

# Investor Presentation

Q4FY23

CHALET  
HOTELS

# Poised on the **SPRINGBOARD** for **GROWTH**

*The Fly Wheel Effect*

# Strong Tailwinds



## Strong travel rebound

Passenger Air Traffic touching life-time highs



## Strong demand outpacing supply

ADRs in most domestic markets at 10-year highs



## India story continues to be positive

# Strong year, stronger progress

## Entered a new geography

With the signing of ~ **400 room hotel** New Delhi Airport

## Forayed into leisure segment

Acquisition of **The Dukes Retreat, Lonavala**

## Projects on the verge of operationalizing

Cignus Powai at Westin Complex Powai ~**0.78 msf**

Cignus Whitefield Bangalore Tower 1 at Marriott Complex Bengaluru ~**0.66 msf**

Cignus Whitefield Bangalore Tower 2 at Marriott Complex Bengaluru ~**0.3 msf**

Westin Hyderabad Hitec City - **168 rooms**

Novotel Pune Nagar Road - **88 additional rooms**

## Residential Real Estate

RERA approval received for Vivarea Bengaluru project. 4 towers in advanced stage of completion.

# Strongest quarter ever – Q4FY23

Touching all-time highs	Vs Q4FY23	Vs Q3FY23	Vs Q4FY22
ADR	Rs 11,304	+11%	+108%
Hospitality Revenue	Rs 3,097 mn	+17%	+2.5x
Consolidated Revenue	Rs 3,458 mn	+17%*	+2.3x
Hospitality EBITDA	Rs 1,473 mn	+36%	+5.0x
Hospitality EBITDA Margin	47.6%	+7 pp	+24 pp
Consolidated EBITDA	Rs 1,603 mn	+34%*	+4.3x
Consolidated EBITDA Margin	46.4%	+6 pp*	+22 pp

## Improved performance

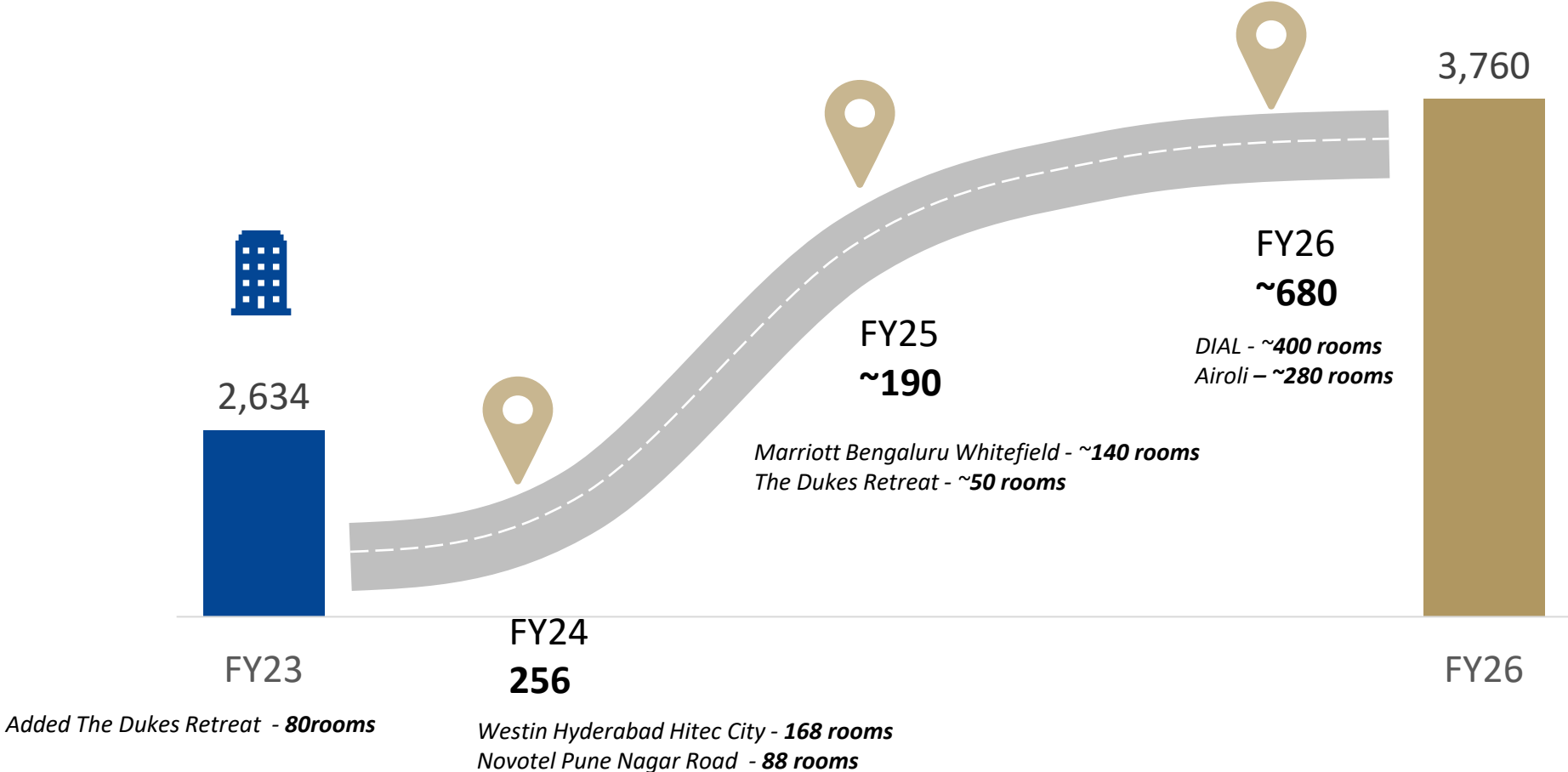
Highest ever EBITDA margin driven by high revenue growth and efficient management of costs

