



Date: June 06, 2024

The General Manager, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Vice-President, Listing Department National Stock Exchange of India Limited “Exchange Plaza”, Bandra – Kurla Complex, Bandra (E),Mumbai – 400 051
Scrip Code : 533160	Scrip Symbol : DBREALTY
Fax No.: 022 – 2272 3121/ 2039	Fax No.: 022 – 26598237/38

Dear Sir/Madam,

Sub: Proposed Demerger of Hospitality Business

Please find attached hereto are (1) Press release and (2) Presentation in relation to the Composite Scheme of Amalgamation and Arrangement between the Company, Valor Estate Ltd. (‘Amalgamated Company’), Shiva Realtors Suburban Pvt. Ltd. (to be renamed as Advent Hotels International Pvt Ltd.) (‘Resulting Company’) and Esteem Properties Private Ltd. (‘Amalgamating Company’) and their respective shareholders and creditors.

Thanking You,

Yours faithfully,

**For Valor Estate Limited
(Formerly known as D B Realty Limited)**

**Vinod Goenka
Chairman & Managing Director
Din : 00029033**

**Shahid Balwa
Vice Chairman & Managing Director
Din : 00016839**

VALOR ESTATE LIMITED

(Formerly known as D B Realty Limited)

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CIN:70200MH2007PLC166818



VALOR ESTATE LIMITED

(Formerly known as D B Realty Limited)

PRESS RELEASE

VALOR ESTATE BOARD APPROVES COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT INVOLVING DEMERGER OF HOSPITALITY BUSINESS INTO SEPARATE LISTED COMPANY, TO BE NAMED ADVENT HOTELS INTERNATIONAL PRIVATE LIMITED¹

THE COMPOSITE SCHEME ALSO INVOLVES THE MERGER OF ESTEEM PROPERTIES PRIVATE LTD., A WHOLLY-OWNED SUBSIDIARY OF VALOR ESTATE

SHARE ENTITLEMENT RATIO SET AT 1 (ONE) ADVENT SHARE FOR EVERY 10 (TEN) SHARES IN VALOR ESTATE

CORPORATE AND CAPITAL STRUCTURE TO ENABLE VALOR ESTATE SHAREHOLDERS TO PARTICIPATE DIRECTLY IN THE GROWING HOSPITALITY BUSINESS

ADVENT WILL BE A WHOLLY-OWNED SUBSIDIARY OF VALOR ESTATE UNTIL THE COMPOSITE SCHEME IS FULLY SANCTIONED AND WILL HAVE A MIRROR SHAREHOLDING OF VALOR ESTATE UPON LISTING

ADVENT/ VALOR ESTATE HAS IN PLACE A HOSPITALITY FOCUSED TOP MANAGEMENT TO OVERSEE OPERATIONS AND CONSTRUCTION OF HOTEL PROPERTIES

BOARD OF VALOR ESTATE ALSO APPROVED ADVENT'S IMMEDIATE ACQUISITION OF (I) 313-KEY GRAND HYATT (GOA) AND (II) 50% JV INTEREST IN THE UNDER-CONSTRUCTION 590-KEY MARRIOTT MARQUIS AND THE 189-KEY ST REGIS (DELHI)

THE SCHEME IS EXPECTED TO BE COMPLETED IN EARLY 2025, FOLLOWED BY THE LISTING OF ADVENT ON BSE AND NSE

¹ Form INC-24 submitted to the Ministry of Corporate Affairs to change the name of Shiva Realtors Suburban Private Limited to Advent Hotels International Private Limited and is awaiting approval.



Mumbai, June 6, 2024. At its meeting held today, the Board of Valor Estate Limited (VEL) approved a Composite Scheme of Amalgamation and Arrangement *inter alia* amongst VEL, Shiva Realtors Suburban Private Limited (being renamed as Advent Hotels International Private Limited) (Advent), Esteem Properties Private Ltd. (Esteem), and their respective shareholders and creditors (Composite Scheme) in terms of which, Esteem (a WOS of VEL) shall merge with VEL and VEL will demerge its hospitality business into a separate legal entity - Advent, currently a wholly-owned subsidiary of VEL. VEL's existing shareholding in Advent will be canceled as an integral part of the Composite Scheme. Advent will subsequently be listed and have a mirror shareholding of VEL, subject to the receipt of necessary approvals.

Under the Composite Scheme, shareholders of VEL will receive 1 (one) share in Advent for every 10 (ten) shares held in VEL. The new entity will be listed on the BSE Limited and the National Stock Exchange of India Limited. The demerger will create two strong and independent entities with a more focused approach to serving their markets and customers.

VEL will continue to focus on the real estate business in the Mumbai Metropolitan Region (MMR) with its core competencies in land aggregation and joint development in partnership with strong developers. Advent will construct and operate the existing and new luxury and upscale hotels in Mumbai, Delhi, and Goa.

VEL's Board of Directors has approved a two-step process that will allow VEL's professional management to immediately use their decades of operational expertise and excellence while allowing VEL's management to focus primarily on the real estate business. Immediately, Advent (WOS of VEL) will obtain entire interests of VEL in an operating hotel, the 313-key Grand Hyatt (Goa), and also 50 percent joint venture equity interests (balance 50 percent with Prestige Estate Limited) in an under-construction project comprising the 590-key Marriott Marquis (Delhi) and the 189-key St Regis (Delhi), and will also later hold 75% equity in Hilton Mumbai, upcoming projects at Sahar near Mumbai airport, Worli, and Riverwalk at Bandra Kurla



Complex. Over the next four to five years, Advent plans² to implement three to four large upscale branded assets with about 4000 keys, in the hospitality micro-segments of Mumbai and Delhi

The transaction is subject to customary regulatory approvals, including approvals from the respective shareholders and creditors, NCLT, stock exchanges, SEBI, and all other regulatory authorities as may be required. The Composite Scheme, including receipt of requisite approvals, and subsequent listing of Advent is expected to be completed in 2025.

Commenting on the demerger of hospitality business undertaking, Mr. Shahid Balwa, Vice Chairman and Managing Director of VEL, said: "VEL and Advent are charting a new course as separately listed companies. The real estate sector's inherent market dynamics and capital structure imperatives fundamentally differ from the hospitality sector. The demerger will allow each entity to implement its bespoke strategy, focus on its core business, and make capital allocation decisions. This strategic separation will allow the full value of each business to be realized for the benefit of our shareholders".

•••

About Valor Estate Limited. VEL (BSE: 533160 NSE: DBREALTY), is one of Mumbai's leading real estate developers with an existing portfolio of 100 million sq. ft. of real estate and focusing on residential and commercial developments. VEL is a public limited company incorporated in India on January 8, 2007, under the Companies Act, 1956. The equity shares of VEL are listed on the National Stock Exchange of India Limited and BSE Limited.

