

Embassy Office Parks REIT

Discussion Materials

September 2023



Executive Summary

Important aspects about Indian REITs that Wealth Managers should know and should tell their clients

- ▶ REITs have been **globally accepted** for 60 years and constitute 60% of global listed real estate market cap
- ▶ REITs are **not debt** instruments and should not be compared to FDs
 - Rather, think of them as **high dividend-paying stocks**
- ▶ REITs should form an integral part of every investor's (and your client's) **asset allocation** strategy
- ▶ REITs hold multiple advantages as compared to RE fractional ownership
 - **Liquid** – easy to buy/sell on stock exchange
 - **Transparent** – best in class disclosures, high governance standards, institutionally backed and quarterly reporting / distributions payout
 - **Highly regulated** – low leverage, strong SEBI oversight; 80% compulsorily rent generating, related party safeguards assets
- ▶ REITs distributions are tax efficient compared to most other securities in Indian capital market
- ▶ REITs are **long-term investment** and not speculative securities

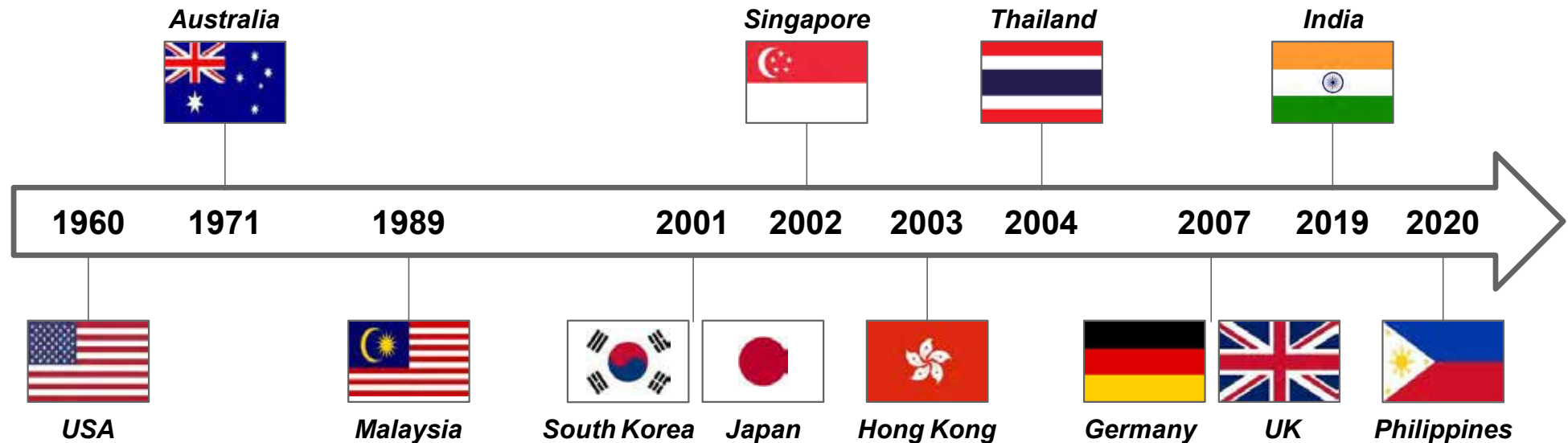
A photograph of the Embassy TechVillage in Bangalore, India. The image shows a modern, multi-story building with a light beige facade and numerous windows. The building features a large, open courtyard area with a paved ground, some outdoor seating with white chairs and tables, and a few small trees. The sky is blue with some white clouds. The text "Introduction to REITs" is overlaid in white on the left side of the image.

Introduction to REITs

Embassy TechVillage, Bangalore

REITs: Globally Accepted For 60+ Years

History of REIT Launches in Major Economies



900+

REITs launched globally

~\$2 trillion

Value of listed REITs

~60%

Global real estate market cap
contributed by REITs

Why Invest in Indian REITs?

Accessibility

*Ownership in
professionally-managed
Grade A commercial assets*

Transparency

*Strong governance
framework and disclosure
requirements from SEBI*

Liquidity

*REIT units are freely traded
in stock markets like equity
shares*

Distributions

*Requirement to distribute
at least 90% of net
distributable cash flows
semi-annually*

Growth

*Participation in capital
appreciation from organic
/ inorganic growth*

Diversification

*Investment in a high-quality
diversified portfolio across
sectors / cities*

What Assets Can an Indian REIT Own?

PERMITTED

Commercial Sectors

*Offices, hotels, retail, industrial,
healthcare*

Min. 80%

*completed & rent/ income
generating assets*

NOT PERMITTED

NOT PERMITTED

Residential (houses, apartments)

Speculative landbank

Conservative Debt Limit

*Unitholder approval for consolidated
debt to go above 25%*

Regulatory limit at 49%

Simple REIT Business Model

Grade A Office Rents

(+) Income from Amenities / Maintenance

(-) Property Tax, Maintenance, Insurance

Net Operating Income (NOI)

(-) Operating Expenses

(-) Interest Cost, Taxes

Profit After Tax (PAT)

(+) Depreciation / other

Net Distributable Cash Flows (NDCF)

► Paid by the world's best companies

► Hotel / Renewable Energy

► Cost of running buildings

► Over 70% up since listing (for EOP)

► Employee and G&A costs

► AAA Balance Sheet and minimal tax impact

► REIT delivers NDCF and not PAT

► Non-cash Items

► Required to pay at least 90% to unitholders

Snapshot of Indian REITs

The Indian REIT market continues to evolve since the listing of the first REIT in April 2019

4 REITs - 112 msf⁽¹⁾

Across India's top commercial
office / retail markets

₹ 778 Bn

Market Capitalization

₹ 255 Bn

Primary Equity
Proceeds Raised Since 2019

**₹ 129 Bn
Distributed**

More than entire Nifty Realty
Index Combined

AAA

Superior Credit Rating

**Benchmark Global
Indices**

FTSE Russell/ EPRA-NAREIT /
S&P / MSCI –Small Cap

200k unitholders

Strong Retail Ownership

High Standards

of Corporate Governance

Enhanced Liquidity

Through reduction in
Trading lot sizes

Note:

(1) Refers to total area (under construction, development potential and completed area)

Source: Company websites

Listed REIT Landscape in India

	Embassy REIT	Mindspace REIT	Brookfield India REIT	Nexus Select Trust REIT
Ticker (NSE)	EMBASSY	MINDSPACE	BIRET	NXST
Ticker (BSE)	542602	543217	543261	543913
Listing Date	April 01, 2019	August 07, 2020	February 16, 2021	May 19, 2023
Market Capitalization¹	₹29,322 crs	₹18,949 crs	₹10,773 crs	₹18,759 crs
Geographic Focus	Bengaluru, Mumbai, Pune, Noida	Mumbai, Hyderabad, Pune, Chennai	Mumbai, Gurgaon, Noida, Kolkata	Across key cities in India
Completed Area²	34.3 msf	26.1 msf	20.6 msf	9.9 msf
Leased Area²	29.2 msf	23.2 msf	18.3 msf	9.6 msf
Sponsor Ownership²	31% (Blackstone, Embassy Group)	63% (K Raheja Corp)	54% (Brookfield)	43% (Blackstone)

Notes:

(1) NSE, FactSet, data refers to closing price on Sept.08, 2023

(2) Based on latest available results on company websites

Widespread Acceptance of REITs

Embassy REIT's unitholder base continues to expand and diversify since listing; public float well distributed among institutions and retail unitholders

Evolving Unitholder Base

Sponsors – 70%
Public Float – 30%



Q1 FY20

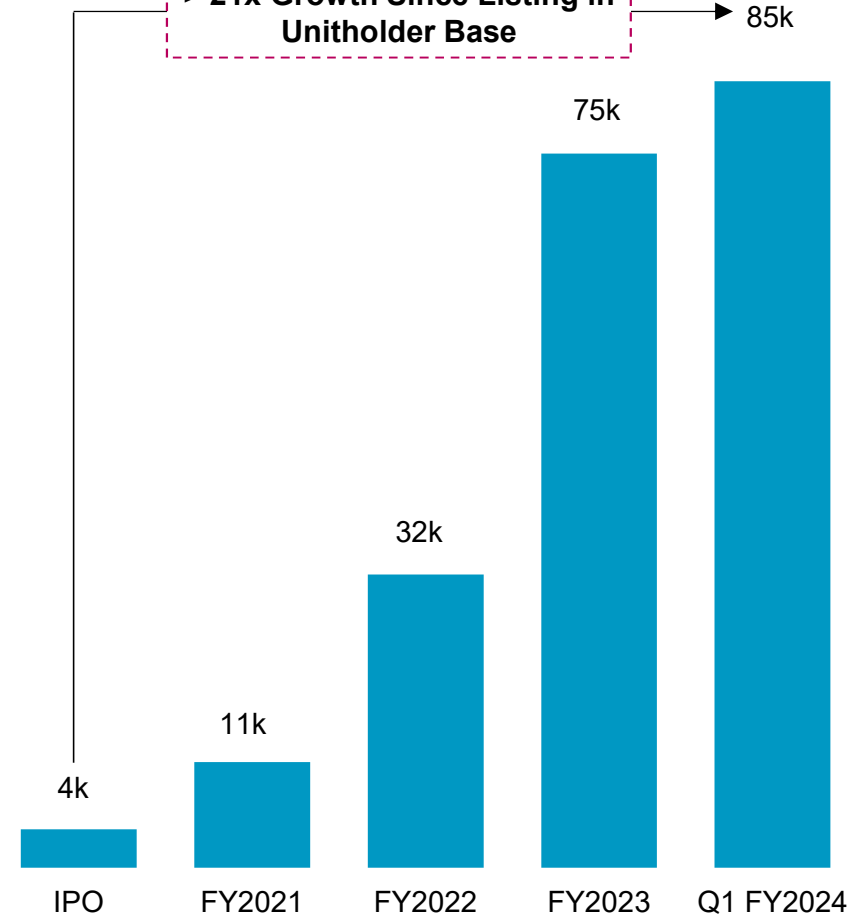
Sponsors – 31%
Public Float – 69%



Q1 FY24

Increasing Acceptance of REIT as an Investment Class

> 21x Growth Since Listing in
Unitholder Base



■ Sponsors ■ FIIs ■ MFs ■ Insurers ■ AIFs ■ Individuals ■ Others

Note:

(1) FIIs - Foreign institutional investors, MFs – Mutual Funds, Insurers – Insurance Companies, AIFs - Alternative Investment Funds, Others – Trusts, Non Resident Indians, Clearing Members and Body Corporates

A photograph of the Hilton Hotel Complex at Embassy Manyata. The image shows a modern building with a glass facade and a blue-tinted section, with the 'Hilton' logo visible on the upper right. To the left is a building with a distinctive orange-brown perforated facade. In the foreground, there is a colorful, curved wall in shades of blue, orange, and red, and a covered walkway with a blue roof. The sky is blue with some clouds.