**Dow Jones Sustainability Indices (DJSI) score at 43, up 39% (31 last year)**

# Announced pipeline – Hospitality

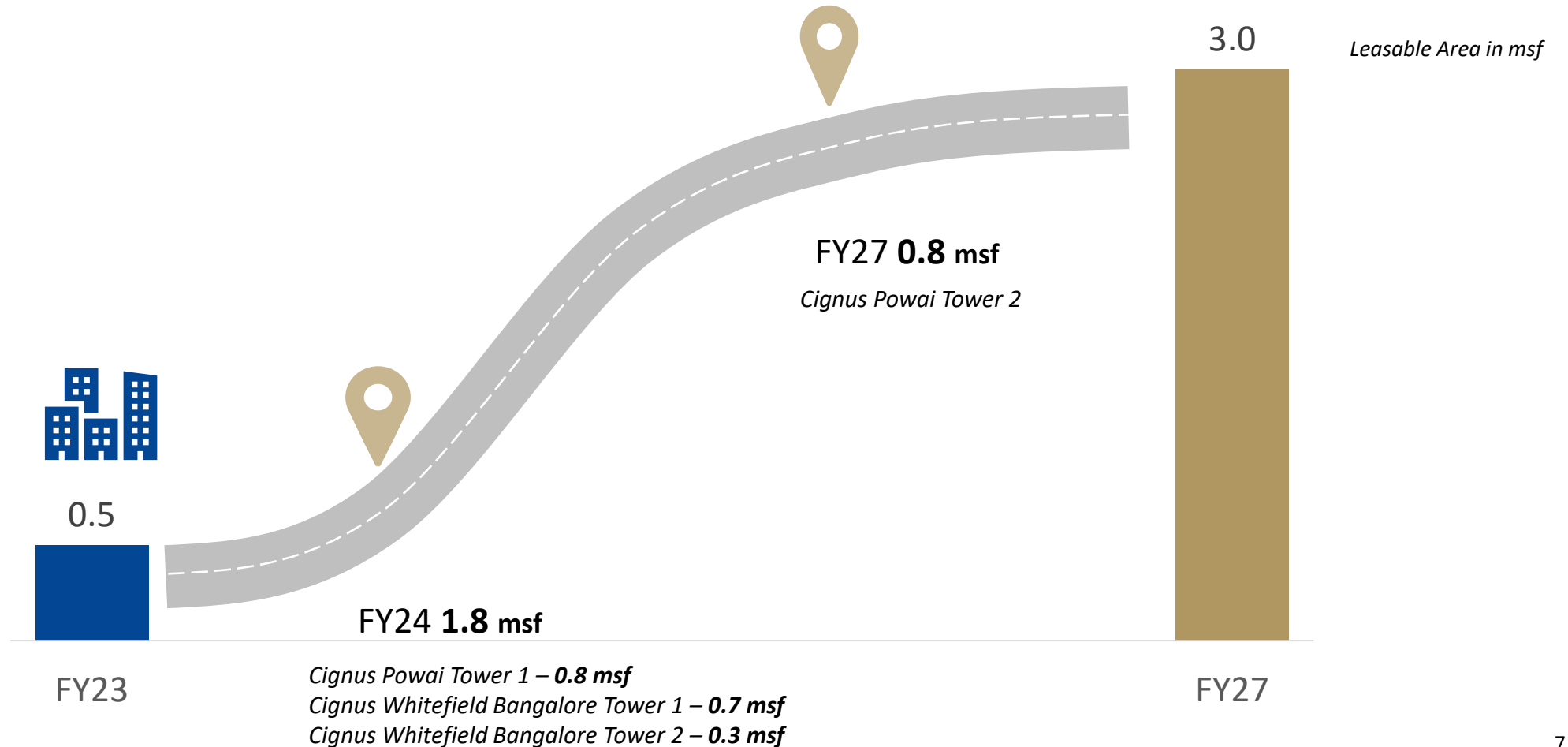
~40% of the additional room capacity is on existing assets which is expected to yield high EBIDTA margins

Keys



# Announced pipeline – Commercial

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



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# Acquisition of The Dukes Retreat, Lonavala





# Strategic entry into leisure space

The Dukes Retreat to be upgraded to a 5 Star Lifestyle Resort



~7.5 acres land with 80 rooms  
To be expanded to ~130 room

Top destination for leisure travelers,  
weddings and corporate events

Proximity to Mumbai and Pune

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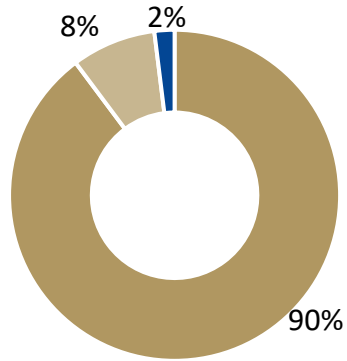
# Operational Overview



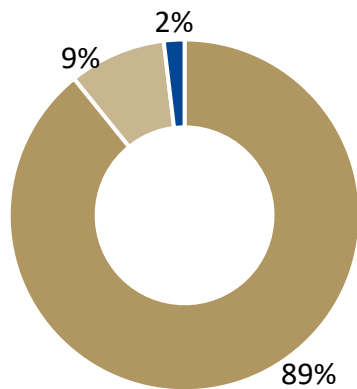
# Consolidated Performance

(In Rs. Mn)