² **Forward-Looking Statements:** "This document contains forward-looking statements based on the beliefs of the management of VEL/Advent. Words such as 'anticipate', 'believe', 'estimate', 'predict', 'expect', 'will', 'intend', 'plan', 'should', and 'project' are used to identify forward-looking statements. Such statements reflect the Company's current views concerning future events and are subject to risks and uncertainties. Many factors could cause actual results to differ materially, including, among others, changes in general economic and business conditions, and interest rates, introduction of competing products, lack of acceptance of new products or services, and changes in business strategy. Actual results may differ materially from those projected here. VEL/Advent does not intend to assume any obligation to update these forward-looking statements.

Proposed Demerger of Hospitality Business

VALOR
ESTATE

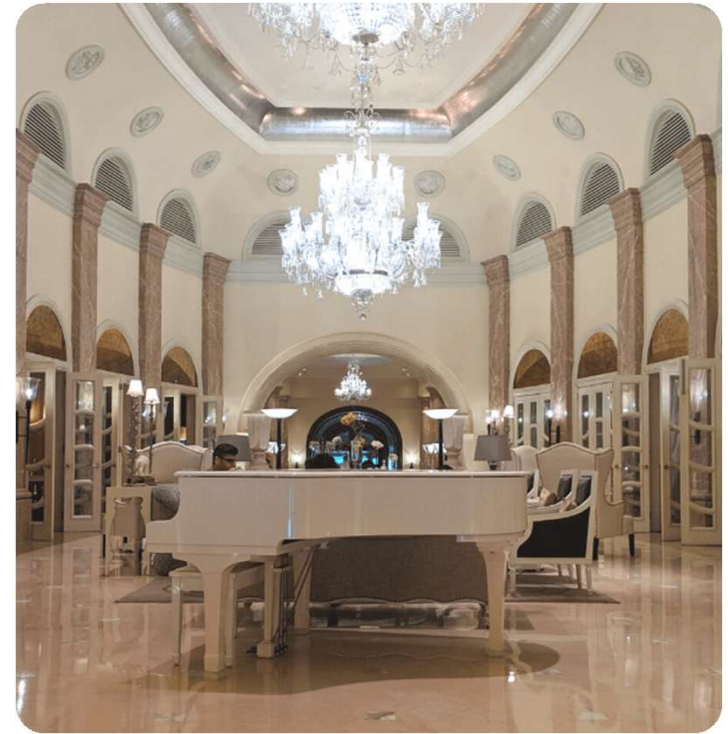
June 2024

Private & Confidential

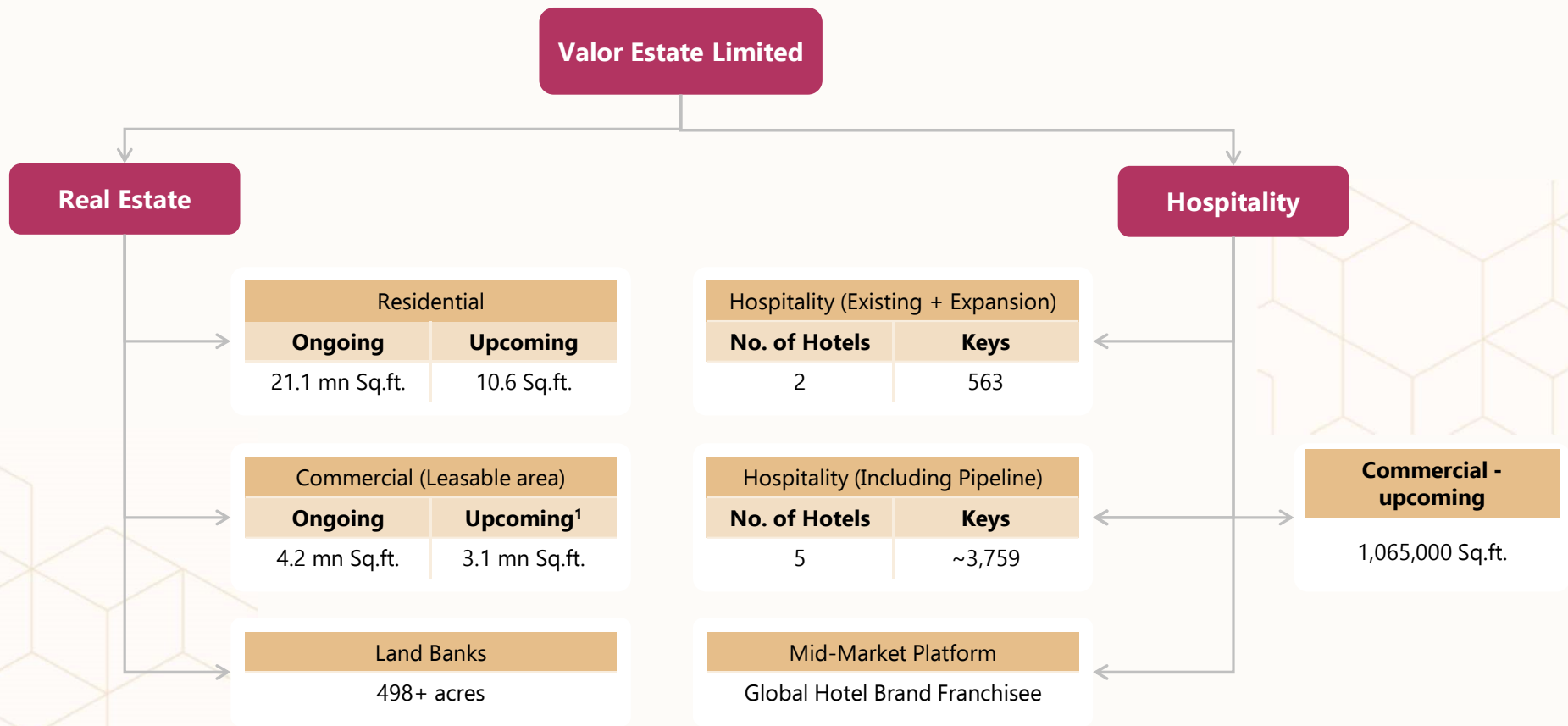


Forward looking statements

This presentation and discussion may include predictions, estimates, or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on the future, they are subject to risks and uncertainties that could cause actual results to differ materially, some of which may be beyond management's control. No assurance is given about future events or the actual results, which may differ materially from those projected herein. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation. Please remember that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements considering new information or future events. We will attempt to present some important factors relating to our business that, we presently believe, may affect our predictions. You should also review our most recent annual reports, disclosures, and regulatory filings for a more complete discussion of these factors and other risks. This presentation does not constitute an offer to sell or a solicitation of an offer to buy or sell Valor Estate stock and in no event shall the company be held responsible or liable for any damages or lost opportunities resulting from the use of this material or any guidance or any other statements given by the management.



