



TRANSCRIPT OF 3rd ANNUAL MEETING OF UNITHOLDERS OF MINDSPACE
BUSINESS PARKS REIT



Chanda Makhija Thadani

Good afternoon, ladies and gentlemen. I, Chanda Makhija Thadani, Compliance Officer of K Raheja Corp Investment Managers LLP, Manager to Mindspace Business Parks REIT extend a warm welcome to all unit holders to the third annual meeting of Mindspace Business Parks REIT held through electronic means in accordance with SEBI (Real Estate Investment Trusts) Regulations, 2014, read with relevant circulars issued by SEBI. The facility to join this meeting through electronic means has been made available for unit holders. The unit holders who have joined this meeting are kept on mute mode by the moderator to avoid any disturbance during the meeting.

Before we proceed further, I would like to introduce the members of the Governing Board of K Raheja Corp Investment Managers LLP, acting as Manager to Mindspace Business Parks REIT, who have joined this meeting.

-Mr. Deepak Ghaisas Independent Member and Chairperson of the Governing Board the Stakeholders Relationship Committee and the Investment Committee and also member of the Audit Committee. Mr. Ghaisas shall also preside over this meeting as the Chairperson.

-Mr. Bobby Parikh, Independent Member and Chairperson of the Audit Committee and the Nomination and Remuneration Committee and Member of the Risk Management Committee.

-Mr. Ravi Raheja, Non-independent, Non-Executive Member of the Governing Board and Member of the Stakeholders Relationship Committee.

Mr. Neel Raheja, Miss Manisha Galhotra and Mr. Manish Kejriwal, Members of the Governing Board are not able to attend this meeting due to their prior commitments and have conveyed their sincere regrets.

With us, we also have Mr. Vinod Rohira, Chief Executive Officer and Ms. Preeti Chheda, Chief Financial Officer of the Manager to Mindspace Business Parks REIT. The representatives of the Trustee, Statutory Auditor, Secretarial Auditor and Scrutinizer have also joined this meeting. The meeting will commence with the Chairperson addressing the unit holders of Mindspace Business Parks REIT. It will be followed by a presentation from Mr. Vinod Rohira, Chief Executive Officer on the operational and financial performance of Mindspace Business Parks REIT for the financial year 2022-23.

During this meeting, if a unit holder faces any technical issue, he or she may contact the helpline number mentioned in the notice, which is 1-800-309-4001. I repeat the helpline number 1-800-309-



4001.MindSpace Business Parks REIT has engaged KFin Technologies Limited for hosting this meeting through electronic means and also for providing remote e- voting and E- voting facility at this meeting. M/s. Aabid and Co., Practicing Company Secretaries have been appointed as the scrutinizer by the manager to scrutinize the remote e-voting and e-voting during the meeting to ensure that the same is carried out in a fair and transparent manner. The notice of this meeting and annual report for the FY23 along with login credentials have already been circulated to the eligible unit holders. Notice and the annual report are also available on the website of MindSpace Business Parks REIT, BSE Limited and the National Stock Exchange of India Limited. The cutoff date fixed for identifying the unit holders who shall be eligible to vote through Remote E voting facility and for participation and voting at this meeting was June 28, 2023. Further, the facility of Remote E voting in respect of the business to be transacted at this meeting began at 9:00 AM on July 1, 2023, and ended at 5:00 PM on July 4,2023 and has now been disabled.

As all the resolutions mentioned in the notice of the annual meeting have already been put to vote through voting, there will be no proposing or seconding of the resolutions. Similarly, the facility for appointment of proxy and voting by show of hands by the unit holders is also not available for this meeting. The facility to express views or ask questions during this meeting was provided to the unit holders by registering themselves from 9:00 AM on July 1, 2023, to 5:00 PM on July 3, 2023. Once the question-and-answer session commences, the moderator will announce names of the unit holders who have registered as speaker unit holders one by one. Unit holders who have not registered their queries through speaker registration can raise their queries through chat box during the meeting. With this I hand over the proceedings of the meeting to Mr. Deepak Ghaisas, Chairperson. Over to you Sir.

Deepak Ghaisas

Thank you, Chanda. Since the requisite quorum is present, I call this meeting to order.