## Q4FY23 Adjusted Revenue

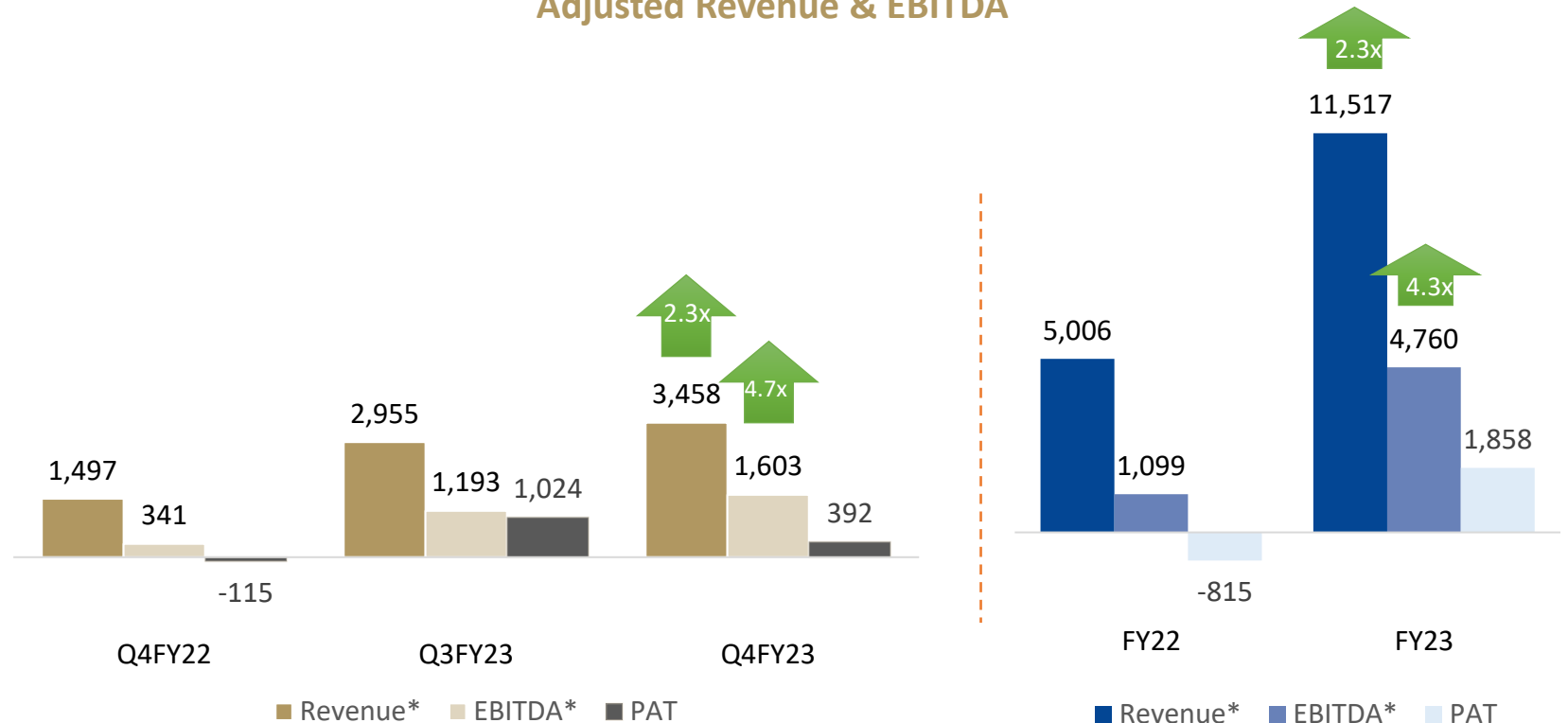


## FY23 Adjusted Revenue



■ Hospitality ■ Rental / Annuity business ■ Others

## Adjusted Revenue & EBITDA

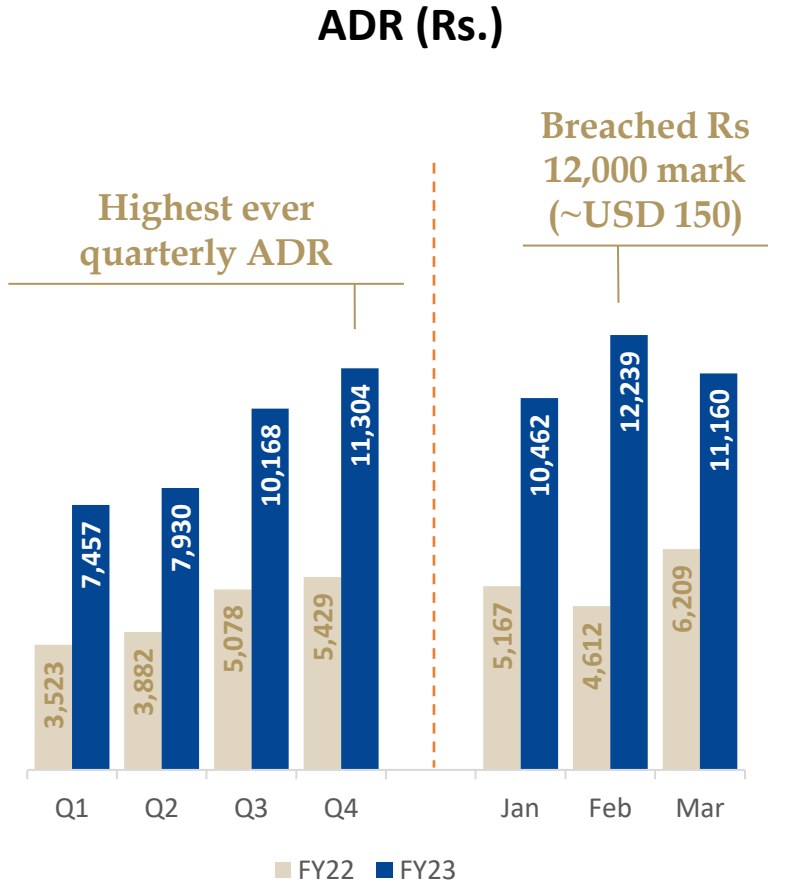


