

July 28, 2023

National Stock Exchange of India Limited

Exchange Plaza
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051.

Scrip Code: CHALET

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.

Scrip Code: 542399

Dear Sir / Madam,

Subject: Investor / Analyst Presentation in respect of the Unaudited Financial Results for the quarter ended June 30, 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we are attaching herewith a copy of the presentation prepared by the Company for the earnings call scheduled to be held i.e. on Monday, July 31, 2023 at 11.00 a.m. (IST), in respect of the Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2023, which have been approved by the Board of Directors of the Company at its meeting held earlier today.

We request you to take the above information on record.

Thanking You.

Yours faithfully,

For **Chalet Hotels Limited**

Christabelle Baptista

Company Secretary and Compliance Officer

Encl.: As above

Investor Presentation

Q1FY24



Sustained momentum – Q1FY24



Total air traffic higher than pre-Covid

International traffic touching pre-covid levels



Business demand remained strong

Healthy ADR in Q1 FY24, remains over Rs 10,000 mark at

Rs 10,317



The Westin Hyderabad HITEC City

Successfully launched the 168-room The Westin Hyderabad HITEC City, **operated by an all-women team**

The Westin Hyderabad HITEC City



168-room property launched on 4th June 2023.

100 % Women Team

100 % Occupancy

100 % Green Power

-
-
-

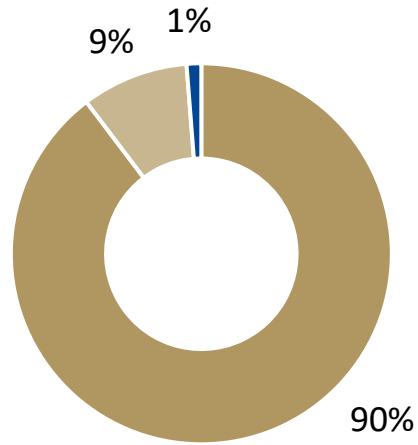
Operational Overview



Consolidated Performance

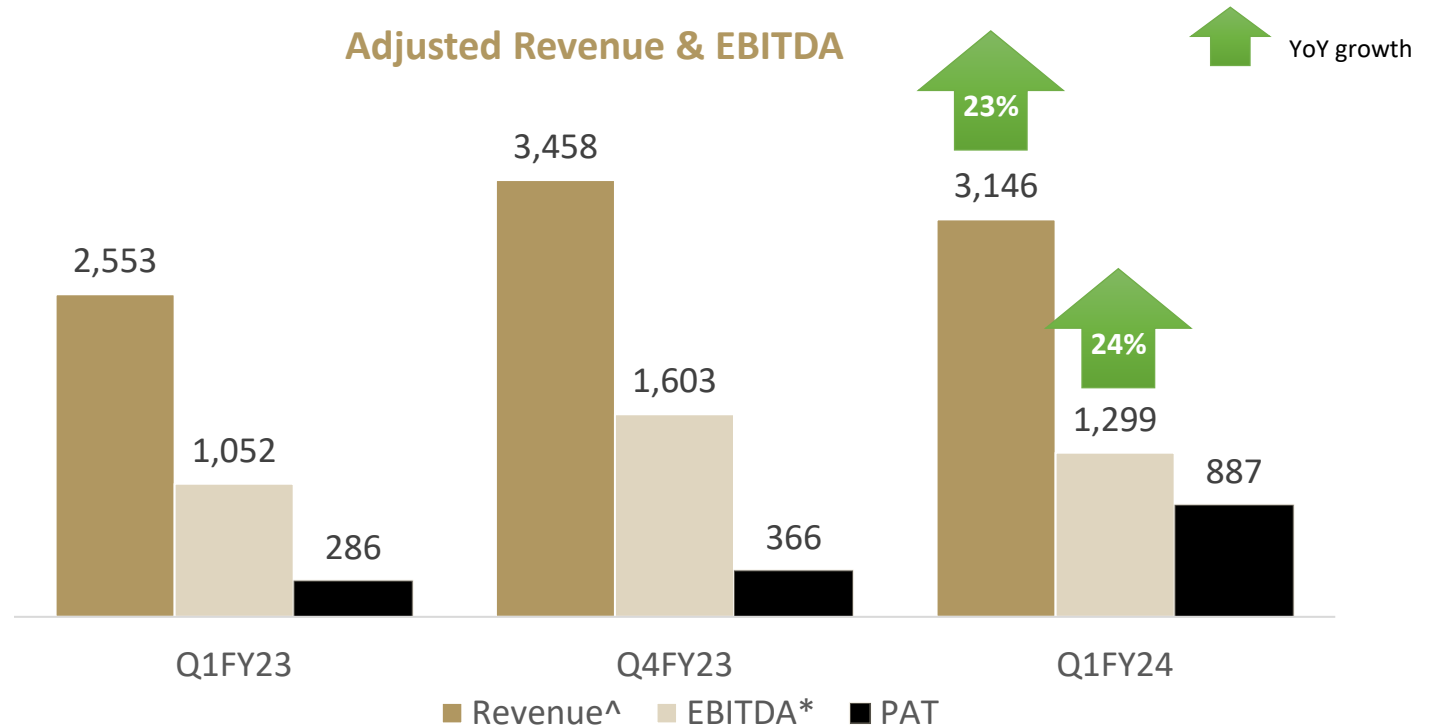
(In Rs. Mn)

