

Embassy Office Parks REIT

3Q FY2021 Earnings Materials

February 12, 2021



Press Release

Embassy REIT Announces Third Quarter FY2020-21 Results and Quarterly Distributions of ₹4,313 million

Bengaluru, India, February 12, 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, reported results today for the third quarter ended December 31, 2020.

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 ₹4,313 million for 3Q FY2021. This translates to a Distribution per Unit ('DPU') of ₹4.55 for the third quarter on the expanded unit base of 947.89 million units, post the issuance of 176.23 million new units in December 2020 in connection with the acquisition of Embassy TechVillage (**ETV**). The record date for the distribution is February 22, 2021 and the distribution will be paid on or before February 27, 2021.

Michael Holland, Chief Executive Officer of Embassy REIT commented, *"This quarter marked another resilient performance for Embassy REIT, as illustrated by our operating performance and distribution to Unitholders. As India's outlook steadily improves with a continued downward trend in active COVID-19 cases and the encouraging progress on vaccine roll-out, we remain optimistic that Indian office leasing demand will continue to increase as occupiers accelerate their return-to-work programs. Additionally, our recent successful ₹97.8 billion acquisition of Embassy TechVillage in India's best-performing office sub-market of ORR in Bengaluru cements our position as a landlord of choice for the world's top companies."*

Financial Highlights

- Net Operating Income (**NOI**) for 3Q FY2021 grew year-on-year by 3% to ₹4,780 million and cumulatively by 5% to ₹14,163 million for YTD FY2021, with operating margins of 85% for the quarter and 87% for YTD FY2021
- Distributed ₹4,313 million or ₹4.55 per unit for 3Q FY2021 and cumulatively ₹13,056 million or ₹15.88 per unit for YTD FY2021, representing a 100% payout ratio for both the periods
- Raised ₹7.5 billion of listed debentures during 3Q FY2021 at an attractive 6.70% coupon; raised further ₹26.0 billion of listed debentures in Jan'21 at 6.40% coupon primarily to refinance the ETV debt
- Balance sheet remains strong with low leverage of 23% Net Debt to TEV, liquidity of ₹9.4 billion and additional debt headroom of ₹120 billion

Press Release (Cont'd)

Business Highlights

- Lease deals signed for 3Q FY2021 stood at 311k sf, with 1.0 msf lease deals signed YTD
- Achieved 13% spreads on 206k sf re-leased area in 3Q FY2021, with 16% spreads on 450k sf re-leased YTD
- Achieved rental increases of 15% on 1.5 msf in 3Q FY2021, with YTD rental increases of 13% on 5.3 msf
- Rent collections for 3Q FY2021 from office occupiers remained strong at 99.5%, in-line with office rent collections of 100% for 1Q FY2021 and 99.9% for 2Q FY2021 (as of February 11, 2021)
- Portfolio occupancy stood at 90.6% on our enlarged 32.3 msf operating portfolio, with same-store occupancy of 90.5%
- Ongoing support to occupiers as they bring forward 'Back to Office' plans encouraged by vaccine roll-out; 97% of occupiers and daily average of ~20k employees operated from our properties in 3Q FY2021, up 27% since 2Q FY2021

Growth Initiatives

- Completed ₹97.8 billion ETV acquisition in December 2020 and successfully raised ₹36.8 billion through an Institutional Placement to fund the acquisition
- Post ETV acquisition, integrated on-ground teams and the 1.1 msf built-to-suit project, initiated restructuring of the 2-tier holdings at the ETV level and refinanced ₹26.4 billion of in-place ETV debt at 328 bps refinancing spread
- Launched 1.9 msf of new on-campus office development at ETV. Along with the existing 2.7 msf development, organic growth through 5.7 msf on-campus development across portfolio, with 19% area pre-committed to JP Morgan

Investor Materials and Quarterly Investor Call Details

Embassy REIT has released a package of information on the quarterly results and performance, that includes (i) reviewed condensed standalone and reviewed condensed consolidated financial statements for the quarter and nine month period ended December 31, 2020, (ii) an earnings presentation covering 3Q FY2021 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 on our website at www.embassyofficeparks.com under the "Investors" section.

Embassy REIT will host a conference call on February 12, 2021 at 18:30 hours Indian Standard Time to discuss the 3Q FY2021 results. A replay of the call will be available till February 26, 2021 on our website at www.embassyofficeparks.com under the "Investors" section.

Table of Contents

I.	Key Highlights	5
II.	Overview	11
III.	Market Outlook	20
IV.	Navigating COVID-19	25
V.	Commercial Office Update	28
VI.	Development Update	33
VII.	Acquisition Update	37
VIII.	Asset Management Update	41
IX.	Financial Update	45
X.	Appendix	49

A wide-angle photograph of a modern urban courtyard. In the center, a multi-story building features a prominent clock tower with a white clock face. The courtyard is paved with light-colored tiles and contains several green metal chairs and tables. A rectangular water feature with a dark border and a gravel bed is in the foreground. People are seen walking and sitting in the courtyard. The sky is bright blue with scattered white clouds. The buildings are multi-story with large windows and balconies.

I. Key Highlights

Embassy TechVillage, Bengaluru

Business Highlights

Successfully acquired ETV for ₹97.8 bn. Delivered resilient operating performance in Q3 with robust rent collections, stable occupancy and new growth cycle through 5.7 msf on-campus development

Business Continuity and Resilience

- ▶ Ongoing support to occupiers as they bring forward 'Back to Office' plans encouraged by vaccine roll-out
 - 97% of occupiers and 20k employees operated from our properties in Q3, up 27% since Q2
- ▶ Rent collections for Q3 remained strong at 99.5%, in-line with office rent collections of 100% for Q1 and 99.9% for Q2

Leasing and Lease Management

- ▶ Lease deals signed for Q3 stood at 311k sf across 11 deals, with YTD lease deals signed at 1.0 msf across 36 deals
- ▶ Achieved 14% spread on 206k sf re-leased in Q3, with 16% spread on 450k sf re-leased in YTD FY2021
- ▶ Achieved rental increases of 15% on 1.5 msf in Q3 across 24 office leases, with YTD rental increases of 13% on 5.3 msf across 66 office leases
- ▶ Portfolio occupancy stood at 90.6% on enlarged 32.3 msf operating portfolio, with same-store occupancy of 90.5%

Development

- ▶ Organic growth through 5.7 msf on-campus development, 19% pre-committed to JP Morgan
 - Launched 1.9 msf of new on-campus office development at ETV
 - Integrated 1.1 msf JP Morgan built-to-suit project, on track for Sep'21 delivery
 - Construction activity continued at pace on existing 2.7 msf development

Acquisitions

- ▶ Completed ₹97.8 bn ETV Acquisition in Dec'20, successfully raised ₹36.8 bn equity through an Institutional Placement
- ▶ Post ETV acquisition, refinanced ₹26.4 bn of in-place ETV debt at 328 bps refinancing spread
- ▶ Integrated on-ground teams and initiated restructuring 2-tier holdings at the ETV level

Financial Highlights 3Q FY2021

NOI and EBITDA for Q3 up 3% and 8% year-on-year respectively with NOI margin at 85%. Distribution for Q3 stood at ₹4,313 mn

	3Q FY2021 (mn)	3Q FY2020 (mn)	Variance %	Remarks
Revenue from Operations	₹5,653	₹5,459	+4%	<ul style="list-style-type: none"> ▶ Contracted rental escalations on 6.9 msf ▶ Revenue from 1.4 msf of new deliveries in 4Q FY2020 ▶ Increase in CAM and other operating revenues ▶ Partially offset by: <ul style="list-style-type: none"> – Decrease in commercial office revenues due to exits – Decrease in hotel revenues due to COVID-19 impact⁽³⁾
NOI	₹4,780	₹4,639	+3%	▶ Increase in Revenue from Operations
Margin (%)	85%	85%		
EBITDA	₹4,830	₹4,462	+8%	<ul style="list-style-type: none"> ▶ Increase in NOI ▶ Interest income on purchase consideration advanced for Embassy Manyata M3 Block B ▶ Savings due to cost optimization initiatives
Margin (%)	85%	82%		
Distribution	₹4,313	₹4,707	(8%)	▶ Distribution of ₹4,313 mn for 3Q FY2021 – Represents payout ratio of 100% of NDCF at REIT level
Payout ratio	100%	100%		

Notes:

- (1) Above financial results exclude Revenue, NOI and EBITDA from Embassy GolfLinks since Embassy REIT owns 50% economic interest in GLSP. GLSP NOI in 3Q FY2021 was up 10% year-on-year
- (2) ETV was acquired on December 24, 2020 by Embassy REIT. The relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, a date close to the acquisition date, as there are no significant transactions or events that have occurred between December 24, 2020 and December 31, 2020 and the effect thereof is not considered to be material to the results for the quarter and nine month period ended Dec'20
- (3) Both operational hotels were temporarily closed in Mar'20 in accordance with state government guidelines given COVID-19 lock-down and subsequently reopened in Jun'20

Financial Highlights YTD FY2021

NOI and EBITDA for YTD FY2021 up 5% and 8% year-on-year respectively with NOI margin at 87%. Distribution for YTD FY2021 stood at ₹13,056 mn

	YTD FY2021 (mn)	YTD FY2020 (mn)	Variance %	Remarks
Revenue from Operations	₹16,217	₹16,016	+1%	<ul style="list-style-type: none"> ▶ Contracted rental escalations on 8.1 msf ▶ Revenue from 1.4 msf of new deliveries in 4Q FY2020 ▶ Increase in CAM and other operating revenues ▶ Partially offset by: <ul style="list-style-type: none"> – Decrease in commercial office revenues due to exits – Decrease in hotel revenues due to COVID-19 impact⁽³⁾ ▶ One-off items⁽⁴⁾ in PY; adjusted for these one-off items, revenue would have been higher by 3% YoY
NOI	₹14,163	₹13,551	+5%	<ul style="list-style-type: none"> ▶ Increase in Revenue from Operations ▶ Savings due to cost optimization initiatives ▶ Lower hotel, power & fuel expenses
Margin (%)	87%	85%		
EBITDA	₹14,067	₹13,025	+8%	<ul style="list-style-type: none"> ▶ Increase in NOI ▶ Interest Income on purchase consideration advanced for Embassy Manyata M3 Block B ▶ Savings in corporate overheads
Margin (%)	87%	81%		
Distribution	₹13,056	₹13,504	(3%)	<ul style="list-style-type: none"> ▶ Distribution of ₹13,056 mn for YTD FY2021 <ul style="list-style-type: none"> – Represents payout ratio of 100% of NDCF at REIT level
Payout ratio	100%	100%		

Notes

- (1) Above financial results exclude Revenue, NOI and EBITDA from Embassy GolfLinks since Embassy REIT owns 50% economic interest in GLSP. GLSP NOI in YTD FY2021 was up 7% year-on-year
- (2) ETV was acquired on December 24, 2020 by Embassy REIT. The relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, a date close to the acquisition date, as there are no significant transactions or events that have occurred between December 24, 2020 and December 31, 2020 and the effect thereof is not considered to be material to the results for the quarter and nine month period ended Dec'20
- (3) Both operational hotels were temporarily closed in Mar'20 in accordance with state government guidelines given COVID-19 lock-down and subsequently reopened in Jun'20
- (4) One-time surrender premium of ₹300 mn received from an occupier of Embassy TechZone during YTD FY2020

Distribution Overview

Distribution for Q3 stood at ₹4,313 mn i.e. ₹4.55 per unit⁽¹⁾ representing a 100% payout ratio. Scheduled payment date is on or before February 27, 2021

Particulars	3Q FY2021	YTD FY2021
Distribution period	Oct'20 – Dec'20	Apr'20 – Dec'20
Distribution amount (mn)	₹4,313	₹13,056
Outstanding units (mn)	948	Q1 & Q2: 772 Q3: 948
Distribution per unit ⁽¹⁾ (DPU)	₹4.55	₹15.88
- Interest	₹2.03	₹6.07
- Dividend	₹0.02	₹0.80
- Amortization of SPV level debt	₹2.50	₹9.01
Announcement date	February 12, 2021	-
Record date	February 22, 2021	-
Payment date	On or before February 27, 2021	-

Embassy REIT is committed to regular quarterly distribution to Unitholders with minimum 90% of Net Distributable Cash Flows ('NDCF') to be distributed

Note:

(1) DPU for 3Q FY2021 factors 176.23 mn new units issued pursuant to the preferential allotment and the institutional placement in connection with the ETV acquisition. However, given ETV acquisition was completed on December 24, 2020, and given relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, there has not been any corresponding increase in 3Q FY2021 distribution due to ETV acquisition. For comparability purposes, the Proforma DPU excluding 176.23 mn new units issued in Dec'20 is ₹5.59 per unit for 3Q FY2021 and ₹16.92 per unit for YTD FY2021

FY2021 Guidance post ETV acquisition

**DPU Guidance for Initial portfolio increased to ₹22.25 per unit for FY2021 (up by ₹0.21 per unit).
Revised DPU guidance for Current portfolio (post ETV acquisition) at ₹21.45 per unit for FY2021**

Guidance Update				Guidance Reconciliation				
Particulars	Mid-Point			Particulars	NOI (₹ mn)	Distribution (₹ mn)	Units outstanding (mn)	DPU (₹)
	Initial Guidance (Nov'20)	Revised Guidance on Initial Portfolio (Feb'21)	Revised Guidance on Current Portfolio (Feb'21)					
NOI	19,005	19,005	20,314	Initial Guidance as at Nov 02, 2020	19,005	17,010	772	22.04
NDCF	17,010	17,170	18,340	(+) Update in assumptions for Initial portfolio	-	160	772	0.21
Distribution ⁽³⁾	17,010	17,170	18,340	Revised Guidance as at Feb 12, 2021 (Initial portfolio)	19,005	17,170	772	22.25
No. of Units (mn)	772	772	H1 - 772 H2 - 948	(-) Factoring 176.23 mn new units issued during ETV acquisition ⁽²⁾	-	-	948	(1.04)
DPU	22.04	22.25	21.45	(+) Increase due to ETV acquisition	1,309	1,170	948	0.24
Proforma DPU ⁽⁴⁾	NA	NA	22.49	Revised Guidance as at Feb 12, 2021 (Current portfolio)	20,314	18,340	948	21.45