\*Detailed adjustments in the respective quarter disclosures

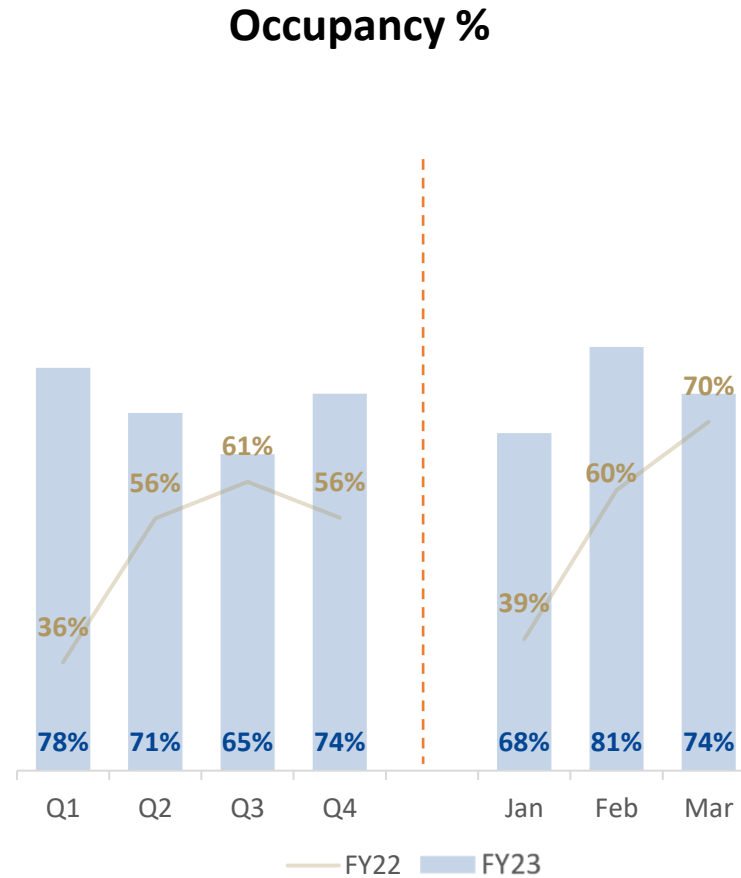
↑ YoY growth

# Robust ADRs throughout Q4FY23

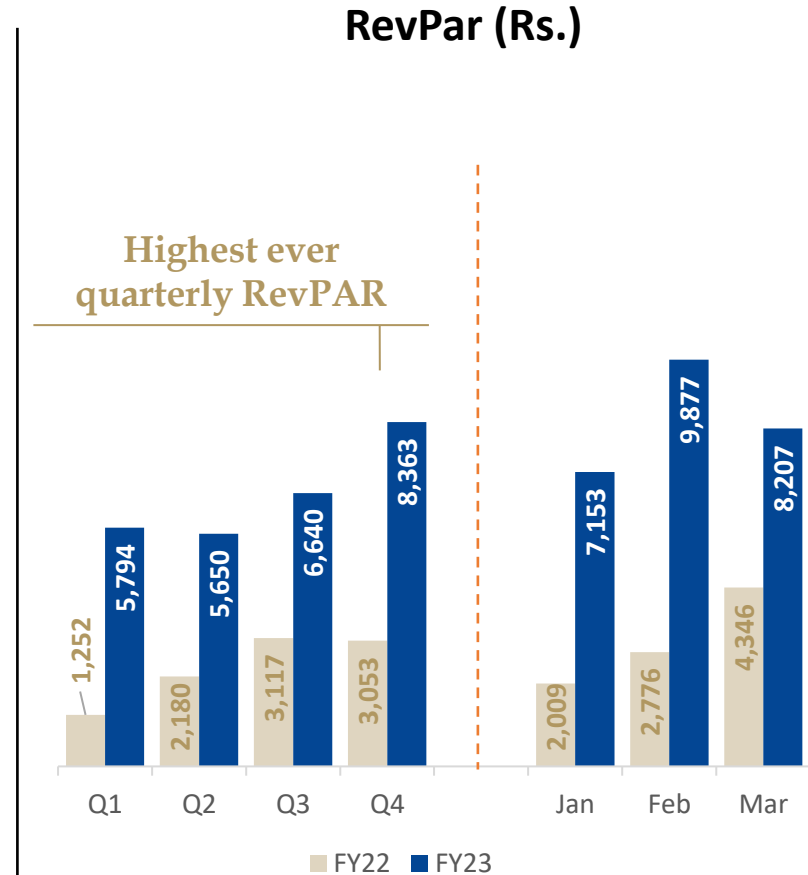
### ADR (Rs.)



