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Press Release

Mumbai, October 21, 2020

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers - Dainik Bhaskar, Divya Bhaskar, Divya Marathi and Saurashtra Samachar, today announced its financial results for the quarter ended September 30, 2020. The highlights of the Company's operational and financial performance are as follows:

Key Developments and Initiatives:

The Dainik Bhaskar Group has displayed tremendous resilience in ensuring continuity of business and pursuing growth and profitability, even in these uncertain times. Dainik Bhaskar's core strength, based on adaptive Editorial and Circulation strategies, has not only ensured that the group maintained its leadership position as India's No. 1 Newspaper Group but has also demonstrated its ability to convert adversity into an opportunity.

- This multi-pronged approach to combat the on-going pandemic, along with a well-implemented cost optimisation drive, has culminated into overall business operations improving sequentially leading to a better than expected Q2 FY21 top line and bottom line performance. **The Print business EBITDA in Qtr 2 FY 21 was Rs.873 million as against Rs.1010 million last year, which translated into an EBITDA margin expansion by 650 basis points at 26.7% from last year EBITDA margin at 20.3%, underscoring the benefits of the soft newsprint prices & cost cutting measures.** The revenue for Q2 FY21 was Rs. 3498 million, which was 34% lower on a yearly basis but registered a growth of 62% compared to the previous quarter..
- The circulation teams' continued efforts, across all our markets, have yielded results and manifested in a quick turnaround with our Circulation Copies increasing to 78% of the pre-Covid levels (YOY) in July, 80% in August, 81% by the end of September and currently at 86% at overall level as compared with 66% in the month of April. We have been witnessing consistent circulation copies growth
- On the advertising front, as the unlock measures began to unfold, Dainik Bhaskar was perhaps the only newspaper in the country that published "mega" editions in our major markets like Shimla 144 pages, Indore – 128 pages, Bikaner - 130 pages, Bhopal - 72 pages, Ahmedabad - 80 pages, Raipur - 80 pages, Ujjain - 60 pages, Hoshangabad - 60 pages, that have helped advertisers signal their return to the market, and more importantly, their efforts to tap into the pent-up demand in the upcoming festive season. Our advertising revenues, too, are reclaiming pre-Covid levels (YOY) with almost 77% in September on a like to like basis from 19% in the month of April.
- Further, it is promising to note the September month's GST collection, wherein Dainik Bhaskar Group markets registered a growth of 10.3% YOY, significantly higher than the All India growth of 3.9% YOY.

Performance highlights for Q2 FY2021 – Consolidated [All Comparisons with Q2 FY2020]

- ⤴ Circulation Revenue stood at Rs. 1033 million as against Rs. 1286 million
- ⤴ Advertising Revenue stood at Rs. 2263 million as against Rs. 3670 million
- ⤴ Total Revenue came in at Rs. 3498 million as against Rs. 5336 million
- ⤴ EBIDTA at Rs. 745 million (21.3% margin) as against Rs. 1006 million (margin of 18.8%), after considering forex gain of 19 million
- ⤴ PAT stands at Rs. 285 million as against profit of Rs. 756 million, after considering forex gain of 15 million
- ⤴ Radio business:
 - Advertising Revenue at Rs. 182 million versus Rs. 316 million
 - EBIDTA stands at Rs. 27 million versus Rs. 69 million

Performance highlights for H1 FY2021 – Consolidated [All Comparisons with H1 FY2020]

- ⤴ Circulation Revenue stood at Rs. 1961 million as against Rs. 2600 million
- ⤴ Advertising Revenue stood at Rs. 3333 million as against Rs. 8089 million
- ⤴ Total Revenue came in at Rs. 5655 million as against Rs. 11447 million
- ⤴ EBIDTA stood at Rs. 467 million as against Rs. 2802 million after considering forex gain of Rs 16.9 million
- ⤴ PAT / (Loss) stood at Rs. (195) million as against Rs. 1693 million, after considering forex gain of Rs. 9.9 million
- ⤴ Radio Business:
 - Advertising Revenue at Rs. 262 million versus Rs. 693 million last year
 - EBIDTA / (Operating loss) at Rs. (34) million versus Rs. 200 million

Commenting on the performance for H1 FY 2020-21, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, “ We entered the first half of this financial year filled with uncertainty, brought about by the global pandemic, and while the threat is far from over, we are extremely pleased with the resilience shown by our business, employees and partners. We have been strong believers of the Indian growth story, especially the depth and strength of the non-metro cities in India. The pandemic has underscored this belief and all the markets that the Dainik Bhaskar Group operates in, primarily, Tier-II and Tier-III cities, have been returning to normalcy at a rate that is outpacing the metros.

