Rs 30 thereafter.

In case of bouquets, a maximum discount of up to 45% can be offered over the sum of the MRPs of all pay channels in that bouquet compared to 33% earlier.

Further, discount offered as an incentive by a broadcaster on the MRP of a pay channel shall be based on combined subscription of that channel both in a-la-carte as well as in bouquets.

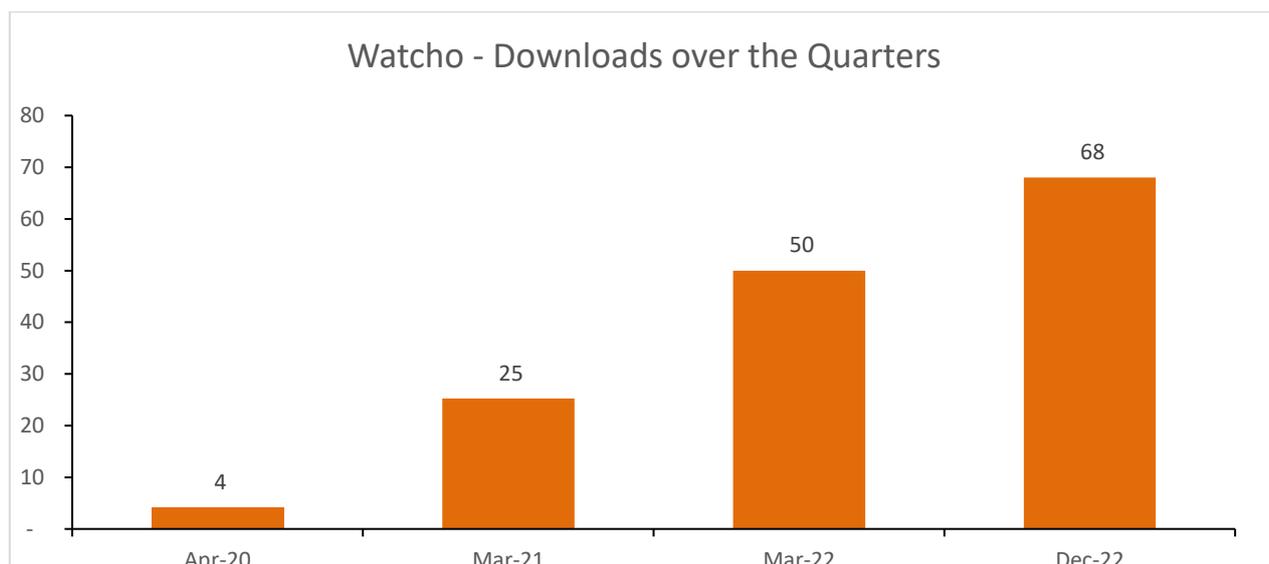
Dish TV India implemented the amended NTO 2.0 (the New Tariff Order (NTO 3.0)) with effect from February 1, 2023 in accordance with the regulatory framework.

Watcho

Dish TV India's in-house OTT app, Watcho, crossed 68 million downloads and has been steadily adding original series, exclusive plays and live channels to the platform.

The platform now has more than 37 original series and can be accessed on Android and iOS smart phones, Dish SMRT devices, d2h Magic devices, Fire TV Stick as well as online at Watcho.com.