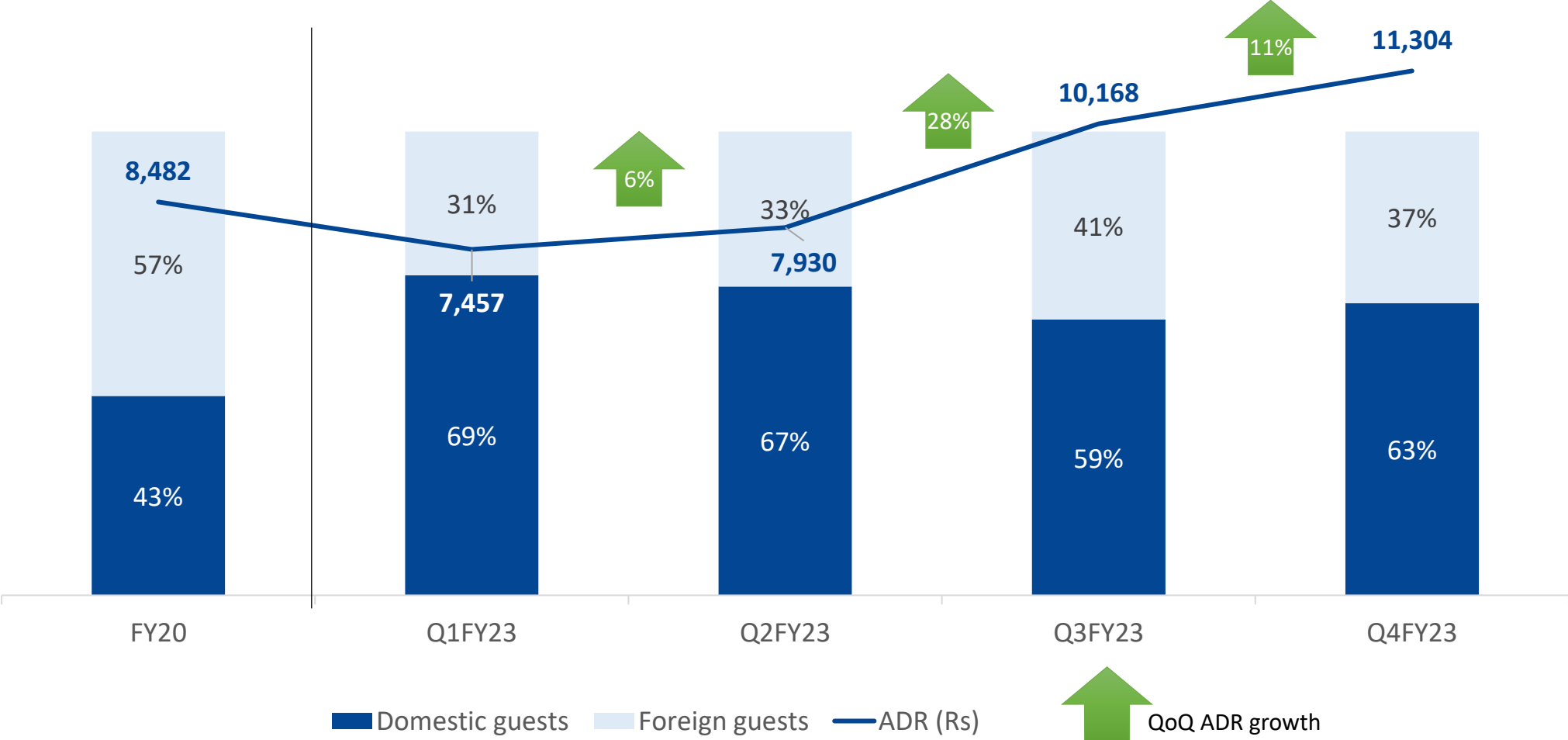
### Occupancy %



### RevPar (Rs.)

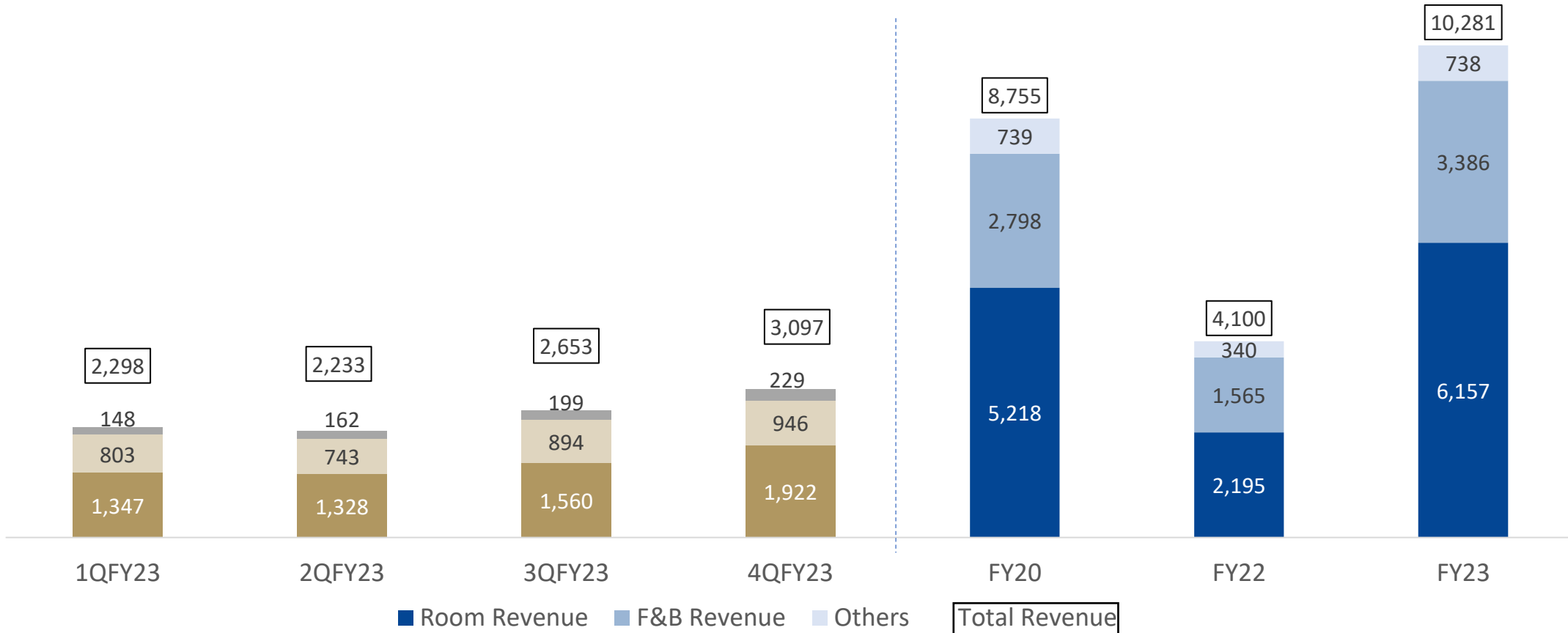


# ADR growth – strong momentum

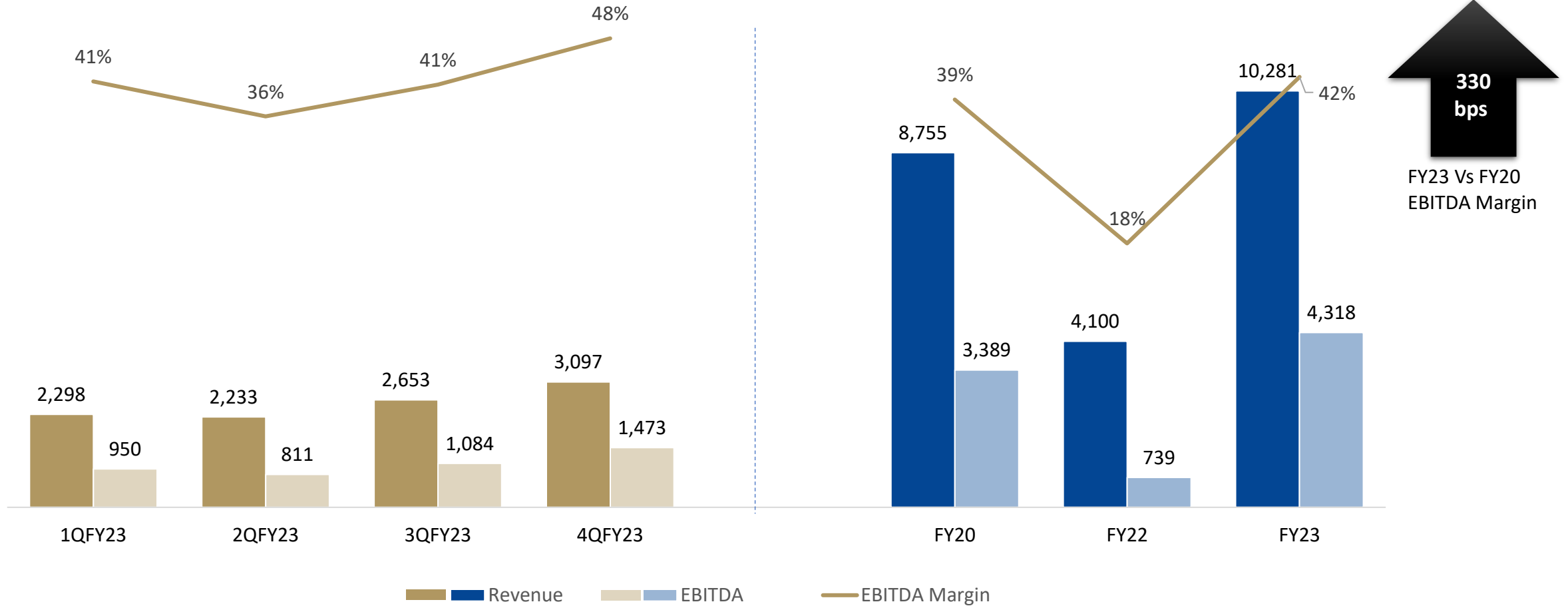


# Hospitality Revenue breakup

(In Rs. Mn)

