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Press Release

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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, 2022. The highlights of the Company's operational and financial performance are as follows:

Key Developments and Initiatives:

Dainik Bhaskar Group reports yet another quarter of strong results driven by a robust revival of economic sentiment in the markets that it operates in and on the back of well-established editorial prowess and proven circulation strategy. The omni-channel approach to reach readers, innovations in print through special editions as well as renewed vigour to deepen and expand its leadership position in key markets have yielded positive results.

- Geopolitical circumstances, pre & post covid scenario around the world, steep increase in the energy costs etc. resulted into supply chain disruptions and all above led to steep rise in newsprint prices in the last around two years period. However, we believe that the newsprint prices have peaked and now we should see softening in Newsprint prices going forward based on the current contracts for deliveries in our hands for the rest of the current financial year. **We expect a correction of around 12-15% in Newsprint buying rates going forward both in Indian and imported newsprint. We expect this continued softening in newsprint prices going forward in a short to medium term and the positive impact on our input costs should be visible from Q4 FY23.**
- **The credibility of print media has caused a shift in the focus of advertisers from new age media back to traditional media, like Print. The Dainik Bhaskar Group has been a beneficiary of this shift as it offers clear advantages to the advertisers – an omni-channel delivery mechanism for high-quality content and, a well-trusted and respected brand in the high growth non-metro markets that provides a strong platform for bespoke advertising. As a result, the advertising revenues for H1FY23 have far surpassed the previous year with 51% growth YOY. Print Advt Revenue in H1' 23 has grown by 53% YOY**
- On-ground indicators of positive sentiments are fuelling growth, especially in the non-metro cities in India. In the build up to the festive season, advertisers – **both traditional sectors as well as new age sectors**, like Digital, App based and start-ups – are increasing their advertising spends, besides, traditional categories like, Real Estate, Jewellery and Education. The captive audience that reposes its trust in Dainik Bhaskar every single day – provides companies with a strong and trusted platform for their products and services.
- Dainik Bhaskar rolled out several new initiatives at both reader's and trade's end. In Q2FY23, optimistic market sentiment, seamlessly easier booking process, focused team drove more reader acquisitions. **We launched One Nation One Number helpline for bookings which has been promoted through various mediums like print ads, radio, digital and on-ground activities.** We also reactivated our Customer Relationship Management (CRM) for trade partners with a dedicated team and restarted Parivar magazine for trade partners to deepen the bond. Our Brand Campaign "**Sachi Vaat Bedhadak**" in Gujarat was a resounding success and this campaign was made national with the tagline "**Sachi Baat Bedhadak**" in the rest of our markets. We continue to monitor the situation on the ground and believe that we have significant headroom available for increasing our yields, going forward.
- Operational cost optimisation measures continue to yield results, which is important considering the higher than usual newsprint prices over the past 3-4 quarters. Our proven circulation strategy and the robust growth in advertising revenues have allowed us to deliver strong results which could have been further improved if

the newsprint prices came off their unusual highs. **D B Corp EBIDTA grew by around 55% YOY in H1 FY 23, despite forex loss of Rs 42 million. Below print operating expenses comparative, exhibits our strong control on entire operating cost vs H 1 FY20.**

Operating Expenses (Print)			
Particulars (Rs Mn)	H 1 FY20	H 1 FY23	Growth / (Degrowth) v/s Q2 FY20
Personnel Cost	1674	1326	(21%)
Other Operational Cost	2250	2198	(2%)
Total Operating Cost	3923	3524	(10%)

Digital Business – Maintaining a Dominant Position in News Apps

The Digital Business continues to be a strong area of focus and an important pillar of growth for the group. For over 2 years now, our focus has been to deliver high quality content to our readers via a mix of rich text, graphics and video. The **high-quality content development and a highly personalized product experience** has aided strong growth of **around 8 times in our Monthly Active Users from 2 million in January 2020 to around 15 million in August 2022**. With this exceptional performance, the **Dainik Bhaskar Group continues to remain the dominant digital leader with the #1 Hindi and Gujarati News Apps**. With the dominance already established in the print format and now in the digital format, we are undoubtedly the **#1 Phygital Indian Language Newspaper** in the country.

We remain committed to offer the best content, technology and user experience possible, which is critical for sustaining and improving user retention, engagement & loyalty. Some of the key areas that we continue to focus on and invest in include upgrading the talent with a fresh new digital product, technology and editorial team, deep long-term investments in original news, and a technology architecture upgrade coupled with an editorial strategy of hyperlocal news from all towns, cities and states in our markets with an increasing use of engaging videos and visual news.

