

July 20, 2021

National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Trading Symbol: NETWORK18	BSE Limited P J Towers Dalal Street Mumbai – 400 001 SCRIP CODE: 532798
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Sub: Investors' Update – Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2021

Dear Sirs,

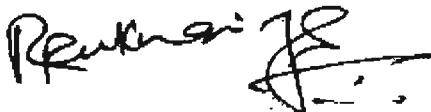
In continuation of our letter of today's date on the above subject, we send herewith a copy of the Investors' Update on the aforesaid financial results released by the Company in this regard.

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 **Network18 Media & Investments Limited**



Ratnesh Rukhariyar
Group Company Secretary

Encl.: As above

Network18 Media & Investments Limited

(CIN - L65910MH1996PLC280969)

Regd. office: First Floor, Empire Complex, 414- Senapati Bapat Marg, Lower Parel, Mumbai-400013

T +91 22 40019000, 66667777 W www.nw18.com E: investors.n18@nw18.com

Network 18

EARNINGS RELEASE: Q1 FY 2021-22

Mumbai, 20th July, 2021 Network18 Media & Investments Limited today announced its results for the quarter ended 30th June 2021.

- **Consolidated EBITDA up ~6x YoY (and ~3x vs Q1FY20); operating margin clocked 15.5%**
- **Consolidated revenue ex-film rose 51% YoY (and 2% vs Q1FY20)**
- **Concerted thrust on continuity of original content and monetization limited ad-revenue impact from second wave**
- **Network18 Digital** internet population (Comscore)

Summary Consolidated Financials

	Q1FY22	Q1FY21	Growth
			50%
			587%
<i>Operating EBITDA margin</i>	15.5%	3.4%	

Highlights for Q1

- ❖ **Operating margin at ~15.5%, highest ever in first quarter; despite second wave impact**
 - Entertainment margin a healthy ~17%; ex-film revenue up 63% YoY (up 5% vs Q1FY20)
 - News margin at 15%; revenue up 17% YoY (near-flat vs Q1FY20 ex-election advertising)
 - Digital News maintained its break-even; revenue rose 89% YoY (up 44% vs Q1FY20).

Financial and Operational performance

- ❖ **Domestic ad-revenue much higher YoY due to first wave impact being significantly greater**
 - Entertainment advertising was impacted by the second wave, as ad-demand dipped in May-early June due to lockdowns. However, original content production and telecasts were continued by tackling lockdown-driven logistical challenges through bio-bubbles, shifting shooting locations, and other innovative/agile solutions. On the back of a full roster of compelling content, our portfolio was able to re-scale ad-revenue to the same levels as in Q1FY20 (which was not impacted by COVID-19 in any manner).
 - TV News advertising remained resilient despite the second wave, led by a rise in news consumption and digital events replacing physical ones. As a result, our TV News ad-revenue remained in growth territory vs Q1FY20, adjusted for election-linked advertising.
 - Digital News was minimally impacted by the second wave. Growing salience of the medium for advertisers as well as consumers (especially during COVID peaks) supported revenue.

- ❖ **Subscription revenue grew 4% YoY; subscription remains growing and resilient to COVID**
 - Domestic subscription revenue continued to grow led by expanded tie-ups in TV and Digital (both B2B and B2C). International subscription remains under stress
 - While Digital is rising fast off a low base, TV remained resilient and in growth territory.
 - Domestic TV subscription dynamics remain in flux due to the proposed new tariff order (NTO 2.0).

- ❖ **Cost controls maintained across business lines, despite second wave driven escalations**
 - Consistent controls on costs across business lines led a reduction in group opex, despite cost-pushes in content and distribution. Even compared with Q1FY20, opex fell 14% YoY.
 - Maintaining safe and full-scale-continuity of news operations and original entertainment programming despite lockdowns across various states drove up certain content costs.
 - Distribution costs rose due to an new channel placed on DD Freedish, Cineplex Bollywood

- ❖ **Digital platforms in focus, as consumer engagement and subscription continues to ascend**
 - Pay-product Voot Select was the fastest to reach 1 mn B2C subscribers in its first year. It continues to grow at a healthy clip, driven by our subject-led approach to digital originals and curation/extension of TV-led content. The next season of property Bigg Boss will be launched on Voot as a digital exclusive aimed at dialling-up active engagement with viewers. The show shall then seamlessly transition to TV.
 - Niche edutainment pay-platform Voot Kids witnessed a 25% QoQ growth in overall watchtime.
 - -streamed on Voot, and will air exclusively on MTV in India along with select national and regional network channels. The 3-year exclusive partnership gives the group linear & digital rights across the Indian subcontinent.
 - MoneyControl Pro was the only Indian app ranked amongst the top-20 global news subscription services, and is the third largest such platform in Asia (International Federation of Periodical Publishers).
 - News18.com alone reaches ~190 mn unique visitors every month; which is a testament to its growth as a brand and the most inclusive vernacular news destination.

