

## PRESS RELEASE

Thursday, 11<sup>th</sup> November 2021

### **NXTDIGITAL LIMITED REVENUES GROW 15.48% IN THE FIRST HALF OF FY22 OVER FY21. PERFORMANCE IS REFLECTIVE OF THE COMPANY'S FOCUSED STRATEGY AND AGGRESSIVE GROWTH PLANS.**

- India's premier integrated digital platforms company NXTDIGITAL Limited, the media vertical of the Hinduja Group, with a presence in digital cable, satellite (HITS), broadband and content syndication announces its results for the quarter and half year ending 30<sup>th</sup> September 2021.
- Consolidated revenues for the half year ending 30<sup>th</sup> September 2021 grows by 15.48% to Rs 543.42 crores, up from Rs 470.58 crores for the corresponding period of the previous year.
- Company continues to maintain a robust EBIDTA at Rs. 102.89 crores for the half year.
- Ends Q2 with a 17.38% year-on-year revenue growth, closing at Rs 276.83 crores against Rs 235.76 crores in Q2 of the previous fiscal. Maintains a robust EBIDTA at Rs 51.63 crores.
- The significant increase in revenue coupled with a stable EBIDTA is reflective of the Company's strategy and aggressive growth plans; with a clear focus on positive cashflows across business verticals, ensuring growth is funded by cash generated by the business.
- All business verticals continue to grow. Whilst the broadband business segment has crossed 720,000 subscribers, NXTDIGITAL has launched 40 future-ready NXTHUBs across the country – each with digital capability of providing video, broadband and other emerging solutions including OTT and WiFi.
- Rights Issue announced on 13<sup>th</sup> May 2021 by the Company - of 2 equity shares for every 5 shares held, at an issue price of Rs 300 per share is scheduled for opening on 15<sup>th</sup> November 2021.
- Company continues with its positive steps of disposing non-core assets to reduce debt; sells land parcel in Hyderabad for total consideration of Rs 69.30 crores, originally acquired at an approximate cost of Rs 25 crores.
- Post Rights Issue, debt-to-equity position expected to improve significantly to 1.5 times on issue closure as compared to approximately 4 times as on 31<sup>st</sup> Mar.'21.

#### **H1FY22 & Q2FY22 PERFORMANCE**

On a consolidated basis, **the revenue for the half year ended 30<sup>th</sup> September 2021 grew by a healthy 15.48% to Rs 543.42 crores** from Rs 470.58 crores for the corresponding period of the previous year. The Company clocked a consolidated Earnings Before Interest, Depreciation and Taxes (EBIDTA) of Rs 102.89 crores for the half year ended 30<sup>th</sup> September 2021 as compared to an EBIDTA of Rs 102.06 crores for the corresponding period of the previous year.

The **significant increase in revenue coupled with a stable EBIDTA is reflective of the Company's product portfolio-based strategy and aggressive growth plans** with a clear focus on positive cashflows both - on the video and data side of its businesses; **ensuring that growth is funded by cashflows generated by the business.**

For the **quarter ended 30<sup>th</sup> September 2021, the Company clocked a consolidated revenue of Rs 276.83 crores vis-à-vis Rs 266.59** for the sequential quarter ended 30<sup>th</sup> June 2021 and Rs 235.76 crores for the second quarter of the previous financial year, **maintaining its trend of healthy revenue growth at 17.38% year-on-year.**



(Formerly known as Hinduja Ventures Limited)

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The Company **clocked a consolidated EBIDTA of Rs 51.63 crores for the quarter ended 30<sup>th</sup> September 2021**, vis a vis Rs 51.26 crores for the previous quarter ended 30<sup>th</sup> June 2021 and Rs 51.70 crores for the second quarter of the previous financial year.

**Continuing the positive steps taken by Company in disposing off its non-core assets to reduce debt, it has sold land held by it in Hyderabad for a total consideration of Rs 69.30 crores, originally acquired at an approximate cost of Rs 25 crores.** In terms of the agreement, two instalments of the payment aggregating to approximately Rs 17.50 crores constituting 25% of the sale price have already been received by the Company. These amounts have been treated as progressive payments received in advance and the sale transaction will get recorded on the completion of the conditions precedent as per the Agreement. The conditions precedent as per the Agreement having been completed, the Company expects the transaction to close earlier than scheduled, during the current financial year.