Embassy REIT Overview

Hilton Hotel Complex, Embassy Manyata

Who We Are: Quick Facts

Embassy REIT owns and operates a commercial office portfolio that serves as essential corporate infrastructure to global occupiers, including many technology companies

45.0 msf⁽¹⁾⁽²⁾

Portfolio

230

Blue-chip
occupiers

86%

Occupancy

13

Commercial
Offices

1,614⁽²⁾

Hotel Keys

100 MW

Solar Park

17%

Mark-to-Market
Upside

47%

Gross Rents
from Fortune
500 occupiers

6.6 Years

WALE

₹2,766 crs

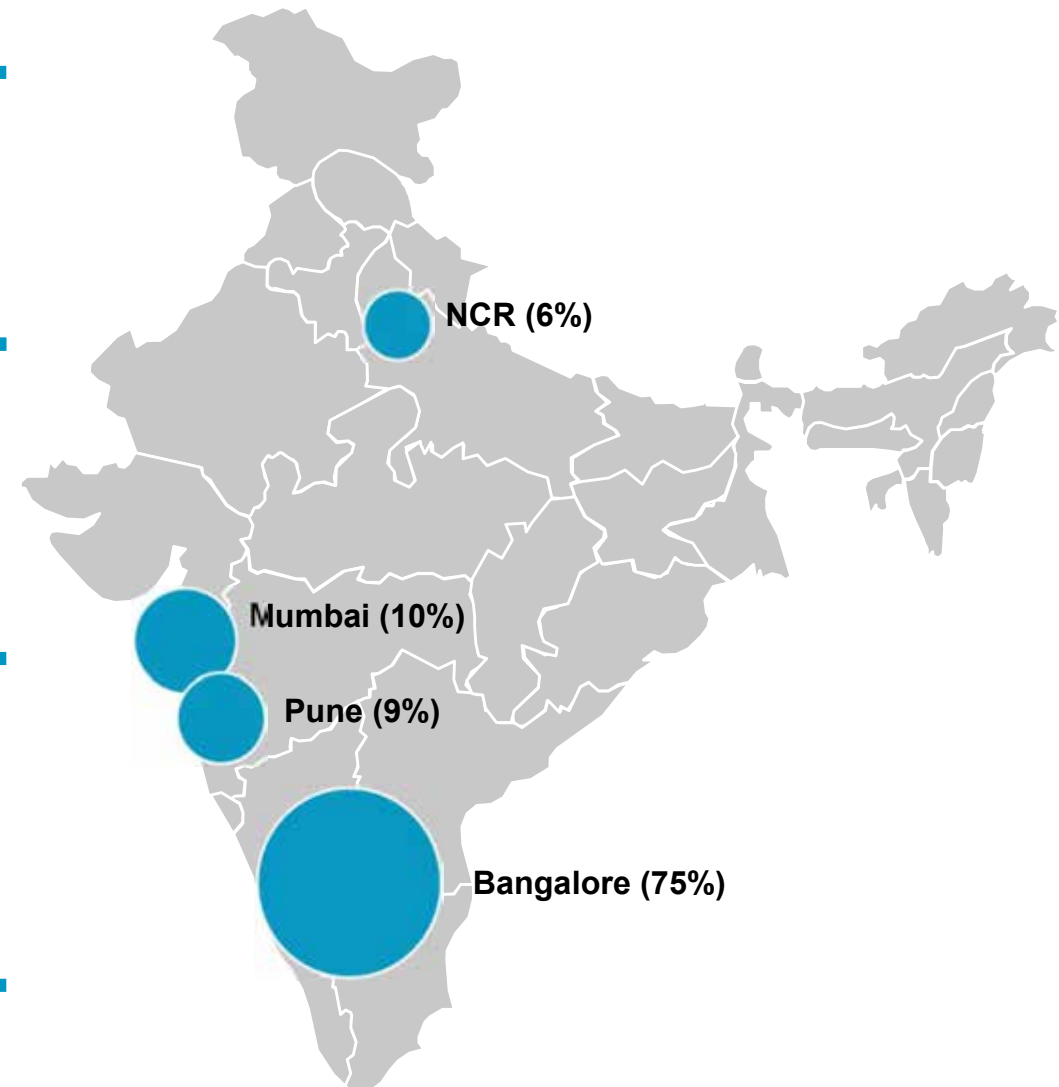
FY2023
Net Operating
Income

₹2,058 crs

FY2023
Distributions

28%

Net Debt to
GAV



Notes: City wise split by % of Gross Asset Value (GAV) considered per Mar'23 valuation undertaken by IVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE
Valuation exercise undertaken semi-annually

(1) Comprises 34.3 msf completed, 7.9 msf under construction and 2.8 msf future development

(2) Includes completed, under construction and proposed future development

Nine Infrastructure-like Office Parks

Embassy Manyata
Bangalore (15.2 msf)



Embassy TechVillage
Bangalore (9.6 msf)



Embassy Business Hub
Bangalore (1.4 msf)



Embassy GolfLinks
Bangalore (3.1 msf)



Embassy Quadron
Pune (1.9 msf)



Embassy TechZone
Pune (5.5 msf)



Embassy Oxygen
Noida (3.3 msf)



Embassy Galaxy
Noida (1.4 msf)



Embassy Qubix
Pune (1.5 msf)



Note:

(1) Includes completed, under construction and proposed future development

Four Prime City-center Offices

Express Towers
Mumbai (0.5 msf)



FIFC
Mumbai (0.4 msf)



Embassy 247
Mumbai (1.2 msf)



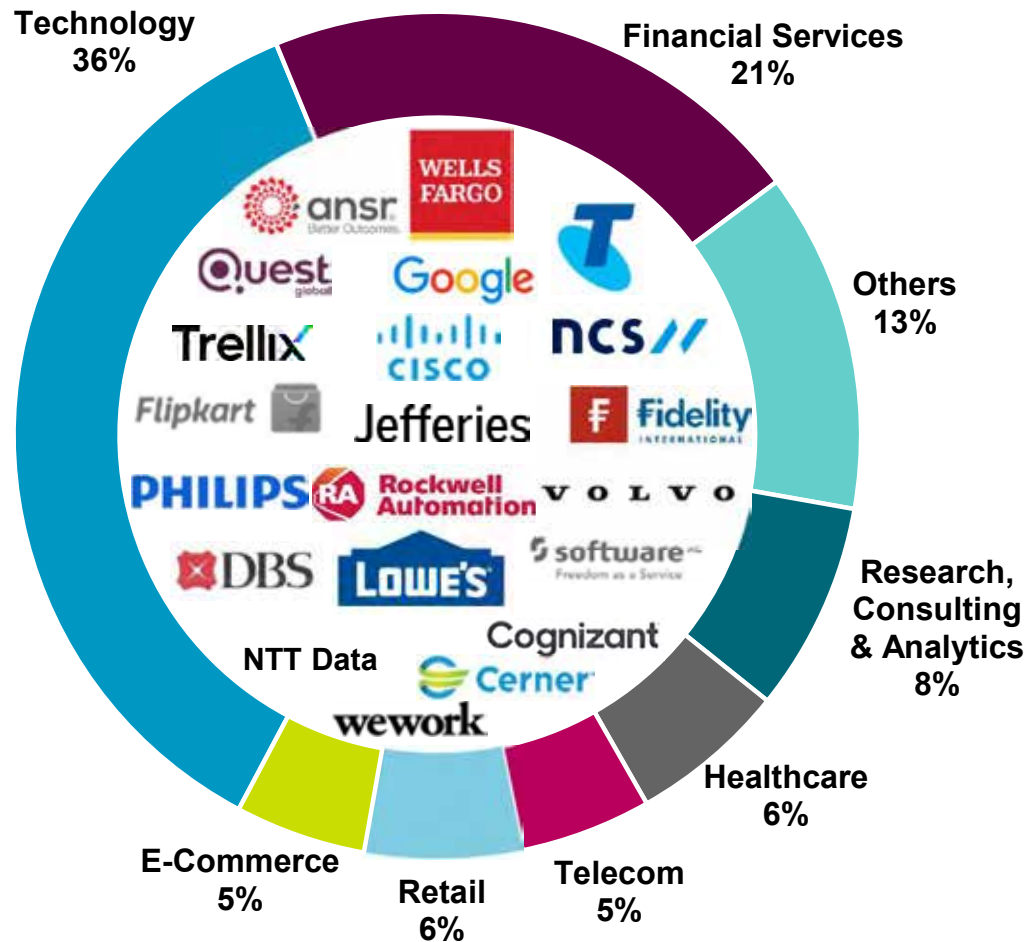
Embassy One
Bangalore (0.3 msf)



