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Towers Dalal Street
Mumbai – 400 001

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

Scrip Code: 544008

SYMBOL: MAXESTATES

Sub: Transcript of the Earnings Conference Call

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Conference Call conducted on August 12, 2024 at 3:30 pm (IST) to discuss Q1 FY'25 financial results performance of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For Max Estates Limited

Abhishek Mishra
Company Secretary & Compliance Officer

Encl: a/a

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“Max Estates Limited
Q1 FY’25 Earnings Conference Call”

August 12, 2024

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 12th August, 2024 will prevail



MANAGEMENT: MR. RISHI RAJ – CHIEF OPERATING OFFICER – MAX ESTATES LIMITED
MR. NITIN KANSAL – CHIEF FINANCIAL OFFICER – MAX ESTATES LIMITED
MR. ARCHIT GOYAL – SENIOR GENERAL MANAGER, FINANCE – MAX ESTATES LIMITED
SGA -- INVESTOR RELATION ADVISORS -- MAX ESTATES LIMITED

Moderator:

Ladies and gentlemen, good day and welcome to Max Estates Limited Q1 FY25 Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company which are based on beliefs, opinions and expectations of the company as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. And a disclaimer to this effect has been included in the financial results and investor presentation which has been shared with you earlier and available on the stock exchange website. I now hand the conference over to Mr. Rishi Raj, Chief Operating Officer, Max Estates Limited. Thank you and over to you, sir.

Rishi Raj:

Good afternoon to all and thank you for joining us on Max Estates Limited Q1 FY25 Earnings Conference Call. Along with me today, we have Mr. Nitin Kansal, our CFO, and Mr. Archit Goyal, Senior General Manager, Finance. We also have SGA, our Investor Relations Advisors on the call. The presentation has been issued to the stock exchanges and uploaded on our company's website. I hope everyone has had the opportunity to go through it. Let me start with a few highlights from this quarter.

We have expanded our residential footprint in Gurugram. We executed a binding agreement on a joint development model for a potential group housing residential development on 18.23 acres of land with gross development value of over INR9,000 crores. This land parcel is contiguous to the 11.8 acres of land on Dwarka Expressway in Sector 36A, Gurugram for which we entered into a joint development agreement last year. This follows the company's successful launch of first luxury residential project in NCR at Sector 128 on Noida–Greater Noida Expressway last year. It was, as you are aware, fully sold and had garnered a pre-formal launch sale of INR1,800 crores. Over the last year, we are delighted to share that the company has collected approximately INR458 crores for the project.

We are also delighted to share that Max Estates and New York Life have executed a binding agreement for New York Life to acquire a 49% stake in the two SPVs holding core assets, namely Max Towers and Max House Phase 1 and Phase 2. Upon the closure of this transaction expected in this quarter, Max Estates will receive INR388 crores, which will primarily be used to enable further future growth. With this, New York Life will become 49% joint venture equity partner across all our commercial assets within Max Estates' portfolio.

We are also very happy to share that Max Estates has strengthened its board by appointing of Mr. Anthony Malloy and Mr. Atul B Lall as additional directors. Mr. Malloy is Executive Vice President and Chief Investment Officer of New York Life Insurance Company. New York Life has committed thus far INR1,200 crores of investment with Max Estates. Mr. Lall is the Managing Director and Vice Chairman of Dixon Technologies India.

We are also very proud to share that, in order to empower communities at the bottom of the pyramid, we have partnered with a leading housing nonprofit organization, Habitat for Humanity India, to build 50 homes in Haryana. The groundbreaking ceremony for this project was held on July 27, 2024, in Aakera village in Rewari. With that, let me share further business updates. We will start with our *WorkWell* experiences.

At Max Towers, the total leased area continues to be 100% occupied and the leased rental income from Max Towers stood at INR10.2 crores in Q1 FY25. This implies 12% year-on-

year growth compared to Q1 FY24. Moving on to Max House Phase 1, it also continues to be 100% occupied and the leased rental income from Max House Phase 1 stood at INR3.5 crores in Q1 FY25.