I approve and authorize the commencement of the E voting during the meeting which shall remain open till 15 minutes after the conclusion of proceedings of this meeting. Request moderator to confirm the opening of voting.

Moderator

Sir, we confirm opening the E voting process.

Deepak Ghaisas

Thanks. A very warm welcome to everyone to the third Annual Meeting of MindSpace Business Parks REIT. At the onset, on behalf of the MindSpace REIT Board of Directors, I would like to thank you all for your continued trust, encouragement and support to the MindSpace REIT and its management.



After a challenging post pan-pandemic period, FY23 has been a year of return to normalcy. After constant debates on evolving workplace strategies, in India we are seeing offices emerging as the preferred work destinations. The need for ideation, collaboration and enhanced productivity is encouraging organisations to get their employees back to work. This is also demonstrated by the increase in physical occupancy at our parks from less than 10% in September 20 to 56% in April 23. In FY23, our business delivered a strong performance backed by improved occupancy at our Parks:

- Our Revenue from Operations for FY2023 excluding one-time compensation grew by 16.6% year-on-year (YoY) to INR 2,050 Crore
- Our NOI for FY2023 grew by 13.2% YoY to INR 1,692 Crore excluding the impact of one-time compensation

As a result of this strong performance, we have delivered distributions of INR 1,133 Crore or INR 19.1 per unit for the full year FY2023. Further, we continued to be judicious in our capital management and maintained our strong balance sheet and remain ideally positioned to capitalise on growth opportunities. We continue to focus on creating long-term value for our unitholders through sustainable business practices.

Business Performance

During the financial year 2022-23, we achieved gross leasing of over 4 million square feet. We started the year with a committed occupancy of 84.3%, which rose by about 470 bps during the financial year to approximately 89%. We added over 30 new tenants in the portfolio since IPO, taking the total to over 200 tenants across sectors like IT, BFSI, Telecom & Media, Engineering & Manufacturing, and Healthcare, amongst others. As per the reports from International Property Consultants, Calendar Year 2022 was second best year for commercial real estate in India. Unlike Global markets, which are still below pre-Covid levels, the Indian office market has bounced back. The vast availability of STEM talent, strong IT industry, offshoring capabilities, growth of BFSI industry and overall growth of the country has made India among the most promising markets for cutting-edge technology support services at a very attractive cost base. Global Captive Centers (GCCs) & Global In-House Centers (GICs) looking for a reduction in costs and higher productivity along with young talent will continue to push forward the hiring process shortly. This is expected to result in a need for expansion and consolidation. With the global recessionary environment forecasted, we expect the demand for Indian office spaces to reactivate once the global economic conditions stabilize.

Asset upgrades and portfolio growth

Providing our tenants with new age workspaces to meet the changing needs of millennials, with high standards of health and safety, has always been our



focus. Towards this, we expeditiously executed the business strategy of re-energizing our Parks during the pandemic period, keeping them ready for a whole new experience with enhanced energy efficiency, wellness, ease of navigation and safety. We were able to carry out this complex task seamlessly during the downtime with minimum discomfort to our tenants. Organizations today desire to provide best in-class work environments to their employees that they would look forward to visit every day. Post the pandemic we have evidenced the shift in demand towards quality grade-A assets managed by institutional asset managers with highest levels of safety and health standards. This has helped us clock gross leasing of over 4 msf for the second consecutive year across our Parks. The Committed Occupancy at our Parks in Pune, BKC and Malad is near 100%. Our Parks in Madhapur and Porur have also seen the committed occupancy rise close to 95%. Healthy demand for our upgraded offerings at these locations has encouraged us to bring forward the timelines of future development in Pune and also undertake redevelopment of existing buildings at our Mindspace Madhapur Park to create long-term value for our stakeholders. I am happy to inform our unitholders that the portfolio size of your REIT has grown from 29.5 million square feet at the time of listing in August 2020 to 32.0 million square feet at the end of FY23 as a result of these initiatives. We continue to explore other growth opportunities within the Portfolio and gear up to capitalise on third-party acquisition opportunities once markets stabilise. Our Sponsors continue with new developments across key office markets, which could provide Mindspace REIT with opportunities for growth through these potential acquisitions. We expect the Government to bring about the much-awaited SEZ Policy reforms which would help us unlock the vacant spaces in the portfolio and help revenues grow. Representations from Industry Associations have been made to the Government to effect the policy overhaul at the earliest. This would not just help bring back the demand for these office spaces but would also help the Government generate tax revenues and create employment opportunities.

