

November 08, 2019

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra -Kurla Complex
Bandra (East),
Mumbai 400 051

Scrip Code : 539940

Name of Scrip : MAXVIL

Sub: Press Release

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Press Release dated November 08, 2019.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Max Ventures and Industries Limited**


Saket Gupta
Company Secretary and Compliance Officer



Max Ventures and Industries Limited

Corporate Office: Max Towers, L-12, C-001/A/1, Sector- 16B, Noida- 201301, Uttar Pradesh, India | P : +91 120-4743222
Regd. Office: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. S.B.S. Nagar (Nawanshahr), Punjab 144 533, India

E-Mail : secretarial@maxvil.com

Website : www.maxvil.com

CIN: L 85100PB2015PLC039204

MaxVIL back to strong profits in Q2; Q2 EBIDTA up 5.3x
To develop another Grade A+ Office Complex on Noida Expressway

- ✓ **Consolidated Revenues at Rs 4,348 Mn up by 63%**
- ✓ **Consolidated EBITDA at Rs 416 Mn up by 530%**
- ✓ **Consolidated PAT at Rs 92 Mn turned positive**

8th November 2019, New Delhi

Max Ventures & Industries Limited (MaxVIL), a part of the US\$ 3.2 billion Max Group, operates across two core businesses of Real Estate in NCR and Specialty Packaging Films. MaxVIL has announced its results for the quarter ended 30th September 2019

Commenting on the Performance, Sahil Vachani, MD & CEO of MaxVIL said, “We are pleased to announce strong performance across our businesses in Q2FY20 thus continuing the positive momentum from Q1FY20. We have taken significant steps in the Real Estate vertical with a land parcel acquisition in Sector 129 in Noida. The investments for the next phase of Real Estate growth will be funded through a frugal capital model which deploys internal accruals along with the platform level investments from global institutional funders.

The leasing momentum at our flagship commercial project, Max Towers has picked up significantly with 34,152 sq. ft. space leased in the current quarter. We are extremely pleased with the tenant base we have acquired which comprises a balanced mix of MNCs, US-based technology firms, large domestic services firms etc. Given the Grade A+ specifications of Max Towers as well as a progressive environment built on our *WorkWell* philosophy that provides its occupants an energy-efficient and green work environment, a technology-enabled smart workspace designed to boost productivity while they are working and a vibrant food & recreation hub when they want to socialize or take a break. Our recent leases are at a 40% premium to the micro market rates.”

Of the 5 lakh sq. ft. available at Max Towers, it has sold 1.45 lakh sq. ft. at a value of approx. Rs. 2,000 Mn. The proceeds will be utilized to build a robust, differentiated high quality office assets portfolio with potential to deliver a mid to high teen IRR profile. With the sale and leasing, Max Towers has established its credentials in premium office space in NCR.

An agreement for purchase of a distressed commercial use land parcel at a prime location on Noida Expressway (Sector 129) by a wholly owned subsidiary of Max Estates Limited has also been executed. Construction is expected to commence in Q1FY21, which coincides with the completion timeline of Max House, Okhla. This would help sustain a steady project construction pipeline for Max Estates.

Max Towers continues to scout for more such attractive office space development opportunities in Delhi-NCR through a combination of platform and project level partnerships as this geography continues to show high absorption and low vacancy levels of Grade A+ office space. It has shown the capability to create differentiated assets within time and budget while navigating the regulatory landscape. Max Towers’ proven, highly capable and motivated real estate team is now looking to capitalize on the vast opportunities in Real Estate in the NCR.

The Specialty Films business, after coping with a cyclical industry downturn has emerged stronger and witnessed a sustained improvement in H1FY20. The oversupply in the industry due to additional capacity creation is normalizing and in turn is helping improve profitability. The strategy of increasing the contribution of Specialty grade films will lead to outperformance.