High Quality, Diversified Occupier Base

Global Captives and Tech occupiers constitute over 70% of our occupier base

Industry Diversification⁽¹⁾



Top 10 Occupiers	Sector	% of Rentals
JP Morgan	Financial Services	6.7%
Global Technology and Consulting Major	Technology	6.4%
Cognizant	Technology	5.8%
NTT Data	Technology	3.4%
Wells Fargo	Financial Services	3.2%
ANSR	Consulting	3.1%
Flipkart	E-Commerce	2.8%
WeWork	Co-working	2.1%
American Retail Major	Retail	1.9%
Nokia	Telecom	1.7%
Total		37.2%

- ▶ Added 5 new occupiers in Q1 FY24, expanding our overall occupier base to 234 (vs 165 at the time of listing)
- ▶ Contribution from Top 10 occupiers at 37% (vs 42% at the time of listing), with no single occupier contributing over 7%

Note: Actual legal entity name of occupiers may differ

(1) Represents industry diversification percentages based on Embassy REIT's share of gross rentals

India: The Office to the World

India remains optimally positioned to drive global offshoring demand, led by favorable demographics, skilled talent availability and cost-efficient high-quality spaces offered in India's gateway cities

India's Dual Structural Advantage Continues

Talent available at Scale

28 years

India's Median Age, favorable demographics vs global peers

1.5 mn

Engineering graduates added annually

1/10th

Avg. salary vs global tech professionals

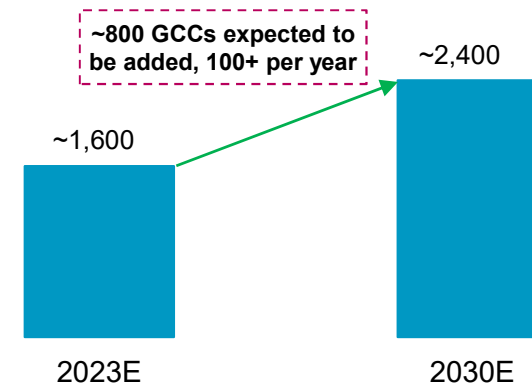
~\$1-2 psf

Monthly office rents in gateway cities

Low Cost

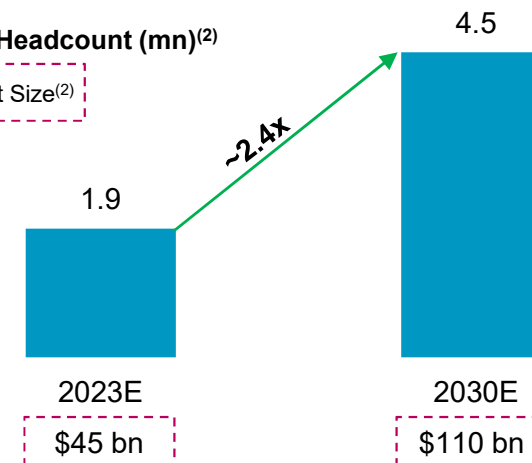
GCC Additions in India Continues to Accelerate

Total no. of GCCs in India⁽²⁾



Total GCC Headcount (mn)⁽²⁾

GCC Market Size⁽²⁾



- ▶ Moving up the value chain, GCCs in India are emerging as centers of excellence and innovation
- ▶ Increased focus on costs and efficiencies by global corporates is likely to further accelerate this offshoring trend

Sources:

(1) Morgan Stanley: 'The New India: Why This Is India's Decade', Oct'22

(2) EY: Future of GCCs in India - a vision 2030 report, Jun'23

Bangalore is Asia's and India's Leading Office Market

Embassy REIT's portfolio concentration in Bangalore is competitive advantage

Largest Tech, Innovation and GCC Hub

30%

Total Indian GCCs in Bangalore ⁽¹⁾

1 in 3

Indian tech employees call Bangalore home⁽²⁾

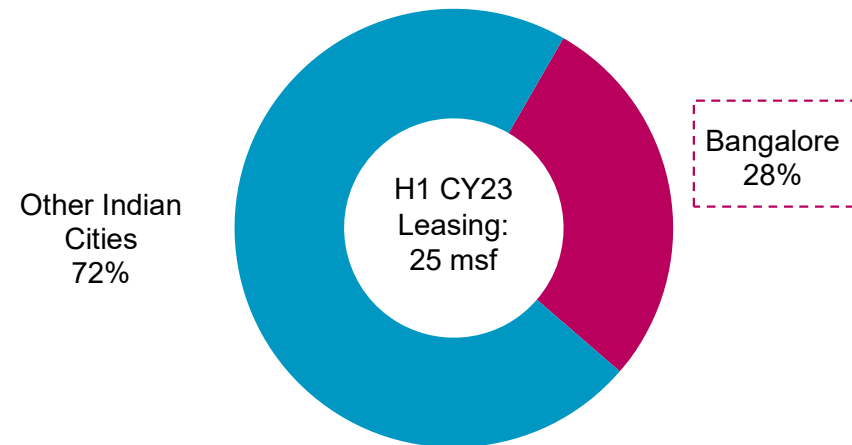
~20%

FTE operating cost in Bangalore compared to other global cities ⁽³⁾⁽⁴⁾

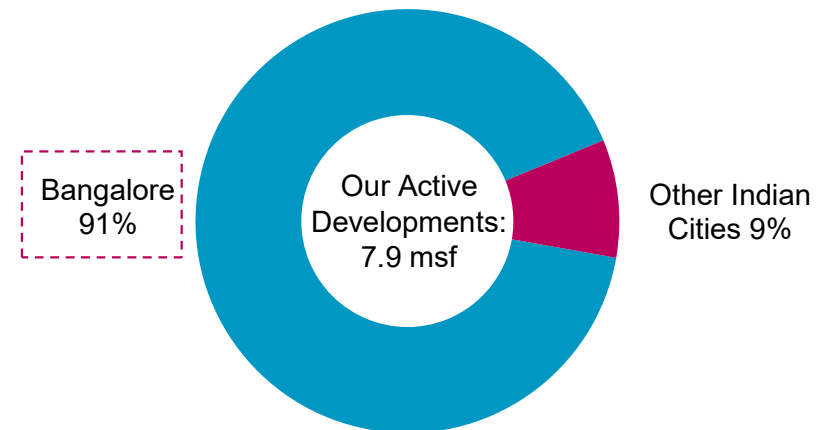
~50%

Bangalore's share of GCCs added in CY22 in India⁽⁴⁾

Dominant share of Leasing Demand in H1 CY23⁽⁵⁾



~90% of Our Active Developments in Bangalore



► Over 70% of REIT's current portfolio and over 90% of the active developments are focused in Bangalore

Sources:

- (1) Refers to FY23 figures as per NASSCOM, ZINNOV: GCC 4.0, INDIA REDEFINING THE GLOBALIZATION BLUEPRINT, Jun'23 report
 (2) Credit Suisse – India Market Strategy, Aug'21

- (3) Refers to Operating cost per Full Time Employee (FTE) for IT-ADM Services, 2022
 (4) NASSCOM, Priming for a NO NORMAL future, Technology Sector in India, Feb'23
 (5) Refers to office gross absorption in top 7 cities as per CBRE estimates

Leasing Update

A photograph of a modern, multi-story glass skyscraper at dusk. The building's facade is composed of a grid of glass panels, many of which are illuminated from within, creating a warm glow against the deep blue twilight sky. The building has a distinctive angular design with several setbacks. In the foreground, a road with a blurred light trail from a passing vehicle is visible, along with some greenery and a street sign.

Embassy TechVillage, Bangalore

Continued Leasing Momentum

Leased 1.1 msf across 22 deals in Q1 at 39% spreads, including new lease up of 407k sf and pre-commitments of 448k sf