Financial Performance

With regard to our financial performance for the financial year 2022-23, our Revenue from Operations for FY23 grew by 16.6% YoY excluding one-time compensation to INR 2,050 Crore. Adjusting for one-time compensation received from a tenant in Q3 FY23, the Net Operating Income (NOI) stood at INR 1,692 Crore recording a growth of 13.2% YoY. Our in-place rentals have grown by 5.7% YoY to INR 65.2 per square feet per month. We have distributed INR 1,133 Crore as dividends during the year i.e. INR 19.1 per unit which translates into an annualized distribution yield of 6.9% on the issue price. Central banks across the globe including India had raised interest rates significantly during FY23. However, on account of low LTV, AAA-rated credit profile and prudent debt management strategy we have been able to mitigate the impact of rate hikes. Our cost of borrowings which stood at around 6.6% at the end of FY22 rose by only about 100 bps to around 7.6% at the end of FY23 despite the 250 bps hike in policy rates by RBI in the same period. During



the financial year we raised an aggregate INR 1,540 Crore through bonds spread across 3 and 5-year tenure. We aim to optimize our debt portfolio to navigate the current interest rate environment by maintaining a mix of fixed and variable-cost borrowings spread across varied maturities. Our prudent approach to capital deployment, strong balance sheet with low debt, optimum capital structure, and the ability to generate free cash flow gives us comfortable headroom for growth and enables us to create long-term, sustainable value for unitholders. Governance and sustainability continue to remain our focus areas in delivering long-term performance.

ESG Integration, a necessary step for the future:

At Mindspace REIT, we are deeply committed to building sustainable ecosystems that benefit the environment, communities, and stakeholders. Our values of sustainability, positive relationships with people and communities, and responsible conduct, stand at the core of our business. We are constantly evolving to ensure our operations have a positive impact on the world around us, contributing to the greater good. We stand committed to creating vibrant spaces that promote well-being, collaboration, creativity and conducive environments for businesses to thrive. By embodying these values, we strive to build a better world for the present and future generations. As a result of our unwavering commitment to sustainability, over 95% of our Portfolio is at least Gold or Platinum-rated by Indian Green Building Council (IGBC)/Leadership in Energy and Environmental Design (LEED). Post the pandemic, there has been a paradigm shift in perspectives towards sustainability. It has pushed organizations to intensify efforts in combating material ESG issues around their businesses. We are firmly committed to driving holistic value creation for the environment, society, and our organization, by integrating an ESG-led approach. We released our second ESG report in June 2023 demonstrating our efforts on ESG front. It gives me immense pleasure to announce that Global Real Estate Sustainability Benchmark (GRESB) ranked us 4th within Office in Asia on Development Benchmark which is a testament to our focus on sustainability. Mindspace REIT received a 5-star rating in the GRESB Assessment, with a score of 94/100 for its Development Projects and achieved a 4-star rating, scoring 81/100, for Standing Investments. We received WELL Health and Safety building for 41 Buildings across the Mindspace portfolio. We have implemented one of the best standards of health and safety protocols across all our assets. We have completed the re-certification of 7 assets, all of which achieved the British Safety Council 5 Star Rating and received the prestigious Sword of Honour for the year 2023. The British Safety Council is a UK-based non-profit organization that is dedicated to promoting workplace health, safety, and environmental management. To further our commitment to sustainable business practices and be at the forefront of ESG evolution in our industry, we recently concluded the issuance of India's first REIT level Green Bond. The proceeds from this fund-raise were utilized towards refinancing loans availed by one of the Asset SPVs to fund the eligible green projects. We also released our inaugural green



financing framework under which Mindspace REIT and / or its Asset SPVs may undertake issuances of green debt securities in the form of bonds or debentures. The Framework is aligned with the Green Bond Principles developed by the International Capital Markets Association (ICMA). Mindspace REIT is 'Great Place to Work' Certified for the second consecutive year. A number of initiatives by our management and changes in the policy front are being undertaken for the benefit of our employees. We are encouraging more women to take up leadership roles across the organization and have launched several initiatives to aid the same such as 'Sheroes' that will serve as a platform for women to take the next step up in their careers with us. I am proud to inform you that 32% of our senior management workforce comprises women which is amongst the highest in the industry. Transparency with all stakeholders is the guiding principle of our governance framework. Our Governing Board comprises a majority of independent members.