While our results are reflective of the disruption in the first quarter, it is important to note that on almost all parameters, i.e. operations, advertising revenues and circulation, we have seen phenomenal traction beginning mid-July, that has improved sequentially. With Navratri coming in late by a month this year, our advertising revenues from this season shifted from the last week of September to October. Adjusted for this, we are happy to report that our performance is now approaching near pre-Covid levels. Our profitability has been witnessing improvement on the back of our relentless cost optimisation measures, soft newsprint prices.

With the upcoming festive season already showing signs of an imminent revival, and given the strong work that our teams have put in the past few months, we are hopeful that we should be able to recover a large part of the performance that was lost to the pandemic.”

Q2 FY 2021 financial results highlights: (comparisons with Q2 FY2020 & Q1 FY2021)**(Rs. Mn)**

Heads	Qtr 2 FY 20	Qtr 2 FY 21	YOY Growth	Qtr 1 FY 21	QOQ Growth
Print & Other Business Advertisement	3355	2083	-37.9%	990	110.3%
Radio Advertisement	316	182	-42.4%	80	126.6%
Print Circulation Rev	1286	1033	-19.7%	928	11.3%
Consol Operational Revenue	379	202	-46.9%	159	27.0%
Consol Total Income	5336	3498	-34.4%	2157	62.2%
Print & Other Business EBIDTA	937	718	-23.4%	-217	NA
Radio EBIDTA	69	27	-60.2%	-61	NA
Consol EBIDTA	1006	745	-25.9%	-278	NA

An analysis and break-up of Mature and Emerging Business financials on a quarterly basis is given below. We classify emerging business as those which are below 4 years of age or profitable since last 4 quarters, whichever is earlier.

Mature Business EBIDTA margin stands at 29%**Q2 FY2021****(Rs. Mn)**

Particulars	Mature Businesses	*Emerging Businesses	Radio Business	DBCL Standalone
Total Revenues	3026	291	182	3498
EBIDTA before Expansion	870	(152)	27	745
EBIDTA Margin	29%	(52%)	15%	21%
EBIDTA after Expansion	870	(152)	27	745
EBIDTA Margin	29%	(52%)	15%	21%

* Emerging Business, includes Bihar, small part of Maharashtra & Surat Hindi edition, besides Mobile App & E-real Estate Business

Strategic areas of focus and key updates:

- ❖ **Digital strategy: Focus on providing high-quality user experience. Our users have increased by almost four times in Hindi App in last six months**
 - Dainik Bhaskar continues to focus on its strategy of building the best-in-class, ad-free user experience on its digital app while maintaining high quality, insightful and reader engaging content
 - As per latest Com Score report, Dainik Bhaskar App monthly users grew by around 4x in the last 6 months; an outcome of high-quality content creation coupled with highly personalized product experience
 - In FY2020, our Hindi and Gujarati News Apps were the fastest growing app with highest retention & engagement across the industry
 - The Company continues to invest in Digital business with a focused digital strategy of App Daily Active Users

- ❖ **Editorial strategy: Editorial excellence continues to be a hallmark of the Dainik Bhaskar group that adapts to the pulse of its readers, especially in the current challenging times. Some of the initiative include:**

- Dainik Bhaskar launched a nation-wide Social Campaign “अभी मास्क ही वैक्सीन है - **The Mask is the only Vaccine**”, which has an appeal to the readers to wear the mask till a vaccine is available in the market.
- Dainik Bhaskar, fulfilling its responsibility of bringing forth various social concerns and to nudge the society toward positive change, released the following special-coverage features:
 - Dainik Bhaskar took a strong social stand on the Minister of Madhya Pradesh for not wearing mask at a public function in Indore. Dainik Bhaskar carried an issue omitting the pictures of the political leader from the cover page along with the caption “**Hum Aapka Chehra Nahin Lagate**”; this issue has been widely appreciated. The INMA appreciated this coverage and nominated Dainik Bhaskar for an award
 - As a tribute to the 1 lakh Indian victims of the Covid-19 pandemic, Dainik Bhaskar dedicated the cover page of its editions to express solidarity with their families
 - Dainik Bhaskar carried a ground-breaking story ‘**Bhaskar Inside Story - Viral Audio mein 30 MLA ka Sauda**’ that captured the upheaval in the political landscape in Rajasthan
 - In Maharashtra, Dainik Bhaskar initiated a campaign on ‘**Ganesh Utsav**’ to elevate the spirit of the biggest festival in the state. Divya Marathi initiated the ‘State Assembly Session’ for 10 consecutive days to discuss the problems and issues arising in the state such as the pandemic, food situation and farmer issues

