

MEDIA RELEASE

SPL REPORTS STRONG OPERATIONAL PERFORMANCE IN Q1FY23

Q1 Sales up 20% YoY at 0.66 msf¹ and Collections up 34% YoY at Rs. 324 crores

BENGALURU, July 20, 2022: Shriram Properties (“SPL”) reported strong quarter with remarkable growth in sales, collections and construction for the quarter ended June 30, 2022 (“Q1FY23”).

The Company has achieved sales volumes of 0.66 msf² in Q1FY23, up 20% year-on-year (“YoY”) compared to sales of 0.55 msf in Q1FY22. Aggregate sales value stood at Rs. 313 crores in Q1, reflecting a growth of 26% YoY, compared to Rs. 248 crores in Q1FY22.

Aggregate collections grew by 34% YoY to Rs.324 crores in Q1FY23, compared to Rs. 242 crores in Q1FY22. Strong collections reflect the Company’s thrust on on-ground execution progress.

Aggregate construction spend at Rs.137 crores reflected a growth of 52% YoY, from Rs.90 crores achieved in Q1FY22. Overall construction momentum stayed strong with ~4,000 labours on sites and should support timely completion of ongoing projects and collection momentum going forward.

Average realisation was higher at Rs.4,694/sqft in Q1FY23 as compared to Rs.4,363/sqft in Q1FY22, reflecting a growth of 8% YoY. Unit realisation in case of plotted development was higher by 6% YoY while that of constructed units remained nearly flat in Q1FY23.

Traditionally, first quarter of the fiscal remains soft for the Company and gains momentum over the quarters, benefiting from auspicious months and festive season. The trend is more prominent in the mid-market and affordable housing segment that are core markets for the Company.

Particulars	Q1FY23	Q1FY22	YoY (%)	FY22
Sales Volume (msf)	0.66	0.55	20%	3.76
Sales Value (Rs. Crs)	313	248	26%	1,482
Collections (Rs. Crs)	324	242	34%	1,263
Construction spending (Rs. Crs)	137	90	52%	644

¹ Msf – Million Square Feet.

² 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)

The Company had a successful launch at Chennai with aggregate saleable area of over 0.53 msf. Slow launch momentum during the quarter reflects market seasonality issues.

SPL is planning for 16 launches with aggregate saleable area of ~8.0msf during the remainder of FY23, including 13 new projects and 3 new phases of its ongoing projects.

As at the quarter end, SPL had near-zero inventory in completed projects. Nearly 85% of inventories in its ongoing projects have already been sold. The Company is thus focused on new launches to sustain growth momentum, while unlocking remaining inventories in ongoing projects.

The Company remains positive on its immediate and long-term prospects. Promising demand outlook, multi-decade high affordability and increasing desire for owning homes post Covid/WFH augurs well for the Company. Rising interest rates should have minimal impact on medium term demand outlook. Mid-market and affordable housing segments are likely to remain strong performers within the residential markets and SPL remains focused on these segments. Supported by strong operating platform, SPL is well positioned to benefit from ongoing consolidation in the industry.

The Company is focused on accelerated ramp-up and timely completion of its ongoing projects. Its strong pipeline comprises of 50 projects with aggregate saleable area of 51msf. SPL intends to complete and deliver over 10 msf over the next 3 years. While supporting income recognition and free cashflows, it should help sustain growth momentum and deliver significant value for its stakeholders.

Commenting on the performance, **Mr M Murali, Chairman and Managing Director, Shriram Properties Limited** said: *“We are encouraged by the strong performance on key operating parameters, and it demonstrates the strength of our team and the operating platform. We are on track to deliver on volumes and profitability for the full year.”*

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's key markets include Bangalore, Chennai and Kolkata which together accounts for over 85% of its development activities. SPL has demonstrated track record having delivered 31 projects with saleable area of 17.5 msf, mostly in the cities of Bengaluru and Chennai. SPL has a strong development pipeline comprising of 50 projects with aggregate development potential of 51 msf, as of June 30, 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.

Contact Details

Investors/Analysts: **Vineel Naidu** ir.spl@shriramproperties.com

Media Contacts: **Pearlene Rodrigues** [+91 90080 77723, pearlene@shriramproperties.com](mailto:pearlene@shriramproperties.com)
Rebecca Mendonza [+91 72598 26331, rebecca@bosecommunications.in](mailto:rebecca@bosecommunications.in)