



CHALET HOTELS LIMITED CORPORATE PRESENTATION

November 2024

CHALET
HOTELS



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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.

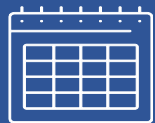
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K Raheja Corp – Group Overview

CHALET
HOTELS



Over **6 Decades**
of experience



Pan India
presence

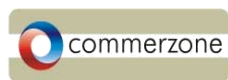


USD 5.9 Bn ⁽⁴⁾
Market Capitalization
of 3 listed entities

Office



Leasable Area
c. 55 msf⁽¹⁾



Hospitality



c. 4,500+ keys ⁽²⁾

Group Hotels

Partner with Marriott, Accor Group
Hyatt and IHCL⁽³⁾



Malls



7 malls

4 operational and 3 under-
construction



Residential



Developed
residential spaces
across 5 cities



Retail



Operates **280** retail
stores across India

SHOPPERS STOP

Note: All data as on March 31, 2024

1. Includes completed area – c. 34msf; under construction- c. 12 msf and future development – c. 9 msf; includes REIT and sponsor's portfolio

2. Includes joint ownership assets of K Raheja Corp: c. 1,000 keys under development

3. Marriott Hotels India Pvt. Ltd and its affiliates| AAPC India Hotel Management Private Limited and its affiliates

4. Market Capitalization as on Oct 08, 2024 on BSE (MindSpace REIT, Chalet Hotels & Shoppers Stop)



Chalet Overview



Hotels

10

Operational

3

Pipeline



Keys

3,052

Operational

1,040*

Pipeline



Brands

11#

In Existing assets

2

In Pipeline assets



Commercial Assets (msf)

2.4

Operational

0.9

Pipeline

Active Asset Management & Operating Model

- Track record of delivering robust financial and operational performance
- Focused on ramping-up in-house capabilities in hotel management
- Responsible growth by leading ESG initiatives and benchmarks for the industry

Growth From Quality Developments & Acquisitions

- New developments and acquisitions done with a focus on generating high return on capital employed
- Focused on maximising returns - Strong emphasis on asset maintenance & refurbishment
- Tangible pipeline of asset additions providing visibility of future growth

High-end Hotels Strategically Located in CBDs[§] of Key Metro Cities & leisure locations

- Combining right hotels in right locations with right brand partnerships
- Strategically maximizing development potential with complementary commercial spaces and creating an additional diversified revenue stream

Benefiting from Industry Trends

- Indian economy on a strong growth path
- Hospitality continues to be on the rise and our assets are located in the key metro cities and drivable leisure locations near metros
- Long term demand growth outpacing the supply growth in all key markets



Chalet : At the inflection point



Focused on remaining at the forefront of growth

- Addition of 418 keys and 1.2 msf office space in the operating portfolio FY24
- Building up a pipeline to increase hospitality keys by ~34% and office pipeline by ~37% by FY28



Operating Efficiencies & Margins amongst best[#]

- Improvement in Adjusted EBITDA margins from 41.3% in FY23 to 43.8% in FY24
- Better than Industry headcount metrics : Our associate to room ratio is at 0.93 as against industry average of 1.1 to 2.1 for 4-star to 5-star deluxe**



Capital efficiency & productivity

- Efficiencies on greenfield hotel development
- Brownfield assets acquired with capacity addition opportunities leading to incremental returns on investments
- Residential project restructured for accretive cashflows
- Realigned assets based on market conditions



Diversified into multiple asset classes

- Diversified revenue streams by building complimentary commercial assets
- Allows us to counter any cyclical impact on the portfolio

* portfolio data is as of 30 Sep 2024

[#]in terms of EBITDA margins of top 10 listed hospitality peers, by market capitalization

^{**}As per FHRAI data as of Dec 2023



H1FY25 Overview



- ✓ 7% Expected GDP growth in **FY25**
- ✓ Focused **infrastructure development**
- ✓ **Demand outpaces supply***
- ✓ **Air traffic & Infrastructure** continued to improve



- ✓ **Strong Pipeline** & diversified portfolio
- ✓ **Resilient operational efficiency**
- ✓ **Capital intensive growth across 3 asset classes**



Hospitality : Revenue 17% ↑ EBITDA 18% ↑

Rental & Annuity : Revenue 32% ↑ EBITDA 26% ↑

Residential : Sales picking up & commanding higher Average price psf



**High-end hotels strategically located in CBDs of key metro cities
& strong leisure locations**





Right Hotels in Right Locations with Right Brand Partnerships

3,052
Keys

MUMBAI



JW Marriott Mumbai Sahar
588 Keys



The Westin Mumbai Powai Lake
604 Keys



Lakeside Chalet, Mumbai -
Marriott Executive Apartments
173 Keys



Four Points By Sheraton Navi
Mumbai, Vashi
152 Keys

PUNE



Novotel Pune Nagar Road 311 Keys
(Including 88 rooms added in Oct 23)

LONAVALA



The Dukes Retreat, LonaVala - 80 Keys
(Pipeline - 65 Keys)

NCR



Courtyard by Marriot Aravali Resort, 158 Keys
(~6 acres available for capacity addition)

HYDERABAD



The Westin Hyderabad Mindspace
427 Keys



The Westin Hyderabad HITEC City
168 Keys

BENGALURU



Bengaluru Marriott Hotel Whitefield - 391 Keys
(Pipeline ~ 125 - 130 Keys)



Complementary Commercial Spaces

MUMBAI



The Orb - Retail & Office Tower
0.5 Mn Sq. ft.



CIGNUS Powai® Tower I
0.9 Mn Sq. ft.

BENGALURU



CIGNUS Whitefield Bangalore® Tower I
0.7 Mn Sq. ft.

