

Houlihan Lokey Launches Inaugural Indian Premier League Valuation Report

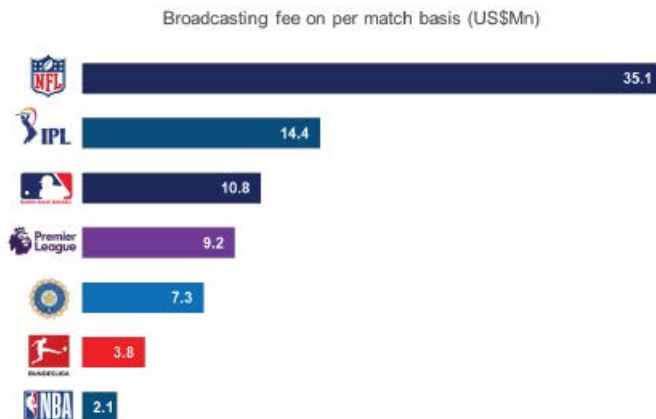
IPL brand value reaches US\$3 billion; IPL's business enterprise value tops US\$15 billion

MUMBAI — 10 July 2023 — Houlihan Lokey, Inc. (NYSE:HLI), the global investment bank, today issued the IPL Brand Valuation Study 2023, its inaugural report into the business enterprise and brand values of the Indian Premier League (IPL).

Houlihan Lokey's Corporate Valuation Advisory Services advises companies on all valuation matters affecting their financial reporting, tax, and strategic planning initiatives. Offerings include purchase price allocation (valuation of all acquired assets and liabilities), equity valuations for stock, and tax entity valuation for restructuring.

According to the report, the stand-alone brand value of the IPL is now US\$3.2 billion, up by 80% from US\$1.8 billion in 2022. The business enterprise value of the IPL stands at US\$15.4 billion, up 80% from US\$8.5 billion in 2022, mainly due to the impact of the 2023–2027 media rights deal with Viacom18 and Disney Star after a fiercely contested auction.

The IPL's media rights have grown at a phenomenal CAGR of 18% from 2008 to 2023, while the growth in absolute terms between the 2017 and 2023 cycles is 196%. When the IPL's broadcasting fee is compared with other professional leagues in the world on a per-match basis, the IPL fares well above the likes of the National Basketball Association (NBA), the English Premier League (EPL) and the Bundesliga and is second only to the National Football League (NFL).













“Created on the American style of franchise-based systems of hiring players, the IPL has established itself as a hugely lucrative sports league, along similar lines as the NFL and the NBA,” commented Harsh Talikoti, Senior Vice President, Corporate Valuation Advisory Services at Houlihan Lokey.

“Besides the exponential growth in brand and business enterprise valuation of the IPL and the franchisees, it is interesting to note the prominent shift towards acceptance of digital platforms for sports consumption. Viacom18's strategic push towards promoting digital viewership in India has undeniably reignited the much-needed excitement surrounding the IPL. This shift is evident in the remarkable viewership numbers witnessed during the current season on Viacom18's OTT platform, JioCinema. However, Disney Star's television viewing numbers were also very encouraging this year, achieving record levels,” added Mr Talikoti.

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With a brand value of US\$212 million, growing year-on-year at 45.2%, Chennai Super Kings is ranked No. 1 in both brand ranking and business enterprise value ranking. Royal Challengers Bangalore ranks second in terms of brand value at US \$195 million. Rajasthan Royals saw the highest incremental brand value rise in percentage terms year-on-year of 103%.

		2022 Brand Value (US\$Mn)	2023 Brand Value (US\$Mn)	Ranking based on Brand Value	Ranking based on Enterprise Value
Chennai Super Kings		146	212	1	1
Royal Challengers Bangalore		128	195	2	2
Mumbai Indians		141	190	3	3
Kolkata Knight Riders		122	181	4	4
Delhi Capitals		83	133	5	5
Sunrisers Hyderabad		81	128	6	6
Rajasthan Royals		59	120	7	7
Gujarat Titans		NA	120	8	9
Punjab Kings		63	90	9	8
Lucknow Super Giants		NA	83	10	10

**NA – Gujarat Titans and Lucknow Super Giants were newly announced teams in 2022. Hence, no brand value was determined for them in 2022.*

Chennai Super Kings (CSK)

The winner of IPL 2023, CSK has established itself as an iconic brand in the IPL and leads the brand valuation table with a value of US \$212 million in 2023, witnessing a growth of 45.2% y-o-y from US\$146 million in 2022.

