



Corporate Presentation

November 2019

Pedigree

K Raheja Corp

Leading real estate developer
in India for over Four Decades

Proficiency

Right Assets
Right Location
Right Partnership
Right Team

Performance

Robust Operating
Performance



K Raheja Corp – A Group Overview

4

Decades of experience



Pan India presence



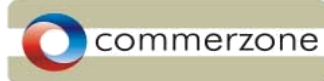
9,500+ employees



Office



Developed >25 msf



Hospitality



2,700+ ⁽¹⁾ operational keys

CHALET
HOTELS

Partner with Marriott ⁽²⁾

Malls



2.5 msf area across 6 malls



Residential



Developed residential spaces
across 6 key cities



Retail



Leading retail platform -
290 stores across India

SHOPPERS STOP
START SOMETHING NEW

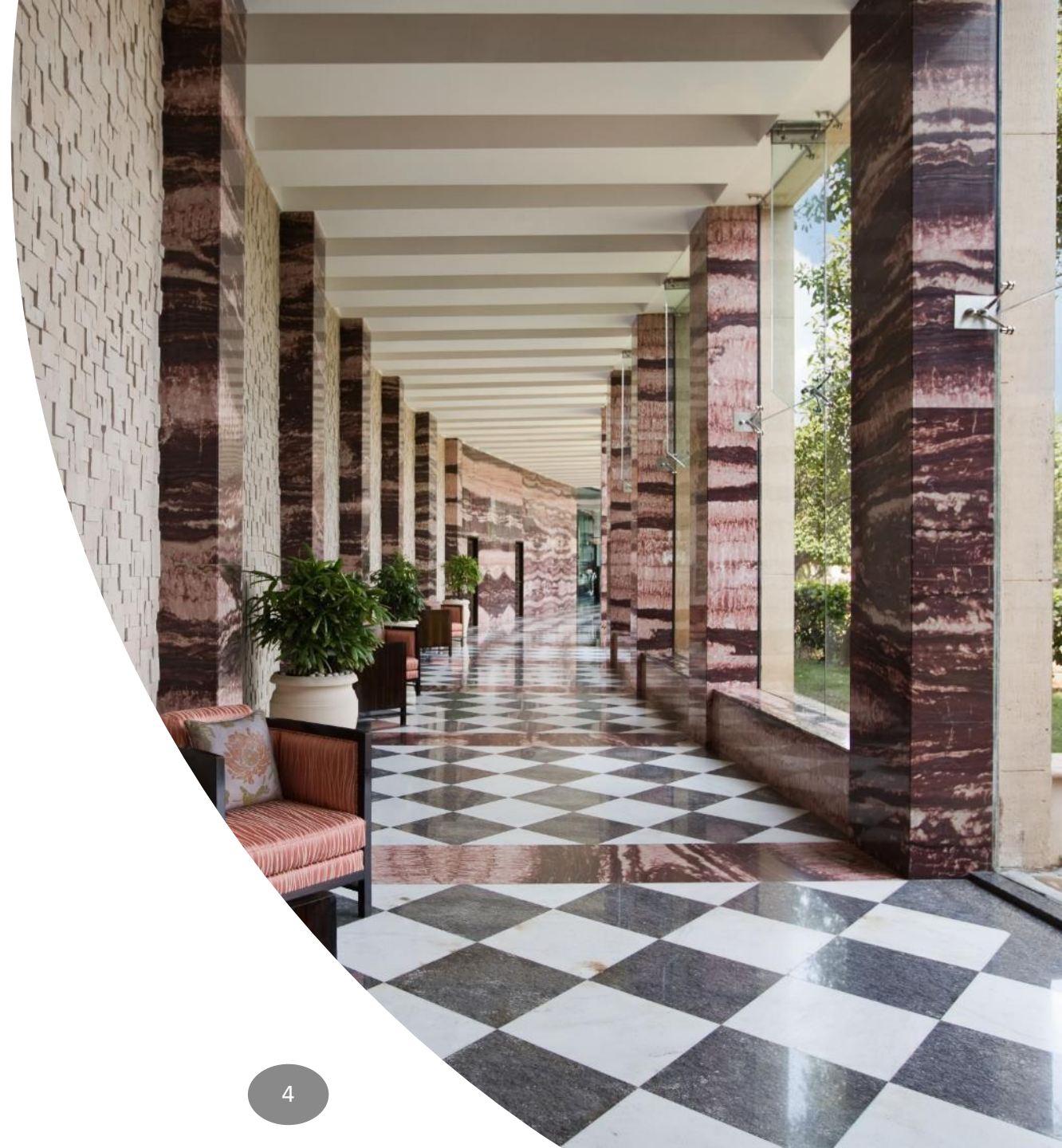
CROSSWORD

1. Chalet Hotels - 2,331 keys and others Including joint ownership assets

2. Marriot Hotels India Pvt. Ltd and its affiliates

About Chalet..

CHALET
HOTELS



Well Positioned to Benefit from Industry Trends

About the Company



**Located in
High Density
Business Districts**
*Mumbai, Bengaluru,
Hyderabad*



INR 10,348 Mn

Total Income – FY2019



**INR 3,668 Mn
/ 35.5%**

*EBITDA and EBITDA
Margin – FY2019*

Portfolio of High-End Branded Hotels



**2,331 Operational/
~580 Proposed
Pipeline**

Keys as of 31st March 2019



INR 9,137 Mn

*Hospitality Revenue –
FY2019*



**INR 3,566 Mn
/ 39.0%**

*Hospitality Segment Profit
before Interest Depreciation
and Tax / Margin % –
FY2019*

Hotel-led Complementary Mixed-Use Real Estate – Countering Cyclical of Hotels



~483K sq.ft.

*Mixed-Use Commercial &
Office*



~384K sq.ft.

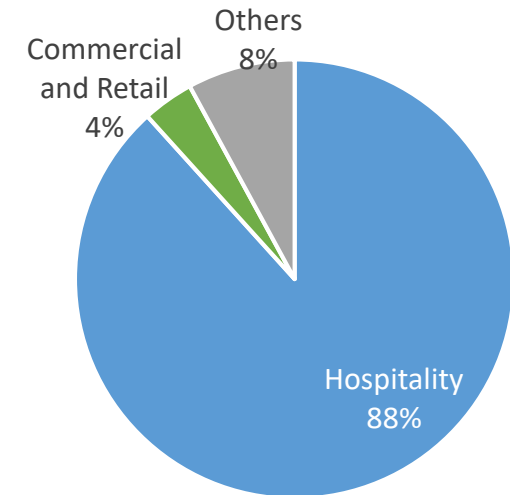
Mixed-Use Retail Space



1.12 MM sq.ft.

*Pipeline Mixed-Use
Commercial Office*

Hospitality the leading
business driver
(FY19 Total Income)



Our Hotel Portfolio



JW Marriott Mumbai Sahar
(588 Keys)



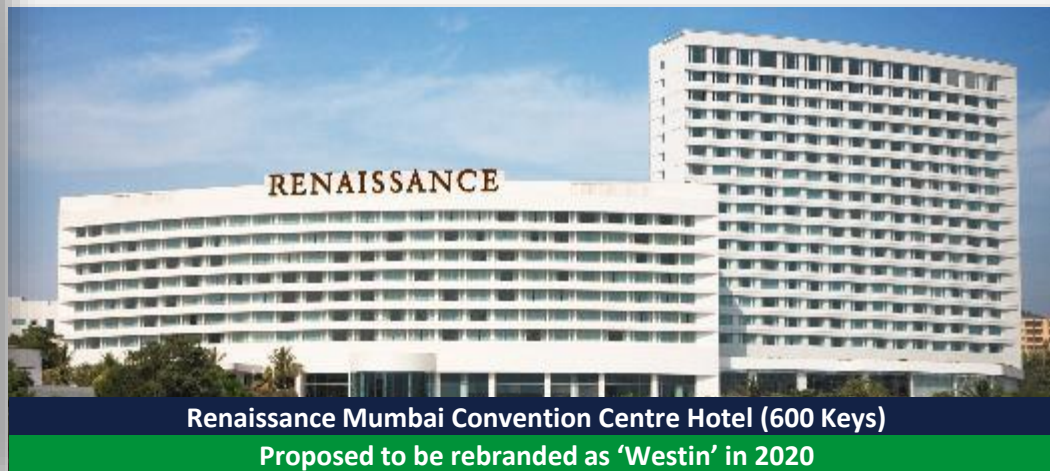
Bengaluru Marriott Hotel Whitefield
(391 Keys)



