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Investor Release

Suraj Estate Developers Limited celebrates stellar performance for Q1FY25: Soars with 31% Growth in Total Income and 107% Growth in Profit After Tax

- Total income increased 31% y-o-y to Rs 135 Crores
- PAT increased 107% y-o-y to Rs 30 Crores
- Realisations increased 13% y-o-y to Rs 51,116 per sq ft
- Net Debt at Rs 352 Crores vs Rs 572 Crores as on June 2023

1st August 2024, Mumbai: Suraj Estate Developers Limited, a leading real estate player focused on South Central Mumbai (SCM) market with specialisation in redevelopment projects announced its unaudited financial results for the quarter ended June'24.

Q1FY25 Consolidated Performance Highlights: (Rs. Cr)

Particulars	Q1FY25	Q1FY24	Y-o-Y	Q4FY24	Q-o-Q
Total Income*	134.6	102.8	30.9%	103.0	30.7%
EBITDA*	64.2	47.1	36.3%	56.2	14.4%
EBITDA Margin (%)	47.7%	45.8%		54.5%	
PAT	30.1	14.5	107.4%	19.5	54.8%
PAT Margin (%) *	22.4	14.1		18.9	

*Includes other income

Particulars	As on 30 th June 2024	As on 31 st March 2024	As on 30 th June 2023
Gross Debt (Rs. Cr)	421	425	599
Net Debt (Rs. Cr)	352	315	572

Q1FY25 Operational Highlights:

Particulars	Q1FY25	Q1FY24	Y-o-Y	Q4FY24	Q-o-Q
Sales Value (Rs cr)	140	133	5.2%	122	15%
Sales Area (sq ft)	27,431	29,489	-7.0%	22,713	21%
Collections (Rs cr)	72	69	3.5%	111	-35%
Realization (Rs/Sq ft)	51,116	45,212	13.1%	53,651	-5%

Q1FY25 Performance Highlights:

- Our total income grew 30.9% y-o-y and 30.7% q-o-q from Rs 102.8 Crores in Q1FY24 and Rs 103 in Q4FY24 to Rs 134.6 Crores in Q1FY25
- EBITDA for Q1FY25 grew 36.3% y-o-y and 14.4% q-o-q from Rs 47.1 Crores in Q1FY24 and Rs 56.2 Crores in Q4FY24 to Rs 64.2 Crores in Q1FY25
- EBITDA margin expanded YoY on operating leverage benefits and better sales mix, driving EBITDA and PAT growth.
- PAT for the quarter grew 107% yoy and 54.8% q-o-q to Rs 30.1 cr vs Rs 15cr in Q1FY24 and Rs 19.5 Crores in Q4FY24



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- Net Debt as on June 2024 stood at Rs 352 Crores vs Rs 572 Crores as on June 2023 and Rs 315 Crores as on March 2024
- Pre-sales saw a growth of 5.2% y-o-y to Rs 140 Crores for Q1FY25 vs Rs 133 Crores for Q1FY24, on account of increased realizations by 13% y-o-y, which was driven by increased sales of luxury projects, and was partially offset by dip in sales volume of 7% y-o-y.
- 63.6% revenue came from sales of luxury units and 36.4% revenue came from sales of value- luxury units.

Q1FY25 Business Updates:

- During Q1FY25, company's wholly owned subsidiary Iconic Property Developers Private Limited received building plan approval and commencement certificate in respect of proposed commercial project situated at Mahim (west) having sale carpet area of 1.06 lakh sq. ft. and estimated GDV of ~Rs 475 Crores
- Litigation with Dadar Sai Kirti CHS Limited was settled. This settlement will provide for the construction of two proposed buildings on the property with a sale potential of 74,000 sq ft and an estimated GDV of Rs 350 Crores
- During the quarter, the company entered into a definitive agreement for the sale of additional areas (7th, 8th, and part of the 9th floors) to be constructed over the existing CCIL Bhavan building. The sale, covering about 22,410 square feet of carpet area, has GDV of ~Rs. 90 Crores. Construction and receivables are expected to be completed and collected over the next 12-15 months
- The Company is well poised to achieve the pre-sales target of Rs 850 Crores in FY25, of which Rs 650 Crores is expected to come from ongoing and upcoming residential portfolio and the remaining balance of Rs 200 Crores is expected from the launch of proposed commercial project at Mahim (west).

