

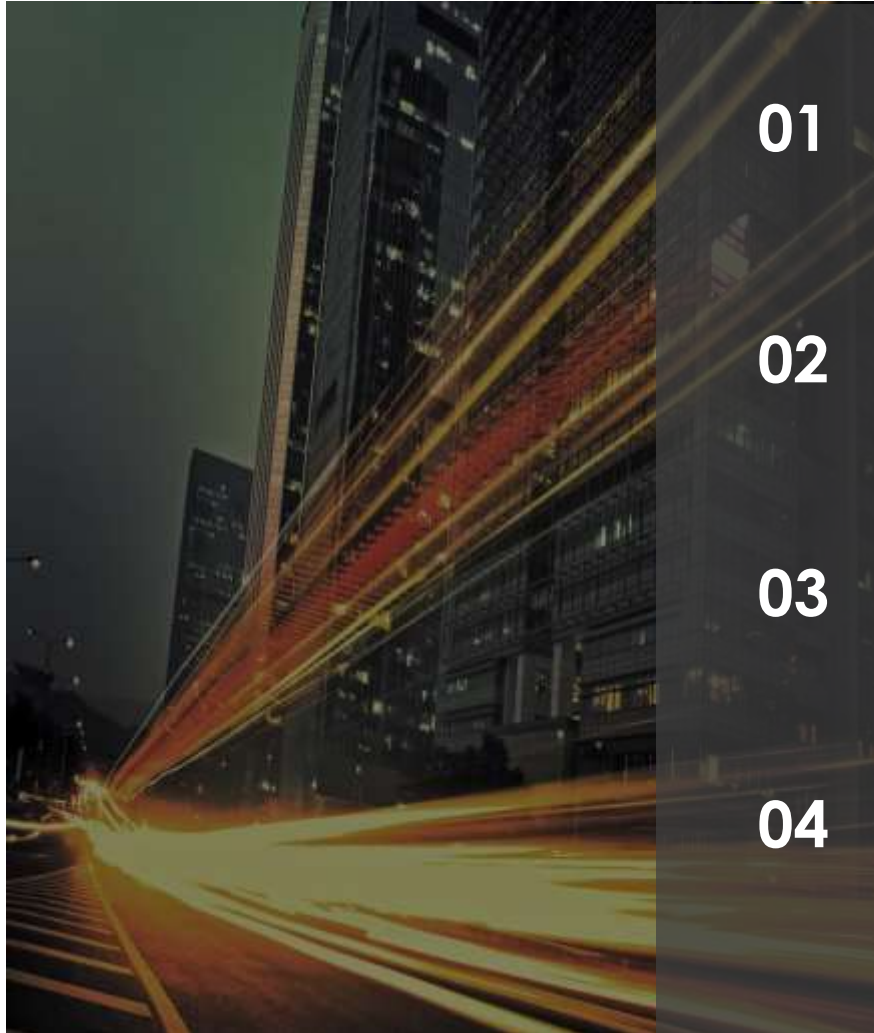
Upward
And Forward

prozone
intu 

**Q3 FY20 RESULTS
UPDATE PRESENTATION**
February 2020



PROZONE INTU PROPERTIES LIMITED



01

Quarterly Business Update

02

Financial Results

03

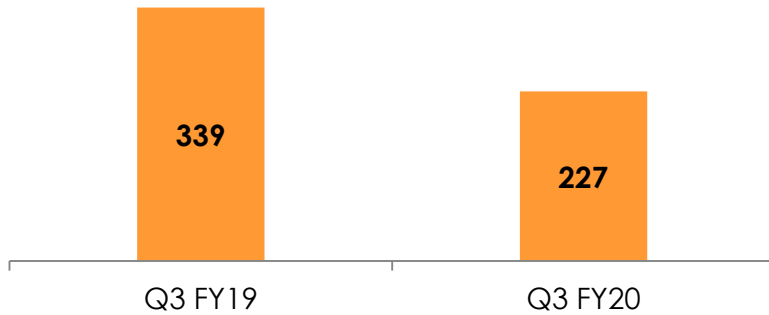
Asset Snapshot

04

Annexure

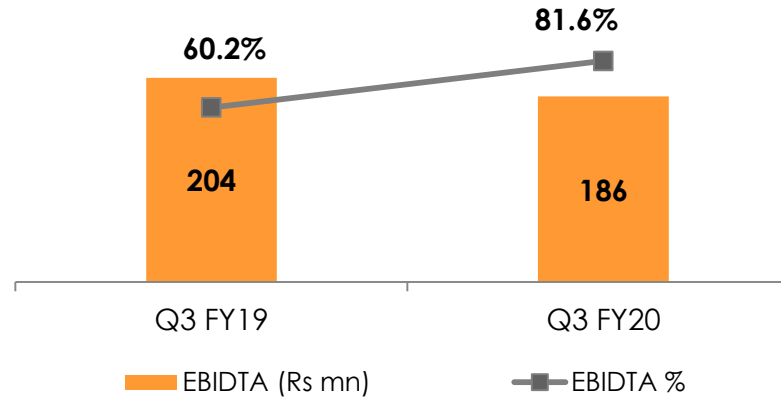


Revenue (Rs. Mn)



Q3 FY20 YoY Analysis

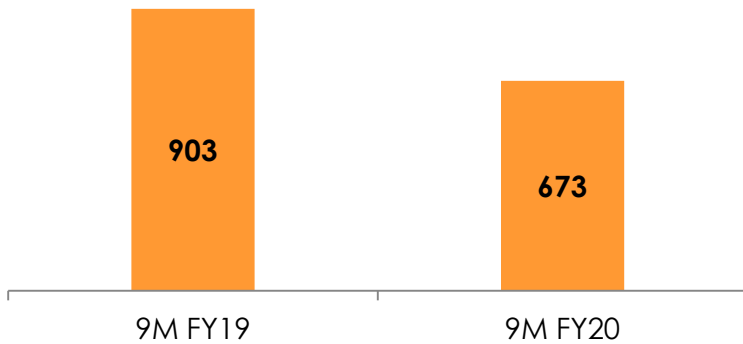
EBIDTA & EBIDTA Margin



Cash PAT