- ❖ **TV viewership rose 9% QoQ led by lockdowns, continuation of original content telecasts**
 - News genre viewership jumped 28% QoQ led by the second wave and multiple state and elections. The salience and resilience of our fully-pay news-network shone through.

- Entertainment viewership also grew 8% QoQ, some of which was contributed by sports. Pay-GEC viewership also grew in single digits across both Hindi and Regional, as original programming continued unabated to a large extent. Our share of TV entertainment rose further to ~11%, up sharply from a low of ~9.2% in Q1FY21.

Mr. Adil Zainulbhai, Chairman of Network18, said: *“The second wave of COVID-19 could have been the dominant theme for the industry and indeed for us during the quarter....but it wasn’t. Led by the many learnings from the past year and a responsibility to serve the Indian audience, we have been able to continue our businesses relentlessly and profitably. While advertising hit a speed-breaker (primarily in entertainment), growing engagement on our platforms across TV and Digital make us confident of delivering for all our stakeholders even amidst a choppy environment. We continue to invest to ramp up offerings on our class-leading digital platforms, as their reach expands to highest ever levels. At the same time, we are selectively creating segmented offerings to enhance our TV portfolio in a capital-efficient manner.”*

Business summary

- **News bouquet (20 channels) diversified in scope and reach.**
 - Our News channels have been largely unaffected, amidst continued suspension of BARC ratings for the genre. A resumption of physical events as the second wave recedes will likely spur ad-revenue further.
 - Digital campaigns an blended business and social responsibility.

- **5 channels + 2 infotainment channels) is #3 amongst pan-India peers**
 - Flagship Colors was #2 in primetime amongst Hindi pay-GECs. Digital ad-revenue grew despite strong competition from sports (esp. IPL).
 - New initiatives during the quarter include launch of Cineplex Bollywood free-to-air movie channel and Colors Gujarati channel in UK. Reported EBITDA also includes impact from initiatives launched more than a year ago but in gestation, mainly Colors Tamil and Voot Select.

- **Network18 digital is #2 amongst Indian media publishers with ~227 mn unique visitors**
 - Flagships MoneyControl and News18.com grew engagement levels sharply, as digital news benefitted from both genre and medium tailwinds.
 - Voot continues to enjoy strong engagement metrics, with 44 mins of daily time spent / user. Both entertainment pay-products Voot Select and Voot Kids witnessed continued growth in subscribers.

Financials for the quarter

OPERATING REVENUES (Rs Cr)	Q1FY22	Q1FY21	YoY	Q1FY20	Q1 22/20
			17%		-10%
			62%		-1%
C) TV18 Consolidated	1,155	776	49%	1,198	-4%
			4%		10%
			7%		-92%
			91%		25%
E) Network18 Consolidated	1,214	807	50%	1,245	-2%

OPERATING EBITDA (Rs Cr)	Q1FY22	Q1FY21	YoY	Q1FY20	YoY
			1028%		99%
			261%		157%
C) TV18 Consolidated	188	44	323%	77	142%
			NM		NM
E) Network18 Consolidated	188	27	587%	46	306%

Q1FY21 was impacted by first wave of COVID-19, hence we are comparing financials with Q1FY20 as well

@ 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**

■ **Network18 - Broadcasting**

TV18 owns and operates the broadest network of channels 57 in India spanning news and entertainment. 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

	Q1FY22	Q1FY21	YoY	Q1FY20	Q1 22/20
			17%		-10%
			1%		-18%
			1028%		99%
<i>Operating EBITDA margin</i>	15.0%	1.6%		6.8%	



- Due to a blackout of BARC ratings for the News genre since October-20, there are no channel viewership insights available.
- CNBCTV18.com grossed 13.78mn unique visitors during the quarter.

