

# Embassy Office Parks REIT

## *2<sup>nd</sup> Extraordinary Meeting of Unitholders*

April 29, 2024



## Embassy REIT – Strong Performance Since Listing

Since listing, Embassy REIT has demonstrated strong operational performance and delivered annualized total returns of over 11%

### 44%

Increase in Completed Area  
from 24.8 msf to 35.8 msf

### 12.0 msf

Acquisitions<sup>(1)</sup>

### 4.8 msf

New Buildings Delivered<sup>(2)</sup>

### 17.9 msf

Gross Leasing<sup>(3)</sup>

### ₹107 bn

Unit Capital Raised

### ₹289 bn

Debt Raised or Refinanced

### 23x

Increase in unitholders  
from 4k to 90k

### 92%

Current Free Float  
(vs 30% at listing)

### 34%

Increase in In-place Rent  
from ₹63 to ₹85

### 48%

Increase in Occupiers  
from 165 to 244

### ~₹94 bn

Cumulative Distributions

### 11.3%

Annualized Total Returns<sup>(4)</sup>

Notes: All data calculated from April 1, 2019 to December 31, 2023, unless specified otherwise

(1) Includes Embassy TechVillage (9.6 msf), Embassy Business Hub (1.4 msf), GLSP add-on acquisition (0.4 msf) and M3 Block B at Embassy Manyata (0.6 msf)

(2) Includes NXT Embassy Manyata (0.8 msf), T2 Embassy Oxygen (0.6 msf), H&G Embassy TechZone (0.9 msf), M3A Embassy Manyata (1.0 msf), Ph1 Embassy Business Hub (0.4 msf) and JPM BTS Embassy TechVillage (1.1 msf)

Includes new leases, pre-leases and renewals

(3) Includes annualized capital appreciation of 4.5% (on the basis of NSE closing price as of April 05, 2024 of ₹374.54) and 6.7% distribution yield (on the basis of IPO price of ₹300 and total distributions paid out since listing)

# Embassy Splendid TechZone: Compelling Acquisition Opportunity

**ESTZ is a best-in-class office park that marks Embassy REIT's entry into a new growth market of Chennai. Acquisition is NOI and DPU accretive to the unitholders, on a proforma basis**

## Grade A Asset with Multinational Tenant Roster

- ▶ 5.0 msf campus-style office park spread over ~26 acres; complementary to the REIT's existing high-quality portfolio
- ▶ Leased to marquee multinational occupiers such as Wells Fargo and BNY Mellon, among others
  - 100% of gross rentals from multinationals and 81% of gross rentals from GCCs
- ▶ Located on Pallavaram-Thoraipakkam Road and close to the Chennai International Airport

## Embassy REIT's Entry in New Growth Market

- ▶ Chennai's office market continues to perform strongly, driven by an influx of multiple Global Captive Centers
  - Recorded gross office absorption of 9.4 msf in CY2023
- ▶ ESTZ is located in OMR 2, which is amongst the top-performing sub-markets in Chennai
  - OMR 2 accounts for over 20% of Chennai's gross absorption
- ▶ With its premium positioning, ESTZ has outperformed the OMR 2 sub-market
  - 95% occupancy in ESTZ vs around 80% for OMR 2; and around 13% higher in-place rents in ESTZ vs OMR 2

## Stable Cash Flows with Embedded Organic Growth

- ▶ Stable cash flows from 95% occupancy in completed portion with WALE of 14 years, leased to large multinationals
- ▶ Multiple growth levers: Contractual escalations + 1.6 msf on-campus development (26% already pre-leased) + 2.0 msf future development potential

## NOI and DPU Accretive Acquisition

- ▶ Enterprise Value of ₹12,690 mn is at a 6.7% discount to the average of two independent valuation reports
  - Enterprise Value of ₹11,853 mn<sup>(1)</sup> in case certain identified binding ATL is not executed before closing
- ▶ Proposed institutional placement of ₹25 bn<sup>(2)</sup> to fund the acquisition and reduce existing portfolio leverage
- ▶ Accretion of 2.9%<sup>(3)</sup> to FY2024 NOI and DPU, on a proforma basis (based on mid-point of management guidance)

Notes: Unless stated otherwise, all figures are as of March 31, 2024. Industry data as of CY2023 from CBRE Research 2024. Actual legal entity name of occupiers may differ

(1) Implies a 9.2% discount to the average of two independent valuation reports

(2) Enabling resolution for unit capital raise of up to ₹30 bn via one or more institutional placement(s), subject to unitholder approval

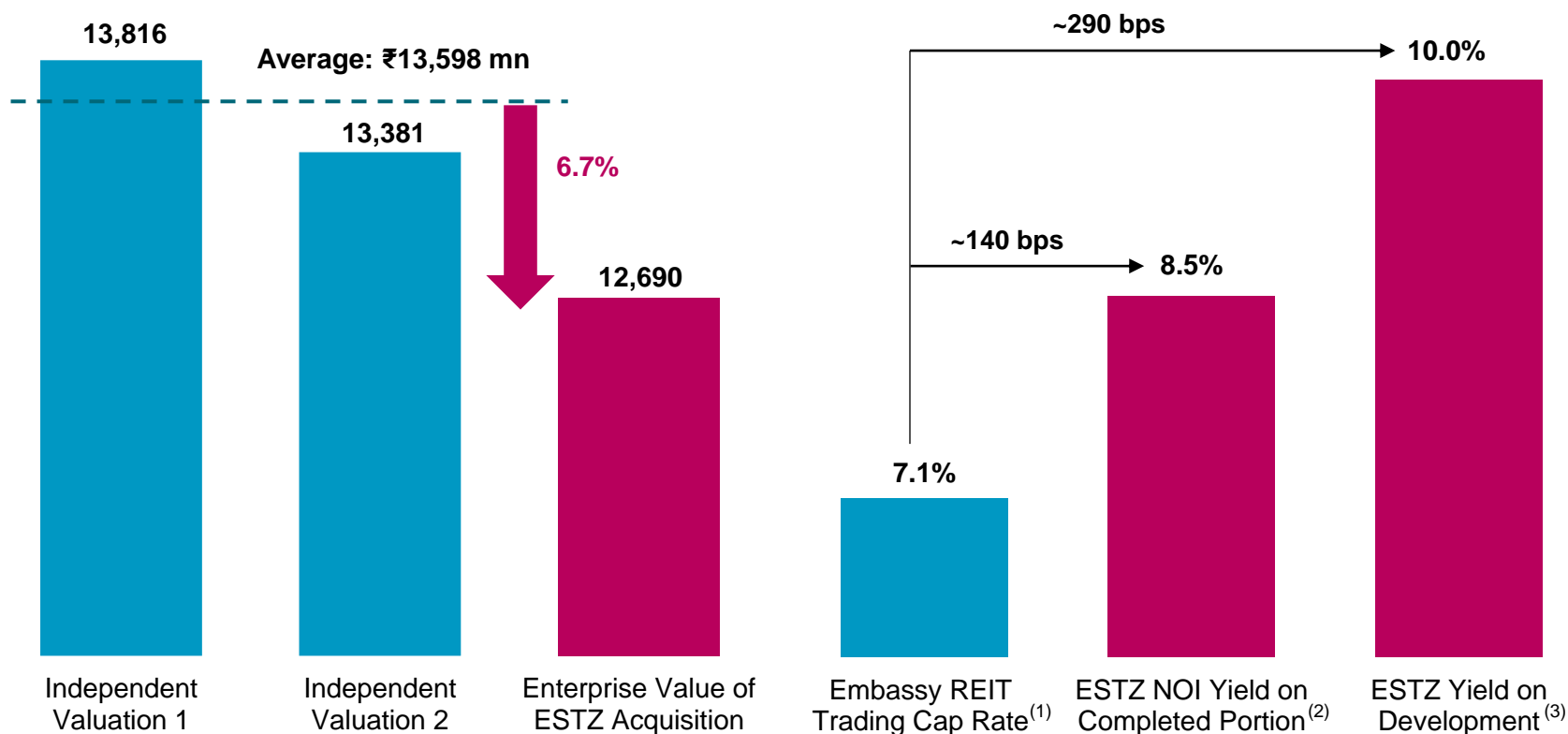
(3) All Proforma Metrics representative of the base case financing plan and assuming Enterprise Value of ₹12,690 mn for ESTZ Acquisition. The structure and timing of the Institutional Placement has not been determined yet. The size of Institutional Placement, and Issue Price may differ from the Issue Price of new units assumed herein of ₹375.43 per unit