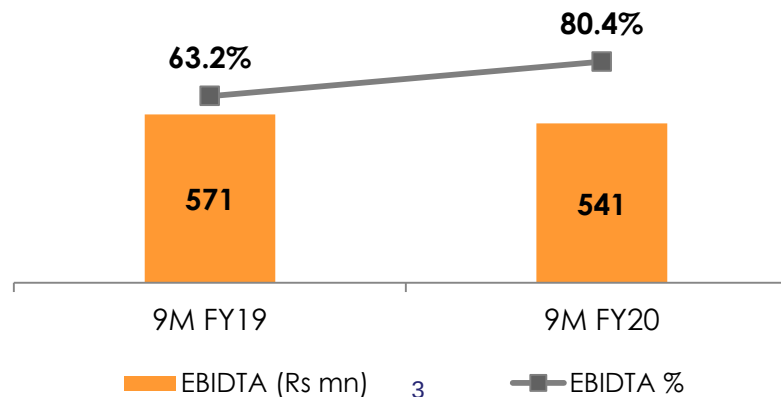


Revenue (Rs. Mn)

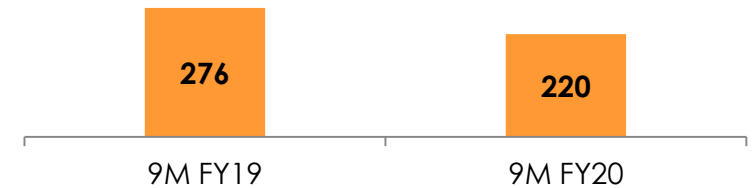


9M FY20 YoY Analysis

EBIDTA & EBIDTA Margin



Cash PAT





01 Revenue

- Total Revenue during the quarter at Rs 296 mn & Rs 828.2 mn for 9M FY20
- Revenue from retail segment up 11% yoy in Q3 FY20 and up 17.9% yoy in 9M FY20



02 Q3 EBITDA at Rs 185.5 mn, with a 81.6% margin

- Change in revenue mix led to increased margin.
9M FY20 EBITDA : Rs 541 mn & margin at 80.4%



