

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



February 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 February 09, 2024 intimating the Outcome of Board Meeting for consideration and approval of Un-audited Financial Results for the quarter ended December 31, 2023. Please find enclosed Quarterly Performance Report and Press Release dated February 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
Company Secretary and Compliance Officer
Membership No: ACS30622

Encl: a/a



Palaji Telefilms Ltd.

Quarterly Performance Update

Q3 FY24 and 9M FY24

Balaji's TV Business nine-months EBITDA grew by 24% to Rs 43.6 cr, Consolidated EBITDA surged by 243% to ₹ 43.7 cr in 9M FY24



Consolidated Financials (In ₹ Cr)	Q3 FY24	Q2 FY24	Q3 FY23	9M FY24	9M FY23
Total Income from operations	138.3	199.5	165.4	490.0	448.4
Cost of Production	101.7	147.5	135.7	365.2	399.7
Gross Margin	36.6	52.0	29.7	124.8	48.7
<i>Gross Margin %</i>	26%	26%	18%	25.5%	11%
EBITDA Profit / Loss	4.2	18.4	4.6	43.7	-30.6
<i>EBITDA Margin %</i>	3%	9.2%	3%	8.9%	-7%
Profit / Loss Before Tax	0.9	16.9	2.5	34.7	-39.5
Profit / Loss After Tax	-0.2	11.5	-2.6	22.0	-45.7

Group Performance

- 8.5% jump in Group Revenue to ₹ 490.0 crore in 9M FY24 from ₹ 448.4 crore in 9M FY23.
- EBITDA increases by 243% to ₹ 43.7 crore in 9M FY24 from ₹ (30.6) crore in 9M FY23.
- PAT at ₹ 22.0 crore in 9M FY24 compared to PAT in 9M FY23 of ₹ (45.7) crore.

TV

- Revenue grew by 13% to ₹ 281.8 crore in 9M FY24 vs 9M FY23.
- EBITDA margin grew by 24% to ₹ 43.6 crore in 9M FY24 vis-a-vis 9M FY23.
- Production hours in 9M FY24 stood at 897.5 hours which is 12% higher than 9M FY23.

ALT Digital

- 69% reduction in EBITDA loss in 9M FY24 vs 9M FY23 and 80% reduction in Q3 FY24 compared to Q3 FY23.
- Digital business for the period generated positive cash at ₹ 10.39 crores.
- 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 ₹15.50 crores

Movies

- 2 films had theatrical release, Dream Girl-2 in Aug,23 received great response from audience and collected more than 100 crores worldwide at box office. Spill-over revenue recognition for Dream Girl-2 (as per IND AS) will also come in coming quarters. Thank You for Coming released in Oct,23.

Key Business Highlights



TV business: Robust pipeline of new shows across genre

- 12% jump in TV production with 897.5 hours produced in 9M FY24 compared to 803.5 hours in 9M FY23
- 6 shows on-air during the quarter across leading broadcasters.
- New show Barsatein launched on Sony on 10th July 2023 and Prachand Ashok Launched on Colors on 6th February 2024.

ALT Digital: 13 shows launched in 9M FY24 with Content Library at 118+

- EBITDA loss narrowed by 69% to ₹ 17.2 crores in 9M FY24 from ₹ 56.1 crores in 9M FY23.
- Added to our extensive content library with launch of 13 ALTT shows during 9M 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: 2 theatrical releases till date & 1 more project lined up for release in FY24

- **Dream Girl 2** starring Ayushmann Khurrana and Ananya Panday released in Aug'23 was loved by audience and a complete Entertainer generated more than 100 crores worldwide. **Thank you For Coming** starring Bhumi Pednekar released in Oct'23
- **U-Turn** starring Alaya F, remake of hit Kannada movie, released on Zee5 in Apr'23
- **Kathal** starring Sanya Malhotra premiered on Netflix in May'23 and quickly rose to the top of Netflix's charts.

Fund Raising :

The Board approved a ₹214 crore fundraise via preferential issuance of warrants convertible into equity shares to the Promoter Group, headed by Ms. Ektaa R. Kapoor, and select Foreign Portfolio Investors. Pending shareholder approval and regulatory clearances, this aims to strengthen the group's growth and enhance intellectual property creation.