Notes:

- (1) Initial portfolio refers to Embassy REIT's portfolio of 33.3 msf prior to ETV acquisition in Dec'20. Current portfolio refers to Embassy REIT's enlarged portfolio of 42.4 msf post factoring ETV acquisition on December 24, 2020
- (2) Increase in units due to issue of units through an Institutional Placement aggregating to ₹36,852.02 million, comprising 111.34 million units at a price of ₹331.00 per unit to institutional investors and issue of units through a Preferential Issue of 64.89 million units at a price of ₹356.70 per unit to the third-party shareholders of VTPL aggregating to ₹23,147.33 million as consideration for the transfer of their shareholding in ETV to the Embassy REIT
- (3) Assumes 100% payout ratio for 4Q FY2021 and includes actual payout for nine month period ended December 31, 2020
- (4) DPU computed for three and nine month period ended Dec'20 excluding 176.23 mn new units issued pursuant to the preferential allotment and the institutional placement of units in connection with ETV acquisition. For comparability purposes, the Proforma DPU excluding 176.23 mn new units issued in Dec'20 is ₹5.59 per unit for 3Q FY2021 and ₹16.92 per unit for YTD FY2021

II. Overview



Express Towers, Mumbai

Who We Are: Quick Facts

We run a commercial office portfolio that serves as essential corporate infrastructure to global occupiers, including many Fortune 500 corporations

42.4 msf⁽¹⁾

Portfolio

200

Blue-chip occupiers

90.6%

Occupancy

12

Commercial Offices

1,614⁽¹⁾

Hotel Keys

100 MW

Solar Park

29%

Mark-to-Market Upside

48%

Gross Rents from Fortune 500 occupiers

7.1 Years

WALE

₹16,217 mn

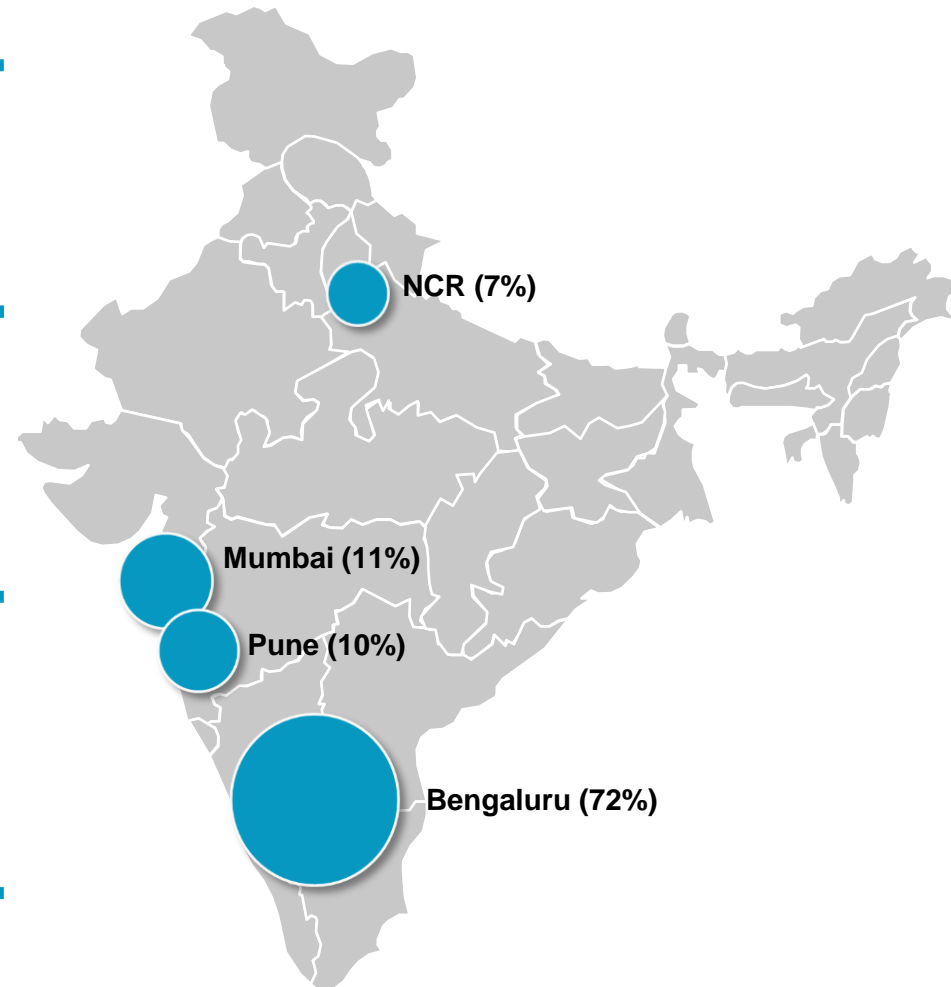
YTD FY2021 Revenue from Operations

₹13,056 mn

YTD FY2021 Distribution

23%

Net Debt to TEV



Notes: City wise split by % of Gross Asset Value (GAV) considered per Sep'20 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 notes on slide 55

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

Eight Infrastructure-like Office Parks (40.1 msf)⁽¹⁾

Embassy Manyata
Bengaluru (14.8 msf)



Embassy TechVillage
Bengaluru (9.2 msf)



Embassy Golflinks
Bengaluru (2.7 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 (2.3 msf)

Express Towers
Mumbai (0.5 msf)



FIFC
Mumbai (0.4 msf)



Embassy 247
Mumbai (1.2 msf)

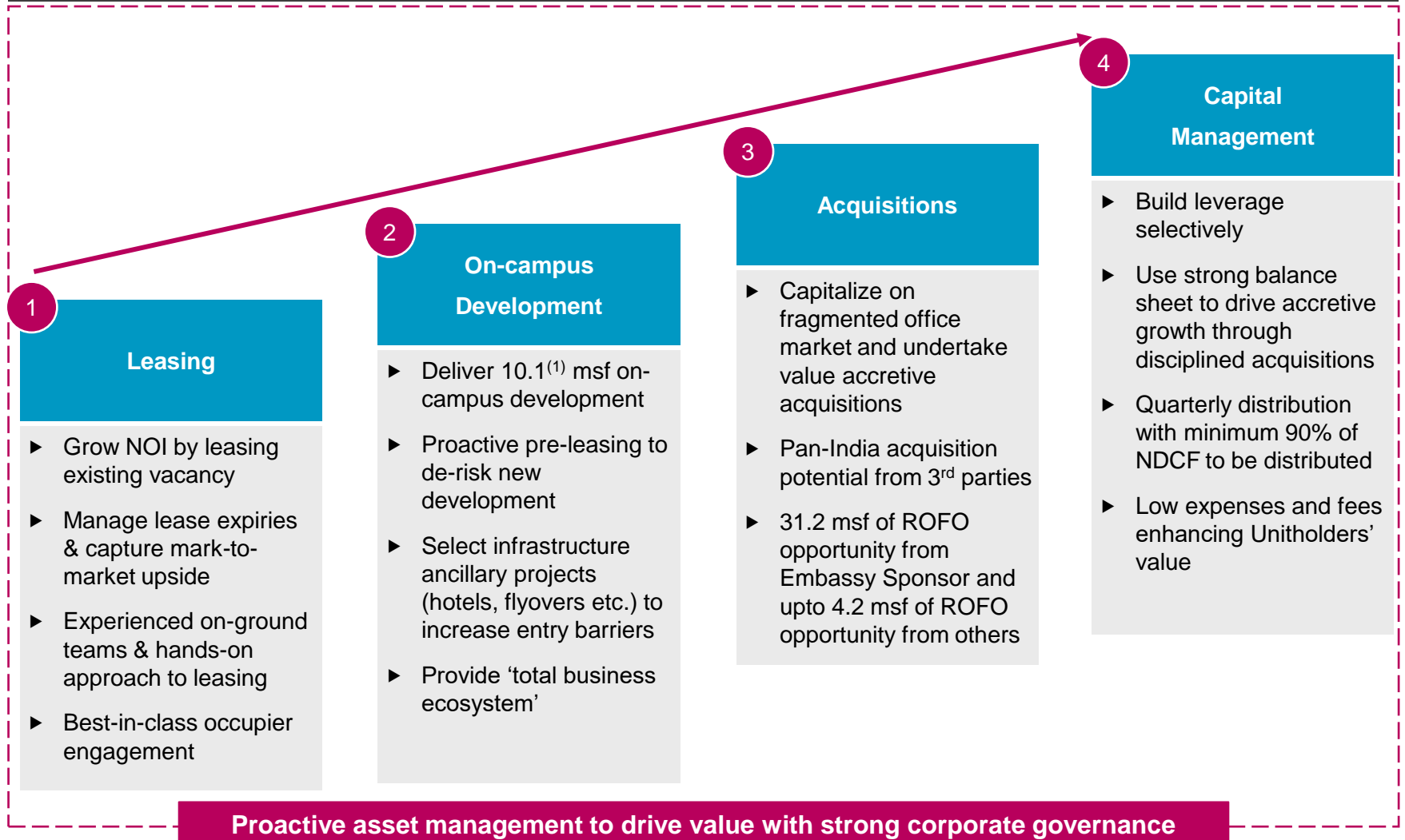


Embassy One
Bengaluru (0.3 msf)



What We Do: Our Strategy

Maximize distribution and NAV per unit through organic growth and new acquisitions



Note:
(1) Includes U/C area of 5.7 msf and proposed future development of 4.4 msf

Our Opportunity: India as the Global Technology Innovation Hub

India continues to attract global technology companies due to availability of highly educated and skilled talent at a reasonable cost

India Advantage	FY2020 Performance ⁽²⁾	Evolving Technology Landscape
<p>Talent Availability</p>	<p>\$191 bn (7.7% growth)</p> <hr/> <p>Revenue</p>	<p>Services</p> <ul style="list-style-type: none"> Information Technology Engineering R&D BPM Digital and Media
<p>Cost Advantage</p>	<p>\$147 bn (8.1% growth)</p> <hr/> <p>Exports</p>	<p>Software</p> <ul style="list-style-type: none"> Systems Cybersecurity Enterprise Fintech / Edtech
<p>Affordable Rentals</p>	<p>\$44 bn (7.3% growth)</p> <hr/> <p>Domestic Revenue</p>	<p>eCommerce / Omni Channel Retail</p> <ul style="list-style-type: none"> Social Shopping Intelligence Voice Commerce Digital Payments
	<p>4.4 mn (4.9% growth)</p> <hr/> <p>Employees</p>	<p>Technologies</p> <ul style="list-style-type: none"> Cloud / Robotics Blockchain Intelligent Automation Reality AR / VR

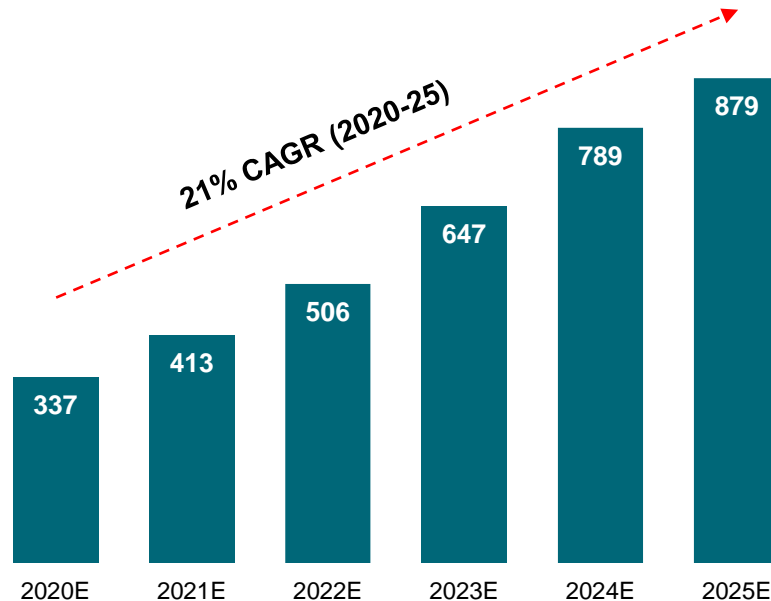
Notes:
 (1) STEM refers to Science, Technology, Engineering, Mathematics
 (2) Source: NASSCOM - The Technology Sector in India: Strategic Review 2020 (Techade – the new decade)
 (3) Source: CBRE Research, ICICI Securities Research, Embassy REIT

Our Opportunity: Technology Sector Resiliency and Growth

COVID-19 response has accelerated digital transformation and technology spends globally. Increased costs and scaling pressures likely to further increase offshoring to India

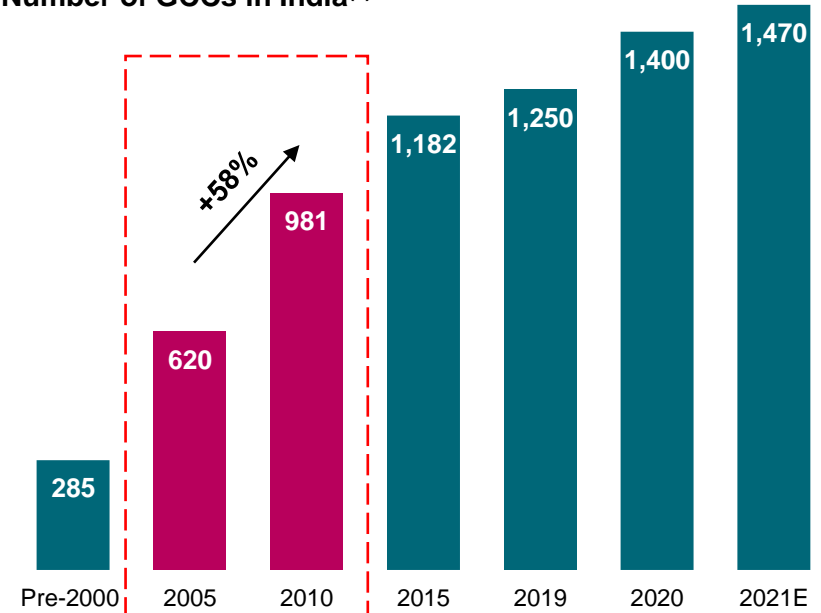
Digital Tech spends to witness exponential growth