1.1 msf

Total Lease-up⁽¹⁾

407k sf

New Leases at 68% Re-leasing Spreads

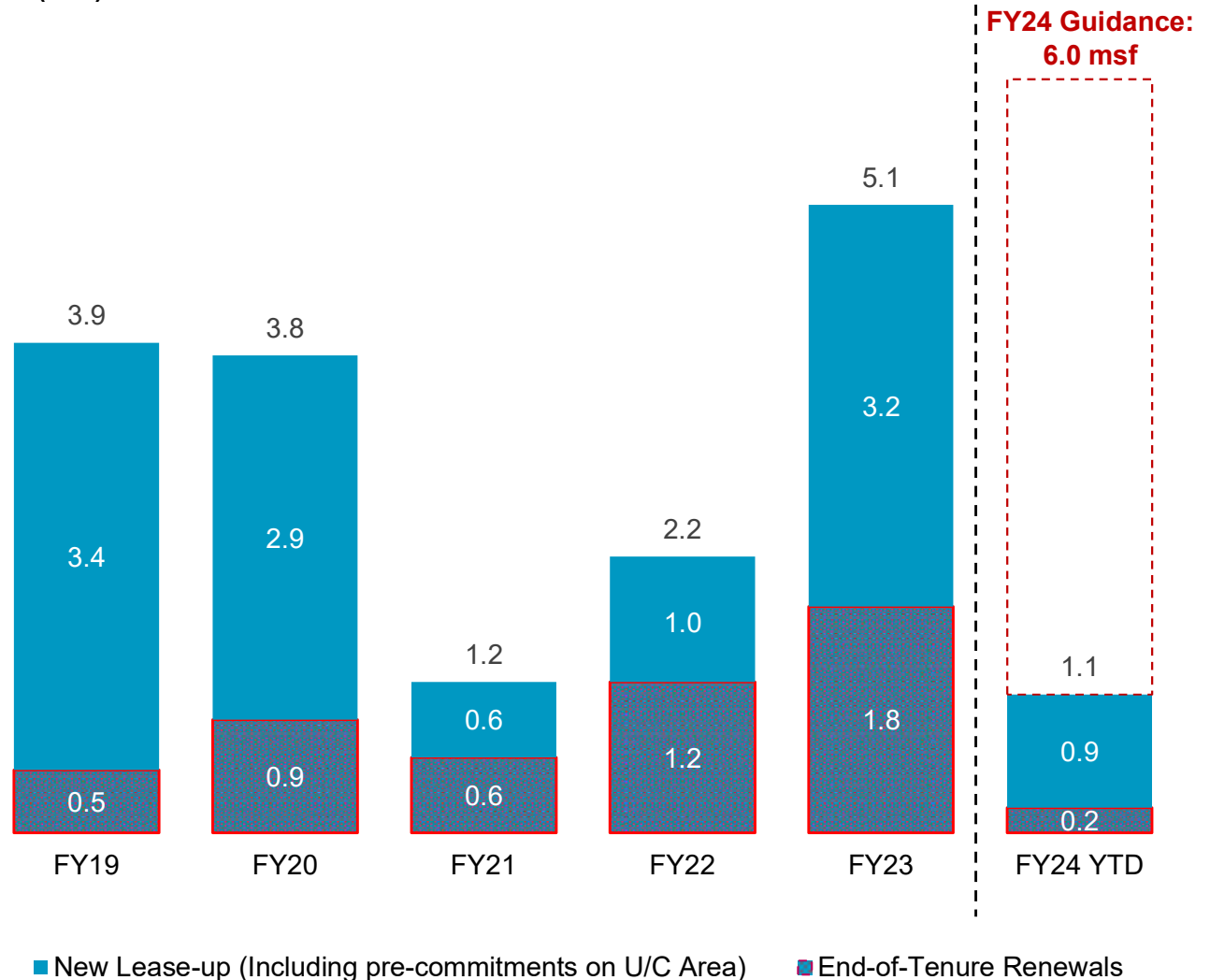
448k sf

Pre-commitments in Bangalore

209k sf

Renewed at 15% Renewal Spreads

Area (msf)



Notes:

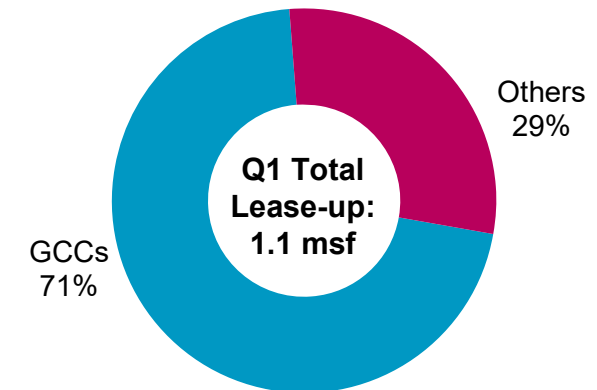
- (1) Total leases comprises of new lease-up, pre-commitment in under development properties, end-of-tenure renewals and early renewals. End-of-tenure renewals exclude rolling renewals
- (2) FY total leases (as set out in table and note 1 above) have been presented for all the properties that are currently part of Embassy REIT's portfolio as if the Embassy REIT's structure was in place since the beginning of FY19, for comparative purposes. These numbers have been included for purposes of providing general information and may differ from the historical consolidated or combined financial information and other operational metrics of Embassy REIT

Leasing Highlights for the Quarter

71% of Q1 leasing by GCCs, spanning multiple sectors such as research, consulting and analytics, and engineering and manufacturing

Occupier	Property	Sector	Area ('000 sf)
New Leases			407
ANSR	Embassy Manyata	Research, Consulting & Analytics	96
Quest Global	Embassy TechVillage	Engineering & Manufacturing	60
Fidelity	Embassy Manyata	Financial Services	25
Others	Various	Various	225
Pre - Commitment			448
Kyndryl	Embassy Manyata	Technology	244
ANSR	Embassy Manyata	Research, Consulting & Analytics	204
Renewals			209
Large US Investment Bank	Embassy GolfLinks	Financial Services	61
Singaporean Banking Major	Embassy 247	Financial Services	30
Others	Various	Various	119
Total Q1 Lease-up			1,064
Pipeline Discussions			c.2,000

Q1 leasing driven by GCCs



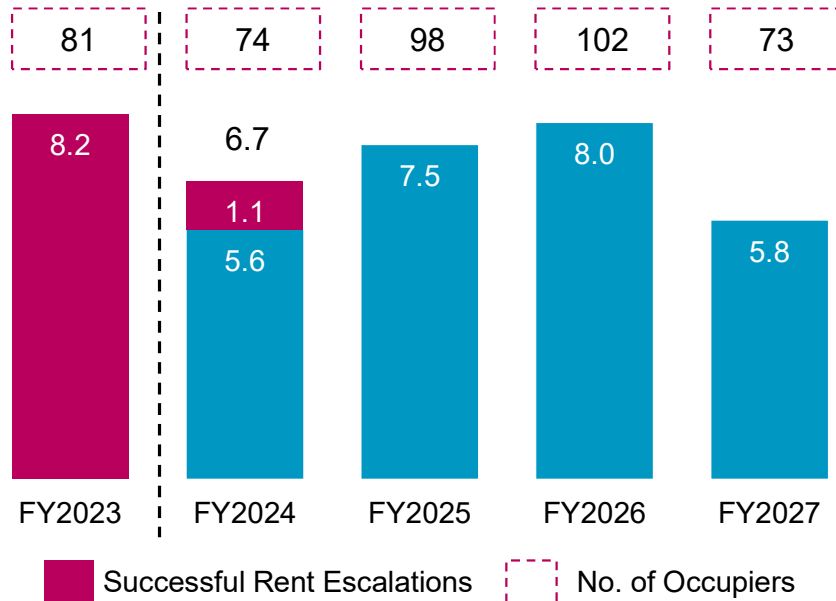
Note:
(1) Actual legal entity name of occupiers may differ

Embedded Rent Growth

Secured 22% rent escalations on 1.1 msf and achieved 15% spreads on 209k sf renewals. 0.7 msf exits offer significant 26% MTM potential

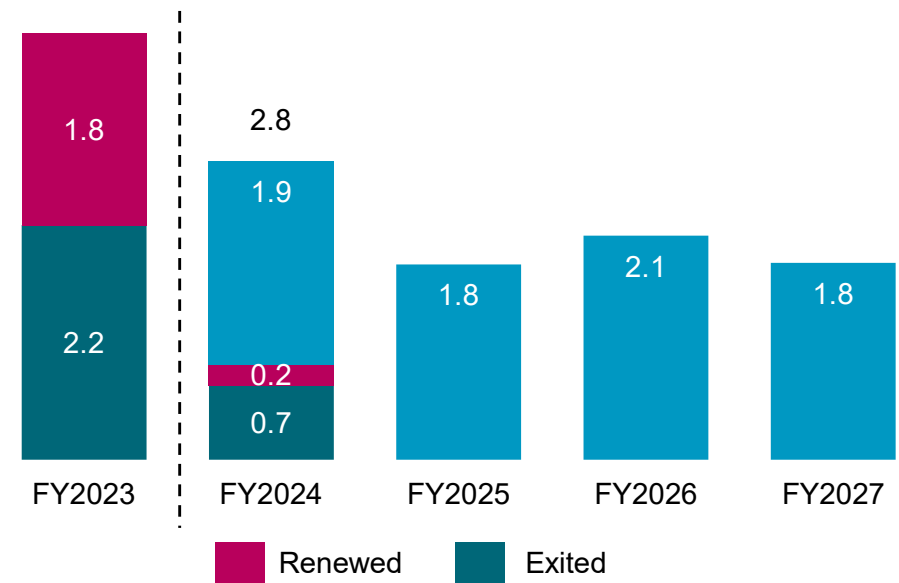
Embedded Rent Escalations of ~15% aids NOI Growth

Area (msf)



26% of Leases Expire Between FY2024–27

Area Expiring (msf)



Rent Escalations Due	14%	14%	14%	15%
Post-escalation MTM Opportunity	19%	4%	NM	28%

MTM opportunity ⁽¹⁾	29%	49%	21%	11%
Rents Expiring ⁽²⁾	6%	6%	9%	5%

► Contracted rent escalations (generally of 15% every 3 years) and significant mark-to-market opportunity (27% blended MTM till FY2027) are key drivers for NOI growth

Notes:

(1) MTM potential computed basis market rent per latest CBRE estimate and in-place rent for respective leases

