



Balaji Telefilms Ltd.

Investor Presentation

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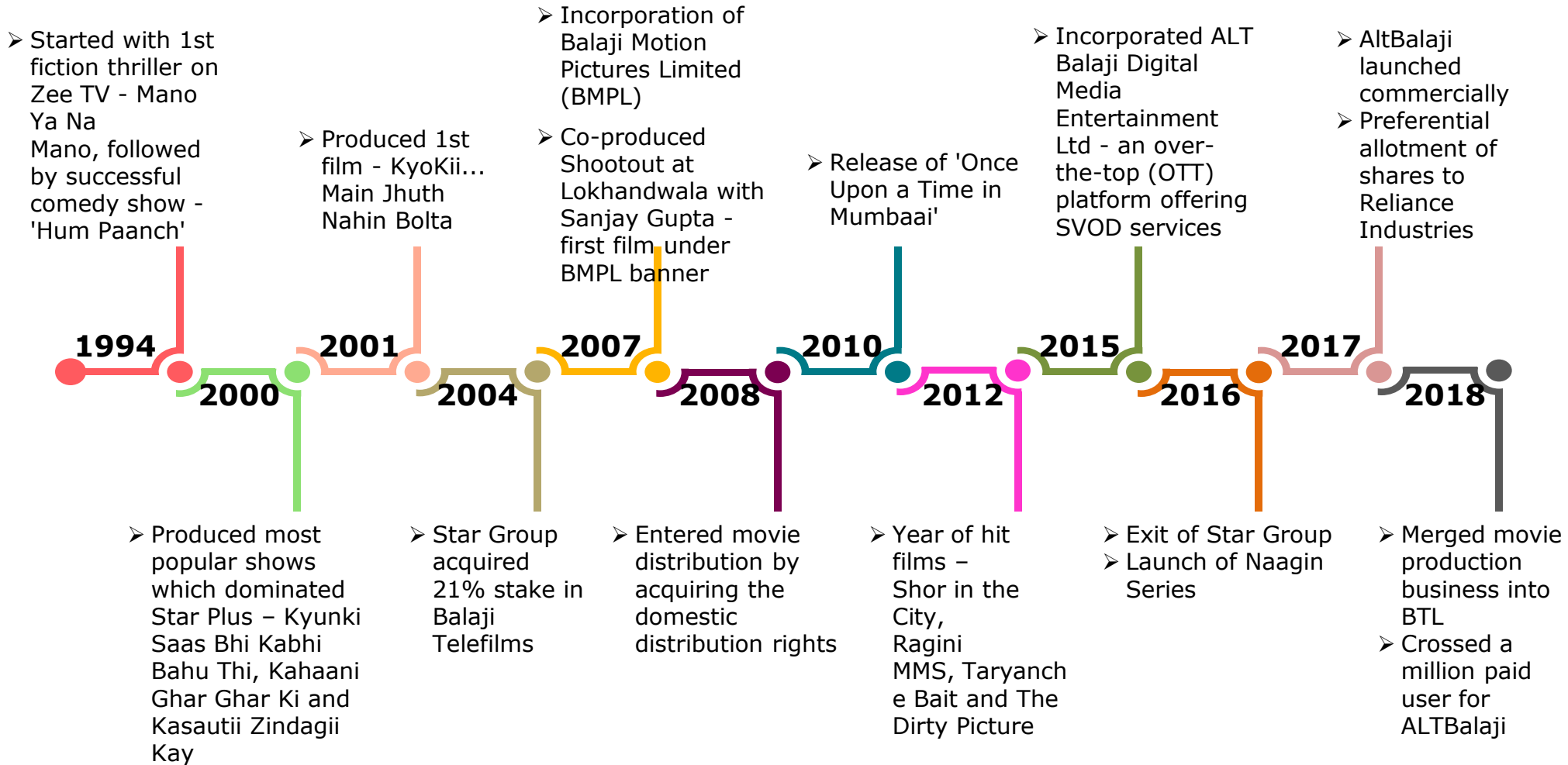
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This presentation was last updated in May 2018

Balaji Telefilm's entertaining journey for over 2 decades



Exemplary track record for over two decades in TV content creation across genres and target groups...