The Rights Issue announced on 13<sup>th</sup> May 2021 by the Company - of 2 equity shares for every 5 equity shares held in the Company, at an issue price of Rs 300 per share is scheduled to open on 15<sup>th</sup> November 2021 and close on 29<sup>th</sup> November 2021. Post the Rights Issue, the **debt-to-equity position of the Company is expected to significantly improve to approximately 1.5 times on closure of the issue as compared to approximately 4 times as on March 31, 2021.**

## Q2 & H1 PERFORMANCE

Even whilst the pandemic continued to have a bearing on the media and entertainment industry, **NXTDIGITAL's business verticals continued to grow, reflected in the significant increase in revenue coupled with a stable EBIDTA.** Buoyed by the demand for internet connectivity across retail customers and enterprise businesses, the broadband business vide its subsidiary **OneOTT Intertainment Limited crossed 720,000 subscribers, clocking a commendable growth rate of 76% in Q2** of the current fiscal over last year. **OIL continued to win accolades too**, validating its commitment to customer service including "India's Most Admirable Brand" in the Broadband Service Provider Category from 'The Brand Story' as well as "Prestigious Brands of India" from 'BARC Asia'.

**NXTDIGITAL also launched its unique NXTHUB model, expanding to 40 new locations.** Each NXTHUB is owned and operated by NXTDIGITAL and equipped with the latest technology comprising an ADDS or Advanced Digital Distribution System – to distribute up to 650 digital TV channels received via satellite. The NXTHUB plug-and-play model eliminates the need for Last Mile Owners to invest in headend and related technology. **Besides video and broadband, these NXTHUBs are future-ready to offer a slew of additional digital services including OTT and WiFi.** Each location has been strategically chosen to augment the company's footprint across the country, which stands at over 4,400 pin codes.

Says Vynsley Fernandes, Managing Director & CEO of NXTDIGITAL limited "Our performance in the first half of this fiscal reflects the Company's focus on growth, gradually emerging out of the challenges of the pandemic that still have a bearing on the media and entertainment industry. Our strategy for the rest of this fiscal is premised on leveraging the strength of our solutions and our pan-India footprint of touch-points. With a network of NXTHUBs offering a host of digital services – ranging from video and broadband, to OTT and WiFi; and layered by our growth in our broadband base and our infrastructure sharing platform – we believe we will not just see growth but also unlock value across our media businesses".

## GROWTH DRIVERS IN Q3 & Q4

NXTDIGITAL will continue on its aggressive growth strategy **focusing on three key verticals viz. expanding its footprint through another 60 NXTHUBs; continuing to grow its broadband base through a mix of combo products, organic and inorganic growth; and operationalising the infrastructure sharing model**, which has now secured all necessary permissions to become India's first digital content distribution PaaS platform.



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## About NXTDIGITAL LIMITED ([www.nxtdigital.co.in](http://www.nxtdigital.co.in))

**NXTDIGITAL Limited (NDL)** is the media vertical of the global Hinduja Group. The media and communications company is India's premier integrated Digital Delivery Platforms Company - delivering services via satellite, digital cable and broadband. With a pan-India reach, **NXTDIGITAL** delivers television services through a dual delivery platform consisting of digital cable and the country's only **Headend-In-The-Sky (HITS) satellite platform**, under the brand names **INDigital** and **NXTDIGITAL** respectively. The Company's Digital Cable television platform delivers **750+ channels across 100+ cities and towns** whilst the HITS service is available in more in over **1500 cities and towns covering more than 4400 Pin Codes**- with a significant presence in the fastest-growing demographics of semi-urban, semi-rural and rural India. The company is well established nationally through a franchisee base of nearly **10,000 Last Mile Owners**; delivering digital services to millions of customers across the length and breadth of the country. A game-changer in the industry, the HITS platform also provides infrastructure sharing services to **Multi-System Operators (MSOs)**; providing them with a highly cost-effective way to deliver their services via satellite at a significantly improved level of quality of service. With its state-of-the-art HITS facility and data centres, it is the only company that can offer direct-to-network services to any corner of the country. The Company has also launched a network of 40 owned-and-operated **NXTHUBs**, each with the capability to deliver up to 650 TV services and broadband, but also emerging solutions like OTT and WiFi. Other than Television services, its subsidiary **ONEOTT Entertainment Limited** is one of India's top 5 private Internet Service Providers and has a strong presence in Broadband and Internet services in **40+ cities**. Its services under the brand "**ONE Broadband**" provide converged services of Video, Data and Voice to consumers by delivering high-speed internet and services across multiple cities in India. With "ONE Gigafiber", the broadband company also provides FTTH (Fibre to the Home) services for consumers - providing speeds up to 1,000Mbps.

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