For Max House Phase 2, which is an extension of Max House Phase 1, with a larger leasable area of approximately 1,50,000 sq. ft., has been completed. Approximately 89% of the leasable area has been leased at a premium of 40%-50% over the prevailing market rate in the micro market. The company is confident of achieving 100% leasing within the next 3-6 months. The leased rental income from Max House Phase 2 stood at INR5.3 crores in Q1 FY25.

Now moving to Max Square, which is our recent development which got completed on Noida-Greater Noida Expressway. 63% of the total leasable area has been leased, once again at a premium of 25%-30% over the prevailing market rate in the micro market. The leased rental income from Max Square stood at INR6.4 crores in Q1 FY25.

Now coming to underdevelopment projects. First, Max Square Phase 2, Noida, the total development size of the acquired land parcel, including the completed Max Square project, will entail a mixed-use total office-led development of 1.8 million sq. ft. This is Max Square, which is already completed, and the Phase 2 combined together. Post receiving all approval, the construction activities for Max Square 2 have already begun in Q1 FY25.

Coming to our first commercial office development in Gurugram on Main Golf Course Extension Road in Sector 65, which is on 7.15-acre land parcel with development potential of 1.6 million sq. ft. is just 10 minutes driving distance from Sector 56 Metro Station on Golf Course Road. Once again, post receiving all approval, the construction activities on this development, has also started in Q1 FY25.

Let me now move to our LiveWell experiences. As already shared, company's first luxury residential project, which we call Estate 128 in Noida, has been fully sold and had garnered a pre-formal launch sale of over INR1,800 crores. And over last year, the company has collected INR458 crores for the project as a part of our collection plan. The construction has begun and is on track to deliver the occupancy well within RERA promised timelines.

The company signed a joint development agreement for Sector 36A, Gurugram, with development potential of 2.4 million sq. ft. and gross development value of INR4,000 crores. This land parcel measures 11.8 acres with direct access from Dwarka Expressway and seamless connectivity to the commercial hubs of Gurugram and the International Airport in Delhi. The company has worked with Gensler, a leading international architecture and design firm, to design region's first intergenerational community at scale.

Post - approval from RERA, the company is in the process of launching the development for sale this month. We have entered into luxury residential portfolio by expanding through strategic joint development agreement in Gurugram with gross development value of over INR9,000 crores. This land parcel, which measures 18.23 acres, is contiguous to the existing 11.8 acres on Dwarka Expressway in Sector 36A, consolidating our position on this prime residential sector in Gurugram. Both the opportunities imply a combined gross development

value potential over time of INR13,000 crores in Gurugram and in total it implies developing and selling an area of over 6.4 million sq. ft.

Finally, coming to mixed use development enabling both WorkWell and LiveWell experiences, the Honourable NCLT New Delhi had approved the resolution plan of Delhi 1. It is a commercial license plot measuring 35,000 sq. m. located right at the entry of Noida. This acquisition has a potential to add 2.6 million sq. ft. of additional development footprint to the portfolio of Max Estates. While NCLT has approved the plan, the implementation of the resolution plan is subject to receipt of requisite approval from regulatory and statutory authority, which is well in progress.

Max Estates Limited is dedicated to efficient capital deployment across its asset classes, maintaining a diversified portfolio in the Delhi NCR region. The company actively explores various business models, including outright purchases and joint development. With a strong balance sheet, Max Estates strategically aims to capitalize on growth opportunities with prudent valuation.

Over the years, Max Estates has remained steadfast in its commitment to creating spaces, that promotes well-being guided by our WorkWell and LiveWell philosophy. As we continue to expand, hospitality and design-led customer experience will continue to be central to our approach across the value chain of real estate from choice of location to design, development, and management of the asset.