Q1FY24 Adjusted Revenue



■ Hospitality ■ Rental / Annuity business ■ Others

Adjusted Revenue & EBITDA



*Q1FY24: Excluding –

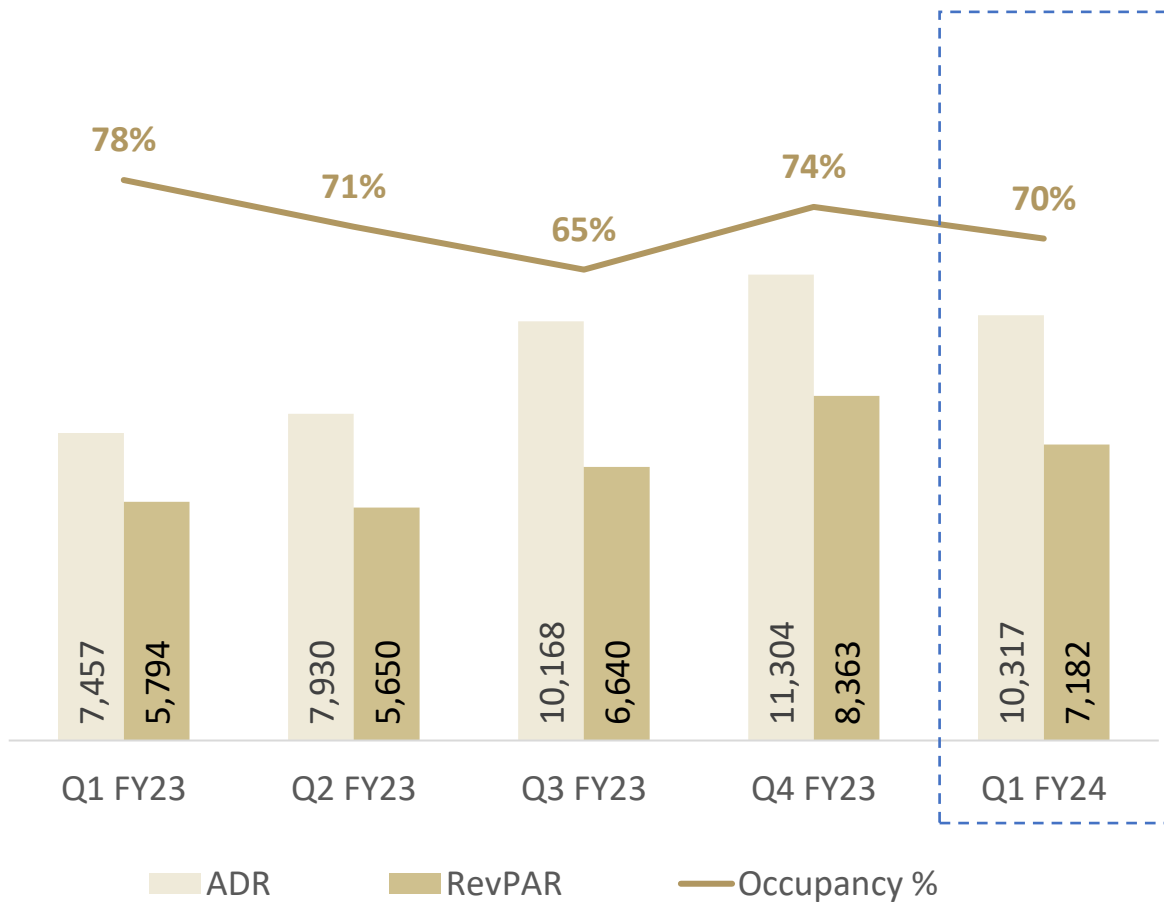
1. Payment made to GST authorities pertaining to ineligible Input tax credit of Rs 107 mn
2. One-time pre-opening expenses Rs 57 mn for The Westin Hyderabad HITEC City

[^]*Q1FY23: Excluding non-recurring income Q1FY23 of Rs. 46 mn - interest on Income tax refund Rs. 30 mn & excess provision written back Rs 16 mn

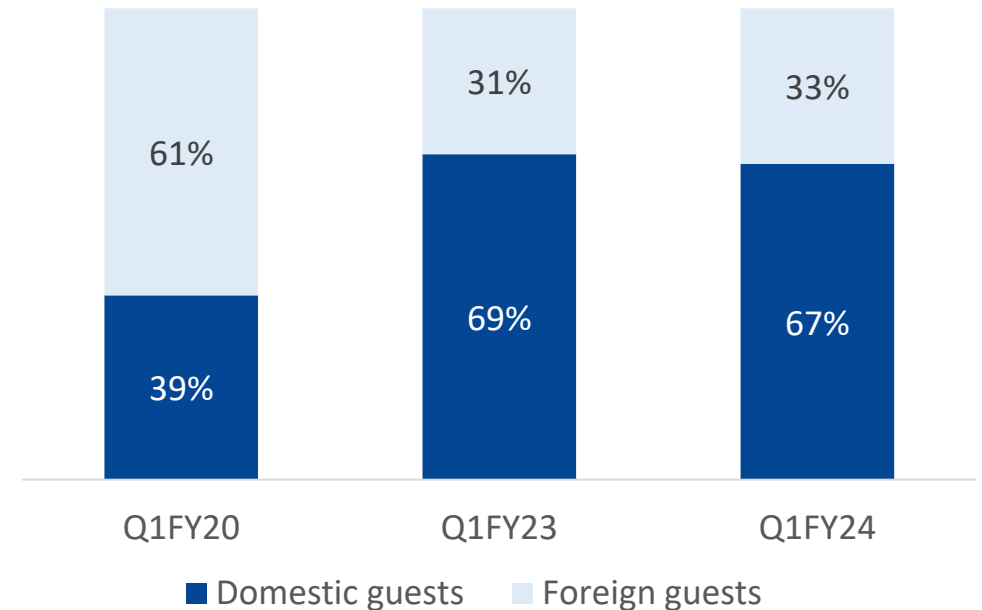
Q1FY24: PAT includes deferred tax asset of Rs 584 mn recognized on taxable losses on account of merger of Belaire Hotels Private 5 Limited and Seaparl Hotels Private Limited with the holding company