Dainik Bhaskar - No 1 News Publisher App in India						
News Apps (Monthly Unique Visitors - Millions)	Jan-2020	Jul-2020	Jan-2021	Jul-2021	Jan-2022	Aug-2022
Dainik Bhaskar (Mobile App)	1.6	4.8	6.2	10.2	13.6	12.0
Divya Bhaskar (Mobile App)	0.5	1.4	1.6	2.7	3.7	3.2
The Times Of India - Vernacular	13.0	13.3	8.1	6.0	4.5	3.8
Aaj Tak (Mobile App)	3.8	8.6	5.1	4.2	4.1	4.3
ABP Live News (Mobile App)	3.6	2.3	1.5	1.5	1.0	0.8
Dainik Jagran Hindi News (Mobile App)	0.3	0.6	0.4	0.6	0.7	0.5
<small>Source: Comscore Mobile Metrix Media Trend. All, Custom List of News Apps (Dainik Bhaskar (Mobile App), DIVYABHASKAR (Mobile App), Aaj Tak (Mobile App), ABP Live News (Mobile App), Dainik Jagran Hindi News (Mobile App), The Times Of India - Vernacular, The Economic Times), Total Audience, Jan-20 to Aug-22, India * excluding aggregators</small>						

Performance highlights for H1 FY2023 – Consolidated [All Comparisons with H1 FY2022]

- Advertising Revenue grew by 51% to Rs. 7181 million as against Rs. 4,742 million
- Circulation Revenue grew by 2% to Rs. 2312 million as against Rs. 2,265 million
- Total Revenue grew by 38% to Rs. 10464 million as against Rs. 7,592 million
- EBIDTA grew by 55% to Rs. 1715 million as against Rs. 1,105 million after considering forex loss of Rs 42 million, aided by stringent cost control measures, & despite high newsprint prices and large digital business investment for future growth

- Net Profit grew 153% to Rs. 798 million as against Rs. 315 million, after considering forex loss of Rs 48 million
- Radio Business:
 - Advertising Revenue grew 49% to Rs. 658 million versus Rs. 443 million
 - EBIDTA grew by 137% to Rs. 201 million (EBITDA margin at 30%) versus Rs. 85 million

Performance highlights for Q2 FY2023 – Consolidated [All Comparisons with Q2 FY2022]

- Advertising Revenue grew by 26% to Rs. 3812 million as against Rs. 3,029 million
- Circulation Revenue stands at Rs. 1156 million as against Rs. 1,159 million
- Total Revenue grew by 21% at Rs. 5461 million as against Rs. 4,513 million
- EBIDTA stands at Rs. 977 million as against Rs. 1,054 million considering Forex loss of Rs 25 million, aided by stringent cost control measures, & despite high newsprint prices and large digital business investment for future growth
- Net Profit stands at Rs. 488 million as against Rs. 538 million, after considering forex loss of 26 million.
- Radio business:
 - Advertising Revenue grew by 18% YOY to Rs. 338 million versus Rs. 287 million
 - EBIDTA grew by 22% to Rs. 106 million (EBITDA margin at 31%) versus Rs. 87 million

Commenting on the performance for Q2 FY2023, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said,

“While the last six months have been news-heavy with major geo-political events dotting the landscape, the Indian Economy with its large consumer base and growing manufacturing sector has shown signs of resilience and revival. Our Industry has been a beneficiary of this momentum and Dainik Bhaskar, being the industry leader has led the way not only in financial results, but also for furthering the reversion-to-print trend which is being witnessed amidst digitisation of media.

Our editorial integrity has always been of paramount importance to us and that has been validated by the increase in advertisers across the spectrum – new age as well as traditional businesses. Our omni-channel news delivery platform, along with a well-oiled machinery on the circulation front, has propelled us to the #1 Indian Language newspaper Company. We continue to focus our energies in building a strong and resilient financial position to ensure that we are able to capitalise on all opportunities that come our way.”

