

March 24, 2023

National Stock Exchange of India Limited

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

Scrip Code: CHALET

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001

Scrip Code: 542399

Dear Sir / Madam,

Sub: Update on Acquisition

Ref: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

With reference to the captioned subject and further to our letter dated March 22, 2023, and pursuant to the respective Share Purchase Agreements, we hereby inform that on March 23, 2023:

- (a) the existing shareholders of Sonmil Industries Private Limited ("Sonmil") have transferred 100% of the Equity Shares to the Company and the Company has paid the complete cash consideration of Rs.746.45 Million (*including cash and cash equivalents*), for the said acquisition.
- (b) the existing shareholders of **The Dukes Retreat Private Limited ("Dukes")** have transferred 82.28% of the Equity Shares to the Company and the Company has paid the complete cash consideration of Rs. 817.56 Million (*including cash and cash equivalents*), for the said acquisition.

Consequent to above, Sonmil has become a wholly owned subsidiary of the Company and Dukes has become a subsidiary of the Company. The details as required under Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 with respect to the said acquisitions have already been submitted vide our above referred letter.

Further, the Press Release being issued in respect of the said acquisition is attached herewith.

Kindly take the above information on your records.

Thanking You.

Yours sincerely,
For **Chalet Hotels Limited**

Christabelle Baptista
Company Secretary and Compliance Officer

Enclosed: As above

Chalet Hotels Limited Completes Acquisition of 'The Dukes Retreat' at Khandala



Mumbai, March 23, 2023: Chalet Hotels Limited (CHL), owner, developer, asset manager and operator of high-end hotels and resorts in India, marks its investment foray into leisure as it completes the **'ACQUISITION OF THE DUKES RETREAT'**, an 80-room Resort, spread over ~7.5 acres, surrounded by gorgeous waterfalls and picturesque views of the Western Ghats. A dominant player in the business hospitality space, CHL has an earned reputation of creating asset value through curations of high-end hospitality assets in key metro cities and offering exceptional guest experiences.

CHL has completed the acquisition for an Enterprise Value of **Rs. 1,330 mn** (to be adjusted for cash on books) by way of purchase of equity shares of:

- **The Dukes Retreat Pvt. Ltd.:** Owner of hotel structure and business
- **Sonmil Industries Pvt. Ltd., .:** Owner of the land of the hotel

With this acquisition, CHL will extend its expertise towards expansion and up-gradation of the property to reposition it as an upper-upscale, green, lifestyle resort.

The Dukes Retreat is strategically located at a comfortable drivable distance from both Mumbai and Pune. The Resort includes **18 Deluxe Rooms, 54 Executive Rooms and 8 Cottages**, and offers a gourmet experience at the in-house restaurant with panoramic views of cliffs and valleys. Other facilities at the Resort include an outdoor pool, play area for kids, spa, and a fitness center. The property has been a preferred destination for leisure travelers, wedding celebrations, and corporate events.



Press Release

Following the announcementSpeaking on the acquisition, Mr. Sanjay Sethi, MD & CEO Chalet Hotels Limited said, *“The Dukes Retreat’ is a unique resort with stunning views and a strong emotional connect with large number of families from Mumbai and Pune. We welcome the guests and the associates of the Resort to the Chalet family. Chalet Hotels Ltd is positioned in a sweet spot with several of its capex projects approaching commercial opening in the next few months. The Dukes Retreat is the new addition.”*

Key highlights of the property:

FY23 witnessed a strong resurgence in leisure travel with demand coming from all sections including workcations, weekend travelers, weddings, socials and MICE. Given its picturesque location and its brand recall with travelers, the property has witnessed consistent uptick in earnings in the recent past.

Key Metrics:

| The Dukes Retreat (Rs mn) | YTD FY23 (Till March 19, 2023) |
|----------------------------------|---|
| ARR | 8,654 |
| Occupancy | 77% |
| RevPAR | 6,678 |
| | |
| Total Revenue* | 310 |
| EBITDA* | 136 |
| EBITDA Margin%* | 44% |
| Profit Before Tax* | 127 |

*Adjusted for one-time gains and losses

This property, given its unique features, has the potential to be positioned as an upper-upscale green, lifestyle resort. Chalet will commence renovation, upgradation, and inventory addition (42 rooms) on this property over the next few months. This refreshed experience is sure to delight the old patrons and new alike.

With this acquisition, CHL will further enhance diversification in its portfolio with leisure segment. Apart from being EPS accretive, this deal comes with an IRR of >20%.

About Chalet Hotels Limited:

Chalet Hotels Limited (CHL), is an owner, developer, asset manager and operator of high-end hotels and resorts in India. CHL portfolio comprises of seven operating hotels, including a hotel with a co-located serviced residence, which are situated across the markets of the Mumbai Metropolitan Region, Hyderabad, Bengaluru, and Pune. The hotels are branded with globally recognized hospitality brands and are in the luxury, upper upscale and upscale segments. CHL uses its experience to actively manage the hotel assets to drive performance. In addition, CHL has developed commercial assets, co-located with the hotels under a mixed-use strategy. These are at strategic locations, generally with high barriers to entry, and in high-density business districts.

For more information about the company, please visit www.chalethotels.com.



Press Release

For further details, please contact:

| Investor Relations | Corporate Communications |
|--|--|
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