Global Digital Transformation Spends (USD Bn)⁽¹⁾



GCCs expected to expand similar to post GFC

Number of GCCs in India⁽²⁾



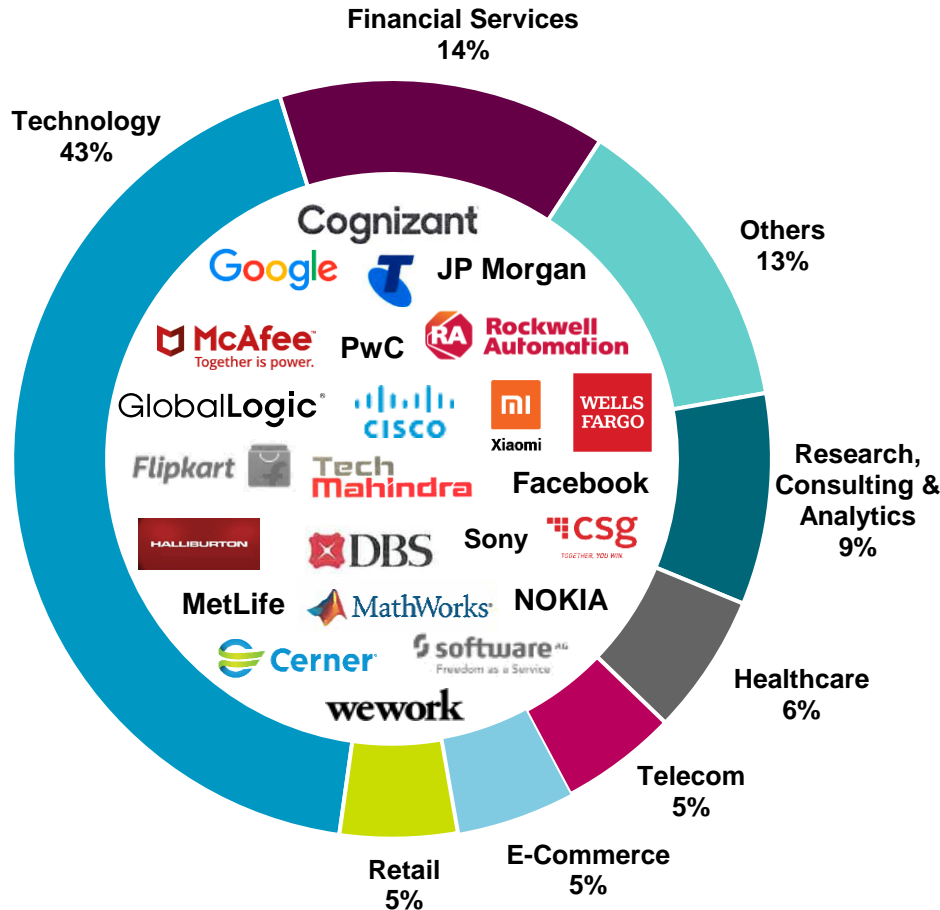
- ▶ Strong performance by technology businesses throughout COVID-19 pandemic
 - Acceleration of digital transformation globally, and
 - Bring-forward of technology spends, especially for cloud, digital, data services and cyber security
- ▶ Indian IT industry expected to grow at a 13% CAGR to \$350 billion by 2025⁽²⁾, given
 - Focus on Business Continuity Plan (BCP) and increased cost pressures on global businesses
- ▶ Similar trend witnessed post 2008 Global Financial Crisis (GFC) with record absorption by GCCs

Source:
 (1) Morgan Stanley Global Insights, 'Stronger for Longer in Digital Transformation, Sept 2020'
 (2) NASSCOM Research, C&W Research

Our Occupier Base

Global business with a diversified, resilient and high credit-quality occupier base

Industry Diversification⁽¹⁾



38% of Gross Rentals From Top 10 Occupiers

Top 10 Occupiers	Sector	% of Rentals
Global Technology & Consulting Major	Technology	10%
Cognizant	Technology	7%
NTT Data	Technology	3%
Flipkart	E-commerce	3%
JP Morgan	Financial Services	3%
Wells Fargo	Financial Services	3%
ANSR	Research & Analytics	3%
Cerner	Healthcare	2%
PwC	Research & Analytics	2%
Wework	Co-working	2%
Total		38%

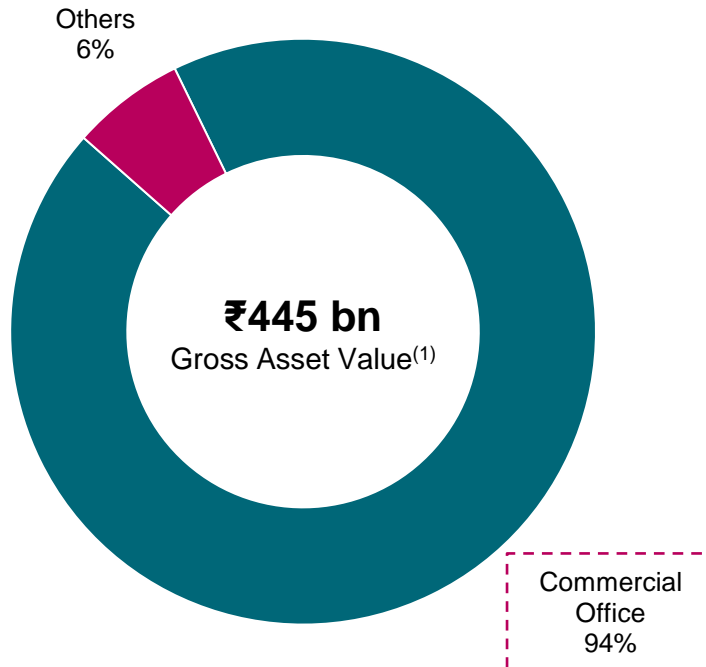
Notes: Actual legal entity names of occupiers may differ

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

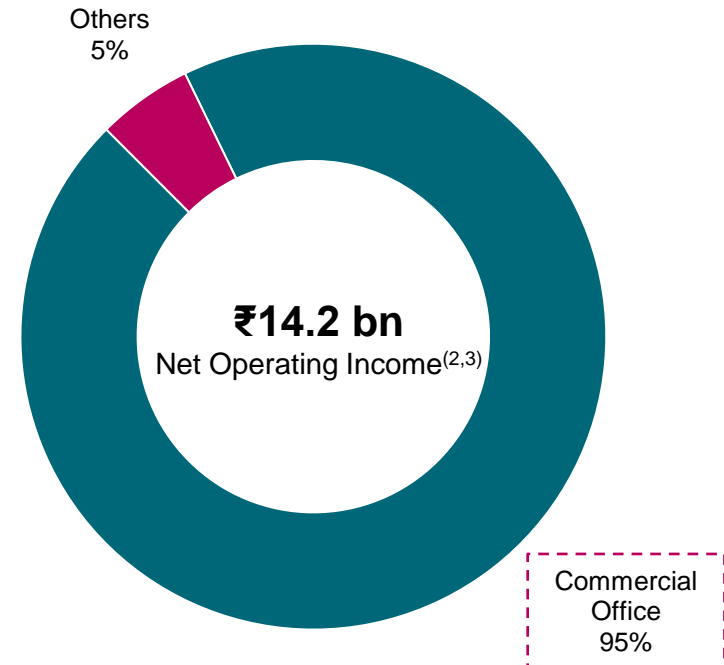
Our Portfolio: Commercial Office-focused

Predominantly an office REIT with commercial office segment contributing to 94% of Portfolio Value and 95% of Net Operating Income

Contribution by Gross Asset Value



Contribution by Net Operating Income



32.3 msf completed best in-class Grade A Office properties (90.6% occupied, 7.1 years WALE)

Notes:

- (1) Gross Asset Value (GAV) considered per Sep'20 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 notes on slide 55
- (2) ETV was acquired on December 24, 2020 by Embassy REIT. The relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, a date close to the acquisition date, as there are no significant transactions or events that have occurred between December 24, 2020 and December 31, 2020 and the effect thereof is not considered to be material to the results for the quarter and nine month period ended Dec'20
- (3) YTD FY2021 NOI excluding Embassy GolfLinks since Embassy REIT owns 50% economic interest in GLSP

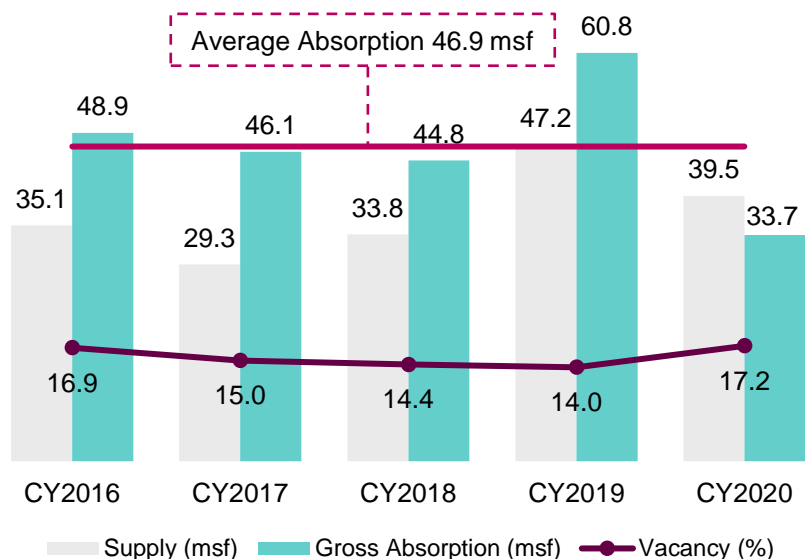


III. Market Outlook

Market Fundamentals – CY2020 Update

Gross absorption of 33.7 msf in CY2020 was lowest in last 5 years due to COVID-19 induced pause in decision making. However, Q4 witnessed resurgence of new deal activity given positive sentiments

Absorption Trends over last 5 years



City-wise Performance – CY2020

City	Absorption ⁽¹⁾ (msf)	Supply (msf)	Vacancy (%)
Bengaluru	11.3	11.7	8%
Pune	3.2	3.6	12%
Mumbai	2.7	5.0	24%
NCR	4.8	6.9	26%
Embassy REIT Markets	22.0	27.2	17%
Hyderabad	7.1	8.2	13%
Chennai	4.1	3.7	12%
Kolkata	0.5	0.4	36%
Other Markets	11.7	12.3	17%
Grand Total	33.7	39.5	17%

CY2020 Highlights

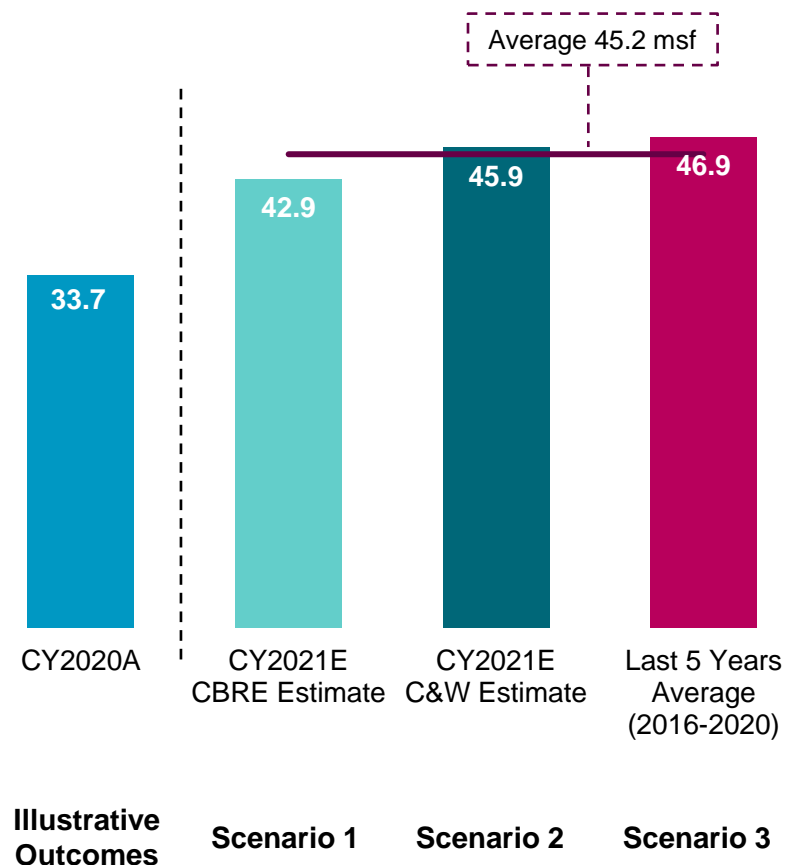
- ▶ Gross absorption of 33.7 msf in CY2020, 32% lower than five-year average
 - Occupiers paused their real estate plans in Q2 & Q3 CY2020 given COVID-19 related uncertainty
 - Bengaluru and Tech sector remained resilient, contributed to 34% and 33% of pan-India absorption respectively
- ▶ Positive occupier sentiment with resurgence in deal activity levels in Q4
 - Continued downward trend in active COVID-19 cases, return-to-work programs commenced by occupiers
 - 29% increase in Q4 absorption (vs. Q3), pre-commitments contributed 45% of transacted volumes during Q4 CY2020

Market Fundamentals – Demand Trends

Demand resurgence likely from H2 CY2021 given vaccine roll-out and return-to-work by occupiers. High-quality properties to benefit from increased wellness-orientation and industry consolidation

Proforma Demand Analysis

Gross Absorption (msf)



Demand Trends

► Short-term Outlook

- With decrease in active COVID cases, occupiers looking to ramp-up their ‘return-to work’ programs
- Grade A stock to remain resilient given occupier and asset quality coupled with robust rent collections
- A broad base vaccine roll-out and ramp-up of employees at offices likely to fuel reactivation of RFPs

