

October 19, 2021

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| National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Trading Symbol: TV18BRDCST | BSE Limited P J Towers Dalal Street Mumbai – 400 001 SCRIP CODE: 532800 |
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**Sub: Investors' Update – Unaudited Financial Results (Standalone and Consolidated)
for the quarter and half year ended September 30, 2021**

Dear Sirs,

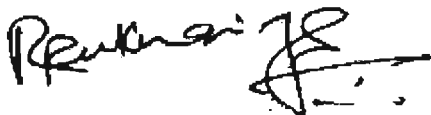
In continuation of our letter of today's date on the above subject, we send herewith a copy of the Investors' Update on the aforesaid financial results released by the Company in this regard.

The Investors' Update will also be available on the Company's website, www.nw18.com.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For **TV18 Broadcast Limited**



Ratnesh Rukhariyar
Company Secretary

Encl.: As above

TV18 Broadcast Limited
(CIN – L74300MH2005PLC281753)

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A listed subsidiary of Network18

EARNINGS RELEASE: Q2 FY 2021-22

Mumbai, 19th Oct, 2021 – TV18 Broadcast Limited today announced its results for the quarter ended 30th Sep 2021.

- **Consolidated EBITDA for the quarter grew 47%YoY (2.3x of Q2FY20); operating margin at 18.5%. Both News and Entertainment businesses further improved profitability.**
- **Strong revenue growth driven by viewership; Highest ever Q2 revenue (ex-film), grew 28% YoY (and 18% vs Q2FY20)**
- **Viacom18 is building a strong sports portfolio; acquired rights to FIFA World Cup'22 and 3 major football leagues**
- **Voot's digital exclusive property, *Bigg Boss OTT*, drives substantial growth in paid subscriber base**

Summary Consolidated Financials

| | Q2FY22 | Q2FY21 | YoY | H1FY22 | H1FY21 | YoY |
|--|--------|--------|-----|--------|--------|------|
| Consolidated Operating Revenue (Rs Cr) | 1,308 | 1,013 | 29% | 2,463 | 1,789 | 38% |
| Consolidated Operating EBITDA (Rs Cr) | 242 | 164 | 47% | 430 | 209 | 106% |
| <i>Operating EBITDA margin</i> | 18.5% | 16.2% | | 17.4% | 11.7% | |

Highlights for the quarter

- ❖ **18.5% operating margin despite a lingering impact of second wave**
 - Entertainment margin at ~19%; ex-film revenue up 31% YoY (up 20% vs Q2FY20)
 - News margin at ~18%; revenue up 18% YoY (15% vs Q2FY20)
 - PAT rose to Rs. ~231 cr (2x of Q2FY21, ~4x of Q2FY20), driven by improved revenue performance, controlled opex and lower finance costs.

Financial and Operational performance

- ❖ **TV entertainment network reaches its highest viewership share**
 - With strong performance in Hindi and select regional markets, share of our entertainment portfolio rose 90bps QoQ to 11.8%, highest ever in the last 7 years. This was despite a marginal decline in the Entertainment and overall TV viewership, which has now settled at the pre-COVID levels.

- News genre viewership continues to be choppy, driven by topical events. However, our pan-India portfolio helps us to strengthen revenue salience, as reflected in this quarter's numbers.

- ❖ **Domestic ad-revenue comes out of the shadows of COVID in a spectacular fashion**
 - Entertainment revenues surpassed pre-COVID levels as ad volumes registered a strong growth during the quarter. As the number of cases came down sharply and the pace of vaccination drive accelerated across the country, consumption and advertiser sentiment got a big boost. Having already scaled to FY20 levels in Q1, ad revenue registered a strong growth (vs both FY21, FY20) during the quarter, driven by an action packed programming calendar that strengthened the network's viewership share.
 - TV News advertising also witnessed strong growth (both YoY and vs FY20) even as viewership normalised to pre-COVID levels and channel ratings remained suspended by BARC.

- ❖ **Subscription revenue continues to be stable**
 - Domestic subscription revenue for the quarter was flattish YoY while International subscription revenue remains under stress. We have published our NTO 2.0 compliant RIO (Reference Interconnect Offer) in line with directions of the regulator even as legal challenge to its validity continues in the Supreme Court of India. Our endeavour has always been to offer our consumers quality content choices at an affordable price and our new pricing has been formulated based on that principle. We continue to invest in cutting edge content for our subscribers and we will work towards unlocking its value under the new regulation as well.