Debt:

- Iconic Property Developers Private Limited, a subsidiary of the Company, previously issued high-cost Non-Convertible Debentures (NCDs) worth Rs. 192 Crores to India Housing Fund to acquire land and had already repaid Rs. 160 Crores (Series A, B, C, & D). The subsidiary has now redeemed the remaining Rs. 32 Crores (Series E) in NCDs, along with a Rs. 18 Crores redemption premium, totaling Rs. 50 Crores, marking the full and final repayment of the NCDs
- Additionally, we have refinanced high-cost debt to the tune of Rs 34 Crores with lower interest rates
- Therefore, the average cost of debt now stands between 13% -13.5% which will lead to annual interest cost of Rs 65-70 Crores including one time redemption premium assuming the debt level as on 30 June 2024 is maintained



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Commenting on the performance, Mr. Rahul Thomas, Whole-time Director, Suraj Estate Developers, said, *“We are extremely pleased with our operational performance for the quarter. We recorded a pre-sales value of Rs 140 Crores, which was a 5.2% increase Y-o-Y. Realizations for the quarter were up 13%. We continue to focus on luxury and value luxury projects.*

For Q1FY25, we had a robust revenue growth of 31% on a y-o-y basis. PAT for the quarter stood at Rs 30 Crores, which was a strong 107% growth y-o-y. These results align with our internal targets and expectations, reflecting our strategic efforts

We are consciously optimizing our cost of debt by refinancing high-cost debt during the quarter and repaying NCDs, resulting in an average cost of debt of 13-13.5% going forward

We remain steadfast in our focus on the micro-market segment. Our total project pipeline currently encompasses 9.01 lakh square feet.

This quarter, we settled another litigation with Dadar Sai Kirti CHS Limited, which will yield a sales potential of 74,000 sq ft and has an estimated GDV of Rs 350 Crores.

Our commitment to the real estate sector remains unwavering. We continue to leverage our market expertise to identify and capitalize on emerging opportunities. Our robust project pipeline and consistent financial performance underscore our capability to deliver value to our stakeholders.”

About Suraj Estate Developers:

Suraj Estate Developers has been involved in the real estate business since 1986 and they develop real estate across the residential and commercial sectors in South Central Mumbai region. Company has a residential portfolio located in the markets of Mahim, Dadar, Prabhadevi and Parel, which are sub-markets of the South-Central Mumbai micro market where they have established their presence. Company is focused primarily on value luxury, luxury segments and commercial segments. Company is now venturing into residential real estate development in Bandra sub-market. The focus area of operation is the South-Central region in Mumbai mainly consisting of Mahim, Matunga, Dadar, Prabhadevi and Parel, as their expertise lies in the redevelopment of tenanted properties. Since most of the land parcels in the South-Central Mumbai market are redevelopment projects, company's core competence lies in tenant settlement which is a key element for unlocking value of such land parcels. Suraj Estate Developers identify properties having cessed/ non-cessed structures with existing tenants and tie up with the landlords of such tenanted properties by entering into development agreement or on outright purchase basis through conveyance deed.

Since incorporation, Suraj Estate Developers have completed 42 projects with a developed area of more than 10.47 lakh square feet in the South-Central Mumbai region. In addition to the completed Projects, the company has 13 ongoing projects with a developable area of 20.34 lakh square feet and saleable RERA carpet area 6.1 lakh square feet and 18 upcoming Projects with an estimated carpet area of ~9.01 lakh square feet.



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Safe Harbor:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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