Before I conclude, I would like to convey my appreciation for Mindspace team, who stepped up, stayed agile, and delivered results. While FY23 has been a strong year for us, we remain cognizant of the evolving economic challenges in the western part of the world, which may have a bearing on office demand. Although the IT industry is facing some headwinds, they are still hiring, albeit at a slower pace. With the attrition rate now stabilizing, employer-employee dynamic has now started favouring employers, allowing them to affirmatively action-out return to work plans. We are confident that our management team's experience which spans across several decades would help us encash the opportunities and navigate the current environment. On behalf of the board, I would also like to thank all our valued stakeholders, including customers, vendors, bankers and unitholders for their consistent and resolute cooperation and trust. With your sustained trust in us, and our able leadership we shall strive to deliver value for our unit holders. I seek your support and look forward to continuing this journey and creating value in the times to come. Stay well. Thank You

Now I would like to request Mr. Vinod Rohira to make a short presentation on the performance of Mindspace REIT for the financial year 2022-23.

Vinod Rohira

Thank you, Chairman, Sir. Good afternoon to all. I will run you through the short presentation on Mindspace.

Mindspace REIT is one of the largest Grade A office portfolios in India with a portfolio of 32 million square feet and an in-place rent of 65.2 with the same store committed occupancy of 89.1%, we have a portfolio of 32 million square feet totally with a mark to market potential that continues to remain at 8.3% and higher. Our portfolio is worth 280 billion and 92.7% of the market value is coming from completed assets. We've delivered a strong gross leasing and delivered



36.1% cumulative returns as of 31st of March 23. Our gross leasing since listing stood at 11.4 million square feet in FY23. New and vacant area leased in that period was 5.7 million square feet. We've added 40 plus tenants to our portfolio. We have delivered 1.9 million square feet of new developments in FY23 alone and another 2.5 million is currently under construction. From listing till date, we have distributed INR 47.1 is per unit.

In FY23, our gross leasing stood at 4.1 million square feet with 2.5 million in new and vacant area leased and 1.6 million released. 26.3% has been the releasing spread on the 1.6 million square feet re-let. We have achieved an average rent of ₹66 per square foot per month. On the financial highlights, as Chairman Sir expressed before this, we've distributed INR 11,327 million which is equal to INR 19.1 per unit for the distribution of FY23. Our NOI was INR 17,101 million recording a 13.2% growth YoY. We issued India's first REIT level Green Bond and raised INR 5.5 billion, which is a great achievement from our team. Our portfolio NAV is INR 371.9 per unit. The weighted average cost of our debt stood at 7.6% as on 31st of March 23. We continue to stay focused on ESG and sustainability and we want to be at the forefront of this going forward to ensure that we are amongst the top companies in the world that are focused on sustainability.

We have added 6.7 million square feet of area cumulatively from financial year 2020 and the incremental development pipeline stands at 6.2 million square feet. As you can see the three images on the slide of under construction assets, these are buildings that are getting built between Puna and Hyderabad cumulatively, which will add close to 4 million square feet of supply. This is the new age look of assets that we are creating. These are designed for the well-being and happiness of employees that walk in and walk out of our parks. Cumulatively we have 250,000 employees of our tenants walking in and out of our parks at full capacity and we believe creating an environment of Healthy well-being happiness, entertainment, recreation and quality and health and safety goes a long way in encouraging top talent for India to continue to deliver as a place for tech talent to for the globe. And that's what we're continuing to aspire to build. This is just a representation of how ecosystems are changing, and master plans are getting geared to attract top talent to want to come and work in Mindspace These are some of the other amenities that we continue to create in are parks whether it is sports, recreation, food, entertainment. Our revenue from operations stood at INR 20,685 million for FY23 recording a growth of 16.6% and the NOI stood at INR 17,101 million recording a growth of 13.2%. Our gross debt stands at 55 billion. Out of that 47.5% is at a fixed rate. Out of the gross debt of INR 55 bn is in the form of 56.4% debentures, 2.2% in OD and LRDs are 41.4%. Our distribution per unit was INR 19.1 per unit for this year.