Valor Estate Limited - Company structure



1. This is Valor's share of leasable area. Total upcoming stock is 7.6 mn sq.ft through JV with various partners.
 2. Mid-Market Platform: Plan to grow its presence in the mid-market space through a Master Franchise agreement with a global hotel brand.
 3. Advent will develop a few seed assets for this portfolio and then grow it through an asset-light model.

Hospitality Business Overview




Advent Hotels Overview

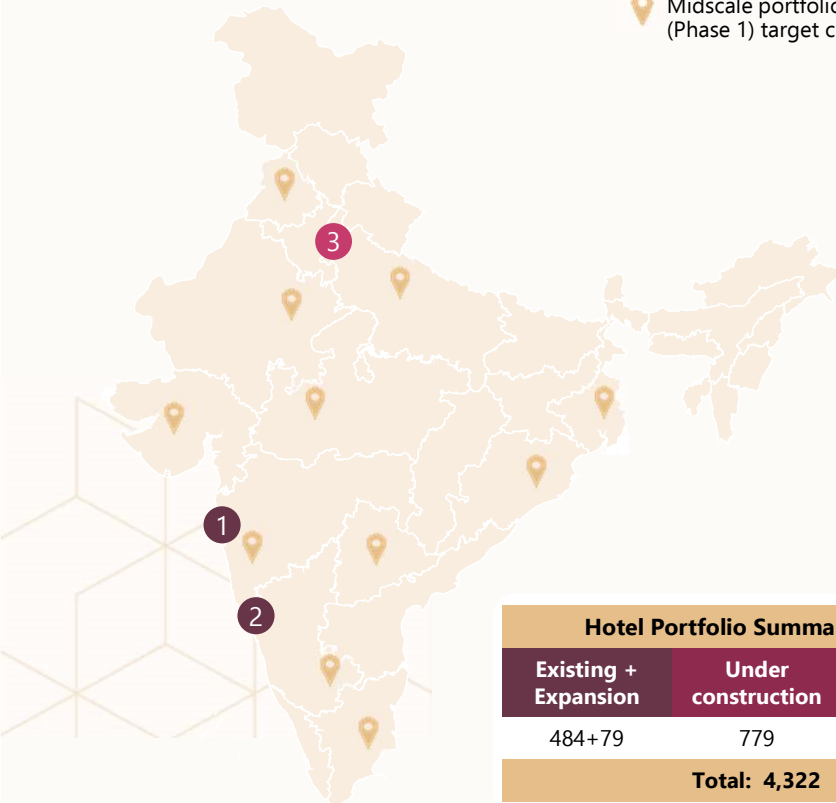
- Advent Hotels International ('Advent Hotels') will hold at the end of demerger process, Valor Estate's hospitality portfolio of **484 operating keys** and identified land parcels and contracts enabling the rollout of total **4,322 future keys**.
- The demerger process is expected to be completed within the **next 10-12 months**.
- Following the demerger, Advent Hotels is expected to have **mirror-image shareholding** as that of VEL as on the record date. Promoters to hold ~47% and remainder to be held by public shareholders.
- Advent Hotels will have its **own corporate identity, capital structure, board, management, and branding**.
- Over the next **3-4 years**, Advent Hotels will focus on operationalising **3-4 large** upscale branded assets in key hospitality micro-segments in **Mumbai and Delhi**.



Targeting 4,322 keys in Mumbai, Delhi, and Goa by FY2030

Advent Hotel's Portfolio

 Midscale portfolio
(Phase 1) target cities



Hotel Portfolio Summary (keys)		
Existing + Expansion	Under construction	Pipeline
484+79	779	2,980
Total: 4,322		

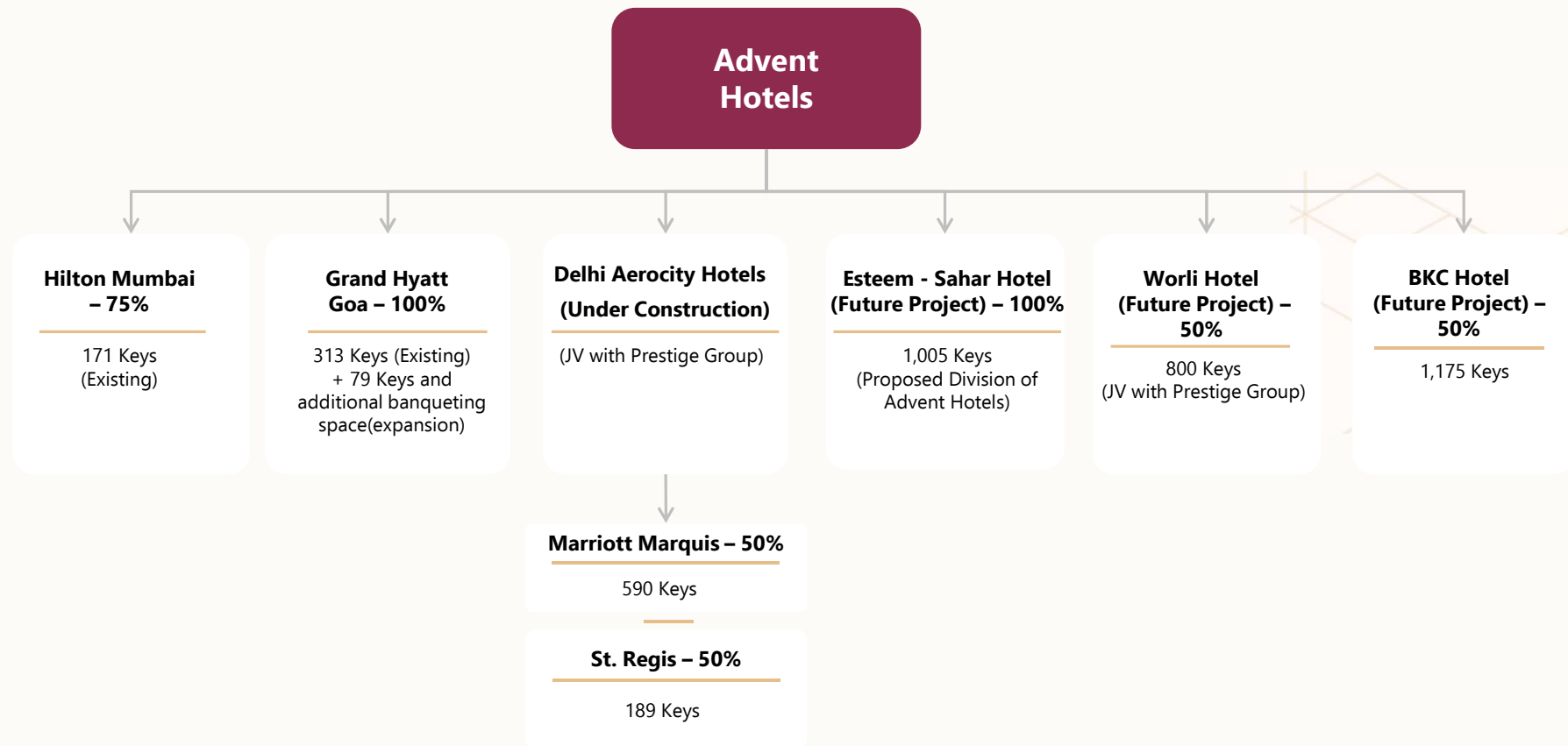
Existing Portfolio				
No.	Hotel	Segment	Keys	Expansion
1	Hilton Mumbai	Upper Upscale	171	-
2	Grand Hyatt Goa	Luxury	313	79 keys + additional meeting space

