



Quarterly Performance Update

Q4 FY20 and Year ended 31st March 2020

Business Turnaround : EBITDA FY20 at Rs 11cr vs FY19 loss Rs 105cr



Consolidated Business In Rs Cr	Q4 FY20	Q4 FY19	Growth	H1FY20	H2FY20	FY20	FY19	Growth
Revenues	108	89	21.2%	278	296	574	428	34%
Gross Margin	33	17	95.4%	79	104	183	50	264%
Gross Margin %	30%	19%	1100bps	29%	35%	32%	12%	2000bps
EBITDA	-0.8	-32	-	-28	39	11	-105	-
EBITDA Margin %	-0.7%	-36%	Na	-10%	13%	2%	-25%	Na
Profit Before Tax	-13	-28	-	-41	19	-22	-91	-
Profit After Tax	-20	-28	-	-53	-6	-59	-98	-

- **Full year growth across all parameters and significant improvement in business performance**
 - Revenue Up 34% to Rs 574cr vs Rs 428cr and gross margin expansion
 - **EBITDA turnaround** – EBITDA FY20 at Rs 11cr vs FY19 loss Rs 105cr
- BTL TV Business had a very strong performance – **Rs 88cr of EBITDA vs Rs 21cr in FY19**
 - **Proactive cost control measures implemented** and EBITDA margins maintained in Q4 at 23%
- BTL Movie business had an excellent year driven **by pre-sales strategy**
 - **Movie business EBITDA at Rs 37cr vs Loss of 7cr in FY19**
- **ALTBalaji had strong revenue growth for the year – FY20 Revenue at Rs 77cr vs FY19 Rs 41cr,**
 - Zee5 deal reduces cash outlay and has been operational since September 2019
- Other non operating income reduced from Rs 31cr in FY19 to 8cr in FY20, as a result of lower treasury income
- PBT at Rs -22cr vs Rs -91cr in FY19 driven by better operating performance
- Overall PAT at -59cr (**-6cr in H2 FY20 vs -53cr in H1FY20**) – includes Rs 36cr tax on TV + Movie business, vs Rs 6cr tax in FY19. Current tax includes Rs 13cr of MAT utilization. Effective tax rate going forward to be 25%
- **Healthy cash balance** -Investment in Bank FD and Mutual Funds Rs 163 cr. Short term working capital in movies of Rs 76 cr. Total balance at Rs 239cr

COVID-19 hastens digital adoption



TV – Balaji Telefilms remains the #1 hit production house

- Q4 FY20 - 197 hours of content produced at an average realization of Rs 0.39cr / hour
- Full year – 823 hours of content produced at an average realization of Rs 0.37cr / hour
 - Improvement in hours from 763 hours in FY19, average realization down by 0.01cr / hour
- 8 shows on air during the quarter
 - 1 new shows launched during the quarter, while 2 shows came to an end
 - All production activity stopped on March 18th as per local health and safety regulations
 - Production partially resumed 26th June 2020

Movies – has a very strong and profitable year

- Total movies released in the year – 3
- Pipeline currently has 4 movies
 - Dolly Kitty Aur Woh Chamakte Sitare, Villain 2, KTina and Pagglait
- Remain conservative with the investments in movies, and continue to do co production deals where possible
- COVID-19 has impacted the theatrical release of movies so the Company has completed the direct to digital releases for one of its movies and is evaluating options for the others
 - Dolly Kitty Aur Woh Chamakte Sitare will premier on Netflix

COVID-19 hastens digital adoption



ALTBalaji's dominates the Mass OTT market – creates hit shows that continue to fuel the binge watching habit

- Direct subscription revenue grown over 100% year on year.
- Only 44% of the consumer are from the 8 big cities (Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune), 56 % of consumer from non metro and tier 2/tier 3 towns and cities
- User profile – Male 70 : Female 30 and 75% of user base below 35 years
- Total library of original shows available on ALTBalaji currently at 62*, one of the largest in the country
 - Includes 7 shows running into multiple seasons
- High engagement with subscribers and continue to witness higher screen time during the lockdown
- ALTBalaji remains one of the Top 5 paid Apps in the country
- Current year pipeline to include 20 to 24 original shows