This is a representation of some of the ROFO assets which were represented as part of the offering. We are pleased to see them now significantly complete, the first one is in Hyderabad which is fully led and leased to Qualcomm as one of their world's best tech footprints and their largest in India. The second one is the first phase of the three buildings that is getting built in Chennai. The first one got handed over to Shell as their prime front and tech footprint for India in Chennai and the third one is a build to suit 800,000 square foot facility getting built for a client, as you can see in the image on the right-hand side, bottom. With this I'd hand this over back to Chairman Sir. Thank you very much.

Deepak Ghaisas

Yeah, thanks Vinod. I request Chanda to proceed with the meeting.

Chanda Makhija Thadani

Thank you, Sir. The report of the statutory auditors for the financial year ended March 31, 2023, does not contain any qualification, observation or any comment which may have any adverse effect on the financial reporting of Mindspace Business Parks REIT Accordingly, the said report is not required to be read out before the meeting. Now I would like to apprise the unit holders present at the meeting about the resolutions proposed in the notice for the unit holder's approval by simple majority.

Resolution number one, to consider and adopt the standard on Financial Statements and audited Consolidated Financial statements of Mindspace Business Parks REIT for the financial year ended March 31, 2023, together with the reports of the statutory auditors there on and the report on Performance.

Resolution number two, to consider, ratify and approve the appointment of KZEN Valtech Private Limited as Valuer.

Resolution number three, to consider and adopt the valuation report issued by KZEN Valtech Private Limited, the valuer for the valuation of the portfolio of mine space business parks REIT as on March 31, 2023.

Resolution number four, to consider and approve the sitting fees payable to the members of the Risk Management Committee.

Now, I would like to invite the moderator to call upon the names of the unit holders who have registered themselves as speakers for this meeting in case any questions are posed by unit holders through Ask a Question facility or chat box. Then the management would respond to such questions raised after the meeting is over via e-mail to the respective unit holders. In case any further clarifications are required, the unit holders can reach out to the Compliance Officer or the Investor Relations cell of the manager to mine space Business Parks REIT.

Moderator

Thank you, Sir. Our first and last speaker is Mr. K Bharat Raj. I request you to unmute your audio switch on your camera and proceed.



Mr. Bharat Raj is currently not available. So now I hand it over back to the Chairman.

Chanda Makhija Thadani Ok Thank you. The proceedings of the meeting along with the consolidated results of the remote e voting and E- voting during the meeting will be announced within 48 hours of the conclusion of the meeting and the said results along with the Scrutinizers report will be intimidated to the stock exchanges as per the applicable loss and will also be placed on the websites of Mindspace Business Parks REIT and Kfin Technologies Limited. Further, the transcript of this meeting shall also be made available on the website of Mindspace Business Parks REIT and Kfin Technologies Limited. I offer a vote of thanks to the Chairperson On behalf of all the unit holders and members of the Governing Board present at the meeting, I would now request the Chairperson to please give us closing remarks. Sir You're on mute.

Deepak Ghaisas Thanks Chanda. The voting facility will remain open for next 15 minutes to enable the unit holders to cast their vote who have not yet cast their vote on the resolutions and who are otherwise not part from doing so. Further authorize anyone of Chief Executive Officer or Chief Financial Officer or the Compliance Officer of the manager to accept, acknowledge and countersign the scrutinizers report in connection with the meeting and declare the result of the voting in accordance with the requirements prescribed under the applicable laws. I take this opportunity to thank all the unit holders and taking the time to join this meeting. I thank all board members and other invitees for attending this meeting. Please take care of yourself. Stay safe and stay healthy. I now announce the meeting as concluded. Thank you.