The Westin Hyderabad Mindspace (427 Keys)



Four Points by Sheraton Navi
Mumbai, Vashi (152 Keys)



Renaissance Mumbai Convention Centre Hotel (600 Keys)
Proposed to be rebranded as 'Westin' in 2020

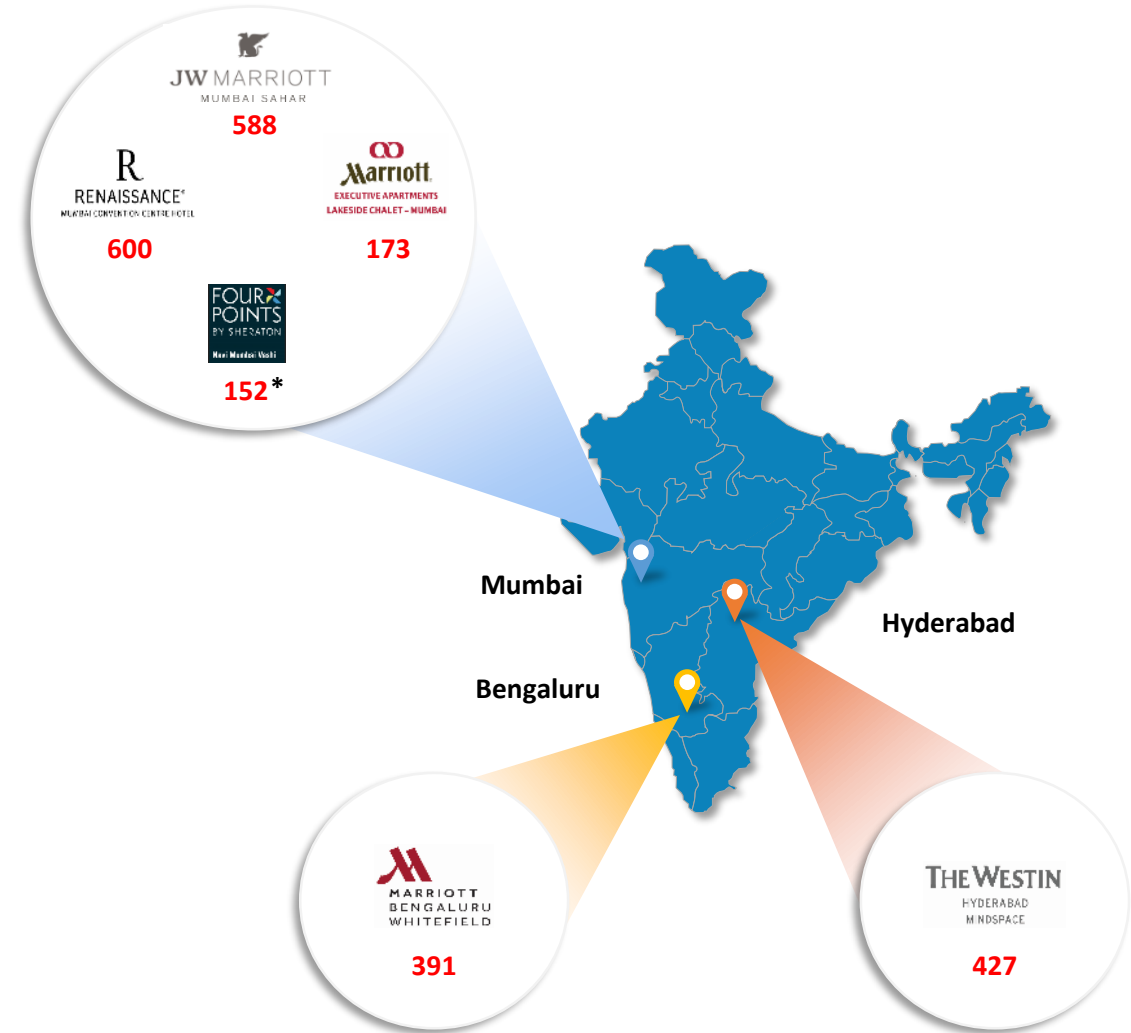
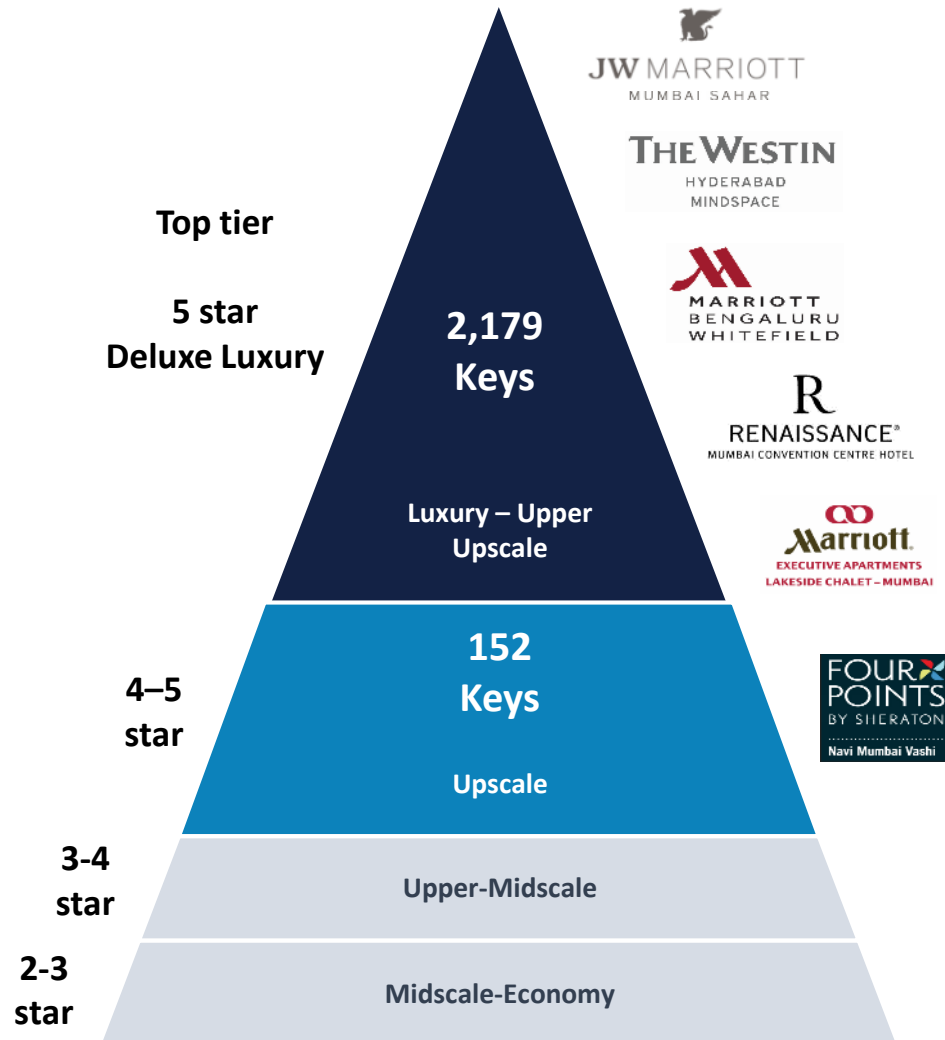
Strategically Chosen Brands at Key Locations
Leading to Market Leadership



Lakeside Chalet, Mumbai-Marriott Executive
Apartments (173 Keys)



