

August 11, 2017

To,  
Corporate Services Department,  
**National Stock Exchange  
of India Ltd.**  
5<sup>th</sup> Floor, Exchange Plaza  
Plot no. C/1, G Block,  
Bandra - Kurla Complex  
Bandra (E), Mumbai - 400 051

To,  
Corporate Services Department,  
**The BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001.

To,  
Corporate Services Department,  
**Metropolitan Stock Exchange  
of India Limited**  
4<sup>th</sup> Floor, Vibgyor Towers,  
Bandra - Kurla Complex,  
Bandra (E), Mumbai - 400 098

Ref: Scrip Code/Name: BYKE (NSE), 531373 (BSE), THEBYKE (MCX-SX)

Sub: Investors/Analysts Presentation {Disclosure of Material Event/ Information under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015}

Respected Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, a copy of the Investors/Analysts Presentation that we propose to make during the conference call for analyst and investors schedule to be held on Wednesday, August 16, 2017 at 02:00 P.M (IST) is enclosed and the said Investors/Analysts Presentation has also been uploaded on Company's Website at [www.thebyke.com](http://www.thebyke.com)

We request you to kindly take the same on your record.

Thanking You,

Yours Faithfully,

For The Byke Hospitality Limited

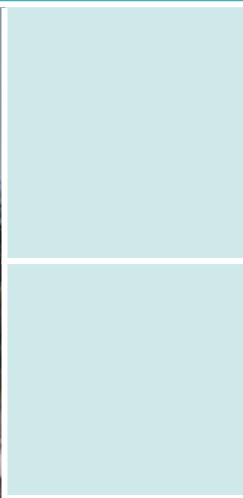


(Ms. Neha Mankame)  
Company Secretary & Compliance Officer





**Investor Presentation**  
**August 2017**



# The “BYKE” Brand

Core brand promise:  
Quality + Affordability

**Mid-market presence**

**Amongst few organized brand in the segment**

**Focus on domestic leisure**

**Large and fast growing segment**

**Full service hotel**

**One stop for leisure, social & corporate events**

**Serving vegetarian food**

**A key differentiator**

**Location is the key**

**Tourist locations, heart of cities**



# Agenda

01

Financial Highlights & Updates Q1FY18

02

Company Overview

03

Lease Business

04

Chartering Business

05

“The Byke” Hotel Portfolio

A photograph of a modern building with a fountain in the foreground and a car in a covered parking area. The building has a mix of light-colored upper floors and reddish-brown lower floors. A fountain with multiple jets of water is in the center foreground. A dark car is parked under a covered area of the building. The scene is set in a well-maintained garden with green grass and various plants.

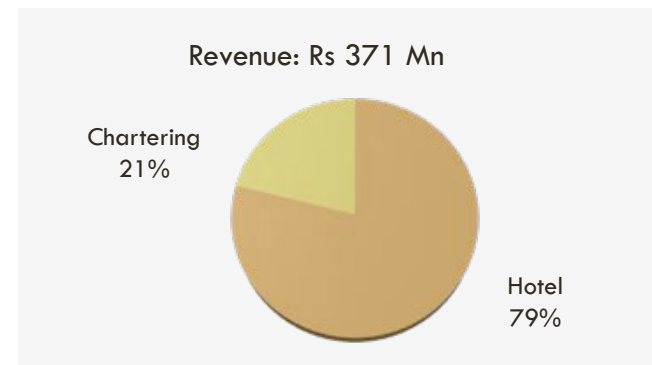
# Financial Highlights and Updates Q1FY18

# Income Statement – Q1FY18

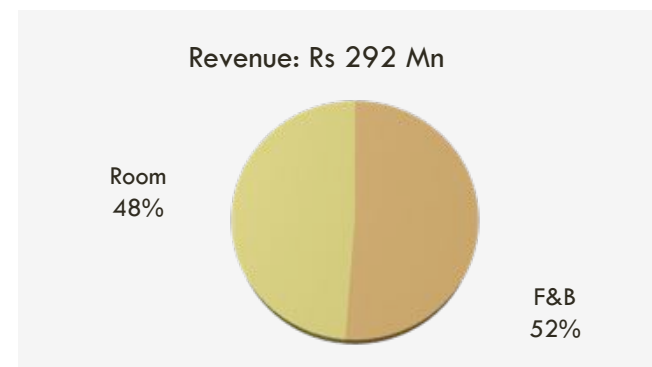
Rs. Mn	Q1 FY18	Q1 FY17
Hotel Revenue	292.4	285.5
Chartering Revenue*	78.4	333.5
<b>Revenue</b>	<b>370.7</b>	<b>619.0</b>
Employee Expense	24.4	21.7
Operating & Other expense	214.0	464.7
Total Cost	238.3	486.4
<b>EBITDA</b>	<b>132.4</b>	<b>132.6</b>
Depreciation	31.8	28.2
Net Interest Cost	1.7	3.2
Other Income	1.8	1.4
<b>PBT</b>	<b>100.8</b>	<b>102.6</b>
Tax	34.9	35.5
<b>PAT</b>	<b>65.9</b>	<b>67.1</b>

\* The Company has changed its accounting method of revenue from gross basis to net basis for room chartering segment from April 1, 2017, hence current year number is not comparable to last year