(2) Refers to annualized rent obligations

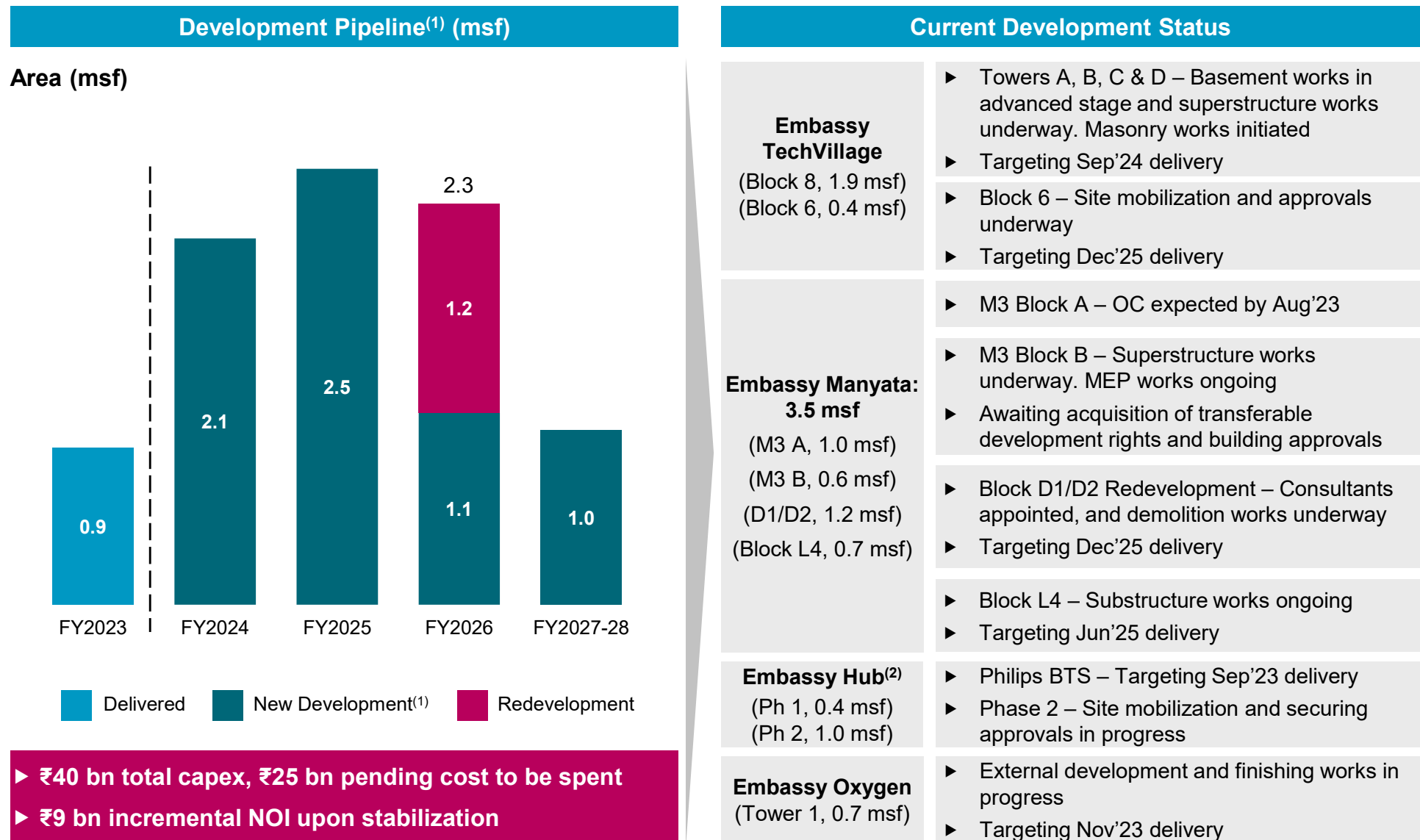
A nighttime photograph of a modern, multi-story office building with a glass facade. The building is illuminated from within, showing bright yellow and white lights in the windows. The building is composed of several interconnected volumes, creating a complex geometric shape. A central courtyard area is visible, featuring a paved ground and a small, dark, circular feature. The sky is dark, and a few distant lights are visible. The overall atmosphere is one of a bustling, modern urban environment.

Development Update

Embassy TechVillage – JP Morgan BTS, Bangalore

Focused Growth Investments

7.9 msf active development at highly attractive yields with over 90% concentrated in Bangalore, India's best office market



Notes:

(1) Excludes 518 key Hilton hotels at Embassy TechVillage

(2) Embassy Business Hub comprises a total leasable area of approximately 2.1 msf upon completion of Phase 1 and Phase 2. Of this, Embassy REIT's area share of entitlement is 1.4 msf

Project Progress at Site

Embassy Manyata – M3 Block A (1.0 msf)

Design Perspective



Embassy Manyata – M3 Block B (0.6 msf)



Targeting Aug'23 delivery

Actual Progress at Site⁽¹⁾



Targeting Mar'25 delivery



Note:
(1) Jul'23 Pictures

Project Progress at Site (Cont'd)

Embassy Manyata – L4 Block (0.7 msf)

Design Perspective



Embassy TechVillage – Block 8 (1.9 msf)



On-track for Jun'25 delivery

Actual Progress at Site⁽¹⁾



On-track for Sep'24 delivery



Note:
(1) Jul'23 Pictures

Project Progress at Site (Cont'd)

Embassy Business Hub – Phillips BTS (0.4 msf)

Design Perspective



Embassy Oxygen – Tower 1 (0.7 msf)

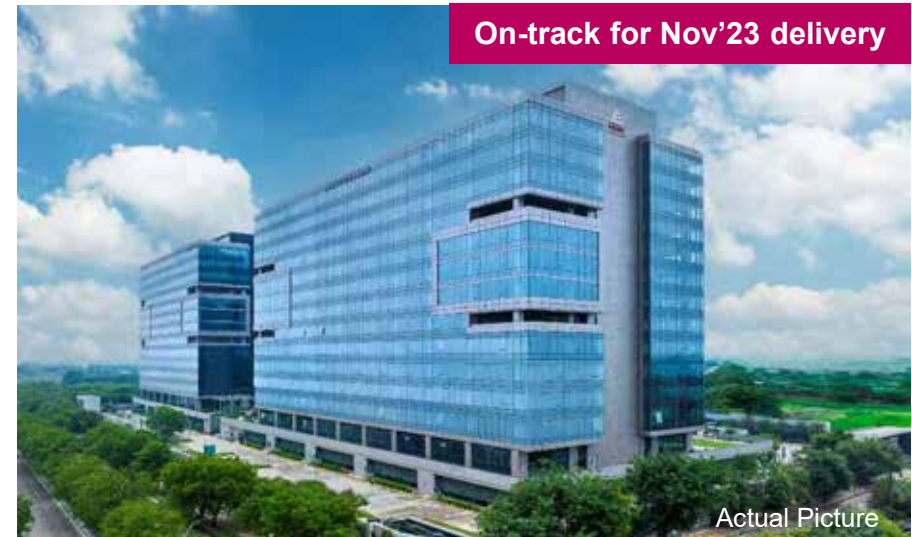


On-track for Sep'23 delivery

Actual Progress at Site⁽¹⁾



On-track for Nov'23 delivery



Note:
(1) Jul'23 Pictures

Financial Update

A photograph of a large, modern, multi-story office building with a curved glass facade, identified as Embassy TechZone in Pune. The building is surrounded by lush green trees and landscaping. The sky is clear and blue. A semi-transparent dark blue rectangle is overlaid on the left side of the image, containing the text 'Financial Update'.

Embassy TechZone, Pune

Robust Financial Performance

NOI and EBITDA for Q1 up 9% and 12% YoY respectively, with overall NOI and EBITDA margins at 81% and 80% respectively

	Q1 FY2024 (mn)	Q1 FY2023 (mn)	Variance %	Remarks
Revenue from Operations ₹9,136 ₹8,294 +10%				<ul style="list-style-type: none"> ▶ Revenue from new lease-up at attractive re-leasing spreads and contractual rent escalations, partially offset by exits ▶ Ramp-up of existing hotel business including newly launched hotels at Embassy Manyata
NOI ₹7,376 ₹6,773 +9% Margin (%) 81% 82%				<ul style="list-style-type: none"> ▶ Increase in Revenue from Operations ▶ Partially offset by costs corresponding to ramp-up of hotel business including newly launched hotels at Embassy Manyata ▶ Blended NOI margin reflects change in segment mix given ramp-up of hotel business
EBITDA ₹7,336 ₹6,544 +12% Margin (%) 80% 79%				<ul style="list-style-type: none"> ▶ Increase in NOI ▶ Additionally, one-time other miscellaneous income
Distribution ₹5,100 ₹5,052 +1% Payout Ratio 100% 100%				<ul style="list-style-type: none"> ▶ Increase in EBITDA ▶ Offset by an increase in interest costs as well as other one-off working capital changes during the last year
<ul style="list-style-type: none"> ▶ Commercial office segment continues to be a core driver of REIT NOI and contributed ₹6.5 bn or 88% to Q1 NOI ▶ Office NOI margins consistently around 85%, demonstrating the scale and efficiency of business operations 				

Note:

(1) Above financial results exclude Revenue, NOI and EBITDA from Embassy GolfLinks since Embassy REIT owns 50% economic interest in GLSP

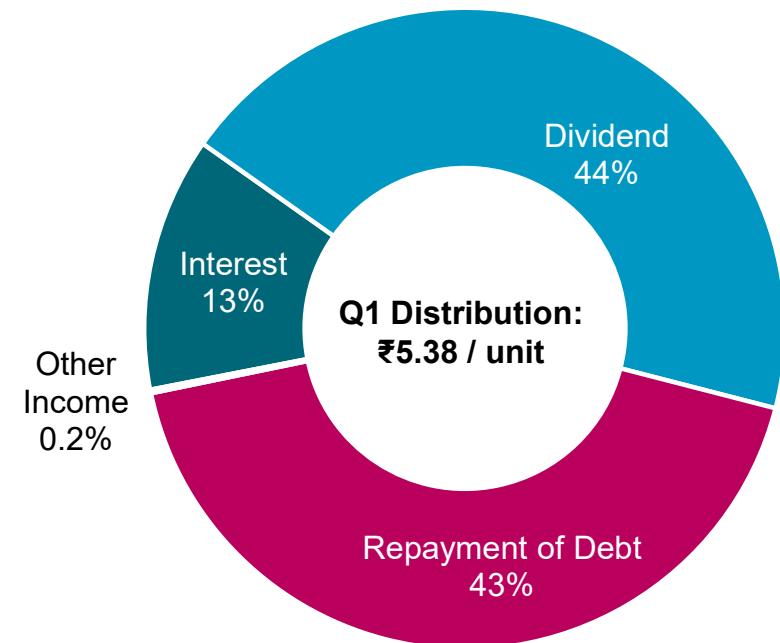
Delivering on Distributions

Delivered distributions of ₹5,100 mn or ₹5.38 per unit, marking 17th quarter of 100% distribution payout. Cumulative distributions of over ₹83 billion since listing