Q2 FY2023 financial results highlights: (comparisons with Q2 FY2022 & Q1 FY2023)

Heads	(Rs. Mn)				
	Qtr 2 FY 22	Qtr 2 FY 23	YOY Growth	Qtr 1 FY 23	QOQ Growth
Print & Other Business Advertisement	2745	3480	26.8%	3052	14.0%
Radio Advertisement	287	338	17.6%	320	5.4%
Print Circulation Rev	1159	1156	-0.2%	1156	0.0%
Consol Other Operating Revenue	325	493	51.5%	479	2.9%
Consol Total Income	4513	5461	21.0%	5003	9.2%
Print & Other Business EBIDTA	967	871	-9.9%	644	35.4%
Radio EBIDTA	87	106	21.9%	94	11.3%
Consol EBIDTA	1054	977	-7.3%	738	32.5%

Strategic areas of focus and key updates:

❖ Digital Strategy: Demonstrated Success in building a scalable Digital Platform to provide high quality news experience, paving the way for building a loyal user base that has grown around 8 times since 2020

- For over 2 years now, Dainik Bhaskar has continued its focus on building the best-in-class, ad-free user experience on its digital app while maintaining high quality, insightful and engaging content for its readers. The omni-channel presence has been important, and we see our digital presence as a supplementary pillar of growth.
- **As per the latest Com Score report, Dainik Bhaskar App monthly users grew by around 8 times since the beginning of 2020 from 2 million users in January 2020 to more than 15 million users in August 2022**, an outcome of high-quality content creation coupled with a highly personalized product experience. We are already one of the highest-rated Hindi and Gujarati news apps with tens of millions of downloads, and our commitment towards delivering the best user experience is critical to help us achieve the best retention in our markets.
- The Company continues to invest in Digital business with a focused digital strategy of increasing the App Daily Active Users
 - **Strong Talent Pool** — Dainik Bhaskar built a 'Strong Technology Team' from some of India's leading companies with Consumer Product and Technology backgrounds, under the able guidance of Mr. Mark Thompson, the ex-CEO of the New York Times who was onboarded on our advisory board exclusively since 2021.
 - **Continued Focus on Technology** - Dainik Bhaskar continues to invest substantially in technology in order to provide best-in-class personalized news experiences that serve users from a massive pool of content while considering their demographic attributes, content preferences, location, economic segment, and real-time context to accurately predict, to maximize user engagement, long-term retention, and loyalty.
 - **Premium, Original, Local Content** - Dainik Bhaskar had added a feature called 'Video News,' the first News App that makes mobile native vertical video news with a magnificent content library that is renewed daily. This has seen strong traction as readers appreciate the premium, hyperlocal content being delivered to their handheld devices.
 - **Strengthening the Brand** - The Group has run small brand campaigns to increase long-term brand awareness of our news products. The tagline of one such campaign is "**Sach, Kareeb se Dikhta Hai**" which highlights the values and core offerings of Dainik Bhaskar - High Quality, Trusted Journalism with a large focus on Local, In-Depth News. The group also works with brand ambassador that espouse the cause of "trust" such as Mr Pankaj Tripathi, an acclaimed actor who is universally popular across India and especially in our core markets, with a very strong connect to both our brand values 'Local' and 'Trust'.

❖ Editorial strategy: Editorial excellence continues to be a hallmark of Dainik Bhaskar Group that adapts the pulse of its readers. Some of the key initiatives are detailed below:

- Dainik Bhaskar focuses on issues that have a strong impact on the lives of its readers and is driven by its commitment to courageous and responsible journalism:
 - To celebrate the special occasion of 75th Independence Day "**Azadi Ka Amrut Mahotsav**", Dainik Bhaskar offered special engaging and knowledge-based content for consecutive 15 days starting from 1st to 15th August. There were series of stories & photo stories from the history depicting the events & incidents that were the milestones in the independence struggle. Special cover stories on Sundays named as "Rasrang" to pay tribute to all the freedom fighters. On 15th August, we kept the tricolour above the Bhaskar masthead on the jacket, indicating 'Nation above everything'.
 - Dainik Bhaskar took initiative to create a utility content on "**World Heart Day**" considering the increased risk of heart attack among young people in the last few years. An article called

'Sehatmand Dil Ka A to Z' was published stating the relevant facts relating to the heart and a special article stating the early symptoms of heart disease and how it can be prevented and what should be done in the event of a cardiac arrest.

