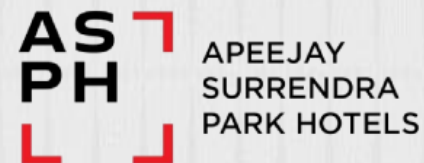




# Apeejay Surrendra Park Hotels Limited

*Q3 & 9M FY24 Investor Presentation*

March 5, 2024



## Disclaimer

*Certain statements discussed in this presentation may contain forward looking statements concerning the Company's future business prospects and business profitability. Such forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties that are difficult to predict. These risks and uncertainties include, but are not limited to price fluctuations, actual demand, exchange rate fluctuations, competition, environmental risks, change in legal, financial and regulatory frameworks, political risks and other factors beyond the Company's control. Actual results might differ substantially from those expressed or implied. Apeejay Surrendra Park Hotels Limited will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

# Table of Contents

**1**

**Our Business**

**2**

**Key Strategies**

**3**

**Q3 & 9MFY24 Results Overview**

**4**

**Annexure**



## Our Business





# ASPHL : A Pan India Branded Hospitality Company



## Our Hospitality Brand

**1967** Brand curated over 5 decades starting with our first hotel in Park Street Kolkata

**Luxury Boutique Upscale and Upper Midscale**

Our Diversified Hospitality Segments

**Own, Operate and Manage**

Our Flexible Business Model

**THE PARK**  
Hotels

**THE PARK**  
Collection

**ZONE**

**ZONECONNECT**  
BY THE PARK

**STOP**  
BY ZONE



## Our F&B & Nightclubs

**81**

Restaurants, Nightclubs & Bars spread across our hotels <sup>(1)</sup>

peace

tantra

**AQUA**

comeplaceo  
Else

aish

zenG

**LO  
TU**



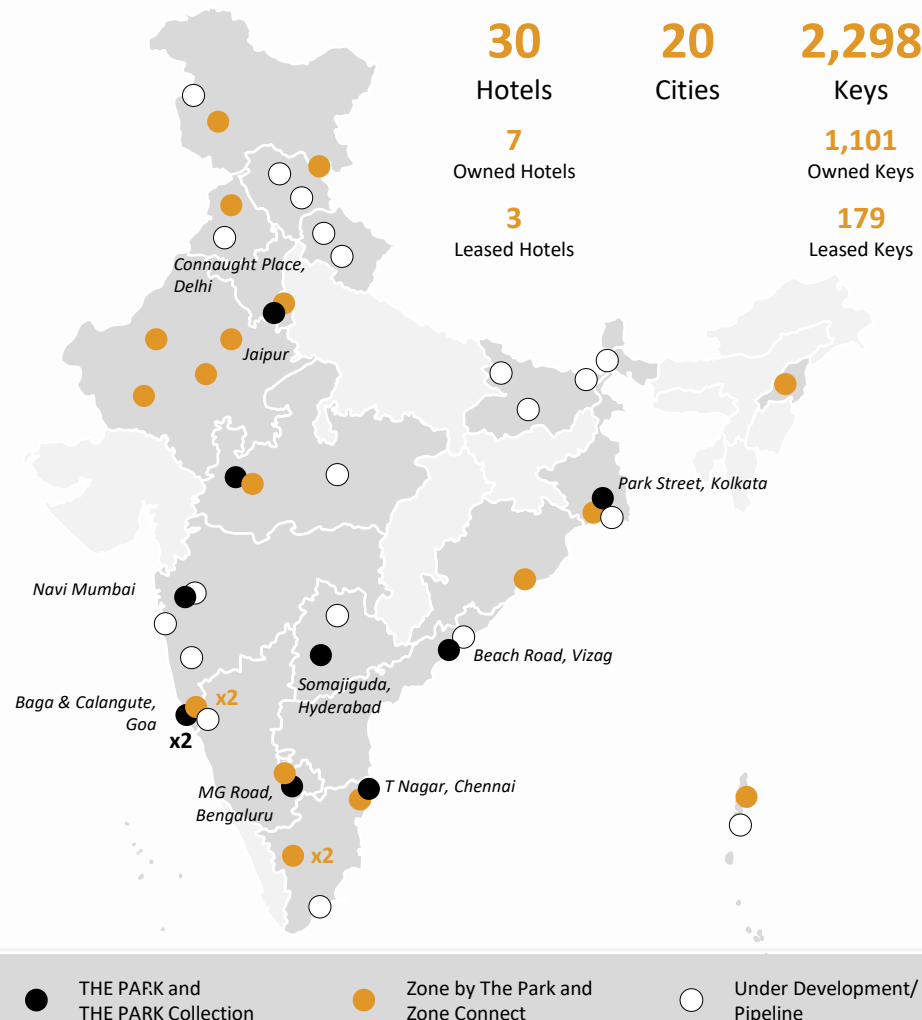
## Our Retail Chain in F&B Business

**75**

Outlets<sup>(1)</sup> of “Flurys” Our successful and profitable offering with Industry Leading EBITDA margins<sup>(2)</sup>

**Flurys**

## Our Hospitality Portfolio : Pan India Presence<sup>(1)</sup>



# Our Hotel Brands : Product innovation and service excellence attracting customer through a diversified and holistic offering

## Our Diversified Business Model



### Owned Hotels

*Asset and land parcel is owned or leased by us*

**7**

Hotels

**1,101**

Keys



### Leased Hotels

*Assets on land and building leased from governmental authorities or private parties*

**3**

Hotels

**179**

Keys



### Managed Hotels

*Assets operated and managed through operation and management contracts.*

**20**

Hotels

**1,018**

Keys

## We service our clients across the spectrum of Hospitality segments

### Luxury & Upscale

**THE  
PARK**  
Hotels

*Upscale brand with a luxury boutique offering*

**8**

Hotels

**1,201**

Keys

**THE  
PARK**  
Collection

*Small luxury properties located at select travel destinations*

**3**

Hotels

**64**

Keys

### Upper Mid Scale

**ZONE**  
BY THE PARK HOTELS

*Upper mid-scale brand for the price and design conscious customer*

**11**

Hotels

**624**

Keys

**ZONECONNECT**  
BY THE PARK

*Upper mid-scale brand that channels its spirit and design philosophy from Zone by the Park*

**8**

Hotels

**409**

Keys

### Economy

**STOP**  
BY ZONE

*Our Economy motel brand*

## Our Hotel Portfolio : Strategically located across metros and emerging cities



**THE PARK – Delhi NCR**



**THE PARK – Bangalore**



**THE PARK – Chennai**



**THE PARK – Kolkata**



**THE PARK – Hyderabad**



**THE PARK – Navi Mumbai**



**THE PARK – Goa**



**Zone by the Park – Jaipur**

**ASPHL has presence in 8 of 10 Key Markets<sup>(1)</sup> and is pursuing a project in Pune**

*Note: 1) Key Markets include Mumbai metropolitan area, Delhi NCR, Bengaluru, Chennai, Hyderabad, Kolkata, Goa, Pune, Ahmedabad and Jaipur as per Horwath HTL Report.*