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

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

	Q1FY22	Q1FY21	YoY	Q1FY20	Q1 22/20
			62%		-1%
			46%		-12%
			261%		157%
<i>Operating EBITDA margin</i>	16.6%	7.5%		6.4%	



- Flagship Hindi GEC Colors ranks #2 in all-day primetime. Colors extended a successful
- Colors Rishtey has grown its genre share to 16.4% 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 has garnered a 10.3% share in FTA Hindi movie space.
- Colors Cineplex Bollywood was launched on 1st [blank] The channel has quickly carved out a 3.5% share in the FTA Hindi movie genre.
- Colors Kannada is the #2 channel in the genre, with 21.3% viewership share. Secondary GEC Colors Super adds another 3.4% to our Kannada portfolio share, taking it to ~25%.



- Nick continues to reign as #1 in the Kids genre, with a 14% share of genre viewership. Sonic with 13.1% share maintained its #2 position. Between Nick, Sonic and Nick Jr, our Kids portfolio commanded a 34% market-share, with a leadership in 16 out of 20 category slots.
- In English entertainment genre, our channels continue to occupy the top positions, with their combined viewership shares at ~92%. VH1 and Comedy Central rank #1 (58%) and #2 (22%) respectively; while Colors Infinity rose to a ~12% share.
- MTV Beats has risen to the #1 position, with viewership share increasing to 21.9%.
- [blank] -ever 676Mn views in a quarter. The channel shall be showcasing LaLiga football as part of a 3 year deal.
- History TV18 ranks #2 in the Factual entertainment genre, with an overall market share of 19%.



- chart its success path in an intensely competitive environment.
 - Voot enjoys the most loyal audience amongst peers, with average daily time spent per viewer of ~44 minutes.
 - Voot Select was launched in Mar-20, and continues to ramp-up.

- Launched multiple Select Exclusives in Q1 FY22 namely Sumer Singh Case Files: Girlfriends, Kaushiki, 13 Mussoorie, Love Lust & Confusion, Truth or Tamanna and It Happened in Hong Kong.
 - exclusive live streaming of The 69th Miss Universe Competition
 - Home to Shark Tank S12, the critically acclaimed and multi-Emmy Award-winning entrepreneurial-themed reality show (IMDb rating of 7.6)
 - Why Women Kill S2, a critically acclaimed and widely popular dark comedy-
 - Multiple other international shows by MTV, ITV, CBS and Showtime were launched in Q1 FY22
- Viacom18 Studios includes Viacom18 Motion pictures and digital content production house Tipping Point Films.
 - Following the success of Jamtara, Taj Mahal 1989 and She, Viacom18 series, Ray, an adaptation of celebrated writer-director stories. The series premiered in June and has received wide acclaim and adulation across the world

■ **Digital News**

Financial performance

	Q1FY22	Q1FY21	YoY	Q1FY20	Q1 22/20
			89%		44%
			29%		-17%
			NM		NM
<i>Operating EBITDA margin</i>	4.2%	-40.2%		-66.1%	

Network18 Digital News is a #2 player in News/Information category.



- Moneycontrol has consolidated its position as India's leading business and finance destination in the digital landscape. Its app continues to remain best-in-class, with industry leading monthly active users (MAUs) and engagement. Its website is also the leader by page-views amongst business news peers.
- Global Digital Subscription Snapshot by FIPP CeleraOne ranked MC Pro in top 20. Moneycontrol Pro, within two years of launch, has carved its niche among leading news publishing platforms including the Wall Street Journal, New York Times, Financial Times, Nikkei.com and the Economist app.
- Through analytical tools and feature launches including Big Shark Portfolio, Market Event calendar and Moneycontrol Equity Research, Moneycontrol has continued to enhance its core offering for investors.

- News18.com digital news platform. Its reach has grown 23% YoY to a lifetime high of ~190 mn unique visitors a month; driven by continued rise in engagement in Indic languages.
- While breaking news and analysis remains at the heart of News18 operations, the new News18

Network18 Media & Investments Limited
Reported Consolidated Financial Performance for the Quarter ended 30th June 2021