- Dainik Bhaskar team conducted a **speculative investigation** on the **limited circulation of Rs. 2000 in Bihar – Jharkhand region**. In order to find out the root cause, Investigative Reporting Team was mobilised and spread out at different locations. This investigation exposed the corruption relating to hoarding of Rs. 2000 notes which involved a deep nexus connected to Bihar. The investigation had a fruitful impact and within 3 days news from Kolkata was also aired regarding ED raid at a MLA's house wherein they received Rs. 2000 notes in large number.
- Dainik Bhaskar conducted a **sting operation to expose the bribery system "Dalagiri"** ran by the government officials in Jharkhand. This investigation exposed bribery involved in processing any official document from the government authorities such as birth/death certificate, driving license and installation of electricity connection. This operation was highly appreciated by the locals of the state and led to ease of process for them.
- Dainik Bhaskar offered an innovative experience to the readers on the occasion of "**Navratri Sthapna**" in Banswara, Rajasthan. The idea of French window in the newspaper opening to see the Tripura Sundari Temple of Banswara. The Bhaskar team sought the permission from the temple committee to publish the story and picture. This experiment earned a record in the **Golden Books of World Records**. Special motichoor laddus (Prasad) was also delivered along with newspapers to the readers.
- Dainik Bhaskar exposed a big racket of "**Girls Trafficking**" in a district in Nashik. The Bhaskar team led an investigation into this matter and found that in total 14 girls were bought out of which 4 were able to escape. This news caught the attention of government officials and they immediately ordered for a detailed investigation into this matter.
- Dainik Bhaskar celebrated "**Bhilai's 13th Anniversary**" by creating world's first masthead with 3D printing technology. This innovative idea was driven by the recently built IIT in Bhilai specialised in conducting advance research in 3D printing. The Bhaskar team work was recognised and **recorded in the Golden Book as a world record**.
- Dainik Bhaskar made a new world record for "**Bilaspur 29th Anniversary**" edition by creating the largest artifact depicting newspaper caption on the masthead with discarded railway spare parts. This masthead was created at the BCN Depot with the scrap of 1,500 Railway spare parts weighing 12 tons and with dimensions of 60 feet by 12 feet, **it set a record in the Golden Book of World Records, surpassing the previous record of 22 feet by 5 feet**.

❖ **Radio strategy: MY FM continues to connect with audience and augment listeners engagement activities through innovative content creation.**

- ❑ To celebrate the auspicious occasion of Navratri, MY FM team organised 9 days on ground event called the "**Garba Nights**". This event was unique in many ways from witnessing various artists performing each day, food stalls and on-air sound of the station giving a complete Navratri feel. Artists such as Hardik Dave, Himali Vyas Naik, Raag Mehta, Arvind Vegda and so on made their presence. Special content such as "Mata ji ki Chowki," DJ Dandiya Mix were also lined up for the event.
- ❑ MY FM in collaboration with Zee news hosted a talk show named "**Din ki Achchi Shuruat**". This 3-week long association featured MY FM's prominent RJs in the morning news segment of Zee news which was aired between 9 am to 9.30 am. The RJs spoke about how they spread positivity and happiness to the listeners through various innovative content creation.

❖ **CSR Activity: As a responsible corporate citizen, the Dainik Bhaskar Group does its best to contribute positively towards issues affecting the planet**

- ❑ '**CSR EPEZ 2022**' - Dainik Bhaskar team administered a CSR campaign dedicated to planting trees for a better future of the next generation. Under this campaign, several digital ad campaigns were

published wherein the digital ads through various creative thoughts depicting how important it is to plant trees to secure the future of the kids. The team also booked Radio Spots of 20 sec for 20 times a day accompanied by digital creatives which were published in form of print ads.

- ❑ **“CSR Mitti Ke Ganesh 2022”** - Dainik Bhaskar team encouraged people through a CSR campaign for creating eco-friendly Ganesh Idols across several states. The aim was to promote idol immersion at home or in artificial ponds ensuring a step towards conservation of the environment. During this CSR Campaign, several digital ad campaigns were published along with organising “Making of Mitti ke Ganesh” competition at school level and also at various offices of DB Corp

❖ **Awards:**

- Dainik Bhaskar’s Radio Division “MY FM” won **4 Gold Mikes Awards 2022** in the following category
 1. **Best First Time Effective Use of Radio:** UTKARSH CLASSES
 2. **Best on Air Promotion for client-single station:** CRITICAL FILES
 3. **Best Promotion on Digital for a client:** MAHINDRA KISAN MAHOTSAV
 4. **Best Use of Sponsorship in on-air / on-ground Promotion:** 94 TREE GANESHA
- Dainik Bhaskar Team bagged **AFAQS Marketers Excellence Award** for “Best print ad campaign – Full on Punjabi”.

About DB Corp Ltd

DB Corp Ltd. is India’s largest print media company that publishes 5 newspapers with Dainik Bhaskar 43 editions, Divya Bhaskar 8 editions & Divya Marathi 6 editions with 220 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 all its 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 4 portals for rapidly expanding digital audiences, and 3 actively downloaded mobile applications.

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

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