



Investor Update

H1 FY25



## Continued Growth Driven by Robust Market Momentum and Strategic Expansion Efforts

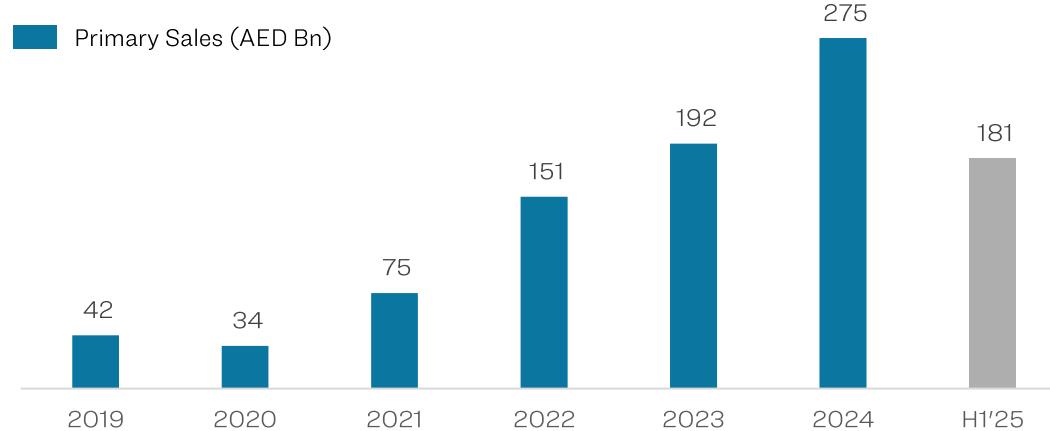
- ✓ Dubai's off-plan primary real estate market witnessed a 62% YoY\* growth in H1 FY25, propelled by continued interest from both local and international buyers
- ✓ The Company continued to remain the 3<sup>rd</sup> largest player in terms of number of units transacted in H1 FY25; launched 6,900+ units across Hartland II, Sobha One, Sobha Siniya, Downtown UAQ, Sobha Central communities & completed 2,000+ units ahead of schedule, continuing Sobha's strong track record of early project delivery
- ✓ The Company achieved robust sales of AED 15.6bn<sup>#</sup> in H1 FY25, growing 73% YoY
  - H1 FY25 Revenues rose 83% YoY to AED 7.2bn, driven by accelerated pace of construction, while EBITDA & Net Profit stood at AED 2.3bn / AED 1.9bn<sup>\*\*</sup> respectively
- ✓ Strong revenue backlog of ~AED 27 bn<sup>##</sup> providing high visibility of future revenue, supported by an extensive pipeline of 30,500+ units (~39 Mn sq. ft. saleable area), ensuring sustainable revenue growth
- ✓ Raised USD 500 Mn through Sukuk to fund land acquisitions and accelerate growth momentum (The sukuk offering was oversubscribed by 3.1x, reflecting strong investor confidence in Sobha's financial strength)
- ✓ Robust balance sheet strength demonstrated by continued negative net debt position & low leverage as on H1 FY25 – driven by healthy cash accruals from operations and prudent financial management
- ✓ Continuing geographical diversification across UAE to support long-term growth:
  - Strategic expansion into the Abu Dhabi market via acquiring a land parcel near Yas Island
  - Signed 2nd Joint Venture with the Government of Umm Al Quwain and launched Downtown UAQ - a coastal master community with a total planned development of ~30 Mn sq. ft. GFA
- ✓ Moody's upgraded the Company's CFR rating by one notch to Ba2/stable, while affirming Sukuk Rating at Ba2/stable, reflecting the Company's sound business fundamentals and improved credit profile



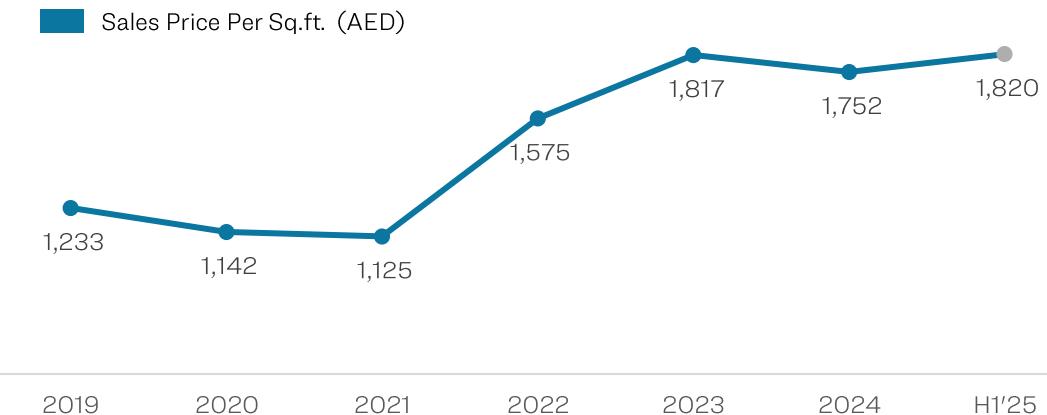
Dubai  
Real Estate Market

## Dubai's Residential Market Continues to Sustain Robust Growth Momentum

### Primary Market Sales Growth Momentum Continues...



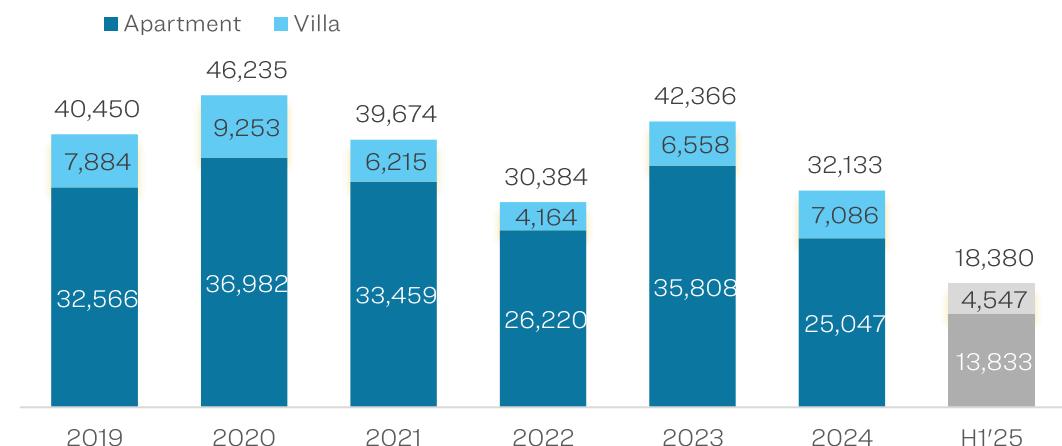
### ...Supported by Stable Avg. Selling Price Realizations