CIGNUS Whitefield Bangalore® Tower II
0.3 Mn sq. ft

Strategically maximizing development potential and creating an additional diversified revenue stream

Real-estate Development in Bengaluru



As of September 2024		(Msf)	No. of Units	Avg Sale Price (Rs. psf)
Residential (1+2+3)		0.85	321	
1	Historical sales	0.28	83	~7,700
2	New Sales (A+B+C)	0.41	170	~19,700
A	Sold in FY24	0.29	121	~18,800
B	Q1FY25	0.04	17	~21,500
C	Q2FY25	0.07	32	~21,800
3	Unsold	0.17	68	
Commercial		0.15		



Rs. 3,392 Mn
Receivables (September 2024)
For existing sales

9
Residential Towers
close to completion
10 Floors each

2
New Residential
Towers
11 Floors each

1
Commercial Tower
For Strata Sale

Strong sales velocity



Poised to Benefit from Industry Trends



Strong India story

Governments emphasis on **'Make in India' & 'Dekho Apna Desh'***

8.9% CAGR growth expected in per-capita income (FY 23 – FY29)

India GDP
Growth Rate

6.3%

Expected over 2024-28

Strong push on Tourism related **infrastructure development**

Hotel Sector's GDP contribution to grow **25x** to **US\$1 tn by 2047\$**

Positive **policy** environment

5th

largest economy in terms
of nominal GDP

3rd

largest economy in terms of
purchasing power parity



Tourism and Infrastructure growth to boost hospitality demand



Tourism on the rise

Tourism showing a sustained growth

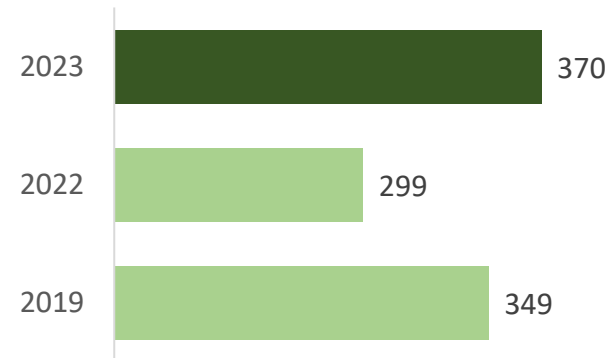


Air Traffic Resurgence – 26% above 2022 levels



With Access Infrastructure Improving

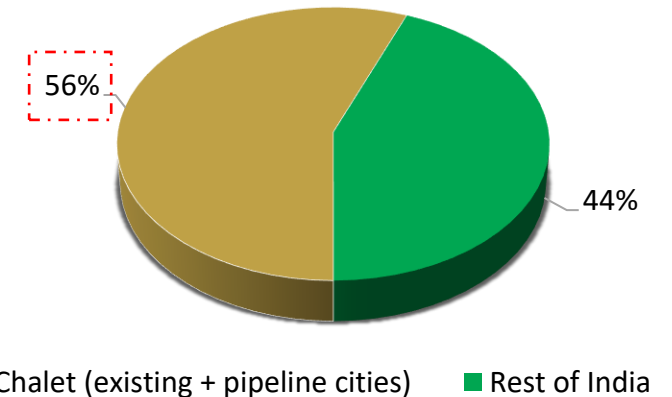
Air Traffic (in Mn)



Through New Airports and Capacity Expansions Across Our markets

- ✓ Bengaluru
- ✓ Pune
- ✓ Goa
- ✓ Navi Mumbai Airport

Establishing presence in cities handling 56%* of India's Air traffic

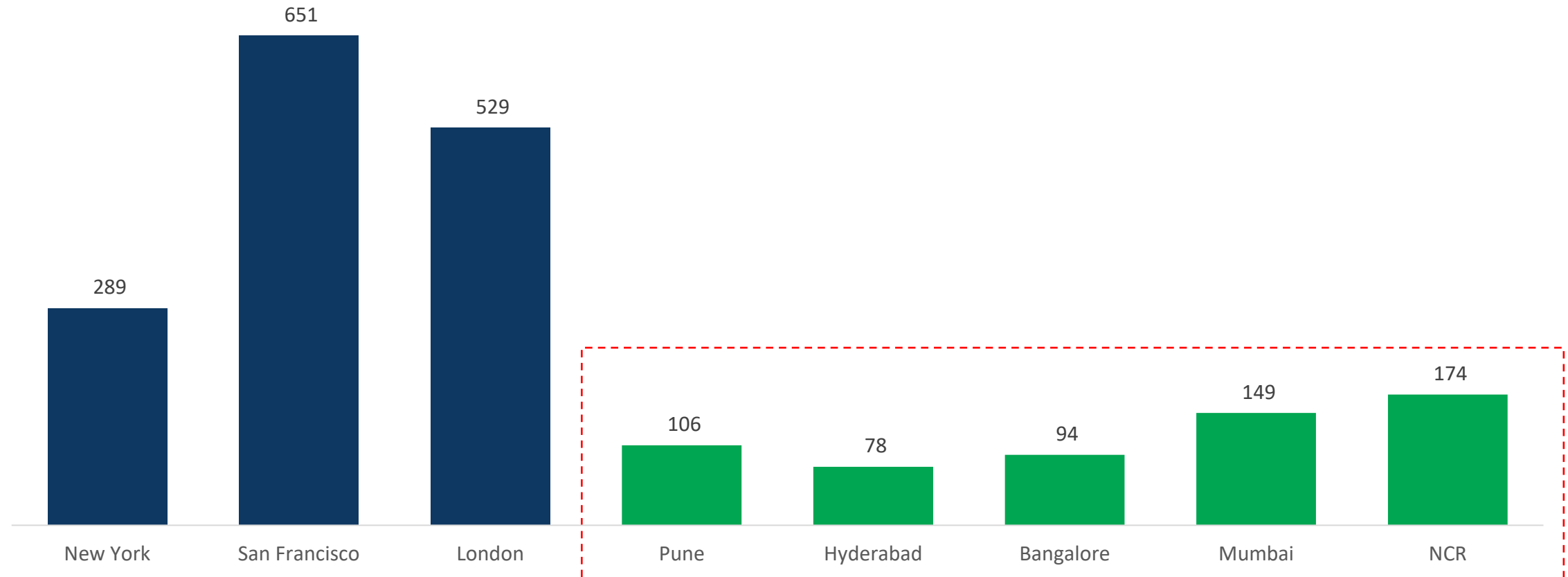


Operational airports in India grew from 74 to 157 in the last 10 years



Hospitality Sector in India is Significantly underpenetrated...