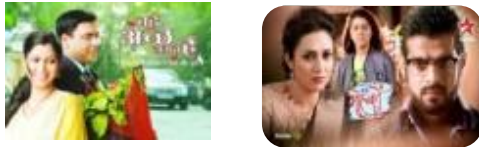


Daily Soaps



Kyunki Saas Bhi Kabhi Bahu Thi
OVER 1800+ EPISODE

Kahaani Ghar Ghar Ki
8 YEARS WITH 1500+ EPISODE



Bade Acche Lagte Hai
MATURE LOVE STORY
Ye Hai Mohabbatein
OVER 1000 EPISODE



Kasthuree
REGIONAL (TAMIL) DAILY DRAMA

Finite Drama



Naagin 1 and 2
SUPERNATURAL FANTASY SERIES

Kavach
SUPERNATURAL HORROR

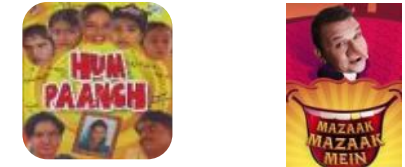
Historical fiction



Chandra Nandni
ROMANCE DRAMA

Jodha Akbar
EPIC – PERIOD DRAMA

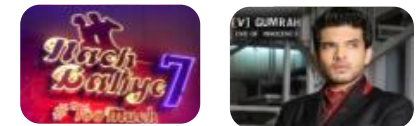
Comedy



Hum Paanch
FAMILY COMEDY SERIES

Mazak Mazak Mein
COMEDY SERIES

Non fiction

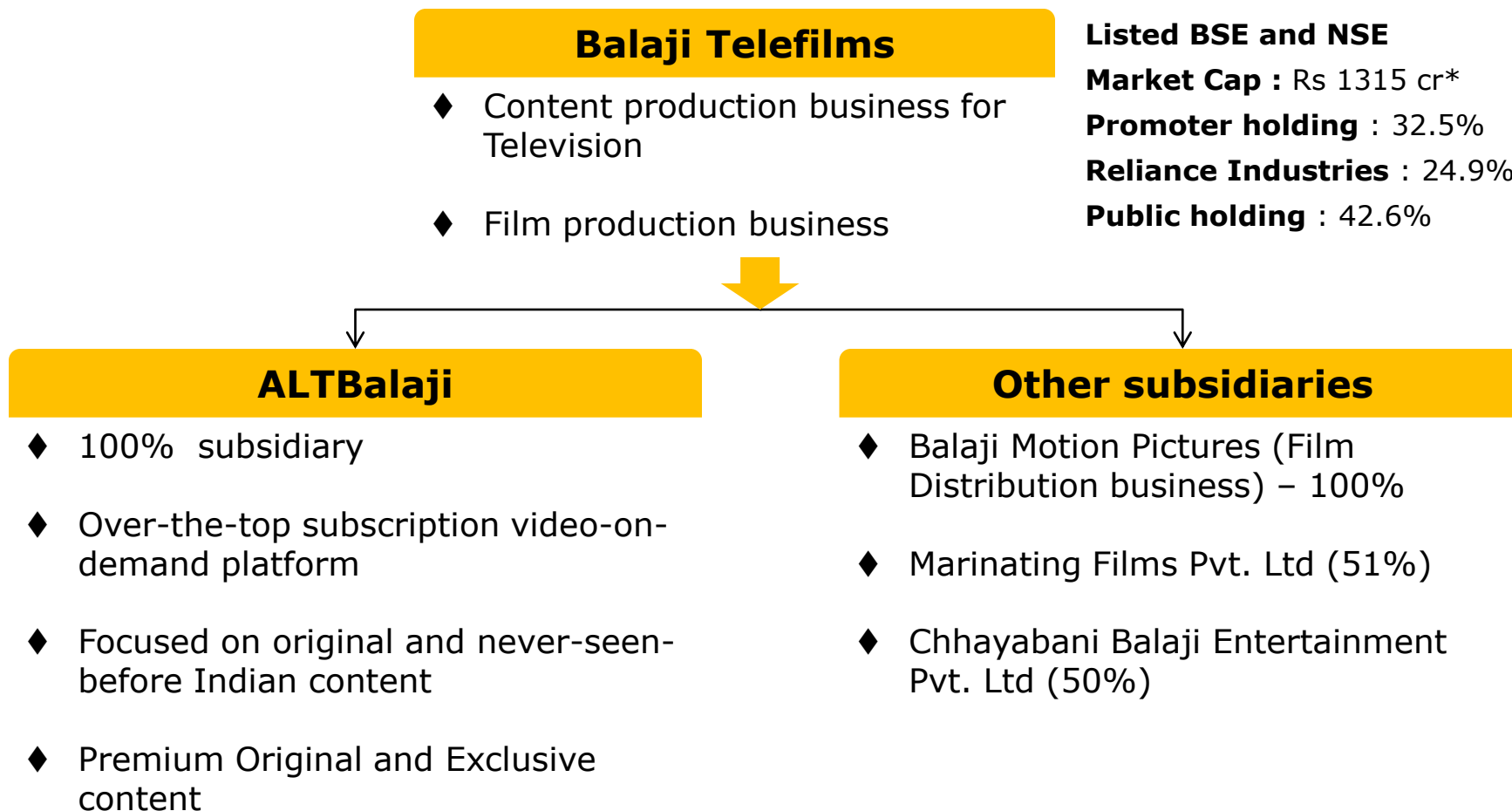


Nach Baliye 7
DANCE BASED REALITY SHOW

Gumrah
YOUTH / CRIME SHOW

... Now ready for digital audiences

Current Group Structure



* as on 23rd May 2018



EKTA KAPOOR

JOINT MANAGING DIRECTOR

The creative brain behind Balaji

- ◆ Leading Indian TV and film producer.
- ◆ Under her creative guidance, Balaji has won almost every major TV award
- ◆ Stellar work in creating a large content conglomerate at a young age garnered her several distinguished awards” The Economic Times (Businesswoman of the Year 2002), E&Y (Entrepreneur of the Year 2001) and the American Biographical Institute (Woman of the Year 2001)
- ◆ IMPACT placed her at the No. 1 position among ‘50 Most Influential Women’ (2016) in the Indian marketing, advertising and media ecosystems
- ◆ FICCI Ladies Organisation (FLO) Icon Award 2018
- ◆ Handles day to day creative direction across TV, ALTBalaji and Movies

Supported by a talented team of professionals



Sunil Lulla – Group CEO



- Three decades of experience across Media entertainment and Broadcast
- Previously Chairman and MD of Grey Group (leading Ad agency) and also worked with broadcasters such as Sony, MTV India and Times News Network

Nachiket Pantvaidya – CEO AltBalaji and Group COO



- IIM-Ahmedabad alumnus