# Strong F&B and Entertainment Brands coupled with our Iconic Retail F&B chain...

Our **Creative F&B offerings** coupled with our **Unique Bars and & Nightclub brands** ensure a **Resilient Business Model** attracting both hotel guests and non resident patrons around the year

## Restaurants

zenG



aish



Lotus: **'Best Pan Asian Restaurant'** - Tamil Nadu Tourism Awards 2022

## Night Clubs

tāntrā



Pasha: **'Best Night Club'** -Times Food & Nightlife Awards in 2021  
Someplace Else Mumbai: **'Best Newcomer – Night Club'** - Food Connoisseurs Awards 2023

## Bars & Clubs

roxy

theleatherbar

i-BAR



Aqua: **'Gastro-Pub of the Year (West)'** -Food Connoisseurs India Awards in 2022  
Peace: **'Best Lounge Bar'** -Times Food & Nightlife Awards in 2022  
Peace, THE Park, Calangute: **'Best Sundowner Lounges – Casual Night Out'** - Times Food & Nightlife Awards in 2021

## Retail F&B



**'Best Bakery in Kolkata'**  
Zomato Restaurant Awards 2023  
**'Best All Day Breakfast in Kolkata'** - Zomato Restaurant Awards 2023

Differentiation Through Design and Art, Events and Entertainment and in Providing Unique, Memorable and Immersive Service Experiences



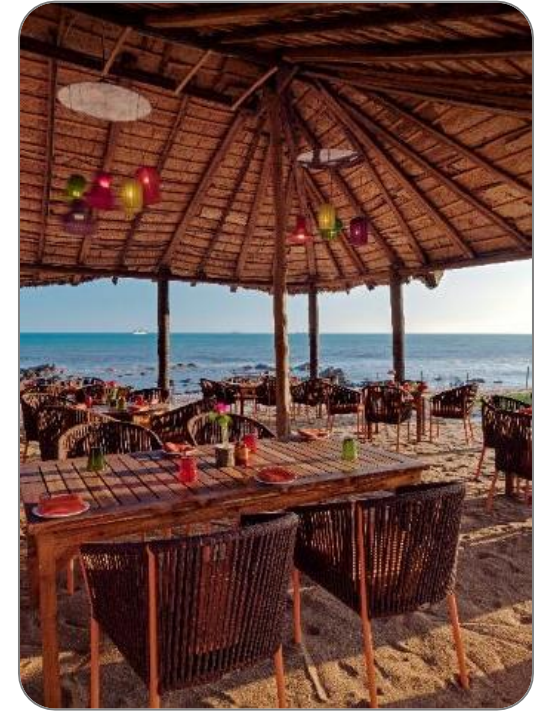
... differentiated by design and experiences ...



Someplace Else – Mumbai



Someplace Else – Kolkata



The Shack – Vizag



Six 'O' One - Chennai



Zen, THE PARK – Kolkata



Aqua, THE PARK – Delhi



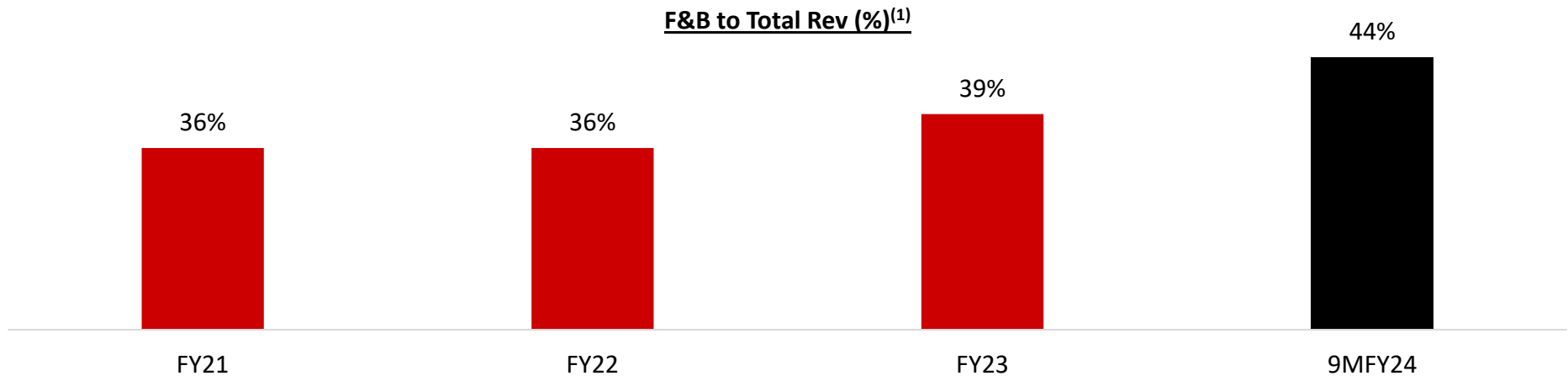
Lotus, THE PARK – Chennai



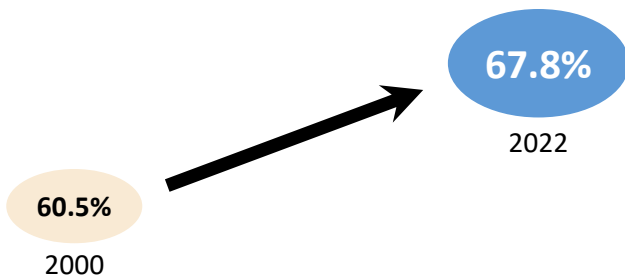
Monsoon - Bangalore

... with high F&B and Entertainment contribution : Adding to stable and non-cyclical earnings while complementing the hotel business

#### F&B Contribution to Total Revenue



#### Demographic dividend to boost discretionary spending on food services



*Preference of youngsters for eating out, awareness about global cuisines, and an increase in dependency on food ordering due to a busy lifestyle is expected to drive consumption-driven growth*

■ Share of people in the age group of 15 – 64 in India's population<sup>(2)</sup>