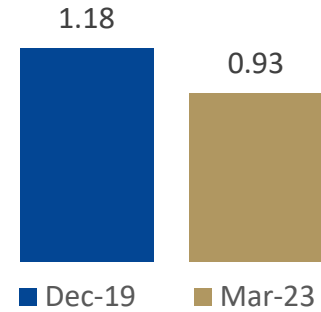


# Highest operating performance in Q4FY23 - Hotels

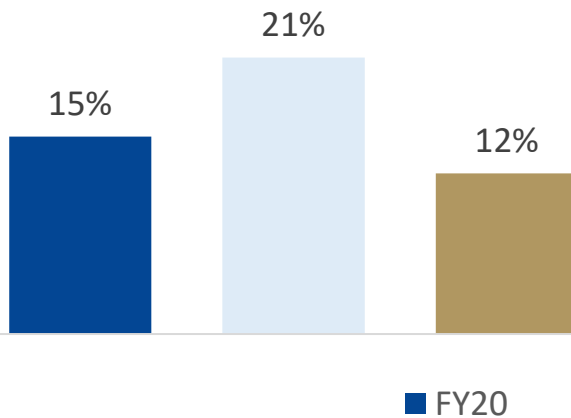


# Enhanced Efficiencies – Hospitality

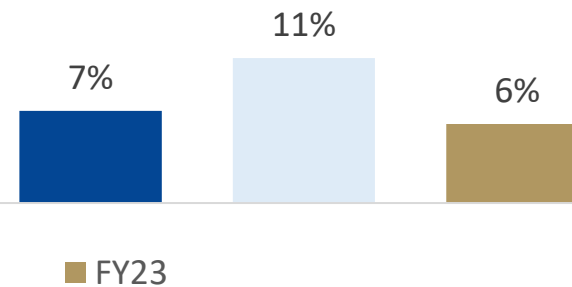
Staff to room ratio\*



Payroll Costs % of Revenue



Utilities as a % of Revenue

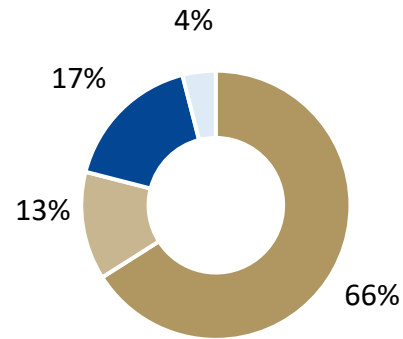


\*Includes contractual employees

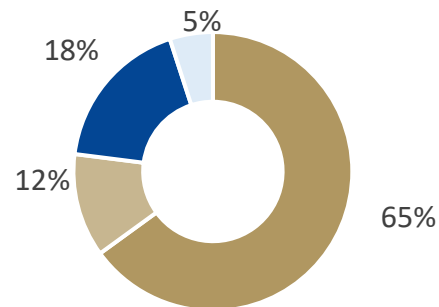


# Hospitality City-wise Performance

Q4FY23 Revenue Rs. 3,097 Mn



FY23 Revenue Rs. 10,281 Mn



■ MMR ■ Bengaluru ■ Hyderabad ■ Pune

	Q4FY23	Q3FY23	QoQ%	Q4FY22	YoY%	FY23	FY22
<b>ADR (Rs.)</b>							
MMR	11,976	11,037	9%	5,797	107%	9,741	4,714
Bengaluru	10,818	9,495	14%	5,572	94%	8,825	4,403
Hyderabad	12,532	10,462	20%	4,974	152%	9,624	4,850
Pune	5,819	5,582	4%	3,914	49%	5,460	3,505
<b>Combined</b>	<b>11,304</b>	<b>10,168</b>	<b>11%</b>	<b>5,429</b>	<b>108%</b>	<b>9,169</b>	<b>4,576</b>
<b>Occupancy %</b>							
MMR	77%	67%	10 pp	60%	17 pp	74%	58%
Bengaluru	66%	50%	16 pp	30%	36 pp	61%	28%
Hyderabad	67%	64%	2 pp	56%	11 pp	69%	45%
Pune	82%	81%	1 pp	71%	11 pp	84%	64%
<b>Combined</b>	<b>74%</b>	<b>65%</b>	<b>9 pp</b>	<b>56%</b>	<b>18 pp</b>	<b>72%</b>	<b>51%</b>
<b>RevPAR (Rs.)</b>							
MMR	9,208	7,405	24%	3,466	166%	7,211	2,715
Bengaluru	7,145	4,784	49%	1,692	322%	5,363	1,220
Hyderabad	8,355	6,733	24%	2,768	202%	6,650	2,169
Pune	4,785	4,529	6%	2,767	73%	4,583	2,253
<b>Combined</b>	<b>8,363</b>	<b>6,640</b>	<b>26%</b>	<b>3,053</b>	<b>174%</b>	<b>6,605</b>	<b>2,355</b>

# Rental / Annuity Business

(In Rs. Mn)

## Steady Rental from Commercial Portfolio

	Q4FY23	FY23	FY22
Total Revenue	281	1,000	1,050
<b>EBITDA</b>	<b>260</b>	<b>838</b>	<b>789</b>
<i>Margin %</i>	<i>93%</i>	<i>84%</i>	<i>75%</i>



# Consolidated Profit / Loss Statement

(In Rs. Mn)

Particulars	Q4FY23	Q3FY23	QoQ%	Q4 FY22	YoY%	FY23	FY22	YoY%
<b>Total Income</b>	<b>3,458</b>	<b>3,218</b>	<b>7%</b>	<b>1,535</b>	<b>125%</b>	<b>11,780</b>	<b>5,297</b>	<b>122%</b>
Total Expenditure	1,855	1,763	5%	1,166	59%	6,757	4,093	65%
<b>EBITDA</b>	<b>1,603</b>	<b>1,455</b>	<b>10%</b>	<b>369</b>	<b>334%</b>	<b>5,023</b>	<b>1,204</b>	<b>317%</b>
Margin %	46%	45%	1%	24%	22%	43%	23%	20%
<b>Adjusted EBITDA</b>	<b>1,603</b>	<b>1,193</b>	<b>34%</b>	<b>341</b>	<b>370%</b>	<b>4,760</b>	<b>1,099</b>	<b>333%</b>
Adjusted Margin %	46%	40%	6%	23%	24%	41%	22%	19%
Depreciation and Amortisation	298	281	6%	303	-1%	1,173	1,184	-1%
Finance costs	405	368	10%	356	14%	1,545	1,444	7%
Exceptional items (expense)/income	-184 <sup>^</sup>	605	-	-10	-	423	-45	-
<b>Profit/ (Loss) before income tax</b>	<b>715</b>	<b>1,411</b>	<b>-49%</b>	<b>-299</b>	<b>-</b>	<b>2,728</b>	<b>-1,534</b>	<b>-</b>
Tax Expense	323	388	-17%	-185	-	870	-720	-
<b>Profit / (Loss) for the year</b>	<b>392</b>	<b>1,024</b>	<b>-62%</b>	<b>-115</b>	<b>-</b>	<b>1,858</b>	<b>-815</b>	<b>-</b>
Other comprehensive (expense)/income	-4.9	0.1	-	1.8	-	-4.6	1.5	-
<b>Total Comprehensive Income</b>	<b>387</b>	<b>1,024</b>	<b>-62%</b>	<b>-113</b>	<b>-</b>	<b>1,854</b>	<b>-813</b>	<b>-</b>
<b>EPS (Rs.)</b>	<b>*1.91</b>	<b>*4.99</b>	<b>-62%</b>	<b>*-0.56</b>	<b>-</b>	<b>9.06</b>	<b>-3.98</b>	<b>-</b>