Portfolio of High-End, Globally Recognized, Branded Hotels

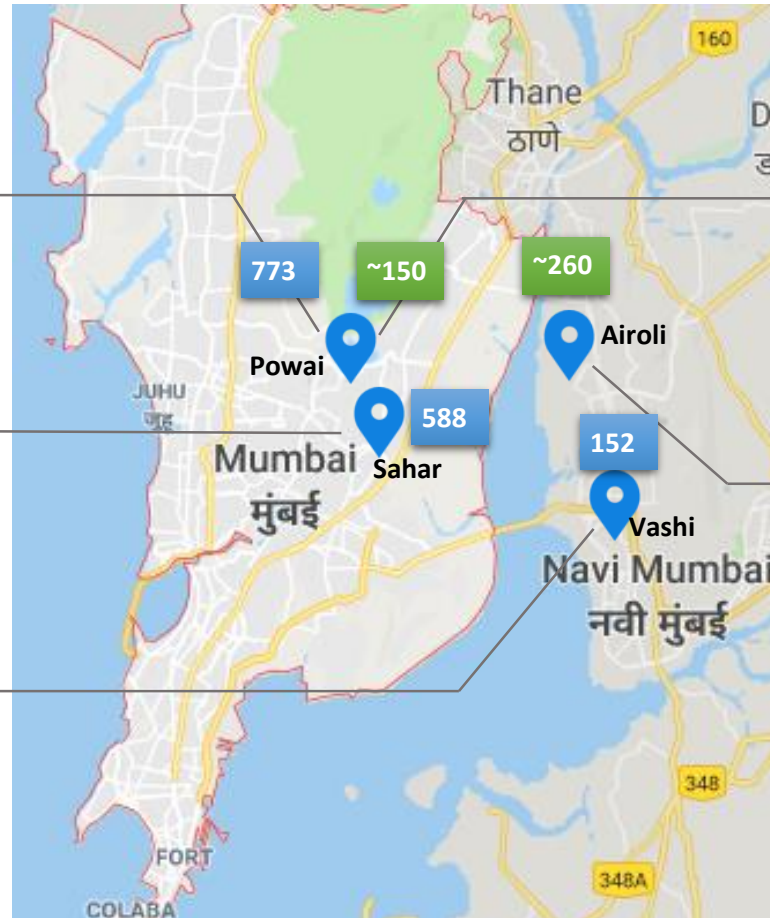


* Under Franchise Agreement, Leasehold Land

65% of Current Inventory in the Financial Capital of India

Located in Central Business District and New Business Centers of Mumbai Metropolitan Region

Current Inventory
(1,513 Keys)



Proposed Pipe-line
Inventory (~410 keys)



Favorable Demand/Supply
Dynamics

+

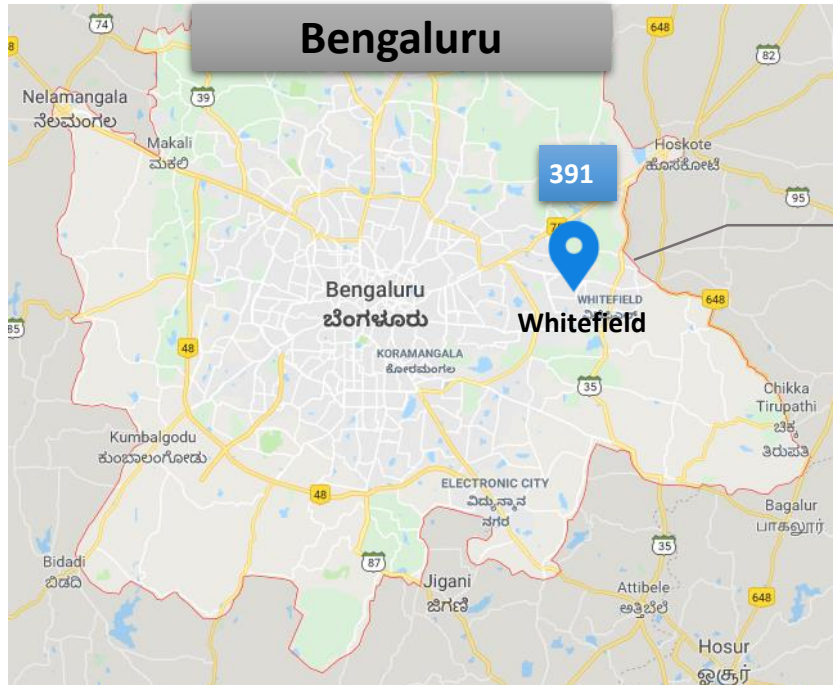
Infrastructure Opportunities
augurs well for the City

- New Airport under-development in Navi Mumbai
- Metro Lines
- Mumbai Trans Harbor Project
- Coastal Road
- Expansion of JNPT terminals
- New Business District in Navi Mumbai

1. MoU executed for the brand
2. Lol executed for the brand

Strategically placed in Business Cities

Located in New Business Centers



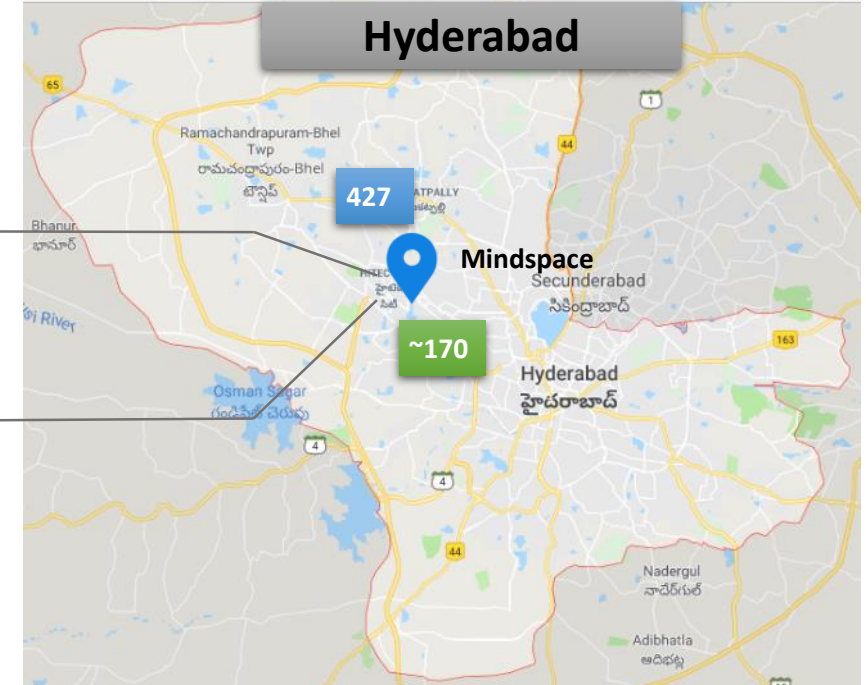
Current Inventory



THE WESTIN
HYDERABAD
MINDSPACE

Proposed Pipe-line Inventory

THE WESTIN ¹



Ongoing Infrastructure Developments in the Micro Markets

Bengaluru

- Metro Line

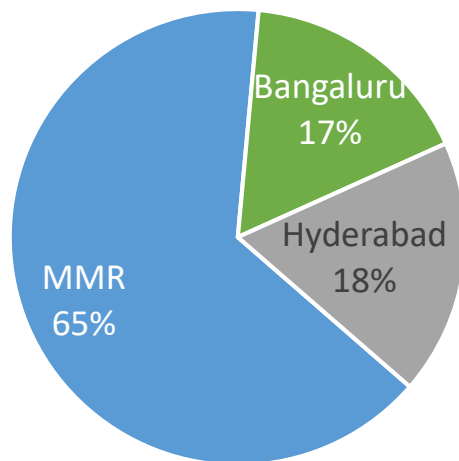
Hyderabad

- Metro Line
- Improved road infrastructure
- IT and Fintech development

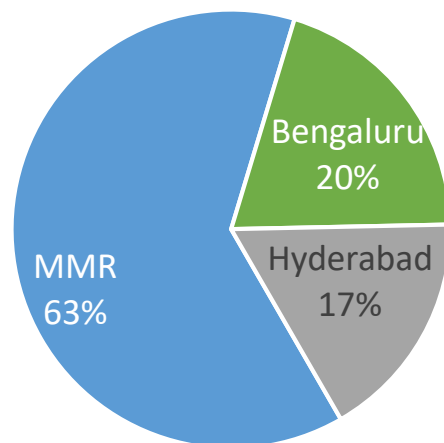
1. MoU executed for the brand

Hospitality City-wise performance

FY19 Segment Revenue Rs 9,137 Mn



FY19 Segment Profit* Rs 3,566 Mn



*Segment Profit before Interest Depreciation and Tax

	FY19	FY18	FY17	CAGR
Total Keys	2,331	2,328	2,259	1.6%
ADR (Rs.)				
MMR	8,086	7,629	7,700	2.5%
Bengaluru	8,756	8,620	8,968 ¹	-1.2%
Hyderabad	8,205	7,896	7,792	2.6%
Combined	8,218	7,840	7,822	2.5% ↑
Occupancy %				
MMR	76%	73%	67%	900 bps
Bengaluru	77%	75%	74% ¹	300 bps
Hyderabad	76%	72%	69%	700 bps
Combined	76%	73%	67%	900 bps
RevPAR (Rs.)				
MMR	6,178	5,543	5,126	9.8%
Bengaluru	6,757	6,447	6,665 ¹	0.7%
Hyderabad	6,234	5,694	5,349	8.0%
Combined	6,283	5,716	5,276	9.1% ↑

