



Palaji Telefilms Ltd.

Quarterly Performance Update

Q4 FY22 and 12M FY22

BTL – Consolidated Financials FY 2022 - Snapshot



Consolidated Financials (In Rs Cr)	Q4 FY22	Q3 FY22	Q4 FY21	FY22	FY21
Total Income from operations	119.1	76.2	74.9	336.85	293.7
Cost of Production	117.9	71.1	77.7	327.44	261.0
Gross Margin	1.15	5.0	-2.8	9.41	32.7
Gross Margin %	1%	7%	-4%	3%	11%
EBITDA Loss	-31.4	-21.3	-41.3	-121.7	-104.0
EBITDA Margin %	-26 %	-28%	-55%	-36%	-35%
Loss Before Tax	-32.3	-24.6	-34.8	-131.1	-110.4
Loss After Tax	-33.3	-26.4	-39.9	-133.1	-118.9

- **ALTBalaji total subscriptions sold for Fy22 at 3.88m, direct subscription revenues at Rs 52.39 cr vs Rs 54.04 cr.**
- ALTBalaji launched Lock Upp – a Reality based Non-fiction show on ALT and MX player platforms.
 - **Lock Upp was a massive Hit with 500+ Mn views. It was the highest watched reality show in OTT space**
- ALTBalaji added **13** shows in the twelve months, taking the overall library to 90+ shows.
- TV business returned to normal in 12M with 863.5 hours of production across 7 shows and strong pipeline for the year ahead
 - realisation rates remain low given broadcast uncertainties
 - with more number of 6 days shows and 1 hour episode, resulted in increase in telecast hours
- Current movie pipeline include 7 exciting projects

Digital on track for expansion



ALTBalaji's remains focused on Hindi Originals

- ALTBalaji continues to drive growth on the back of strong content, innovative marketing and affordable pricing
- Continue to pursue with creating original shows, library on ALTBalaji at 90+ and 14 movies includes multiple seasons of hit shows
- Remain focused on high quality of content with strong narratives for younger audiences
- Consumer engagement remains high multiple competing content, focus remains to minimize consumer churn
- Pricing remains at Rs 300 a year (less than Re 1 a day making it affordable to mass audiences)
- Overall revenue for FY22 at 102cr, however additional 23.73 cr of revenue to be accounted in next 4 quarters as deferred revenue
- **Focus** is on reducing cash burn. FY22 Cash burn is ₹ 81Cr, FY21 was ₹ 122Cr

TV business now returned to normal levels, very robust pipeline of new shows

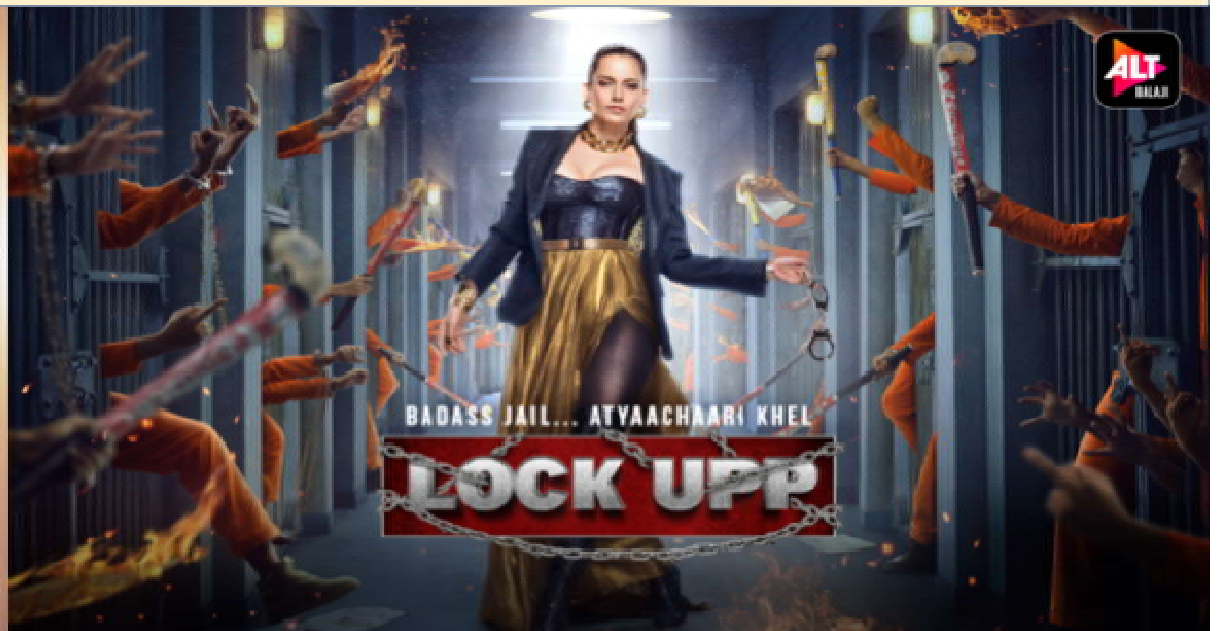
- TV business continued at normal production with 863.5 hours of production across 7 shows in the twelve months and a strong pipeline for the year ahead
- 7 shows were on air
 - 7 shows running through the quarter - Kumkum Bhagya, Kundali Bhagya, Bhagya Lakshmi on Zee, Yeh Hai Chhatein on Star, Naagin 6 and Parineeti on Colors and Bade Acche Lagte Hain 2 on Sony
 - Hourly realizations remain muted at Rs 27 lakhs per hr and expected to remain soft as broadcasters continue to asses COVID 19 impact.
- 2 new exciting shows lined up