Before I hand over to Nitin for an update on key financials, we would like to say we are dedicated to building a progressive real estate organization focused on key pillars of execution at scale, including people, growth, capital, systems and processes, brand, and customer centricity. Over the past 12 months, we have significantly upgraded our capabilities and bandwidth, emphasizing the recruitment of top-quality talent, particularly for our residential vertical. Several strategic initiatives have been undertaken to enhance our systems and processes, including digital roadmap, sustainability journey, and SOPs to enable seamless execution at scale.

Our company has proven its capability in design and hospitality-led differentiation, establishing itself as a leading real estate brand that enhances quality of life through spaces it creates by bringing real well-being to real estate. With this, I hand over to our CFO, Mr. Nitin Kansal, for financial updates.

Nitin Kansal:

Thank you, Rishi. Good afternoon, everyone. Now, let me first give you the financial highlights for the Quarter 1 FY25. The Company's first luxury residential project in Delhi NCR had been fully sold in FY24 and had garnered a pre-formal sales launch in excess of INR 1800 crores. Over the past period, we have been able to collect INR458 crores from the project. The consolidated revenues for Quarter 1 of FY25 stood at INR41 crores and corresponding EBITDA stood at INR15 crores.

On the lease-rental income side, combined revenues of Max Towers, Max House, and Max Square were up by 103% year-on-year to INR25 crores. There was a jump of 17% in the

revenues of Max Asset Services, going to INR8 crores in Quarter 1 of FY25. This was on account of commissioning of Max House Phase 2, and Max Square projects. I would now like to open the floor for the question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session.. The first question is from the line of Mohit Agarwal from IIFL Securities. Please go ahead.

Mohit Agarwal: Yes, thanks for the opportunity. So, my first question is on your targets for the fiscal year 25. In terms of the value of launches, you already mentioned about the Max360 project getting launched this month. But if you Could you provide more details on the value of the launches and any further launches that you plan to do, and what will be the pre-sales target for this year?

Rishi Raj: Thank you, Mohit. As we have guided earlier as well, from Estate 360, which is our first residential project in Gurugram, expected to be launched in this month post RERA approval, our guidance continues to be over INR 4,000 crores. As we have also shared that we have added another 18.23 acres in Gurugram, which will give us a pipeline for next financial year with the total pre-sale booking value potential of INR 9,000 crores. And as also guided earlier, we will continue to add to the pipeline, to bring 2 to 3 million square feet to the market every year.

Mohit Agarwal: And sir, this entire INR9,000 crores GDV launch can be expected within FY26, or will there be phases around that?

Rishi Raj: So, that we will decide closer to the launch, subject to multiple conditions. Our estimate at this point in time is to launch it over 1-2 years.

Mohit Agarwal: Okay. So, my second question is on the commercial portfolio. So, on the Max Square leasing, the current leasing is about 63%. Can you give a timeline around, when do you achieve to, when do you plan to achieve that 95-100% leasing? And what kind of clients are you basically targeting and how has been the response so far?

Rishi Raj: We're delighted to share that, that return to office phenomena across sector is back, reflected in PAN India, Delhi NCR number, also in our pipeline. As I mentioned, we have leased 63%. As we speak, we have very, very strong pipeline, which gives us the confidence to 100% lease it in this financial year 2025 itself. And what is of significance, and I want to underline what is of significance, is that what we have leased and what we will continue to lease moving forward, is that significant premium to micro markets of 25% to 30% which is already reflected in the numbers.

Mohit Agarwal: Okay, understood, sir. So, I have a few more questions. I'll come back in the queue.

Moderator: Thank you. The next question is from the line of Vikas Mistry from Moonshot Ventures. Please go ahead.

Vikas Mistry: Yes, thanks for the opportunity, Rishi. I have a couple of questions about Estate 360. Our channel checks suggest that your GDV for 2.4 million square feet will be revised slightly upwards because the market rate is around INR 19,000 per square foot and you are supposed to

launch at that rate. So, is that a right understanding or you will be launching that in a single phase, or you will be taking two phases, one phase in this month and next phase maybe near Diwali?