MMR: Mumbai Metropolitan Region

¹ FY17 performance includes full year of Bengaluru Hotel, though statutory financials include Bengaluru Hotel revenues and expenses only from November 1, 2016 (effective date of merger)

- ✓ Actively engage with hotel management team at each hotel to set operational and financial targets
- ✓ Drive performance through structured monthly review of reports generated by each hotel
- ✓ Discuss and optimize pricing strategies to maximize room yield
- ✓ Conduct periodic meetings with hotel operator's leadership teams
- ✓ Review competitor set performance and penetration
- ✓ Review and execute renovation plans

Market Leading Operating Parameters

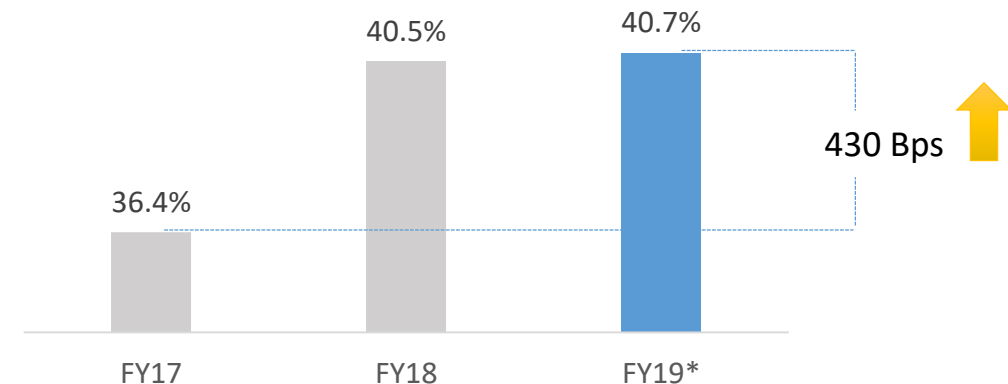
14%

Employee Cost as a % of Revenue (FY19)
Staff per room ratio at 1.2

7%

Power & Fuel Cost as a % of Revenue (FY19)

Consistent improvement in Operating Performance Hospitality Margins%**



* Excludes impact of Forex Movement Rs 154 Mn

** Segment Profit before Interest Depreciation and Tax

Identification of Location, Land Acquisition

- Comprehensive market selection process
- Management's expertise and know-how plays a vital role in location selection

Project Planning

- In-house teams that cater to various facets of project planning
- Robust use of technologies and products to drive efficiencies

Execution and Construction

- Standardized designs and defined process → streamline cost and time
- Obtain the requisite approvals and clearances
- Monitor development process, costs and quality

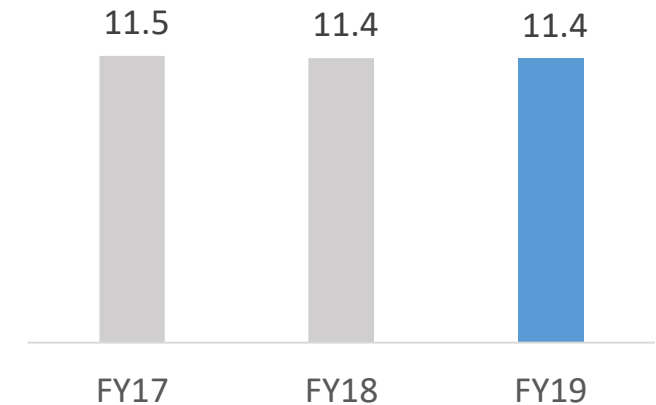


Group Expertise

- Knowledge of Infrastructure Development
- Benefit of Scale
- High competence on land acquisitions

(In Rs. Mn)

Gross Block per Key



*Excluding Revaluations

Strategy of **co-locating projects** augur well for **Business Demand**
coupled with optimal utilization of **available land**

Office and Retail (0.9 Mn sqft)



Office Tower
Whitefield, Bengaluru

109K sq ft



Inorbit Mall
Whitefield, Bengaluru

260K sq ft of Retail area

(Multiplex under construction)

Office Tower
Sahar, Mumbai

374K sq ft in Prime Location



The Orb
Sahar, Mumbai

123K sq ft Food & Beverage
Hub in Prime Location



Proposed Development Pipeline in Key Business Districts

	Hotel and Convention Center	Hotel	Commercial
Location	Renaissance Complex, Powai	Airoli, Navi Mumbai	Renaissance Complex, Powai
Proposed Brand	'W' ³	Hyatt Regency ⁴	-
Est. opening	2022 ¹	2022 ¹	2021 ¹
Keys / Total Build Up Area	~150 Keys & ~40k Sqft Convention Center	~260	~750k Sqft
Ownership	Freehold	Leasehold ²	Freehold

Commercial

Location: Marriott Complex, Whitefield

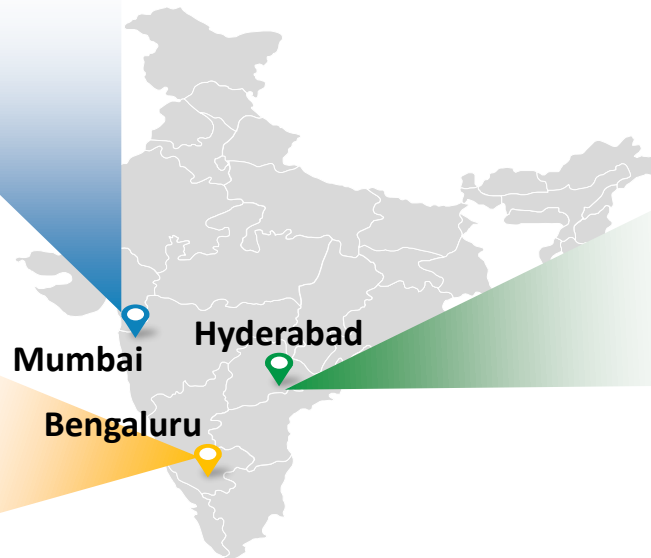
Est. opening: 2021¹

Total Build Up Area: ~400k Sqft.

Ownership: Freehold

Residential

Location: Koramangala



Hotel

Location: Mindspace, Hyderabad

Proposed Brand: Westin³

Est. opening: 2020¹

Keys: ~170

Ownership: Leasehold⁵

Note

1. Dates are based on management estimates, subject to approvals
2. MoU for lease executed

3. MoU executed for the brand
4. Lol executed for the brand
5. Lease deed Executed



Energy Initiatives

- ✓ 42% of electricity sourced from renewable energy sources (FY19)
- ✓ Power consumption down 9% per key (FY16 to FY19)



Water Management

- ✓ Rain-water harvesting
- ✓ Aerators for water taps & Showers



Waste Management

- ✓ Sewage Treatment Plants
- ✓ Organic Waste Composter
- ✓ Responsible disposal of e-waste
- ✓ Recycle used cooking oil



Minimizing Plastic Usage

- ✓ Shifting to Bio-degradable plastic wherever possible
- ✓ Single-use plastic usage being phased out

On going key Initiatives

- ✓ Installation of Water bottling plants at the Hotels – replacing plastic bottled water with glass bottles



Partnering with **TRRAIN**

Creating Livelihood and skilling
Differently Abled People through an
initiative called **Pankh** by TRRAIN

- Chalet Hotels Limited training 40 young people
- Targeting to train ~100 individuals by the end of FY20



TRRAIN is a public charitable trust formed in 2011, with the vision of empowering people in India through skills development.