## “Flurys” : Our Iconic Brand...



### Recent Awards



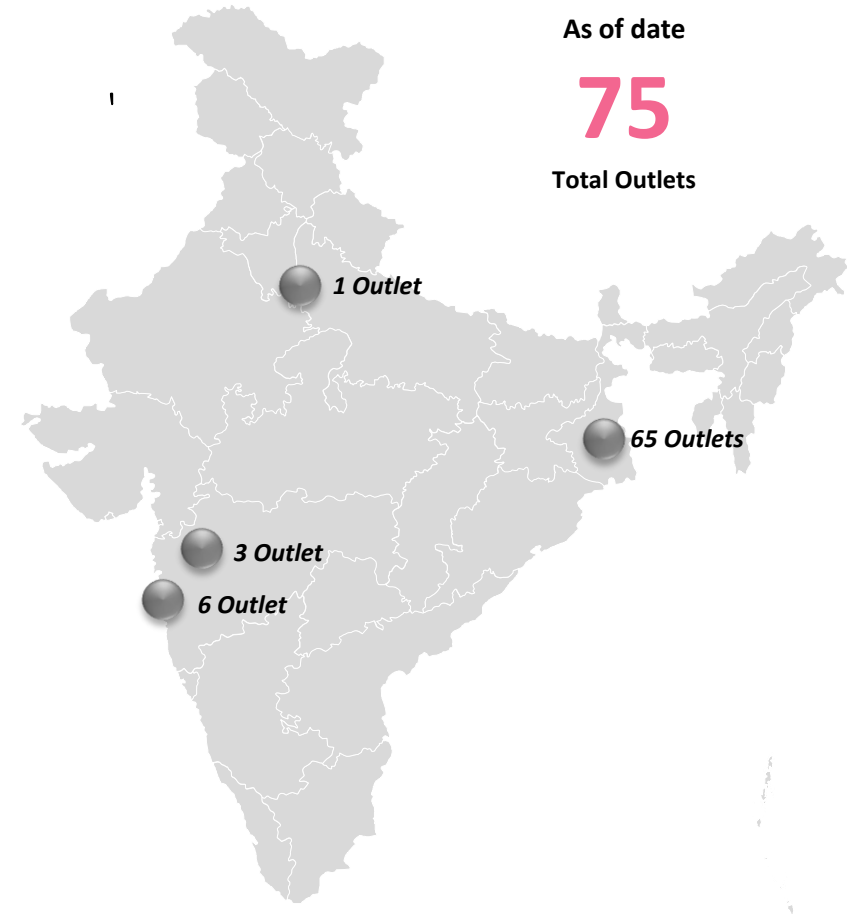
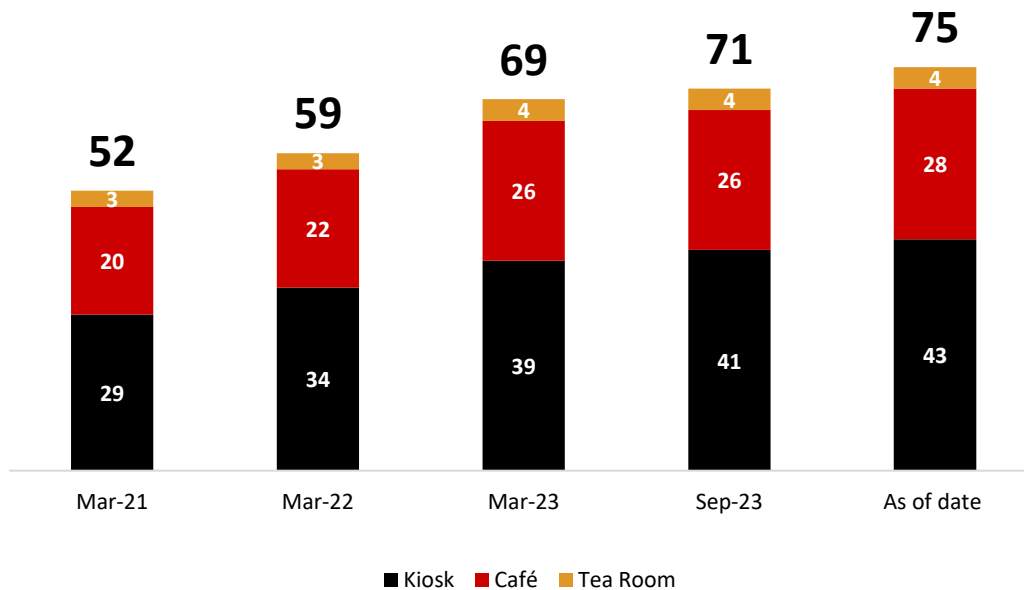
Note: (1) Indian National Trust for Art and Cultural Heritage.



## ...with a Successful and Profitable Track Record of Industry Leading EBITDA margins

Asset Light Business Model Provides with Diversification, Resiliency and Scalability

Number of Outlets



# Dedicated and Experienced Leadership Team with High Standards of Corporate Governance

## Board of Directors



Priya Paul

**Designation:** Chairperson,  
Executive Director and Promoter



Karan Paul

**Designation:** Non-Executive  
Director and Promoter



Vijay Dewan

**Designation:** Managing Director



Debanjan Mandal

**Designation:** Independent  
Director



Suresh Kumar

**Designation:** Independent  
Director



Ragini Chopra

**Designation:** Independent  
Director

## Senior Management



Atul Khosla <sup>(1)</sup>

**Designation:** SVP Finance and  
CFO



Shalini Keshan <sup>(1)</sup>

**Designation:** CS and Director  
Compliances



Sujata Guin

**Designation:** SVP HR and CHRO <sup>(2)</sup>



Rajesh Kumar Singh

**Designation:** National Head –  
Operations and Development



Vikas Ahluwalia

**Designation:** GM and National  
Head (Zone by The Park)



Rohit Arora

**Designation:** VP – North &  
Goa Operations and Head of  
Leisure Sales



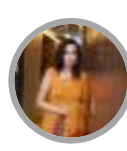
Aparajita Brahma

**Designation:** VP Finance



Gurpreet Singh

**Designation:** VP Finance



Ruchika Mehta

**Designation:** Corporate  
Director (Communication and  
PR)



Yazad Marfatia

**Designation:** Corporate  
Director and Head of Sales &  
Marketing



Ajit Singh Garcha

**Designation:** Area General  
Manager of the Park,  
Hyderabad

## Key Strategies





# Our Key Strategies : Our Growth Portfolio

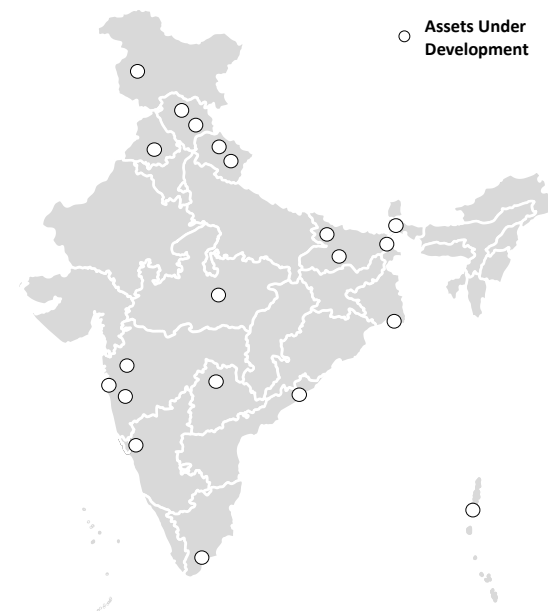
## 1 Continued focus on the development of existing land banks and strategic allocation of capital