► Medium-term Outlook

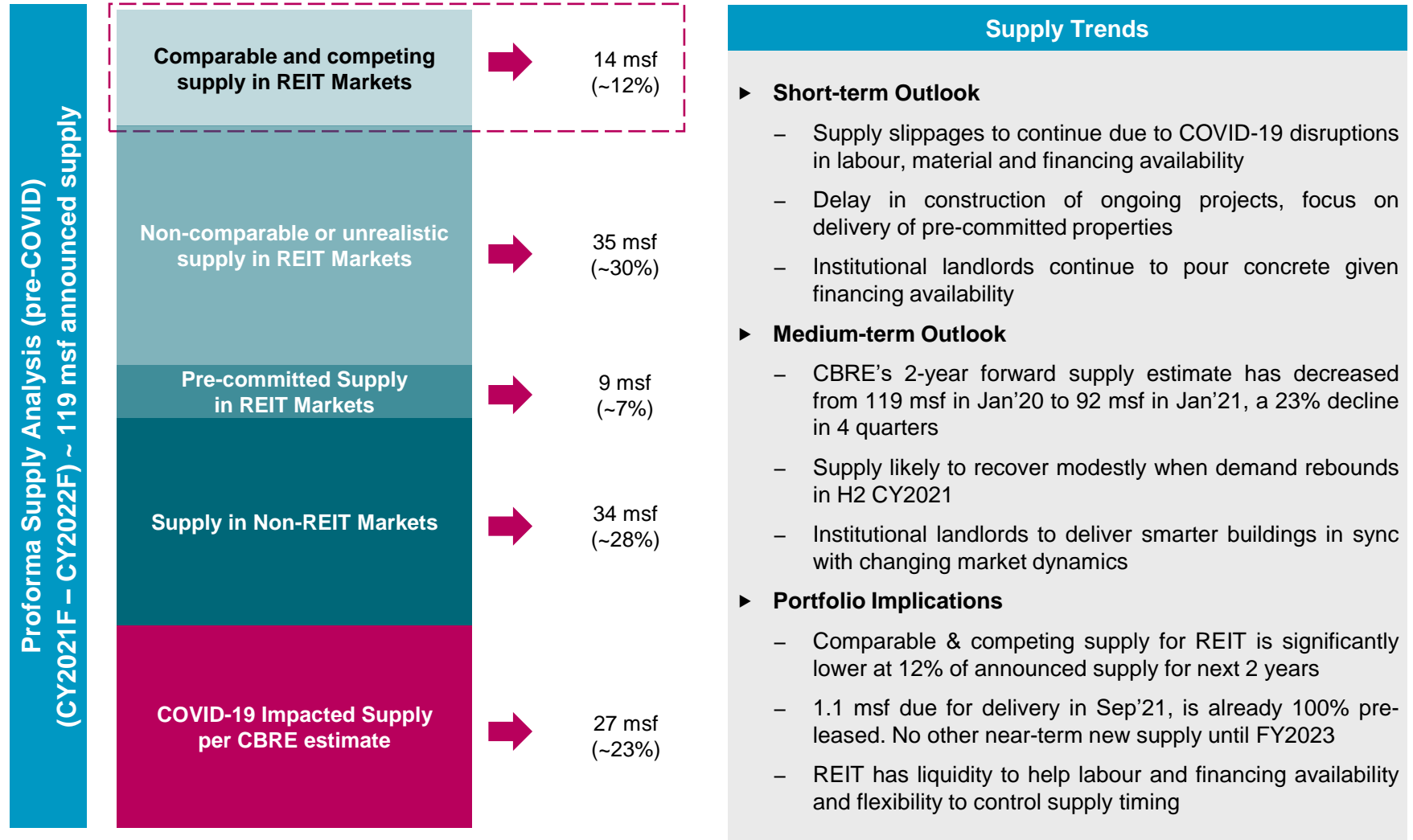
- Resurgence in demand owing to occupiers implementing real estate strategies to support business needs
- Expansion driven demand likely from GCCs - large scale consolidations, expansions to come back gradually
- Most active deals likely to see traction / conclusion over next 6-12 months, a full rebound is expected in CY2022

► Portfolio Implications

- Limited impact on existing portfolio given asset and occupier quality, stable occupancy, long WALE and below market rents
- Limited risk on 20+ msf contracted escalations in next 3 years
- Market consolidation, occupier expansion and preference for quality, wellness-oriented properties to drive demand

Market Fundamentals – Supply Trends

Considerable supply shrinkage of over 23% since Jan'20 per CBRE, supply expected to recover modestly post demand rebound in H2 CY2021



Source: CBRE Research, Embassy REIT

Note: Comparable and competing supply has been arrived factoring supply considerations including city, micro-markets, location, project completion timing, quality etc.

Evolution of Workplace

Office to emerge as the core business hub providing better quality, lower density spaces with high standards of safety and security, favoring institutional landlords like Embassy REIT

Flexible Work Styles

- ▶ Physical office remains a necessity
- ▶ WFH challenges, especially for young tech demographic
 - Physical and digital infrastructure at home
 - Softer aspects of career, learning and culture
- ▶ Many functions require office spaces for social interaction, client engagement and collaboration
- ▶ More flexibility - hybrid of traditional offices & home working

Flight to Quality

- ▶ Employee safety a key priority for companies
- ▶ Increased emphasis on health & wellness, sustainability and environmental management
- ▶ Focus on recovery readiness & operational best practices
- ▶ Greater demand for 'Total Business Ecosystem' product
 - High-quality, accessible, safe & sustainable Indian offices owned by institutional landlords

Workplace Design and De-densification

- ▶ Occupiers accelerating return-to-work programs
- ▶ Adoption of smart office systems such as sensors, QR codes, voice & IoT enabled devices etc.
- ▶ Social distancing now an imperative at the workplace
- ▶ Space per person likely to increase, reversing densification trends over last 2 decades
- ▶ Workplace density estimated to reduce by over 20%

Market Consolidation

- ▶ Occupiers prefer locations with access to large talent pools
- ▶ Skilled young STEM talent typically favours urban living and seek vibrant, collaborative, creative environments
- ▶ Market likely to witness significant supply slippages
 - Material, labor and financing challenges
- ▶ Strong preference for institutionally held properties with access to liquidity, leading to market consolidation

Large-scale, safe and sustainable properties like Embassy REIT to emerge as 'Next Generation Workplaces'

IV. Navigating COVID-19



FOUR SEASONS
HOTEL
WELCOMES YOU

Embassy One, Bengaluru

Facilitating Occupiers' Return-to-Work Programs

Ongoing support to occupiers as they bring forward 'Back-to-Office' plans, witnessed gradual ramp-up in employee numbers working in our parks

100%

Business parks and buildings operational⁽¹⁾

1,200+

CRE touchpoints for daily property-specific updates

~97%

Occupiers operating from our properties across India⁽²⁾

~20k

Employees working from our properties across India⁽²⁾



- ▶ Ensured post-COVID space readiness
 - Building enhancement initiatives
 - Support to occupiers in their space re-modelling
- ▶ Continued to engage with park users on health and safety initiatives through #OfficeAgain campaign
- ▶ Gradual ramp-up in number of employees working from our parks
 - Driven by continued downward trend in active COVID-19 cases, gradual re-opening of the economy and global vaccine roll-out
 - ~20k employees operated from our properties in 3Q FY2021, up 27% since 2Q FY2021

Notes:

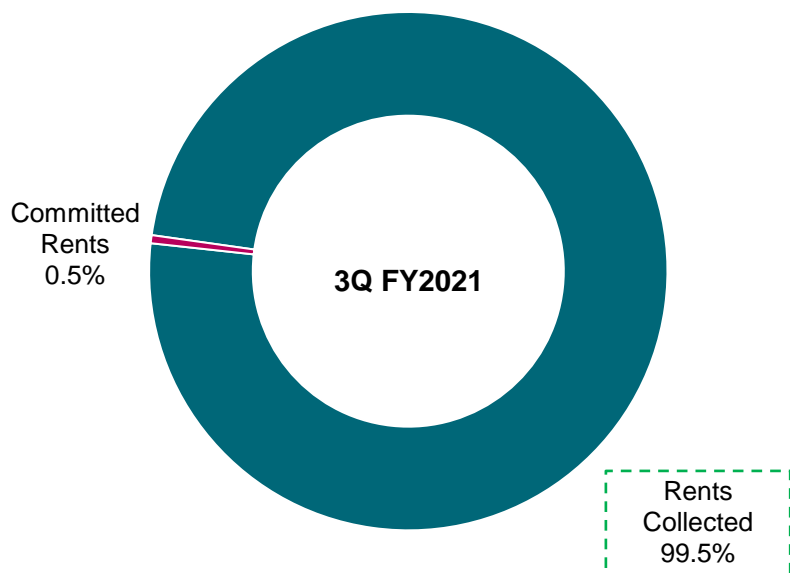
(1) Our properties remained open throughout the lockdown period and complied with all government regulations to support business continuity of our occupiers

(2) Data basis mid week average for 3Q FY2021

Rent Collections and Rolling Renewals Update

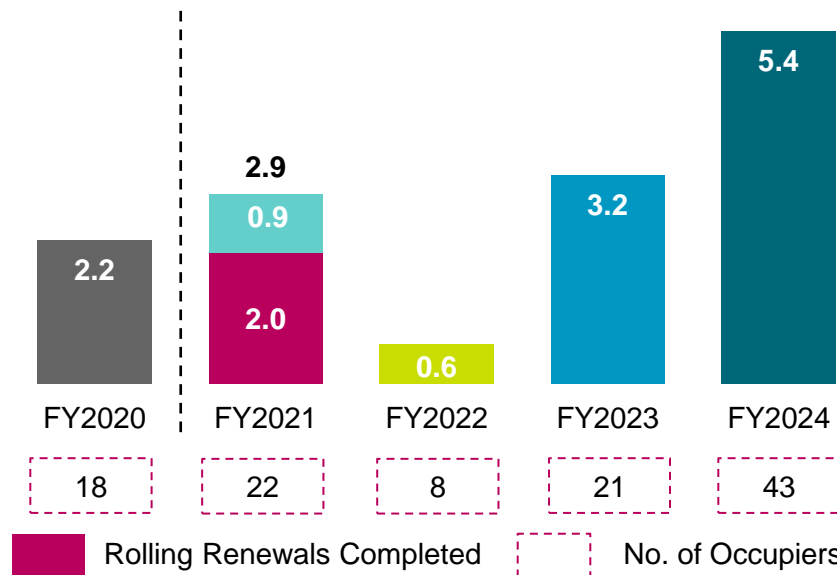
Rent collections for 3Q FY2021 from office occupiers remained robust at 99.5%; achieved rolling renewals of 2.0 msf YTD FY2021 across 15 leases, on track to renew remaining 0.9 msf during Q4

Robust Office Rent Collections



Continued Momentum in Rolling Renewals

Area (msf)



- ▶ Office rent collections for 3Q FY2021 at 99.5% (99.5% for Oct'20, 99.6% for Nov'20 and 99.5% for Dec'20)
- ▶ In-line with robust office rent collections of 99.9% for 2Q FY2021 and 100% for 1Q FY2021
- ▶ No waivers to office occupiers. Rebate granted to food court and ancillary retail tenants, representing 0.9% of annual rents

- ▶ Continued momentum in rolling renewals given in-place rents are significantly below market
- ▶ Achieved rolling renewals on 2.0 msf during YTD Q3 representing 6.5% of annual rents
- ▶ On track for remaining 0.9 msf, or 100% of rolling renewals due in Q4

Note: Rolling renewals refer to lease renewals by occupiers exercising their renewal options after the end of the initial commitment period which is typically 5 years

V. Commercial Office Update



Embassy Quadron, Pune

Leasing Highlights for 3Q FY2021

311k sf leases signed across 11 deals in Q3, comprising of 206k sf new leases with 14% re-leasing spread and 104k sf renewals at 6% renewal spread

3Q FY2021 Highlights		New Leases Signed			
New Leases signed ('000 sf)	206	Occupier	Property	Sector	Area ('000 sf)
– Existing Occupier Expansion	72%	Telstra	Embassy Quadron	Telecom	51
Releasing ('000 sf)	206	Wells Fargo	Embassy TechVillage	Financial Services	51
– Re-leasing Spread	14%	Maxlinear	Embassy TechVillage	Others	27
Renewals ('000 sf)	104	Enfusion	Embassy TechVillage	Technology	26
– Renewal Spread	6%	Halliburton	Embassy TechVillage	Engineering & Manufacturing	16
Pipeline discussions ('000 sf)	~150	Bain Capital	Express Towers	Financial Services	10
		Others	Various	Various	26
		Total			206

New Leases & Renewals in 3Q FY2021



Notes:
(1) New leases signed includes re-leases, excludes renewals
(2) Actual legal entity names of occupiers may differ

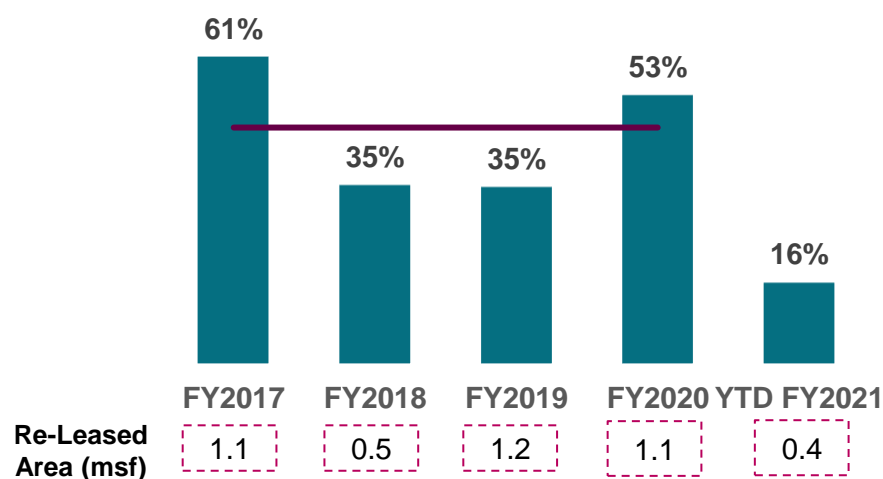
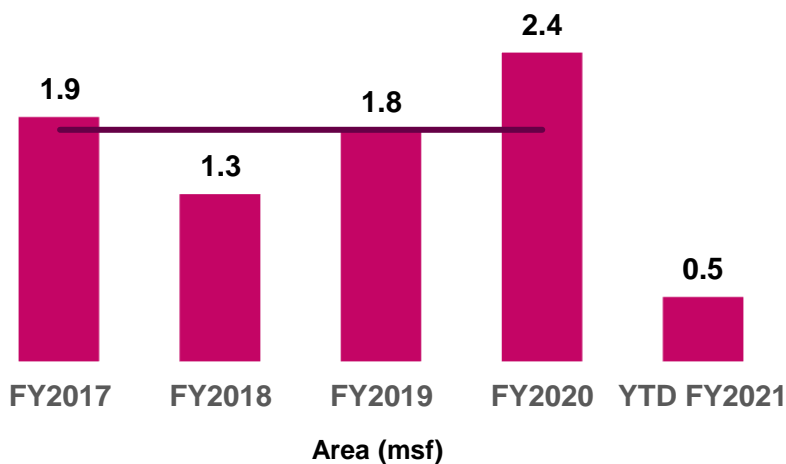
Leasing Performance Across Years