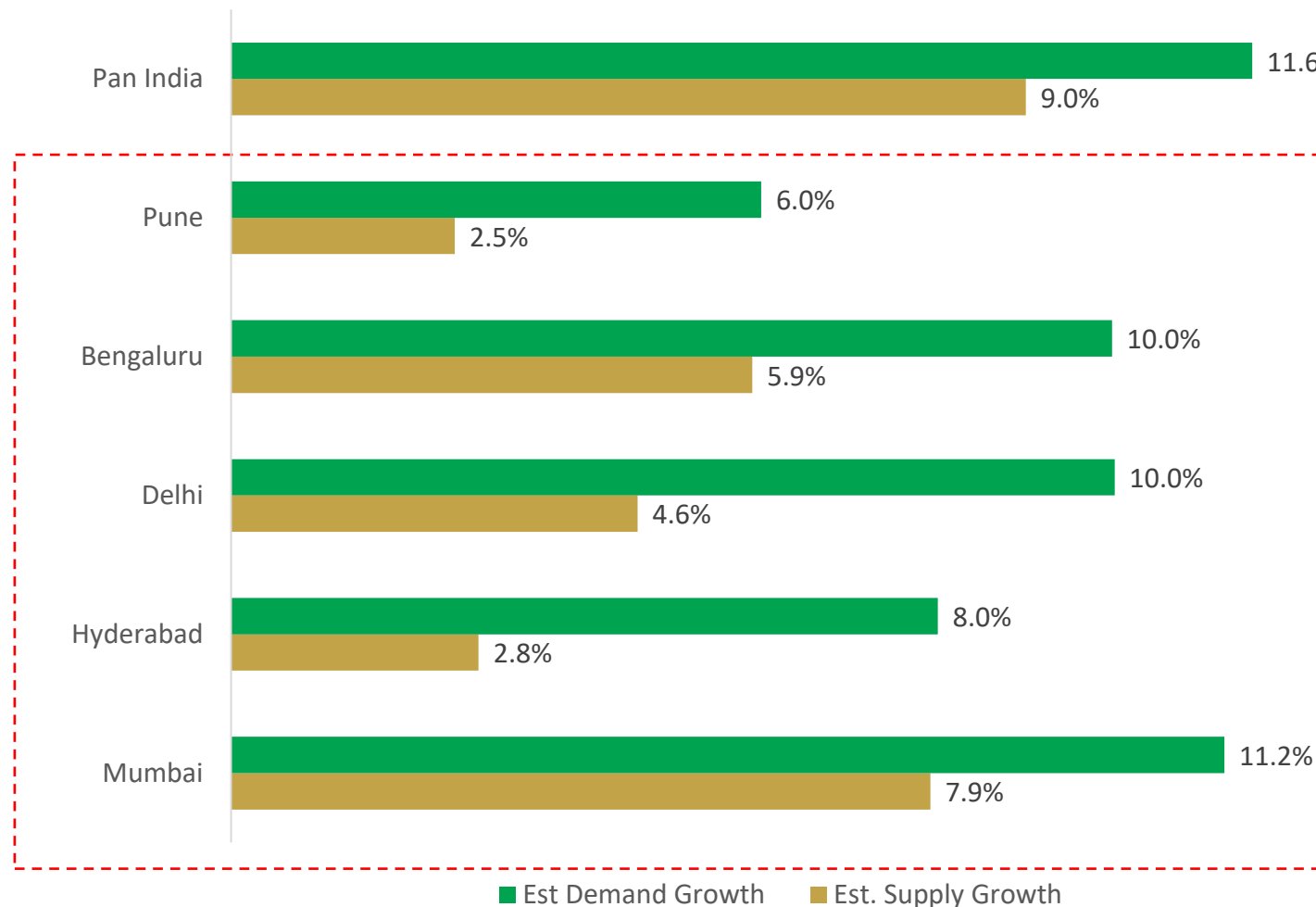
Number of Hotel Keys per Mn Sq Office Space (Dec 2023)



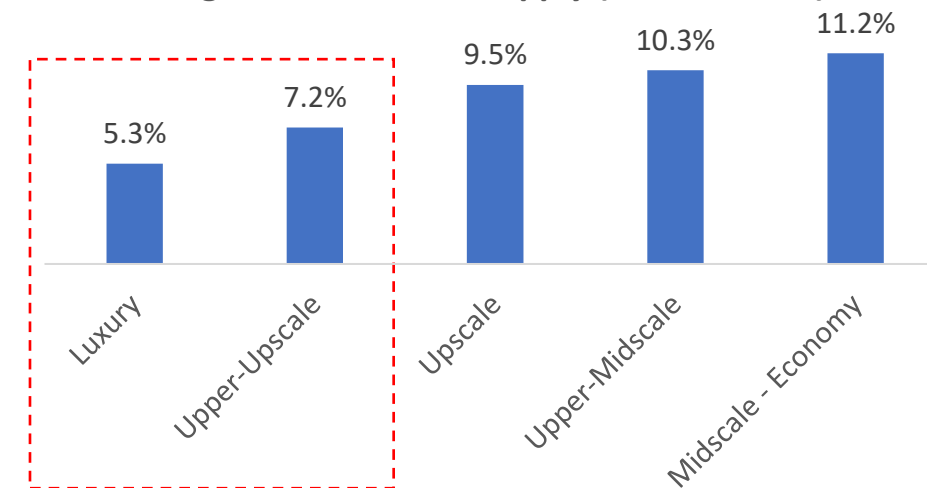


...with Long-term demand growth outpacing supply growth

Demand - Supply Growth (FY 23 – FY 27)



Segmental Share of Supply (FY 23 – FY 27)



80% hotel inventory * of Chalet Hotels

~87% hotel inventory* of Chalet Hotels

* Including pipeline



Operating efficiencies





Financial Highlights H1FY25

YoY Growth %



Revenue



EBITDA



EBITDA Margin



PBT

CONSOLIDATED

₹ 7,523 Mn

19%

₹ 3,040 Mn

25%

40.4%

2 pp

₹ 1,571 Mn

92%

HOSPITALITY

₹ 6,606 Mn

17%

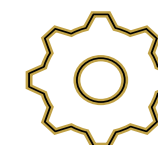
₹ 2,728 Mn

18%

41.3%*

30 bp

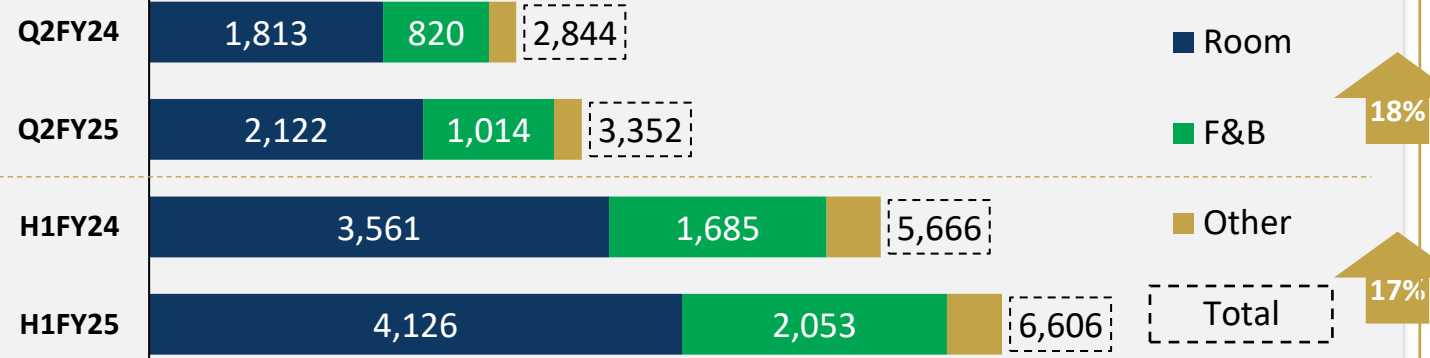
*excluding 'The Dukes Retreat'
which is under renovation
margins were at 42.3%





