

June 11, 2021

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 – 400051

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 June 11, 2021 being issued by the Company for dissemination to the public.

This is for your information and records.

Thanking you,

Yours faithfully

For **Max Ventures and Industries Limited**



Saket Gupta
Company Secretary and Compliance Officer

Encl: As Above

MaxVIL posts its best ever financial performance till date

Max Estates lease revenue builds up; MSFL continues the robust performance

- *MSFL continues strong business momentum, recording highest ever quarterly & yearly Revenue & EBITDA during Q4 & FY21; EBITDA margin expands 610 bps YoY to 17.9% in Q4FY21 while it expands 730 bps YoY to 18.0% in FY21*
- *Max Estates lease rental revenue continue to build-up; grows 81% YoY to Rs. 178 Mn in FY21 due to improved occupancy at Max Towers*

11th June 2021, New Delhi:

MaxVIL Q4FY21 Financial Highlights (YoY):

- Consolidated Revenue up 30% to Rs. 3,286 Mn
- Lease rental income up 41% to Rs. 61 Mn
- Revenue from packaging films business up 34% to Rs. 3,142 Mn
- Consolidated EBITDA up 39% to Rs. 498 Mn
- Consolidated PAT at Rs. 336 Mn, grows over 9x

MaxVIL FY21 Financial Highlights (YoY):

During FY20, the company recorded a one-time revenue of ~Rs.3,571 Mn on account of sale transactions at Max Towers. The highlights below are adjusted for these transactions for relevant comparison: -

- Consolidated Revenue up 14% to Rs. 11,723 Mn.
- Total leased area owned by Max Estates at 3.07 Lk Sq. Ft. in FY21 vs. 1.42 Lk Sq. Ft. in FY20
- Lease rental income up 81% to Rs. 178 Mn in FY21
- Revenue from packaging films business up 15% to Rs. 11,139 Mn
- Consolidated EBITDA up 65% to Rs. 1,985 Mn
- Consolidated PAT at Rs. 571 Mn, grows over 6x

MaxVIL Business Updates

Max Ventures & Industries Limited (MaxVIL), a part of India's leading multi-business conglomerate, Max Group, announced its financial results today.

The company operates two core businesses - Real Estate & Specialty Packaging Films. MaxVIL's revenue in FY21 grew 14% to Rs 11,723 Mn, while its PAT rose over 6 times to Rs 571 million on adjusted basis.

The company continued to witness strong business momentum in the specialty films business recording its highest ever Revenue & EBITDA for the quarter as well as for the year. Leasing revenue in commercial real estate business continued to build up throughout the year, except for March 2021 where new lease transactions were temporarily deferred due to the second covid wave induced lockdown.

Max Estates flagship office project, Max Towers has reached more than 90% occupancy levels. The company's focus now will be on leasing Max House Okhla Phase 1 and smooth and timebound progress of its under construction commercial complex - Max Square and commencement of work on Phase 2 of Max House. Max Estates also continues to actively prospect new commercial land parcels in Delhi

NCR, with a positive bias for Gurgaon to achieve its intent of adding nearly 1 Mn Sq. Ft. per annum to the project pipeline in FY22 and onwards.

In addition, Max Estates has decided to foray into the residential segment. The company sees a lot of positive developments converging for Delhi NCR Real Estate sector. These include - a cleaner regulatory environment due to RERA and other enabling laws; preference for trusted developer brands; increased affordability of houses due to time-based price corrections and lowest ever home loan rates; and a steady reduction in Delhi-NCR unsold residential inventory. The company would focus on mid-segment housing. It is prospecting well priced and located clear land parcels in Delhi NCR. Future expansion plans in residential sector will be based on the initial experience from its first project launch.

MaxVIL's speciality packaging subsidiary, Max Speciality Films revenue crossed Rs. 3 Bn in Q4 FY21 & Rs. 10 Bn in FY21, both the highest ever in the firm's history. This was accompanied by a strong improvement in profitability with EBITDA margin expansion of 730 bps in FY21.

The sustained momentum in revenue & profitability growth in MSFL is on the back of strong demand, improved realisations, better specialty product mix and stable raw material prices. With consistent efforts by the company, working with leading FMCG companies for their specialized packaging needs, MSFL has increased its volume contribution from specialty films to 45% in FY21, up from 42% in FY20.

MSFL recently announced a new CPP (Cast Polypropylene) line which will expand the total capacity by 7.2 KTPA of CPP. The Company has also recently commercialized first of its two new metallizer lines to enhance its speciality product capabilities. With the expansion of the new CPP line, together with the increasing speciality product capabilities through metallizer lines, MSFL is well placed to capture the new growth opportunities, enhancing the scale of the business and sustainably improve its profitability through better product mix.