Maintained healthy occupancy of 90.6% as of December 2020 on the enlarged 32.3 msf completed portfolio with same-store occupancy of 90.5%

Particulars		YTD FY2021	Average	FY2020	FY2019	FY2018	FY2017
Completed Area	msf	32.3	(FY2017-20)	26.2	24.8	24.2	23.1
Occupancy	%	90.6%	93.8%	92.8%	94.3%	93.5%	94.7%
New Leases Signed⁽¹⁾ (A)	msf	0.5	1.8	2.4	1.8	1.3	1.9
Re-Leasing	msf	0.4	1.0	1.1	1.2	0.5	1.1
Re-Leasing Spread	%	16%	47%	53%	35%	35%	61%
Existing Occupier Expansion	%	67%	62%	71%	59%	69%	50%
Renewals⁽²⁾ (B)	msf	0.5	1.5	0.6	0.9	2.9	1.6
Total Leases Signed (A+B)	msf	1.0	3.3	2.9	2.7	4.2	3.5

1.8 msf average new leases signed between FY2017-20

47% average re-leasing spread between FY2017-20



Notes:

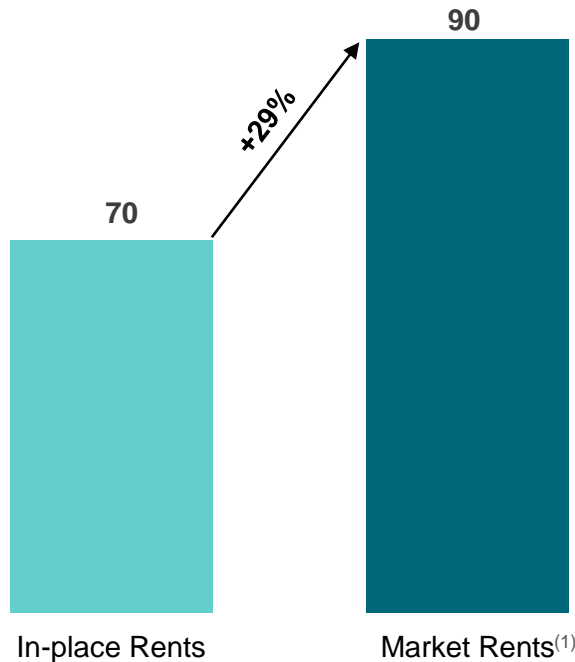
- (1) New leases signed includes re-leases, excludes renewals
(2) Renewal of ultimate lease expiries

Embedded Rental Escalations

Achieved rental increase of 15% on 1.5 msf across 24 leases in Q3 (achieved 13% rental increase on 5.3 msf YTD). On track to deliver 13% rental increase due on 3.0 msf across 28 leases in Q4

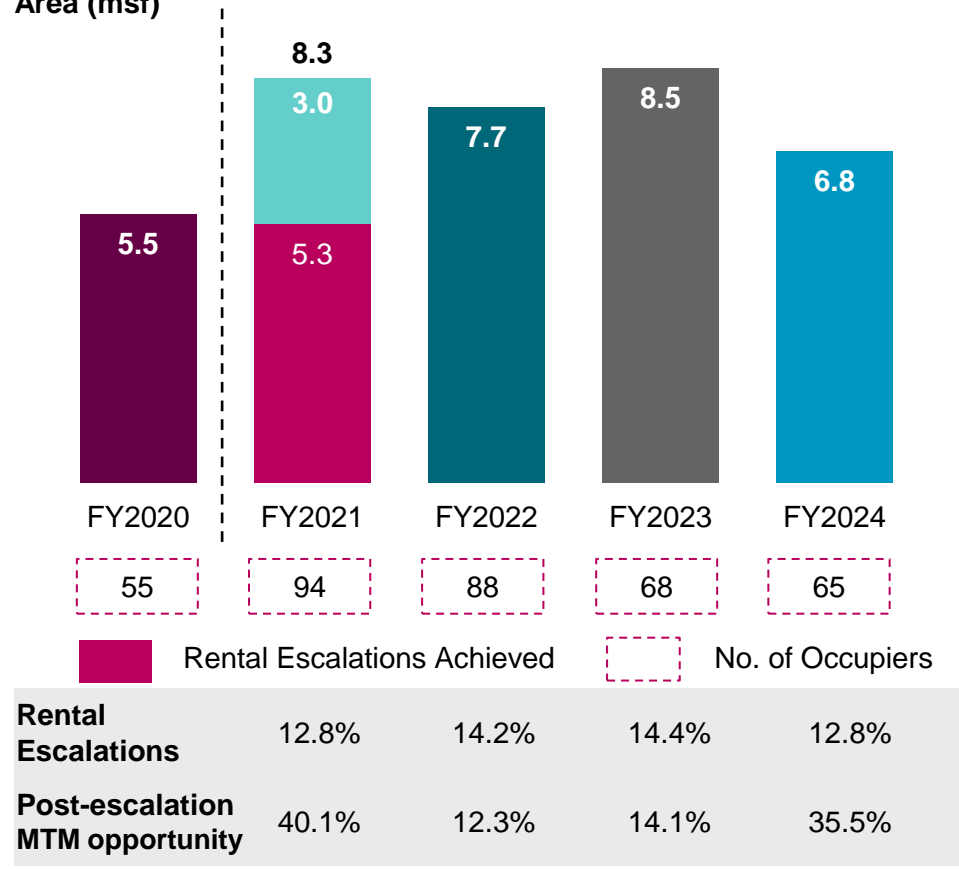
Market rents 29% above in-place rents

Rent (₹ psf / month)



Embedded rental escalations of 10-15% aids NOI growth

Area (msf)



3Q FY2021 Update: Achieved 15% rental increase on 1.9 msf

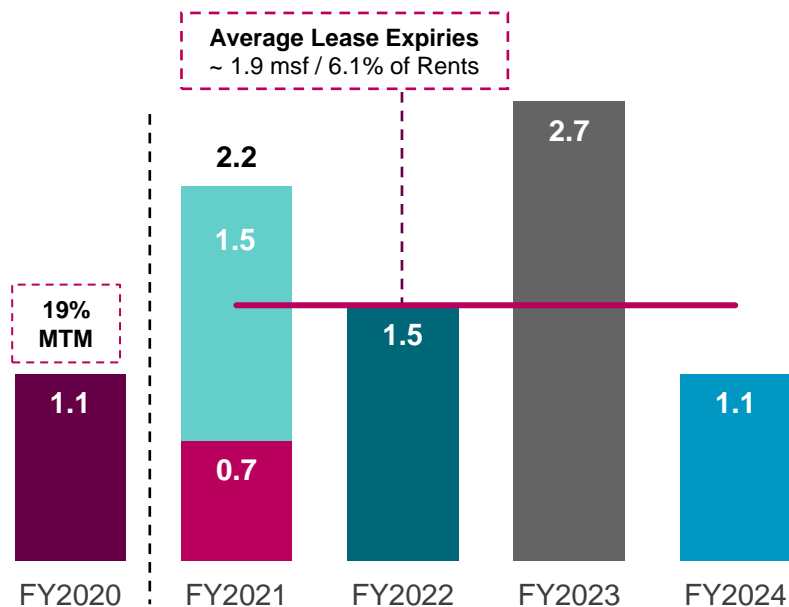
Source:
(1) CBRE Research Dec'20, Embassy REIT

Embedded Mark-to-Market Potential

Of 2.2 msf lease expiries in FY2021, successfully backfilled 0.7 msf at 11% MTM spread. 0.6 msf leases representing 2.3% of annual rents are likely exits in Q4

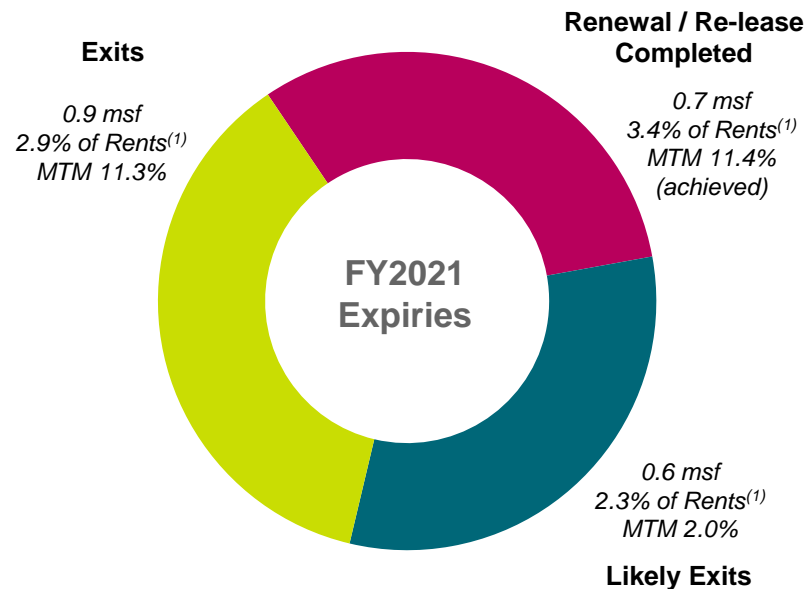
19% of leases expire between FY2021–24

Area Expiring (msf)



Mark-to-market opportunity	2.0%	55.5%	42.2%	17.1%
Rents Expiring	2.3%	4.7%	6.5%	5.0%

FY2021 Lease Expiries Update



- ▶ 0.7 msf backfilled at 11.4% MTM spread to 24 occupiers
- ▶ 1.5 msf total exits in FY2021 – ‘business as usual’ churn and COVID-19 induced occupier exits
 - 0.9 msf exits till Q3, 0.6 msf likely exits in Q4 (includes ETV and additional exits on initial portfolio)
- ▶ 1.0 msf avg annual backfill achieved in previous 4 years

Note:
(1) Refers to annualized rental obligations

VI. Development Update

Embassy Manyata, Bengaluru

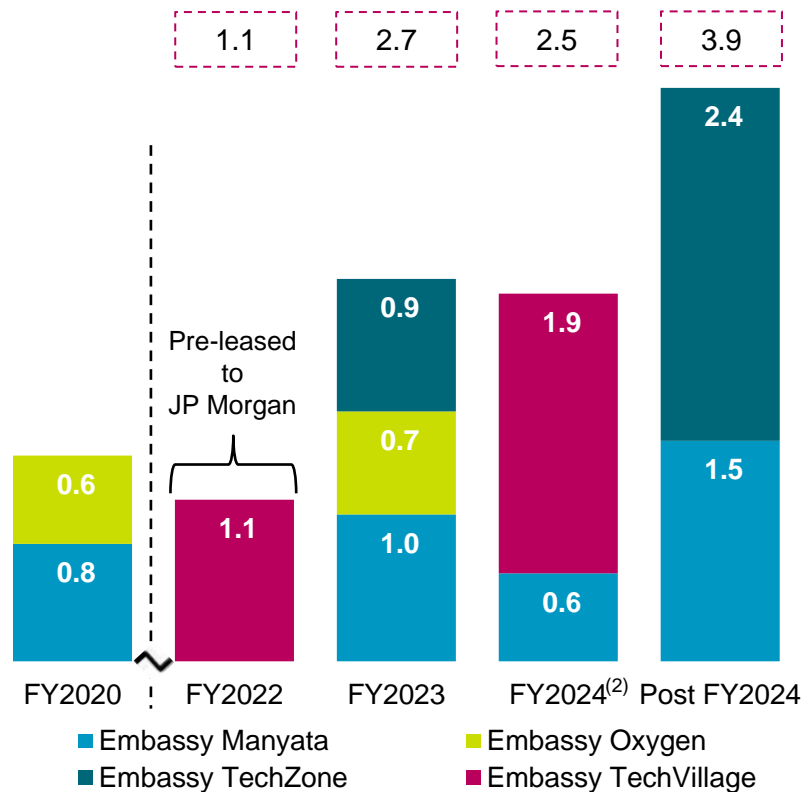


Development Pipeline

Launched 1.9 msf of new office development at ETV. Along with the existing 2.7 msf development, organic growth through 5.7 msf on-campus development across portfolio

Development Pipeline⁽¹⁾ (msf)

Area (msf)



1.1 msf JP Morgan built-to-suit 100% pre-committed and on track for Sep'21 delivery

Development Status as of February 12, 2021

<p>Embassy TechVillage (JPM BTS, 1.1 msf) (Parcel 8, 1.9 msf)</p>	<ul style="list-style-type: none"> ▶ JP Morgan BTS <ul style="list-style-type: none"> – Tower A – 8th floor slab work in progress. MEP & façade works initiated – Tower B – Structural works completed. MEP & façade works in progress – Targeting Sep'21 completion ▶ Parcel 8 <ul style="list-style-type: none"> – Design finalized & excavation initiated – Targeting Mar'24 completion
<p>Embassy Manyata M3 Parcel (Block A – 1.0 msf)</p>	<ul style="list-style-type: none"> ▶ M3 Block A – Sub-structure works completed; structural steel works on 2nd floor underway ▶ Targeting Dec'22 completion
<p>Embassy TechZone (Hudson, 0.5 msf) (Ganges, 0.4 msf)</p>	<ul style="list-style-type: none"> ▶ Hudson and Ganges Block – Design, excavation and sub-structure works completed; 2nd floor slab work in progress ▶ Targeting Jun'22 completion
<p>Embassy Oxygen (Tower 1, 0.7 msf)</p>	<ul style="list-style-type: none"> ▶ Design and excavation work completed; sub-structure works underway ▶ Targeting Mar'23 completion

Notes:

- (1) Excludes 1,137 hotel keys across Hilton & Hilton Garden Inn at Embassy Manyata and Embassy TechVillage
 (2) Includes acquisition of 0.6 msf M3 Block B located within overall Embassy Manyata upon estimated building completion in Sep'23