- Was Business Head of Sony Entertainment Television and also the Business Head of Star Plus and held several roles in the Star TV network, including Head of Star Pravah and MD of Fox Television Studios
- Also held management roles in BBC and Disney

Sanjay Dwivedi – Group CFO



- Over 20 years of experience in the field of Finance & Accounts.
- A CA from the ICAI, Sanjay has vast experience in diverse finance operations across Industries like Steels, Pharmaceuticals and Media & Entertainment.

Sunil Nair – COO AltBalaji



- 11+ years of experience in the digital video space
- Founder CEO of nautanki.tv - India's first distributed video platform acquired by hungama in 2009
- Senior management roles across companies like One Channel (CEO), Reliance Jio (Vice President) and Star India (as Head of Indya/MyStar) among others

Ketan Gupta – COO Balaji Telefilms



- Over 15 years of experience in the field of Television Production
- Integral part of Balaji and his strengths include cost management, extracting production efficiencies and handling multiple ongoing TV productions across numerous locations

Nimisha Pandey- Head Fiction Content



- 12+ years of experience in fiction content
- Worked as creative director across media companies including Balaji Telefilms, 4 Lions Films, Fireworks Production, Director's Kut Productions, Sphere Origins Limited and Shreya Entertainment

Supported by a talented team of professionals



Manav Sethi – CMO AltBalaji



- 15+ years of experience in creating & managing high impact teams in new economy multinationals and start-ups
- Founded and scaled online businesses that achieved peak value of \$3B
- Before ALTBalaji, was working as Group CMO at Askme.com where he led teams across product strategy, marketing & communications

Vishal Bijlani – Deputy CFO



- 15+ years of post qualification experience in Corporate Finance
- Chartered Accountant and Cost Accountant, having experience in varied sectors like Telecom, Steel and Power. Handling cost control, Accounts finalisation, Audit and Funding.