Healthy ADRs throughout Q1FY24

Highest Q1 ADR till date

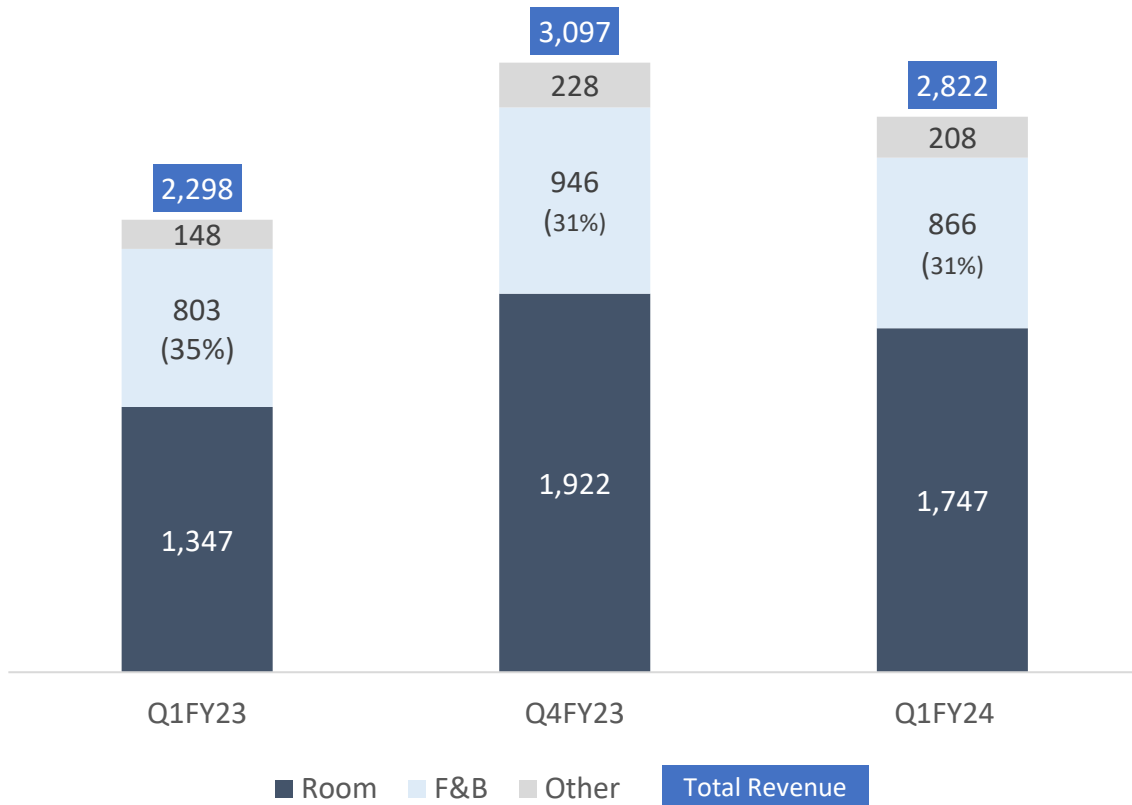


Rate growth driven by domestic travellers

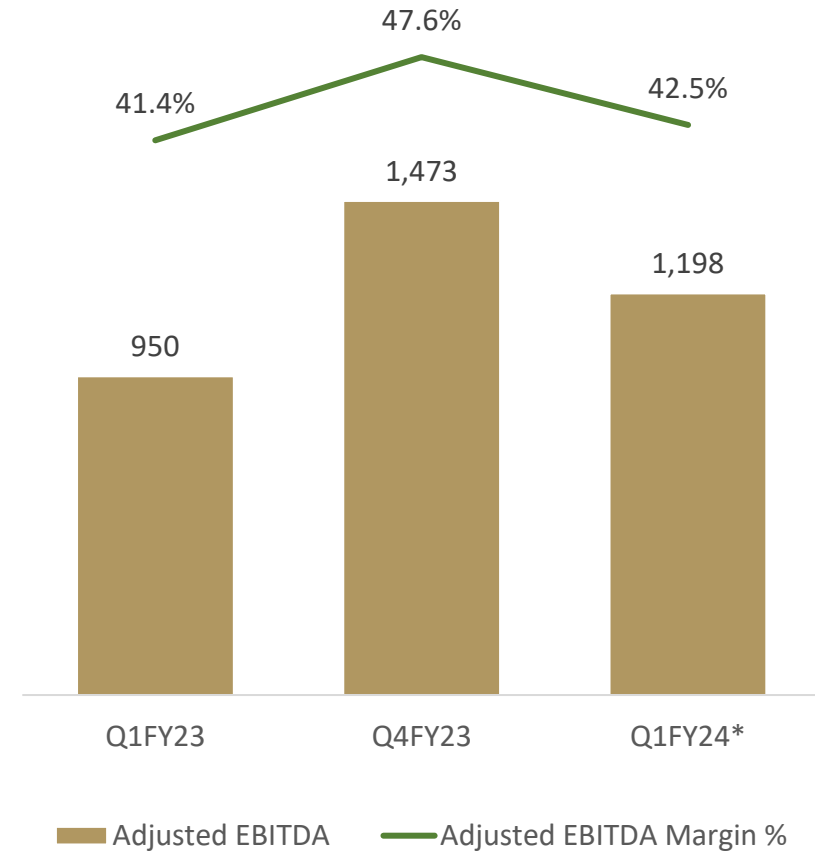


Hospitality Performance

(In Rs. Mn)



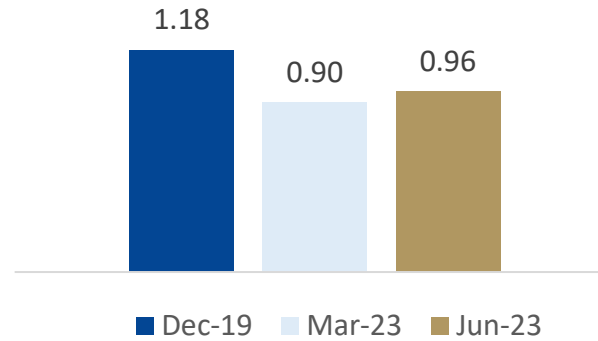
In brackets as a % of total revenue



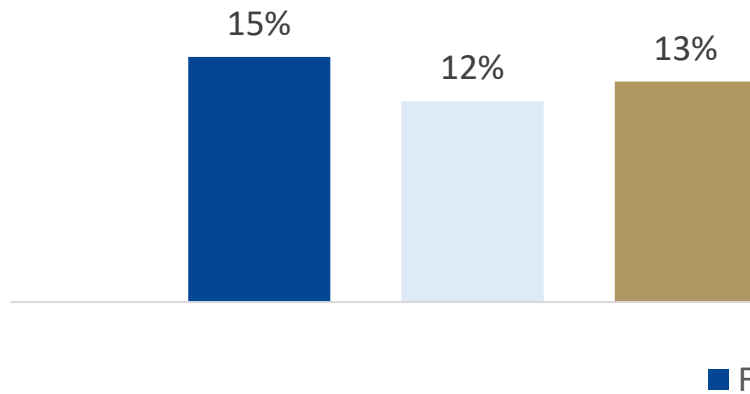
*Adjusted for one-time expenses, please refer slide 5 for details

Hospitality Operating Efficiencies

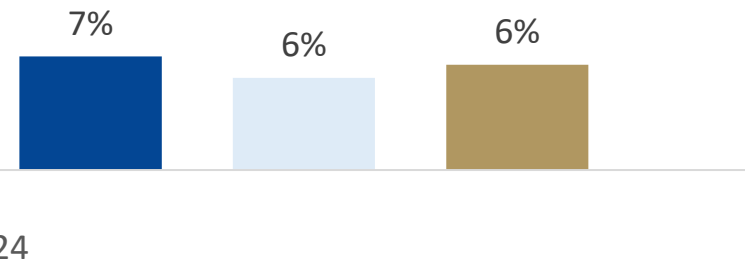
Staff to room ratio*



Payroll Costs % of Revenue



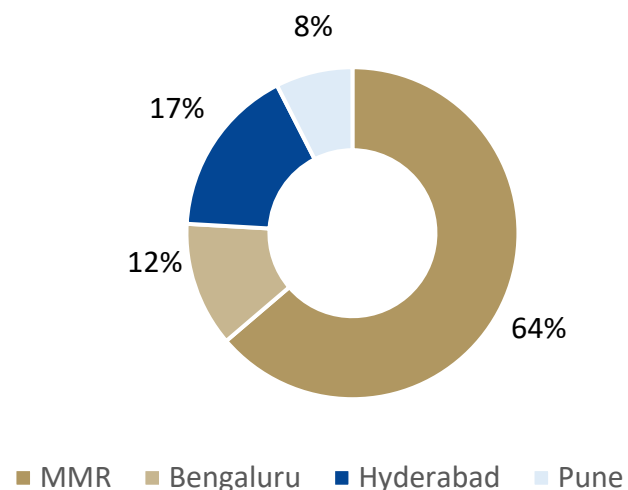
Utilities as a % of Revenue



*Includes full time and contractual employees

Hospitality KPIs

Q1FY24 Revenue Rs. 2,822 Mn



	Q1FY24	Q4FY23	QoQ%	Q1FY23	YoY%	FY23
ADR (Rs.)						
MMR	10,826	11,976	-10%	7,988	36%	9,741
Others*	9,555	10,228	-7%	6,597	45%	8,825
Combined	10,317	11,304	-9%	7,457	38%	9,169
Occupancy %						
MMR	74%	77%	-3 pp	81%	-7 pp	74%
Others*	64%	70%	-5 pp	73%	-8 pp	84%
Combined	70%	74%	-4 pp	78%	-8 pp	72%
RevPAR (Rs.)						
MMR	7,976	9,208	-13%	6,477	23%	7,211
Others*	6,147	7,136	-14%	4,802	28%	4,583
Combined	7,182	8,363	-14%	5,794	24%	6,605