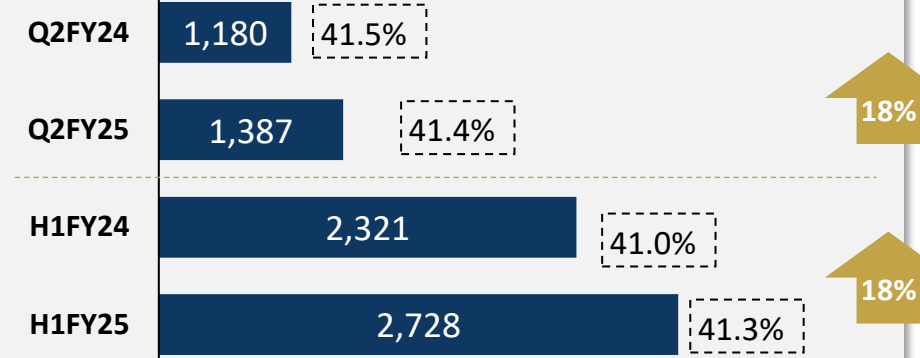
Hospitality

Revenue

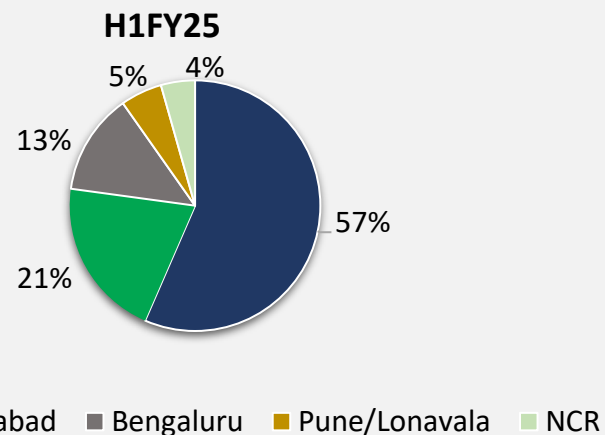


EBITDA

In Rs. Mn.

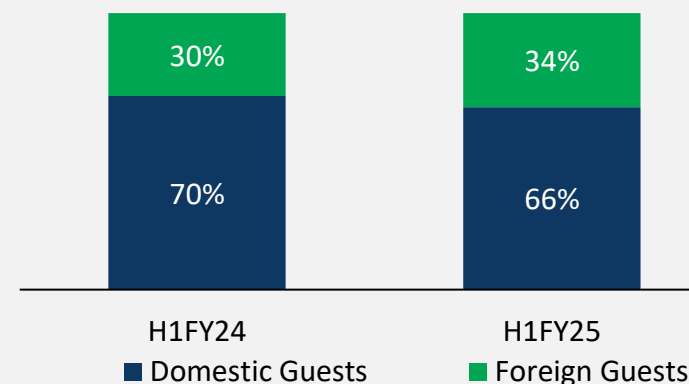


Revenue Mix



MMR: Mumbai Metropolitan Region; NCR: National Capital Region

Guest Profile



YoY



Hospitality Performance

Portfolio level	Q2FY25	Q2FY24	YoY%	Same store* YoY%	H1FY25	H1FY24	YoY%
ADR (Rs.)							
MMR	10,580	9,861	7%	7%	10,555	10,340	2%
Others	10,480	9,309	13%	11%	10,415	9,418	11%
Combined	10,532	9,610	10%	9%	10,490	9,944	5%
Occupancy (%)							
MMR	75%	74%	1%	1%	77%	74%	3%
Others	72%	72%	0%	4%	67%	69%	-1%
Combined	74%	73%	1%	2%	72%	71%	1%
RevPAR (Rs.)							
MMR	7,969	7,288	9%	9%	8,090	7,630	6%
Others	7,540	6,737	12%	16%	7,018	6,459	9%
Combined	7,756	7,034	10%	12%	7,559	7,109	6%

MMR: Mumbai Metropolitan Region; NCR: National Capital Region. Others include Pune, Hyderabad, Bengaluru and NCR

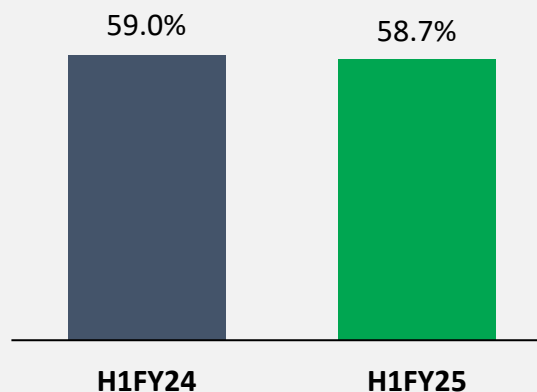
*Excludes Courtyard by Marriott, Aravali and The Dukes Retreat which is under full renovation

Rooms out of actions hence removed from inventory– 43 keys in Dukes, 35 keys in Four Points by Sheraton Navi Mumbai due to renovation in the current year