Vimal Doshi – Head of Distribution



- Experience of 17 years and graduated with a bachelors degree in Commerce from R A Podar College of commerce.
- Distributed several films including, Shootout At Lokhandwala, Bhool Bhulaiya, Sarkar Raaj, Once Upon A Time In Mumbai Dobaraa, Ragini MMS - 2, Main Tera Hero, Ek Villian

Ruchikaa Kapoor – Head of Marketing



- Over 10 years of experience in marketing and brand building
- Leads strategic brand associations across in-film, in-song or out-of-film to create striking and memorable communication
- Lead innovative marketing tie up for a number of movies including Half Girlfriend and Udtaa Punjab

Kartik Sankaran – Sr VP – IR



- 15+ years of experience in global capital markets and corporate finance
- Worked across various capital raises and strategic transactions and setting up a strong and stable investor relations platforms
- MBA from Manchester Business School

Simmi Singh Bisht – Group Head Secretarial



- 10+ years of experience in the secretarial and legal field across diverse industries
- Master's Degree in Law with specialisation in Corporate Law from SNTD Women's University, Mumbai, an Associate with ICSI and BCOM from NM College
- In charge of overall secretarial functions in the Balaji Group. 8

Vision is to create a valuable and scalable media business



Balaji Telefilms Ltd.

**Value through
Content
Creation, IP
Ownership and
Consumer Connect**

Digital

- ◆ Create original and exclusive content
- ◆ Build a B2C business through alliances and partnerships
- ◆ Own IP and monetize effectively across platforms

Television

- ◆ Focus on high impact and profitable content
- ◆ Generate consistent cash flow
- ◆ Retain IP where feasible

Movies

- ◆ Be selective and focus on strong content led offerings
- ◆ Collaborate and co-produce



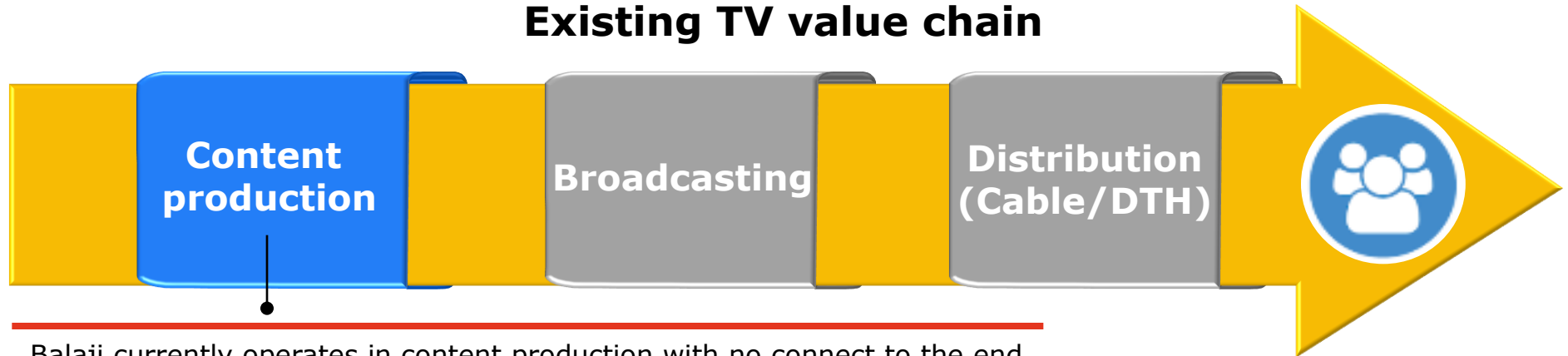
Balaji Telefilms Ltd.