- ❖ **Sports set to be the next frontier of expansion**
 - Viacom18 is expanding its presence in sports genre. As a step in this direction, it acquired the rights to the next FIFA World Cup, one of the most watched sporting events in the country.
 - It has also acquired rights to three of the five most watched football leagues in the world - La Liga (Spain), Serie A (Italy) and Ligue 1 (France).
 - These properties will add to the existing portfolio of ATP Masters (tennis), Abu Dhabi T10 cricket, Road Safety World Series (cricket) and Carabao Cup (football).

- Live sports on broadcast and digital platforms will complement the current entertainment offering and will strengthen the consumer value proposition of the network.
- ❖ **Increasing investments on Voot to drive the next phase of growth; sees a sharp jump in paid subscriber base**
- Voot's paid subscriber base (Voot Select) saw a sharp jump during the quarter, powered by the launch of *Bigg Boss OTT*, the first marquee property to go digital exclusive. With 24x7 unedited live stream, access to the latest episodes a day before free users, and viewers voting to nominate contestants out, it delivered a phenomenal reach and engagement among the paid subscriber base. The show garnered 10bn+ minutes of watch time (AVOD+SVOD) over the 6-week period, truly delivering an 'Over the Top' experience.
 - Voot is also evolving as a sports destination with streaming of 3 major football leagues and a host of other sports properties.
 - Voot was the fastest OTT in India to reach 1 mn B2C subscribers and continues to grow at a healthy clip, driven by increasing investments in content and consumer experience.
- ❖ **Continued control on non-core costs, even as revenue grows, is helping improve profitability**
- Initiatives launched in FY20 to optimize non-core costs are yielding positive results on profitability with the seventh straight quarter showing YoY improvement in EBITDA (excluding Q1FY21 which was significantly impacted by COVID).
 - Working capital optimization, a tight leash on debt, and softer interest rates have resulted in savings in finance costs, boosting profitability.

Mr. Adil Zainulbhai, Chairman of TV18, said: *"This quarter has been quite remarkable, both from a macro as well as Company's point of view. The way the country came out of the grip of second wave of COVID was truly heartening, and equally reassuring was the full-swing return of economic growth. The outlook is looking quite promising from a medium term perspective and this is good news for our consumer facing businesses. With expansion into sports genre, we have taken a significant step towards scaling up our entertainment portfolio to the next level. This will help establish us as a truly integrated media company across broadcast, OTT and content studio business spanning general entertainment, news, movies and sports."*

Business Summary

- **News bouquet (20 channels) is India’s largest and most diversified in scope and reach**
 - Despite the continued suspension of BARC ratings, our News portfolio continues to have strong consumer connect and salience amongst advertisers.
 - Advertising revenue for the quarter saw a robust growth driven by both display advertising and alternative monetization streams.
 - Operating margin for the quarter was a healthy 17.7% and EBITDA was up 68% YoY (~8x of FY20). Being a high operating leverage business, the profitability of the business got a fillip as the revenue scaled up.

- **Entertainment bouquet (Viacom18’s 35 channels, VOOT + AETN18’s 2 infotainment channels) is country’s #3 network with 11.8% share in the entertainment genre**
 - Flagship channel Colors was #2 in primetime amongst Hindi pay-GECs and the network increased its market share in Kannada, Marathi and Hindi movies segments. Voot saw a strong ramp-up in its subscriber base driven by the launch of *Bigg Boss OTT* and other properties. It continues to enjoy strong engagement metrics with ~53 mins of daily time spent/user.
 - The strong growth in business’ revenues was a result of overall buoyancy in the economy and strong viewership of the network.
 - Operating margin for the quarter was 18.7% and EBITDA was up 42% YoY (~2x of Q2FY20).

Financials for the quarter

| OPERATING REVENUES (Rs Cr) | Q2FY22 | Q2FY21 | YoY | H1FY22 | H1FY21 | YoY |
|--|--------------|--------------|------------|--------------|--------------|------------|
| A) News (TV18 Standalone) @ | 301 | 254 | 18% | 569 | 484 | 18% |
| B) Entertainment (Viacom18+AETN18+Indiacast) * | 1,007 | 759 | 33% | 1,893 | 1,305 | 45% |
| C) TV18 Consolidated | 1,308 | 1,013 | 29% | 2,463 | 1,789 | 38% |
| includes: Subscription | 450 | 444 | 1% | 916 | 893 | 3% |
| includes: Film production/distribution | 27 | 9 | 198% | 32 | 14 | 134% |

| OPERATING EBITDA (Rs Cr) | Q2FY22 | Q2FY21 | YoY | H1FY22 | H1FY21 | YoY |
|--|------------|------------|------------|------------|------------|-------------|
| A) News (TV18 Standalone) @ | 53 | 32 | 68% | 93 | 35 | 165% |
| B) Entertainment (Viacom18+AETN18+Indiacast) * | 189 | 133 | 42% | 336 | 174 | 94% |
| C) TV18 Consolidated | 242 | 164 | 47% | 430 | 209 | 106% |

@ IBN Lokmat is a 50:50 JV and hence is not included here as per Ind-AS accounting.