Merger Announcement :

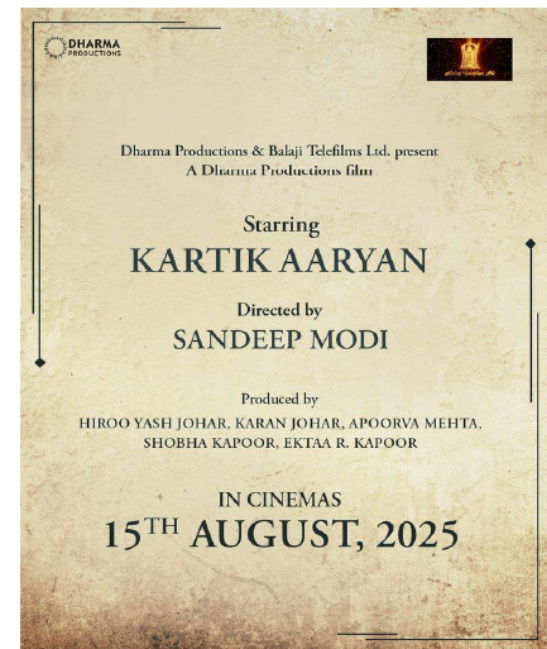
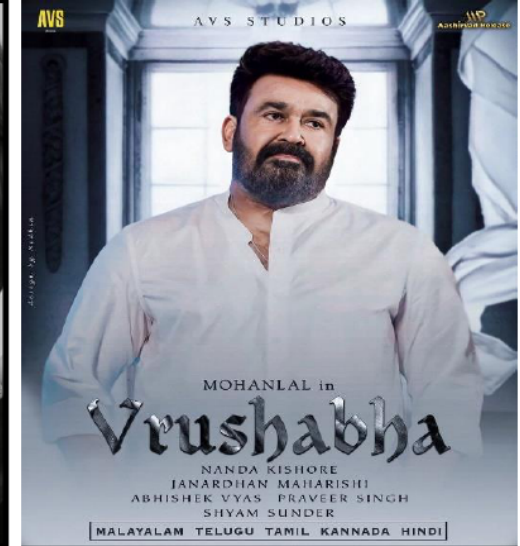
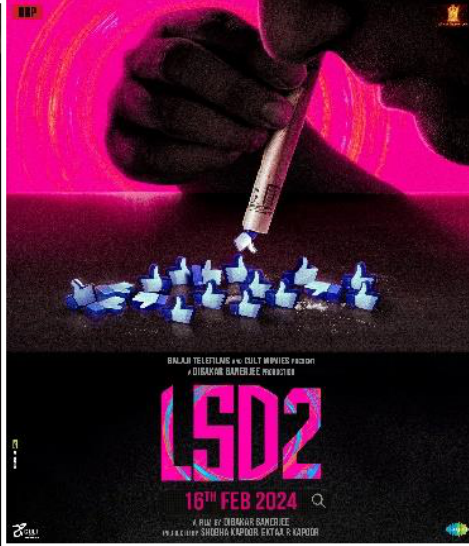
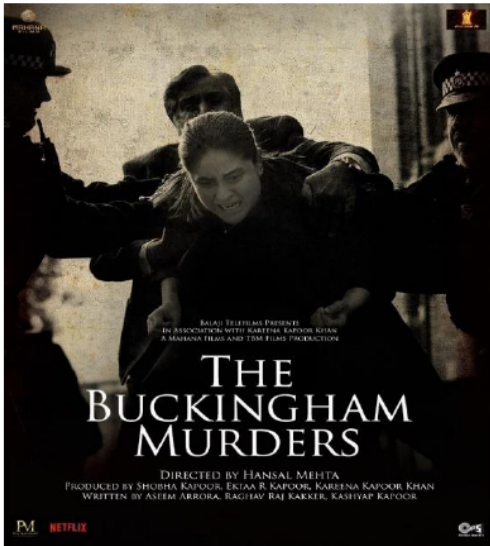
The Board also approved the amalgamation of ALT Digital and Marinating Films with its parent company, Balaji Telefilms Limited, pending regulatory consents. A detailed scheme and plan will be reviewed in a separate board meeting before submission to the Stock Exchanges. This strategic move aims to enhance operational efficiency, reduce costs, and improve returns by consolidating operations and leveraging synergies within the holding company structure.

Theatrical Releases



- ✓ Dream Girl 2 released in Theatres in Aug 2023 and on Netflix in Oct 2023
- ✓ Thank You for Coming released in Theatres in Oct 2023 and on Netflix in Dec 2023.