# Attractive Acquisition Pricing

Priced at a 6.7% discount to the average of two independent valuations. Implies 8.5% NOI yield for the completed portion and 10% for the developments and compares favourably to REIT's trading yield

Independent Valuations vs. Enterprise Value of ESTZ Acquisition (₹ mn)

Embassy REIT Trading Cap Rate vs. Yield for the ESTZ Acquisition



Notes: Assuming Enterprise Value of ₹12,690 mn for the ESTZ Acquisition. All data as of March 31, 2024, unless specified otherwise. Yield calculations are based on management estimates

(1) Embassy REIT Trading Cap Rate calculated as FY2024E adjusted NOI (REIT NOI + 50% NOI of Embassy GolfLinks) based on mid-point of management guidance divided by TEV of completed portion. TEV of completed portion = (Market Capitalization + Net Debt and other adjustments as of September 30, 2023) x % of Completed portion of Embassy REIT as on September 30, 2023 as per independent valuation undertaken by Ms. L Anuradha, in conjunction with Independent property consultant review services undertaken by C&W. Market Capitalization computed as units outstanding as of March 31, 2024 multiplied by ₹375.43 per unit (assumed issue price for the institutional placement)

(2) ESTZ NOI Yield on Completed Portion for ESTZ Acquisition calculated as the Contracted NOI of the completed portion divided by the Enterprise Value of the completed portion

(3) ESTZ Yield on Development for ESTZ Acquisition calculated as the expected stabilized NOI of the development portion divided by the Enterprise Value of the development portion plus pending cost of construction, including interest during construction

# Key Acquisition Terms and Indicative Sources and Uses of Funds

Through the proposed capital raise, Embassy REIT plans to fund the ESTZ Acquisition and reduce REIT's current leverage by repaying external debt

## Key Acquisition Terms

- ▶ ESTZ Acquisition for an Enterprise Value of ₹12,690 mn<sup>(1,2)</sup> which comprises of:
  - 61% share of the lease revenue from ESTZ
  - 100% share of CAM income and all expenses on an ongoing basis to manage ESTZ
  - Rental support of ₹429 mn<sup>(2)</sup> from Embassy Sponsor for pre-leased under-construction area of 0.4 msf

## Indicative Sources and Uses<sup>(3)</sup>

Sources	₹ mn	Uses	₹ mn
Proposed Institutional Placement	25,000	Consideration to Embassy Sponsor	429
External Debt Raise	4,000	Debt Refinancing for ESTZ	4,000
		External Debt Repayment and General Corporate Purposes, incl. Transaction Costs	24,571
<b>Total Sources</b>	<b>29,000</b>	<b>Total Uses</b>	<b>29,000</b>

### Notes:

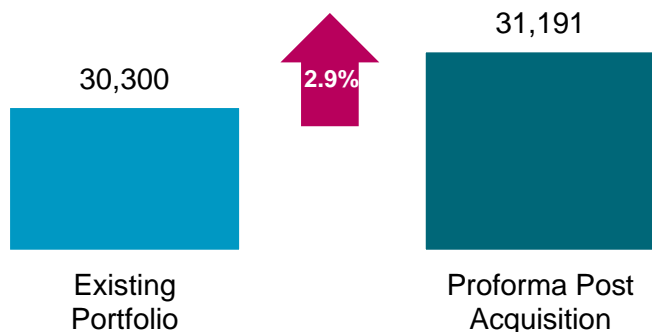
- (1) Subject to closing adjustments  
 (2) Rental support of ₹429 mn will be based on all-inclusive rental of ₹81 psf / p.m. and CAM income of ₹12 psf / p.m. from the acquisition closing date until expected rent commencement date. In the event that a binding agreement to lease in relation to certain identified leasable area at ESTZ is not executed prior to the closing of the ESTZ Acquisition, Embassy REIT, at its discretion, may still proceed with the completion of the acquisition, at a reduced Enterprise Value of ₹11,853 mn without rental support of ₹429 mn

- (3) Representative of the base case financing plan and assuming Enterprise Value of ₹12,690 mn for the ESTZ Acquisition. The structure and timing of the Institutional Placement has not been determined yet. In a scenario, if the condition precedents related to the acquisitions are not satisfied on or prior to July 31, 2024 (the long stop date) and the acquisition is terminated, then proceeds from institutional placement or any other permissible mode of capital raise are proposed to be utilized for external debt repayment at the REIT or HoldCo/SPV/investment entity level. The information presented in this table are management estimates and the actual amounts may vary

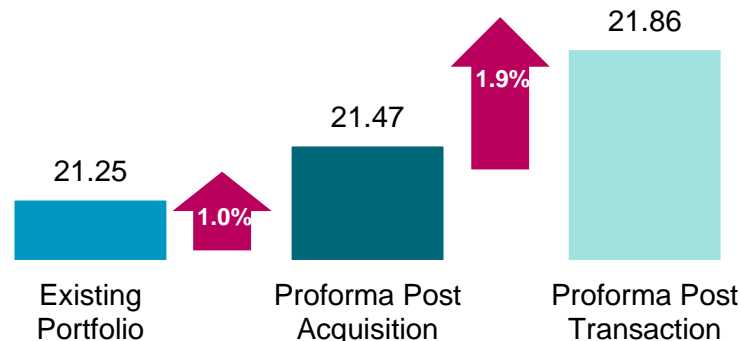
# Accretive Across Key Metrics

Overall transaction drives 2.9% FY2024 NOI and DPU accretion to the current unitholders and reduces leverage from 30% to 27%, on a proforma basis

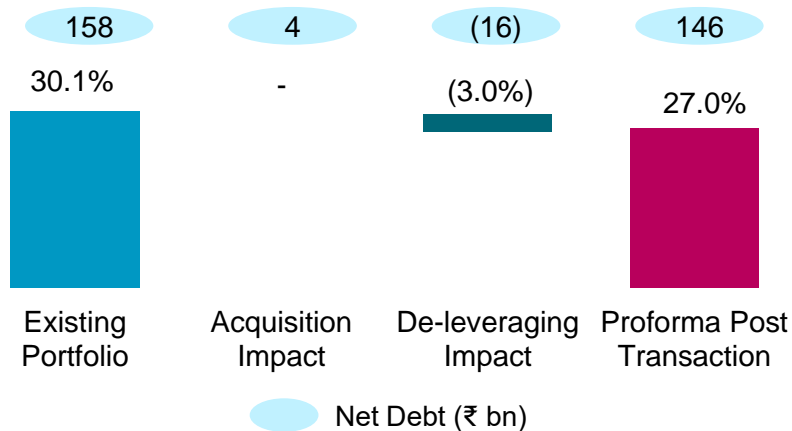
## FY2024 NOI (₹ mn)<sup>(1)</sup>



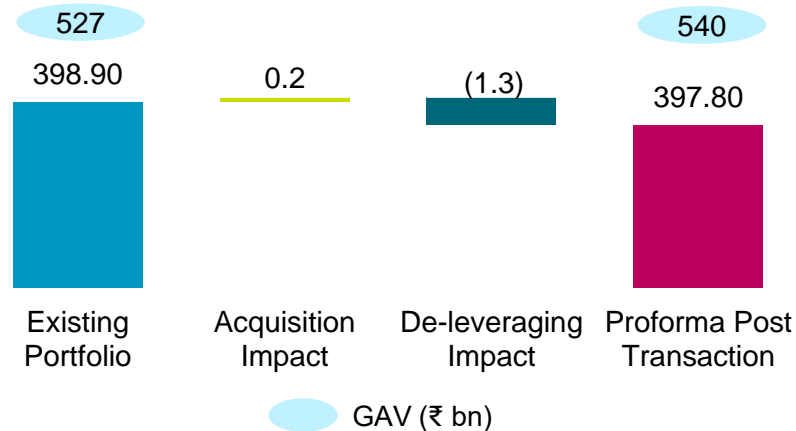
## FY2024 DPU (₹ / unit)<sup>(2,3)</sup>