## Segmental Revenue Breakup: Q1FY18

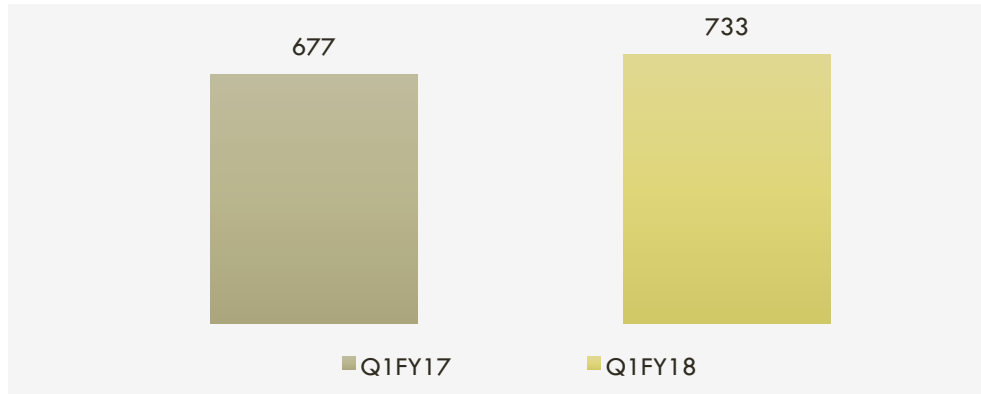


## O&L Revenue Breakup: Q1FY18

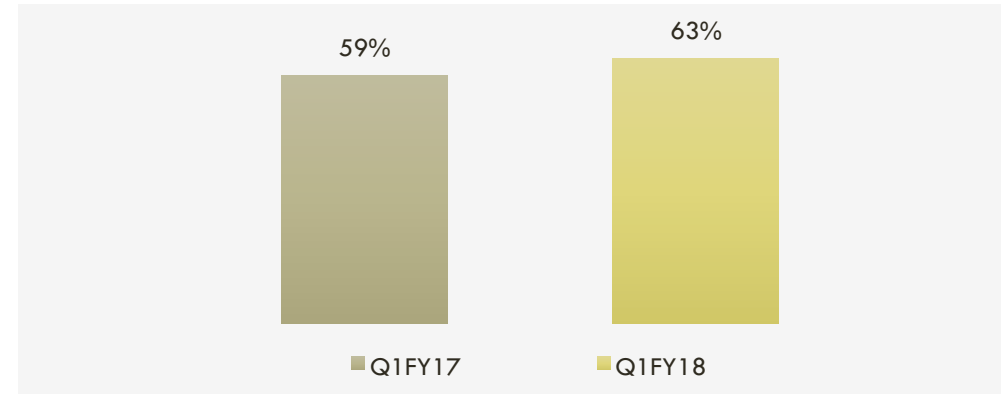


# Lease Business – Q1FY18

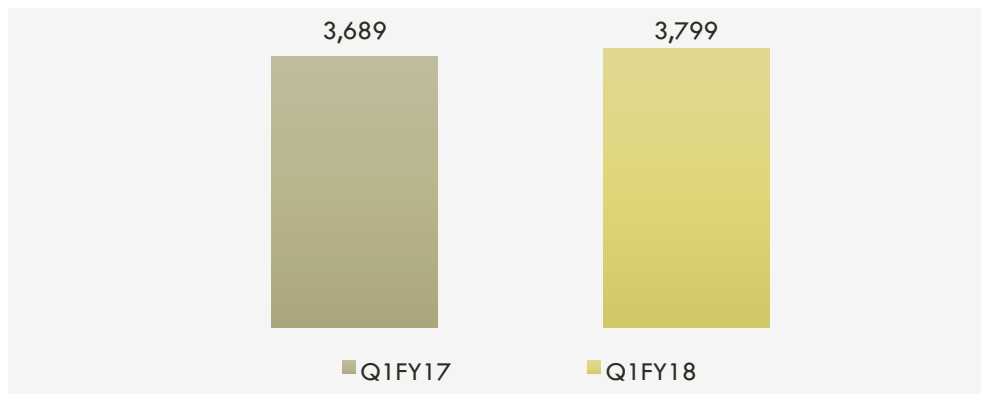
Number of rooms



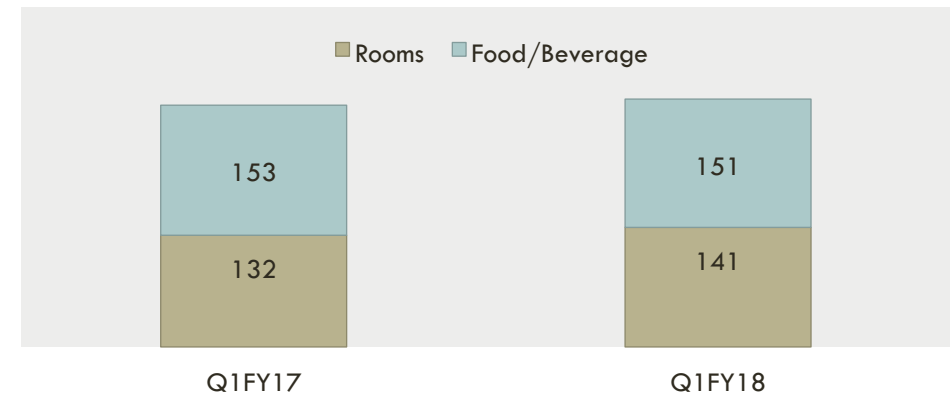
Occupancy (%)



ARR (Rs)

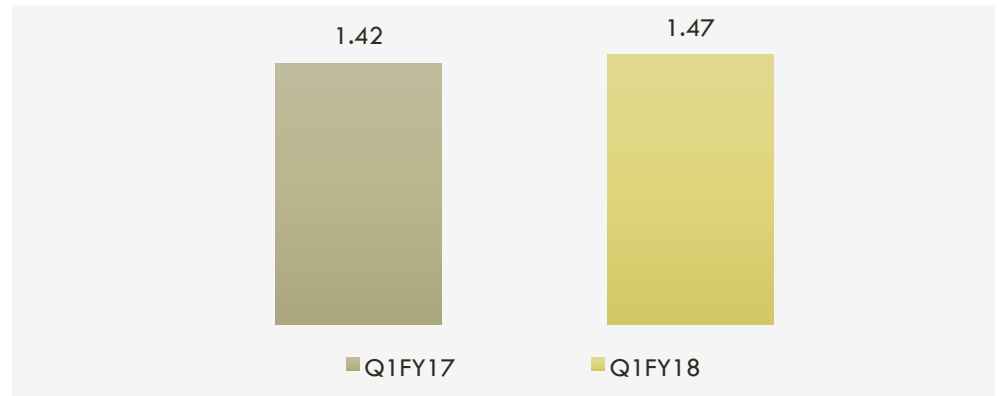


Revenue (Rs Mn)

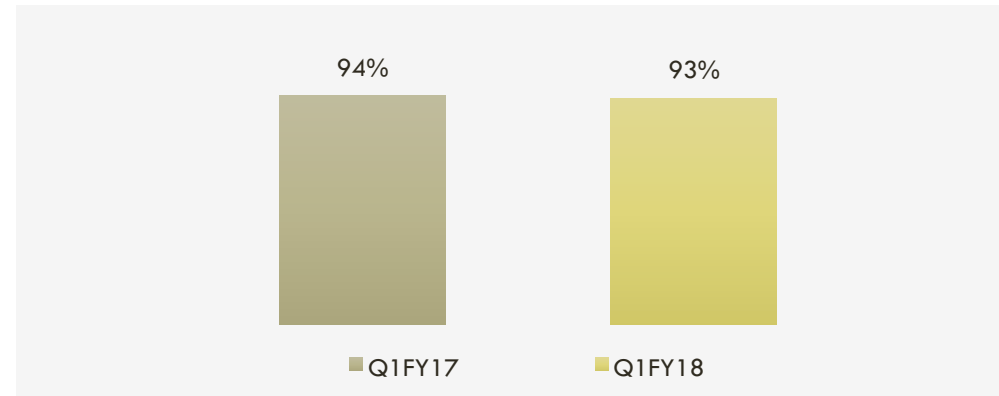


# Chartering Business – Q1FY18

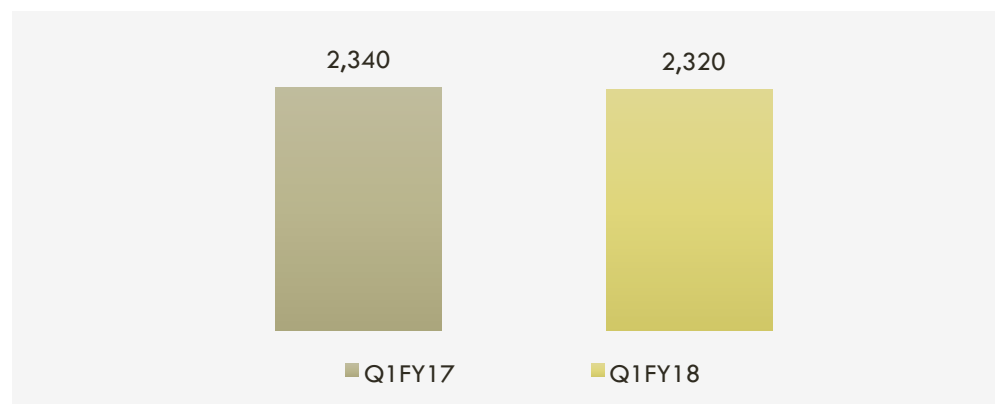
Number of rooms nights sold (In Lacs)



Occupancy (%)



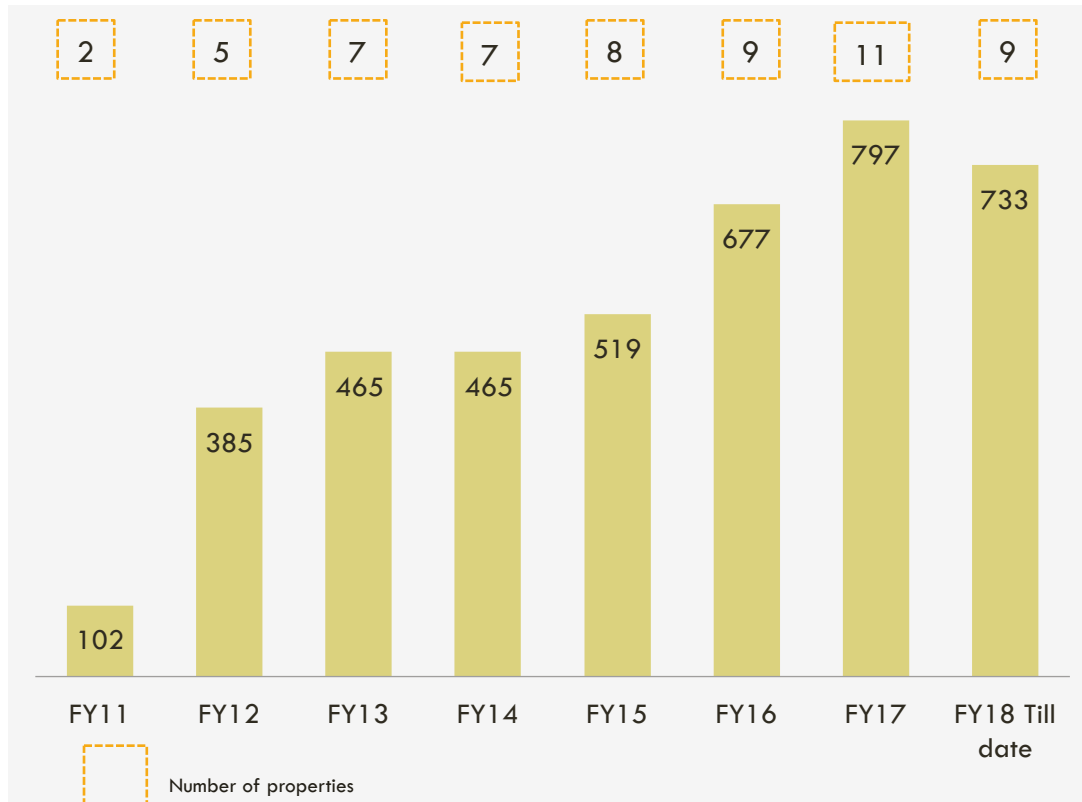
ARR (Rs)





