

refreshingly different

 lemon tree™  
HOTELS

August 11, 2021

**National Stock Exchange of India Limited**  
**Exchange Plaza, C-1, Block G**  
**Bandra Kurla Complex**  
**Bandra (E), Mumbai – 400051**

**BSE Limited**  
**Phiroze Jeejeebhoy Towers**  
**Dalal Street, Mumbai – 400001**

**NSE Scrip Symbol: LEMONTREE**

**BSE Scrip Code: 541233**

**Re: Outcome of the Board Meeting**

We wish to inform you that the Board of Directors of Lemon Tree Hotels Limited (the "Company") at its meeting held today at 03.00 p.m and concluded at 05.00 p.m, has, inter-alia, approved the Unaudited (Standalone & Consolidated) Financial Results for the quarter ended June 30, 2021 and took on record the Limited review report thereon.

A copy of:

- A) Unaudited financial results (Standalone & Consolidated) for the quarter ended June 30, 2021; and
- B) Limited Review Report on Financial Results (Standalone & Consolidated)

as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, alongwith Investor presentation are enclosed herewith.

This is for your information and record.

Thanking You

For **Lemon Tree Hotels Limited**



**Nikhil Sethi**  
**Group Company Secretary & GM Legal**  
**and Compliance Officer**

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF LEMON TREE LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Lemon Tree Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax for the quarter ended **June 30, 2021** ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:-

S.No	Name of the entity	Relationship
1.	Lemon Tree Hotels Limited	Parent Company
2.	Fleur Hotels Private Limited	Subsidiary company
3.	Hyacinth Hotels Private Limited	Subsidiary company
4.	PSK Resorts and Hotels Private Limited	Wholly owned subsidiary company
5.	Canary Hotels Private Limited	Wholly owned subsidiary company
6.	Sukhsagar Complexes Private Limited	Wholly owned subsidiary company
7.	Oriole Dr Fresh Hotels Private Limited	Wholly owned subsidiary company
8.	Grey Fox Project Management Company Private Limited	Wholly owned subsidiary company
9.	Dandelion Hotels Private Limited	Wholly owned subsidiary company
10.	Lemon Tree Hotel Company Private Limited	Wholly owned subsidiary company
11.	Red Fox Hotel Company Private Limited	Wholly owned subsidiary company
12.	Poplar Homestead Holdings Private Limited	Wholly owned subsidiary company
13.	Madder Stays Private Limited	Wholly owned subsidiary company
14.	Jessamine Stays Private Limited	Wholly owned subsidiary company

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15.	Berggruen Hotels Private Limited	Subsidiary company
16.	Manakin Resorts Private Limited	Subsidiary company
17.	Celsia Hotels Private Limited	Subsidiary company
18.	Inovoa Hotels and Resorts Limited	Subsidiary company
19.	Iora Hotels Private Limited	Subsidiary company
20.	Ophrys Hotels Private Limited	Subsidiary company
21.	Bandhav Resorts (P) Limited	Subsidiary company
22.	Valerian Management Services Private Limited	Subsidiary company
23.	Carnation Hotels Private Limited	Subsidiary company
24.	Hamstede Living Private Limited	Subsidiary company
25.	Mind Leaders Learning India Private Limited	Associate company
26.	Pelican Facilities Management Private Limited	Associate company
27.	Glendale Marketing Services Private Limited	Associate company
28.	Mezereon Hotels LLP	Limited Liability Partnership Firm
29.	Krizm Hotel Private Limited Employee Welfare Trust	Trust

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 3 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 6. **Emphasis of Matter**

Attention is invited to Note 4 of the Statement of Consolidated Unaudited Financial Results which sets out the Group's assessment of financial impact on account of COVID 19 pandemic situation. Based on the assessments, the management has concluded that the Group will be able to meet all of its obligations as well as recover the carrying amount of its assets as on June 30, 2021.

Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the standalone interim unaudited financial results of the entity included in the Group, whose interim financial results reflect total revenues of Rs. Nil, total net loss after tax of Rs. 0.01 lakhs and total comprehensive loss of Rs. 0.01 lakhs for the quarter ended June 30, 2021 respectively, as considered in the respective standalone unaudited interim financial results of the entity included in the Group. The interim financial results of the trust have been reviewed by the other auditor whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this trust, is based solely on the report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial statements of 20 subsidiaries and 1 limited liability partnership firm included in the consolidated unaudited financial results, whose interim financial statements reflect total revenues of Rs. 902.46 lakhs, total net loss after tax of Rs. 1,168.11 lakhs and total comprehensive loss of Rs 1167.75 lakhs for the quarter ended June 30, 2021 respectively, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of loss after tax of Rs. 6.74 lakhs and Total comprehensive loss of Rs. 7.04 lakhs for the quarter ended June 30, 2021 respectively, as considered in the Statement, in respect of 3 associates, whose interim financial statements have not been

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reviewed by us. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Vijay Agarwal**  
Partner  
(Membership No. 094468)  
(UDIN: 21094468AAAAHB8373)

New Delhi, August 11, 2021

Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2021

(₹ In Lakhs, except per share data)

	Quarter ended			
	June 30, 2021	March 31, 2021 (Refer Note 1)	June 30, 2020	Year Ended March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income</b>				
Revenue from operations	4,215.33	9,508.11	4,066.56	25,172.04
Other income (Refer Note 5)	212.68	189.19	311.68	1,325.88
<b>Total income</b>	<b>4,428.01</b>	<b>9,697.30</b>	<b>4,378.24</b>	<b>26,497.92</b>
<b>2 Expenses</b>				
Cost of food and beverages consumed	320.05	694.34	232.43	1,784.13
Employee benefit expenses	1,741.02	2,255.64	1,776.36	7,039.02
Power and fuel	757.91	1,021.68	630.01	3,274.25
Other expenses	1,404.21	2,684.06	991.94	6,947.69
<b>Total expenses</b>	<b>4,223.19</b>	<b>6,655.72</b>	<b>3,630.74</b>	<b>19,045.09</b>
<b>3 Profit before depreciation and amortization, finance cost, finance income (Loss)</b>	<b>204.82</b>	<b>3,041.58</b>	<b>747.50</b>	<b>7,452.83</b>
<b>4 Finance cost</b>	<b>4,519.37</b>	<b>4,452.10</b>	<b>4,868.82</b>	<b>19,045.72</b>
<b>5 Finance income</b>	<b>(202.57)</b>	<b>(140.25)</b>	<b>(182.68)</b>	<b>(873.32)</b>
<b>6 Depreciation and amortization expense</b>	<b>2,615.87</b>	<b>2,611.04</b>	<b>2,708.97</b>	<b>10,755.32</b>
<b>7 Net (loss)/profit before tax and share of associates (3-4-5-6)</b>	<b>(6,727.85)</b>	<b>(3,881.31)</b>	<b>(6,647.61)</b>	<b>(21,474.89)</b>
<b>8 Add: Share of Loss of associates</b>	<b>(7.04)</b>	<b>(206.53)</b>	<b>(119.86)</b>	<b>(399.53)</b>
<b>9 Loss before tax (7+8)</b>	<b>(6,734.89)</b>	<b>(4,087.64)</b>	<b>(6,767.47)</b>	<b>(21,874.42)</b>
<b>10 Tax expense</b>				
Current tax/MAT	-	0.62	0.60	(1.57)
Deferred tax	-	-	-	-
- Deferred tax (income)/expense related to current year	(754.12)	(1,416.70)	(712.51)	(3,218.68)
<b>11 Net loss after tax (9-10)</b>	<b>(5,980.77)</b>	<b>(2,671.56)</b>	<b>(6,055.56)</b>	<b>(18,654.17)</b>
<b>12 Other Comprehensive Income/(Expenses)</b>				
Items that will not be reclassified to profit and loss				
Remeasurements of defined benefit plans	0.01	(25.55)	0.58	(23.57)
Income tax effect	0.34	3.49	(0.71)	1.37
<b>13 Total comprehensive Loss</b>	<b>(5,980.42)</b>	<b>(2,693.62)</b>	<b>(6,055.69)</b>	<b>(18,676.37)</b>
<b>14 Net loss after tax</b>	<b>(5,980.77)</b>	<b>(2,671.56)</b>	<b>(6,055.56)</b>	<b>(18,654.17)</b>
Attributable to:				
Equity holders of the parent	(4,012.03)	(1,681.68)	(4,187.16)	(12,706.82)
Non-controlling interests	(1,968.74)	(989.88)	(1,868.40)	(5,947.35)
<b>15 Total comprehensive Loss</b>	<b>(5,980.42)</b>	<b>(2,693.62)</b>	<b>(6,055.69)</b>	<b>(18,676.37)</b>
Attributable to:				
Equity holders of the parent	(4,011.69)	(1,695.73)	(4,186.58)	(12,718.58)
Non-controlling interests	(1,968.73)	(997.89)	(1,869.11)	(5,957.79)
<b>16 Total comprehensive Loss for the period after non-controlling interest</b>	<b>(4,011.69)</b>	<b>(1,695.73)</b>	<b>(4,186.58)</b>	<b>(12,718.58)</b>
<b>17 Paid-up equity share capital</b> (Face value of the share ₹ 10/-)	<b>79,042.14</b>	<b>79,042.14</b>	<b>79,032.94</b>	<b>79,042.14</b>
<b>18 Other Equity (including non-controlling interest)</b>				<b>74,454.69</b>
<b>19 Earnings/(Loss) per share (Face value of the share ₹ 10/-)</b> (EPS for quarter is not annualized)				
Basic	(0.51)	(0.21)	(0.53)	(1.61)
Diluted	(0.51)	(0.21)	(0.53)	(1.61)

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Notes:

1. The Audit Committee has reviewed the above results and the Board of Directors has approved the above consolidated financial results at their respective meetings held on August 10, 2021 and August 11, 2021. Figures for the quarter ended March 31, 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited figures upto the third quarter ended December 31 2020, which was subjected to limited review.

