

Balaji Telefilms Ltd.

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries
New Link Road, Andheri (West), Mumbai - 400 053.
Tel.: 40698000 • Fax : 40698181 / 82 / 83
Website : www.balajitelefilms.com • Email- investor@balajitelefilms.com
CIN No.: L99999MH1994PLC082802



August 10, 2023

BSE Limited.

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Stock Code: 532382

National Stock Exchange of India Ltd.

“Exchange Plaza”,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
Stock Code: BALAJITELE

Sub: Press Release and Quarterly Performance Report

Dear Sir/Madam,

This is further to our letter dated August 10, 2023 intimating the Outcome of Board Meeting for consideration and approval of Un-audited Financial Results for the quarter ended June 30, 2023. Please find enclosed Quarterly Performance Report and Press Release dated August 10, 2023 which is being issued by the Company.

The above information will also be made available on the Company's website, www.balajitelefilms.com

You are requested to take the same on your record.

Thanking you,

Yours Faithfully,

For Balaji Telefilms Limited

TANNU Digitally signed by
TANNU SHARMA
SHARMA Date: 2023.08.10
19:54:36 +05'30'

Tannu Sharma
Company Secretary and Compliance Officer
Membership No: ACS30622

Encl: a/a



Palaji Telefilms Ltd.

Quarterly Performance Update

Q1 FY24

Consecutive 3rd Quarter positive at group level - Driven by Operational Excellence



Consolidated Financials (In ₹ Cr)	Q1 FY24	Q4 FY23	Q1 FY23	FY23
Total Income from operations	152.1	144.5	118.8	593.0
Cost of Production	116.0	111.6	115.1	511.3
Gross Margin	36.1	32.9	3.7	81.7
Gross Margin %	24%	23%	3%	14%
EBITDA Profit / Loss	21.1	11.5	-20.4	-19.1
EBITDA Margin %	14%	8%	-17%	-3%
Profit / Loss Before Tax	16.9	15.3	-23.3	-24.2
Profit / Loss After Tax	10.6	7.7	-24.5	-38.0

Group Performance

- 28% jump in Group Revenue to ₹ 152.1 crore in Q1 FY24 from ₹ 118.8 crore in Q1 FY23 and 5% growth compared to Q4 FY23.
- EBITDA increases by 204% to 21.1 crore in Q1 FY 24 from loss of 20.4 crore in Q1 FY23 and increase by 84% compared to Q4 FY23.
- PAT at ₹ 10.6 crore in Q1 FY24 compared to PAT in Q4 FY23 of ₹ 7.7. crore.

TV

- Revenue grew by 42% to ₹ 106.32 crore in Q1 FY24 vs Q1 FY23.
- EBITDA margin grew by 168% in Q1 FY24 vis-a-vis Q1 FY23 while EBITDA jumped by 17 % over Q4 FY23.
- Production hours in Q1 FY24 stood at 342.5 hours which is 39% higher than Q1 FY23.

ALT Digital

- 72% reduction in EBITDA loss in Q1 FY24 vs Q1 FY23 and reduction by 27% compared to Q4 FY23.
- Digital business for the quarter generated positive cash, excluding amortization impact.
- Remain focused on high quality of content with strong narratives for younger audiences, multiple strategic collaboration with some of the top OTT players in the industry in pipeline.
- Cash and Mutual fund balance as on date for digital business ₹ 19 crore

Movies

- 2 films released on digital platform during quarter: U-Turn and Kathal; Dream Girl-2 ready for release on 25th Aug, 2023,
- 2 more movies currently in the post-production stage.

Key Business Highlights



TV business: Continue to perform on operational and profitability front

- 39% jump in TV production with 343 hours produced in Q1 FY24 compared to 246.5 hours in Q1 FY23
- 9 shows on-air at the end of the quarter across leading broadcasters.
- New show Barsatein launched on Sony on 10th July 2023 receiving positive reviews.