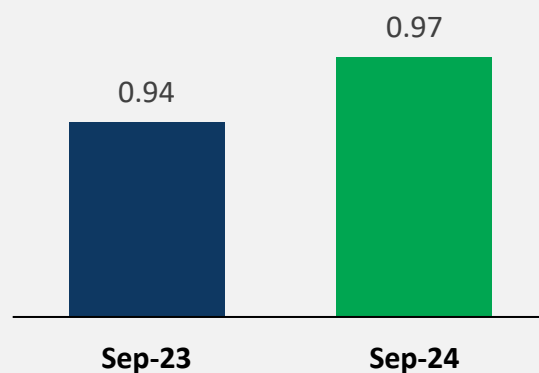


Hospitality: Retained Efficiencies

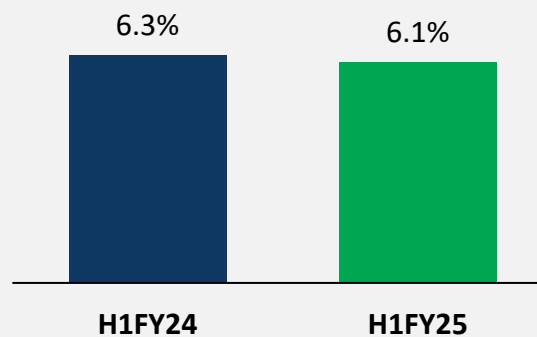
Total expenses % of Revenue



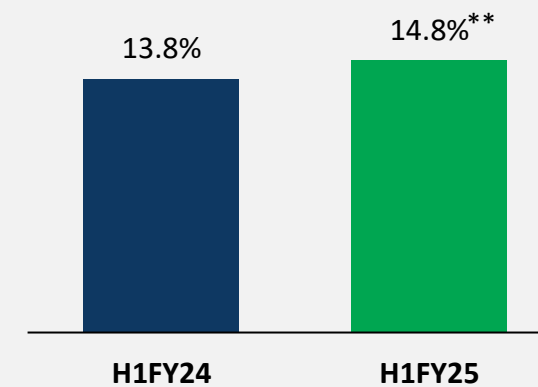
Staff to room ratio*



Utilities % of Revenue



Payroll Costs % of Revenue



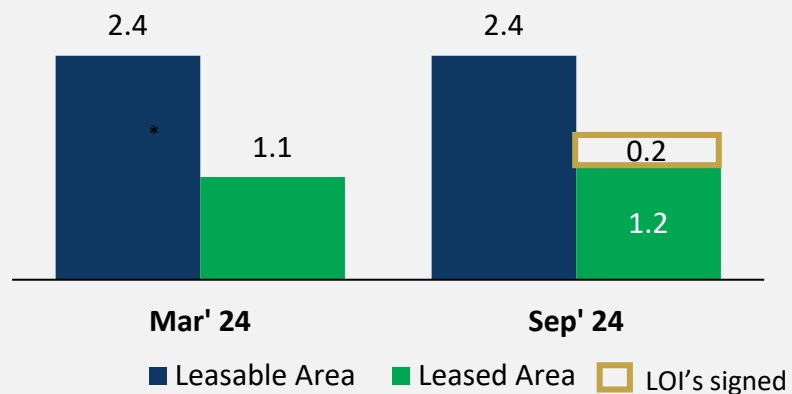
*Includes full time and fixed term contract employees

**excluding 'The Dukes Retreat' which is under renovation payroll costs were at 14.4%



Rental & Annuity: Performance Highlights

Msf.



(Rs. Mn.)	Q2FY25	H1FY25	FY24
Total Revenue	419	774	1,241
EBITDA	323	587	988
EBITDA%	77%	76%	80%



CIGNUS Powai® Tower I
0.9 Mn Sq. ft.



CIGNUS Whitefield Bengaluru®
Tower I – 0.7 Mn Sq. ft.
Tower II – 0.3 Mn Sq. ft.



Profit & Loss Statement

Particulars (in Rs. Mn)	Q2FY25	Q2FY24	YoY%	H1FY25	H1FY24	YoY%	FY24
Total Income	3,832	3,182	20%	7,523	6,327	19%	14,370
Total Expenditure	2,275	1,886	21%	4,483	3,896	15%	8,327
EBITDA	1,556	1,296	20%	3,040	2,432	25%	6,044
<i>Margin %</i>	40.62%	40.72%		40.41%	38.43%		42.10%
Adjusted EBITDA	1,556	1,302¹	20%	3,040	2,601¹	17%	6,294¹
<i>Adjusted Margin %</i>	40.6%	40.9%		40.4%	41.1%		43.8%
Depreciation and Amortisation	424	350	21%	813	659	23%	1,384
Finance costs	339	501	-32%	655	955	-31%	1,967
Exceptional items (expense)/income							-
Profit/ (Loss) before income tax	794	445	79%	1,571	817	92%	2,694
Tax Expense	2,179 ²	80	-	2,350	-434	-	-88
Profit / (Loss) for the year	-1,385	364	-	-779	1,251	-	2,782
Other comprehensive (expense)/income	-2.1	-1.3	-	-4.2	-2.6	-	-8.4
Total Comprehensive Income	-1,387	363	-	-783	1248	-	2,773
EPS (Rs.)	*-6.35	*1.78		*-3.57	*6.10		13.54

*Not annualized

¹Previous year Adjusted for FY24: Rs. 250 Mn H1FY24: Rs. 169 Mn, Q2FY24: Rs. 6 mn towards GST Payments, Westin Hyderabad Hitec pre-operating expenses, Dukes Decapitalisation , Acquisition cost of LLP (Aravali) , along with unusable stock of Bengaluru Residential

²The Finance (No. 2) Act, 2024 withdrew the indexation benefit on long-term capital gains, as a result the company reversed the deferred tax assets created on certain capital assets (carried at indexed cost) having one time non cash impact of ₹ 2,021.72 million on the profit after tax for the quarter ended 30th September 2024.



Balance Sheet

Particulars (in Rs. Mn)	Sep-24	Mar-24
Fixed Assets	26,014	24,464
Capital Work in-progress	2,208	11,089
Investment Property	17,891	7,727
Right Of Use Asset	427	460
Goodwill	688	686
Other Non-Current assets	4,080	4,249
Cash and Cash Equivalents	1,601	1,323
Other Current Assets	7,483	7,498
Total ASSETS	60,392	57,495
Total Equity	28,142	18,509
Total Gross Debt	18,252	26,855
Preference Capital	1,922	2,003
Loan from related party	41	645
Lease Liabilities	526	549
Other Non-Current Liabilities	1,097	814
Current Liabilities	10,412	8,120
TOTAL EQUITY AND LIABILITIES	60,392	57,495

¹ As per Finance (No.2) Act 2024, enacted in August 2024, the rate at which capital gains were taxed have changed and indexation benefits has been withdrawn while calculating long term capital gains on capital assets. Consequently, the Holding Company has reversed deferred tax assets created on certain capital assets (carried at indexed cost) having one time impact of ₹ 2,021.72 million in the statement of profit and loss. Further, on remeasurement of deferred tax on revaluation created on land, the Company has reversed Deferred tax liability on account of rate change, amounting to ₹ 553.62 million in the retained earnings



Leverage Position

in Rs. Mn	30 Sep 24	Mar-24	Mar-23	Mar-19	Mar-18
Allocable to operating assets	8,951	11,486	11,768	13,572	23,323
Allocable to under-construction/to be operationalized assets	~7,700	~13,600	~12,600	~900	~3,700
Net Debt	16,651[#]	25,086	24,368	14,472	27,023
Strategic Investments*	4,150	6,596	5,985	656	1,100
EBITDA YTD	3,040	6,044	5,023	3,668	3,005
Interest Rate (%)	8.52	8.87	8.75	9.4	8.4

Capital productivity
Optimal leverage

Significant improvement

[#] We raised ~Rs. 10bn in QIP in April 2024, of which Rs. 9 bn was utilised to reduce debt.