2. The above Consolidated financial results are extracted from the unaudited consolidated financial statements of the Company which are prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

3. The paid up share capital of the Company excludes 18,24,991 (March 31, 2021: 18,24,991) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.

4. COVID-19 pandemic has impacted and continues to impact business operations in many countries due to lockdown, travel bans, quarantines and other emergency measures resulting reduction in occupancy of hotels and average realization rate per room starting from the month of March 2020. Management has undertaken/is undertaking various cost savings initiatives like salary reduction, rent waiver, etc. to conserve cash coupled with the capital infusion amounting to Rs. 175 crores in the form of compulsorily convertible preference shares. Further, out of 41 Hotels (5,192 rooms) of the group, 35 hotels (4,791 rooms) were operational as on June 30, 2021. The weighted average occupancy of the operational rooms for the month ended June 30, 2021 was 33% which has increased to 53% in month of July' 2021.

In evaluating the impact of COVID-19 on its ability to continue as a going concern and the possible impact on its financial position in the current quarter, the Company has made an assessment of its liquidity position for next one year and assessed the impact of macro-economic conditions on its business in light of comparison of future projections developed and of the recoverability and the carrying value of its major assets comprising of Property, Plant and Equipment (PPE), trade receivables, Right of use asset, investments in associates (investments), current assets and non current assets as at the balance sheet date. Based on aforesaid assessment, management believes that the Group will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its aforesaid assets as on as on June 30, 2021.

Management believes that it has taken into account all the possible impact of known events arising from COVID- 19 pandemic in the preparation of above Consolidated financial results. The associated economic impact of the pandemic is highly dependent on variables that are difficult to predict. The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Group will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial results as and when these material changes to economic conditions arise.

5. During the current quarter , consequential to COVID 19 pandemic, the Group has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of Rs. 179.14 lakhs in Statement of Profit and Loss as "Other Income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).

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6. The Code on Wages, 2019 and Code on social security, 2020 ("the codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Group will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

7. The Group is into Hoteliering business. As the Group operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments. Since the group is in Hoteliering business which is seasonal therefore Consolidated financial results for the Current quarter are not indicative of a full year's operations.

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Place : New Delhi  
Date : August 11, 2021



By order of the Board  
for Lemon Tree Hotels Limited

*Patanjali G. Keswani*

Patanjali G. Keswani  
(Chairman & Managing Director)

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF Lemon Tree Hotels Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Lemon Tree Hotels Limited** ("the Company"), for the quarter ended **June 30, 2021** ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**

Attention is invited to Note 4 of the Statement of Standalone Unaudited Financial Results which sets out the Company's assessment of financial impact on account of COVID 19 pandemic situation. Based on the assessments, the management has concluded that the Company will be able to meet all of its obligations as well as recover the carrying amount of its assets as on June 30, 2021.

Our conclusion on the Statement is not modified in respect of this matter.

6. We did not review the interim financial results of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the Statement whose interim financial results reflect total revenues of Rs. Nil, total net loss

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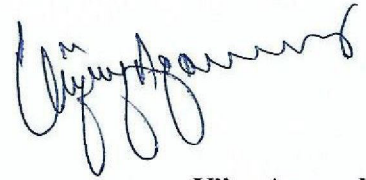


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after tax of Rs. 0.01 lakhs and total comprehensive loss of Rs. 0.01 lakhs for the quarter ended June 30, 2021 respectively, as considered in this Statement. The interim financial results have been reviewed by other auditor whose report have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this trust, is based solely on the report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Vijay Agarwal**  
Partner  
(Membership No. 094468)  
(UDIN: 21094468AAAAHA8192)

New Delhi, August 11, 2021

**Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2021**

*( ₹ In Lakhs, except per share data)*

	Quarter ended			Year Ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited) Refer Note 1	(Unaudited)	(Audited)
<b>1 Income</b>				
Revenue from operations	1,252.75	3,038.84	1,186.96	7,991.57
Other income (Refer Note 5)	42.60	32.65	182.94	402.87
<b>Total income</b>	<b>1,295.35</b>	<b>3,071.49</b>	<b>1,369.90</b>	<b>8,394.44</b>
<b>2 Expenses</b>				
Cost of food and beverages consumed	60.45	167.39	67.39	437.20
Employee benefit expenses	686.63	858.24	627.93	2,534.18
Power and fuel	215.88	325.64	166.63	951.24
Other expenses	471.71	954.65	360.01	2,497.03
<b>Total expenses</b>	<b>1,434.67</b>	<b>2,305.92</b>	<b>1,221.96</b>	<b>6,419.65</b>
<b>3 Profit before depreciation and amortization, finance cost, finance income, exceptional items and tax (1-2)</b>	<b>(139.32)</b>	<b>765.57</b>	<b>147.94</b>	<b>1,974.79</b>
4 Finance cost	1,190.58	1,183.34	1,198.06	4,819.30
5 Finance income	(84.70)	(78.96)	(54.92)	(300.87)
6 Depreciation and amortization expense	534.86	562.84	559.51	2,251.03
<b>7 (Loss)/Profit before exceptional item and tax (3-4-5-6)</b>	<b>(1,780.06)</b>	<b>(901.65)</b>	<b>(1,554.71)</b>	<b>(4,794.67)</b>
8 Exceptional items( Refer note 6)	-	592.07	-	592.07
<b>9 (Loss)/Profit before tax (7-8)</b>	<b>(1,780.06)</b>	<b>(1,493.72)</b>	<b>(1,554.71)</b>	<b>(5,386.74)</b>
10 Tax expense				
Deferred tax				
- Deferred tax (income) expense related to current year	(519.96)	(172.66)	(456.01)	(1,313.67)
<b>11 Net (loss)/profit after tax (9-10)</b>	<b>(1,260.10)</b>	<b>(1,321.06)</b>	<b>(1,098.70)</b>	<b>(4,073.07)</b>
<b>12 Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit and loss				
Re-measurement (loss)/gain on defined benefit plans	(1.18)	(11.99)	2.43	(4.70)
Income tax effect on above	0.34	3.49	(0.71)	1.37
<b>13 Total Comprehensive (Loss)/Income</b>	<b>(1,260.94)</b>	<b>(1,329.56)</b>	<b>(1,096.98)</b>	<b>(4,076.40)</b>
14 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,042.14	79,042.14	79,032.94	79,042.14
15 Other Equity	-	-	-	21,281.80
<b>16 Earnings (Loss) per share (Face value of the share ₹ 10/-)</b> <i>(EPS for quarter ended periods are not annualised)</i>				
Basic EPS	(0.16)	(0.17)	(0.14)	(0.52)
Diluted EPS	(0.16)	(0.17)	(0.14)	(0.52)



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**Notes:**

1. The Audit Committee has reviewed the above results and the Board of Directors has approved the above standalone financial results at their respective meetings held on August 10, 2021 and August 11, 2021. Figures for the quarter ended March 31, 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited figures upto the third quarter ended December 31 2020 which was subjected to limited review.

2. The above Standalone financial results are extracted from the unaudited Standalone financial statements of the Company which are prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

3. The paid up share capital of the Company excludes 18,24,991 (March 31, 2021: 18,24,991) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.

4. COVID-19 pandemic has impacted and continues to impact business operations in many countries due to lockdown, travel bans, quarantines and other emergency measures resulting reduction in occupancy of hotels and average realization rate per room starting from the month of March 2020. Management has undertaken/is undertaking various cost savings initiatives like salary reduction, rent waiver, etc. to conserve cash. Further, out of 13 Hotels (1,406 rooms) of the Company 12 hotels were operational as on June 30, 2021. The weighted average occupancy of the operational rooms for the month ended June 30, 2021 was 39% which has increased to 61% in the month of July 2021.

In evaluating the impact of COVID-19 on its ability to continue as a going concern and the possible impact on its financial position, the company has made an assessment of its liquidity position for next one year and assessed the impact of macro-economic conditions on its business in light of comparison of future projections developed and of the recoverability and the carrying value of its major assets comprising of Property, Plant and Equipment (PPE), trade receivables, Right of use assets, investments in subsidiaries and associates (investments), current and non-current assets as at the balance sheet date. Based on aforesaid assessment, management believes that the Company will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its aforesaid assets as on June 30, 2021.

Management believes that it has taken into account all the possible impact of known events arising from COVID- 19 pandemic in the preparation of above financial results. The associated economic impact of the pandemic is highly dependent on variables that are difficult to predict. The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

5. During the current quarter, consequential to COVID 19 pandemic, the Company has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of Rs. 37.91 lakhs in Statement of Profit and Loss as "Other income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).