### Rental Yields\* (%) Remain Consistently High...



### ...Due to Limited Deliveries Coming to the Market



\* Gross Rental Yields

Source: Dubai Land Department, REIDIN



## Sobha Overview

# Sobha's Edge: Vertical Integration

## End-to-end Execution across All Phases of Project Development

### DESIGN & ENGINEERING



Coordinated Design & Engineering Approach

Architectural & Structural Design

Masterplan Designing

Landscaping & Environment

*300+ in-house architects for quick Turnaround of masterplan designs*

### MANUFACTURING

Cost-effective Manufacturing of high-quality Materials

Glazing Metal & Façade Works

Furniture & Interiors

Concrete & Modular Manufacturing

*In-house manufacturing driving quality sourcing and cost effectiveness*



### CONSTRUCTION



Inhouse Construction Driving Superior Quality

Civil Structure & Landscaping

Mechanical, Electrical & Plumbing Work

Complete Interior & Exterior Works

*Own workforce of 34K+ workers to ensure ahead-of-schedule deliveries*

### POST HANDOVER

Post Handover Services Ensuring Customer Satisfaction

Facilities Management

Community Management

Security Services

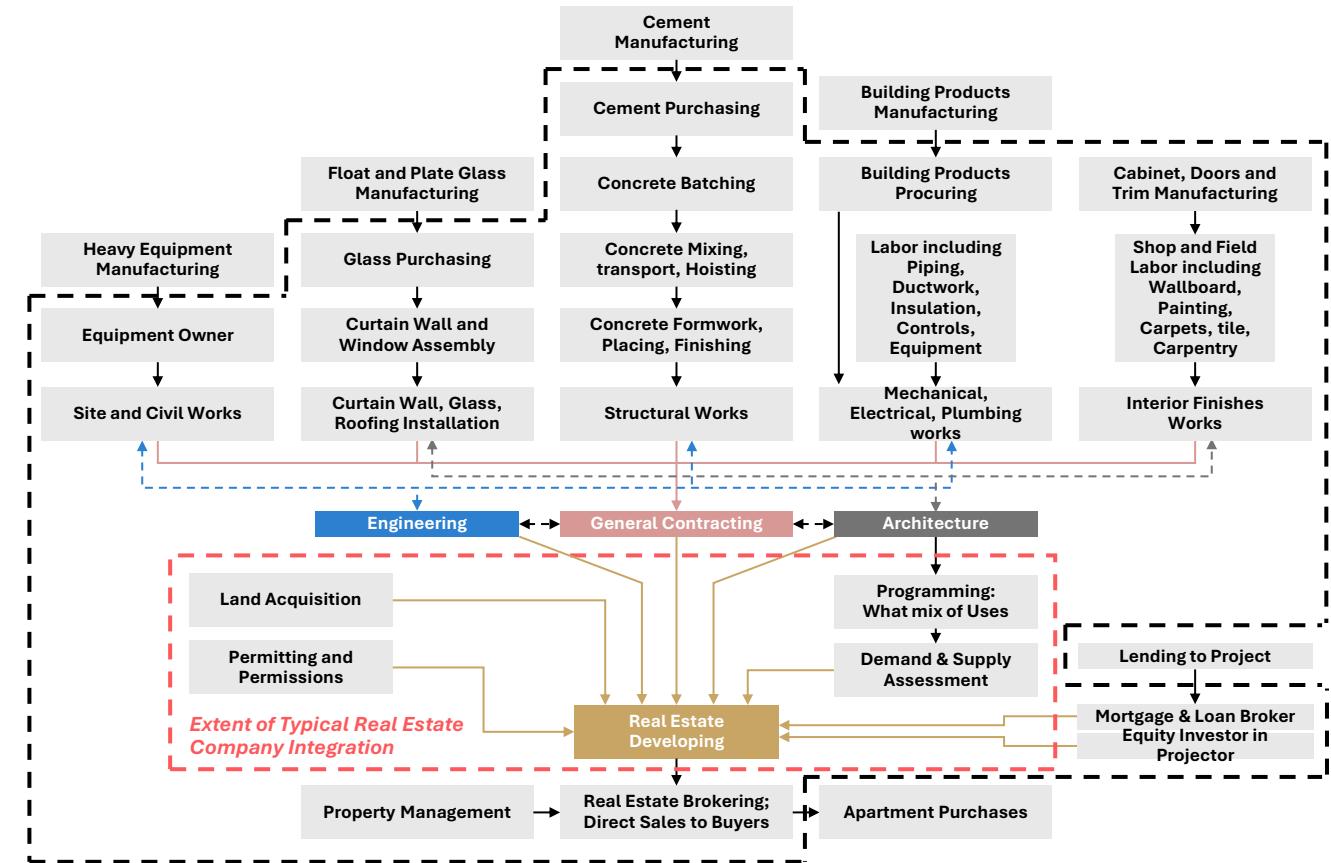
*Dedicated customer support teams to foster peaceful community living*



# Harvard Case Study – Backward Integration for Quality

- In January 2019, Harvard Business School published a case study titled “Sobha Group Real Estate: Backward Integration for Quality”
- After a successful venture in the Gulf, Mr. Menon returned to India in the mid 90s to tap the underdeveloped real estate market. However, he struggled to find suitable suppliers and building contractors to achieve his vision of quality real estate.
- In 2000, he began backward integrating Sobha India’s operations, so it could self-perform all required activities from ideation to completion.
- The backward integration phased out outsourced vendors and began to build inhouse infrastructure to ensure quality and timely finishing.
- Sobha India created inhouse services of the Design Team, Engineering Team, Cost Consultants, Manufacturing Unit, and Main Contractor to name a few.
- The same model has been replicated in Dubai Business :
- There are over 300 inhouse architects and designers based in Dubai (PNC Architects)
- Inhouse main contractor
- Inhouse manufacturing unit (interiors & facades material)
- Inhouse facility management services

