



*Balaji Telefilms Ltd.*

# Balaji Telefilms Limited

Investor Presentation

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This presentation was last updated in September 2019

# Why Invest In Balaji Telefilms

Balaji Telefilms offers an unique opportunity to invest in a proven content business that is screen agnostic and future ready.

TV



Movies



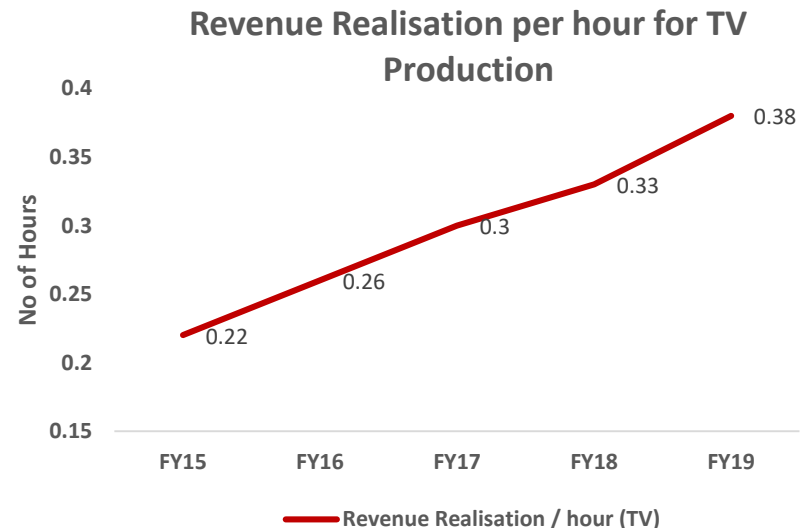
Digital



- ❑ Our TV shows have been an **integral part of India's socio-cultural fabric** for over 25 years and even today and we have the **most dominant market share in creating fiction content**
- ❑ The **realization per hour in our business has been increasing consistently** – reflective of ability to deliver hit content year after year
- ❑ Movies continue to bring a **differentiated cinematic experience** for audiences desiring differentiated choices
- ❑ Current business strategy of producing 4 to 5 films a year with a **focus on pre-sales** allows us to **profitably participate** in one of the world's largest film markets
- ❑ Video streaming as a category continues to grow exponentially and **ALTBalaji is already one of the frontrunners** in this space - **#3 paid video on demand service** in India
- ❑ We have one of the **largest original exclusive Hindi content libraries** and a highly engaged audience (average watch time over 60 minutes a day)
- ❑ ALTBalaji is **well capitalized**, will scale up to dominate the **Hindi speaking Urban Mass audience** initially and then move to regional languages

## We Have The Best In Class TV Content, Ranking #1 In Prime Time

- ❑ Unmatched experience in entertainment and a proven ability in **gauging the pulse of masses for over 25 years**
- ❑ BTL has **4 out of Top 5 shows and 18%<sup>1</sup> of viewership share in Prime Time – puts it at # 1 Content Producer**
- ❑ Only production house with **3 fiction shows in the top 10 list** since BARC ratings were implemented
- ❑ The revenue realization/ hour has grown **consistently year on year over the last 5 years**
- ❑ We have a well **developed pipeline of shows for the current year and FY 2020 promises good growth**



# Content creation across genres and target groups

## Daily Soaps



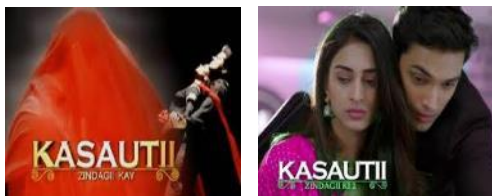
**Kyunki Saas Bhi Kabhi Bahu Thi**  
OVER 1800+ EPISODES

