

Balaji Telefilms Ltd.

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New Link Road, Andheri (West), Mumbai - 400 053.
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Website : www.balajitelefilms.com • Email- investor@balajitelefilms.com
CIN No.: L99999MH1994PLC082802



August 09, 2024

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 09, 2024 intimating the Outcome of Board Meeting for consideration and approval of Unaudited Financial Results for the quarter ended June 30, 2024. Please find enclosed Quarterly Performance Report and Press Release dated August 09, 2024, 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
Sharma**

Digital signed by Tannu Sharma
DN: cn=Tannu Sharma, o=Balaji Telefilms Ltd., email=tannu@balajitelefilms.com, c=IN, postalCode=400053, serialNumber=100118
c=IN, postalCode=400053, serialNumber=100118, email=tannu@balajitelefilms.com, o=Balaji Telefilms Ltd., postalCode=400053, cn=Tannu Sharma
Date: 2024.08.09 21:50:15 +05'30'

Tannu Sharma
Company Secretary and Compliance Officer
Membership No: ACS30622

Encl: a/a



Palaji Telefilms Ltd.

Quarterly Performance Update

Q1 FY25

Consecutive Consolidated EBITDA profits - Driven by Operational Excellence



Consolidated Financials (In ₹ Cr)	Q1 FY25	Q4 FY24	Q1 FY24	FY24
Total Income from operations	149.2	135.1	152.1	625.1
Cost of Production	118.1	103.4	116.0	468.5
Gross Margin	31.1	31.7	36.1	156.6
<i>Gross Margin %</i>	21%	23%	24%	25%
EBITDA Profit / Loss	4.4	2.2	21.1	46.0
<i>EBITDA Margin %</i>	3%	2%	14%	7%
Profit / Loss Before Tax	2.0	-1.4	16.9	33.3
Profit / Loss After Tax	-2.2	-2.6	10.6	19.4

Group Performance

- 11% jump in Group Revenue to ₹ 149.2 crore in Q1 FY25 from ₹ 135.1 crore in Q4 FY24.
- EBITDA increases by 100% to ₹ 4.4 crore in Q1 FY 25 from ₹ 2.2 crore in Q4 FY24.
- Profit before Tax of ₹ 2.0 crs in Q1 FY25 against loss in Q4 FY24 of ₹ 1.4 crs.

TV

- 6 shows contributed to Revenue of ₹ 75.1 crore during Q1 FY25.
- EBITDA margin grew by 102% in Q1 FY25 vis-a-vis Q4 FY24.
- Production hours in Q1 FY25 stood at 228 hours.

ALT Digital

- 26% reduction in EBITDA loss in Q1 FY25 vs Q1 FY24.
- 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 ₹ 9 crore

Movies

- Crew released last year, continued its Box office run in current quarter. Subsequently, released on Netflix this quarter.
- 2 more movies currently in the post-production stage.

Key Business Highlights



TV business: Continue to perform on operational and profitability front

- EBITDA grew by 102% in Q1 FY25 compared to Q1 FY24.
- TV production stood at 228 hours in Q1 FY25.
- 5 shows on-air at the end of the quarter across leading broadcasters plus 1 show for Shemaroo.

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

- EBITDA loss narrowed by 26% to ₹ 5.3 crores in Q1 FY25 from ₹ 7.2 crores in Q1 FY24.
- Added to our extensive content library with launch of 18 ALTT original during Q1 FY25 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.
- ALT continues to work on its business plan to drive its subscription business, foray into AVOD model and has an content order book of around 244 crs of web-series for the leading OTT platforms and syndication/licenses of the content, commissioned sales.
- Monetizing our existing IPs through derivative channels eg. Multiple seasons, spinoffs etc

Movie business: Promising year ahead with a strong movie lineup

- Crew continued its Box office run in current quarter **and LSD 2** release in April 2024, received fair response from audience.
- The Buckingham Murder (starring Kareena Kapoor Khan & Directed by Hansal Mehta), under post-production, to be release on 13th Sep 24.
- The Sabarmati Report (staring Vikrant Messy and Raashii Khanna), under post-production, expected to release in October 2024.
- Vrushabha (multilingual pan India film starring Mohanlal), under production.