- ✓ Capitalizing on **low historic cost of land** and
- ✓ Developing existing land with **low development cost per room** through efficient and timely execution
- ✓ Periodic evaluation of new sites for **greenfield development** and prospective **hotel assets for conversion or acquisition**

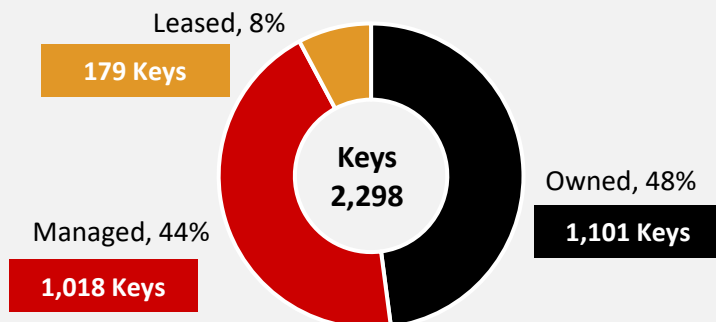
Location	No of Rooms
<b>Greenfield Projects</b>	
Pune <sup>(1)</sup>	200
EM Bypass (Kolkata) <sup>(2)</sup>	250
Jaipur Land Parcel <sup>(3)</sup>	200
<b>Capacity Expansion</b>	
Vishakhapatnam	100
Navi Mumbai	80
<b>Total Additional Owned Keys</b>	<b>830</b>

## 2 Efficient capital allocation with an optimal portfolio of owned, leased and managed hotels

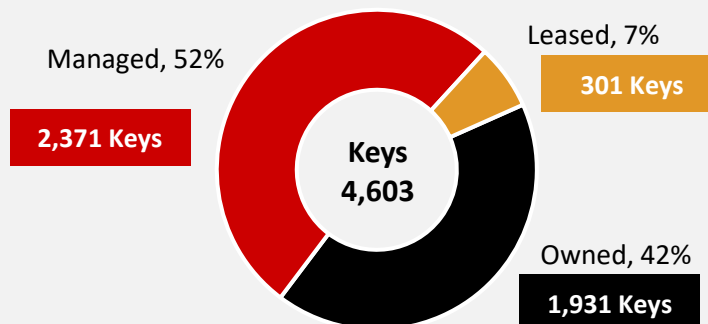
We have created an **Asset Light Strategy** for expansion of the “Zone by The Park” and “Zone Connect by the Park”



**Existing Hospitality Portfolio <sup>(4)</sup>**



**Future Hospitality Portfolio**



Note: (1) On embedded land bank in Pune. (2) Construction of serviced apartments & 250 hotel rooms in EM Bypass. (3) Timelines on completion / commencement of construction at Jaipur yet to be finalized. (4) As of date

# Our Key Strategies : Improving Operating Efficiency and Strengthen Flurys

3

**Improving operational efficiency to achieve superior performance**

## Improve Operational Efficiencies

- ✓ Effective cost management by strengthening of Central Procurement Process.
- ✓ Menu re-engineering and waste management.

## Improving Staff Efficiencies

- ✓ Comprehensive Training
- ✓ Performance Linked compensation

## Renovation and Refurbishment & BI implementation

- ✓ Investments in **renovation and refurbishment** of hotels to ensure delivery of high quality of service and customer experience
- ✓ Implementation of hospitality BI tools to gain insights to grow the corporate and leisure business

## Defined ESG goals creating sustained outcomes that drive value and fuel growth

- ✓ Designated General Manager as the committee leader for ASPHL sustainability programme
- ✓ Optimizing energy consumption by upgradation of existing a/c systems and installation of heat pumps.
- ✓ Use of LED lighting
- ✓ Projects under LEED certification
- ✓ E-mobility

4

**Develop and strengthen the 'Flurys' brand in the retail F&B business segment through expansion plans**

## Leverage on expertise in the hospitality industry to develop and grow presence in the retail food and beverage industry

- ↑ Expand the outlets of Flurys under asset light business model
- ↑ Increase footprint in Kolkata, West Bengal, Mumbai Metropolitan Region
- ↑ Expand to Delhi NCR, Hyderabad and Pune
- ↑ Expand to metro domestic and international airports
- ↑ Expand our sales channel and distribution network by further expansion of our product offerings on numerous online platforms

Note : The Company has designated Rajesh Radhakrishnan, General Manager, as the committee leader for ASPHL sustainability programme.

## Q3 & 9M FY24 Results Overview





# Q3 FY24 – Best-ever-Quarterly Performance

## Operational & Financial Highlights – Q3 FY24 vs. Q3FY23

**Rs. 1,636 mn.**  
Total Revenue

↑ 14.7%

**Rs. 756 mn.**  
F&B revenue

↑ 13.2%

**Rs. 6,562**  
RevPAR

↑ 13.8%

**90**  
Occupancy

(%)

**Rs. 7,286**  
Average Room Rate

↑ 13.9%

**Rs. 606 mn.**  
EBITDA

↑ 14.6%

**37**  
EBITDA margin

(%)



**Ms. Priya Paul**

**Chairperson, Executive  
Director and Promoter**

### Commenting on the Q3 & 9M FY24 performance Ms. Priya Paul, Chairperson said:

*"We are delighted to share our maiden earnings announcement following our outstanding listing. We extend a warm welcome to all our public shareholders, and we remain committed to sustained growth and progress of our business that we believe will create value for all our stakeholders.*

*The Company has concluded the quarter on a solid note, with our best-ever financial results for Q3 to date. While our Revenue, EBITDA and PAT financial performance were robust, we are equally encouraged by the operational performance, including a remarkable 14% growth in RevPAR and an industry-leading 90% Occupancy rate. This performance has been driven through a combination of our strategic and growth initiatives alongside favorable industry trends.*

*The recent inauguration of five new hotels reflects our commitment to continuous expansion and growth, enhancing our hospitality presence across key markets. Committed to our strategy, we have utilized the IPO proceeds for pre-paying long-term loans, strengthening our balance sheet and transitioning ASPHL into a net debt-free position. We believe that this strong financial position will enable us to more actively pursue our growth plans and strengthen our operating position in the sector.*