Below is a typical real estate developer model (red box) vs. Sobha’s Backward Integrated Model (within black dotted line)



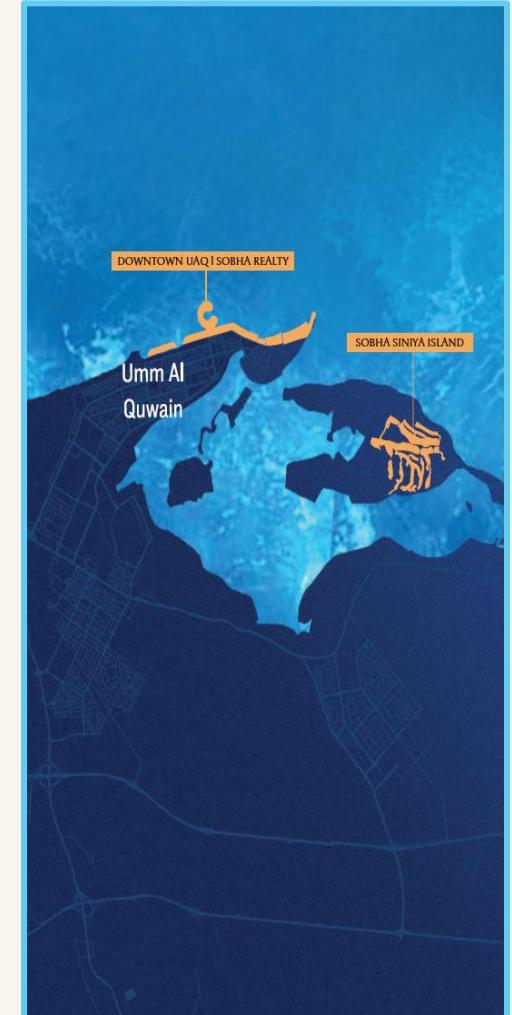
The model was successfully tested and implemented in India; later adopted for the UAE business to benefit from the same experience and synergies

# Footprint Across Key Markets in and around Dubai

Dubai

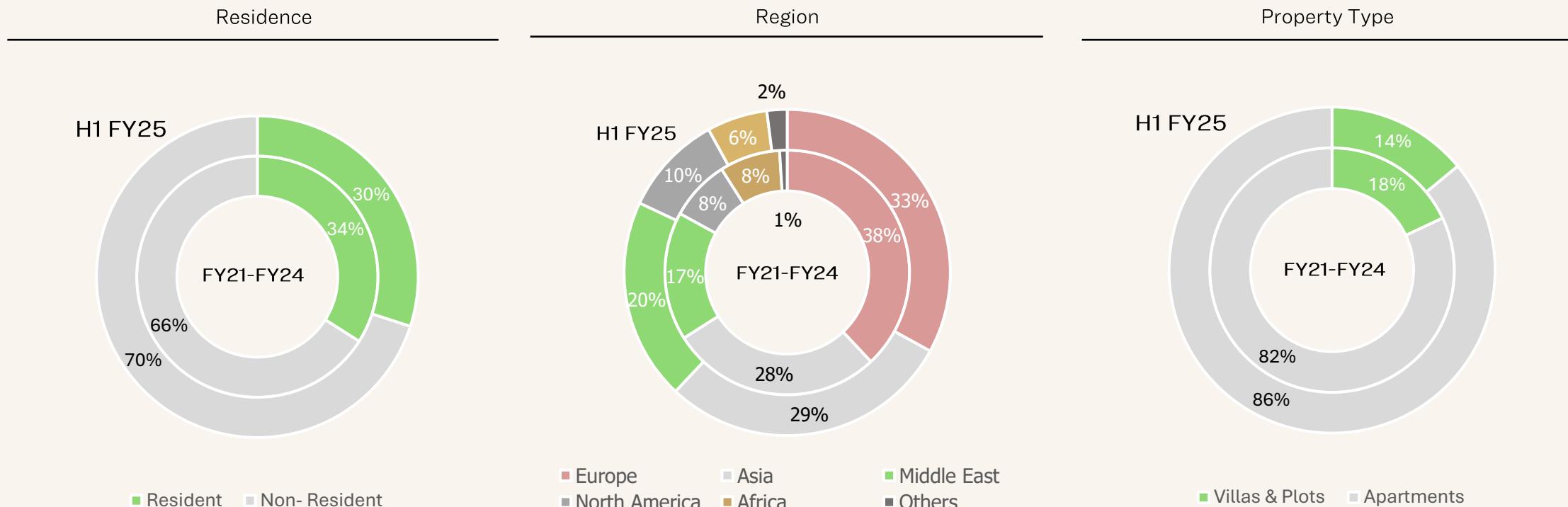


Umm-Al-Quwain



## Diverse Customer Base Reflecting Resilient Buyer Profile

Bifurcation of Customers  
(Cumulative 4 Year Period from FY21 to FY24 & H1 FY25)



# Slew of Sobha Launches in H1 2025 Across Diverse Locations (1/2)



## Bayside Marina Residences (Siniya Island, UAQ)

Launch Date	Jan-25
Handover Year	2029
Saleable Area (Sq. Ft)	353.9 K
Units	442



## The Element by Sobha One (Ras Al Khor, Dubai)

Launch Date	Feb-25
Handover Year	2028
Saleable Area (Sq. Ft)	464.9K
Units	327



## Pierside Marina Residences (Siniya Island, UAQ)

Launch Date	Feb-25
Handover Year	2029
Saleable Area (Sq. Ft)	385.2 K
Units	495



## Skyvue Spectra (Hartland II, Dubai)

Launch Date	Mar-25
Handover Year	2029
Saleable Area (Sq. Ft)	413.0K
Units	472



## Starline Beach Residences (Siniya Island, UAQ)

Launch Date	Mar-25
Handover Year	2029
Saleable Area (Sq. Ft)	318.7 K
Units	373



## Skyvue Stellar (Hartland II, Dubai)

Launch Date	Mar-25
Handover Year	2029
Saleable Area (Sq. Ft)	705.0 K
Units	602

# Slew of Sobha Launches in H1 2025 Across Diverse Locations (2/2)

**SOBHA**  
REALTY



<b>Sobha Aquamont (Downtown, UAQ)</b>	
Launch Date	May-25
Handover Year	2028
Saleable Area (Sq. Ft)	881.1 K
Units	1,101



