

MEDIA RELEASE

SHRIRAM PROPERTIES REPORTS STRONG PERFORMANCE IN Q3FY22

Strong growth in revenues and profitability during Q3FY22; Reports positive net earnings in its maiden quarterly results post equity listing

BENGALURU, February 14, 2022: Shriram Properties Limited (“SPL”), a leading residential real estate developer in South India, announced its financial results for the third quarter ended December 31, 2021.

The Company has reported sales volumes¹ of 1.03 msf for the quarter ended December 31, 2021 (“Q3FY22”), supported successful launches. Quarterly collections have grown 29% year-on-year (“YoY”) to Rs.314 crs while construction spending has gone up 94% YoY in Q3FY22, demonstrating focus on project execution.

The Company has reported strong financial performance for the quarter as well. Total revenues have gone up 38% YoY to Rs.130.1 crs in Q3FY22. EBITDA at Rs. 53.2 crs reflects a growth of 147% YoY during this period. In its maiden quarterly results post listing, the Company has reported turnaround in profitability and has reported positive net profit of Rs. 13.2 crs.

On aggregate basis, for the first nine months of FY22 (“9MFY22”), sales volumes stood at 2.58 msf, up 56% YoY, collections up 64% YoY at Rs. 843.6 crs and construction spending up 158% YoY to Rs. 422.8 crs. Projects under the Development Management (DM) model accounted for 38% of sales volumes, while share of plotted development in overall sales stood at ~25% during 9MFY22.

Commenting on the Company’s performance, **Mr Murali M, Chairman and Managing Director**, SPL, said: *“It is encouraging to see positive earnings momentum in the Company. Our focused efforts to ramp-up and build scale, leveraging strong operating platform built in recent years is yielding results. Despite macro headwinds, the team has delivered strong volumes and stable quarterly sales run-rate, apart from ramp-up in execution levels significantly. Sector outlook is encouraging and we are well positioned to reap benefits of consolidating industry environment. Supported by strong project pipeline, we are confident of sustained growth momentum. Improving scale, operating leverage and rising share of DM income should help in improving profitability. We believe, we are on the right path to profitability and delivering superior shareholder value”.*

¹ Gross new sales, net of cancellations. Note: All data presented in this release reflect aggregate numbers for the Company, covering all projects under all formats of development viz., Own, JV/JDA and the Development Management (DM)

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Key Highlights:

- **New Launches:**

- 4 new launches, apart from additional phase launch in 3 ongoing projects in 9MFY22, with aggregate saleable area of over 1.98 msf.
- Targeting 3 new launches; Preparedness for 3+ additional phases of ongoing projects.

- **Sales Volume & Sales Value:**

- Net sales at 2.58msf in 9M FY22 and at 1.03msf in Q3
- Plotted development accounted for 25% of overall volumes
- Average run rate of 1.0+ msf net sales in Q2 & Q3
- Aggregate sales value crossed the Rs.1,000 crs mark during 9MFY22, up 60% YoY.
- Quarterly sales at Rs.416 crs in Q3FY22 vs. Rs.340 crs in Q2FY22 and Rs.410 crs in Q3FY21.
- On a comparable basis, average realisation for plotted development and residential apartments stood at Rs.1,920/sqft and Rs.4,521/sqft respectively in 9MFY22.

- **New Projects**

- Signed definitive documents for 4 new projects with aggregate development potential of ~ 2.3 msf since filing of the red herring prospectus in Nov'21.
- Advanced stage of negotiation in several new projects, aggregating to ~14 msf potential.
- DM model accounts for 32% of pipeline, JV/JDA accounts for 39% of project pipeline.

- **Financials (Consolidated)**

- Revenue from Operations (incl. DM Income) at Rs.109.6 crs, up 44% YoY
- Total Income up 38% YoY to Rs. 130.1 crs
- EBITDA up 147% YoY to Rs. 53.2 crs
- PBT (incl. share of JVs) and PAT at Rs. 17.1 crs and Rs.13.2 crs respectively against loss in Q3FY21

- **Other Highlights**

- As of Q3FY22, the Company had near-zero inventory in completed projects and nearly 85% of inventories in ongoing projects have been sold already.
- Construction sites operating at full swing, notwithstanding Covid-led interruptions. Labour count at record high levels of 5300+ as at end of Q3FY22, compared to 4000+ at pre-covid levels.
- SPL Consolidated (CFS) Net Debt at Rs.303 crs as on December 31, 2021; Debt-to-Equity at 0.3x
- Substantial part of IPO primary proceeds used for debt repayment in Jan'22, and rest during Q4

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About Shriram Properties Limited

Shriram Properties Ltd (SPL) is one of South India's leading residential real estate development companies, primarily focused on the mid-market and affordable housing categories. SPL has demonstrated track record having delivered 29 projects with saleable area of 17 msf, mostly in the cities of Bengaluru and Chennai. SPL has a strong development pipeline comprising of 35+ projects with aggregate development potential of 47+ msf, as of January 2022.

SPL is part of the Shriram Group, a prominent business group with four decades of operating history in India, and is backed by globally renowned private equity players affiliated with TPG, Tata Opportunities Fund, Walton Street Capital and Starwood Capital. SPL made its initial public offering and became a publicly traded company in Dec'21.

Shriram Properties has been one of the most recognized brands to have been accoladed with 65+ prestigious awards in recent years. The brand has adjudged as the "Fast Growing Real Estate Brand" at 13th Realty+ Awards 2021, "Most Trusted Real Estate Brand" at the Global Real Estate Congress 2021, "Best Value Brand of the Year 2021" at the Real Estate & Business Excellence Awards in association with CNN News18, "Best Developer of the Year (Residential)" at the ET Business Excellence Awards in 2020, the ET NOW South India's Real Estate Leadership Awards in 2018 & 2019, the Economic Times Most Promising Business Leaders of Asia Award in 2018, to name a few. SPL was also awarded the 'Stalwarts of the South, Bengaluru' Award by Construction World in 2021 for contribution towards strengthening the built environment etc.

Disclaimer

Certain statements in this document may be "forward looking statements", within the meaning of applicable laws and regulations. Such forward-looking statements are subject to certain risks and uncertainties and important developments that could affect the Company's operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labor relations, among other things. These could cause actual results to differ substantially or materially from those contemplated, expressed or implied by the relevant forward-looking statements. Shriram Properties Limited will not be in any way responsible for action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent event or circumstances.