Rishi Raj:

Thank you, Vikas. In terms of your first question about the size of Estate 360 project, GDV at this point in time, our guidance has been over INR4,000 crores. You are absolutely right about your reading of where the market is, and we will come back and update all of you on exact launch price and true GDV value number the moment we get the RERA, and we bring this product to the market. So, that's one.

"Secondly, we are planning to launch the entire 2.4 million square feet in Phase 1 itself. What gives us additional confidence in a successful launch is that this is the first intergenerational residential product at scale in Delhi NCR . As we have mentioned earlier, one-third of this is dedicated to senior living. This creates two distinct product segments and distribution channels, which gives us the confidence to include all of this in Phase 1 of the launch .

Vikas Mistry:

That's great to hear. I have one more follow up on that. What is the status of EOI right now and how much is the contribution of EOIs coming from NRIs?

Rishi Raj:

It's premature to answer that question. As I said, once we get the RERA approval, that's when we will formally start accepting EOIs. The only thing I can mention at this stage is we are very confident of the location, the product and the end user experience that we are going to bring through this first launch in Gurugram and very hopeful of successful launch like we did last year in Noida.

Moderator:

Thank you. The next question is from the line of Ritwik Sheth from One Up Financial Consultants Pvt Ltd. Please go ahead.

Ritwik Sheth:

Hi. Good evening, sir. A couple of questions from my end. Firstly, you have recently taken an approval from the board to raise up to 800 crores. If you can elaborate on this, where will this be invested, whether residential, commercial and what would be the timeline? Would it be imminent, or it is some time away currently? If you can throw some light on that.

Nitin Kansal:

Good afternoon, Ritwik The board approved a potential fundraiser of up to INR 800 crores in a meeting on July 15. For which the shareholder's approval has also been sought in the notice of the annual general meeting. The AGM is planned to be happening on 23rd of August. Post the shareholder's approval depending upon the market conditions, we would approach to do the capital raise. The validity of this approval from the shareholder stands for the year's time.

Ritwik Sheth:

Okay. Got it.

Nitin Kansal:

And in terms of the end utilization, this capital which is being proposed to raise is more towards a growth capital for the future expansion in the residential and the commercial segments.

Ritwik Sheth:

Okay. Got it. This is helpful. And just one thing on the Sector 36A. Have we received the approval, or we have not received the approval yet?

- Rishi Raj:** So on Sector 36A Estate 360, we have received all the approvals except RERA, which is in progress, expected anytime and with that we will launch this product this month.
- Ritwik Sheth:** Okay, sir. And we continue to stick to our guidance of acquiring 2-3 million square feet in residential and 1-2 million square feet in commercial, right?
- Rishi Raj:** Yes. We have stated earlier 2 million residential, 1 million commercial. We stick to that guidance.
- Ritwik Sheth:** Okay, sir. Thank you, sir and all the best.
- Moderator:** Thank you. The next question is from the line of Vikas Mistry from Moonshot Ventures. Please go ahead.
- Vikas Mistry:** Yes, Rishi. Again, just one more question that, you are raising Rs.800 crores by this means and the kind of market situation we are looking in NCR and Gurgaon. Are you underestimating your guidance of just 2 million square feet of residential? We think that the pipeline you have and the kind of market we are in, the tailwinds going on, you can overshoot it by a decent margin. You can easily do 3-4 million square feet residential. So what's your take on that?
- Rishi Raj:** Vikas, thank you. Thank you for your continued guidance and encouragement. We all are very, very cognizant of the market, the tailwind, the context of Delhi NCR presenting us with a significant opportunity to grow and consolidate market share.
- From our perspective, we will leave no stone unturned to accelerate our growth. The way we are thinking about our growth is to move from here to a situation where our market share in the target premium to luxury segment is in the range of around 10%, which we believe is a reasonable target and which we also believe we are confident to deliver. So with that, we will continue to accelerate our journey and come back to all of you updating our guidance.
- Vikas Mistry:** That's great to hear. We hope that you come back with better targets. One last question from my end. You are saying that Phase 2 of 36A will take at least two years, which means that FY26 and FY27 will be the right assumption that you will sell 9,000 GDV on those two financial years.
- Rishi Raj:** Yes. If you look at our trajectory, FY24 we did estate 128 three towers, INR1,800 plus crores. FY25, we are expecting over INR4,000 crores, as I responded to your last question, through Estate 360. And the new acquisition will give us the launch pipeline for FY26 and FY27. As I also mentioned, the final plan of what proportion we launch in FY26 and FY27 will be decided closer to the date. But you are right this acquisition has given us launch pipeline potential for FY26 and FY27. And as I said, we will be adding more to our pipeline to further grow the launch potential in coming years.
- Vikas Mistry:** I received just a small request from at least our end, that please add the pipeline slide also. You have removed this time. Please don't remove the project pipeline slides from the investor deck.

