

October 28, 2023

BSE Limited

Scrip Code: 543287

Debt Segment – 974163, 974199, 974473, 974511, 974986, 975053, 975115

National Stock Exchange of India Limited

Trading Symbol: LODHA

Dear Sirs,

Sub: Investor Presentation

Ref: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations')

We enclose herewith Investor's presentation on the Un-audited Financial Results for the quarter and half year ended September 30, 2023.

The same is also being uploaded on the Company's website at www.lodhagroup.in

We request you to take the above on record.

Thanking you,

Yours faithfully,

For Macrotech Developers Limited

Sanjyot Rangnekar
Company Secretary & Compliance Officer
Membership No F4154

Encl: As above



Investor Presentation
Second Quarter FY2024
28th October 2023

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Lodha – India's leading real estate developer



Leading Residential Platform

India's Largest Real Estate Developer

- **INR ~770bn** of pre-sales and **INR ~761bn** of collections (99% of pre-sales) **since FY14**

Diversified portfolio providing resilient growth

- 30+ operating projects contributing to sales
- **Presence across luxury, premium, mid-income & affordable:** ~60% sales from affordable & mid-income

Focus on 3 cities contributing 2/3rd primary homes sales (INR 1.75tn) amongst Top 7 Indian cities

- 10+% market share in MMR
- Accelerating growth in Pune
- In seed phase in Bangalore

Operational Excellence & Strong Brand

- **Premium** brand positioning and high recall
- **High quality** leadership team
- **Best value from construction spends:**
 - Amongst only engineering led and engineering focused RE companies
 - No margin leakage to GC
- **Industry leading ESG practices & ratings**

Strong Financial Profile

Strong operating cash flow generation giving ability to grow & de-lever in tandem

FY 23 performance:

- Operating cash flow: INR ~57bn
- Cash available for investment & capital providers: INR ~47bn
- Net debt reduction: INR ~22bn
- Rewarding shareholders: 1:1 bonus shares; 15-20% dividend payout – 1st dividend paid for FY23

Strong profitability track record; further expand due to scale up, price growth & debt reduction

- Sustained adj. EBITDA margin of ~30%
- Pro-forma RoE for FY24e at ~20%

Conservative leverage: Net debt ceiling of 0.5x D/E and 1x D/OCF

- Net debt of INR ~67bn (Sep-23); Will be below ceiling in FY24e
- A+ (Positive Outlook) - 5 upgrades already since 2021, set to get in AA family in 2024

Annuity like cashflow from townships

- FY 23 sales INR ~23bn and collections of INR ~22bn (Residential)
- Infra project completion (FY 24-26) expected to further accelerate growth
- 4,300+ acres strategic land reserves providing long-term visibility

Multiple Growth Drivers

Planned consistent growth of ~20% p.a. in housing

- Dual consolidation – both on demand & supply side – a huge tailwind for Tier -1 brands
- Significant headroom to grow in MMR & Pune through 'supermarket' strategy of presence every 2-4 km radius

Building recurring / annuity income - targeting INR ~5bn of net income by FY26 and INR ~15bn by FY31

- Pan-India Digital Infrastructure (warehousing and industrial) platform with Bain Capital and Ivanhoe Cambridge
- Growing Property Management business aligned to residential growth
- Select high quality office and retail portfolio

Partner of choice for landowners, lenders & investors

- Added 30 projects with GDV of INR ~483bn since IPO



01 Highlights

Key Performance Indicators

Pre-sales*

- ✓ INR 35.3bn ( 12% YoY), best ever quarterly performance despite Q2 being seasonally the weakest quarter and no new location launch

Embedded EBITDA Margin[#]

- ✓ ~30% for Q2 and ~30% for 1HFY24

New Projects Added

- ✓ 2 projects with INR ~23bn GDV (>80% of INR 175bn full-year guidance achieved in 1H)
 - One project each added at new location in focus markets of Eastern & Western suburbs of MMR, in-line with our supermarket strategy

ESG & Brand Performance

- ✓ Ranked No.1 amongst residential developers in Asia by GRESB[^]
- ✓ S&P Global 2023 Corporate Sustainability Assessment (CSA): 2nd Highest score out of ~200 global Real Estate Development companies
- ✓ **Highest 'Top of Mind'** housing brand in Mumbai & Pune, as per Kantar, global leader in consumer survey[&]

* Includes DM Sales 0.5bn

[#] Embedded EBITDA Margin: Estimated EBITDA margin on Pre-sales (ex. DM sales) of the period with estimated lifecycle costs, excluding finance costs; this can be equated with 'Adjusted EBITDA Margin' in the P/L; [^]GRESB: Global Real Estate Sustainability Benchmark & 46% and 31% participant in Mumbai & Pune respectively responded "Lodha" as the first name when it comes to housing

Q2FY24 - Other Operating Highlights

Price Growth

↑ ~3%

Average YTD price growth¹

Launches

1.9 msf

Launches across MMR and Pune

Cash Flow

Operating cash flow

INR 12.6bn

Net Debt

INR 67.3bn

- *Debt down by INR 5.4bn*
- *Avg. borrowing cost reduced by ~5bps to 9.6% vs Jun-23²*

Cash Flow

INR bn

	'For Sale'	Office & Retail (for rent)	Land Sales	Q2FY24	1HFY24
Pre-Sales	34.5	0.3	0.5	35.3	68.9
Collections	26.5	0.4	0.6	27.5	51.5
Net Collections*	23.7	0.4	0.6	24.7	46.0
Op. Expenses	11.8	0.1	0.2	12.1	25.0
- Const. Exp	8.2	0.1	0.2	8.5	18.5
- SG&A	3.3	-	-	3.3	6.8
- Taxes	-	-	-	0.4	-0.3
Operating cash flow	11.9	0.3	0.4	12.6	21.0
- Interest payments				2.1	4.1
Cash flow for growth & capital providers				10.5	16.8
Growth Investments#				5.1	13.4
Decrease / (Increase) in Net Debt				5.4	3.5

On track to achieve full year guidance for net debt

Guidance for FY24

INR bn

	FY23 Actuals	FY24 Guidance	1HFY24
Pre-Sales	120.7	145	68.9
Operating Cashflow	56.6	~ 60	21.0
New Project Additions	198.0	175+	143.0
Net Debt	70.7	Below ceiling of 1x Net Debt:OCF & 0.5x Net Debt:Equity	67.3

Strong launch pipeline led by robust business development provides visibility to FY24 pre-sales goals and sustained growth for future

On path to achieve full year guidance with significant debt reduction planned in 2H

Strong launch pipeline for rest of FY24

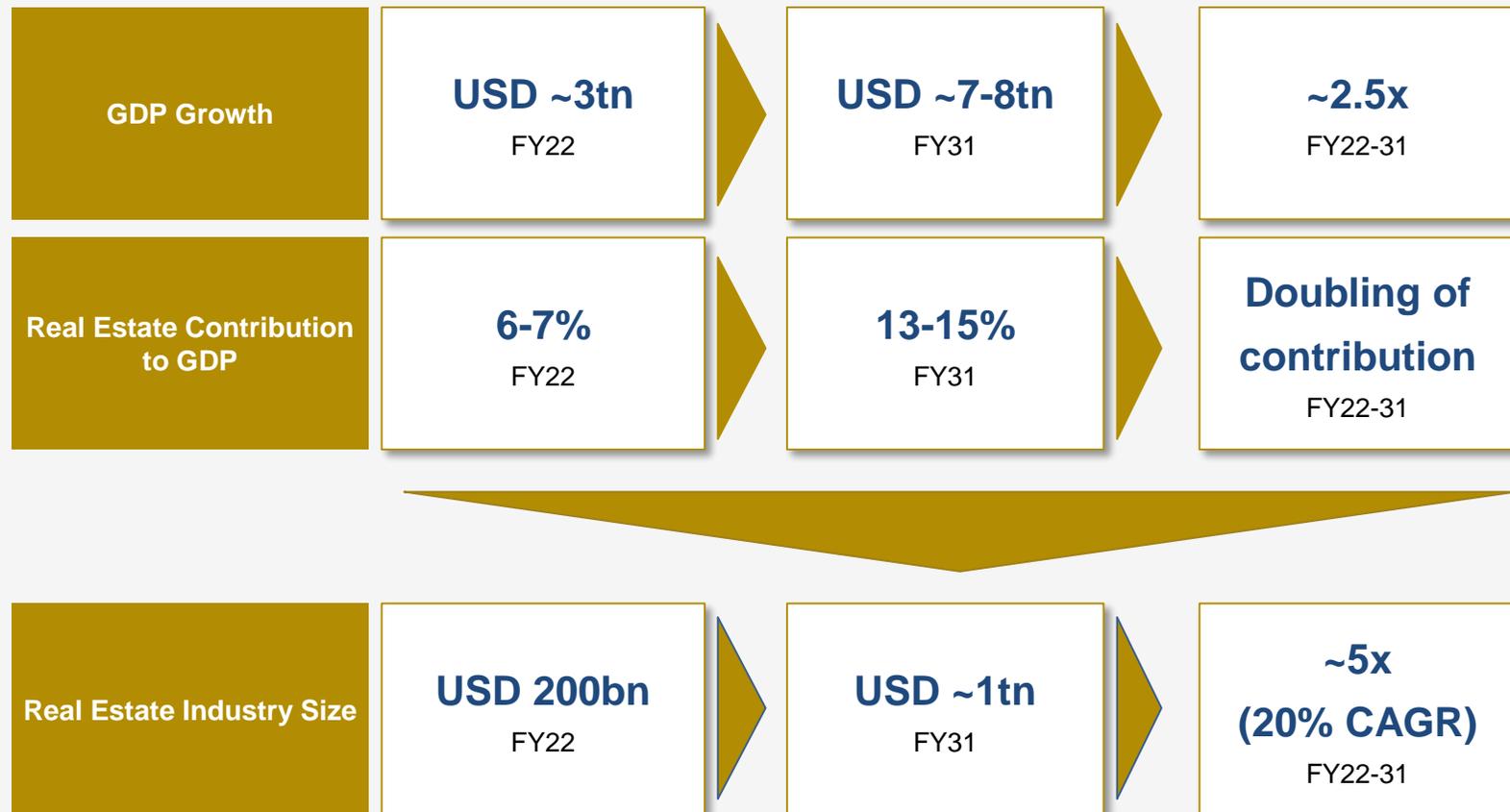
Micro-market	Own/ JDA Project	Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects
South Central	JDA	0.5	24.1	1
South Central	Own	0.3	13.5	1
Extended Eastern Suburbs	Own	1.5	9.8	2
Eastern Suburbs	JDA	1.6	26.8	3
Western Suburbs	JDA	0.8	15.0	3
Pune	Own	0.6	6.2	2
Pune	JDA	0.9	6.8	3
Thane	Own	0.8	8.6	2
Bangalore	JDA	1.2	9.3	2
		8.1	120.3	19

*With seven new location launches, well placed to meet full-year pre-sales guidance
1st Bangalore launch in Q3*