ALTBalaji continues to dominate the Hindi language OTT market



- ALTBalaji remains one of the Top 5 paid Apps in the country
- ALTBalaji is one of the most affordable OTT options with plans at Rs 300 a year / Rs 100 a quarter (less than Re 1 a day)
- Direct to consumer billing continues to grow as ALTBalaji has pivoted from multi partner (free to customer) to single partner (behind paywall) environment
 - Average daily subscriber addition in Q4Fy20 at 12,300 vs 10,000 in Q3FY20
- FY20 direct subscription revenue grown over 100% year on year.
- High engagement with subscribers
 - Seen a sharp rise in watch time during the lockdown
 - Deeper engagement with the platform with consumers watching more shows including older library content

App Annie Rankings (Gross Billing)

Rank	Q4 FY20	Q3 FY20	Q2 FY20	Q1 FY20	Q4 FY19
1	Netflix	Netflix	Netflix	Netflix	Netflix
2	Hotstar	Hotstar	Hotstar	Hotstar	Hotstar
3	ZEE5	ZEE5	ZEE5	ZEE5	ALTBalaji
4	ALTBalaji	ALTBalaji	ALTBalaji	ALTBalaji	ZEE5
5	Voot	Sony LIV	Sony LIV	Sun NXT	Sony LIV