03 CASH PAT Rs 88.9 mn, with a 39.1% margin

- Cash PAT (PAT+ Depreciation) for 9M FY20 is Rs 220.2 mn, with 32.7% margin



04 Strong Operating Parameters

- Leasing of 93% at Coimbatore Mall & 76% at Aurangabad Mall

FINANCIAL RESULTS: CONSOLIDATED INCOME STATEMENT

Rs. Mn.	Q3 FY20	Q3 FY19	YoY	Q2 FY20	QoQ	9M FY20	9M FY19	YoY
Revenue from Real Estate Projects	0.3	134.7	-	3.3		4.5	336.8	-98.7%
Lease Rental & Related Income	227.0	204.5	11.0%	218.5	3.9%	668.2	566.6	17.9%
Total Income from operations	227.4	339.2	-33.0%	221.8	2.5%	672.7	903.4	-25.5%
Other Income	68.7	33.9	102.7%	50.0	37.4%	155.5	116.6	33.3%
Total Income including other income	296.0	373.1	-20.7%	271.8	8.9%	828.2	1,020.0	-18.8%
EBITDA w/o Other Income	116.9	170.4	-31.4%	126.3	-7.4%	385.5	454.5	-15.2%
EBITDA	185.5	204.2	-9.2%	176.2	5.3%	541.0	571.2	-5.3%
EBITDA Margin	81.6%	60.2%	2140 bps	79.5%	214 bps	80.4%	63.2%	1720 bps
Depreciation	82.8	87.2	-5.0%	84.1	-1.5%	247.9	250.4	-1.0%
Interest	119.3	89.5	33.2%	110.1	8.3%	325.6	247.4	31.6%
Profit before tax	-16.6	27.5	-	-18.0	-7.8%	-32.5	73.3	-144.3%
Profit after tax	6.1	10.8	-	-35.8	-	-27.7	25.9	-
PAT after minority interest	3.1	2.5	-	-26.1	-	-21.3	-1.0	-

Q3 Result Update -

- Revenue and EBITDA during the quarter moved higher due to increased rentals at Aurangabad and Coimbatore Mall
- EBITDA margin during the quarter remained strong at 81.6%
- Attributable PAT has been positive reflecting stability in the underlying business

Note-

- Lease Rental & Related income and CAM Income received from Aurangabad Mall and Coimbatore Mall.; Revenue from Real Estate Projects represent Revenues recognized from the Build & Sell model
- Other Income represents Interest & Dividend Income on Investments etc

01

- Aurangabad and Coimbatore mall leased out space currently stands at 76% and 93% respectively, annuity income to increase significantly with ramp-up of Coimbatore mall revenue share income

02

- **Coimbatore Mall: 6 new stores** started operations, adding aprox. 30,872 sq ft to operations in Q3 including M&S, Croma, Soch, One Plus, HP World & police

03

- **Aurangabad Mall: 4 new stores** of brands viz. Beccos, Titan, Go Colours & HP commenced operations during Q3. Q3 retailer sales up by 13% on YoY basis.
- Strong Leasing Traction : 2 stores under fit-out and LOI Signed for 3 new stores would add upto 14,059 sq ft. in operations in coming quarters.

04

- Nagpur retail: approvals in place & financial closure in advanced stage.
- Construction to commence on achieving of financial closure.

01 AURANGABAD MALL

- Letting out the balance space and also maintain effective Brand mix by continuously churning brands at the mall. Mall leasing gradually expected to move towards 90% at Aurangabad

02 COIMBATORE MALL

- **Leasing stands at 93%**, working towards further increasing occupancy
- Working towards building optimum mix of tenants

03 NAGPUR SPV

- Application for Part OC has been submitted for four towers (264 flats) of Phase 1 upto the height mentioned in AAI Appellate Committee Minutes.
- Planning for Nagpur mall construction completed, approvals in place, strong retailer traction, Financial closure in advance stage.

04 COIMBATORE RESI & INDORE LAND

- Construction in full swing for Coimbatore residential phase -1. Formal launch in Q4 FY20 planned for boosting sales.
- In Indore, pre launch sale of Plots with focus on faster monetization has commenced.