*Others include Bengaluru, Hyderabad, Pune and Lonavala

Rental / Annuity Business

(In Rs. Mn)

	Q1FY24	Q4FY23	Q1FY23	FY23
Total Revenue	285	281	231	1,000
EBITDA	227	260	183	838
Margin %	80%	93%	80%	84%
Leasable Area (msf.)	1.2*	0.5	0.5	0.5
Occupancy	45%*	98%	89%	98%

*CIGNUS Whitefield Bangalore® Tower I 0.66 msf is in the process of leasing



Consolidated Profit / Loss Statement

(In Rs. Mn)

Particulars	Q1FY24	Q4FY23	QoQ%	Q1 FY23	YoY%	FY23
Total Income	3,146	3,458	-9%	2,599	21%	11,780
Total Expenditure	2,010	1,855	8%	1,511	33%	6,757
EBITDA	1,136	1,603	-17%	1,088	-12%	5,023
Margin %	36%	46%	-10 pp	42%	-6 pp	43%
Adjusted EBITDA	1,299[^]	1,603	-19%	1,052	24%	4,760
Adjusted Margin %	41%	46%	-5 pp	41%	10 bps	41%
Depreciation and Amortisation	310	298	4%	297	4%	1,173
Finance costs	454	405	12%	391	16%	1,545
Exceptional items (expense)/income	-	-184	-	-10	-	423
Profit/ (Loss) before income tax	372	715	-48%	389	-4%	2,728
Tax Expense	-515**	348	-	104	-	895
Profit / (Loss) for the year	887	366	2.4x	286	3x	1,833
Other comprehensive (expense)/income	-1	-5	-	-0.1	-	-5
Total Comprehensive Income	885	361	2.4x	286	3x	1,828
EPS (Rs.)	*4.32	*1.79	2.4x	*1.39	3x	8.94

*Not annualized

[^]Q1FY24: Excluding –

1. GST payment of Rs 107 mn for ineligible input tax credit

2. One-time pre-opening expenses Rs 57 mn for The Westin Hyderabad HITEC City

Other detailed adjustments in the respective quarter disclosures

**Taxes include a DTA of Rs 584 mn recognized on taxable losses due to the merger of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the holding company

Leverage Position

(In Rs. Mn)

ICRA has upgraded **credit rating to 'A-' with 'positive'** outlook from 'BBB+' with 'stable' outlook

	Mar-18	Mar-19	Mar-21	Mar-22	Mar-23	Jun-23
Allocable to operating assets	23,339	13,581	14,403	14,147	11,757	12,176
Allocable to under-construction/to be operationalized assets	3,684	891	4,308	8,191	12,611	12,493
Total Debt	27,023	14,472	18,711	22,338	24,368	24,669
EBITDA	3,005	3,668	290*	1,204*	5,023	1,136
Capex Spend YTD	1,100	656	1,433	3,489	4,398	806
Interest Rate (%)	8.4	9.4	8.04	7.52	8.75	8.56

* Business impacted due to pandemic

The increase in debt from FY19 is primarily on account of acquisitions and growth assets

Under construction assets to generate ~20% returns (EBITDA on Invested capital)