**Kahaani Ghar Ghar Ki**  
8 Years With 1500+ Episodes



**Bade Acche Lagte Hai**  
MATURE LOVE STORY

**Ye Hai Mohabbatein**  
OVER 1000 EPISODES



**Kasauti Zindagi Kay**  
RECREATED AFTER 17 YEARS

## Finite Drama



**Naagin 1, 2, 3**  
SUPERNATURAL  
FANTASY SERIES

**Kavach**  
SUPERNATURAL  
HORROR

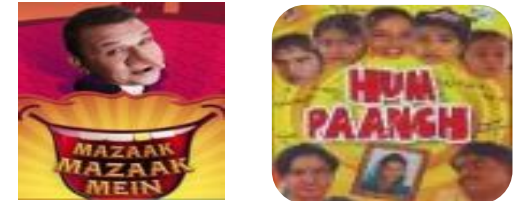
## Historical fiction



**Chandra Nandni**  
ROMANCE DRAMA

**Jodha Akbar**  
EPIC – PERIOD DRAMA

## Comedy



**Mazak Mazak Mein**

**Hum Paanch**  
FAMILY COMEDY  
SERIES

## Non fiction



**Nach Baliye 7**  
DANCE REALITY

**Gumrah**  
YOUTH / CRIME SHOW

## Content for ALTBalaji



Shows across various genres for the Digital Audience

## We Remain Selective and Profitable in Our Movies

- ❑ Slate for FY20 currently include **4 movies**
- ❑ All cost for these movies have already been **recovered via pre-sales**
- ❑ Focus is on **clutter breaking** cinematic content