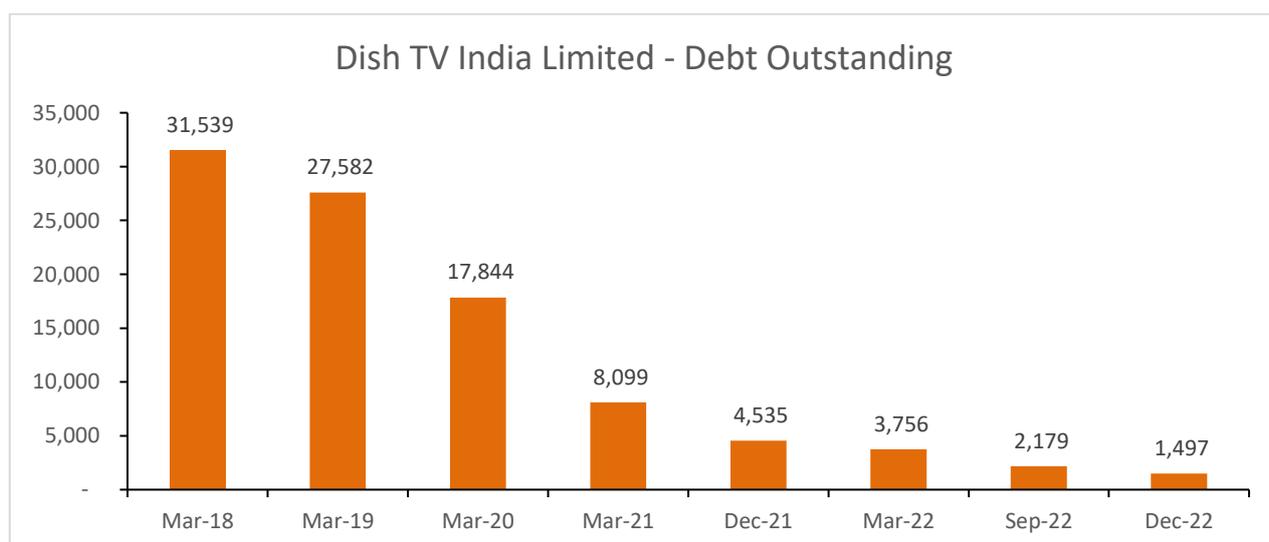
With the launch of Watcho streaming-app bundles, users would be able to either subscribe to Watcho alone or a pack of five, eight, ten or eleven OTT apps at a substantial discount as compared to their standalone subscription.



Financials

Operating revenues for the quarter were Rs. 5,521 million. Corresponding EBITDA was Rs. 2,616 million. The promotion of OTT aggregation platform launched during the period had an impact on the EBITDA margin for the quarter which came at 47.4%. Net loss for the period was Rs. 28 million.

The Company paid-off Rs. 682 million debt during the quarter thus reducing its overall debt to Rs. 1,497 million at the end of the third quarter of fiscal 2023 as compared to Rs. 2,179 million at the end of the second quarter of the same fiscal.



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, 2022 compared to the quarter ended December 31, 2021:

Rs. million	Quarter ended	Quarter ended	% Change
	Dec. 2022	Dec. 2021	Y-o-Y
Subscription revenues	4,274	6,459	(33.8)
Operating revenues	5,521	7,107	(22.3)
Expenditure	2,905	2,847	2.0
EBITDA	2,616	4,260	(38.6)
Other income	147	49	200.0
Depreciation & amortization expenses	2,024	2,440	(17.0)
Financial expenses	742	778	(4.6)
Profit / (Loss) before exceptional items & tax	(3)	1,090	-
Exceptional items	-	-	-
Profit / (Loss) before tax	(3)	1,090	-
Tax expense:			
- Current tax	2	139	(98.9)
- Deferred tax	23	149	(84.2)
Profit / (Loss) for the period	(28)	802	-

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 fees, 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. 2022	Revenue	Dec. 2021	Revenue	Y-o-Y
Subscription revenues	4,274	77.4	6,459	90.9	(33.8)
Marketing and promotional fees	1,002	18.2	386	5.4	159.9
Advertisement income	85	1.5	113	1.6	(25.0)
Other income	160	2.9	149	2.1	7.3
Total revenues	5,521	100.0	7,107	100.0	(22.3)

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
	Dec. 2022	Revenue	Dec. 2021	Revenue	Y-o-Y
Cost of goods & services	1,514	27.4	1,592	22.4	(4.9)
Personnel cost	363	6.6	353	5.0	3.0
Other expenses (Including S&D exp.)	1,027	18.6	902	12.7	13.8
Total expenses	2,905	52.6	2,847	40.1	2.0

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 1098 MHz, the largest held by any DTH player in the country. Dish TV India Limited has on its platform more than 745 channels & services including 31 audio channels and 88 HD channels & services. The Company has a vast distribution network of over 2,700 distributors & around 2,08,000 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