*Over the past 5 decades, we have built exceptional brands, a reputation for innovative hospitality service, and diverse F&B offerings, which have distinguished us in the industry. Additionally, this positions us favorably given the encouraging macroeconomic trends and the demand-supply scenario in the hospitality sector. We are now progressing with confidence, strength and a more renewed commitment to leverage our strengths for growth."*



## Q3FY24 - Key Developments

### Successful listing on NSE and BSE – achieved overwhelming subscription of ~60x

- The IPO attracted strong interest across all investor categories
- ASPHL raised Rs. 920 crore through the IPO, with a fresh issue of shares worth Rs. 600 crore and an offer for sale worth Rs. 320 crore
- Utilizing the IPO proceeds, the company repaid Rs. 550 crore in long-term debt, elevating ASPHL to a net cash positive



### Inaugurated 5 new hotels during 9M FY24, expanding ASPHL's total footprint to 30 hotels

- The new hotels span across key strategic locations, enhancing the Company's presence in high-growth markets
- The five new hotels added to the diverse portfolio include:
  1. Zone by THE Park Gopalpur
  2. Zone by THE Park Dimapur
  3. Zone Connect Mussoorie
  4. Zone Connect Indore
  5. Zone Connect Udaipur
- Additionally, 2 new motels were inaugurated during 9M FY24:
  1. Stop by Zone Nandakumar
  2. Stop by Zone Simbulbari



## Q3FY24 – Awards and Accolades



Someplace Else, THE Park Kolkata awarded as **'Bar/Pub with Live gigs of the Year – East'** at Restaurants & Nightlife Awards 2023 by ETHospitalityWorld.com



iBar at THE Park Bangalore won **'Best Nightclub of the Year - Bangalore'** at the prestigious 4<sup>th</sup> Edition of Food Connoisseurs India Awards!



THE Park Indore won **'Best Lounge of the Year in West India'** award at the Food Connoisseurs India Awards



THE Park Indore won **'Most Luxurious Spa-2023'** at the Global Spa Awards

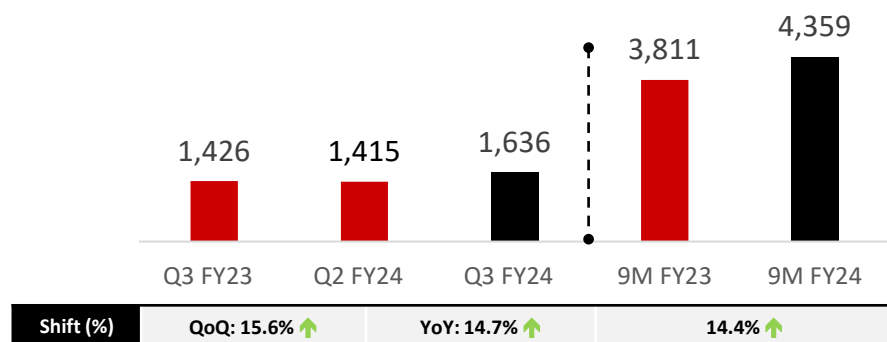


THE Park Indore won **'Spa of The Year'** by Indian Hospitality Excellence Awards - 2023

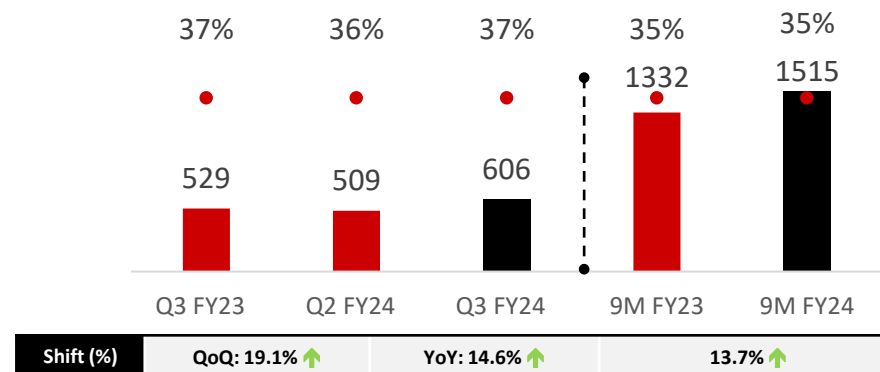
# Key Financial Highlights – Best-ever Q3 & 9M FY24 Financials

In Rs. mn.

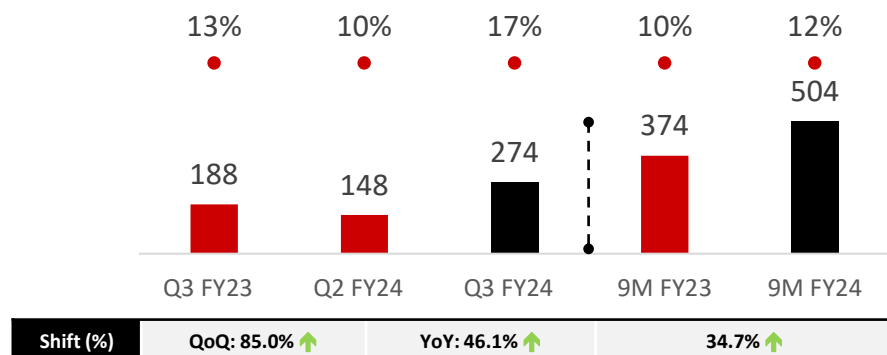
## Total Income



## EBITDA • Margins



## PAT • Margins

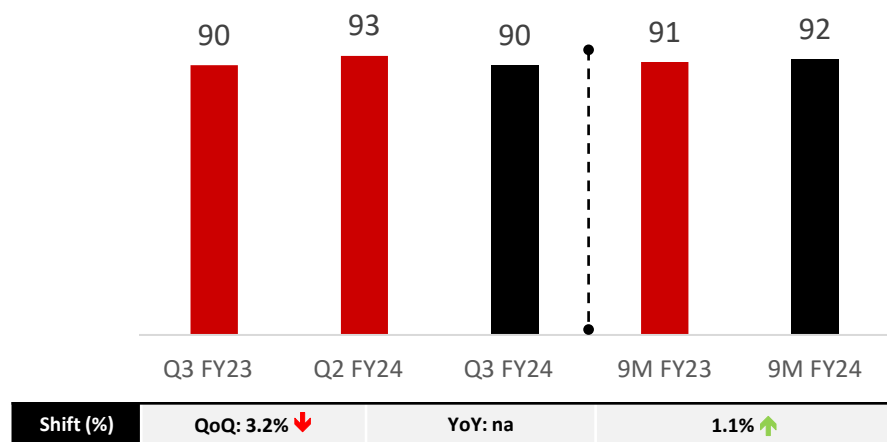


- Strong occupancy levels at owned hotels contributed to robust RevPAR, strengthening overall performance during the period under review
- The addition of new hotels opened in the last 3 years has played a significant role in enhancing our overall performance