ALT Digital: Cost rationalization strategy yielding consistent results with EBITDA closer to breakeven

- EBITDA loss narrowed by 72% to ₹ 7.2 crores in Q1 FY24 from ₹ 25.89 crores in Q1 FY23.
- Added to our extensive content library with launch of 1 ALTT original during Q1 FY24 and more shows lined up in coming quarters.
- Leverage Balaji's production and creative expertise to create high-appeal original content for ALTT and co-create content with partners.
- Monetizing our existing IPs through derivative channels eg. Multiple seasons, spinoffs etc

Movie business: Promising year ahead with a strong movie lineup

- **Dream Girl 2** starring Ayushmann Khurrana and Ananya Panday slated to release on 25th August 2023 is already creating buzz all over post trailer release.
- **U-Turn** starring Alaya F, remake of hit Kannada movie, released on Zee5 on 28th Apr'23
- **Kathal** starring Sanya Malhotra premiered on Netflix on 19th May'23 and quickly rose to the top of Netflix's charts. Both movies listed in top 10 most watched movie of 2023 first half.

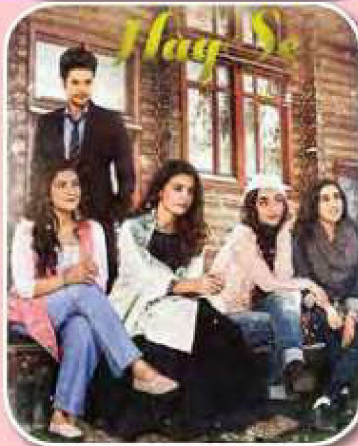
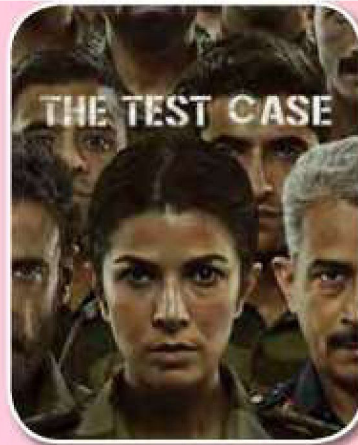
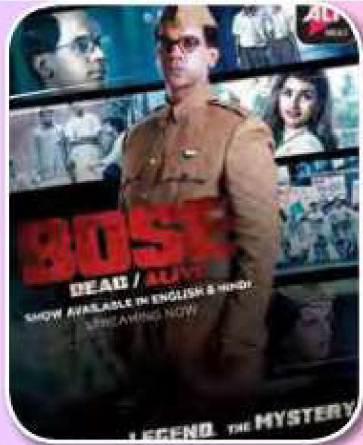
Movies in post-production:

- Thankyou for Coming (starring Bhumi Pednekar)
- The Buckingham Murder (starring Kareena Kapoor Khan & Directed by Hansal Mehta)

Under production projects:

- The Crew (starring Tabu, Kareena Kapoor Khan and Kriti Sanon)
- LSD 2 (directed by Dibakar Banerjee)
- Vrushabha (multilingual pan India film starring Mohanlal)

TOP RATED IMDB ALTT SHOWS



Top rated IMDBb ALTT shows

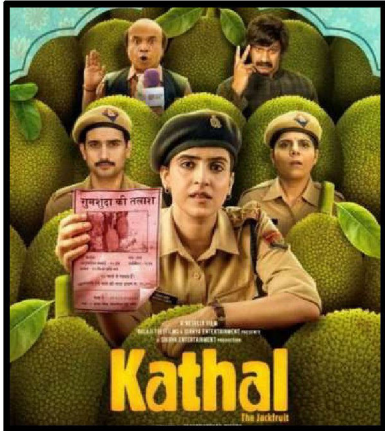
- Bose: Dead or alive
- Broken But Beautiful
- Bose: Dead or alive
- The Test Case
- His Storyy
- Code M
- Cartel
- Haq Se
- Apharan
- Bicchoo Ka Khel
- B