Upcoming Movie Projects

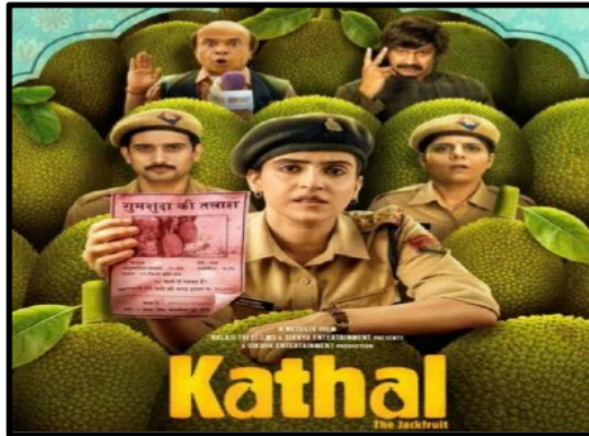


- ✓ The Buckingham Murders – Under Post production
- ✓ LSD 2 – Under Post production
- ✓ The Crew – Under production (Releasing 29th March 2024)
- ✓ Vrushabha – Under production
- ✓ The Sabarmati Report – Under production (Releasing 3rd May 2024)
- ✓ Untitled movie with Dharma Production starring Kartik Aaryan – Under Development
- ✓ Untitled movie starring Akshay Kumar and directed by Priyadarshan – Under Development

Projects Update



Released on OTT



Kathal (Netflix)
19th May 2023



U-Turn (Zee5)
28th April 2023

New Shows



Barsatein (Sony)
10th July 2023



Prachand Ashok (Colors)
6th Feb 2024



Chahenge Tumhe Itna (Shemaroo)
Upcoming

Strong pipeline – TV & Movies



- Overall demand for TV content remains strong with our shows continuing to generate good margins in Q3 FY24.
- 6 shows contributed to increase in hours of production in current quarter, 243 hours in Q3 FY24 against 282 hours in Q3 FY23
- Launched “Barsatein” in July 2023 on Sony and “Prachand Ashok” in Feb 2024 on Colors to great audience reception. In coming quarter we have 1 more show “Chahenge Tumhe Itna” which will telecast on Shemaroo.
- Shows on Air at the end of Q3 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">• Parineeti
Sony	<ul style="list-style-type: none">• Barsatein

Theatrical released movies:

- **Dream Girl 2** starring Ayushmann Khurrana and Ananya Panday released in August 2023 received great response from audience and subsequently was released on Netflix in October 2023. Film earned more than 100 crore worldwide at box office.
- **Thankyou for Coming** starring Bhumi Pednekar release in October 2023 received fair response from audience and subsequently release on Netflix in December 2023.

Status of latest projects:

- **The Buckingham Murder** starring Kareena Kapoor Khan & Directed by Hansal Mehta, under post-production
- **LSD 2** directed by Dibakar Banerjee – under post-production

