



Date: August 09, 2022

To The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai – 400 001 Scrip Code: 532784	To The Manager The National Stock Exchange of India Limited Exchange Plaza, Plot No C/1, G Block Bandra Kurla Complex Mumbai – 400 051 Scrip Code: SOBHA
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Dear Sir / Madam,

Sub: Press Release on the unaudited financial results for the quarter ended June 30, 2022.

Please find attached the Press Release on the unaudited financial results of the Company for the quarter ended June 30, 2022.

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Yours sincerely,

FOR SOBHA LIMITED



**VIGHNESHWAR G BHAT
COMPANY SECRETARY AND COMPLIANCE OFFICER**

SOBHA LIMITED

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For immediate publication

HISTORIC QUARTELRY SALES PERFORMANCE & CONTINUED DEBT REDUCTION

Bengaluru, August 9, 2022

SOBHA Limited today announced its audited financial results for the 1st quarter and Financial Year ended 2022-23. Brief highlights include:

- ▶ Highest ever quarterly sales value and volume with highest average sale price of Rs. 8,431 per sft
- ▶ Generated Rs. 2.27 billion free cash flow and corresponding debt reduction
- ▶ Net debt reduced to Rs. 21.10 billion from Rs. 23.37 in previous quarter; Net Debt to Equity now 0.84
- ▶ Disciplined growth strategy continues to improve operational performance across the organisation
- ▶ Healthy launch pipeline to capitalize significant future demand

SOBHA delivered yet another consecutive solid quarter with a 52% increase in quarterly sales YoY, marked by historic high sales numbers with strong operational performance that resulted in a sales of Rs.11.45 billion and a sales volume of 1.36 mn sft (up 67.7% YoY), thanks to demand across product segments, which continued to be dominated by Bengaluru.

Despite challenges arising out of the repo rate increases, higher input costs, the company recorded its highest ever quarterly sales since inception. The company was able to pass cost increases arising out of rise in input costs to customers, who continued to invest in the luxury segment and larger homes. The company also launched close to 2 million sft. of projects that will help sustain its sales momentum. In total the company's launch pipeline is at a healthy ~12 mn. sft.

Close monitoring of operations has helped improve and generate Rs. 2.72 billion of free cash with continued debt reduction by 10% QOQ, making the debt equity ratio lower to 0.84. Cashflow from real estate business improved 50% YOY to Rs. 1.87 billion.

Total Income of the company stood at Rs. 4.80 billion with Real Estate Revenues contributing Rs. 3.67 billion while the Contractual & Manufacturing segment generated revenues of Rs. 1.08 billion.

Mr. Jagadish Nangineni, Managing Director, SOBHA Limited observes, "We have had consecutive four remarkable sales quarters in an inflationary environment boosted by demand from discerning customers who desire the best quality homes. This showcases strong customer confidence, improved affordability and increased aspiration for high quality homes in integrated communities. Sobha has always, consistently focused on delivering exceptionally executed products, and in time. Our future launches will continue to see traction as the demand for the luxury segment and larger houses takes front seat. Our focus on operational excellence has resulted in superior cashflows resulting in lower debt, a reduction of Rs. 940 crore in the last seven quarters. Our contract & manufacturing verticals have seen improved performance with increased construction activity. Our integrated 'design to delivery' backward integration model continues to fuel our excellence and enhance competitiveness. Technology improvements, along with people training will further optimize our operations in a process driven environment, while being more nimble footed to meet changing market needs."

SOBHA Ltd. continues its focus on relevant product offering, best-in-class construction quality and timebound execution. As always, the company endeavours to delight home buyers and exceed their expectations, which has earned SOBHA Ltd.



the recognition and reputation of delivering best quality homes in the market. To boost operational efficiency and agility, the company is enhancing its focus on digitalizing its processes. The company's self-reliant 'Backward integration' model continues to help deliver products on time and quality, while enhancing its execution capabilities and ability to address future growth opportunities.

Exceptional Execution: SOBHA's superior execution capability is its core strength. The company currently has ongoing real estate projects aggregating to 32.51 million square feet of developable area across 10 cities and ongoing contractual projects aggregating to 3.09 million square feet under various stages of construction across 6 cities. As on 31st March 2022, the company has delivered about 120.08 million square feet of developable area. The company has a real estate presence in 10 cities, viz. Bengaluru, Gurugram, Chennai, Pune, Coimbatore, Thrissur, Kozhikode, Kochi, Gujarat (Gift City) and Mysore and contractual in 26 cities. Overall, SOBHA has footprint in 27 cities across 14 states across India.

About SOBHA Limited: Founded in 1995, SOBHA Limited is one of the fastest growing and backward integrated real estate brands in the country. The SOBHA DNA hinges on customer-centricity built on a foundation of strong values of trust and transparency. The unwavering commitment to continually raising and bettering quality standards through relentless execution and technology adaptation have helped deliver over 120 million square feet of developable area across residential, commercial, and contractual projects. The company lays strong emphasis on sustainability and highest safety standards, and epitomizes 'Passion at work', engrained in each of the 3000 plus strong Sobhaites across its offices and manufacturing units.

For further information, please contact:

SOBHA Limited

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