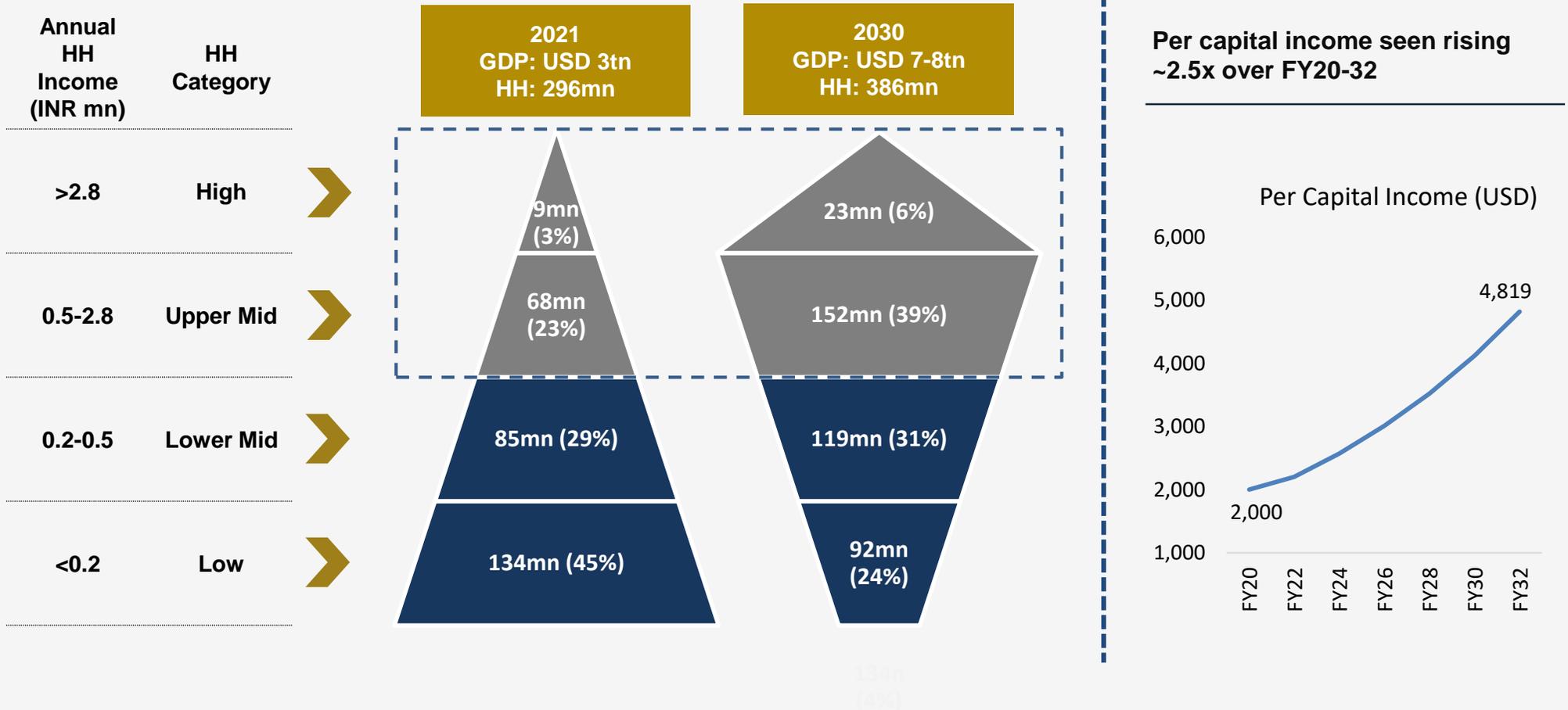
02 Growth Drivers

Long-term growth opportunity: Real Estate to grow ~2x faster than the Indian economy



Housing to be key driver of and key beneficiary from GDP growth

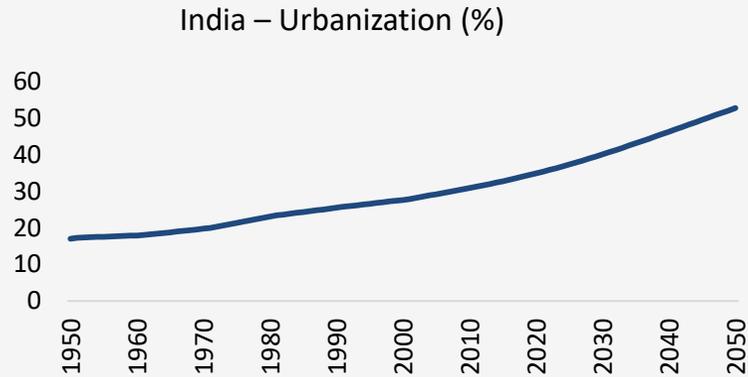
100 mn new households to become 'home ownership capable' this decade



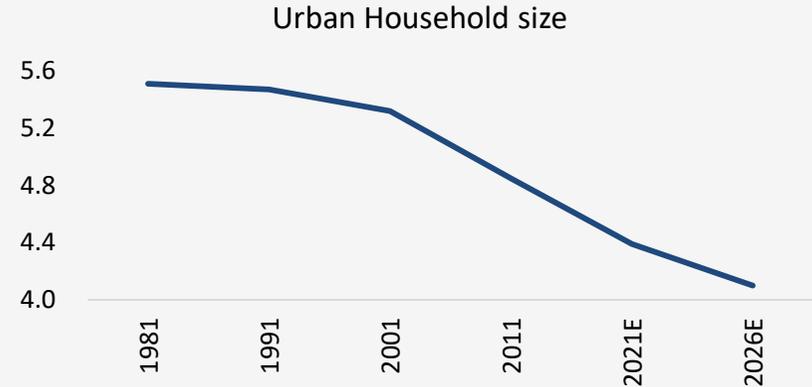
Once in a country's lifetime opportunity!

Strong affordability drives conversion of housing need to demand

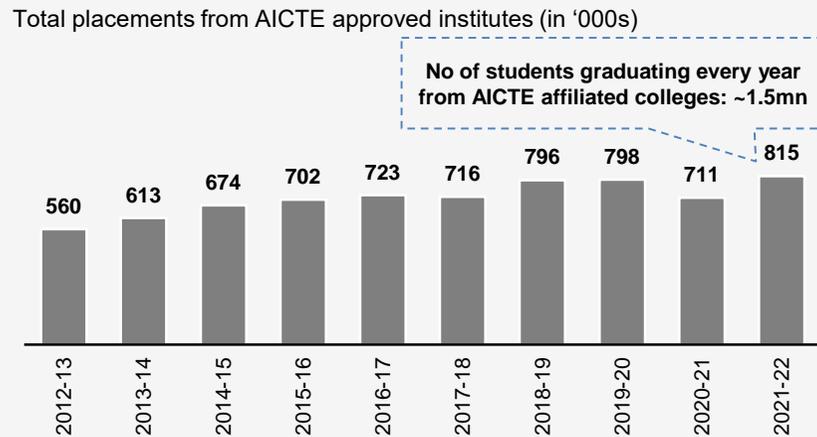
Rapid urbanization to create need for quality urban housing



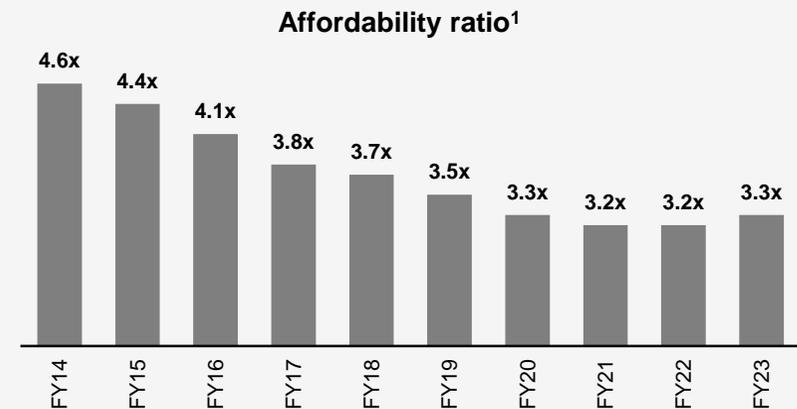
Family nuclearization



Large no of educated workforce added every year



Improved affordability to support demand



As long a housing price growth is slightly below white collar salary growth, housing demand will sustainably grow

Other industry tailwinds

- ✓ **Consolidating supply unlikely to keep pace with accelerating demand**, creating lot of opportunities for Tier-1 developers
 - On the demand side, housing sales in top 7 cities to reach ~1mn units by CY30 from ~360k in CY22
 - Consolidation wave due to policy reforms, liquidity crisis and Covid disruption led to:
 - 60% reduction in developer count
 - Market share gains for listed developers – from 6% in FY17 to 17% in FY22

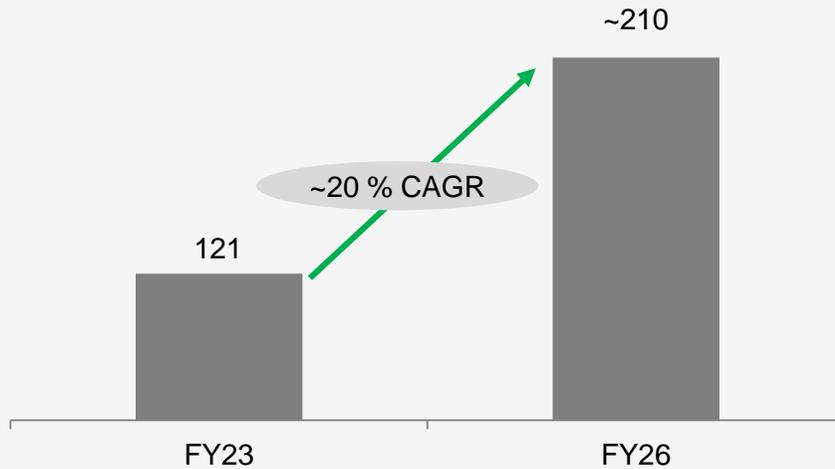
- ✓ **Mortgage an enabler of demand** not an inducer of demand
 - Conservative Central Bank, allows only plain vanilla mortgage product – LTV <75% & no teaser rates
 - A floating rate product; rate cycle well understood by homebuyers – Interest rate change modifies tenure, not EMI

- ✓ **Construction cost inflation not a risk** to margin
 - Construction costs typically forms only 25% to 45% of sales price – of which one-third related to skilled & semi-skilled labor which faces low risk of inflation
 - Commodity inflation generally of short cycle – 3 years of construction provide flexibility to manage costs across project lifecycle