Highlights of Q2 & H1 FY20 Consolidated Financials

Particulars (Rs. Mn)	Q2 FY20	Q2 FY19	YoY%	H1FY20	H1FY19	YoY%
Consolidated Revenue	4,348	2,675	63%	8,603	4,494	91%
EBITDA	416	66	530%	983	104	843%
EBITDA Margins (%)	9.6%	2.5%	710bps	11.4%	2.3%	910bps
PAT	92	-46	-	340	-125	-
PAT Margins (%)	2.1%	-1.7%	-	4.0%	-2.8%	-

Some key performance highlights of MaxVIL verticals are as below:

Real Estate

- ✓ **Agreement signed to purchase a distressed commercial land parcel on Noida Expressway**
 - A wholly owned subsidiary of Max Estates has entered into an agreement for purchase of a distressed commercial use land parcel at a prime location on Noida Expressway (Sector 129) at a cost of approximately Rs. 110cr.
 - The development potential of this land is approximately 7 lakh sq ft. We expect to commence construction in Q1FY21.
 - The project is slated to be a Grade A + leasable Commercial Office space.
 - The project will be funded through a combination of internal accruals, platform level partnership with international institutional funder and project level debt

- ✓ **Max House Okhla Project updates**
 - Due to the financial uncertainties surrounding the Potential Lessee, we are no longer committed to leasing the first phase of Max House to WeWork India.
 - Max House, Okhla is garnering strong Lessee interest due to its central location in the affluent South Delhi market and the quality of our offering – Max Towers.
 - South Delhi has a high density of offices working in old and fragmented floor plates. We are in active discussion with multiple prospective tenants.
 - Max House is expected to commercialize in Q1FY21.

- ✓ **Max Towers Updates**
 - Lease Rental Income for Max Towers stood at Rs. 28 Mn in Q2FY20. We continue to enjoy premium rentals compared to the micro market due to our superior quality infrastructure and differentiated services.
 - Leased 34,152 sq. ft. in Max Towers in Q2FY20; the average rentals stand at Rs. 99.50 per sq. ft.
 - We have sold 1.45 lakhs sq. ft. in Max Towers for Rs. 2,000 Mn. We will engage with buyer for leasing this space to maintain a high-quality tenant profile for the overall project.

- The capital released will be utilized to develop more projects in the coming quarters in an Asset Light model
 - Max Towers Project was awarded ‘Most Environment-Friendly Commercial Space’ by Realty+, one of the leading Real Estate publications in India. This recognition is awarded to the best within the ranks of Indian Real Estate across six major cities in India
- ✓ **Max Asset Services Ltd**
- Max Asset Services (MAS) complements the Real Estate arm of MaxVIL to complete its objective of offering a differentiated solution in the Leased Commercial Office market in Delhi-NCR and focusing on real estate as a service opportunity
 - MAS is supporting and furthering the *WorkWell* philosophy in the Commercial Office segment in the Delhi-NCR market by curating superior live experiences such as cultural performances, cinema screenings, food pop-ups and has hosted conversations with celebrated authors like Devdutt Patnaik, Shovana Narayan & Shashi Tharoor.
 - The current Max Towers tenants have given a very encouraging Net Promoter Score of 9 out of 10 in its second tenant engagement survey.
 - With the experience of managing Max Towers, the company has gained significant expertise and is now pursuing multiple opportunities to deepen its presence in the Managed Office services market in the Delhi-NCR.
 - The first Managed Office offering will be completed for a technology company in Dec’19 and an active sales pipeline is being developed for scaling up this business
- ✓ **Max I. Ltd**
- We continue to evaluate promising companies in the RE enabled space while tracking performance of current investments

Speciality Films

Packaging Films Segment	Q2 FY20	Q1 FY20	Q4 FY19	Q3 FY19	Q2 FY19
Revenue (Rs. Mn)	2,354	2,437	2,385	2,243	2,449
EBIT (Rs. Mn)	150	140	84	(15)	80
EBIT Margins (%)	6.4%	5.7%	3.5%	-0.7%	3.2%
Volumes (MT)	15,735	16,052	15,761	14,536	15,600

