

Balaji Telefilms Limited

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Balaji's TV Business nine-months EBITDA grew by 24% to Rs 43.6 cr, Consolidated nine-months EBITDA surged by 243% to ₹ 43.7 cr, ALT Content library at 118+

February 9th, 2024: Balaji Telefilms Ltd announced its financial results for the third quarter and nine months ended 31st December 2023.

The Group reported 8.5% increase in revenue to ₹ 490.0 crores in 9M FY24 vis-à-vis ₹ 448.3 crores in 9M FY23. Group level EBITDA profit stood at ₹ 43.7 crore in 9M FY24 vis-à-vis EBITDA loss of ₹ 30.6 crore in 9M FY23 demonstrating the Group's continued focus on operational excellence and strategic cost rationalizing across business segments, especially the Group's digital business (ALT Digital). These strategic measures enabled the Company to achieve significant improvement at the EBITDA level and expected to yield positive results going forward. Profit after tax in 9M FY24 is ₹ 22.0 crore compared to loss after tax in previous comparative periods i.e. ₹ 45.7 crore in 9M FY23.

Television - EBITDA increased by 24% to ₹ 43.6 crore in 9M FY24

TV business continued to perform well and delivered stellar results. Revenue increased by 13% in 9M FY24 to ₹ 281.8 crore vis-à-vis previous corresponding period. EBITDA increased by 24% to ₹ 43.6 crore in 9M FY24 vs ₹ 35.1 crore in 9M FY23.

Balaji had 6 shows on-air during the quarter across 4 leading broadcasters. In 9M FY24, hours of production increased by 12% to 897.5 hours compared to 803.5 hours in 9M FY23. In Q3 FY24, realization per hour increased by 2% to ₹ 31.05 lakhs per hour compared to previous year. Balaji's shows consistently feature in top 5 rankings during television prime time demonstrating its leadership in the domain.

Digital - EBITDA losses narrowed by 69% in 9M FY24, Cash positive for the period at ₹ 10.39cr

Strategy to rationalize costs across the Group, especially in the digital business, has yielded handsome results. Digital business for the quarter generated positive cash, excluding amortization impact. ALTT has 118+ shows live on the platform. EBITDA losses narrowed by 69% in 9M FY24 compared to 9M FY23. Digital business' OTT platform, ALTT's subscription revenues stood at ₹ 13.95 crore for 9M FY24 wherein a total of 10.46 lac subscriptions were sold including 4.92 lac renewals highlighting the stickiness of customers and appeal of the content. During the fiscal, 13 new show was launched on ALTT, with strong reception by target audience.

In a bid to capitalize on production expertise, ALT Digital has entered into strategic partnerships and deals to produce content for some of the largest digital platforms. Significant efforts made to diversify revenue streams of the digital business from dependence

on Subscription revenue through Advertising, Syndication, Content Production etc. Continued focus on core competencies of creative excellence and production expertise is expected to drive the business going forward. Presently, ALTT's content has been watched for over 17.04 billion minutes with the number of views totalling to 1.59 billion.

Movies – 2 Theatrical release in 9M FY24 and 1 more project lined up to release in FY24.

Total of 4 movies were released, 2 movies on Digital platforms, 'U-turn' starring Alaya F in April and 'Kathal' starring Sanya Malhotra in May this year on Zee5 and Netflix respectively and 2 Theatrical release, Dream Girl 2 starring Ayushmann Khurrana and Ananya Panday in August which subsequently released on Netflix in October and Thank You for Coming starring Bhumi Pednekar in October which subsequently released on Netflix in December.

'Dream Girl-2' received great response from audience and a mass entertainer, earning more than 100 crores worldwide at box office.

The Company has a healthy movie pipeline for the year ahead. 'The Buckingham Murder' starring Kareena Kapoor Khan and 'LSD 2', directed by Dibakar Banerjee are under post-production while 'The Crew' starring Kareena Kapoor Khan, Tabu & Kriti Sanon, 'Vrushabha' a multilingual pan India film starring Mohanlal and 'The Sabarmati Report' starring Virant Messy and Raashii Khanna are under production. The Company has pre-locked revenue deals on movies, as a result, risk has been considerably mitigated and there is visibility on cashflow. Going forward, the focus will remain to employ these pre-sales strategies.

2 untitled movies are under development stage, one with Dharma Production starring Kartik Aaryan and other starring Akshay Kumar which is directed by Priyadarshan.