Under Construction				
No.	Hotel	Segment	Opening year	Keys
1	Marriott Marquis ¹	Upper Upscale	2026	590
2	St. Regis ¹	Luxury	2026	189

Pipeline					
No.	Hotel	Location	Status	Opening year	Keys
1	Luxury Airport Hotel Mumbai ²	Sahar	Planning	2028	1,005
2	Upper Upscale hotel @ Worli ³	Worli	Land Clearing	2029	800
3	Luxury Hotel @ BKC ⁴	BKC	Land Clearing	2029	1,175

1. This is in a JV with Prestige. The development also includes 615,000 Sq.ft. of commercial office. The Project will be partly operational by Q3FY25 and fully operational by Q3FY26.
2. The development also includes 450,000 Sq.ft. of commercial office. Future details based on current plans. These are subject to change in light of financial and hospitality projects developments.
3. This is in a JV with Prestige. Future details based on current plans. These are subject to change in light of financial and hospitality projects developments.
4. Future details based on current plans. These are subject to change in light of financial and hospitality projects developments.

Transforming opportunities into long-term assets and value



Future Project, subject of Forward-Looking Statements. Future project details based on current plans. These are subject to change in light of developments in the financial and hospitality sectors.

Hilton International, Mumbai

24 years of operational excellence



Developed on **1.26** acres
of prime freehold land



Located five minutes from
the Domestic and
International airports,
Mumbai



171 Keys, with **10,000** sqft
conference & events space



Rs. 84 Crores Gross
Revenue
(2024-2025)



88% Average
occupancy



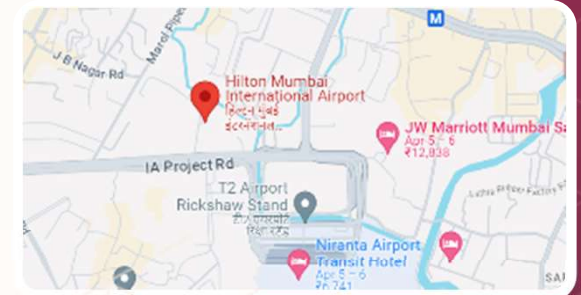
Rs. 37 crores EBITDA
(2024-2025)



Debt-free
asset



Palace-style
architecture
and interiors



Grand Hyatt, Goa

13 years of operational excellence



27 acres of prime Beach-facing freehold land at Bambolim, Goa with 313 Keys



Rs. 243 crores gross revenue (2024-25)



Potential to add 79 Keys to the existing inventory increasing inventory to 392 Keys



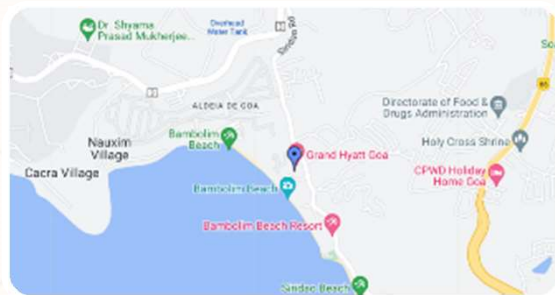
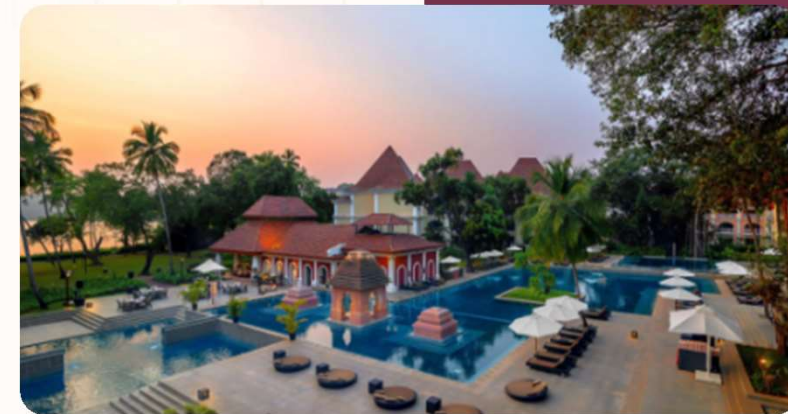
Estimated Project cost for expansion works will be approx. **Rs 150 crores**



Existing Debt **Rs. 560 crores**



Rs. 136 crores projected EBITDA (2027-28) on completion of expansion works



Marriott Marquis and St. Regis, New Delhi#



Largest integrated hospitality development in India



7.70 acres of prime land at T3 Terminal, Aerocity, Hospitality District, New Delhi



Marriott Marquis (**590** rooms) and St. Regis (**189** rooms) with a total of **985** Bays with a large conference facility of **200,000 Sq.ft.**



Commercial and Business Centre Space of **615,000 Sq.ft.**



Project is a 50:50 JV with the Prestige Group



Will be partly operational by Q3FY25 and fully by Q3FY26



Rs 508 crores stable state EBITDA (including commercial lease rent)



Proposed Upper Upscale Airport Hotel, Mumbai#



5.38 acres of prime land close to Terminal 2, Mumbai International Airport



Hotel with **1,005 Keys** and **30,000 Sq.ft.** Conference Facility



4,50,000 Sq.ft. Grade-A Commercial Office Space



Will be launched by Q2 FY2029



Rs. 429 crores stable state EBITDA (including commercial lease rent)



Future Project, subject of Forward-Looking Statements. Future project details based on current plans. These are subject to change in light of developments in the financial and hospitality sectors.