Awards & Certifications



Loved By Guest Award Winner 2019 - Expedia

– Four Points by Sheraton, Vashi



Most Luxurious Spa Treatment 2019

– J W Marriott Mumbai Sahar



Best Business Hotel in Maharashtra Business Leaders Award 2019

– Four Points by Sheraton, Vashi



Best Business Hotel

South Region 2nd Quarter 2019 Awards

– The Westin Hyderabad Mindspace



Hotel Manager of the Year National Award 2019

– J W Marriott Mumbai Sahar

Executive Chef of the Year (West Zone) PR Manager of the Year (West Zone)

– Renaissance Mumbai Convention Centre Hotel

USGB Gold Leed Certification

– JW Marriot Mumbai Sahar

- Marriott Whitefield Bengaluru



The Board of Directors

Independent Chairman

#1

#5

#2

Promoter
Directors

#6

#3

Independent
Directors

#7

Executive
Directors

#4

#8

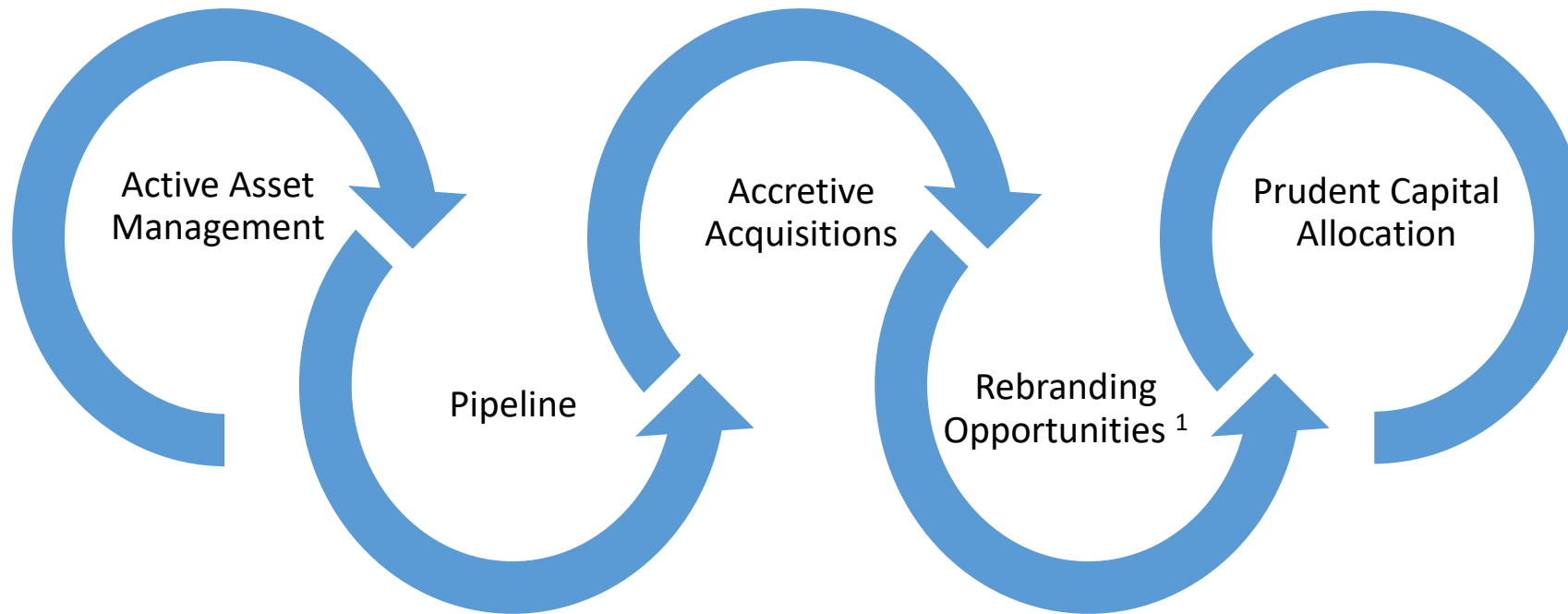


In the order of Standing (Left to Right)

Rajeev Newar	Neel Raheja	Hetal Gandhi	Ravi Raheja	Joseph Conrad D'Souza
<i>Executive Director & CFO</i>	<i>Non-Executive Director</i>	<i>Chairman</i>	<i>Non-Executive Director</i>	<i>Independent Director</i>

In the order of Seating (Left to Right)

Arthur William De Haast	Radhika PIRAMAL	Sanjay Sethi
<i>Independent Director</i>	<i>Independent Director</i>	<i>Managing Director & CEO</i>



¹ The Westin Hyderabad Mindspace: Dec 31 2021; Renaissance Mumbai Convention Centre Hotel and Lakeside Chalet, Mumbai-Marriott Executive Apartments Powai: Mar 31 2020, Four Points by Sheraton Navi Mumbai, Vashi Franchise Agreement: Dec 31, 2021

Business Performance

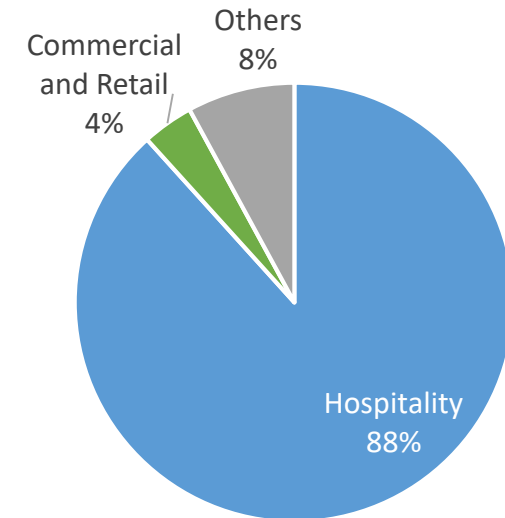


Consolidated Profit / Loss Statement

(In Rs. Mn)

Particulars	H1FY20	FY19	FY18	FY17	CAGR FY17-FY19
Revenue from Operations	4,756	9,872	7,955	6,803	20.5% ↑
Other income	110	476	557	2,187	
Total Income	4,867	10,348	8,513	8,990	7.3%
Total Expenditure	3,146	6,679^	5,508	4,907	16.7%
EBITDA	1,721	3,668	3,005	4,083	-5.2%
Margin %	35.4%	35.5%	35.3%	45.4%	
Operating EBITDA	1,611	3,192	2,447	1,896	29.8% ↑
Margin %	33.9%	32.3%	30.8%	27.9%	
Depreciation and Amortisation	565	1,154	1,116	1,270	
Finance costs	726	2,657	2,119	2,180	
Exceptional items ¹	-25	-41	-1,218	0	
Profit/(Loss) before income tax	405	-183	-1,448	633	
Tax Expense	163	-107	-520	-758	
Profit/(Loss) for the period	242	-76	-929	1,391	
Other comprehensive (expense)/income	-4	-8	15	0	
Total Comprehensive Income for the period	238	-84	-914	1,391	
EPS (In Rs.)	*1.2	-0.4	-5.9	8.7	

Hospitality the leading
business driver
(Total Income FY19)



¹ Exceptional Item on account of accounting adjustments for Residential Property at Koramangala Bangalore

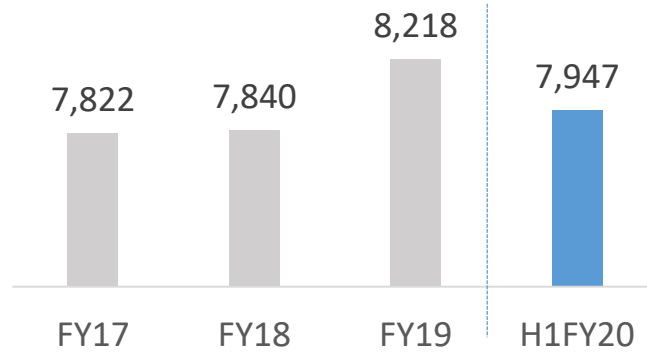
*not annualized ^Includes Exchange loss of Rs 199 mn