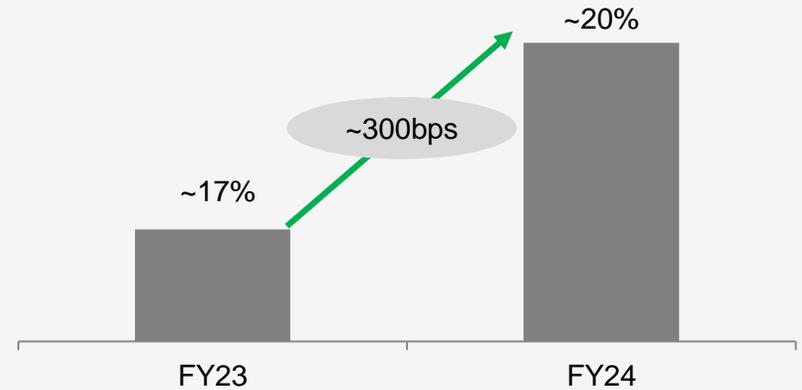
'20:20' Action Plan

INR bn

Focus to deliver ~20% Pre-sales CAGR & 20% RoE with net debt ceiling of 0.5x D/E and 1x D/OCF



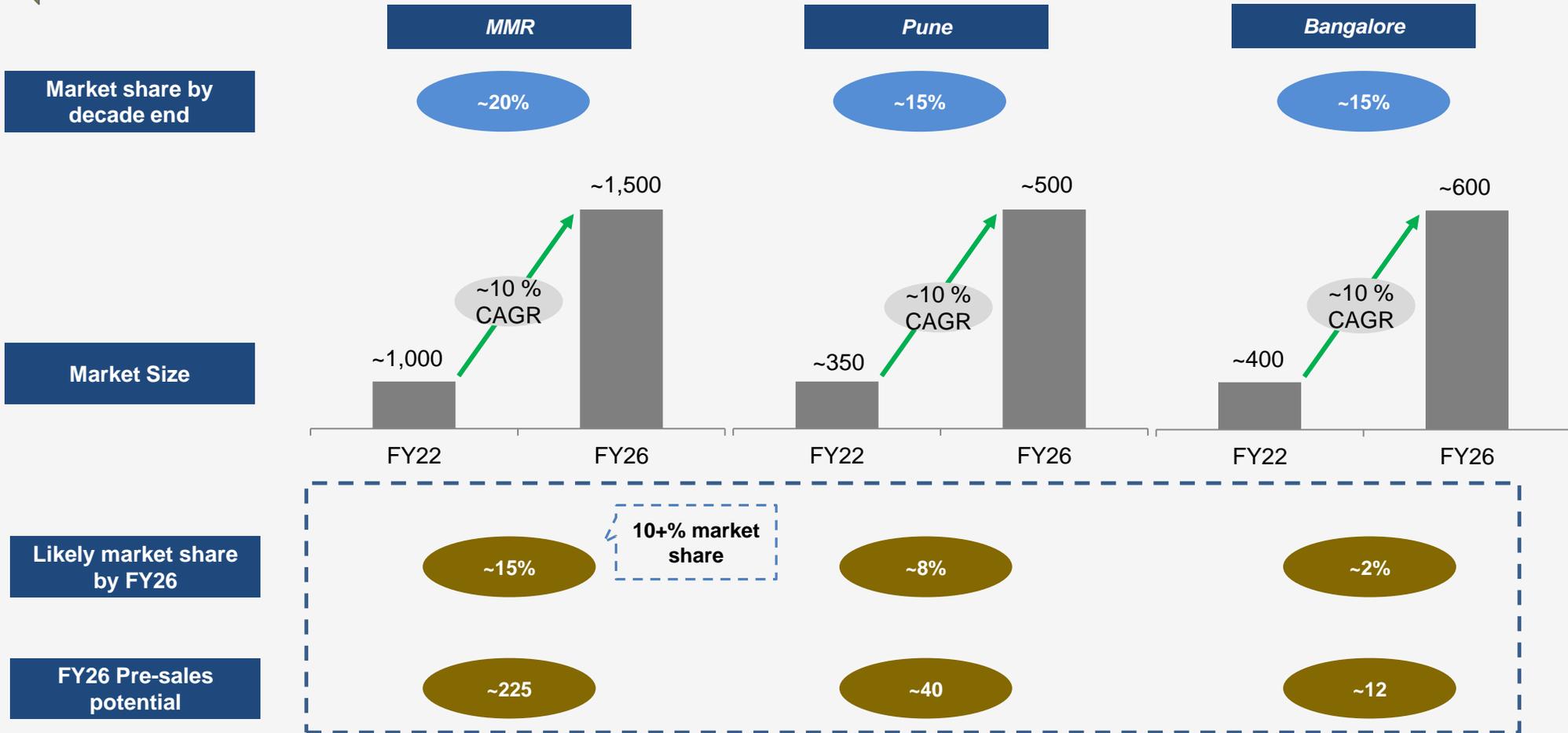
Pre-Sales



RoE

Significant headroom for growth in core markets of MMR & Pune

INR bn



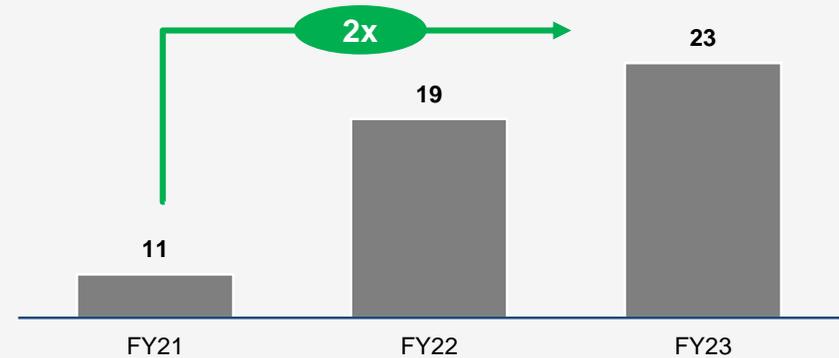
Keeping our growth with conservative capital structure approach in mind, guiding for ~20% pre-sales CAGR i.e. INR ~210bn by FY 26 against higher potential basis market share

Township growth set for a significant leap

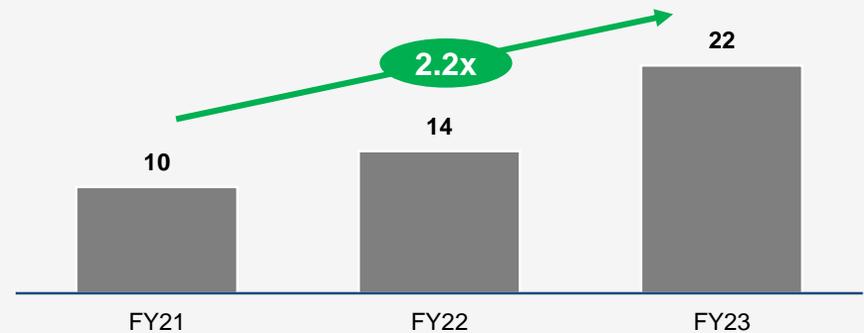
INR bn

- ✓ Two large township projects at Palava & Upper Thane with land already paid for – 4300+ acres of surplus land
- ✓ Annuity like cashflow with ~50% cash margin
- ✓ Multiple asset classes –
 - High quality residential with exceptional amenities
 - Multiple schools & Hospitals
 - Office spaces, Mall & High street retail
 - Life sciences hub
 - Industrial & warehousing parks
- ✓ Multiple product innovations such as Plotted Development, Crown (entry-level housing), Signet (boutique offices) catering to diversified customer base