Digital – ALTBalaji

ALTBalaji to create a digital B2C business



Existing TV value chain



Balaji currently operates in content production with no connect to the end consumer and no IP ownership (which is owned by the broadcaster)

Digital value chain



Digital provides an opportunity to break this cycle and own the consumer as well as the content IP

The digital opportunity is now for real led by



**Widespread
availability of
internet**



**Faster
internet
speeds**



**Reduced
data
costs**

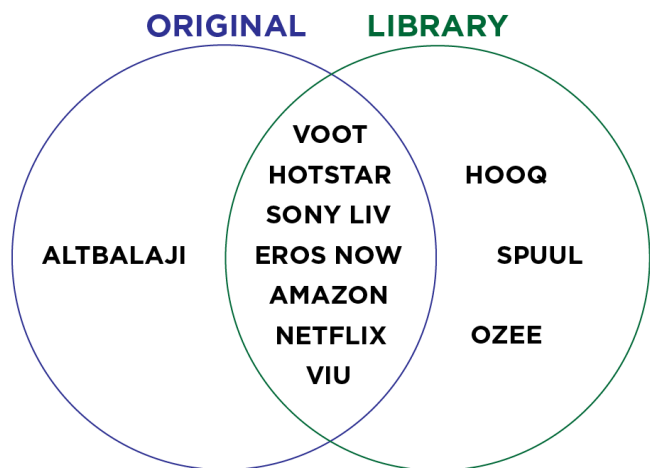
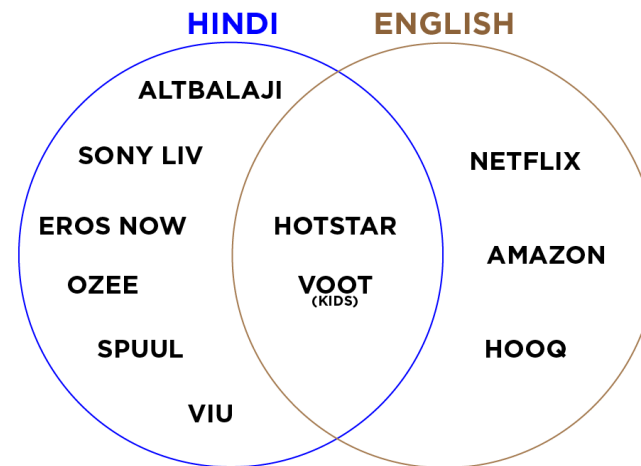
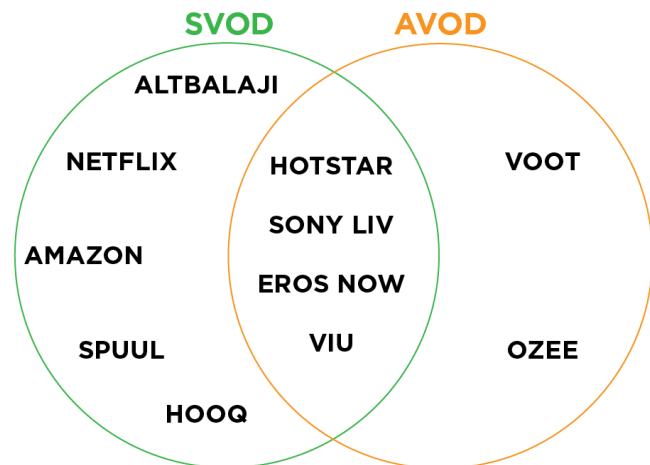


**Better
& cheaper
handsets**



... Video content needed to monetise this

The Indian Over the Top (OTT) landscape



CONTENT CATEGORIES

ALTBALAJI	▷		
NETFLIX	▷	□	
AMAZON	▷	□	
VOOT	▷	□	
OZEE	▷	□	
VIU	▷	□	
EROS NOW	▷	□	
HOTSTAR	▷	□	○
SONY LIV	▷	□	○
SPUUL	□		
HOOQ	□		

▷ SHOWS

□ MOVIES

○ SPORTS



1

Fill the
Content Need Gap

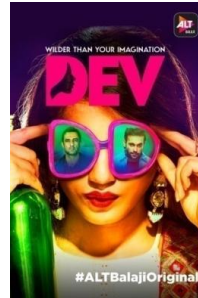
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Align
Distribution channel

Number 1 Source for Original Exclusive Binge Friendly Content



Create Content that Appeals to All Segments of the Market



"Upgrade to TV"

- ◆ **TV Stars** in a **newer digital format**
- ◆ Storylines and ideas that **would not work on traditional TV**
- ◆ Appeals to **mass audiences**
- ◆ Example **Karrle Tu Bhi Mohabbat** Season 2 launched within 9 months of Season 1
- ◆ Costs per hour at **2x to 3x** cost of TV content

"Retell Classics"