Movies – working on 7 projects

- 7 Movie to be released in Fy23, out of which 5 films shoot has been completed and are in post production, Pre-locked exiting deals on few movies
- Theatrical release date have been locked for 2 films, Villain 2 (starring John Abraham) on 29th July, 22 and Dobaara (starring Taapsee Pannu) on 19th Aug, 22,
- Tightly controlled investments across movies – continue to monitor shooting schedules and availability of theatrical windows
- Company open to various monetization opportunities for existing and future projects including direct to digital launches



CONTENT – New Launches



2 Shows launched in the JFM quarter

ALTBalaji entered into a new venture with a non-fiction Live Streaming Reality Show Lock Upp

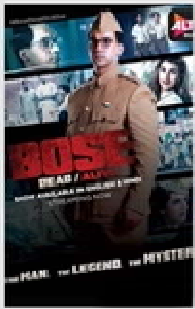




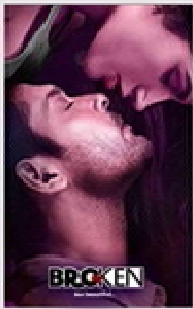
IMDb



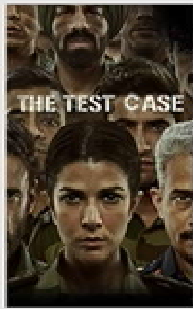
Top rated ALTBalaji shows on IMDB



8.7 ★



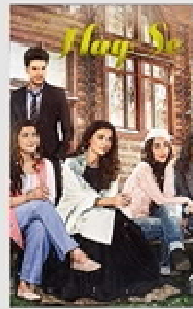
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8.4 ★



8.4 ★



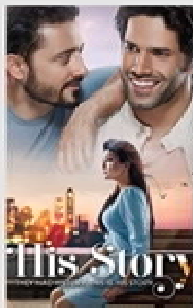
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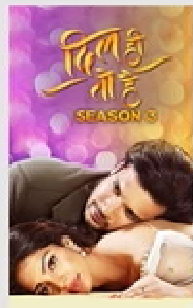
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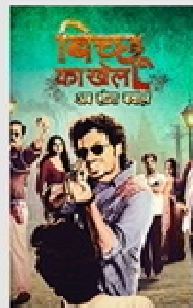
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7.4 ★



7.4 ★



7.1 ★

ALT Library with critically acclaimed and top rated IMDb shows:

- Bose
- Broken But Beautiful
- The Test Case
- Apharan
- Haq Se
- Cartel
- Baarish
- His Story
- Dil Hi Toh Hai
- Bicchoo Ka Khel



TV and Movie returns to normal, strong pipeline heading into FY23



- Overall demand for content remains strong however witnessing some softness in rates given the impact on broadcasters revenue and future outlook on broadcasting revenues
- Strong pipeline with 2 new exciting shows. Volume growth to drive revenues and pricing remains soft
 - 1 show on DD
 - 1 show on Sony
- Shows on Air :

Broadcaster	Show
Zee	<ul style="list-style-type: none"> • Kumkum Bhagya • Kundali Bhagya • Bhagya Lakshmi
Star	<ul style="list-style-type: none"> • Yeh Hai Chhatein
Colors	<ul style="list-style-type: none"> • Naagin 6 • Parineeti
Sony	<ul style="list-style-type: none"> • Bade Acche Lagte Hain 2