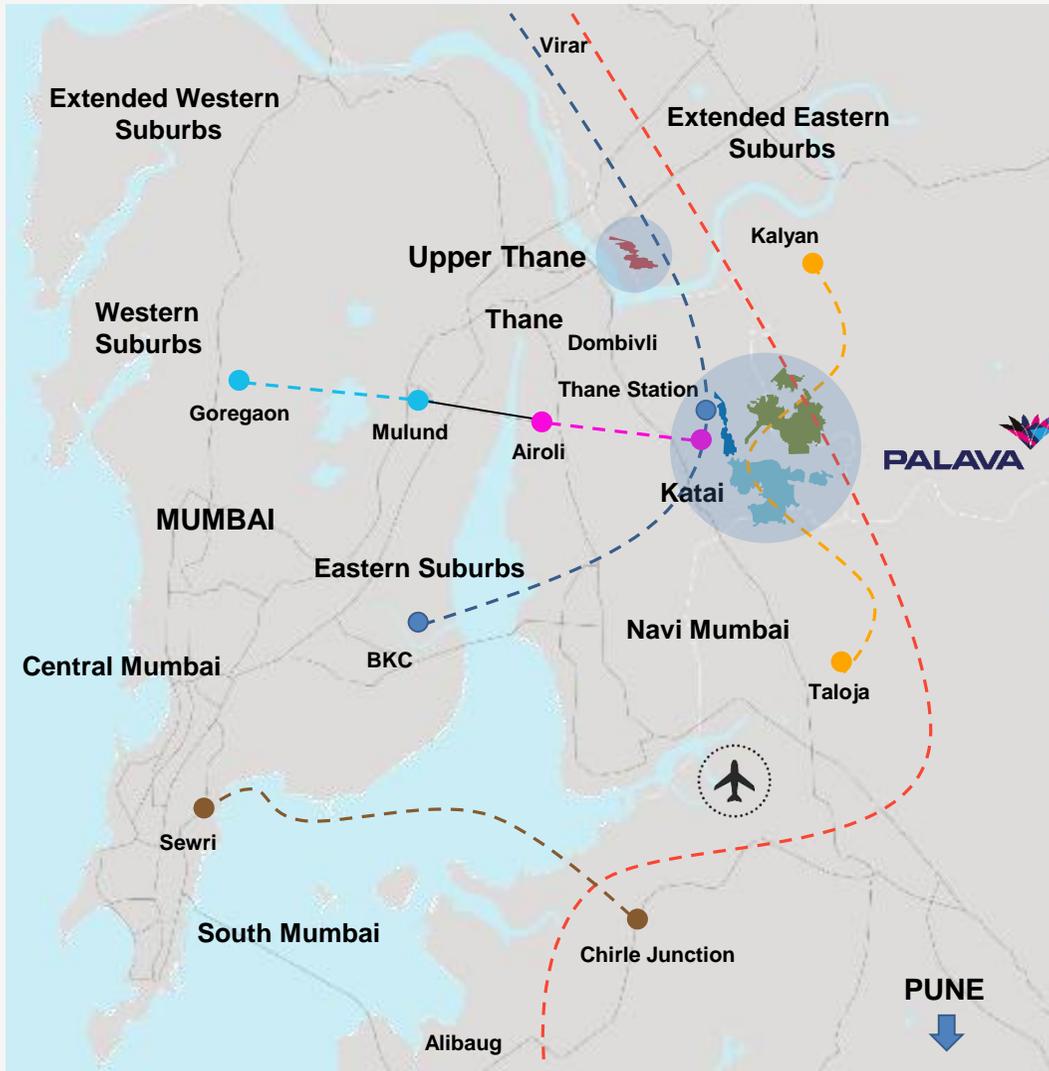
Highest ever Pre-sales in FY23



Collections to ramp-up with the rising pre-sales trajectory

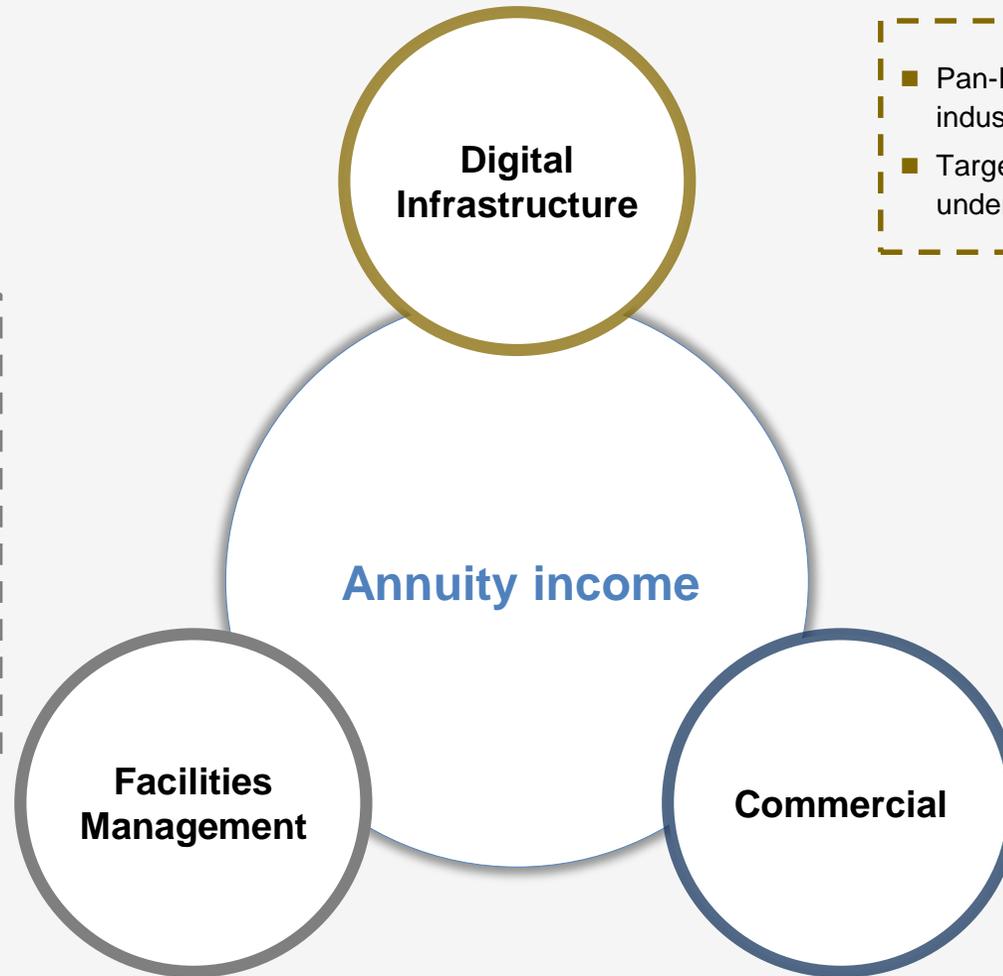


Ongoing infra projects (Airport, Metro, Bullet Train etc.) to supercharge Palavas' growth...on the lines of Gurgaon



Project	Likely completion & impact
Mumbai Trans Harbor Link	CY23 – Brings South Mumbai closer
Airoli Katai Naka Freeway	CY24 – Cuts travel time b/w Mumbai/ Airoli & Palava by 20 mins
Navi Mumbai International Airport	CY24 – Boost to economic activity around Palava (35mins)
Kalyan Taloja Metro – Line 12	CY27 – Three station within Palava, connected to suburban metro network
Mumbai – Ahmedabad Bullet Train	CY28 – 1 st station after BKC at Palava, travel time -15mins
Mulund Goregaon Link Road	CY28 – Brings Western Suburbs closer to Palava
Virar – Alibaug Multimodal Corridor	CY30 – Puts Palava at center of major commercial trade route

Building annuity income portfolio



- Pan-India warehousing & industrial park platform
- Targeting 25 msf area; 5.7 msf under development (Sep-23)

- Growing facilities management business with digital services layer
- Have a captive base of 60,000 households with high spending power; to grow to 250,000+ by 2030
- Pilot initiated for digital services app servicing wider gambit of resident needs.

- Select high quality office and retail portfolio

Targeting INR ~5bn of net annual income by FY26 and INR ~15bn by FY31

Digital Infra.: potential to generate significant recurring income

Recurring income from lease as well as outright sale

DI Platform – Significant traction from marquee users for leasing at our DI Park

(in mn Sq ft.)	Area (msf)	Notable Clients
Area Under Development	5.7	
Area Under Construction	1.4	Skechers, Schlumberger

- ✓ Skechers & Schlumberger facilities to start generating rent from 3QFY24
- ✓ Pursuing land acquisition in NCR, Maharashtra & Bengaluru for the platform

Land sales generating INR 5-7bn cashflow annually

(INR bn)	Jan-21 to Sep-23	Q2FY24
Cashflow from land sales	16.2	0.6

Digital infra boosting Palava Ecosystem

- ✓ Added one more industry (Cold Storage) to the Palava Ecosystem, showcasing Palava's potential
 - Signed definitive agreement with NewCold, one of the largest automated warehouse & cold chain logistics companies globally at Palava for INR 1.5bn
- ✓ Aptar Pharma & Flyjack (outright sold) along with Schlumberger & Skechers to be operational in FY24, boosting economic activity & job creation at Palava
- ✓ Strong land demand from end users of diverse industries
 - E-Commerce, Fashion & Sportswear retailers, Consumer Goods, 3-PL, Logistics, Data Center, EV Ecosystem, FMCG, Engineering Goods, Life Sciences, etc.

Commercial & retail assets with annual rent potential of INR ~2.6 bn

One Lodha Place



iThink Palava



Palava Mall



Area in msf

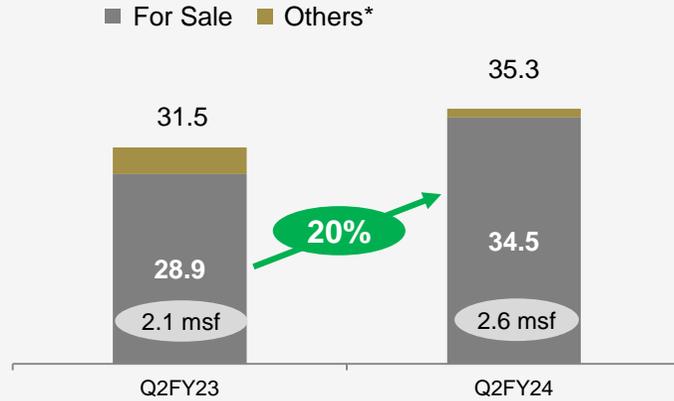
Location	Worli (World Towers)	Palava (Office)	Xperia Mall
Leasable area [^]	0.73	0.58	0.42
Area Leased [^]	0.21	0.15	0.39
Status	Ready	0.43: Under development (Est. completion in 2023)	Operating
Annualized Rental Income Potential	INR ~2,000+ mn p.a	INR ~270mn*	INR ~300mn *



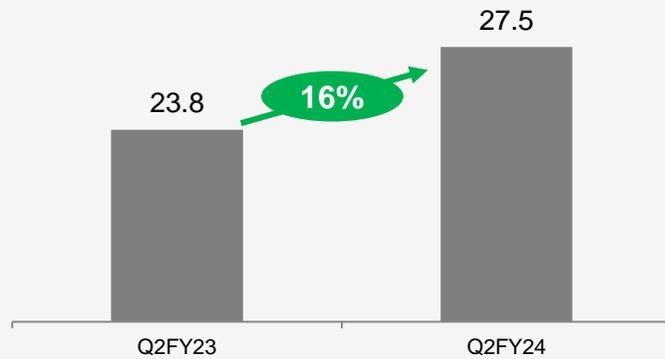
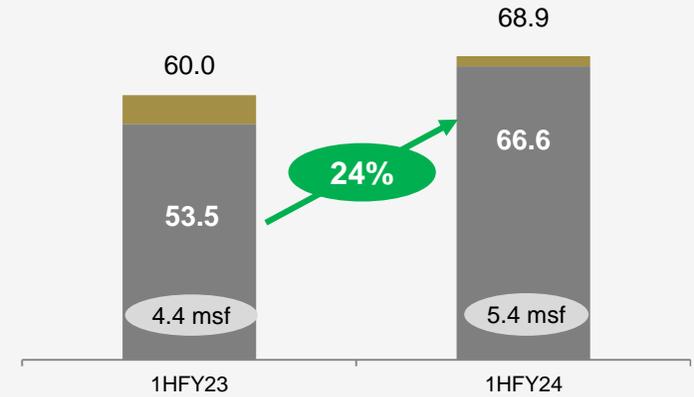
03 Performance Update

Operational Performance

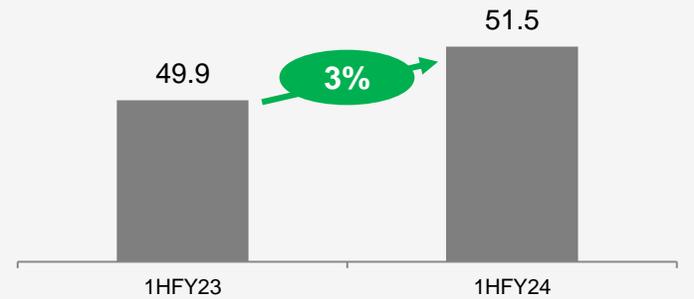
INR bn



Pre-Sales



Collections

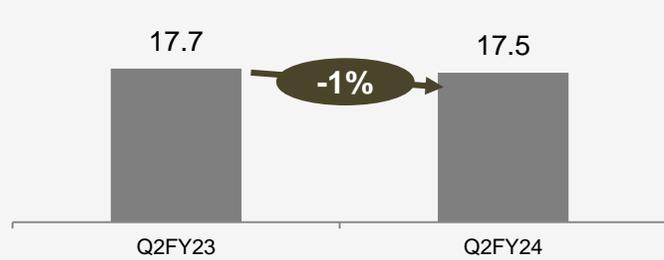


Pro-forma P&L (basis operating performance)

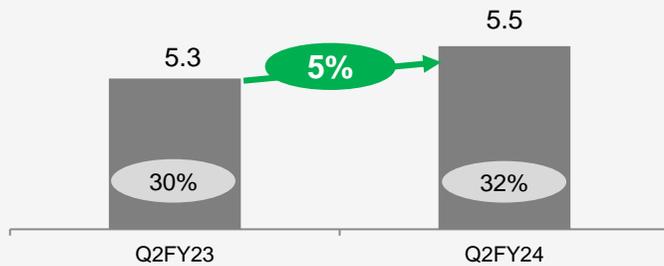
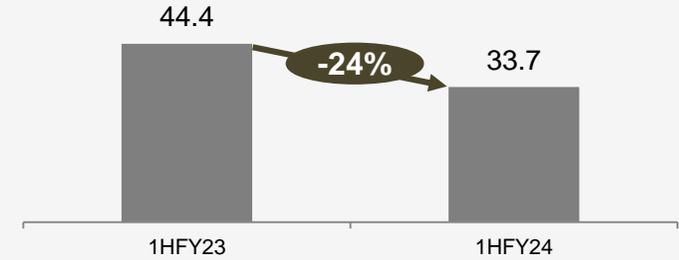
Particulars	FY23		FY24E		1HFY24	
	INR Bn	%	INR Bn	%	INR Bn	%
Pre-sales	120.6		145.0		68.9	
Embedded EBITDA	38.6	32%	43.5	30%	20.7	30%
D&A	0.9		1.0		0.5	
Finance Cost	10.0		7.5		4.1	
PBT	27.7	23%	35.0	24%	16.0	23%
Taxes (assumed rate: 25.2%)	7.0		8.8		4.0	
PAT	20.7	17%	26.2	18%	12.0	17%
RoE	~16.7%		~19.6%			