Under Development Projects

5.7 msf on-campus projects across 4 properties in various stages of development, with earliest delivery of 1.1 msf JP Morgan built-to-suit targeted for September 2021

Embassy TechVillage – JP Morgan BTS (1.1 msf)

Embassy Manyata – M3 Block A (1.0 msf)

Design Perspective



Actual Progress at Site⁽¹⁾



Note:
(1) Feb'21 pictures

Under Development Projects

For the ongoing 5.7 msf on-campus development, adequate financing available. Additionally, REIT has the flexibility to control supply timing

Embassy TechZone – Hudson & Ganges Blocks (0.9 msf)

Design Perspective



Embassy Oxygen – Tower 1 (0.7 msf)



Actual Progress at Site⁽¹⁾



Note:
(1) Feb'21 pictures

VII. Acquisition Update

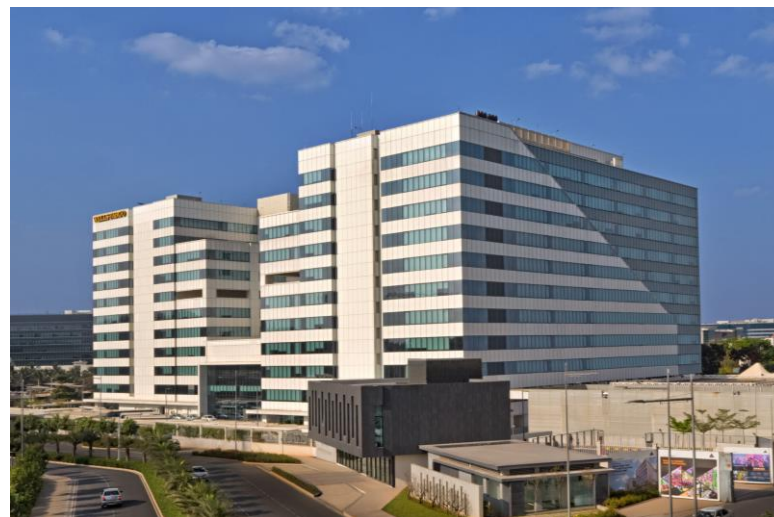
An aerial photograph of the Embassy TechVillage in Bengaluru. The image shows several modern, multi-story office buildings with extensive glass facades. The buildings are arranged in a cluster, with a central courtyard area featuring trees and a paved walkway. The sky is bright blue with scattered white clouds. The overall scene is a high-angle, wide shot of a modern urban development.

Embassy TechVillage, Bengaluru

Embassy TechVillage Overview

9.2 msf office park with 6.1 msf of completed office (97.8% occupancy), 3.1 msf of U/C office (36% pre-leased), 518 proposed Hilton hotel keys and a planned metro station at the park entrance

Location	Outer Ring Road, Bengaluru
Total Leasable Area / Completed Area / Proposed Hotel Keys	9.2 msf / 6.1 msf / 518 keys
No. of Occupiers	45+
In-Place Rent (psf p.m.)	₹69
MTM Potential (%)	32%
Occupancy	97.8%
WALE	9.5 years
Pre-Leased Area (% of Under Construction)	1.1 msf (36%)



Transaction Update

Successfully acquired ETV asset for ₹97.8 bn and integrated asset into REIT portfolio. Raised ₹36.8 bn equity through an Institutional Placement and ₹26 bn listed debt at 6.4% quarterly coupon

<p>Acquisition Rationale</p>	<ul style="list-style-type: none"> ▶ Strategic acquisition of a best-in-class office park totaling 9.2 msf; located on ORR, Bengaluru, India's best performing office sub-market ▶ Stable cash flows with 97.8% occupancy and 9.5 years WALE, strong growth through contractual escalations and 3.1 msf on-campus development ▶ Accretive acquisition basis – at a discount to independent valuations; NOI, DPU and NAV accretive
<p>Purchase Price</p>	<ul style="list-style-type: none"> ▶ Purchase Price (Enterprise Value) of ₹97,824 mn <ul style="list-style-type: none"> – Implied 4.6% discount to average of two independent valuations (₹102,555 mn) – Implied Trailing NOI Yield⁽¹⁾ of 7.5% on completed portion
<p>Financing</p>	<ul style="list-style-type: none"> ▶ Purchase consideration funded through equity <ul style="list-style-type: none"> – Institutional Placement of ₹36.8 bn (111.34 mn units) at ₹331 per unit to institutional investors – Preferential Allotment of ₹23.1 bn (64.89 mn units) to third-party shareholders at ₹356.70 per unit ▶ Debt raise of ₹26 bn at 6.4% quarterly coupon & roll-over of ₹12 bn in-place target net debt
<p>Asset Integration</p>	<ul style="list-style-type: none"> ▶ 1.9 msf new on-campus office development kick-started ▶ 1.1 msf of JP Morgan built-to-suit project integrated, on track for Sep'21 delivery ▶ ₹26.4 bn of in-place ETV debt refinanced at 328 bps refinancing spread ▶ On-ground teams integrated and initiated restructuring 2-tier holdings at the ETV level

Notes:

(1) Purchase Price Trailing NOI Yield calculated as ratio of annualized 1H FY2021 NOI of ETV divided by Purchase Price of ₹87,000 mn multiplied by percentage of completed portion of GAV of ETV including the associated CAM business (as per Independent valuation undertaken by iVAS Partners, represented by Mr Manish Gupta (independent valuer of the Embassy REIT) with value assessment services provided by CBRE South Asia Private Limited)

ETV Acquisition – Financing Update

ETV acquisition financed through (i) ₹37 bn equity raise through an Institutional Placement and (ii) ₹23 bn through Preferential Allotment. Additionally, raised ₹26 bn debt at 6.4% to refinance in-place debt

(In ₹ mn)

Sources of Funds	Amount	Uses of Funds	Amount
Equity Issuance		Consideration to Embassy and Blackstone entities	
– Institutional Placement ⁽²⁾	36,852	– Embassy Group	21,986
– Preferential Issue ⁽³⁾	23,147	– Blackstone Entities	10,972
Debt Issuance⁽⁴⁾	26,000	Units Issued to Sellers	
In-place Target Net Debt	11,612	– Third-party Shareholders	23,147
		Debt Repayment, General Corporate Purposes and Transaction Expenses⁽⁵⁾	29,894
		Target Net Debt Rolled-over	11,612
Total Sources of Funds	97,611	Total Uses of Funds	97,611

Notes:

- (1) Net acquisition cost of ₹97,611 mn arrived at after adjusting for closing adjustments such as security deposits and other balance sheet items. Net Acquisition Cost = Enterprise Value - Security Deposits + Transaction Expenses + Other Adjustments
- (2) Issue of Units through an Institutional Placement aggregating to ₹36,852.02 mn, comprising 111.34 mn Units at a price of ₹331.00 per Unit to institutional investors
- (3) Issue of Units through a Preferential Issue of 64.89 mn units at a price of ₹356.70 per unit to the third-party shareholders of VTPL aggregating to ₹23,147.33 mn as consideration for the transfer of their shareholding to the Embassy REIT
- (4) Series III Debentures issued by Embassy REIT on January 15, 2021 amounting to ₹26,000 mn at a quarterly coupon of 6.40% p.a
- (5) Includes amounts aggregating to ₹2,489 mn from the proceeds of equity and debt issuance which is pending utilization as at December 31, 2020

VIII. Asset Management Update



Embassy Qubix, Pune

Hospitality Update

477 key operating hotels continued to witness low occupancy due to COVID-19 induced travel disruptions. Instituted global safety protocols for guests and initiatives to improve occupancy

Hilton at Embassy GolfLinks



247 Keys

5-Star Hotel

Operational

Q3 Occupancy : 14%

Q3 EBITDA: ₹(29) mn

'Ranked #9 - TripAdvisor'

- out of 1,548 hotels in Bengaluru

Four Seasons at Embassy One



230 Keys

5-Star Luxury Hotel

Operational

Q3 Occupancy : 11%

Q3 EBITDA: ₹(45) mn

'Best New Business Hotel'

– by Travel + Leisure

Hilton Hotels at Embassy Manyata



619 Keys

5-Star & 3-Star Hotel

Under Construction

Expected completion in June 2022

100k+ sf Retail & Convention Centre

'Best Hotel Architecture'

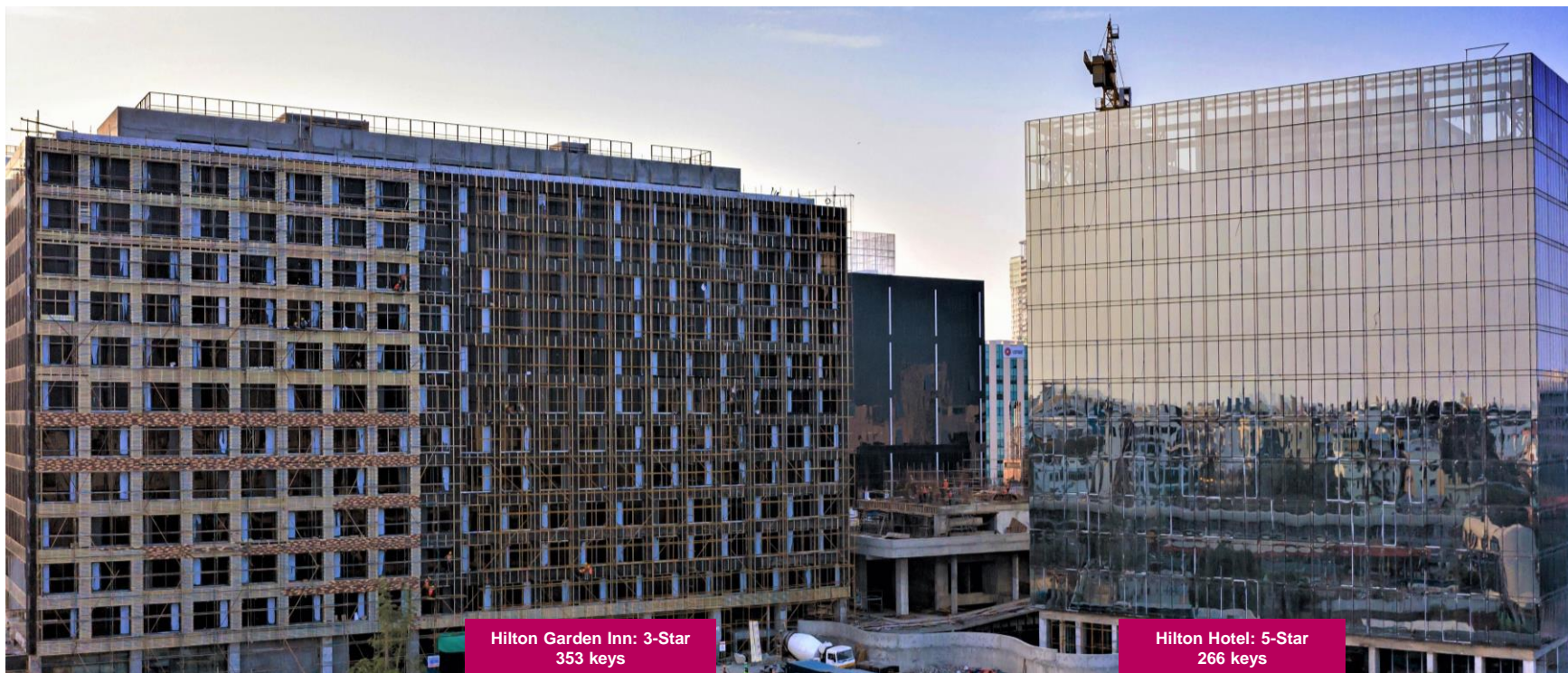
– by Asia Pacific Property Awards

- ▶ **Outlook** – Hospitality demand recovery expected to remain muted until FY2022 given COVID-19 related disruptions
- ▶ **Action Plan** – Implemented significant cost saving measures and initiatives to improve occupancy. Also, implemented global safety protocols for guests to aid in occupancy ramp-up

Limited impact of COVID-19 induced hospitality slowdown on our portfolio given – Hotels contribute < 5% of GAV and < 1% of pre-COVID NOI (FY2020)

Infrastructure and Upgrade Projects

Construction activity underway for 619 key dual branded Hilton hotels at Embassy Manyata. Initiated pre-operational activities, on track for Jun'22 launch



- ▶ **Hilton – 5 Star (266 keys) at Embassy Manyata**
 - Structure and façade work completed. MEP and Guest Room works currently in progress
- ▶ **Hilton Garden Inn – 3 Star (353 keys) at Embassy Manyata**
 - Structure work completed. Façade, MEP and Guest Room works currently in progress
- ▶ Initiated pre-operational activities and key leadership hires in collaboration with Hilton

Infrastructure and Upgrade Projects

Comprehensive asset re-positioning underway at Embassy Quadron, on target for Sep'21 completion

Lobby Refurbishment



Façade Upgrade



Landscape and Community Areas Upgrade



Food Court Revamp



IX. Financial Update



Embassy TechZone, Pune

Walkdown of Key Financial Metrics

(Amount in ₹ mn)

Particulars	3Q FY2021	3Q FY2020	Variance (%)	YTD FY2021	YTD FY2020	Variance (%)	
Revenue from Operations	5,653	5,459	4%	16,217	16,016	1%	NOI
Property Taxes and Insurance	(192)	(180)	7%	(581)	(538)	8%	
Direct Operating Expenses	(681)	(639)	7%	(1,473)	(1,926)	(24%)	
Net Operating Income	4,780	4,639	3%	14,163	13,551	5%	NDCF at SPV level
Other Income	290	153	89%	793	402	97%	
Dividends from Embassy GolfLinks ⁽²⁾	300	-	NR	565	194	191%	
Property Management Fees ⁽³⁾	(126)	(125)	1%	(361)	(359)	1%	
Indirect Operating Expenses	(162)	(139)	16%	(361)	(493)	(27%)	
EBITDA	5,082	4,528	12%	14,799	13,295	11%	
Working Capital Adjustments	(187)	431	NM	129	1,889	(93%)	
Cash Taxes	(209)	(356)	(41%)	(576)	(1,038)	(45%)	
Principal Repayment on external debt	(9)	(40)	(78%)	(106)	(325)	(68%)	
Interest on external debt	(117)	(218)	(46%)	(901)	(786)	15%	
Non-Cash Adjustments	(59)	(317)	(81%)	(667)	(955)	(30%)	
NDCF at SPV level	4,501	4,028	12%	12,679	12,080	5%	Distributions
Distribution from SPVs to REIT	4,532	4,323	5%	12,801	12,321	4%	
Distribution from Embassy Golflinks	-	480	(100%)	738	1,440	(49%)	
Interest on external debt	(243)	-	NR	(277)	-	NR	
REIT Management Fees ⁽²⁾	(45)	(55)	(19%)	(158)	(159)	(1%)	
Other Inflows at REIT level (Net of Expenses)	63	(38)	NR	(72)	(51)	40%	
NDCF at REIT level	4,308	4,710	(9%)	13,032	13,552	(4%)	
Distribution	4,313	4,707	(8%)	13,056	13,504	(3%)	