# Portfolio of 733 Rooms Across 9 Properties

Number of Rooms and Properties

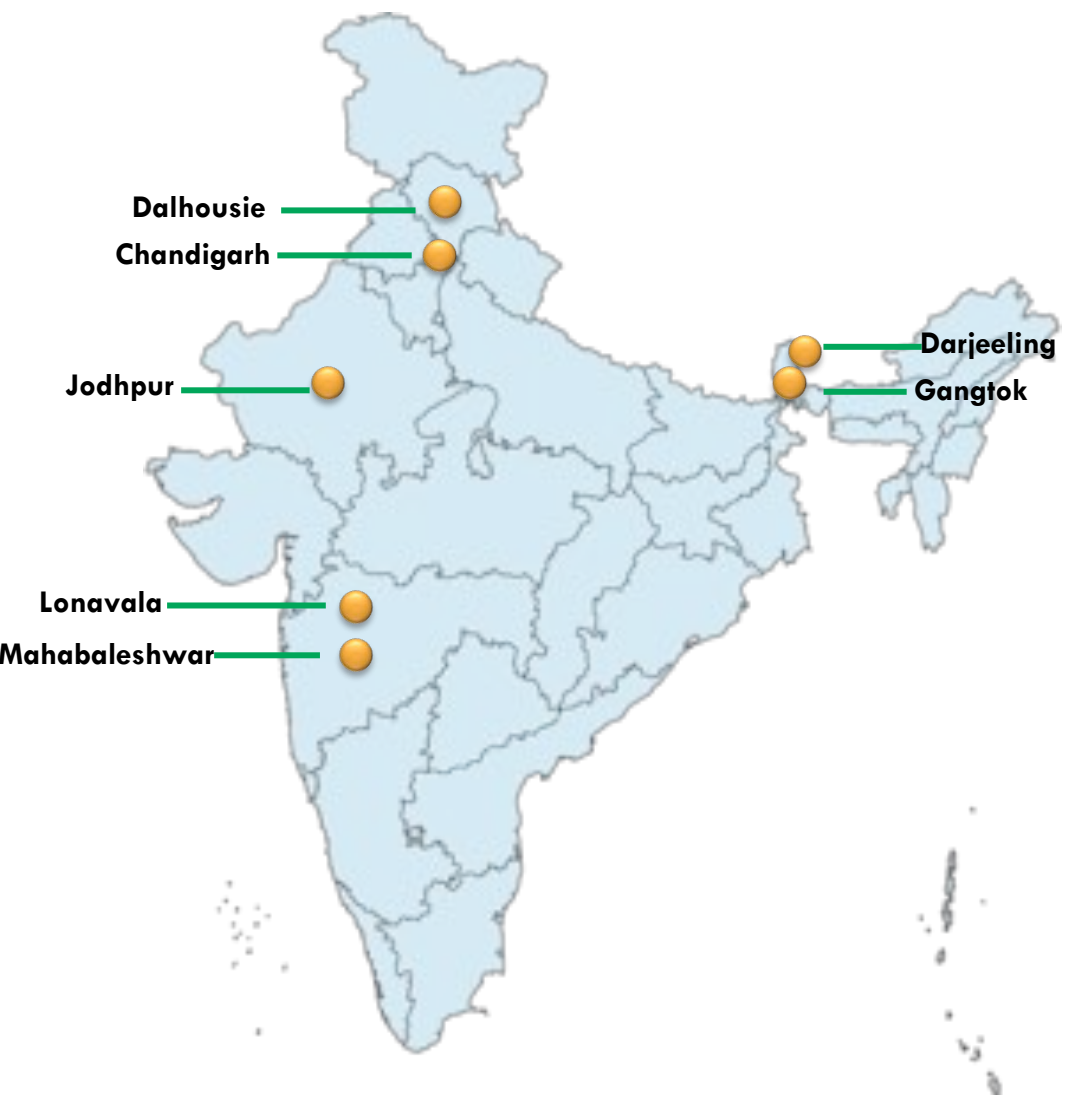


Hotel	Location	No. of rooms	Type
Byke Old Anchor	Goa	240	Leased
Byke Suraj Plaza	Mumbai	122	Leased
Byke Heritage	Matheran	80	Owned
Byke Grassfield	Jaipur	54	Leased
Byke Neelkanth	Manali	40	Leased
Byke Redwood	Matheran	25	Leased
Byke Grassfield Riviera	Jaipur	80	Leased
Byke Riddhi Inn	Udaipur	52	Leased
Byke Delotel	Mumbai	40	Leased
<b>Total</b>		<b>733</b>	

Yet to be operational

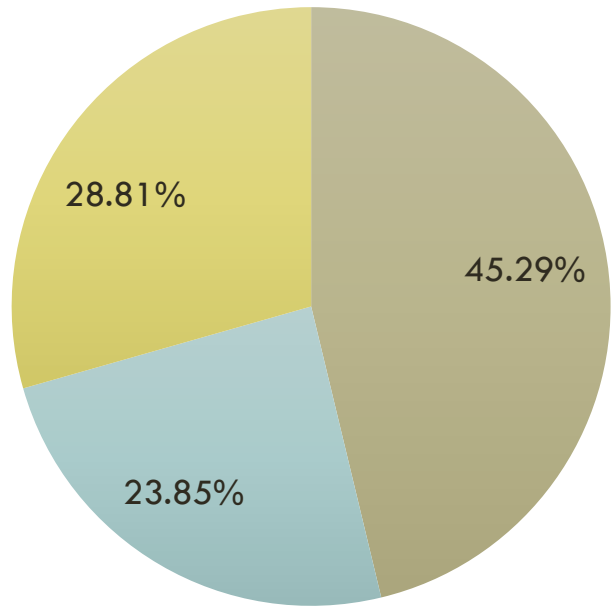
\*Exited Byke Vijoya (54 rooms), Byke Hidden Paradise (40 rooms), leased out Byke Sunflower (owned property of 22 rooms) in FY18

# Identified Locations for the Next Phase of Growth



<b>Lonavala</b>	Coveted location for a quick weekend getaway for the Mumbai
<b>Mahabaleshwar</b>	Blend of old-world charm, natural beauty and modernity
<b>Chandigarh</b>	Best-planned city in India, epitome of modernization and natural beauty
<b>Dalhousie</b>	Situated in the western Himachal Pradesh, prominent hill station
<b>Jodhpur</b>	Traditional city with beautiful palaces and forts
<b>Darjeeling</b>	Hill station in East India surrounded by tall Himalayan mountains
<b>Gangtok</b>	Ambience of tradition and modernity; stupas and monasteries

# Shareholding Pattern (as on 30<sup>th</sup> June 2017)



■ Promoters ■ Institutional ■ Others

Institutional Investors	% Holding
Grandeur Peak Advisors	10.18%
Jupiter India Fund	7.13%
Wasatch Funds	5.33%
GIC India	2.03%

## Byke Background and Overview





# Background and History

## History (Prior to 2010)

- Formerly known as “Suave Hotels”
- Started operations in the year 2002
- Promoted by Mr. Satyanarayan Sharma and family

**No. of Hotels – 2**  
**No. of Rooms – 102**  
**Room Chartering - Nil**

## Acquisition (2010)

- Current promoters acquired 44.5% stake in the Company in December 2010
- 2 properties – Byke Heritage Matheran and Byke Suflower Goa (total 102 rooms)
- In August 2011 the Company name was changed to “The Byke Hospitality”