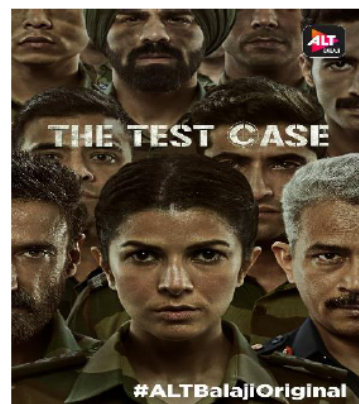
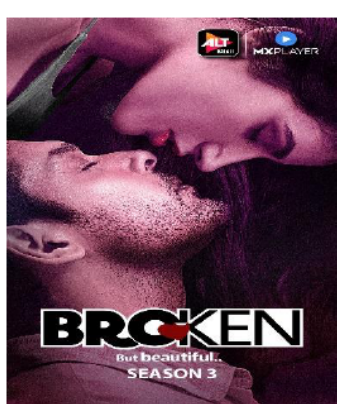
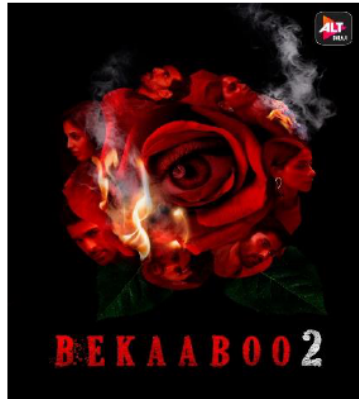
Legal Update:

The Company has receivables of ₹1,619 lacs from a co-producer and film director. An arbitration award of ₹2,341 lacs (including ₹825 lacs in interest and ₹80 lacs in legal expenses) is in favor of the Company, but these amounts are not yet recognized in financial results due to pending enforcement. Further, a ₹111 lacs litigation from the said claim is ongoing. Legal proceedings for interim reliefs are underway. Based on the Arbitration Award and legal advice, the amounts are deemed fully recoverable.

Merger Update:

On May 30, 2024, the Board of Directors approved the Draft Composite Scheme of Arrangement involving Balaji Telefilms Limited (BTL), ALT, and MFPL, covering capital reduction and amalgamation. The Scheme was submitted to the BSE, NSE, and SEBI on June 20, 2024, and is currently under review. After receiving the No Objection Certificates, the company will seek approvals from the NCLT, Regulator and stakeholders.

TOP RATED IMDB ALTT SHOWS



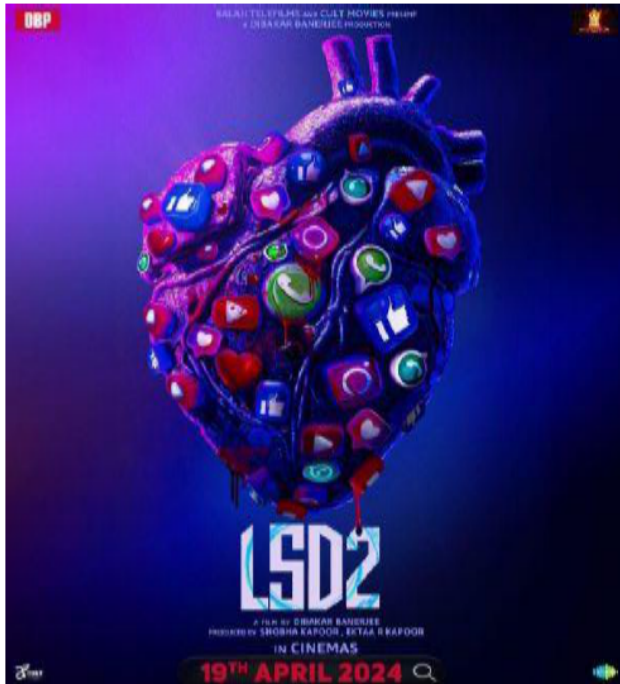
Top rated IMDBb ALTT shows

- Bose: Dead or alive
- Broken But Beautiful
- Bose: Dead or alive
- The Test Case
- His Storyy
- Code M
- Cartel
- Haq Se
- APharan
- Bichoo Ka Khel
- Baarish
- Punch Beat