6. Exceptional items for the quarter and year ended March 31, 2021 represents impairment in the value of investment in Hamstede Living Private Limited (the subsidiary) of Rs. 592.07 lakhs.

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7. The Code on Wages, 2019 and Code on social security, 2020 ("the codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

8. The Company is into Hoteliering business. As the Company operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments. Since, the company is in Hoteliering business which is seasonal therefore standalone financial results for the current quarter are not indicative of a full year's operation.

By order of the Board  
for Lemon Tree Hotels Limited



*Patanjali G. Keswani*

**Patanjali G. Keswani**  
(Chairman & Managing Director)

Place: New Delhi  
Date : August 11, 2021

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# Lemon Tree Hotels Limited

Q1 FY22 Earnings Presentation  
11<sup>th</sup> August, 2021



**aurika**  
HOTELS & RESORTS

UPSCALE

  
**lemon tree**<sup>®</sup>  
PREMIER

UPPER MIDSCALE

  
**lemon tree**<sup>®</sup>  
HOTELS

MIDSCALE

 **red fox**<sup>®</sup>  
BY LEMON TREE HOTELS

ECONOMY

**keys**  
PRIMA

BY LEMON TREE HOTELS

UPPER MIDSCALE

**keys**  
SELECT

BY LEMON TREE HOTELS

MIDSCALE

**keys**  
LITE

BY LEMON TREE HOTELS

ECONOMY

# Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

**Lemon Tree Hotels Limited (LTH)** will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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# Lemon Tree – Snapshot as on 11<sup>th</sup> August 2021



**Current (17% of Branded Mid Market Hotels in India\*)**

**8,309  
rooms;  
84 hotels**



**Pipeline**

**2,109  
rooms;  
21 hotels**



**By CY23 (20% of Branded Mid Market Hotels in India\*)**

**10,418  
rooms;  
105 hotels**

Brand	Current	Pipeline	By FY23
<b>Aurika</b>	139 Rooms; 1 Hotel	669 Rooms; 1 Hotel <sup>#</sup>	808 Rooms; 2 Hotels
<b>Lemon Tree Premier</b>	2,514 Rooms; 18 Hotels	113 Rooms; 2 Hotels	2,627 Rooms; 20 Hotels
<b>Lemon Tree Hotel</b>	2,867 Rooms; 39 Hotels	1,207 Rooms; 16 Hotels	4074 Rooms; 55 Hotels
<b>Red Fox Hotel</b>	1,423 Rooms; 12 Hotels	80 Rooms; 1 Hotel	1,503 Rooms; 13 Hotels
<b>Keys</b>	1,366 Rooms; 14 Hotels	40 Rooms; 1 Hotel	1,406 Rooms; 15 Hotels




\*Source : Hotelivate – The Ultimate Indian Travel Hospitality Report 2019, Horwah HTL India Market Review 2018

<sup>#</sup>Aurika, Mumbai International Airport is now approved to be built with 669 rooms in place of the earlier approval of 577 rooms





## Key Statistics

		Q1 FY22	Q1 FY21	YoY Var (%)
	Cities	52	48	8%
	Hotels	84	80	5%
	Rooms	8,309	8,006	4%



Commenting on the performance for Q1 FY22, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

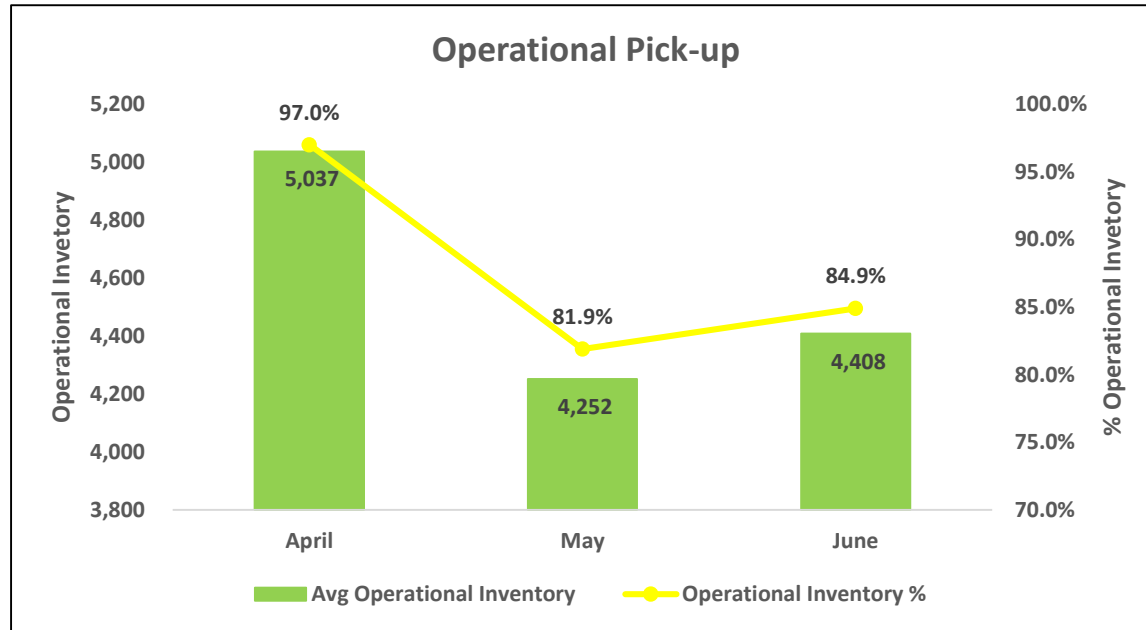
The new fiscal year started amidst a challenging operating environment due to lockdowns and restrictions on account of the second wave of the pandemic. These disruptions particularly impacted the domestic hospitality and tourism sector. As the cases started increasing, we saw a decline in occupancy levels in April vs March. Travel restrictions across key states had a severe impact on our operations in May. On a brighter note, as restrictions started easing and the Covid-19 case count started decreasing in June, we saw a faster recovery.

Given our learnings from last year, our operating inventory was maintained in anticipation of a quicker recovery post easing of curbs. Accordingly, our operating inventory stood at 87.9% of our total inventory against 71.5% in Q1 FY21. Overall, our revenues increased by 3.7% Y-o-Y, with a 10.1% decline in ADR Y-o-Y, occupancy levels on full inventory improved by 73 bps Y-o-Y. Our current operational inventory as of 30<sup>th</sup> June 2021 comprises 84 hotels and 8309 rooms, out of which 4517 are owned, 675 leased and 3117 managed rooms. On the profitability front, I am happy to inform you that we managed to stay EBITDA positive at Rs 2.0 Cr in Q1 FY22, with an EBITDA margin of 4.6%. As we had maintained our operating inventory levels in anticipation of a faster recovery, costs increased by 16.3% Y-o-Y but decreased by 36.5% Q-o-Q. However, we believe, as occupancy levels improve, this should normalize in the quarters ahead. Further on the debt side, we have successfully lowered our average cost of borrowings by 15 bps from 8.3% in Q4 FY21 to 8.15% in Q1 FY22. Structurally, there has been a shift in our operating model and we now operate a much leaner structure, with more focus on optimizing fixed costs, enhancing efficiencies and streamlining business processes.

Being best in class in Environment, Social and Governance (ESG) is one of our key strategic priorities. We will be releasing our first sustainability report soon, which will disclose our performance on key parameters, new initiatives and future roadmap. In sync with this approach, in the quarter, we have signed an MoU with Energy Efficiency Services Limited (EESL), a joint venture under the Ministry of Power. This is one of the steps that we are undertaking towards being a green and energy-efficient organization.

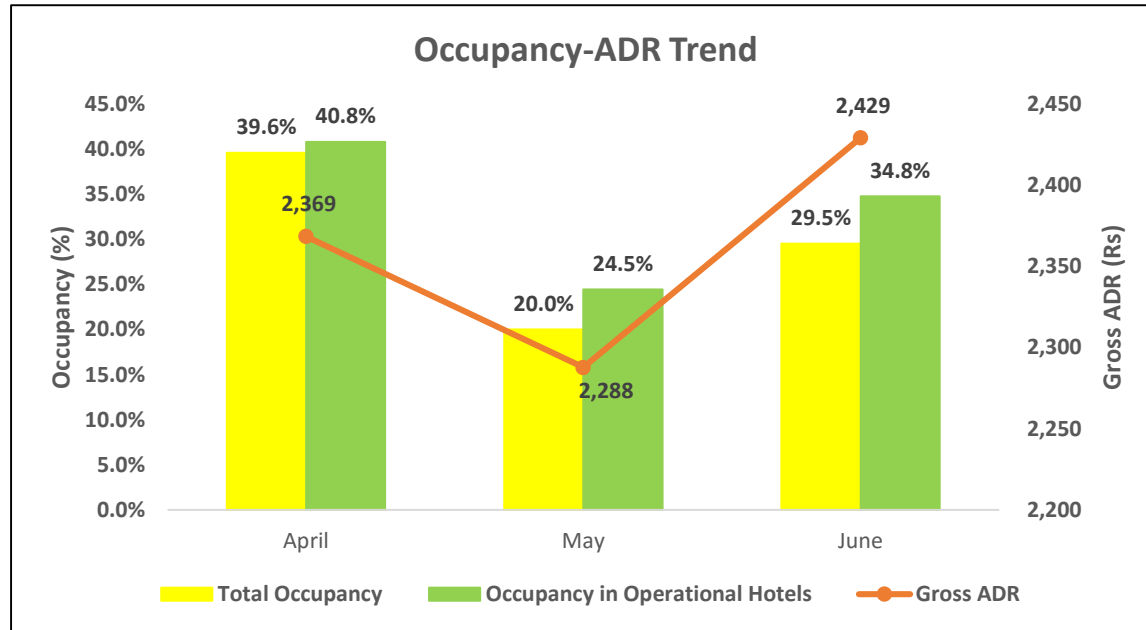
From a macro-environment standpoint, given that there are concerns of a potential third wave of COVID in the country, we are undertaking various proactive steps to ensure business continuity and stability in cash flows. Currently, we are seeing a very healthy build-up in demand and consumption that is strengthening on a month-over-month basis from June onwards. In addition, improving macros given better vaccination coverage and improving economic indicators should support this traction. Overall, in a normalized macro-environment, we remain confident of reporting robust and sustainable performance in the quarters ahead.

