

Arvind SmartSpaces announces a strong all-round financial performance for the quarter and nine months ended Dec 31, 2021

Fresh Sales show 40% YoY growth at Rs. 451 Cr on YTD basis
Revenue growth of 13% YoY at Rs. 95.6 Cr on YTD basis
Enters Bhugaon micro-market in Pune through a 35-acre land purchase

Key Highlights of Consolidated Financial Results for YTD Dec FY22 and Q3FY22:

- **Fresh Sales: 40%** Growth at **Rs. 451 Cr** for YTD Dec FY22 & **10%** Growth at **Rs. 158 Cr** for Q3FY22
- **Revenue: 13%** Growth at **Rs. 95.6 Cr** for YTD Dec FY22 & **3%** decline YoY at **Rs. 42.9 Cr** for Q3FY22
- **PAT: Rs. 11.1 Crs Up** by **Rs. 8.9 Cr** vs LY for YTD Dec FY22 & **18%** Growth YoY at **Rs. 5.9 Cr** for Q3FY22
- **Collections: 126%** Growth at **Rs. 434 Cr** for YTD Dec FY22 & **47%** Growth at **Rs. 154 Cr** for Q3FY22
- **Unrecognised Revenue: Rs. 1035 Cr** as on Dec 31, 2021 vs. **Rs. 641 Cr** as on Dec 31, 2020

Jan 28, 2022: Arvind SmartSpaces Limited (ASL), one of India's leading real estate development company announced its financial results for the quarter and nine months ended on December 31, 2021. The Company reported a strong growth in fresh sales at Rs. 158 Cr for the quarter aided by a set of successful launches of new phases in its existing projects in Ahmedabad. The Company also reported a jump of 47% in its net collections of Rs. 154 Cr for the quarter versus the same quarter of the previous year. Net Interest bearing funds to equity ratio of the Company stands at **(0.21)** as on Dec-21 vis-à-vis **0.68** as at Dec-20.

The Company also reported its entry into the Bhugaon micro-market in Pune through the signing of a binding agreement for 35 acre parcel of land on outright purchase basis. This would be the 2nd project for the Company in Pune.

Performance summary of the consolidated operations is as below:

For YTD Dec - FY22

- Fresh Sales grew by 40%; Rs. 451 Cr in YTD Dec FY22 vs. Rs. 322 Cr last year
- Revenue from Operations during YTD Dec FY22 Rs. 95.6 Cr vs. Rs. 84.8 Cr last year (13% Growth)
- EBITDA for YTD Dec FY22 is Rs. 27.0 Cr vs. Rs. 25.7 Cr last year (EBITDA Margin for YTD Dec FY22 28% vs. 30% last year)
- PAT for YTD Dec FY22 is Rs. 11.1 Cr as against Rs. 2.2 Cr last year (Up by Rs. 8.9 Cr)
- Collections during the nine months amounts to approx. Rs. 434 Cr vs Rs. 192 Cr last year
- New Launches during the nine months – Chirping Woods and Forreste Phase 4 in Ahmedabad comprising ~14 lacs sqft.

For the Quarter – Q3FY22

- Fresh Sales grew by 10% during Q3FY22; Rs. 158 Cr vs. Rs. 144 Cr last year
- Revenue from Operations during Q3FY22 Rs. 42.9 Cr vs. Rs. 44.5 Cr last year (3% decline)
- EBITDA for Q3FY22 is Rs. 12.0 Cr vs. Rs. 14.4 Cr last year (EBITDA Margin for Q3FY22 28% vs. 32% LY)
- PAT for Q3FY22 is Rs. 5.9 Cr as against Rs. 5.0 Cr last year (Growth 18%)
- Collection during the quarter amounts to approx. Rs. 154 Cr vs Rs. 105 Cr last year
- Net Interest bearing funds reduced to Rs. (85) Cr (Surplus Rs. 85 Cr as on Dec 31, 2021 from Net debt of Rs. 26 Cr as on Sep 30, 2021). This represents a negative net debt position reflecting surplus funds waiting to be invested in new projects.

Commenting on the outcome of the Board Meeting, Mr. Kamal Singal, Managing Director and CEO, Arvind SmartSpaces commented, *“We are extremely delighted to announce our second project in Pune market as we recently finalized a binding agreement for an outright purchase of 35 acres of land. This will be our first large horizontal residential development project in the city. After Bangalore and Ahmedabad, Pune and MMR are our new growth markets and we intend to increase our footprint in these markets by investing aggressively as part of our current investment cycle.”*

Mr. Singal further added, *“The real estate segment has seen a strong revival with double digit growth in sales volume and launches during the quarter. Driven by strong product portfolio and some very successful recent launches, our fresh sales have continued to show a strong momentum with a growth of 10% YoY during Q3FY22 and 40% YoY during YTD Dec FY22. Our strong performance on collections coupled with proceeds from equity issuance on preferential basis to HDFC Capital Advisors and Promoters has enabled us to bring down our Net debt levels to negative at (0.21) which gives us a strong headroom to fund our next wave of growth. The Company is well poised to enter into next cycle of investments in new projects owing to very strong internal accruals, increased equity base and significant headroom available to raise fresh debt.”*

“The markets continue to perform strongly with volumes in the second half of the last calendar year equaling the highs last seen in the beginning of 2016. Developers with strong brand, corporate governance frameworks and strong execution track record will stand to benefit greatly from this resurgence in demand. The company is well poised to take advantage of such positive tailwinds and currently focused on investing in medium and large scale projects with state of the art designs and solutions. The recent addition of three new large-scale projects, the one at Devanahalli under HDFC Platform, another large residential villa project at Sarjapur, Bangalore and now at Bhugaon, Pune, indicate the beginning of our post pandemic fresh investment cycle. This is in line with our strategy of investing heavily in Pune and MMR markets besides deepening our penetration in our key geographies of Bangalore and Ahmedabad.”
Mr. Singal said.

About Arvind SmartSpaces:

Built on ~120 years old legacy of the Lalbhai Group, and established in year 2008, Arvind SmartSpaces is India's leading real estate development company headquartered in Ahmedabad. With approximately 25 million square feet of real estate development across the country, the company is focused on delivering real estate solutions that add value to the lives of its customers and is fast emerging as a leading corporate real estate player in the country. The company has real estate developments across Ahmedabad, Gandhinagar, Bangalore and Pune. Backed by the strong brand name of Arvind group and the credibility achieved through already delivered projects, the company has plans to continue the strong growth momentum and deliver value to all stakeholders.

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