Projects Update



Released



Kathal (Netflix)
19th May 2023



U-Turn (Zee5)
28th April 2023



Barsatein (Sony)
10th July 2023

Upcoming Movie Projects



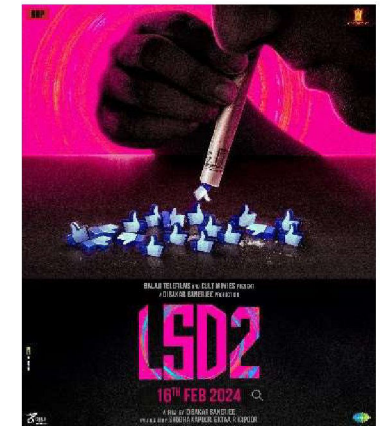
Dream Girl 2
25th August 2023



The Crew
(Shoot Started in Mar'23)

and many more...

- **Thank You For Coming** (Under post-production)
- **The Buckingham Murder** (Under post-production)
- **LSD 2** (Shoot stated in July'23)
- **Vrushabha** (Multilingual Pan India film) Starring Mohanlal (shoot commenced)



LSD 2
(Shoot Started in Jul'23)

Strong pipeline – TV & Movies



- Overall demand for TV content remains strong with our shows continuing to generate good margins in Q1 FY24
- 9 shows contributed to increase in hours of production in current quarter, 342.5 hours in Q1 FY24 against 246.5 hours in Q1 FY23
- Launched **Bade Acche Lagte Hain 3** in May 2023 on Sony to great audience reception.
- New show Barsatein released on 10th July 2023.
- Shows on Air at the end of Q1 FY24 :

Broadcaster	Show
Zee	<ul style="list-style-type: none">• Kumkum Bhagya• Kundali Bhagya• Bhagya Lakshmi
Star	<ul style="list-style-type: none">• Yeh Hai Chahatein
Colors	<ul style="list-style-type: none">• Naagin 6• Parineeti• Dharampatni• Bekaaboo
Sony	<ul style="list-style-type: none">• Bade Acche Lagte Hain 3

Status of latest projects:

- **Dream Girl 2** starring Ayushmann Khurrana and Ananya Panday, creating huge buzz post trailer release is slated to release on 25th August 2023.
- **Thankyou for Coming** starring Bhumi Pednekar, under post-production
- **The Buckingham Murder** starring Kareena Kapoor Khan & Directed by Hansal Mehta, under post-production

Under production projects:

- **The Crew** led by all female star cast of Tabu, Kareena Kapoor Khan and Kriti Sanon, commenced production from March 2023
- **LSD 2** directed by Dibakar Banerjee - shoot started in July 2023.
- **Vrushabha** (Multilingual Pan India film) starring Mohanlal (shoot commenced)



Financials

BTL Consolidated Financial Performance



In ₹ Cr	Q1 FY24	Q4 FY23	Q1 FY23	FY23
Total Income from operations	152.1	144.5	118.8	593.0
Cost of Production	116.0	111.6	115.1	511.3
Gross Margin	36.1	32.9	3.7	81.7
<i>Gross Margin %</i>	24%	23%	3%	14%
Marketing and Distribution	2.0	0.9	3.5	19.2
Employee Benefits Expense	4.1	8.5	3.0	28.1
Other Expenses	8.9	12.0	17.5	53.4
EBITDA	21.1	11.5	-20.4	-19.1
<i>EBITDA Margin %</i>	14%	8%	-17%	-3%
Finance Cost	3.1	3.0	1.1	8.2
Depreciation and amortisation	1.8	1.8	3.3	10.4
Other Income	0.7	8.6	1.5	13.4
Profit / Loss Before Tax	16.9	15.3	-23.3	-24.2
Tax Expenses	6.3	7.6	1.2	13.8
Net Profit / Loss After Tax	10.6	7.7	-24.5	-38.0