## Dec'23 LTV (%)<sup>(3,4)</sup>



## Sep'23 NAV (₹ / unit)<sup>(4)</sup>



Notes: Representative of the base case financing plan and assuming Enterprise Value of ₹12,690 mn for ESTZ Acquisition. The structure and timing of the Institutional Placement has not been determined yet. The size of Institutional Placement, and Issue Price may differ from the Issue Price of new units assumed herein of ₹375.43 per unit

(1) Calculated considering mid-point of management guidance of FY2024 NOI for Embassy REIT of ₹30,300 mn and Contracted NOI for ESTZ Acquisition of ₹691 mn. Contracted NOI for ESTZ Acquisition calculated as annualized NOI of leases with lease commencement date prior to March 31, 2024, and including rental support from Embassy Sponsor on pre-leased under construction area

(2) Calculated considering mid-point of management guidance of FY2024 DPU for Embassy REIT of ₹21.25, DPU for ESTZ Acquisition and

de-leveraging impact based on management calculations

LTV calculated as Net Debt divided by GAV. Considering Net Debt as of December 31, 2023 for Embassy REIT, Debt Raise of ₹4,000 mn for ESTZ (at ESNP entity level), and external debt repayment of ₹16,333 mn

(3) Considering GAV and NAV as of September 30, 2023 for Embassy REIT (valuation undertaken by Ms. L Anuradha, in conjunction with Independent property consultant review services undertaken by C&W), GAV of ESTZ Acquisition of ₹13,381 mn as of March 31, 2024 (valuation undertaken by Ms. L Anuradha, in conjunction with Independent property consultant review services undertaken by C&W), Debt Raise of ₹4,000 mn for ESTZ (at ESNP entity level), and GAV to NAV adjustments of ₹273 mn

# Why Raise Capital Now?

Embassy REIT is raising capital from a position of strength to finance growth, given favorable market conditions and continued business momentum

## Strong Business Outlook

- ▶ Business outlook has materially improved, driven by increasing demand from Global Captive Centers
  - Embassy REIT achieved FY2024 leasing guidance of 6.5 msf within 9 months

## Organic Growth

- ▶ 6.9 msf of ongoing developments in the current portfolio, 73%<sup>(1)</sup> pre-leased of the next 2 years' deliveries
  - Embassy REIT's expected capex outflow of over ₹38 bn over the next 3-4 years

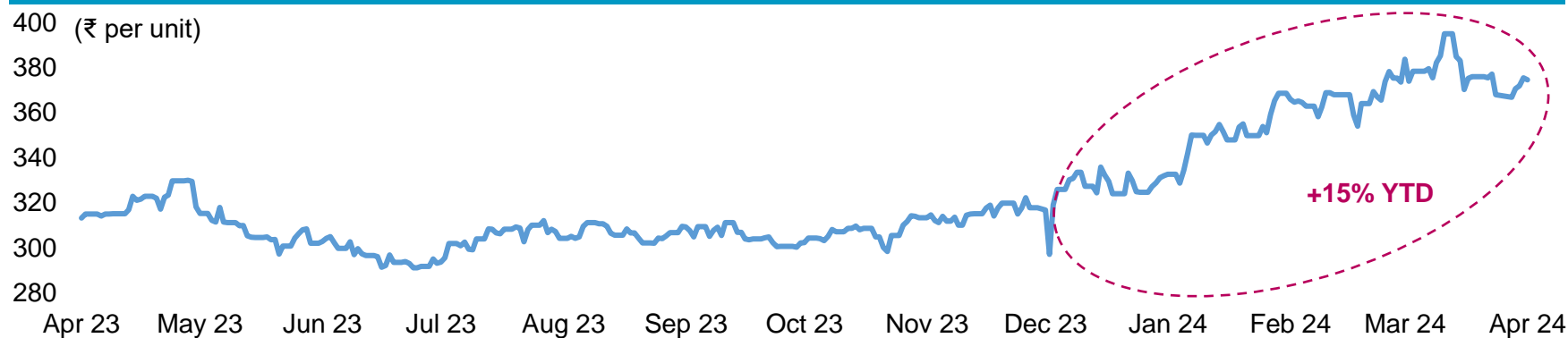
## Improved Market Conditions

- ▶ Improved market conditions to raise capital in Indian equity markets
  - Embassy REIT's unit price up 15% YTD

## Balance Sheet Optimization

- ▶ Fundraise helps to optimize balance sheet and increase debt headroom
  - To reduce the current 30% portfolio leverage and provide flexibility for future growth

## Embassy REIT's Unit Price Performance (LTM)<sup>(2)</sup>



Notes:

(1) Includes expansion option of 275k sf available with US based tech company in Embassy TechVillage and expansion option of 313k sf available with Australian Banking Major in Embassy Manyata

(2) Refers to closing price performance from April 06, 2023 to April 05, 2024 on NSE

# Strong Governance Framework

## Following applicable related party transaction safeguards, including unitholder approval

<b>Pricing and Valuation</b>	<ul style="list-style-type: none"> <li>▶ Enterprise Value of ₹12,690 mn is at a discount of 6.7% to the average of two independent valuations</li> <li>▶ Acquisition accretive on NOI and DPU to the current unitholders of the REIT</li> </ul>
<b>Fairness Opinion</b>	<ul style="list-style-type: none"> <li>▶ As a matter of good governance, fairness opinion voluntarily obtained by the independent directors               <ul style="list-style-type: none"> <li>– JLL<sup>(1)</sup> opined that, subject to the assumptions and limitations of the scope, the Enterprise Value of the acquisition is fair to the unitholders of Embassy REIT from a financial point of view</li> </ul> </li> </ul>
<b>Independent Directors' Approval</b>	<ul style="list-style-type: none"> <li>▶ Acquisition approved by independent directors of the Board and recommended to public unitholders</li> <li>▶ No acquisition fee payable to the REIT Manager for the proposed acquisition</li> </ul>
<b>Unitholder Approval<sup>(2)</sup></b>	<ul style="list-style-type: none"> <li>▶ Seeking unitholder approval for the proposed acquisition, even though the acquisition does not exceed the thresholds for related party transactions requiring unitholder approval under the REIT regulations</li> </ul>

## Next Steps

<b>Extraordinary Meeting</b>	<b>April 29, 2024</b>	<ul style="list-style-type: none"> <li>▶ Unitholders to consider and approve               <ul style="list-style-type: none"> <li>– Proposed acquisition of ESTZ for an enterprise value of up to ₹12,690 mn</li> <li>– Institutional Placement of units aggregating up to ₹30,000 mn</li> </ul> </li> </ul>
<b>Post Extraordinary Meeting</b>	<b>Post April 29, 2024</b>	<ul style="list-style-type: none"> <li>▶ Obtain applicable consents, regulatory approvals, conditions precedents and closing actions</li> <li>▶ Raise funds – Institutional Placement of units and Debt Raise</li> <li>▶ Completion of acquisition by early Q2 FY2025</li> </ul>

### Notes:

- (1) Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL') and its affiliates have provided various services (including financing through its affiliates), to the Embassy REIT, the target and their respective affiliates, and may continue to provide such services in the future
- (2) The Proposed ESTZ Acquisition does not require approval of the unitholders under Regulation 19(5)(b)(i) of the REIT Regulations. However, given that acquisition will facilitate the entry of the Embassy REIT into a new market (Chennai) and is proposed to be funded through an institutional placement, the Manager is seeking approval of the unitholders for the acquisition under Regulation 22(5)(f) of the REIT Regulations as a matter in the ordinary course of business that is material and requires the approval of the unitholders in the opinion of the Manager