Projects Update

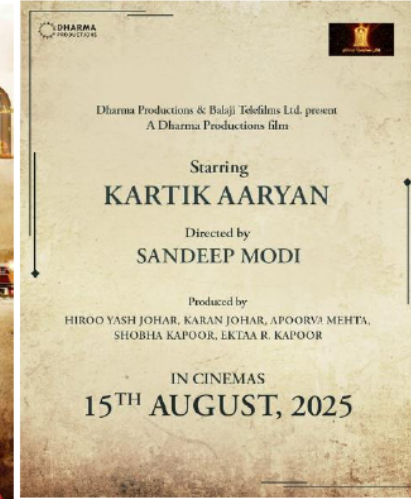
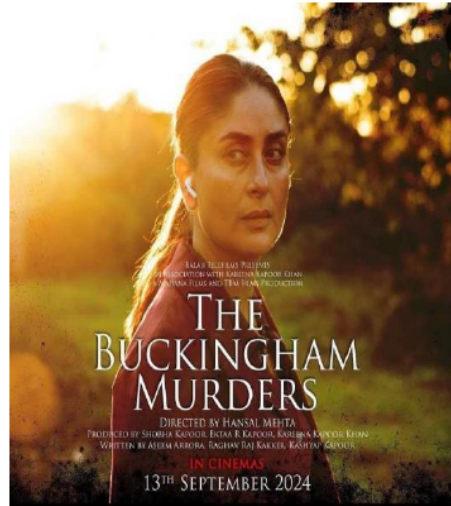


Theatrical Release



LSD 2
April 2024

Upcoming Movie Projects



- The Buckingham Murders – Under Post-production
- The Sabarmati Report – Under post-production
- Vrushabha – Under Post-production
- Untitled movie starring Akshay Kumar and directed by Priyadarshan – Under Development
- Untitled movie with Dharma Production starring Kartik Aaryan – Under Development



Strong pipeline – TV & Movies



- Overall demand for TV content remains strong with our shows continuing to generate good margins in Q1 FY25.
- 5 shows contributed to 228 hours of production in current quarter Q1 FY25 plus 1 show for Shemaroo.
- Shows on Air at the end of Q1 FY25 :

Broadcaster

Show

Zee

- Kumkum Bhagya
- Kundali Bhagya
- Bhagya Lakshmi

Star

- Yeh Hai Chahatein

Colors

- Parineeti

Shemaroo/ALTT

- Chahenge Tumhe Itna
-

Theatrical released movies:

- LSD 2 directed by Dibakar Banerjee released in April 2024 received fair response from audience.

Status of latest projects:

- **The Buckingham Murder** starring Kareena Kapoor Khan & Directed by Hansal Mehta, under post-production, ready to release on 13th September 2024.
- **The Sabarmati Report** starring Vikrant Massey and Raashii Khanna, under post-production, expected to release in October 2024.

Under production projects:

- **Vrushabha** (Multilingual Pan India film) starring Mohanlal (shoot commenced)



Financials

BTL Consolidated Financial Performance



In ₹ Cr	Q1 FY25	Q4 FY24	Q1 FY24	FY24
Total Income from operations	149.2	135.1	152.1	625.1
Cost of Production	118.1	103.4	116.0	468.5
Gross Margin	31.1	31.7	36.1	156.6
<i>Gross Margin %</i>	21%	23%	24%	25%
Marketing and Distribution	6.9	7.7	2.0	33.4
Employee Benefits Expense	7.5	9.0	4.1	30.4
Other Expenses	12.2	12.8	8.9	46.8
EBITDA	4.4	2.2	21.1	46.0
<i>EBITDA Margin %</i>	3%	2%	14%	7%
Finance Cost	1.5	2.3	3.1	10.6
Depreciation and amortisation	2.0	2.2	1.8	8.1
Other Income	1.1	0.8	0.7	6.0
Profit / Loss Before Tax	2.0	-1.4	16.9	33.3
Tax Expenses	4.2	1.2	6.3	13.9
Net Profit / Loss After Tax	-2.2	-2.6	10.6	19.4