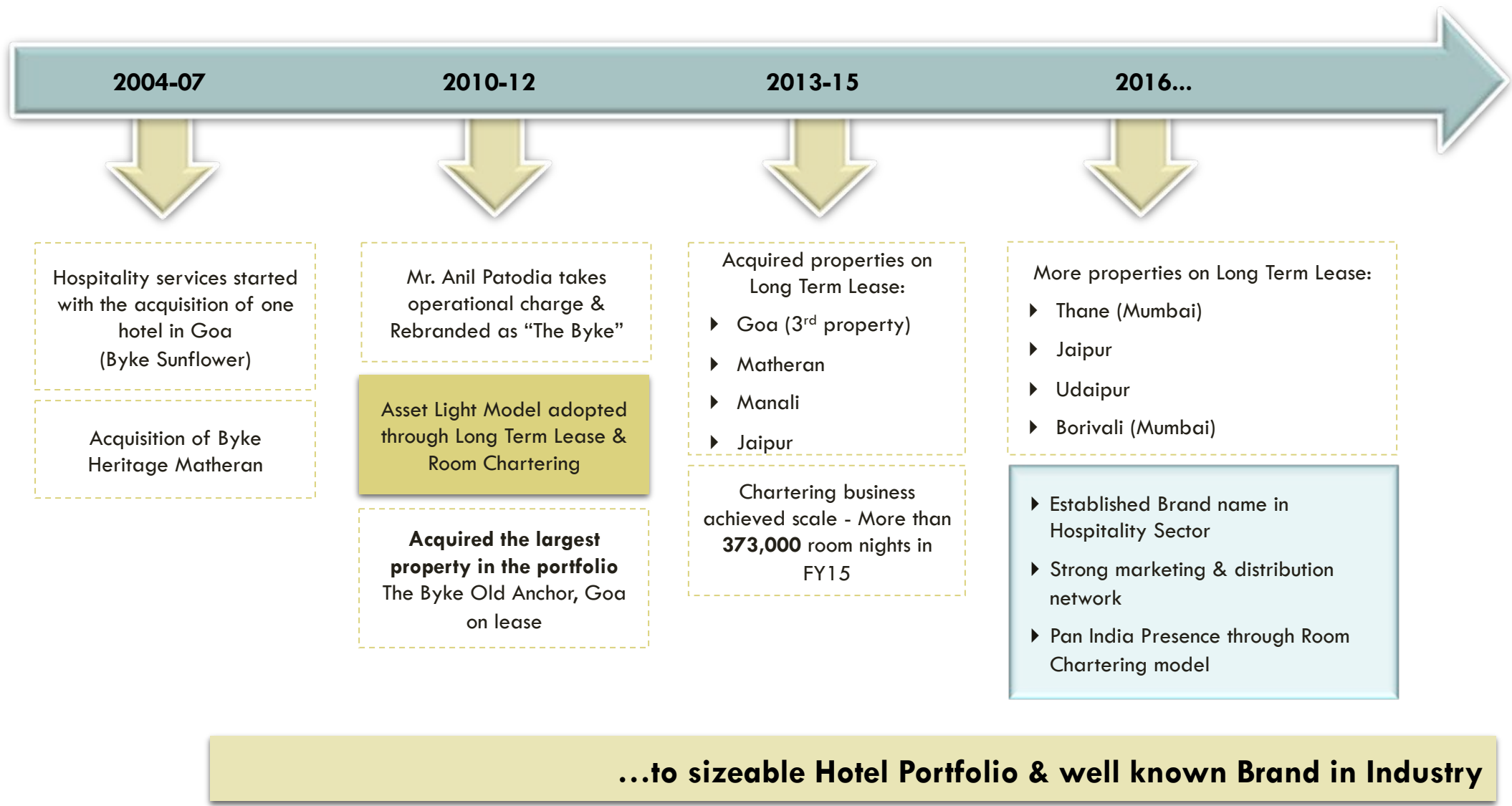
## The Byke (Present)

- Mr. Anil Patodia (Managing Director and Promoter) had significant experience in the hospitality industry – business of supplying recon pillows to hotels
- Strong vision to be a leader and preferred choice in the Hospitality Industry

**No. of Hotels – 9**  
**No. of Rooms – 733**  
**Room Chartering – ~6 lacs room nights**



# Evolved from Standalone Hotel Property ...



# Experienced Management Team

## Mr. Anil Patodia Chairman and Managing Director



- Provided strong and dynamic leadership to “The Byke” since 2011
- A career Hotelier with an extensive experience in the Hospitality industry
- His experience in operations and marketing is playing a key role in the global expansion and development of future hotels

## Mr. Suraj K Soni

- 20 years of experience as a Hotel Executive
- General Manager with proven brands such as Hilton, Wyndham Hotels, Sayaji Hotel and others
- Specialization in the management of large convention hotels, 4 & 5 Star Resorts & Hotels
- Proven track record of success in opening / re-opening, major renovations and brand re-positioning

## Mr. Mihir Sarkar

- 19 years of hands-on experience in the hospitality industry
- Past management roles at Taj, Holiday Inn and ITDC
- Specialties:
  - ✓ Pre-opening Hotel Management
  - ✓ Vendor & Supplier Management
  - ✓ MICE & Convention Management

## Mr. Ronald Masse

- Versatile hospitality professional and dynamic manager with more than 20 yrs of experience
- Worked with Group like Tunga & Panaromic group of Hotels
- Specialties:
  - ✓ Hospitality Operations
  - ✓ Client Management & Relationship Building
  - ✓ Business Development

# Supported by Independent Board of Directors

## Mr. Sandeep Singh

- **A renowned media professional, author and management strategist**
- Post-Graduation in Rural Development from Xaviers Institute of Social Science (XISS)
- Specialised in Media Planning from Mudra Insitute of Communications & General Management from IIM, Bangalore
- Author of various books. Some of his books are 'Business of Freedom', 'Indian Ocean Strategy & 'Simhavolokan'
- On the Advisory Board of The National Institute of Mass Communication & Journalism

## Ms. Sudha Gupta

- **A renowned Chartered Accountant & subject matter expert in finance/ taxation**
- Wide experience in Corporate Taxtation, Tax Treaties & Companies Act and vast knowledge in International transactions, FEMA & RBI
- Previously worked in Deloitte and Rodl & Partner, been instrumental in structuring and implementation of various cross border complex transactions
- Has authored book on Foreign Exchange Management Act, Due Diligence under FEMA (CCH Publications) and Practical Aspects of FDI in India (ICSI Publication)

## CA Ram Ratan Bajaj

- Fellow member of the Institute of Chartered Accountants of India
- Over 35 years of post- qualification experience
- Expertise in handling finance, taxation, corporate law, accounts, project implementation

## Mr. Bharat Thakkar

- Post graduate in Commerce and has cleared ICWA Intermediate
- He is an acknowledged expert in financial planning as well as insurance sector
- Was earlier with New India Assurance and United India Insurance

## Mr. Ramesh Vohra

- Successful businessman providing engineering solutions to the oil, gas, exploration, marine and construction companies
- Some of the major clients include ONGC and the Indian Railways
- Member of the Lions Club for over a decade



# Awards and Accolades

## Featured in Forbes Asia's "Best Under a Billion" for 2 consecutive years

Achieved the distinction of being among the 11 companies from India that have made it to the top 200 Asia Pacific corporations in Forbes Asia's 'Best Under a Billion' list in 2015

Featured again in 'Best Under a Billion' list in 2016; among the 7 companies from India that have made it to the list



## Award to promote vegetarian hotels in India

Received an award for "BEST PURE VEGETARIAN HOTEL CHAIN IN INDIA" at 11th Hospitality India & Explore the World Annual International Travel Awards, 2015, New Delhi



## CMD featured in Forbes June 2016 issue

Forbes Asia June 2016 issue featured Chairman & Managing Director, Mr. Anil Patodia's thoughts and future plans for the Company



# Business Overview

## Hotel (Owned + Leased)

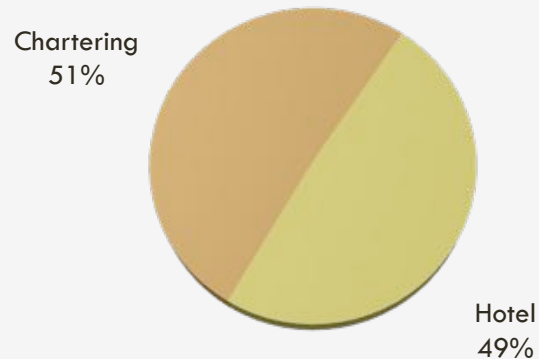
- Hotels under Brand name “The Byke”
- Focus on domestic middle class leisure tourism
- Niche in Vegetarian segment
- Diversified revenue mix – Rooms, F&B, events, etc.
- 9 properties at tourist destinations in India:
  - 1 ownership; 8 on long term lease
  - 733 rooms

## Room Chartering

- Third party hotel rooms chartered at strategically identified locations across India
- Capitalise on the diverse peak seasons across India
  - Maximise occupancy (90%+)
- Presence across 60 plus cities
- Relationships with 500+ hotel owners
- Network of 300+ agents