❖ **Radio strategy: In tune with our brand philosophy ‘Aaj Kuch Accha Sunte hai’, MY FM continues to focus on content innovation and audience engagement activities**

- MY FM maintains its leadership position in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh & continues to be the Largest player in Rest of Maharashtra
- MY FM collaborated with **Grand Master Akshar** for digital yoga sessions ‘**Yoga Session with Grand Master Akshar**’ through MY FM’s Facebook handle, an initiative to help people to lead a healthy lifestyle amid the current scenario
- MY FM launched a candid chat show **MY FM’s Spotlight** to provide a sneak-peek into the lives of celebrities from different walks of life; A weekend special digital series which has featured eminent personalities like Shreya Ghoshal, Sachin-Jigar, Papon, Javed Ali, Gaur Gopal Das, Palash Sen, Shaan, Vidyut Jamwal and Tulsi Kumar, amongst many others
- **Awards and recognitions:** MY FM Jingle written by Vayu, Composed by Rochak Kholi and Suny by Divya Kumar received a ‘**Finalist Certificate Award at NYF Awards**’

❖ **Branding Initiatives:**

- A Special event was organised for Dainik Bhaskar readers in Rajasthan Market “**Vipatti Mei Kaise Bachyein Apni Sampatti**”, an Investor awareness drive with Aditya Birla Sun Life Mutual Fund. Key-note speakers at the webinar included Mr Dharendra Kumar, CEO- Value Research, Mr K S Rao- Head of Investor Awareness & Distribution, ABSLMF & Mr Prashant Gupta- Head of North Zone, ABSLMF
- Dainik Bhaskar collaborated with e4m (Exchange 4 Media) group for the webinar series ‘**Non-metros – Driving the economic resurgence**’, exhibiting resurgence in non-metros driving economic recovery for India. The panellists included eminent personalities from different multiple sectors.

- Dainik Bhaskar conducted a series of episodes on ET NOW with the aim to bring-forth the resilience exhibited by non-metros during these challenging times. The series urged the marketers to intensify its focus on non-metro markets for the faster economic recovery and to target non-metros to meet the pent-up demand in the upcoming festive season

❖ **CSR Initiatives:**

- **Ek Ped Ek Zindagi:** Amid the on-going crisis, Dainik Bhaskar kept 'Importance of Environment Conversation' as a focal point and ran a campaign with a series of Print Ads presenting the facts on importance of trees for the survival of human kind while creating a sense of urgency towards tree plantation promoted through Print, Radio and Social Media. Also, launched a digital campaign 'Nature Ka Superhero' for kids to keep them engaged in a constructive manner.
- **Mitti Ke Ganesh:** Dainik Bhaskar urged people to make clay idol (Ganesh) at home during Ganesh Chaturthi and promoted idol immersion at home and use the remnants (soil) to plant saplings. This campaign aided in engaging kids in a fruitful manner while imbibing the cultural values and better qualities in them. Also, Dainik Bhaskar encouraged people to follow social distancing and all safety measures during the festivals to control the spread of virus during this time.

About DB Corp Ltd

DB Corp Ltd. is India's largest print media company that publishes 5 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 211 sub-editions in 3 multiple languages (Hindi, Gujarati and Marathi) across 12 states in India. Our flagship newspapers Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) and Divya Marathi (in Marathi) have a total readership of 6.6 crores, making us the most widely read newspaper group in India with presence in Madhya Pradesh, Chhattisgarh, Rajasthan, Haryana, Punjab, Chandigarh, Himachal Pradesh, Delhi, Gujarat, Maharashtra, Bihar and Jharkhand. Our other noteworthy newspaper brands are Saurashtra Samachar and DB Star. DBCL is the only media conglomerate that enjoys a leadership position in multiple states, in multiple languages and is a dominant player in its all major markets. The company's other business interests also span the radio segment through the brand "94.3 MY FM" Radio station with presence in 7 states and 30 cities. Its growing digital business is led by 8 portals for rapidly expanding digital audiences, and 4 actively downloaded mobile applications.

For further information please visit <http://dbcorgpltd.com/> or contact:

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<http://dbcorgpltd.com/>