

August 11, 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 ended June 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 ended June 30, 2020, which have been approved by the Board of Directors of the Company at its meeting held today i.e., August 11, 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 Q1FY21:

**EBITDA shows marginal yet positive trend of 0.5% during the quarter
RevPAR stands at Rs. 926**

Mumbai, August 11, 2020: Chalet Hotels Limited, owner, developer and asset manager of high-end hotels in key metro cities of India, announces its results for the first quarter of the financial year 2020-21 (FY21).

The quarter saw the tourism and hospitality industry faced one of the most turbulent phases globally. The first quarter of FY21 has been a challenging one for the company, which looked at this as a time to re-strategise and streamline operations. The company has also taken substantial steps to preserve liquidity and improve employee productivity. This has resulted in the EBITDA exhibiting a marginal yet positive trend 0.5% in the first quarter. The RevPAR stood at Rs. 926. With the government announcing gradual ease of restrictions and the economy showing early signs of revival, the company remains optimistic about the second quarter.

The Company had devised a two-phase strategy to combat Covid-19 as under:



In Phase 1, some of the key measures that helped the Company achieve the primary objectives of surviving the crisis included:

- Putting projects on hold (with the exception of the lobby renovation work at Renaissance, Powai). A further decision would be taken during the course of the year
- AMCs were renegotiated to generate savings
- Payroll costs rationalized through right sizing exercise undertaken
- Implemented hiring freeze across from February 2020
- Extended support to authorities fighting Covid-19 by offering rooms to BMC Medical teams, distribution of meals and PPE etc.



Press Release

In Phase 2, key measures taken by the Company included:

- Keeping the hotels action ready after lockdown. In fact our Four Points by Sheraton, Vashi hotel has been fully open from 15 June 2020 and Novotel, Pune from 5 August 2020
- Initiated cost saving measures since February 2020
- New Hygiene, Sanitization & Safety protocols/SOP's rolled out in light of new norms.
- Rightsized both hotel and corporate teams. The Staff to Room ratio at hotels reduced from 1.20 in Jun 2019 to 0.88 in Jun 2020.
- Generated revenue from new categories of guests like Special Purpose Guests (SPGs), Seafarer groups, cargo airline crews etc.
- Food Deliveries/ food takeaway services
- Centralisation of certain functions like Finance and Human Resources for more efficiency

Performance for Q1FY20:

Rs. Million

	Revenue	EBITDA	Profit After Tax
Q1FY21	589	3	(397)
Q1FY20	2,462	854	137

Segmental Performance for Q1FY21:

Rs. Million

	Hospitality		Retail & Commercial	
	Revenue	EBITDA	Revenue	EBITDA
Q1FY21	313	(146)	213	173
Q1FY20	2198	854	152	74

- **ADR for the quarter was steady at Rs. 3,860 with occupancy at 24%, a drop of 5,100 bps led by travel restrictions and lockdown due to COVID-19**



Press Release

COVID Update:

- The Company has undertaken various cost saving initiatives to maximise operating cash flows in the given situation. In addition, the Company has identified new sources of revenues to maximise cash inflows. All projects have been put on hold as of now. The Company is evaluating the situation on a periodic basis.
- As per Management estimates and evaluations made on the basis of certain assumptions, the Company has sufficient financing arrangements to meet its operating cashflow requirements and debt repayment obligations as they fall due in addition to the funds expected to be generated from the operating activities.
- As on date of this release, all the 6 hotels are open to guests. The retail operations in Mumbai started from 5th August 2020 as per the Unlock 3 directives issued by the State Government, while the retail operations in Bangalore had started earlier on 7th June 2020.
- Our Hotel and Retail properties in Mumbai, Bengaluru, Hyderabad and Pune are fully operational following the state government directives while we continue to adhere to social distancing and health protocols.

Development Pipeline Update:

- The proposed Westin Hotel at Hyderabad was scheduled to open before time but has now been pushed back to the original opening in 2021.
- The lobby renovation work at Renaissance, Powai is underway. This will be future ready to ease the check-in process and create an unmatched customer experience.
- All other projects have been put on hold. Further decisions would be taken during the course of the year.

Sharing his views, Mr. Sanjay Sethi, MD & CEO, Chalet Hotels Limited, said, , “While The last few months have not been the easiest for any of us, however the easing of regulations and the economy showing green shoots of revival, keeps us optimistic. At Chalet Hotels we considered this phase as a time to re-engineer our operations and strategies, and to strengthen efficiency and sustainability offerings in the new normal. We firmly believe that our actions have set the foundation for a stable future and we remain confident about our strengths to weather this storm together.”



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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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