Financial Performance

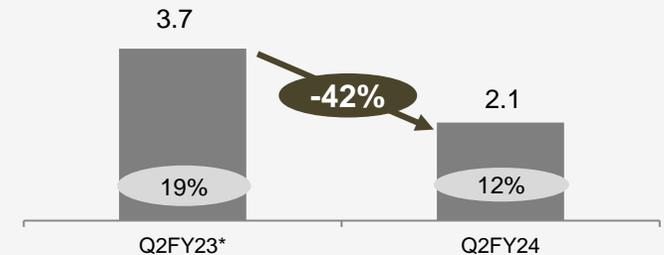
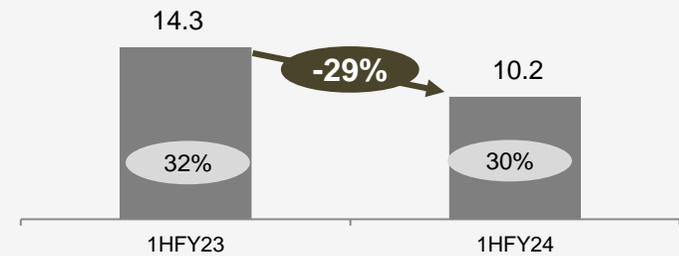
INR bn



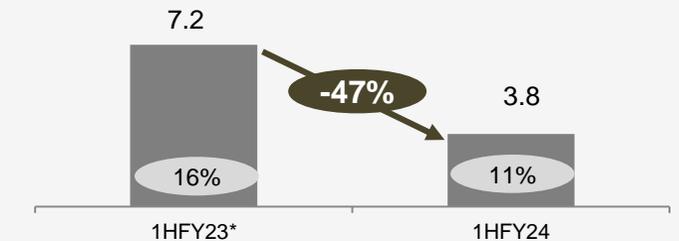
Revenue



Adj. EBITDA



Adj. PAT



- ✓ Lower **Adj. EBITDA & PAT Margin** in 1HFY24 as (i) Revenue recognized is ~50% of pre-sales, (ii) overhead costs being linked to pre-sales (accounted largely in the quarter of incurrance) is higher by ~800bps
- ✓ Contracts entered w.e.f. 1st April 2023 qualify for revenue recognition under POCC (Progressive). Financial performance to reflect underlying business by FY26-27 as prior period projects get completed

Micro-market performance for Q2FY24

INR bn

Micro-markets	Pre-Sales [#]	Average Sales Price (INR psf)	Collections [*]	Construction spends	Area Completed (Mn. sq. ft.)
South & Central	15.7	33,066	9.2	1.9	-
Thane	3.3	10,636	4.0	1.4	0.5
Extended Eastern Suburbs	4.4	6,599	5.8	3.0	-
Western Suburbs	2.1	16,152	2.1	0.5	-
Pune	4.7	7,967	2.8	0.7	-
Eastern Suburbs	4.4	20,045	2.0	0.6	-
Extended Western Suburbs	-	-	0.4	0.1	-
Offices & Retail (for rent)	0.3		0.4	0.1	-
Land Sales	0.5		0.6	0.2	-
Total	35.3		27.5	8.5	0.5

Micro-market performance for 1HFY24

INR bn

Micro-markets	Pre-Sales [#]	Average Sales Price (INR psf)	Collections [*]	Construction spends	Area Completed (Mn. sq. ft.)
South & Central	27.3	33,177	17.6	4.2	-
Thane	6.3	10,528	7.7	3.2	0.5
Extended Eastern Suburbs	10.5	6,553	10.9	6.7	0.7
Western Suburbs	4.8	16,080	4.1	1.0	-
Pune	9.6	7,751	4.6	1.3	-
Eastern Suburbs	8.0	19,808	3.2	1.2	-
Extended Western Suburbs	0.1	9,066	0.9	0.3	-
Offices & Retail (for rent)	1.1		1.1	0.4	-
Land Sales	1.2		1.5	0.4	-
Total	68.9		51.5	18.5	1.2

Launches in 1HFY24

Micro-market	Own/ JDA Project	Launch Period	Area (Mn .Sq.ft)	Est. GDV (INR bn)
Pune	JDA	Q1FY24	1.1	8.2
Western Suburbs	JDA	Q1FY24	0.3	4.1
Extended Eastern Suburbs	Own	Q1FY24	0.4	2.8
Eastern Suburbs	JDA	Q2FY24	0.5	10.6
Thane	Own	Q2FY24	0.3	4.5
Thane	JDA	Q2FY24	0.2	2.4
Extended Eastern Suburbs	Own	Q2FY24	0.6	3.7
Pune	JDA	Q2FY24	0.3	2.5
Total – 1HFY24			3.7	38.7

Business Development: 80%+ of annual target achieved in H1

INR bn

Micro-market	Period Added	Saleable Area (msf)	Est. GDV
MMR – South Central	Q1FY24	4.3	74
MMR – South Central	Q1FY24	1.1	16
MMR – South Central	Q1FY24	0.4	12
MMR – Western Suburbs	Q1FY24	0.3	10
Bengaluru - South	Q1FY24	1.0	8
MMR – Eastern Suburbs	Q2FY24	0.7	13
MMR – Western Suburbs	Q2FY24	0.5	10
		8.3	143

Lodha: Micro-market wise supply

Micro-markets	Residual Collections from Sold units	Ready unsold	Ongoing unsold	Planned Inventory Launches				Land Bank
				In next 12 months^		Beyond 12 months		
				Own Land	JDA Projects	Own Land	JDA Projects	
				INR bn		Mn. Sq. ft.		
South & Central	34.4	24.1	64.0	0.3	1.0	0.9	6.1	-
Thane	11.1	2.6	28.6	1.1	-	3.3	-	-
Extended Eastern Suburbs	22.0	21.4	30.4	3.0	-	46.1	-	4,000+
Western Suburbs	8.1	1.8	9.2	-	1.2	-	0.6	-
Pune	14.2	0.7	16.0	0.6	1.5	0.1	1.5	-
Eastern Suburbs	15.1	-	31.0	0.4	1.8	1.1	2.3	-
Extended Western Suburbs	0.9	-	0.6	-	-	-	-	-
Bangalore	-	-	-	-	1.2	-	1.1	-
Offices & Retail (for rent)	0.7	29.6	2.5	-	-	7.2	-	-
Digital Infra.	0.1	-	300 acres*	-	-	-	-	-
Total	106.6	80.3	182.4+ 300 acres	5.3	6.7	58.7	11.6	4,000+

Market wise completion plan of ongoing 'for sale' projects (1/2)

Mn.sq ft.

Market	Total area	Sold/ Unsold*	FY24		FY25		FY26		>= FY27	
			Own	JDA	Own	JDA	Own	JDA	Own	JDA
South & Central Mumbai	3.20	Sold-PCM	0.19	-	0.15	-	0.02	0.00	0.11	0.07
		Sold-POCM	0.00	-	0.12	-	0.01	0.03	0.04	0.17
		Unsold	0.15	-	0.68	-	0.46	0.44	0.06	0.48
Thane	5.30	Sold-PCM	0.89	-	0.65	-	0.59	-	0.01	0.03
		Sold-POCM	0.03	-	0.10	-	0.27	-	0.11	0.04
		Unsold	0.08	-	0.41	-	0.44	-	1.15	0.51
Extended Eastern Suburbs	11.02	Sold-PCM	2.31	-	2.10	-	0.36	-	0.10	-
		Sold-POCM	0.22	-	0.68	-	0.41	-	0.04	-
		Unsold	0.37	-	0.86	-	0.83	-	2.74	-
Western Suburbs	1.63	Sold-PCM	0.03	-	0.09	0.50	0.04	0.13	-	-
		Sold-POCM	-	-	0.01	0.13	-	0.16	-	-
		Unsold	-	-	0.07	0.07	0.06	0.34	-	-

Market wise completion plan for ongoing 'for sale' projects (2/2)

Mn.sq ft.

Market	Total area	Sold/ Unsold*	FY24		FY25		FY26		>= FY27	
			Own	JDA	Own	JDA	Own	JDA	Own	JDA
Eastern Suburbs	2.73	Sold-PCM	-	-	-	0.18	-	0.33	-	0.20
		Sold-POCM	-	-	-	0.04	-	0.08	-	0.34
		Unsold	-	-	-	0.13	-	0.20	-	1.23
Pune	5.10	Sold-PCM	-	-	0.20	1.38	0.16	0.09	-	-
		Sold-POCM	-	-	0.06	0.20	0.29	0.47	-	0.25
		Unsold	-	-	0.22	0.40	0.45	0.63	-	0.31
Extended Western Suburbs	0.40	Sold-PCM	-	-	0.32	-	-	-	-	-
		Sold-POCM	-	-	0.01	-	-	-	-	-
		Unsold	-	-	0.07	-	-	-	-	-
Total	29.37	Sold-PCM	3.42	-	3.51	2.06	1.17	0.56	0.22	0.30
		Sold-POCM	0.25	-	0.98	0.37	0.98	0.73	0.18	0.80
		Unsold	0.59	-	2.31	0.59	2.24	1.62	3.95	2.53



Financial highlights for Q2FY24

INR bn

Particulars	Q2FY24	Q2FY23	Growth %	1HFY24	1HFY23	Growth %
Revenue	17.5	17.7	(0.9)%	33.7	44.4	(24.2)%
Adj. EBITDA [^]	5.5	5.3	5.2%	10.2	14.3	(28.8)%
Adj. EBITDA (%)	31.6%	29.7%	190bps	30.2%	32.1%	(190)bps
Adj. PAT [*]	2.1	3.7	(42.4)%	3.8	7.2	(47.3)%
Adj. PAT (%)	12.0%	19.5%	(750)bps	11.1%	15.6%	(450)bps
Networth	130.5					
Net D/E (x)	0.52x					

Consolidated Summary Balance Sheet

INR bn

ASSETS	As at 30-Sep-23	As t 31-Mar-23
Tangible Assets	13.3	13.0
Intangible Assets	5.3	5.3
Investments	5.7	2.4
Loans	11.1	11.5
Inventories	311.5	301.2
Trade Rec. (Incl. accrued rev.)	12.4	12.4
Cash and Bank Balances	19.4	19.3
Other Financial Assets	13.1	10.7
Non-Current Tax Assets	1.9	2.9
Deferred Tax Assets	1.7	2.4
Other Assets	14.8	10.4
Total Asses	410.2	391.5