Credit ratings status:

New long-term rating - CRISIL (AA-)

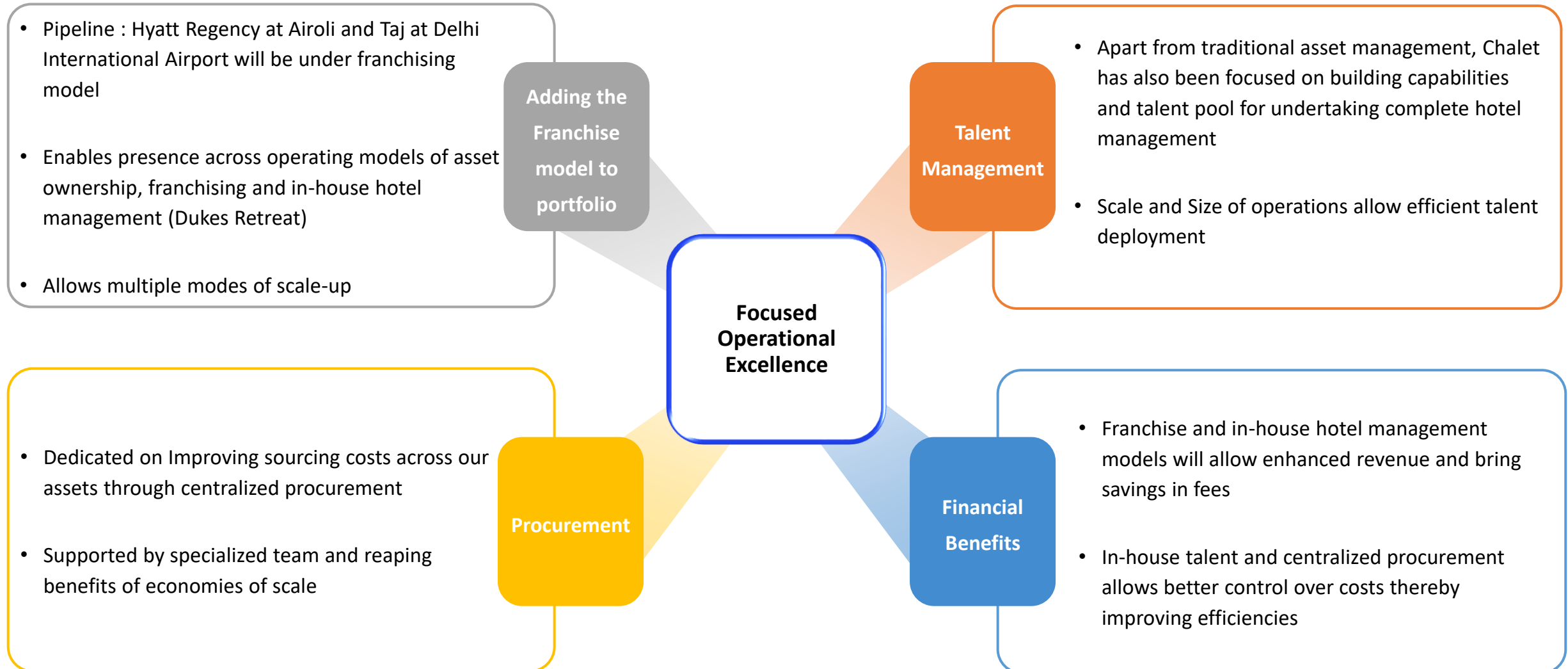
Upgraded long term ratings India Ratings (A- to AA-) & ICRA (A to A+)

Note: Net debt does not include preference shares and intercorporate deposits

*Includes Capital expenditure and strategic acquisitions



Focused on ramping-up in-house capabilities in hotel management





Led by an Experienced Board



Mr. Hetal Gandhi
Chairman & Independent Director
Co-Founder & MD Tano India Advisors Pvt. Ltd.



Mr. Arthur De Haast
Independent Director
Chairman of JLLs Global Capital Markets Advisory Council



Mr. Joseph Conrad D'Souza
Independent Director
Former Executive management & CIRO HDFC Limited*



Ms. Radhika Piramal
Independent Director
Executive Vice Chairperson of VIP Industries Ltd



Mr. Ravi C. Raheja
Promoter & Non- Executive Director



Mr. Neel C. Raheja
Promoter & Non- Executive Director



Mr. Sanjay Sethi
Managing Director and Chief Executive Officer



Mr. Shwetank Singh
Executive Director

*CIRO – Chief investor relations officer



Our Sustainability story



DJSI SCORE

Corporate Sustainability Assessment

57

Placed 8th in the world
among category of
hotels, resorts and cruise
line



ENERGY MANAGEMENT

61%

Renewable energy
FY24



WATER & WASTE MANAGEMENT

Wet waste treated through
organic waste composters

Recycling of wastewater

Rainwater harvesting system



E Mobility

100%

Operational assets have EV charging
stations[^]

2 properties have **100%** fleet as EVs

[^]The Dukes Retreat is under renovation



DIVERSITY AND INCLUSION

23%

Women in workforce as on

30 September 2024

From 17% in March 2023



CSR

over **230+** Youth got skilled under
Pankh, TRRAINHer and The Plus initiative
including dedicated batch of PWDs,
women in F&B and Housekeeping services.