Source: 1. App Annie – Based on Gross Revenue across Ios and Google

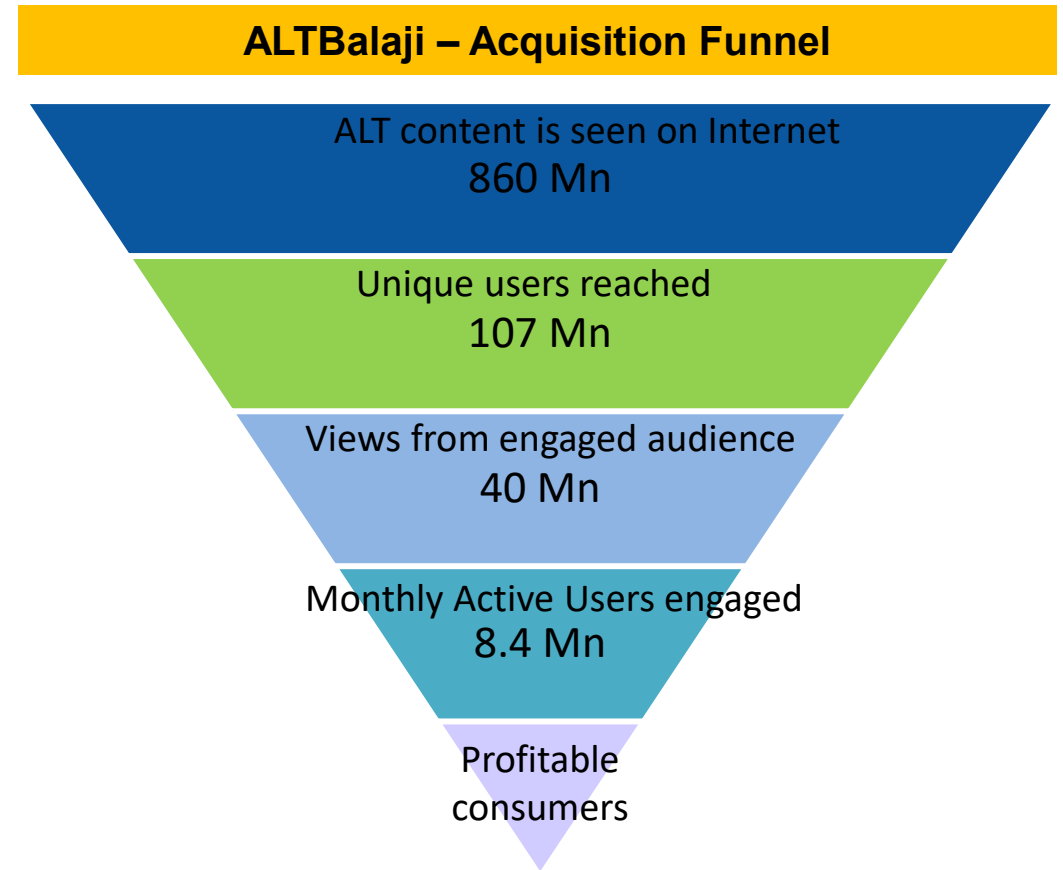


ET Now Digital Company of the Year

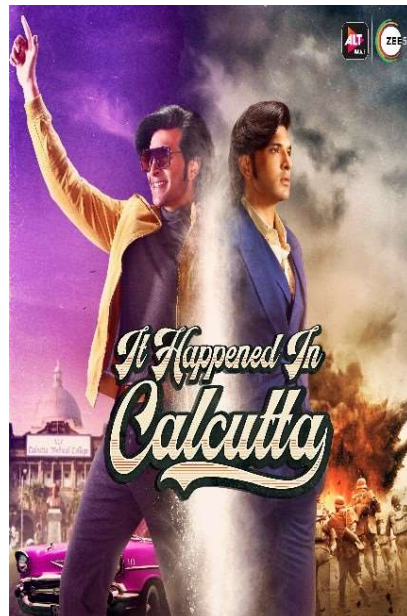
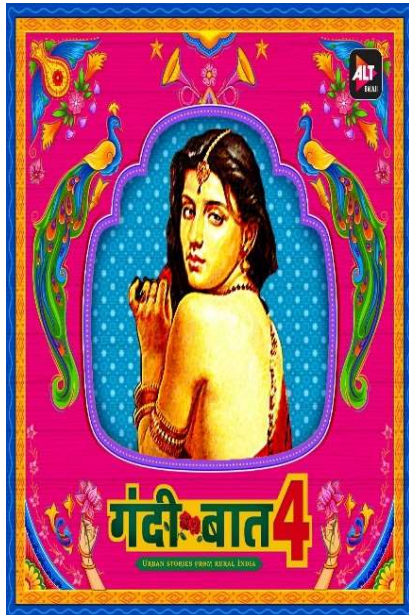
ALTBalaji unique marketing strategy to drive subscription



- ALTBalaji content appeals across age groups
- Content is made for Hindi Speaking audiences across India
 - Only 44% of the consumer are from the 8 big cities (Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune)
 - 56 % of consumer from non metro and tier 2/tier 3 towns and cities
- ALTBalaji offers a wide range of content across various genres and story lines
 - 7 shows already in multiple season
 - A number of shows are designed with longer format with more episodes
- Leverage Balaji ecosystem of TV and Films to promote shows and acquire consumers via lower marketing spends
- Deeper library of original shows allows ALTBalaji to acquire customers at a lower cost of acquisition



Continue to add new shows and new seasons of hit shows



**Total library of
original shows at
62***

**Includes multiple
shows with
returning seasons**

**Continue to add 20-
24 shows for the
year**

Balaji Telefilms – TV lineup



Lineup of TV shows during the quarter

Broadcaster	Show Name	Time	Schedule
	Naagin 4	20.00 – 21.00	Saturday to Sunday
	Pavitra Bhagya	22.00 – 22.30	Monday to Friday
	Bepanha Pyaar	22.00 – 22.30	Monday to Friday
	Ye Hai Chahatein	22.30 - 23.00	Monday to Friday
	Kasautii Zindagii Kay	20.00 – 20.30	Monday to Friday
	Kumkum Bhagya	21.00 - 21.30	Monday to Friday
	Kundali Bhagya	21.30 - 22.00	Monday to Friday
	Haiwaan	19:00 - 20:00	Saturday to Sunday

