



Balaji Telefilms Ltd.

Balaji Telefilms

September 2018

Private and Confidential

Balaji Telefilms: Delightful and innovative entertainment



Balaji Telefilms was founded by **Ekta Kapoor** in 1994, who has triggered and influenced social change via her cult-like style of redefining contemporary relationships and dramatic story telling. A winner of many accolades, Ekta Kapoor is regarded as the Content Czarina of the country.



Today, Balaji Telefilms produced content, accounts for **16% of the Indian Primetime GEC viewership** and has for over two decades kept viewers glued to their **TV night after night**.

Balaji Motion Pictures has been **entertaining millions of cinema goers** with popular and cult movies creating a differentiated cinematic experience.



ALTBalaji is the Group's recent venture into **B2C entertainment** and is pioneering the **binge watch culture in India**, driven by **exclusive and original shows** developed for the platform.

Indian M&E sector on an exponential growth trajectory



The E&M market in India is growing towards **\$30bn** in 2020, from \$10.5bn in 2011¹



Digital is growing fastest at **24.9% CAGR** of all the segments of the Indian E&M market²



India is the 2nd largest TV market with **800 million** TV viewers, only second to China³

For Many Years Indians have been entertained and enthralled by **Movies, Sports & Soaps.**

General Entertainment remains the **most efficient Return on Investment** in the Entertainment space

Creating Memorable Television Content for Decades



20 thousand
Hours of
Television content

Balaji Telefilms produced content has created a **daily television watching habit** among millions of viewers.



Long – term
Partnerships with
All 5 major Indian
broadcasters

In any given week we deliver **3 out of the top 5 shows** for prime time GEC.



Proven track
record in creating
content across
genres and
demographics

Balaji Telefilms shows **drive incremental channel ratings** creating a major impact on channel rankings.

The Digital Entertainment Opportunity is Real & Here



Data usage per user has gone up by **8 times** within the past year¹



Video streaming covers **70% of data** consumption on mobile²



OTT revenue is expected to cross **USD 800 mn** by 2022 from 297mn in 2017³

Evolving viewer habits:

Democratization of content.

Mobile is the **first screen**. India will soon have **800 mn** new screens.

Individualization & Personalization of content.

Consumers willing to pay for desired digital content.

DTH has created the access for premium paid content (ARPU at **Rs 400/ pm**).

ALTBalaji developing and driving the SVOD Proposition



ALTBalaji is available globally with millions of consumers

Vision: To create **binge watching habit across India** & emerge as a **dominant player in the Indian OTT space.**



High level user engagement—**average watch time of over 60 minutes a day**

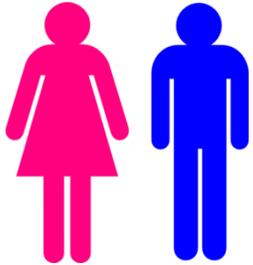
Simple penetrative pricing to develop and drive mass adoption.



Users from the Top 8 cities and Top 50 cities account for bulk of views

ALTBalaji is available as a **direct B2C app** and also through various paid partners via a **B2B2C route.**

ALTBalaji Content Caters to Wide Range of Audiences



Male skew users

Women audience engagement on female centric shows

Unique experience of creating wide repertoire of content for over two decades.



Content library across genres & TG: **Core audience 18 - 34 years old across males & females.**

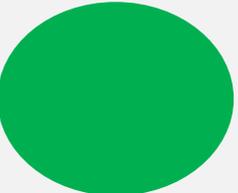
Ability to scale the craft and produce content for mass consumption.



Rolling out 2 **original shows on a monthly basis** – current library over **25* shows**

Bouquet of differentiated Content which caters to **specific Target Groups** and drives engagement for the digital audience.