* Viacom18 and AETN18 are 51% entertainment subsidiaries of TV18, while distribution-arm Indiacast is a 50:50 JV of TV18 and Viacom18. TV18's 24.5% minority stake in Telugu entertainment associate Eenadu TV (Ramoji Rao group) is not included here.

Operational performance highlights

TV18 owns and operates the broadest network of 57 channels in India, spanning news and entertainment genres. One in every 2 Indians is a consumer of our broadcast content. We also cater to the Indian diaspora globally through 21 international channels.

- **TV News** (20 domestic channels) - TV18 is the biggest News network in India and has the largest number of news channels.

Financial performance

| | Q2FY22 | Q2FY21 | YoY | H1FY22 | H1FY21 | YoY |
|--------------------------------|--------|--------|-----|--------|--------|------|
| Op. Revenue (Rs Cr) | 301 | 254 | 18% | 569 | 484 | 18% |
| Op. Expense (Rs Cr) | 247 | 222 | 11% | 476 | 449 | 6% |
| Op. EBITDA (Rs Cr) | 53 | 32 | 68% | 93 | 35 | 165% |
| <i>Operating EBITDA margin</i> | 17.7% | 12.5% | | 16.4% | 7.3% | |

- Due to a blackout of BARC ratings for the News genre since October-20, there are no channel viewership insights available.



- **Entertainment & Infotainment** (37 domestic channels, OTT platforms & Studio)

TV18's entertainment offering (Viacom18 and History TV18) is the #3 entertainment bouquet in the country by viewership. Its full-portfolio offering across National, Regional, Niche and Digital diversifies revenue streams and makes it future-ready.

Financial performance

| | Q2FY22 | Q2FY21 | YoY | H1FY22 | H1FY21 | YoY |
|--------------------------------|--------|--------|-----|--------|--------|-----|
| Op. Revenue (Rs Cr) | 1,007 | 759 | 33% | 1,893 | 1,305 | 45% |
| Op. Expense (Rs Cr) | 819 | 626 | 31% | 1,557 | 1,131 | 38% |
| Op. EBITDA (Rs Cr) | 189 | 133 | 42% | 336 | 174 | 94% |
| <i>Operating EBITDA margin</i> | 18.7% | 17.5% | | 17.8% | 13.3% | |



- Flagship Hindi GEC Colors ranks #2 in all-day primetime viewership. 11th season of one of the most successful impact properties, *Khatron Ke Khiladi*, was launched in July with 6mn impressions, becoming the biggest non-fiction Hindi show of 2021. The channel also launched 3 fiction shows to bolster its weekday prime-time viewership.
- Colors Rishtey has grown its genre share to 17.3% and ranks #3 in the FTA re-run GEC genre.
- Colors Cineplex has a 6.9% viewership share in the Pay Hindi movie genre. Its FTA variant Rishtey Cineplex garnered 10.3% share in the FTA Hindi movie space. Colors

Cineplex Bollywood, which was launched on 1st Apr'21 on DD FreeDish, grew by ~250bps to 5.9% share in the FTA Hindi movie genre.

- Colors Kannada is the #2 channel in the genre, with 22.3% viewership share. Secondary GEC Colors Super adds another 2.9% to our Kannada portfolio share, taking it to ~25%.
- Colors Marathi gained 300bps to reach 16.7% viewership share with the launch of *Bigg Boss Marathi S3* which witnessed the highest opening ratings.



- Nick continues to reign as #1 in the Kids genre, with a 13.1% share of genre viewership. Sonic with 11.9% share was the #3 channel. Between Nick, Sonic and Nick Jr, our Kids portfolio commanded a 32% market-share, with a leadership in 10 out of 20 category slots.
- Our English entertainment portfolio, with strong brands like VH1, Comedy Central and Colors Infinity, continues to be the overwhelming genre leader with ~95% market share.
- MTV bolstered its content offering with shows like *Unacademy Unwind*, *Supermodel of the Year*, and live streaming of La Liga.
- History TV18 ranks #2 in the Factual entertainment genre, with an overall market share of 19.3%.