- Pavitra Bhagya new show launched to replace Bepanha Pyaar
- All production activity stopped on March 18th as per local regulations and health and safety measures and resumed 26th June 2020
- Changes in line up in Q1/Q2 FY21 expected as COVID-19 continues to affect production schedules

Movies – Entertaining and commercially successful



- 3 movies released in current financial year
 1. Judgementall Hai Kya
 2. Jabariya Jodi
 3. Dream Girl
- Continue to focus on pre-sales and co-production of its future slate
- Current slate includes 4 movies
 1. Dolly Kitty Aur Woh Chamakte Sitare (Staring Konkona Sen Sharma and Bhumi Pednekar)
 2. Pagglait (staring Sanya Malhotra)
 3. Ek Villain 2 (staring John Abraham)
 4. K Tina (staring Disha Patani)
- Currently evaluating production schedules and release schedules given the disruption caused by COVID-19



**Dolly Dolly Kitty Aur Woh
Chamakte Sitare to release on
Netflix shortly**



Financials



TV Business KPIs impacted in Q4 due to partial lockdown

Particulars (In Rs Cr)	QoQ change	YoY change	Mar-20	Dec-19	Sep-19	Jun-19	Mar-19	Full Year FY20	Full Year FY19
Programming Hours	-10%	-1%	198	219	210.5	195.5	200.5	823	763
Revenue	-6%	5%	77.1	81.96	75.6	69.6	73.6	304.3	287.3
Realisation / Hour	6%	6%	0.39	0.37	0.36	0.36	0.37	0.37	0.38
Gross Margin	-10%	19%	26.0	28.8	24.1	21.1	21.9	100.0	60.3
Gross Margin / Hour	1%	20%	0.13	0.13	0.11	0.11	0.11	0.12	0.08
Gross Margin %	-4%	13%	33.7%	35.1%	31.9%	30.3%	29.7%	32.9%	21.0%

Note : Only includes commissioned programs for Television broadcaster

- Q4 impacted by shutdown of production as all production halted from 18th March 2020
- Improvement in programming hours – FY20 had lower number of weekend shows resulting in lower realization per hour as compared to FY19.
- Gross margins continue to remain strong driven by better operating efficiencies and overall cost control

BTL Standalone Financial Performance (TV + Movie Production)



In Rs Cr	Q4 FY20	Q4 FY19	Q3 FY20	FY20	FY19
Total Income from operations	116.1	82.1	198.4	576.6	440.3
Cost of Production	72.5	59.0	125.4	358.9	347.4
Gross Margin	43.6	23.1	73.0	217.7	92.9
<i>Gross Margin %</i>	38%	28%	37%	38%	21%
Marketing and Distribution	0.4	4.0	4.4	36.2	20.4
Employee Benefits Expense	3.3	7.1	3.7	13.9	22.7
Other Expenses	11.6	13.4	10.3	43.5	35.1
EBITDA	28.3	-1.4	54.5	124.2	14.7
<i>EBITDA Margin %</i>	24%	-2%	27%	22%	3%
Finance Cost	0.6	0.0	0.6	2.4	0.0
Depreciation and amortisation	8.3	3.3	8.2	33.1	13.1
Other Income	-1.8	6.5	1.9	6.1	24.8
Profit Before Tax	17.6	1.8	47.6	94.7	26.5
Tax Expenses	7.2	-0.4	18.2	36.8	6.3
Net Profit After Tax	10.4	2.2	29.4	57.9	20.1

- 8x EBITDA growth from Rs 14.7cr to Rs 124.2cr
- Other income fallen from Rs 24.8cr to Rs 6.1cr on account of lower treasury income
- Tax expenses include Rs 13cr of MAT utilization, effective tax rate going forward at 25%

Note : numbers may not add up due to rounding

BTL Standalone Balance Sheet (TV + Movie Production)