<b>Sobha Central - The Horizon (SZR, Dubai)</b>	
Launch Date	May-25
Handover Year	2029
Saleable Area (Sq. Ft)	886.0 K
Units	1,009



<b>Yachtside Residences (Siniya Island, UAQ)</b>	
Launch Date	May-25
Handover Year	2029
Saleable Area (Sq. Ft)	310.9 K
Units	418



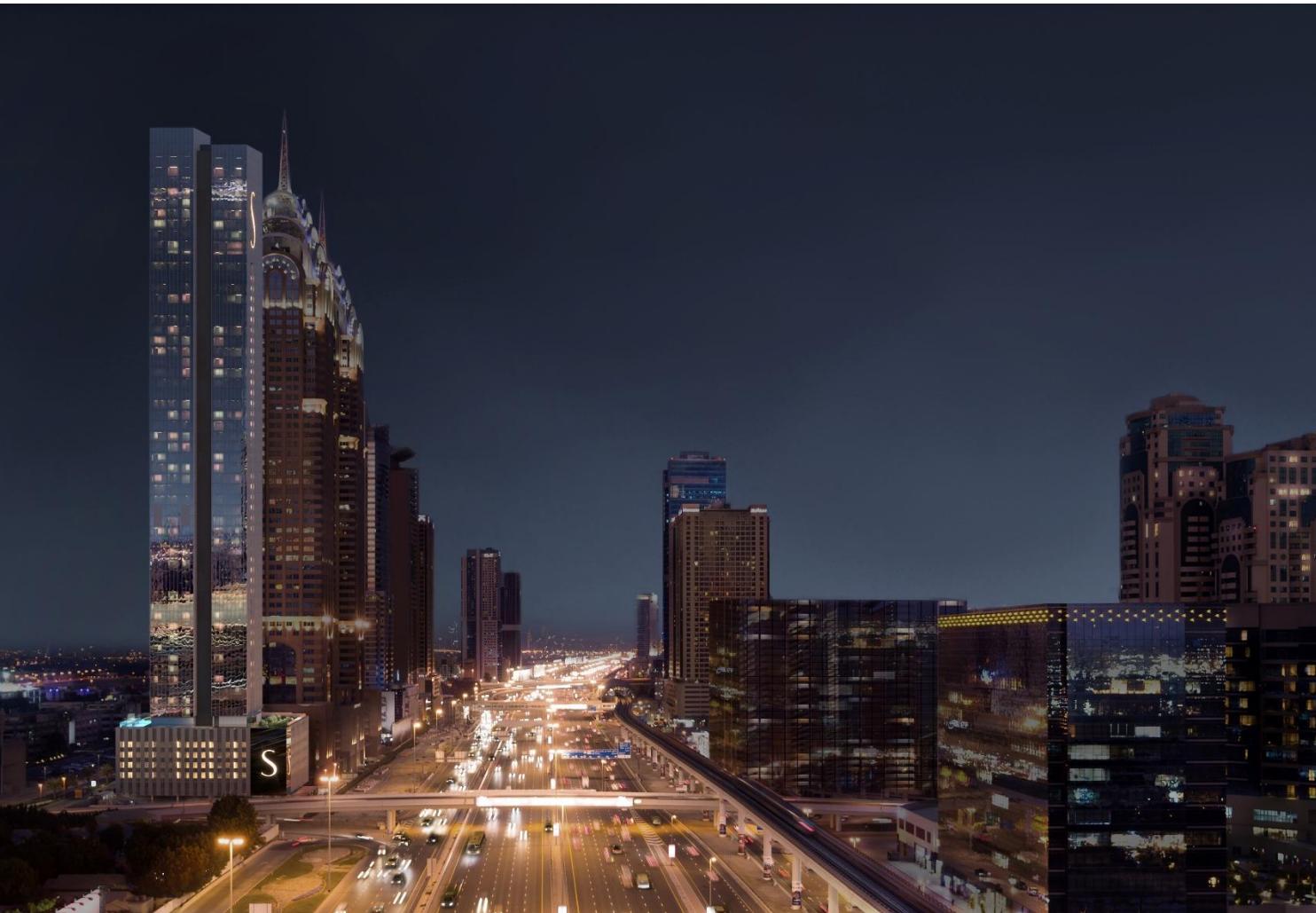
<b>Pristine Beach Residences (Siniya Island, UAQ)</b>	
Launch Date	May-25
Handover Year	2029
Saleable Area (Sq. Ft)	320.6 K
Units	401



<b>Sobha Central - The Eden (SZR, Dubai)</b>	
Launch Date	Jun-25
Handover Year	2029
Saleable Area (Sq. Ft)	614.2 K
Units	775