Operating EBITDA is excluding other income

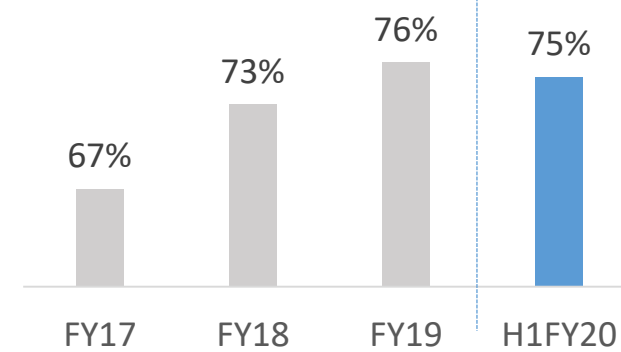
Hospitality Portfolio Performance

(In Rs. Mn)

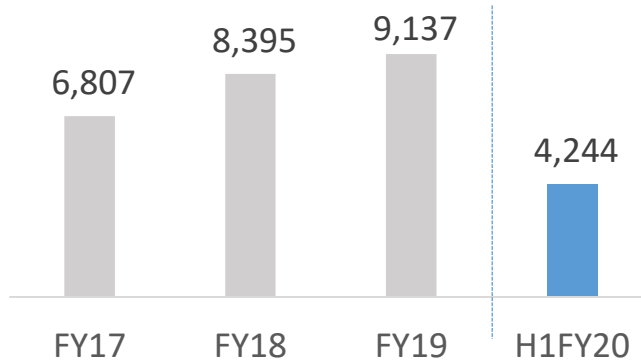
ADR (Rs.)



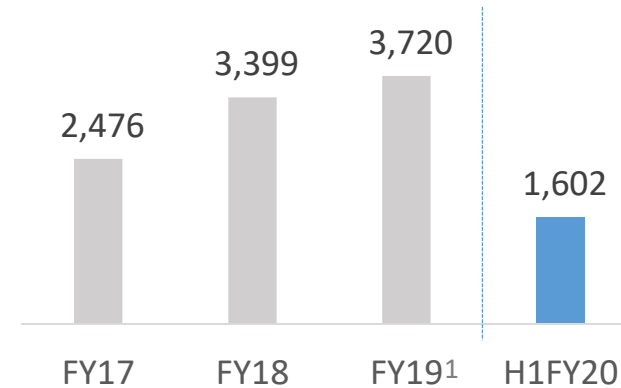
Occupancy %



Revenue



Segment Profit*



* Segment Profit before Interest Depreciation and Tax

¹ Excludes impact of Forex Movement Rs 154 Mn

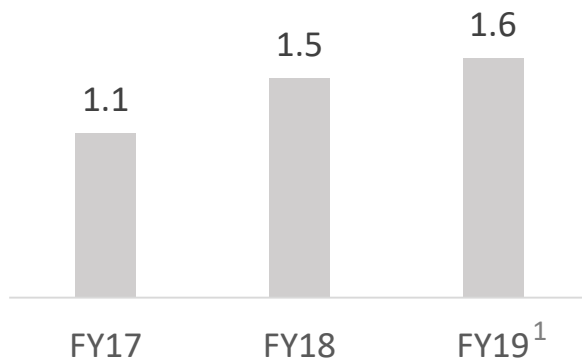
Improving Profitability

Combined with efficient
development cost

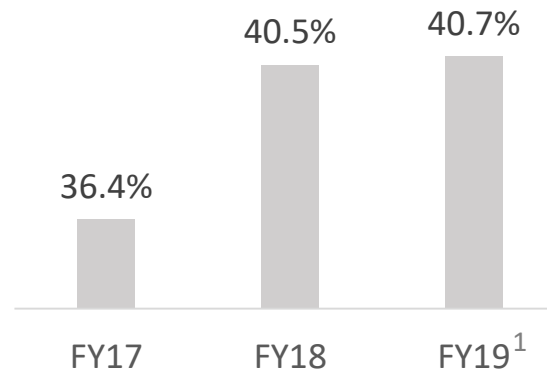


Delivering Robust
Return Ratios

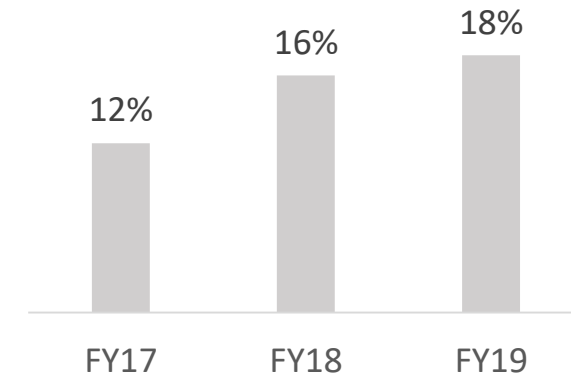
Segment Profit* Per Key



Segment Profit* Margin



ROCE ²



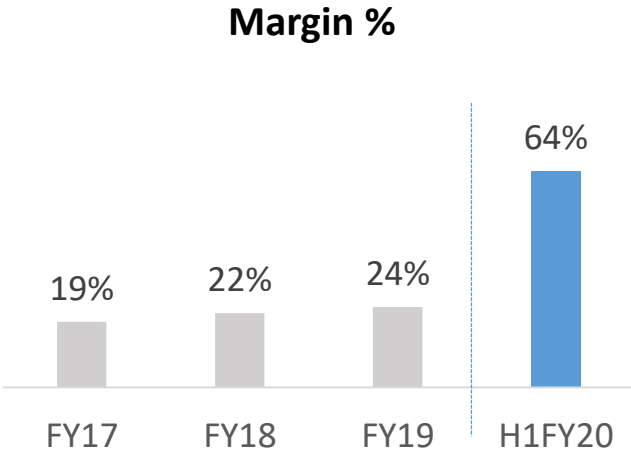
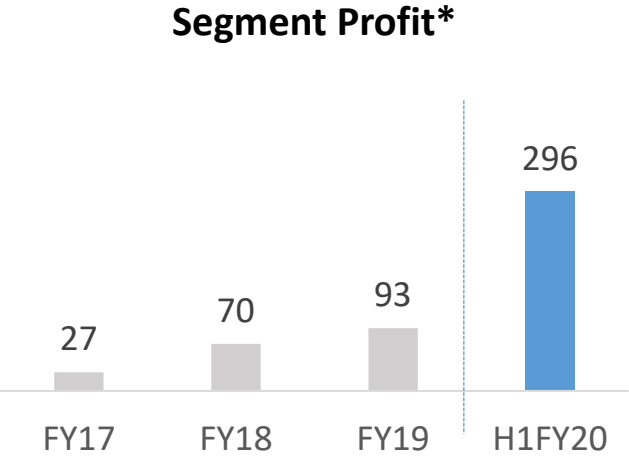
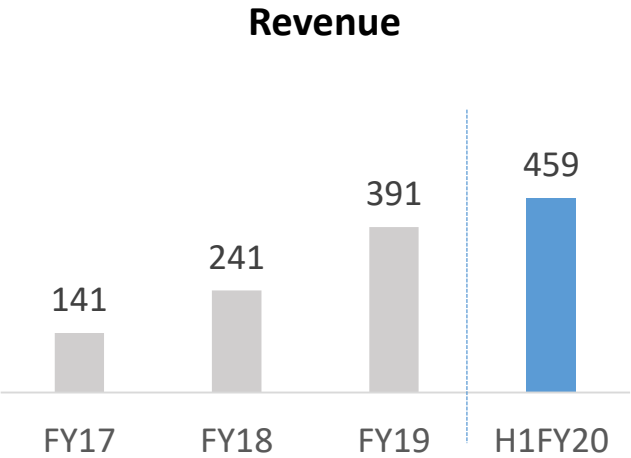
(In Rs. Mn)

* Segment Profit before Interest Depreciation and Tax

¹ Excludes impact of Forex Movement Rs 154 Mn

² ROCE= Segment Profit/Capital Employed

(In Rs. Mn)