Captain Mahendra Singh Dhoni has been a major factor in the team's success, creating a strong brand identity that resonates with cricket enthusiasts across India. Five title wins and being finalists in 10 out of 14 seasons make CSK the most consistent team in the league, commanding a premium from its sponsors. The team's branding efforts, fan engagement strategies, and CSR initiatives have all contributed to its enduring success and popularity.

Royal Challengers Bangalore (RCB)

RCB now ranks second in terms of brand and enterprise value ranking, surpassing Mumbai Indians, which placed second in 2022. Its brand value grew by 52.3% to US\$195 million in 2023 from US\$128 million in 2022.

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Along with CSK, RCB is hugely popular across India and on social media, with the presence of Virat Kohli, probably the best batsman of his generation, adding a distinct aura to the franchise. Its consistent efforts to build a strong brand and connect with supporters have contributed to its enduring popularity, which has also helped in bringing marquee sponsors at premium pricing.

Mumbai Indians (MI)

Another hugely successful and popular team, Mumbai Indians, a close third on the table with a 2023 brand value of US\$190 million, grew by 34.8% from its 2022 brand value of US\$141 million. With a rich legacy and a remarkable track record, MI has cemented its position as one of the most successful franchisees in the history of the IPL. The franchisee's history of nurturing young talent and creating next-gen superstars like Suryakumar Yadav, Jasprit Bumrah, Hardik Pandya, and many others.

MI's brand has a strong ability to attract sponsors every year who are willing to pay a premium to be associated with such a strong franchise.

Kolkata Knight Riders (KKR)

KKR is ranked fourth in the 2023 brand value chart with a value of US\$181 million, growing by 48.4% y-o-y from US\$122 million in 2022.

The team's lack of marquee Indian players this season has had an impact on its brand value. However, KKR is probably one of the most well-run franchisees in terms of its business and derives significant leverage from the brand equity of its popular owner, Shahrukh Khan. KKR was the first IPL franchisee to turn profitable in the early 2010s.

Delhi Capitals (DC)

Losing Rishabh Pant and releasing Shreyas Iyer did impact the team's on-field performances. Delhi Capitals was ranked fifth with a brand value of US\$133 million from a brand value of US\$83 million in 2022.

Sunrisers Hyderabad (SH)

Sunrisers Hyderabad ranked sixth with a brand value of US\$128 million in 2023, up from US\$81 million in 2022.

Rajasthan Royals (RR)

Due to good on-field performances, RR witnessed the highest incremental brand value growth in percentage terms, up 103% to US\$120 million from US\$59 million in 2022.

Gujarat Titans (GT)

Gujarat Titans is fast emerging as a popular brand that sponsors are keen to associate with. Winning the title in its very first season and finishing as finalists in IPL 2023 has enhanced its brand recognition. Playing its home games at the 132,000-seat stadium in Ahmedabad and led by the hugely popular all-rounder Hardik Pandya, we expect to see GT bridge the current gap with the top four brands in the IPL. However, GT's massive cost outlay in terms of the franchise fee payments, which are required to be made to the BCCI every year, impacts its enterprise value.

Punjab Kings (PK) has a 2023 brand value of US\$90 million, up from US\$63 million in 2022, and **Lucknow Super Giants (LSG)** has a 2023 brand value of US\$83 million.

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About Houlihan Lokey

Houlihan Lokey (NYSE:HLI) is a global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory. The firm serves corporations, institutions, and governments worldwide with offices in the Americas, Europe, the Middle East, and the Asia-Pacific region. Independent advice and intellectual rigor are hallmarks of the firm's commitment to client success across its advisory services. Houlihan Lokey is the No. 1 investment bank for global M&A transactions under \$1 billion, the No. 1 M&A advisor for the past eight consecutive years in the U.S., the No. 1 global restructuring advisor for the past nine consecutive years, and the No. 1 global M&A fairness opinion advisor over the past 25 years, all based on number of transactions and according to data provided by Refinitiv.

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