Aurangabad Mall



Nagpur Mall



Nagpur Residential



Coimbatore Mall



Aurangabad PTC

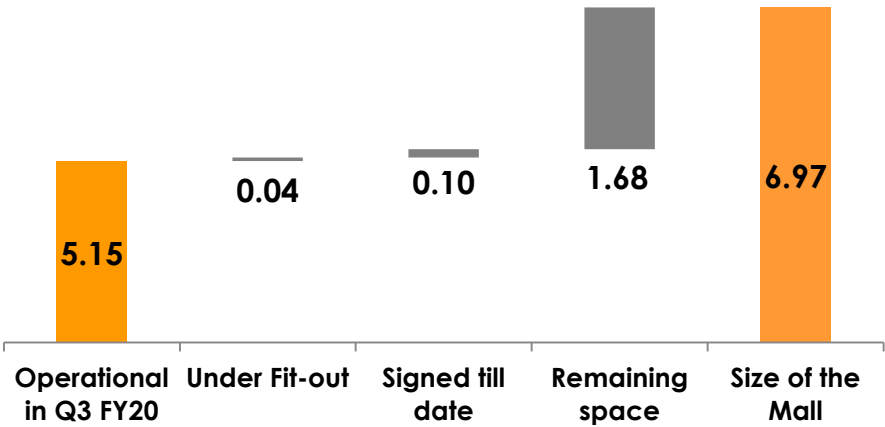


Coimbatore Residential



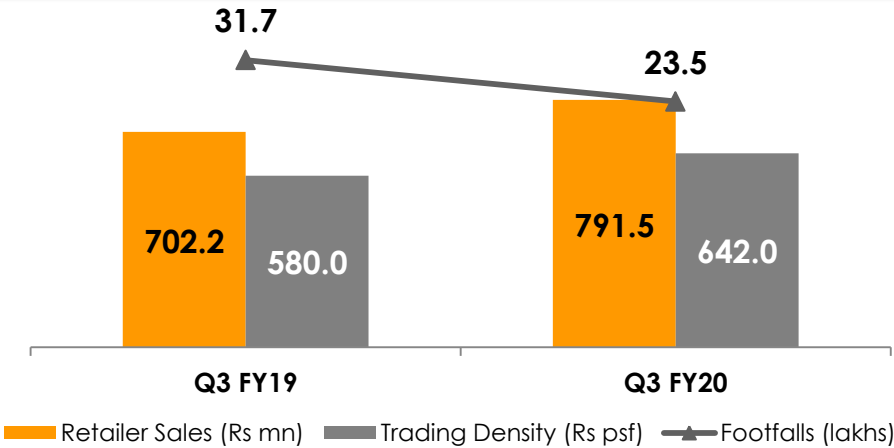


Occupancy



Key Operating Parameters	Q3 FY20
Gross Leased Area (lakh sq.ft.)	5.3
Current Leasing Status	76%
Number of Stores Signed	113
Retailer Sales (Rs. Mn.)	791.5
Average Monthly Trading Density (Rs/sqft)	642
Footfalls (Mn.)	2.3

Footfall & Trading Density



EMPIRE MALL (AURANGABAD) – FINANCIAL SNAPSHOT

Operational Details (Rs. Mn.)	Q3 FY20	Q2 FY20	Q1 FY20	Q4 FY19	Q3 FY19
Area Leased (lakh sq. ft.)	5.3	5.3	5.3	5.6	5.4
% Leased	76%	76%	76%	81%	83%
Sale of Premises	0.3	3.3	0.9	50.8	134.7
Rental Income	61.5	54.8	56.9	62.5	56.9
Recoveries (CAM & Other)	61.0	60.9	48.6	48.9	49.6
Total Income	122.8	119.0	106.4	162.3	241.2
EBIDTA	82.5	72.0	66.4	81.6	103.4
EBIDTA Margin % (as % of Total Income)	67.2%	60.5%	62.4%	50.3%	42.8%

- 4 New brands commenced operations at Aurangabad Mall in Q3 – Beccos, Titan, Go Colours, HP
- Sale of premises recorded revenue of Rs 0.35 mn, working with PTC buyers to arrange for financing to realise cash flows
- EBIDTA stands at Rs. 82.5 mn with margin of 67.2%, margin.