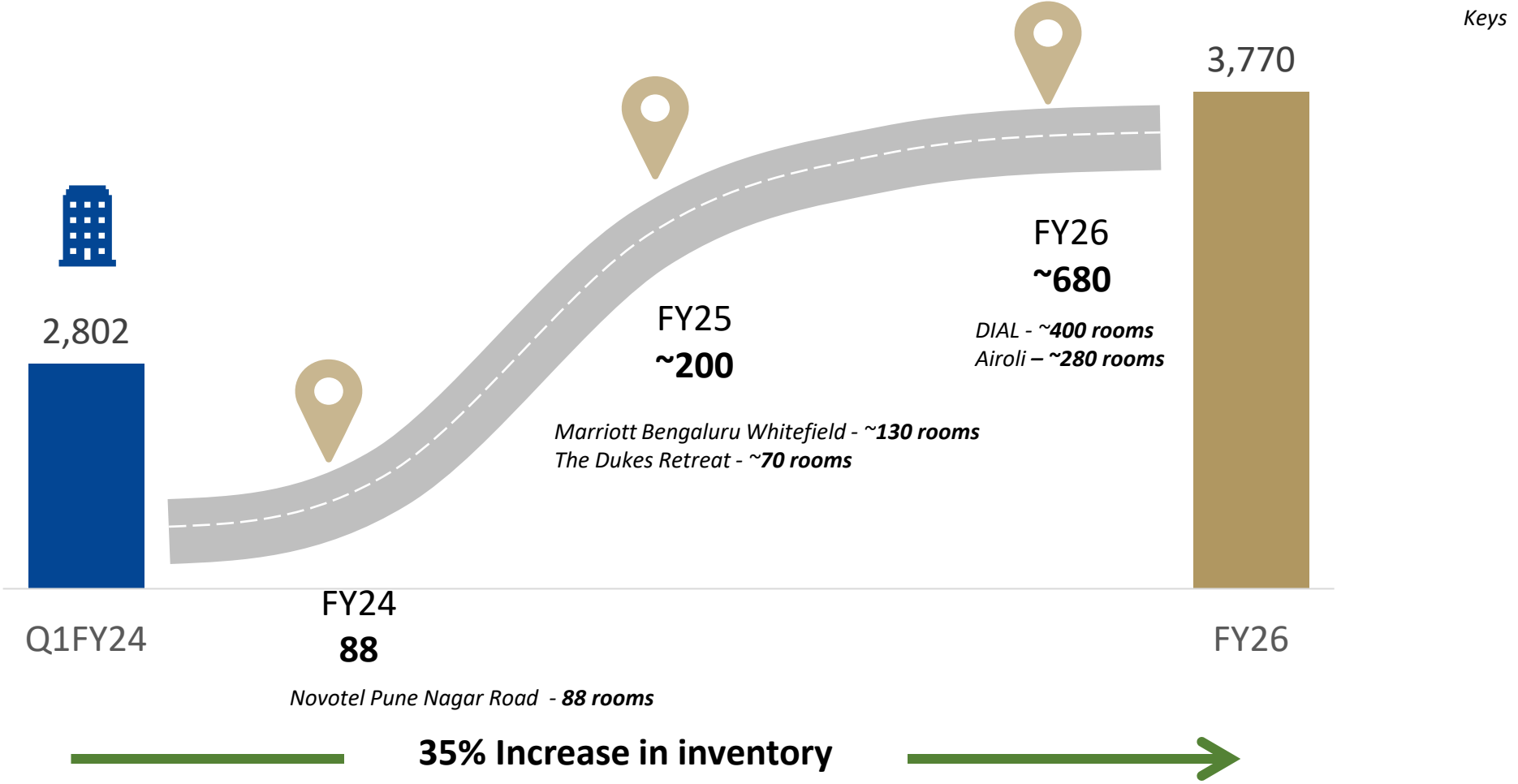


Project Update



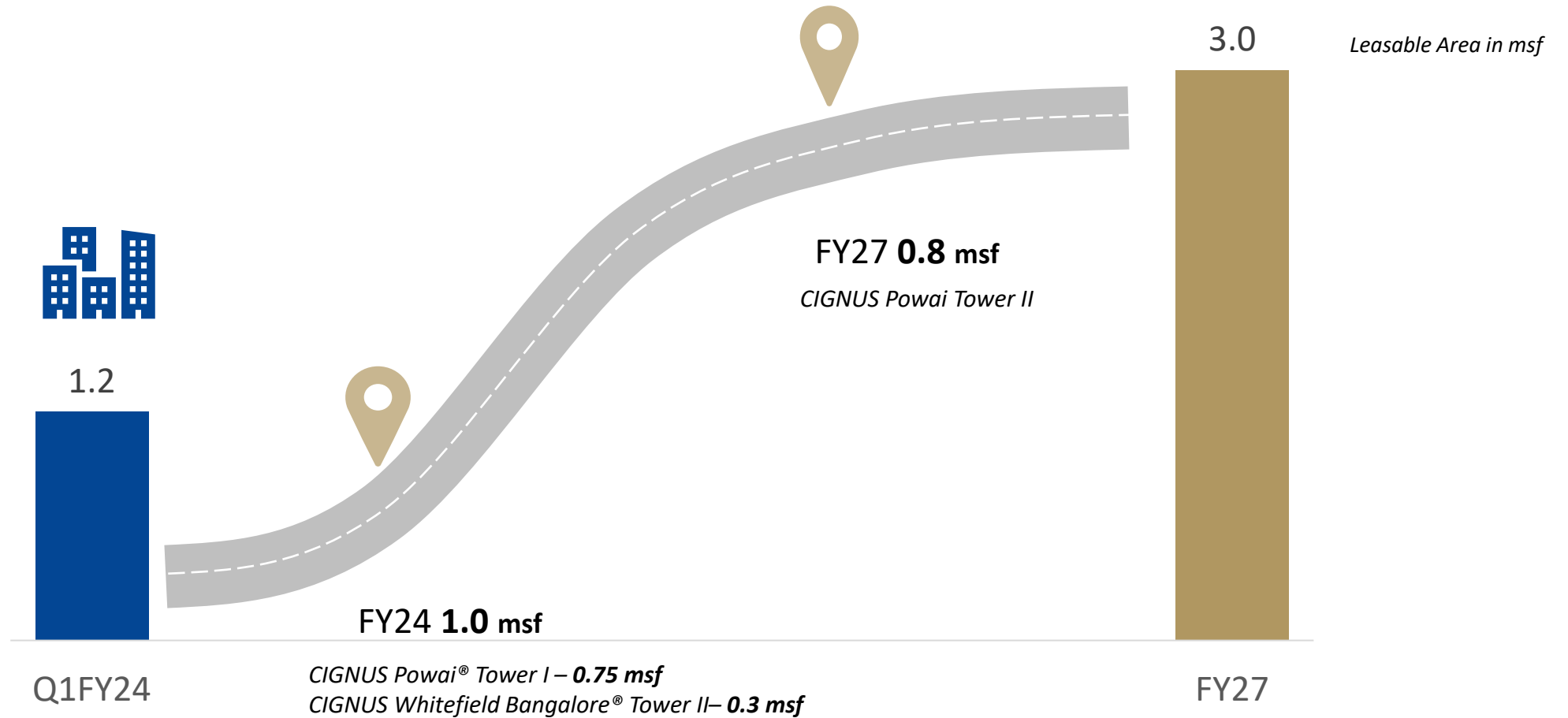
Announced pipeline – Hospitality

~30% of the additional room capacity is on existing assets which is expected to yield high EBIDTA margins