Proposed Upper Upscale Hotel at Worli, Mumbai#



17 acres of prime land located opposite Four Seasons Hotel Mumbai



800 Keys with ancillary facilities including Members Club



Estimated Project Cost
Rs. 1,600 Crores



Operational by **Q2 FY2030**



Rs. 216 crores stable state EBITDA



Project is a JV with Prestige Group



Future Project, subject of Forward-Looking Statements. Future project details based on current plans. These are subject to change in light of developments in the financial and hospitality sectors.

Proposed Upper Upscale Hotel at BKC, Mumbai#



20 acres of prime land located opposite the New Mumbai High Court



1,175 Keys Hotel with **200,000 Sq.ft.** Conference Facility



Estimated Project Cost
Rs. 1,700 Cr



Project expected to be completed by **Q2 FY 2030**



Rs. 540 crores stable state EBITDA

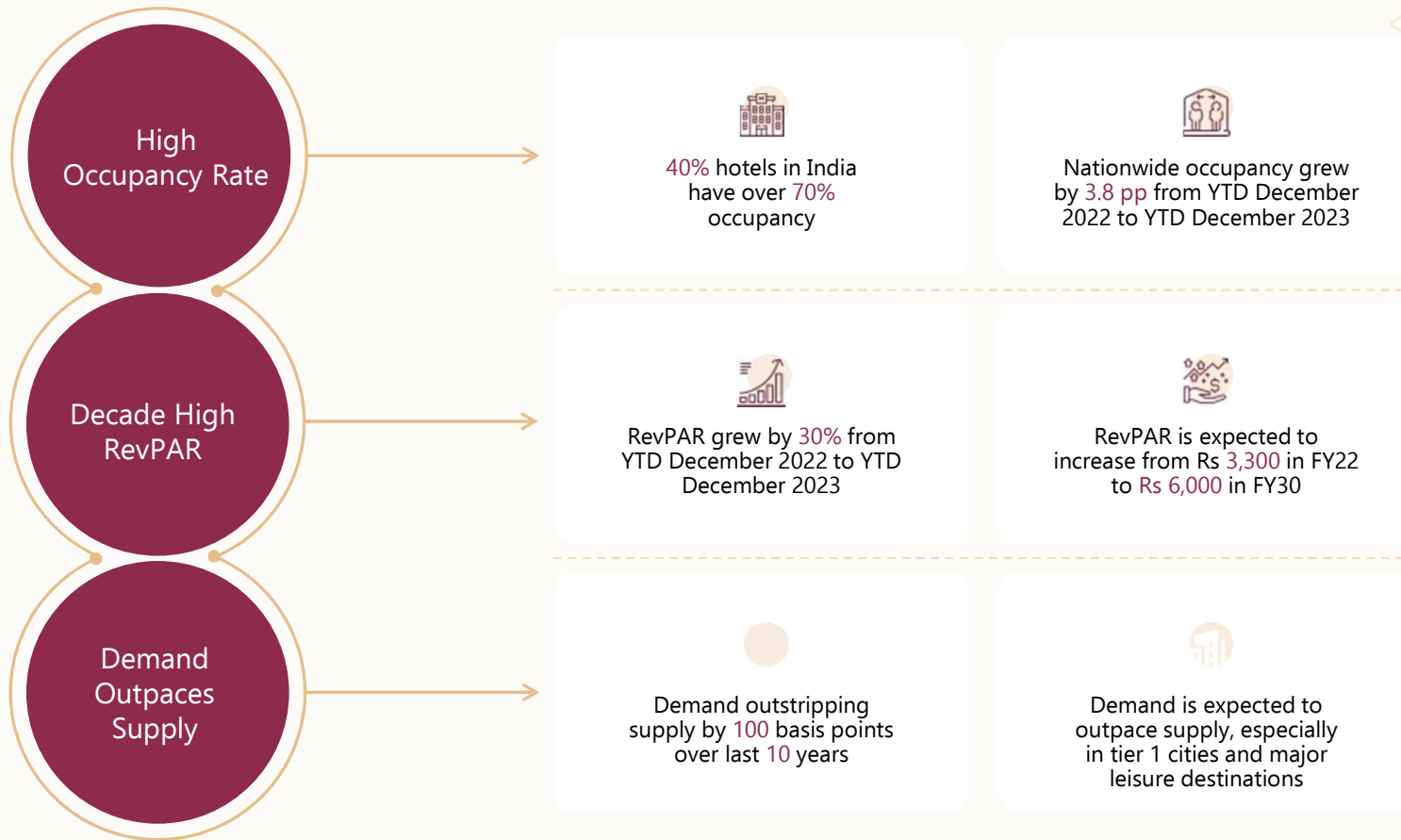


Future Project, subject of Forward-Looking Statements. Future project details based on current plans. These are subject to change in light of developments in the financial and hospitality sectors.



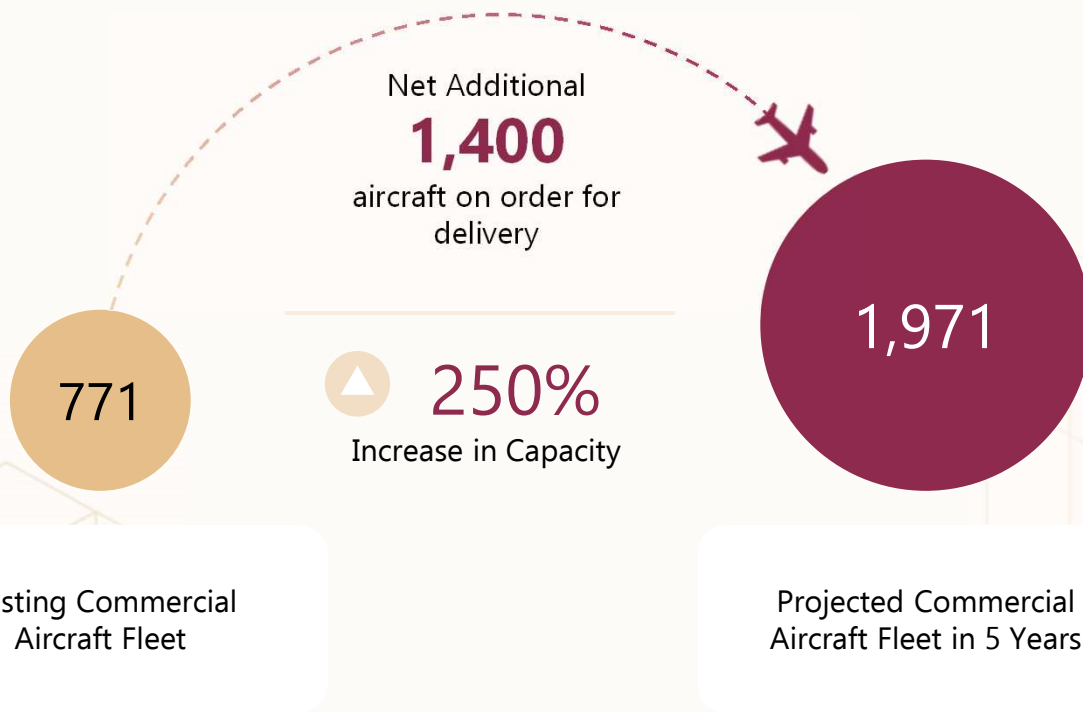
Hospitality Industry Poised for Strong Growth