## Increasing Operational Inventory



Trends for the 5,192 owned/leased rooms

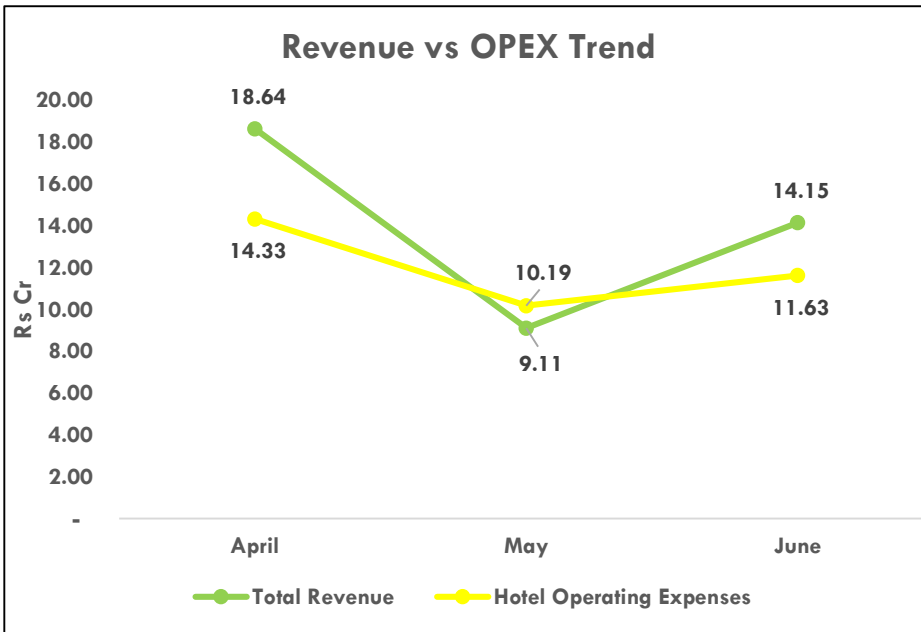
## Rising Occupancy Levels



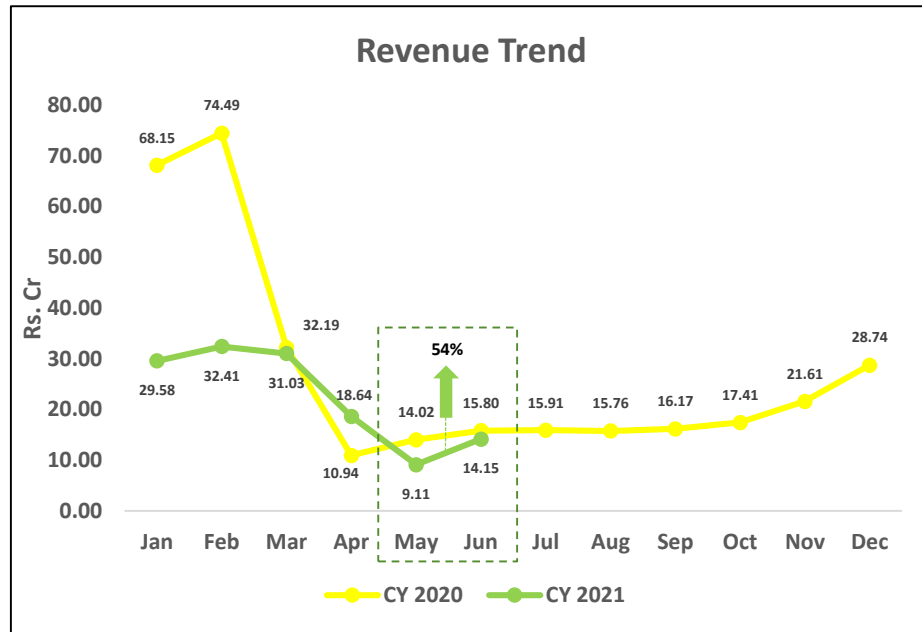
Trends for the 5,192 owned/leased rooms

## Improving Operating Efficiency and Fast Recovery

### Revenue vs OPEX Trend



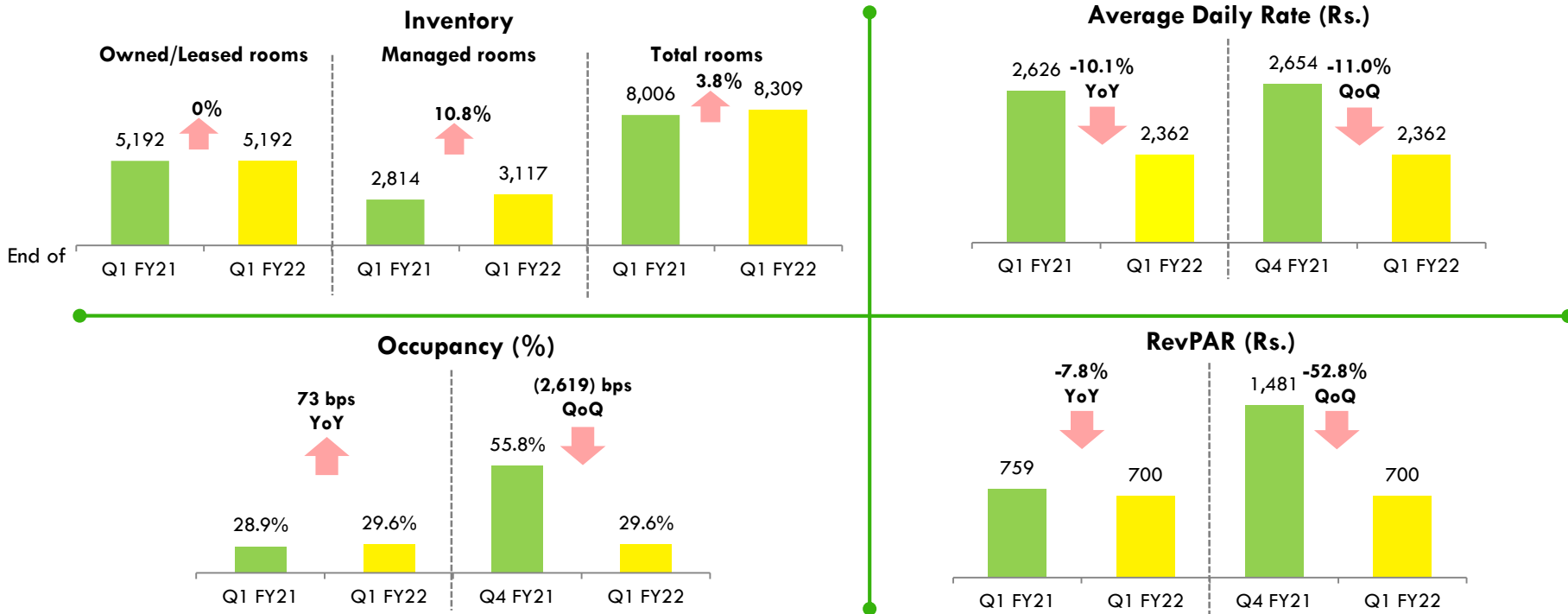
### Revenue Trend



#### Notes:

1. Total Revenue includes Revenue from Owned and Leased hotels and Fees from Managed hotels
2. Operating Expenses include Hotel operating expenses for Owned and Leased hotels (including shut hotels)

