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CIN No.: L17100MH1905PLC000200

September 26, 2020

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot C/1, G-Block
Bandra-Kurla Complex, Bandra East,
Mumbai- 400051

Security code: 503100

Symbol: PHOENIXLTD

Dear Sir(s),

Sub: Chairman's Speech at the 115th Annual General Meeting

We enclose a copy of the Chairman's Speech delivered at the 115th Annual General Meeting of the Company held on September 25, 2020.

You are requested to take the same on record.

Thanking you,

Yours' faithfully,

For The Phoenix Mills Limited

**Gajendra Mewara
Company Secretary**

Encl: a/a

Mr. Atul Ruia, Non-Executive Chairman – The Phoenix Mills Limited

I am pleased to share that despite the challenging business environment, especially for our core retail portfolio, we launched our latest mall, Phoenix Palassio in Lucknow on 8th July 2020. This was a brownfield acquisition, which we took over in August 2018 and were ready to commence operations in less than 21 months in March 2020, however we had to defer the launch due to the ongoing crisis. It is the first of the five new launches spread over 5 million square feet across top urban Indian cities. Phoenix Palassio has total leasable area of 0.9 msf and offers our patrons a never seen before opulence and luxurious experience. It is emerging to become an important district consumption hub in the region. Launching Phoenix Palassio in these times is a testament to our commitment to serve all our stakeholders and communities where we operate.

Today, as we speak, all our retail assets have become operational again and their performance has been encouraging. We have implemented the best safety standards to ensure consumer safety across all our assets. The current consumption trends and trajectory give us the confidence that consumption will normalize in the near term. Approximately 93% of the permissible area across our malls which were operational prior to the government notification of lockdown has now become operational. Speaking of our flagship asset High Street Phoenix & Palladium in particular, we are seeing consumption levels reach almost 60% of the corresponding months of last year. Many of the brands are demonstrating sales close to their pre-covid consumption levels and few have surpassed their last year consumption numbers.

Further, we have launched several new digital initiatives. We have embarked on enhancing the digital presence of our malls across the country to provide personalized online services such as curb-side pickup, home delivery of merchandize, contactless dining, contactless payments, priority appointments, personal shopping assistant with a virtual tour of store merchandize and concierge services, etc. to our customers through multiple digital initiatives like the Phoenix Nhance App & The WhatsApp Chatbot. These initiatives converge to boost customer loyalty & rewards, improve customer convenience, increase consumption at our centre, thereby adding to our rental income. This will be an important driver of growth in the

coming years and we can expect meaningful contribution to our consumption through this channel in the medium term.

These strategic initiatives that we carry out across our existing malls to enhance customer experience translate into higher consumption and consequently strong organic growth in rent & EBITDA. In addition, there remains a substantial unutilized development potential across several of our mixed use developments to further densify the retail & office spaces. With no further cost of land at these existing developments, this densification opportunity to expand our footprint is available at low incremental costs which can significantly boost overall profitability.

The Company recently concluded the qualified institutional placement as a part of the corporate equity fund raise exercise in the month of August 2020 and raised Rs. 1,100 crores from leading foreign and domestic institutional investors. We received an overwhelming response from our existing shareholders as well as new shareholders who we welcome on board. The capital raised will allow the Company to maintain a robust balance sheet with sufficient liquidity in the short-term and will provide the impetus to explore inorganic growth opportunities which will further help the Company to bolster its market leading position in the sector in the medium term as situation around us normalizes.

Coming to the consolidated financial performance for FY2020, retail consumption was at Rs. 6,931 crores, up 1% year on year. Aggregate retail income was at Rs. 1,020 crores, up 3% year on year. Retail EBITDA was at Rs. 977 crores, up 3% year on year. Commercial income was at Rs. 114 crores, up 29% year on year. Income from hospitality and others was Rs. 349 crores, down 3% year on year. Consolidated revenue from operations was Rs. 1,941 crores, down 2% year on year. Consolidated debt was Rs. 4,573 crores as on 31st March 2020. We had availed moratorium offered by our banking partners as per the RBI guidelines for a period of 6 months across all our entities and have now started paying the banks from this month. We are confident of servicing our debt and the current low interest rate environment along with the moratorium offered by banks will help ease the burden on our balance sheet as the business gradually recovers from the pandemic.

The current pandemic presents us a “blue ocean scenario” somewhat akin to the global financial crisis in 2008. There was a time in 2006-07 when several malls were being built in India and most of these projects were shelved post the financial crisis. Your Company was one of the only few players to continue its growth plans. As the economy recovered and there was an increase in demand for quality retail space, your Company was best positioned to capitalise on the significant growth in consumption and trading densities for a sustained period post 2010 and continued to dominate despite increased competition in recent years. In the post COVID period, we anticipate that green shoots for the sector will be in tandem with revival in economic growth and the competitive landscape will be favourable due to limited competition and your Company can consolidate its leadership position for the next decade.

I would like to sincerely thank all the vendors, customers, banks and business associates who have supported your Company's business plans. I acknowledge and appreciate the critical role played by our employees in contributing towards the growth of the Company's business. Finally, on behalf of the Board, I would like to thank you, dear shareholders, for your continued support in the Company's growth. I take this opportunity to re-iterate our commitment to create value for all stakeholders with a renewed sense of optimism, confidence & ambition.

Thank You.