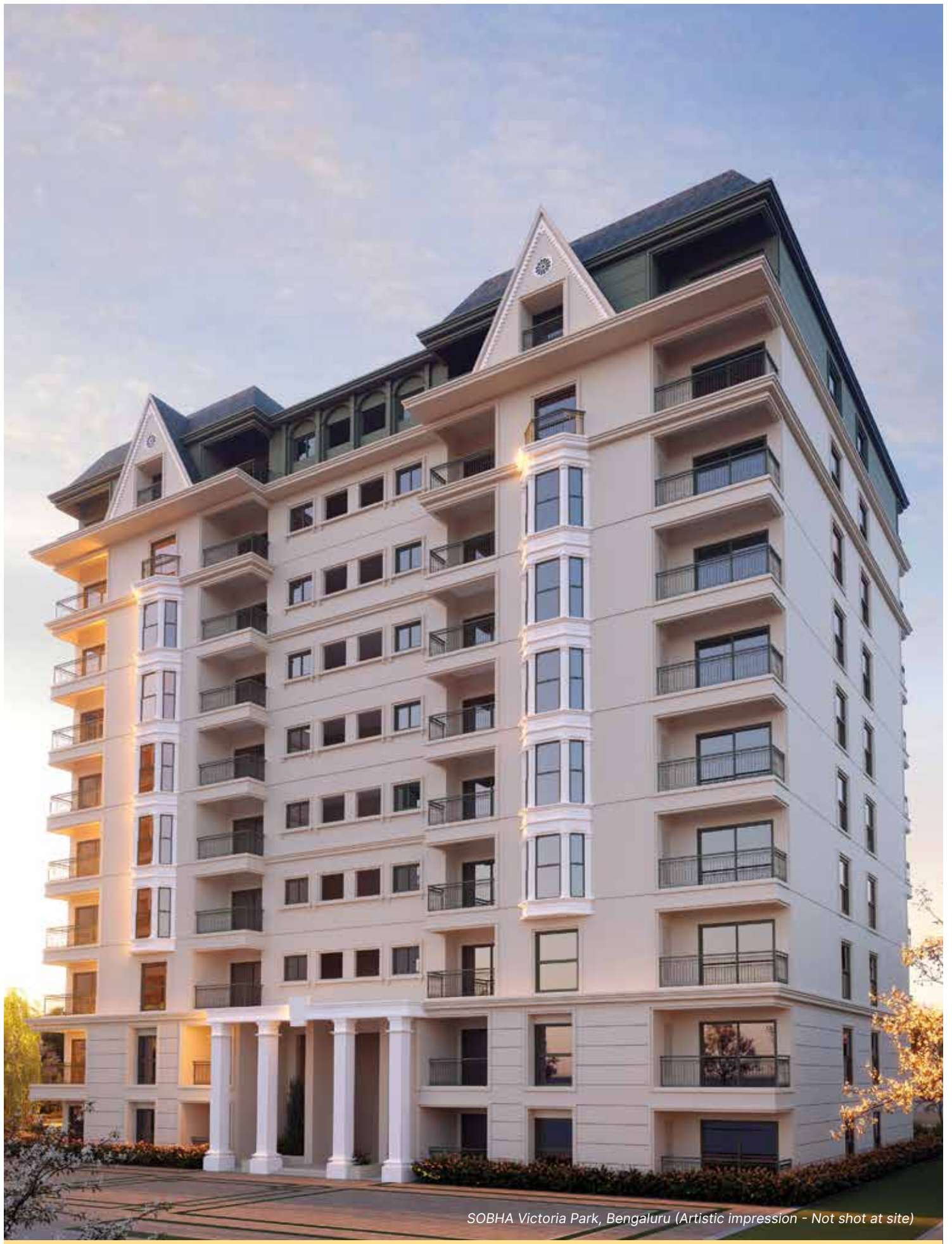




PASSION AT WORK

ON SOLID FOOTING

ANNUAL REPORT 2022



SOBHA Victoria Park, Bengaluru (Artistic impression - Not shot at site)

FOREWORD

SOBHA continued to solidify its presence and as a brand known for its commitment to quality and timely delivery. The company adapted and evolved while staying strongly grounded on its values and purpose.

SOBHA's 'self-reliant' model continued to be one of its strengths, ensuring that it only delivered the best. The Dream Acres project in Bengaluru is a case in point, precast technology is adapted to create one of the largest properties in India, envisaged to have approximately 7,000 flats spread over 81 acres, in the quickest possible time.