Note 1 – Recoveries Include CAM as well as Other Charges such as HVAC, Electricity & Water Charges

NEW STORES OPENED at AURANGABAD MALL



BRAND PARTNERS AT AURANGABAD MALL

H&M
MARKS & SPENCER

BIG BAZAAR
Making India Beautiful
globus

max
SHOPPERS STOP
START SOMETHING NEW

Reliance digital
We bring technology to life for you
pantaloon's

croma
The Electronics Megastore
Reliance trends

INOX
LIVE THE MOVIE
HomeTown
Ab ghar banana kitna aasaan!



ARROW
USA-1861

aurelia

Craftsvilla

WALKWAY

Bata

BARBEQUE NATION



Café Coffee Day

U.S. POLO ASSN.
SINCE 1890

crocs
mm!
maroosh

Cotton Culture

CANTABIL
International Clothing

BLACKBERRYS

fabindia
CELEBRATE INDIA

firstcry

GINI & JONY

Jeep

just
WATCHES

Kareem's
— Made in India —

KEVENTERS

mi

Lenovo

1+ ONEPLUS

MONTE CARLO

Levi's

LOUIS PHILIPPE

me m moms

METRO

Allen Solly

STREET FOODS
PUNJAB 2011

VIP

hp
ORRA

ORGANIC INDIA

PARK AVENUE

Pepe Jeans
LONDON

Pizza Hut

parx
Live easy

lenskart.com

Reebok

Rangriti
Samsonite

Sabhyata

SKECHERS

SPORTS STATION

spykar

TITAN

ColorPlus

VAN HEUSEN

WILDCRAFT

Wrangler

W

Span
SINCE 1978

iB
BECCOS

Being Human

Domino's

KOMPANERO

MUFTI
Alternative Clothing

SMOKIN' JOE'S
FRESH PIZZAS

McDonald's

BIBA

ethnicity

KFC

MOCHI

PUMA

PETER ENGLAND

Kid's Club Audition



Diwali Dhoom Festival



Winter Fiesta Fashion Show

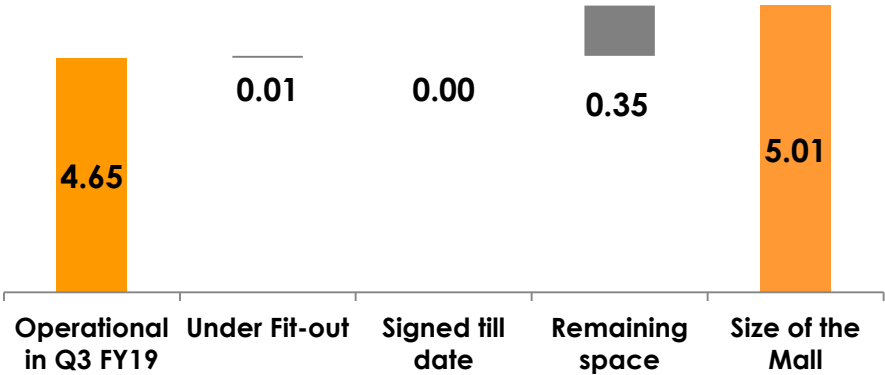


Christmas Carnival





Occupancy

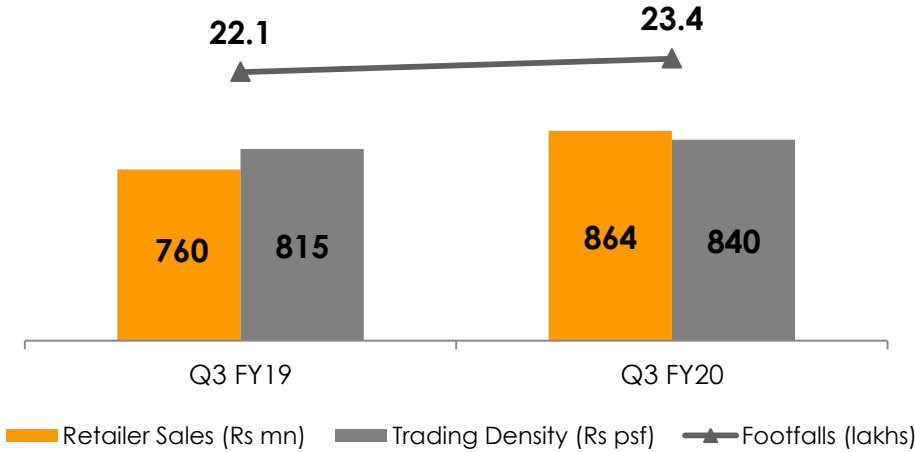


Key Operating Parameters

Q3 FY20

Gross Leased Area (lakh sq.ft.)	4.6
Current Leasing Status	93%
Number of Stores Signed	119
Retailer Sales (Rs. Mn.)	864
Average Monthly Trading Density (Rs/sqft)	840
Footfalls (Mn.)	2.3

Footfall & Trading Density



Operational Details (Rs. Mn.)	Q3 FY20	Q2 FY20	Q1 FY20	Q4 FY19	Q3 FY19
Area Leased (lakh sq. ft.)	4.6	4.7	4.6	4.5	4.4
% Leased	93%	95%	92%	90%	89%
Rental Income	79.5	78.5	79.7	80.1	71.1
Recoveries (CAM & Other)*	72.0 #	47.2	47.7	43.1	38.3
Total Income	151.5	125.7	127.4	123.2	109.4
EBIDTA	97.0	93.5	98.8	94.7	89.9
EBIDTA Margin % (as % of Total Income)	64.0%	74.3%	77.6%	76.9%	82.2%