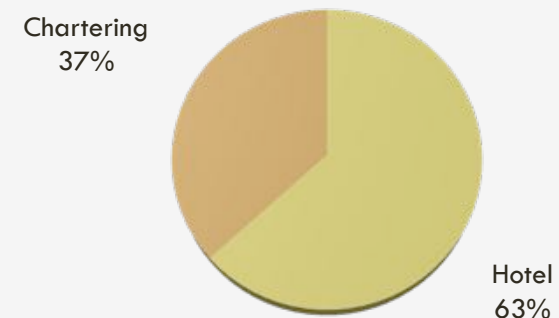
## Revenue Break-up

**FY17 Total: Rs 2,700 mn**



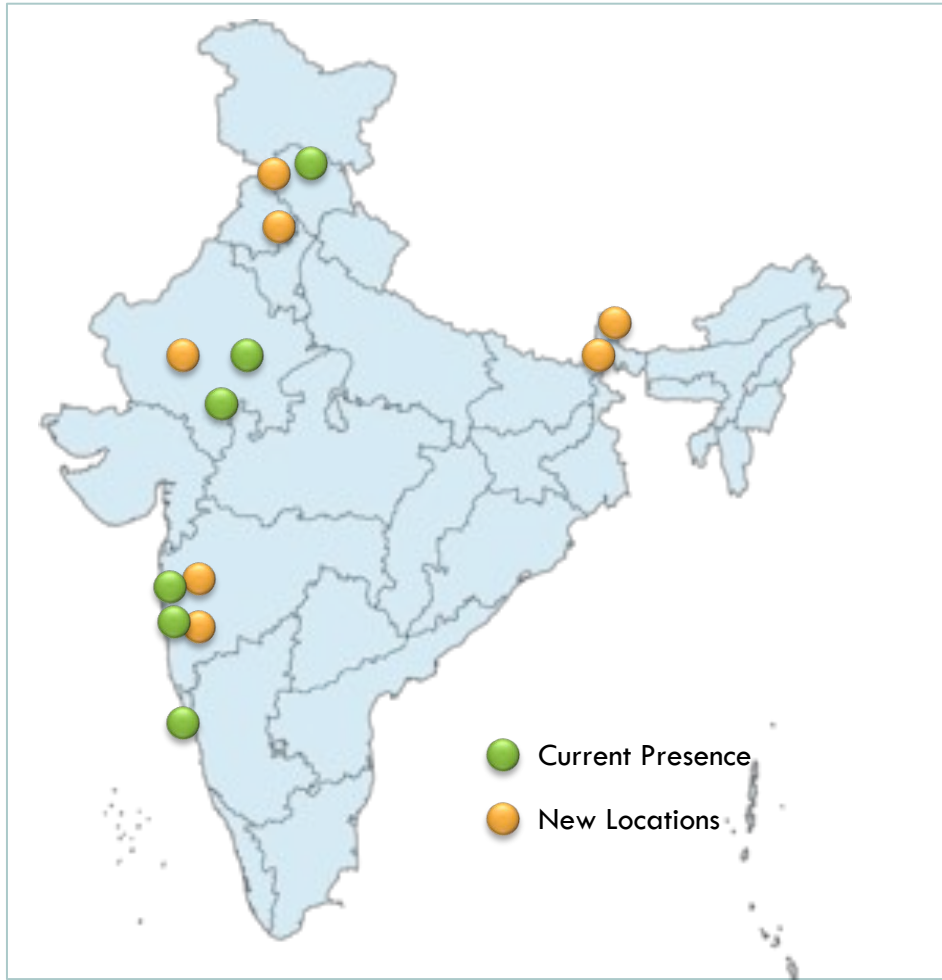
## EBITDA Break-up

**FY17 Total: Rs 622 mn**

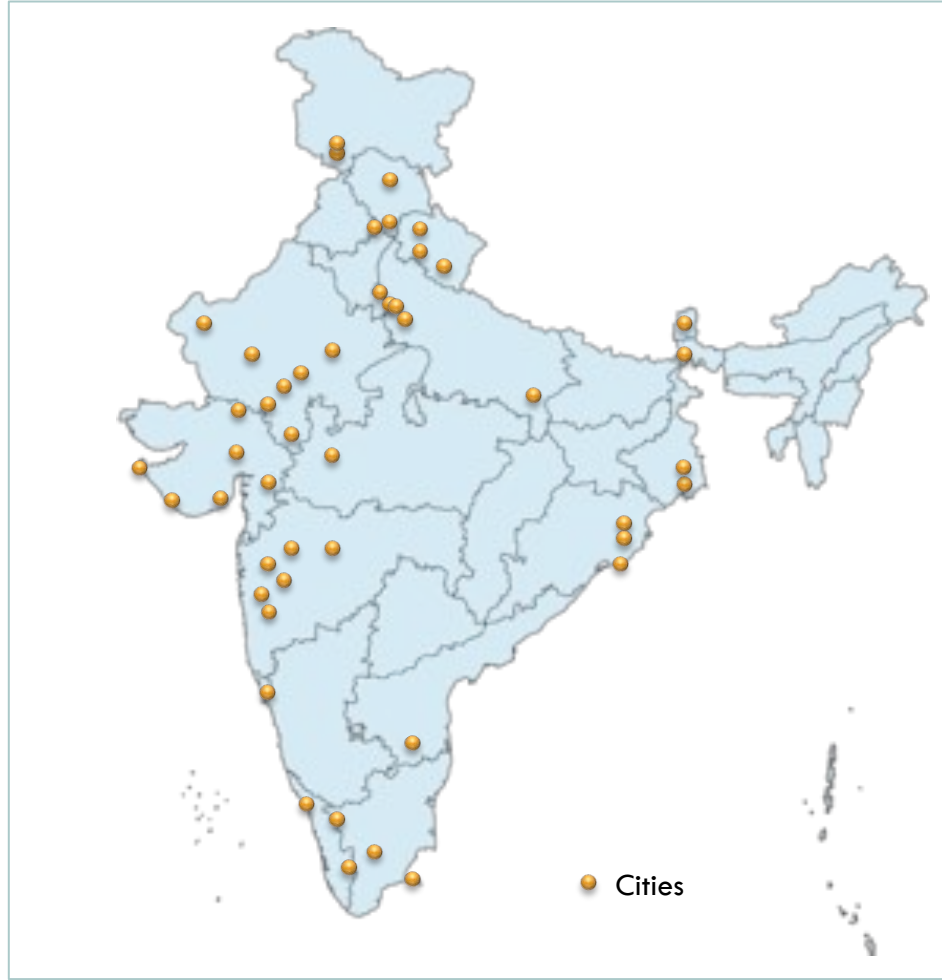


# Pan-India Presence in Both Segments

Hotel (Owned + Leased) Presence



Room Chartering Presence – 60+ cities

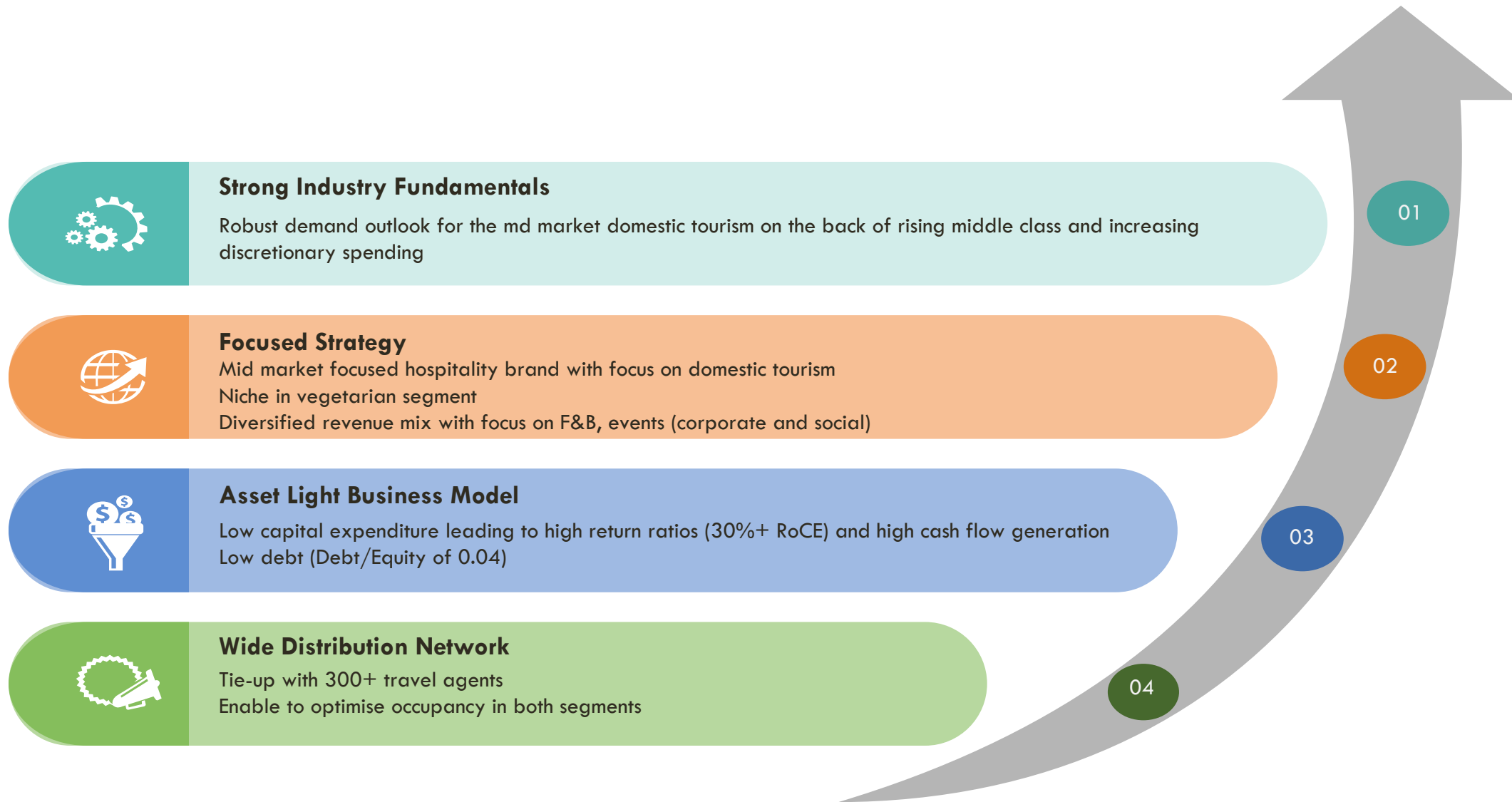



# Key Growth Drivers







# Key Growth Drivers


**Strong Industry Fundamentals**  
Robust demand outlook for the md market domestic tourism on the back of rising middle class and increasing discretionary spending