# Q&A Session

Embassy Splendid TechZone, Chennai





# Appendix



Embassy Splendid TechZone, Chennai

# About Embassy Splendid TechZone

<b>Location</b>	Pallavaram-Thoraipakkam Road, Chennai
<b>Total Leasable Area</b>	5.0 msf
<b>Completed Area / Occupancy</b>	1.4 msf / 95%
<b>Under Construction Area / Pre-Leased %</b>	1.6 msf / 26%
<b>Future Development Area</b>	2.0 msf
<b>In-Place Rent (psf p.m.)</b>	₹69
<b>Gross Rentals from GCCs</b>	81%
<b>WALE</b>	14 years



Actual Picture

**100% Multinational Occupier Base**

**Wells Fargo**



**BNY MELLON**

**TEKION**

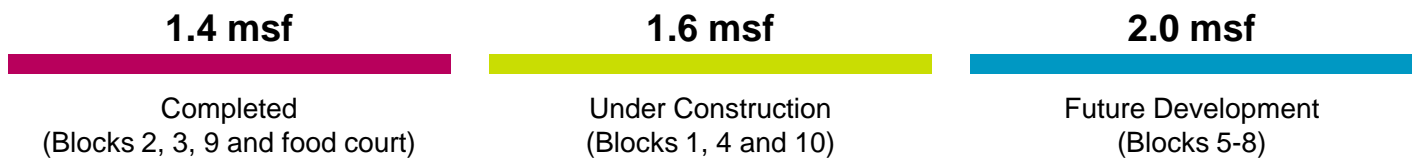
**Notes:**

- (1) All data as of March 31, 2024
- (2) Refer to footnote 3 on page 21



# One of the Largest Integrated Office Parks in Chennai

5.0 msf campus-style office park spread over ~26 acres, with 1.4 msf of completed area, 1.6 msf under construction and 2.0 msf future development potential

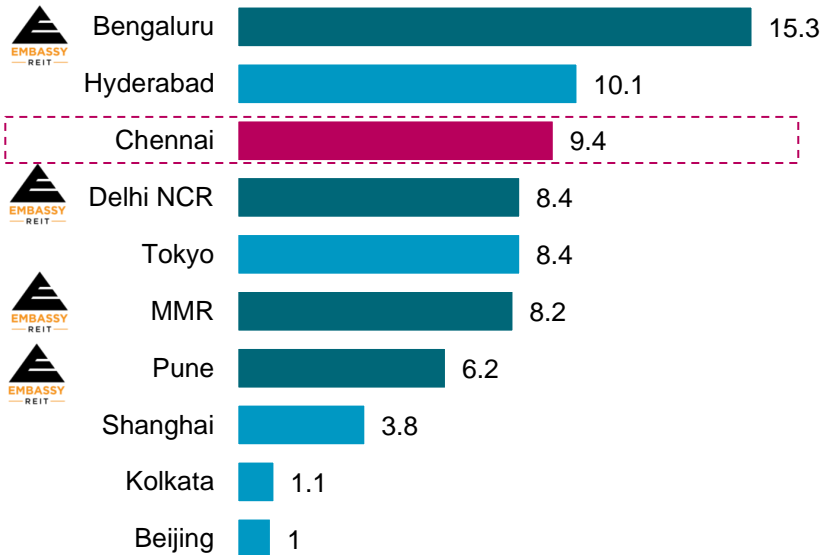


Notes:  
(1) All data as of March 31, 2024  
(2) Refer to footnote 3 on page 21

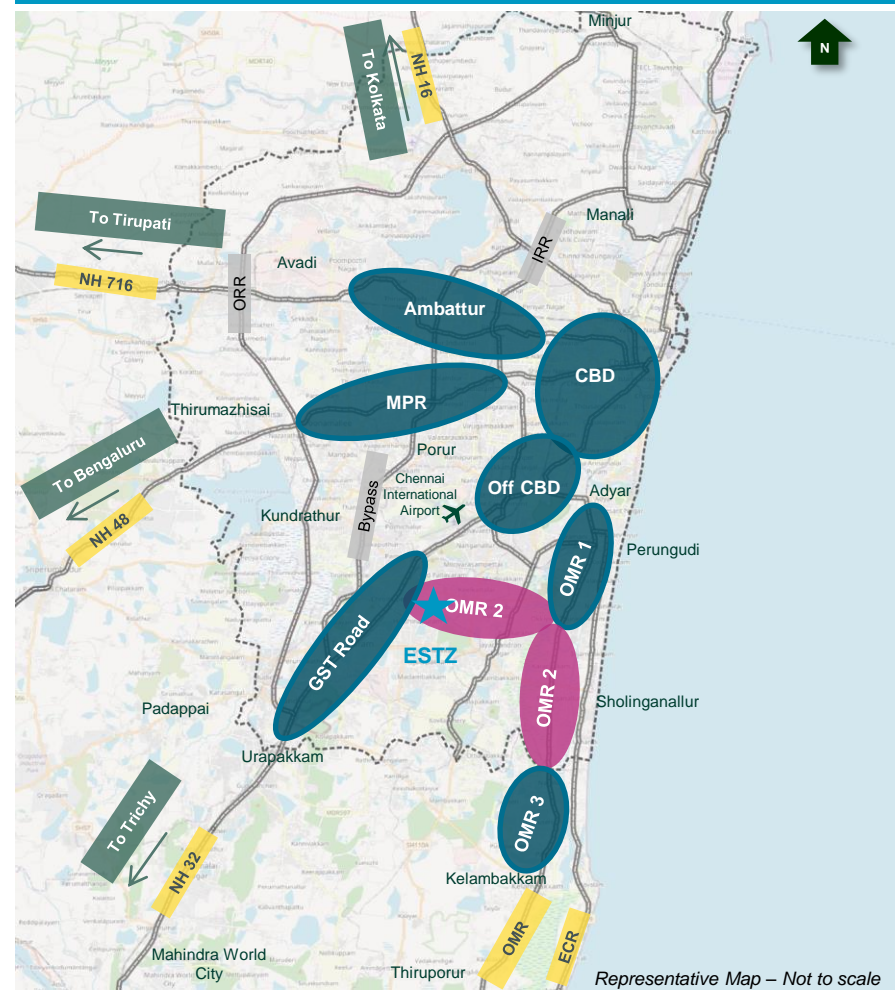
# Chennai has Witnessed Market Leading Office Absorption

Supported by a well-set education infrastructure and abundant STEM talent, the Chennai office market is currently booming with an influx of multiple Global Captive Centers

## 3<sup>rd</sup> Highest Office Absorption Globally (msf)<sup>(1)</sup>



## Chennai Office Market Overview



## Fast-growing Office Market with Strong Fundamentals

**84 msf**

Office Stock<sup>(2)</sup>

**66%**

Share of Global Firms  
in Chennai's Absorption<sup>(1)</sup>

**50%**

Share of BFSI and E&M Firms  
in Chennai's Absorption<sup>(1,3)</sup>

**30-40k**

Fresh Engineering  
Graduates (per year)

Source: CBRE Research 2024

Notes:

(1) Basis gross absorption in CY2023

(2) Data as of December 2023

(3) BFSI – Banking, Financial Services and Insurance; E&M – Engineering and Manufacturing

# OMR 2 is One of Chennai's Fastest Growing Office Sub-Markets

Located 15 mins from the Chennai International Airport, OMR 2 is the location of choice for top multinationals such as Shell, Vestas, Wells Fargo, BNY Mellon and Tekion among others

OMR 2 Sub-market<sup>(1)</sup>

**15.1 msf**

Total Office Stock  
(~18% of Chennai)