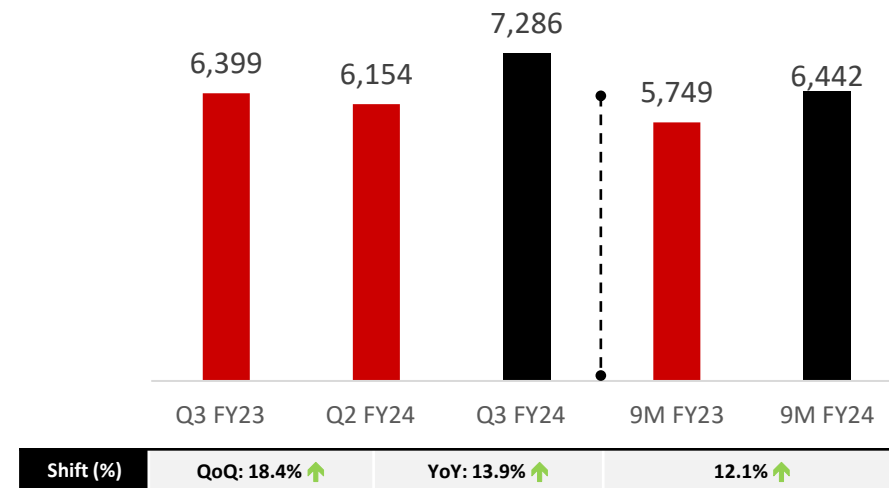
**Note 1:** EBITDA calculation includes Other Income

## Strong Operational Performance – Q3 & 9M FY24

Occupancy (%)



Average Room Rate (Rs.)



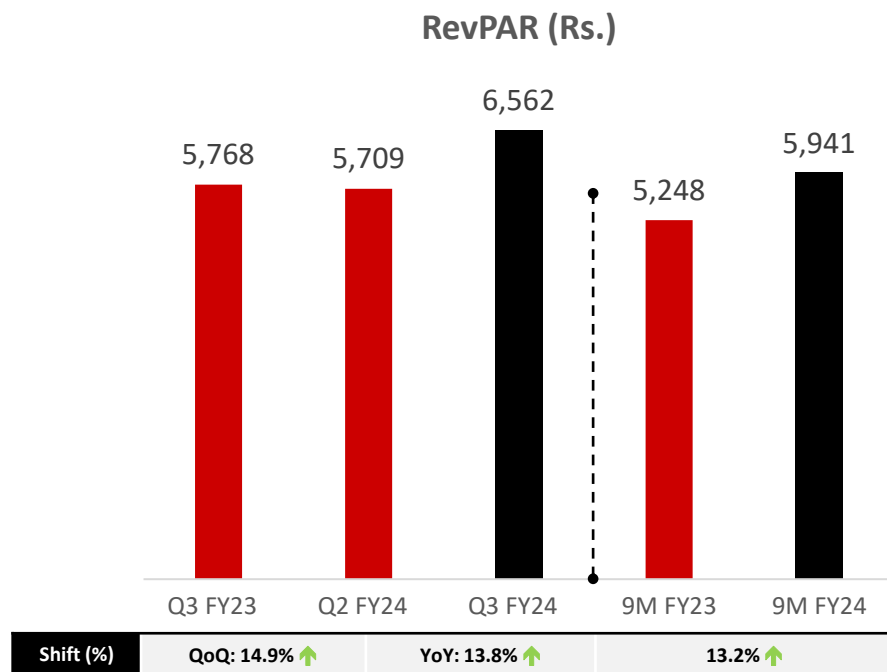
- Various strategic initiatives have consistently enabled the Company to maintain and improve its Occupancy levels
  - Emphasis on creating entertainment destinations within the business in urban centers, has proven instrumental in sustaining high occupancy rates during weekdays and throughout weekends
- Effective revenue management strategies largely contributed to the overall growth in ARR for the period

**Note :** Average Occupancy is calculated as the total rooms occupied (less number of rooms for complimentary and in-house usage) in a relevant year divided by the total available rooms (less number of rooms which were out of order) in the same relevant year.

Average Room Revenue is calculated as total revenue from sale of rooms received for a relevant period divided by the total room occupied.



## RevPARs maintain upward momentum

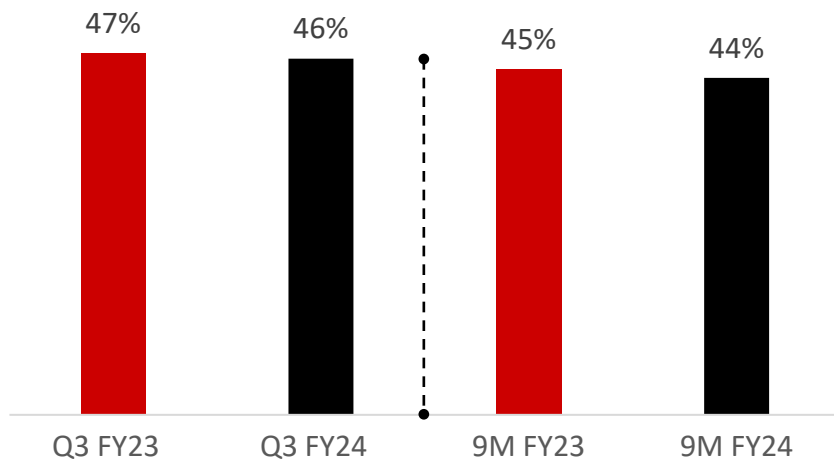


- RevPAR during Q3FY24 registered a 13.8% Y-o-Y growth at Rs. 6,562
- High Occupancy levels at the Company's owned hotels have largely enabled strong RevPAR performance

**Note 1:** RevPAR is calculated as Average Room Revenue for a relevant period multiplied by Average Occupancy Rate for that period.