Note : Numbers may not add up due to rounding

Legal Entity Wise Performance : Q1 FY25



Particulars (In ₹ cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALT Digital	MFPL	Ding	Elimination	Consol
Net Sales / Income from Operations	145.9	2.1	9.8	-	-	8.6	149.2
Other Operating Income	0.6	-	-	-	-	0.6	0.0
Total Income	146.5	2.1	9.8	-	-	9.2	149.2
Cost of Production	116.0	-	8.2	-	-	6.0	118.1
Marketing and Distribution Expenses	7.5	-	1.4	-	-	2.1	6.9
Employee Benefits Expense	4.2	1.5	0.8	-	0.2	-1.0	7.5
Other Expenditure	5.1	0.1	4.8	0.0	3.2	1.0	12.2
EBITDA	13.6	0.5	-5.3	0.0	-3.4	1.1	4.4
Finance Cost	1.5	0.2	2.7	-	0.0	2.9	1.5
Depreciation	1.9	-	0.1	-	0.1	-	2.0
Profit / (Loss) from Operation Before Other Income	10.3	0.3	-8.1	0.0	-3.5	-1.9	0.9
Other Income	3.7	0.0	0.2	0.0	0.1	2.9	1.1
Profit / (Loss) from Ordinary Activities Before Tax	14.0	0.3	-7.9	0.0	-3.4	1.1	2.0
Tax Expenses	4.2	-	-	0.0	-	-	4.2
Net Profit / (Loss) from continuing operations	9.7	0.3	-7.9	0.0	-3.4	1.1	-2.2

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

Balaji Telefilms Limited

CIN : L99999MH1994PLC082802

<http://www.balajitelefilms.com>

For further queries please contact:

Tannu Sharma (Group Head – Secretarial)

[Retail Investors: investor@balajitelefilms.com](mailto:investor@balajitelefilms.com)

[Institutional Queries: investor @balajitelefilms.com](mailto:investor@balajitelefilms.com)

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Balaji's Consecutive 7 Quarters Consolidated EBITDA positive, Consolidated three-month revenue at ₹ 149.2 Cr, up 11% sequentially, Consolidated three-month EBITDA at ₹ 4.4 Cr, up 100% sequentially, Digital business order book stands at ₹ 244 Cr

August 9th, 2024: Balaji Telefilms Ltd announced its financial results for the first quarter and three months ended 30th June 2024.

The Group reported 11% increase in revenue to ₹ 149.2 crores in Q1 FY25 vis-à-vis ₹ 135.1 crores in Q4 FY24. Group level EBITDA profit stood at ₹ 4.4 crore in Q1 FY25 vis-à-vis EBITDA of ₹ 2.2 crore in Q4 FY24 demonstrating the Group's continued focus on operational excellence and strategic cost rationalizing across business segments, especially the Group's digital business (ALTT). These strategic measures enabled the Company to achieve significant improvement at the EBITDA level and expected to yield positive results going forward. Profit before Tax for Q1 FY25 is ₹ 2.0 crore compare to Loss before Tax of ₹ 1.4 crore in Q4 FY24.

Television

TV business remains core, Revenue stood at ₹ 75.1 crores. EBITDA increased by 102% in Q1 FY25 to ₹ 10.3 crore vis-à-vis preceding period Q4 FY24.

Balaji had 6 shows on-air during the quarter across leading broadcasters. In Q1 FY25, hours of production stood at 228 hours. In Q1 FY25, realization per hour stood at ₹ 30.9 lakhs per hour. Balaji's shows consistently feature in top rankings demonstrating its leadership in the domain.

Digital

Strategy to rationalize costs across the Group, especially in the digital business, has yielded handsome results. ALTT has 144+ shows live on the platform. EBITDA losses narrowed by 26% in Q1 FY25 at ₹ 5.3 crores compared to Q1 FY24 at ₹ 7.2 crores. Digital business' OTT platform, ALTT's subscription revenues stood at ₹ 4.3 crore for Q1 FY25 wherein a total of 2.76 lacs subscriptions were sold including 1.54 lac renewals highlighting the stickiness of customers and appeal of the content. During the quarter, 18 new show was launched on ALTT, with strong reception by target audience.

ALTT continues to work on it's business plan to drive its subscription business, foray into AVOD model and has an order book of over ₹ 244 crore of web-series for the leading OTT platforms and syndication/licenses of the content.

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. ALTT's content has been watched for over 17.63 billion minutes with the number of views totalling to 1.65 billion.

Movies

Crew released last quarter continued Box office run in current quarter. Subsequently, released on Netflix this quarter.