Distribution Highlights

Particulars	Q1 FY2024
Distribution period	Apr'23 – Jun'23
Distribution amount (mn)	₹5,100
Outstanding units (mn)	948
Distribution per unit (DPU)	₹5.38
Announcement date	July 26, 2023
Record date	Aug 03, 2023
Payment date	On or before August 10, 2023

Distribution Mix – Q1 FY2024



Conservative Balance Sheet with Active Debt Management

Raised ₹21 bn at an average rate of 7.8%, achieved our lowest-ever 120 bps rate spread over G-Sec and secured 146 bps proforma savings vs the expected repriced rate on these loans

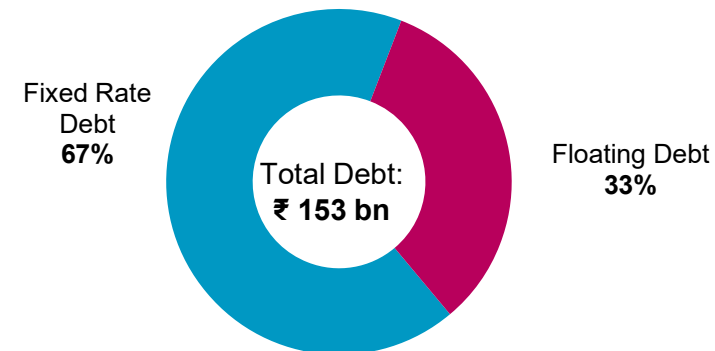
29%
Leverage⁽¹⁾

7.3%
Debt Cost

AAA / Stable
Dual Credit Ratings

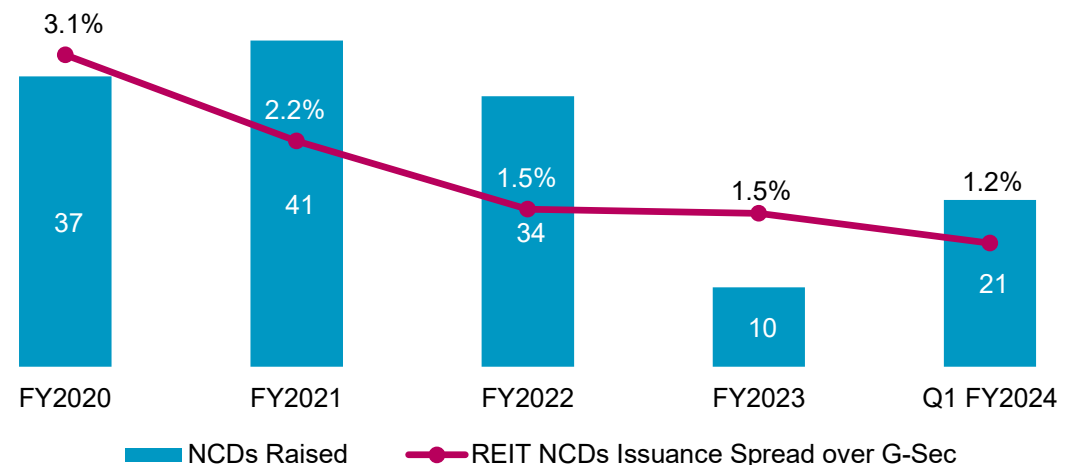
₹100 bn
Proforma Debt Headroom

Significant Portion of Debt at Fixed Interest Rates



REIT NCDs Issuance Spread over G-Sec

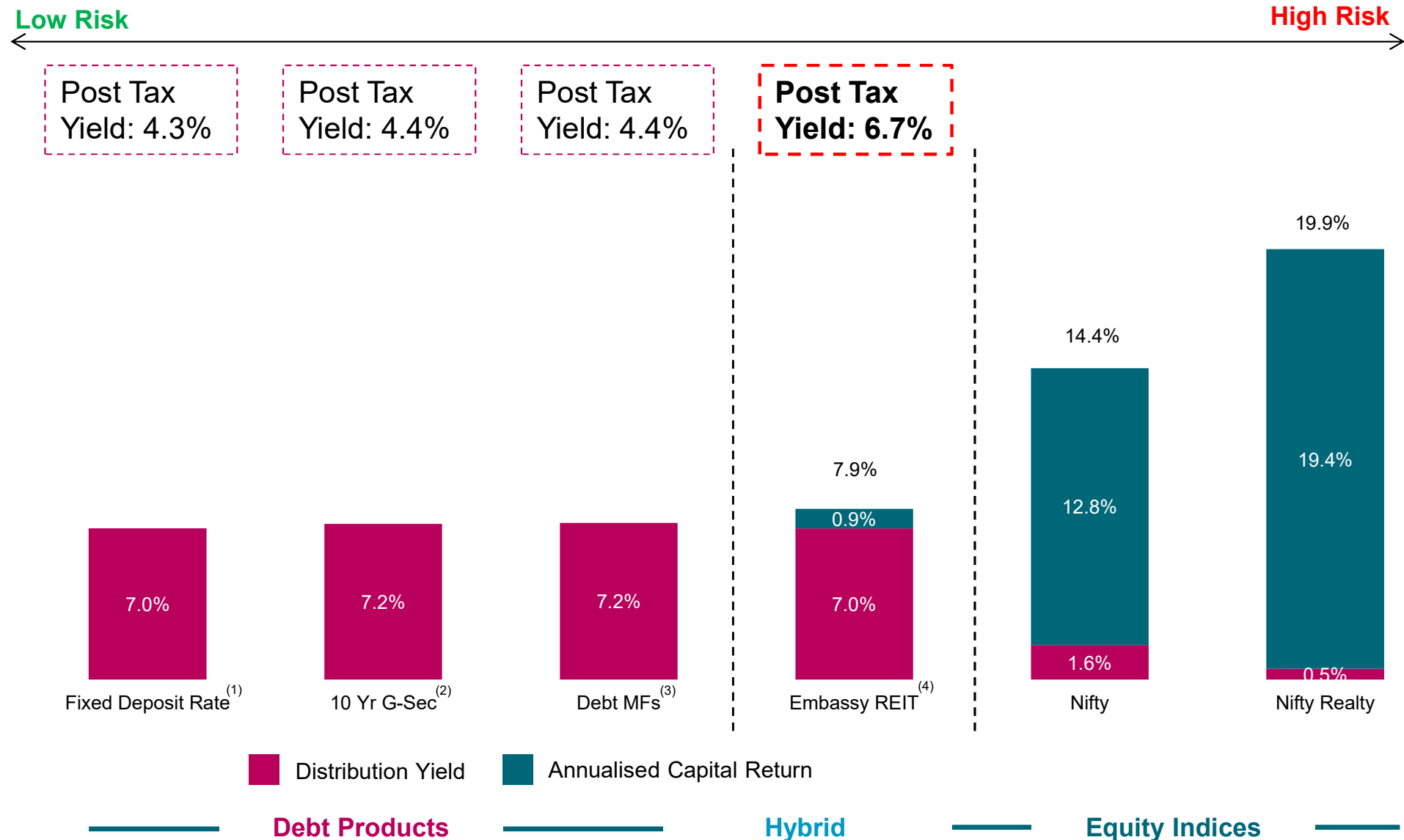
NCDs Raised (₹ billion)



Notes:

- (1) Based on Net Debt to GAV. GAV computed based on Mar'23 valuation undertaken by IVAS Partners
 (2) G-Sec spread refers to benchmark G-Sec corresponding to respective tenure of NCD raised in each FY

Attractive Post-Tax Yield Coupled with Capital Appreciation



Notes: Source: Bloomberg. For period April 1, 2019 to Sept 08, 2023

(1) Refers to HDFC Bank domestic fixed deposit rate for 3 years 1 day - 5 years for amount less than ₹ 2 crores

(2) Refers to 10 year G- Sec on Sept 01, 2023

(3) Refers to HDFC Short Term Debt Fund; Inception: 01/01/2013

(4) Distribution yields computed basis IPO price of ₹300/ unit. Embassy REIT's post tax yield is calculated assuming maximum marginal tax rate of 39% on interest part of total distribution of ₹21.7 per unit made in FY23. Distribution yield of 7.0% is calculated on closing price of Sept 08, 2023 on NSE

(5) Tax rate for fixed deposit rate, 10 Yr G-Sec and Debt Mutual Fund is assumed as 39% (Maximum Marginal Tax Rate)

Growing Unitholder Base

Unitholder base continues to expand and diversify since listing; public float well distributed among institutions and retail unitholders

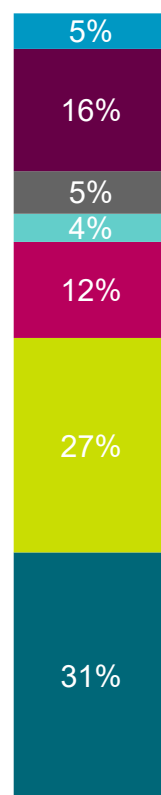
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Q1 FY20