- Voot, Viacom18's digital video destination continues to chart its success path in an intensely competitive environment.
 - Voot is working towards significantly enhancing its content offering to its consumers. Taking a step in that direction, it released the first season of *Bigg Boss: Over-the-Top*, a spin-off of the famous TV franchise on the platform. With early access to episodes, 24-hour camera feed and voting rights available only for pay users, the show led to a sharp jump in the paid subscriber base of the platform. It also helped increase engagement as more than half of the paid subscribers tuned in on the live channel with average daily time spent of ~70 minutes. The engagement was even higher on connected devices, highlighting the traction of the property amongst the affluent segment. *Bigg Boss OTT* garnered 10bn+ minutes of cumulative watch time and 34mn+ user interactivities across its paid and free user base.
 - Voot Select strengthened its content catalogue with:
 - Sports streaming - Football (Spanish La Liga, Italian Serie A, French Ligue1) and Tennis ATP Masters
 - Launch of *Voot Select Film Festival*, a first of its kind curated cinematic experience premiering 15 critically acclaimed movies directly on the platform
 - Acclaimed international shows – *The Lost Symbol* (based on Dan Brown's novel) and *First In: The CIA vs Bin Laden* (documentary)

- Voot continues to have the most loyal audience amongst peers with an average daily time spent per viewer of ~53 minutes on the platform.
- Viacom18 Studios includes Viacom18 Motion pictures (movie production) and Tipping Point Films (digital content production house).
 - The studio has signed a 4 movies deal with Dharma Productions which will see some of the best acting and directing talent come together for these projects. Two Hindi movies, *Laal Singh Chaddha* and *Shabaash Mithu*, are slated for release later this year. *Thuglaq Darbaar*, Viacom18 Studios' Tamil film was released on Netflix and has created a good buzz.

TV18 Broadcast Limited

Reported Standalone Financial Performance for the Quarter ended 30th Sep 2021

(₹ in lakh, except per share data)

| | Particulars | Quarter Ended (Unaudited) | | | Half Year Ended (Unaudited) | | Year Ended (Audited) |
|---|--|------------------------------|-------------------------|-------------------------|--------------------------------|-------------------------|-------------------------|
| | | 30 th Sep'21 | 30 th Jun'21 | 30 th Sep'20 | 30 th Sep'21 | 30 th Sep'20 | 31 st Mar'21 |
| 1 | Income | | | | | | |
| | Value of Sales and Services | 354 | 316 | 299 | 670 | 569 | 1,297 |
| | Goods and Services Tax included in above | 53 | 47 | 45 | 100 | 85 | 193 |
| | Revenue from Operations | 301 | 269 | 254 | 570 | 484 | 1,104 |
| | Other Income | 9 | 9 | 17 | 18 | 25 | 48 |
| | Total Income | 310 | 278 | 271 | 588 | 509 | 1,152 |
| 2 | Expenses | | | | | | |
| | Operational Costs | 31 | 28 | 30 | 59 | 59 | 133 |
| | Marketing, Distribution and Promotional Expense | 67 | 71 | 62 | 138 | 123 | 240 |
| | Employee Benefits Expense | 108 | 91 | 87 | 199 | 182 | 382 |
| | Finance Costs | 8 | 8 | 12 | 16 | 27 | 45 |
| | Depreciation and Amortisation Expense | 13 | 13 | 14 | 26 | 28 | 56 |
| | Other Expenses | 41 | 39 | 44 | 80 | 85 | 173 |
| | Total Expenses | 268 | 250 | 249 | 518 | 504 | 1,029 |
| 3 | Profit/ (Loss) Before Tax (1 - 2) | 42 | 28 | 22 | 70 | 5 | 123 |
| 4 | Tax Expense | | | | | | |
| | Current Tax | - | - | 1 | - | 1 | (4) |
| | Deferred Tax | 11 | 7 | - | 18 | - | 36 |
| | Total Tax Expense | 11 | 7 | 1 | 18 | 1 | 32 |
| 5 | Profit/ (Loss) for the Period/ Year (3 - 4) | 31 | 21 | 21 | 52 | 4 | 91 |
| 6 | Other Comprehensive Income | | | | | | |
| | Items that will not be reclassified to Profit or Loss | (2) | 4 | - | 2 | 2 | (4) |
| | Income tax relating to items that will not be reclassified to Profit or Loss | 1 | (1) | - | - | - | 3 |
| | Total Other Comprehensive Income | (1) | 3 | - | 2 | 2 | (1) |
| 7 | Total Comprehensive Income for the Period/ Year (5 + 6) | 30 | 24 | 21 | 54 | 6 | 90 |