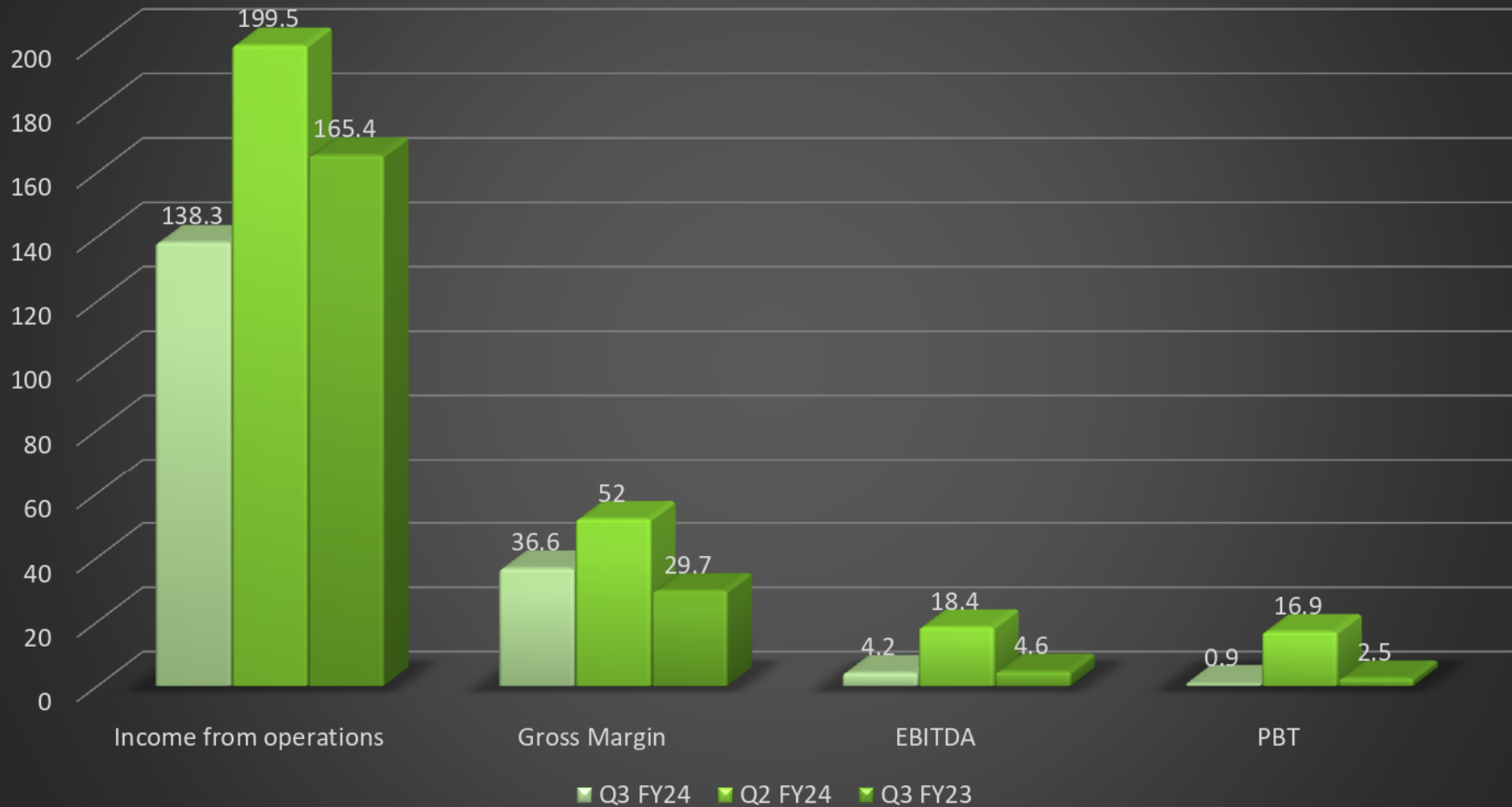
Under production projects:

- **The Crew** led by all female star cast of Tabu, Kareena Kapoor Khan and Kriti Sanon, releasing 29th March 2024.
- **Vrushabha** (Multilingual Pan India film) starring Mohanlal (shoot commenced)
- **The Sabarmati Report** starring Vikrant Messy and Raashii Khanna releasing 3rd May 2024.

Performance Highlights



BALAJI GROUP (₹ in crs)



BTL Consolidated Financial Performance



In ₹ Cr	Q3 FY24	Q2 FY24	Q3 FY23	9M FY24	9M FY23
Total Income from operations	138.3	199.5	165.4	490.0	448.4
Cost of Production	101.7	147.5	135.7	365.2	399.7
Gross Margin	36.6	52.0	29.7	124.8	48.7
<i>Gross Margin %</i>	26%	26%	18%	25.5%	11%
Marketing and Distribution	9.3	14.3	4.8	25.7	18.3
Employee Benefits Expense	9.2	8.1	9.4	21.4	19.6
Other Expenses	13.9	11.2	11.0	34.0	41.4
EBITDA	4.2	18.4	4.6	43.7	-30.6
<i>EBITDA Margin %</i>	3%	9.2%	3%	8.9%	-7%
Finance Cost	2.0	3.2	2.8	8.2	5.2
Depreciation and amortisation	2.1	2.1	2.0	6.0	8.6
Other Income	0.7	3.7	2.7	5.1	4.8
Profit / Loss Before Tax	0.9	16.9	2.5	34.7	-39.5
Tax Expenses	1.1	5.3	5.1	12.7	6.2
Net Profit/ Loss After Tax	-0.2	11.5	-2.6	22.0	-45.7