**2.2 / 2.2 msf**

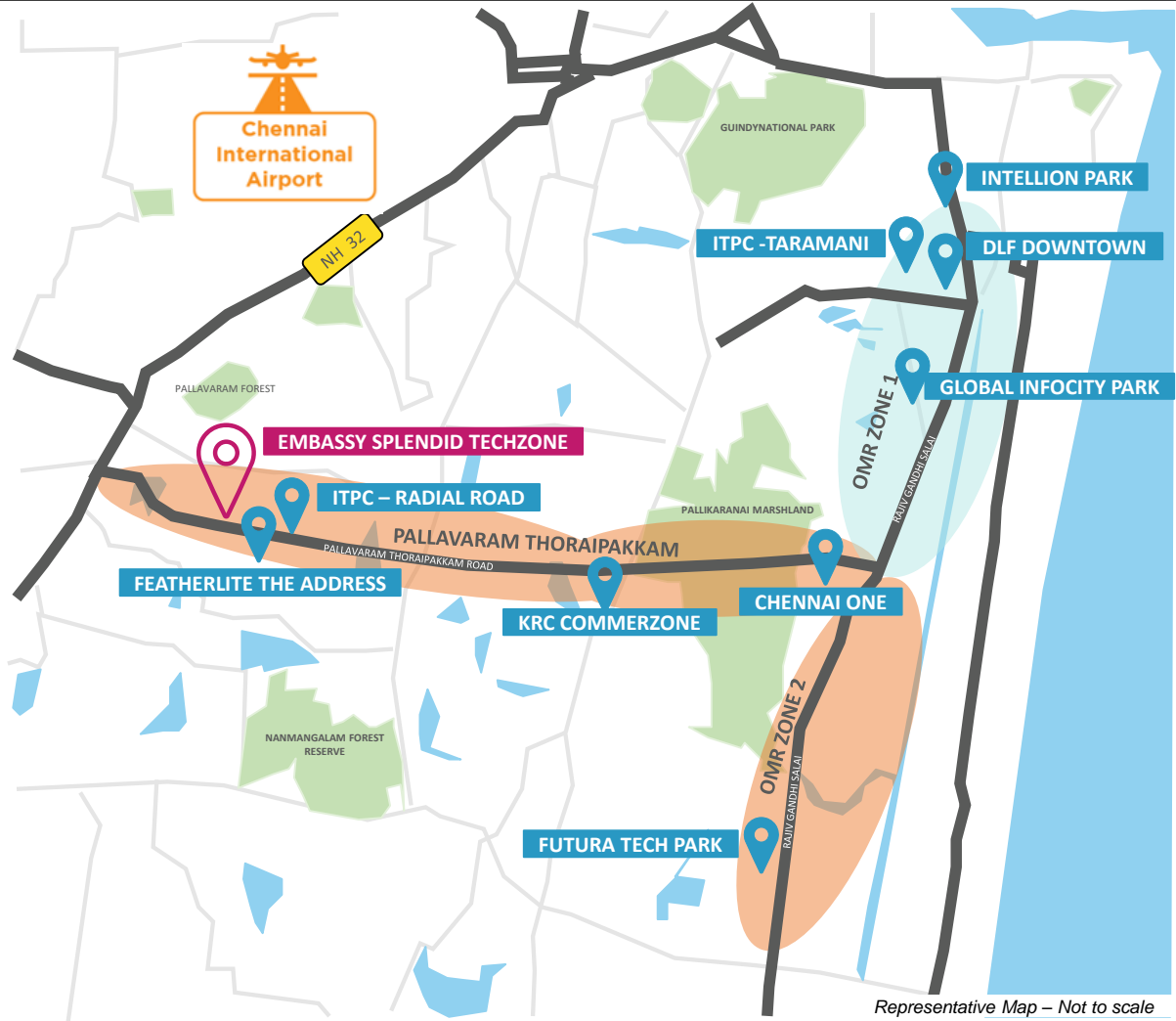
CY2023 Gross Absorption /  
CY2024-2025E Avg. Absorption

**1.9 / 2.1 msf**

CY2023 Supply Addition /  
CY2024-2025E Avg. Supply

**~6%**

Rental CAGR<sup>(2)</sup>



Representative Map – Not to scale

Source: CBRE Research 2024

Notes: Actual legal entity names of the occupiers may differ from the names referred above

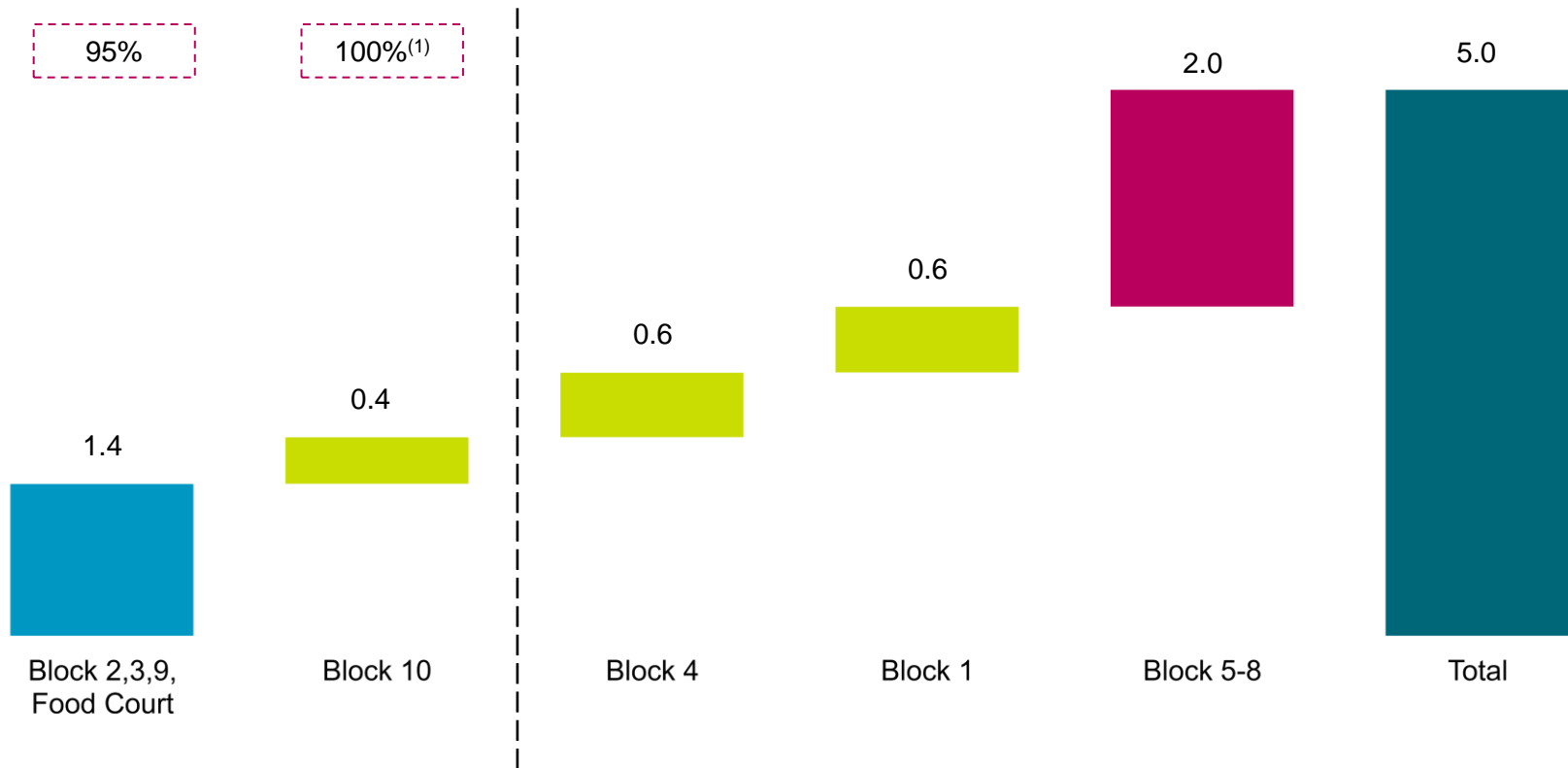
(1) Unless stated otherwise, all figures are for period CY2023 or as of Dec'23, as applicable

(2) CAGR for CY2016-CY2023

# Stable Cash Flows with Strong Embedded Growth

95% occupancy in completed area and rental support for 0.4 msf pre-leased area provide high cash flow visibility. Future development potential provides further embedded growth