**Focused Strategy**  
Mid market focused hospitality brand with focus on domestic tourism  
Niche in vegetarian segment  
Diversified revenue mix with focus on F&B, events (corporate and social)



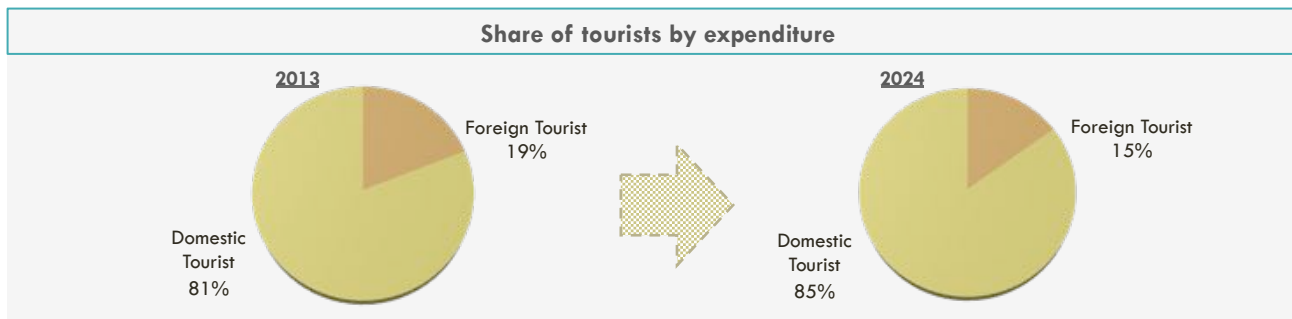
**Asset Light Business Model**  
Low capital expenditure leading to high return ratios (30%+ RoCE) and high cash flow generation  
Low debt (Debt/Equity of 0.04)



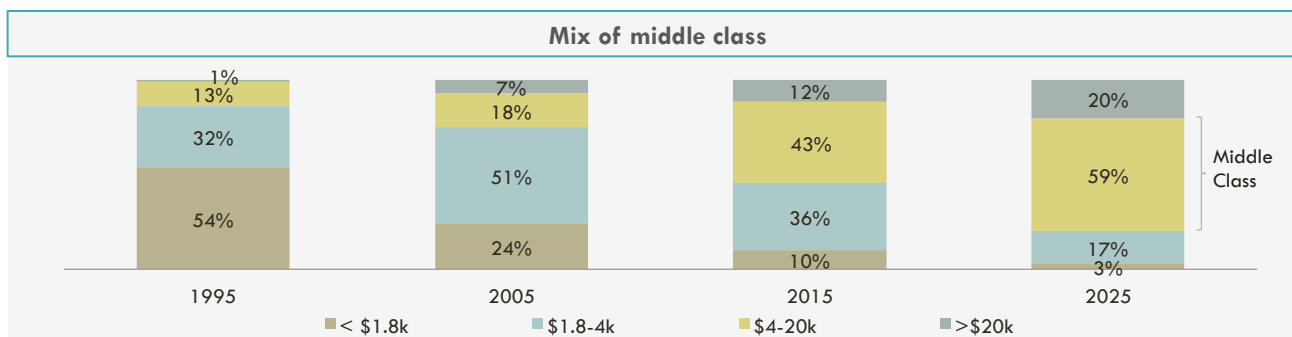
**Wide Distribution Network**  
Tie-up with 300+ travel agents  
Enable to optimise occupancy in both segments

# 1 Strong Industry Fundamentals

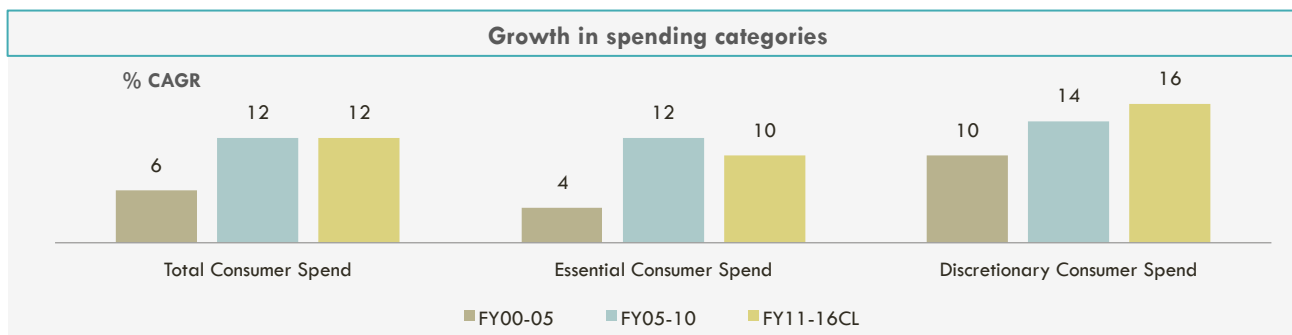
**Huge Potential of Domestic Tourism**



**Expanding Middle Class**



**Increasing Discretionary Spend**



## Mid market focused hospitality brand with focus on domestic tourism

- Domestic travellers have been the bedrock of demand for the Indian hotel industry – Domestic tourism continues to be over 80% of the total tourist expenditure in India
- A growing middle class has created demand for branded budget hotels for the domestic travellers
- Byke has created a distinct brand in the budget hotels category

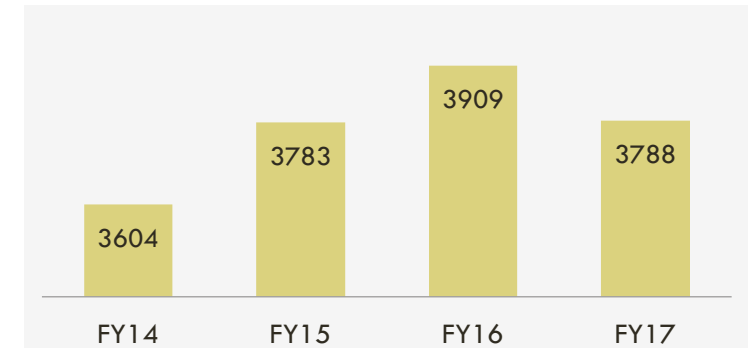
## Niche in vegetarian segment

- Restaurants/ Banquets in all hotels serve pure vegetarian food
- Awarded for contribution to promote vegetarian hotels in India at 11th Hospitality India & Explore the World Annual International Travel Awards

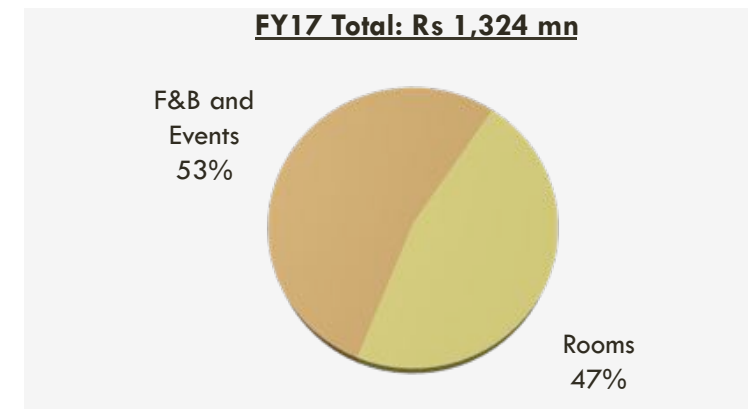
## Diversified revenue mix with focus on F&B and events

- Increasing focus on diversified revenue streams including corporate events (meetings, offsites) and social events (weddings, parties) to optimize occupancy and margins
- Restaurants/ conference rooms/ banquet halls & lawns across properties for social and corporate events

Average Room Rent in Rs (Hotels segment)



Hotel Segment Revenue Break-up



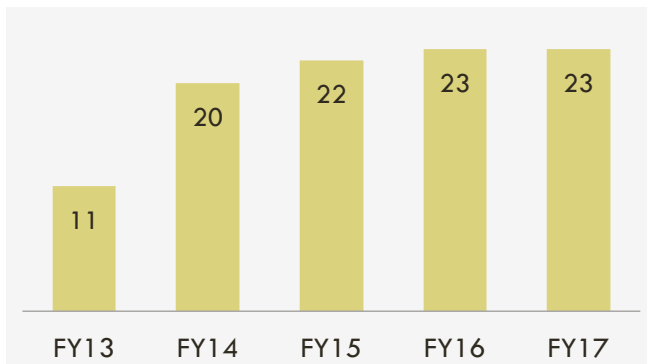
# 3 Asset Light Business Model

## Low capital requirement as properties are taken on a long term lease

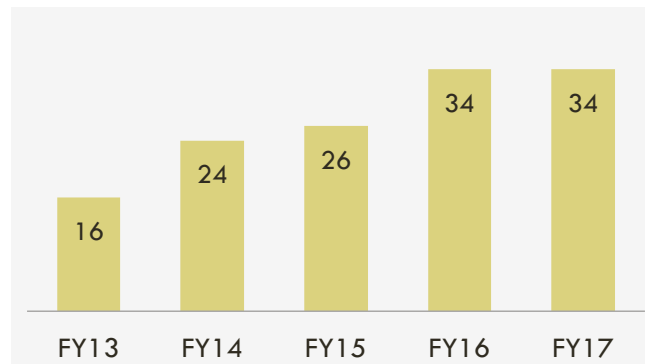
- Incremental room addition requires minimal capital employment; only capex required for refurbishment and rebranding
- Enables the company to leverage high profitability from a low capital base
- Attractive cash flow generation and deleveraging profile