The Orb at Sahar



* Segment Profit before Interest Depreciation and Tax
Includes Straight Line Impact on lease rentals of Rs. 270 mn in H1FY20, Rs.96 Mn FY19, Rs. 6 Mn FY18, Rs. 6 Mn FY17

Consolidated Balance Sheet Statement

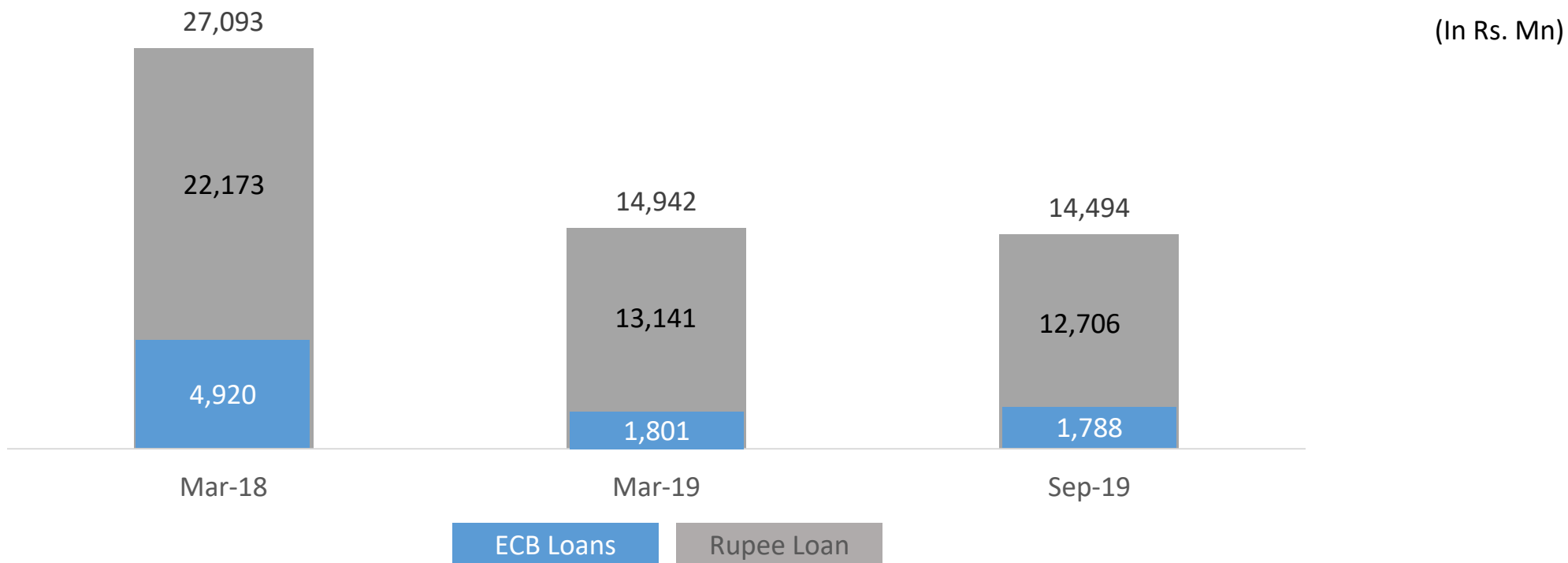
(In Rs. Mn)

Particulars	Sep 30, 2019	March 31, 2019	March 31, 2018
Fixed Assets	20,131	20,492	21,211
Capital Work in-progress	498	342	218
Investment Property	6,951	6,810	6,737
Goodwill	226	226	226
Other Non-Current assets	1,828	1,735	1,711
Current Assets ¹	5,923	5,994	7,057
TOTAL ASSETS	35,558	35,599	37,160
Total Equity	14,646	14,255	4,955
Total Gross Debt	14,494	14,942	27,093
Preference Capital	892	518	160
Other Non-Current Liabilities	652	701	854
Current Liabilities ¹	4,874	5,183	4,098
TOTAL EQUITY AND LIABILITIES	35,558	35,599	37,160

¹ Bengaluru Residential Project:

- Inventory of Rs. 3,822 Mn (Sep 19), Rs. 3,814 Mn (March 19) and Rs. 2,756 Mn (March 18)
- Advances and Provisions of Rs. 2,822 Mn (Sep 19), Rs. 3,040 Mn (March 19) and Rs. 2,051 Mn (March 18)

Debt Position



Consolidated	March 31, 2018	March 31, 2019	Sep 30, 2019
Total Debt / Equity	5.5	1.0	1.0
Total Debt / EBITDA	9.0	4.1	-
USD:INR Conversion rate used	65.04	69.17	70.69

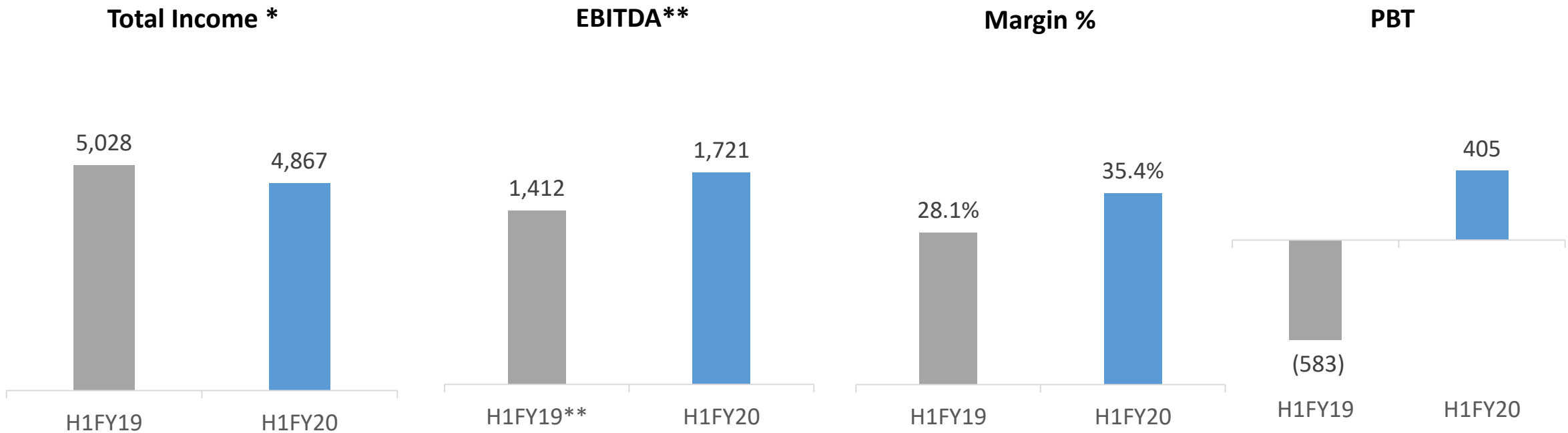
Excluding Preference Share Capital

H1FY20 Performance



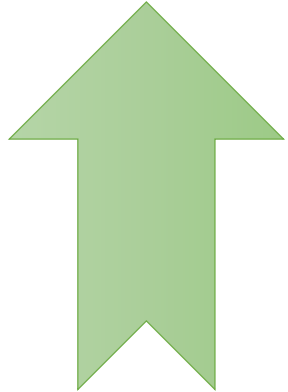
Consolidated H1FY19 Performance

(In Rs. Mn)



* Treasury income lower by Rs 103 mn

**Includes Exchange loss of Rs 389 Mn (CY NIL)

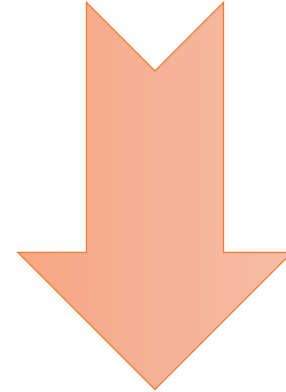


Industry

- Positive demand supply arbitrage

Chalet Hotels Limited

- ADR driven RevPAR growth
- Occupancy steady at 75%
- Effective cost management
- Improved Capital Structure