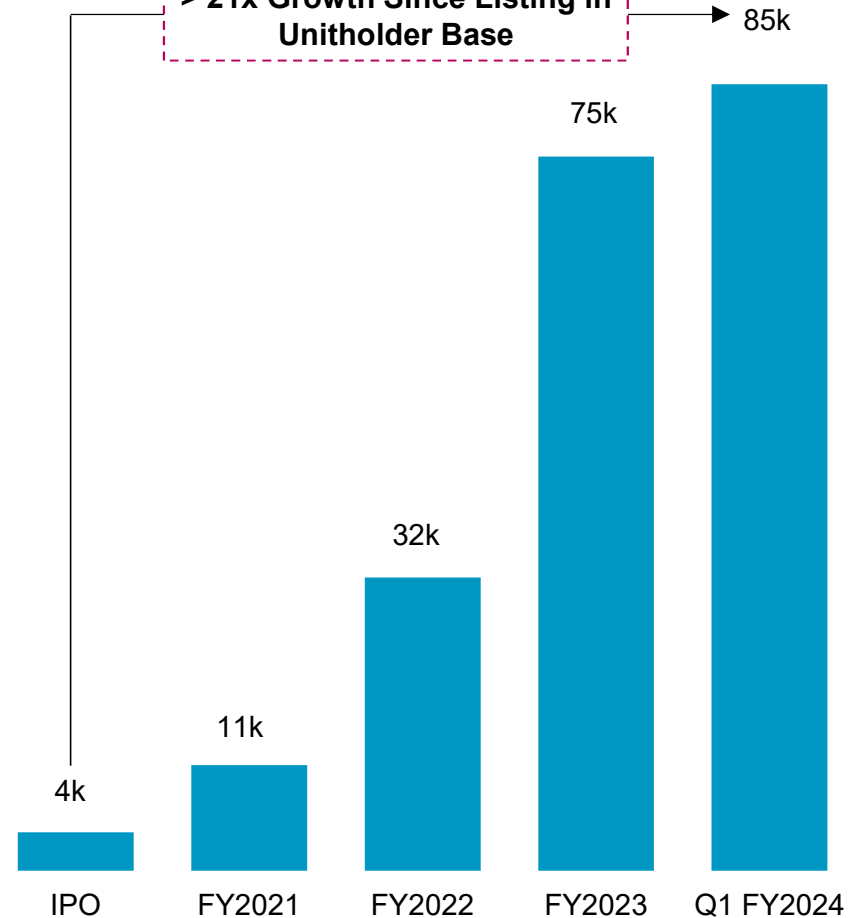
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Q1 FY24

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Growth Outlook

A photograph of the Embassy Business Hub in Bangalore at dusk. The building is a modern, multi-story structure with a glass facade, illuminated from within. It features a prominent blue vertical section on the right side with a logo. The building is surrounded by palm trees and a landscaped area. In the foreground, a highway with light trails from moving vehicles is visible. The sky is a clear, deep blue.

Embassy Business Hub, Bangalore

Multiple Embedded Growth Levers

Embassy REIT's strategy focuses on enhancing NOI and delivering long term total return value for Unitholders, driven by rental growth as well as leased area expansion

5.1 msf

- ▶ Vacant Area lease-up

7.9 msf

- ▶ New developments over the next 4 years with ₹900 crores of expected stabilized NOI at attractive yields

~5% p.a

- ▶ Contracted escalations (generally 15% every 3 years)

15%

- ▶ Mark-to-market potential resulting in portfolio rent growth

10 msf+

- ▶ Acquisition Opportunity Pipeline

Notes:

(1) Figures above are indicative only. There can be no assurance that they can be achieved

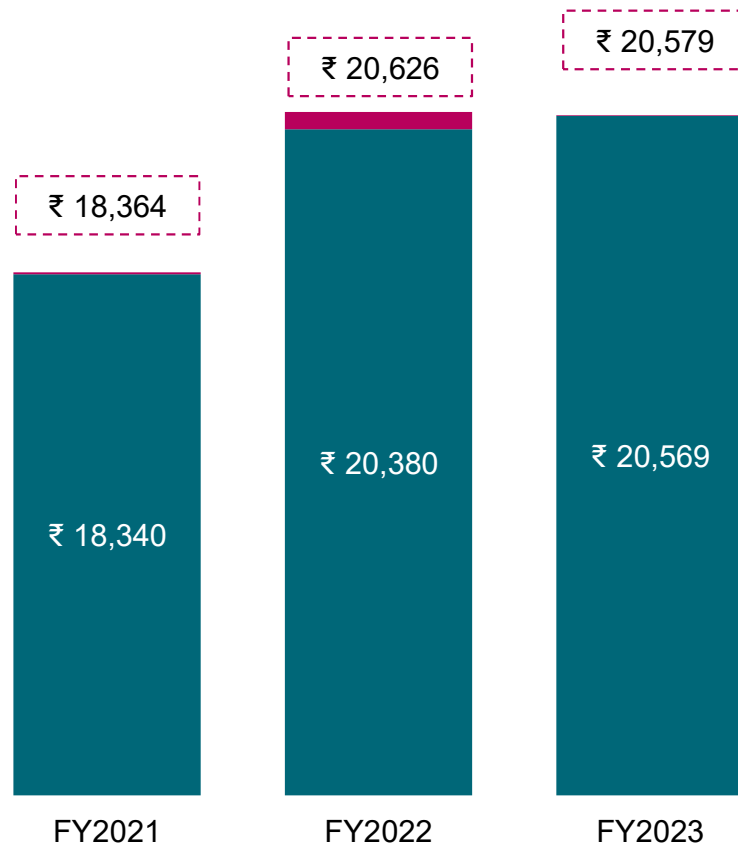
(2) Pipeline and opportunities are indicative only. There can be no assurance that above opportunities or other pipeline opportunities will materialize in current form or at all or result in transactions



Full Year FY2024 Guidance

FY24 NOI Guidance of ₹29 to ₹31 bn and distributions guidance of ₹20.5 to ₹22.0 per unit assumes 6.0 msf of gross leasing during the year

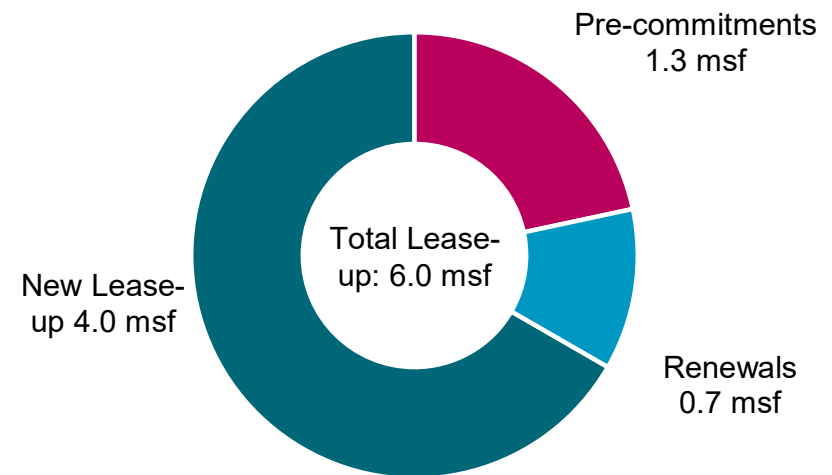
Delivered on Guidance Even in Challenging Markets

Distributions (₹ mn)



 Mid-Point Distributions Guidance
 Actual Distributions Delivered

Key Assumptions for FY24 Guidance



► Contracted Escalations

- 14% contracted rent escalations on 6.7 msf leases

► Hotel EBITDA

- 60% YoY increase in hotel EBITDA

► Interest Cost

- 15-18% YoY increase driven by overall increase in rates and additional interest cost related to new deliveries

Note:

(1) Guidance for FY2024 is based on our current view of existing market conditions and certain key assumptions for the year ending March 31, 2024. Guidance is not reviewed or audited or based on GAAP, Ind AS or any other internationally accepted accounting principles and should not be considered as an alternative to the historical financial results or other indicators of the Embassy REIT's financial performance based on Ind AS or any GAAP. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. In particular, there are significant risks and uncertainties related to the scope, severity and duration of the global macro-economic conditions and the direct and indirect economic effects of the same on the Embassy REIT, our assets and on our occupiers

Appendix

Embassy Galaxy, Noida



Portfolio Summary

34.3 msf completed Grade A office assets (85% occupied, 6.6 years WALE, 15% MTM opportunity)

Property	Leasable Area (msf)/Keys/MW			WALE ⁽²⁾ (yrs)	Occupancy (%)	Rent (₹ psf / mth)			GAV ⁽³⁾	
	Completed	Development	Total			In-place	Market	MTM (%)	₹ mn	% of total
Embassy Manyata	11.4	3.9	15.2	6.5	91%	76	93	22%	185,965	36%
Embassy TechVillage	7.3	2.3	9.6	9.1	97%	77	94	22%	122,224	24%
Embassy GolfLinks ⁽¹⁾	3.1	-	3.1	6.2	95%	132	155	17%	34,996	7%
Embassy One	0.3	-	0.3	8.2	60%	144	147	2%	4,558	1%
Embassy Business Hub	0.0	1.4	1.4	-	-	-	67	0%	3,751	1%
Bengaluru Sub-total	22.0	7.6	29.6	7.3	94%	85	103	20%	351,494	68%
Express Towers	0.5	-	0.5	3.9	82%	284	275	(3%)	18,252	4%
Embassy 247	1.2	-	1.2	3.5	95%	111	112	1%	18,684	4%
FIFC	0.4	-	0.4	3.2	91%	300	280	(7%)	13,941	3%
Mumbai Sub-total	2.0	-	2.0	3.5	91%	181	176	(3%)	50,877	10%
Embassy TechZone	3.0	2.4	5.5	4.1	65%	54	48	(10%)	22,845	4%
Embassy Quadron	1.9	-	1.9	4.9	50%	53	48	(9%)	13,227	3%
Embassy Qubix	1.5	-	1.5	4.8	91%	43	48	11%	9,718	2%
Pune Sub-total	6.4	2.4	8.8	4.5	66%	50	48	(4%)	45,790	9%
Embassy Oxygen	2.5	0.7	3.3	9.1	67%	54	48	(11%)	22,809	4%
Embassy Galaxy	1.4	-	1.4	6.4	60%	46	47	3%	9,526	2%
Noida Sub-total	3.9	0.7	4.6	8.3	65%	51	48	(7%)	32,335	6%
Subtotal (Office)	34.3	10.7	45.0	6.6	85%	82	95	15%	480,496	93%
Four Seasons at Embassy One	230 Keys	-	230 Keys	-	36%	-	-	-	7,939	2%
Hilton at Embassy GolfLinks	247 Keys	-	247 Keys	-	63%	-	-	-	4,762	1%
Hilton & Hilton Garden Inn at Embassy Manyata (5 & 3 star)	619 Keys	-	619 Keys	-	54%	-	-	-	11,667	2%
Hilton & Hilton Garden Inn at Embassy TechVillage (5 & 3 star)	-	518 Keys	518 Keys	-	NA	-	-	-	763	0%
Embassy Energy	100MW	-	100MW	-	NA	-	-	-	8,514	2%
Subtotal (Infrastructure Assets)	1,096 Keys / 100MW	518 Keys	1,614 Keys / 100MW						33,645	7%
Total	34.3 msf / 1,096 Keys / 100MW	10.7 msf / 518 Keys	45.0 msf / 1,614 Keys / 100MW						514,141	100%

