Date: 14th November, 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: Press Release

Please find attached herewith Press Release issued by the Company on Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2024.

You are requested to take the same on record.

Thanking You,

Yours faithfully,

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

SHAHID USMAN BALWA

Digitally signed by SHAHID USMAN BALWA
Date: 2024.11.14 21:55:55 +05'30'

Shahid Balwa
Vice- Chairman & Managing Director
DIN:00016839

VALOR ESTATE LIMITED

(Formerly, DB Realty Limited)

PRESS RELEASE

FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

VEL SECURES CONTRACT FROM MCGM TO CONSTRUCT 13,347 TENEMENTS ON PRIME LAND PARCEL SITUATED AT MALAD EAST WITH AN EXPECTED GROSS DEVELOPMENT VALUE (GDV) OF UP TO RS 7,200 CRORES IN NEXT 5 YEARS

DEVELOPMENT RIGHTS OF PLOT SURVEY NO. 92 SOLD TO PRESTIGE ESTATE LIMITED FOR RS 262 CRORE, WITH PROCEEDS USED TO REDEEM RS 235 CRORE HIGH-COST NCDS.

VEL IS AMONGST LOWEST DEBT: EQUITY RATIO IN THE REAL ESTATE SECTOR AT 0.23: 1 DEBT: EQUITY RATIO INCLUDING HOSPITALITY LOANS AT 0.34: 1

HOSPITALITY DEMERGER UNDERWAY, DRAFT SCHEME APPROVED BY NSE AND BSE AND NOW BEING PROCESSED BY SEBI

Mumbai, November 14, 2024. Valor Estate Limited ("VEL", "the Company") (BSE: 533160 NSE: DBREALTY), one of Mumbai's leading real estate developers, has announced its results for the quarter and half year ended September 30, 2024.

Consolidated financial summary

Particulars *Rs in crores (except EPS)*	**Quarter Ended**			**Half Year Ended**	
	Q2FY25	**Q1FY25**	**Q2FY24**	**H1FY25**	**H1FY24**
Revenue	**79.05**	**79.45**	**68.02**	**158.50**	**70.45**
- **Real estate**	3.48	6.79	68.02	10.27	70.45
- **Hospitality**[1]	75.57	72.66	-	148.23	-
EBITDA	**(147.40)**	**27.34**	**967.10**	**(120.06)**	**964.50**
- **Real estate**	(168.78)	6.08	967.10	(162.70)	964.50
- **Hospitality**	21.38	21.26	-	42.64	-
PBT	**(167.52)**	**(16.89)**	**940.83**	**(184.40)**	**914.16**
- **Real estate**	(160.31)	(10.19)	940.83	(170.49)	914.16
- **Hospitality**	(7.21)	(6.70)	-	(13.91)	-

[1] Hospitality business acquired by the Company in Q3FY24.

Particulars *Rs in crores (except EPS)*	Quarter Ended			Half Year Ended	
	Q2FY25	**Q1FY25**	**Q2FY24**	**H1FY25**	**H1FY24**
EPS					
- **(Basic)**	(2.12)	(0.27)	23.01	(2.38)	22.37
- **(Diluted)**	(2.12)	(0.27)	21.09	(2.38)	20.45

Comments on financial summary

The above results include a one-time exception provisioning of Rs 205 crores. Before such one-time provisioning, the Company made a profit before tax of Rs 37.22 crores instead of a loss of Rs 167.52 crores.

Management guidance

Commenting on the occasion, **Vinod Goenka, Chairman and Managing Director** said, "*In recent years, we have transitioned from tribulations to stabilisation, laying a robust foundation for future growth and renewal. Our aim is to achieve continual growth and create shareholder value, supported by our customers, partners, and employees. Our robust balance sheet will help us towards the envisioned enduring success.*"

Shahid Balwa, Vice Chairman and Managing Director said, "*Our exit from the Dahisar project has allowed us to repay a high-cost, near-term maturing loan, thereby reducing our debt to Rs 1,650 crores. Of this, Rs 1,000 crores will be repaid from the proceeds of the Ten BKC residential project, and Rs 535 crores pertain to the Grand Hyatt in Goa, which will be demerged into a hospitality entity. Our commitment to making the Company debt-free is on the verge of fruition. We are currently working on our next phase, which entails building our substantial land bank of more than 500 acres and assembling a portfolio of sustainable annuity-based assets.*"

Real Estate

VEL operates primarily in the Mumbai Metropolitan Region (MMR). Its core competencies include land aggregation, securing clear land titles, and property development in partnership with strong developers.

Two major developments in the Real Estate Segment:

Residential Contract: VEL has recently been awarded to construct 13,347 affordable housing tenements on an 81,000-square-meter land parcel situated in Malad East. This land is owned by a joint venture in which VEL holds a 75% interest. The contract is projected to generate estimated revenue amounting to Rs 7,200 crores, with an anticipated gross surplus of Rs 3,000 crores over the ensuing five-year period. This landmark project not only solidifies VEL's stature as a preeminent entity within Mumbai's real estate sector but also underscores its unwavering commitment to advancing the city's infrastructure and housing development objectives.