Leveraging technology has always been a key driver for ensuring quality, timely deliveries, and reducing wastage. For instance, using a simple QR code based solution deployed in precast technology, helps cut down time, cost, and wastage associated with conventional building technology. This is just one of many examples to show how SOBHA has embraced technology to remain competitive.

The SOBHA City, Thrissur project has been recognised as the first operational project in India with a platinum rating of 'Net water positive' by IGBC. This recent recognition reflects SOBHA's undying commitment to engrain sustainability across all its operations and projects.

A passion-driven vision and relentless execution make SOBHA the most preferred brand for customers across India who enjoy peace and happiness, which we always strive our best to deliver.

As we foray into the future, SOBHA will only strengthen its leadership with greater focus on internal and external processes and systems, continuing to move ahead on a journey of relentless execution and performance on solid footing.

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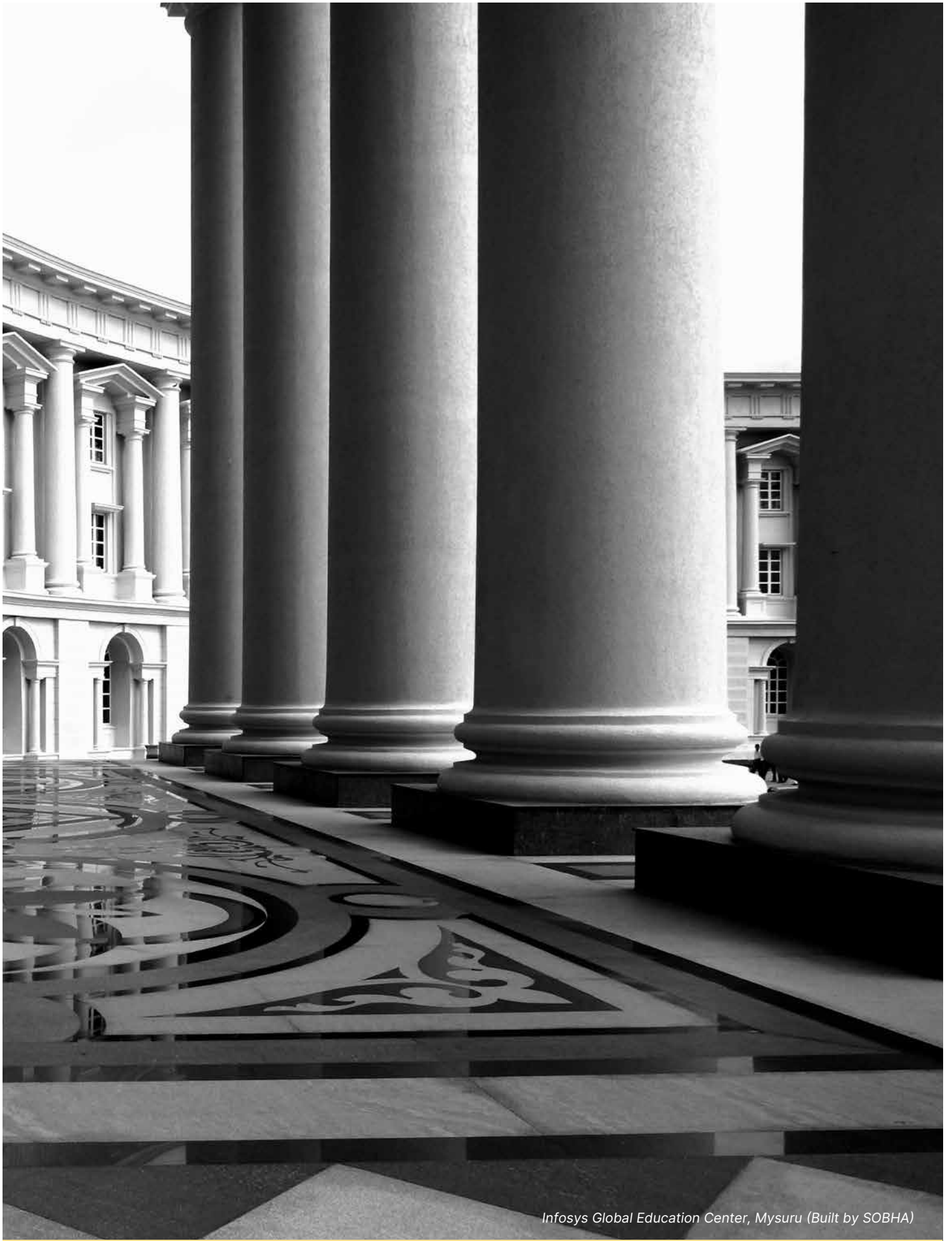
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Infosys Global Education Center, Mysuru (Built by SOBHA)

ON SOLID FOOTING

The pandemic, the geo-political situation, and a dynamic world economy have thrown up numerous challenges for all of us. In India, rising inflation, increasing commodity and fuel prices, volatile markets, and the weakening of the rupee have had a significant impact on consumer sentiments, demand, and spend. Being resilient appears to be a new norm - true for individuals, businesses, sporting teams, and even nations.