- ◆ **Adapt classical stories** for newer audiences
- ◆ Build and develop on the immense **fresh talent pool**
- ◆ Appeals to **large segments** of the audience
- ◆ **Dev DD** – a modern take on Devdas has **over 1m viewers** already and soon entering Season 2
- ◆ Costs per hour at **2x to 2.5x** cost of TV content

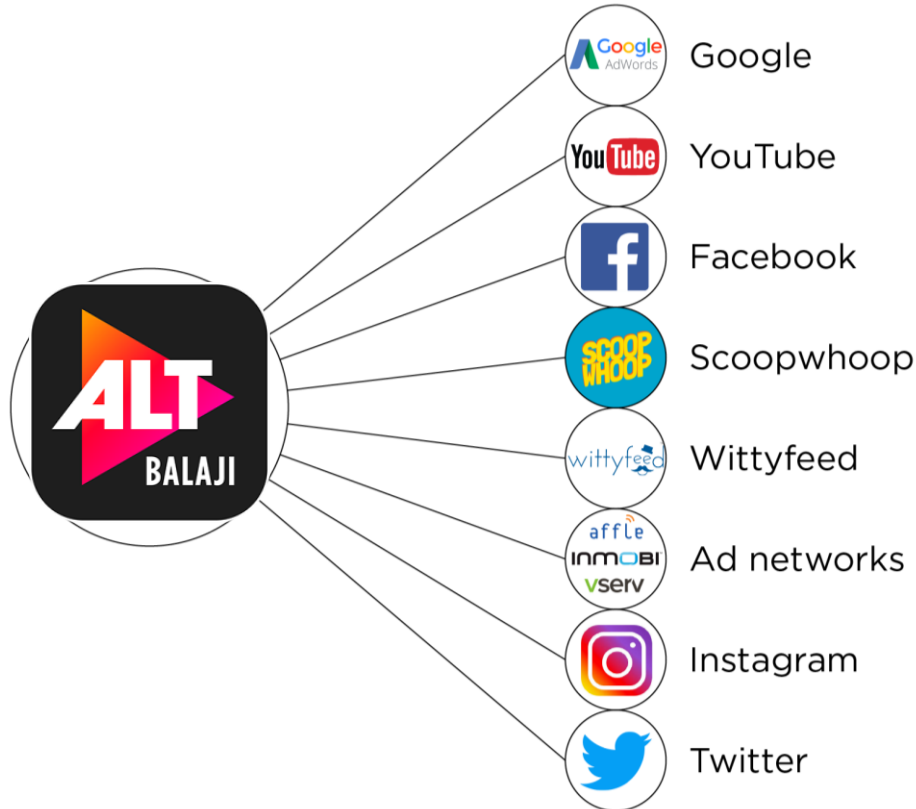
"Tent Pole"

- ◆ Original and exclusive **high impact content**
- ◆ Utilize the **best talent available** including Film talent
- ◆ Appeals to **niche but still large segments**
- ◆ **Bose Dead/Alive** has an IMDb rating of 9.4 – one of the **highest for a web series**
- ◆ Costs per hour at **3x to 4x** cost of TV content

