

Embassy REIT Raises ₹300 crores, Sees Robust First-time Participation in REIT Debt from Domestic Insurance Sector

Bengaluru, India, September 7, 2021

Embassy Office Parks REIT (NSE: EMBASSY / BSE: 542602) (**“Embassy REIT”**), India’s first listed REIT and the largest office REIT in Asia by area, announced today that it has successfully priced and allotted by way of a private placement, ₹3 Billion (Indian Rupees Three Billion only) or ₹300 crores of rupee-denominated, listed, rated, secured, redeemable, transferable non-convertible debentures (“NCDs”) at a 6.80% quarterly coupon. The NCDs will be listed on the Wholesale Debt Market of BSE Limited (“BSE”).

Aravind Maiya, Chief Financial Officer of Embassy REIT, commented,

“Following the recent IRDAI approval permitting insurance companies to invest in REIT debt, we are delighted to announce the first-ever bond raise by an Indian REIT with robust participation from the domestic insurance sector. This marks an important milestone in Embassy REIT’s ongoing efforts to diversify our debt investor base and also continues the trend of reduction in our cost of debt. Further, this successful placement reiterates investor confidence in the long-term growth story of Embassy REIT and is the first of a number of refinance packages planned for this year.”

On September 2, 2021, the Debenture Committee of the Board of Directors of the Manager to Embassy REIT approved an issue of NCDs for a principal aggregate amount of up to ₹300 crores and earlier today, the Debenture Committee approved the allotment of these NCDs at a 6.80% quarterly coupon. The rating agency CRISIL has assigned “AAA/Stable” rating to these NCDs.

Transaction Highlights

- Issuance of ₹300 crores of Embassy REIT Series IV NCDs 2021 at a 6.80% quarterly coupon with a 5-year tenure
- Robust demand from new and existing domestic investors, with over 3x subscription
- First-time participation from insurers in REIT debt, with a prominent life insurer anchoring the issuance
- Proceeds to be primarily used to refinance existing construction finance debt, resulting in a 110 bps positive refinance spread

Morgan Stanley and HSBC served as arrangers on the private placement and Talwar Thakore and Associates served as the legal counsel on the transaction.

About Embassy REIT

Embassy REIT is India’s first publicly listed Real Estate Investment Trust. Embassy REIT owns and operates a 42.4 million square feet (“msf”) portfolio of eight infrastructure-like office parks and four city-centre office buildings in India’s best-performing office markets of Bangalore, Mumbai, Pune, and the National Capital Region (“NCR”). Embassy REIT’s portfolio comprises 32.3 msf completed operating area and is home to 190 of the world’s leading companies. The portfolio also comprises strategic amenities, including two operational business hotels, four under-construction hotels, and a 100MW solar park supplying renewable energy to tenants.

Disclaimer

This press release is prepared for general information purposes only. The information contained herein is based on management information and estimates. It is only current as of its date, has not been independently verified and may be subject to change without notice. Embassy Office Parks Management Services Private Limited (“the Manager”) in its capacity as the Manager of Embassy REIT, and Embassy REIT make no representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness and completeness of the content hereof. Each recipient will be solely responsible for its own investigation, assessment and analysis of the market and the market position of Embassy REIT. Embassy REIT does not provide any guarantee or assurance with respect to any distribution or the trading price of its units.

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, uncertainties and other factors, including the impact of COVID-19 on us, our occupiers and the Indian and global economies, 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.

For more information please contact:

Sakshi Garg

Investor Relations

Email: ir@embassyofficeparks.com

Phone: +91 80 4722 2222

Sowmya Shenoy

Media Relations

Email: sowmya.s@embassyofficeparks.com

Phone: +91 9663699991