

Dear Shareholders,

In line with our efforts to keep you apprised about your Company's performance and strategic progress, we are pleased to share the highlights of the **financial and operational results for Q2 FY26**, announced on 16th October 2025. Though the results were not liked by the stock market (stock price on the day of results announcement fell by 3.6% closing at Rs. 105.37), vide this communication, we are sharing the details of your Company's performance during the quarter for your reference:

- **Strong Progress in Digital Business:** Your Company's digital business continues to deliver strong growth with improving profitability. During the quarter, Zee 5 reported its highest-ever quarterly revenue, crossing **₹3,000 million**, a **32% year-on-year increase**, while **EBITDA losses reduced by over 80% to ₹312 million**. The strategic introduction of seven regional language-based subscription packs in Hindi, Tamil, Telugu, Kannada, Malayalam, Bengali and Marathi; has been well received, driving subscriber additions and revenue growth. Supported by enhanced content offerings and a disciplined cost approach, your Company remains firmly on track to achieve profitability in its digital segment in the coming quarters.
- **Broadcast Business Remains Strong:** Your Company maintained its position as India's **strong No. 2 entertainment network**, with a **17.8% market share**, gaining **100 bps** sequentially and **40 bps** year-on-year. The flagship channel Zee TV strengthened its viewership with 4 shows among the top 10 programs. **7 regional channels** also achieved **leadership** positions during the quarter, underscoring your Company's strong content portfolio across markets.
- **Advertising and Subscription Performance:** Advertising revenues showed early signs of recovery, **increasing 6% sequentially**, led by improved FMCG spending. Although 11% lower year-on-year, the recovery is expected to accelerate in the second half of FY26, driven by the festive season and

stronger network performance. Subscription revenues grew **6% year-on-year**, led by the growth in digital subscriptions and renewed contracts with distribution partners.

- **Movies, Music, and Syndication Businesses:** Your Company released **eight films** during the quarter—five in Hindi and three in other languages and achieved strong performance in its music vertical, crossing **54 billion video views** and reaching **172 million subscribers** on YouTube. The syndication business also grew **8% year-on-year**, supported by improved monetization of the content library.
- **Financials and Outlook:** Operating costs rose 9% year-on-year, reflecting higher programming and marketing investments for new content and channel launches. Despite this, the EBITDA margin stood at 7.4%, with a **Profit After Tax** of **₹765 million**. These investments are strategic and expected to yield sustainable gains in viewership, advertising, and subscription revenues in the second half of FY26.

We thank you for your continued trust and support as your Company strengthens its portfolio, unlocks new opportunities, and continues to create value for all stakeholders.

Yours truly,

Zee Entertainment Enterprises Ltd.