Announced pipeline – Commercial

STRATEGIC RISK HEDGE – 3.0 msf leasable Commercial office space by FY27



Ongoing Projects - Hospitality

Taj at Terminal 3,
Delhi Airport ~400
rooms

*Expected hotel
commissioning FY26*



Addition of 88 rooms at
Novotel Pune

*Rooms ready, full OC
awaited*

Renovation and
addition of ~70
rooms at The Dukes
Retreat

*Expected completion
in FY25*



The erstwhile 1.1 msf
office space at Marriott
Complex, Bengaluru to be
converted to additional
~130 guest rooms

Designs are in final stages

Bengaluru Commercial Complex

CIGNUS Whitefield Bangalore® Tower I - leasable area ~0.66 msf.

Tenants moving in by August 2023

CIGNUS Whitefield Bangalore® Tower II - leasable area ~0.3 msf.

To be ready for handover to tenants from Q3FY24

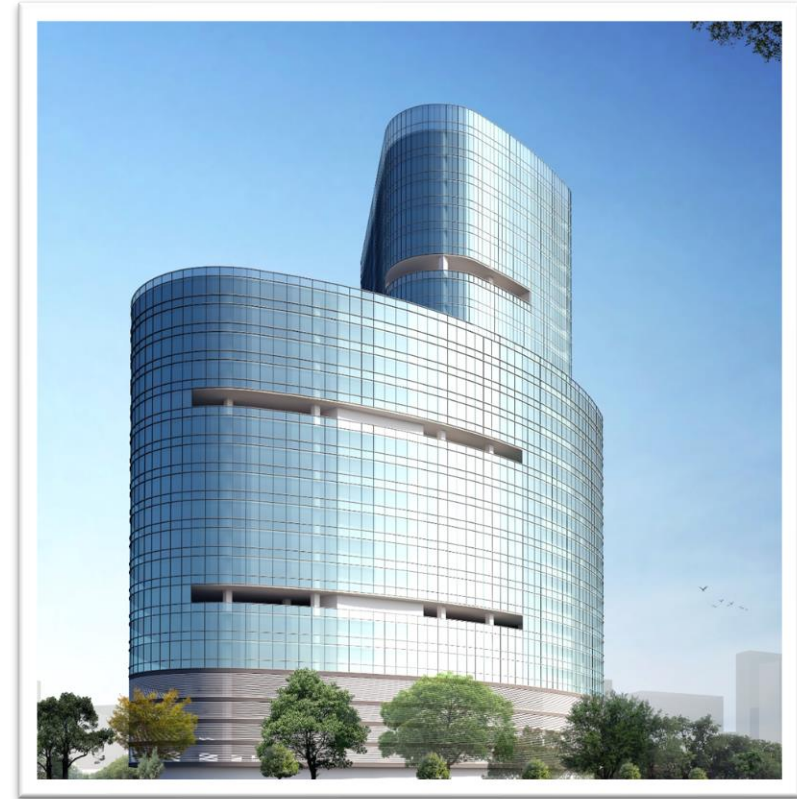


Powai Commercial Complex



CIGNUS Powai® Tower I at Westin Complex, Powai is a premium office space ~0.78 msf.

In final stage of completion



CIGNUS Powai® Tower II at Westin Complex, Powai a premium office space ~0.75 msf.

Expected completion by FY27

Real-estate Development in Bengaluru



A luxury residential offering by K Raheja Corp Homes

Koramangala is a sought-after residential neighborhood in Bengaluru. The area is known for upscale apartment complexes interspersed with some commercial buildings. Popular with young tech workers and students, the location has many popular restaurants and bars.

- ❖ 9 residential towers of **10 floors** each
- ❖ 2 residential towers of **11 floors** each
- ❖ New Commercial block for strata sale
- ❖ ~**Rs. 4,250 mn** estimated cost to completion
- ❖ Project expected to be completed by **FY26**

Approval in place from existing customers for revised plans

Revised Development Plans

(Subject to necessary approvals)

	(lac Sqft)	No Of Units
Residential	8.5	321
Sold	2.8	83
Unsold	5.7	238
Commercial	1.5	

RERA approval received, OC expected for 4 towers in the next two weeks, work in advanced stages

About Chalet



For a Sustainable Tomorrow

Robust and globally benchmarked **governance practices**, driven by a board with **57% independent directors**

Environment



- 68%* of power sourced through renewable resources in June 2023
- EV charging stations operational at 7 properties
- Focus on reducing energy consumption per room
- Focus on achieving water efficiency
- Minimizing Single-use Plastic consumption
- 100% recycling of wet waste through Organic Waste Composters
- ~97% of material sourced locally for capital expenditure
- Implemented IoT-enabled automation such as digital check-ins, mobile key systems, building management systems, and an IoT system for HVAC

Social



- Empowering employees' through the development of employee-centric policies, benefits, learning and development platforms, and fostering diversity, equity, and inclusion
- CSR programs designed for skill development, providing infrastructure support, and promoting



All new properties to be certified at a minimum of USGBC LEED Gold level.