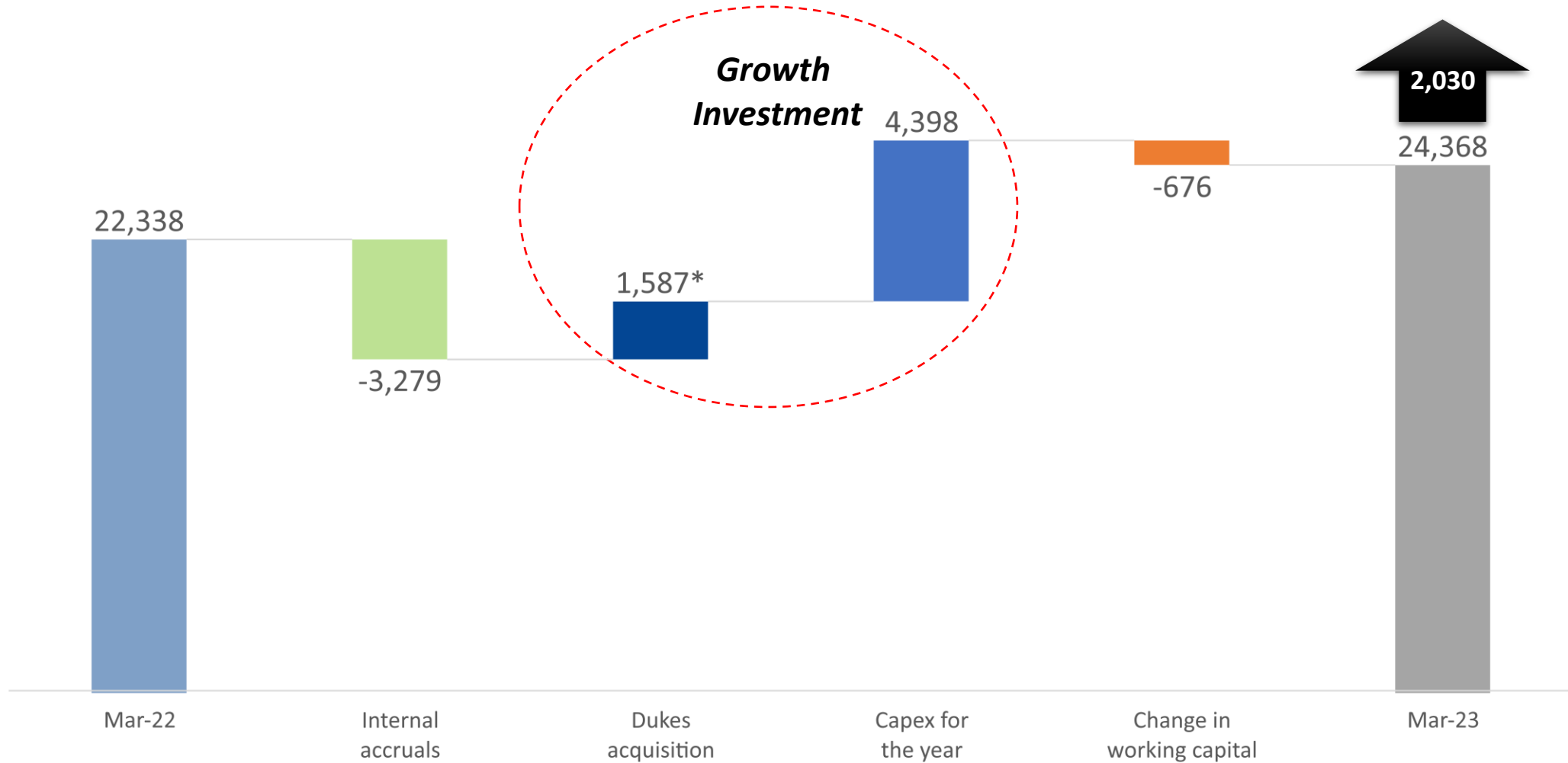
\*Not annualized

<sup>^</sup>During the quarter ended 31 March 2023, the Company accounted for revised estimated cost of completion of the Project on the net realisable value of inventory resulting in write down of Rs 184.39 million and the same is reflected as an exceptional item.

Detailed adjustments in the respective quarter disclosures

# Leverage Position

(In Rs. Mn)



\*Acquisition price + net working capital

# Strengthening Balance Sheet

(In Rs. Mn)

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

	Mar-21	Mar-22	Mar-23
Allocable to operating assets	14,403	14,147	11,757
Allocable to under-construction/to be operationalized assets	4,308	8,191	12,611
<b>Total Debt</b>	<b>18,711</b>	<b>22,338</b>	<b>24,368</b>
<b>EBITDA (Rs mn)</b>	290*	1,204*	5,023
<b>Capex Spend YTD (Rs mn)</b>	1,433	3,489	4,398
<b>Interest Rate (%)</b>	8.04	7.52	8.75

Repo rate up  
250 Bps

\* Business impacted due to pandemic

# Consolidated Balance Sheet

(In Rs. Mn)

Particulars	Mar 23	Mar 22
Fixed Assets	20,975	19,758
Capital Work in-progress	9,557	8,191
Investment Property	7,895	5,692
Goodwill	562	226
Other Non-Current assets	2,971	3,549
Cash and Cash Equivalents	1,328	1,255
Other Current Assets*	5,716	5,167
<b>Total Assets</b>	<b>49,003</b>	<b>43,837</b>
<b>Total Equity</b>	<b>15,441</b>	<b>13,410</b>
<b>Total Gross Debt</b>	<b>25,696</b>	<b>23,593</b>
Preference Capital	1,859	1,747
Loan from Related Party	383	-
Other Non-Current Liabilities	490	392
Current Liabilities	5,133	4,696
<b>Total Equity and Liabilities</b>	<b>49,003</b>	<b>43,837</b>

\* Includes deferred tax assets of Rs. 1,471 mn (March 22 Rs. 2,353 mn) and Income Tax (net of provisions) Rs. 349 mn (March 22 Rs. 403 mn)



# Project Update



# Bengaluru Commercial Complex

Cignus Whitefield Bangalore (Tower 1) is a premium office space with leasable area ~0.65 msf.

*Handover to tenants has commenced*

Cignus Whitefield Bangalore (Tower 2) with leasable area ~0.3 msf.