One movie released in Theatres, 'LSD 2' directed by Dibakar Banerjee released on 19th April 2024 and received fair response from audience.

The Company has a healthy movie pipeline for the year ahead. 'The Buckingham Murder' starring Kareena Kapoor Khan, directed by Hansal Mehta is under post-production while 'Vrushabha' a multilingual pan India film starring Mohanlal and 'The Sabarmati Report' starring Vikrant Massey and Raashii Khanna are under post-production. 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.

2 untitled movies are under development stage, one with starring Akshay Kumar which is directed by Priyadarshan and other with Dharma Production starring Kartik Aaryan

OPERATIONAL and FINANCIAL HIGHLIGHTS

- 11% growth in Group revenues with ₹ 149.2 crore in Q1 FY25 vs ₹ 135.1 crore in Q4 FY24.
 - Group level EBITDA profit of ₹ 4.4 crore in Q1 FY25 vis-à-vis EBITDA profit of ₹ 2.2 crore in Q4 FY24.
 - Consolidated Profit before Tax of ₹ 2.0 crore in Q1 FY25 compared to loss of ₹ 1.4 crore in Q4 FY24.
- TV EBITDA grew by 102% in Q1 FY25 to ₹ 10.3 crore vs ₹ 5.1 crore in Q4 FY24.
 - 6 shows contributed to Revenue of ₹ 75.1 crore and Production hours of 228 hours during Q1 FY25. Business will continue to be volume led.
- In Q1 FY25, ALT Digital's EBIDTA loss at ₹ 5.3 crore, narrowed by 26% compared to Q1 FY24.
 - Total subscriptions sold in Q1 FY25 were 2.76 lacs. Direct subscription revenues stood at 4.3 crores in Q1 FY25.
- During Q1 FY25, 1 movie released in Theatres, 'LSD 2' directed by Dibakar Banerjee released on 19th April 2024 and later released on Netflix on 14th June 2024.
 - Current pipeline includes 3 movies across genres viz. 'The Buckingham Murder', 'Vrushabha' and 'The Sabarmati Report'

LEGAL UPDATE:

The Company has advances / receivables from one of its co-producers and a film director (the "Parties"), amounting to ₹ 1,619 lacs, an amount of ₹ 2,341 lacs has been awarded (including interest of ₹ 825 lacs and legal expenses of ₹ 80 lacs) in favour of the Company vide Arbitration Award. The interest and legal expenses have not been recognized in the results, in view of pending enforcement and the execution of award. Further, Litigation for ₹ 111 lacs from the said claim continues and the matter is subjudice. The Company has initiated necessary legal proceedings for the interim reliefs in the matter. On the basis of the Arbitration Award and evaluation carried out by the Management, in consultation with legal counsel, the amounts are considered good and fully recoverable.

MERGER UPDATE:

The Board of Directors in their meeting on May 30, 2024, the Board of Directors considered and approved the Draft Composite Scheme of Arrangement between Balaji Telefilms Limited (BTL), ALT, and MFPL and their respective shareholders. The Scheme inter alia provides for capital reduction in the books of the Company and amalgamation of ALT and MFPL with BTL.

The Scheme was submitted on June 20, 2024, to obtain a No Objection Certificate (NOC) from the Bombay Stock Exchange (BSE), the National Stock Exchange (NSE), and the Securities and Exchange Board of India (SEBI). It is currently under review by the compliance teams of the respective stock exchanges. Following the receipt of the NOC from the stock exchanges, the Company will proceed to file applications with the National Company Law Tribunal (NCLT), regulators, and stakeholders for requisite approvals.

Merger will have a positive impact by Consolidating content production operations of BTL, ALT, and MFPL to boost efficiency, eliminate redundancies, and harness synergies. Enhance financial capacity for growth by pooling resources within a unified entity. Streamline compliance and reduce costs by minimizing the number of group entities, leading to improved ROCE and a more efficient balance sheet.

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. TV business continues to be flagship vertical, generating sustainable top-line and consistent margin. We ended the quarter with 6 shows on-air across leading channels. 1 movie released in Theatres 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. We are confident that our pipeline for the year ahead across Movies, TV and Digital will enable us to continue our growth trajectory in the entertainment domain and ensure a thriving and sustainable business."

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, Kathal, Dream Girl 2 and Crew.

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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