EQUITY AND LIABILITIES	As at 30-Sep-23	As at 31-Mar-23
Equity Share Capital	9.6	4.8
Other Equity	120.2	121.8
Non-Controlling Interests	0.6	0.6
Total Equity	130.5	127.2
Borrowings	87.2	90.5
Trade Payables	22.5	21.0
Other Financial Liabilities	51.3	45.6
Provisions	0.3	0.3
Current Tax Liabilities (Net)	0.0	0.4
Deferred Tax Liabilities (Net)	0.4	0.3
Other Liabilities	118.0	106.3
Total Liabilities	279.7	264.3
Total Equity and Liabilities	410.2	391.5



The Park

05 Company Overview

Eminent Board of Directors



Abhishek Lodha
Managing Director

- Holds a master's degree in science (industrial and systems engineering (supply chain & logistics) from Georgia Institute of Technology
- Worked with McKinsey & Company, USA



Mukund Chitale, *Independent Director and Chairman*

- Director on the Board of L&T
- Former President of ICAI and Chairman of Ethics Committee of BSE



Rajinder Pal Singh, *Non-Executive Director*

- Director on the Board of Maruti Suzuki
- Former Chairman and Managing Director of Punjab & Sind Bank and Chairman of NHAI



Ashwani Kumar, *Independent Director*

- Former Chairman and Managing Director (CMD) of Dena Bank and board member of the LIC
- President of the Indian Institute of Banking and Finance



Lee Polisano, *Independent Director*

- Founding partner and President of PLP Architecture, UK; Fellow member of the American Institute of Architects
- Globally recognized for architectural and urban design work, emphasizing underlying concern for environment



Rajeev Bakshi, *Independent Director*

- Former MD & CEO of Metro Cash & Carry and formerly associated with Pepsico, Cadbury Schweppes
- Currently on the board of Cummins India, Dalmia Bharat Sugar



Harita Gupta, *Independent Director*

- Formerly associated with Microsoft and NIIT Technologies
- Currently leading APAC and Global Enterprise Business at Sutherland Global Services



Rajendra Lodha, *Whole-Time Director*

- 31 years of experience in all facets of real estate development
- Bachelor's degree in civil engineering from M.B.M. Engineering College, University of Jodhpur



Raunika Malhotra, *Whole-time Director, President - Marketing and Corporate Communications*

- 15+ years of experience in leadership, corporate strategic planning, consumer insights and brand management
- Formerly worked with ECS Limited and Adayana Learning Solutions in strategic consulting

Strong management team

24+  **Shaishav Dharia**
CEO – Townships, Director – GDI Platform
 ■ Formerly worked with McKinsey & Company and Logic Tools

23+  **Prateek Bhattacharya**
CEO – Western Suburbs & Thane
 ■ Formerly served as Expert Associate Principal at McKinsey and Co.

18+  **Rajib Das**
President - Eastern Suburbs & Navi Mumbai
 ■ Formerly worked with Godrej Group, Indiabulls Properties

30+  **Tikam Jain**
CEO – Pune
 ■ Grown at Lodha with 25 years of association, last position held as Head CPT

31+  **Rajendra Joshi**
CEO – Bangalore .
 ■ Formerly associated with Brigade Enterprises, Mahindra Lifespaces

25+  **Devender Singh Rawat**
CEO – GDI Platform
 ■ Formerly CEO of Bharti Infratel, also worked with Ericsson, Huawei

26+  **Sushil Kumar Modi**
Chief Financial Officer
 ■ Formerly worked at GMR, Aditya Birla Group & JSW Steel

24+  **Prashant Bindal**
Chief Sales Officer
 ■ Formerly part of Spice Mobility, Walmart India and Hindustan Coca Cola Beverages

28+  **Rajesh Sahana**
President – Customer Experience
 ■ Formerly worked with Globacom, Reliance Jio, Bharti Airtel, ABN Amro & Bank of America

24+  **Janhavi Sukhtankar**
President – Human Resources
 ■ Formerly held senior positions at Greenpeace International and Sanofi India

35+  **Rajesh Agrawal**
President - Procurement
 ■ Formerly served as Group CPO at Adani Ent. & held senior positions at RIL, JSW

19+  **Ramit Chopra**
Head – BD & Leasing, GDI Platform
 ■ Formerly worked with Embassy Industrial Parks, Indospace

27+  **Deepak Chitnis**
Chief Designer
 ■ Previously served as senior architect at Oberoi Constructions Pvt Ltd

27+  **Rajat Kumar Singh**
President- Finance
 ■ Formerly worked with Adani Group, Reliance Group & GMR

27+  **Shyam Kaikini**
President – Hospitality & Property Management
 ■ Formerly associated with Taj Hotels, Jumeirah International

30+  **Mark Griffiths**
Head – Pre-Constructions, QA & EHS
 ■ Formerly worked with Leighton Contractors, Baulderstone & Hornibrook

25+ **Const. Mgmt. Team**
 ■ **Satish S:** Ex-Arabtec.
 ■ **Shrikanth K:** Ex- Phoenix
 ■ **Yogendra B:** Ex- L&T
 ■ **Brijmohan C:** Ex-Arabtec

25+  **Bhaskar Kamat**
Chief Land Officer, GDI Platform
 ■ Formerly worked with DLF, Godrej Properties

Our Sustainability Strategy: *Do Good, Do Well*

Identify initiatives that enhance our impact and brings together our larger set of stakeholders to partner in the journey with us

OUR ESG GOALS

E → Ensure sustainability in our product and operations by positively impacting the natural environment

S → Positively impact our people and community through utmost respect for human rights, diversity and inclusion

G → Drive industry transformation by leading ethically and bolstering trust through high degree of transparency & accountability



Know more about [Sustainability at Lodha](#)

We are *best-in-class* globally when it comes to measured ESG performance



S&P Global Corporate Sustainability Assessment 2023

Second highest CSA score out of ~200 companies in Real Estate Management and Development industry (as on 22nd Sep 2023)



GRESB Development Benchmark 2023

Ranked 1st in Asia with a 5-star rating and score of **100/100** in the category **Residential: Multi-Family | Listed**



GRESB Standing Investments Benchmark 2023

Ranked 8th in Asia with a 5-star rating and score of **90/100** in the category **Diversified - Office/Retail | Listed**



Sustainalytics

Received **ESG Risk Rating of 13.8**, was assessed to be at “**Low-Risk**” category of ESG risk severity. Globally **ranked 9th** in the Real Estate Development sub-industry.



WBA Buildings Benchmark

Ranked **4th** among the 50 keystone buildings sector companies globally



FTSE4Good

FTSE4Good Index Series

Included in the **FTSE4Good Index Series** in the June 2023 index review

Our *commitment* to Sustainability: Progress across key focus areas

Environment

- Organized the first edition of **RMI-Lodha Sustainability Conclave** in September 2023; Brought experts together for co-creating actionable strategies which can accelerate net-zero transition of the built environment
- Green Certification received for **~42.6 million sqft** across projects; process ongoing for **~49.4 million sqft** across **35 residential projects**
- **98% of renewable energy share** in our total energy consumption, across construction activities and standing assets as of Sep-23
- **~3 MWp** of on-site solar panel installations completed and work-in-progress

Social

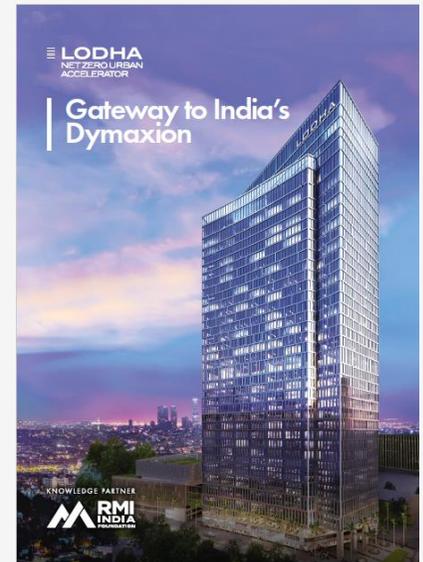
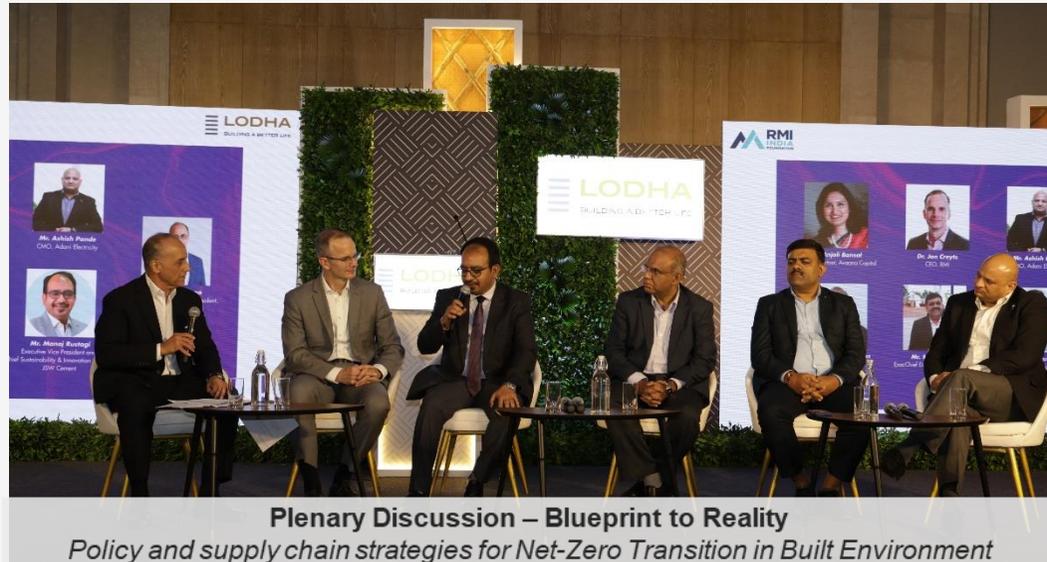
- First batch of ~100 students of [Lodha Genius Programme](#)
- Launched the **Lodha Development Centre (LDC)** to impart hands-on training and new age practical knowledge to our associates
- Received **Great People Managers Awards 2023** in association with **Economic Times and NHRDN** (National Human Resources Development Network)

Governance

- Robust **Enterprise Risk Management Framework** to proactively manage key risks to ensure growth with stability
- Robust **policies, procedures** and **internal controls** in place, which are reviewed and updated periodically
- Maintained global leadership position across **sustainability benchmarks** through regular **transparent reporting**
- **Highest level of disclosures – only company reporting Embedded EBITDA Margin on its Pre-sales**

RMI-Lodha *Sustainability Conclave*

RMI-Lodha Sustainability Conclave: Two-day event serving as a platform for industry experts and visionaries to synergise and create actionable strategies for accelerating Net-Zero transition of the built environment



Net Zero Urban Accelerator
– joint initiative by Lodha & RMI established with a vision to redefine urban development and lead India's transition towards Net Zero by 2070