Mrs. Shobha Kapoor, Managing Director, Balaji Telefilms Limited said, "Our continued focus on improving profitability, streamlining operations and cost-rationalization has yielded results with the Group level profitability significantly improving day by day. We ended the first nine months with 6 TV shows on-air across leading channels. We had 2 theatrical release 'Dream Girl 2' and 'Thank you for Coming'. We received over warming response for 'Dream Girl 2' as it went on to generate more than 100 crores worldwide at box office. We have 2 movies in post-production and hope that these movies resonate well with our audience's preference and taste. We are confident that our pipeline for the year ahead across Movies, TV and Digital will enable us to continue our growth trajectory in the entertainment domain and ensure a thriving and sustainable business."

OPERATIONAL and FINANCIAL HIGHLIGHTS

- 8.5% growth in Group revenues with ₹ 490.0 crore in 9M FY24 vs ₹ 448.4 crore in 9M FY23.
 - Group level EBITDA profit of ₹ 43.7 crore in 9M FY24 vis-à-vis EBITDA loss of ₹ 30.6 crore in 9M FY23.
 - Consolidated Profit After Tax of ₹ 22.0 crore in 9M FY24 compared to loss of ₹ 45.7 crore in 9M FY23.

- TV revenue grew by 13% in 9M FY24 to ₹ 281.8 crore vs ₹ 248.7 crore in 9M FY23

- Returned healthy margin in 9M FY24 with ₹ 43.6 crore of EBIDTA vs ₹ 35.1 crore in 9M FY23, an improvement of 24%
- Production continued to expand with 243 hours of production across 6 shows in Q3 FY24 compared to 282 hours in Q3 FY23. Business will continue to be volume led.
- In 9M FY24, ALT Digital's EBIDTA loss at ₹ 17.2 crore, narrowed by 69% compared to 9M FY23.
 - Total subscriptions sold in 9M FY23 were 10.46 lacs. Direct subscription revenues stood at 13.95 crores in 9M FY24 vs 15.41 crores in 9M FY23.
- 2 movies release in Theatres, 'Dream Girl 2' and 'Thank You for Coming' and 2 movies launched on digital platform during 9M FY24.
 - Current pipeline includes 5 movies across genres viz. 'The Buckingham Murder', 'The Crew', 'LSD 2', 'Vrushabha' and 'The Sabarmati Report'

FUND RAISING

The Board has announced its approval for a fund-raising initiative through a preferential issuance of warrants convertible into equity shares amounting to ₹ 214cr, to the Promoter Group, led by Ms. Ektaa R. Kapoor, and select Foreign Portfolio Investors. This move, pending shareholder endorsement and requisite regulatory clearances, is aimed at bolstering the group's growth and enhancing intellectual property creation.

MERGER ANNOUNCEMENT

The Board also approved the amalgamation of ALT Digital Media Entertainment Limited and Marinating Films Private Limited with its parent company, Balaji Telefilms Limited, pending regulatory consents. A detailed scheme and plan will be reviewed in a separate board meeting before submission to the Stock Exchanges. This strategic move aims to enhance operational efficiency, reduce costs, and improve returns by consolidating operations and leveraging synergies within the holding company structure.

About Balaji Telefilms Limited:

Balaji Telefilms is amongst India's leading entertainment companies operating across television, movie and digital content production. The Company, under the stewardship of Mrs. Shobha Kapoor and Ms. Ektaa R Kapoor, enjoys market leadership in the television content industry for over two decades with an exemplary track record for content creation across genres and target groups.

Balaji Telefilms is a household name which has produced some of the best television serials in the country including the famous K Series of daily soaps such as Kyunki Saas Bhi Kabhi Bahu Thi, Kahaani Ghar Ghar Ki, Kasauti Zindagi Kay etc. More recently it has created an extremely successful mystical fantasy series of Naagin 1 to Naagin 6, paving the way for weekend fiction-based programming. Amongst our current slate, Kundali Bhagya, Kumkum Bhagya, Bhagya Lakshmi and Yeh Hai Chahatein are counted amongst the best TV shows in India today.

Over the years the Company through its movies business has also demonstrated success in pioneering the production of differentiated cinematic content across different genres. The Company has been involved in creating a number of commercial as well as critically acclaimed movies such as The Dirty Picture, LSD, Once Upon a Time in Mumbai, Ek Villain, Udtaa Punjab, Veere Di Wedding, Dream Girl, Freddy, Kathal and Dream Girl 2.

Balaji Telefilms' foray into original shows on digital platforms, ALT Digital Media Entertainment Limited is a wholly owned subsidiary of the production house. Serving as a multi-device subscription Video on Demand (SVOD) Platform, ALT Digital's offerings include premium, disruptive content and original series across genres, that audiences can watch at their convenience. With originality, courage and relentlessness at its core, ALT Digital's content stands out for being non-

conformist and inclusive. ALT Digital is here to set new standards and benchmarks in giving digitally-first audiences an alternate content platform.

For further queries please contact:

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