Marketing and distribution partnerships to save costs



Digital Marketing led



B2B2C partnerships

Telecom and Internet Service Providers



OEMs and Payment Wallets



Platform Partners

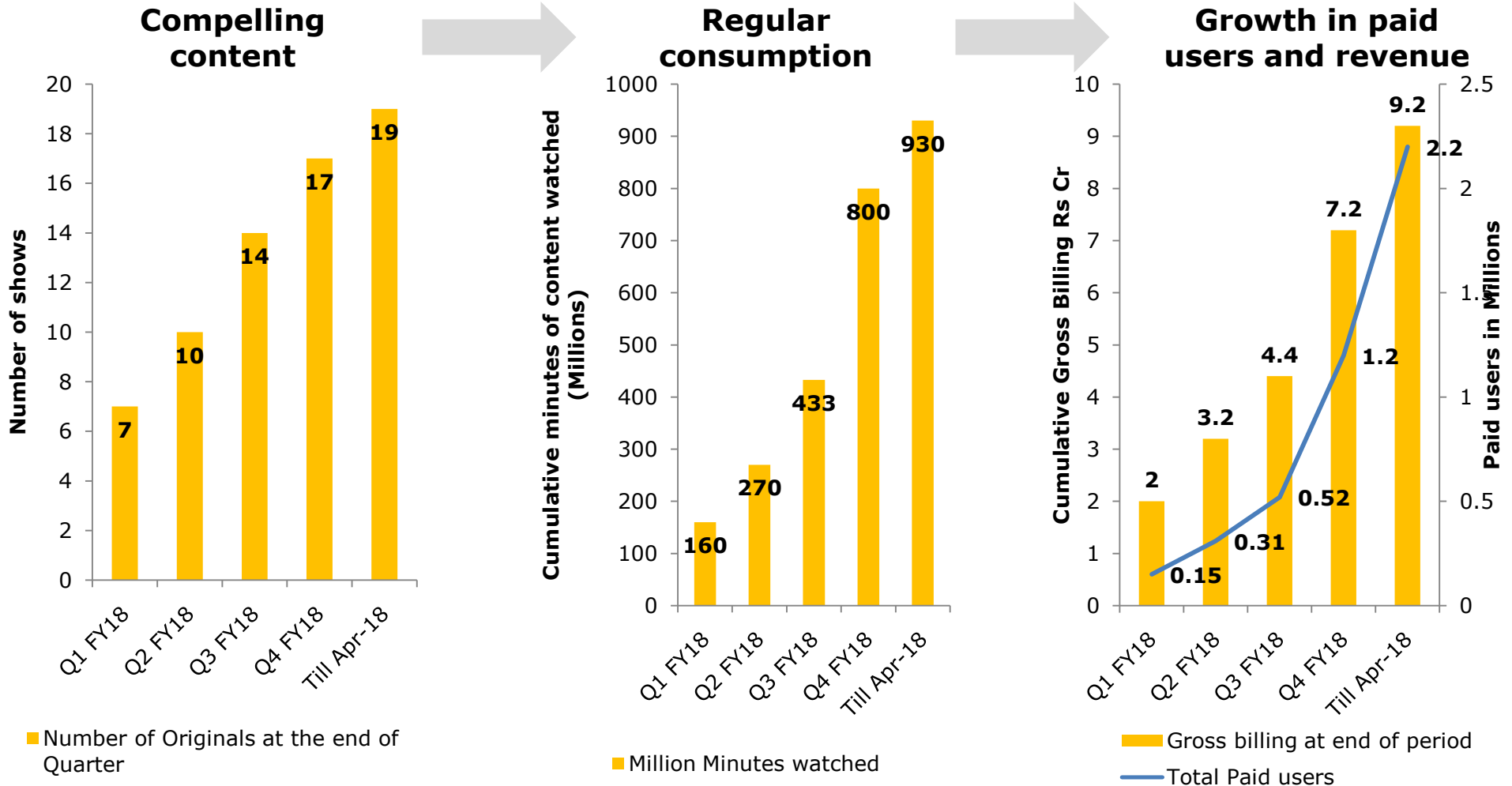


Partners help increase sampling and reach while also saving marketing and distribution costs

Note : Not an exhaustive list and only representative



ALTBalaji the new destination for entertainment – 1.2m users and counting



Users added in April 2018 at 80% of users added in prior 12 months

Note :
1. Minutes watched, gross billing and paid user count does not includes Reliance Jio platform users



Balaji Telefilms Ltd.

Television and Movie Business

Our Television business has been the cornerstone of the Indian TV industry






- ◆ Built on **producing commissioned programming** for broadcasters
- ◆ **Unmatched experience** in entertainment and a **proven ability** in gauging the pulse of masses
- ◆ **Exemplary track record** with a string of hit shows in Hindi and Regional television across sub segments of the Indian GEC space
- ◆ Some of our past successes are **Kahaani Ghar Ghar Ki, Kyunki Saas Bhi Kabhi Bahu Thi, Kkusum, Kasamh Se, Bade Ache Lagte Hain and Jodha Akbar**
- ◆ Current programs like **KumKum Bhagya, Yeh Hain Mohabbatein and most recently Naagin** series are well accepted by viewers, reflected in its strong TRPs
- ◆ Serials broadcast **across all channels** and well **established relationship with talent**



