

Embassy REIT Announces the Completion of Embassy Splendid TechZone, Chennai Asset Acquisition

- Raises ~₹1,200 crores of debt to fund the acquisition of 5.0 msf premium business park located in Chennai's fastest-growing office micro-market
- Accretion of 2.0% and 0.2% to FY2025 mid-point Net Operating Income and Distribution Per Unit guidance, respectively, and accretion of 0.2% to Mar'24 Net Asset Value, on a proforma basis*
- 1.4 msf completed area with 95% occupancy, leased to leading multinationals across financial services and technology sectors
- Long-term earnings potential through 1.6 msf ongoing development and future development of 2.0 msf
- Enhances Embassy REIT's commercial portfolio by 11% to 50.5 msf, positioning the REIT as one of the largest office REITs worldwide

Bengaluru, India, June 3, 2024

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 completed the acquisition of Embassy Splendid TechZone ('ESTZ'), a Grade-A business park in Chennai. The ₹1,185 crores acquisition was funded primarily through a debt raise of ~₹1,200 crores and internal accruals. This acquisition increases Embassy REIT's total portfolio to 50.5 msf, positions it as one of the largest office REITs globally, and marks its entry into the new growth market of Chennai.

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

"We are pleased to announce the completion of this accretive acquisition that facilitates the REIT's entry into Chennai, one of India's leading office markets. With this acquisition, we're delighted to add another premium business park that perfectly complements and strengthens our high-quality office portfolio. While we evaluated funding this acquisition by issuing equity, we decided to finance it through debt and internal accruals, in the best interest of all our stakeholders. Given our diverse unitholder base and 92% public float, we will consider raising equity for defined purposes, when the markets are more conducive for us to do so."

Transaction Highlights

- ₹1,185 crores Enterprise Value is at a 9.2% discount to the average of two independent valuation reports
- Accretive by 2.0% and 0.2% to FY2025 mid-point NOI and DPU guidance, respectively, and accretive to Mar'24 NAV by 0.2%, on a proforma basis*
- Transaction financed primarily through debt at 8.05% and internal accruals
- Stable cash flows from 95% occupancy on 1.4 msf completed buildings; leased to marquee multinational occupiers such as Wells Fargo and BNY Mellon, among others
- Embedded growth from 1.6 msf of on-campus development and 2.0 msf future development potential
- Enhances Embassy REIT's commercial portfolio by 11% to 50.5 msf, positioning the REIT as one of the largest office REITs worldwide

*Basis FY2024 actuals, NOI and DPU accretion is 2.2% and 0.23% respectively

About Embassy REIT

Embassy REIT is India's first publicly listed Real Estate Investment Trust. Embassy REIT owns and operates a 45.4 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 36.5 msf completed operating area and is home to over 250 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.

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, 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. 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 (including guidance and proforma information) 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.

For more information please contact:

Shwetha Reddy

Head - Marketing and Communications

Email: shwetha.r@embassyofficeparks.com

Phone: +91 8867845915

Sakshi Garg

Head - Investor Relations

Email: ir@embassyofficeparks.com

Phone: +91 80 4722 2222