MSFL expects the strong business momentum to continue in FY22 on the back of strong demand, higher realisations, optimum capacity utilization and increased contribution from specialty films. All these factors collectively will lead to significant revenue and EBITDA growth. The strong cash flows will be used to fund CPP & second metallizer lines and reduce MSFL's debt by Rs. 1-1.25 Bn from Rs. 3.25 Bn.

Commenting on the performance, **Sahil Vachani, MD & CEO of MaxVIL said**, *"Despite FY21 being a year chequered by pandemic induced uncertainties, both core businesses of real estate and packaging films coped exceptionally well. The specialty packaging films business has delivered superlative performance throughout FY21.*

Despite multiple work disruptions and uncertainties in prospective occupier's mind, our commercial real estate business also fared well during FY21. We successfully managed to almost fully lease out Max Towers, complete construction of Phase 1 of Max House and commence construction on our 3rd project Max Square – all amidst challenging macro conditions.

We believe the time is now right for us to foray into the residential real estate to widen our footprint. With trust in brand Max and access to Institutional capital, we believe residential development can be a high return, value accretive complementary line of business for the company.

Going into FY22, we believe the packaging films business will continue the robust performance on the back of sustained demand for specialty films while the lease rental income portfolio will continue to build up from improving occupancy levels at our projects in CRE business. Foraying into residential real

estate will open up new opportunities and will enable Max Estates to become one of the leading and most admired developers in Delhi NCR.”

Key performance highlights of MaxVIL verticals are as below:

Max Estates Limited (MEL)

- ✓ **Max Towers, Noida**
 - Total leased area at Max Towers stands at ~4.76 Lk Sq. Ft.; Leased area attributable to Max Estates stands at ~2.87 Lk Sq. Ft.
 - ~90% of the Max Towers is now leased; while leased area owned by Max Estates is now ~95% leased.
 - Lease rental income from Max Towers stood at Rs. 171 Mn in FY21 vs. Rs. 98 Mn in FY20.
 - Max Towers continue to lease at premium rentals as compared to its micro-market.
- ✓ **Max House, Okhla**
 - Total leased area at Max House Phase 1 stands at ~0.2 Lk Sq. Ft. implying an occupancy of ~18%.
 - Phase 2 of the project; of similar size to phase 1 will commence construction in H1FY22.
- ✓ **Max Square, Noida**
 - Work on Max Square project continues to be on track and expected to be completed by Q4FY23.
 - Max Square is planned to be a Grade A+ office project with F&B outlets and other amenities with a total leasable area of ~0.7 Mn Sq. Ft. with New York Life Insurance Company as a 49% partner in the project.

Max Asset Services Limited (MAS)

- MAS had leased 14k Sq. Ft. of space at Max House Okhla Phase 1 to start with its managed office services offering under the brand name ‘WorkWell Suites’.
- Revenue for MAS in FY21 stood at Rs. 128 Mn as compared to Rs. 73 Mn in FY20, up 75% YoY.

Max Speciality Films Limited

MSFL	Q4FY21	Q3FY21	Q2FY21	Q1FY21	Q4 FY20
Revenue (Rs. Mn)	3,142	2,818	2,667	2,512	2,339
EBITDA (Rs. Mn)	564	523	458	462	275
EBITDA Margins (%)	17.9%	18.5%	17.2%	18.4%	11.8%
Volumes (MT)	15,987	17,177	16,822	16,258	15,003

- MSFL volumes increased by ~7% YoY to 15,987 MT in Q4FY21. Focus continues to be on enhancing output of value-added specialty products.
- Value-added specialty films contributed 52% to total Volumes in Q4FY21 vs. 48% in Q4FY20. For FY21, specialty films contributed 45% to total volumes vs. 42% in FY20.
- Value-added specialty films contributed 58% to total MSFL Revenue in Q4FY21 vs. 55% in Q4FY20. For FY21, specialty films contributed 53% to total MSFL Revenue vs. 48% in FY20.
- Work on the new CPP line is expected to commence in Q2FY22 & expected to be commercialized in Q4FY22 expanding the company’s capacity by 7.2 KTPA.
- First of the two new planned metallizer line was commercialized recently while second metallizer line is expected to be commercialized in Q3FY22 enhancing company’s specialty product capabilities and hence profitability.

About Max Ventures & Industries Limited (MaxVIL):

MaxVIL

Max Ventures & Industries Limited (MaxVIL), a part of the leading Indian multi-business conglomerate 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 a real estate services & management company – Max Asset Services and an investment subsidiary, Max I., which supports real estate entrepreneurial ventures. 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, Max House – a re-development of office campus 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. The company recently entered in a JV with New York Life Insurance Company (NYL) for its 3rd commercial project in Delhi-NCR named Max Square.

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 specialty 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 Asset Services Limited (MAS)

MAS focuses on providing services such as building operations management, as well as managed offices for enterprises. MAS leverages various technological tools such as mobile app, video analytics, visitor management etc. which help in managing costs while delivering superior customer experience.

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.

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