

04th September 2020, Mumbai

Press Release

NXTDIGITAL posts strong quarterly results - continues its growth story in Q1 of the current fiscal

- **Company posted a handsome Earnings before Interest, Depreciation and Taxes of Rs. 50.36 crores for the quarter - a growth of 99% on a sequential quarter basis and 2.6% on a year on year basis**
- **On a consolidated basis, revenues grew by 3.4% to Rs.234.82 crores on a sequential basis over the previous quarter and 2.7% over the same quarter of the previous year.**
- **On the back of key initiatives, video and data business continued to grow despite the serious negative sentiments of the Covid pandemic**

Financial Performance

NXTDIGITAL today announced its results for the first quarter of the current financial year – a quarter that was significantly impacted by the Covid pandemic. Against this challenging backdrop, the company continued its growth story, with **revenues for Q1 standing at Rs. 234.82 crores.**

On a consolidated basis, **revenues grew by 3.4% on a sequential basis** over the previous quarter and **2.7% over the same quarter of the previous year.** The Company posted an **EBIDTA of Rs.50.36 crores for the quarter; posting a growth of 99% on a sequential basis** over the previous quarter and **2.6% on a year-on-year basis.**

The Company today stated that the company has not only been able to maintain its subscriber base **but even grow its video and data businesses**, in spite of the serious negative sentiments of the pandemic. **The Company has maintained its collection efficiency of over 99.5% under its prepaid collection model.**

The Board considered a capital raising exercise as any other business item in the agenda and has constituted a committee of directors to analyse and explore various options including Preferential Allotment, Rights Issue or such other means as the Board may consider appropriate for an amount up to Rs.500 Crores.

The Board appointed Mr. Amar Chintopanth who is Chief Financial Officer of the Company as Whole Time Director and Chief Financial Officer and Key Managerial Person of the Company with immediate effect pursuant to provisions of Section 203 of the Companies Act, 2013.

Performance Drivers

NXTDIGITAL launched a **series of key initiatives during Q1 to counter the challenges of the pandemic**, whilst **ensuring the safety of all its personnel, its franchisees and other ecosystem partners.** The company looked to focus on three key aspects during the difficult quarter.



(Formerly known as Hinduja Ventures Limited)

Registered Office: IN CENTRE, 49/50 MIDC, 12th Road, Andheri (E), Mumbai - 400 093.

T: +91 - 22 - 2820 8585 W: www.nxtdigital.co.in CIN. No.: L51900MH1985PLC036896



- **Accelerated “digital payment” adoption by subscribers** – the company worked actively to ensure nation-wide adoption of “digital” and “contactless” subscription collection models. Over **85% of the franchisee base today collects subscriptions from customers digitally**, including using “Easebuzz”, a digital collection platform that NXTDIGITAL partnered with, even before the lockdown was implemented.
- **Focused on content innovation to ensure subscribers remained connected and had access to their favorite content** – launched **innovative content packages** like the “Vishesh Manorajan Pack” where customers could enjoy over 400 channels for a small fee; whilst **facilitating a credit period for Local Cable Operators (LCOs) facing challenges** to physically collect.
- **Implemented a meticulously crafted Business Continuity Plan** – focused on **ensuring uninterrupted services to customers** through putting in place effective L3 processes for various technical and operational functions; whilst **ensuring safety of all personnel**.

Commenting on the Q1 performance, Vynsley Fernandes, Chief Executive Officer, NXTDIGITAL Ltd. reiterated that *“As an essential service providing critical video and data connectivity, it was and is imperative to step up and deliver uninterrupted services to customers whilst ensuring, without exception, the safety of our personnel, our partners and ecosystem. The performance in Q1 against the challenging backdrop is a reflection of those carefully thought out and implemented strategies, consistent innovation and the singular commitment to our customer base.”*

Vision for Growth

NXTDIGITAL **continues to focus on consolidating and growing its serviced subscriber base, expected to cross 10 million**; including onboarding of more than 5 million of managed services customers. The **potential base for managed services stands at over 69 million cable TV customers today** – comprising smaller independent and regional MSOs. A significant portion of these customers are in **semi-urban, semi-rural and rural markets**; where NXTDIGITAL has a growing presence by virtue of being able to deliver digital services to any part of the country through its HITS platform.

It is also **developing innovative products and solutions** to leverage the onset of the festival season and help customers derive maximum value. The **“NXTGO” solution is an innovative dongle-type device that can be plugged into an OTT Set Top Box (STB) or an Android-based television and provide immediate access to “live” television channels** - securely. The **“NXTCONNECT” STB, a next-generation solution, is a single device for customers to access “live” television channels, OTT content, social and other apps, games & much more.**

The company, continuing to build on its Hinduja Group principle of “Partnership for Growth”, is also **working with partners to launch a Cloud-based mobile app** - allowing customers to gain easy access to local services in their community, managed by NXTDIGITAL LCOs. The objective is to **build a strong ecosystem of local merchants around the LCO** – connecting merchants to consumers, seamlessly; thereby **facilitating a new revenue stream for its thousands of LCOs.**

About NXTDIGITAL LIMITED (www.nxtdigital.co.in)

NXTDIGITAL Limited (NDL) is a leading digital Media & Communications company; and the only integrated Digital Delivery Platform in the country covering satellite, digital cable and Broadband. NXTDIGITAL is the only company in the country distributing TV signals through a dual delivery platform consisting of the traditional terrestrial fiber route and India’s only Headend-In-The-Sky



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(HITS) satellite platform, under the brand names **INDIGITAL** and **NXTDIGITAL** respectively. Through these platforms, NXTDIGITAL caters to millions of subscribers across the country in more than 1,500 cities and towns through over 9,000 Cable Operators.

A true game-changer in the industry, the HITS platform enables the company to also function as a managed service provider to MSOs providing them with an unprecedented choice of channels at the best possible prices. With its state-of-the-art HITS facility, it is the only company that can offer direct-to-operator services to any corner of the country.

Other than Television services, it's subsidiary ONEOTT Intertainment Limited (OIL) has a strong presence in Broadband and Internet services in 40 cities. It's services under the brand "ONE Broadband" provides converged services of Video, Data and Voice to consumers by delivering high-speed internet and services across multiple cities in India. ONE Broadband leverages Nokia's GPON technology to provide 1,000Mbps broadband and connections to home users.

OIL is considered one of India's fastest growing ISPs and winner of several awards for innovation & excellence.

About HINDUJA GROUP

The Hinduja Group is one of India's premier diversified and transnational conglomerates. Employing nearly 150,000 employees, with presence across 38 countries it has multi-billion-dollar revenues. The Group was founded over a hundred years ago by Shri P.D. Hinduja whose credo was "My duty is to work so that I can give."

The Group owns businesses in Automotive, Information Technology, Media, Entertainment & Communications, Banking & Finance Services, Infrastructure Project Development, Cyber Security, Oil and Specialty Chemicals, Power, Real Estate, Trading and Healthcare. The group also supports charitable and philanthropic activities across the world through the Hinduja Foundation.

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