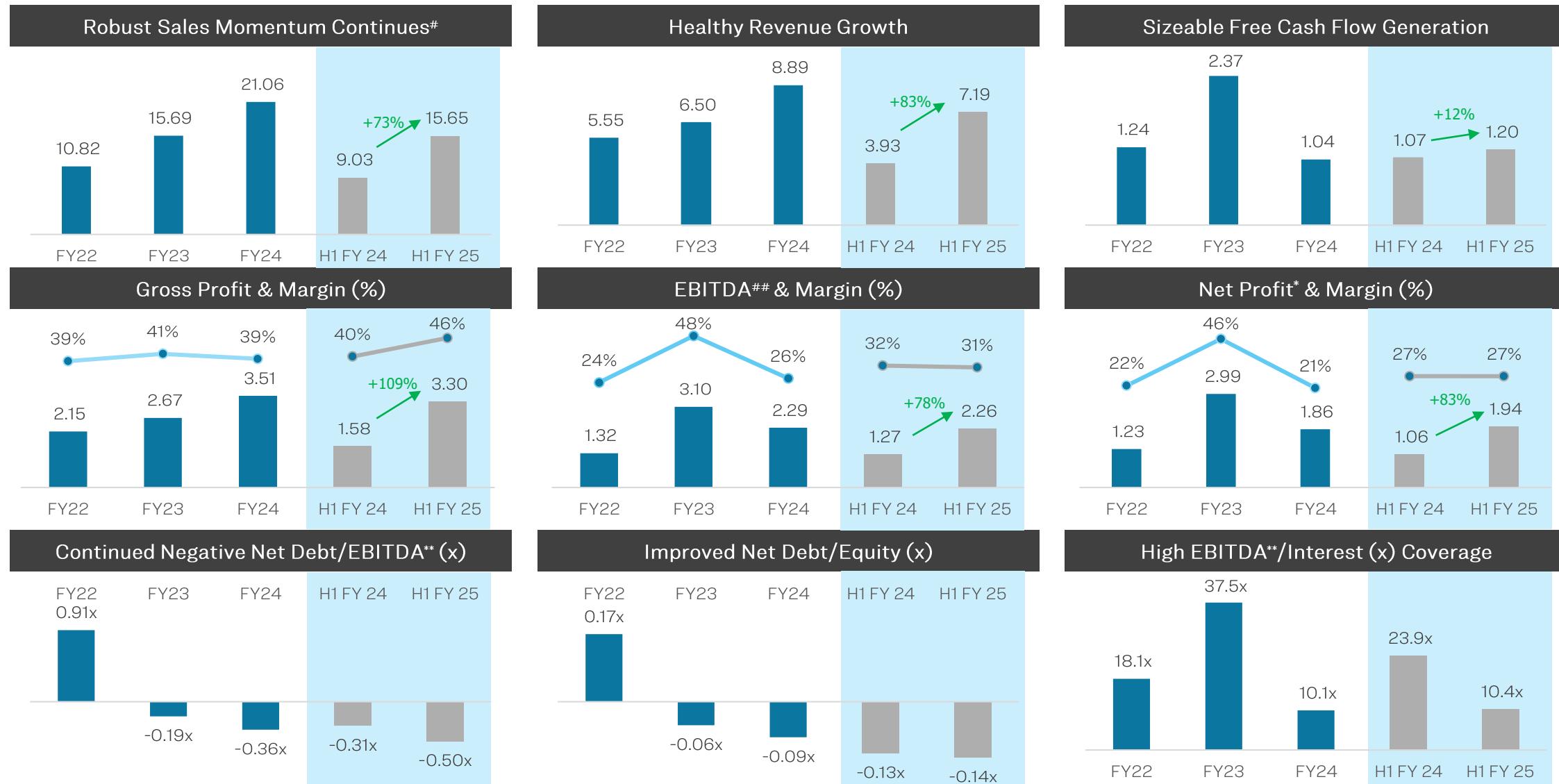


<b>Bayfront Marina Residence (Siniya Island, UAQ)</b>	
Launch Date	Jun-25
Handover Year	2029
Saleable Area (Sq. Ft)	353.3 K
Units	522



## Financial Overview

# Superior Financial Profile with Continued Improvement over the Years



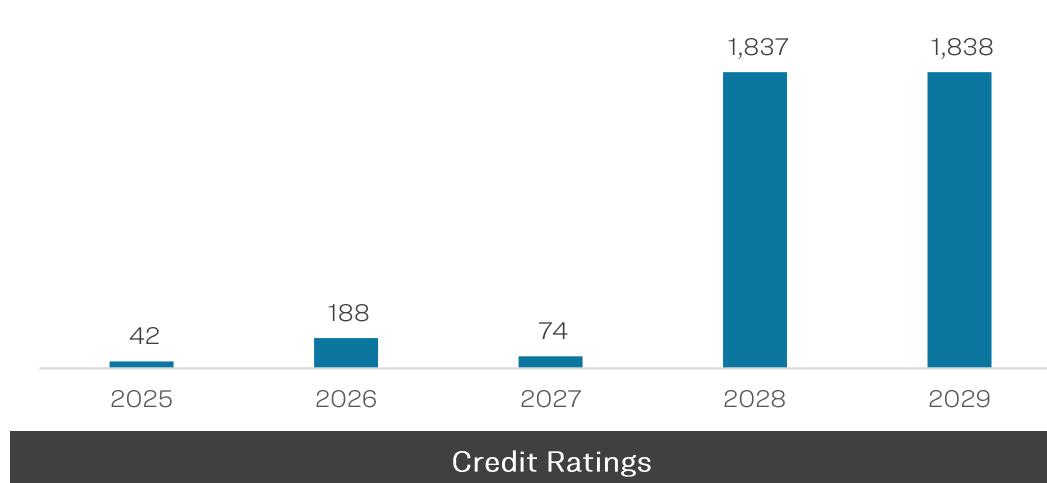
Note: 1. All numbers in AED Bn except ratios 2. FCF computed as CFO less Capex & Investment in Sobha Siniya & Downtown JV \*Includes proportionate share of Sobha Siniya #Including Sobha Siniya Sales #LTM EBITDA ##The EBITDA shown in the graph includes fair value gains on investment properties. However, EBITDA (excl. fair value gain) has increased 3x, from AED 0.7 bn in H1 FY24 to 2.26 bn in H1 FY25 whereas EBITDA margin (excl. fair value gain) has increased from 19% in H1 FY24 to 31% in H1 FY25

# Healthy Liquidity Underpinned by Sizeable Cash Balances and Spaced-out Debt Maturity

## Healthy Cash Generation leading to Ample Liquidity (AED Mn)\*

Gross Debt	Cash	Net debt
3,980	5,635	(1,655)