- Rishi Raj:** Will do. Sure. Noted.
- Moderator:** Thank you. The next question is from the line of Kabir from Neo Investments. Please go ahead.
- Kabir:** Hi, good afternoon. My question is, what is the expected revenue from Max Square and Max House Phase 2 in FY25?
- Nitin Kansal:** So, Kabir, this is Nitin Kansal. We had been given the guidance that in the case of Max Square, on a fully blown-up basis, we are expecting a revenue coming in the range of 60 to 65 crores. And in the case of Max House Phase 2, we are expecting a revenue in the range of 25 to 28 crores.
- Kabir:** Okay, fair enough. And the second question is, any idea or colours on the company's capex plans for FY25 and FY26?
- Nitin Kansal:** So, as we speak at this point of time, in FY25 and FY26, in our current pipeline, we've got two commercial projects, Max 65, a commercial project in Gurgaon, and another commercial project in Noida, Max Square, as we call it, Max Square Phase 2, which are under construction, on which the expected deployment is in the range of INR200 crores. And then we've got two residential projects, estate 128 and the one in Gurgaon, Estate 360, in which on actual construction, we're expecting a total deployment in the range of INR250 to INR300 crores.
- Kabir:** All right. Okay. Thank you so much. All the best.
- Moderator:** Thank you. The next question is from the line of Sri Karthik from Investec. Please go ahead.
- Sri Karthik:** Hi. Thanks. Hi, Sahil and Nitin. From an operational perspective, could you speak a bit about how you're preparing yourself to execute construction? Because what we're hearing is finding, good contractors is proving to be difficult, especially in NCR region. So, could you talk about your plans on those funds?
- Rishi Raj:** Hi. This is Rishi. Great question. I think the way we have prepared ourselves is building a very solid in-house projects capability. Unlike many other players, we do not outsource PMC to a third party. So, we have now two distinct project execution vertical, one for commercial, another for residential, each one being headed by 20 to 25 years of real estate experience head of project and underneath them, we have built a solid projects team who can do the project management and quality control in-house.
- And then the way we deal with the construction is we divide the entire construction into multiple awards, and we then award it to individual vendors. And when it comes to civil and structure particularly, instead of going for a turnkey, we would like to award it to a specific player wherein our team can then control the quality.
- And we also find this as an appropriate model to control the cost. So, in summary, in-house project management and execution team, who would then work with multiple vendors,

wherein we will issue multiple awards on multiple aspects of construction, including civil and structure.

Sri Karthik: Thanks, that's very good to hear. The second question that I had was, in terms of your collections, could you speak a bit about how you are trying to ensure that there is enough skin in the game for people who are booking these apartments and ensure that there are less cancellations in the future?

Rishi Raj: Yes, absolutely. We are doing that in a couple of ways. If you look at our payment plan, these are not back-ended payment plans. These are construction-linked payment plans, wherein right at the booking, you need to pay 20 to 25%, which if you look at our ticket size in Noida of 8 to 10 crores, or in Gurgaon, which again will be in premium and luxury segment, it is a significant amount that people have to pay upfront. That's number one. Number two, as a part of our sales process and sales approach, again, to give you an example, for 128, we ensure that our team meets almost all the clients, even if they're coming through the channel network and focuses on educating them as far as location, product, and experience promise is concerned.