Note : Numbers may not add up due to rounding

Legal Entity Wise Performance : Q1 FY24



Particulars (In ₹ cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALT Digital	MFPL	Ding	Elimination	Consol
Net Sales / Income from Operations	136.1	0.7	16.1	0.4	1.0	2.1	152.1
Other Operating Income	0.3	-	-	-	-	0.3	-
Total Income	136.4	0.7	16.1	0.4	1.0	2.4	152.1
Cost of Production	100.2	-	17.0	0.4	0.4	1.9	116.0
Marketing and Distribution Expenses	1.1	-	1.7	-	-	0.7	2.0
Employee Benefits Expense	2.9	0.6	1.1	-	0.2	0.7	4.1
Other Expenditure	4.3	0.1	3.5	0.0	0.4	-0.7	8.9
EBITDA	27.9	0.0	-7.2	0.0	0.1	-0.2	21.1
Finance Cost	3.1	0.2	0.1	-	0.0	0.3	3.1
Depreciation	1.7	-	0.0	-	0.1	-	1.8
Profit / (Loss) from Operation Before Other Income	23.2	-0.1	-7.3	0.0	-0.0	-0.5	16.2
Other Income	0.6	-	0.1	0.1	0.1	0.3	0.7
Profit / (Loss) from Ordinary Activities Before Tax	23.8	-0.1	-7.2	0.1	0.1	-0.2	16.9
Tax Expenses	6.3	-	-	0.0	-	-	6.3
Net Profit / (Loss) from continuing operations	17.5	-0.1	-7.2	0.1	0.1	-0.2	10.6

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

Balaji Telefilms Limited

CIN : L99999MH1994PLC082802

<http://www.balajitelefilms.com>

For further queries please contact:

Tannu Sharma (Group Head – Secretarial)

Retail Investors: investor@balajitelefilms.com

Institutional Queries: harsh.vardhan@balajitelefilms.com

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Balaji's consolidated three-month revenue at Rs 152cr, Consecutive 3rd Quarter Positive

August 10th, 2023: Balaji Telefilms Ltd announced its financial results for the first quarter and three months ended 30th June 2023.

The Group reported 28% increase in revenue to ₹ 152.1 crores in Q1 FY24 vis-à-vis ₹ 118.8 crores in Q1 FY23 and grew by 5% compared to ₹ 144.5 crore in Q4 FY23. Group level EBITDA profit stood at ₹ 21.1 crore in Q1 FY24 vis-à-vis EBITDA loss of ₹ 20.4 crore in Q1 FY23 and EBITDA profit of ₹11.5 crore in Q4 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 Q1 FY24 is ₹ 10.6 crore compared to loss after tax in previous comparative periods i.e. ₹ 24.5 crore in Q1 FY23 and profit of ₹ 7.7 crore in Q4 FY23.

Television

TV business continued to perform well and delivered stellar results. Revenue increased by 42% in Q1 FY24 to ₹ 106.32 crore vis-à-vis previous corresponding period. EBITDA increased by 168% to ₹ 16.32 crore in Q1 FY24 vs ₹ 6.10 crore in Q1 FY23. Compared to Q4 FY23, EBITDA margin expanded by 17% in Q1 FY24.

Balaji had 9 shows on-air at the end of the quarter across 4 leading broadcasters. In Q1 FY24, hours of production increased by 39% to 342.5 hours compared to 246.5 hours in Q1 FY23. In Q1 FY24, realization per hour increased by 4% to ₹ 31.11 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

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. EBITDA losses narrowed by 72% in Q1 FY24 compared to Q1 FY23 and by 27% compared to Q4 FY23. Digital business' OTT platform, ALTT's subscription revenues stood at ₹ 3.97 crore for Q1 FY24 wherein a total of 3.37 lac subscriptions were sold including 1.63 lac renewals highlighting the stickiness of customers and appeal of the content. During the fiscal, 1 new show was launched on ALTT, with strong reception by target customers. Subsequently, we had 3 more launches across genres on our platform to strengthen our content library.