Supported 'School and Public Health care
centre Upgradation' in Maharashtra



STRONG GOVERNANCE

50%

Of the board are

Independent directors

PWD = People with Disabilities



GREEN BUILDINGS

5 USGBC LEED Gold certified
properties

The Westin Hyderabad Hitec City
& CIGNUS Bangalore now
certified



Climate Change Actions



***Chalet Hotels commits to achieve
Net-Zero Greenhouse gas (GHG)
emissions by 2040.***

°CLIMATE GROUP Initiative

RE 100

RE100 (Renewable Energy):
Move to 100% renewable
energy by 2030

The Company sourced
61% of its electricity
from renewable sources

EP 100

EP100 (Energy Productivity):
Double energy productivity
(revenue per unit of electricity
consumed) by 2028

The Company achieved **65%**

IoT-enabled solutions such as
Digital check-ins, Mobile key,
Building Management System,
IOT system for HVAC to address
reduction in energy
consumption.

EV 100

EV100 (Electric Vehicles):
Move entire fleet to EVs for
guest transportation by 2025

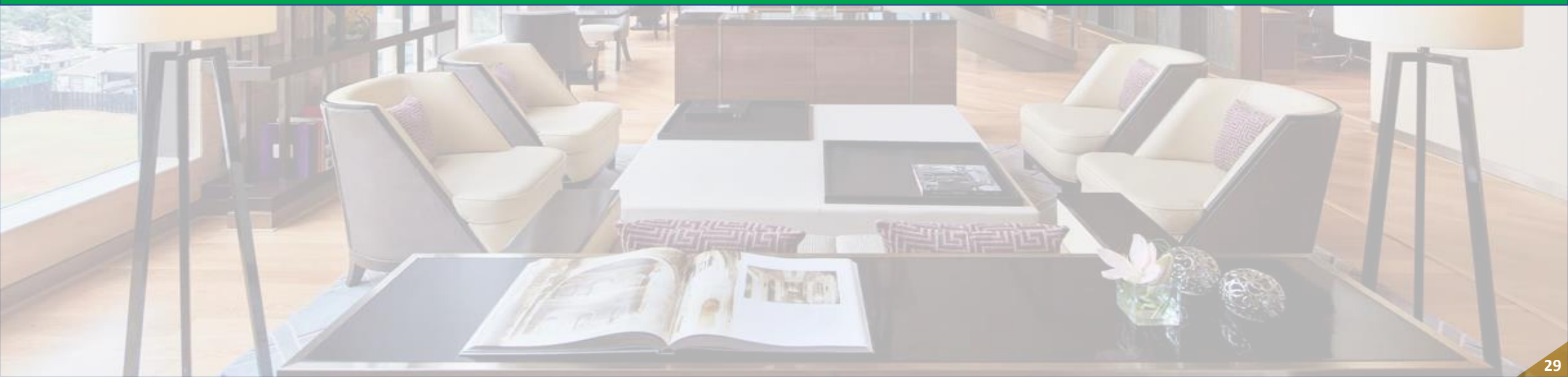
All our operational assets are
equipped with EV charging
points accessible to both
employees and visitors.

2 properties have **100%**
fleet as EVs

Chalet Hotels is a member of CII-IBBI that develops and provides inputs on the interface of industry with biodiversity conservation and sustainable management of ecosystem services.

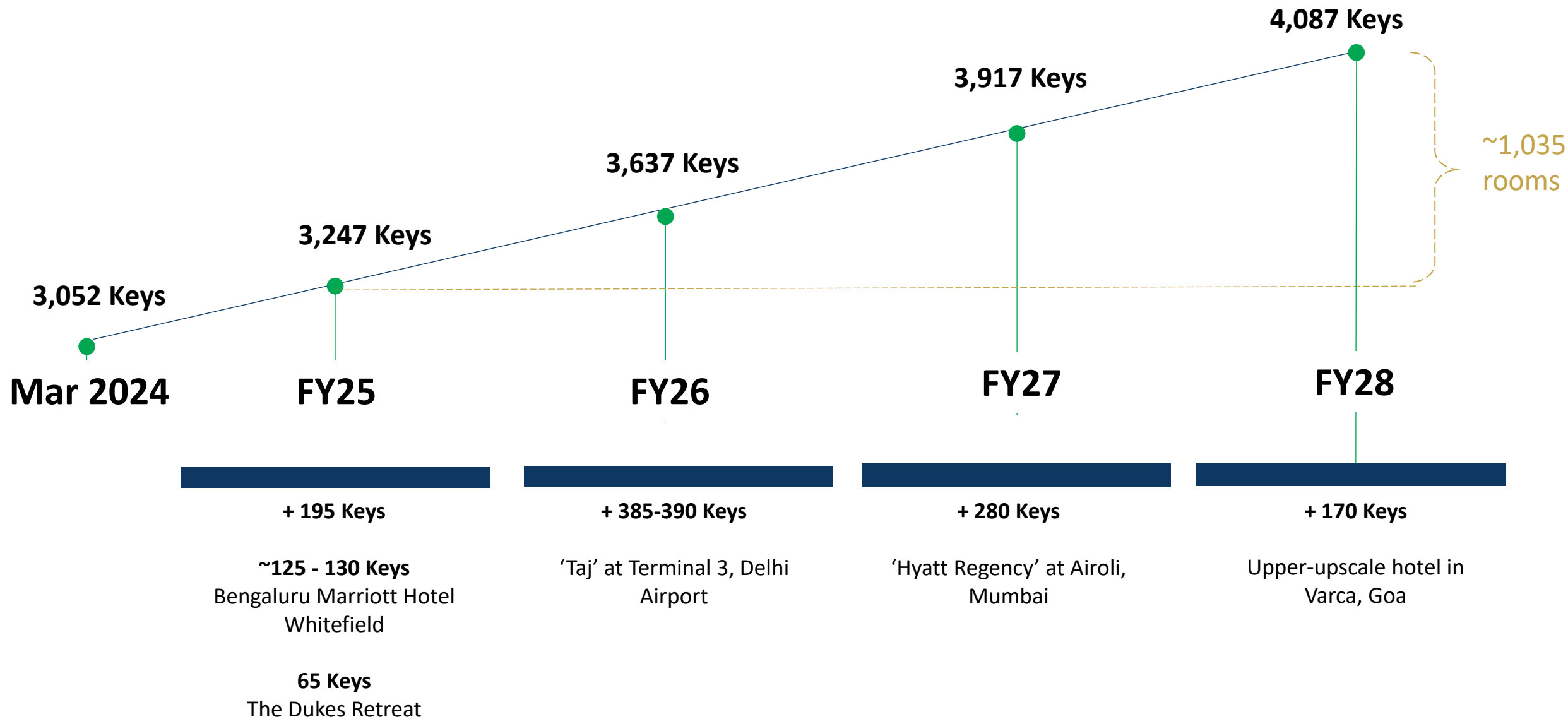


Chalet's Pipeline : Growth From Quality Development & Acquisitions leading to Value Creation