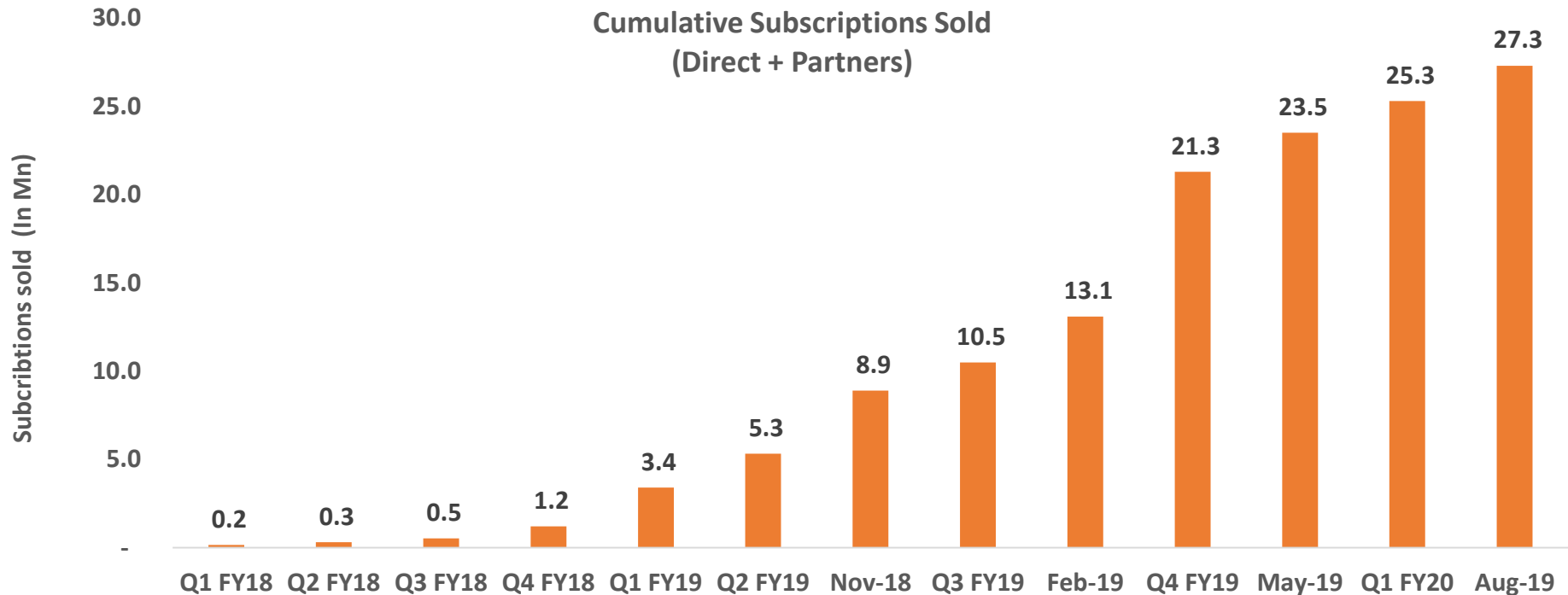


## In Less Than 2 Years, ALTBalaji Is The Frontrunner In The Domain

- ❑ OTT video streaming as a category continues to grow exponentially. **ALTBalaji is already one of the frontrunners**
- ❑ **#3 grossing video on demand service in India** - based on App Annie data for Grossing within the Entertainment category<sup>1</sup>
- ❑ **6x revenue growth** for the year – FY19 revenues at Rs 41.6cr
- ❑ **20.1 million subscriptions sold in FY19** vs 1.2m sold in FY18 – 27.3m ever sold as of August 2019
- ❑ **45 Original Exclusive shows**<sup>2</sup>



## Exponential Growth In Subscriptions – Strong base of customers



- ❑ Going forward subscription growth to be driven by
  - ❑ Targeted acquisition of direct customers primarily using value efficient digital marketing
  - ❑ Move from multi partner free to single partner paid environment
  - ❑ Integration with several non telco distribution partners



## **ALTBalaji + Zee 5 Content Alliance – Faster scale up and profitability**

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**Grow the subscription video on demand business**

**A first of its kind OTT collaboration to co-produce 60+ Originals and share consumer insights**

**Co-created original content which will only be available on both platforms and not free**

**Partnership will result in faster scale up and profitability for ALTBalaji – helps conserve cash spend in a challenging business environment**

**First set of shows as part of this alliance already streaming**

## ALTBalaji Consumer Profile

75:25

Split ratio between Male : Female subscribers

78%

are aged between 18-35 covers

36%

Of subscribers come from Outside of the Top 50 cities in India

9 pm – 11 am

is the Prime time watching for ALTBalaji



# Loved by India And Winnings Awards Regularly



Won the DIGIXX Awards for the BEST OTT PLATFORM consecutively for the 2nd time in a row



## Summary Financials

In (Rs Cr)	FY15	FY16	FY17	FY18	FY19
Accounting Standard	IGAAP	Ind-AS	Ind-AS	Ind-AS	Ind-AS
Business included	TV	TV	TV +Movie	TV+Movie	TV+Movie
<b><u>Operating Metric</u></b>					
Hours of Programming	962	1002	960	819	763
Revenue / hour (TV)	0.22	0.26	0.30	0.33	0.38
Movie releases	3	1	4	2	2
<b><u>Financials (Standalone) – TV + Movie</u></b>					
Total Revenue	209.7	256.8	408.5	416.6	440.3
EBITDA	12.7	34.2	2.8	53.1	14.7*
EBITDA Margin %	6%	13%	1%	13%	3%
PAT	12.3	37.1	29.4 <sup>1</sup>	16.3 <sup>2</sup>	20.1
PAT Margin %	6%	14%	7%	4%	5%
<b><u>ALTBalaji</u></b>					
Revenues				7	42
EBITDA				(102)	(118)

### □ Value of mutual fund investments held across the company as on 30<sup>th</sup> June 2019 at Rs 247cr

Note:

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

<sup>1</sup> Impact of Merger has resulted in creation of a deferred tax asset of Rs 27.8 cr increasing PAT by 27.8cr

<sup>2</sup> 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

<sup>3</sup> FY19 was majorly impacted by Rs 9.8cr provision for advances as a matter of abundant caution resulting in lower EBITDA

## Summing Up : Balaji Telefilms Is A Significant Value Creating Business

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- ❑ In the media sector, Balaji Telefilms offers a **unique opportunity across TV, Movies and Digital Entertainment.**
- ❑ **We understand India - deep and unique understanding** of viewing habits of Indian audience built over 25 years.
- ❑ TV Business is the #1 content producer for prime time television and provides **stable cash flows** to the Group.
- ❑ Movie business produces **differentiated cinematic** content that is profitable and provides **creative heft.**
- ❑ **ALTBalaji** is the leading platform for **original exclusive content** and a front runner in the online video streaming space

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# Thank you

**Balaji Telefilms Limited**

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