India's Thriving Hospitality Industry






Market size of \$25 billion in FY24, to grow at ~5% to \$31 billion by FY29

A substantial growth in air travel indicates increased demand in the hotel industry



Yet Indian Aviation remains largely underpenetrated

	India	0.5
	China	3.1
	EU	15
	United States	30

2022 Aircraft per million population



Indian Hospitality Investment to Exceed \$2.3Bn in 2-5 Years



2023 in Review



Three hotel companies
launched IPO



CY 2023 recorded 21 deals,
largest number of assets traded
in the last decade



~25% (6 assets) of the
transaction volume was for
under-construction hotels

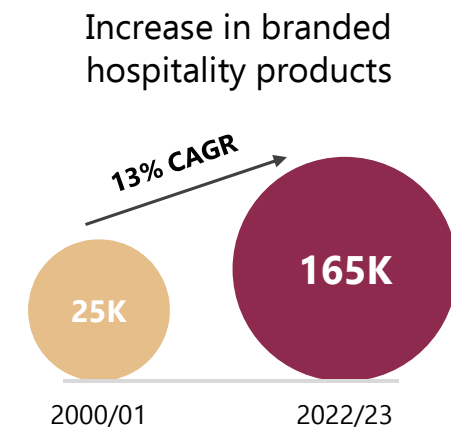
Projecting 220,000 Branded Keys by FY28 at 7.5% CAGR



5.5%
of India's 3M lodging/
accommodation rooms
are branded space



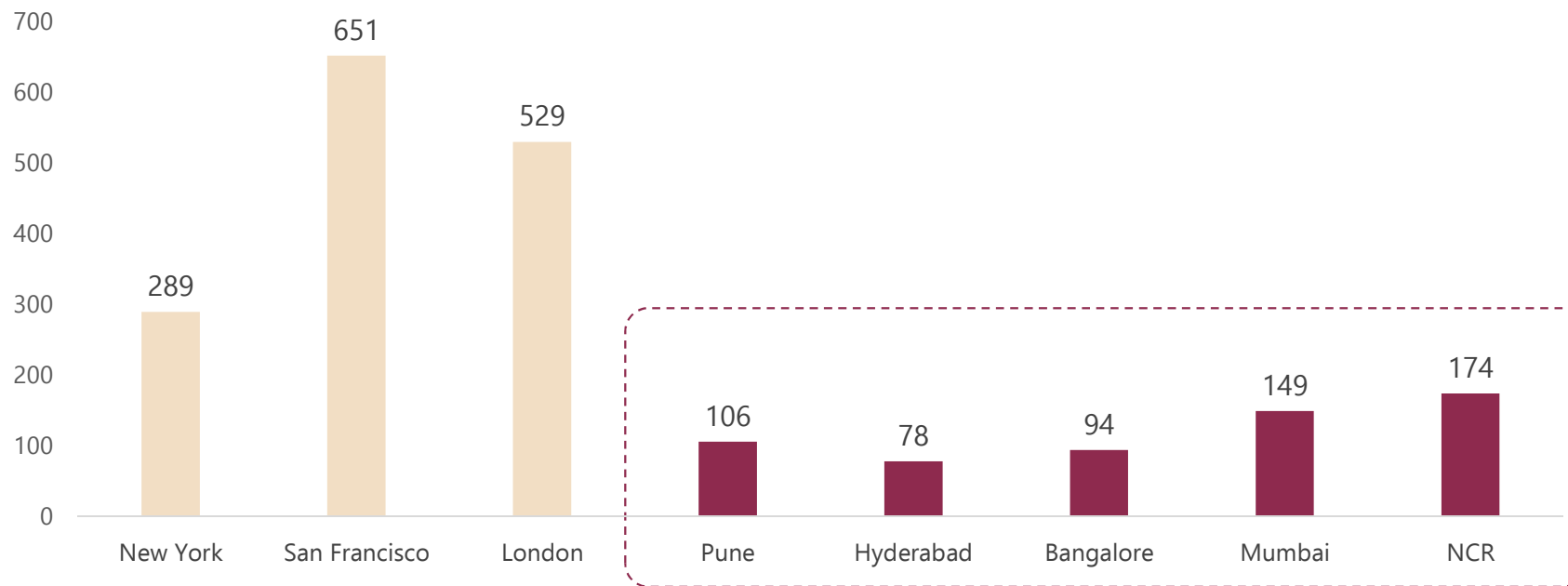
16.98%
Expected growth rate of
India's hotel sector
(2022-2030)



McKinsey predicts that spending on leisure and recreation will double by 2030

Minimum 2x to 3x fewer keys in major metros compared to international standards

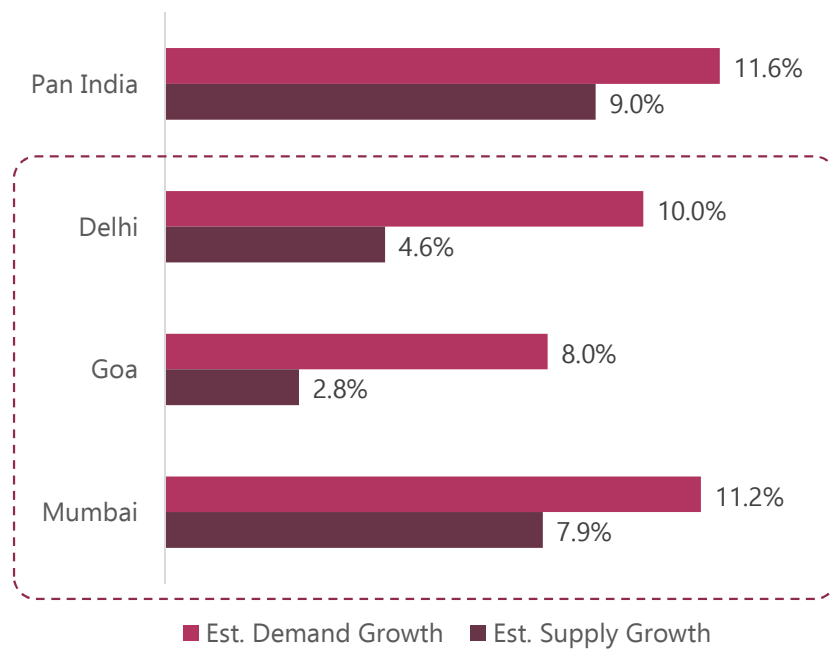
Number of Hotel Keys per Mn Sq Office Space (Dec 2023)