Particulars (Rs Cr)	31-Mar-20	31-Mar-19	Particulars (Rs Cr)	31-Mar-20	31-Mar-19
Equity			Non-current assets		
Equity Share Capital	20.2	20.2	Property, plant and equipment	26.9	30.0
Other Equity	1,037.2	989.7	Right to use assets	26.7	-
Total Equity	1,057.4	1,009.9	Capital work-in-progress	1.8	0.5
			Investments	623.9	486.9
Non Current Liabilities	6.9	-	Other Financial Assets	9.6	17.0
			Others (including Deferred Tax Assets)	55.9	78.5
Current Liabilities			Total Non Current Assets	744.8	613.0
Trade and Other Payables	98.9	72.1			
Others	50.6	14.9	Current Assets		
Total Current Liabilities	149.4	87.0	Inventories	23.8	63.3
			Investments	100.5	221.1
Total Equity + Liabilities	1,213.7	1,097.0	Trade Receivables	124.6	102.8
			Cash and Cash Equivalent	13.8	15.8
			Others	206.2	81.1
			Total Current Assets	468.8	484.0
			Total Assets	1,213.7	1,097.0

Note : numbers may not add up due to rounding

BTL Consolidated Financial Performance



In Rs Cr	Q4 FY20	Q4 FY19	Q3 FY20	FY20	FY19
Total Income from operations	107.7	88.9	187.9	573.6	427.7
Cost of Production	74.7	71.8	116.3	389.4	376.0
Gross Margin	33.0	17.1	71.6	184.2	51.7
<i>Gross Margin %</i>	31%	19%	38%	32%	12%
Marketing and Distribution	5.0	8.3	6.8	60.6	43.1
Employee Benefits Expense	8.6	13.2	9.4	36.4	49.6
Other Expenses	20.2	27.8	16.0	76.4	64.2
EBITDA	-0.8	-32.3	39.5	10.7	-105.1
<i>EBITDA Margin %</i>	-1%	-36%	21%	2%	-25%
Finance Cost	0.6	0.0	0.7	2.7	0.0
Depreciation and amortisation	9.7	4.6	9.6	38.8	18.1
Other Income	-1.6	8.4	2.8	8.6	31.8
Profit Before Tax	-12.7	-28.5	32.0	-22.2	-91.4
Tax Expenses	7.2	-0.5	18.2	36.8	6.3
Net Profit After Tax	-19.8	-28.0	13.8	-59.0	-97.8

- EBITDA turn around from loss of Rs 105cr to Rs 10.7cr
- Other income fallen from Rs 31.8cr to Rs 8.6cr on account of lower treasury income
- Tax expenses include Rs 13cr of MAT utilization, effective tax rate going forward at 25%

BTL Consolidated Balance Sheet



Particulars (Rs Cr)	31-Mar-20	31-Mar-19	Particulars (Rs Cr)	31-Mar-20	31-Mar-19
Equity			Non-current assets		
Equity Share Capital	20.2	20.2	Property, plant and equipment	27.9	31.6
Other Equity and reserves	671.9	742.2	Right to use assets	28.8	-
Non control interest	0.1	-1.0	Goodwill on Consolidation	1.5	1.5
Total Equity	692.2	761.4	Investments	3.6	15.0
			Other Financial Assets	8.0	14.2
Non Current Liabilities	8.3	0.1	Others (including Deferred Tax Assets)	64.0	87.4
			Total Non Current Assets	133.8	149.7
Current Liabilities					
Trade and other payables	118.9	90.6	Current Assets		
Others	68.3	28.3	Inventories	155.8	195.8
Total Current Liabilities	187.2	118.9	Investments	122.6	285.3
			Trade Receivables	176.7	98.8
Total Equity + Liabilities	887.8	880.5	Cash and Cash Equivalent	19.9	19.2
			Others	279.0	131.6
			Total Current Assets	754.0	730.7
			Total Assets	887.8	880.5