TV18 Broadcast Limited

Reported Consolidated Financial Performance for the Quarter ended 30th Sep 2021

(₹ in crore)

| Particulars | Quarter Ended (Unaudited) | | | Half Year Ended (Unaudited) | | Year Ended (Audited) |
|---|---------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|
| | 30 th Sep'21 | 30 th Jun'21 | 30 th Sep'20 | 30 th Sep'21 | 30 th Sep'20 | 31 st Mar'21 |
| 1 Income | | | | | | |
| Value of Sales and Services | 1,521 | 1,343 | 1,181 | 2,864 | 2,080 | 5,227 |
| Goods and Services Tax included in above | 213 | 188 | 168 | 401 | 291 | 729 |
| Revenue from Operations | 1,308 | 1,155 | 1,013 | 2,463 | 1,789 | 4,498 |
| Other Income | 13 | 21 | 18 | 33 | 30 | 62 |
| Total Income | 1,321 | 1,176 | 1,031 | 2,496 | 1,819 | 4,560 |
| 2 Expenses | | | | | | |
| Operational Costs | 529 | 461 | 387 | 990 | 676 | 1,751 |
| Marketing, Distribution and Promotional Expense | 238 | 230 | 211 | 468 | 378 | 796 |
| Employee Benefits Expense | 233 | 219 | 171 | 452 | 365 | 836 |
| Finance Costs | 9 | 10 | 26 | 19 | 57 | 88 |
| Depreciation and Amortisation Expense | 29 | 29 | 36 | 58 | 73 | 139 |
| Other Expenses | 66 | 58 | 79 | 123 | 161 | 307 |
| Total Expenses | 1,104 | 1,007 | 910 | 2,110 | 1,710 | 3,917 |
| 3 Profit/ (Loss) Before Share of Profit of Associate and Joint Venture and Tax (1 - 2) | 217 | 169 | 121 | 386 | 109 | 643 |
| Share of Profit of Associate and Joint Venture | 14 | 13 | 14 | 27 | 29 | 60 |
| 5 Profit/ (Loss) Before Tax (3 + 4) | 231 | 182 | 135 | 413 | 138 | 703 |
| 6 Tax Expense | | | | | | |
| Current Tax | (11) | 13 | 20 | 2 | 21 | (79) |
| Deferred Tax | 11 | 7 | - | 17 | - | 36 |
| Total Tax Expense | 0 | 20 | 20 | 19 | 21 | (43) |
| 7 Profit/ (Loss) for the Period/ Year (5 - 6) | 231 | 162 | 115 | 394 | 117 | 746 |
| 8 Other Comprehensive Income | | | | | | |
| (i) Items that will not be reclassified to Profit or Loss | (4) | 6 | (2) | 1 | 4 | 0 |
| (ii) Income Tax relating to items that will not be reclassified to Profit or Loss | 0 | (1) | - | 0 | - | 4 |
| (iii) Items that will be reclassified to Profit or Loss | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Comprehensive Income for the | (4) | 5 | (2) | 1 | 4 | 4 |
| 9 Total Comprehensive Income for the Period/ Year | 227 | 167 | 113 | 395 | 121 | 750 |
| Profit/ (Loss) for the Period/ Year attributable to: | | | | | | |
| (a) Owners of the Company | 140 | 99 | 75 | 241 | 76 | 456 |
| (b) Non-Controlling Interest | 91 | 63 | 40 | 153 | 41 | 290 |
| Other Comprehensive Income for the Period/ Year attributable to: | | | | | | |
| (a) Owners of the Company | (3) | 4 | (1) | 1 | 3 | 2 |
| (b) Non-Controlling Interest | (1) | 1 | (1) | 0 | 1 | 2 |
| Total Comprehensive Income for the Period/ Year attributable to: | | | | | | |
| (a) Owners of the Company | 137 | 103 | 74 | 242 | 79 | 458 |
| (b) Non-Controlling Interest | 90 | 64 | 39 | 153 | 42 | 292 |

INVESTOR COMMUNICATION:

TV18’s ongoing investor communication endeavors to adopt best international practices and the quarterly investor updates are designed to regularly provide detailed information to investors. Each update covers information pertaining to the reporting period under review. If you would like to get a sequential and continued perspective on the company this report should be read along with the updates sent out earlier. The previous updates can be accessed on request from the contact persons mentioned below, or from the company’s website www.nw18.com. This update covers the company’s financial performance for Q2 FY22.

For further information on business and operations, please contact:

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Further information on the company is available on its website www.nw18.com



TV18