- Rentals income improved during the quarter due to opening of new stores.
- 6 stores opened during the quarter including HP World, Croma, Soch, One Plus, M&S, Police
- **Strong performance continues with EBITDA of Rs 97 mn** during the quarter

* - Recoveries Include CAM as well as Other Charges such as HVAC, Electricity & Water Charges

– Recoveries of Q3 FY20 includes Rs 23.3 mn sundry balance write back.

NEW STORE OPENING AT COIMBATORE MALL



Children's Day Celebration



Global MIC night



Food Fest



KTM Orange Day



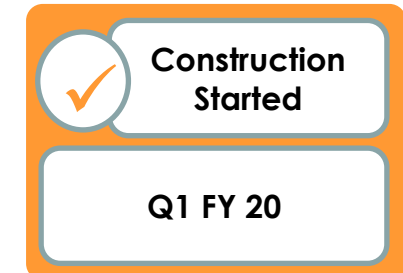
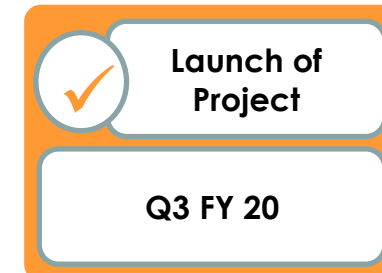
BRAND PARTNERS AT COIMBATORE MALL



- ~1.9 m sqft of residential
- 7 towers of 18 floors comprising 1,152 apartments
- 3 towers of 18 floors comprising 540 apartments planned in phase 1.
- Construction in full swing for Phase 1.
- **Amenities:**
Club house, swimming pool, tennis court, amphitheatre, squash court, gymnasium



RESIDENTIAL UPDATE



- **0.5m** sqft of retail space under advanced stage of approvals
- **0.39m** additional development potential
- **4.5m** catchment population
- **15.7 acres** of residential under development
- **4 towers** of 14 floors comprising 336 apartments under advance stage of completion in Phase 1. Application for Part OC has been submitted for 264 apartments
- **Amenities:**
Club house, swimming pool, tennis court, amphi theatre, cricket court, meditation centre, gymnasium



RESIDENTIAL UPDATE

✓ Units Launched	✓ Units Sold	✓ Sale Value	✓ Cash Collection
336 Units	272 units	Rs. 1,713 mn	Rs. 1,265 Mn



Actual



Actual



Actual

- **1.9m** city population
- Prominent business and industrial centre in Madhya Pradesh
- **43.5acres** comprising residential township with 5 acres for commercial to be developed in phases
- **Phase 1&2** is for plotted development of about 200 units for better monetisation
- **Phase 3&4** will be high rise development of about **800** apartments
- **Amenities:**
Club house, swimming pool, tennis court, amphi theatre, cricket court, meditation centre, gymnasium