Industry

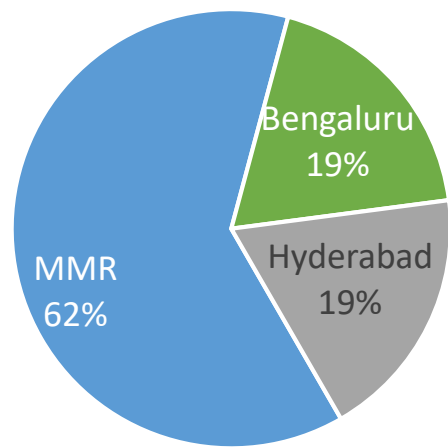
- Impact of Elections
- General economic slowdown
- Shutting down of a major airline
- Extended and disruptive Monsoon

Chalet Hotels Limited

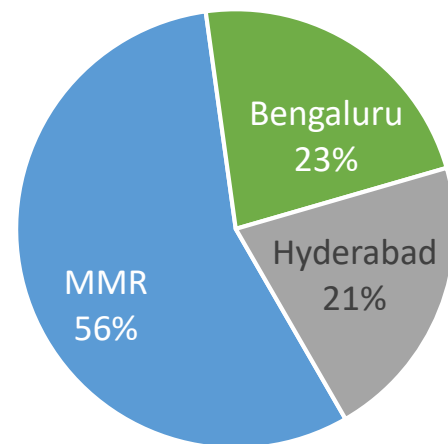
- Lower Banquet and MICE revenue

Hospitality City-wise performance

H1FY20 Revenue Rs 4,244 Mn



H1FY20 Segment Profit* Rs 1,602 Mn



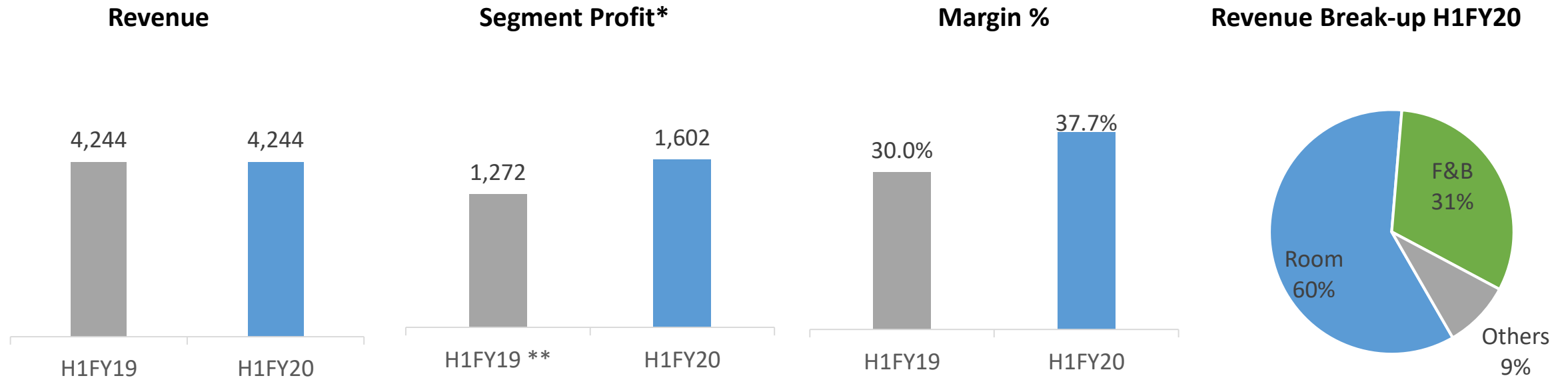
*Segment Profit before Interest Depreciation and Tax

	H1FY20	H1FY19	YoY%	FY19
ADR (Rs.)				
MMR	7,735	7,558	2%	8,086
Bengaluru	8,686	8,442	3%	8,756
Hyderabad	7,967	7,713	3%	8,205
Combined	7,947	7,742	↑ 3%	8,218
Occupancy %				
MMR	73.6%	73.7%	-10 bps	76%
Bengaluru	79.0%	78.1%	90 bps	77%
Hyderabad	74.7%	76.6%	-190 bps	76%
Combined	74.7%	75.0%	-30 bps	76%
RevPAR (Rs.)				
MMR	5,690	5,570	2%	6,178
Bengaluru	6,865	6,590	4%	6,757
Hyderabad	5,952	5,909	1%	6,234
Combined	5,935	5,804	↑ 2%	6,283

MMR: Mumbai Metropolitan Region

Hospitality Segment H1FY20

(In Rs. Mn)



* Segment Profit before Interest Depreciation and Tax

** Includes Exchange loss of Rs 367 Mn (CY NIL)

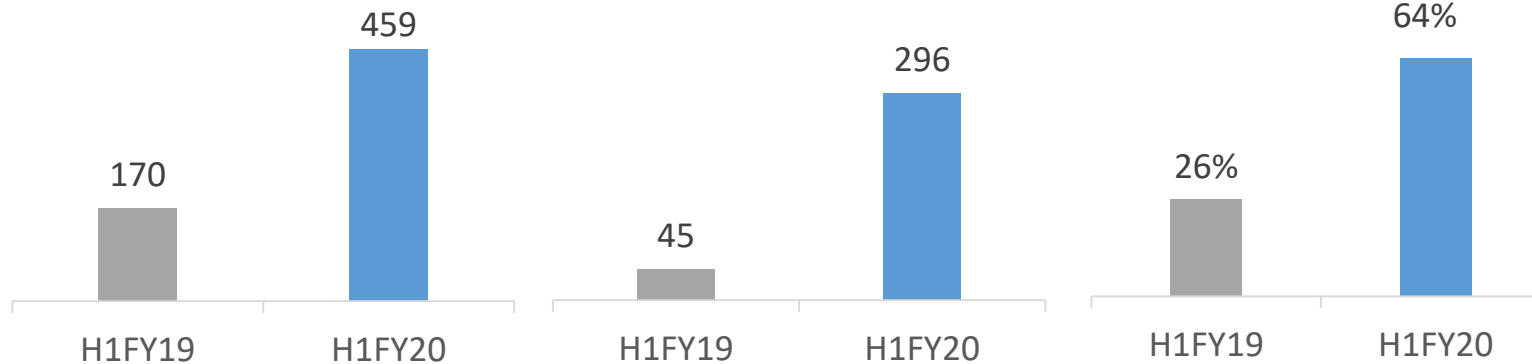
Retail & Office Space H1FY20

(In Rs. Mn)

Revenue

Segment Profit*

Margin %



Updates:

- **SLM impact Rs 270 mn (PY: Rs. 31 mn)**
- **Sahar Office Tower**
 - Phase 1: Fit-outs completed and occupancy achieved
 - Two-third occupied
- **The Orb - Sahar Retail**
 - 15 Outlets opened
- **Inorbit Mall Bengaluru**
 - Steady occupancy with improved rentals

Brands opened at The Orb



jumjoji

DRAGONFLY

NASI and MEE

The Cheaters

RASSASY

By Barcelos

*PLAY
THE CAFE*

STARBUCKS

Consolidated Profit / Loss Statement

(In Rs. Mn)

Particulars	H1FY20	H1FY19	YoY%	FY19
Total Income	4,867	5,028 ↓	-3%	10,348
Total Expenditure	3,146	3,616^	-13%	6,679
EBITDA	1,721	1,412 ↑	22%	3,668
<i>Margin %</i>	35.4%	28.1%		35.5%
Depreciation and Amortisation	565	569		1,154
Finance costs	726	1,399	-48%	2,657
Exceptional items ¹	-25	-27		(41)
Profit/(Loss) before income tax	405	-583 ↑		(183)
Tax Expense	163	-232		(107)
Profit/(Loss) for the period	242	-352		(76)
Other comprehensive (expense)/income	-4	-4		(8)
Total Comprehensive Income for the period	238	-355		(84)
EPS (In Rs.)	*1.18	*(2.06) ↑		(0.43)

¹ Exceptional Item on account of accounting adjustments for Residential Property at Koramangala Bangalore

*not annualized ^Includes Exchange loss of Rs 389 mn

This release has been prepared by Chalet Hotels Ltd (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.

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Thankyou

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