* Includes management estimates

Climate Group commitment

First hospitality company globally to sign up for all the three initiatives of The Climate Group

EV100

- ✓ 100% of the vehicle fleet used for guest transport - will transition to Electric Vehicles by FY25
- ✓ All Chalet properties are equipped with EV Charging points accessible to both employees and visitors.

EP100

- ✓ Chalet Hotels commits to double its revenue per unit of electricity consumed by FY29, considering a baseline year of FY16

RE100

- ✓ All properties in the Company's portfolio to move to 100% renewable energy by FY31
- ✓ 68%* of power sourced through renewable resources as on 30 June 2023

THE CLIMATE GROUP

* Includes management estimates

Operating Portfolio – Hotels



The Westin Mumbai Powai Lake, 600 keys



JW Marriott Mumbai Sahar, 588 keys



The Dukes Retreat, 80 Keys
(Upcoming ~70 Keys)



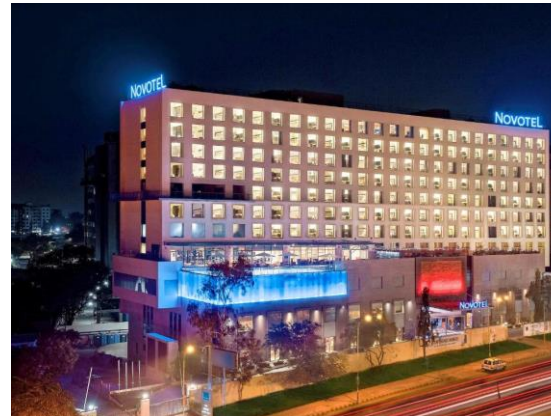
The Westin Hyderabad HITEC City,
168 Keys



Four Points by Sheraton Navi
Mumbai, Vashi, 152 Keys



Lakeside Chalet, Marriott Executive
Apartments, Mumbai, 173 Keys



Novotel Pune Nagar Road Hotel, 223 Keys
(Upcoming 88 Keys)



Bengaluru Marriott Hotel Whitefield,
391 Keys *(Upcoming ~140 Keys)*



The Westin Hyderabad Mindspace,
427 Keys
23

Operating Portfolio – Commercials



The Orb – Retail & Office Tower, 0.5 mn sq. ft.



CIGNUS Whitefield Bangalore® Tower I, 0.66 mn sq. ft.

Profit & Loss Statement – 5 year trend

(In Rs. Mn)

Particulars (Consolidated)	FY23*	FY22	FY21	FY20	FY19
ADR	9,169	4,576	4,040	8,482	8,210
Occupancy	72%	51%	30%	71%	77%
RevPAR	6,605	2,355	1,214	6,022	6,283
Total Income	11,780	5,297	3,075	10,087	10,348
Total Expenditure	6,757	4,093	2,785	6,380	6,680
EBITDA from continued operations	5,023	1,204	290	3,708	3,668
<i>Margin %</i>	43%	23%	9%	37%	36%
Adjusted EBITDA from continued operations	4,760[#]	1,099	325	3,708	3,668
<i>Adjusted Margin %</i>	41%	22%	11%	37%	36%
Profit/ (Loss) before income tax	2,728	-1,534	-2,446	1,008	-183
Tax Expense	895	-720	-1,092	12	-107
Profit / (Loss) for the year	1,833	-815	-1,391	996	-76
Other comprehensive (expense)/income	-4.64	1.50	0.28	-11	-8
Total Comprehensive Income	1,828	-813	-1,391	985	-84
EPS (Rs.)	8.94	-3.98	-6.78	5.01	-0.43

[#] Excluding: Rs 263 mn as "Other Income" on account of change in the estimated cash outflows for redemption of 0% NCRPS with respect to the Koramangala Project

PAT Includes profits/losses from discontinued operations

*Revised post merger

Balance Sheet – 5 year trend

(In Rs. Mn)

Particulars (Consolidated)	FY23*	FY22	FY21	FY20	FY19
Inventory					
Hotels	8	7	7	7	6
Rooms	2,634	2,554	2,554	2,554	2,311
Capital Employed	38,531	35,821	32,276	32,816	28,348
Investments#	5,985	3,489	1,433	3,277	656
Net Worth	15,415	13,410	14,329	15,492	14,469
Net Debt (Excl Pref Capital & ICD from Promoters)	24,368	22,338	18,711	16,570	14,472
Net Debt to Equity Ratio	1.67	1.76	1.4	1.2	1.0
Cost of debt	8.8%	7.5%	8.0%	9.2%	9.4%
Cash Flow from Operations	4,769	622	633	2,564	3,603

#Investments includes capex spent during the year and acquisitions

*Revised post merger



Disclaimer

This release has been prepared by Chalet Hotels Limited (CHL) and the information on which it has been based has been derived from sources that we believe to be reliable. Whilst all reasonable care has been taken to ensure the facts stated are accurate and the opinions given are fair and reasonable, neither CHL, nor any director or employee of CHL shall in any way be responsible for the contents.

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Chalet Hotels Limited may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

This release does not constitute a sale offer, or any invitation to subscribe for, or purchase of equity shares.

Thank You!

Investor Relations Contact

Ruchi Rudra / Meghna Luthra

E-mail: ruchi.rudra@chalethotels.com
meghna.luthra@chalethotels.com
investorrelations@chalethotels.com

Chalet Hotels Limited
Raheja Towers, 4th Floor, Block G, BKC, Mumbai 400 051