Five focus areas: **Embodied Carbon, Passive and Active Cooling Solutions, Equipment Efficiency, Clean Energy and Clean Mobility**



First edition of **RMI-Lodha Sustainability Conclave** organized in Sep '23, bringing together visionaries to co-create solutions for a low-carbon future



Launched '**Gateway to India's Dymaxion**' – a publication highlighting initiatives by the Accelerator, to build integrative sustainable solutions at city scale

ABOVE IT ALL

06 Annexure

Significant opportunity to scale up in other micro-markets of MMR

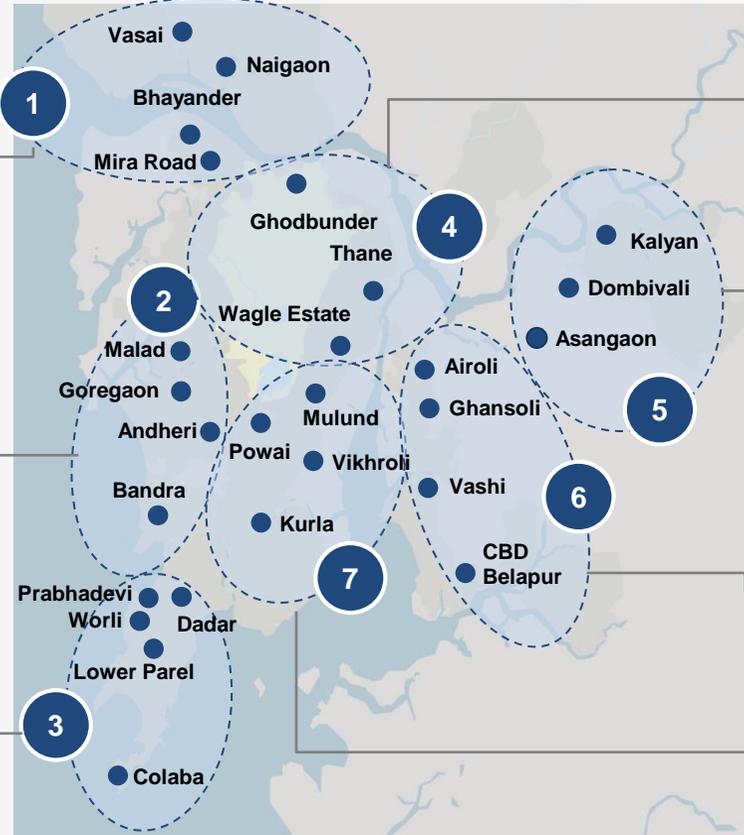
Market leading position in most micro-markets, with potential for growth in other regions

Market share by absorption in INR bn

1. Extended Western Suburbs	
Developer	Market share (%)
First	12.3%
2 LODHA	5.4%
Third	4.8%
Absorption: INR 24bn	

2. Western Suburbs	
Pre-IPO, had limited presence	
Added 5 projects with GDV of INR 52bn	
Absorption: INR 170bn	

3. South Central Mumbai	
Developer	Market share (%)
1 LODHA	33.9%
Second	13.4%
Third	9.9%
Added 7 projects with GDV of INR 177bn	
Absorption: INR 126bn	



4. Thane	
Developer	Market share (%)
1 LODHA	19.6%
Second	11.9%
Third	7.7%
Added 2 projects with GDV of INR 15bn	
Absorption: INR 101bn	

5. Extended Eastern Suburbs	
Developer	Market share (%)
1 LODHA	20.2%
Second	4.8%
Third	3.4%
Absorption: INR 73bn	

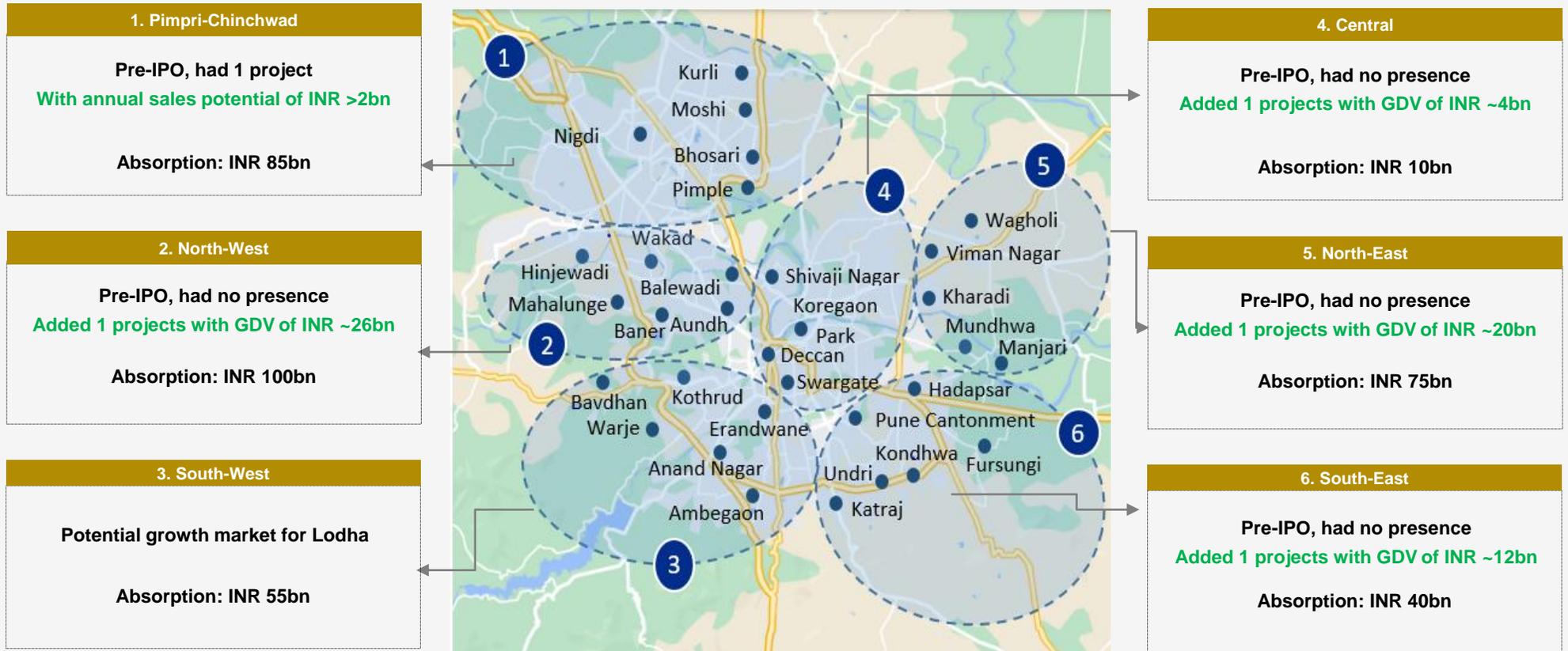
6. Navi Mumbai	
Potential growth micro-market for Lodha	
Absorption: INR 111bn	

7. Eastern Suburbs	
Pre-IPO, had no presence	
Added 10 projects with GDV of INR ~175bn	
Absorption: INR 173bn	

Tied up INR ~403bn of GDV and development potential of ~20 msf across 24 projects in various micro-markets of MMR

Pune - fourth largest housing market of India...

Accelerating growth in INR 365bn market by establishing presence across multiple locations



Tied up INR ~60bn of GDV with development potential of ~7.6 msf across four projects in various micro-markets of Pune

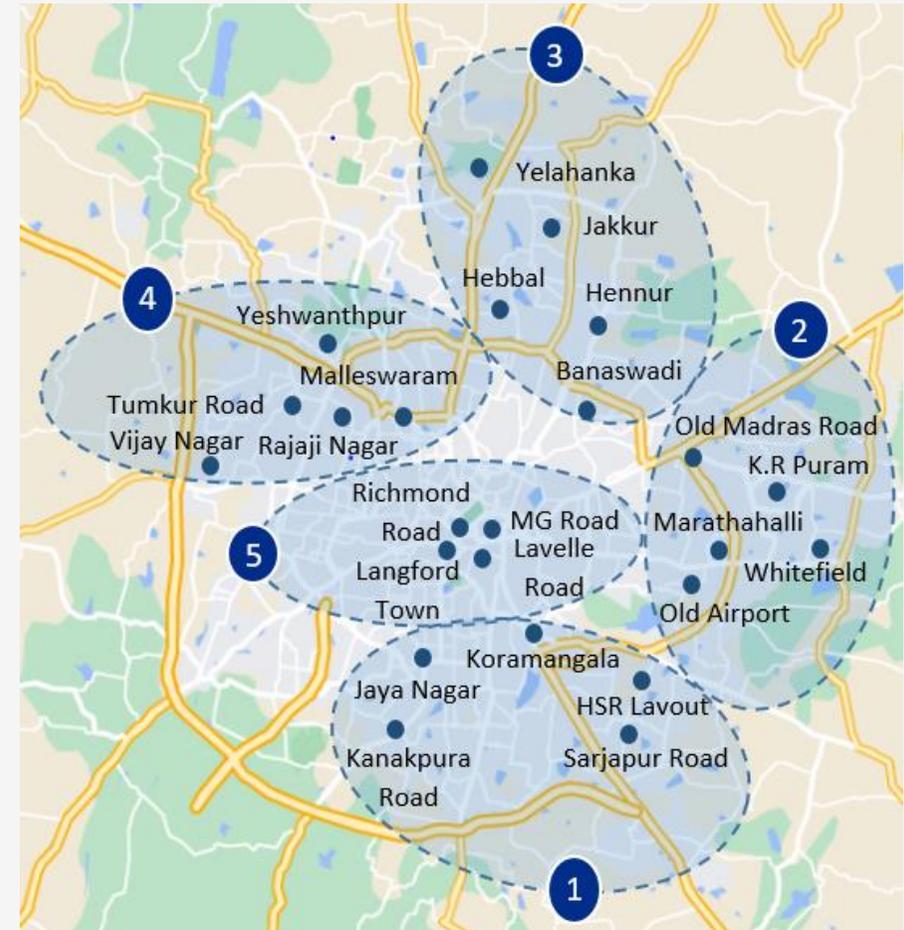
...will contribute to growth in a sustainable manner

- ✓ Large & resilient market with a play on IT and manufacturing sector upswing
- ✓ Historically, we have only present through Lodha Belmondo in Pune (Pimpri-Chinchwad)
- ✓ Signed four projects at NIBM, Hinjewadi, Bund Garden & Kharadi; advanced stage of signing definitive documents for multiple projects
- ✓ Multiple successful launches reflects strong recognition of brand Lodha
 - Bella Vista, off NIBM Road (South-East) in Aug'21, sold INR 7.5bn in 25 months (69% of launched inventory)
 - Giardino at Kharadi (North-East) in Nov-22, sold INR 8.3bn in 11 months (64% of launched inventory)
 - Panache at Hinjewadi (North-West) in March-23, sold INR 5.5bn in 7 months (57% of launched inventory)
- ✓ Medium term aim to capture ~15% market share

Entered Bangalore housing market...