Legal Entity Wise Performance : Q3 FY24



Particulars (In ₹ cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALT Digital	MFPL	Ding	Elimination	Consol
Net Sales / Income from Operations	122.5	1.2	11.7	-	4.1	1.2	138.3
Other Operating Income	0.1	-	-	-	-	0.0	0.0
Total Income	122.5	1.2	11.7	-	4.1	1.2	138.3
Cost of Production	93.6	-	4.3	-	4.0	0.2	101.7
Marketing and Distribution Expenses	8.4	-	2.1	-	-	1.2	9.3
Employee Benefits Expense	5.1	1.6	1.4	-	0.2	-0.8	9.2
Other Expenditure	7.9	0.0	6.3	0.0	0.4	0.8	13.9
EBITDA	7.4	-0.5	-2.4	0.0	-0.4	-0.1	4.2
Finance Cost	2.0	0.3	0.2	-	0.0	0.4	2.0
Depreciation	1.9	-	0.1	-	0.1	-	2.1
Profit / (Loss) from Operation Before Other Income	3.6	-0.8	-2.7	0.0	-0.5	-0.6	0.2
Other Income	0.6	0.0	0.4	0.0	0.2	0.4	0.7
Profit / (Loss) from Ordinary Activities Before Tax	4.1	-0.8	-2.2	0.0	-0.3	-0.1	0.9
Tax Expenses	1.1	-	-	0.0	-	-	1.1
Net Profit / (Loss) from continuing operations	3.0	-0.8	-2.2	0.0	-0.3	-0.1	-0.2

Note : numbers may not add up due to rounding.

Legal Entity Wise Performance : 9M FY24



Particulars (In ₹ cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALT Digital	MFPL	Ding	Elimination	Consol
Net Sales / Income from Operations	449.6	5.2	36.3	0.4	5.1	6.6	490.0
Other Operating Income	0.5	-	-	-	-	0.5	0.0
Total Income	450.0	4.0	36.3	0.4	5.1	7.0	490.0
Cost of Production	334.6	-	28.3	0.4	4.3	2.5	365.2
Marketing and Distribution Expenses	25.4	-	5.5	-	-	5.2	25.7
Employee Benefits Expense	11.5	4.9	3.8	-	0.6	-0.7	21.4
Other Expenditure	17.3	0.4	15.9	0.1	1.1	0.7	34.0
EBITDA	61.2	-	-17.2	-	-0.9	-0.6	43.7
Finance Cost	8.2	0.6	0.3	0.0	0.0	1.0	8.2
Depreciation	5.6	-	0.2	-	0.2	-	6.0
Profit / (Loss) from Operation Before Other Income	47.4	-0.7	-17.7	0.0	-1.1	-1.6	29.5
Other Income	1.8	-	3.8	0.1	0.4	1.0	5.1
Profit / (Loss) from Ordinary Activities Before Tax	49.2	-0.7	-13.9	0.1	-0.7	-0.6	34.7
Tax Expenses	12.7	-	-	0.0	-	-	12.7
Net Profit / (Loss) from continuing operations	36.5	-0.7	-13.9	0.1	-0.7	-0.6	22.0

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 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)

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

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Balaji's TV Business nine-months EBITDA grew by 24% to Rs 43.6 cr, Consolidated nine-months EBITDA surged by 243% to ₹ 43.7 cr, ALT Content library at 118+

February 9th, 2024: Balaji Telefilms Ltd announced its financial results for the third quarter and nine months ended 31st December 2023.

The Group reported 8.5% increase in revenue to ₹ 490.0 crores in 9M FY24 vis-à-vis ₹ 448.3 crores in 9M FY23. Group level EBITDA profit stood at ₹ 43.7 crore in 9M FY24 vis-à-vis EBITDA loss of ₹ 30.6 crore in 9M 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 9M FY24 is ₹ 22.0 crore compared to loss after tax in previous comparative periods i.e. ₹ 45.7 crore in 9M FY23.

Television - EBITDA increased by 24% to ₹ 43.6 crore in 9M FY24

TV business continued to perform well and delivered stellar results. Revenue increased by 13% in 9M FY24 to ₹ 281.8 crore vis-à-vis previous corresponding period. EBITDA increased by 24% to ₹ 43.6 crore in 9M FY24 vs ₹ 35.1 crore in 9M FY23.

Balaji had 6 shows on-air during the quarter across 4 leading broadcasters. In 9M FY24, hours of production increased by 12% to 897.5 hours compared to 803.5 hours in 9M FY23. In Q3 FY24, realization per hour increased by 2% to ₹ 31.05 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 - EBITDA losses narrowed by 69% in 9M FY24, Cash positive for the period at ₹ 10.39cr

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. ALTT has 118+ shows live on the platform. EBITDA losses narrowed by 69% in 9M FY24 compared to 9M FY23. Digital business' OTT platform, ALTT's subscription revenues stood at ₹ 13.95 crore for 9M FY24 wherein a total of 10.46 lac subscriptions were sold including 4.92 lac renewals highlighting the stickiness of customers and appeal of the content. During the fiscal, 13 new show was launched on ALTT, with strong reception by target audience.

