

November 10, 2020

National Stock Exchange of India Limited

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

Scrip Code: CHALET

BSE Limited

Corporate Relationship Department
1st Floor, New Trading Ring,
Dalal Street, Fort,
Mumbai 400 001.

Scrip Code: 542399

Dear Sir / Madam,

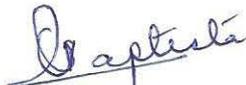
Subject: Press Release in relation to the Unaudited Financial Results for the quarter and six months ended September 30, 2020

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 press release, in relation to the Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and six months ended September 30, 2020, which have been approved by the Board of Directors of the Company at its meeting held today i.e., November 10, 2020, in accordance with the provisions of Regulation 33 of the Listing Regulations.

We request you take the above information on record.

Thanking You.

Yours faithfully,
For **Chalet Hotels Limited**



Christabelle Baptista
Company Secretary & Compliance Officer



Encl.: As above

CHALET HOTELS LIMITED REPORTS Q2 & H1FY21 RESULTS

MIXED-USE PORTFOLIO AND COST OPTIMISATION STRATEGY ENABLES EBITDA POSITIVE AT RS. 30 MN

SEQUENTIAL Q2FY21 REVPAR GROWTH OF 9% AS COMPARED TO Q1FY21

Mumbai, November 10, 2020: Chalet Hotels Limited, owner, developer, and asset manager of high-end hotels in key metro cities of India, announces its results for the second quarter and six months ending September 30, 2020.

The temporary disruptions caused by the pandemic, coupled with its impact on economies world over and India, is something one had never anticipated. These unprecedented circumstances are likely to permanently change the way businesses are conducted, ensuring those that are agile and innovative, endure these tough times.

At Chalet Hotels Ltd., focus on the three key levers that resulted in a positive EBITDA of Rs. 30 Mn., include **preserving liquidity, cost rationalization** and **our mixed-used development strategy**. The cost base on sequential basis has increased marginally while revenue growth has been 15% for the hospitality division.

On a sequential basis with all hotels being operational, our **occupancy was higher by 100 bps and ADR saw a 4% improvement, resulting in a 9% RevPAR growth** compared to Q1 of the same year, as we see a gradual return to normalcy.

At the start of the financial year, the Company had devised a two-phase strategy to combat Covid-19:



Over the last two quarters we focused on **Phase 1**, surviving the Covid-19 crisis:

Key measures included **cashflow management** led by **reviewing projects in the pipe-line**, while we continued to operate the **lease-rental business**. Initial **lowering of costs** was attained



Press Release

through **renegotiating AMC's, right sizing of teams and temporary closure of properties**. Our Hotels also extended support to the front-line warriors of Covid-19.

As we navigate **Phase 2**, our key efforts focus on rebooting, re-inventing and racing ahead as we ensure:

- **Opening of all hotels and resuming of F&B services** (dine-in and liquor), for both in-house and outside guests
- Effective **cost saving measures since February 2020** has resulted in H1FY21 expenses going down by **65%** over H1FY20
- **Rationalized manpower cost** at both the Hotels and Corporate headquarters.
- Focused on the demand for **food delivery and food take-away services**
- **Centralization of Finance and Human Resources functions**, for improved efficiency.
- **Outsourced non-core** functions like laundry.
- Generated revenue from **new categories** of guests like **Special Purpose Guests (SPGs), seafarer groups, cargo airline crews etc.**
- Robust **hygiene, sanitization and safety protocols and SOP's** rolled out, considering new norms

Performance for Q2 & H1FY21:

Rs. Million

	Q1FY21	Q2FY21	H1FY21	H1FY20
Revenue	590	641	1,231	4,867
EBITDA	3	30	33	1,721

Segmental Performance for Q2 & H1FY21:

Rs. Million

	Q1FY21	Q2FY21	H1FY21	H1FY20
Hospitality				
ADR (Rs.)	3,860	4,030	3,948	7,947
Occupancy	24%	25%	24%	75%
Revenue	314	359	673	4,244
Segment Profit	(145)	(107)	(251)	1,602
Retail & Commercial				
Revenue	229	213	442	460
EBITDA	173	169	342	296



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- **ADR for the quarter improved by 4% sequentially to Rs. 4,030 as compared to Q1FY21**
- **Occupancy expanded by 100 bps sequentially to 25% as compared to Q1FY21**
- **RevPAR for the quarter improved by 9% sequentially to Rs. 1,007 as compared to Q1FY21**

Development Pipeline Update:

- The Company has **recommenced work** for commercial projects at **Renaissance Complex, Powai, Mumbai and Marriott Complex, Whitefield, Bengaluru**
- The **lobby renovation work at Renaissance, Powai is underway**. Its design aesthetics are futuristic, easing the check-in process and create an unmatched customer experience
- The proposed **Westin Hotel at Hyderabad** was scheduled to open before time but has now been **pushed back to the original opening in 2021**
- All **other projects** have been put on hold and **will be reviewed during the course of the year**

Mr. Sanjay Sethi, MD & CEO, Chalet Hotels Limited, said, “Through this tough period, it is the mixed-use development strategy that has worked to our advantage, delivering steady rental revenues and cashflow support. As the situation evolves, we continue to re-engineer our operations and strategize toward permanent cost efficiencies and strengthening operational performances.

We look forward with cautious optimism as shoots of normalcy emerge with the operationalization of domestic air traffic, the international air bubble agreements, relaxation on quarantining requirements, decrease in daily reported cases and mortality rates and positive news on the vaccine development, all of which provide some visibility to business revival.”



Press Release

About Chalet Hotels Limited:

Chalet Hotels Limited (CHL), is an owner, developer and asset manager of high-end hotels in key metro cities in India. CHL’s hotel platform comprises six operating hotels, including a hotel with a co-located serviced residence, located in the Mumbai Metropolitan Region, Hyderabad, Bengaluru and Pune. CHL’s hotels are branded with globally recognized hospitality brands and are in the luxury-upper upscale and upscale hotel segments. The hotel platform emphasizes strategic locations, efficient design and development, appropriate positioning in hotel segments together with branding and operational tie-ups with leading hospitality companies. CHL uses its experience to actively manage the hotel assets to drive performance.

In addition, CHL developed commercial and retail spaces, in close proximity to its existing hotels. CHL has developed hotels at strategic locations generally with high barriers-to-entry and in high density business districts. The Company generally develops its hotels on large land parcels, allowing them to situate a greater number of rooms, as well as provide a wide range of amenities, such as, fine dining and speciality restaurants, large banquet and outdoor spaces. CHL endeavor is to build hotels to superior standards targeting the luxury, upper upscale, and upscale hotel segments at an efficient gross built up area and development cost per key. For more information about the company, please visit our website www.chalethotels.com

Forward-Looking Statements

This press release contains "forward-looking statements" including statements related to the expected effects on our business, our future plans, capital expenditure plans, liquidity and working capital expectations, and similar statements concerning anticipated future events and expectations due to the COVID-19 pandemic and government directions. These are not historical facts and may not be accurate. The actual results may vary from our expectations herein, which are based on our own assumptions. The assumptions in this note are based on internal deliberations by the management and its understanding based on its interactions with the various stakeholders. The company undertakes no obligation to continue to give such statements in future.

For further details please contact:

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