## F&B Segment: Diversifying Revenue Streams

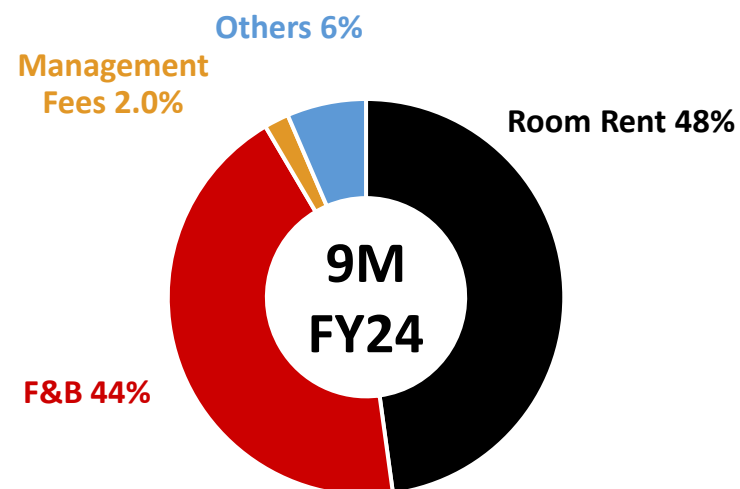
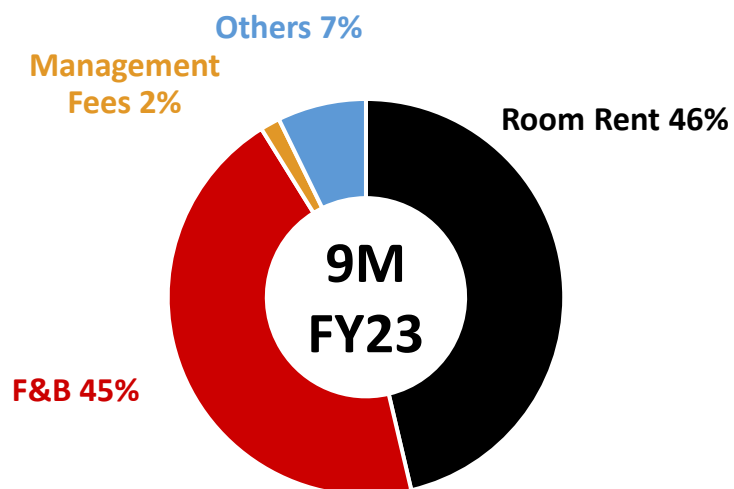
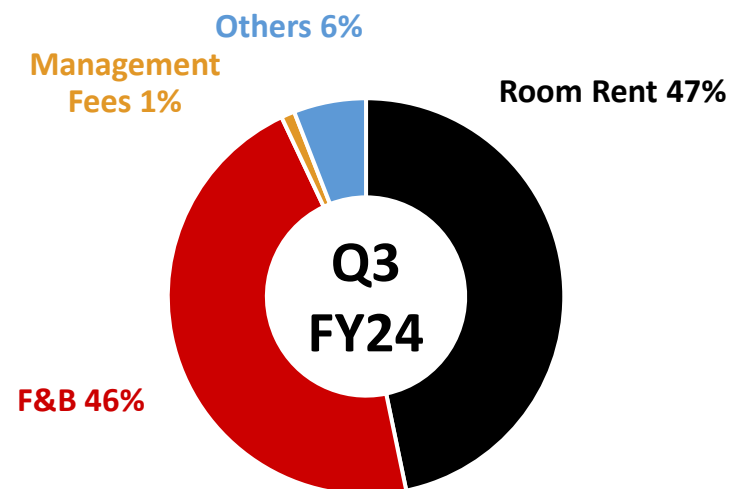
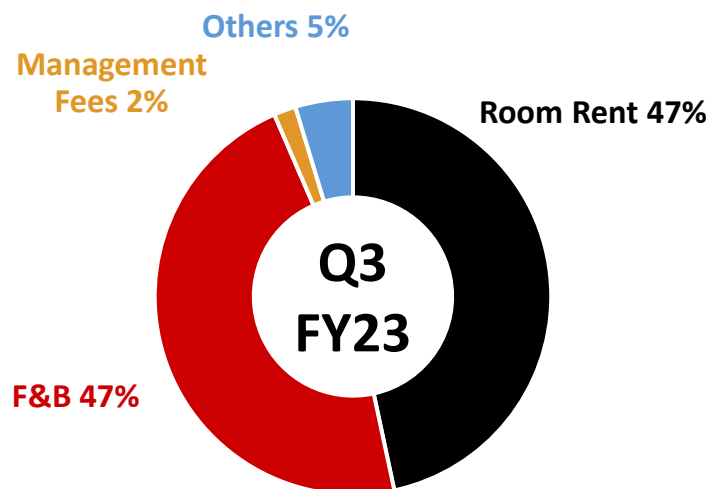
F&B to Total Revenue (%)



- Strong performance in the Food & Beverage (F&B) and Entertainment segments contributed to overall earnings stability
- Expansion of F&B offerings and efforts to engage customers result in higher footfall and revenue across outlets.



## Segment-wise revenue mix (%)





# Consolidated P&L Statement

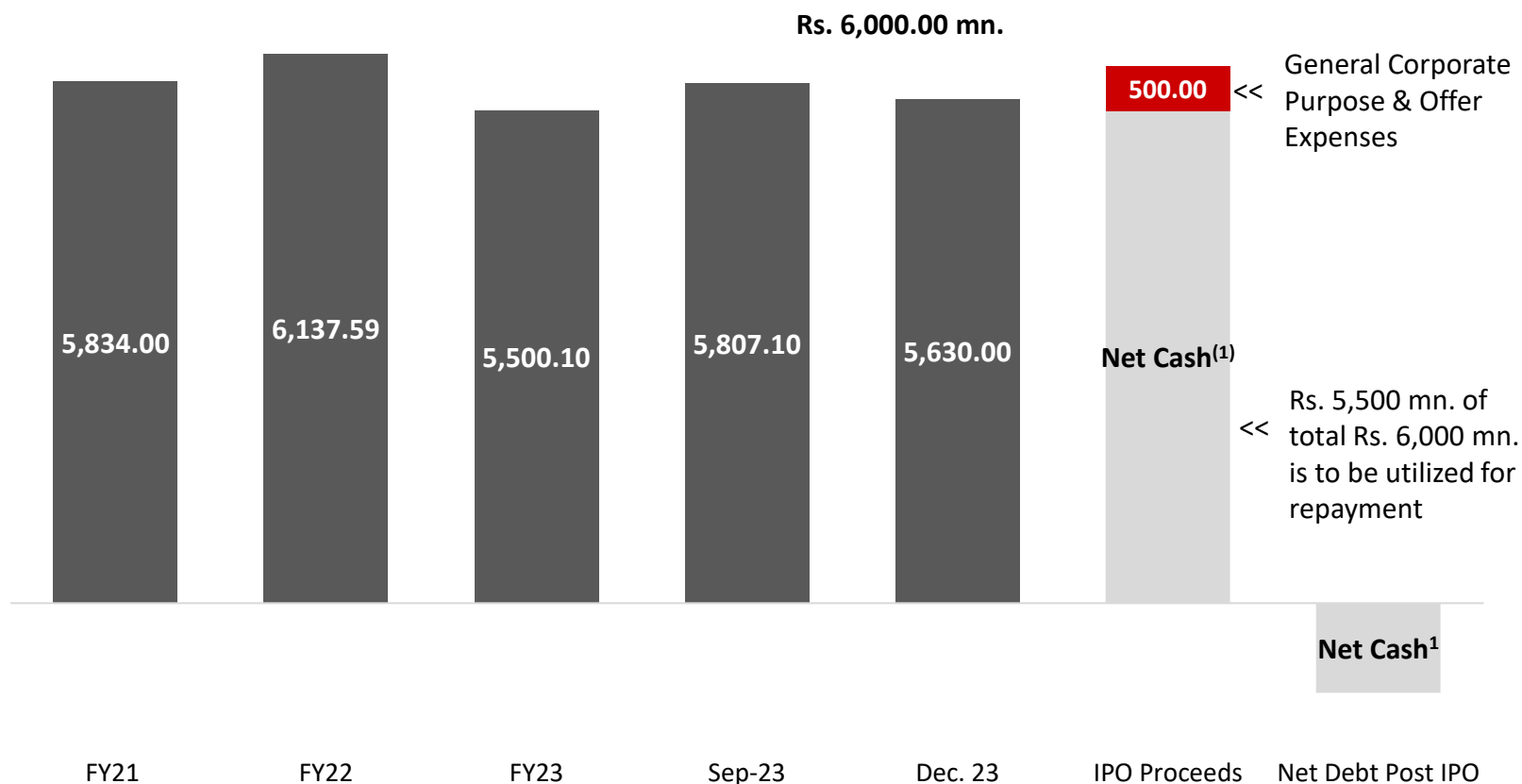
In Rs. mn.