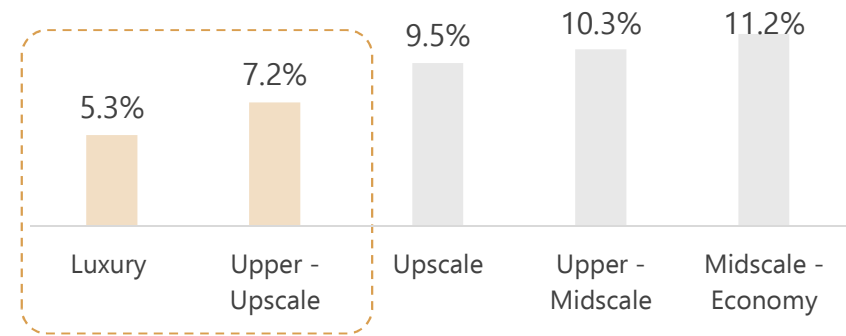
Source: Horwath HTL
Data as on 31st Dec 2023

Unmet demand of ~5-6% in Mumbai, Delhi and Goa, with a widening gap in the luxury & upper-upscale segments

Demand – Supply Growth (FY23 – FY27)



Segmental Share of Supply (FY23 – FY27)



100%
Hotel Inventory* of Advent International

*including pipeline

Source: Horwath HTL
Data as on 31st Dec 2023

Mumbai has Huge Headroom for Growth



70%

Occupancy in Mumbai with 15,000 keys (2024)

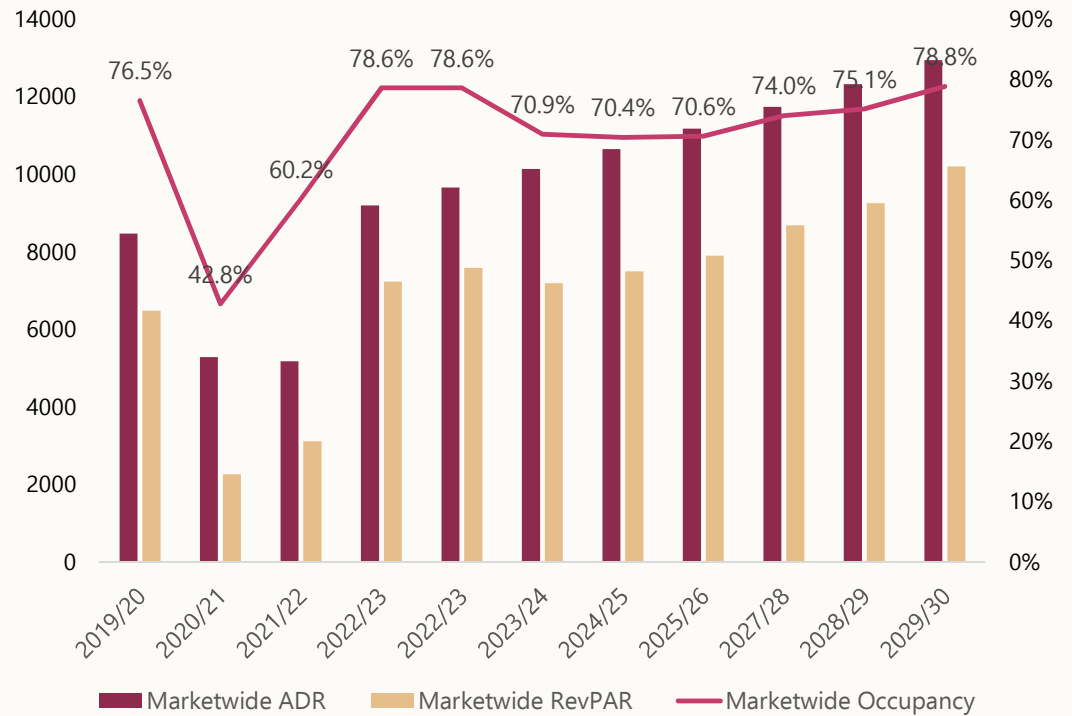


6000

Projected to be added in the next 5 years

With just 5% increase in base demand, Mumbai will deliver 40%+ RevPAR growth in 5 years