Market size: INR ~400bn

	Micro-market	Market Size (INR bn)
1	South	185.0
2	East	80.0
3	North	112.0
4	West	20.0
5	Central	3.0
	Total	400.0



...strategic choice to ensure brand presence in market with good long-term prospects

- ✓ Key reasons for entering the market
 - Fragmented market with Top 5 players accounting for ~30% market share
 - Market with steady sales
 - Core hub for Technology in India
- ✓ Signed two projects through JDA with development potential of ~2.3 msf and GDV of INR 20bn; targeting to launch both in FY24
- ✓ Creating dedicated team with local capability based in Bengaluru
- ✓ Focus on gradual growth focused on capital light JDA model

Supply side consolidating - unlikely to keep pace with accelerating demand

Consolidation wave due to policy reforms and liquidity crisis...



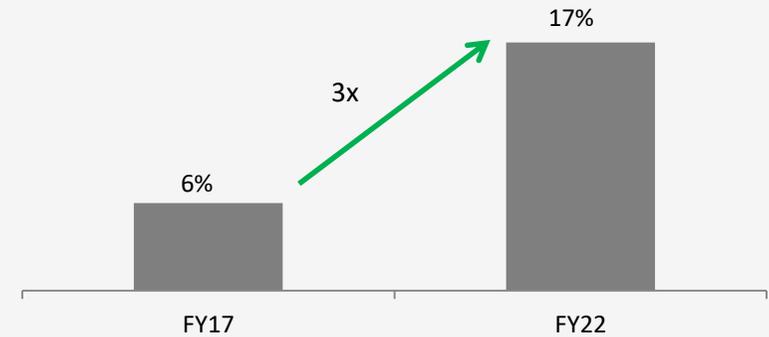
Remaining Tier - 2 & 3 players develop:

- ✓ Small-sized projects (< INR 5bn)
- ✓ One at a time
- ✓ Take longer (5-7 years) to complete

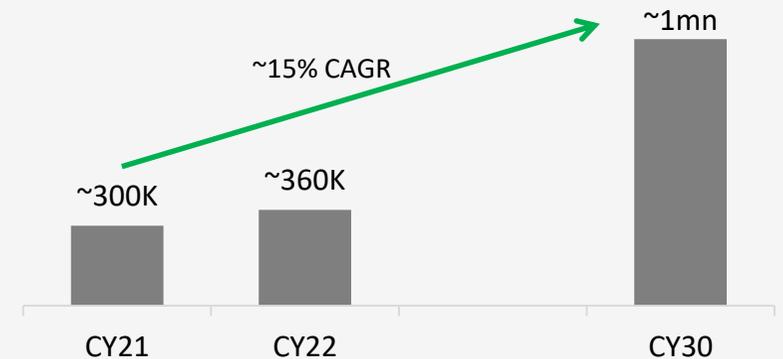
Multiple forces leading to consolidation

- ✓ Regulatory push: **RERA, Demonetization, GST, Amendment to Benami Act.**
- ✓ Funding squeeze for Tier – 2 & 3 developers:
 - NBFC's exiting market after large losses – wholesale lending bubble popped after IL&FS implosion
 - Inability to **sell during construction**
- ✓ Consumer loss of confidence with Tier – 2 & 3 developers:
 - Having **burnt their lifetime savings**
 - **Failure to deliver or untimely delivery** with poor quality

...has led to market share gains for listed developers



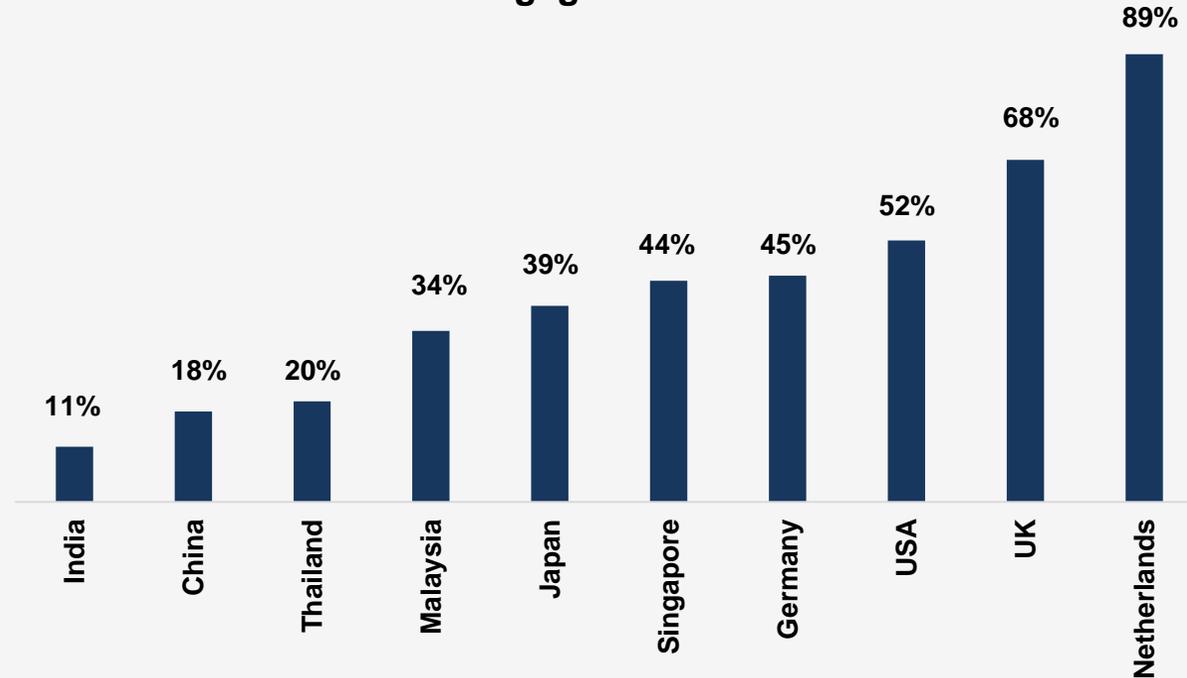
Housing sales in top cities to reach 1mn by 2030



Steady as it goes: Mortgage an enabler, not inducer of demand

- ✓ Conservative Central Bank, low risk mortgage market: LTV < 85%, no teaser rates
- ✓ Rate cycle seem to have peaked; pivot likely in 2HFY24
- ✓ Strong performance of mortgages through all parts of the cycle - Intense competition for safe haven mortgage assets leading to plentiful availability
- ✓ A floating rate product; rate cycle well understood by homebuyers. Interest rate change modifies tenure, not EMI
- ✓ Salary growth of 8-10% enables mortgage repayment in 7-8 years

Mortgage as % of GDP



Low penetration of mortgage provides significant room for growth

Housing sales driven by fundamental need and nominal price growth, not by mortgage inducement

Low risk to margins from construction cost inflation

- ✓ Construction costs typically forms 25% to 45% of the sales price
 - Of which, one-third is related to low skilled and semi-skilled labor: plentiful supply though migration from rural areas (250+ mn people estimated to be 'underemployed' in agriculture). Hence, labour inflation is low and keep inflation from being 'sticky'

- ✓ Commodity inflation, though often sharp, generally of short cycles as demand and supply adjust to new normal, bringing price moderation in the short term
 - Spurt in commodity price due to Russia-Ukraine war is reversing

- ✓ ~3 year period of construction provides flexibility to manage costs across the project lifecycle

- ✓ Ready and advance under-construction inventory provides hedge against the commodity price inflation

Construction cost – inflation moderation since Mar-22

Commodity/Component	% Share in total cost	Mar'21 to Mar'22		Mar'21 to Sep'23	
		% Change	Weighted Impact	% Change	Weighed Impact
Steel	12.9%	35.1%	4.5%	-2.0%	-0.3%
Flooring Tiles	5.0%	23.9%	1.2%	15.3%	0.8%
Electrical/Plumbing	11.8%	10.1%	1.2%	4.9%	0.6%
Labour	34.4%	3.0%	1.0%	4.9%	1.7%
External Windows	3.9%	21.9%	0.8%	7.8%	0.3%
RMC + Cement	10.5%	6.3%	0.7%	15.5%	1.7%
Lifts & Elevators	3.3%	16.6%	0.5%	37.7%	1.2%
Carpentry Materials	3.5%	15.5%	0.5%	5.6%	0.2%
Painting	3.8%	13.1%	0.5%	32.7%	1.1%
Overall			~13.7%		~10.3%

Construction cost increase since 1st April 21 at ~4% annualized rate (expected to continue moderating)

This, in turn, implies impact on COGS of <2% p.a. for our portfolio

Multiple benefits of consistent housing price increase below wage growth

- ✓ Improves affordability leading to increased volumes
- ✓ Leads to significant wealth creation for home owning middle class (*'Wealth Effect'*)
 - Boosts consumption as consumer confidence increases
 - Housing is a vehicle for generating *retirement surplus*; rising home prices enable older population to maintain spending power
 - Creates an *inflation hedge* especially for young home owners
- ✓ Rising home prices have a positive impact on the housing and allied industries which in turn has a big multiplier effect on the economy
 - Has the highest labor to output ratio
 - Housing is among the largest employment generators
 - Has among the biggest multiplier effects on SME segment through supply chain
 - Highest ability to pull the unskilled masses from the farm & convert them into skilled workforce over time

Key affordable & mid-income projects delivered

Unique ability to create destinations



Lodha Upper Thane



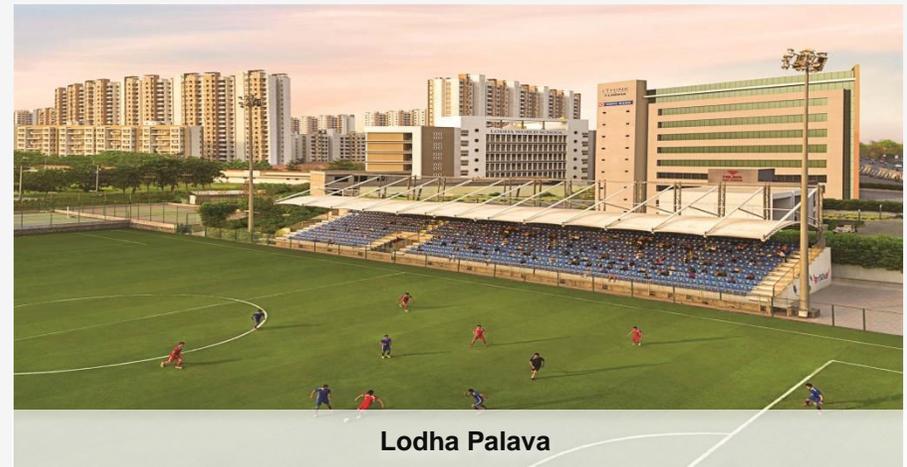
Lodha Belmondo



Lodha Splendor



Lodha Amara



Lodha Palava

Key premium & luxury projects delivered

Unique ability to create destinations



Lodha Altamount



New Cuffe Parade



World Towers



Lodha Park



Disclaimer

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Macrotech Developers Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Thank You!

For any further information, please write to investor.relations@lodhagroup.com