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

(1) ETV was acquired on December 24, 2020 by Embassy REIT. The relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, a date close to the acquisition date, as there are no significant 46 transactions or events that have occurred between December 24, 2020 and December 31, 2020 and the effect thereof is not considered to be material to the results for the quarter and nine month period ended Dec'20

(2) Given EOPPL currently owns 50% economic interest in Embassy GolfLinks, dividends from Embassy GolfLinks is paid to EOPPL

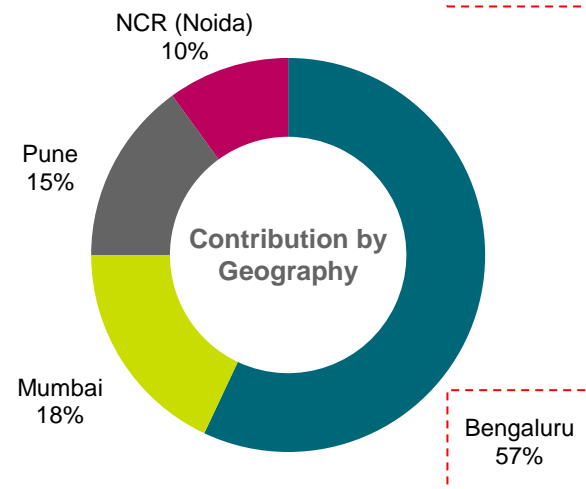
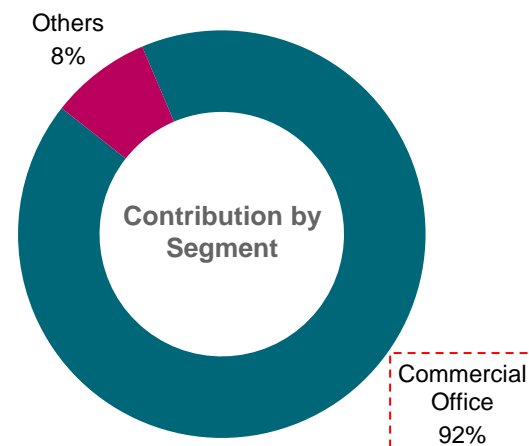
(3) Property management fees includes 3% of facility rentals from only Commercial Office segment and does not include fees on Hospitality and Other segments and REIT Management fees is 1% of REIT distribution

Revenue Contribution by Segment and Geography

Commercial Office segment contributed 92% of Revenues in Q3. Bengaluru, our core market, is least impacted due to its technology sector focus and contributed 57% of Revenues in Q3

Property	Segment	City	3Q FY2021 (₹ mn)	% of Total
Embassy Manyata	Commercial Office	Bengaluru	2,782	49%
Embassy 247	Commercial Office	Mumbai	414	7%
Embassy TechZone	Commercial Office	Pune	382	7%
Embassy Oxygen	Commercial Office	Noida	371	7%
Express Towers	Commercial Office	Mumbai	344	6%
FIFC	Commercial Office	Mumbai	253	4%
Embassy Quadron	Commercial Office	Pune	238	4%
Embassy Qubix	Commercial Office	Pune	217	4%
Embassy Galaxy	Commercial Office	Noida	190	3%
Embassy One	Commercial Office	Bengaluru	8	0%
Four Seasons at Embassy One	Others	Bengaluru	53	1%
Hilton at Embassy GolfLinks	Others	Bengaluru	29	1%
Embassy Energy	Others	Bengaluru	372	7%
Revenue From Operations			5,653	100%
Portfolio Investment⁽²⁾				
Embassy GolfLinks	Commercial Office	Bengaluru	1,014	

Revenue from Operations⁽¹⁾



Notes:

(1) Revenue from Operations does not include contribution from Embassy GolfLinks. Embassy REIT owns 50% economic interest in Embassy GolfLinks

(2) Amount represents 100% of Embassy GolfLinks. Embassy REIT owns 50% economic interest in Embassy GolfLinks

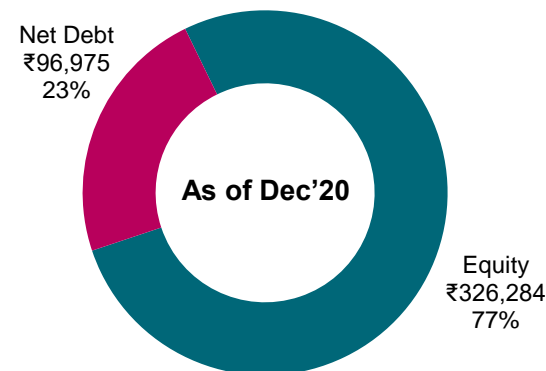
Strong Balance Sheet with Ample Liquidity

Post recent ETV acquisition, REIT's leverage stands at 23%. Our conservative Balance Sheet provides flexibility to pursue growth through on-campus development and accretive acquisitions

Total Enterprise Value ('TEV')

Particulars	December 31, 2020
Market Capitalization ⁽¹⁾	326,284
Add: Net Debt	96,975
<i>Gross Debt</i>	102,877
<i>Less: Cash & Cash Equivalents investments⁽²⁾</i>	(5,902)
Total Enterprise Value (TEV)	423,259

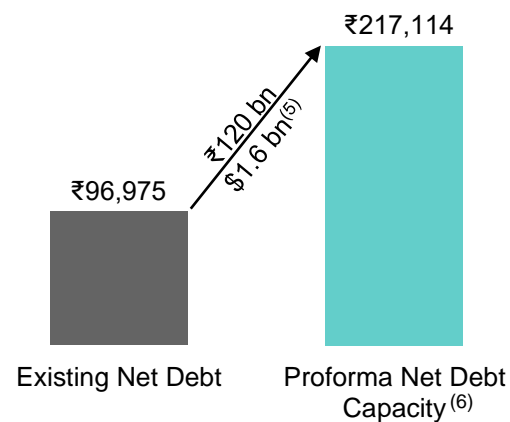
Net Debt to TEV



Leverage Metrics

Particulars	December 31, 2020
Net Debt to TEV	23%
Net Debt to EBITDA ^(3,4)	3.1x
Interest Coverage Ratio ⁽⁴⁾	
– <i>excluding capitalized interest</i>	3.6x
– <i>including capitalized interest</i>	3.4x
Available Debt Headroom	₹120 bn

Debt Headroom



Notes:

- (1) Closing price on National Stock Exchange as at December 31, 2020
- (2) Includes short term liquid funds, fixed deposits etc net of 3Q FY2021 distribution of ₹4,313 mn
- (3) EBITDA has been annualized for comparability purposes
- (4) ETV was acquired by Embassy REIT on December 24, 2020. The relevant asset SPVs and Holdco holding ETV have been consolidated from December 31, 2020, a date close to the acquisition date, as there are no significant transactions or events that have occurred between December 24, 2020 and 31 December 2020 and the effect thereof not considered to be material to the results for the quarter and nine month period ended Dec'20. Hence, Interest Coverage Ratio ('ICR') and Net Debt to EBITDA ratios have been computed and presented for the Initial portfolio of 33.3 msf prior to ETV acquisition
- (5) \$1 = ₹73
- (6) Gross Asset Value (GAV) considered per Sep'20 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 notes on slide 55

Proactive Capital Management

Existing cash and undrawn commitments total ₹9.4 bn. Successfully raised ₹33.5 bn at 6.5% coupon. Also, refinanced ₹32.8 bn in-place debt resulting in 336 bps interest savings

₹9,368 mn

Cash & Undrawn Committed Facilities⁽¹⁾

₹33,500 mn

Listed NCD Issuances⁽²⁾

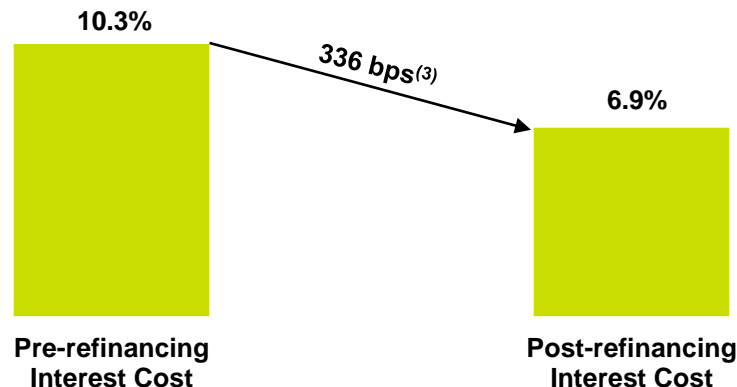
6.5%

Average Interest Cost

AAA / Stable

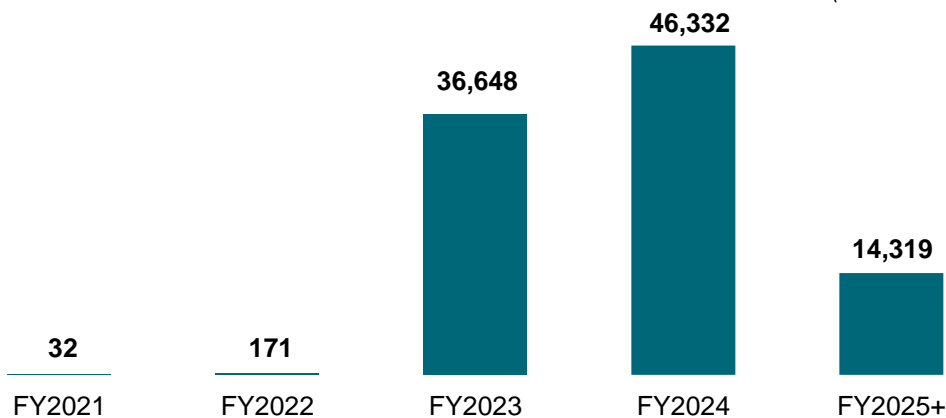
Rating of Listed Bonds by CRISIL

Refinanced ₹32.8 bn at 336 bps spread



Principal Maturity Schedule

(Amount in ₹ mn)



Notes: All figures on this slide reflect the recent Series III NCD of ₹26,000 mn raised on January 15, 2021

(1) Includes treasury balances, fixed deposits etc., net of 3Q FY2021 distribution of ₹4,313 mn

(2) Raised Series II NCD (Tranche B) of ₹7,500 mn in Oct'20 at 6.70% coupon to fund Embassy Manyata and Embassy TechZone CAM acquisition and for general purposes. Further, raised ₹26,000 mn in Jan'21 at 6.40% coupon to refinance in-place ETV debt post acquisition and for general purposes

(3) Savings of 328 bps on ₹26.4 bn refinance of in-place debt at ETV and 367 bps on ₹6.4 bn refinance of existing debt at Embassy Energy

X. Appendix



Embassy Galaxy, Noida

Portfolio Summary

32.3 msf completed Grade A office assets (90.6% occupied, 7.1 years WALE, 29% MTM opportunity)

Property	Leasable Area (msf)/Keys/MW			WALE ⁽²⁾	Occupancy	Rent (₹ psf / mth)			GAV ⁽³⁾	
	Completed	Development	Total	(yrs)	(%)	In-place	Market	MTM (%)	₹ mn	% of total
Embassy Manyata	11.8	3.1	14.8	7.0	95.5%	61	91	50%	160,291	36%
Embassy TechVillage	6.1	3.1	9.2	9.5	97.8%	69	91	33%	100,818	23%
Embassy GolfLinks ⁽¹⁾	2.7	-	2.7	8.3	97.2%	116	148	27%	27,428	6%
Embassy One	0.3	-	0.3	8.2	5.5%	159	147	(8%)	4,532	1%
Bengaluru Sub-total	20.9	6.1	27.0	7.4	95.3%	72	102	43%	293,069	66%
Express Towers	0.5	-	0.5	3.9	87.6%	269	270	0%	17,722	4%
Embassy 247	1.2	-	1.2	3.9	82.1%	101	110	9%	16,404	4%
FIFC	0.4	-	0.4	3.3	77.5%	297	285	(4%)	13,908	3%
Mumbai Sub-total	2.0	-	2.0	3.7	82.6%	176	178	2%	48,034	11%
Embassy TechZone	2.2	3.3	5.5	5.1	88.6%	49	48	(1%)	22,747	5%
Embassy Quadron	1.9	-	1.9	4.0	61.7%	47	48	2%	13,104	3%
Embassy Qubix	1.5	-	1.5	5.1	93.9%	40	48	20%	10,153	2%
Pune Sub-total	5.5	3.3	8.8	4.8	80.7%	46	48	5%	46,004	10%
Embassy Oxygen	2.5	0.7	3.3	10.7	75.6%	48	54	13%	21,242	5%
Embassy Galaxy	1.4	-	1.4	2.4	98.6%	35	45	28%	8,783	2%
Noida Sub-total	3.9	0.7	4.6	7.9	83.7%	43	50	18%	30,025	7%
Subtotal (Office)	32.3	10.1	42.4	7.1	90.6%	70	90	29%	417,132	94%
Four Seasons at Embassy One	230 Keys	-	230 Keys	-	4.5%	-	-	-	7,545	2%
Hilton at Embassy GolfLinks	247 Keys	-	247 Keys	-	10.8%	-	-	-	4,375	1%
Hilton & Hilton Garden Inn at Embassy Manyata (5 & 3 star)	-	619 Keys	619 Keys	-	-	-	-	-	4,122	1%
Hilton & Hilton Garden Inn at Embassy TechVillage (5 & 3 star)	-	518 Keys	518 Keys	-	-	-	-	-	1,474	0%
Embassy Energy	100MW	-	100MW	-	-	-	-	-	10,002	2%
Subtotal (Infrastructure Assets)	477 Keys / 100MW	1,137 Keys	1,614 Keys / 100MW						27,518	6%
Total	32.3 msf / 477 Keys / 100MW	10.1 msf / 1,137 Keys	42.4 msf / 1,614 Keys / 100MW						444,650	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 Sep'20 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 notes on slide 55