## Impeccable return ratios with minimal level of debt

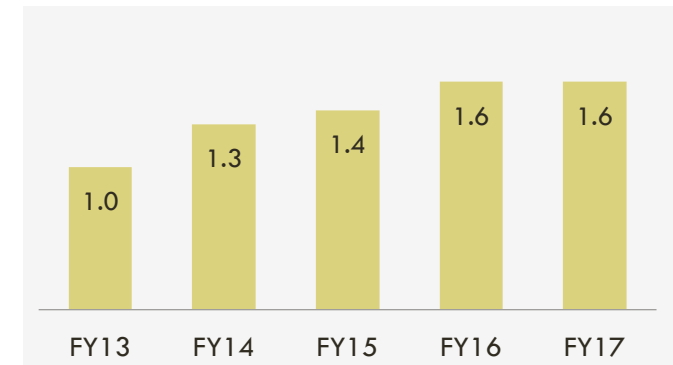
Return on Equity (%)



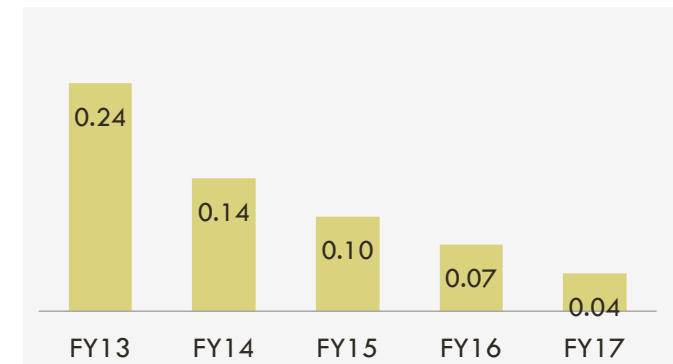
Return on Capital Employed (%)



Asset Turnover



Debt/Equity



ROE = PAT / Average Net Worth; ROCE = EBIT / Average Capital Employed; Asset Turnover Ratio = Revenue/Average Total Assets

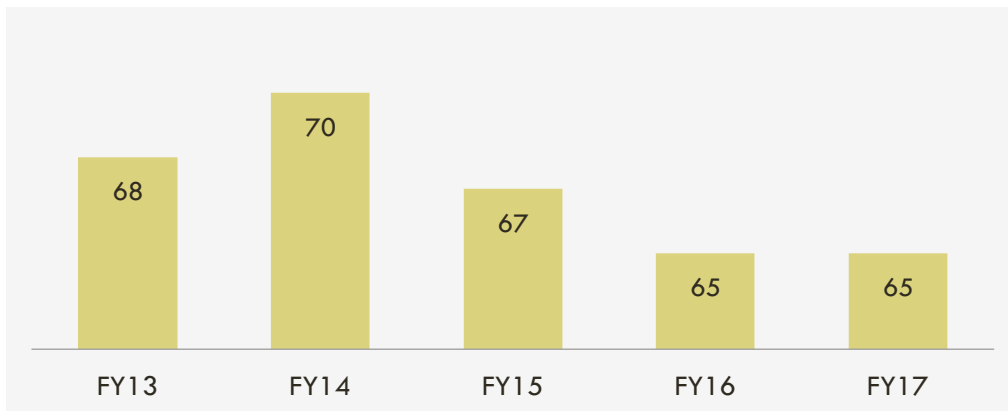
# 4 Wide Distribution Network

## ➤➤ Pan-India presence through strong agent network

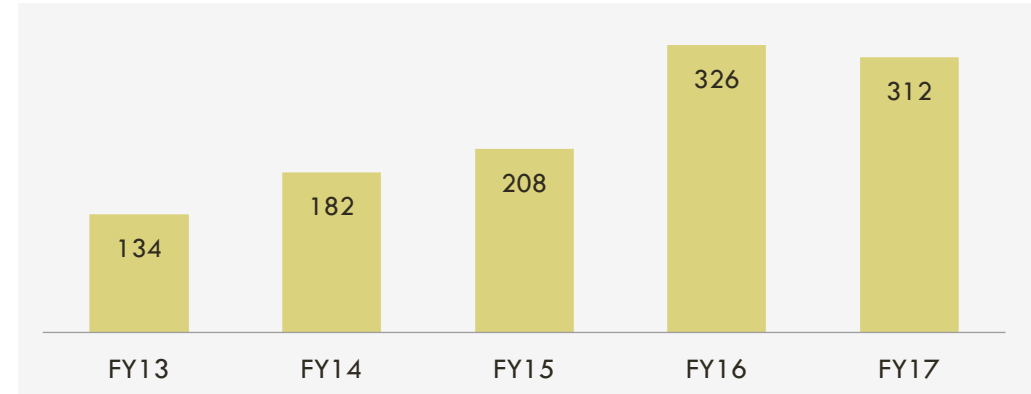
- In hospitality, selling is the major constraint, which is mitigated through tie-up with over 300 agents to sell owned + leased hotel rooms as well as chartered rooms
- Pan-India network of agents

## ➤➤ Enables to optimize occupancy levels

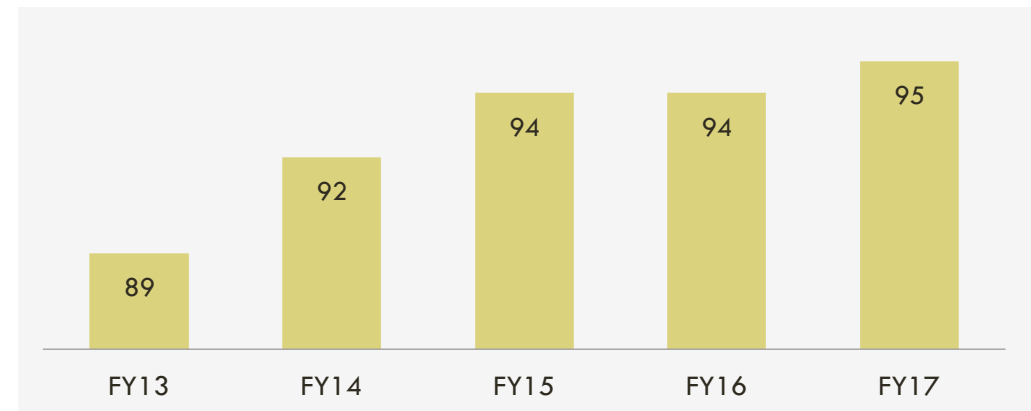
Hotels Segment Occupancy (%)



Number of Agents



Charter Segment Occupancy (%)