## Long-tenured Loans, further Boosting Liquidity Profile (AED Mn)\*

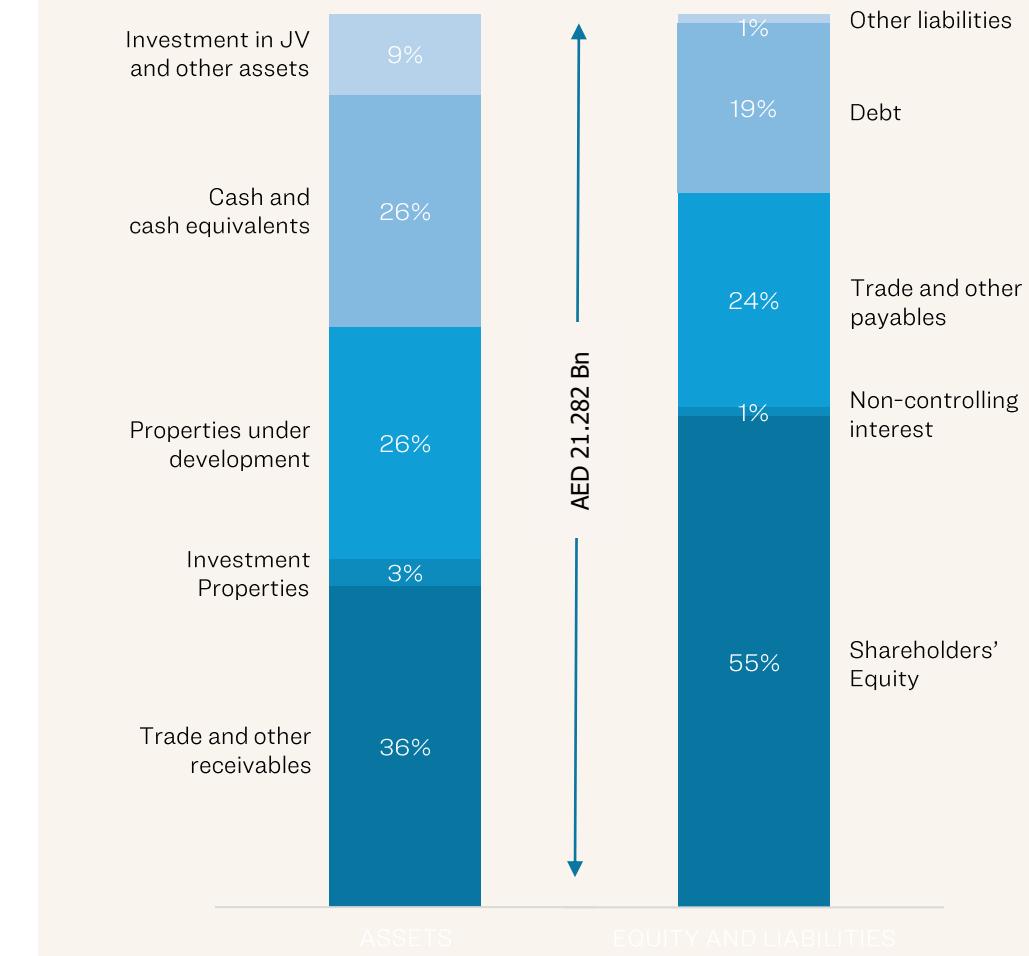


**S&P Global**  
Ratings

Sukuk: BB/Stable  
CFR: BB/Stable

**MOODY'S**  
Sukuk: Ba2/Stable  
CFR: Ba2/Stable  
(CFR Rating Upgraded in Apr'25)

## B/S Break Down – as on 30<sup>th</sup> Jun 2025



# Well Defined Operational & Financial Parameters to Ensure Long Term Sustainability



## Land Bank

*Maintain sufficient land bank to serve next 2-3 years demand*

Current land bank sufficient to support near-term growth

Focus on land parcels in desirable locations on deferred long-term payment plans



## Inventory

*Ensure there is no more than 6-9 months inventory prior to new launches*

Fast tracking of identified project launches to cater to increased demand

Agile strategy to review launch schedule based on market trends



## Sales Strategy

*Target to sell 50% of the project within first 6 months of launch*

Ensure projects are materially sold prior to incurring significant construction costs



## Payment Plans

*Tightening payment plans reducing funding gaps*

No reliance on post-handover payment plans for new sales

Average payment plan for projects: ~70% during construction and balance on completion