In SOBHA, we exuded our 'Passion at Work', which resulted in stronger operational performance over the last couple of years. We are driven by two guiding forces - the inspiration we draw from our founding member, Mr. PNC Menon, who believed that we can 'change the perception of quality' and secondly standing strong on the foundation of our ethics and values.

We remain unconditionally committed to setting higher standards in quality, execution, innovation, sustainability, and technology adoption, year after year, project after project. This innate resilience has made it possible for us to deliver over 120 mn. sq. ft. of developable area (as of March 31st, 2022) with some award-winning projects and architectural marvels to our credit.

THE ESSENCE OF SOBHA'S QUALITY

SOBHA respects and values the investments and trust that customers have in the company. The company has built a strong culture of ownership and customer excellence, ensuring customers derive more benefits than what any other brand has to offer. The experience of buying a SOBHA product, including performance and reliability, is often regarded as the best in the industry. All construction processes and materials used by SOBHA conform to international quality including with European standards.

Our quest for raising the bar is never ending as we continue to invest in the future deepening our focus on impeccable execution, enhancing customer experience, and developing people to ensure we remain one of the most trusted and respected brands.

Quality being synonymous with SOBHA, the company's ethos and way of working hinges on a quest for perfection across its operations and customer experience. Standardization of processes, systems, and methodologies ensures consistent quality. Strong in-house design, engineering, quality, and execution teams adhere to high standards while leveraging the time-proven snagging and checklist methodologies. Tools such as the construction technology manual, waterproofing calendar, and standard detailing are documents developed in-house which are religiously followed from design through execution and even in the post-execution stages of a project. Multiple and periodic auditing is done to maintain consistent and good quality.

SOBHA was one of the first few companies in the industry to incorporate ISO, OHSAS, and health, environmental, and safety standards. SOBHA recognises the importance of wellness and continually strives to enhance its focus on health and safety.

EXCELLENCE IN EXECUTION CONTINUES

For over 25 years, SOBHA has been proving its mettle with a sharp focus on quality backed by its self-reliant model. Over the years, several thematic architectural styles have taken shape, catering to the varied preferences and tastes of customers across different parts of the country. What sets SOBHA apart is the promise of quality and timely delivery of projects that are best-in-class and offering a premium lifestyle experience with top-notch amenities.