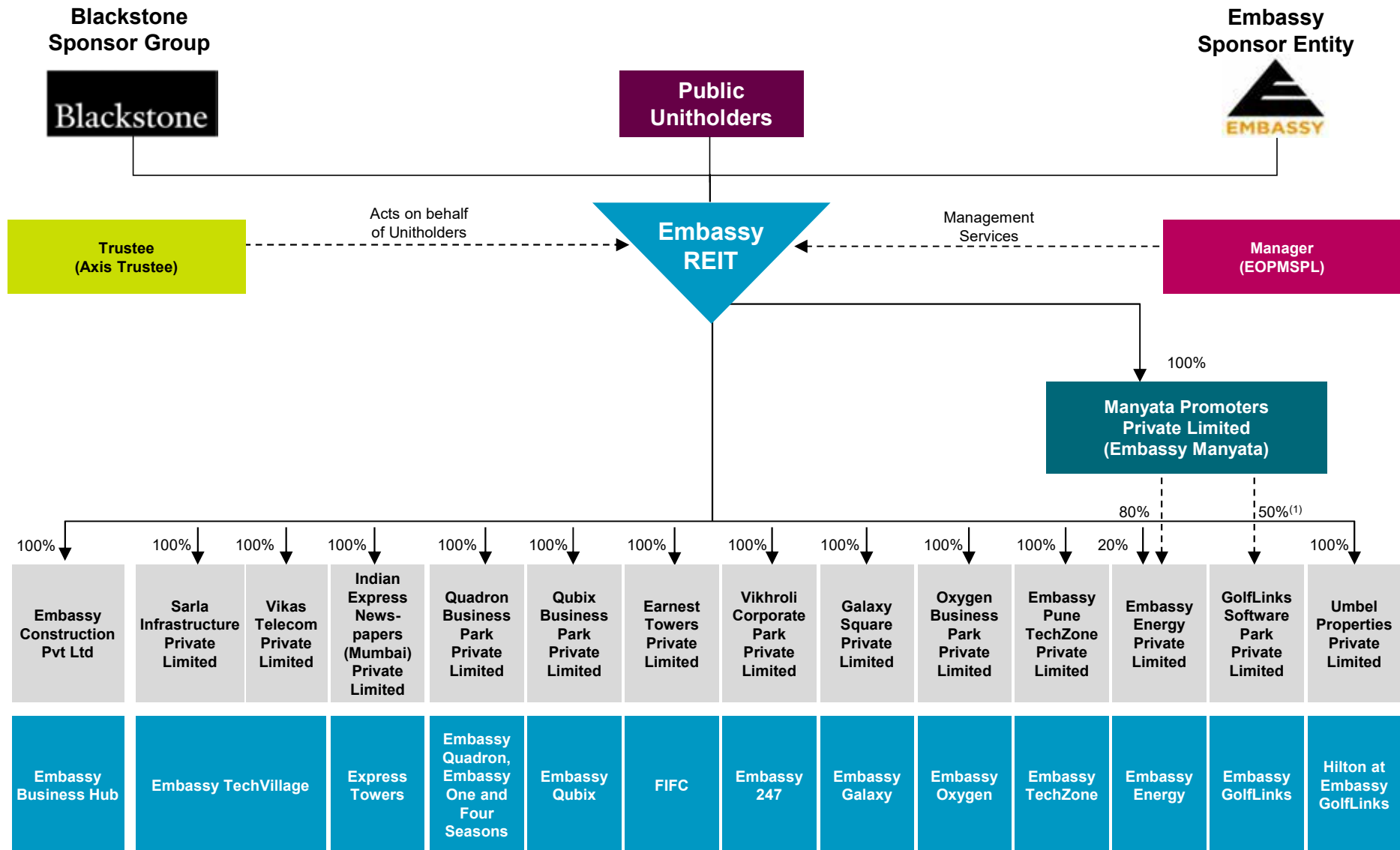
Notes:

(1) Details included in the above table are for 100% stake in Embassy GolfLinks, except GAV which reflects Embassy REIT's 50% economic interest in GLSP

(2) Weighted against Gross Rentals assuming occupier exercise their renewal options after the end of the initial commitment period

(3) Gross Asset Value (GAV) considered per Mar'23, valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi-annually. For further details refer glossary on page 42

Embassy REIT Structure



Notes:

(1) Balance 50% owned by JV partner

(2) The 100% owned entities are held jointly with nominee shareholders for the Embassy REIT

Walkdown of Key Financial Metrics

Particulars (₹ mn)	Q1 FY2024	Q1 FY2023	YoY Variance (%)	Q4 FY2023	QoQ Variance (%)	
Revenue from Operations	9,136	8,294	10%	8,676	5%	NOI
Property Taxes and Insurance	(326)	(295)	10%	(355)	(8%)	
Direct Operating Expenses	(1,434)	(1,226)	17%	(1,519)	(6%)	
Net Operating Income	7,376	6,773	9%	6,802	8%	
Other Income	437	203	115%	212	107%	NDCF at SPV level
Dividends from Embassy GolfLinks	233	395	(41%)	175	33%	
Property Management Fees ⁽¹⁾	(182)	(174)	5%	(180)	1%	
Indirect Operating Expenses	(313)	(273)	15%	(296)	6%	
EBITDA	7,551	6,925	9%	6,712	12%	
Working Capital Adjustments	54	453	(88%)	1,145	(95%)	
Cash Taxes	(334)	(178)	87%	(312)	7%	
Principal Repayment on external debt	(1)	(49)	(98%)	(10)	(90%)	
Interest on external debt	(773)	(725)	7%	(871)	(11%)	
Non-Cash Adjustments	(201)	(117)	71%	(143)	40%	
NDCF at SPV level	6,297	6,309	0%	6,521	(3%)	Distribution
Distribution from SPVs to REIT	6,316	6,272	1%	6,509	(3%)	
Distribution from Embassy GolfLinks	567	332	NR	470	NR	
Interest on external debt	(1,709)	(1,466)	17%	(1,565)	9%	
REIT Management Fees ⁽¹⁾	(58)	(59)	(1%)	(62)	(7%)	
Other Inflows at REIT level (Net of Expenses)	(13)	(24)	(46%)	(26)	(50%)	
NDCF at REIT level	5,103	5,056	1%	5,325	(4%)	
Distribution	5,100	5,052	1%	5,318	(4%)	

Note: Walkdown of Financial Metrics upto 'NDCF at SPV Level' represents financial numbers of all SPV's consolidated excluding Trust standalone numbers

(1) Property management fees includes 3% of facility rentals from only Commercial Office segment and does not include fees on Hospitality and Other segments and REIT Management fees is 1% of REIT distribution

ESG Memberships, Certifications and Awards

ESG memberships, certifications and performance on global benchmarks reflect our commitment to sustainability, transparency and operational excellence

Building Certifications				
ESG Benchmarks				
Awards				

Notes:

- (1) USGBC LEED Platinum 'v4.1 O+M' certification awarded for operational portfolio and Sword of Honour awarded by British Safety Council (BSC) to 9 business parks
- (2) 'WELL at scale' score awarded for operational portfolio and 18 buildings WELL certified at the Gold level by International Well Being Institute (IWBI)

Regulatory Framework for Indian REITs

India REITs have to adhere to a strong SEBI regulatory framework aimed at protecting unitholder value

Asset and Distributions	<ul style="list-style-type: none"> ▶ Minimum 80% of value in completed and rent/income generating assets – hence, less risk to cash flows ▶ Restrictions on speculative land acquisition ▶ Minimum 90% of distributable cash flows to be distributed at least semi-annually
Debt	<ul style="list-style-type: none"> ▶ Majority unitholder approval required if debt exceeds 25% of asset value ▶ Debt cannot exceed 49% of asset value
Corporate Governance	<ul style="list-style-type: none"> ▶ 50% independent directors on the Board ▶ REIT Manager can be removed with 60% approval of unrelated unitholders ▶ Alignment with unitholder interests due to a distribution-linked management fees structure
Related Party Safeguards	<ul style="list-style-type: none"> ▶ Sponsor group and their associates are prohibited from voting on their related party transactions ▶ Majority unitholder approval required for acquisition or disposal of asset which exceeds 10% of REIT value ▶ Acquisition or sale price of new asset cannot deviate from average valuation of two independent valuers by + / - 10% ▶ Fairness opinion from independent valuer required if related party leases exceed 20% of the underlying asset

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