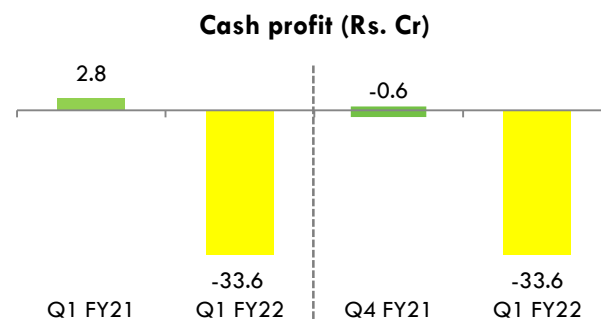
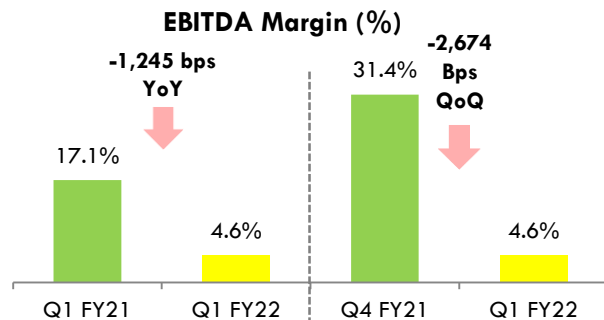
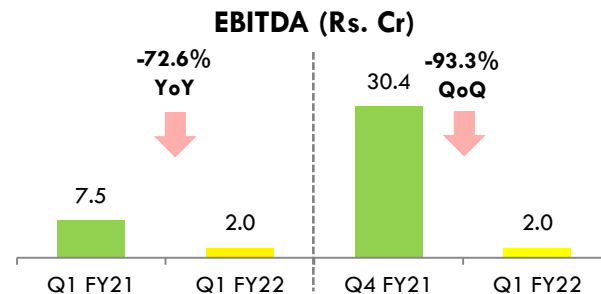
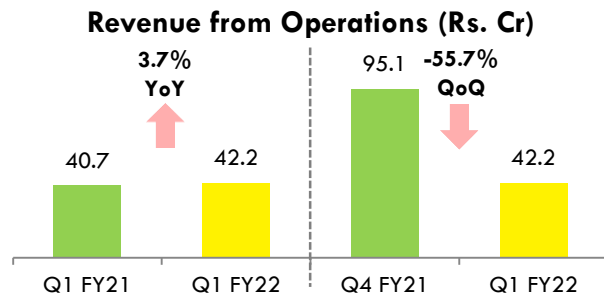
# Q1 FY22 Performance Highlights – Operational Metrics (Consolidated)



**Notes:**

1. ADR, Occupancy and RevPAR are for our owned and leased hotels only

# Q1 FY22 Performance Highlights – Financial Metrics (Consolidated)



Note:

- 1) For Q1 FY22 and Q4 FY21, Cash Profit is calculated as PAT + Depreciation
- 2) For Q1 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans

# Consolidated Profit & Loss Statement – Q1 FY22

Rs. Cr	Q1 FY22	Q4 FY21	Q1 FY21	QoQ Change (%)	YoY Change (%)
<b>Revenue from operations</b>	<b>42.2</b>	<b>95.1</b>	<b>40.7</b>	<b>-55.7%</b>	<b>3.7%</b>
Other income	2.1	1.9	3.1	12.4%	-31.8%
<b>Total expenses</b>	<b>42.2</b>	<b>66.6</b>	<b>36.3</b>	<b>-36.5%</b>	<b>16.3%</b>
<b>EBITDA</b>	<b>2.0</b>	<b>30.4</b>	<b>7.5</b>	<b>-93.3%</b>	<b>-72.6%</b>
<b>EBITDA margin (%)</b>	<b>4.6%</b>	<b>31.4%</b>	<b>17.1%</b>	<b>(2,674)</b>	<b>(1,245)</b>
<b>EBITDA w/o Other Income</b>	<b>(0.1)</b>	<b>28.5</b>	<b>4.4</b>	<b>NA</b>	<b>NA</b>
<b>EBITDA margin before Other Income (%)</b>	<b>-0.2%</b>	<b>30.0%</b>	<b>10.7%</b>	<b>NA</b>	<b>NA</b>
Finance costs	45.2	44.5	48.7	1.5%	-7.2%
Depreciation & amortization	26.2	26.1	27.1	0.2%	-3.4%
<b>PBT</b>	<b>(67.3)</b>	<b>(40.9)</b>	<b>(67.7)</b>	<b>NA</b>	<b>NA</b>
Tax expense	(7.5)	(14.2)	(7.1)	NA	NA
<b>PAT</b>	<b>(59.8)</b>	<b>(26.7)</b>	<b>(60.6)</b>	<b>NA</b>	<b>NA</b>
<b>Cash Profit</b>	<b>(33.6)</b>	<b>(0.6)</b>	<b>2.8</b>	<b>NA</b>	<b>NA</b>

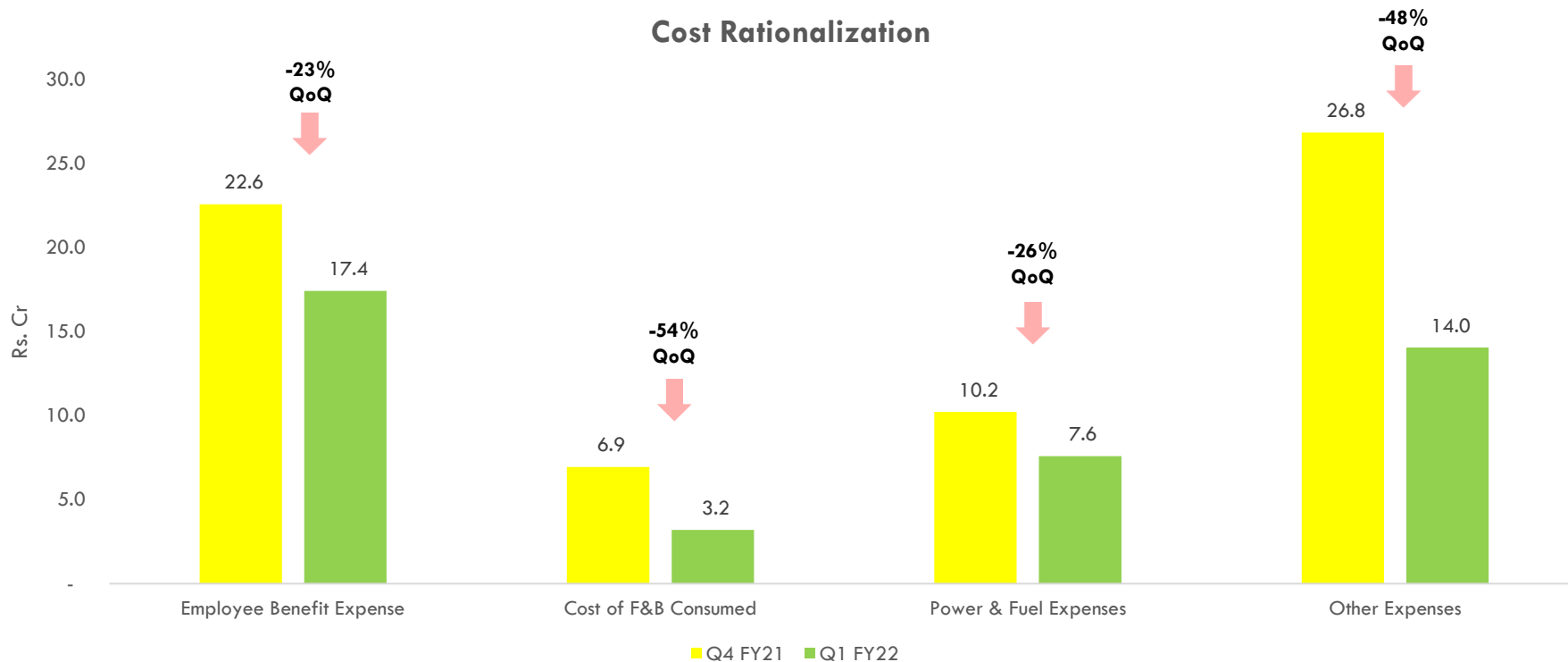
Note:

- 1) For Q1 FY22 and Q4 FY21, Cash Profit is calculated as PAT + Depreciation
- 2) For Q1 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans



# Cost Rationalization Q1 FY22 vs Q4 FY21 (on sequential basis)

## Cost Rationalization



# Consolidated Profit & Loss Statement Breakup – Q1 FY22

Rs. Cr	Total without Keys Hotels			Keys Hotels			Total		
	Q1 FY22	Q1 FY21	YoY Change (%)	Q1 FY22	Q1 FY21	YoY Change (%)	Q1 FY22	Q1 FY21	YoY Change (%)
Inventory	4,256	4,256	0%	936	936	0%	5,192	5,192	0%
ADR	2,445	2,796	-13%	1,737	1,588	9%	2,362	2,626	-10%
Occupancy	31.9%	30.3%	163	19.1%	22.5%	(335)	29.6%	28.9%	73
RevPAR	780	847	-8%	333	357	-7%	700	759	-8%
<b>Revenue from Operations</b>	<b>38.3</b>	<b>36.4</b>	<b>5.3%</b>	<b>3.8</b>	<b>4.3</b>	<b>-10.4%</b>	<b>42.2</b>	<b>40.7</b>	<b>3.7%</b>
Other Income	1.8	1.7	4.8%	0.3	1.4	-78.0%	2.1	3.1	-31.8%
Total expenses	37.3	31.7	17.8%	4.9	4.6	6.4%	42.2	36.3	16.3%
<b>EBITDA</b>	<b>2.8</b>	<b>6.5</b>	<b>-56.5%</b>	<b>(0.8)</b>	<b>1.0</b>	<b>NA</b>	<b>2.0</b>	<b>7.5</b>	<b>-72.6%</b>
<b>EBITDA Margin (%)</b>	<b>7.0%</b>	<b>16.9%</b>	<b>(994)</b>	<b>-18.4%</b>	<b>18.0%</b>	<b>NA</b>	<b>4.6%</b>	<b>17.1%</b>	<b>(1,245)</b>
<b>EBITDA w/o Other Income</b>	<b>1.0</b>	<b>4.7</b>	<b>-79.1%</b>	<b>(1.1)</b>	<b>(0.4)</b>	<b>NA</b>	<b>(0.1)</b>	<b>4.4</b>	<b>NA</b>
<i>EBITDA margin before Other Income (%)</i>	2.6%	13.0%	(1,039)	-27.7%	-7.5%	NA	-0.2%	10.7%	NA
<b>PBT</b>	<b>(60.0)</b>	<b>(60.3)</b>	<b>NA</b>	<b>(7.3)</b>	<b>(7.4)</b>	<b>NA</b>	<b>(67.3)</b>	<b>(67.7)</b>	<b>NA</b>