TV business is well diversified and continues to improve

Particulars	QoQ change	YoY change	Mar-18	Dec-17	Sep-17	Jun-17	Mar-17	Full Year FY17	Full Year FY18	YoY change
Programming Hours	-11%	-34%	160	179	240	240	241	960	819	↓
Revenue `(Rs Cr)	-10%	-34%	53.2	59.4	77.6	80.4	80.9	277.9	270.6	↑
Realisation / Hour (Rs Cr)	0%	-3%	0.33	0.33	0.32	0.34	0.34	0.29	0.33	↑
Gross Margin (Rs Cr)	-27%	-43%	16.5	22.5	18.9	22.4	29.0	74.1	80.3	↑
Gross Margin / Hour (Rs Cr)	-21%	-14%	0.10	0.13	0.08	0.09	0.12	0.08	0.10	↑
Gross Margin %	-690bps	-480bps	31.0%	37.9%	24.4%	27.9%	35.8%	26.7%	29.7%	↑

Show line up in Q4 FY18

Channel	Show Name	Time	Schedule
	Kasam Tere Pyaar Ki	18.00 - 18.30	Monday to Friday
	Chandrakanta	20.00 - 21.00	Saturday to Sunday
	Ye Hai Mohabbatein	19.30 - 20.00	Monday to Saturday
	Kumkum Bhagya	21.00 - 21.30	Monday to Friday
	Kundali Bhagya	21.30 - 22.00	Monday to Friday

Movie business - Producers of differentiated cinematic content



- ◆ Bollywood movies continue to be a **prime source of entertainment for the masses** – India as well as global Indians
- ◆ Creating **high quality, high concept cinema** that is supported by **intensive and innovative marketing**
- ◆ Audiences receptive to newer genre and stories – **“Smart movies” are also commercial successes**
- ◆ Track record include both **commercial hits** as well as **critically acclaimed movies**
- ◆ Some of our past successes are **Ek Villain, Once Upon a Time, Dirty Picture, Udaa Punjab, Shootout at Wadala, Kya Kool Hai Hum and Half Girlfriend**
- ◆ Focus on **selectively commissioning** new movies

Movie Business Strategy



- ◆ The Production business of Balaji Motion Pictures has been merged into BTL effective 1st April 2016.
- ◆ Going forward, Balaji Motion Pictures to explore **co-production model** with other leading production houses to share risks and costs and also extensively **engage in pre sales**
- ◆ Selectively **focus on content** and scripts and not necessarily star cast and scale of films
- ◆ **Veere Di Wedding** (releasing June 2018 starring **Kareena Kapoor** and **Sonam Kapoor**)
- ◆ **Other movies in pipeline**
 - ◆ **Laila Majnu** (Staring fresh talent, creatively supervised by **Imtiaz Ali**)
 - ◆ **Mental Hai Kya** (Staring Rajkumar Rao and Kangana Ranaut)
- ◆ Movie inventory as of 31st March 2018 was at Rs 43.6 cr

BTL Standalone - Summary financials



In (Rs Cr)	FY14	FY15	FY16	FY17	FY18
Accounting Standard	IGAAP	IGAAP	Ind-AS	Ind-AS	Ind-AS
Business included	TV	TV	TV	TV +Movie	TV+Movie
<u>Operating Metric</u>					
Hours of Programming	590	962	1002	960	819
Revenue / hour (only TV)	0.22	0.22	0.26	0.30	0.33
Movie releases	6	3	1	4	2
<u>Financials</u>					
Total Revenue	131.5	209.7	256.8	408.5	416.6
EBITDA	4.8	12.7	34.2	2.8	53.1
EBITDA Margin %	4%	6%	13%	1%	13%
PAT	10	12.3	37.1	29.4*	16.3**
PAT Margin %	8%	6%	14%	7%	4%

Movie business was merged into the TV business on as part of the scheme of arrangement approved by NCLT, effective 1st April 2016

* Impact of Merger has resulted in creation of a deferred tax asset of Rs 27.8 cr increasing PAT by 27.8cr

** Normalised PAT (at normal income tax rate, excluding any impact of deferred tax and exceptional tax items): FY18 Rs 36.5 cr against FY17 Rs 1.5 cr and FY18 includes a Rs 9 cr exceptional item toward provision of income tax

◆ Investments in Mutual fund units as at 31st March 2018 at **Rs 341.9 cr** (total across the group at **Rs 442.0 cr**)



Balaji Telefilms Ltd.

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