Survey No. 92 sale: VEL, acting through its subsidiaries, has completed the conveyance of development rights about a portion of land measuring 22,135.25 square meters located in Dahisar for a total consideration of Rs 262 crores (excluding Rs 20 crores to be received from the existing project proceeds). The proceeds from this transaction have enabled Horizontal to redeem Non-Convertible Debentures (NCDs) amounting to Rs 235 crores, thereby significantly reducing the Company's consolidated indebtedness and enhancing its financial standing.

Our real estate business accrues revenue and other profit and loss elements only upon completion of the project and the issuance of an occupation certificate by the authorities. Thus, the revenue recognition will not be linear, but asymmetrical, even as the efforts of the project were spread over multiple financial years. During Q2FY25 the revenue from the real estate business is Rs 3.48 crores, as against Rs 68.01 crores in Q2FY24.

Commercial Spaces

To mitigate the cyclical nature of the residential segment, VEL is broadening its portfolio by entering the commercial market, with approximately 13 million square feet planned in prime locations in Mumbai and Delhi. This expansion has a projected Gross Development Value (GDV) of Rs 2,000+ crore and is expected to be completed within the next five years. This strategic move aims to diversify VEL's revenue streams and enhance long-term stability.

Hospitality

VEL's portfolio of hospitality assets includes The Hilton, Mumbai (171 keys) and Grand Hyatt, Goa (313 keys). VEL also holds a 50% share in an upcoming hotel in Aerocity Delhi, currently under construction in partnership with Prestige Group. This hotel will feature 779 keys and is anticipated to launch in Q3FY26. To unlock value for existing shareholders, VEL is demerging its hospitality business into a wholly owned subsidiary (WOS) of VEL, Advent Hotels International Pvt. Ltd. (Advent), which will be listed on BSE and NSE post-demerger. The listing process is currently being approved by both, BSE and NSE, and is under SEBI review. Over the next five years, Advent aims to operationalize two large upper-upscale branded hotels and Service apartments of 1,975 keys and 200 apartments, in the hospitality micro-segments of Mumbai and Delhi with the first such opening expected in FY30. In Q2FY25, revenue from the hospitality business amounted to Rs 76 crores, with an EBITDA of Rs 23 crores, representing 31 percent. During Q2FY25, 171-key Hilton Mumbai had an occupancy factor of 90 percent, and 313-key Grand Hyatt Goa had an occupancy factor of 74 percent. Gross Operating Profit (GOP) for our operating hotels during the period was 33 percent and 39 percent respectively. Our 779 key Aerocity Delhi (50:50 JV with Prestige Estate) is expected to be completed by Q2FY25. We have initiated the expansion of Grant Hyatt Goa by 79 keys, entailing an outlay of Rs 200 crores, and is expected to be completed by FY27.

Finances

Our strategy focuses on maintaining a debt-light approach to real estate development by capitalizing on our expertise in land acquisition while forming strategic partnerships for construction, branding, and working capital. This approach allows us to optimize resources, reduce financial risks, and enhance project efficiency, driving sustainable growth in this context, VEL has recently completed the conveyance of development rights in the Aradhya Park project, Dahisar, for Rs 262 crore. The full proceeds from this transaction will be allocated to fully redeem Non-Convertible Debentures (NCDs) amounting to Rs 235 crore, thereby enhancing the company's financial stability by reducing its debt by the said amount. In recent years the Company has focused on reducing its secured debt by raising funds through equity placements, joint ventures, and debt settlements. The Company's consolidated secured debt presently amounts to Rs 1,650 crores. Of this, Rs 1,115 Crores are secured against real estate project cashflows, and these real estate project loans are expected to be fully repaid within the next couple of financial years. The remaining Rs 535 Crores pertains to the borrowing facility for hotel operations, backed by its assets and cashflows.

About Valor Estate

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 provisions of the Companies Act, 1956. The equity shares of VEL are listed on the National Stock Exchange of India Limited and BSE Limited. The registered office of VEL is located on the 7th Floor, Resham Bhavan, Veer Nariman Road, Churchgate, Mumbai - 400 020.

Forward-Looking Statements

This press release contains forward-looking statements. We hereby caution investors that such forward-looking statements are predicated upon the beliefs of management and assumptions made by, and information presently accessible to, management. The utilization of terms such as anticipate, believe, estimate, expect, intend, may, might, plan, project, result, should, will, seek, target, see, likely, position, opportunity, outlook, and analogous expressions, which do not pertain exclusively to historical matters, is intended to denote forward-looking statements. These statements are inherently subject to risks, uncertainties, and assumptions and do not constitute guarantees of future performance. We explicitly disclaim any obligation to update our forward-looking statements considering new information or future events except as mandated by law. Consequently, investors are advised to exercise caution when relying on past forward-looking statements based on results and trends at the time they were made to forecast future outcomes or trends.

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