



Dear Shareholders,

We would like to share an update with you pertaining to the announcement of your Company's results for the third quarter of FY26. As always, we believe that transparent and regular communication is essential, especially during periods when markets closely scrutinise near-term performance.

Despite a soft advertising environment, your Company delivered **a meaningful improvement in operating performance during Q3 FY26**. One of the most notable developments this quarter has been the **expansion in EBITDA margin to 10.5%**, up from **7.4% in Q2 FY26**, reflecting improved operating leverage and focused execution across businesses.

Your Company's **total revenue for Q3 FY26 stood at Rs. 22,801 million**, continuing the trend of year-on-year growth over the last three years. For perspective, revenues were **Rs. 19,788 million in Q3 FY25** and **Rs. 20,457 million in Q3 FY24**. This growth has been driven by a healthier mix of subscription revenues, other sales and services, and steady performance across businesses.

A particularly encouraging highlight of the quarter was the performance of the digital business. **The digital segment delivered positive EBITDA for the first time in Q3 FY26**, supported by strong revenue growth of over **73% YoY**. Zee 5 recorded its **highest-ever quarterly revenue and EBITDA**, underscoring the effectiveness of the calibrated strategy focused on content selection, pricing discipline and monetisation. This marks a significant step forward in the journey towards sustained profitability in the digital business. Across the linear television portfolio, your Company continued to navigate a soft advertising environment with resilience. Network viewership share improved on a YoY basis, aided by strong performance in Hindi and language markets. Investments in content across key channels, coupled with disciplined cost management, helped balance growth priorities with profitability.



Your Company also maintained a healthy balance sheet position to ensure that growth initiatives are supported by financial discipline and long-term sustainability.

While we recognise that market sentiment often reacts sharply to short-term fluctuations, the progress made during Q3 FY26 reflects improving fundamentals across the business. Your Company's leadership team remains focused on driving operating efficiency, strengthening the core business, scaling digital profitability and positioning your Company for durable growth.

We remain confident that consistent execution and improving financial performance will translate into stronger outcomes over time. We thank you for your continued trust, patience and support as we work steadily towards unlocking the full potential of your Company.

Yours Truly,

Zee Entertainment Enterprises Ltd.