

# Balaji Telefilms Limited

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](http://www.balajitelefilms.com)  
CIN: L99999MH1994PLC082802



## Turnaround Momentum Continues with 76% Jump in Group Revenues Second Consecutive Quarter of Positive EBITDA Margin Improvement

**May 30<sup>th</sup>, 2023:** Balaji Telefilms (Balaji/Company) announced its financial results for the fourth quarter and twelve months ended 31<sup>st</sup> March 2023.

The Group reported 76% increase in revenue to ₹ 593 crores in FY23 vis-à-vis ₹ 337 crores in FY22. Group revenues in Q4 FY23 grew by 21% to ₹ 145 crore compared to ₹ 119 crore in Q4 FY22. Group level EBITDA profit stood at ₹ 11.5 crore in Q4 FY23 vis-à-vis EBITDA loss of ₹ 31.3 crore in Q4 FY22 and EBITDA profit of ₹ 4.6 crore in Q3 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 Q4 FY23 is ₹ 7.7 crore compared to loss after tax in previous comparative periods i.e. ₹ 33.3 crore in Q4 FY22 and ₹ 2.6 crore in Q3 FY23.

### **Television**

TV business continued to perform well and delivered stellar results. Revenue increased by 44% in 12M FY23 to ₹ 344 crore vis-à-vis previous corresponding period. EBITDA increased by 171% to ₹ 49 crore in 12M FY23 vs ₹ 18 crore in 12M FY22. Compared to Q4 FY22, EBITDA margin expanded by 7.5 percentage points in Q4 FY23.

Balaji had 9 shows on-air at the end of the quarter across 4 leading broadcasters and crossed the milestone of producing more than 1,000 hours of content during the fiscal, owing to strong focus on operational excellence. In Q4 FY23, hours of production increased by 32% to 324 hours compared to 246 hours in Q4 FY22. Currently, 1 new show is expected to go on-air in the upcoming quarter. In 12M FY23, realization per hour increased by 14% to ₹ 30.2 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. EBITDA losses narrowed by 71% in Q4 FY23 compared to Q4 FY22 and by 19% compared to Q3 FY23. On fiscal level, EBITDA losses narrowed by more than 50% in FY23 compared to FY22. Digital business' OTT platform, ALTT's subscription revenues stood at ₹ 19 crore for 12M FY23 wherein a total of 1.11 million subscriptions were sold including 0.6 million renewals highlighting the stickiness of customers and appeal of the content. During the fiscal, 3 new shows were launched on ALTT, with strong reception by target customers.

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. The current orderbook has 8 shows to be produced for some of the best-known names in the industry. The business has embarked on a comprehensive strategy to diversify revenue streams, streamline operations at all levels and rationalize non-core expenses. ALTT's content slate is taking shape which is expected to yield positive results in the upcoming quarters in the form of launch of content driven shows across genres. 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 16.6 billion minutes with the number of views totalling to 1.5 billion.

## **Movies**

During FY23, a total of 4 movies were released with 3 of them i.e. 'Ek Villain 2', 'Dobaaraa', and 'Goodbye' releasing in cinemas while Karthik Aryan starrer, 'Freddy' was launched directly on digital to great audience reception. Subsequent launches include 'U-turn' starring Alaya F (28<sup>th</sup> April 2023) and 'Kathal' starring Sanya Malhotra (19<sup>th</sup> May 2023) on Zee5 and Netflix respectively. Kathal is currently trending at the top spot on Netflix owing to its differentiated content and mass appeal.

The Company has a healthy movie pipeline for the year ahead. 'Thank you for Coming' starring Bhumi Pednekar, 'Dream Girl 2' starring Ayushmann Khurrana and Ananya Panday, 'The Buckingham Murder' starring Kareena Kapoor Khan are under post-production while 'The Crew' starring Kareena Kapoor Khan, Tabu and Kriti Sanon commenced production in March 2023. 'LSD 2', to be directed by Dibakar Banerjee is under planning stages and is expected to go on floors soon. 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 year with 9 TV shows on-air across leading channels and plan to add one more in the upcoming quarter to cater to the daily dose of entertainment of our TV audiences. We have 3 movies in post-production slated to be launched in next few 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 on our growth trajectory in the entertainment domain and ensure a thriving and sustainable business."

## **OPERATIONAL and FINANCIAL HIGHLIGHTS**

- 76% growth in Group revenues with ₹ 593 crore in 12M FY23 vs ₹ 337 crore in 12M FY22
  - Group level EBITDA profit of ₹ 11.5 crore in Q4 FY23 vis-à-vis EBITDA loss of ₹ 31.3 crore in Q4 FY22 and EBITDA profit of ₹ 4.6 crore in Q3 FY23.
  - Consolidated Profit After Tax of ₹ 7.7 crore in Q4 FY23 compared to loss of ₹ 33.3 crore in Q4 FY22 and loss of ₹ 2.6 crore Q3 FY23

- TV revenue grew by 44% in 12M FY23 to ₹ 344 crore vs 12M FY22
  - Returned healthy margin in 12M FY23 with ₹ 49 crore of EBIDTA vs ₹ 18 crore in 12M FY22, an improvement of 171%
  - Production continued to expand with 324 hours of production across 9 shows in Q4 FY23 which led to the business crossing the milestone of 1,000 hours in the entire fiscal. 1 more show slated to release in the next quarter. Business will continue to be volume led.
- In Q4 FY23, ALT Digital's EBIDTA loss at ₹ 9.8 crore, narrowed by 71% compared to Q4 FY22 and by 19% compared to Q3 FY23.
  - Total subscriptions sold in 12M FY23 were 1.11 million. Subscription revenues stood at ₹ 19 crore in 12M FY23
- 4 movies released during FY23, 3 of them were released theatrically and 1 was launched on digital platform. Subsequent recent launches include U-Turn and Kathal which were direct to digital releases on Zee5 and Netflix respectively.
  - Current pipeline includes 5 movies across genres viz. 'Thank You For Coming', 'Dream Girl 2' and 'The Buckingham Murder', 'The Crew', and 'LSD 2'

### **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)

Retail Investors: investor@balajitelefilms.com | +91 9891569555

Institutional Queries: harsh.vardhan@balajitelefilms.com | +91-9999440408