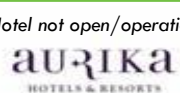
# Operational Performance by Brands & Region – Q1 FY22 vs. Q1 FY21 (On full inventory basis)



Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q1 FY22	Q1 FY21	Change (bps)	Q1 FY22	Q1 FY21	Change (%)	Q1 FY22	Q1 FY21	Change (%)	Q1 FY22	Q1 FY21	Change (bps)
<b>By Brand (#Rooms)</b>												
Aurika (139)	3.81%	HNO	-	8,754	HNO	-	-0.21	HNO	-	-29.90%	HNO	-
Lemon Tree Premier (1,603)	45.74%	39.92%	582	2,480	3,257	-23.84%	0.26	0.50	-48.52%	20.51%	38.94%	-1,843
Lemon Tree Hotels (1,562)	24.02%	27.53%	-350	2,527	2,467	2.41%	0.02	0.07	-71.67%	2.61%	9.15%	-655
Red Fox Hotels (952)	25.74%	23.06%	268	2,075	2,095	-0.94%	0.06	0.06	15.28%	11.70%	12.02%	-32
Keys Hotels (936)	19.15%	22.49%	-335	1,737	1,588	9.39%	-0.02	0.02	-	-3.90%	3.46%	-

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q1 FY22	Q1 FY21	Change (bps)	Q1 FY22	Q1 FY21	Change (%)	Q1 FY22	Q1 FY21	Change (%)	Q1 FY22	Q1 FY21	Change (bps)
<b>By City (#Rooms)</b>												
Delhi (636)	38.42%	39.33%	-91	2,298	3,210	-28.39%	0.04	0.44	-91.65%	3.63%	34.50%	-3087
Gurugram (529)	23.96%	24.54%	-58	2,775	2,983	-6.97%	0.03	0.08	-61.49%	3.57%	9.69%	-612
Hyderabad (663)	42.08%	35.80%	628	2,084	3,259	-36.05%	0.27	0.57	-51.49%	28.72%	49.28%	-2056
Bengaluru (874)	18.62%	37.60%	-1,898	2,000	1,873	6.81%	-0.07	0.14	-	-16.44%	17.71%	-
Mumbai (303)	72.02%	38.06%	3396	2,615	3,766	-30.56%	0.69	0.55	27.15%	37.92%	40.27%	-235

Note: HNO is 'Hotel not open/operational'



# Discussion on Consolidated Financial & Operational Performance – Q1 FY22

## Revenue

- \* Revenue from operations stood at Rs. 42.2 Cr in Q1 FY22, up 3.7% as compared to Rs. 40.7 Cr in Q1 FY21. On a sequential basis, revenue from operations decreased 55.7% from Rs. 95.1 Cr in Q4 FY21
- \* ADR decreased by 10.1% from 2,626 in Q1 FY21 to 2,362 in Q1 FY22. On a sequential basis, ADR decreased by 11.0% from Rs. 2,654 in Q4 FY21
- \* Occupancy on full inventory increased by 73 bps from 28.9% in Q1 FY21 to 29.6% in Q1 FY22. On a sequential basis, the occupancy on full inventory decreased by 2,619 bps from 55.8% in Q4 FY21

## Cost

- \* Total expenses stood at Rs. 42.2 Cr in Q1 FY22 up 16.2% as compared to Rs. 36.3 Cr in Q1 FY21 as we had maintained our operating inventory levels in anticipation of a fast recovery. On a sequential basis, expenses decreased by 36.5% from Rs. 66.6 Cr in Q4 FY21

## Operating Margins

- \* EBITDA decreased by 72.6% from Rs. 7.5 Cr in Q1 FY21 to Rs. 2.0 Cr in Q1 FY22. EBITDA without other income decreased from Rs. 4.4 Cr in Q1 FY21 to Rs. -0.1 Cr in Q1 FY22. On a sequential basis, EBITDA decreased 93.3% from Rs 30.4 Cr in Q4 FY21. EBITDA without other income decreased from Rs. 28.5 Cr in Q4 FY21 to Rs. -0.1 Cr in Q1 FY22
- \* EBITDA margin contracted by 1245 bps from 17.1% in Q1 FY21 to 4.6% in Q1 FY22. EBITDA margin without other income fell to -0.2% in Q1 FY22 from 10.7% in Q1 FY21. On a sequential basis, the EBITDA margin has contracted by 2674 bps from 31.4% in Q4 FY21. EBITDA margin without other income contracted by 3019 bps to -0.2% in Q1 FY22 from 30% in Q4 FY21

## Profit after tax

- \* Profit after tax improved from Rs. -60.6 Cr in Q1 FY21 to Rs. -59.8 Cr in Q1 FY22. The PAT in Q4 FY21 was Rs. -26.7 Cr
- \* Cash Profit for Q1 FY22 stood at Rs. -33.6 Cr vs Rs. 2.8 Cr in Q1 FY21. The Cash Profit in Q4 FY21 was Rs. -0.6 Cr

Note:

- 1) For Q1 FY22 and Q4 FY21, Cash Profit is calculated as PAT + Depreciation
- 2) For Q1 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans

# Expansion Plans – Hotels under Development

Under-development hotels	Type	Rooms	Expected Opening date	Ownership (%)
Lemon Tree Mountain Resort, Shimla	Owned	69	TBD	100.00%
Aurika, Intl. Airport, Mumbai <sup>#</sup>	Owned	669	CY23	58.91%
<b>Total</b>		<b>738</b>		

\* Total estimated project cost<sup>2</sup> is Rs. 10,060 Million

\* Total capital deployed/capital expenditure already incurred (i.e. CWIP + Security Deposit for leased assets under-development + Land Capitalised + Capital advances – Capital creditors) as on 30<sup>th</sup> June, 2021 is Rs. 3,816 Million

<sup>#</sup>Aurika, Mumbai International Airport is now approved to be built with 669 rooms in place of the earlier approval of 577 rooms.

# Expansion Plans – Pipeline of Management Contracts (as on 11<sup>th</sup> August, 2021)

Management Contracts Pipeline	Rooms	Expected Opening date
Keys Prima, Dehradun	40	Aug-21
Lemon Tree Premier, Coorg	63	Sep-21
Red Fox Hotel, Neelkanth	80	Sep-21
Lemon Tree Hotel Kalina/BKC, Mumbai	70	Oct-21
Lemon Tree Resort, Mussoorie	40	Jan-22
Lemon Tree Hotel, Sonamarg	40	Mar-22
Lemon Tree Hotel, Rishikesh	102	Mar-22
<b>Management Rooms to be Operational in FY22</b>	<b>435</b>	
The Spectrum, Gurgaon (Lemon Tree Serviced apartment)	260	Jun-22
Lemon Tree Hotel, Bokaro	70	Aug-22
Lemon Tree Hotel, Gulmarg	35	Aug-22
Lemon Tree Hotel, Agra	62	Sep-22
Lemon Tree Hotel, Trivandrum	100	Jan-23
Lemon Tree Hotel, Darjeeling	55	Jan-23
Lemon Tree Hotel, Biratnagar, Nepal	80	Mar-23
Lemon Tree Hotel, Kathmandu, Nepal	75	Sep-23
Lemon Tree Bhangeri Durbar, Nepal	51	Sep-23
Lemon Tree Resort, Thimpu, Bhutan	38	Oct-23
Lemon Tree Premiere, Dindi	50	Uncertain
Lemon Tree Hotel, Ludhiana	60	Uncertain
<b>Total Pipeline</b>	<b>936</b>	

Note: The dates are under the best case scenario and as per latest update from owners based on their lines of credit



## ANNEXURES

# Portfolio Breakup as on 11<sup>th</sup> August 2021 - Operational

Operational Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
<b>11.08.2021</b>								
Aurika	1	139	0	0	0	0	1	139
Lemon Tree Premier	7	1442	2	161	9	911	18	2514
Lemon Tree Hotels	13	1241	4	321	22	1305	39	2867
Red Fox Hotels	5	759	2	193	5	471	12	1423
Keys Prima	0	0	0	0	0	0	0	0
Keys Select	7	936	0	0	5	383	12	1319
Keys Lite	0	0	0	0	2	47	2	47
<b>Total</b>	<b>33</b>	<b>4517</b>	<b>8</b>	<b>675</b>	<b>43</b>	<b>3117</b>	<b>84</b>	<b>8309</b>