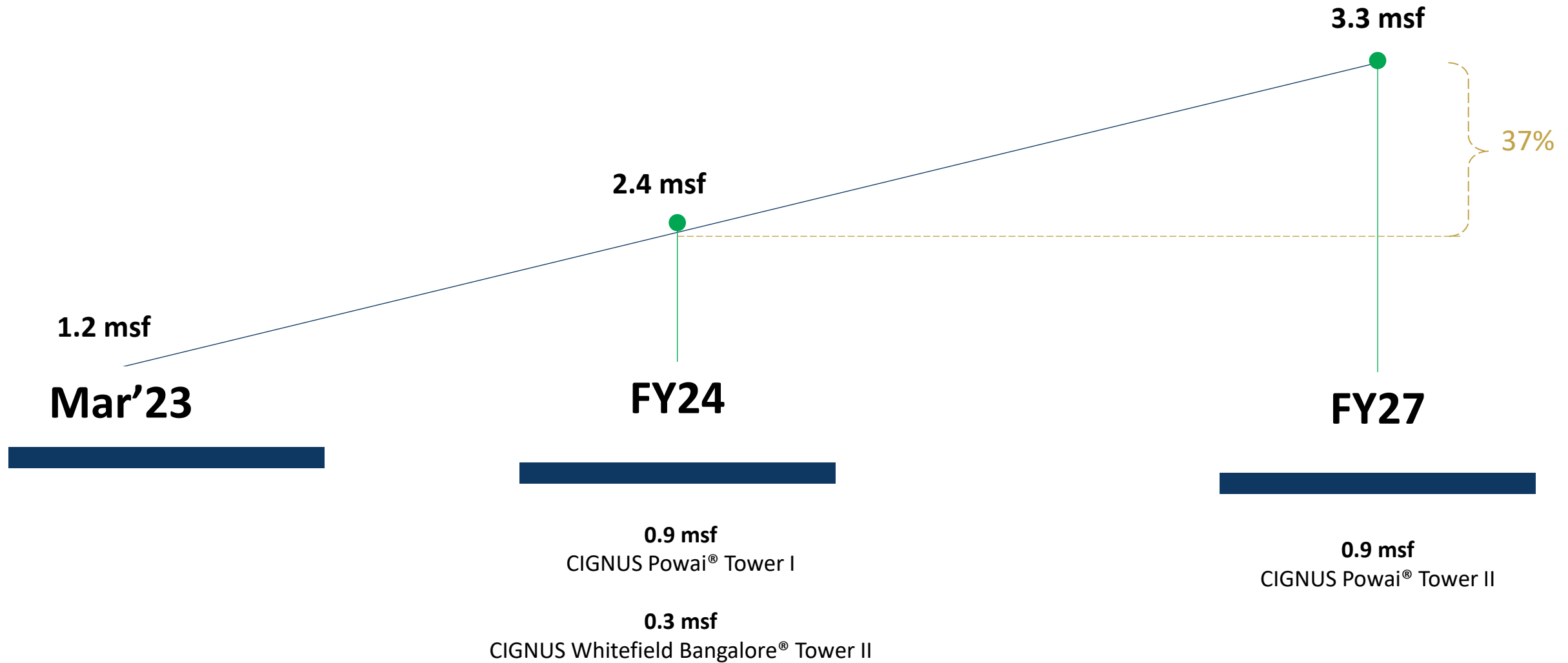


Hospitality Pipeline





Rental/Annuity: Growth and Announced pipeline



Focus on maximizing development potential and creating an additional diversified revenue stream



Profit & Loss Statement – 5 Year trend

Particulars (Consolidated) (in Rs. Mn)	FY24	FY23	FY22	FY21	FY20	FY19
ADR	10,718	9,169	4,576	4,040	8,482	8,210
Occupancy	73%	72%	51%	30%	71%	77%
RevPAR	7,776	6,605	2,355	1,214	6,022	6,283
Total Income	14,370	11,780	5,297	3,075	10,087	10,348
Total Expenditure	8,327	6,757	4,093	2,785	6,380	6,680
EBITDA from continued operations	6,044	5,023	1,204	290	3,708	3,668
<i>Margin%</i>	<i>42%</i>	<i>43%</i>	<i>23%</i>	<i>9%</i>	<i>37%</i>	<i>36%</i>
Adjusted EBITDA from continued operations	6,294¹	4,760²	1,099	325	3,708	3,668
<i>Adjusted Margin%</i>	<i>44%</i>	<i>41%</i>	<i>22%</i>	<i>11%</i>	<i>37%</i>	<i>36%</i>
Profit/ (Loss) before income tax	2,694	2,728	-1,534	-2,446	1,008	-183
Tax Expense	-88	895	-720	-1,092	12	-107
Profit/(Loss) for the year	2,782	1,833	-815	-1,391	996	-76
Other comprehensive (expense)/income	-8.4	-4.64	1.50	0.28	-11	-8
Total comprehensive Income	2,773	1,828	-813	-1,391	985	-84
EPS (Rs.)	13.54	8.94	-3.98	-6.78	5.01	-0.43

1 FY24 Adjusted for Rs. 250 Mn towards GST Payments, Westin Hyderabad Hitec pre-operating expenses, Dukes Decapitalisation , Acquisition cost of LLP (Aravali), along with unusable stock of Bengaluru Residential

2 FY23 Adjusted gain in the estimated cash outflows for redemption of 0% NCRPS : Koramangala Project.

Notes on earlier years are part of respective year's presentations



Balance Sheet – 5 Year trend

Particulars (in Rs. Mn)	FY24	FY23	FY22	FY21	FY20	FY19
Inventory						
Hotels	10	8	7	7	7	6
Rooms	3,052	2,634	2,554	2,554	2,554	2,311
Capital Employed	38,368	38,531	35,821	32,276	32,816	28,348
Investments [#]	6,596	5,985	3,489	1,433	3,277	656
Net Worth	18,509	15,415	13,410	14,329	15,492	14,469
Net Debt (Excl. Pref Capital & ICD from Promoters)	25,086	24,368	22,338	18,711	16,570	14,472
Debt to Equity Ratio	1.45	1.67	1.76	1.4	1.2	1.0
Cost of Debt	8.9%	8.8%	7.5%	8.0%	9.2%	9.4%
Cash Flow from operations	6,894	4,769	622	602	2,564	3,603

[#] Investments includes Capital expenditure and strategic acquisitions



Thank You



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