Note : numbers may not add up due to rounding

Legal Entity Wise Performance : Q4 FY20



Particulars (In Rs cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALTBalaji	MFPL	CBEPL	Elimination	Consol
Net Sales / Income from Operations	112.0	0.2	22.2	0.0	-	27.0	107.5
Other Operating Income	4.0	-	-	-	-	3.9	0.2
Total Income	116.1	0.2	22.2	0.0	-	30.8	107.7
Cost of Production	72.5	-	26.1	-0.5	-0.1	-23.2	74.7
Marketing and Distribution Expenses	0.4	-	4.8	0.0	-	-0.2	5.0
Staff Cost	3.3	0.7	2.5	-	-	2.1	8.6
Other Expenditure	11.6	-0.1	12.8	0.1	0.2	-4.5	20.2
EBITDA	28.3	-0.4	-24.0	0.4	-0.1	-4.9	-0.8
Finance Cost	0.6	0.4	0.1	-	-0.0	-0.5	0.6
Depreciation	8.3	-	1.4	-	0.0	-	9.7
Total Expenditure	96.7	1.1	47.7	-0.3	0.1	-26.4	118.7
Profit / (Loss) from Operation Before Other Income	19.4	-0.8	-25.5	0.4	-0.1	-4.5	-11.1
Other Income	-1.8	-	0.5	0.0	0.2	-0.5	-1.6
Profit / (Loss) from Ordinary Activities Before Tax	17.6	-0.8	-24.9	0.4	0.1	-5.0	-12.7
Tax Expenses	7.2	-	-	-	-	-	7.2
Net Profit / (Loss) from continuing operations	10.4	-0.8	-24.9	0.4	0.1	-5.0	-19.8

Note : numbers may not add up due to rounding

Legal Entity Wise Performance : FY20



Particulars (In Rs cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALTBalaji	MFPL	CBEPL	Elimination	Consol
Net Sales / Income from Operations	563.4	6.2	77.7	11.1	-	85.6	572.8
Other Operating Income	13.2	-	-	-	-	12.5	0.7
Total Income	576.6	6.2	77.7	11.1	-	98.0	573.6
Cost of Production	358.9	-	104.2	10.6	-	-84.3	389.4
Marketing and Distribution Expenses	36.2	-	30.4	0.1	-	-6.2	60.6
Staff Cost	13.9	4.2	10.5	-	-	7.8	36.4
Other Expenditure	43.5	0.2	41.2	1.4	0.4	-10.3	76.4
EBITDA	124.2	1.8	-108.5	-1.0	-0.4	-5.2	10.7
Finance Cost	2.4	0.7	0.6	-	-	-1.0	2.7
Depreciation	33.1	-	5.6	-	0.1	-	38.8
Total Expenditure	488.0	5.1	192.5	12.1	0.5	-93.9	604.3
Profit / (Loss) from Operation Before Other Income	88.6	1.1	-114.7	-1.0	-0.5	-4.2	-30.8
Other Income	6.1	-	3.4	0.1	0.2	-1.0	8.6
Profit / (Loss) from Ordinary Activities Before Tax	94.7	1.1	-111.4	-1.0	-0.4	-5.2	-22.2
Tax Expenses	36.8	-	-	-	-	-	36.8
Net Profit / (Loss) from continuing operations	57.9	1.1	-111.4	-1.0	-0.4	-5.2	-59.0

Note : numbers may not add up due to rounding



Accounting Policies for Amortization on Inventory

Movies

- Items of inventory are carried at lower of cost and net realisable value. Cost is determined on the following basis:
 - Films: Actual Cost
 - Unamortised cost of films: The cost of films is amortised in the ratio of current revenue to the expected total revenue. At the end of each accounting period, balance unamortised cost is compared with the net expected revenue. If the net expected revenue is less than unamortised cost, the same is written down to the net expected revenue
- Marketing and distribution expenses are charged to revenue in the period in which they are incurred and are not inventorised

Digital

- Original content amortised over 3 years, 65% of the cost in the first year and 25% in the second year and 10% in third year
- Acquired content is amortised over license period



Thank You

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