## Total Leasable Area (msf)



■ Completed 
 ■ Under-Construction 
 ■ Future Development 
    % Leased / Pre-Leased

Note: All data as of March 31, 2024

(1) Rental support of ₹429 mn will be based on all-inclusive rental of ₹81 psf / p.m. and CAM income of ₹12 psf / p.m. from the acquisition closing date until expected rent commencement date. In the event that a binding agreement to lease in relation to certain identified leasable area at ESTZ is not executed prior to the closing of the ESTZ Acquisition, Embassy REIT, at its discretion, may still proceed with the completion of the acquisition, at a reduced Enterprise Value of ₹11,853 mn without rental support of ₹429 mn



## High Visibility on Near Term Completion

1.0 msf across two office blocks on track to be completed by June 2025. Of this, 0.4 msf is already pre-leased with a rental support arrangement<sup>(1)</sup>

**Block 10 (0.4 msf, 100% Pre-leased)**  
*Expected Completion – Mar'25*



**Block 4 (0.6 msf)**  
*Expected Completion – Jun'25*



Note:

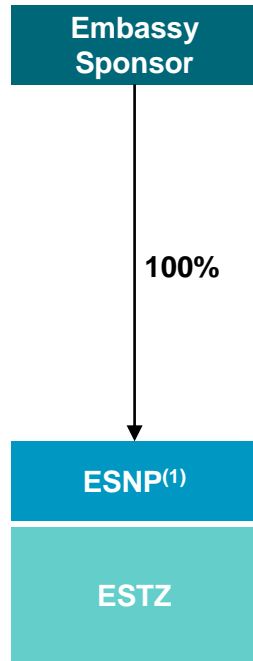
(1) Rental support of ₹429 mn will be based on all-inclusive rental of ₹81 psf / p.m. and CAM income of ₹12 psf / p.m. from the acquisition closing date until expected rent commencement date. In the event that a binding agreement to lease in relation to certain identified leasable area at ESTZ is not executed prior to the closing of the ESTZ Acquisition, Embassy REIT, at its discretion, may still proceed with the completion of the acquisition, at a reduced Enterprise Value of ₹11,853 mn without rental support of ₹429 mn



# ESTZ Acquisition Structure

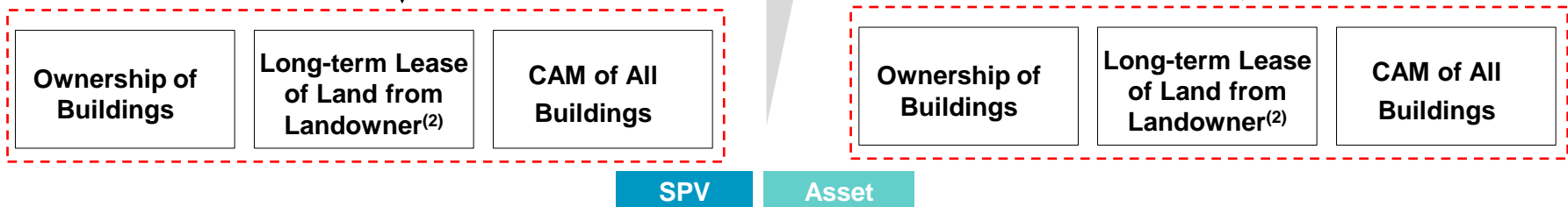
## Pre-Acquisition

Current simplified structure chart of ESTZ  
(entity proposed to be acquired)



## Post-Acquisition

Post-acquisition simplified structure chart  
(only relevant entities shown)



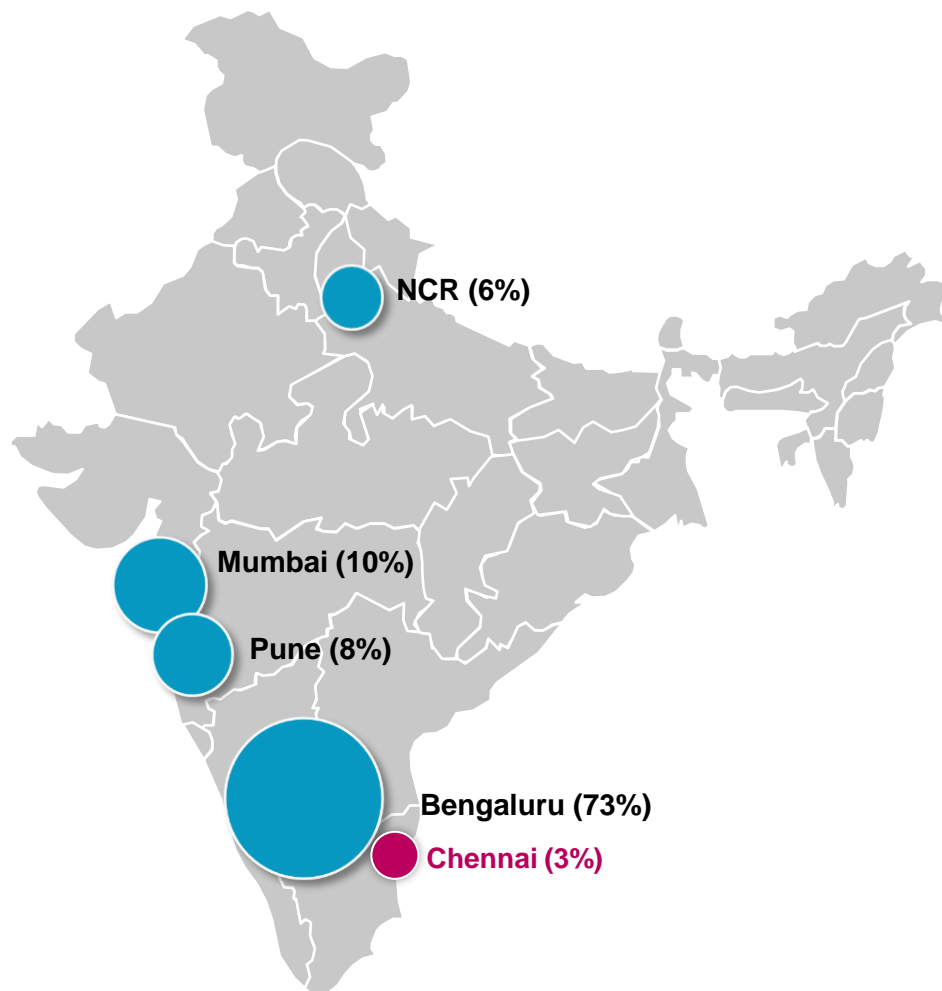
Notes:

- (1) Refer to footnote 3 on page 21
- (2) Leasehold rights over the Embassy Splendid TechZone Land for a period of 30 years from November 9, 2016, with option to renew for 3 further terms of 30 years each

# ESTZ Diversifies Embassy REIT's Portfolio and Enhances Scale

ESTZ Acquisition further diversifies Embassy REIT's portfolio by facilitating entry into the Chennai office market

	Existing	Proforma
Total Leasable Area (msf) <sup>(1)</sup>	45.4	50.5
Completed Area (msf)	35.8	37.2
Occupancy	84.1%	84.5%
WALE (Years)	6.9	7.2
MTM Potential (%)	10.4%	10.3%
GAV (₹ bn)	527	540



Proforma GAV % of REIT Portfolio

Notes:

- (1) Unless specified otherwise, all figures are as of Dec'23 for Embassy REIT and Mar'24 for ESTZ for calculating the operational Proforma Metrics  
 (2) GAV for Embassy REIT's existing portfolio as of September 30, 2023 (valuation undertaken by Ms. L Anuradha, in conjunction with independent property consultant review services undertaken by C&W) and GAV for ESTZ of ₹13,381 mn as of March 31, 2024 (valuation undertaken by Ms. L Anuradha, in conjunction with independent property consultant review services undertaken by C&W)

