

Embassy REIT Reports Robust Operating and Financial Results for 1Q FY2024: Delivers 1.1 Million Square Feet of Total Leases and Provides Guidance for Full-Year FY2024

- Leases 1.1 msf across 22 deals; 407k sf of new leasing at 68% re-leasing spreads
- Portfolio optimization on track with SEZ denotification strategy activated and Embassy Manyata occupancy reaching 91%
- Delivers distributions of ₹510 crores or ₹5.38 per unit
- Provides guidance for FY2024 with a record 6.0 msf of total leasing and distributions in the range of ₹20.50 to ₹22.00 per unit

Bengaluru, India, July 26, 2023

Embassy Office Parks REIT (NSE: EMBASSY / BSE: 542602) (**'Embassy REIT'**), India's first listed REIT and the largest office REIT in Asia by area, reported results today for the first quarter ended June 30, 2023.

Aravind Maiya, Chief Executive Officer of Embassy REIT, said,

"We are delighted to deliver another strong quarter across all our business and financial parameters. As India continues to be a favored global investment destination, Embassy REIT's world-class portfolio continues to attract global multinationals seeking to capitalize on India's skilled talent pool. Our ability to raise capital to fund our growth initiatives is demonstrated by our repeated debt raises at industry-leading rates. Given our strong leasing pipeline of 2 msf comprised mainly of GCCs, a clearer interest rate outlook, and our consistent focus on optimizing our operational and development portfolio, we are pleased to provide guidance for FY2024, which includes 6 msf of total leasing and distributions guidance in the range of ₹20.50 to ₹22.00 per unit."

The Board of Directors of Embassy Office Parks Management Services Private Limited (**'EOPMSPL'**), Manager to Embassy REIT, at its Board Meeting held earlier today, declared a distribution of ₹510 crores or ₹5.38 per unit for Q1 FY2024. The record date for the Q1 FY2024 distribution is Aug 03, 2023, and the distribution will be paid on or before August 10, 2023.

Business Highlights

- Leased 1.1 msf across 22 deals including 407k sf of new leases at 68% re-leasing spreads, pre-leasing of 448k sf at premium to market rents
- Strong trend of expansionary demand, with over 80% of the new/pre-leasing by existing occupiers and 71% by Global Captive Centres (GCCs) across various sectors
- Same-store occupancy remains stable at 87%

Financial Highlights

- Grew Net Operating Income by 9% YoY to ₹738 crores with commercial office segment margins at 85%
- Delivered distributions of ₹510 crores or ₹5.38 per unit, marking the 17th consecutive quarter of 100% payout
- Raised Non-Convertible Debentures (NCDs) totaling ₹2,075 crores at an average rate of 7.8%; secured 146 bps proforma savings; c. ₹15,350 crore debt book remains highly competitive at 7.28% average cost

Operational Highlights

- Embassy Manyata repositioning paying dividends with 91% occupancy (up from 89% QoQ and 87% YoY)
 - Completed refurbishment of two buildings totaling 0.6 msf and leased 52% at 212% leasing spreads
- Hospitality business performing strongly with 53% occupancy, 30% YoY ADR growth and 2.8x YoY EBITDA
- Unitholder register expanded to over 85k unitholders, up from 4K at IPO and up 80% from 47K YoY; marked increase in domestic institutional and retail participation, driven by extensive investor engagement and retail education initiatives

Investor Materials and Quarterly Investor Call Details

Embassy REIT has released a package of information on the quarterly results and performance, that includes (i) condensed standalone and condensed consolidated financial statements for the quarter ended June 30, 2023 (ii) an earnings presentation covering Q1 FY2024 results, and (iii) supplemental operating and financial data book that is in-line with leading reporting practices across global REITs. All these materials are available in the Investors section of our website at www.embassyofficeparks.com.

Embassy REIT will host a conference call on July 26, 2023 at 18:00 hours Indian Standard Time to discuss the Q1 FY2024 results. A replay of the call will be available in the Investors section of our website at www.embassyofficeparks.com.

About Embassy REIT

Embassy REIT is India's first publicly listed Real Estate Investment Trust. Embassy REIT owns and operates a 45 msf portfolio of nine infrastructure-like office parks and four city-centre office buildings in India's best-performing office markets of Bengaluru, Mumbai, Pune, and the National Capital Region ('NCR'). Embassy REIT's portfolio comprises 34.3 msf completed operating area and is home to over 230 of the world's leading companies. The portfolio also comprises strategic amenities, including four operational business hotels, two under-construction hotels, and a 100 MW solar park supplying renewable energy to tenants. Embassy REIT's industry leading ESG program has received multiple accolades from renowned global institutions and was awarded a 5-star rating both from the British Safety Council and GRESB. Embassy REIT was also recognised as the world's largest 'USGBC LEED Platinum-Certified' office portfolio (v4.1 O+M) by Green Business Certification Inc. For more information, please visit www.embassyofficeparks.com.

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This press release contains forward-looking statements based on the currently held beliefs, opinions and assumptions of the Manager. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of Embassy REIT or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. The Manager disclaims any obligation to update these forward-looking statements to reflect future events or developments or the impact of events which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.

This press release also contains certain financial measures which are not measures determined based on GAAP, Ind-AS or any other internationally accepted accounting principles, and the recipient should not consider such items as an alternative to the historical financial results or other indicators of Embassy REIT's cash flow based on Ind-AS or IFRS. These non-GAAP financial measures, as defined by the Manager, may not be comparable to similarly titled measures as presented by other REITs due to differences in the way non-GAAP financial measures are calculated. Even though the non-GAAP financial measures are used by management to assess Embassy REIT's financial position, financial results and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and the recipient should not consider them in isolation or as substitutes for analysis of Embassy REIT's financial position or results of operations as reported under Ind-AS or IFRS. Certain figures in this press release have been subject to rounding off adjustments. Actual legal entity name of occupiers may differ.

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