In a bid to capitalize on production expertise, ALT Digital has entered into strategic partnerships and deals to produce content for some of the biggest 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 16.79 billion minutes with the number of views totalling to 1.51 billion.

Movies

During Q1 FY24, a total of 2 movies were released on Digital platforms, 'U-turn' starring Alaya F in April and 'Kathal' starring Sanya Malhotra in May this year on Zee5 and Netflix respectively. Dream Girl 2 starring Ayushmann Khurrana and Ananya Panday ready for release in cinemas on 25th August 2023.

The Company has a healthy movie pipeline for the year ahead. 'Thank you for Coming' starring Bhumi Pednekar, 'The Buckingham Murder' starring Kareena Kapoor Khan are under post-production while 'The Crew' starring Kareena Kapoor Khan, Tabu and Kriti Sanon is under production. 'LSD 2', to be directed by Dibakar Banerjee commenced production in July 2023. 'Vrushabha' a multilingual pan India film starring Mohanlal, shoot has already commenced. 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.

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 this quarter. We ended the quarter with 9 TV shows on-air across leading channels. We have 1 movie ready to release and 2 movies in post-production slated to be launched in coming quarters and hope that these movies resonate well with our audience's preference and taste. Further, we are re-drawing our plan for digital business to make it profitable. We are confident that our pipeline for the year ahead across Movies, TV and Digital will enable us to continue on our growth trajectory in the entertainment domain and ensure a thriving and sustainable business."

OPERATIONAL and FINANCIAL HIGHLIGHTS

- 28% growth in Group revenues with ₹ 152.1 crore in Q1 FY24 vs ₹ 118.8 crore in Q1 FY23 and 5% growth compared to Q4 FY23 with 144.5 crore.
 - Group level EBITDA profit of ₹ 21.1 crore in Q1 FY24 vis-à-vis EBITDA loss of ₹ 20.4 crore in Q1 FY23 and EBITDA profit of ₹ 11.5 crore in Q4 FY23.
 - Consolidated Profit After Tax of ₹ 10.6 crore in Q1 FY24 compared to loss of ₹ 24.5 crore in Q1 FY23 and profit of ₹ 7.7 crore Q4 FY23.
- TV revenue grew by 42% in Q1 FY24 to ₹ 106.32 crore vs ₹ 75.06 crore in Q1 FY23
 - Returned healthy margin in Q1 FY24 with ₹ 16.32 crore of EBITDA vs ₹ 6.10 crore in Q1 FY23, an improvement of 167%

- Production continued to expand with 342.5 hours of production across 9 shows in Q1 FY24 compared to 246.5 hours in Q1 FY23. Business will continue to be volume led.
- In Q1 FY24, ALT Digital's EBIDTA loss at ₹ 7.19 crore, narrowed by 72% compared to Q1 FY23 and by 27% compared to Q4 FY23.
 - Total subscriptions sold in Q1 FY23 were 3.37 lacs. Direct subscription revenues stood at 3.97 crores in Q1 FY24 vs 3.56 crores in Q4 FY23
- 2 movies launched on digital platform during Q1 FY24. 1 movie viz. Dream Girl 2 set for theatrical release on 25th August 2023.
 - Current pipeline includes 5 movies across genres viz. 'Thank You For Coming', 'The Buckingham Murder', 'The Crew', 'LSD 2' and 'Vrushabha'

APPOINTMENT OF MR SANJAY DWIVEDI AS GROUP COO

The Company announced the appointment of **Mr Sanjay Dwivedi**, Group CFO, as the Group Chief Operating Officer (Group COO), in addition to his current role as the Group CFO.

Commenting on the development, **Mrs Kapoor** stated "Sanjay has been with Balaji for more than a decade and has immensely contributed towards the Group. We wish him all the best for this new innings"

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, Udta Punjab, Veere Di Wedding, Dream Girl, Freddy, U-Turn and Kathal.

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:

Tannu Sharma (Group Head – Secretarial)

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