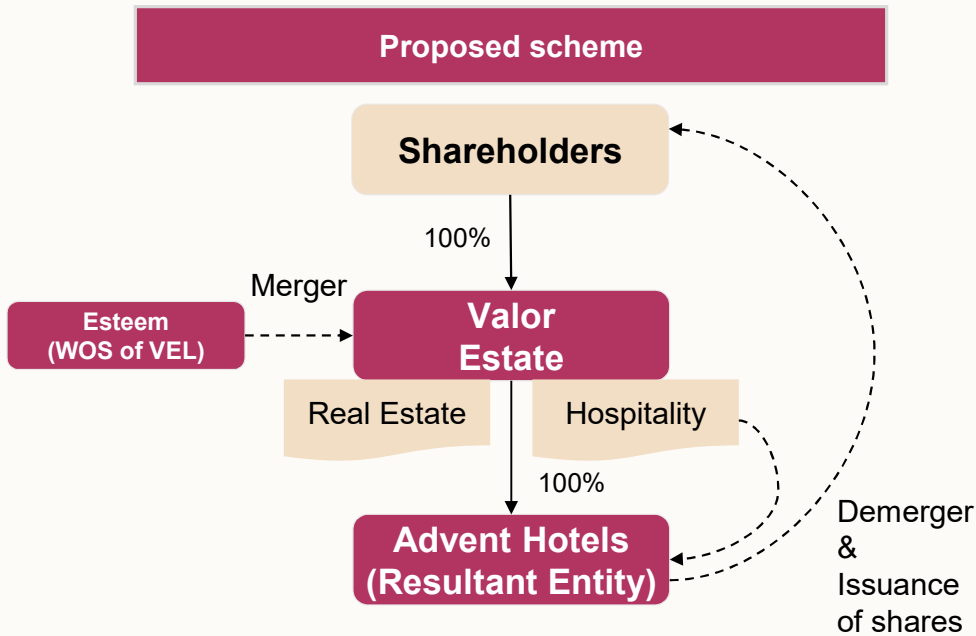
Marketwide occupancy & average rate



Proposed Scheme



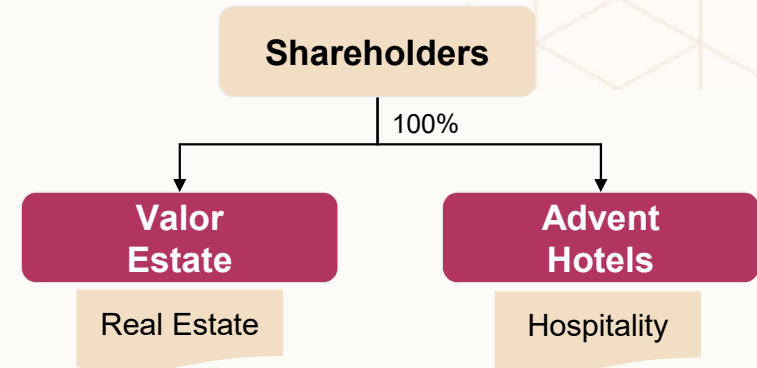
Proposed scheme



Transaction Overview

- Merger of Esteem (a WOS of Valor Estate) with Valor Estate (no consideration)
- Demerger of Valor Estate's hospitality business into Advent Hotels pursuant to a scheme of arrangement to be approved by NCLT
- Advent Hotels to issue shares to all shareholders of Valor Estate in the ratio of 10:1 on a proportionate basis

Resultant Structure



Resultant Structure

- Post demerger, Valor Estate to hold Real Estate business and Advent Hotels to hold Hospitality business
- Mirror image shareholding i.e., shareholding pattern of both the companies to be identical

Rationale for scheme

Value unlocking for the Real Estate and Hospitality businesses for the shareholders of Valor



**Value
Unlocking**

Enabling a differentiated strategy to capture the huge potential of the Indian hospitality sector



**Strategic
Focus**

Attract a distinct set of investors, partners, collaborators and leadership talent focused on the Hospitality business



**Facilitating
Investments**

Segregation of the businesses, leading to synergies of operations and resulting in the expansion and long-term sustainable growth in its own businesses



**Operational
Synergies**

Transaction summary

1

Proposed
scheme

Merger of Esteem (a WOS of Valor Estate) with Valor Estate (no consideration)

Demerger of Valor Estate's Hospitality Business into Advent Hotels through a scheme of arrangement

Advent Hotels to issue shares to all shareholders

2

Transaction
parameters

Segregation of Real Estate and Hospitality Business

Listing of Hospitality business as a separate distinct entity

Achieve mirror image shareholding of Hospitality business

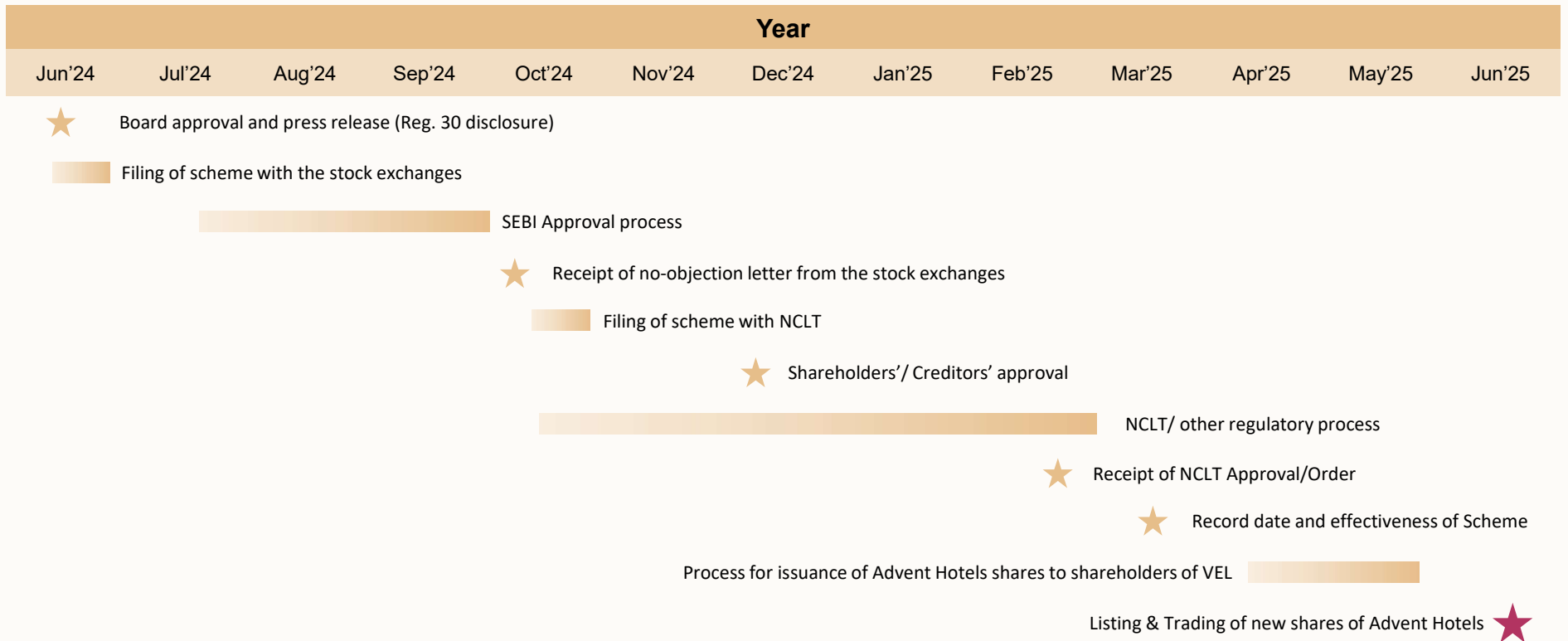
3

Key approvals
required

Scheme is subject to approval of SEBI, Stock Exchanges, Shareholders, creditor and NCLT

Indicative timeline for demerger process:
~10-12 months

Key approvals and indicative timelines



Scheme approval to take around ~ 10 – 12 months subject to receipt of the requisite approvals

Share Entitlement Ratio for Demerger

For every **10** shares held in Valor Estate on record date,
Advent Hotels to issue **1** share to the shareholders of Valor Estate

THANK YOU