## NOI to NDCF Walk for the Transaction

Particulars	₹ mn	Remarks
<b>ESTZ Acquisition Impact</b>		
Contracted NOI <sup>(1)</sup>	891	- For Blocks 2, 3, 9, 10 (rental support) and food court
Interest Cost on External Debt	(85)	- Interest of ₹85 mn is on ₹1,000 mn target debt assuming 8.50% cost of debt (Interest on remaining ₹3,000 mn target debt capitalized against under construction blocks)
Other Expenses	(104)	- Overhead and R&M expenses, property management fees, cash taxes
REIT Management Fees	(8)	- Assumed as 1% of incremental NDCF <sup>(2)</sup>
<b>Incremental NDCF (A)</b>	<b>694</b>	
<b>De-Leveraging Impact</b>		
Interest Cost Savings on External Debt	1,356	- Interest cost on external debt proposed to be repaid at REIT and other SPVs (at ~8.3% p.a.)
REIT Management Fees	(16)	- Assumed as 1% of incremental NDCF <sup>(2)</sup>
<b>Incremental NDCF (B)</b>	<b>1,340</b>	
<b>Total Incremental NDCF (A+B)</b>	<b>2,033</b>	

Notes: Annualized figures based on management estimates. Representative of the base case financing plan and assuming Enterprise Value of ₹12,690 mn for ESTZ Acquisition. The structure and timing of the Institutional Placement has not been determined yet. The size of Institutional Placement and Issue Price per unit may differ from the Issue Price of new units assumed herein of ₹375.43

(1) Contracted NOI for ESTZ Acquisition calculated as annualized NOI of leases with lease commencement date prior to March 31, 2024, and including rental support on 0.4 msf pre-leased under construction area

(2) Plus applicable taxes

# Scenario Analysis

## Sensitivity analysis of Embassy REIT's proforma DPU accretion at various quantum and prices for the issue of units in an Institutional Placement

### Scenario I: All CPs met<sup>(1)</sup>

Institutional Placement (₹ mn)	LTV (%)	Issue Price (₹ / unit)		
		356.66 (-5%)	375.43	394.20 (+5%)
20,000	27.9%	2.0%	2.3%	2.6%
25,000	27.0%	2.5%	2.9%	3.2%
30,000	26.1%	3.0%	3.4%	3.8%

### Scenario II: CP not met for Block 10 pre-lease<sup>(2)</sup>

Institutional Placement (₹ mn)	LTV (%)	Issue Price (₹ / unit)		
		356.66 (-5%)	375.43	394.20 (+5%)
20,000	27.8%	1.4%	1.7%	1.9%
25,000	26.9%	1.9%	2.2%	2.5%
30,000	26.0%	2.3%	2.8%	3.1%

Notes: Red box representative of the base case financing plan. The structure and timing of the equity raise has not been determined yet. The size of equity raise and Issue Price per unit may differ from the Issue Price of new units assumed herein of ₹375.43. Issue price of ₹375.43 based on QIP floor price calculated as average of weekly high and low for two weeks preceding March 31, 2024 as prescribed by SEBI regulations. DPU accretion calculated considering mid-point of management guidance of FY2024 DPU for Embassy REIT of ₹21.25, ESTZ DPU and de-leveraging impact based on management calculations

(1) Assuming Enterprise Value of ₹12,690 mn for the ESTZ Acquisition

(2) Assuming Enterprise Value of ₹11,853 mn for the ESTZ Acquisition. In the event that a binding agreement to lease in relation to certain identified leasable area at ESTZ is not executed prior to the closing of the ESTZ Acquisition, Embassy REIT, at its discretion, may still proceed with the completion of the acquisition, at a reduced Enterprise Value of ₹11,853 mn without rental support of ₹429 mn

# Notes

1. All figures corresponding to year denoted with “FY” are as of or for the one-year period ending (as may be relevant) 31<sup>st</sup> March of the respective year. Similarly, all figures corresponding to year denoted with “CY” are as of or for the one-year period ending (as may be relevant) 31<sup>st</sup> December of the respective year. Unless specifically mentioned, any reference to year refers to CY
2. Some of the figures in this Presentation have been rounded-off to the nearest decimal for ease of presentation
3. The “**ESTZ Acquisition**” refers to the proposed acquisition through the purchase of 100% of the equity share capital of ESNP Property Builders and Developers Private Limited (“ESNP”) from Embassy Property Developments Private Limited (“EPDPL” or “Embassy Sponsor”) (and its nominee), of ESNP’s rights, title and interest in Embassy Splendid TechZone, a commercial real estate project in Chennai, India, which is expected to comprise a total leasable area of approximately 5.0 msf in the commercial towers upon completion (“Embassy Splendid TechZone, Chennai”), consisting of the ownership interest in the completed and rent/income-generating towers as well as rights, title and interest in the under-construction portions thereat, economic interests (including 61% proportionate lease revenue share), leasehold rights, co-development rights and other rights of ESNP in Embassy Splendid TechZone, Chennai, including the right to provide common area maintenance services and common infrastructure services. All operational metrics included in this Presentation in relation to ESTZ and the ESTZ Acquisition are with reference to Embassy Splendid TechZone, Chennai held by ESNP. A third-party landowner is entitled to the remaining 39% proportionate lease revenue share from ESTZ
4. The “**Transaction**” refers to the ESTZ Acquisition and the proposed repayment/pre-payment or refinancing of existing debt at the ESNP level and at the Embassy REIT and its Holdco/SPV/Investment Entity level, which is proposed to be financed through an Institutional Placement of units of Embassy REIT and external Debt Raise
5. The “**Base case financing plan**” refers to an Institutional Placement of 66,590,310 units of Embassy REIT at an assumed Issue Price of ₹375.43 per unit, aggregating to ₹25,000 mn; and a Debt Raise of ₹4,000 mn at 8.5% per annum with no amortization (the “**Debt Raise**”). The Issue price of ₹375.43 is based on QIP floor price calculated as average of weekly high and low for two weeks preceding March 31, 2024 as prescribed by the SEBI regulations
6. Proforma KPI information (NOI, DPU, Gross Debt, Net Debt, LTV, GAV, NAV etc.) (collectively, the “**Proforma Metrics**”), for the period ending March 31, 2024 have been included for presentation purposes only and have been computed basis Embassy REIT’s KPIs for the same period (unless specified otherwise) factoring / consolidating with the KPIs of the ESTZ Acquisition to reflect the acquisition, the institutional placement and the Debt Raise. Unless stated otherwise, the Proforma Metrics have been arrived assuming (i) the completion of the ESTZ Acquisition at an enterprise value of ₹12,690 mn; (ii) the base case financing plan; and (iii) such other expenses relating to contemplated institutional placement and Debt Raise. The ESTZ Acquisition described in this Presentation is subject to the completion of various conditions and there is no assurance that the ESTZ acquisition, the Debt Raise, the Institutional Placement and the various related events will all be successfully completed. Readers should note that a presentation of the ESTZ acquisition, the Debt Raise, the Institutional Placement and the various related events, on a proforma basis, should not be construed to mean that such events will definitely occur, including as described in this Presentation. The Proforma Metrics and actual results will vary in the event any of the foregoing assumptions change, including any closing adjustments to the enterprise value of the ESTZ Acquisition if certain conditions are not fulfilled. Because of their nature, the Proforma Metrics are presented for illustrative purposes to address hypothetical situations and therefore, do not represent factual financial position or results. They purport to indicate the results of operations that would have resulted had the ESTZ acquisition been completed at the beginning of the period presented and the financial position had the ESTZ acquisition been completed as at period-end but are not intended to be indicative of expected results or operations in the future periods or the future financial position of Embassy REIT. Embassy REIT’s future operating results and the actual outcome of the ESTZ Acquisition may differ materially from the Proforma Metrics due to various factors, including changes in operating results. Further, the Proforma Metrics have not been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities and Exchange Act of 1934, as amended, U.S. GAAP, IFRS or Ind-AS. The resulting Proforma Metrics have not been audited or reviewed in accordance with U.S. GAAP, IFRS or Ind-AS. The rules and regulations related to the preparation of proforma financial information in other jurisdictions may vary significantly from the basis of preparation for the proforma financial information. Accordingly, the proforma financial information should not be relied upon as if it has been prepared in accordance with those standards and practices
7. Any reference to long term leases or WALE assumes successive renewals by occupier(s) at their option based on lease contract
8. All details included in the presentation considers 100% stake in GLSP. However, Embassy REIT owns 50% economic interest in GLSP which owns Embassy GolfLinks Assets. Accordingly, its revenues are not consolidated into our Revenue from Operations. Also, Market Value or GAV reflects only our 50% economic interest in GLSP
9. The information for the 9M FY2024 is derived from the reviewed condensed consolidated financial statements of the Embassy REIT and these may not be comparable
10. This presentation contains certain financial measures which are not audited or reviewed or 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 the Embassy REIT’s cash flow based on Ind-AS or IFRS