And through that, our endeavour is to increase the proportion of end-user into our product, which again becomes a very, very important way or a critical way to ensure we are not attracting too many of investors who are looking to come in and flip quickly. One of the evidences of that is if you look at our estate 128, there has been zero cancellation and our first tranche of payment is all in, without any default.

Sri Karthik: Excellent. Thank you so much. All the best.

Moderator: The next question is from the line of Rishith Shah from Nuvama Wealth. Please go ahead.

Rishith Shah: Yes, hi, thanks for the opportunity. While most of my questions have been answered, I just have one bookkeeping question. So, Combining the two segments, that is the rental revenue, which contributes to around INR25 crores and asset services that contributes around INR8 crores, the total comes to around INR33 crores in quarterly revenue. So, can you help me fill the gap of the INR7 crores in the reported number and the sum of these two segments?

Nitin Kansal: Just to clarify, we had done a development in Dehradun with the name of 222 Rajpur Road in which there was a certain section of land which was left unsold, which got consummated in the current transaction, in the current quarter. The revenue from this transaction has been recognized according to accounting principles. So, this 6.5 crores is towards the revenue coming from that. Post that closure of that receipts also, now that project is completely closed. We haven't got any further receivables from that project.

Rishith Shah: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Aditi Sawant from ADM Advisors. Please go ahead.

Aditi Sawant: Yes. Hi. Thank you so much for the opportunity. So, I just wanted to understand what are our plans for land acquisition for the next couple of years as we seek to add the 1 million square feet in both our segments?

Rishi Raj: Yes. So, Aditi, again, great question. Two responses to that. One, in terms of the scale and the size that we are looking at, we are looking at adding 2 to 3 million square foot of acquisition every year. If you look at our track record and if you look at over the last three years, we have added at least 10 to 11 million square foot across multiple projects which is there in our portfolio today. And we aim to continue this trajectory of adding 2 to 3 million square foot every year, number one.

Number two, we aim to do that through a combination of outright purchase and joint development agreement to have a right balance from the perspective of getting maximum out of capital that we deploy. So, those are the two things.

As far as pipeline and the opportunities are concerned, we have a very strong and decent pipeline. We are evaluating multiple opportunities in Gurugram, in Noida, and also in Delhi. And we are very confident that we will be able to continue on the growth trajectory that we have done so far historically.

Aditi Sawant: Okay, okay. Got it. So, just last question on the debt front, what is the optimal debt we plan to have going forward?

Nitin Kansal: So, we are conservative about our debt. So, currently, our debt is comprising of construction finance and lease rental discounting. In construction finance, we have got New York Life as a 49% shareholder in the SPVs which operate on the construction finance. But from an accounting perspective, the entire debt is reflected in the books of accounts of the Max States. We, as a philosophy, would not like to have a debt-equity ratio of more than one. Currently, it is in the range of 0.6, 0.7.

Aditi Sawant: Thank you so much, sir. That was helpful and all the best for the upcoming quarter.

Moderator: Thank you. The next question is from the line of Neha Jain from Bagrecha Securities. Please go ahead.

Neha Jain: Yes, hello. Yes, sir. Good evening. So, I have two questions. The first one is, recently, New York Life Insurance company partnered for our existing rental projects. So, why go for partnering when we are in need of extra funds or some other reasons?

Rishi Raj: Yes, so, just to step back, if you look at New York Life, New York Life has committed 1,200 crores, including 23% stake in the Listco and they have participated with us as a 49% joint venture partner in the Greenfield projects. The recent announcement is 49% stake in the core assets. Now, coming to answering your question, why have we partnered for multiple reasons?

I think, number one, this clearly establishes New York Life as our commercial office platform partner who will continue to evaluate opportunities in future as far as commercial development

opportunities are concerned, and this gives us a great source of capital in future as we expand our commercial portfolio.