# Portfolio Breakup as on 11<sup>th</sup> August 2021 - Pipeline

Pipeline Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
<b>11.08.2021</b>								
Aurika <sup>#</sup>	1	669	0	0	0	0	1	669
Lemon Tree Premier	0	0	0	0	2	113	2	113
Lemon Tree Hotels	1	69	0	0	15	1138	16	1207
Red Fox Hotels	0	0	0	0	1	80	1	80
Keys Prima	0	0	0	0	1	40	1	40
Keys Select	0	0	0	0	0	0	0	0
Keys Lite	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>738</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>1371</b>	<b>21</b>	<b>2109</b>

# Strategically positioned in key geographies with Lemon Tree share of total branded hotel sector

**Jaipur:** FY20 – 5.2%  
FY24E – 3.5%

**Ahmedabad:** FY20 – 5.4%  
FY24E – 3.3%

**Mumbai:** FY20 – 3.2%  
FY24E – 6.4%

**Pune:** FY20 – 9.4%  
FY24E – 8.4%

**Goa:** FY20 – 4.9%  
FY24E – 4.3%

**Bengaluru:** FY20 – 6.1%  
FY24E – 4.6%

**Delhi NCR:** FY20 – 6.8%  
FY24E – 7.1%

**Kolkata:** FY20 – 3.8%  
FY24E – 2.6%

**Hyderabad:** FY20 – 9.5%  
FY24E – 7.5%

**Chennai:** FY20 – 1.9%  
FY24E – 1.9%

## INTERNATIONAL DESTINATIONS

### United Arab Emirates

● Dubai

### Bhutan

● Thimphu

### Nepal

\* Kathmandu

\* Nagarkot

\* Biratnagar

● Operating Hotels

\* Upcoming Hotels

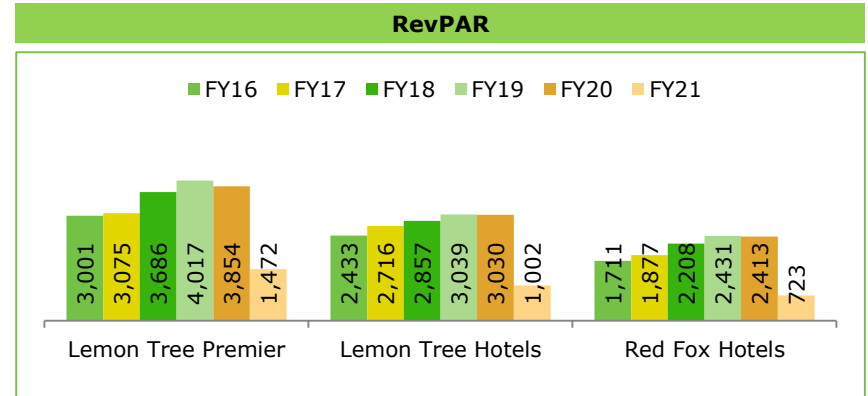
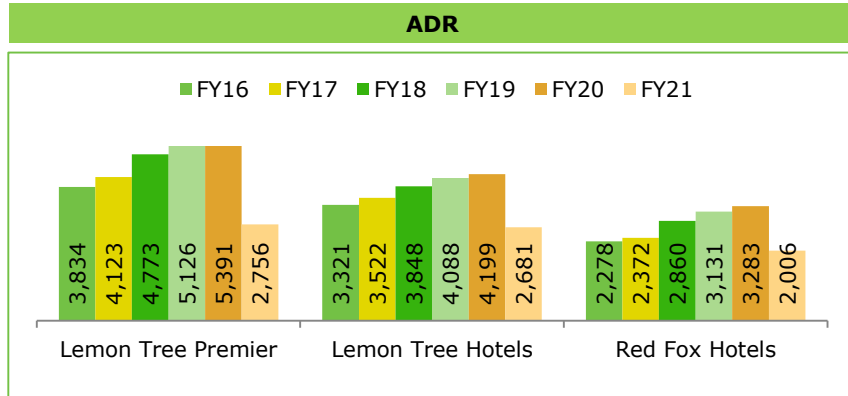
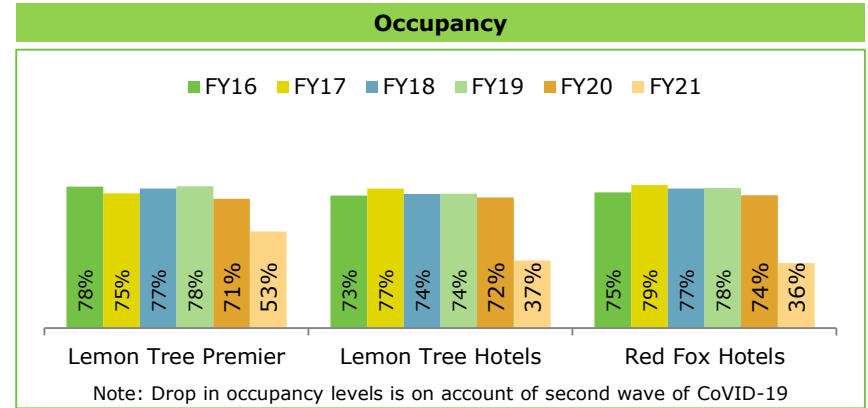
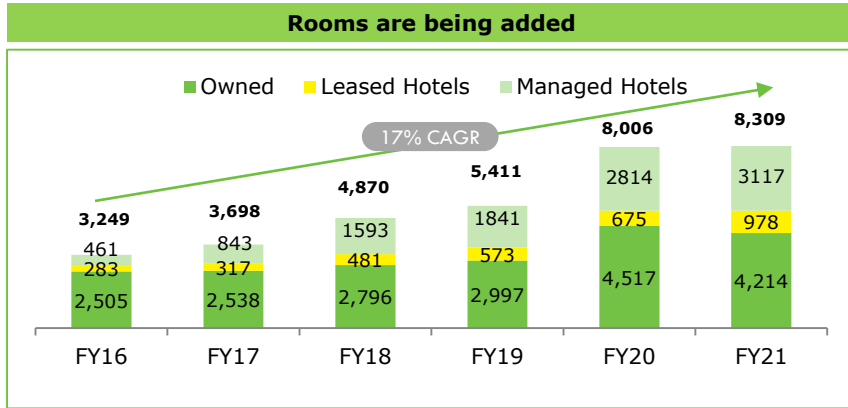


**Source :** Hotelivate Trends and Opportunities report 2019

**Note:** The FY24 expected market share has been calculated on the basis of current pipeline on hotels only

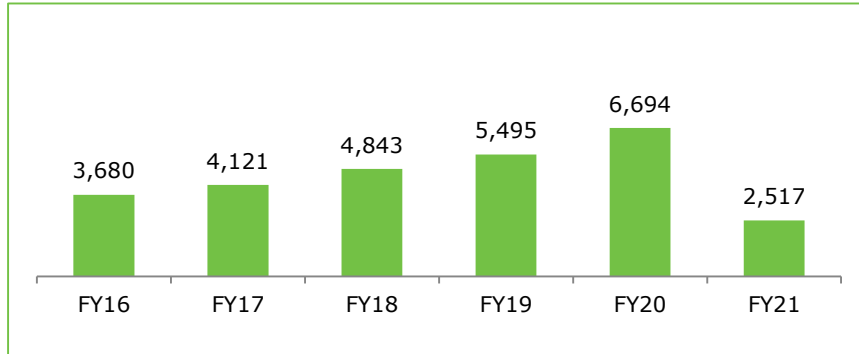
**Map updated as of 11<sup>th</sup> August, 2021**

# Operating performance

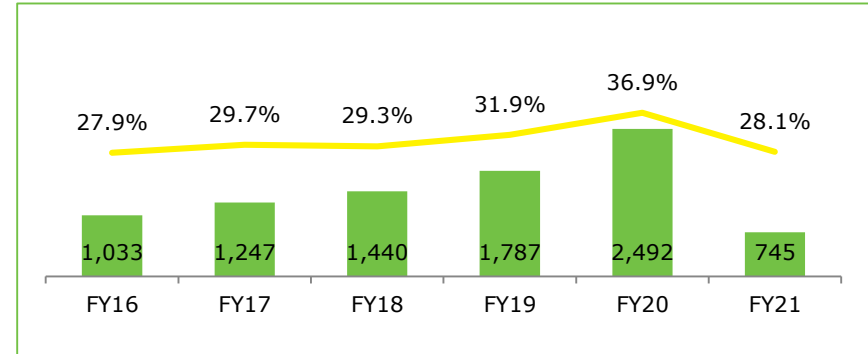


# Operating margins

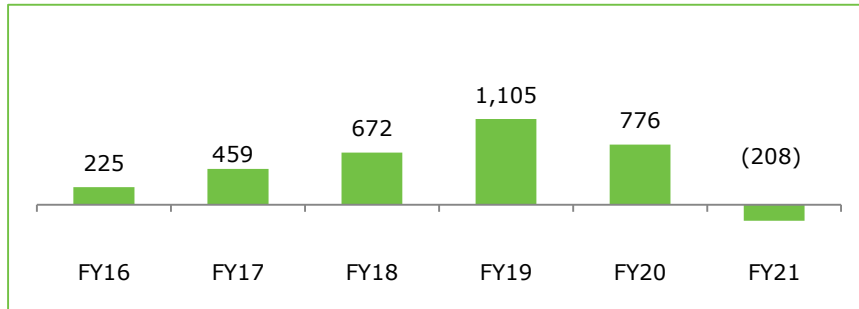
**Revenue from operations (Rs. Million)**