## Leverage & Liquidity

### Leverage:

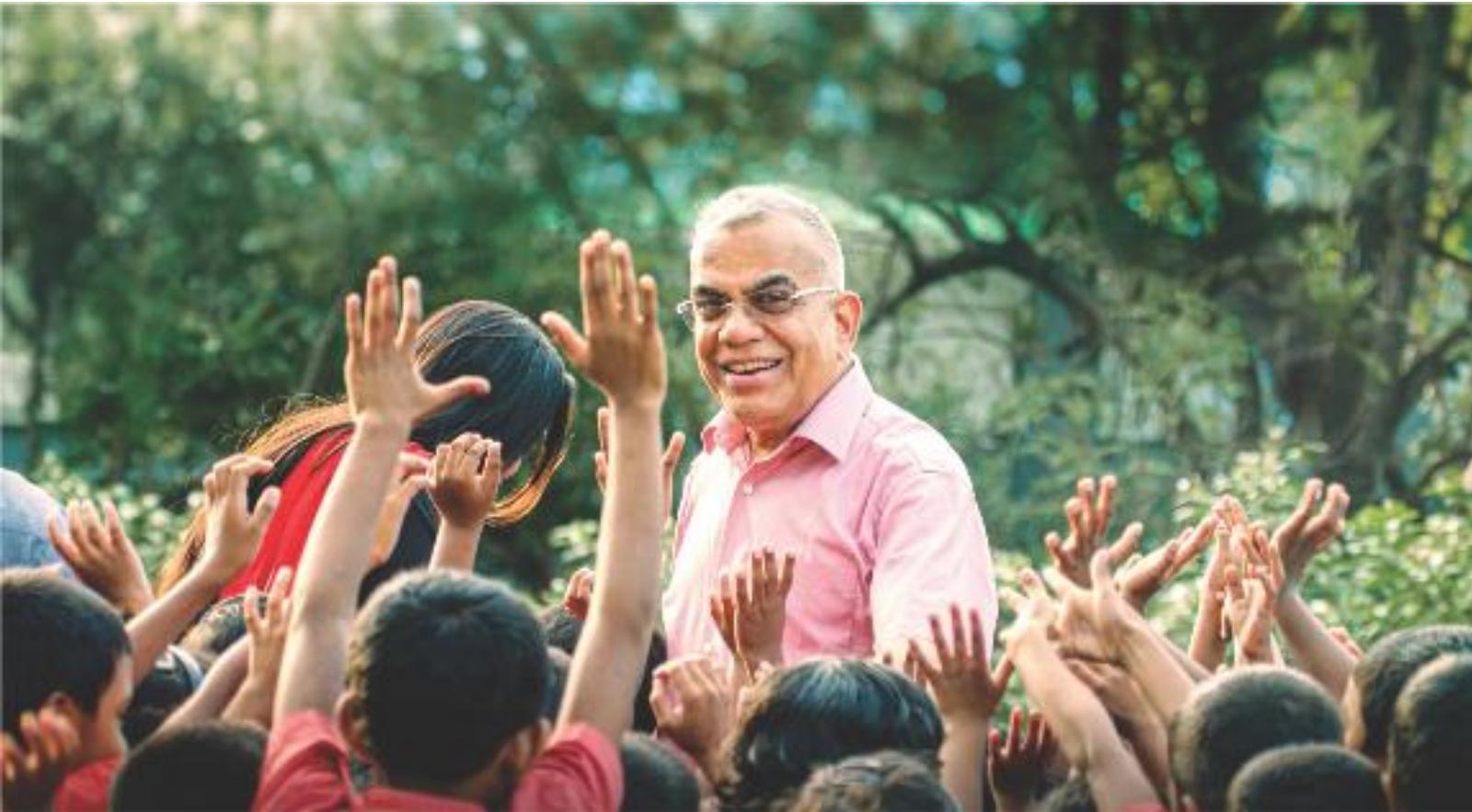
Net Debt / Equity to not exceed 1.25x

Net Debt / EBITDA to not exceed 2.75x throughout development cycles

EBITDA / finance cost to be maintained at greater than 1.5x

### Liquidity:

Maintain cash balance of 4 – 6 months of operating expenses



Environmental,  
Social & Governance

# Environmental - Seeking Excellence in Sustainable Developments and ESG Reporting

## Environment Sustainability remains a Core Philosophy

- Sobha has pledged to support the UAE Ministry of Climate Change and Environment in its Net Zero by 2050 strategic initiative, and has established an internal Net Zero strategy to align with overall UAE's strategy
- It has implemented robust tracking methodology and constant feedback reporting to ensure it is constantly making progress in its climate actions
- A clear strategy for sustainability is in place to achieve Sobha's vision to accelerate the global transition to a sustainable environment. It has partnered with Synergy to enhance sustainability and improve its ESG rating across its supply chain

## Achieving Global Green Building Certifications

- All new developments of Sobha are aiming for globally acclaimed Green Building certifications such as LEED USA, Green Mark Singapore, Edge and Fitwell
- Targeted ratings vary across Certified, Silver, Gold Platinum and Super Low Energy



Sobha One achieved the prestigious BCA Green Mark Platinum Super Low Energy (SLE) Certification

### The First SLE Platinum outside Singapore

- Sobha has also ventured into other global certifications for other projects

## Sound Sustainability Reporting & Adherence to Global Standards



### ESG, TCFD Reporting & GHG Assessment

- Voluntarily initiated ESG reporting in 2021, with the most recent 2024 ESG Report published recently
- Voluntarily supported TCFD. Released its second report for 2023
- Completed our comprehensive GHG assessment (2024) for the 3<sup>rd</sup> consecutive year comprising all scopes i.e. Scope-1, Scope-2 and Scope-3
- Established an internal Net Zero road map strategy to align with overall UAE's national Net Zero agenda



### GRESB Development Benchmark

- Achieved score of 91 in 2024 – a significant jump from the score of 72 achieved in 2023 as a first-time participant, well ahead of the global average
- Sobha ranks 5<sup>th</sup> among its peer group in benchmarking defined by GRESB, reflecting its commitment to sustainability excellence. The company has also been included in GRESB's Expert Services Group, contributing real estate and infrastructure expertise



### Alignment to Global Sustainability Standards

- Aligned ourselves with ten Sustainable Development Goals that are most relevant for our business
- Intend to benchmark our strategy against the United Nation's Sustainable Development Goals, a voluntary initiative based on our commitments to implement relevant universal sustainability principles and take steps to support UN goals
- Adopted the Global Reporting Initiative ("GRI") Standards for ESG benchmarking with annual performance review against each benchmark to ensure progress is being made on each key initiative

# Environmental - Strong Focus on ensuring Sustainable Operations with Key Climate Initiatives

## Vertical Integration Model Facilitating Efficient Operations



Energy Savings



Water Savings



Reduction of Materials



Lesser Loading of the Landfills



Circularity



Higher Quality /Consistency / Greater Efficiency

## Awards and Recognitions

- 'Best Overall Sustainable Performance' accolade at the Middle East Sustainability Leadership Awards 2024
- 'Exemplary Circular Economy Program 2024 Award' from the Dubai Supreme Council of Energy
- Sustainable Project of the year – Sobha One



## Key Climate Initiative

### Solar Energy Project

- Implementation of multiple Solar PV projects across construction sites, factories, offices with a combined planned capacity of over 10 MW, reducing reliance on electricity from conventional sources

### Low-Carbon Cement

- Switched to Vertua low-carbon cement across selected projects, reducing CO<sub>2</sub> emissions from one of the most carbon-intensive construction materials.

### Biodiesel Usage

- Adopted B5 biodiesel across construction activities, with 1.5 million liters used in 2024, reducing carbon emissions from fuel combustion and lowering reliance on fossil fuels

### Energy Optimization Initiatives

- Introduced energy-saving measures at manufacturing and construction sites, such as LED lighting upgrades, better control of HVAC and equipment usage, automated HVLS fans, and optimized generator sizing — all aimed at reducing energy use and emissions

### Hybrid Vehicles

- Added four hybrid vehicles to the fleet, improving fuel efficiency and reducing greenhouse gas emissions, with plans to expand the fleet further in the near future

### Advancing Efficiency Through the 70:70 Strategy

- Introduced the 70:70 strategy, targeting 70% of construction activities shifted to controlled manufacturing environments and 70% process automation, reducing material waste and optimizing energy use

# Social - Committed to serving the people within Sobha and the Communities we operate in

## United Arab Emirates (UAE)

### Al Jalila Foundation - Dubai

The Al Jalila Foundation, which is supported by the Dubai Government, undertakes medical education and research initiatives in the UAE. Mr. PNC Menon, and others have helped raise AED 220 Mn (\$60m) for the cancer hospital, out of which Sobha Realty has committed AED 10 Mn (\$4m)

### Noor Dubai

Mr. PNC Menon, has committed to contribute AED 10 Mn (\$4m) to Noor Dubai, which conducts free eye operations for the visually challenged in various developing countries across the world

## India

### Sobha Care

Under the Sobha Care Program, technicians and their families are eligible to obtain monetary benefits of various kinds to improve their quality of life and motivate them to grow along with the company