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THANK YOU



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DICKENSON

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Dickenson IR

Contact: 9820280325/9920940808

Email: nachiket.kale@dickensonIR.com



BUSINESS OVERVIEW

- Prozone Intu Properties Ltd. (Prozone Intu) is jointly developed by Promoters and Intu Properties Plc set up to create, develop and manage world-class regional shopping centres and associated mixed-use developments Pan-India.
- Prozone Intu strategy is to participate and dominate in the retail space in Tier 2 and 3 cities in which robust urbanization is expected, which will result in growth of consuming middle class from 300 to 500 million in next 5 years
- Key Business Strategy - Develop Large scale Land Parcels for Mixed Use development with 75% of the Land to be developed as Residential & Commercial – Build & Sell model whereas 25% of the Land to be developed as Retail – Build & Lease Model

STRONG PEDIGREE

- The Promoters hold 30.4%, INTU holds 32.4% and balance is held by public¹
- Intu Properties is UK's Largest Retail Real Estate Company.
- Intu Properties plc is a UK FTSE 100 listed Company owning and managing assets worth more than 10 bn pounds. They own more than 20 properties across UK and Spain, 10 of which are among the top 25 shopping centers in the UK, representing ~ 38% UK market share.
- Intu Properties plc has more than 22mn sqft of retail space; 400 million customer visits a year

FULLY PAID UP LAND BANK & ROBUST BALANCE SHEET

- The Company has 17.79 mn sq. ft. of fully paid-up land bank in prime locations with 1.2 mn developed till date and more than 16.5 mn sq. ft. balance to be monetized which is being developed in different phases .
- Robust Balance sheet with Low Leverage.
- At current valuation, the Land bank valuation for the company is expected to be Rs. 20,000 mn

1: As on 31 December 2018

Business Strategy

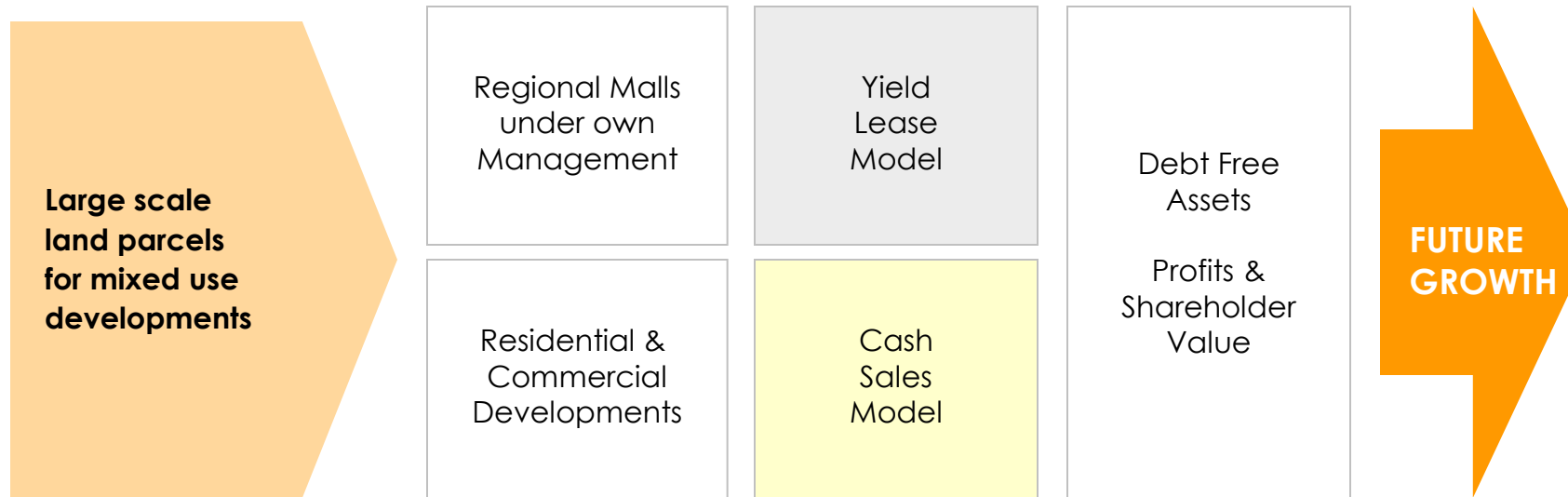
- Develop Large scale Land Parcels for Mixed Use development.
- 75% of the Land to be developed as Residential & Commercial – Build & Sell model
- 25% of the Land to be developed as Retail – Build & Lease Model
- The Company follows this model so that the Cash Flows from Build & Sell portfolio facilitate the Build & lease model, Thus resulting into Debt Free Annuity Assets and free cash flows for future developments.

