

CHAIRMAN'S SPEECH

AT THE 17TH ANNUAL GENERAL MEETING OF ASIAN HOTELS (EAST) LIMITED, KOLKATA AT 03:00 P.M. ON FRIDAY, 13TH SEPTEMBER, 2024

Dear Shareholders,

A warm welcome to each and every one of you to the 17th Annual General Meeting of your Company Asian Hotels (East) Limited. On behalf of the Board of Directors of your Company, I thank you all for your participation at this virtual AGM and continued trust and support towards the Company and its management.

As we transit from the financial year ended 2023-24, the hotel industry is experiencing a significant resurgence, with people once again embracing the outdoors and travel. This renewed enthusiasm has led to increased occupancy rates across various locations, including Kolkata. Reflecting upon the financial year ended 2023-24, your Company has demonstrated robust performance, capitalizing on this upward trend and showcasing a strong recovery and growth in the hospitality sector.

At Hyatt Regency, Kolkata Hotel's operational front, we have successfully continued our growth trajectory. The hotel has been largely successful in booking all the relevant wedding dates during the financial year ended 2023-24. The hotel has also adopted various cost-saving measures, including energy conservation through refurbishment of sewage treatment plan.

As the Annual Report of your Company has been with you for quite some time, I hope that you've gone through the same to note the Company's performance.

For the financial year ended 2023-24, the hotel has demonstrated a better financial performance. As on 31st March, 2024, the gross revenue of your Company stood at Rs. 108.47 crores, marking a significant increase from Rs. 93.76 crores recorded on 31st March, 2023. The profit for the financial year ended 2023-24 stood at Rs. 30.39 crores, a notable contrast to Rs. 19.32 crores reported in the previous financial year ended 2022-23.

With a strategic focus on online distributors to stimulate demand, the hotel's business was further bolstered by weddings, corporate MICE events and sports bookings. The hotel improved its market share in spite of low market demand and has ended the financial year at rank 2, considering the RevPAR in Kolkata.

In the current landscape, sustainability stands as a pivotal concept and I am pleased to inform you that your Company is making significant strides in this direction through the upgradation of Point of Sale Systems at the hotel, which enhances menu option for the users and also improves & optimises guest order placement.

Implementing the EZYINVOICE software and the Mobile Entry Solution in the hotel is a great way to enhance sustainability and improve the guest experience. It's great to observe that the guests are also responding positively to new technological changes in the hotel. Sustainability efforts lead to improved satisfaction and loyalty of the guests.

You'll be glad to know that to keep the hotel updated and competitive in the market, your Company has incurred an overall CAPEX of Rs. 2.88 crores so far in the financial year ended 2023-24.

Now let me say few words on the subsidiary companies. Regarding GJS Hotels Limited, the decision of the Government of Odisha to forfeit the performance bank guarantees and determine the lease is very unfortunate and uncalled for as GJS Hotels had already taken necessary steps to start the hotel construction in Bhubaneswar. GJS Hotels has already taken the requisite legal steps and other necessary actions to protect its interest and it is hopeful of getting a positive solution in this matter by gaining back its leasehold right.

You are aware that during the last financial year, a new wholly owned subsidiary named Novak Hotels Pvt. Ltd. having its registered office in Mumbai, was incorporated to provide funds to Asian Hotels (West) Limited, New Delhi, where your Company had substantial investment, to take it out of the CIRP under IBC law and as per the understanding with the promoters of Asian Hotels (West) Limited, Novak Hotels should acquire a five star hotel named Hyatt Regency, Mumbai and the necessary steps have already been taken for the same.

Regarding dividend, it brings me great pleasure to inform you that your Board has recommended an equity dividend of 25% amounting to Rs. 2.50/- per equity share (subject to deduction of TDS) on the face value of the paid-up equity shares of Rs. 10/- per share for the financial year ended 2022-23, leading to an outgo of Rs. 4.32 crores approximately.

Regarding the CSR expenditure, your Company has spent requisite expenses in this regard and thereby complied with the statutory requirement. I hope that you have already gone through the CSR spending details in current Annual Report.

As a part of the management team, I would like to assure you that we always look forward to unlock your value as shareholders by growing in both organic and inorganic ways and also by acquiring hotel properties in strategic locations through various legal channels.

Before I conclude for the day, I wish to convey my heartfelt thanks and appreciation to you all, my colleagues on the Board, employees, all stakeholders, Governments of India, West Bengal and Odisha, suppliers, bankers of the Company and Hyatt Hotels Corporation, USA for their continued support and co-operation.

As always, I am indebted to our shareholders who join us in looking forward to a brighter future.

Thank you for your patient hearing and always stay safe.

---XXX---