ALTBalaji – Content Segmentation and Creative Expression

Audience category	Size of the OTT audience	Male	Female
<p>Urban Premium</p>		<p>Premium customers who appreciate “High quality Cinematic content”. Create buzz and badge value and provide new age expressive content that engages. E.g. Test Case, Bose Dead / Alive , The Verdict, Mentalhood, Ghost Who Bombs</p>	
<p>Urban Mass</p>		<p>Stories across Politics, Thriller and Crime genres e.g. Ragini MMS, Black Suits You, Apaharan, Cartel</p>	<p>Relationship driven stories across Romance / Drama genre. Create new OTT viewing habits by providing daily content e.g KTBM, KKHH, Haq Se, Broken, Shuruaat, Dil Hi To Hai, Kasauti Zindagi Kay</p>
<p>Mass</p>		<p>Provide mass entertainment that drives usage and creates binge watching habit e.g. Herro Vardiwala , Gandi Baat, Baby Come Na</p>	

Focus of Foreign OTT players

ALTBalaji uniquely positioned to dominate this segment

Note : Size of circle represents audience size (representative only)

Growing Revenue Partnerships Which Add Value

Domestic

Telecom Partners



DTH/ISP Partners



Streaming Partners



Other Partners



Payment Partners



International

Telecom Partners



Streaming Partners



Payment Partner



ALTBalaji Winning Awards & Accolades



BEST OTT
PLATFORM
ALTBalaji



WEB PERSON
OF THE YEAR
EKTA KAPOOR



BEST ACTRESS
WEB SERIES
NIMRAT KAUR



BEST
WEB SERIES
BOSE: DEAD/ALIVE



BEST
ACTOR
RAJKUMMAR RAO



BEST
SCREENPLAY
CLASS OF 2017



BEST
DIRECTOR
NAGESH KUKUNOOR



BEST
DIALOGUE
RESHU NATH



BEST
DIRECTOR
PULKIT



BEST APP OF
2017



RANK 3
THE MOST POPULAR APPS
IN 2017

**50 HOTTEST
BRANDS**

SOURCE: PAUL WRITER

THE MOST ENTERPRISING
BRANDS & LEADERS OF
ASIA 2018

Geared To Scale Up: Proof of Concept in Place



**ALTBalaji shows
are available in**

Six

regional & international
languages so far



**Increasing content
line up with over**

40 shows

currently under
production



**Distribution
partnerships across**

APAC & MENA

are driving viewership
among NRIs & locals

**In Year 2, ALTBalaji will permeate
several new markets across the
Globe via leveraging its wide
appeal of content & expanding
partnerships.**

Scale Up Focus

ALTBalaji is geared to **scale up rapidly** and create binge worthy content in multiple languages for India, thereby **creating significant value** for our stakeholders.



हिन्दी

Near-term:

- Hindi Content **scale up**
- **Expand** the **subscriber base**
- Financial **break even**



मराठी म्हाळी हिन्दी
गुजराती తెలుగు లిపి മലയാളം
भाषा বাংলা
ଓଡ଼ିଆ ଭାଷା ಕನ್ನಡ संस्कृतम्
விக்கிப்பீடியா অসমীয়া

Medium & Longer term:

- Ability to pivot **Windowing** of content
- Refine & adopt newer **pricing strategies**
- **B2C only** strategy
- **Regional** language content

Capital Allocation and Value Creation

3 businesses with a clear capital allocation strategy



Cash generative

Stable business –predictable
with growing cash flows

No major investments
required

Retain IP where feasible &
generate future value



Craft & reputation

Run as a portfolio over 18 to
24 months

Exploit digital market

Minimal working capital -
overall exposure capped

Adds creative heft & talent
across all lines of business



Value creation

Investment phase – create
substantial value in long run

Cash being deployed primarily
into content creation

Target breakeven

Summing Up Balaji Telefilms Value Creation



We understand India - deep and unique understanding of viewing habits of Indian audience.

TV Business to continue providing stable cash flow. Movies restored to profitability.



Proof Of concept: India is ready for Subscription VOD; ALTBalaji is the leading platform for original exclusive content and #2 in terms of paid subscribers.

We are well capitalized, debt free with flexibility to structure the business to drive growth.

Aspiration is to scale up rapidly in areas of multi-lingual content creation and Customer acquisition.



Create significant value across all stakeholders.

Thank you