- Direct to digital movies remain a profitable opportunity given the growing demand from digital platforms
- Currently evaluating production schedules and release schedules
- **Status of current projects expected to release in FY23,**
 - Villain 2 directed by Mohit Suri and starring John Abraham, shoot completed, now under post production
 - Goodbye directed by Vikas Behl and starring Mr Amitabh Bachchan, shoot nearing completion
 - Dobaaraa directed by Anurag Kashyap and starring Taapsee Pannu, 100% shoot completed, now under post production
 - U Turn starring Alaya F, remake of hit Kannada movie, 100% shoot completed, now under post production
 - Freddy with Kartik Aaryan, 100% shoot completed, now under post production
 - Kathal starring Sanya Malhotra, shoot has been completed, now under post production
 - Thankyou for Coming starring Bhumi Pednekar, Shoot has been started



Financials

BTL Consolidated Financial Performance



In Rs Cr	Q4 FY22	Q3 FY22	Q4 FY21	FY22	FY21
Total Income from operations	119.1	76.2	74.9	336.85	293.7
Cost of Production	117.9	71.1	77.7	327.44	261.0
Gross Margin	1.15	5.0	-2.8	9.41	32.7
<i>Gross Margin %</i>	1%	7%	-4%	3%	11%
Marketing and Distribution	6.3	3.9	15.3	34.4	46.9
Employee Benefits Expense	8.8	8.2	4.4	30.1	24.6
Other Expenses	17.3	14.4	18.8	66.6	65.3
EBITDA	-31.3	-21.3	-41.3	-121.7	-104.0
<i>EBITDA Margin %</i>	-26%	-28%	-55%	-36%	-35%
Finance Cost	1.2	0.2	0.8	1.76	1.7
Depreciation and amortisation	3.6	3.5	5.9	15.03	28.6
Other Income	3.9	0.5	2.8	7.32	13.4
Exceptional Items	-	-	10.4	-	10.4
Profit / Loss Before Tax	-32.3	-24.6	-34.8	-131.16	-110.4
Tax Expenses	1.0	1.9	5.1	2.01	8.5
Net Profit After Tax	-33.3	-26.4	-39.9	-133.17	-118.9

Note : Numbers may not add up due to rounding

Legal Entity Wise Performance : Q4 FY22



Particulars (In Rs cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALTBalaji	Ding	Elimination	Consol
Net Sales / Income from Operations	68.4	-	50.9	3.1	3.4	119.2
Other Operating Income	1.1	-	-	-	1.1	-
Total Income	69.5	-	50.9	3.1	4.5	119.2
Cost of Production	56.4	-	63.9	2.9	-5.2	117.9
Marketing and Distribution Expenses	0.2	-	6.1	-	-	6.3
Staff Cost	4.3	0.7	1.2	0.2	2.4	8.8
Other Expenditure	5.2	0.1	13.9	0.4	-2.4	17.3
EBITDA	3.3	-0.8	-34.0	-0.4	-0.7	-31.4
Finance Cost	1.2	0.1	0.2	-	-0.3	1.27
Depreciation	3.2	-	0.3	0.1	-	3.64
Profit / (Loss) from Operation Before Other Income	-1.1	-0.9	-34.6	-0.5	-1.0	-36.2
Other Income	4.0	-	-	0.1	0.3	3.9
Profit / (Loss) from Ordinary Activities Before Tax	2.9	-0.9	-34.5	-0.4	-0.7	-32.3
Tax Expenses	1.0	-	-	-	-	1.0
Net Profit / (Loss) from continuing operations	1.8	-0.9	-34.5	-0.4	-0.7	-33.4

Note : numbers may not add up due to rounding

Legal Entity Wise Performance : FY22



Particulars (In Rs cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALTBalaji	Ding	Elimination	Consol
Net Sales / Income from Operations	238.7	0.1	102.6	11.18	15.9	336.4
Other Operating Income	3.39	-	-		3.2	0.1
Total Income	242.1	0.1	102.6	11.18	19.1	336.8
Cost of Production	187.5	-	151.9	10.8	-22.8	327.4
Marketing and Distribution Expenses	0.69	-	33.8	-	-	34.4
Staff Cost	15.16	2.0	4.3	0.63	7.9	30.0
Other Expenditure	24.14	0.7	48.0	1.6	-7.9	66.6
EBITDA	14.61	-2.6	-135.4	-1.9	-3.7	-121.6
Finance Cost	1.6	0.4	0.4	-	-0.72	1.75
Depreciation	13.5	-	1.3	0.17	-	15.0
Profit / (Loss) from Operation Before Other Income	-0.5	-2.9	-137.1	-2.07	-4.4	-138.4
Other Income	6.9	0.2	0.6	0.2	0.72	7.3
Profit / (Loss) from Ordinary Activities Before Tax	6.4	-2.7	-136.5	-1.84	-3.7	-131.1
Tax Expenses	2.0	-	-	-	-	2.0
Net Profit / (Loss) from continuing operations	4.4	-2.7	-136.5	-1.84	-3.7	-133.2

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 added to inventory

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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