	Particulars	Quarter Ended			Year Ended (Audited)
		30 th Jun'21	31 st Mar'21	30 th Jun'20	31 st Mar'21
1	Income				
	Value of Sales and Services	1,409	1,641	934	5,459
	Goods and Services Tax included in above	195	226	127	754
	Revenue from Operations	1,214	1,415	807	4,705
	Other Income	16	19	9	44
	Total Income	1,230	1,434	816	4,749
2	Expenses				
	Cost of Materials Consumed	0	0	0	1
	Operational Costs	472	581	297	1,783
	Marketing, Distribution and Promotional Expense	238	214	172	830
	Employee Benefits Expense	251	259	223	954
	Finance Costs	24	27	53	157
	Depreciation and Amortisation Expense	31	33	39	147
	Other Expenses	64	83	88	341
	Total Expenses	1,080	1,197	872	4,213
3	Profit/ (Loss) Before Share of Profit/ (Loss) of Associates and Joint Ventures and Tax (1 - 2)	150	237	(56)	536
4	Share of Profit/ (Loss) of Associates and Joint Ventures	(6)	(9)	(2)	(24)
5	Profit/ (Loss) Before Tax (3 + 4)	144	228	(58)	512
6	Tax Expense				
	Current Tax	15	4	3	(72)
	Deferred Tax	7	18	-	37
	Total Tax Expense	22	22	3	(35)
7	Profit/ (Loss) for the Period/ Year (5 - 6)	122	206	(61)	547
8	Other Comprehensive Income				
	(i) Items that will not be reclassified to Profit or Loss	5	(20)	2	(3)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	(1)	4	-	4
	(iii) Items that will be reclassified to Profit or Loss	1	(1)	1	0
	Total Other Comprehensive Income for the Period/ Year	5	(17)	3	1
9	Total Comprehensive Income for the Period/ Year (7 + 8)	127	189	(58)	548
	Profit/ (Loss) for the Period/ Year attributable to:				
	(a) Owners of the Company	10	39	(62)	33
	(b) Non-Controlling Interest	112	167	1	514
	Other Comprehensive Income attributable to:				
	(a) Owners of the Company	2	(18)	(1)	(2)
	(b) Non-Controlling Interest	3	1	4	3
	Total Comprehensive Income attributable to:				
	(a) Owners of the Company	12	21	(63)	31
	(b) Non-Controlling Interest	115	168	5	517

TV18 Broadcast Limited
Reported Consolidated Financial Performance for the Quarter ended 30th June 2021

	Particulars	Quarter Ended			Year Ended (Audited)
		30 th Jun'21	31 st Mar'21	30 th Jun'20	31 st Mar'21
1	Income				
	Value of Sales and Services	1,343	1,566	899	5,227
	Goods and Services Tax included in above	188	218	123	729
	Revenue from Operations	1,155	1,348	776	4,498
	Other Income	21	21	12	62
	Total Income	1,176	1,369	788	4,560
2	Expenses				
	Operational Costs	461	573	289	1,751
	Marketing, Distribution and Promotional Expense	230	200	167	796
	Employee Benefits Expense	219	228	193	836
	Finance Costs	10	13	31	88
	Depreciation and Amortisation Expense	29	31	37	139
	Other Expenses	58	68	82	307
	Total Expenses	1,007	1,113	799	3,917
3	Profit/ (Loss) Before Share of Profit of Associate and Joint Venture and Tax (1 - 2)	169	256	(11)	643
4	Share of Profit of Associate and Joint Venture	13	15	15	60
5	Profit/ (Loss) Before Tax (3 + 4)	182	271	4	703
6	Tax Expense				
	Current Tax	13	2	2	(79)
	Deferred Tax	7	18	-	36
	Total Tax Expense	20	20	2	(43)
7	Profit/ (Loss) for the Period/ Year (5 - 6)	162	251	2	746
8	Other Comprehensive Income				
	(i) Items that will not be reclassified to Profit or Loss	6	(3)	6	0
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	(1)	4	-	4
	(iii) Items that will be reclassified to Profit or Loss	0	0	0	0
	Total Other Comprehensive Income for the Period/ Year	5	1	6	4
9	Total Comprehensive Income for the Period/ Year (7 + 8)	167	252	8	750
	Profit/ (Loss) for the Period/ Year attributable to:				
	(a) Owners of the Company	99	166	1	456
	(b) Non-Controlling Interest	63	85	1	290
	Other Comprehensive Income attributable to:				
	(a) Owners of the Company	4	0	4	2
	(b) Non-Controlling Interest	1	1	2	2
	Total Comprehensive Income attributable to:				
	(a) Owners of the Company	103	166	5	458
	(b) Non-Controlling Interest	64	86	3	292

INVESTOR COMMUNICATION:

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 www.nw18

financial performance for Q1 FY22.

For further information on business and operations, please contact:

Abhishek Agarwal,

Network18 Media & Investments Limited

E-mail: abhishek.agarwal@nw18.com

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

Network 18