Number two, this particular acquisition that they have committed to will generate INR388 crores, which, as we have guided earlier, we will redeploy in growth on the residential front, which is what we have been talking about in this call today. And number three, this also is a great evidence of our ability to churn capital through the cycle from investment, to development, to leasing and lease rental discounting and now finally bringing in a strategic investor like New York Life to acquire 49% stake in the core capital. So those are the reasons why we have done it.

Neha Jain: Okay. And my second question is, are we seeing any challenges on land acquisition part in future? Can you highlight some updates on Delhi NCR micro market? Any plans on moving to other cities, not in near future but in 10 years or so?

Rishi Raj: Okay. So couple of responses to that. One, because of tail wind in residential, has the prices of land gone up? Answer is absolutely yes. Number two, are there enough and more opportunities of land acquisition? Again, answer is absolutely yes. If you look at what has happened in FY24 and if you look at the volume of land that got transacted and if you translate that into what development potential it implies, it implies almost development potential of 35 to 40 million square foot.

And given our aspiration of 2 to 3 million, it implies a share of less than 5% that we are looking at. With our local presence, with the brand that we have, and with the track record that we have built in commercial and now in residential, we see a very, very positive response from landowners to partner with us both on outright and joint development. We very confident on delivering on the target that we have taken for ourselves on the land acquisition.

Neha Jain: Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Raj Mehta from Mehta Capital. Please go ahead.

Raj Mehta: Good afternoon, guys. My question is regarding commercial portfolio. When do we expect full revenue potential at Max Square 2 and Max 65 projects, or which construction is yet started?

Rishi Raj: So I'll give you an update on our construction timeline for Max Square 2. Max square 2, we have started construction in Q1 FY25. We are targeting the completion of Max Square 2 in the window of July to September quarter of 2027. And following that, we have taken 18 months to 100% lease the asset with significant pre-leasing upfront. As far as Max 65 is concerned, this is a larger development, 1.6 million square foot.

The plan is to complete this in two phases, Phase 1, as we have guided earlier, is 40% of that, which we expect to complete in a similar time frame of Max Square 2, which is July to September 2027. And the Phase 2, which is balance 60%, will be completed somewhere around December of 2028. So that's the indication on the timeline for both the assets.

- Raj Mehta:** My second question is regarding revenue and EBITDA guidance for financial year 25. Can you just put some highlight on that?
- Nitin Kansal:** This is Nitin Kansal. As I mentioned earlier, the board has already approved the capital phase, so we are currently refraining giving the forward guidance on the revenue part.
- Raj Mehta:** Okay. Thank you. That's all for my question. Good luck. Thank you so much.
- Moderator:** A reminder to all participants that you may press star and one to ask a question. The next question is from the line of Vikas Atri, an individual investor. Please go ahead.
- Vikas Atri:** Hello, good evening. Thanks for the opportunity. So my first question is when are we launching the last hour in estate 128 and what is the expected revenue?
- Rishi Raj:** Vikas, we are in the process of seeking requisite approval and we will come back and soon update you on the timing of the launch.
- Vikas Atri:** Okay. Thank you. So, my second question is I see that we'll be getting a lot of collection from the residential and commercial development in the coming years. So is there any update on the dividend distribution policy that we intend to follow?
- Nitin Kansal:** So we are in the capital-intensive industry. So depending upon the requirements to fund at that particular point of time, a call will be taken by the board appropriately. We have a dividend distribution policy which has also been framed and approved by the board of directors which is also in public domain.
- Vikas Atri:** Okay. Thank you so much. Best of luck.
- Moderator:** As there are no further questions from the participants, I would now like to hand the conference over to the management for the closing comments.
- Rishi Raj:** Thank you. I hope we have been able to answer most of your queries. We truly look forward to your participation, continued guidance and support in the coming quarters. For any further queries, please feel free to contact SGA, our investment relations advisers. Have a great day ahead. Thank you so much.
- Moderator:** On behalf of Max Estates Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.