In a bid to capitalize on production expertise, ALT Digital has entered into strategic partnerships and deals to produce content for some of the largest 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 17.04 billion minutes with the number of views totalling to 1.59 billion.

Movies – 2 Theatrical release in 9M FY24 and 1 more project lined up to release in FY24.

Total of 4 movies were released, 2 movies on Digital platforms, 'U-turn' starring Alaya F in April and 'Kathal' starring Sanya Malhotra in May this year on Zee5 and Netflix respectively and 2 Theatrical release, Dream Girl 2 starring Ayushmann Khurrana and Ananya Panday in August which subsequently released on Netflix in October and Thank You for Coming starring Bhumi Pednekar in October which subsequently released on Netflix in December.

'Dream Girl-2' received great response from audience and a mass entertainer, earning more than 100 crores worldwide at box office.

The Company has a healthy movie pipeline for the year ahead. 'The Buckingham Murder' starring Kareena Kapoor Khan and 'LSD 2', directed by Dibakar Banerjee are under post-production while 'The Crew' starring Kareena Kapoor Khan, Tabu & Kriti Sanon, 'Vrushabha' a multilingual pan India film starring Mohanlal and 'The Sabarmati Report' starring Virant Messy and Raashii Khanna are under 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 Dharma Production starring Kartik Aaryan and other starring Akshay Kumar which is directed by Priyadarshan.

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 day by day. We ended the first nine months with 6 TV shows on-air across leading channels. We had 2 theatrical release 'Dream Girl 2' and 'Thank you for Coming'. We received over warming response for 'Dream Girl 2' as it went on to generate more than 100 crores worldwide at box office. We have 2 movies in post-production 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."

OPERATIONAL and FINANCIAL HIGHLIGHTS

- 8.5% growth in Group revenues with ₹ 490.0 crore in 9M FY24 vs ₹ 448.4 crore in 9M FY23.
 - Group level EBITDA profit of ₹ 43.7 crore in 9M FY24 vis-à-vis EBITDA loss of ₹ 30.6 crore in 9M FY23.
 - Consolidated Profit After Tax of ₹ 22.0 crore in 9M FY24 compared to loss of ₹ 45.7 crore in 9M FY23.

- TV revenue grew by 13% in 9M FY24 to ₹ 281.8 crore vs ₹ 248.7 crore in 9M FY23

- Returned healthy margin in 9M FY24 with ₹ 43.6 crore of EBIDTA vs ₹ 35.1 crore in 9M FY23, an improvement of 24%
- Production continued to expand with 243 hours of production across 6 shows in Q3 FY24 compared to 282 hours in Q3 FY23. Business will continue to be volume led.
- In 9M FY24, ALT Digital's EBIDTA loss at ₹ 17.2 crore, narrowed by 69% compared to 9M FY23.
 - Total subscriptions sold in 9M FY23 were 10.46 lacs. Direct subscription revenues stood at 13.95 crores in 9M FY24 vs 15.41 crores in 9M FY23.
- 2 movies release in Theatres, 'Dream Girl 2' and 'Thank You for Coming' and 2 movies launched on digital platform during 9M FY24.
 - Current pipeline includes 5 movies across genres viz. 'The Buckingham Murder', 'The Crew', 'LSD 2', 'Vrushabha' and 'The Sabarmati Report'

FUND RAISING

The Board has announced its approval for a fund-raising initiative through a preferential issuance of warrants convertible into equity shares amounting to ₹ 214cr, to the Promoter Group, led by Ms. Ektaa R. Kapoor, and select Foreign Portfolio Investors. This move, pending shareholder endorsement and requisite regulatory clearances, is aimed at bolstering the group's growth and enhancing intellectual property creation.

MERGER ANNOUNCEMENT

The Board also approved the amalgamation of ALT Digital Media Entertainment Limited and Marinating Films Private Limited with its parent company, Balaji Telefilms Limited, pending regulatory consents. A detailed scheme and plan will be reviewed in a separate board meeting before submission to the Stock Exchanges. This strategic move aims to enhance operational efficiency, reduce costs, and improve returns by consolidating operations and leveraging synergies within the holding company structure.

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 and Dream Girl 2.

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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