## Hotel Segment (Owned + Leased)



# Leasing = Asset Light = Low Capex & Faster Rollout

## Renovation and re-branding of hotel properties...



## ... leading to improvement in ARR and Occupancy

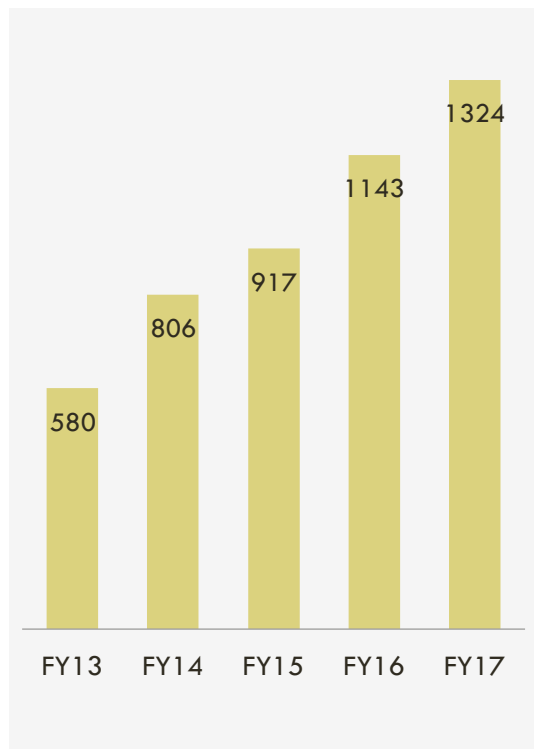
The Byke Old Anchor, Goa



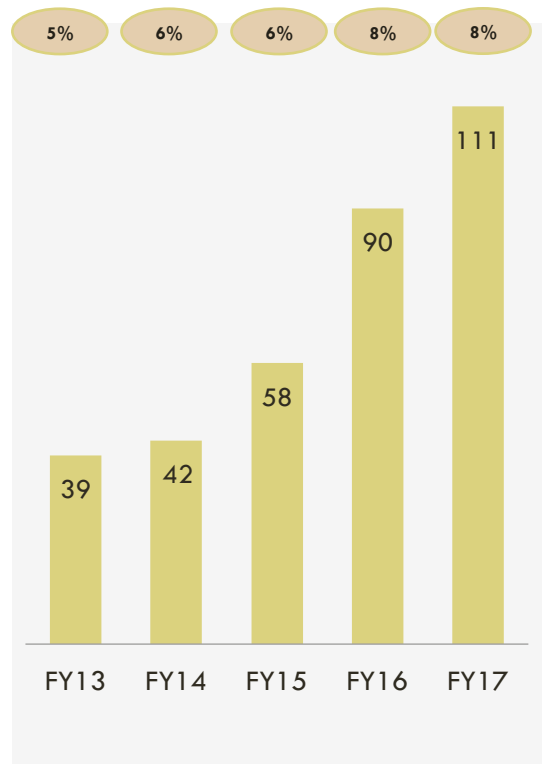
# Robust Growth – 23% CAGR

Rs Million

## Hotel Revenue

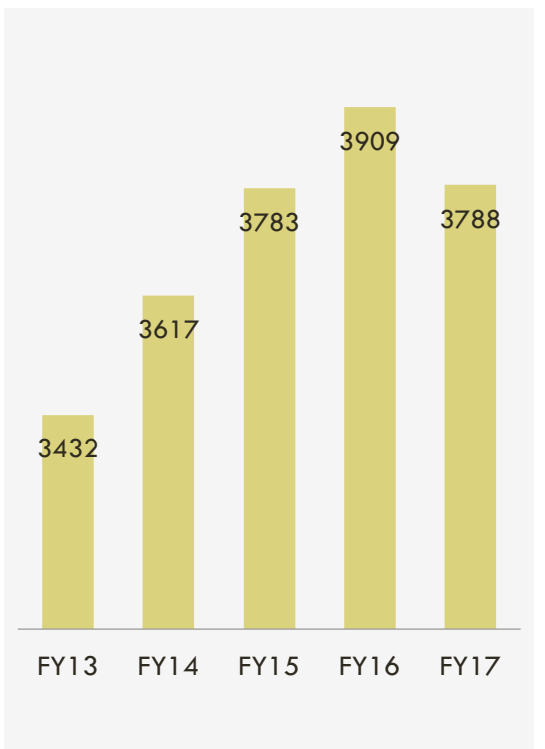


## Lease Cost



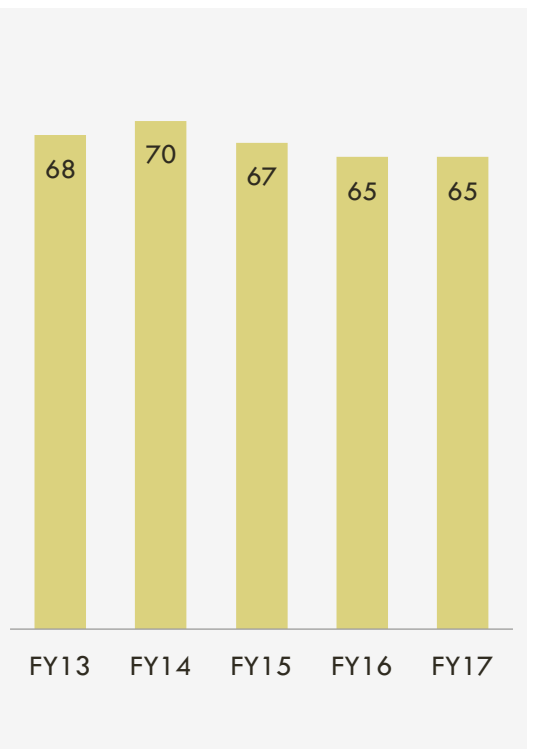
As % of Hotel Revenue

## ARR (Rs.)



Improving ARR

## Occupancy (%)



Decline in Average occupancy in FY15 and FY16 due to addition of new properties

Optimizing Occupancy

23% 4 year CAGR

Low lease cost as % of Rev

# Room Chartering Segment





# Unique Value Proposition

## What is Room Chartering

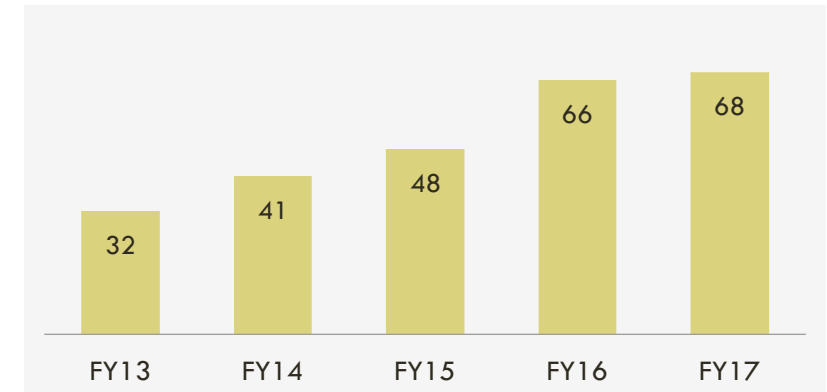
Involves **aggregation of hotel rooms through prior booking** of inventory with partial / full **advance payments**

This is **done 3-4 months before the tourist season for the entire duration of the tourist season** in a particular location

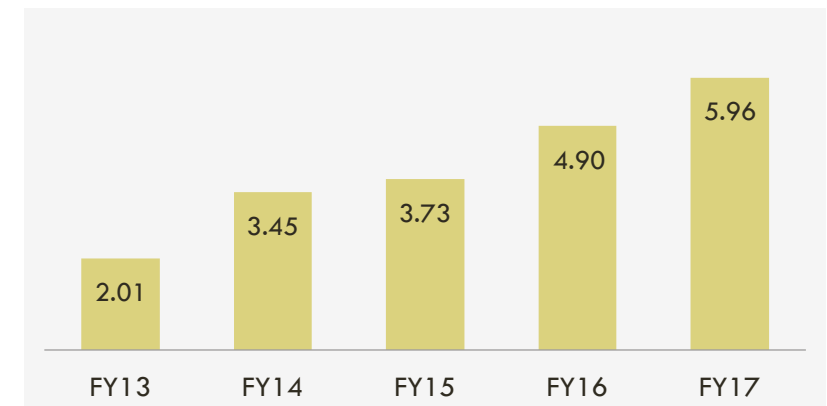
## Why Room Chartering

- 1 **Scalable:** Flexibility to quickly expand depending on tourist trends
- 2 **Risk mitigation:** Pan India chartering depending on peak season; Strict quality checks while purchasing inventory
- 3 **Network effect:** Sold onward to wide network of travel agents who sell to customers
- 4 **Synergistic:** Gives insight on where to expand in hotel segment; agent network helps maximizing occupancy for hotel segment
- 5 **High returns:** Discount leads to low break-even point; low capital employed yielding high returns

## Number of Cities = Expanding Presence



## Room Nights Sold (lacs)






# “The BYKE” Hotel Portfolio


## The Byke Old Anchor, Goa

	No. of Rooms	240
	Type	Leased


## The Byke Suraj Plaza, Thane

	No. of Rooms	122
	Type	Leased


## The Byke Heritage, Matheran

	No. of Rooms	80
	Type	Owned

## The Byke Grassfield Riviera, Jaipur

	No. of Rooms	80
	Type	Owned

## The Byke Grassfield, Jaipur

	No. of Rooms	54
	Type	Leased

## The Byke Delotel, Mumbai

	No. of Rooms	54
	Type	Leased

## The Byke Riddhi Inn, Udaipur

	No. of Rooms	40
	Type	Leased

## The Byke Neelkanth, Manali

	No. of Rooms	40
	Type	Leased

## The Byke Redwood, Matheran

	No. of Rooms	25
	Type	Leased

## Safe Harbor

This presentation and the accompanying slides (the “Presentation”), which have been prepared by The Byke Hospitality Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

## For more information, please contact:

### Company :

The Byke Hospitality Ltd.  
CIN: L67190MH1990PLC056009

Neha Mankame  
[cs@thebyke.com](mailto:cs@thebyke.com)

[www.thebyke.com](http://www.thebyke.com)

### Investor Relations Advisors :

Stellar IR Advisors Pvt. Ltd.  
CIN: U74900MH2014PTC259212

Ms. Pooja Dokania / Mr. Rajeev Menon  
[dpooja@stellar-ir.com](mailto:dpooja@stellar-ir.com) / [mrajeev@stellar-ir.com](mailto:mrajeev@stellar-ir.com)

[www.stellar-ir.com](http://www.stellar-ir.com)