# Key Terms & Definitions

1. ATL – Agreement to Lease
2. Base Rentals – Rental income contracted from the leasing of Completed Area; includes fit-out and car parking income
3. bn – Billions
4. Bps – Basis points
5. BSE – BSE Limited
6. CAGR – Compounded Annual Growth Rate
7. CAM – Common Area Maintenance
8. C&W – Cushman & Wakefield
9. CBRE – CBRE South Asia Private Limited
10. Completed Area – the Leasable Area of a property for which occupancy certificate has been received
11. CP – Condition(s) Precedent
12. DPU – Distribution per unit calculated by dividing REIT distributions by total outstanding units
13. EPDPL / Embassy Group / Embassy Sponsor – refers to Embassy Property Developers Private Limited or its subsidiaries or limited liability partnerships
14. Embassy REIT refers to Embassy Office Parks REIT
15. ESNP – ESNP Property Builders and Developers Private Ltd.
16. ESTZ – Embassy Splendid TechZone, Chennai
17. Existing Portfolio refers to 35.8 msf of completed office assets, 9.6 msf of under construction and proposed development area, 1,614 hotel keys and 100 MW solar park
18. FC – Food Court
19. FY – Period of 12 months ended March 31 of that particular year, unless otherwise stated
20. GAV – Gross Asset Value
21. GCC – Global Captive Centers
22. GLSP – GolfLinks Software Park Private Limited
23. Independent Valuation 1 – Valuation as of March 31, 2024 undertaken by iVAS Partners, represented by Mr. Manish Gupta, with value assessment services undertaken provided by CBRE South Asia Private Limited
24. Independent Valuation 2 – Valuation as of March 31, 2024 undertaken by Ms. L Anuradha, in conjunction with Independent property consultant review services undertaken by C&W
25. KPI – Key Performance Indicators like NOI, NOI Yield, DPU, NAV per unit
26. LTV / Leverage – Net Debt divided by GAV
27. Manager – Embassy Office Parks Management Services Private Limited
28. mn – Millions
29. MNC – Multinational Corporation
30. msf – Million square feet
31. MTM – Mark-to-Market
32. MW – Mega-Watt
33. NAV – Net Asset Value
34. NDCF – Net Distributable Cash Flow
35. Net Debt – Gross Debt minus Cash and Cash Equivalents
36. NOI – Net Operating Income
37. NSE – National Stock Exchange of India Limited
38. OC – Occupancy Certificate
39. Occupancy / % Occupied / % Leased – Occupancy is defined as the ratio of the Occupied Area and the Completed Area
40. Occupied Area – Completed area of property which has been leased or rented out in accordance with an agreement entered into for the purpose
41. OMR – Old Mahabalipuram Road
42. Pre-leased Area: The Leasable Area of a property for which LOI has been signed with the tenant
43. Proposed Development Area – The Leasable Area of a property for which the master plan for development has been obtained, internal development plans are yet to be finalized and applications for requisite approvals required under the law for commencement of construction are yet to be received
44. Portfolio – Together, the Portfolio Assets and the Portfolio Investment
45. psf – Per square feet
46. REIT – Real Estate Investment Trust
47. REIT Regulations – Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
48. Rents – Refers to Gross Rentals of Embassy REIT unless specified otherwise. Gross Rentals are defined as the sum of Base Rentals, fit-out and car parking income from Occupied Area for the month of Dec'23
49. ROFO – Right of First Offer
50. SF – Square feet
51. Sponsor(s) – Embassy Property Developments Private Limited and BRE/ Mauritius Investments
52. SPV – Special purpose vehicles, as defined in Regulation 2(l)(zs) of the REIT Regulations
53. TEV – Total Enterprise Value
54. Total Leasable Area – Total square footage that can be occupied by an occupier for the purpose of determining an occupier's rental obligations. Total Leasable Area is the sum of Completed Area, U/C Area and Proposed Development Area
55. Units – An undivided beneficial interest in the Embassy REIT, and such units together represent the entire beneficial interest in the Embassy REIT
56. U/C – Under construction
57. Under Construction Area – The Leasable Area of a property for which the master plan for development has been obtained, internal development plans have been finalized and applications for requisite approvals required under the law for commencement of construction have been applied, construction has commenced, and occupancy certificate is yet to be received
58. WALE – Weighted Average Lease Expiry
59. Years – Refers to calendar years unless specified otherwise
60. YTD – Year to date

# Disclaimer

---

By attending the meeting where this presentation (the “Presentation”) is made, or by reading the Presentation materials, you agree to be bound by the following limitations:

This Presentation is and is intended exclusively for the intended recipients. This Presentation and the information contained herein may not be disclosed, reproduced, retransmitted, summarized, distributed or furnished, in or whole or in part, to any other person or persons.

This Presentation is for information purposes only without regards to specific objectives, financial situations or needs of any particular person, and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for, or advertisement with respect to, the purchase or sale of any security (including any units or other securities of Embassy Office Parks REIT (the “REIT”)) in India, United States or in any other jurisdiction, and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The material that follows is a Presentation of general background information. We do not assume responsibility to amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events, or otherwise. This Presentation comprises information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. This Presentation should not be considered as a recommendation to any person to subscribe to any units or other securities. This Presentation includes statements that are, or may be deemed to be, “forward-looking statements”. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved.

Neither we, nor any of our affiliates or advisors, as such, make any representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this Presentation or its content or otherwise arising in connection therewith. Unless otherwise stated in this Presentation, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results.

The units or securities of the REIT have not been and will not be registered under the U.S. Securities Act, 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The units or securities have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This document is just a Presentation and is not intended to be a “prospectus” or “draft offer document” or “preliminary offering memorandum” or “offer document” or “final offer document” or “offer letter” or “offering memorandum” or a “transaction document” (as defined or referred to, as the case may be, under the Companies Act, 2013 and the rules notified thereunder, and the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, or any other applicable law). It is clarified that this Presentation is not intended to be a document or advertisement offering for subscription or sale of any units or securities or inviting offers or invitations to offer or solicitation to offer from the public (including any section thereof) or any class of investors. This Presentation has not been and will not be reviewed or approved by a regulatory authority in India or elsewhere or by any stock exchange in India or elsewhere.

If we should at any time commence an offering of securities, any decision to invest in any such offer to subscribe for or acquire securities must be based wholly on the information contained in any placement document/memorandum or offering circular (including the risk factors mentioned therein) issued or to be issued in connection with any such offer and not on the contents hereof.

This Presentation is not intended to be an offer or placement for the purposes of the Alternative Investment Fund Managers Directive (“AIFMD”), and any “marketing” as defined under AIFMD may only take place in accordance with the national private placement regimes of the applicable European Economic Area jurisdictions.

This Presentation and any of its contents do not provide for and should not be construed as any assurance or guarantee of returns or distributions to investors.





CELEBRATING  
**5 YEARS\***

**AS INDIA'S FIRST LISTED REIT**

**45.4 msf TOTAL PORTFOLIO | 4 GATEWAY CITIES | 13 OFFICE PARKS | 244 BLUECHIP OCCUPIERS**



**INVESTOR CONTACT:**

**Website:** [www.embassyofficeparks.com](http://www.embassyofficeparks.com) | **Email:** [ir@embassyofficeparks.com](mailto:ir@embassyofficeparks.com) | **Office:** +91 80 4722 2222