- ✓ Government’s focus to reduce usage of single use plastic to benefit Max Speciality Films (MSF) as BOPP Films is a multi-layered product which is easier to recycle. MSF supports the idea of sustainability and recyclability in packaging materials
- ✓ In Q2FY20, the company has started witnessing the return of pricing power gradually to the suppliers as profitability margin (EBIT) has improved sequentially to 6.4% in Q2FY20 as compared to 5.7% in Q1FY20.
- ✓ Value added speciality films (BOPP + Coating) contributed 32% in Q2FY20 vs. 28% in Q1FY20. We aim to continue improving this more profitable contribution gradually over time.
- ✓ Our supplies to packaging major Toppan Group have commenced and we expect scale up to continue over the next few quarters.

About Max Ventures & Industries Limited (MaxVIL):

MaxVIL

Max Ventures & Industries Limited (MaxVIL), a part of US \$3.2 billion Max Group, owns and operates a real estate business through its 100% subsidiary, Max Estates, and a packaging films business through Max Speciality Films, a 51:49 strategic partnership with Toppan, Japan. MaxVIL also has an investment subsidiary, Max I., which supports entrepreneurial ventures with an early stage investment philosophy. MaxVIL is listed on NSE and BSE.

Max Estates Limited

Established in 2016, Max Estates Limited is the real estate arm of the Max Group and a wholly owned subsidiary of MaxVIL. Its vision is to bring the Group's values of Excellence, Credibility and Sevabhav to the Indian real estate sector. Its marquee projects include a one-of-its-kind commercial office space Max Towers, on the edge of South Delhi that opened its doors in 2019 and 222 Rajpur, a luxury residential villa community on Rajpur Road, Dehradun. It aims to create, build and operate Grade A+ office spaces in Delhi-NCR.

Max Speciality Films Limited

Max Speciality Films, a subsidiary of MaxVIL, is an innovation leader in the Speciality Packaging Films business. It has a strategic partnership with Japan's Toppan Printing Co. Ltd., a leading global printing company. Max Speciality Films is among the leading manufacturers of Biaxially Oriented Polypropylene (BOPP) films including speciality packaging, labels, coating and thermal lamination films for the India and overseas markets, with a total capacity of 80.50 Kilo Tonnes Per Annum (KTPA).

Max I. Limited is MaxVIL's wholly owned subsidiary, which facilitates Intellectual & Financial Capital to promising and proven early-stage organisations across identified sunrise sectors.

Max Asset Services Limited, a wholly owned subsidiary of MaxVIL is a special purpose vehicle that focuses on providing asset management through tenant experiences & facility management services, including real estate as a service opportunities particularly in the commercial real estate segment.

For further details, please contact:

Investor Contact:

Press Contacts:

Company	Company
 Max Ventures & Industries Limited CIN - L85100PB2015PLC039204	 Max Ventures & Industries Limited CIN - L85100PB2015PLC039204
Mr. Nitin Kumar Kansal – Chief Financial Officer nitin.kansal@maxvil.com www.maxvil.com	Mr. Nitin Thakur / Ms. Vaishali Gauba nthakur@maxindia.com / vgauba@masindia.com www.maxvil.com
Investor Relations Partners	Public Relations Partners
 Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285	 Archetype Agency Limited CIN – U74140DL1996PTC081966
Mr. Shogun Jain / Mr. Shrenik Shah shogun.jain@sgapl.net / shrenik.shah@sgapl.net +91 77383 77756 / +91 96647 64465 www.sgapl.net	Ms. Sucharita Das/ Ms. Pashmina Lakhanpal sucharita.das@archetype.co / pashmina.lakhanpal@archetype.co +91 98991 28886/ +91 9650227468

Safe harbor statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.