Environment, Social & Governance

Continued focus on environment and community engagement is core to our CSR philosophy

Environment

100 MW (AC) Solar Plant



ESG Assurance Certificate



Granted assurance certificate on our Environment, Social & Governance processes for FY2020

Green Energy Initiatives



Awarded the 'Best Green Building Project of the Year' award for implementing 525 kW Roof top solar project at Embassy 247

Awards



Awarded COVID-19 Assurance Certificate for Global Benchmark in Control Measures



Social

COVID-19 support to State Government Hospitals



Infrastructure Upgrade at Karnataka Public School



Health Kits distribution for Government School Students

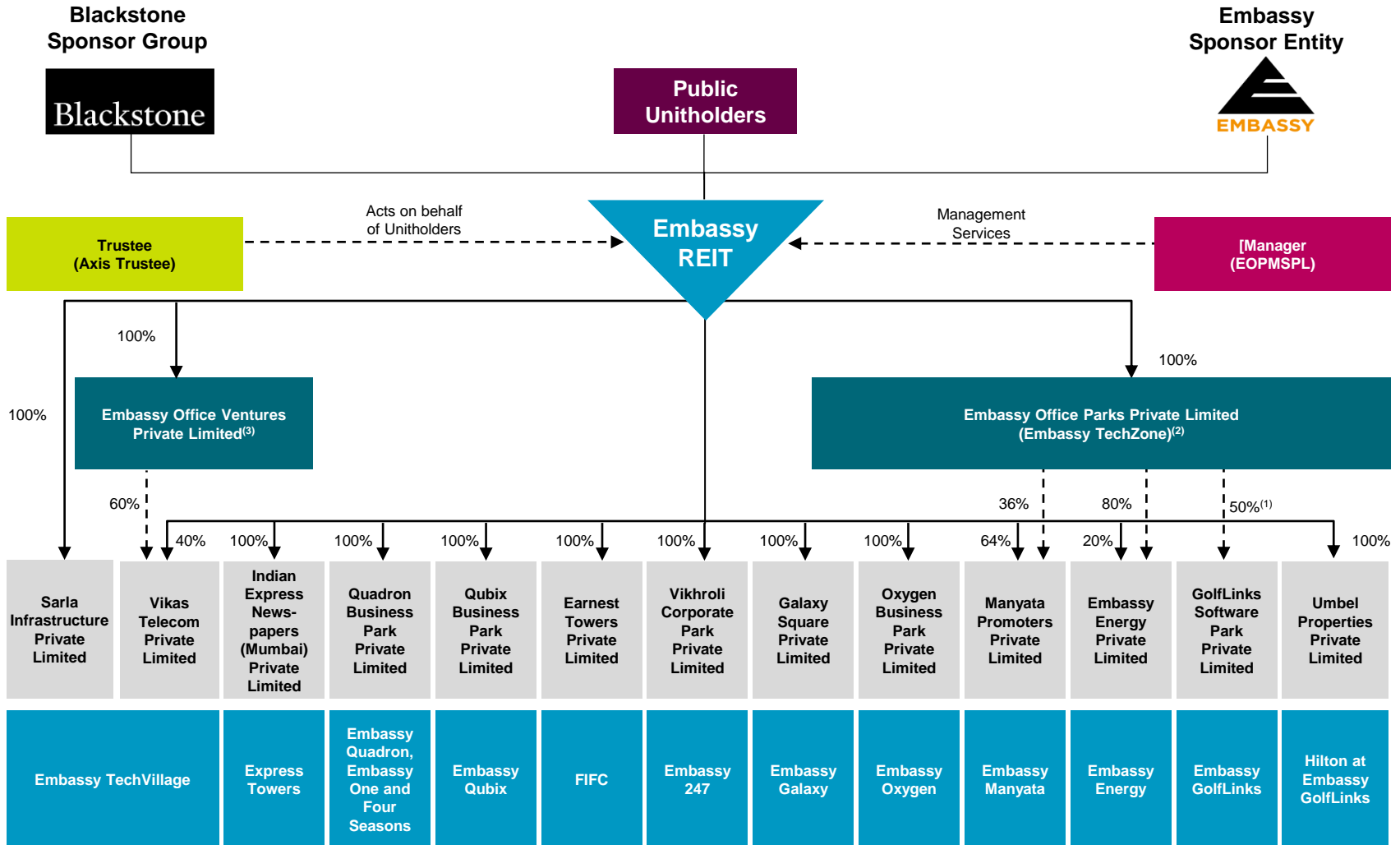


Environment, Social & Governance (Cont'd)

Embassy REIT has adopted strong corporate governance standards

Asset	<ul style="list-style-type: none">▶ Minimum 80% of value in completed and income generating▶ Minimum 90% of distributable cash flows to be distributed▶ Restrictions on vacant land acquisition
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
Manager	<ul style="list-style-type: none">▶ 50% independent directors on the Board, with 50% representation on all committees▶ Manager can be removed with 60% approval of unrelated Unitholders▶ Alignment with Unitholder interests due to a distribution-linked management fees structure
Strong Related Party Safeguards	<ul style="list-style-type: none">▶ Sponsors, sponsor group and associates are prohibited from voting on related party transactions (RPTs)▶ Majority Unitholder approval required for total value of RPTs in a financial year pertaining to acquisition or sale of property which exceeds 10% of REIT value▶ Acquisition or sale price of property 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 assets based on certain parameters

Embassy REIT Structure



Notes:

- (1) Balance 50% owned by JV partner
- (2) Does not include restructuring pursuant to the composite scheme of arrangement among MPPL, EOPPL and Embassy Pune TechZone Private Limited (currently a wholly-owned subsidiary of EOPPL) filed before NCLT in Jul'20. Upon the scheme becoming effective: (i) MPPL will become a 100% directly-held holding company of the Embassy REIT, holding Embassy Manyata Business Park, 80% of the share capital of EEPL, and 50% of the share capital of GLSP; and (ii) Embassy Pune Techzone Private Limited (currently a wholly-owned subsidiary of EOPPL) will become a 100% directly-held SPV of the Embassy REIT, holding Embassy TechZone
- (3) Does not include the restructuring pursuant to scheme of arrangement between VTPL and EOVL, filed before NCLT in Feb'21. Upon the scheme becoming effective, EOVL will merge into VTPL and the existing 60% investment in the share capital of VTPL held by EOVL will stand cancelled and VTPL will become a 100% directly-held SPV of Embassy REIT

Key Terms & Definitions

Notes:

- ▶ All figures in this presentation are as of December 31, 2020 and includes ETV unless specified otherwise
- ▶ All figures corresponding to year denoted with "FY" are as of or for the one-year period ending (as may be relevant) March 31st 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) December 31 of the respective year
- ▶ Some of the figures in this Presentation have been rounded-off to the nearest decimal for the ease of presentation
- ▶ All details included in the presentation considers 100% stake in GLSP. However, Embassy REIT owns 50% economic interest in GLSP SPV which owns Embassy GolfLinks property. Accordingly, its revenues are not consolidated into our Revenue from Operations. Also, Market Value or GAV reflects only Embassy REIT's 50% economic interest in GLSP
- ▶ Any reference to long-term leases or WALE (weighted average lease expiry) assumes successive renewals by occupiers at their option
- ▶ Valuation of the portfolio (excluding ETV) as of Sep'20 undertaken by iVAS Partners, represented by Mr Manish Gupta, in conjunction with value assessment services undertaken by CBRE. GAV of recently acquired ETV and CAM Business of Embassy Manyata and Embassy TechZone considered as per Sep'20 valuation undertaken by the same valuer and aggregated with the rest of the portfolio
- ▶ Key Terms and Definitions:
 1. 3Q/Q3/Three Months ended – Quarter ending December 31
 2. ADR – Average Daily Rate (ADR) is a measure of the average rate charged for rooms sold and is calculated by dividing total rooms revenue for a period by the number of rooms sold during that period
 3. Annualized Rental Obligations – Defined as Gross Rentals multiplied by twelve (12)
 4. Average Occupancy – Commercial Offices - Occupied Area / Completed Area. Hotels - Occupied Rooms / Completed Rooms or Keys
 5. Base Rentals – Rental income contracted from the leasing of Completed Area; does not include fit-out & car parking income
 6. bn – Billions
 7. bps – Basis points
 8. BSE – BSE Limited
 9. CAM – Common Area Maintenance
 10. C&W – Cushman & Wakefield
 11. CAGR – Compounded Annual Growth Rate
 12. CBRE – CBRE South Asia Private Limited
 13. Completed Area – the Leasable Area of a property for which occupancy certificate has been received
 14. Current Portfolio – Refers to Embassy REIT's enlarged portfolio of 42.4 msf post factoring ETV acquisition on December 24,2020
 15. CRE – Corporate real estate
 16. DPU – Distribution per unit
 17. EBITDA – Earnings/ (loss) before finance costs, depreciation, amortisation, impairment loss and income tax excluding share of profit of equity accounted investee
 18. Embassy TechVillage / ETV – Comprises of the legal entities Vikas Telecom Private Limited (VTPL), Embassy Office Ventures Private Limited (EOVPL) and Sarla Infrastructure Private Limited (SIPL)
 19. Embassy Group – refers to the Embassy Sponsor or its subsidiaries or limited liability partnerships
 20. Embassy REIT refers to Embassy Office Parks REIT
 21. EOPMSPL – Embassy Office Parks Management Services Private Limited
 22. EOPPL – Embassy Office Parks Private Limited
 23. FY – Period of 12 months ended March 31 of that particular year, unless otherwise stated
 24. GAV – Gross Asset Value
 25. GLSP – GolfLinks Software Park Private Limited
 26. Grant Thornton – Grant Thornton Bharat LLP
 27. Holdco – Refers to EOPPL & EOVP
 28. Initial portfolio – Refers to Embassy REIT's portfolio of 33.3 msf prior to ETV acquisition in Dec'20.
 29. Investment Entity – Refers to GolfLinks Software Park Private Limited
 30. IPO – Initial Public Offering of units of Embassy Office Parks REIT
 31. Leasable Area – Total square footage that can be occupied by a occupier for the purpose of determining a occupier's rental obligations. Leasable Area is the sum of Completed Area, Under Construction Area and Proposed Development Area
 32. LTM – Last twelve months
 33. Manager – Embassy Office Parks Management Services Private Limited
 34. MEP – Mechanical, Electrical & Plumbing
 35. mn – Millions
 36. MNC – Multinational Corporations

37. msf – Million square feet
38. MTM – Mark to Market
39. Mumbai – Mumbai Metropolitan Region (MMR)
40. MW – Mega-Watt
41. NAV – Net Asset Value
42. NCD – Non-Convertible Debentures
43. NDCF refers to Net Distributable Cash Flows
44. Net Debt – Gross Debt minus short term treasury investment and cash and cash equivalents
45. NM – Not material
46. NOI – Net Operating Income
47. NR – Not Relevant
48. NSE – The National Stock Exchange of India Limited
49. NTM – Next twelve months
50. NXT – Manyata front parcel office towers
51. OC – Occupancy certificate
52. Occupancy / % Occupied / % Leased – Occupancy is defined as the ratio of the Occupied Area and the Completed Area
53. Occupied Area – Completed area of property which has been leased or rented out in accordance with an agreement entered into for the purpose
54. Profoma DPU – DPU computed for three and nine month period ended Dec'20 excluding 176.23 million new units issued pursuant to the preferential allotment and the institutional placement of units in connection with ETV acquisition
55. Profoma Debt Headroom – Profoma Debt Capacity (Maximum debt as per REIT Regulations) - Current Net Debt
56. Portfolio – Together, the Portfolio Assets and the Portfolio Investment
57. 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
58. QoQ – Quarter on quarter
59. REIT (Real Estate Investment Trust) Regulations – Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
60. Rents – Refers to Gross Rentals 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 December 2020
61. RevPAR – Revenue Per Available Room (RevPAR) is a hotel industry financial metric calculated by multiplying the Average Daily Rate by the percentage occupancy
62. Re-leasing spread – Refers to the change in rent psf between new & expiring leases, expressed as a percentage
63. ROFO – Right of First Offer
64. Same-Store KPIs – Same-Store KPIs represents KPIs (Occupancy/ Revenue/ NOI) from properties which are in service in both the current and prior year reporting periods adjusted to exclude straight-line & other IndAS income, as applicable, to make comparisons between periods more meaningful. For example, for 3QFY2021 and YTD FY2021, Same-Store occupancy is computed on the portfolio excluding ETV's 6.2 msf completed area and excluding 1.4 msf new deliveries during the relevant period
65. sf / psf – Square feet / per square feet
66. Sponsor(s) – Embassy Property Developments Private Limited and BRE / Mauritius Investments
67. SPV – Special purpose vehicles, as defined in Regulation 2(i)(zs) of the REIT Regulations, in this case being, MPPL, UPPL, EEPL, IENMPL, VCPPL, ETPL, QBPL, QBPL, OBPL, VTPL, SIPL and GSPPL
68. Target – Includes SIPL, EOVP & VTPL
69. TEV – Total Enterprise Value
70. TI / TIs – Tenant Improvement / (s)
71. tn – Trillions
72. Under Construction / U/C Area – Leasable Area for which internal development plans have been finalized and requisite approvals as required under law for the commencement of construction have been applied for, construction has commenced and the occupancy certificate is yet to be received
73. Units – An undivided beneficial interest in the Embassy REIT, and such units together represent the entire beneficial interest in the Embassy REIT
74. WALE – Weighted Average Lease Expiry (weighted according to facility rentals excluding impact of Ind-AS adjustments) assuming that each occupier exercises the right to renew for future terms after expiry of initial commitment period
75. WFH – Work from home
76. WIP – Work-in-progress
77. Years – Refers to fiscal years unless specified otherwise
78. YoY – Year on year
79. YTM – Yield to Maturity
80. YTD – Year to date

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