*To be ready for handover to tenants from Q2FY24*



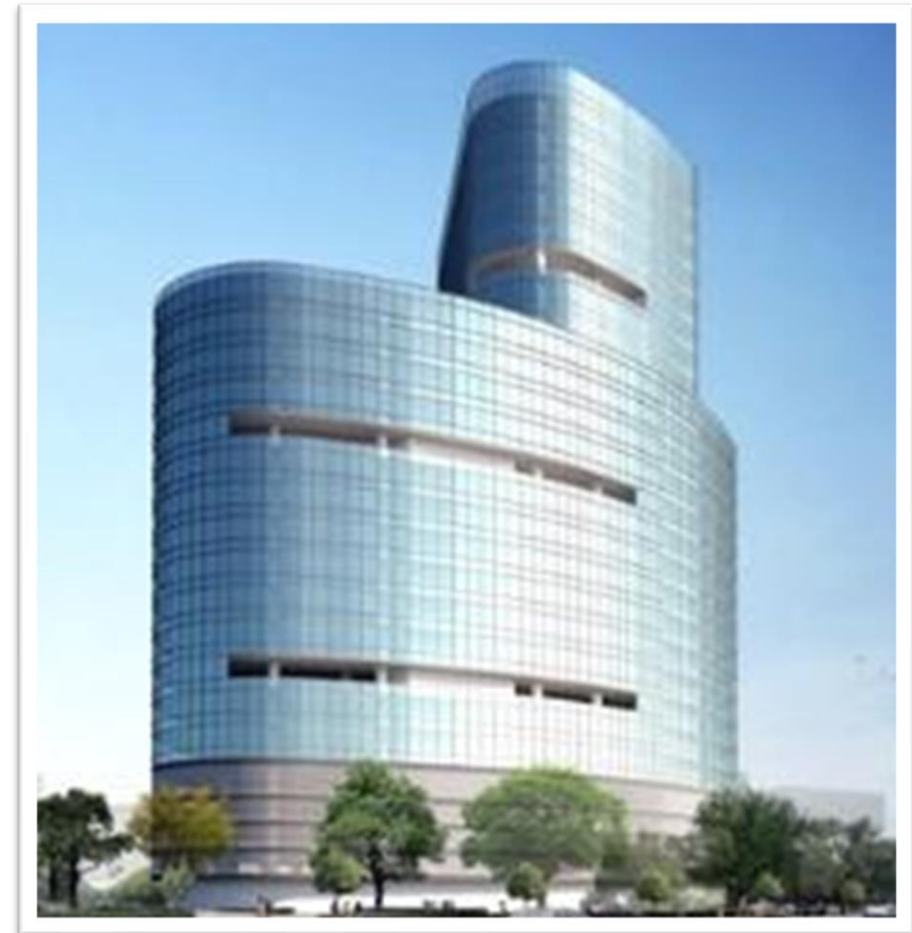


# Powai Commercial Complex



Cignus Powai at Westin Complex, Powai is a premium office space ~0.78 msf.

*In final stage of completion*



Commercial Tower-2 at Westin Complex, Powai a premium office space ~0.75 msf.

*Dates to be announced*

# Westin Hyderabad Hitec City – 168 rooms



*To be operational from June 2023*

# Ongoing Projects - Hospitality



5-star Hotel at Terminal 3, Delhi Airport ~400 rooms

*Expected hotel commissioning FY26*



Addition of 88 rooms at Novotel Pune

*Rooms ready, full OC awaited*



The office space in the erstwhile Accenture Learning Centre Tower to be converted to additional ~140 guest rooms

*Designs are in final stages*

~280 rooms Hyatt Regency at Airoli, Navi Mumbai in design stage

# 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
<b>Residential</b>	<b>8.5</b>	<b>321</b>
Sold	2.8	83
Unsold	5.7	238
<b>Commercial</b>	<b>1.5</b>	

RERA approval received, 4 towers in advanced stage of completion

# About Chalet



# For a Sustainable Tomorrow



## Environment

- 75%\* of power sourced through renewable resources in March 2023
- EV charging stations live at 7 properties
- Focus on reducing energy consumption per room
- Focus on achieving water efficiency through rainwater harvesting and sewage treatment plants
- Minimizing Single-use Plastic consumption by installing water bottling plants and other in-room amenities
- 100% recycling of wet waste through Organic Waste Composters

All new properties to be minimum USGBC LEED Gold Certified



## Social

- Empowering employees' through developing employee centric policies, benefits learning and development platforms and encouraging diversity, equity & Inclusion
- CSR programs designed for skill development, Infrastructure support and women empowerment



## Governance

- IFC funding on ESG parameters
- Creating long term value with ethical business by complying with the code of conduct (employee & suppliers) and business transparency
- We also implemented IoT enabled automation such as Digital check-ins, Mobile key, Building Management System, IOT system for HVAC

\* Includes management estimates  
EV Charging and rainwater harvesting underway at The Dukes Retreat

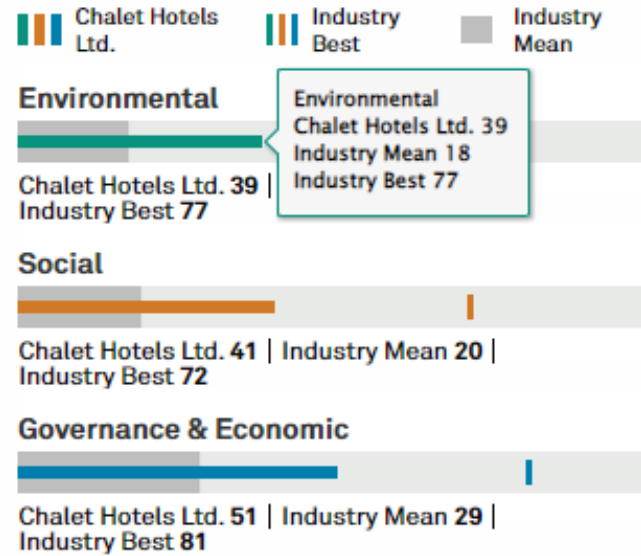
# Conscious at Every Step

## Chalet Hotels Limited ESG Score

TICKER: CHALET Industry: TRT Hotels, Resorts & Cruise Lines Country: Republic of India

### ESG Score Result

# 43



### Score History

Y/Y Change: 12



# 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 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
- ✓ 75%\* of power sourced through renewable resources as on 31 March 2023

THE CLIMATE GROUP

\* Includes management estimates



# Operating Portfolio



Westin Mumbai Powai Lake, 600 keys



Lakeside Chalet, Mumbai-Marriott Executive Apartments, 173 Keys



JW Marriott Mumbai Sahar, 588 keys



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



Four Points by Sheraton Navi Mumbai, Vashi, 152 Keys



The Dukes Retreat, 80 Keys



Novotel Pune Nagar Road Hotel, 223 Keys



Bengaluru Marriott Hotel Whitefield, 391 Keys



The Westin Hyderabad Mindspace, 427 Keys

# Profit & Loss Statement – 5 year trend

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
<b>Total Income</b>	<b>11,780</b>	<b>5,297</b>	<b>3,075</b>	<b>10,087</b>	<b>10,348</b>
Total Expenditure	6,757	4,093	2,785	6,380	6,680
<b>EBITDA from continued operations</b>	<b>5,023</b>	<b>1,204</b>	<b>290</b>	<b>3,708</b>	<b>3,668</b>
<i>Margin %</i>	43%	23%	9%	37%	36%
<b>Adjusted EBITDA from continued operations</b>	<b>4,760<sup>#</sup></b>	<b>1,099</b>	<b>325</b>	<b>3,708</b>	<b>3,668</b>
<i>Adjusted Margin %</i>	41%	22%	11%	37%	36%
<b>Profit/ (Loss) before income tax</b>	<b>2,728</b>	<b>-1,534</b>	<b>-2,446</b>	<b>1,008</b>	<b>-183</b>
Tax Expense	870	-720	-1,092	12	-107
<b>Profit / (Loss) for the year</b>	<b>1,858</b>	<b>-815</b>	<b>-1,391</b>	<b>996</b>	<b>-76</b>
Other comprehensive (expense)/income	-4.64	1.50	0.28	-11	-8
<b>Total Comprehensive Income</b>	<b>1,854</b>	<b>-813</b>	<b>-1,391</b>	<b>985</b>	<b>-84</b>
<b>EPS (Rs.)</b>	<b>9.06</b>	<b>-3.98</b>	<b>-6.78</b>	<b>5.01</b>	<b>-0.43</b>

<sup>#</sup> 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



# 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!

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