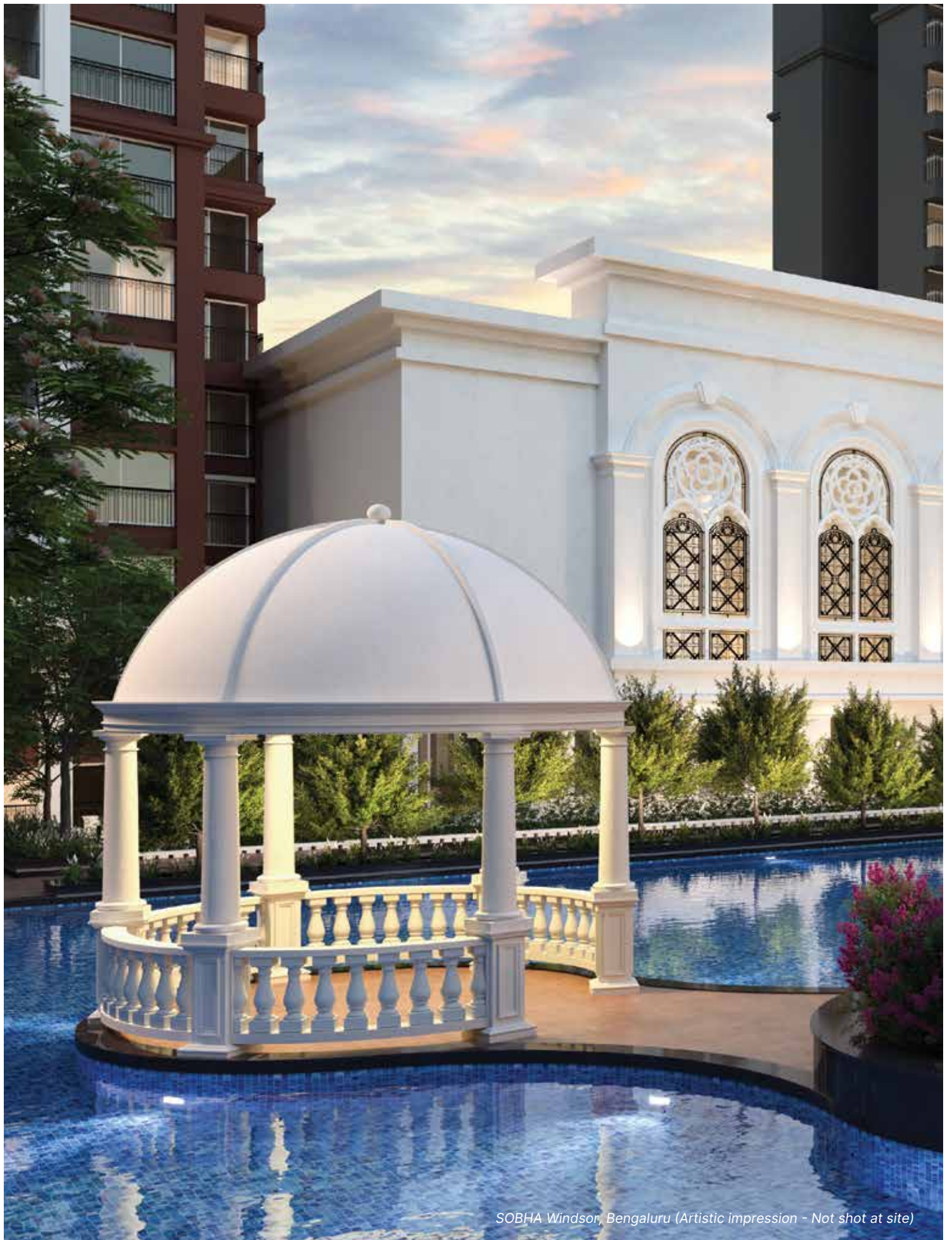
While the recently sold-out project SOBHA Royal Pavilion dons the Rajasthani architectural theme, SOBHA Townpark boasts of a New York style, SOBHA Windsor in Bengaluru embodies an English architectural style, and SOBHA Metropolis illustrates classic Roman architecture in Thrissur. SOBHA's proven track record of delivering projects within the committed time is also a key reason why people trust the company.

ENHANCING CUSTOMER EXPERIENCE AND SERVICE

SOBHA's approach to serving customers better is based on putting 'customers first' while offering a great experience across the entire purchase cycle and after the sale - one of the many benefits that SOBHA customers enjoy.

A secure customer portal is a key customer interface that allows complete access to information about purchases from documentation to project status, with complete transparency. In addition, a toll-free customer service helpline, a customer care cell, and an online facility maintenance module address customers' needs efficiently and effectively, thereby enhancing customer responsiveness and giving customers complete peace of mind.

SOBHA believes that adding a human touch is extremely essential for ensuring customer satisfaction. A single point of customer contact backed by a team of experts is always available to assist customers. This takes away the need for customers to interact with



SOBHA Windsor, Bengaluru (Artistic impression - Not shot at site)

various departments to have their queries or any issues resolved. SOBHA's Customer Relationship Management (CRM) continues to evolve, guided by a passion to excel at customer experience and service.

UNLOCKING VALUE

Investments in the form of time, effort, and capital made over the years have helped SOBHA enhance its capabilities and competitiveness. Improved manufacturing processes, job skilling, bettering standards, and using modern materials and technologies are some areas that have resulted in efficient operations. Stronger inventory management,

cost optimization across the value chain, better collections, reduction in debt, and lower interest costs have been some of the significant and positive financial gains. The steps we have taken so far will help us achieve balanced and disciplined growth while maintaining our leadership position as a preferred brand.

LEVERAGING BACKWARD INTEGRATION

Our backward integration model continues to create value for customers by way of providing consistent world-class quality and timely delivery. For SOBHA it means better control over quality in every aspect



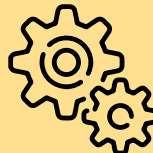
28 Activities, 72 checklists, and 1456 check points go into every property before handover



India's first and unique backward integration model allows us to maintain high-quality and timely delivery of projects



Dedicated single point of contact to address customer issues with a secure customer portal enhances customer experience



Our passion for excellence is reflected in our execution – relentless with an eye for every detail



Multiple green initiatives include large waste management plants, solar power, cultivating vegetables, fruits and paddy, and a power laundry that runs on a steam generator at SOBHA Hermitage