**EBITDA (Rs. Million) & EBITDA margins**



**Cash profit**



**Debt to Equity Ratio**



Note: FY16 figures are from Lemon Tree Prospectus. FY17, FY18, FY19, FY20 and FY21 figures are from audited balance sheet.  
For FY20 and FY21: Cash Profit = PAT + Depreciation + Interest converted into loans; for all remaining years it is PAT + Depreciation

# Consolidated Profit & Loss Statement – FY21

Rs. Cr	FY21	FY20	FY19
<b>Revenue from operations</b>	<b>251.7</b>	<b>669.4</b>	<b>549.5</b>
Other income	13.3	5.8	9.9
<b>Total Income</b>	<b>265.0</b>	<b>675.2</b>	<b>559.4</b>
<b>Total expenses</b>	<b>190.5</b>	<b>426.0</b>	<b>380.7</b>
<b>EBITDA</b>	<b>74.5</b>	<b>249.2</b>	<b>178.7</b>
<b>EBITDA w/o Other Income</b>	<b>61.3</b>	<b>243.4</b>	<b>168.8</b>
<b>EBITDA margin (%)</b>	<b>28.1%</b>	<b>36.9%</b>	<b>31.9%</b>
Finance costs	190.5	161.6	84.7
Depreciation & amortization	107.6	92.2	54.1
<b>PBT</b>	<b>(218.7)</b>	<b>(2.2)</b>	<b>45.3</b>
Tax expense	(32.2)	10.9	(11.1)
<b>PAT</b>	<b>(186.5)</b>	<b>(13.1)</b>	<b>56.4</b>
<b>Cash Profit</b>	<b>(20.8)</b>	<b>77.6</b>	<b>110.5</b>

Note:

- 1) For FY19 and FY20, Cash Profit is calculated as PAT + Depreciation
- 2) For FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans

# Consolidated Balance Sheet Snapshot – FY21

Rs. Cr	FY21	FY20	FY19
Shareholder's Funds	917.6	988.9	875.0
Non-controlling interests	617.4	555.9	432.2
<b>Total Shareholder's equity</b>	<b>1,535.0</b>	<b>1,544.8</b>	<b>1,307.2</b>
Total Debt	1,685.0	1,577.5	1,204.2
Other Non-current liabilities	470.0	464.3	38.0
Other Current liabilities	132.2	176.2	222.4
<b>Total Equity &amp; Liabilities</b>	<b>3,822.1</b>	<b>3,762.8</b>	<b>2,771.8</b>
Non-current assets	3,581.1	3,615.5	2,575.3
Current assets	241.0	147.3	196.6
<b>Total Assets</b>	<b>3,822.1</b>	<b>3,762.8</b>	<b>2,771.8</b>
Debt to Equity (x)	1.10	1.02	0.92
Average cost of borrowing as of 31 <sup>st</sup> March (%)	8.28%	9.60%	9.40%

# Operational Performance by Ageing – FY21 vs. FY20

Parameters	Financial year	Adult Hotels (Stable - older than 3 years)	Toddler Hotels (Stabilizing - between 1-3 years old)	Infant Hotels (New - less than 1 year old)	Under-development hotels
<b>Hotels<sup>1</sup></b>	<b>FY20</b>	24	6	11	2
	<b>FY21</b>	28	13	0	
<b>Operating Rooms (year-end)</b>	<b>FY20</b>	2,855	715	1,622	738
	<b>FY21</b>	3,278	1,914	-	
<b>Occupancy Rate (%)</b>	<b>FY20</b>	75.2%	67.1%	56.4%	Deep demand Markets (high occupancies)
	<b>FY21</b>	42.1%	35.9%	-	
<b>Average Daily Rate (Rs.)</b>	<b>FY20</b>	4,399	4,027	4,438	2.0x of Adult Hotels in that year*
	<b>FY21</b>	2,531	2,785	-	
<b>Hotel level EBITDAR<sup>2</sup>/room (Rs. Lacs)</b>	<b>FY20</b>	6.9	5.5	2.3	High*
	<b>FY21</b>	1.4	1.6	-	
<b>Hotel level EBITDAR<sup>2</sup> Margin (%)</b>	<b>FY20</b>	44%	39%	39%	High*
	<b>FY21</b>	30%	36%	-	
<b>Hotel level ROCE<sup>3</sup> (%)</b>	<b>FY20</b>	12%	5%	2%	1.5x of Adult Hotels in that year*
	<b>FY21</b>	2%	1%	-	

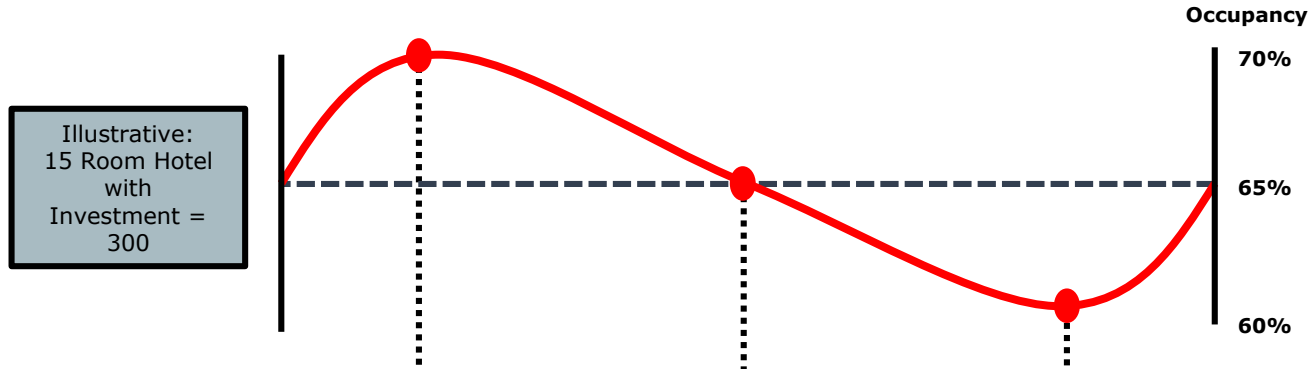
## Notes:

1) During the year FY21 4 hotels moved from toddler to adult category, 11 hotels moved from infant to toddler category and no new hotels entered into the infant category

2) Hotel level EBITDAR measures hotel-level results before lease rentals, debt service, depreciation and corporate expenses of the owned/leased hotels, and is a key measure of company's profitability

3) Hotel level RoCE is calculated as : (Hotel level EBITDAR - lease rentals)/Capital deployed for operational owned & leased hotels

# The hotel business cycle



Cycle	Top (2)	Middle (3)	Bottom (2)	
<b>Occupancy</b>	70% or more	63-68%	60% or less	
<b>Rooms Sold</b>	12	10	8	
<b>Average Daily Rate</b>	13	10	7	
<b>Revenue</b>	<b>156</b>	<b>100</b>	<b>56</b>	<b>3:2:1</b>
<b>Expenses</b>	60	50	40	
<b>EBITDA</b>	96	50	16	
<b>Hotel RoCE</b>	32%	17%	5%	<b>6:3:1</b>
<b>Sustainable Debt:Equity Coverage</b>	Full Debt	1:1	No Debt	

Note: Hotel RoCE is calculated as Hotel level EBITDA/Capital deployed for operational hotels.



## Lemon Tree Hotels Limited (LTH) Q1 FY22 Earnings Conference Call

**Time** • 3:00 PM IST on Thursday, August 12, 2021

**Conference dial-in Primary number** • Primary number: +91 22 6280 1141 / +91 22 7115 8042

**Local access number** • +91 70456 71221 (Available all over India)

**International Toll Free Number**

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

**Pre-registration**

To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link:



Click here to  
ExpressJoin the Call

Lemon Tree Hotels Limited is India's largest hotel chain in the mid-priced hotel sector, and the third largest overall, on the basis of controlling interest in owned and leased rooms, as of June 30, 2017, according to the Horwath Report. We operate in the upscale segment and in the mid-market sector, consisting of the upper-midscale, midscale and economy segments. We deliver differentiated yet superior service offerings, with a value-for-money proposition.

LTHL opened its first hotel with 49 rooms in May 2004 and currently operates ~8,300 rooms in 84 hotels across 52 destinations, in India and abroad, under its various brands viz. Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox Hotels, Keys Prima, Keys Select and Keys Lite. As the current pipeline becomes operational, LTHL will be operating ~10,400 rooms in 105 hotels across 64 destinations, in India and abroad.

Lemon Tree Hotels, including Keys Hotels, are located across India, in metro regions including the NCR, Mumbai, Kolkata, Bengaluru, Hyderabad and Chennai, as well as numerous other tier I and II cities such as Pune, Ahmedabad, Chandigarh, Jaipur, Indore, Aurangabad, Udaipur, Vishakhapatnam, Kochi, Ludhiana, Thiruvananthapuram and Vijayawada. The company expanded internationally with hotels opening in Dubai in December 2019 and in Bhutan in February 2020. New hotels are also set to open internationally in Bhutan and Nepal.

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

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