	Q3 FY24	Q3 FY23	Y-o-Y Change (%)	Q2 FY24	Q-o-Q Change (%)	9M FY24	9M FY23	Y-o-Y Change (%)
<b>Income</b>	<b>1,589</b>	<b>1,404</b>	<b>13.2%</b>	<b>1,349</b>	<b>17.8%</b>	<b>4,233</b>	<b>3,664</b>	<b>15.5%</b>
Other Income	47	22.7	108.4%	65.7	-28.0%	126.3	147.2	-14.2%
<b>Total Income</b>	<b>1,636</b>	<b>1,426</b>	<b>14.7%</b>	<b>1,415</b>	<b>15.6%</b>	<b>4,359</b>	<b>3,811</b>	<b>14.4%</b>
<b>Total Expenses</b>	<b>1,030</b>	<b>897</b>	<b>14.8%</b>	<b>906</b>	<b>13.7%</b>	<b>2,844</b>	<b>2,479</b>	<b>14.7%</b>
<b>EBITDA<sup>1</sup></b>	<b>606</b>	<b>529</b>	<b>14.6%</b>	<b>509</b>	<b>19.1%</b>	<b>1,515</b>	<b>1,332</b>	<b>13.7%</b>
<b>EBITDA Margin (%)</b>	<b>37%</b>	<b>37%</b>	<b>-</b>	<b>36%</b>	<b>100 bps</b>	<b>35%</b>	<b>35%</b>	<b>-</b>
Finance Costs	179	191	-6.5%	172	3.9%	512	499	2.6%
Depreciation & amortization	141	91	55.6%	123	14.7%	380	329	15.3%
<b>PBT</b>	<b>287</b>	<b>248</b>	<b>15.9%</b>	<b>214</b>	<b>33.9%</b>	<b>623</b>	<b>504</b>	<b>23.7%</b>
Tax expense	13	60	-78.8%	66	-80.8%	120	130	-8.1%
<b>PAT</b>	<b>274</b>	<b>188</b>	<b>46.1%</b>	<b>148</b>	<b>85.0%</b>	<b>504</b>	<b>374</b>	<b>34.7%</b>
<b>PAT Margin (%)</b>	<b>17%</b>	<b>13%</b>	<b>400 bps</b>	<b>10%</b>	<b>700 bps</b>	<b>12%</b>	<b>10%</b>	<b>200 bps</b>
<b>Basic EPS (in Rs.)</b>	<b>1.57</b>	<b>1.07</b>	<b>46.7%</b>	<b>0.85</b>	<b>84.7%</b>	<b>2.88</b>	<b>2.42</b>	<b>19.0%</b>

**Note:** EBITDA calculation includes Other Income

# Prudent Capital Allocation coupled with IPO has strengthened Balance sheet allowing Headroom for Growth

## Net Debt Movement : Pre IPO (Rs. mn.)



*Net Cash positive Company as of date*

Note: (1) Net Cash is when the company has higher cash reserves than gross debt

## Annexure





## Zone by THE Park Gopalpur (Newly Opened)





## Zone by THE Park Dimapur (Newly Opened)





## Zone Connect Mussoorie (Newly Opened)





## Zone Connect Indore (Newly Opened)





## Zone Connect Udaipur (Newly Opened)





## Zone by THE Park Digha (Upcoming)





## THE Park Collection, Patiala (Upcoming)





## THE Park Collection, Chettinad Palace (Courtyard) – Representation (Upcoming)



## About Us

Apeejay Surrendra Park Hotels Limited (ASPHL) is a leading player in the hospitality sector renowned for its upscale properties and diverse F&B offerings. Since its inception in 1967, with the opening of its first property in Kolkata under the renowned brand "THE PARK," the Company has expanded its presence to 20 cities across India. At present, ASPHL operates 30 hotels, including properties owned, leased, and managed, under five distinct brands: THE PARK, THE PARK Collection, Zone Connect by The Park, Zone by The Park, and Stop by Zone. These brands are known for their upscale and upper mid-scale categories, symbolizing excellence in hospitality.

Alongside its core hospitality offerings, ASPHL has a diverse portfolio in food and beverage (F&B) and entertainment, with 81 restaurants, nightclubs, and bars. The Company also has a well-established footprint in the retail food and beverage sector through its iconic retail brand 'Flurys,' comprising of a network of 75 outlets featuring various formats including kiosks, cafes, and restaurants. Moreover, the Company's portfolio includes nightclubs and entertainment options, enhancing its brand positioning and enabling synergistic cross-selling opportunities.

ASPHL is listed on the BSE Ltd (BSE) (Code: PARKHOTELS/544111) and National Stock Exchange of India Ltd. (NSE) (Symbol: PARKHOTELS) in India.

**For more information about us, please visit [www.theparkhotels.com](http://www.theparkhotels.com) or contact:**

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**Mr. Atul Khosla (Chief Financial Officer)**

**Apeejay Surrendra Park Hotels Limited**

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**Email:** [akhosla@apeejaygroup.com](mailto:akhosla@apeejaygroup.com)

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Thank you