Programs under Sobha Care include Sobha Edu Care (scholarships to children), Sobha New-born Care, Sobha Women Empowerment, Sobha Marriage Blessings and Sobha Housing Scheme

### Billion Meals Endowment fund - UAE

A personal donation of AED 50 Mn (\$14m) was made by Mr. PNC Menon, to benefit the cause of the '1 Billion Meals Endowment' campaign launched by Mohammed Bin Rashid Global Initiatives (MBRGI) to provide food to disadvantaged and underprivileged individuals in over 50 different countries

### Endowment University in Dubai

MBRGI and Sobha Realty signed a charitable grant agreement for the establishment of an endowment university in Dubai



### 1,000 Homes by Sobha Community Home Project

'GRIHA SOBHA' achieved the milestone of hand over of first 100 homes (out of the 1,000 promised homes) for free, to women from underprivileged families in March 2024, with the foundation stone being laid for another 120 homes

### Sobha Healthcare Center

Sobha Healthcare was established to make healthcare accessible for the 2,500 underprivileged families of Kizhakkencherry, Kerela

### Sobha Academy

With 1,200 students getting a quality education at no cost, Sobha Academy is truly helping India grow from its grassroots

### Sobha University for Women

Sobha University is full-fledged residential university, established to provide free access to advanced college education with cutting-edge infrastructure. It covers all expenses for 5,000 female students

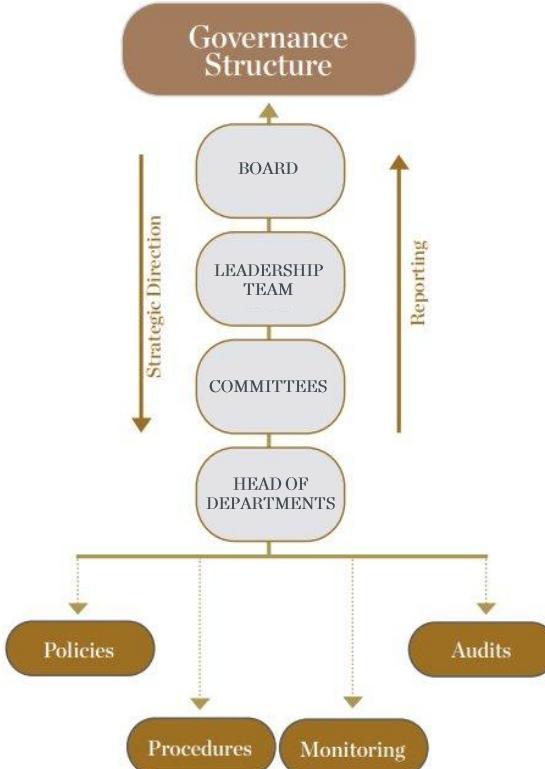
## Oman

### SAS Housing Initiative

Mr. PNC Menon, signed an MoU with Al Rahma Association of Motherhood and Childhood in Muscat to contribute OMR 9.6 Mn (\$25m) over the next 10 years, beginning in 2023, to build 300 homes for orphans and needy families. The association seeks to provide a better life for orphans and underprivileged families registered with it, by implementing the SAS project which aims to provide suitable housing for them

# Governance - Robust Corporate Governance Throughout all Levels of the Company

## Prudent Corporate Structure



## Multiple Governance Committees (Ensure Efficient Operation across all Levels of the Company)



### Risk Management Committee

Charged with identifying, assessing, and mitigating risks across Sobha Group's operations, this committee evaluates strategic, financial, operational, and compliance risks, and develops strategies to manage and mitigate potential threats to the organization. Through its proactive stance, the committee bolsters the organization's resilience and fosters its enduring success by adeptly navigating risks inherent in its diverse business portfolio.



### Investment Committee

Tasked with evaluating and deciding on the allocation of the group's capital across diverse investment opportunities, the Investment Committee meticulously analyzes the market trends, risk factors, and potential returns. This pivotal role ensures the optimization of the group's investment portfolio, fostering prudent financial management and driving sustainable growth and profitability for the Group.



### Remuneration & Nomination Committee

The Nomination and Remuneration Committee oversees the nomination of qualified individuals for Board and executive positions while also reviewing and recommending suitable remuneration packages for key executives and directors. This ensures alignment with industry standards and the company's performance metrics. The Committee's focus on attracting and retaining top talent fosters good corporate governance within the Group.



### Audit Committee

Responsible for overseeing financial reporting, internal controls, risk management, and compliance with regulatory requirements. The Audit Committee ensures the integrity of financial statements and monitors the effectiveness of internal audit functions.

## Diverse & Accomplished Leadership Team



**Mr. PNC Menon**  
Founder

Mr. PNC Menon is the Founder Sobha Group. He began his career in the Middle East in 1976 and established himself as one of the largest turnkey interiors and contracting solutions providers in the GCC region. With over four and a half decades of experience and a relentless commitment to delivering world-class quality, he has helped the Company become the 3<sup>rd</sup> largest developer in Dubai in less than a decade



**Mr. Ravi Menon**  
Chairman

Mr. Ravi Menon has 23+ years of experience in construction and real estate development. He focuses, on the group strategy, project execution, quality control, technology advancement, and customer satisfaction. Prior to being appointed Chairman of the Group, he served as Chairman of Sobha India. He also serves as Chairman of the Board of the Company



**Dr. Mahmoud AlBurai**  
Independent Director

Dr. Mahmoud AlBurai has 18+ years of experience in the real estate sector. He currently holds the position of President at FIABCI Emirates and serves as a senior advisor in the Dubai Government. Earlier he served as the CEO of the Dubai Real Estate Institute, RERA and Dubai Holding. He also serves as an Independent Director on the Board of the Company



**Mr. Francis Alfred**  
Managing Director

Bringing over 24 years of experience to his role, Mr. Francis Alfred is responsible for the overall management and monitoring of master planning, project lifecycle, design and delivery of all the Group's real estate projects under development. He also serves as a Director on the Board of the Company



**Mr. Nikunj Patel**  
Chief Financial Officer

With 11+ years of leadership experience, Mr. Nikunj Patel is a seasoned finance professional with a strong track record in corporate finance, treasury, legal and compliance, investment management, and management consulting. He is a Chartered Accountant and holds B.com degree and certification in business valuations

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