Residential Projects - Strategy

- The Company invests and develops the entire Clubhouse and Site Infrastructure for the project upfront before the Launch of the Project.
- It provides credibility to the business and accelerates the sale of the project, resulting into better cash flows.
- Due to this, the Company emerges as the strongest and the most credible player in the region. Eg, In Nagpur, Company has received an overwhelming response as compared to the other established players in the region.

Mall Development - Strategy

- Dominant regional shopping and leisure destination
- Design-G + 1 Mall horizontal model with racetrack circulation
- Infrastructure-Large parking spaces planned to cater for future growth
- Tenant Mix- Well planned tenant mix with category focus to aggregate consumption



- Locations selected in high growth corridors within city limits
- Execute high quality retail assets at the right price and the right time
- Develop and sell mixed-use assets to facilitate retail investments



Nikhil Chaturvedi

Founder and Managing Director, Nikhil is a visionary and hands-on leader, who inspires the organisation with a passion for excellence and single-mindedness to build shareholder value, which is his driving force



Dushyant Sangar

Mr. Dushyant Sangar is the Corporate Development Director of Intu Properties plc and is a member of Intu's Executive Committee which is responsible for the day to day operations of the business. He has overall responsibility for Intu's acquisitions, divestments and joint venture transactions. Prior to Intu, Dushyant worked for MGPA & UBS



Umesh Kumar

(Independent Director)

Mr. Umesh, has over 35 years of diverse experience at senior positions in the IAS, mostly in economic sectors, infrastructure, investment and finance, both at Government of India and Government of Rajasthan as well as managing the largest Public Sector Undertakings in Rajasthan.



Salil Chaturvedi

Co-Founder, and Deputy Managing Director, Salil's vision has charted the strategic direction of the Company. He leads business development, land acquisition and new asset class initiatives in the residential and commercial sectors



Punit Goenka

Mr. Goenka, Director of Essel Group, is CEO of Zee Entertainment Enterprises Limited, managing one of India's most successful TV and Media businesses. He has an extensive, diversified background in the areas of media, entertainment, and telecommunications in global markets

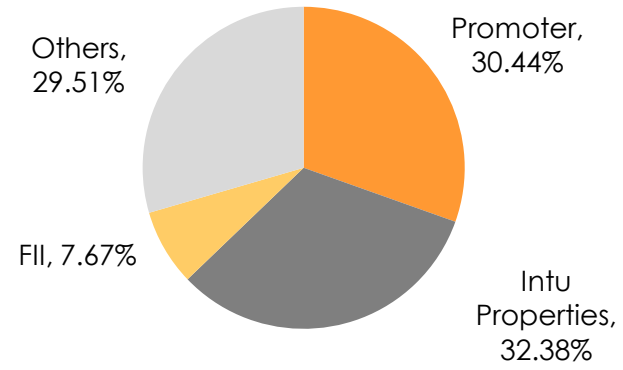


Deepa Harris

(Independent Director)

Ms. Deepa Misra Harris is Founder & CEO of BrandsWeLove Marketing and Branding Services. Specialist in Branding, Marketing and Sales, Deepa has over 30 years experience in the luxury and hospitality category.

Shareholding in % – Dec 2019



Key Investors	Holding (%)
ACACIA Partners	1.47%
Aditya Chandak & Family	1.78%
Rakesh Jhunjhunwala	2.06%
Rajesh Narang	1.52%